

APA-1

TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control: 538
Department or Agency: Alabama Medical Cannabis Commission
Rule No.: Chapter 538-X-1
Rule Title: General Provisions, Scope And Construction Of Rules
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, February 17, 2026

REC'D & FILED
FEB 18, 2026
LEGISLATIVE SVC AGENCY

ALABAMA MEDICAL CANNABIS COMMISSION

NOTICE OF INTENDED ACTION

AGENCY NAME: Alabama Medical Cannabis Commission

RULE NO. & TITLE: Chapter 538-X-1 General Provisions, Scope And Construction Of Rules

INTENDED ACTION: Amend

SUBSTANCE OF PROPOSED ACTION:

To propose amendments to certain provisions of Ala. Admin. Code Chapter 538-X-1 as approved by the Alabama Medical Cannabis Commission on February 12, 2026.

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 (02/27/2026) and for a period of 35 days thereafter (ending on April 3, 2026).

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Friday, April 3, 2026

CONTACT PERSON AT AGENCY:

Justin C. Aday
justin.aday@amcc.alabama.gov

John McMillan

John McMillan

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

ALABAMA MEDICAL CANNABIS COMMISSION
ADMINISTRATIVE CODE

CHAPTER 538-X-1
GENERAL PROVISIONS, SCOPE AND CONSTRUCTION OF RULES

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538-X-1-.01 Scope.

These rules, in accordance with the Darren Wesley "Ato" Hall Compassion Act (§20-2A-1, et seq., Code of Ala. 1975, (as amended)) ("the Act"), govern the production, transportation, dispensation, testing and use of medical cannabis, as well as the procedures for patient registration, industry licensing, and general regulation of medical cannabis within the State of Alabama. Authority for these rules, as promulgated and amended from time to time by the Alabama Medical Cannabis Commission ("the Commission"), is derived from the Act.

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-1-.02 Construction.

These rules shall be construed and administered to provide registered qualified patients the maximum benefit of medical cannabis with minimum diversion, in accordance with, and giving reasonable effect to, the Act

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-1-.03 **Time.**

In computing any period of time prescribed or allowed by these rules, by order of the Commission, or by the Act, the day of the act, event or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a legal holiday, or, when the act to be done is the filing of a document with the Commission, a day on which weather or other conditions have caused the Commission's offices to be inaccessible or to close upon the orders of the Governor, in which event the period runs until the end of the next day that is not one of the aforementioned days. Except as otherwise provided in these Rules or by order of the Commission, when the period of time prescribed or allowed is less than seven (7) days, intermediate Saturdays, Sundays, and legal holidays shall be excluded in the computation. As used in this rule, "legal holiday" includes New Year's Day, Birthday of Martin Luther King, Jr., Presidents' Day, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Christmas Day and any other day appointed as a holiday by the President or the Congress of the United States, or as prescribed in §1-3-8, Code of Ala. 1975 (as amended).

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 _____ ; effective _____.

538-X-1-.04 **Definitions.**

As used in these Rules, the following terms have the following meanings:

(1) "Act." The Darren Wesley "Alo" Hall Compassion Act, §20-2A-1, et seq., Code of Ala. 1975, (as amended).

(2) "Affiliate" or "Affiliated with." An entity is an "affiliate" of, or "affiliated with", another entity if it directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with or by, such other entity. The term shall include sister entities (i.e., entities owned, directly or indirectly

through one or more intermediaries, by the same parent entity).

(3) "Applicant." An entity or individual seeking a license under Article 4 of the Act.

(4) "Approved Solvent." Solvent-based medical cannabis products may be manufactured using only the following solvents: butane, propane, CO2, ethanol, isopropanol, acetone, heptane, and pentane. The use of any other solvent is expressly prohibited unless and until approved by the Commission.

(5) "Batch."

