

NOTICE OF EXEMPT RULEMAKING  
TITLE 9. HEALTH SERVICES

2021 JAN 15 PM 6:16

CHAPTER 18. DEPARTMENT OF HEALTH SERVICES **FILED**

ADULT-USE MARIJUANA PROGRAM

PREAMBLE

<u>1.</u>	<u>Article, Part or Sections Affected (as applicable)</u>	<u>Rulemaking Action</u>
	R9-18-101	New Section
	R9-18-102	New Section
	R9-18-103	New Section
	Table 1.1	New Section
	R9-18-201	New Section
	R9-18-202	New Section
	R9-18-203	New Section
	R9-18-204	New Section
	R9-18-205	New Section
	R9-18-301	New Section
	R9-18-302	New Section
	R9-18-303	New Section
	R9-18-304	New Section
	R9-18-305	New Section
	R9-18-306	New Section
	R9-18-307	New Section
	R9-18-308	New Section
	R9-18-309	New Section
	R9-18-310	New Section
	R9-18-311	New Section
	R9-18-312	New Section
	R9-18-313	New Section
	R9-18-314	New Section
	R9-18-315	New Section
	R9-18-316	New Section
<u>2.</u>	<u>Citations to the agency's statutory rulemaking authority to include the authorizing statute</u>	

**(general) and the implementing statute (specific) and the statute or session law authorizing the exemption:**

Authorizing statutes: A.R.S. §§ 36-136(G) and 36-2854

Implementing statutes: A.R.S. §§ 36-2854, 36-2855, 36-2858, 36-2859, 36-2860, 36-2864 and 36-2865

Statute or session law authorizing the exemption: Proposition 207, § 8

**3. The effective date of the rule and the agency's reason it selected the effective date:**

January 15, 2021

This date will provide as much notice as possible to stakeholders before the Department is required under A.R.S. § 36-2854(A)(1)(d) to begin accepting applications for marijuana establishment licenses from early applicants.

**4. A list of all notices published in the Register as specified in R9-1-409(A) that pertain to the record of the exempt rulemaking:**

Notice of Public Information: 26 A.A.R. 3155, December 11, 2020

**5. The agency's contact person who can answer questions about the rulemaking:**

Name: Thomas Salow, Branch Chief

Address: Arizona Department of Health Services  
Public Health Licensing Services  
150 N. 18th Ave., Suite 400  
Phoenix, AZ 85007

Telephone: (602) 364-1935

Fax: (602) 364-3808

E-mail: Thomas.Salow@azdhs.gov

or

Name: Robert Lane, Office Chief

Address: Arizona Department of Health Services  
Office of Administrative Counsel and Rules  
150 N. 18<sup>th</sup> Ave., Suite 200  
Phoenix, AZ 85007

Telephone: (602) 542-1020

Fax: (602) 364-1150

E-mail: Robert.Lane@azdhs.gov

**6. An agency's justification and reason why a rule should be made, amended, repealed, or renumbered to include an explanation about the rulemaking:**

As part of the election in November 2020, voters approved Proposition 207, establishing Arizona Revised Statutes (A.R.S.) Title 36, Chapter 28.2, relating to “the responsible adult use, regulation and taxation of marijuana.” A.R.S. § 36-2854 requires the Arizona Department of Health Services (Department) to adopt rules to implement and enforce A.R.S. Title 36, Chapter 28.2, regulating “marijuana, marijuana products, marijuana establishments and marijuana testing facilities.” A.R.S. § 36-2855 requires marijuana facility agents to be registered with the Department. After receiving an exception from the rulemaking moratorium established by Executive Order 2020-02, the Department is adopting rules to comply with A.R.S. Title 36, Chapter 28.2, in Arizona Administrative Code Title 9, Chapter 18. Pursuant to Proposition 207, the Department is exempt from the rulemaking requirement of A.R.S. Title 41, Chapters 6 and 6.1 for 60 months after the effective date of the law.

**7. A reference to any study relevant to the rule that the agency reviewed and either relied on or did not rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:**

The Department did not rely on any study in making these changes to the rules.

**8. A showing of good cause why the rule is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable

**9. The summary of the economic, small business, and consumer impact, if applicable:**

Not applicable

**10. A description of any changes between the proposed rulemaking, including any supplemental proposed rulemaking, and final rulemaking package, (if applicable):**

Not applicable

**11. An agency’s summary of the public or stakeholder comments made about the rulemaking and the agency response to the comments, if applicable:**

Not applicable

**12. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules. When applicable, matters shall include, but not be limited to:**

**a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:**

A marijuana facility agent license, issued according to A.R.S. § 36-2855, is a general permit. A marijuana establishment license, issued according to A.R.S. § 36-2854, is

specific to the license holder, location, and scope of services provided. As such, a general permit is not applicable and is not used.

**b.** **Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than the federal law and if so, citation to the statutory authority to exceed the requirements of the federal law:**

Not applicable

**c.** **Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:**

Not applicable

**13.** **A list of any incorporated by reference material and its location in the rules:**

Not applicable

**14.** **Whether this rule previously made, amended, repealed or renumbered as an emergency rule. If so, the agency shall state where the text changed between the emergency and the exempt rulemaking packages:**

The rule was not previously made, amended, repealed, or renumbered as an emergency rule.

**15.** **The full text of the rules follows:**

**TITLE 9. HEALTH SERVICES**  
**CHAPTER 18. DEPARTMENT OF HEALTH SERVICES**  
**ADULT-USE MARIJUANA PROGRAM**

**ARTICLE 1. RECODIFIED GENERAL**

Section

<u>R9-18-101.</u>	<u>Definitions</u>
<u>R9-18-102.</u>	<u>Fees</u>
<u>R9-18-103.</u>	<u>Time-frames</u>
<u>Table 1.1</u>	<u>Time-frames</u>

**ARTICLE 2. MARIJUANA FACILITY AGENTS**

Section

<u>R9-18-201.</u>	<u>Initial Application for a Marijuana Facility Agent License</u>
<u>R9-18-202.</u>	<u>Application to Renew Marijuana Facility Agent License</u>
<u>R9-18-203.</u>	<u>Updating Information for a Marijuana Facility Agent</u>
<u>R9-18-204.</u>	<u>Requesting a Replacement Marijuana Facility Agent License</u>
<u>R9-18-205.</u>	<u>Denial, Suspension, or Revocation of a Marijuana Facility Agent License</u>

