SPONSOR: Rep. Osienski & Sen. Paradee & Sen. Hoffner
Reps. Baumbach, Heffernan, K. Williams

HOUSE OF REPRESENTATIVES
152nd GENERAL ASSEMBLY

HOUSE BILL NO. 334

AN ACT TO AMEND TITLES 4 AND 30 OF THE DELAWARE CODE RELATING TO MARIJUANA.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Three-fifths of all members elected to each house thereof concurring therein):

Section 1. Amend § 403, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 403. Duties and powers of the Division.

The Division shall:

(5) Conduct administrative inspections of a premise licensed under any provision of this title, any provision of the rules and regulations of the Alcoholic Beverage Control Commissioner, or any provision of the rules and regulations of the Marijuana Commissioner, at any time the licensee, employee of the licensee, or customer is upon the licensed premise. Administrative inspections under this paragraph may be conducted only for the purpose of ensuring compliance with the regulations of this title, the rules and regulations of the Alcoholic Beverage Control Commissioner, or the rules and regulations of the Marijuana Commissioner.

Section 2. Amend § 1302, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows and by redesignating accordingly:

§ 1302. Definitions.

As used in this chapter:

(4) "Conditional license" means a license that is issued to an applicant who has met minimum qualifications and been selected through the Commissioner's process to receive a license. Conditional licensees are granted for a period of 18 months to allow the licensee to secure a physical business premises, complete additional application requirements, receive approval from the Commissioner for the licensed premises, and demonstrate readiness to commence operations.

~~(6)~~ (7) "Disproportionately-impacted area" means census tracts in the State of Delaware identified by the Commissioner in collaboration with state and local agencies that have high rates of arrest, conviction, and incarceration relating to the sale, possession, use, cultivation, manufacture, or transport of marijuana.

(9) “Flowering plant” means a marijuana plant from the time it exhibits the first signs of sexual maturity through harvest, which includes budding.

Section 3. Amend § 1309, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1309. Lawful operation of marijuana-related establishments.

(b) (1) An entity licensed under this chapter may not sell or deliver marijuana or marijuana products on Thanksgiving, Easter, or Christmas or at hours other than those prescribed by the rules or regulations of the Commissioner.

(2) A holder of license for a retail marijuana store may not sell or deliver marijuana or marijuana products on Thanksgiving, Easter, or Christmas or between the hours of ~~1:00 a.m.~~ 10:00 p.m. and 9:00 a.m. on Mondays through Saturdays, and on Sundays before noon or after 8:00 p.m. Any municipality with a population of 50,000 or more may limit sales under this subsection within the boundaries of the municipality to a maximum of 4 hours on Sundays as established by ordinance of the municipality. The closing hours for days of the week other than Sunday may be made earlier in any municipality having a population of 50,000 or more persons, by ordinance of the municipality; provided, however, that such ordinance be consistent with the Delaware and federal constitutions and must treat all businesses fairly. During the months of October through December, a holder of a license for a retail marijuana store may have sales take place beginning at 8:00 a.m. on Fridays through Saturdays and 10:00 a.m. on Sundays.

Section 4. Amend § 1310, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1310. Enforcement.

(a) Inspections and enforcement activities are to be conducted ~~under subchapter VI of Chapter 47 of Title 16.~~ by the Division of Alcohol and Tobacco Enforcement in accordance with Chapter 4 of this title.

(b) The Division of Alcohol and Tobacco Enforcement may conduct administrative inspections under § 403 of this title. The Office of the Marijuana Commissioner may conduct administrative inspections of a premise licensed under any provision of this title at any time the licensee, employee of the licensee, or customer is upon the licensed premise. Administrative inspections under this paragraph may be conducted only for the purpose of ensuring compliance with the regulations of this title or the rules and regulations of the Marijuana Commissioner.

Section 5. Amend § 1322, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1322. Duties and powers of the Commissioner.

(a) The Commissioner, in accordance with the Administrative Procedures Act, Chapter 101 of Title 29, shall do all of the following:

(12) Establish rules and regulations for the effective collection of data regarding retail sales of marijuana and marijuana ~~products by consumers to track compliance with possession limits.~~ products.

Section 6. Amend § 1331, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows and by redesignating accordingly:

§ 1331. Regulations.