(a) "With regard to cannabis, i.e., a "harvest batch":

1. A homogenous, identified quantity of cannabis;
2. That has been cultivated and harvested together;
3. That has received identical propagation and cultivation treatment, including, but not limited to: growing media, ambient conditions, watering and light regimes and agricultural or hydroponic inputs; and
4. That has been assigned the same cultivation batch number for entry in the Statewide Seed-to-Sale Tracking System.

(b) With regard to medical cannabis, i.e., a "production batch":

1. A quantity of medical cannabis that is uniform and derived from one or more identifiable cannabis harvest batches;
2. That has been or is intended to be processed under the same processing protocol, using the same methods, equipment and ingredients;
3. That is intended to meet the same specifications for identity, strength and composition;
4. That has been assigned the same production batch number for entry in the Statewide Seed-to Sale Tracking System; and

5. That is to be packaged and labeled during the same specified period of time according to a single packaging and labeling protocol.

(6) "Beneficial Owner." For purposes of these Rules, "Beneficial Owner" shall have the same meaning as prescribed in Rules 13d-3 under the Securities Exchange Act of 1934 (17 CFR § 240.13d-3).

(7) "Board." The State Board of Medical Examiners.

~~(7)~~ (8) "Cannabis." All parts of any plant of the genus cannabis, whether growing or not, including the seeds, extractions of any kind from any part of the plant, and every compound, derivative, mixture, product, or preparation of the plant; but excluding industrial hemp or hemp regulated under §2-8-11, Code of Ala. 1975, (as amended) and also excluding cannabis that is cultivated, processed, transported, stored, possessed, or used outside the Statewide Seed-to-Sale Tracking System (i.e., illicit cannabis), including but not limited to cannabis that once was included within and/or intended for placement on the Statewide Seed-to-Sale Tracking System (i.e., diverted cannabis).

~~(8)~~ (9) "CBD." Cannabidiol, a nonintoxicating cannabinoid found in cannabis and hemp.

~~(9)~~ (10) "Commission." The Alabama Medical Cannabis Commission, also sometimes referred to as "AMCC," created pursuant to §20-2A-20, Code of Ala. 1975, (as amended).

~~(10)~~ (11) "Confidential." Not to be shared, except within and among the parties who own or are responsible for the information, and the Commission, AMCC staff, or their agents, except upon judicial or administrative order or with respect to de-identified information used exclusively for educational or research purposes.

~~(11)~~ (12) "Controlling Interest." An ownership interest held by an individual or group with respect to a business, particularly a corporation, that is sufficient to permit the exercise of control over the business, i.e., greater than 50% of the interest in the business.

~~(12)~~ (13) "De Minimis Change." Any change in ownership that constitutes less than five percent (5%) of the total ownership of the licensee (when aggregated with all other transactions involving the same acquiring entity over the last thirty-six (36) months) and does not (a) result in, or provide rights to, the selection or removal of a partner,

manager, officer, director, or board member, other than an increase in voting rights proportional to the de minimis change; (b) in the case of a license originally issued to an entity controlled by a Minority Group, result in such licensee no longer being controlled by a Minority Group; or (c) otherwise violate any applicable statute or rule governing the licensee.

(14) "Conventional Medical Treatment or Therapy Has Failed." Within the term "Qualifying Medical Condition" as used and defined in these Rules, the determination as to whether conventional medical treatment or therapy has failed shall be within the sole discretion of the registered certifying physician acting in compliance with §20-2A-7(b), Code of Ala. 1975, (as amended); the term "failed" (like the term "proved ineffective" in §20-2A-3(21)p.) need not entail exhaustion of conventional medicine or therapies, if the registered certifying physician is reasonably satisfied that other approaches are contraindicated and/or would be futile to attempt or not reasonably likely to succeed, and that the patient may benefit from the use of medical cannabis.

