

**Alabama Medical Cannabis Commission
Rules and Regulations**

**Chapter 8
REGULATION OF DISPENSARIES**

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538-x-8-.01 Scope.

Dispensaries authorized pursuant to § 20-2A-64, Code of Alabama 1975 (as amended), shall operate in accordance with the provisions of the Act and this Chapter. Except as specifically provided in this Chapter, Dispensaries shall be governed by the General Rules for Licensee Applications (Chapter 3 of these Rules), the General Rules for Licensee Conduct (Chapter 4 of these Rules)

Author: William H. Webster

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

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

538-x-8-.02 Licensing and Regulation of Medical Cannabis as to Dispensaries.

1. *Generally.* Dispensaries are required to be licensed by the Commission. Dispensaries shall be licensed in accordance with the provisions of this Chapter, § 20-2A-64, Code of Alabama 1975 (as amended), and other applicable sections of the Act. Dispensary Licenses shall be awarded only to qualified applicants.
2. *Limits on Number of Dispensary Licenses.* In accordance with § 20-2A-64, the Commission shall grant no more than four dispensary licenses.
3. *Limits on Dispensing Sites per Licensee.* Each dispensary licensee may operate no more than three dispensing sites, provided that each dispensing site shall be located in a separate county from other dispensing sites operated by the same dispensary licensee. If the criteria for seeking additional dispensing sites as provided in § 20-2A-64(f), Code of Alabama 1975 (as amended), has been met, a dispensary licensee may petition the Commission to allow it to provide an additional dispensing site in an unserved or underserved area of the state based on demand for medical cannabis as reflected by numbers in the patient pool. Notwithstanding the foregoing, a dispensary licensee is not prohibited from dispensing approved medical cannabis products from a dispensing site within the same county as another dispensing site operated by a competing dispensary licensee or integrated facility licensee.
4. *Authority.* A dispensary license authorizes the following:
 - a. The purchase and transfer of medical cannabis from a processor.
 - b. If a cultivator contracts with a processor to process its cannabis into medical cannabis on the cultivator's behalf, the purchase or transfer of medical cannabis from the cultivator.
 - c. The purchase and transfer of medical cannabis from an integrated facility.
 - d. The dispensing and sale of medical cannabis only to a registered qualified patient or registered caregiver holding a valid, unexpired, and unrevoked medical cannabis card, and only within the sales area of the dispensing site.
 - e. The transfer of medical cannabis, including between the dispensary's own dispensing sites, only by means of a secure transporter.
5. *Restrictions.* A dispensary license does not permit a dispensary, including its subsidiaries, affiliates, parent entities, board members, officers, managers or employees, individually or collectively, to engage in any of the following:
 - a. Dispense cannabis prior to its processing into medical cannabis.
 - b. Purchase cannabis from a cultivator prior to its processing by a processor or Integrated Facility.
 - c. Dispense medical cannabis to non-residents of Alabama, including patients or caregivers registered or eligible for medical cannabis or the equivalent under the laws of another

