

Division of Cannabis Regulation Guidance Document – 04/12/24

Topics: Entity Legal Name, Business Structure, Facility Location

To proactively address common issues found during minimum standards review, the Division of Cannabis Regulation (DCR) is providing guidance to ensure licensees are informed of circumstances that require preapproval from the Department through a business change application prior to the change being made. Licensees that make changes that require preapproval without first submitting the necessary business change application and receiving DCR's approval, in accordance with 19 CSR 100-1.100(2) and (3), will be found in violation of the applicable rule and will be subject to a notice of violation, fines, or other penalties.

Entity Legal Name

Applicants should carefully consider the selection of the future microbusiness "entity legal name". This section of the application refers to the name of the future microbusiness, not necessarily the applicant's first and last name. The chosen entity legal name will need to be registered and active with the Missouri Secretary of State (SOS), if the license is awarded. This information is verified during the minimum standards review process for all issued microbusiness licenses. Applicants are encouraged to review the SOS website to ensure that the chosen entity name has not already been registered for another business. Applicants must provide the legal entity name exactly how it has been or will be registered. Applicants can enter any name in the "entity legal name" field, but should be aware that the entity legal name will be published to DCR website and that if a different entity name is registered with SOS than the one provided on the application, the licensee will be in violation of 19 CSR 100-1.100(2)(A) and subject to a notice of violation, fines, or other penalties.

Business Structure

Applicants should consider the type of business structure (i.e., Limited Liability Company (LLC)) registered through the SOS for the entity legal name. If the business structure provided in the application is different than the one provided through the SOS, the licensee will be in violation of 19 CSR 100-1.100(2)(A) and subject to a notice of violation, fines, or other penalties.

Facility Location

Applicants should ensure that the proposed facility location complies with Department rule and local government requirements at the time of application. Within the application, the applicant is required to provide a proposed location and attest that the location is compliant within the application. Applicants are encouraged to contact the local government regarding zoning and distance requirements prior to selecting the proposed location to verify compliance. Article XIV prohibits a marijuana facility to be located closer than 1000 ft from a school, church, or daycare. However, a local government can remove or shorten this requirement. All medical and marijuana facilities are subject to local zoning restrictions.

Applicants are not required to own, lease, etc., the proposed location at the time of application. If the proposed location provided in the application does not meet the requirements of both the Department and local government, the licensee will be in violation of 19 CSR 100-1.060(3)(H) and 19 CSR 100-

1.100(4)(C) and subject to a notice of violation, fines, or other penalties including revocation of license for providing false and misleading information at application per 19 CSR 100-1.020(3)(C).

After licensure and minimum standards review, licensees are allowed to make changes to entity legal name, business structure, and facility location through a business change application. Additional information may be found at <https://health.mo.gov/safety/cannabis/business-change-app.php>.