*** § 3365. Registering of registered organizations.** 1. Application for initial registration. (a) An applicant for registration as a registered organization under section thirty-three hundred sixty-four of this title shall include such information prepared in such manner and detail as the commissioner may require, including but not limited to:

(i) a description of the activities in which it intends to engage as a registered organization;

(ii) that the applicant:

(A) is of good moral character;

(B) possesses or has the right to use sufficient land, buildings, and other premises (which shall be specified in the application) and equipment to properly carry on the activity described in the application, or in the alternative posts a bond of not less than two million dollars;

(C) is able to maintain effective security and control to prevent diversion, abuse, and other illegal conduct relating to the marihuana;

(D) is able to comply with all applicable state laws and regulations relating to the activities in which it intends to engage under the registration;

(iii) that the applicant has entered into a labor peace agreement with a bona-fide labor organization that is actively engaged in representing or attempting to represent the applicant's employees. The maintenance of such a labor peace agreement shall be an ongoing material condition of certification.

(iv) the applicant's status under subdivision one of section thirty-three hundred sixty-four of this title; and

(v) the application shall include the name, residence address and title of each of the officers and directors and the name and residence address of any person or entity that is a member of the applicant. Each such person, if an individual, or lawful representative if a legal entity, shall submit an affidavit with the application setting forth:

(A) any position of management or ownership during the preceding ten years of a ten per centum or greater interest in any other business, located in or outside this state, manufacturing or distributing drugs;

(B) whether such person or any such business has been convicted of a felony or had a registration or license suspended or revoked in any administrative or judicial proceeding; and

(C) such other information as the commissioner may reasonably require.

2. Duty to report. The applicant shall be under a continuing duty to report to the department any change in facts or circumstances reflected in the application or any newly discovered or occurring fact or circumstance which is required to be included in the application.

3. Granting of registration. (a) The commissioner shall grant a registration or amendment to a registration under this section if he or she is satisfied that:

(i) the applicant will be able to maintain effective control against diversion of marihuana;

(ii) the applicant will be able to comply with all applicable state laws;

(iii) the applicant and its officers are ready, willing and able to properly carry on the manufacturing or distributing activity for which a registration is sought;

(iv) the applicant possesses or has the right to use sufficient land, buildings and equipment to properly carry on the activity described in the application;

(v) it is in the public interest that such registration be granted; the commissioner may consider whether the number of registered organizations in an area will be adequate or excessive to reasonably serve the area;

(vi) the applicant and its managing officers are of good moral character;

(vii) the applicant has entered into a labor peace agreement with a bona-fide labor organization that is actively engaged in representing or attempting to represent the applicant's employees; and

(viii) the applicant satisfies any other conditions as determined by the commissioner.

(b) If the commissioner is not satisfied that the applicant should be issued a registration, he or she shall notify the applicant in writing of those factors upon which further evidence is required. Within thirty days of the receipt of such notification, the applicant may submit additional material to the commissioner or demand a hearing, or both.

(c) The fee for a registration under this section shall be a

reasonable amount determined by the department in regulations; provided, however, if the registration is issued for a period greater than two years the fee shall be increased, pro rata, for each additional month of validity.

(d) Registrations issued under this section shall be effective only for the registered organization and shall specify:

(i) the name and address of the registered organization;

(ii) which activities of a registered organization are permitted by the registration;

(iii) the land, buildings and facilities that may be used for the permitted activities of the registered organization; and

(iv) such other information as the commissioner shall reasonably provide to assure compliance with this title.

(e) Upon application of a registered organization, a registration may be amended to allow the registered organization to relocate within the state or to add or delete permitted registered organization activities or facilities. The fee for such amendment shall be two hundred fifty dollars.

4. A registration issued under this section shall be valid for two years from the date of issue, except that in order to facilitate the renewals of such registrations, the commissioner may upon the initial application for a registration, issue some registrations which may remain valid for a period of time greater than two years but not exceeding an additional eleven months.

5. Applications for renewal of registrations. (a) An application for the renewal of any registration issued under this section shall be filed with the department not more than six months nor less than four months prior to the expiration thereof. A late-filed application for the renewal of a registration may, in the discretion of the commissioner, be treated as an application for an initial license.

(b) The application for renewal shall include such information prepared in the manner and detail as the commissioner may require, including but not limited to:

(i) any material change in the circumstances or factors listed in subdivision one of this section; and

(ii) every known charge or investigation, pending or concluded during the period of the registration, by any governmental or administrative agency with respect to:

(A) each incident or alleged incident involving the theft, loss, or possible diversion of marihuana manufactured or distributed by the applicant; and

(B) compliance by the applicant with the laws of the state with respect to any substance listed in section thirty-three hundred six of this article.

(c) An applicant for renewal shall be under a continuing duty to report to the department any change in facts or circumstances reflected in the application or any newly discovered or occurring fact or circumstance which is required to be included in the application.

(d) If the commissioner is not satisfied that the applicant is entitled to a renewal of the registration, he or she shall within a reasonably practicable time as determined by the commissioner, serve upon the applicant or his or her attorney of record in person or by registered or certified mail an order directing the applicant to show cause why his or her application for renewal should not be denied. The order shall specify in detail the respects in which the applicant has not satisfied the commissioner that the registration should be renewed.

(e) Within a reasonably practicable time as determined by the commissioner of such order, the applicant may submit additional material to the commissioner or demand a hearing or both. If a hearing is demanded the commissioner shall fix a date as soon as reasonably practicable.

6. Granting of renewal of registrations. (a) The commissioner shall renew a registration unless he or she determines and finds that:

(i) the applicant is unlikely to maintain or be able to maintain effective control against diversion; or

(ii) the applicant is unlikely to comply with all state laws applicable to the activities in which it may engage under the registration; or

(iii) it is not in the public interest to renew the registration because the number of registered organizations in an area is excessive to reasonably serve the area; or

(iv) the applicant has either violated or terminated its labor peace agreement.

(b) For purposes of this section, proof that a registered organization, during the period of its registration, has failed to maintain effective control against diversion, violates any provision of this article, or has knowingly or negligently failed to comply with applicable state laws relating to the activities in which it engages under the registration, shall constitute grounds for suspension or termination of the registered organization's registration as determined by the commissioner. The registered organization shall also be under a continuing duty to report to the department any material change or fact or circumstance to the information provided in the registered organization's application.

7. The department may suspend or terminate the registration of a registered organization, on grounds and using procedures under this article relating to a license, to the extent consistent with this title. The department shall suspend or terminate the registration in the event that a registered organization violates or terminates the applicable labor peace agreement. Conduct in compliance with this title which may violate conflicting federal law, shall not be grounds to suspend or terminate a registration.

8. The department shall begin issuing registrations for registered organizations as soon as practicable after the certifications required by section thirty-three hundred sixty-nine-b of this title are given.

9. The commissioner shall register no more than five registered organizations that manufacture medical marihuana with no more than four dispensing sites wholly owned and operated by such registered organization. The commissioner shall ensure that such registered organizations and dispensing sites are geographically distributed across the state. The commission may register additional registered organizations.

* NB Repealed July 5, 2028 and Repealed 6 months after the full cannabis control board created by Article 2 of the cannabis law has been appointed