~~(13)~~ (15) "Court of Competent Jurisdiction." A court having authority to act as to a particular party or subject matter; with respect to the Commission, its members and representatives, courts of competent jurisdiction are the Circuit Courts of Montgomery County, Alabama and coordinate appellate courts, and the United States District Court for the Middle District of Alabama and coordinate appellate courts.

~~(14)~~ (16) "Cultivator." An entity licensed by the Commission under §20-2A-62, Code of Ala. 1975, (as amended), to grow cannabis pursuant to Article 4 of the Act.

~~(15)~~ (17) "Daily Dosage" and "Maximum Daily Dosage." The total amount of one or more cannabis derivatives, including, but not limited to, cannabidiol ("CBD") and tetrahydrocannabinol ("THC") which may be present in a medical cannabis product that may be ingested by a registered qualified patient during a 24-hour period, as determined by a registered certified physician. "Maximum Daily Dosage" means the maximum total amount of one or more cannabis derivatives that may be ingested during a 24-hour period by a registered qualified patient, as determined by a registered certified physician, without a follow-up appointment and/or requiring compliance with §20-2A-33(f), Code of Ala. 1975, (as amended).

~~(16)~~ (18) "Dispensary." An entity licensed by the commission under §20-2A-64, Code of Ala. 1975, (as amended), authorized

to dispense and sell medical cannabis at dispensing sites to registered qualified patients and registered caregivers pursuant to Article 4 of the Act.

~~(17)~~ (19) "Dispense." To distribute or provide medical cannabis, per the certification and recommendation of a registered certified physician, to a registered qualified patient or, if applicable, a registered caregiver.

~~(18)~~ (20) "Dispensing Site." A site operated by a dispensary licensee or an integrated facility licensee pursuant to Article 4 of the Act.

~~(19)~~ (21) "Economic Interest." The rights to either the capital or profit interests of an applicant or licensee or, if the applicant or licensee is a corporation, the rights to some portion of all classes of outstanding stock in the corporation. Particularly with respect to applicants and licensees, having a financial interest in, or relationship to, an applicant's or licensee's investments, employment, contracts, purchases, leases, sales, or other pecuniary interest in the applicant's or licensee's business, or the applicant's income or anticipated income, by which to obtain a return of capital. For purposes of these Rules, economic interest does not include interest in a publicly traded corporation unless such interest is greater than 5% of the publicly traded corporation.

~~(20)~~ (22) "Enclosure" or "Enclosed Facility." A fully floored, walled, roofed, locked and secured building, room, greenhouse, or warehouse facility, for cultivating, storing, processing, or dispensing cannabis or medical cannabis, at which security is maintained and that is accessible only to persons who are employed or contracted by a licensee, or who have been given permission to come onto the premises and have provided state or federally issued photo identification.

~~(21)~~ (23) "Extraordinary Circumstances." Circumstances that are unforeseen, unusual, and unlikely to be repeated.

~~(22)~~ (24) "Facility" or "Medical Cannabis Facility." Any facility or land associated with a facility, of a licensee.

~~(23)~~ (25) "Food Product." An edible offered for sale or provided for consumption as such.

~~(24)~~ (26) "Good Manufacturing Practices." Manufacturing Practices meeting the minimum standards for the methods, facilities, and controls used in manufacturing, processing, and packing of medical cannabis, to assure the product's

safety, integrity, intended strength, and expected shelf-life. See 21 CFR Part 210.

~~(25)~~ (27) "Ingested." Eaten, chewed, swallowed, or consumed by mouth in any other manner; inhaled, sniffed, snorted, sprayed, or introduced into the breathing passages in any other manner; injected or otherwise introduced into the body in any manner, including through the skin or other membrane.

~~(26)~~ (28) "Injury." Any wrong or harm done by a licensee or to the body, rights, reputation or property of an individual or entity.

~~(27)~~ (29) "Integrated Facility." An entity licensed under §20-2A-67, Code of Ala. 1975, (as amended).