- jurisdiction, or residents of Alabama who are not qualified registered patients or registered caregivers, including but not limited to registered certifying physicians.
- d. Cultivate, process or transport cannabis or medical cannabis, or perform the functions of an Integrated Facility or State Testing Laboratory.
 - e. Deliver medical cannabis to anyone, including a registered qualified patient or registered caregiver.
 - f. Hold a license as or possess stock or ownership interest in a licensed cultivator, licensed processor, licensed secure transporter, or licensed integrated facility as those terms are defined in Chapter 1 of these Rules.
 - g. Permit the sale of any products except to qualified registered patients and qualified registered caregivers, and then, only to the extent that such patients and caregivers can produce a valid medical cannabis card.
 - h. Permit sale of any products to any other person, including but not limited to individuals who are qualified registered patients or qualified registered caregivers under the laws of another state.
 - i. Except under extraordinary circumstances at the discretion of the Commission, sell medical cannabis grown or processed by entities other than the dispensary's contracting processor, cultivator, or integrated facility (See § 20-2A-64(a)(1), Code of Alabama 1975 (as amended)).
 - j. Offer for sale items other than medical cannabis obtained through contract with a licensed processor, cultivator or integrated facility, or approved medical-cannabis related equipment and supplies (see AMCC website for approved list).
 - k. Licensed Dispensaries may not perform dispensing operations at any site or facility other than those specifically approved by the Commission.
6. *Duties and Requirements.* A licensed dispensary must comply with the following:
- a. Sell or dispense only tested medical cannabis, properly packaged, bearing the universal State symbol, and properly labeled for retail sale to a registered qualified patient or registered caregiver.
 - b. Enter all transactions, account for all inventory, monitor patient usage, and log other relevant information as may be necessary or appropriate to the dispensary's business, into the Statewide Seed-to-Sale Tracking System, pursuant to § 20-2A-54, Code of Alabama 1975 (as amended).
 - c. Dispense medical cannabis only under the supervision of a certified dispenser as provided in Rule 583-x-8-.03, below.
 - d. Dispense only medical cannabis provided through valid contracts with other (non-dispensary) licensees and related products associated with medical cannabis, e.g., inhalers or other administration aids.
 - e. Prohibit medical cannabis use on its premises.
 - f. Restrict access to the premises of dispensing sites to registered qualified patients and registered caregivers, except for other authorized individuals as provided in paragraph 3.j. of Rule 583-x-8-.04.
 - g. Equip dispensing sites with surveillance cameras or other recording devices as provided in a cohesive security plan, maintaining footage captured thereon for a period of no less than sixty (60) days following the date of recording, in accordance with 20-2A-64(d)(2), Code of Alabama 1975 (as amended) and paragraph 3.j. of Rule 583-x-8-.04.

- h. Dispense medical cannabis to patients and caregivers holding a valid, unexpired and and unrevoked medical cannabis card, only in accordance with product and dosing instructions provided by the registered certifying physician and the provisions of 538-x-2-.07 of Chapter 2 of these Rules.

Author: William H. Webster

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

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

583-x-8-.03 Certified Dispensers.

Medical cannabis may only be dispensed under the supervision of a certified dispenser, in accordance with the following Rules:

1. *Definition.* For purposes of this Chapter, a certified dispenser is a managing employee of a dispensary who has undergone training and certification as required by the Commission to oversee the dispensing of medical cannabis to a registered qualified patient or registered caregiver at a dispensing site.
2. A certified dispenser must be on duty at all times while the dispensing site is open for business; a certified dispenser must oversee and sign off on all sales of medical cannabis as the dispensary employee ultimately responsible for each transaction.
3. A certified dispenser must have, at a minimum, two years of education or experience in the fields of biology, biochemistry, chemistry, physiology, pharmacology, medicine, medical cannabis, nursing, pharmaceuticals, or a similar field.
4. *Training and Continuing Education of Certified Dispensers.*
 - a. Prior to the dispensary’s commencing operations or prior to beginning work, a certified dispenser must take and pass a medical cannabis foundations training course as required by the Commission.
 - b. Annually, in addition to the Commission’s continuing education requirement for all employees a certified dispenser must undergo not fewer than ten (10) hours of continuing education approved by the Commission, to address proper dispensing procedures, including the requirements of the Act and this Chapter, prevention of abuse and diversion of medical cannabis, and other topics related to public health, safety and good business practices relating to cannabis, medical cannabis and the dispensing thereof.
5. Prior to dispensing medical cannabis, the dispensary, acting through a certified dispenser or employee supervised by a certified dispenser, shall confirm that the patient or caregiver holds a valid, current, unexpired, and unrevoked medical cannabis card, and that the dispensing of medical cannabis conforms to the type and amount recommended in the physician certification, and that the amount recommended will not exceed the 60-day daily dosage purchasing limit.
6. At the time of dispensing medical cannabis, the certified dispenser, or another dispensary employee under the supervision of the certified dispenser, shall enter into the patient registry and the Statewide Seed-to-Sale Tracking System, and shall attach to the package containing the medical cannabis the following patient-specific information:
 - a. The name and medical cannabis card number of the patient;
 - b. The name and medical cannabis card number of the caregiver, if applicable;
 - c. The name and contact information of the registered certifying physician;
 - d. The amount and type of medical cannabis being dispensed;