**ARTICLE 3. MARIJUANA ESTABLISHMENTS**

Section

<u>R9-18-301.</u>	<u>Principal Officers and Board Members</u>
<u>R9-18-302.</u>	<u>Marijuana Establishment License Allocation Process for Early Applicants Who Submit an Application under R9-18-303(A)</u>
<u>R9-18-303.</u>	<u>Applying for an Initial Marijuana Establishment License</u>
<u>R9-18-304.</u>	<u>Applying for Approval to Operate a Marijuana Establishment</u>
<u>R9-18-305.</u>	<u>Changes to a Marijuana Establishment License</u>
<u>R9-18-306.</u>	<u>Applying to Change a Marijuana Establishment License</u>
<u>R9-18-307.</u>	<u>Renewing a Marijuana Establishment License</u>
<u>R9-18-308.</u>	<u>Administration</u>
<u>R9-18-309.</u>	<u>Selling or Otherwise Transferring Marijuana or a Marijuana Product</u>
<u>R9-18-310.</u>	<u>Product Labeling and Packaging</u>
<u>R9-18-311.</u>	<u>Reserved</u>
<u>R9-18-312.</u>	<u>Security</u>
<u>R9-18-313.</u>	<u>Edible Food Products</u>
<u>R9-18-314.</u>	<u>Cleaning and Sanitation</u>

R9-18-315.     Physical Plant

R9-18-316.     Denial, Suspension, or Revocation of a Marijuana Establishment License

## ARTICLE 1. RECODIFIED GENERAL

### **R9-18-101. Recodified Definitions**

In addition to the definitions in A.R.S. § 36-2850, the following definitions apply in this Chapter unless otherwise stated:

1. “Accreditation” means being deemed as technically competent under ISO 17025 by the:
  - a. American Association of Laboratory Accreditation,
  - b. Perry Johnson Laboratory Accreditation,
  - c. ANSI National Accreditation Board, or
  - d. International Accreditation Services.
2. “Accuracy testing” means a mechanism in which a marijuana testing facility performs testing on samples with known characteristics, prepared by the marijuana testing facility, to determine the ability of a marijuana facility agent of the marijuana testing facility to analyze samples within specific acceptance criteria.
3. “Acquire” means to obtain through any type of transaction and from any source.
4. “Analyte” means a specific substance for which testing is performed by a marijuana testing facility.
5. “Applicant” means:
  - a. An individual submitting an application for a marijuana facility agent license; or
  - b. An individual or entity submitting an application for a marijuana establishment license, to change a marijuana establishment license, for an approval to operate a marijuana establishment, for a marijuana testing facility license, for an approval to test, or for an approval to change parameters.
6. “Batch” means:
  - a. When referring to cultivated marijuana, a specific lot of marijuana grown from one or more seeds or cuttings that are planted and harvested at the same time;
  - b. When referring to marijuana products, a specific amount of a marijuana product infused, manufactured, or prepared for sale from the same set of ingredients at the same time; and
  - c. When referring to testing of marijuana or a marijuana product, a specific set of samples prepared and tested during the same run using the same equipment.
7. “Batch number” means a unique numeric or alphanumeric identifier assigned to a batch by a marijuana establishment when:
  - a. The batch of marijuana is planted; or

- b. The batch of a marijuana product is infused, manufactured, or prepared for sale.
8. “Calendar day” means each day, not including the day of the act, event, or default from which a designated period of time begins to run, but including the last day of the period unless it is a Saturday, Sunday, statewide furlough day, or legal holiday, in which case the period runs until the end of the next day that is not a Saturday, Sunday, statewide furlough day, or legal holiday.
9. “Change” means:
- a. When used in relation to a marijuana facility agent license, adding or deleting information about a marijuana facility agent;
- b. When used in relation to a place, moving to a different location;
- c. When used in relation to a marijuana establishment license, adding or removing the activities that a licensee is approved to do at the marijuana establishment’s retail site, cultivation site, or manufacturing site;
- d. When used in relation to parameters, revising a marijuana testing facility’s standard operating procedures or quality assurance plan, required in R9-18-XXX, due to:
- i. Adding or removing a parameter,
- ii. Altering a testing method, or
- iii. Using a different instrument for performing a test; and
- e. When used in relation to testing results, altering the testing results in any way and for any reason.
10. “Commercial device” means the same as in A.R.S. § 3-3401.
11. “Contaminant” means matter, pollutant, hazardous substance, or other substance that is not intended to be part of marijuana or a marijuana product.
12. “Cultivation site” means the single off-site location where marijuana may be cultivated and processed and where marijuana products may be manufactured for a marijuana establishment.
13. “Current photograph” means an image of an individual, taken no more than 60 calendar days before the submission of the individual’s application, in a Department-approved electronic format capable of producing an image that:
- a. Has a resolution of at least 600 x 600 pixels but not more than 1200 x 1200 pixels;
- b. Is 2 inches by 2 inches in size;
- c. Is in natural color;



- d. Is a front view of the individual's full face, without a hat or headgear that obscures the hair or hairline;
  - e. Has a plain white or off-white background; and
  - f. Has between 1 and 1 3/8 inches from the bottom of the chin to the top of the head.
14. "Dispensary" means the same as "nonprofit medical marijuana dispensary" in A.R.S. § 36-2801.
15. "Edible food product" means a substance, beverage, or ingredient used or intended for use or for sale in whole or in part for human oral consumption.
16. "Entity" means a "person" as defined in A.R.S. § 1-215.
17. "Inhalable" means intended for use through intake into the lungs of an individual.
18. "Laboratory" means a facility in which testing of a substance is performed through chemical analyses or microbial analyses to determine the level of contaminants in the substance.
19. "License" means the same as in A.R.S. § 41-1001.
20. "Manufacturing site" means the single off-site location where marijuana products may be manufactured and packaged and marijuana and marijuana products stored for a marijuana establishment.
21. "Parameter" means the combination of a particular type of sample with a specific instrument or equipment by which the sample will be tested for a specific analyte or characteristic.
22. "Proficiency testing" means a mechanism in which samples with known characteristics are submitted to a marijuana testing facility for analysis to determine the ability of a marijuana facility agent of the marijuana testing facility to analyze samples within specific acceptance criteria.
23. "Proficiency testing service" means an independent company or other person with ISO/IEC 17043:2010 certification, that:
  - a. Is the source for samples with known characteristics for proficiency testing, and
  - b. Assesses the acceptability of the testing results generated by a marijuana facility agent of a marijuana testing facility from the samples with known characteristics during proficiency testing.
24. "Retail site" means the single location at which a marijuana establishment may sell marijuana and marijuana products to consumers, cultivate marijuana, and manufacture marijuana products.