~~(28)~~ (30) "Interest Holder." An individual, group, partnership, business, trust, or other entity which holds an interest, in whole or in part, in a licensee, its subsidiaries or affiliates, directly or indirectly.

(31) "Leaders" or "Leadership." In an Applicant's or Licensee's business, the individuals who hold a position of interest, power or responsibility for the day-to-day operations of the business, including but not limited to the owners, shareholders, board members, officers, directors, executives, or managers of the business.

~~(29)~~ (32) "License." Authorization by the Commission in accordance with the Act and these Rules to operate as a cultivator, processor, secure transporter, dispensary, integrated facility, or state testing laboratory.

~~(30)~~ (33) "Licensee." A cultivator, processor, secure transporter, state testing laboratory, dispensary, or integrated facility licensed by the Commission under Article 4 of the Act.

~~(31)~~ (34) "Loss." Economic, physical or extreme emotional damage sustained by an individual or entity, including but not limited to such damages resulting from loss of product, loss of income, loss of production, and loss of reputation.

~~(32)~~ (35) "Material Breach." A substantial violation in the performance of, or a failure to perform an obligation, created by a promise, duty, or law; as to licensees, a significant difference between circumstances as affirmed to the Commission and current reality, often including a risk of danger or harm to individuals or property.

~~(33)~~ (36) "Medical Cannabis." A medical grade product grown and processed within the State of Alabama, in one of the approved forms set forth in §20-2A-3{14), Code of Ala. 1975, (as amended), that contains a derivative of cannabis for medical use by a registered qualified patient pursuant to the Act and these Rules.

~~(34)~~ (37) "Medical Cannabis Card." A valid card, which may be tangible or virtual, issued by the Commission to a registered qualified patient or a registered qualified caregiver pursuant to §§20-2A-35 and -36, Code of Ala. 1975, (as amended).

~~(35)~~ (38) "Medical Grade." Manufactured in accordance with Good Manufacturing Practices (GMP) and tested and approved by a State Testing Laboratory or audited by a third-party auditor, to meet or exceed the same standards applicable within the United States for products manufactured for medical use.

~~(36)~~ (39) "Medical use" or "use of medical cannabis" or "use medical cannabis." The acquisition, possession, use, delivery, transfer, or administration of medical cannabis authorized by the Act and these Rules, but not including possession, use, or administration of cannabis that was not purchased from a dispensing site as defined by the Act and this Chapter.

~~(37)~~ (40) "Minor." An individual who has not yet reached nineteen years of age.

~~(38)~~ (41) "Minority Group." Individuals of African American, Native American, Asian or Hispanic descent.

~~(39)~~ (42) "Owner" or "Ownership." An individual, group, partnership, business, trust, or other entity which holds, has rights to, or controls an economic interest, controlling interest, or ownership interest in an applicant, licensee, or subsidiary of an applicant or licensee.

(43) "Ownership Interest." Any equity, partnership, or other similar interest. An "other similar interest" means an interest that: (a) Has the right to participate in the selection or removal of a partner, manager, officer, director, or board member; (b) Has the right to receive a share of the income, gains, or profits of the licensee; (c) Has the right to acquire or dispose of the assets of the licensee; or (d) Has the right to transfer, sell, lease, assign, merge, cede, gift, delegate, convert, or otherwise turn over stock (voting, nonvoting, or both), ownership, or

controlling interest to another individual, group of individuals, entity, or group of entities.

(44) "Package" or "Packaging." A closed and sealed container in which a processor or integrated facility may provide medical cannabis, in accordance with the Act and these Rules; the term does not include any carry-out bag or other similar container.

~~(40)~~ (45) "Patient Registry." The Alabama Medical Cannabis Patient Registry System that is an electronic integrated system that tracks physician certifications, patient and caregiver registrations, medical cannabis cards, the daily dosage and type of medical cannabis recommended to qualified patients by registered certifying physicians, and the dates of sale, amounts, and types of medical cannabis that were purchased by registered qualified patients at licensed dispensing sites.