- e. The physician’s dosing comments and maximum daily dosage recommendation; and
 - f. The date and time the medical cannabis was dispensed.
7. A certified dispenser may, at the request of the patient or caregiver, provide instructions on the proper administration of medical cannabis, education regarding potential side effects, potential drug interactions, or other aspects of medical cannabis. Notwithstanding the foregoing, a certified dispenser may not offer advice regarding the safety or effectiveness of medical cannabis, the recommended daily dosage, or type of medical cannabis recommended by the registered certifying physician, except that a certified dispenser may direct the patient or caregiver back to the registered certifying physician to address questions or provide advice that the certified dispenser cannot.
 8. At the time required by law, the certified dispenser or another dispensary employee acting under the supervision of the certified dispenser, must allocate the appropriate sum for satisfaction of taxes as may be levied against the sale.

Author: William H. Webster

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

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

583-x-8-.04 Requirements and Limitations as to Dispensing Sites.

Dispensing sites must comply with the following:

1. *Premises.* A “dispensing site” as defined in Chapter 1 of these Rules may consist of a stand-alone building or occupy dedicated exclusive space within a multi-use structure, strip mall or other such retail facility, except that a dispensing site may not occupy space within the same multi-use structure, strip mall or other such retail facility as a certifying physician or another licensee. To the extent that the dispensing site occupies space within a multi-use structure, strip mall or other retail facility, the licensee must provide a verified plan demonstrating that the space is reasonably secure from outside intrusion and that the safety and privacy of patients and caregivers is fully supported and monitored at all times during their visits to the dispensary (including in the parking area outside the dispensing site, see 538-x-8-.04-2). Other facilities owned or leased and operated by a dispensary, such as a business office and a warehouse, shall not be deemed a dispensing site, provided that no medical cannabis products are offered for sale at such facilities.
2. *Parking Lot.* To the extent that a dispensing site is housed in a stand-alone building, a dispensary must maintain a parking area adjacent to its structure that shall be for the exclusive use of patients and caregivers seeking to purchase medical cannabis and related equipment and supplies; the parking area must be designed to provide reasonable privacy to those individuals in their ingress and egress from the dispensing site. Alternatively, if an exclusive parking area is not feasible for the stand-alone dispensary site, the dispensary must maintain for the exclusive use of patients and caregivers a designated portion of the parking area that is situated conveniently to the dispensing site, and which may be monitored and supported for the reasonable safety and security of customer patients and caregivers. To the extent that a dispensing site is housed in a multi-use structure, strip mall or other such retail facility, the dispensary must maintain for the exclusive use of patients and caregivers a designated portion of the parking area that is situated conveniently to the dispensing site, and which may be monitored and supported for the reasonable safety and security of customer patients and caregivers.

3. *Restricted Proximity to School, Daycare or Childcare Facility.*
 - a. The location of any dispensing site must be at least 1000 feet from any school, day care, or childcare facility.
 - b. For purposes of paragraph 3.a. of this Rule, the following terms have the following meanings:
 - (1) “At Least One Thousand Feet” shall mean at least one thousand feet in a straight line from the property line of the dispensing site premises to the property line of the school, daycare or childcare facility, measured at the nearest possible point between the two.
 - (2) “School, Daycare or Childcare Facility” shall mean the real property on which a public or private school for students in any grade K-12 (not including a residence in which school-age children are being home-schooled) has actively operated within the last six months, or the real property on which a licensed daycare or childcare facility has actively operated within the last six months.
 - (3) “Premises” shall mean a stand-alone structure housing a dispensing site, all portions of the real property where a dispensing site operates, including but not limited to the parking lot and any peripheral space outside the structure housing the dispensing site.
4. *Dispensing Site Prohibited in the Absence of Authorizing Local Resolution or Ordinance.* A dispensing site may not operate in the unincorporated area of a county or in a municipality that has not adopted a resolution or ordinance authorizing the operation of dispensing sites under § 20-2A-51, Code of Alabama 1975 (as amended).

Author: William H. Webster

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

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

538-x-08-.05 Applications and Licensing Procedures as to Dispensaries Generally.

