

MEDICAL MARIJUANA ORGANIZATION PERMIT APPLICATION

Instructions

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I. OVERVIEW OF PHASE 1

The Pennsylvania Department of Health (Department) became responsible for administering Pennsylvania's Medical Marijuana Program with the enactment of the Medical Marijuana Act (Act) (35 P.S. §§ 10231.101-10231.2110).

During Phase 1, the Department intends to issue up to 12 grower/processor permits and up to 27 dispensary permits.

An applicant may apply for a grower/processor permit, a dispensary permit, or both, and may submit multiple applications. Each unique permit application must be accompanied by the appropriate fees.

Applicants should understand the Act and its accompanying regulations at 28 Pa. Code Chapters 1141, 1151, 1161 and 1171 and are advised to read these instructions and any guidance before beginning work on any application. These instructions apply to both the grower/processor and dispensary applications unless otherwise noted.

MEDICAL MARIJUANA REGIONS

The Commonwealth is divided into six Medical Marijuana Regions, comprised of the counties listed below. [A map of the Medical Marijuana Regions](#) is available online.

The Department intends to issue up to 2 grower/processor permits in each medical marijuana region during Phase 1.

For dispensary permit applicants, italicized counties indicate those in which an applicant for a dispensary permit is eligible to locate a primary dispensary location. The numbers in parentheses indicate the maximum number of primary dispensary locations for which the Department may issue permits in Phase 1.

Region 1 (Southeast)	Region 2 (Northeast)	Region 3 (Southcentral)	Region 4 (Northcentral)	Region 5 (Southwest)	Region 6 (Northwest)
<i>Berks (1)</i>	Carbon	Adams	Bradford	<i>Allegheny (2)</i>	Cameron
<i>Bucks (1)</i>	<i>Lackawanna (1)</i>	Bedford	<i>Centre (1)</i>	Armstrong	Clarion
<i>Chester (1)</i>	<i>Lehigh (1)</i>	<i>Blair (1)</i>	Clinton	Beaver	Clearfield
<i>Delaware (1)</i>	<i>Luzerne (1)</i>	<i>Cumberland (1)</i>	Columbia	<i>Butler (1)</i>	Crawford
<i>Lancaster (1)</i>	Monroe	<i>Dauphin (1)</i>	Montour	Cambria	Elk
<i>Montgomery (2)</i>	<i>Northampton (1)</i>	Franklin	Northumberland	Fayette	<i>Erie (1)</i>
<i>Philadelphia (3)</i>	Pike	Fulton	Sullivan	Greene	Forest
Schuylkill	Susquehanna	Huntingdon	Snyder	Indiana	Jefferson
	Wayne	Juniata	Tioga	Somerset	Lawrence
	Wyoming	Lebanon	Union	<i>Washington (1)</i>	<i>McKean (1)</i>
		Mifflin	<i>Lycoming (1)</i>	<i>Westmoreland (1)</i>	Mercer
		Perry	Potter		Venango
		<i>York (1)</i>			Warren

FEES

Initial Application Fees and Initial Permit Fees must be submitted in the form of separate, certified checks or money orders made payable to “Commonwealth of Pennsylvania.” Each fee must be enclosed in a separate, sealed envelope within the application package. Initial Application Fees are non-refundable. Initial Permit Fees will be returned if the applicant is not issued a permit.

The following fees must be submitted with each application:

Grower/Processor Permit Applications:

Initial Application Fee: \$10,000

Initial Permit Fee: \$200,000

Dispensary Permit Applications:

Initial Application Fee: \$5,000

Initial Permit Fee: \$30,000 per dispensary location identified in the application, up to \$90,000

APPLICATION TIMETABLE

Applicants must be aware of and conform to the following dates and deadlines for Phase 1:

January 17, 2017:

Applications, forms, and instructions will be available on the [website of the Pennsylvania Department of Health](#), Medical Marijuana Page.

February 8, 2017:

Questions regarding the application process will be accepted by the Department until this date via ra-dhq4app@pa.gov. The Department will periodically publish answers on the [website of the Pennsylvania Department of Health](#), Medical Marijuana Page.