~~(41)~~ (46) "Pharmaceutical Grade." Manufactured to meet or exceed the same standard or grade as any active or inactive drug, biologic, reagent, or other pharmaceutical, in accordance with Good Manufacturing Practices ("GMP"), as tested and approved by (A) the Food and Drug Administration (FDA) in the case of clinically available pharmaceutical grade excipients under these Rules; or otherwise by (B) a State Testing Laboratory or an independent third-party auditor performing tests or audits in accordance with the same FDA standards and protocols as required for pharmaceuticals available in the United States.

~~(42)~~ (47) "Physician Certification." A registered certifying physician's authorization for a registered qualified patient to use medical cannabis in a recommended daily dosage that shall include a recommended maximum daily dosage.

~~(43)~~ (48) "Processor." One who is licensed by the Commission under §20-2A-63, Code of Ala. 1975, (as amended), authorized pursuant to Article 4 of the Act and these Rules to purchase cannabis from a cultivator and extract derivatives from the cannabis to produce a medical cannabis product or products for sale and transfer in packaged and labeled form back to the contracting cultivator, if applicable, or to a dispensary or integrated facility where the packaged and labeled product may be offered for sale at a dispensary site to holders of a valid, unrevoked and unexpired Medical Cannabis Card.

~~(44)~~ (49) "Qualifying Medical Condition." One of the various conditions or symptoms of conditions provided in §20-2A-3(21), Code of Ala. 1975, (as amended), but only after

documentation indicates that conventional medical treatment or therapy has failed, unless current medical treatment indicates that use of medical cannabis is the standard of care.

~~(45)~~ (50) "Registered Caregiver." An individual who meets the requirements described in §20-2A-30(c), Code of Ala. 1975, (as amended), and is authorized to acquire and possess medical cannabis and to assist one or more registered qualified patients with the use of medical cannabis pursuant to the Act and these Rules.

~~(46)~~ (51) "Registered Certifying Physician." A licensed physician who is authorized by the State Board of Medical Examiners to certify patients for the use of medical cannabis under the Act and these Rules.

~~(47)~~ (52) "Registered Qualified Patient." Either an adult who meets the requirements of §20-2A- 30(a), Code of Ala. 1975, (as amended), and is authorized to acquire, possess, and use medical cannabis pursuant to the Act and these Rules, or a minor who meets the requirements described in §20-2A-30(b), Code of Ala. 1975, (as amended), and is authorized to use medical cannabis pursuant to these Rules with the assistance of a registered caregiver.

~~(48)~~ (53) "Remediation." One of various methods whereby cannabis or medical cannabis that has failed an official test by a State Testing Laboratory may be subjected to further processing to remove dangerous substances or other contaminants or otherwise bring the cannabis or medical cannabis within appropriate testing ranges. For purposes of these Rules, remediation may include processes conducted by, and at the facility of, the licensee whose cannabis or medical cannabis failed the test or another licensee acting at the request of such licensee; such processes shall include those that change the form or chemical makeup of the regulated cannabis or medical cannabis (i.e., formal remediation), or not (i.e., decontamination). Nothing in this definition shall preclude a licensee that is subject to official testing from performing its own tests and implementing processes in an effort to bring non-compliant cannabis or medical cannabis within proper testing parameters at any time prior to official testing by a State Testing Laboratory.

~~(49)~~ (54) "Representative" Employee, leader, contracted agent or other designated person authorized to act or speak on behalf of another.

~~(50)~~ (55) "Resident" or "Non-Resident." - For purposes of the Act and these Rules, a Resident or Non-Resident is:

(a) As to individuals, a resident is domiciled in the State of Alabama or has otherwise established residency in Alabama within the requirements of §40-18-2, Code of Ala. 1975, (as amended); a non-resident is one who is not domiciled in Alabama and has not otherwise established residency in Alabama within the requirements of §40-18-2, Code of Ala. 1975, (as amended).