1. *Generally.* Applicants for a license to operate as a Dispensary under the Act and these Rules shall be governed by the Rules for filing applications and seeking a license contained in Chapters 3 (538-x-3-.01, et seq.) and 4 (538-x-4-.01, et seq.) of these Rules, except as specifically modified below.
2. *Procedure for Filing Application – Contents of Application Specific to Dispensaries.* A Dispensary’s application filed with the Commission shall conform to the following requirements for all licensees set forth in 538-x-3-.05 of Chapter 3 of these Rules, except as noted below:
 - a. Cover Sheet – as provided in 538-x-3-.05 of Chapter 3 of these Rules.
 - b. Summary Sheet – as provided in 538-x-3-.05 of Chapter 3 of these Rules.
 - c. Application Information – as provided in 538-x-3-.05 of Chapter 3 of these Rules, except as provided otherwise below:
 - (1) The Dispensary Applicant’s verification regarding each business entity that has any ownership interest in the applicant shall conform with paragraph 3.a. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (2) The Dispensary Applicant’s verification regarding individuals having any ownership interest in the applicant, as to 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, shall conform with paragraph 3.b. of Rule 538-x-3-.05 of Chapter 3 of these Rules.

- (3) The Dispensary Applicant’s verification regarding any criminal history as to any owner, director, board member, or individual with a controlling interest in the applicant shall conform with paragraph 3.c. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (4) The Dispensary Applicant’s verified licensing history, cannabis industry history, and tax history regarding itself or any affiliate shall conform with paragraphs 3.d., 3.e. , and 3.f. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (5) The Dispensary Applicant’s verification regarding any public officials having any interest in the applicant shall conform with paragraph 3.g. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (6) The Dispensary Applicant’s statement of the anticipated or actual number of employees shall conform with paragraph 3.h. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (7) The Dispensary Applicant’s statement of the number of days, if awarded a license, within which it will commence operations and reach full capacity shall conform with paragraph 3.i. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (8) The Dispensary Applicant’s consent to the inspections, examinations, searches and seizures contemplated by § 20-2A-52(a)(3), Code of Alabama 1975 (as amended) shall conform with paragraph 3.j. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (9) The Dispensary Applicant’s verification of the permissibility of its facilities’ locations and compliance with all State and local laws shall conform with paragraph 3.k. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (10)The Dispensary Applicant’s Verification that it and its leadership have no economic interest in any other license or Applicant for license under the Act or this Chapter shall conform with paragraph 3.l. of Rule 538-x-3-.05 of Chapter 3 of these Rules.
 - (11)Self-Reporting. In the Event of an Incident Involving Injury, Loss, or Material Breach of Policies and Procedures. As provided in Chapter 3 of these Rules, any “injury,” “loss,” or a “material breach” of the licensee’s policies and procedures shall be promptly reported to the Commission, and, as applicable, law enforcement, and in no event more than 24 hours after its occurrence or discovery, to allow for swift investigation and, as necessary, remediation.
 - (12)Background Checks. As provided in Chapter 3 of these Rules, all board members, officers, management, staff and volunteers of prospective dispensaries shall undergo a pre-engagement background check, to be renewed no less often than during every third year following the date of each individual’s commencement of service on behalf of the dispensary.
3. *Procedure for Filing Application – Exhibits to Dispensary’s Application.* Exhibits to the Dispensary Applicant’s application information shall include all those as provided in subparagraphs 3.m.(1) through 3.m.(16) of Rule 538-x-3-.05 of Chapter 3 of these Rules, unless specifically provided otherwise as follows:
- a. Dispensary applicants must provide a quality control and quality assurance plan for each of their facilities, including all dispensing sites, identifying:
 - (1) An overview of the steps to be taken in the dispensing process to provide high quality products and/or to ensure the safety, potency, stability, lifespan, and consistency among batches of the same product, whether as required by law or otherwise.