February 20, 2017:

The Department will begin accepting application packages from applicants.

March 20, 2017:

The latest date for which the Department will accept application packages. (See Section IV, “Preparing and Submitting Your Application” below for the requirement to submit a stamped U.S. Postal Service Form 3817 to verify mailing date).

DEFINITIONS FOR TERMS WITHIN APPLICATION DOCUMENTS

The definitions for the words and terms used in the application documents are set forth in the Act and its regulations.

The terms “you” and “your” generally refer to the individual or business applying for the permit. The term “Department” refers to the Pennsylvania Department of Health.

II. DISCLOSURE OF APPLICATION INFORMATION

INFORMATION SUBJECT TO DISCLOSURE

Applications for permits that are submitted, except for the information listed in the Confidential Information section below, are public records and are subject to disclosure under the [Right-to-Know Law](#) (65 P.S. §§ 67.101-67.3104).

CONFIDENTIAL INFORMATION

The following information is considered confidential, is not subject to the Right-to-Know Law, and will not otherwise be released except by court order:

- Information regarding the physical features of, and security measures installed in, a facility.
- Information maintained in the electronic tracking system of a grower/processor or dispensary.
- Any other information regarding a medical marijuana grower/processor or dispensary that falls within any exception to the Right-to-Know Law, or is otherwise considered to be confidential or proprietary information by other law.

REQUIREMENT TO SUBMIT REDACTED APPLICATION

An applicant must submit a redacted copy of its application package in accordance with the Right-to-Know Law.

III. CONSENT TO INVESTIGATION

By submitting a permit application to the Department, an applicant consents to any investigation, to the extent deemed appropriate by the Department, of the applicant's ability to meet the requirements of the Act.

INDIVIDUALS WITH CONTROLLING INTEREST

In the application, questions relating to principals and financial backers must be answered only for those individuals with a "controlling interest," which is defined as follows:

- For a publicly traded company, voting rights that entitle a person to elect or appoint one or more of the members of the board of directors or other governing board or the ownership or beneficial holding of 5% or more of the securities of the publicly traded company.
- For a privately held entity, the ownership of any security in the entity.

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BACKGROUND CHECKS

To provide the criminal history record check required, an applicant must submit fingerprints of its principals, financial backers, operators and employees to the Pennsylvania State Police. The Pennsylvania State Police or its authorized agent will submit the fingerprints to the Federal Bureau of Investigation for the purpose of verifying the identity of the individuals whose fingerprints have been submitted and obtaining a current record of criminal arrests and convictions.

The Department may only use criminal history background check information to determine the character, fitness and suitability to serve in the designated capacity of the principal, financial backer, operator and employee.

The requirement of obtaining a background check does not apply to an owner of securities in a publicly traded company if the Department determines that the owner is not substantially involved in the activities of the medical marijuana organization.

A financial backer, principal or employee may not hold a volunteer position, position for remuneration or otherwise be affiliated with a medical marijuana organization or a clinical registrant if the individual has been convicted of a criminal offense relating to the sale or possession of illegal drugs, narcotics or controlled substances.

IV. PREPARING AND SUBMITTING YOUR APPLICATION

THE APPLICATION PACKAGE

The application package consists of the following:

1. The application form for a grower/processor permit or dispensary permit.
2. The executed checklist and signature page (Attachment A).
3. Attachments B through L.
4. Redacted version of the application form and all accompanying attachments.
5. Appropriate Initial Application Fees and Initial Permit Fees, in the form of certified checks or money orders, made payable to "Commonwealth of Pennsylvania." Each fee must be enclosed in its own separate, sealed envelope within the application package.
6. A completed Form 3817 from the U.S. Postal Service. The Department will consider any application sent by U.S. Mail to be received on the date it is deposited in the mail as long as a stamped U.S. Postal Form 3817 Certificate of Mailing is included with the application. The Department will not accept submissions delivered in any other manner.

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COMPLETING THE APPLICATION

Complete every section of the application package. For sections that require a written answer, limit your response to 5,000 words per section. If a question or item does not apply, place “Not Applicable” or “N/A” within that line or box.

