

HOSPITALITY INFORMATION MEMO

JUNE 28, 2022

Cannabis Control Board Opens Application Window for Cannabis Processors

At their board meeting on June 23, 2022, the Cannabis Control Board (the Board) approved the application window and [form of application](#) for Adult-Use Conditional Cannabis Processor licenses (the Licenses). Eligible applicants will be able to apply for the Licenses from June 28, 2022 until Aug. 31, 2022.

The Licenses permit holders to process adult-use cannabis products containing over 0.3% THC. Licensees will also be able to distribute cannabis products to licensed retail dispensaries until June 1, 2023, after which they must apply for a separate distributor license. Additionally, licensees can buy cannabis from adult-use cannabis cultivators and sell such products to other processors.

In order to apply for the Licenses, applicants must be licensed cannabinoid hemp processors who applied before Jan. 1, 2022. Additionally, the Licenses only permit licensees to perform cannabis activities allowed under the licensee's cannabinoid hemp processor license. For example, if an applicant is only authorized to manufacture cannabinoid hemp products, then that applicant will only be allowed to manufacture adult-use cannabis products and not perform any extraction activities unless the applicant applies for and receives a cannabinoid hemp processor – extracting and manufacturing license. Further, licensees will only be allowed to operate at locations where they are authorized to process cannabinoid hemp unless they receive approval under the Cannabinoid Hemp Program for an additional or different location.

Applicants will be required to submit the following when applying for the Licenses:

- Primary contact information, address and business location
- Ownership and management information (i.e., capitalization table)
- Overview of business plan
- Proposed cannabis extraction method (if applicable)
- Workers' compensation verification
- Proof of disability and paid family leave benefits insurance
- Documentation proving you are authorized to process cannabinoid hemp
- Planned source of cannabis
- Proof of a valid certificate of occupancy or its equivalent
- Proof of Good Manufacturing Practices (GMP) Audit of all processing facilities
- Disclosure of any other business activities at any processing facility
- Attestation and agreement to terms and conditions of the License
- Non-refundable \$2,000 application fee

If you have any questions about any of the information provided above or the cannabis industry in general, please contact [Jeffrey B. Scheer](#), [Dustin M. Dorsino](#) or the Bond attorney with whom you are regularly in contact.



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