25. “Sample” means:
- a. A representative portion of a larger quantity marijuana or a marijuana product,
  - b. A specific quantity of a substance or set of substances to be used for testing purposes, or
  - c. To collect the representative portion in subsection (25)(a).
26. “Working day” means a Monday, Tuesday, Wednesday, Thursday, or Friday that is not a state holiday or a statewide furlough day.

**R9-18-102. Recodified Fees**

An applicant submitting an application to the Department shall submit the following nonrefundable fees:

- 1. For a marijuana facility agent license:
  - a. For an initial license for an applicant submitting the applicant’s fingerprints on a fingerprint card, \$300;
  - b. For renewal of a license for an applicant submitting the applicant’s fingerprints on a fingerprint card, \$300;
  - c. For an initial license for an applicant submitting a copy of the applicant’s current level 1 fingerprint clearance card issued pursuant to A.R.S. § 41-1758.07, \$150;  
and
  - d. For renewal of a license for an applicant submitting a copy of the applicant’s current level 1 fingerprint clearance card issued pursuant to A.R.S. § 41-1758.07, \$150;
- 2. For changing information on a marijuana facility agent’s license, \$10;
- 3. For requesting a replacement marijuana facility agent license, \$10;
- 4. For a marijuana establishment license:
  - a. An application fee for an initial license, \$25,000; and
  - b. A license fee for license renewal, \$5,000;
- 5. For applying for an approval to operate, \$2,500;
- 6. To change the location of a marijuana establishment’s retail site, cultivation site, or manufacturing site, \$2,500;
- 7. To add a cultivation site or manufacturing site, \$2,500;
- 8. To change the approved activities for a marijuana establishment’s retail site, cultivation site, or manufacturing site, \$2,500; and
- 9. For a marijuana testing facility license:
  - a. For an initial license, \$25,000; and
  - b. For license renewal, \$5,000.

**R9-18-103. Reeodified Time-frames**

- A.** Within the administrative completeness review time-frame for each type of approval in Table 1.1, the Department shall:
- 1.** Issue:
    - a.** A marijuana facility agent license;
    - b.** An initial marijuana establishment license;
    - c.** Renewal of a marijuana establishment license;
    - d.** An approval to operate a marijuana establishment;
    - e.** An approval to change the location of a marijuana establishment's retail site;
    - f.** An approval to add or change the location of a marijuana establishment's cultivation site or manufacturing site;
    - g.** An approval to change the activities that a licensee may do at the marijuana establishment's retail site, cultivation site, or manufacturing site;
    - h.** An initial marijuana testing facility license;
    - i.** Renewal of a marijuana testing facility license;
    - j.** An approval for testing; or
    - k.** An approval to add a parameter;
  - 2.** Provide a notice of administrative completeness to an applicant; or
  - 3.** Provide a notice of deficiencies to an applicant, including a list of the information or documents needed to complete the application.
- B.** An application for approval to operate a marijuana establishment is not complete until the date the applicant states on a written notice provided to the Department according to R9-18-304 that the marijuana establishment is ready for an inspection by the Department.
- C.** An application for approval to make a change to a marijuana establishment license is not complete until the date the applicant states on a written notice provided to the Department according to R9-18-306 that the marijuana establishment is ready for an inspection by the Department.
- D.** A marijuana testing facility's application for approval for testing is not complete until the date the applicant states on a written notice provided to the Department according to R9-18-4XX that the marijuana testing facility is ready for an inspection by the Department.
- E.** If the Department provides a notice of deficiencies to an applicant:
- 1.** The administrative completeness review time-frame and the overall time-frame are suspended from the date of the notice of deficiencies until the date the Department receives the missing information or documents from the applicant, and

2. The Department shall consider the application withdrawn if the applicant does not submit the missing information or documents to the Department within the time-frame in Table 1.1.

**F.** Within the substantive review time-frame for each type of approval in Table 1.1, the Department:

1. According to subsection (H), shall issue or deny:
  - a. A marijuana facility agent license, marijuana establishment license renewal, or marijuana testing facility license; or
  - b. Approval to operate a marijuana establishment, approval to make a change to the marijuana establishment license, approval for testing, or approval to add a parameter;
2. Shall notify an applicant for an initial marijuana establishment license according to subsection (H)(3)(b)(i) or (4), as applicable;
3. May complete an inspection that may require more than one visit to a marijuana establishment;
4. May complete an inspection that may require more than one visit to a marijuana testing facility; and
5. May make one written comprehensive request for more information, unless the Department and the applicant agree in writing to allow the Department to submit supplemental requests for information.

**G.** If the Department issues a written comprehensive request or a supplemental request for information:

1. The substantive review time-frame and the overall time-frame are suspended from the date of the written comprehensive request or the supplemental request for information until the date the Department receives all of the information requested, and
2. The applicant shall submit to the Department all of the information and documents listed in the written comprehensive request or supplemental request for information within 10 working days after the date of the comprehensive written request or supplemental request for information.

**H.** The Department shall issue:

1. The following, as applicable, if the Department determines that the applicant complies with A.R.S. Title 36, Chapter 28.2, and this Chapter:
  - a. A marijuana facility agent license;
  - b. Renewal of a marijuana establishment license;
  - c. An approval to operate a marijuana establishment;

- d. An approval to change the location of a marijuana establishment's retail site;
  - e. An approval to add or change the location of a marijuana establishment's cultivation site or manufacturing site;
  - f. An approval to change an activity that a licensee may do at the marijuana establishment's retail site, cultivation site, or manufacturing site;
  - g. An initial marijuana testing facility license;
  - h. Renewal of a marijuana testing facility license;
  - i. An approval for testing; or
  - j. An approval to add a parameter;
2. For an applicant for a marijuana facility agent license, a denial that includes the reason for the denial and the process for requesting review if:
- a. The Department determines that the applicant does not comply with A.R.S. Title 36, Chapter 28.2, or this Chapter; or
  - b. The applicant does not submit all of the information and documents listed in the written comprehensive request or supplemental request for information within 10 working days after the date of the comprehensive written request or supplemental request for information;
3. For an applicant for an initial marijuana establishment license, if the Department determines that the marijuana establishment license application complies with A.R.S. Title 36, Chapter 28.2, and this Chapter:
- a. A marijuana establishment license, if not all available marijuana establishment licenses have been allocated according to the criteria and processes in R9-18-302; or
  - b. Written notice that:
    - i. The marijuana establishment license application complies with A.R.S. Title 36, Chapter 28.2, and this Chapter;
    - ii. The applicant was not allocated a marijuana establishment license according to the criteria and processes in R9-18-302 because all available marijuana establishment licenses have been allocated according to the criteria and processes in R9-18-302; and
    - iii. The written notice is not a denial and is not considered a final decision of the Department subject to administrative review; or
4. For an applicant for a marijuana establishment license, an approval to operate, an approval to change the location of a marijuana establishment's retail site, an approval to

add or change the location of a marijuana establishment's cultivation site or manufacturing site, an approval to change an activity, a marijuana testing facility license, an approval for testing, or an approval to add a parameter, a denial that includes the reason for the denial and the process for administrative review if:

- a. The Department determines that the applicant does not comply with A.R.S. Title 36, Chapter 28.2, or this Chapter; or
- b. The applicant does not submit all of the information and documents listed in the written comprehensive request or supplemental request for information within 10 working days after the date of the comprehensive written request or supplemental request for information.

