ALABAMA MEDICAL CANNABIS COMMISSION
ADMINISTRATIVE CODE

CHAPTER 538-X-3
APPLICATIONS AND LICENSING REQUIREMENTS - GENERALLY

TABLE OF CONTENTS

538-X-3-.01	Purpose
538-X-3-.02	Definitions
538-X-3-.03	Licensing And Regulation Of Medical Cannabis; Exceptions
538-X-3-.04	Applications And Applications Processing Generally
538-X-3-.05	Contents Of Application
538-X-3-.06	Amended Applications
538-X-3-.07	Withdrawal Of Applications
538-X-3-.08	Application Deficiencies; Proposed Corrections
538-X-3-.09	Applications Deemed "Submitted"
538-X-3-.10	Processing And Evaluation Of Applications
538-X-3-.11	Criteria For Awarding Licenses -- Standards, Procedures And Requirements
538-X-3-.12	Third-Party Evaluation And Recommendation
538-X-3-.13	Public Notice And Comment Period: Public Hearing
538-X-3-.14	Ineligibility For License
538-X-3-.15	Issuance Of License Notices Of Award And Notices Of Denial
538-X-3-.16	Payment Of License Fee
538-X-3-.17	Issuance Of Licenses
538-X-3-.18	Denial Of Application; Request For Hearing From Application Denial
538-X-3-.19	Penalties For False Information Or Fraud
538-X-3-.20	Special Procedures Relating to Certain Applications
538-X-3-.21	Effect of Final Order Following Evidentiary Hearing
538-X-3-A	Appendix A - Timeline For Applications and Licensing (Initial Offering)

538-X-3-.01 Purpose.

Chapter 3 of these Rules sets forth the general requirements for Applicants seeking licensure by the Commission. Specific rules applicable to each category of Applicant may be found in the rules pertaining to each category.

Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.

History: New Rule: Published August 31, 2022; effective October 15, 2022.

538-X-3-.02 Definitions.

(1) "Amended Application." An Applicant's filing, after an original application, by which the Applicant may correct any errors identified by the Applicant, to more accurately reflect facts relating to the proposed business, to generally revise and improve the quality of its previously filed application to the Commission, or for any other valid purpose. An Amended Application may be filed at any time during the window for filing an original application. After the window closes for filing an original application, an Amended Application may be filed only upon a showing of extenuating circumstances.

(2) "Applicant Questions Portal." A platform on the AMCC website designed to allow Applicants, Licensees, and others at the Commission's discretion to ask questions, make requests or share information with the Commission, particularly during the Application Process.

(3) "Application Process." The time from the date of the Offering Announcement to the Commission's issuance of all licenses in the same offering. Notwithstanding the foregoing, for the initial offering period, the Application Process shall begin on September 1, 2022.

(4) "Begin Applying for a License." The Applicant's submission of a request for application to the Commission. As to the initial offering, the window to submit such a request opens on September 1, 2022.

(5) "Commencement of Operations." The date on which the Applicant expects to begin doing business as a licensee in the cannabis or medical cannabis industry, assuming the Applicant is ultimately issued a license.

(6) "Contact Person." A knowledgeable individual designated by the Applicant to be the liaison between the Applicant and the Commission during the application process.

(7) "Correction." or "Deemed Corrected." The Commission's act of accepting a proposed change offered by an Applicant in response to a deficiency identified by the Commission. The application is "deemed corrected" when the proposed change is approved by the Commission.

(8) "Deficiency." An error in an application identified by the Commission for which a Notice of Deficiency is communicated in writing to the Applicant. As used herein, a deficiency shall

include but is not limited to: corrupted or illegible file materials, incomplete applications (i.e., missing required documentation), improperly formatted or labeled materials, and typographical or formatting errors preventing reasonable understanding of one or more of the Applicant's statements.

(9) "Extenuating Circumstances." Reasons offered by the Applicant for needing to amend its application after the window for filing original Applications has closed, to be explained by the Applicant in a Petition to Amend Application Based on Extenuating Circumstances. An Amended Application sought in connection with such a Petition, which may be approved, or not, by the Commission, may be referred to as an "Extenuating Circumstances Amended Application."

(10) "Extraordinary Circumstances." Reasons offered by the Applicant for needing additional time to file proposed corrections in response to a Notice of Deficiency issued by the Commission, to be explained by the Applicant in a Petition to Extend Time for Filing Proposed Corrections Due to Extraordinary Circumstances. An Applicant's Proposed Corrections in connection with such a Petition, which may be approved, or not, by the Commission, may be referred to as an "Extraordinary Circumstances Application."

(11) "License Awarded." The Commission's decision to grant a license to a particular Applicant, after which the Applicant has an obligation to pay the license fee.

(12) "License Issued." The Commission's delivery of a license to a particular Applicant, after the license fee has been paid and all obstacles to the Applicant's assuming the role of a Licensee have been removed. An Applicant becomes a Licensee upon receipt of the Commission's issuance of the license.

(13) "Offering," The licenses at stake, as to which the Commission may consider awarding and issuing, during a particular application process. For purposes of this Chapter, the "Initial Offering" is the licenses at stake during the first application process, which begins with the Applicants' Request for Application, the window for which opens September 1, 2022. For purposes of this Chapter, "Subsequent Offerings" shall refer to the licenses that are at stake during future application processes, after the initial offering.

(14) "Offering Announcement." The Commission's public announcement of an offering, to occur prior to (normally 15-45 days before) the opening of the window during which Requests for Application may be submitted.

(15) "Responsible Person." A person other than the contact person who holds substantial ownership or is employed by Applicant and has authority to speak and act on behalf of the Applicant.

(16) "Submitted" or "Deemed Submitted." With respect to applications filed by Applicants pursuant to an offering, the time when all proposed corrections have been accepted and approved by a vote of the Commission and all properly filed applications (both original and amended) have been formally accepted and approved by a vote of the Commission, thereby opening the 60-daywindow in which the Commission must decide which Applicants shall be awarded licenses.

(17) "Sufficient Capital." Unless otherwise ordered by the Commission, the total of the Applicant's or Licensee's annual budgets or projected annual budgets during the first three full years after the license is issued to the Applicant.
Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022.

538-X-3-.03 Licensing And Regulation Of Medical Cannabis; Exceptions.

(1) License Required. In each of the following categories a license to operate is required: integrated facility, cultivator, processor, secure transporter, dispensary, and state testing laboratory. To obtain a license, a person, including a business entity, must have applied to the Commission and been issued a license in accordance with the Act and this Chapter. No person or entity may apply for more than one category of license at a time; an applicant who withdraws an application may reapply, so long as the application is timely, in accordance with Rule 538-X-3-.05 of this Chapter.

(2) Number of Licenses to be issued by the Commission. The Commission will limit the number of licenses per category listed in paragraph 1. of this Rule to the extent directed by the Act. Nothing in the Act or this Chapter shall prevent the Commission from issuing less than the maximum number of licenses per category. The Commission may, in its discretion, determine not to issue a license in any or all categories listed in paragraph 1.; the Commission shall not issue the maximum number of licenses to the extent it determines that an insufficient number of the available Applicants in a category are properly qualified to hold a license in the category applied for.

(3) *Hemp Act Exception*. Licenses under this Chapter do not apply with respect to hemp or hemp-related products regulated by the Alabama Industrial Hemp Act, §2-8-380, et seq., Code of Ala. 1975, (as amended). Illegal

(4) *Cannabis Exception*. Licenses under this Chapter do not apply with respect to cannabis or cannabis-related products:

(a) grown, manufactured, transported, tested, or dispensed outside the state of Alabama;

(b) grown, manufactured, transported, tested, dispensed or used within the State of Alabama other than for medical use as defined under the Act and these Rules; or

(c) diverted from cannabis or cannabis-related products grown or produced for medical use under the Act and these Rules.

Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: **New Rule:** Published August 31, 2022; effective October 15, 2022.

538-X-3-.04 Applications And Applications Processing Generally.

(1) Application Fees. Applicants for a license under the Act and this Chapter shall pay a nonrefundable Application Fee in accordance with the Commission's Schedule of Fees.

(2) License Does not Convey Rights; Burden on Applicant. The license granted and issued by the Commission is deemed to be a revocable privilege (§20-2A-68, Code of Ala. 1975, (as amended)), and no person or legal entity holding such a license is deemed to have acquired any vested rights therein. An Applicant for a license authorized by the Act or this Chapter is seeking the granting of a privilege rather than a right, and the burden of proving qualification and suitability to receive the license is, at all times, on the Applicant. Responsibility for the continued use of the license is, at all times, on the licensee; licenses are non-delegable and non-transferable except with the express permission of the Commission, as provided in Chapter 4 of these Rules.

(3) Limited Communication - Generally; Exceptions. The integrity of the application and licensing process is of paramount importance to the Commission and will not be compromised. Throughout the Application Process, Applicants (including all employees, agents and representatives of Applicants and any other individual acting on an Applicant's behalf) must not initiate communication with any member of the Commission or any AMCC staff, officials, or representatives regarding the application, except as follows:

(a) through the "Applicant Questions" portal as provided at the AMCC website;

(b) by written notification to the Commission of a change in the Applicant's Summary Sheet information;

(c) to file an Amended Application, request additional time for filing proposed corrections to a deficiency noted by the Commission, to request additional opportunity to amend the application based on extenuating circumstances, or to request an investigative hearing before the Commission in the event the applicant's license was denied.

To the extent oral communication is deemed to be helpful to resolving any issue or answering any question, AMCC staff will initiate the oral communication, and the result of the oral communication will be memorialized in writing.

(4) limited Communication - Response to questions and requests for information initiated by AMCC. An applicant shall, as directed, answer questions from, and provide information to, the Commission or its staff, officials, agents, and representatives, including to propose corrections to deficiencies noted; however, unsolicited communications from the Applicant other than through the "Applicant Questions" portal are strictly prohibited. Any unauthorized contact with the Commission or its staff, officials, or representatives during the course of the Application Process may disqualify the Applicant from further consideration.