The Commissioner shall adopt regulations necessary for implementation of this chapter. The regulations may not prohibit the operation of marijuana establishments, either expressly or through regulations that make their operation unreasonably impracticable. Regulations and fees for marijuana cultivation facilities may be varied based on the size of the facility to ensure that the operation of smaller facilities is not made unreasonably impracticable. The Commissioner shall include all of the following in the regulations:

(2) A ~~competitive scoring~~ selection process to determine which applicants may obtain licenses to operate each type of marijuana establishment if more qualified applicants apply than the Commissioner may license under this subchapter and that ensures applicants will follow best practices for community engagement, consumer protection, food safety, worker safety, family support jobs, diversity, public safety, and environmental stewardship. ~~The competitive scoring process for retail marijuana stores must be varied to account for geographic distribution or population density, or both.~~

(3) ~~The criteria for the competitive scoring process~~ Minimum qualifications for all license types must include ~~the following:~~ submission of the following information:

d. The applicant's plans for operations, training, and staffing, including all of the following:

~~4. The suitability of the proposed location for the facilities.~~

(4) ~~The criteria for the competitive scoring process for open license types must include the following:~~ For applications for marijuana cultivation facility licenses and marijuana product manufacturing facility licenses only, minimum qualifications must include an environment and sustainability plan, including efforts it will take to minimize the environmental impact, and resource needs of its facilities and other business operations, such as plans to minimize water usage, employing organic cultivation methods, and adoption of other sustainable business practices.

~~a. The applicant's submission of an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement with such bona fide labor organization.~~

~~b. For applications for marijuana cultivation facility license and marijuana product manufacturing facility license only, an environment and sustainability plan, including efforts it will take to minimize the environmental impact, and resources needs of its facilities and other business operations, such as plans to minimize water usage, employing organic cultivation methods, and adoption of other sustainable business practices.~~

(10) Employment and training requirements for licensees, employees, and agents of marijuana establishments, including the following:

a. That ~~each marijuana establishment~~ the Commissioner must create and issue ~~an~~ identification ~~badge~~ badges for each employee or ~~agent.~~ agent and may require a fee for each identification badge. The amount to be charged for the fee imposed under this paragraph must approximate and reasonably reflect the costs necessary to defray the expenses of the Division.

b. That employees of retail marijuana store establishments ~~be trained~~ must complete training approved by the Commissioner in recognizing valid identification cards.

c. That agents of a marijuana establishment are subject to all standards and requirements of regulations adopted by the Commissioner.

Section 7. Amend § 1332, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows and by redesignating accordingly:

§ 1332. Retail marijuana store licenses.

(f) (1) A retail marijuana store may not sell more than a personal use quantity of marijuana, except for nonedible, nonpsychoactive retail marijuana products, including ointments, lotions, balms, and other nontransdermal topical products, during a single transaction to an individual.

(2) ~~Prior to~~ Before initiating a sale to an individual, an employee of the retail marijuana store making the sale shall verify that the purchaser has a valid government-issued photo identification card showing that the individual is 21 years of age or older. If an individual under 21 years of age presents a fraudulent proof of age, any action relying on the fraudulent proof of age is not grounds for the revocation or suspension of any license issued under this section.

a. If a retail marijuana store licensee or employee has reasonable cause to believe that an individual is under 21 years of age and is exhibiting fraudulent proof of age in an attempt to obtain any retail marijuana or marijuana product, the licensee or employee is authorized to confiscate such fraudulent proof of age, if possible, and shall, within 72 hours after the confiscation, remit it to a state or local law-enforcement agency. The failure to confiscate such fraudulent proof of age or to remit to a state or local law-enforcement agency within 72 hours after the confiscation does not constitute a criminal offense.

b. ~~If a retail marijuana store licensee or employee believes that an individual is under 21 years of age and is exhibiting fraudulent proof of age in an attempt to obtain any retail marijuana or retail marijuana product, the licensee or employee, employee of the Division, or any law-enforcement officer as defined in § 222 of Title 11, acting in good faith and upon reasonable grounds therefor, may detain and question such person in a reasonable manner for the purpose of ascertaining whether the person is guilty of any unlawful act regarding the purchase of retail marijuana.~~ The questioning of an individual suspected of providing fraudulent proof of age by an employee of the Division or a law-enforcement officer does not render the ~~licensee, the employee,~~ employee of the Division or the law-enforcement officer civilly or criminally liable for slander, false arrest, false imprisonment, malicious prosecution, or unlawful detention.

