**R66. Agriculture and Food, Specialized Products.**

**R66-9. Cannabis Licensing Process.**

**R66-9-1. Authority and Purpose.**

(1) Subsections 4-41a-201(2)(a)(ii) and 4-41a-1206(10) authorize this rule.

(2) This rule establishes the process for issuing a cannabis production establishment license and a closed-door medical cannabis pharmacy license.

**R66-9-2. Cannabis Production Establishment and Pharmacy Licensing.**

(1) The department will solicit applications for cannabis cultivation facility licenses if the conditions in Subsection 4-41a-205(2)(a) or (b) are met.

(2) A licensed cannabis cultivation facility may not be awarded a second cannabis cultivation facility license.

(3) Pursuant to Section 4-41a-201, the board may not accept an incomplete license application.

(4) If there are more qualified applicants than available licenses, the department will evaluate the applicants pursuant to Subsection 4-41a-205(3).

(5) The department will solicit applications for medical cannabis pharmacy licenses when a medical cannabis pharmacy license becomes available due to closure or another reason.

(6) The department will solicit applications for closed-door medical cannabis pharmacy licenses pursuant to Section 4-41a-1206.

(7) Pursuant to Section 4-41a-201, the board may not accept a license application unless it is complete and will return an incomplete application to the applicant.

(8) The board will consider a license application only after an applicant meets the following conditions:

(a) submits a complete application, including documents and supplemental materials on the department's application checklist;

(b) pays the required application fee; and

(c) a department official conducts a review as described in Section R66-9-3.

(9) The department shall forward to the board the information and recommendation to aid in the license determination.

(10) The board will follow the process outlined in Subsection 4-41a-201.1(6) in considering the application.

(11) Before issuing a license, the department shall inspect the proposed premises to determine if the applicant complies with state laws and rules.

**R66-9-3. Department Review.**

(1) The department's review shall:

(a) verify required documents and supplemental materials have been submitted with the application;

(b) confirm the information in the application is correct;

(c) conduct the criminal background check required in Section 4-41a-202 or Section 4-41a-1001; and

(d) confirm that operating and business plans comply with state laws and administrative rules.

(2) The department may require additional information from an applicant.

(3) The department shall submit the cannabis processing facility or independent cannabis testing laboratory application to the Board with information within a reasonable time of receiving a completed cannabis processing facility or independent cannabis testing laboratory application.

(4) The department may conduct face to face interviews with an applicant, if needed, to determine the best qualified applicant for the licenses that will be issued.

**R66-9-4. Board Review-Licenses with Limited Availability.**

(1) If the department solicits applications for a limited number of cannabis licenses, the board shall score complete applications that meet the requirements of Subsection R66-9-2(8) and Section R66-9-3.

(2) The board shall issue licenses according to those applicants with the highest score, depending on how many licenses are available.

(3) The board review in these circumstances shall be a blind process with each name removed from each document that is provided to the board for consideration.

(4) The board may consider the following factors in determining whether to grant cannabis production establishment licenses:

(a) the applicant's experience in the medical cannabis industry;

(b) the applicant's ability to be compliant within their operating plan;

(c) the applicant's anticipated pricing structure;

(d) the timeline under which each phase of the applicant's business will be operational;

(e) other factors determined by the department or the board; and

(f) the factors required under Title 4, Chapter 41a, Part 2 Cannabis Production Establishment, and Title 4, Chapter 41a, Part 10 Medical Cannabis Pharmacy License.

(5) In addition to the factors listed in Subsection 4-41a-1206(7), the board shall approve locations for closed-door medical cannabis pharmacies based on:

(a) patient needs;

(b) the existence of a policy allowing the Pharmacist in Charge (PIC) to determine pharmacy inventory;

(c) the applicants' anticipated pricing structure; and

(d) the applicant's operating plan.

(6) The board may conduct face-to-face interviews with an applicant if needed, to determine the best qualified applicant for the licenses that will be issued.

(7) If the board discussion determines to change an applicant's initial score, the board shall document the reason for the change.

**R66-9-5. Public Hearing.**

(1) The board shall make licensing determination during a public hearing where the application was considered.

(2) The board shall allow prospective applicants to make a presentation at the public hearing in which their application is considered.

(3) The board shall notify the prospective applicant a minimum of ten business days in advance of the public hearing where their application is being considered.

(4) The board may limit the time available for presentations by the applicants.

**R66-9-6. Cannabis Production Establishment and Pharmacy Licensing Advisory Board Electronic Meetings.**

(1) The board shall conduct all meetings in accordance with Title 52, Chapter 4 Utah Open and Public Meetings Act, and Rule R51-7 Open and Public Meetings Act Electronic Meetings.

(2) The board shall provide public notice of the meeting in accordance with Section 52-4-202.

(a) The notice shall specify the anchor location, as defined in Subsection 52-4-103(1), where the members of the board not participating electronically or by telephone will be meeting and where interested persons and the public may attend, monitor, and participate in the open portions of the meeting.

(b) Unless otherwise specified in the notice, the anchor location is the main office of the Utah Department of Agriculture and Food, Taylorsville, Utah.

(3) The board shall provide public notice of the meeting at least 24 hours before the meeting and shall:

(a) post the agenda at the anchor location; and

(b) post it on the Public Notice Website.

(4) The board shall adhere to the following procedures for electronic participation:

(a) provide notice of the possibility of an electronic meeting to the board members at least 24 hours before the meeting; and

(b) describe how a member may participate in the meeting electronically or by telephone.

(5) A member may participate electronically and shall count as present for purposes of a quorum and may fully participate and vote on any matter coming before the board.

(6) At the commencement of the meeting, or at such time as any member initially appears electronically or by telephone, the chair shall identify for the record those who are appearing by telephone or electronically.

(7) The chair shall confirm all votes cast by members participating electronically.

**KEY: cannabis, cannabis production, licensing, Cannabis Production Establishment, Pharmacy Licensing Advisory Board, meetings**

**Date of Last Change: December 22, 2025**

**Authorizing, and Implemented or Interpreted Law: 4-2-103; 4-41a-201(2)(a)(ii)**