(5) limited Communication -- Applicant Questions; Question Clearinghouse. Questions or requests for assistance regarding the Request for Application, the Application, or the selection process, will be considered only when submitted though the "Applicant Questions" portal at the AMCC website. As the Commission may deem helpful, questions submitted by Applicants to the AMCC website, along with AMCC's response, may be made public for the benefit of other Applicants as part of a Question Clearinghouse database accessible through the AMCC website. Direct communication with Commission members during the application process is strictly prohibited. Ex parte communications by individual Commission members to Applicants (or their representatives) during the application process are unofficial and improper.

(6) limited Communication -- Writing Required. Communications to Commission staff in response to any question, whether through the "Applicant Questions" portal or if initiated by the AMCC Staff or other Commission representatives, must be in writing. Any oral communications will be considered unofficial and shall not be binding upon the Commission.

(7) Procedures for Filing Applications - Request for Application Form - Initial Offering. As to the initial offering of licenses under the Act and this Chapter, a prospective licensee in any category may "begin applying for a license" as stated in§ 20-2A-53, Code of Ala. 1975, (as amended) (see also §20-2A-55, Code of Ala. 1975, (as amended): "Beginning September 1, 2022…") by electronically submitting to the Commission at the AMCC website a Request for Application Form as to one of the various categories

of licenses beginning at the window opening time of 10:00 a.m., CDT, on Thursday, September 1, 2022 (For a helpful timetable applicable to the initial offering, see Appendix A to this Chapter). As to the initial offering, the window for submitting a Request for Application Form shall close as of 4:00 p.m., CDT on October 17, 2022, or at 4 p.m. Central Time on the date these Rules become effective, whichever is later.

(8) Procedures for Filing Applications-Subsequent Offerings-Offering Announcement. As to subsequent offerings, approximately 15-45 days prior to opening a window in one or more categories, the Commission shall issue an Offering Announcement on its website, providing public notice of its intention to offer one or more licenses in one or more categories. In addition to specifying the license or licenses to be offered in a category or categories, the Offering Announcement shall provide Requests for Application Forms, the window of time during which the Request for Application Forms shall be made available, and the time by which Application Forms will be supplied to those who make a timely, properly filled out and properly submitted Request for Application. As to Subsequent Offerings, the Offering Announcement shall include the timetable for the Commission's issuance of licenses to be offered, but such timetables may be amended by the Commission at its discretion.

(9) Procedures for Filing Applications - Request for Application Form - Generally. The Commission will respond to properly filled out, properly submitted and timely Requests for Application Forms per category, by electronically supplying the appropriate Application Form. The Request for Application Form shall contain the following information: the category of license being applied for, the Applicant's name, business address, business email address, business telephone number, Social Security Number or Federal Tax Identification Number; as well as the name, business address, email address, and direct dial telephone number of the contact person who will be responsible for fielding and responding to additional requests by the Commission. The Request for Application form shall also contain a verification that the contact person has authority to act on behalf of the applicant and that the Applicant, by filing the Request for Application, voluntarily submits to the Act, these Rules, and the jurisdiction, authority and discretion of the Commission.

(10) Procedures for Application Forms - Disqualification from Application Process. Requests for Application Forms will not be considered if they are:

(a) untimely,

(b) improperly filled out, or

(c) submitted or attempted to be submitted by any means other than electronically as provided herein.

Request for Application Forms that are untimely (i.e., submitted before the window opens or after the window closes), improperly filled out, or improperly submitted, will not receive an application form and therefore will not be considered for licensure in the offering. The Commission or its representatives may, in their discretion, contact an Applicant to seek clarification of information provided on the Request for Application Form, but the absence of contact from the Commission to an Applicant, or the Commission's not providing an Application Form when that form was untimely requested, not properly filled out, or improperly submitted, shall not constitute a breach of due process or permit the Applicant a right of appeal under the Act, these Rules or any provision of the Alabama Administrative Procedure Act, §41-22-1, et seq., Code of Ala. 1975, (as amended) ("AAPA").

(11) Procedures for Filing Applications - Issuance of Application Forms - Timing. As to the initial offering, properly requested Application forms shall issue on Monday, October 24, 2022, or at 4:00 p.m. Central Time on the seventh day from the closing of the window for requesting applications, whichever is later. For subsequent offerings, issuance of application forms shall occur on the date provided in the Offering Announcement.

(12) Procedure for Filing Applications -Form of Application. Applications for licenses under the Act and this Chapter shall be filed with the Commission electronically at the AMCC website and shall be in accordance with the instructions accompanying the electronic application form. The Commission shall not consider any Application, or any part thereof, that has not been filed as provided in this paragraph or that fails to follow the format prescribed by the electronic application form. Notwithstanding anything herein to the contrary, the "filing" of an application as described in these Rules shall not mean that the application is "submitted" pursuant to §20-2A-56(d), Code of Ala. 1975, (as amended); as provided in Rule 538-X-3-.07, an application is "submitted" such that the 60 days for determining whether to award a license begins to run only when the Commission accepts and approves the application for submission (including any amended applications, proposed corrections or extraordinary circumstances corrections), along with applications filed by other Applicants of a particular category in the same offering.

(13) Procedure for Filing Application - Time for Filing Application. After receiving an Application Form from the Commission, an Applicant may continue the application process by filing an application in the form specified in Rule 538-3-.05, within the window for filing provided in the Application Form provided to the Applicant. For the initial offering, the window for filing an Application shall begin at 10:00 a.m., CDT, October 31, 2022, or on the seventh day following the Commission's issuance of application forms, whichever is later. The window for filing an original application shall remain open for no less than

30 days. With respect to the initial offering, all original applications (including all exhibits to be attached thereto) must be filed on or before 4:00 p.m., CST, on December 30, 2022, or sixty days from the date the window opens to file applications, whichever is later.

(14) See Ala. Admin. Code 538-X-3-.20 for supplemental rules governing specified pending applications.
Author: William H. Webster; Mark D. Wilkerson; Justin C. Aday
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: **New Rule:** Published August 31, 2022; effective October 15, 2022. **Amended:** Published December 29, 2023; effective February 12, 2024. **Amended:** Published April 30, 2026; effective June 14, 2026.

538-X-3-.05 Contents Of Application.

The Application filed with the Commission shall include the following, in the order stated:

(1) Cover Sheet - as provided with the Application Form.

(2) Summary Sheet - as provided with the Application Form based on information provided in the Applicant's Request for Application:

(a) the category of license being applied for;

(b) the Applicant's name, business address, business email address, and business telephone number;

(c) the Applicant's Social Security Number or Federal Tax Identification Number;

(d) the name, business address, business email address, and direct dial telephone number of the contact person who will be responsible for fielding and responding to additional requests by the Commission.

Throughout the Application Process, any changes to the foregoing information must be brought to the immediate attention of the AMCC through the website, and such information changes do not constitute an "Amendment" as provided under this chapter. Notwithstanding the foregoing, changes with respect to the category of license being applied for may not be made after the window closes for requesting an application form (for the initial offering, 4:00 p.m., CDT on October 17, 2022, or at 4:00 p.m. Central Time on the date these rules become effective, whichever is later.

(3) Application Information - Responses to the Application Form, in the order provided on the Application, to the following, all of which shall be construed broadly to ensure the broadest disclosure and greatest transparency reasonably possible based on the best available information at the time of the application is submitted or amended:

(a) With regard to each ownership entity that has any ownership interest in the applicant ("ownership entity"), the applicant shall verify all of the following:

1. The identity of every individual having an indirect or direct ownership interest in the ownership entity. For purposes of this paragraph, if the business entity is a trust, the application shall disclose the names and addresses of all trustees and beneficiaries; if a privately held corporation, the names and addresses of all shareholders, officers, and directors; if a publicly held corporation, the names and addresses of all shareholders holding a direct or indirect interest of greater than five percent, officers, and directors; if a partnership or limited liability partnership, the names and addresses of all partners; if a limited partnership or limited liability limited partnership, the names of all partners, both general and limited; or if a limited liability company, the names and addresses of all members and managers.

2. The identity of all of the following other entities, if the other entities are directly or indirectly involved in the cannabis industry, including, but not limited to, the cultivation, processing, packaging, labeling, testing, transporting, or sale of cannabis.

(i) Any subsidiary, affiliate, conglomerate, parent, or other entity that shares common ownership, directly or indirectly, with the ownership entity.

(ii) Any partnership or limited liability partnership of which the ownership entity is a partner.

(iii) Any limited liability company of which the ownership entity is a member or manager.

(b) Verification with regard to each individual having any ownership interest in the applicant (greater than 5% with respect to publicly traded corporations), the identity, street address and responsible person of all entities with which the individual is connected, to the

extent the entity is directly or indirectly involved in the cannabis industry, including, but not limited to, the cultivation, processing, packaging, labeling, testing, transporting, or sale of cannabis or medical cannabis, either in Alabama or any other jurisdiction:

1. Any business, including any partnership, limited liability partnership, sole proprietorship, limited liability company or other incorporated or unincorporated business entity or venture, of which the individual or his or her spouse, parent, or child has any equity interest.

2. Any business, including any partnership, sole proprietorship, limited liability company, or other incorporated or unincorporated business entity or venture of which the individual or his or her spouse, parent, or child is a member or manager.

(c) Verification as to whether an owner, director, board member, or individual with a controlling interest in the applicant has been indicted for, charged with, arrested for, convicted of, pled guilty or nolo contendere to, or forfeited bail concerning any felony or controlled substance-related misdemeanor, not including traffic violations, regardless of whether the offense has been reversed on appeal or otherwise, including the date, the name and location of the court, arresting agency, and prosecuting agency, the case caption, the docket number, the offense, the disposition, and the location and length of incarceration.

(d) Verification as to whether the applicant or any entity affiliated with the applicant has ever applied for or has been granted any commercial license or certificate issued by a licensing board or commission in this state or any other jurisdiction that has been denied, restricted, suspended, revoked, or not renewed and a statement describing the facts and circumstances concerning the application, denial, restriction, suspension, revocation, or nonrenewal, including the licensing board or commission, the date each action was taken, and the reason for each action.