~~(*l*) A properly registered compassion center under § 4914A of Title 16 who is issued a retail marijuana store license issued under this section is considered a business registration separate and distinct from the registration issued under § 4914A of Title 16.~~

Section 8. Amend § 1334, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1334. Marijuana cultivation facility licenses.

(b) (1) A marijuana cultivation facility shall pay the Commissioner biennially for a marijuana cultivation facility license as set forth in this subsection. A marijuana cultivation facility licensee must renew the license ~~bienially~~ biennially by paying the fee set forth in this subsection and by providing documentation of a labor peace agreement.

(2) The license fee is based on the cannabis plant grow canopy area, which is calculated as follows:

c. A cannabis plant grow canopy area is the total square feet ~~in which a cannabis cultivator plants and grows cannabis plants,~~ of space used by a cannabis cultivator for the production of flowering plants and does not include areas exclusively used for harvesting, drying, curing, packaging, labeling, or storing cannabis.

Section 9. Amend § 1336, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1336. Social equity applicant.

A social equity applicant ~~is a Delaware resident that meets~~ must meet 1 of the following criteria:

(1) An applicant for any type of license with at least 51% ownership and control by 1 or more individuals who have resided for at least 5 of the preceding 10 years in a disproportionately-impacted ~~area.~~ area, as defined in § 1302 of this title.

(2) An applicant for any type of license with at least 51% ownership and control by 1 or more individuals who meets 1 of the following criteria:

a. Was convicted of or adjudicated delinquent ~~for any~~ of a marijuana-related offense under Delaware law prior to April 23, 2023, except any of the following:

1. Delivery to a minor.

2. Any marijuana offense with a Tier 3 quantity of marijuana as defined in § 4751C of Title 16.

~~3. The functional equivalent of the offenses described in paragraph (2)a.1. or (2)a.2. of this section under the laws of the United States, any state or territory of the United States, or any other country.~~

b. ~~Is married to or the child of a person~~ Had or has a parent, legal guardian, child, spouse, or dependent who was convicted of or adjudicated delinquent for any marijuana-related ~~offense.~~ offense that would qualify an applicant under paragraph (2)a. of this section.

Section 10. Amend § 1339, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1339. Financial assistance.

The Commissioner shall investigate opportunities for public and private sources of financial assistance that could support social equity ~~applicants.~~ applicants, including, but not limited to, portions of the Justice Reinvestment Fund under § 1387 of this title.

Section 11. Amend § 1340, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline and by redesignating as follows:

§ 1340 . Microbusiness license.

A microbusiness applicant is an applicant for a marijuana cultivation facility license or a marijuana product manufacturing license who meets all the following criteria:

~~(1) 51% ownership and control by 1 or more individuals who have resided in Delaware for at least 5 of the preceding 10 years.~~

~~(4) Will not possess more than 1,000 marijuana plants each month.~~

Section 12. Amend § 1342, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1342. ~~Conditional license.~~ [Repealed.]

~~The Commissioner may grant a social equity or microbusiness applicant a conditional license under this section. Any applicant who receives a conditional license shall have 180 days from the date of the granting of the conditional~~

~~license to identify a physical location for the location of the licensed premises. The proposed licensed premises must be approved by the Commissioner. If the applicant is unable to find a suitable physical address approved by the Commissioner within 180 days of issuance of the conditional license, the Commissioner may extend the period for finding a physical address for another 180 days if the conditional licensee demonstrates concrete attempts to secure a location and a hardship to securing the location. If the Commissioner denies the extension of the conditional license or the licensee is unable to find a physical address approved by the Commissioner within the additional 180 days, the Commissioner shall rescind the conditional license.~~

Section 13. Amend Subchapter III, Chapter 13, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1343. Licensing process.

(a) Beginning September 1, 2024, the Commissioner ~~shall~~ may begin accepting applications for all licenses, including open, social equity, and microbusiness licenses.

~~(b) Beginning October 1, 2024, the Commissioner shall begin issuing licenses.~~

~~(c)~~ (b) Beginning November 1, 2024, the Commissioner shall issue the following number of conditional licenses for cultivation ~~facility licenses~~ facilities, provided a sufficient number of qualified applicants exist:

~~(d)~~ (c) Beginning December 1, 2024, the Commissioner shall issue the following number of conditional licenses for product manufacturing ~~facility licenses~~ facilities, provided a sufficient number of qualified applicants exist:

~~(e)~~ (d) Beginning March 1, 2025, the Commissioner shall issue the following number of conditional licenses, ~~licenses~~ provided a sufficient number of qualified applicants exist:

~~(f)~~ (e) Impossibility of performance because of opposition by localities or lack of qualified applications is a defense to any lawsuit brought against the Commissioner to comply with the issuance of the required number of licenses.