(b) As to business entities, a resident is an entity that is registered with the Secretary of State of Alabama to do business in Alabama and that has its principal place of business in Alabama; a non-resident is an entity that is not registered with the Secretary of State of Alabama to do business in Alabama or does not have its principal place of business in Alabama.

~~(51)~~ (56) "Secure Transporter." An entity licensed by the Commission under §20-2A-65, Code of Ala. 1975, (as amended), authorized to transport cannabis or medical cannabis from one licensed facility or site to another licensed facility or site.

~~(52)~~ (57) "Self-Reporting." A licensee's report to the Commission as the result of a reported incident or condition involving an injury, loss (including, but not limited to loss of product, loss of production, or loss of reputation) or material breach that has occurred at its facilities or involving one or more of its representatives.

~~(53)~~ (58) "State Testing Laboratory." -An entity licensed under §20-2A-66, Code of Ala. 1975, (as amended), authorized to test cannabis and medical cannabis to ensure the product meets safety qualifications and efficacy requirements as provided in the Act and these Rules.

~~(54)~~ (59) "Statewide Seed-to-Sale Tracking System." The tracking system established pursuant to §20-2A-54, Code of Ala. 1975, (as amended), that tracks all medical cannabis and cannabis destined for processing as medical cannabis in the state of Alabama.

~~(55)~~ (60) "THC." Tetrahydrocannabinol; either of two physiologically active isomers C₂₁H₃₀O₂ from cannabis plant resin, including, especially, delta-9 THC, the chief intoxicant in cannabis.

~~(56)~~ (61) "These Rules." The Rules and Regulations of the Alabama Medical Cannabis Commission.

~~(57)~~ (62) "This Chapter." Within the specified portion or the same portion of the Rules and Regulations of the Alabama Medical Cannabis Commission.

~~(58)~~ (63) "Transfer." An exchange of titular, possessory or custodial interest, usually, but not always involving physical movement. As used in these Rules, the authority to "transfer" products does not necessarily include the authority to "transport" such products.

~~(59)~~ (64) "Transit." The phase of transportation during which cannabis or medical cannabis is physically moved from one facility to another.

~~(60)~~ (65) "Transport." The process of loading or unloading and physically moving harvested and prepared cannabis or medical cannabis from one facility to another, usually but not always coinciding with "transfer" of cannabis or medical cannabis.

~~(61)~~ (66) "Universal State Symbol." The image ~~to be established~~approved by the Commission pursuant to Section §20-2A-53, Code of Ala. 1975, (as amended), ~~made available to processors, which~~ and Chapter 6 of these Rules that indicates the package contains medical cannabis.

~~(62)~~ (67) "Verification," "Verified" and "Verifying." As to a document or statement, the act or condition of having the document or statement be affirmed in writing to be accurate and bearing the printed name and signature of the individual making such affirmation, and date provided.

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 September 30, 2024; effective November 14, 2024. Amended: Published _____ ; effective _____ .

538-X-1-.05 Administration And Enforcement Of Rules.

The Commission shall have authority to administer and enforce these Rules in accordance with §20-2A-22(b), Code of Ala. 1975, (as amended).

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-1-.06 Fees.

The Commission shall levy and collect fees, as provided in the Act ~~and as it shall hereafter establish; a~~, in the amounts established by the schedule of fees ~~payable under the Act and these Rules~~ available in Appendix A of this Chapter, which shall be maintained on the AMCC website at www.AMCC.Alabama.gov.

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 ; effective .

538-X-1-.07 Fines And Penalties.

The Commission shall impose fines and penalties as provided in the Act and as it shall hereafter establish; a schedule of fines and penalties that may be imposed under the Act and these Rules shall be maintained on the AMCC website at www.AMCC.Alabama.gov.

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-1-.08 Request For Variance Of Rules.