The application form and all attachments must be saved as PDF files on a single USB drive, external hard drive, CD-ROM, or DVD, in accordance with the following file naming format: *Applicant Name_Submission Date_Application Type_Document Title.pdf*.

Examples:

- Jane Doe LLC_02282017_Grower-Processor_Application.pdf
- Jane Doe LLC_02282017_Dispensary_Application.pdf
- Jane Doe LLC_02282017_Dispensary_Redacted Application.pdf
- Jane Doe LLC_03012017_Grower-Processor_Attachment G.pdf

If you are submitting more than one permit application on a single USB drive, external hard drive, CD-ROM, or DVD, add a numerical suffix to clearly identify which application the file is associated with:

- Jane Doe LLC_02282017_Grower-Processor_Application-2.pdf
- Jane Doe LLC_02282017_Dispensary_Attachment G-3.pdf

SUBMITTING YOUR APPLICATION PACKAGE

Application packages must be mailed by U.S. Mail to the following address:

Office of Medical Marijuana
Department of Health
Room 628, Health and Welfare Building
625 Forster Street
Harrisburg, PA 17120

V. AFTER YOU SUBMIT YOUR APPLICATION

If an application is complete but the Department needs additional information to make a determination, the Department will request, in writing, the information and documentation it requires. The applicant will have 30 days from the mailing date of the notice to respond. Failure to provide the requested information to the Department by the deadline may be grounds for denial of the issuance of a permit.

An application that is not considered to be complete will be rejected by the Department and returned to the applicant, without further consideration, with the Initial Permit Fee. The Initial Application Fee is non-refundable.

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An application that is received without U.S. Postal Form 3817, or with Form 3817 dated after March 20, 2017, will be rejected by the Department and returned to the applicant without further consideration, with all fees.

CHANGES DURING APPLICATION PROCESS OR PERMIT TERM

During the application process, while the application is under review or at any time during the permit term, if a permit is issued, the medical marijuana organization must notify the Department, in writing, of the following:

- Any change in facts or circumstances reflected in the application, or any newly discovered or occurring fact or circumstance which the Department requires to be included in the application, including a change in control.
- Any proposed modification of its plan of operation, including any change to any information provided on the initial permit application.

VI. SCORING METHODOLOGY

The Act permits the Department to grant or deny a permit to an applicant based upon the criteria specified in section 603(a.1):

- (1) The applicant will maintain effective control of and prevent diversion of medical marijuana.
- (2) The applicant will comply with all applicable laws of this Commonwealth.
- (3) The applicant is ready, willing and able to properly carry on the activity for which a permit is sought.
- (4) The applicant possesses the ability to obtain in an expeditious manner sufficient land, buildings and equipment to properly grow, process or dispense medical marijuana.
- (5) It is in the public interest to grant the permit.
- (6) The applicant, including the financial backer or principal, is of good moral character and has the financial fitness necessary to operate.
- (7) The applicant is able to implement and maintain security, tracking, recordkeeping and surveillance systems relating to the acquisition, possession, growth, manufacture, sale, delivery, transportation, distribution or the dispensing of medical marijuana as required by the Department.

The Department may also consider the following factors about each medical marijuana region in its determination to grant or deny a permit:

- Regional population
- The number of patients suffering from a serious medical condition
- The types of serious medical conditions in the region
- Access to public transportation
- The health care needs of rural and urban areas
- Areas with recognized need for economic development

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SCORING RUBRIC

A selection committee will rely on a weighted scoring method to evaluate each application. Each section of the application is assigned a maximum number of points, as shown in the tables below. The total possible number of points for a grower/processor application or a dispensary application is 1,000.