~~(g)~~ (f) At any time after August 1, 2025, the Commissioner may accept applications for any type of license and issue licenses in excess of the numbers identified in this section for any of the following reasons:

§ 1344. Applications for multiple licenses.

(a) An applicant may not apply for, may not be issued, and may not renew any license that would result in the applicant, or a person with a financial interest in that application or license under this chapter, owning or operating more than one marijuana establishment of the same license type in a single county.

(b) This section does not prohibit an applicant from applying for and being issued or renewed more than one license in a single county, provided that each license is of a different license type.

§ 1345. Conditional license.

The Commissioner may grant an applicant a conditional license under this section. Any applicant who receives a conditional license must identify a physical location for the licensed premises and become operational within 18 months from the date the conditional license is granted. The proposed licensed premises must be approved by the Commissioner. If the applicant is unable to begin operations meeting all criteria established by the Commissioner within 18 months of issuance of the conditional license, the Commissioner may extend the period to become operational if the conditional licensee demonstrates good faith efforts to begin operations. If the Commissioner denies the extension of the conditional license or the licensee is unable to become operational, the Commissioner must rescind the conditional license.

§ 1346. Active license.

(a) The Commissioner shall grant an active license to a conditional licensee who does all of the following:

(1) Pays any fees or costs associated with obtaining a background check.

(2) Provides financial and ownership documentation for review and approval.

(3) Submits an attestation signed by a bona fide labor organization stating that the licensee has entered into a labor peace agreement with such bona fide labor organization.

(4) Is in compliance with all local laws including local zoning, fire codes and building codes.

(5) Submits any additional information or documentation required by the Commissioner.

(b) The Commissioner may refuse to grant an active license to a conditional licensee if the requirements of subsection (a) are not met.

§ 1347. Background checks.

(a) A person required to obtain a background check under this chapter must submit fingerprints and other necessary information to the State Bureau of Identification in order to obtain all of the following:

(1) A report of the person's entire criminal history record from the State Bureau of Identification or a statement that the State Central Repository contains no such information relating to that person.

(2) A report of the person's entire federal criminal history record pursuant to the Federal Bureau of Investigation appropriation of Title II of Public Law 92-544 (28 U.S.C. § 534) or a statement that the Federal Bureau of Investigation's records contain no such information relating to that person.

(b) The State Bureau of Identification is the intermediary for the purpose of subsection (a) of this section and must forward all information required by subsection (a) of this section to the Division of Alcohol and Tobacco Enforcement.

(c) The Division may use the background check required by this section only to determine if the person required to obtain a background check meets the licensure or employment requirements of this chapter.

(d) A person required to obtain a background check under this chapter is responsible for any costs associated with obtaining the background check.

(e) A person required to obtain a background check under this chapter is subject to the report of their subsequent criminal history record information to the Division as part of ongoing monitoring and reporting through the Bureau, the FBI's criminal history systems or the Rap Back System as long as they are a license holder or employee subject to the requirements of this chapter.

§ 1348. Confidentiality.

(a) Information and data required by the Commissioner to be furnished in the application or background investigative process, or which may otherwise be obtained by the Commissioner during the license application or renewal process is confidential and is exempt from the Delaware Freedom of Information Act.

(b) No part of the information and data described under subsection (a) of this section may be revealed except in the ordinary administration of this chapter, upon the lawful order of a court of competent jurisdiction, or, with the approval of the Attorney General, to a duly authorized law enforcement agency.

Section 14. Amend § 1366, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1366. Transfer of license.

(c) A social equity ~~or microbusiness license~~ licensee may not ~~be transferred~~ transfer the license to a person who would not meet the criteria for the issuance of ~~an original~~ a social equity ~~or microbusiness license.~~ license until at least three years from the date the licensee was awarded an active social equity license.

Section 15. Amend § 1387, Title 4 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows and by redesignating accordingly:

§ 1387. Appropriation of revenue.