- (2) What tests will be conducted, if any, and at what point or points during the dispensing process.
 - (3) Whether each test to be conducted will be performed in-house, through unofficial private testing performed by a State Testing Laboratory, or through an official test by a State Testing Laboratory.
 - (4) A plan for return and remediation or destruction of any failed test samples, including entry of the event on the Statewide Seed-to-Sale Tracking System.
- b. Dispensary applicants must provide:
 - (1) A *curriculum vitae* for the business, demonstrating the education, experience, and other credentials of the certified dispenser(s), and any other science- or engineering-based employees or employees with a business background (i.e., accounting, finance, managing, marketing, advertising, public relations, etc.) among its leadership and/or employed at each facility, including but not limited to all dispensing sites.
 - (2) A detailed explanation of the role each leader, certified dispenser, scientist, businessperson, or engineer is to have in the operation of the dispensary at each facility.
 - (3) A 5-year hiring plan for its employees, identifying the types, positions, required education, required experience, and expected roles of such personnel.
 - c. Dispensary Applicants must provide a plan for receiving and coordinating information and certifications from registered certifying physicians recommending medical cannabis products for patient and caregiver customers.
 - d. Dispensary Applicants must provide a plan for point-of-sale education, consultation, provision of information, responses to patient and caregiver questions, and instructions for use regarding all medical cannabis products, to be conducted by the certified dispenser.
 - e. Dispensary applicants must create and maintain at all times a plan pursuant to 538-x-3-.05-3.m.(16)(i) and 538-x-4-.07-12.o.(9), for maintaining confidential information and providing cybersecurity for sensitive information with respect to patients and caregivers, but the dispensary shall include within that plan a set of protocols for maintaining the confidentiality of patient information in accordance with HIPAA arising from or related to the dispensary's access to the Patient Registry and/or from any other source.
 - f. Dispensary applicants must provide a Community Engagement Plan describing all efforts that have been or will be made to foster the dispensary's relationship with, involvement in, and commitment to any community (including municipality or county) in which the dispensary intends to locate a facility within the next three years.
 - g. Dispensary applicants must provide an Environmental Impact Statement outlining the anticipated impact of each of the dispensary'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.
 - h. Dispensary applicants must provide a detailed plan for handling money and allocating and remitting taxes as required by any local, state or federal agency.

- i. Dispensary applicants must provide copies of all contracts, contingent contracts, memoranda of understanding (or, if none of the foregoing are available, exemplars) between themselves and:
 - (1) Any Cultivator or prospective Cultivator.
 - (2) Any Secure Transporter or prospective Secure Transporter.
 - (3) Any State Testing Laboratory or prospective State Testing Laboratory.
 - (4) Any Processor or prospective Processor.
 - (5) Any Integrated Facility or prospective Integrated Facility.
- j. Dispensary applicants must create a receiving and shipping plan that, at a minimum, ensures the following, in coordination with the contracted Secure Transporter or State Testing Laboratory, as applicable:
 - (1) Individual batches of medical cannabis being received for storage and/or dispensing were appropriately prepared, packaged, and labeled at the time of receipt, having been QR coded or otherwise digitally coded to identify, at a minimum, the Processor or Integrated Facility, the facility of origin, date of processing, packaging, and labeling, and the date of the Processor's or Integrated Facility's State Laboratory testing approval.
 - (2) Incoming medical cannabis is accompanied by the Secure Transporter's manifest and other appropriate documentation; the information thereon is accurate, and the manifest has been duly executed by all appropriate parties.
 - (3) All information from the QR code relating to the incoming medical cannabis, as well as the date and time of arrival, has been logged into the Statewide-Seed-to-Sale Tracking System.
 - (4) Medical cannabis products being received by the Dispensary by means of a Secure Transporter must be appropriately packaged, labeled, and inserted in containers prior to transport.
 - (5) Batches and containers being shipped by the Dispensary to or from another licensee's facility or to or from another of the Dispensary's own facilities must be QR coded or otherwise digitally coded to identify, at a minimum, the Cultivator, Processor or Integrated Facility from which the medical cannabis was sourced, the facility or facilities of origin, type of product, date of processing and packaging, expiration date (or, if no expiration date, a notation that the expiration date does not apply), the date of the Processor's State Laboratory testing approval, and the Alabama Poison Control contact information as provided on the AMCC website.
 - (6) Outgoing medical cannabis being sent for testing is accompanied by the Secure Transporter's or State Testing Laboratory's manifest and other appropriate documentation; the information thereon is accurate and has been duly executed by all appropriate parties.
 - (7) All information from the QR code relating to the outgoing medical cannabis, as well as the date and time of shipment, has been logged into the Statewide-Seed-to-Sale Tracking System.
- k. Dispensary applicants must provide a marketing and advertising plan, if any, including:
 - (1) Any proposed logos, branding, messaging, or other marketing or advertising communications, either in-house (e.g., in displays or on video monitors installed in the dispensing site) or providing exemplars of any specific advertisements.