(e) Verification as to whether the applicant or any entity affiliated with the applicant is or has been authorized in any other jurisdiction to participate in the cannabis or medical cannabis industry or has been licensed (i.e., a "licensee" as defined in Chapter 1 of these Rules) or provided similar status in any other jurisdiction; if so, the applicant must provide a list of any disciplinary measures (including but not limited to formal written reprimands, citations, fines, violations,

suspensions, non-renewals, or license terminations/ revocations) received by any of its affiliate entities during the last five (5) years, including the jurisdiction, date, reason for the discipline, steps taken in compliance, and the outcome of such disciplinary measures, if any.

(f) Verification whether the applicant or any affiliate has within the last ten (10) years filed or been served with, a complaint or other notice by any governmental body, regarding a delinquency in the payment of, or a dispute over the filings concerning the payment of, any tax required under federal, state, or local law, including the amount, type of tax, taxing agency, time periods involved, and the resolution, if any, of the matter.

(g) A statement listing the names and titles of all public officials of any unit of government, and the spouses, parents, and children of those public officials, who, directly or indirectly, own any financial interest in, have any beneficial interest in, are the creditors of or hold any debt instrument issued by, or hold or have any interest in any contractual or service relationship with an applicant.

(h) The anticipated or actual number of employees at prospective commencement of operations and during the first five calendar years thereafter.

(i) The number of days, if awarded a license, within which the Applicant reasonably projects it will commence operations as to each facility identified in the application, and the number of days within which the Applicant reasonably projects it will reach full capacity as to the operations contemplated with regard to each facility identified in the Application.

(j) The Applicant's consent as required by §20-2A-55(d), Code of Ala. 1975, (as amended) to the inspections, examinations, searches and seizures contemplated by §20-2A-52(a)(3), Code of Ala. 1975, (as amended).

(k) Verification that the Applicant's proposed facility or facilities will be in a permissible location, if applicable, and will maintain compliance with all State and local laws, resolutions, and ordinances.

(l) Verification that the Applicant and its leadership have no economic interest in any other license or Applicant for license under the Act or this Chapter (See§ 20-2A-55{e), Code of Ala. 1975, (as amended)).

(m) Exhibits to the Application Information, separately formatted and labeled, in the following order:

1. The resume or curriculum vitae of each individual listed in response to subparagraph 3.(a)(l) of this Rule, showing, at a minimum, all institutions of higher education attended, including the date, location and type of any degree received; all residential addresses in the last 15 years; and the name, business address and telephone number of all employers in the last 15 years, including a contact person at each.

2. A demonstration of sufficient capital (as defined in this Chapter) available to the Applicant, as well as the source thereof, and verification of the same by a responsible person designated by the Applicant, the Applicant's contact person, and an independent certified public accountant.

3. Certified copies of the Applicant's business formation documents, to the extent applicable.

4. Records indicating that a majority of ownership in the Applicant is attributable to an individual or individuals with proof of residence in this state for a continuous period of no less than 15 years preceding the application date.

5. For an applicant seeking an integrated facility license or a cultivator license, records indicating that a majority of ownership in the Applicant is attributable to an individual or individuals, or an entity or entities, with cumulative business experience in the field of commercial horticulture or agronomic production for a period of at least 15 years.

6. Verified Written Consent from all individuals identified by§ 20-2A-55(b), Code of Ala. 1975, (as amended), to a state (SBI Form 46) and national (FBI Background Request Form) criminal background check, which shall be conducted, at the Applicant's expense, by ALEA and/or another state agency or qualified third party specializing in obtaining such background checks, as chosen by the Commission.

7. If applicable, certified copies of the applicant's business license and resolution or ordinance by local authorities (County or Municipality, as appropriate) approving the facility's business presence in the local jurisdiction.

8. A current financial statement or pro forma containing the following, with year- end projections as to each over the first three (3) calendar years (i.e., the year of commencement plus three more) following commencement of operations:

(i) Balance sheet report, providing a snapshot of the value of assets, liabilities and equity at commencement, or for projections, as of December 31 of each year.

(ii) Profit and loss report, summarizing any income, expenses and net profit from the applicant's inception to date of commencement and as projected over each calendar year thereafter, including the year of commencement.

(iii) Statement of cash flow, examining the cash flowing into and out of the applicant's business from inception to commencement and during each calendar year thereafter, including the year of commencement.

9. The Applicant's verified tax plan demonstrating understanding of, and plans for compliance with, all applicable tax laws, including but not limited to providing all information required for purposes of the taxes levied by Chapter 2A of Title 20, and payment of the same.

10. The Applicant's proposed Employee Handbook, if available, including but not limited to safety policies, including personnel safety and crime prevention techniques; the Applicant shall provide a verified current copy of same.

11. The Applicant's proposed Policies and Procedures Manual, if available; the applicant shall provide a verified copy of same.

12. A statement of the following, regarding each facility the Applicant proposes to operate, as of the commencement of operations and within two (2) years thereafter:

(i) The physical address and GPS coordinates of the facility.

(ii) An aerial photograph of the facility, including clearly identified site boundaries.

(iii) Proof of authorization for the Applicant to occupy the property where each facility is proposed to be located.

(iv) Proof of local zoning and other approvals necessary to operate the business in the local jurisdiction where the business is located, including but not limited to the local jurisdiction's ordinance or resolution approving the operation of medical cannabis facilities there.

(v) A professionally rendered blueprint (or, if not available, a professionally rendered floorplan or schematic) of each facility the Applicant proposes to operate, showing clearly drawn and labeled interiors of such facilities, including but not limited to the general function of each area of the structure, for ease in identification of operations and processes by the Commission during future inspections.

(vi) A timetable for completion and commencement of operations as to each facility.

(vii) A statement whether such facility shall be open to the public and if so the anticipated hours of business operation.

(viii) The hours of operation during which the facility will be occupied by Applicant's employees; if not continuous, the after-hours contact information for management.

13. A complete site map of any website owned or operated by the Applicant, and the web address of any webpage, social media page or other online site owned or operated by the Applicant

14. A roster of all personnel (all leaders and employees) affiliated with the company, including names, street addresses, contact telephone numbers, email addresses and social security numbers, current to within the last thirty (30) days. Applicant must verify that all employees are registered to the AMCC website and have undergone or are scheduled to undergo appropriate pre-employment background checks.

15. The Applicant's Verified Business Plan, to include, at a minimum, the following:

(i) A clearly defined business structure and plan for adherence to applicable corporate conventions.

(ii) Clearly defined business goals, including a three (3)-year and a five (SJ-year plan.

(iii) An Organizational Chart - a diagram that visually conveys the Applicant's internal structure by detailing the roles, responsibilities, and relationships between individuals within an entity.

(iv) Job descriptions of all managerial positions, showing clear delineation of authority, qualifications, and duties.

(v) Job descriptions of all non-managerial employee positions, showing clear delineation of qualifications and duties.

(vi) An executive summary, including mission statement, leadership background and qualifications, business style and philosophy, key personnel, identification of facilities' location and function.

(vii) A description of products and/or services to be cultivated, processed, transported, dispensed, or tested at each facility, as applicable, including actual (or projected) pricing data, if applicable; actual (or projected) product lifespan, if applicable; projected benefits to consumers; patents, if any; and proprietary technology, if any.

(viii) An advertising/marketing analysis and strategy, if any.

(ix) A Community Engagement Plan describing all efforts that have been or will be made to foster the applicant's relationship with, involvement in, and commitment to any community (including municipality or county) in which the applicant intends to locate a facility within the next three years.

(x) An Environmental Impact Statement outlining the anticipated impact of each of the applicant's proposed operations, per facility, on the local environment; the applicant's efforts or plans, if any, to build a relationship to foster cooperation and compliance with federal, state

and local agencies providing environmental oversight; and any steps the applicant has taken or will take to reduce or eliminate its carbon footprint and/or to achieve and maintain a positive environmental profile in each community where the applicant intends to locate and operate a facility within the next three years.

(xi) An insurance plan, including declarations pages and letters of intent, if any, from an A-rated insurer as to, at a minimum, casualty, workers' compensation, liability, and (as applicable) auto or fleet policy.

16. The Applicant's Standard Operating Plan and Procedures, verified by Applicant. Applicants must demonstrate and maintain standard operating procedures regarding the following subjects in such a way that they can be readily accessed from the physical site of operations upon the request of inspectors, the Commission, or Commission staff, including, at a minimum, the following:

(i) IT plan for ensuring accurate recordkeeping, compliance with inventory protocols, and coordination of information and systems with vendors, customers and others, as applicable, through the Alabama Medical Cannabis Patient Registry System (§20-2A-35, Code of Ala. 1975, (as amended)); the Statewide Seed-to-Sale Tracking System (§20-2A-54, Code of Ala. 1975, (as amended)), access to and coordination of which shall be paid for and maintained by the licensee; and, as applicable, a third-party inventory control and tracking system(§20-2A-60, Code of Ala. 1975, (as amended)), also to be paid for and maintained by the licensee.

(ii) Plan for maintenance and storage of cannabis and medical cannabis at all times while in possession and control of licensee, including the limitation of access to cannabis and medical cannabis to essential personnel by position.

(iii) Quality Control/Quality Assurance plan. Applicants shall have a plan for performing, at their own expense after licensure, quality control and testing of a qualified sampling (as defined in 538-x-10-.01 et seq. of these Rules) of medical cannabis in their control, regardless of whether said medical cannabis has been packaged, labeled and sealed. Such testing shall be conducted by the State Testing Laboratory (as

detailed in 538-x-10-.01, et seq. of these Rules). Nothing herein shall prohibit a licensee from conducting, at the licensee's own expense, separate in-house testing or testing by an independent third party at any point during the licensee's possession and control of cannabis or medical cannabis.

(iv) Contamination and recall plan. Applicants must, during the application process, provide to the Commission, and, upon licensing, must maintain and review at least annually thereafter, a clear written contamination and recall plan, detailing the steps to be undertaken in the event of discovery of contamination of cannabis or medical cannabis within the possession and control of the licensee. The plan must account for the safety of employees and others on the premises, notification of proper authorities, proper disposal of contaminated cannabis and medical cannabis, steps to be taken for the preservation of cannabis or medical cannabis, and the reasonable efforts to maintain access to medical cannabis by those who depend on it.