**Table 1.1. Time-frames**

<u>Type of approval</u>	<u>Authority (A.R.S. § or A.A.C.)</u>	<u>Overall Time-frame (in working days)</u>	<u>Time-frame for applicant to complete application (in working days)</u>	<u>Administrative Completeness Time-frame (in working days)</u>	<u>Substantive Review Time-frame (in working days)</u>
<u>Applying for a marijuana facility agent license</u>	<u>§ 36-2855</u> <u>R9-18-201</u>	<u>15</u>	<u>30</u>	<u>5</u>	<u>10</u>
<u>Renewing a marijuana facility agent license</u>	<u>§ 36-2855</u> <u>R9-18-202</u>	<u>15</u>	<u>15</u>	<u>5</u>	<u>10</u>
<u>Applying for a marijuana establishment license</u>	<u>§ 36-2854</u> <u>R9-18-303</u>	<u>60</u>	<u>5</u>	<u>30</u>	<u>30</u>
<u>Applying for approval to operate a marijuana establishment</u>	<u>§ 36-2854</u> <u>R9-18-304</u>	<u>90</u>	<u>90</u>	<u>30</u>	<u>60</u>
<u>Changing the location of a marijuana establishment's retail site or adding or changing a marijuana establishment's cultivation site or manufacturing site location</u>	<u>§ 36-2854</u> <u>R9-18-306</u>	<u>90</u>	<u>90</u>	<u>30</u>	<u>60</u>
<u>Requesting approval to change an activity</u>	<u>§ 36-2854</u> <u>R9-18-306</u>	<u>90</u>	<u>90</u>	<u>30</u>	<u>60</u>
<u>Renewing a marijuana establishment license</u>	<u>§ 36-2854</u> <u>R9-18-307</u>	<u>15</u>	<u>15</u>	<u>5</u>	<u>10</u>
<u>Applying for a marijuana testing facility license</u>	<u>§ 36-2854</u>	<u>90</u>	<u>90</u>	<u>30</u>	<u>60</u>
<u>Applying for approval for testing</u>	<u>§ 36-2854</u>	<u>90</u>	<u>90</u>	<u>30</u>	<u>60</u>

<u>Renewing a marijuana testing facility license</u>	<u>§ 36-2854</u>	<u>15</u>	<u>15</u>	<u>5</u>	<u>10</u>
<u>Applying to add a parameter</u>	<u>§ 36-2854</u>	<u>90</u>	<u>90</u>	<u>30</u>	<u>60</u>



## ARTICLE 2. MARIJUANA FACILITY AGENTS

### R9-18-201. Initial Application for a Marijuana Facility Agent License

To apply for a marijuana facility agent license, an applicant who is at least 21 years of age shall submit to the Department in a Department-provided format:

1. The following:
  - a. The applicant's first name, middle initial if applicable, last name, and suffix if applicable;
  - b. The applicant's date of birth;
  - c. The applicant's residence address and Arizona mailing address;
  - d. The county where the applicant resides;
  - e. The identifying number on the applicable card or document in subsection (2); and
  - f. The signature of the individual and the date the individual signed;
2. A copy of the applicant's:
  - a. Arizona driver's license issued on or after October 1, 1996;
  - b. Arizona identification card issued on or after October 1, 1996;
  - c. Arizona registry identification card issued according to 9 A.A.C. 17;
  - d. Marijuana facility agent license;
  - e. Photograph page in the applicant's U.S. passport, showing the signature; or
  - f. Arizona driver's license or identification card issued before October 1, 1996 and one of the following for the applicant:
    - i. Birth certificate verifying U.S. citizenship,
    - ii. U.S. Certificate of Naturalization, or
    - iii. U.S. Certificate of Citizenship;
3. A current photograph of the applicant;
4. For the Department's criminal records check authorized in A.R.S. § 36-2855(B)(2):
  - a. The applicant's fingerprints on a fingerprint card that includes:
    - i. The applicant's first name; middle initial, if applicable; and last name;
    - ii. The applicant's signature;
    - iii. If different from the applicant, the signature of another individual physically rolling the applicant's fingerprints;
    - iv. The applicant's address;
    - v. If applicable, the applicant's surname before marriage and any names previously used by the applicant;

- vi. The applicant's date of birth;
  - vii. The applicant's Social Security number;
  - viii. The applicant's citizenship status;
  - ix. The applicant's gender;
  - x. The applicant's race;
  - xi. The applicant's height;
  - xii. The applicant's weight;
  - xiii. The applicant's hair color;
  - xiv. The applicant's eye color; and
  - xv. The applicant's place of birth; or
- b. Documentation that the applicant has a valid level I fingerprint clearance card issued according to A.R.S. § 41-1758.07;
- 5. An attestation that the applicant has not been convicted of an excluded felony offense;
  - 6. An attestation that the information provided in the application is true and correct; and
  - 7. The applicable fee in R9-18-102 for applying for an initial license as a marijuana facility agent.