(b) The funds in the Justice Reinvestment Fund in each fiscal year shall be appropriated to the Criminal Justice Council to administer grants, contracts, services, or initiatives that focus on any of the following:

(4) Supporting social equity applicants with select business-related expenses.

(5) Supporting or providing reentry services for justice involved individuals.

Section 16. Amend Subchapter III, Chapter 5, Title 30 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 522. Assessment final if no protest.

Sixty days after the date on which it was mailed (30 days in the case of a proposed assessment of withholding taxes or retail marijuana taxes, or, in the case of other taxes imposed by Chapter 11 of this title, 120 days if the taxpayer is outside the United States), a notice of proposed assessment under § 521(c) of this title shall constitute a final assessment of the amount of tax, interest, penalties, additional amounts and additions to the tax specified in such notice, excepting only those amounts as to which the taxpayer has filed a timely protest with the Director under § 523 of this title.

§ 523. Protest by taxpayer.

Within 60 days (30 days in the case of withholding taxes or retail marijuana taxes, or, in the case of other taxes imposed by Chapter 11 of this title, 120 days if the taxpayer is outside the United States) after the date of the mailing of a notice of proposed assessment under § 521(c) of this title or the date of the mailing of a notice of the disallowance of a claim for credit or refund under § 542 of this title, the taxpayer may file with the Director a written protest against the proposed assessment or disallowance in which the taxpayer shall set forth the grounds upon which the protest is based. If such a protest is filed, the Director shall reconsider the proposed assessment or disallowance of claim for credit or refund and, if the taxpayer has so requested, shall grant the taxpayer or the taxpayer's authorized representative an oral hearing.

§ 525. Determination of Director final.

The determination of the Director under § 524 of this title on the taxpayer's protest shall be final (and such determination shall constitute a final assessment of any amount determined by the Director to be due) upon the expiration of 60 days (30 days in the case of withholding taxes or retail marijuana taxes, or, in the case of other taxes imposed by Chapter 11 of this title, 120 days if the taxpayer is outside the United States) from the date when the Director mails notice of the determination to the taxpayer, unless within such period the taxpayer seeks review of the Director's determination pursuant to § 544 of this title.

§ 530. Assessment of tax.

(a) The amount of tax which is shown to be due on any return (including any additional amount subject to notice under § 528(a) of this title as a result of a mathematical or clerical error) shall be deemed to be assessed on the date of filing such return, and an increase in such tax which is shown on an amended return shall be deemed to be assessed on the date of filing such amended return. In the case of a return filed without the computation of the tax, the tax computed by the Director shall be deemed to be assessed on the date when payment of such tax is due. If a notice of proposed assessment has been mailed pursuant to § 521(c) of this title, the amount of the proposed assessment shall be deemed to be assessed, if no protest under § 523 of this title is timely filed, on the date provided in § 522 of this title, or, if such a protest is timely filed, on the date when the determination of the Director becomes final pursuant to § 525 of this title; provided, however, that, if the taxpayer seeks review of the Director's determination pursuant to § 544 of this title, the amount of the proposed

assessment shall not be deemed to be assessed until the expiration of 60 days (30 days in the case of withholding taxes or retail marijuana taxes, or, in the case of other taxes imposed by Chapter 11 of this title, 120 days if the taxpayer is outside the United States) from the first date when:

§ 535. Fraud and other penalties.

(e) For tax periods beginning after December 31, 1999, any person required under Title 4 or this title to collect, account for and pay over any tax imposed by Title 4 or this title, other than § 3002 and Chapters 51 and 52 of this title, who wilfully fails to collect or truthfully account for and pay over such tax, or wilfully attempts in any manner to evade or defeat any such tax or the payment thereof, shall, in addition to other penalties provided by law, be liable for a penalty equal to the total amount of the tax evaded, or not collected or not accounted for and paid over. No addition to tax under subsection (a) of this section shall be imposed for any action or failure to act to which this subsection applies. The term "person" as used in this subsection, includes an officer or employee of a corporation, or a member, officer or employee of a pass-through entity, as defined in § 1601 of this title, who, as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

§ 542. Notice of disallowance; finality.