A requested variance of these Rules may be either temporary or permanent.

- (1) Temporary Variance. A patient, caregiver, applicant or licensee may request a temporary variance to relax or suspend these Rules when, in the opinion of the requesting party,

circumstances dictate that the requesting party must be out of compliance with these Rules for a period of time specified by the requesting party, not longer than six months. The Commission cannot grant a variance of any type in conflict with the Act; a temporary variance may not issue to excuse the requesting party from the mandates of the Act. Unless otherwise directed, a requesting party may operate consistently with its requested temporary variance pending its final disposition by the Commission. On motion of the requesting party and for good cause shown, the Commission after inquiry, may vote to renew a temporary variance for an additional term not exceeding six months. Circumstances warranting a temporary variance must be unusual, unforeseen to the requesting party, unavoidable (i.e., incapable of being addressed other than through special dispensation to have the Rule not apply), and for the prevention of undue hardship. A motion for temporary variance must be filed electronically through the AMCC website and shall be reviewed and initially decided by AMCC staff. All unchallenged decisions by AMCC staff may be ratified, as appropriate, by a majority vote of the Commission upon due inquiry into the request at the next duly called meeting more than fourteen {14} days from the AMCC staff's decision. Within fourteen {14} days of the AMCC staff's denial of a motion for temporary variance, the aggrieved requesting party may file an electronically submitted notice of appeal, which shall be heard and decided by the majority vote of the Commission at the next duly called meeting more than fourteen {14} days from the date of filing the notice of appeal. Temporary Variances are not otherwise subject to appeal.

(2) Permanent Variance. A patient, caregiver, applicant or licensee may file a motion for a permanent variance from these Rules when, in the opinion of the requesting party, circumstances dictate that the requesting party must be permanently out of compliance with these Rules (the Commission cannot grant a variance of any type in conflict with the Act; a permanent variance may not issue to excuse the requesting party from the mandates of the Act.). Circumstances warranting a permanent variance must be extraordinary (e.g., that the permanent noncompliance requested by the requesting party is superior to compliance with the Rules in terms of economics, expedience, justice and overall benefit to the requesting party as well as any family members, employees, agents, or other members of the public). A motion for permanent variance must be filed electronically through the AMCC website and shall be reviewed and decided by a majority vote of the Commission at a the next duly called meeting of the Commission more than fourteen {14} days from

the date of the motion's filing. A party aggrieved by the initial decision of the Commission may seek review by electronically filing an application for rehearing within fourteen (14) days from the date of the Commission's initial decision. The rehearing shall occur at the next duly called meeting of the Commission more than fourteen (14) days from the date of its filing. An application for rehearing should contain any argument (not to exceed 10 pages) and written materials (not to exceed 25 pages) that the aggrieved party wishes the Commission to consider; the requesting party may be asked to be present at the meeting to provide further information regarding its application and any extraordinary circumstances attending the request. Permanent variances are not otherwise subject to review. In the event a permanent variance is granted, the Commission should consider whether the Rules should be amended to allow others similarly situated the same opportunity as has been granted for the requesting party.

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-1-.09 Notification Of Proceedings.

Except as otherwise provided in these Rules, or in extraordinary circumstances as may be determined by the Commission, the Commission shall notify any interested party of proceedings before it not less than fourteen (14) days before the proceeding is to occur.

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-1-.10 Hearings.

Except as otherwise noted in the Notification Order issued by the Commission pursuant to r. 538-X-1-.09, or as specifically provided by these Rules, hearings before the Commission shall take place not less than twenty-one (21) days from the date of the order setting the hearing at the Offices of the Commission at 445 Dexter Avenue, Montgomery, AL 36104.

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-1-.11 Appeals.

Appeals authorized by these Rules from any final determination of the Commission shall be governed by the Alabama Administrative Procedure Act (MPA), §41-22-20, et seq., Code of Ala. 1975, (as amended).