**R9-18-202. Application to Renew a Marijuana Facility Agent License**

To renew a license as a marijuana facility agent, an applicant shall submit to the Department, at least 30 calendar days before the expiration of the license as a marijuana facility agent and in a Department-provided format:

- 1. The applicant's license number on the marijuana facility agent license;
- 2. A current photograph of the applicant;
- 3. For the Department's criminal records check authorized in A.R.S. § 36-2855(B)(2):
  - a. The applicant's fingerprints on a fingerprint card that includes:
    - i. The applicant's first name; middle initial, if applicable; and last name;
    - ii. The applicant's signature;
    - iii. If different from the applicant, the signature of another individual physically rolling the applicant's fingerprints;
    - iv. The applicant's address;
    - v. If applicable, the applicant's surname before marriage and any names previously used by the applicant;
    - vi. The applicant's date of birth;
    - vii. The applicant's Social Security number;
    - viii. The applicant's citizenship status;

- ix. The applicant's gender;
- x. The applicant's race;
- xi. The applicant's height;
- xii. The applicant's weight;
- xiii. The applicant's hair color;
- xiv. The applicant's eye color; and
- xv. The applicant's place of birth; or
- b. Documentation that the applicant has a valid level I fingerprint clearance card issued according to A.R.S. § 41-1758.07;
- 4. An attestation that the applicant has not been convicted of an excluded felony offense;
- 5. An attestation that the information provided in the application is true and correct; and
- 6. The applicable fee in R9-18-102 for renewal of a license as a marijuana facility agent.

**R9-18-203. Updating Information for a Marijuana Facility Agent**

**A. A marijuana facility agent shall:**

- 1. Notify the Department, in a Department-provided format and within 10 working days, if any of the following information submitted to the Department changes:
  - a. The marijuana facility agent's name,
  - b. The marijuana facility agent's residential address or mailing address, or
  - c. The marijuana facility agent's e-mail address; and
- 2. Submit to the Department, in a Department-provided format:
  - a. For a change in the marijuana facility agent's name, one of the following with the marijuana facility agent's new name:
    - i. An Arizona driver's license,
    - ii. An Arizona identification card, or
    - iii. The photograph page in the marijuana facility agent's U.S. passport;
  - b. For a change in address, the new address and the county where the new address is located;
  - c. For a change in e-mail address, the new e-mail address;
  - d. The effective date of the marijuana facility agent's new name or address; and
  - e. The fee in R9-18-102 for changing marijuana facility agent information.

**B. A marijuana facility agent shall notify the Department within 48 hours after the following:**

- 1. Beginning employment or other association with a marijuana establishment or marijuana testing facility, or
- 2. Ending employment or other association with a marijuana establishment or marijuana

testing facility.

**R9-18-204. Requesting a Replacement Marijuana Facility Agent License**

To request a replacement marijuana facility agent license for a license that has been lost, stolen, or destroyed, a marijuana facility agent shall submit to the Department, in a Department-provided format and within 10 working days after the marijuana facility agent license was lost, stolen, or destroyed, a request for a replacement marijuana facility agent license that includes:

1. The marijuana facility agent's name and date of birth;
2. If known, the license number on the lost, stolen, or destroyed marijuana facility agent license;
3. If the marijuana facility agent cannot provide the license number on the lost, stolen, or destroyed marijuana facility agent license, a copy of one of the following documents that the marijuana facility agent submitted with an application for the license or to renew the license:
  - a. Arizona driver's license,
  - b. Arizona identification card, or
  - c. Photograph page in the marijuana facility agent's U.S. passport; and
4. The fee in R9-18-102 for requesting a replacement marijuana facility agent license.

**R9-18-205. Denial, Suspension, or Revocation of a Marijuana Facility Agent License**

**A.** The Department shall deny an application for or renewal of a marijuana facility agent license if a marijuana facility agent:

1. Does not meet the definition "marijuana facility agent" in A.R.S. § 36-2850; or
2. Previously had a registry identification card issued according to 9 A.A.C. 17 or marijuana facility agent license revoked for not complying with, as applicable, A.R.S. Title 36, Chapter 28.1 or Chapter 28.2, or rules in 9 A.A.C. 17 or this Chapter.

**B.** The Department may deny an application for or renewal of a license of a marijuana facility agent if the marijuana facility agent provides false or misleading information to the Department.

**C.** The Department may suspend or revoke the license of a marijuana facility agent and may assess a civil penalty if the marijuana facility agent:

1. Diverts marijuana to an individual who or entity that is not allowed to possess marijuana, pursuant to A.R.S. Title 36, Chapter 28.1 or 28.2;
2. Has been convicted of an excluded felony offense;
3. Provides false or misleading information to the Department; or
4. Knowingly violates A.R.S. Title 36, Chapter 28.2, or this Chapter.

**D.** If the Department denies, suspends, or revokes the license of a marijuana facility agent, the

Department shall provide notice to a marijuana facility agent that includes:

1. The specific reason or reasons for the denial, suspension, or revocation; and
2. The process for requesting a review of the Department's decision pursuant to A.R.S. Title 41, Chapter 6, Article 10.

### ARTICLE 3. MARIJUANA ESTABLISHMENTS

#### R9-18-301. Principal Officers and Board Members

- A. For the purposes of this Chapter, in addition to the individual or individuals identified in the marijuana establishment's by-laws or other organizational governing documents as principal officers of the marijuana establishment, if applicable, the following individuals are considered principal officers:
1. If a corporation is applying for a marijuana establishment license, two individuals who are officers of the corporation, including, but not limited to, the president or chief executive officer and those individuals serving in the positions of secretary and treasurer;
  2. If a partnership is applying for a marijuana establishment license, all individuals who are general partners and the principal officers of any entity general partner;
  3. If a limited liability company is applying for a marijuana establishment license, all managers of a manager-managed limited liability company, all members of a member-managed limited liability company, and the principal officers of an entity manager or member;
  4. If an association or cooperative is applying for a marijuana establishment license, the chief executive officer, executive director, or other comparable leader of the association or cooperative; and
  5. If a business organization type other than those described in subsections (A)(1) through (4) is applying for a marijuana establishment license, two individuals who occupy the top leadership positions of the business organization.
- B. For purposes of this Chapter, in addition to the individual or individuals identified in the marijuana establishment's by-laws or other organizational governing documents as board members of the marijuana establishment, if applicable, the following individuals are considered board members:
1. If a corporation is applying for a marijuana establishment license, the members of the board of directors of the corporation;
  2. If a partnership is applying for a marijuana establishment license, the partners who are not limited partners;
  3. If a limited liability company is applying for a marijuana establishment license, the principal officers of the limited liability company;
  4. If an association or cooperative is applying for a marijuana establishment license, the principal officers of the association or cooperative; and

5. If a business organization type other than the types of business organizations in subsections (B)(1) through (4), the principal officers of the business organization.

