

MISSOURI VOTES TO LEGALIZE ADULT-USE MARIJUANA

Yesterday, Missouri voters passed Amendment 3, making Missouri the 20th state to legalize adult use of marijuana. On average, a state's marijuana sales increase over 300% after transitioning from a medical state to an adult-use state. In addition to creating 144 new facility licenses, the amendment will allow existing medical facilities to convert to comprehensive facility licensees that can serve patients and adults.

Amendment 3 will be effective and part of the Missouri Constitution as of Dec. 8, 2022. That is the first day existing facility licensees can submit a written request to convert to a comprehensive facility license. The Department of Health and Human Services (DHSS) will have 60 days to decide on such requests, which must be granted if the license is in good standing. If 60 days pass without a decision from DHSS, the license is automatically deemed to be converted to a comprehensive license. DHSS has not yet published a form to submit facility license conversion requests.

Local governments cannot ban adult-use dispensaries, except through a citizen referendum and not sooner than the November 2024 election. But local governments will be authorized to impose an additional tax on retail sales (not to exceed 3%), and they will retain traditional "time, place, and manner" zoning and use authority. Current dispensary facility licensees should examine their current local zoning and use approvals to confirm whether they will apply after the license is converted to a comprehensive license.

In the coming weeks, DHSS will publish draft rules to govern the adult-use program. Current facility licensees should review those drafts and promptly submit comments to DHSS.

Members of Armstrong Teasdale's Cannabis and Hemp Law practice participated in drafting Amendment 3, along with a set of proposed rule provisions for DHSS's consideration. Please contact us if you have questions about how Amendment 3 will impact your business.

PEOPLE

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