(v) Criminal activity plan. Applicants must, during the application process, provide to the Commission, and, upon licensing, must maintain and review at least annually thereafter, a clear written criminal activity plan, detailing the steps to be undertaken in the event of discovery of criminal activity related to cannabis or medical cannabis within the possession and control of the licensee. The plan must account for the safety of employees and others on the premises, reporting the criminal activity to proper authorities, steps to be taken for the preservation of cannabis or medical cannabis, and the reasonable efforts to maintain access to medical cannabis by those who depend on it.

(vi) Emergency procedures/disaster plan. Applicants must, during the application process, provide to the Commission, and, upon licensing, must maintain and review at least annually thereafter, a clear written Emergency Procedures and Disaster Plan, detailing the steps the Applicant will take to ensure the safety of employees and others on the premises, the preservation of cannabis or medical cannabis, and the reasonable efforts to maintain access to medical cannabis by those who depend on it, in the event of any reasonably foreseeable

emergency, or natural disaster that may affect the licensee, its facilities, personnel, products or customers.

(vii) Alcohol, smoke, and drug-free workplace policies. Applicants must, during the application process, provide to the Commission, and, upon licensing, must maintain and review at least annually thereafter, a clear written Alcohol, Smoke and Drug Free Workplace Policy, which shall be included in the Employee Handbook and/or the Policies and Procedures Manual.

(viii) Employee Safety Plan in compliance with parallel OSHA standards applicable in similar types of workplaces.

(ix) Confidential Information and Cybersecurity Plan. The Applicant's plan for maintaining confidential information and any records required to be confidentially maintained.

(x) A plan for tracking and proper disposal of waste cannabis or medical cannabis, as necessary.

(xi) A verified Security Plan as to each of the Applicant's proposed facilities, addressing each of the following aspects of security and meeting the following minimum thresholds:

(I) Alarm systems must be installed in all facilities where cannabis or medical cannabis is maintained or stored. Such alarms shall be provided and installed by experts in industry-standard commercial-grade alarm systems. Alarm systems must be fully operational securing all entry points and perimeter windows, be equipped with motion detectors and pressure switches covering all areas where cannabis or medical cannabis is grown, handled, stored, prepared, transported, tested, or dispensed.

(II) Reception areas and personnel adjacent to ingress and egress points shall have ready access to duress panic and hold-up alarms that may be activated in the event of access by unauthorized personnel or intruders.

(III) Licensee facilities shall maintain an audio/video surveillance system that shall be in continuous operation 24 hours per day. Recording devices shall be fixed in place

covering both the interior and exterior of the facility, in such quantity and at such resolution as shall allow for the clear identification of individuals and activities in all reasonably accessible areas of the premises, including but not limited to all point-of-sale areas, entrances, exits, parking lots, and any area where cannabis or medical cannabis is grown, handled, stored, prepared, transported, tested, or dispensed. Audio recordings shall clearly and accurately capture sound within camera range at a level of 20 decibels or greater. Audio/video surveillance recordings must clearly and accurately display the time and date.

(IV) The facility's perimeter and any outdoor premises must be surrounded by a sufficient fence or barrier to prevent access by unauthorized persons and must have sufficient lighting to allow for the proper functioning of video surveillance equipment, at all times between dusk and dawn, or at any other time when ambient lighting requires enhancement to permit identification of individuals or activities upon or immediately adjacent to the premises. Indoor premises must likewise be sufficiently lit to allow for the identification of individuals and activities.

(V) Exterior doors of each facility must be designed or reinforced to withstand unlawful forcible entry; exterior doors shall, at all times, remain locked against outside intruders, while allowing free egress by the facility's occupants in the event of an emergency; doors must permit ingress to employees and other appropriate persons only by means of a keycard or other similar electronic access device.

(VI) Exterior walls of each facility must be reinforced to withstand unlawful forcible entry. Windows, likewise, must be reinforced to prevent breakage by outside intruders.

(VII) Applicants must provide and maintain a plan for sufficient staffing of security guards at each facility where cannabis and medical cannabis is present to reasonably ensure the safety of the products stored therein; however, the applicant's plan must provide, at a minimum, one (1) security guard

per facility during the facility's business/ operating hours.

(VIII) Strict access controls shall protect areas where cannabis or medical cannabis is handled or stored - in a secured, locked room or vault.

(IX) Records, whether electronic or manual, must be kept, at all times, of all persons on the premises at a facility, including employees, vendors, transporters, medical cannabis patients and caregivers, and all others, recording the individuals' name, date, time of ingress and egress, and (as to non-employees) the reason for their presence; such records shall be kept for a minimum of two years.

(X) Audio/Video surveillance records must be kept for at least 60 days, and longer upon the request of the Commission, its inspectors, or any law enforcement personnel. Audio/Video recordings potentially reflecting an incident of actual or attempted diversion must be kept for the longer of a period of two years, or until resolution of the incident and apprehension and discipline or prosecution of the individuals involved in the actual or attempted diversion.

(XI) Employees, while on duty, shall wear identification badges that clearly identify them as employees.

(XII) Visitors, including Commission members, inspection personnel, or other representatives, shall wear a "visitor pass" or "AMCC Official" pass, as applicable, at all times while on the premises.

(XIII) Applicants, and upon licensure, Licensees, shall maintain, review and update policies to report theft, diversion or other loss of cannabis or medical cannabis to the Commission and to law enforcement within 24 hours of the event or its discovery.

(XIV) The Applicant, and upon licensure, the Licensee, upon request, shall make available to the Commission or its inspectors all information relating to security alarm systems, monitoring, alarm activity, maps of

camera locations and camera coverage, surveillance equipment maintenance logs, authorized use lists, operation instructions, and any other security-related information deemed relevant by the Commission or its inspectors.

(xii) To the extent that an applicant seeks status as a licensee that is at least 51% owned by, and is managed and controlled in its daily operations by, members of a minority group as defined in §20-2A-51(b) of the Code of Ala. 1975, (as amended), the applicant must provide a verified statement that it is applying for such status as well as documentation demonstrating the basis for seeking such status, including but not limited to a showing that at least 51% of the owners are (or, in the case of a corporation, 51% of the shares belong to) members of a minority group, and that the applicant is managed and controlled by members of a minority group in its daily operations. To the extent that the applicant has entered into contracts with any members of a minority group to assist the applicant in attaining such status, the applicant must provide verified copies of such contracts.

(xiii) Any information and/or documents specific to the category of Applicant (Cultivator, Processor, Secure Transporter, Dispensary, State Testing Laboratory, Integrated Facility) as identified separately in these Rules.

(xiv) Affidavit of the Applicant (or, if an entity, the responsible party thereof AND the contact person) that the information provided in the Application is true and correct, to the best of the Affiants' knowledge upon a diligent investigation thereof.

(xv) Application Fee as provided in § 20-2A-55(f), Code of Ala. 1975, (as amended). The Applicant's nonrefundable Application Fee, in the designated amount, must be submitted electronically per instructions accompanying the Application Form.

Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: **New Rule:** Published August 31, 2022; effective October 15, 2022.

538-X-3-.06 Amended Applications.

(1) Not more than once during an offering period, absent extenuating circumstances, an applicant having previously filed an application may, acting on its own and not as the result of incompleteness or other concerns relating to the Application as pointed out by the Commission (i.e., a notice of deficiency and proposed corrections filed by the Applicant), file an amended application, which shall require paying the amended application fee prescribed by the Commission's Schedule of Fees.

(2) An amended application may be filed to correct any errors identified by the applicant, to more accurately reflect facts relating to the Applicant's proposed business, to generally revise and improve the quality of the Applicant's previously filed application to the Commission, or for any other valid purpose.

(3) An amended application may not attempt to alter the category of business for which the applicant seeks to be licensed.

(4) Changes to information contained on the summary sheet are not considered an amendment to the application, but such changes can (and should) be made at any time during the application process and as soon as possible once the information contained on the summary sheet is no longer correct.

(5) The filing, or not, of an Amended Application shall have no bearing on whether an application may receive a notice of deficiency and warrant proposed corrections, nor whether a deficient application as to which corrections have been proposed, may also be amended.

(6) Filing an amended application replaces all information provided in the original application filing, and the Commission or its personnel shall not consider any information contained in the original filing upon receipt of an amended application or the acceptance of an extenuating-circumstances amended application. However, filing an amended application does not preclude an applicant from responding to a notice of deficiency provided by the Commission and proposing corrections for approval by the Commission.

(7) The form of the Amended Application, whether filed pursuant to paragraph 1 or 10 of this Rule, must follow the form for filing an original application set forth in this Chapter. An amended application requires a full refiling of all required parts of the original application (whether or not modified) and may not incorporate by reference or adopt any portion of the original filing. In addition to providing all information and exhibits as required in an original application, the Applicant filing an

amended application or proposed amended application shall include as an exhibit a redline version of the original application, showing what changes were made and an explanation of the reasons the change was necessary.

(8) An applicant who has filed an original application may file an amended application only once during the window of time for filing amended applications. Except as provided in paragraph 11 of this Rule, an amended application will not be accepted more than once from the same applicant, and an amended application may not be accepted in any event outside the window for filing amended Applications.

(9) The window for filing an Amended Application shall close on the date the window for filing original applications closes. For the initial offering, the window for filing an amended application shall open on November 1, 2022, at 10:00 a.m., CDT, or eight days from the date application forms are issued, whichever is later; the window for filing Amended Applications shall close at 4:00 p.m., CST, on December 30, 2022, or at the time the window for filing initial applications closes, if that date is later than December 30, 2022.

(10) In the event of extenuating circumstances, an Applicant may seek permission to extend the time for filing an amendment to its application by means of a written petition to the Commission. The petition for permission to file an amended application based on extenuating circumstances must show in detail the changes being requested and the alleged extenuating circumstances that have prevented the Applicant from including the information in the original application or in a timely amendment thereto. At the time of filing the petition, the Applicant must pay the nonrefundable amended application based on extenuating circumstances fee prescribed by the Commission's Schedule of Fees. The burden is upon the Applicant to demonstrate that the application should be allowed to be amended.