**R9-18-302. Marijuana Establishment License Allocation Process for Early Applicants Who Submit an Application under R9-18-303(A)**

**A.** If the Department receives more marijuana establishment license applications that are complete and compliant with A.R.S. Title 36, Chapter 28.2, and this Chapter to participate in the allocation process than the number of licenses the Department is allowed to issue, the Department shall allocate the marijuana establishment licenses according to the following criteria:

1. For a county that:
  - a. Does not contain a dispensary, if two or fewer marijuana establishment license applications are received, the Department shall allocate a marijuana establishment license to each applicant; and
  - b. Contains one dispensary, if only one marijuana establishment license application is received, the Department shall allocate a marijuana establishment license to the applicant; and
2. If more marijuana establishment license applications are received for a county than the number of licenses the Department is allowed to issue according to subsection (A)(1)(a) or (b), the Department shall allocate a marijuana establishment license based on random drawing to:
  - a. Two applicants if the county does not contain a dispensary, and
  - b. One applicant if the county contains one dispensary.

**B.** If the Department does not allocate a marijuana establishment license to an applicant that had submitted a marijuana establishment license application that the Department determined was complete and compliant with A.R.S. Title 36, Chapter 28.2, and this Chapter to participate in the allocation process, the Department shall provide a written notice to the applicant that states that, although the applicant's marijuana establishment license application was complete and compliant with A.R.S. Title 36, Chapter 28.2, and this Chapter, the Department did not allocate the applicant a marijuana establishment license under the processes in this Section.

**C.** If the Department receives a marijuana establishment license application at a time other than the time stated in R9-18-303(A), the Department shall return the application, including the application fee, to the entity that submitted the application.

**R9-18-303. Applying for an Initial Marijuana Establishment License**

**A.** Except as specified in subsection (E), to apply for an initial marijuana establishment license, an applicant shall electronically submit to the Department, between January 19, 2021 and March 9,

2021:

1. The following information in a Department-provided format:
  - a. The legal name of the proposed marijuana establishment;
  - b. The physical address of the proposed marijuana establishment's retail site;
  - c. The county in which the proposed marijuana establishment's retail site is located;
  - d. The following information for the applicant:
    - i. Name of the entity applying,
    - ii. Type of business organization,
    - iii. Arizona mailing address,
    - iv. Telephone number, and
    - v. E-mail address;
  - e. For a business organization that is not a publicly traded corporation, the name, residence address, and date of birth of each principal officer or board member;
  - f. For a business organization that is a publicly traded corporation, the name, residence address, and date of birth of each principal officer or board member who is entitled to 10% or more of the profits of the proposed marijuana establishment;
  - g. Whether the applicant agrees to allow the Department to submit supplemental requests for information;
  - h. A statement that, if the early applicant is issued a marijuana establishment license, the proposed marijuana establishment will not operate until the proposed marijuana establishment is inspected and obtains an approval to operate from the Department;
  - i. An attestation that the applicant understands and will comply with the requirements in A.R.S. Title 36, Chapter 28.2, and this Chapter;
  - j. An attestation that information provided to the Department to apply for a marijuana establishment license is true and correct; and
  - k. The signatures of each principal officer and each board member of the proposed marijuana establishment according to R9-18-301 and the date signed;
2. Documentation that the applicant is in good standing with the Arizona Corporation Commission;
3. For each principal officer and each board member listed according to subsection (A)(1)(e) or (f), documentation of the principal officer's or board member's marijuana facility agent license;



4. A statement, in a Department-provided format, signed and dated within 60 calendar days before the date of the application by a representative of the local jurisdiction:
    - a. Certifying that the proposed marijuana establishment is in compliance with any local zoning restrictions; and
    - b. Including:
      - i. Information identifying the local jurisdiction and the local jurisdiction's representative,
      - ii. The legal name of the proposed marijuana establishment, and
      - iii. The physical address of the proposed marijuana establishment's retail site as specified according to subsection (A)(1)(b);
  5. Documentation, in a Department-provided format, of:
    - a. Ownership of the physical address of the proposed marijuana establishment, signed and dated within 60 calendar days before the days of application; or
    - b. Permission from the owner of the physical address of the proposed marijuana establishment for the applicant for a marijuana establishment license to operate a marijuana establishment at the physical address, signed, notarized, and dated within 60 calendar days before the days of application;
  6. The following documentation from an in-state financial institution or an out-of-state financial institution, as defined in A.R.S. § 6-101:
    - a. A written statement, in a Department-provided format, signed within 30 calendar days before the date of the application by a representative of the in-state financial institution or out-of-state financial institution, as applicable, confirming that the applicant or a principal officer or board member of the applicant has at least \$500,000 in liquid capital, as defined in A.R.S. § 6-851, in the name of the applicant or a principal officer or board member of the applicant; and
    - b. Documentation, including the name of the applicant or a principal officer or board member of the applicant, supporting that the \$500,000 has been under the control of the applicant or principal office or board member of the applicant for at least 30 calendar days before the date of the application; and
  7. The application fee in R9-18-102 for a marijuana establishment license.
- B.** If an applicant submits more than one application in subsection (A) for a marijuana establishment license, the applicant shall submit with each application documentation required in subsection (A)(6) that does not include funds for which documentation was submitted as part of another application.

- C. An applicant shall ensure that an individual is not an applicant, principal officer, or board member on more than five marijuana establishment license applications submitted according to subsection (A).
- D. Except as specified in R9-18-304(B), before an entity with a marijuana establishment license begins operating a marijuana establishment, the entity shall apply for and obtain an approval to operate a marijuana establishment from the Department.
- E. An entity holding a valid dispensary registration certificate issued by the Department under 9 A.A.C. 17 may apply for an initial marijuana establishment license by electronically submitting to the Department between January 19, 2021, and March 9, 2021, in a Department-provided format:
1. An attestation from each principal officer and each board member approving the application for a marijuana establishment license;
  2. The license number on the applicant's dispensary registration certificate;
  3. If applicable, whether the applicant wants to transfer the cultivation site under the applicant's dispensary registration certificate to the marijuana establishment license; and
  4. The applicable fee in R9-18-102 for applying for a marijuana establishment license.
- F. If the Department receives a marijuana establishment license application according to subsection (E) at a time other than the time stated in subsection (E), the Department shall return the application, including the application fee, to the entity that submitted the application.

