# **Adult-Use Cannabis Gold Standard Reference Guide**

## Section 1: Regulatory Authority and Oversight

* Single, dedicated cannabis regulatory agency
* Limited local authority over licensing standards
* Local governments can offer broadly-applied incentives
* Flexible licensing approaches (both limited and unlimited license models have merit)
* Local opt-out provisions with citizen referendum override
* Default opt-in preferred (communities must actively opt out)

## Section 2: License Types and Structure

* Core licenses: Retail, Processing/Manufacturing, Cultivation, Testing Labs (under state licensing authority)
* Vertical integration allowed (flexible approach)
* Delivery licenses available
* Social consumption licenses with specific parameters:
  + Allow up to 1g raw cannabis OR equivalent vapeable THC on-site
  + Products purchased for home consumption cannot be consumed on-site
  + Full food/beverage menu allowed (except alcohol)
  + THC-infused beverages count toward consumption limits
  + *Note: No current state meets this standard*
* Optional: Microbusiness, distribution

## Section 3: Licensing Process and Requirements

* No residency requirements (constitutionally unsound, restricts business financing)
* Criminal background flexibility:
  + Cannabis convictions should not disqualify
  + Only financial/fraud crimes relevant
  + Recognizes federal/state law disconnect
* Cost-recovery application fees only (cover state processing costs)
* Capital requirements mirror alcohol industry standards
* Reasonable timeline for application processing
* Clear appeal process for denials

## Section 4: Ownership and Control

* Publicly traded companies allowed
* No foreign investment permitted
* No limits on number of licenses per entity
* Ownership disclosure requirements (standard level)
* Clear change of ownership procedures
* Transparent financial interest reporting

## Section 5: Product Standards and Safety

* THC limits for edibles:
  + 5mg per serving
  + 50mg per package preferred (100mg maximum)
* No potency caps on flower (logistical issues)
* No potency caps on concentrates (safety concerns with fillers)
* Testing required once (avoid redundant testing)
* Testing standards flexible (state determines contaminants)
* No restrictions on product forms (all allowed)
* Standard packaging/labeling requirements

## Section 6: Sales and Distribution

* No purchase limits for qualified customers
* Equal access for out-of-state visitors
* Delivery allowed without radius restrictions
* Online ordering when federally legal
* Flexible hours of operation
* Age verification requirements (21+)
* ID checking protocols

## Section 7: Marketing and Advertising

* Advertising allowed with restrictions:
  + Cannot appeal to minors
  + Cannot appear where significant minor audience likely
* Billboard/outdoor advertising permitted (with content restrictions)
* Social media marketing allowed (with age-gating)
* Required warnings:
  + Alcohol-style warnings
  + Not for pregnant/nursing mothers
  + Not FDA approved
  + Contains THC (ASTM standard symbol)
* Content restrictions on imagery/terminology

## Section 8: Consumption Regulations

* Public consumption follows state smoking laws
* Off-duty employee use protected
* Hotels/Airbnbs can allow consumption
* Impairment-based DUI standards (not per se THC limits)
  + No fixed THC blood level thresholds
  + Based on actual impairment evidence
* Reasonable penalties for violations
* Clear enforcement protocols

## Section 9: Business Operations

* Security focused on preventing diversion (not over-regulated)
* Mandatory seed-to-sale tracking (integrated with security)
* No state licensing of employees
* 5-year record retention requirement
* Standard operating procedures
* Inventory reconciliation protocols

## Section 10: Compliance and Enforcement

* Graduated penalty system (warnings before fines)
* Administrative penalties only
* Regular inspections (monthly or quarterly)
* Appeal rights mirror alcohol licensing system
* Clear violation categories
* Reasonable fine structures
* Due process protections

## Section 11: Financial Aspects

* Excise tax: 5-15% (percentage-based, not weight-based)
* Medical cannabis tax-exempt
* Lowest feasible rates to compete with illicit market
* Revenue allocation flexible but must cover:
  + Administrative costs
  + Enforcement costs
  + Remainder to state priorities
* Local tax authority permitted
* States should decouple from federal 280E

## Section 12: Social Equity and Community Impact

* Social equity programs supported but not mandated
* Automatic expungement for cannabis convictions
  + No application required
  + State-funded process
* Revenue allocation flexible
* No position on local hiring preferences

## Section 13: Special Provisions

* Home cultivation allowed:
  + 6 flowering plants per individual
  + No limit on vegetative plants
  + Must be secure/locked
  + No sales permitted
  + One grow per household
* Cannabis events/farmers markets permitted
  + Must follow existing state distribution laws
* Research provisions flexible
* Reciprocity for out-of-state patients/licenses

## Section 14: Implementation Timeline

* Rules published within 6 months of law passage
* First sales within 12 months of law effective date
* Home cultivation begins when retail sales start
* Medical businesses get priority conversion
* Clear transition provisions
* Temporary licenses if needed

## Section 15: Relationship to Federal Law

* No federal conflict provisions
* State-level protections for banking/financial services
* States should decouple from federal 280E
* Interstate commerce triggers for when federally legal
* Clear provisions for future federal framework

## Section 16: Unique State Provisions

* Hemp intoxicant coordination
  + Clear delineation between programs
  + Consistent standards across frameworks
* Beverage-specific regulations
  + Recognition of unique distribution challenges
  + Special licensing for manufacturers
* Innovative license categories welcome
* Forward-thinking approaches beyond core standards