(11) Notwithstanding the provisions of paragraph 8 of this Rule, permission to file an amended application under extenuating circumstances will not be withheld based on the Applicant's already having filed an amended application. However, permission to file a proposed amendment under this paragraph will not be granted more than once for the same Applicant, and an amended application based on extenuating circumstances will not be considered if permission is not requested on a timely basis or, if permission is granted, the amended application proposed under this paragraph is not filed on or before the date specified in the Application Form. As to the Initial Offering, the date for seeking permission to file an amended application under extenuating circumstances is the later of March 3, 2023, at 4:00 p.m. CST, or at 4:00 p.m., 63 days from the deadline for filing an original application. The date for filing a proposed amended application requested under this paragraph shall be no more than 21 days from

the deadline for seeking permission to file an amended application under extenuating circumstances; as to the initial offering, that date is the later of 4:00 p.m. CDT, March 24, 2023, or at 4:00 p.m. 21 days from the deadline for seeking permission to file an amended application under extenuating circumstances.

(12) The Commission's decision to grant or deny a 10, petition to file an amended application under paragraph and the Commission's acceptance or not of the Applicant's proposed amended application, shall be made at the next meeting of the Commission not less than 15 days from the deadline for filing the proposed amended application under paragraph 10. If the petition is denied or the Applicant fails to amend its 10, application after filing a petition under paragraph the Commission shall consider the Applicant's original application (as amended, if applicable). For the initial offering, the decision to grant or deny a petition to file an amended application under extenuating circumstances shall be made at the meeting of the Commission on April 13, 2023, or at the next Commission meeting not less than 15 days after the deadline for 10, filing the proposed amended application under paragraph whichever is later. Notice of the decision shall issue to the Applicant no later than 4:00 p.m. Central Time the following business day.

(13) Notwithstanding anything herein to the contrary, the "filing" of an amended application as described in these Rules shall not mean that the application, as amended is "submitted" pursuant to §20-2A-56(d), Code of Ala. 1975, (as amended); as provided in Rule 538-X-3-.07, an application, including an amended application, is "submitted" such that the 60 days for determining whether to award a license begins to run only when the Commission accepts and approves all applications for submission (along with any original applications, or applications filed in response to a Notice of Deficiency with proposed corrections or extraordinary circumstances corrections), filed by other Applicants of a particular category in the same offering.

(14) The Applicant's failure to timely and properly file an amendment filed based on a request for an extension of time due to extenuating circumstances, and the Commission's rejection and refusal to consider applications as to which the proposed amendment were not filed, untimely filed, improperly filled out, or improperly formatted, shall not constitute a breach of due process nor permit the Applicant a right of appeal under the Act, this Chapter or any provision of the AAPA.

Author: William H. Webster; Justin C. Aday
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: **New Rule:** Published August 31, 2022; effective October 15, 2022. **Amended:** Published April 30, 2026; effective June 14, 2026.

538-X-3-.07 Withdrawal Of Applications.

Applicants may withdraw a filed Application or Amended Application at any time; however, an Applicant who has withdrawn an application may refile (and pay a new application fee) only once, and then only if the window for original Application filing remains open. Withdrawal of an Application does not exempt the applicant from the jurisdiction and authority of the Commission to issue sanctions, as appropriate to address any improper conduct by the applicant during the application process.
Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022.

538-X-3-.08 Application Deficiencies; Proposed Corrections.

(1) Not more than 45 days after the window closes for original application filing, the Commission shall issue a Notice of Deficiency, notifying any Applicant whose original or amended application filing is deficient and specifying the date by which the deficiency must be corrected, not more than eighteen (18) days after issuing the notice of deficiency. As to the initial offering, the issuance of Notices of Deficiency shall be 4:00 p.m., CST, February 13, 2023, or at 4:00 p.m. 45 days after the window closes for original application filing, whichever is later.

(2) Deficiencies, as provided herein, shall include but are not limited to: corrupted or illegible file materials, incomplete applications (i.e., missing required documentation), improperly formatted or labeled materials, typographical errors preventing reasonable understanding of one or more of the Applicant's statements.

(3) The Notice of Deficiency shall specify in what way or ways the Application has been deemed deficient and shall point out, to the extent possible, the portions of the application that were affected by the deficiency or deficiencies.

(4) Upon receiving the Notice of Deficiency, the Applicant shall have not more than 18 days to propose corrections and refile the application in full, with the proposed corrections shown as required and a redline version of the original Application filed therewith as an exhibit. At that time, the Applicant shall pay a nonrefundable response to notice of deficiency corrections processing fee as prescribed by the Commission's Schedule of Fees. For the initial offering, proposed corrections shall be due, barring extraordinary circumstances, as provided in paragraphs 5

and 6, at or before 4:00 p.m., CST, on March 3, 2023, or 18 days from the date of the Notice of Deficiency, whichever is later. The deadline for proposing corrections based on a deficiency shall be as noted by the Commission on the Application Form.

(5) The Commission, in its discretion, may allow additional time based on extraordinary circumstances, up to 60 days from the date the deficiencies were identified to the Applicant, to correct and refile the application. The Applicant's petition for additional time based on extraordinary circumstances shall be in made in writing, explaining in detail the need for additional time to make the required corrections, but the presumption shall be against allowing such additional time.

(6) With regard to the initial offering, a petition for additional time based on extraordinary circumstances must be made on or before 4:00 p.m. CST on March 3, 2023, or by 4:00 p.m., Central time 63 days after the window closes for filing an original application, whichever is later, and, if granted, would extend the time for providing proposed corrections from March 3, 2023, to March 24, 2023 at 4:00 p.m., CDT, or at 4:00 p.m., Central Time, 21 days from the initial deadline for filing corrections to deficiencies, whichever is later. At that time, the Applicant shall pay a nonrefundable extraordinary circumstances corrections processing fee as prescribed by the Commission's Schedule of Fees.

(7) Deficient applications are not deemed "corrected" as set forth in §§20-2A-55(g) and 20-2A-56(d), Code of Ala. 1975, (as amended) until an Applicant's proposed corrections are formally approved by the Commission. For the initial offering, such approval shall be granted or denied at the meeting of the Commission on April 13, 2023 (60 days from the date of the Notices of Deficiency), or at the next Commission meeting not less than 15 days after the deadline for filing the proposed extraordinary-time corrections under paragraph 6, whichever is later. Notice of the Commission's decision shall issue to the Applicant no later than 4:00 p.m. CDT the following business day.

(8) The Commission's decision to grant or deny a petition for additional time to make corrections due to extraordinary circumstances, and the Commission's approval or not of the Applicant's proposed corrections shall be made at the next meeting of the Commission not less than 15 days from the deadline for filing the proposed extraordinary- time corrections under paragraph 6 of this Rule. For the initial offering, the decision shall be made at the meeting of the Commission on April 13, 2023, or at the next Commission meeting not less than 15 days after the deadline for filing the proposed extraordinary- time corrections under paragraph 6, whichever is later. Notice of the decision shall issue to the Applicant no later than 4:00 p.m. Central Time, the following business day.

(9) Filing a corrected version of the application in response to a Notice of Deficiencies issued by the Commission replaces all information provided in the original application filing, and the Commission or its personnel shall not consider any information contained in the original filing upon the acceptance and approval of proposed corrections to an original application or an extraordinary-circumstances application. However, filing an amended application does not preclude an applicant from responding to a notice of deficiency provided by the Commission and proposing corrections for approval by the Commission.

(10) Notwithstanding anything herein to the contrary, the "filing" of proposed corrections to an application or amended application as described in these Rules shall not mean that the application has been "submitted" or "corrected" pursuant to §20-2A-56(d), Code of Ala. 1975, (as amended); as provided in paragraph 7 and in Rule 538-X-3-.07, an application, including an amended application and any application as to which proposed corrections have been made, is "corrected" and "submitted," such that the 60 days for determining whether to award a license begins to run, only when the Commission accepts and approves the proposed corrections and all accepts and approves all applications for submission (along with any original applications or amended applications) filed by other Applicants of a particular category in the same offering.

(11) The Applicant's failure to timely and properly file suitable proposed corrections, and the Commission's rejection and refusal to consider applications as to which proposed corrections were not filed, untimely filed, improperly filled out, improperly formatted, or which were unsuitable to correct the deficiencies noted, shall not constitute a breach of due process nor permit the Applicant a right of appeal under the Act, this Chapter or any provision of the AAPA.
Author: William H. Webster; Justin C. Aday
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: **New Rule:** Published August 31, 2022; effective October 15, 2022. **Amended:** Published April 30, 2026; effective June 14, 2026.

538-X-3-.09 Applications Deemed "Submitted".

Particularly with respect to offerings potentially involving multiple available licenses, but otherwise at the discretion of the Commission based on a timeline to be set forth in the Offering Announcement or included on the Application Form, no Application by any Applicant may be deemed "submitted" pursuant to §20-2A-56(d), Code of Ala. 1975, (as amended), until the Commission decides to accept and approve or reject proposed corrections and extraordinary-time proposed corrections with respect to all other deficient applications, regardless of whether the applicant's own application was deemed deficient and required

proposed corrections. In such instances, the date applications are deemed "submitted" shall also be the date the Commission decides whether to accept and approve an Amended Application under extenuating circumstances or proposed corrections filed in respect to a Notice of Deficiency or an Extraordinary Circumstances Application. With respect to the initial offering period, the Commission shall, by vote, deem all properly filed and, as necessary, corrected applications "submitted" at or before its meeting on April 13, 2023, or 60 days from the date Notices of Deficiency were issued based on deficient applications, whichever is later. The time for the Commission to determine whether a license should issue to an Applicant does not begin until all applications are deemed "submitted" as set forth in this rule, and the 60 days to grant or deny a license does not begin to run until that date. Notice of the Commission's decision shall issue to the Applicant no later than 4:00 p.m. Central Time the following business day.
Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022.

538-X-3-.10 Processing And Evaluation Of Applications.

(1) Review. The Commission, one or more independent consultants selected by the Commission, or a combination of the two, shall review submitted applications (either original, amended or as corrected) as described in this Chapter and the instructions accompanying the application form. At least a portion of the review shall be conducted under "blind" conditions, where the reviewers scoring, averaging, or ranking the applications are not made aware of the identity of the applicant or any of the individuals or other entities associated therewith. Any independent consultants selected by the Commission will provide recommendations for the Commission to consider, but the Commission shall not be bound by the recommendation and the decision as to final approval or rejection of licensees shall remain the province of the Commission at all times. Review and evaluation of applications as provided in this Rule may occur at any time during the offering period, from the date of filing requests for application through the date all licenses in the offering have been issued.