**R9-18-304. Applying for Approval to Operate a Marijuana Establishment**

- A. Except as provided in subsection (B), to apply for approval to operate a marijuana establishment, a principal officer or board member of the entity holding a marijuana establishment license shall electronically submit to the Department, within 18 months after the marijuana establishment license was issued:
1. The following information in a Department-provided format:
    - a. The name and license number of the marijuana establishment;
    - b. The physical address of the marijuana establishment's retail site;
    - c. The marijuana establishment's Transaction Privilege Tax Number issued by the Arizona Department of Revenue;
    - d. The marijuana establishment's proposed hours of operation;
    - e. Whether the marijuana establishment agrees to allow the Department to submit supplemental requests for information;
    - f. Whether the marijuana establishment's retail site is ready for an inspection by the Department;
    - g. If the marijuana establishment's retail site is not ready for an inspection by the

Department, the date the marijuana establishment's retail site will be ready for an inspection by the Department;

- h. An attestation that the information provided to the Department to apply for approval to operate a marijuana establishment is true and correct; and
  - i. The signature of each principal officer and each board member of the marijuana establishment according to R9-18-301 and the date signed;
2. A copy of documentation issued by the local jurisdiction to the marijuana establishment authorizing occupancy of the building as a marijuana establishment's retail site, such as a certificate of occupancy, a special use permit, or a conditional use permit;
  3. A list of which of the following activities the marijuana establishment is requesting approval to provide at the retail site:
    - a. Cultivation,
    - b. Manufacturing of marijuana products, or
    - c. Manufacturing of edible marijuana products;
  4. If requesting approval to manufacture edible marijuana products, a copy of the marijuana establishment's license or permit of the location as a food establishment, issued under 9 A.A.C. 8, Article 1;
  5. A site plan drawn to scale of the marijuana establishment's retail site showing streets, property lines of the contiguous premises, buildings, parking areas, outdoor areas if applicable, fences, security features, fire hydrants if applicable, and access to water mains;
  6. A floor plan drawn to scale of the building where the marijuana establishment's retail site is located showing the:
    - a. Layout and dimensions of each room,
    - b. Name and function of each room,
    - c. Location of each hand washing sink,
    - d. Location of each toilet room,
    - e. Means of egress,
    - f. Location of each video camera,
    - g. Location of each panic button, and
    - h. Location of natural and artificial lighting sources; and
  7. The applicable fee in R9-18-102 for applying for an approval to operate.
- B. If a marijuana establishment receives a marijuana establishment license pursuant to R9-18-303(E), the marijuana establishment may begin operating without submitting an application in

subsection (A) if the entity holding the marijuana establishment license:

1. Received an approval to operate under A.A.C. R9-17-305, and
2. Is operating and available to dispense medical marijuana in accordance with A.A.C. R9-17-310(A)(1).

**R9-18-305. Changes to a Marijuana Establishment License**

- A. A marijuana establishment receiving a marijuana establishment license pursuant to R9-18-303(E) may not separately transfer or assign the dispensary registration certificate or the marijuana establishment license.
- B. Except as provided in subsection (C), a marijuana establishment may change the location of the marijuana establishment's retail site, manufacturing site, or cultivation site to another location in the state.
- C. For a marijuana establishment that received a marijuana establishment license under A.R.S. § 36-2854(A)(1)(c), the marijuana establishment may only change the location of the marijuana establishment's retail site to another location in the same county for which the original marijuana establishment license was issued.
- D. A marijuana establishment shall not cultivate, manufacture, distribute, dispense, or sell marijuana or a marijuana product at a new location of the marijuana establishment's retail site, manufacturing site, or cultivation site or make a change in the activities conducted at a current location until the marijuana establishment:
1. Submits an application for a change in R9-18-306; and
  2. Receives from the Department an amended marijuana establishment license or an approval for:
    - a. The new location of the marijuana establishment's retail site, manufacturing site, or cultivation site; or
    - b. The requested change in the activities conducted at a current location.

**R9-18-306. Applying to Change a Marijuana Establishment License**

- A. On or after April 1, 2021, a marijuana establishment may submit an application to the Department according to subsections (B) and (C) to request any of the following:
1. To change the location of the marijuana establishment's retail site, manufacturing site, or cultivation site;
  2. To add a manufacturing site or cultivation site; or
  3. To change what the marijuana establishment is approved to do at the retail site, cultivation site, or manufacturing site.

B. A marijuana establishment shall submit a separate application to the Department for each request for one of the possible changes in subsection (A).

C. To request any of the changes specified in subsection (A), a marijuana establishment shall submit to the Department:

1. The following information in a Department-provided format:

- a. The legal name of the marijuana establishment;
- b. The marijuana establishment license number for the marijuana establishment;
- c. Whether the request is for a change in the location of the marijuana establishment's:
  - i. Retail site,
  - ii. Cultivation site, or
  - iii. Manufacturing site;
- d. As applicable, the anticipated date of the change of location;
- e. Whether the marijuana establishment is requesting to add a:
  - i. Cultivation site and, if so, the physical address of the proposed cultivation site; or
  - ii. Manufacturing site and, if so, the physical address of the proposed cultivation site;
- f. The current physical address of the marijuana establishment's retail site, cultivation site, or manufacturing site, as applicable to the request;
- g. Whether the proposed marijuana establishment's retail site or the marijuana establishment's proposed cultivation site or manufacturing site, as applicable, is ready for an inspection by the Department;
- h. If the proposed marijuana establishment's retail site or the marijuana establishment's proposed cultivation site or manufacturing site, as applicable, is not ready for an inspection by the Department, the date the marijuana establishment's retail site or the marijuana establishment's proposed cultivation site or manufacturing site will be ready for an inspection by the Department;
- i. Whether the marijuana establishment is requesting approval for a change in any of the following activities and, if so, whether the activity is planned to occur at the retail site or cultivation site:
  - i. On-site cultivation,
  - ii. Manufacturing of marijuana products on-site, or
  - iii. Preparation of edible marijuana products;

- j. Whether the marijuana establishment is requesting approval for a change in any of the following activities at the manufacturing site:
    - i. Packaging and storing marijuana or marijuana products,
    - ii. Manufacturing of marijuana products on-site, or
    - iii. Preparation of edible marijuana products;
  - k. An attestation that the information provided to the Department as part of the application is true and correct; and
  - l. The signatures of each principal officer and each board member of the marijuana establishment according to R9-18-301 and the date signed;
2. For a requested change in location of a marijuana establishment's retail site, cultivation site, or manufacturing site, or when requesting to add a cultivation site or manufacturing site, a statement, in a Department-provided format, signed and dated within 60 calendar days before the date of the application by a representative of the local jurisdiction:
- a. Certifying that the proposed location is in compliance with any local zoning restrictions; and
  - b. Including:
    - i. Information identifying the local jurisdiction and the local jurisdiction's representative,
    - ii. The legal name of the marijuana establishment, and
    - iii. The physical address of the proposed location;
3. A copy of documentation issued by the local jurisdiction to the marijuana establishment authorizing occupancy, as applicable, of the building as a marijuana establishment's proposed retail site or of the location as the marijuana establishment's proposed cultivation site or manufacturing site, such as a certificate of occupancy, a special use permit, or a conditional use permit;
4. If requesting to change the location of a marijuana establishment's retail site, cultivation site, or manufacturing site, or when requesting to add a cultivation site or manufacturing site, documentation, in a Department-provided format, of:
- a. Ownership of the physical address of the proposed marijuana establishment location, signed and dated within 60 calendar days before the days of application;  
or
  - b. Permission from the owner of the physical address of the proposed location for the marijuana establishment to operate a retail site, cultivation site, or manufacturing site, as applicable, at the physical address, signed, notarized, and

dated within 60 calendar days before the days of application;