- (2) Any specific media outlets or platforms where the marketing or advertising campaigns or programs will be utilized.
 - (3) The identity of any media outlet, social media platform, or third-party individual or entity which is projected to play any role in the Dispensary's marketing or advertising efforts, and copies of all contracts or contract forms proposed for use, if any, between itself and such media outlet or third-party individual or entity.
- i. Dispensary applicants must provide a detailed recall plan that will be followed in the event one or more of the products offered for sale at its dispensing sites, including any lots or batches thereof, is determined to require recall. The plan must include, but is not limited to, the following:
- (1) Provisions for notifying the originating Processor or Integrated Facility and any other licensee in the chain of custody of an adverse event;
 - (2) Factors about an adverse event that would likely necessitate a recall, and any potential for retesting or remediation;
 - (3) Responsible individuals or positions within the Dispensary's organization who will oversee the recall process;
 - (4) Notification protocols to other licensees and the Commission through the Statewide Seed-to-Sale Tracking System;
 - (5) Processes to ensure that the recalled product is returned, remediated (and ultimately approved as safe), or destroyed; processes to report to the Commission and any other appropriate regulatory body regarding crisis response and steps taken to mitigate or avoid danger to the public;
 - (6) Steps to be taken to avoid further contamination, to preserve and protect uncontaminated cannabis or medical cannabis products, and to ensure access to said products by those who depend on it; and
 - (7) Investigation and analysis of the factors that led to the unsafe condition requiring the recall, and any adjustments to internal protocols and processes to avoid recurrence.
- m. The Dispensary Applicant's Security Plan must include a plan for security at each facility, including but not limited to the following:
- (1) Twenty-four-hour alarm systems must be installed in all facilities where cannabis or medical cannabis products are present. 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, and must cover all areas where cannabis or medical cannabis products are delivered, received, handled, stored, prepared, dispensed or sold.
 - (2) 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.
 - (3) Broadcast communication devices (cell phones, intercom equipment or the like) must be:
 - (a) Carried by each employee or installed in all areas of each Dispensary's facility designed for regular access by humans.
 - (b) Accessible for communication by all personnel at all times, and particularly at perimeter ingress/egress stations, facility reception areas, and the security office.