(2) Scoring, Averaging and Ranking. Applicants shall be scored, averaged, and ranked using an impartial numerical process in accordance with the requirements of the Act and the Criteria for Awarding Licenses set forth in r. 538-X-3-.11.

(3) Communication during the application process. The Commission may engage in communications with an Applicant or others at any time to gather information that may be useful in determining the

applicant's suitability as a licensee in a particular category. Applicants and their representatives shall not initiate communications with the Commission or its representatives except as otherwise provided under these Rules.

(4) Public Records and Applicants' Confidential or Proprietary Information. In general, information contained in applications filed by Applicants are public records. Applicants may, through a process to be outlined on the AMCC website at or before the time for filing applications, redact portions of the Application to protect from public view in order to protect confidential or proprietary information. Failure to include a redacted version of the application at the time of filing will result in the entire application being made public. The Commission may, by order or rule, limit the scope of any redactions submitted by an Applicant.

(5) Investigation of Applicant and Owners; Criminal Background Checks. As part of the selection process, the Commission and its representatives shall investigate the Applicant and its owners, either directly or through a third party with expertise in performing such investigations and/or conducting background checks.

(6) Pre-1icensure Inspections of Applicants' Facilities. Prior to issuing a license, the Commission may, in its discretion, either directly or through one or more independent consultants selected by the Commission, or both, conduct a Pre-Licensure Inspection to verify the information received in the Application and to provide further insights to assist in the license determination process. The Commission's decision to conduct a Pre- Licensure Inspection, or not, should not be interpreted as an indication that the Commission ultimately will or will not issue a license to the Applicant.
Author: William H. Webster; Mark D. Wilkerson; Justin Aday
Statutory Authority: Code of Ala. 1975, §20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022. **Amended:** Published December 29, 2023; effective February 12, 2024. **Amended:** Published September 30, 2024; effective November 14, 2024.

538-X-3-.11 Criteria For Awarding Licenses -- Standards, Procedures And Requirements.

(1) The number of licenses awarded as to each category of Applicant shall be in accordance with provisions of the Act, to the extent licenses regarding any particular category are limited. In no event shall the Commission award a license, as to any category, in excess of any limitation provided in the Act.

(2) In every instance, the primary consideration of the Commission in awarding any license shall be the merits of the application

submitted, including, but not limited to the Applicant's solvency, stability, suitability, capability, projected efficiency, and experience, both in relation to any baseline set by the Commission as well as in comparison with other Applicants.

(3) The Commission's criteria for granting licenses, or increasing the number of a specific category of license to grant, shall include, but shall not necessarily be limited to, the following factors:

(a) The population of the state,

(b) The number of active or anticipated registered qualified patients,

(c) Market demand for medical cannabis,

(d) The unemployment rate of the state,

(e) The need for agricultural and other business opportunities in communities,

(f) Access to health care,

(g) Infrastructure,

(h) The extent to which an Applicant, if awarded a license, anticipates fully utilizing its license authorization and/or the number of its permitted facilities,

(i) The anticipated time within which an Applicant projects being able to commence operations and/or reach full capacity as to its operations,

(j) The measures, if any, an Applicant is willing to take in seeking to minimize costs to patients,

(k) The existing or projected distribution of licenses in a category across the State,

(l) Providing the greatest benefits to the residents of Alabama, and

(m) The racial and economic makeup of Alabama.

(n) Providing variety within licensees' business models, so as to foster a diversity of approaches to doing business, engage creative or innovative ways of achieving business goals and serving the citizens of Alabama, and increase choice to patients and caregivers.

(4) The weight to be given to any particular factor, in determining whether to award a license, is discretionary with the

Commission, and the Commission need not weigh any particular factor more or less than others considered. In accordance with § 20-2A-51(b), Code of Ala. 1975, (as amended), the Commission shall ensure that at least one fifth of all integrated facility licenses in Alabama, and at least one fourth of licenses in all other categories, are awarded to business entities at least 51% of which are owned by members of a minority group, or, in the case of corporations, at least 51% of the shares of the corporation are owned by members of a minority group, and are managed and controlled by members of a minority group in its daily operations. In the event that death, resignation, attrition, dissolution, bankruptcy or any other eventuality should cause the number of 51% minority-owned integrated facilities to fall below one fifth of the total number of such integrated facilities, or as to all other categories, one fourth of the total number of such licensees, the Commission shall, at the next opportunity to award a license, prioritize awarding a license to a qualified company that fulfills the 51% minority- owned goal set forth in the Act. The foregoing goal of the Act does not pretermit the requirement that the applicant must demonstrate compliance with all applicable rules, regulations, criteria and statutory guidelines as set forth herein.

(5) In addition to the foregoing considerations, in determining whether to award a license, the Commission may consider the following factors:

(a) The integrity, moral character, and reputation; personal and business ethics; financial ability and experience; and responsibility or means to operate or maintain a facility of the Applicant and of any other individual that meets either of the following:

1. Controls, directly or indirectly, the Applicant;

2. Is controlled, directly or indirectly, by the Applicant or by a person who controls, directly or indirectly, the Applicant.

(b) The financial ability of the Applicant to maintain required financial guarantees.

(c) The nature, quality, and tenor of the Applicant's interactions with the Commission and AMCC personnel during the current or in any previous application process.

(d) The sources and total amount of the Applicant's capitalization to operate and maintain the proposed facility.

(e) Whether an owner, director, board member, or individual with a controlling interest in the Applicant has been indicted for, charged with, arrested for, convicted of, pled nolo contendere guilty or *nolo contendere* to, or forfeited bail

concerning, or had expunged any relevant criminal offense under the laws of any jurisdiction, either felony or misdemeanor, not including traffic violations, regardless of whether the offense has been expunged, pardoned, or reversed on appeal or otherwise. See 538-X-3-.05-3.c.

(f) Whether the Applicant has filed, or had filed against it, a proceeding for bankruptcy within the past seven years.

(g) Whether the Applicant has been served with a complaint or other notice filed with any court or public agency regarding payment of any tax required under federal, state, or local law that has been delinquent for one or more years.

(h) Whether the Applicant has a history of noncompliance with any regulatory requirements in this state or any other jurisdiction.

(i) Whether at the time of application the Applicant is, or in the past 10 years has been, a defendant in litigation involving its business practices.

(j) The Applicant's ability to capitalize and conduct operations as proposed in its business plan, including business experience in related fields.

(k) The Applicant's history of business activities as it applies to the specific license for which the applicant is seeking licensure.

(l) The Applicant's history of business activities as it applies to licenses applied for or awarded in other jurisdictions.

(m) The proposed location of all proposed medical cannabis facilities as being suitable for all activities, not inconsistent with applicable zoning, and the Applicant's ability to serve an identifiable geographic area.

(n) Whether the Applicant meets other standards or requirements established under the Act or these Rules. (See §20-2A-56(c)(1)-(12), Code of Ala. 1975, (as amended)

(6) In the absence of other determinative factors set forth herein, where two or more Applicants at the threshold for being awarded a license or not have earned average scores (as set forth in paragraph 2 of 538-x-3-.08) within one percentile point of each other, the Commission may, in its discretion, utilize a lottery or tie-breaking system among affected Applicants, to select which one or ones of such affected Applicants should be awarded a license.
Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.

History: New Rule: Published August 31, 2022; effective October 15, 2022.

538-X-3-.12 Third-Party Evaluation And Recommendation.

In the event the Commission opts to act through third-party "agents" (as provided in §20-2A- 55(d), Code of Ala. 1975, (as amended)) or representatives of a State Agency, to perform inspections, examinations, evaluations, and recommendations as to licenses, the Commission remains the primary decisionmaker with regard to licensing and has authority to act independently of any third-party evaluation and recommendation. This means that the Commission has discretion to act consistently with such evaluation and recommendations, to differently weigh the factors contained within such evaluation and recommendations, or to apply different factors and issue licenses based on reasons not considered by the third party, but upon such other factors as the Commission, in its discretion, may deem appropriate. Except as otherwise provided by these rules or ordered by the Commission, the Commission, AMCC Staff, and any entities or individuals contracting with the Commission or its agents, must keep confidential (as defined in 538-x-1-.02) all information and any documents obtained from any inspection, examination or evaluation of any applicant, licensee or individual in connection herewith.
Author: William H. Webster; Mark D. Wilkerson
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022. **Amended:** Published December 29, 2023; effective February 12, 2024.

538-X-3-.13 Public Notice And Comment Period: Public Hearing.

Except as may be otherwise provided under these Rules, a 30-day public comment period in compliance with §20-2A-56(a), Code of Ala. 1975, (as amended) shall begin on the next business day after applications are deemed "submitted" as provided in Rule 538-X-3-. 07. As to the initial offering period, applications are deemed submitted as to all original applications, amended applications and applications as to which corrections have been proposed, accepted and approved, upon a vote of the Commission to be taken at its meeting at 1:00 p.m., CDT, April 13, 2023, or the next meeting of the Commission not less than 15 days after the deadline to propose extraordinary-time corrections or to propose amendments to be filed under extenuating circumstances, whichever is later. On the next business day after such date, the Commission shall issue a public notice on the AMCC website, identifying by category of license sought all individuals or entities whose applications have been submitted and who are being considered for license under the Act and this Chapter and providing links to the applications

(redacted versions, if provided) supplied by the applicants. Public comments in favor or opposed to granting a license to a particular applicant must be made electronically through the AMCC website, in accordance with the instructions to be provided at that time. The Commission, in its discretion, but in any event during the public notice period and upon at least 7 days' notice, may choose to hold a public hearing as to one or more of the prospective licensees. As to the initial offering, the public notice period expires at 4:00 p.m. CST on Sunday, May 14, 2023, or at 4:00 p.m., Central Time, 30 days after the date public comment is opened, whichever is later.
Author: William H. Webster; Mark D. Wilkerson
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022. **Amended:** Published December 29, 2023; effective February 12, 2024.

