APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control:	538
Department or Agency:	Alabama Medical Cannabis Commission
Rule No.:	538-X-3-.10
Rule Title:	Processing And Evaluation Of Applications
Intended Action	Amend

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?	No
Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?	Yes
Is there another, less restrictive method of regulation available that could adequately protect the public?	No
Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved?	No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm that might result from the absence of the proposed rule?	NA
Are all facets of the rule-making process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?	Yes
Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule?	No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer: John McMillan

John McMillan

Date: Tuesday, July 16, 2024

REC'D & FILED

JUL 16, 2024

LEGISLATIVE SVC AGENCY

APA-2

ALABAMA MEDICAL CANNABIS COMMISSION

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Medical Cannabis Commission

RULE NO. & TITLE: 538-X-3-.10 Processing And Evaluation Of Applications

INTENDED ACTION: Amend

SUBSTANCE OF PROPOSED ACTION:
The proposed action is necessary due to statutory changes in Act 2024-342.

TIME, PLACE AND MANNER OF PRESENTING VIEWS:
A public comment portal will be available on the Commission's website (www.amcc.alabama.gov) between the date of publication (07/31/2024) and for a period of 35 days thereafter (ending on 09/04/2024).

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:
Wednesday, September 4, 2024

CONTACT PERSON AT AGENCY:
Justin Aday

John McMillan

John McMillan

(Signature of officer authorized
to promulgate and adopt
rules or his or her deputy)

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~~, or as applicable, the Department,~~ 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-licensure 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 _____; effective _____.