



The purpose of this document is to provide further guidance regarding the timeline of and application process for medical cannabis establishment registration certificates. The following instructions are broken down representing the 3 most common regulatory scenarios.

- **Scenario 1 - Local Government Cap on Medical Marijuana Establishments in effect *prior to* October 1, 2021 and applicant numbers exceed cap.**

Applications for medical cannabis establishment registration certificates in jurisdictions that have a cap in effect prior to October 1st will be available soon with the application period closing on November 1st as provided in ARSD 44:90:03:12. The application process, including the required information for an application, has been available to the public through the Administrative Rules since October 5, 2021, when the rules were finalized.

- **Scenario 2 - Local Government Cap on Medical Marijuana Establishments in effect *on or after* October 1, 2021 and applicant numbers exceed cap.**

Applications for medical cannabis establishment registration certificates in jurisdictions that have a cap in effect on or after October 1st will be open on November 18, 2021. Those applications will retain the same submission deadline contemplated in ARSD 44:90:03:12(2).

- **Scenario 3 – No ordinance; No Cap In Effect or applicant numbers did not exceed cap – Rolling Basis**

Applications for medical cannabis establishment registration certificates in jurisdictions that have no cap in effect will also be open on November 18, 2021. These applications will be processed on a rolling basis, with no deadline.

While the above three situations will cover most scenarios that local governments will face, there will inevitably be some situations that must be handled on a case-by-case basis. In those cases, communication between the department and the local government will be of paramount importance.

If the number of applications received by a local government does not exceed the cap prior to the applicable deadline, any applications received prior to the applicable deadline will be reviewed in the order they are received by the state and a lottery will not occur. Any applications that are received after the applicable deadline will be considered on a rolling basis.

In addition to the updated timeline, local governments should be aware that applicants will begin to approach them seeking the Local Government Compliance Certification – FORM E. The certificate is to be executed by the appropriate local government official (as determined by each local government). This will require the certification of the status of your local zoning and licensing regulations on a form provided by the Department of Health as required by ARSD 44:90:03:10 and 03:11. The form is attached to this document.

Because of the degree of authority that local governments have within this process, the department seeks your assistance in ensuring compliance with the above deadlines. As the application becomes available to the public, the department is heavily relying on the willingness of local governments to assist in notifying the public about these deadlines *and* to provide applicants information on your respective jurisdiction's regulations.

Most importantly, if you are a local government with a cap on establishments in effect on or after October 1st (Scenario 2) or are a local government without a cap on establishment numbers (Scenario 3), please inform any applicants seeking a local certificate of compliance that they are not yet eligible to receive the certificate until the application from the state is made available on November 18. Due to the number of local governments and the relative complexity of establishing a comprehensive list of jurisdictions that fall into each application timeline, the department is prioritizing applications from Scenario 1 jurisdictions. The department is relying on jurisdictions that fall into Scenarios 2 & 3 to begin the application review process on November 18th as it becomes available to applicants in those jurisdictions.