538-X-3-.14 **Ineligibility For License.**

In addition to the provisions of §20-2A-56{b), Code of Ala. 1975, (as amended), setting forth the conditions under which an applicant shall be ineligible for license, the Commission also shall deem an applicant ineligible to receive a license for the following reasons:

(1) An owner, director, board member, or individual with a controlling interest in the Applicant has pled guilty to, been convicted of, or released from incarceration either in Alabama or in any other jurisdiction for, a felony, or other crime that would constitute a felony under the laws of Alabama within the past 10 years, or has in any jurisdiction pled guilty to or been convicted of a controlled substance-related misdemeanor (or other crime that would constitute a controlled substance-related misdemeanor under the laws of Alabama) within the past 10 years; provided, however, the Commission shall not consider any conviction overturned on appeal or any charge that has been expunged pursuant to Chapter 27 of Title 15 of the Code of Ala. 1975, (as amended).

(2) The Applicant has knowingly filed an application for a license under the Act and this Chapter that contains false information.

(3) An owner, director, board member, employee, agent, or other individual with an economic interest in the Applicant is a member of the Commission.

(4) The Applicant fails to demonstrate the ability to maintain adequate minimum levels of liability and casualty insurance or other financial guarantees for its proposed facility.

(5) The Applicant cannot provide records as described in §20-2A-55(a)(10), Code of Ala. 1975, (as amended), indicating that a majority of the ownership of any Applicant is attributable to an individual or individuals with proof of residence in this state for a continuous period of no less than 15 years preceding the application date.

(6) For an Applicant seeking an integrated facility license or cultivator license, the Applicant cannot provide records described in §20-2A-55(a)(11), Code of Ala. 1975, (as amended), indicating that a majority of ownership is attributable to an individual or individuals, or an entity or entities, with cumulative business experience in the field of commercial horticulture or agronomic production for a period of at least 15 years.

(7) The Applicant has failed to follow the instructions of the Commission in respect to filing its application or otherwise relating to the Act and this Chapter.

Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022.

538-X-3-.15 Issuance Of License Notices Of Award And Notices Of Denial.

Within 60 days of the date the Applicant's application (either as originally filed or as amended) is deemed submitted in accordance with Rule 538-x-3-.07 (which also shall be within 60 days of the date the Commission accepts and approves proposed corrections by an Applicant whose application had been deemed deficient), the Commission shall issue notices of award and notices of denial, as appropriate, to all Applicants under consideration for licenses in accordance with the Act and this Chapter. As to the initial offering by the Commission, the date such notices shall issue is noon, CDT, June 12, 2023, or at noon, Central Time, sixty days from the date the applications are deemed submitted, whichever is later.

Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022.

538-X-3-.16 Payment Of License Fee.

Licensees having received a notice of award granting a license shall have 14 days (as to the initial offering, until 4:00 p.m., CDT, June 26, 2023, or within 14 days of the issuance of the

notice of award) to submit the appropriate license fee. The Amount of the license fee for each Applicant which has been awarded a license shall be in accordance with the annual license fee established by the Commission, which shall be as set forth in the Commission's Schedule of Fees, and payable electronically via the Commission's online payment portal. Licensees shall be responsible for any and all transaction fees that may be assessed for their use of the online payment portal.
Author: William H. Webster; Justin C. Aday
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022. **Amended:** Published April 30, 2026; effective June 14, 2026.

538-X-3-.17 Issuance Of Licenses.

Unless the Commission or other court of competent jurisdiction enters a stay against the issuance of some or all licenses, licenses shall issue to all Applicants who have been awarded licenses upon processing of the appropriate license fees, not later than 14 days after the deadline for payment of the appropriate fee; for the initial offering, issuance of licenses shall occur on the later of noon, CDT, July 10, 2023, or 28 days from the date licenses are awarded, or within three (3) business days after the lifting of any stay on the issuance of licenses.
Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: New Rule: Published August 31, 2022; effective October 15, 2022.

538-X-3-.18 Denial Of Application; Request For Hearing From Application Denial.

(a) In accordance with §20-2A-56(e), Code of Ala. 1975, (as amended), any Applicant who has been denied a license by the Commission may seek an investigative hearing before the Commission to seek reconsideration of said denial. Request for hearing must be filed electronically on or before 4 p.m., CDT, 14 days from the date of the denial. The party seeking the investigative hearing shall serve a copy of such request to all other applicants for such license offering and shall certify the same to the Commission. Such service may be accomplished by email or USPS First-Class Mail to the authorized contact person as identified on such applicants' application.

(b) The investigative hearing shall be conducted as a contested case under the Alabama Administrative Procedure Act. If the Commission director is licensed to practice law in this state, he or she shall act and serve as hearing officer when designated by

the commission. If the director does not serve as the hearing officer, the Commission may designate the assistant director, if licensed to practice law in this state, or another licensed attorney to sit, act, and serve as the hearing officer for purposes of the investigative hearing.

(c) Upon timely application filed within ten (10) days of the request for investigative hearing, any other applicant with a submitted application for the same license offering shall be permitted to intervene upon filing a notice of intervention, which shall be served on the applicant and any other parties of record to the investigative hearing. Other parties asserting a right to intervene under §41-22-14, Code of Ala. 1975, may also file a motion to intervene within such ten (10) day period for consideration by the hearing officer.

(d) In those license categories where the number of licenses that may be issued by the Commission are limited by statute or rule, the hearing officer may consolidate pending investigative hearing requests for purposes of the hearing.

(e) The Commission shall secure a licensed court reporter, who shall maintain an index of all exhibits identified or offered at the hearing. All parties to the investigative hearing shall be responsible for the cost of any transcripts produced by the court reporter for such party. The hearing officer shall coordinate with the court reporter and Secretary of the Commission to maintain for the Commission an indexed copy of all other filings of record, rulings, and orders from the date of assignment of the case to the hearing officer through the issuance of a final order. The hearing officer shall be responsible for ensuring that all such indexed records are provided to the Commission, with a copy of the indexes (but not underlying documents) simultaneously provided to all parties. Where practicable, the hearing officer and court reporter should provide such indexes and documents to the Commission in PDF form.

(f) All records related to the application and the prior orders issued by the Commission shall be part of the record of the investigative appeal, subject to the provisions of Paragraph (g) below. The Commission's decision in regard to the investigative appeal shall be based on the whole record before the Commission.

(g) The hearing officer may issue a prehearing order requiring parties, a reasonable time before the investigative hearing, to file lists of expected witnesses, together with a general summary of each witness' testimony, copies of documents to be offered as evidence at the hearing and if specifically requested, copies of any documents referred to in the application not otherwise available to the public. The hearing officer shall give due consideration to the protection of trade secrets and other confidential or proprietary information as provided under statute

and the Commission's rules and may issue protective orders related thereto.

(h) The hearing officer may also require the direct or redirect examination of a witness through pre-filed testimony in lieu of oral examination. Such pre-filed testimony shall be in written question and answer form and shall be filed at least ten (10) calendar days prior to the hearing, unless directed otherwise by the hearing officer. At the hearing, such pre-filed testimony may, upon motion, be incorporated into the record as if the questions had been asked of the witness and the answers had been given orally, provided such testimony has been properly identified and authenticated under oath by the witness for whom it is presented and further provided that such witness is made available for cross-examination. In such cases, witnesses may also summarize their testimony orally. Pre-filed testimony may be stricken by the hearing officer on the same grounds applicable to testimony presented through oral examination. The hearing officer may take other measures to streamline the hearing process, including, but not limited to, reasonable limitations on the number of witnesses, time of presentation, and restrictions on the presentation of testimony that is purely cumulative in nature.

(i) The record of the investigative hearing will be made available to all Commissioners participating in the decision. If deemed necessary or helpful by the Commission, acting through the Chair, may instruct the hearing officer to issue a proposed order consistent with § 41-22-15, Code of Ala. 1975. Any such proposed order shall be distributed to all parties who will have ten (10) days to file exceptions or briefs relating to the proposed order. The Commission will schedule the investigative appeal for deliberation and vote at a meeting following the completion of the transcript and the deadline for all filings.

(j) The decision of the Commission on such hearing is considered a final action, triggering the right of appeal as provided in §20-2A-57(f), Code of Ala. 1975, (as amended). Despite the Commission's announcement of the award of licenses, due to the pendency of hearings or appeals on some or all licenses in a particular offering, some or all licenses may not issue, in the discretion of the Commission, but may be stayed until the time for appeal has lapsed or all appeals from the Commission's decision have resolved, whichever is later. Any deadlines or obligations imposed on licensees based on licensure under these Rules or the Act shall not begin to run until such time as licenses are issued.

(k) This rule, as amended, shall be effective for all investigative hearing requests filed on or after its effective date. The procedures set forth in this rule, as amended, are intended to provide greater detail regarding the investigative hearing process and shall not be construed as a limiting the existing hearing procedures available to the Commission, or the rights of any party, under the Alabama Administrative Procedure

Act. If any provision of this Rule, as amended, or the application of such provision or amendment to any person or circumstance is invalidated by a Court, the remainder of this Rule, as amended, and the application of the provisions of such to any person or circumstance shall not be affected thereby.
Author: William H. Webster; Mark D. Wilkerson
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: **New Rule:** Published August 31, 2022; effective October 15, 2022. **Amended:** Published December 29, 2023; effective February 12, 2024.

538-X-3-.19 Penalties For False Information Or Fraud.

Any Applicant, including any responsible party or contact person of any applicant, who knowingly submits false information or otherwise attempts to commit fraud in connection with the application and licensing process under this Chapter, in addition to having its application ruled ineligible, may be subject to penalties and fines and, potentially, criminal charges. Penalties and fines to be levied upon Applicants under this Rule shall be established by the Commission and set forth in the schedule of fines on the AMCC website.
Author: William H. Webster
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: **New Rule:** Published August 31, 2022; effective October 15, 2022.

538-X-3-.20 Special Procedures Relating to Certain Applications.

The following special procedures shall apply to all license applications that both (1) were subject to an administrative stay issued by the Commission on August 31, 2023, or the Temporary Restraining Order as referenced in orders issued by the Montgomery County Circuit Court dated August 21, 2023, August 30, 2023, and September 11, 2023; and (2) are, or become, subject to an award of license by the Commission on or after the effective date of this Rule.