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-1-A Appendix A: Schedule of Fees.

Patient & Caregiver Fees

<u>Patient Registration Application Fee (Physical Card)</u>	<u>\$50</u>
<u>Patient Registration Application Fee (Virtual Card)</u>	<u>\$40</u>
<u>Caregiver Registration Application Fee (Physical Card)</u>	<u>\$50</u>
<u>Caregiver Registration Application Fee (Virtual Card)</u>	<u>\$40</u>
<u>Medical Cannabis Card Replacement Fee (Physical Card)</u>	<u>\$25</u>
<u>Medical Cannabis Card Replacement Fee (Virtual Card)</u>	<u>\$20</u>
<u>Patient Registration Annual Renewal Fee (Physical Card)</u>	<u>\$50</u>
<u>Patient Registration Annual Renewal Fee (Virtual Card)</u>	<u>\$40</u>
<u>Caregiver Registration Annual Renewal Fee (Physical Card)</u>	<u>\$50</u>
<u>Caregiver Registration Annual Renewal Fee (Virtual Card)</u>	<u>\$40</u>

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Business (Applicant & Licensee) Fees

<u>License Application Fee</u>	<u>\$2,500</u>
<u>Amended Application Fee</u>	<u>\$2,500</u>
<u>Amended Application Based on Extenuating Circumstances Fee</u>	<u>\$2,500</u>
<u>Corrections Processing Fee - Response to Notice of Deficiency</u>	<u>\$1,250</u>
<u>Corrections Processing Fee - Extraordinary Circumstances</u>	<u>\$2,500</u>
<u>Annual License Fee - Cultivators</u>	<u>\$40,000</u>
<u>Annual License Fee - Processors</u>	<u>\$40,000</u>
<u>Annual License Fee - Secure Transporters</u>	<u>\$30,000</u>
<u>Annual License Fee - Dispensaries</u>	<u>\$40,000</u>
<u>Annual License Fee - Integrated Facilities</u>	<u>\$50,000</u>
<u>Annual License Fee - State Testing Laboratories</u>	<u>\$30,000</u>
<u>Untimely License Renewal Fee - Cultivators</u>	<u>\$42,500 (plus per-day penalty equal to 10x daily cost of license fee)</u>
<u>Untimely License Renewal Fee - Processors</u>	<u>\$42,500 (plus per-day penalty equal to 10x daily cost of license fee)</u>
<u>Untimely License Renewal Fee - Secure Transporters</u>	<u>\$32,500 (plus per-day penalty equal to 10x daily cost of license fee)</u>
<u>Untimely License Renewal Fee - Dispensaries</u>	<u>\$42,500 (plus per-day penalty equal to 10x daily cost of license fee)</u>
<u>Untimely License Renewal Fee - Integrated Facilities</u>	<u>\$52,500 (plus per-day penalty equal to 10x daily cost of license fee)</u>

<u>Untimely License Renewal Fee - State Testing Laboratories</u>	<u>\$32,500 (plus per-day penalty equal to 10x daily cost of license fee)</u>
<u>License Transfer Application Fee</u>	<u>\$2,500</u>
<u>License Transfer Fee - Cultivators</u>	<u>\$40,000</u>
<u>License Transfer Fee - Processors</u>	<u>\$40,000</u>
<u>License Transfer Fee - Secure Transporters</u>	<u>\$30,000</u>
<u>License Transfer Fee - Dispensaries</u>	<u>\$40,000</u>
<u>License Transfer Fee - Integrated Facilities</u>	<u>\$50,000</u>
<u>License Transfer Fee - State Testing Laboratories</u>	<u>\$30,000</u>
<u>Criminal Background Check Fee</u>	<u>\$80</u>

Schedule of Fees incorporated, as adopted by Alabama Medical Cannabis Commission on August 11, 2022.

Author: Justin C. Aday

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

History: **New Rule:** Published _____ ; effective _____ .