- (c) Capable of providing information with sufficient clarity to be heard and understood by all personnel and visitors within earshot of the employee receiving the communication.
- (4) Dispensary's facilities shall maintain an audio/video surveillance system that shall be in continuous operation 24 hours per day. Cameras shall be fixed in place covering both the interior and exterior of the Dispensary's facility, in such quantity, with such lighting, 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 entrances, exits, parking lots, and any area where cannabis or medical cannabis is delivered, received, handled, stored, prepared, dispensed, or sold. Audio/Video surveillance recordings must clearly and accurately display the time and date. Audio recordings shall clearly and accurately capture sound within camera range at a level of 20 decibels or greater.
- (5) As to any facility owned by a dispensary at which medical cannabis is maintained, except a dispensary site, the dispensary must surround the perimeter of such facility with 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 and activities upon or immediately adjacent to the premises. Indoor premises must likewise be sufficiently lit to allow for the identification of individuals and activities.
- (6) Exterior doors of each facility operated by a Dispensary must be designed or reinforced to withstand unlawful forcible entry; exterior doors shall remain locked against outside intruders at all times, 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 (other than Patients and Caregivers) only by means of a keycard or other similar electronic access device. Patients and caregivers may be granted access by Dispensary personnel only upon showing a valid, unexpired and unrevoked medical cannabis card.
- (7) A dispensary site must be housed (A) in a stand-alone building or (B) within a multi-use structure, strip mall or other such retail facility; the area occupied by the dispensary site is not to be accessible to or used by neighboring businesses, other tenants or others not employed by the dispensary. To the extent that the dispensary site is housed within a multi-use structure, strip mall or other such retail facility, the dispensary site must be self-contained, or at a minimum, segregated from other businesses and activities being conducted in the multi-use structure, strip mall or other such retail facility by separate points of ingress and egress or, at a minimum, separately keyed and electronically protected entryways accessible only to employees of the dispensary; patients and caregivers; AMCC representatives and their guests; representatives of other licensees; vendors, cleaning crew personnel, and repair workers carrying out business-related functions on the premises; representatives of the lessor during routine inspections or similar circumstances warranting a physical visit to the premises; or other appropriate individuals.
- (8) Dispensary Facilities must maintain 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 dispensary must provide, at a minimum, one (1) security guard per facility during the facility's business/operating hours.
- (9) Strict access controls shall protect areas where cannabis or medical cannabis and daily monetary receipts are handled or stored – in a secured, locked room or vault.
 - (10) Protocols for beginning-of-day and end-of-day movement of medical cannabis and cash between secure areas and sales areas, as well as a plan for maintaining security of daily cash on hand at all times.
 - (11) Members of the public, other than patients and caregivers holding a valid, unexpired, unrevoked medical cannabis card, are not allowed inside a dispensing site. Records, whether electronic or manual, must be kept of all persons on the premises at a facility at all times, including employees, vendors, transporters or other licensees, and all official visitors, 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, and longer at the request of the Commission or law enforcement.
 - (12) 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.
 - (13) Employees, while on duty, shall wear identification badges that clearly identify them as employees.
 - (14) Visitors, including vendors, other licensees, Commission members, inspection personnel, or other representatives must wear a "visitor pass" or "AMCC Official" pass, as applicable, at all times while on the premises.
 - (15) Dispensaries shall maintain, review and update policies to report theft, diversion, or other loss of cannabis products to the Commission and to law enforcement as early as practicable and not more than 24 hours from the event or its discovery.
 - (16) Upon request, a Dispensary 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, audio/video footage, surveillance equipment maintenance logs, authorized use lists, operation instructions, and any other security-related information deemed relevant by the Commission or its inspectors.
 - (17) Upon request, a Dispensary shall make available to the Commission or its inspectors all information relating to the Dispensary's security plan.
 - (18) Signage. The dispensary shall prominently display at each entrance point to a dispensing site and in at least one location in the sales area of the dispensing site signs stating as follows:
 - "*WARNING: This facility is monitored at all times using audio and video surveillance. Entry to this business and purchases within are strictly prohibited except as to registered patients and caregivers presenting valid identification as required by law.*"
- n. The number of patients, caregivers and others on the premises at a dispensing site at any given time may not be more than can be reasonably monitored by the employees present in

- the retail area, and in no event shall the total number of individuals on the premises exceed that permitted by the applicable fire code.
- o. The Dispensary Applicant must provide an affidavit signed by the responsible individual and designated contact person (or, if the Dispensary is an entity, the duly authorized officer, owner or interest holder and the designated 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.
 - p. The Dispensary Applicant must provide the application fee required by § 20-2A-55(f), Code of Alabama 1975 (as amended). The application fee is nonrefundable and must be submitted electronically per instructions in the Application Form received in response to the applicant's Request for Application.
4. In all other respects except as expressly stated otherwise in this Rule, Dispensary Applicants shall be governed by the rules for applications (Chapter 3 of these Rules) and licensing (Chapter 4 of these Rules) generally pertaining to all applicants.

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

538-x-8-.06 Post-Licensing Inspection of Dispensary Facilities.

Post-Licensing Inspection of Dispensary facilities under the Act and these Rules shall be governed by Rule 538-x-4-.02 of Chapter 4 of these Rules.

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

538-x-8-.07 Investigation of Dispensary Licensees.

Investigation of Dispensary licensees under the Act and these Rules shall be governed by Rule 538-x-4-.03 of Chapter 4 of these Rules.

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

538-x-8-.08 Training and Continuing Education Requirements for Dispensaries.

Training and Continuing education requirements for Dispensaries' owners, officers, administrators, managers, and employees shall be as set forth in Rule 538-x-4-.04 of Chapter 4 of these Rules.

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

538-x-8-.09 Dispensaries' Maintenance of Proper Technology.

Dispensaries' duty to maintain proper technology shall be governed by Rule 538-x-4-.05 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.10 Dispensaries' Annual Licensing Fees; Schedule.

Dispensaries' duty regarding annual license fees, shall be as set forth in Rule 538-x-4-.06 of Chapter 4 of these Rules, and the schedule therefor shall be contained on the AMCC website.