Notwithstanding any other provision of the Commission's Rules:

1. Applicants whose applications were deemed submitted by the Commission but, because of file size limitations in the application portal, were either (i) unable to submit all or portions of exhibits associated with such application; or (ii) required to submit exhibits that were compressed, truncated or otherwise distorted, shall be permitted to submit, within ten (10) business days after the date on which any such applicant becomes subject to an award of license by the Commission, a full copy (PDF via USB flash drive) of such exhibits to the Commission along with the following sworn statement:

STATE OF

COUNTY OF

CERTIFICATION

I hereby attest and certify that:

1. I am [insert name]. I am [insert position] of [insert applicant name] (hereafter the "Applicant") and am authorized to submit this certification on its behalf. I have knowledge of the facts set forth in this certification.

2. The Applicant attempted in good faith to submit the exhibits listed below on or before the application deadline of December 30, 2022 but, because of file size limitations in the application portal, was either (i) previously not submitted; or (ii) compressed, truncated or otherwise distorted:

[insert description of exhibits]

3. For each exhibit listed above, I have attached a true and correct copy of metadata confirming (a) the date and time of such exhibit's creation and modification, reflecting the existence of such exhibit as of the application deadline; and (b) that such exhibits have not been altered since such date.

SIGNED this the _____ day of _____, 202_.

_____

[insert name]

SWORN TO and subscribed before me on this the _____ day of _____, 202_.

_____
NOTARY PUBLIC

My Commission Expires:

[SEAL]

2. After submission of full copies of any exhibits referenced in Paragraph 1 above, the Commission shall make available to the public copies of all application materials for each applicant. The application materials so disclosed shall be in unredacted form, except for (a) personally identifiable information and (b) trade secrets or competitively sensitive information. Information bearing on the financial ability of the applicant shall generally not be deemed competitively sensitive information for this purpose, however, nothing in this paragraph shall require disclosure of information obtained by the Commission from third parties and exempt from the Open Records Act under Ala. Code § 20-2A-55 (c) and (d). Applicants which have previously submitted a public copy of their application with redactions not permitted under this paragraph shall submit a new redacted copy (PDF via USB flash drive) to assist the agency staff with publication requirement within ten (10) business days after the date on which any applicant becomes subject to an award of license by the Commission, and the agency staff reserves the right to make further revisions to the redactions as required to meet the requirements of this paragraph. The Commission shall follow the procedure set forth in Ala. Code § 20-2A-56(a) regarding this information and the submission and receipt of public comment and shall permit additional public comments to be filed within thirty (30) days after the date on which any applicant becomes subject to an award of license by the Commission.

3. The Commission will provide notice to all applicants who are preliminarily determined to have failed one or more pass/fail items under Ala. Code § 20-2A-56(b) and Ala. Admin. Code § 538-x-3-.14, and any such applicant shall have ten (10) business days to show cause, through a written submission, as to why their application should not be rejected due to such pass/fail item(s).

4. Each Applicant will be given an opportunity, but not the obligation, to address their application and to answer questions from the Commissioners or the Commission staff, subject to the following time limitations:

License Category	Individual Time Limitation
Integrated Facility	45 Minutes
Cultivator	20 Minutes
Secure Transporter	20 Minutes
State Testing Laboratory	20 Minutes
Processor	20 Minutes
Dispensary	20 Minutes

The presentations will be scheduled by the Commission, to be conducted not earlier than thirty (30) days after the date on which any applicant becomes subject to an award of license by the Commission. The presentations shall be open to the public. Those participating in the presentations on behalf of the applicant must be physically present at the meeting site designated by the Commission, however, members of the Commission may observe and ask questions in person or by virtual means. As part of such presentation, and without extending the time limitation provided herein, Applicants may present video evidence or a written brief, not exceeding 20 pages, regarding the applicant's existing or proposed facilities and other matters identified in their application. (Example: An applicant who is allowed 20 minutes for a presentation and who has submitted a 10-minute video will be permitted, at the presentation, to show the video and make a 10-minute live presentation.) Any such video evidence or written brief shall be submitted to the Commission at least five (5) business days in advance of the applicant's scheduled presentation. Applicants presenting a video must submit the video via USB flash drive. Applicants presenting a written brief must submit an original electronic version (PDF via USB flash drive) and twenty (20) hard copies. The presentation sessions shall be managed by the Commission's Chair or his or her designee, who may extend the time limitations as needed to accommodate questions from Commissioners. Each applicant making a presentation shall be responsible for the cost for the court reporter and preparation of a transcript of their presentation and question and answer session. Presentation sessions may be videotaped to be available for later review by Commissioners.

5. As soon as practicable after the presentations are completed for an individual license category, the Commission will conduct a meeting to deliberate and award licenses in such license category. In order to determine the order in which Applicants should be considered, each Commissioner will be given an opportunity to submit, in an open meeting, a written form providing an overall preliminary rank, in descending order, of each of the Applicants in the license category, giving due consideration to all statutory and regulatory criteria. Such forms shall be tabulated and

averaged by the Commission staff and used solely to determine the order in which individual Applicants are subsequently considered. In those instances where two or more applicants receive identical average rankings, the order shall be determined by a drawing. The Chair will call for a motion to approve or deny each application in the order established above. Following such motion, duly seconded, the Chair will provide an opportunity for further deliberations and a vote.

6. The Applicant has the sole responsibility to ensure proper and timely submission of any form, document, video, or other item submitted to the Commission pursuant to the provisions of this rule. Any form, document, video, or other item submitted to the Commission pursuant to the provisions of this rule shall be mailed or hand-delivered to the Commission at the address provided below.

Alabama Medical Cannabis Commission

RSA Dexter Avenue Building

445 Dexter Avenue, Suite 8040

Montgomery, AL 36104

7. If any provision of this Rule, as amended, or the application of such provision or amendment to any person or circumstance is invalidated by a Court, the remainder of this Rule, as amended, and the application of the provisions of such to any person or circumstance shall not be affected thereby.
Author: Mark D. Wilkerson
Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.
History: **New Rule:** Published December 29, 2023; effective February 12, 2024. **Amended:** Published April 30, 2026; effective June 14, 2026.

538-X-3-.21 Effect of Final Order Following Evidentiary Hearing.

Notwithstanding any other provision of these Rules, licenses awarded or issued by written order following an evidentiary hearing conducted as a contested case before an administrative law judge shall not be subject to recission, denial, or revocation as a result of a subsequent investigative hearing held at the request of a denied applicant, and an applicant whose application is denied pursuant to such written order shall not be required to seek an investigative hearing as a prerequisite to filing an appeal.

Nothing in this rule shall restrict the right of the Commission to conduct investigations or to initiate enforcement or revocation

proceedings outside of the investigative hearing process initiated by a denied applicant.
Author: Mark D. Wilkerson
Statutory Authority: Code of Ala. 1975, § 20-2A-22, as amended.
History: **New Rule:** Published June 30, 2025; effective August 14, 2025.

538-X-3-A Appendix A - Timeline For Applications and Licensing (Initial Offering).

APPENDIX A TO CHAPTER 538-X-3
TIMELINE FOR APPLICATIONS AND LICENSING
(ASSUMING RULES BECOME EFFECTIVE OCT. 17, 2022)[1]

TH September 1, 2022, 10:00 a.m. CDT	Window opens for Request for License Application Forms
MO October 17, 2022, 10:00 a.m., CDT	Deadline for Request for License Application Forms
MO October 24, 2022, 4:00 p.m., CDT	License Application Forms go out to Requestors
MO October 31, 2022, 10:00 a.m., CDT	Window opens to begin accepting License Applications
TU November 1, 2022, 10:00 a.m., CDT	Window opens to begin accepting Amended Applications
FR December 30, 2022, 4:00 p.m., CST	Deadline for original application filings
	Deadline for amending previously submitted Applications, barring extenuating circumstances
MO February 13, 2023, 4:00 p.m., CST	Deficiency Notices go out re: all deficient Applications
FR March 3, 2023, 4:00 p.m., CST	Deadline to propose corrections (without extension) re: deficient application.
	Deadline to request extension of time for proposed corrections based on extraordinary circumstances
	Deadline to seek permission to amend an Application due to extenuating circumstances
FR March 24, 2023, 4:00 p.m., CDT	Deadline to propose deficiency corrections under extraordinary circumstances
	Deadline to submit a proposed Amended Application based on extenuating circumstances
TH April 13, 2023, 1:00 p.m., CDT (at Meeting)	By vote of Commission, proposed deficiency corrections formally accepted as submitted
	By vote of Commission, extraordinary time deficiency correction requests formally granted or denied
	By vote of Commission, submitted deficiencies formally deemed "corrected" or not
	By vote of the Commission, Petition to Amend Application due to extenuating circumstances

	shall be granted or denied and proposed amendments accepted or not
	By vote of the Commission, all properly filed and corrected Applications accepted as final and deemed "submitted" as of this date
	60 days begins to determine whether license may be issued
FR April 14, 2023, 4:00 p.m., CDT	Public notice as to all Applicants, 30-day public comment begins
TU April 25, 2023, 4:00 p.m., CDT	Public hearing date announced, if necessary
TH May 11, 2023, 10:00 a.m., CDT (at Meeting)	Public hearing date to hear comments on pending Applications
SU May 14, 2023, 4:00 p.m., CDT	Public comment period closes
MO June 12, 2023, NOON, CDT April 13, 2023)	Initial Licenses Granted or Denied (60 days from
	Window opens to pay license fee (if not stayed)
MO June 26, 2023, NOON, CDT	Deadline to request public hearing after denial of license
	Window closes to pay license fee (if not stayed)
MO June 26, 2023, 2:00 p.m., CDT	Issue Stay and Set Hearing Dates (if necessary due to appeal)
MO July 10, 2023, NOON, CDT	Licenses Issued (unless appeals are ongoing)

[1] Such deadlines may be extended by Court Order, administrative stay or as provided in the Commission's Rules.

Author: William H. Webster; Mark D. Wilkerson

Statutory Authority: Code of Ala. 1975, §§20-2A-22, as amended.

History: **New Rule:** Published August 31, 2022; effective October 15, 2022. **Amended:** Published December 29, 2023; effective February 12, 2024. **Amended:** Published April 30, 2026; effective June 14, 2026.