If the Director disallows a claim for credit or refund, in whole or in part, the Director shall mail written notice of the disallowance to the taxpayer, and such notice shall set forth the reason for the disallowance. The action of the Director in disallowing all or any part of a claim for credit or refund shall become final upon the expiration of 60 days (30 days in the case of withholding taxes or retail marijuana taxes, or, in the case of other taxes imposed by Chapter 11 of this title, 120 days if the taxpayer is outside the United States) from the date on which the Director mailed the notice of disallowance to the taxpayer, unless within such period the taxpayer protests the Director's disallowance pursuant to the provisions of § 523 of this title.

SYNOPSIS

This Act makes several technical and logistical corrections to the Delaware Marijuana Control Act.

Section 1 of this Act authorizes the Division of Alcohol and Tobacco Enforcement to conduct administrative inspections of premises licensed under Title 4 for the purpose of ensuring compliance with the provisions of Title 4, the rules and regulations of the Alcohol Beverage Control Commissioner, or the rules and regulations of the Marijuana Commissioner.

Section 2 of this Act creates definitions for the terms "conditional license" and "flowering plants."

Section 3 of this Act changes the permissible hours of operation of a marijuana facility from 9 a.m. through 1 a.m. to 9 a.m. through 10 p.m. on Mondays through Saturdays.

Section 4 of this Act gives enforcement powers to the Division of Alcohol and Tobacco Enforcement and permits administrative inspections of premises licensed under Chapter 13 of Title 4.

Section 5 of this Act removes the power of the Commissioner to create rules and regulations to gather consumer data to track compliance with possession limits.

Section 6 of this Act makes the following changes to the application selection process: (1) it removes the requirement that the process be varied to account for geographic distribution or population density; (2) it removes a requirement for an applicant to provide information as to the suitability of the proposed location for the facilities; (3) it removes the requirement for an attestation signed by a bona fide labor organization that the applicant has entered a labor peace agreement with the organization (this requirement is instead moved to the criteria for conditional licensure in Section

13 of this Act); (4) it moves the requirement for the creation of identification badges from marijuana establishments to the Commissioner and permits the Commissioner to require a fee for each badge; (5) requires that employees complete training approved by the Commissioner in recognizing valid identification cards; and (6) specifies that agents of a marijuana establishment are subject to all standards and requirements of regulations adopted by the Commissioner.

Section 7 of this Act removes a provision for retail store licenses that specifies that a properly registered compassion center that is issued a retail marijuana store license is considered a business registration separate and distinct from the compassion center registration. It also removes the ability for a licensee or employee of a retail marijuana store to detain and question an individual that the employee believes is under 21 years old and is believed to be exhibiting fraudulent identification to attempt to obtain retail marijuana or a retail marijuana product.

Section 8 of this Act corrects a typographical error and clarifies the definition of a cannabis plant grow canopy area.

Section 9 of this Act changes the criteria for social equity applicants to remove a Delaware residency requirement and add that a marijuana-related conviction or adjudication of delinquency must have been under the laws of Delaware.

Section 10 adds a source of funding that the Commissioner is to investigate that may support social equity applicants.

Section 11 of this Act removes a prohibition on microbusiness applicants from possessing more than 1,000 marijuana plants each month and a Delaware residency requirement.

Section 12 of this Act repeals a provision allowing for the grant of a conditional license to microbusiness applicants, as in Section 13 of this Act, a new section 1345 of Title 4 authorizes the grant of conditional licenses to applicants who meet specified criteria for licensure.

Section 13 of this Act makes technical corrections to conform to the standards of the Delaware Legislative Drafting Manual, prohibits the grant of multiple licenses of any type where the grant would result in the applicant or other person with a financial interest in the application owning more than one business entity of the license type, authorizes the Commissioner to grant a conditional license to any applicant, specifies criteria that must be met for the Commissioner to grant an active license, details requirements for background checks, and makes information received by the Commissioner during the application or background check process confidential and exempt from the Delaware Freedom of Information Act.

Section 14 of this Act limits the prohibition on the transfer of social equity licenses to people who would not meet the criteria for the issuance of a social equity license so that licensees may transfer such licenses after three years.

Section 15 of this Act adds support for social equity applicants with select business-related expenses to the list of areas for which funding from the Justice Reinvestment Fund is to be appropriated to administer grants, contracts, services, or initiatives.

Section 16 of this Act makes changes to Title 30 relating to taxes on retail marijuana establishments.

This Act also makes technical corrections to conform to the standards of the Delaware Legislative Drafting Manual.

This Act requires passage by a 3/5 majority because it authorizes the Commissioner to charge a fee for identification badges.