Author: William H. Webster

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

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

538-x-8-.11 Dispensaries' Duty to Meet and Maintain Standards, Policies, Procedures and Operations Per Application.

A Dispensary licensee has an ongoing duty to meet and maintain the standards, policies, procedures, and operations, both at the pre-commencement inspection and at all times thereafter, as it affirmed to the Commission at the time of licensing, as such standards, policies, procedures, and operations may have been amended and updated by the licensee from time to time in accordance with Rules 538-x-4-.08 and 538-x-4-.19., as provided in Rule 538-x-4-.07 of Chapter 4 of these Rules and as modified by Rule 538-x-8-.04 of this Chapter.

Author: William H. Webster

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

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

538-x-8-.12 Dispensaries' Duty to Notify or Seek Permission Regarding Material Change in Licensing Information.

Dispensaries' duty to notify or seek the Commission's permission regarding any material change in licensing information shall be governed by Rule 538-x-4-.08 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.13 Dispensaries' Term of Licenses.

The term of Dispensaries' licenses shall be governed by Rule 538-x-4-.09 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.14 Dispensaries' Applications for Renewal of License.

Dispensaries' applications for renewal of license shall be governed by Rule 538-x-4-.10 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.15 Dispensaries' Notifications to Apply for Renewal.

Dispensaries' notifications to apply for renewal shall be governed by Rule 538-x-4-.11 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.16 Expiration of Dispensaries' Licenses; Delinquent License Renewal; Failure to Apply for Renewal.

The expiration of Dispensaries' licenses, renewal of delinquent licenses and consequences for failing to apply for renewal shall be governed by Rule 538-x-4-.12 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.17 Dispensaries' License Renewal Process and Procedures; Use of Independent Third-Party Consultants.

Dispensaries' renewal process and procedures, and the Commission's use of independent third-party consultants as to Dispensaries, shall be governed by Rule 538-x-4-.13 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.18 Dispensaries' License Renewal Fees.

License renewal fees for Dispensaries shall be governed by Rule 538-x-4-.14 of Chapter 4 of these Rules. License renewal fees shall be set forth on the schedule of fees maintained by the Commission on the AMCC website.

Author: William H. Webster

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

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

538-x-8-.19 Non-renewal of Dispensaries' Licenses.

Non-renewal of Dispensaries' licenses shall be governed by Rule 538-x-4-.15 of Chapter 4 of these Rules.

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

538-x-8-.20 Dispensaries' Transfer of Licenses; Change of Ownership.

Dispensaries' transfer of licenses and change of ownership shall be governed by Rule 538-x-4-.16 of Chapter 4 of these Rules.

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

538-x-8-.21 Marketing and Advertising by Dispensaries.

Dispensaries' duties with respect to Advertising, except as specifically modified within these Rules, shall be governed by Rule 538-x-4-.17 of Chapter 4 of these Rules.

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

538-x-8-.22 Relocation of Dispensaries' Facilities.

Relocation of Dispensaries' facilities shall be governed by Rule 538-x-4-.18 of Chapter 4 of these Rules.

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

538-x-8-.23 Material Change in Dispensaries' Information.

Rules regarding a material change in a Dispensaries' Information previously provided to the Commission shall be governed by Rule 538-x-4-.19 of Chapter 4 of these Rules.

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

538-x-8-.24 Temporary Licenses for Dispensaries.

Rules regarding temporary licenses for Dispensaries shall be governed by Rule 538-x-4-.20 of Chapter 4 of these Rules.

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

538-x-8-.25 Dispensaries' Surrender of License; Cessation of Operations.

A Dispensary's surrender of license and/or cessation of operations shall be governed by Rule 538-x-4-.21 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.26 Disciplinary Actions Against Dispensaries.

Disciplinary Actions against Dispensaries shall be governed by Rule 538-x-4-.22 of Chapter 4 of these Rules.

Author: William H. Webster

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

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

538-x-8-.27 Dispensaries' Appeals from Adverse Decisions by the Commission.

Dispensaries' appeals from adverse decisions by the Commission shall be governed by Rule 538-x-4-.23 of Chapter 4 of these Rules.

Author: William H. Webster

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

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