Grower/Processor Application Scoring	Pass/ Fail	Points per section	Subtotal
PART A – Applicant Identification and Facility Information			
1 – Applicant Name, Address and Contact Information	✓		
2 – Facility Information	✓		
PART B – Diversity Plan			
3 – Diversity Plan		100	100
PART C – Applicant Background Information			
4 – Principals, Financial Backers, Operators and Employees	✓		
5 – Moral Affirmation	✓		
6 – Compliance with Applicable Laws and Regulations	✓		
7 – Civil and Administrative Action	✓		
PART D – Plan of Operation			
8 – Operational Timetable		50	
9 – Employee Qualifications, Description of Duties and Training		25	
10 – Security and Surveillance		50	
11 – Transportation of Medical Marijuana		25	
12 – Storage of Medical Marijuana		25	
13 – Packaging and Labeling of Medical Marijuana		25	
14 – Inventory Management		25	
15 – Management and Disposal of Medical Marijuana Waste		25	
16 – Diversion Prevention		50	
17 – Growing Practice		50	
18 – Nutrient and Additive Practices		50	
19 – Processing and Extraction		50	
20 – Sanitation and Safety		25	
21 – Quality Control and Testing for Potential Contamination		50	
22 – Recordkeeping		25	
Subtotal			550
PART E – Applicant Organization, Ownership, Capital and Tax Status			
23 – Organizational Structure	✓		
24 – Business History and Capacity to Operate		75	
25 – Current Officers	✓		
26 – Ownership	✓		

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27 – Capital Requirements		75	
Subtotal			150
PART F – Community Impact			
28 – Community Impact		100	100
ATTACHMENTS:			
Attachment A: Signature Page	✓		
Attachment B: Organizational Documents	✓		
Attachment C: Property Title, Lease, or Option to Acquire Property Location	✓		
Attachment D: Site and Facility Plan		50	
Attachment E: Personal Identification		50	
Attachment F: Affidavit of Business History	✓		
Attachment G: Affidavit of Criminal Offense	✓		
Attachment H: Tax Clearance Certificates	✓		
Attachment I: Affidavit of Capital Sufficiency	✓		
Attachment J: Sample Medical Marijuana Product Label	✓		
Attachment K: Release Authorization	✓		
Attachment L – Applicant Priorities for Multiple Applications	n/a	n/a	
Subtotal			100
TOTAL POSSIBLE POINTS			1,000

Dispensary Application Scoring	Pass/ Fail	Points per section	Subtotal
PART A – Applicant Identification and Dispensary Information			
1 – Applicant Name, Address and Contact Information	✓		
2 – Dispensary Information	✓		
PART B - Diversity Plan			
3 – Diversity Plan		100	100
PART C - Applicant Background Information			
4 – Principals, Financial Backers, Operators and Employees	✓		
5 – Moral Affirmation	✓		
6 – Compliance with Applicable Laws and Regulations	✓		
7 – Civil and Administrative Action	✓		
PART D – Plan of Operation			
8 – Operational Timetable		100	
9 – Employee Qualifications, Description of Duties and Training		50	
10 – Security and Surveillance		100	
11 – Transportation of Medical Marijuana		25	
12 – Storage of Medical Marijuana		50	
13 – Labeling of Medical Marijuana Products		25	
14 – Inventory Management		50	

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15 – Diversion Prevention		50	
16 – Sanitation and Safety		50	
17 – Recordkeeping		50	
Subtotal			550
PART E – Applicant Organization, Ownership, Capital and Tax Status			
18 – Organizational Structure	✓		
19 – Business History and Capacity to Operate		75	
20 – Current Officers	✓		
21 – Ownership	✓		
22 – Capital Requirements		75	
Subtotal			150
PART F – Community Impact			
23 – Community Impact		100	100
ATTACHMENTS:			
Attachment A: Signature Page	✓		
Attachment B: Organizational Documents	✓		
Attachment C: Property Title, Lease, or Option to Acquire Property Location	✓		
Attachment D: Site and Facility Plan		50	
Attachment E: Personal Identification		50	
Attachment F: Affidavit of Business History	✓		
Attachment G: Affidavit of Criminal Offense	✓		
Attachment H: Tax Clearance Certificates	✓		
Attachment I: Affidavit of Capital Sufficiency	✓		
Attachment J: Sample Medical Marijuana Product Label	✓		
Attachment K: Release Authorization	✓		
Attachment L: Applicant Priorities for Multiple Applications	n/a	n/a	
Subtotal			100
TOTAL POSSIBLE POINTS			1,000