5. A site plan drawn to scale of the proposed marijuana establishment location showing streets, property lines of the contiguous premises, buildings, parking areas, outdoor areas if applicable, fences, security features, fire hydrants if applicable, and access to water mains;
  6. A floor plan drawn to scale of the building of the proposed retail site, cultivation site, or manufacturing site, as applicable, showing the:
    - a. Layout and dimensions of each room;
    - b. Name and function of each room;
    - c. Location of each hand washing sink;
    - d. Location of each toilet room;
    - e. Means of egress;
    - f. Location of each video camera;
    - g. Location of each panic button; and
    - h. Location of natural and artificial lighting sources, as applicable;
  7. If requesting approval to prepare edible marijuana products, a copy of the marijuana establishment's license or permit of the location as a food establishment, issued under 9 A.A.C. 8, Article 1; and
  8. The applicable fee in R9-18-102 for applying for:
    - a. A change in location,
    - b. The addition of a cultivation site or manufacturing site, or
    - c. A change in approved activities at a location.
- D.** If the information and documents submitted by the marijuana establishment comply with A.R.S. Title 36, Chapter 28.2, and this Chapter, the Department shall issue an amended marijuana establishment license that includes the new address of the new location or amended approved activities, as applicable, and retains the expiration date of the previous marijuana establishment license.
- E.** An application to request any of the possible changes in subsection (A) may not be combined with an application for renewing a marijuana establishment license. A separate application is required for each change, and the Department shall process each application separately according to the applicable time-frame established in R9-18-103 and Table 1.1.
- F.** A marijuana establishment shall submit written notification to the Department when the marijuana establishment no longer uses a previously approved cultivation site or manufacturing site.

**R9-18-307.   Renewing a Marijuana Establishment License**

To renew a marijuana establishment license, a marijuana establishment that has an approval to operate a marijuana establishment issued by the Department shall submit to the Department, at least 30 calendar days before the expiration date of the marijuana establishment's current marijuana establishment license, the following:

1. An application in a Department-provided format that includes:
  - a. The legal name of the marijuana establishment,
  - b. The marijuana establishment license number for the marijuana establishment,
  - c. An attestation that the information provided to the Department to renew the marijuana establishment license is true and correct, and
  - d. The signature of each principal officer and each board member of the marijuana establishment according to R9-18-301 and the date signed; and
2. The license fee in R9-18-102 for applying to renew a marijuana establishment license.

**R9-18-308.   Administration**

**A.   A marijuana establishment shall:**

1. Ensure that the marijuana establishment's retail site is operating and available to provide marijuana and marijuana products to consumers:
  - a. At least 30 hours weekly between the hours of 7:00 a.m. and 10:00 p.m.; and
  - b. Within 18 months after receiving the marijuana establishment license;
2. Develop, document, and implement policies and procedures regarding:
  - a. Job descriptions and employment contracts, including:
    - i. Personnel duties, authority, responsibilities, and qualifications; and
    - ii. Supervision;
  - b. Training of marijuana facility agents, including the requirements of A.R.S. Title 36, Chapter 28.2, and this Chapter;
  - c. Inventory control, including:
    - i. Tracking;
    - ii. Packaging;
    - iii. Acquiring marijuana or marijuana products from a dispensary or another marijuana establishment;
    - iv. Providing marijuana or marijuana products to another marijuana establishment or a dispensary; and
    - v. Either:
      - (1) Providing samples of marijuana or marijuana products to a



- marijuana testing facility for testing, or
- (2) Allowing a marijuana facility agent associated with a marijuana testing facility access to marijuana or marijuana product to collect samples; and
- d. Advertising that comply with the requirements in A.R.S. § 36-2859;
3. Maintain copies of the policies and procedures at the marijuana establishment's retail site and provide copies to the Department for review upon request;
4. Review marijuana establishment policies and procedures at least once every 12 months from the issue date of the marijuana establishment license and update as needed;
5. Ensure that all principal officers, board members, employees and volunteers providing services for the marijuana establishment maintain valid marijuana facility agent licenses with the Department and that the marijuana facility agent licenses are linked to the marijuana establishment through the Department's electronic system;
6. Ensure that each marijuana facility agent has the marijuana facility agent's license in the marijuana facility agent's immediate possession when the marijuana facility agent is:
- a. Working or providing volunteer services at the marijuana establishment's retail site or the marijuana establishment's cultivation site or manufacturing site, or
- b. Transporting marijuana for the marijuana establishment;
7. Not allow an individual who does not possess a marijuana facility agent license or who does not meet the requirements in A.R.S. § 36-2855(E) to:
- a. Serve as a principal officer or board member for the marijuana establishment,
- b. Be employed by the marijuana establishment, or
- c. Provide volunteer services at or on behalf of the marijuana establishment;
8. Provide written notice to the Department, including the date of the event, within 10 working days after the date, when a marijuana facility agent no longer:
- a. Serves as a principal officer or board member for the marijuana establishment,
- b. Is employed by the marijuana establishment, or
- c. Provides volunteer services at or on behalf of the marijuana establishment;
9. Document and report any loss or theft of marijuana or a marijuana product from the marijuana establishment's retail site, cultivation site, or manufacturing site to the appropriate law enforcement agency;
10. Maintain copies of any documentation required in this Chapter for at least 12 months after the date on the documentation and provide copies of the documentation to the Department for review upon request; and

11. Post the following information in a place that can be viewed by individuals entering the marijuana establishment's retail site:
    - a. If applicable, the marijuana establishment's approval to operate;
    - b. The marijuana establishment license;
    - c. A sign in a Department-provided format that contains the following language:
      - i. "WARNING: There may be potential dangers to fetuses caused by smoking or ingesting marijuana while pregnant or to infants while breastfeeding," and
      - ii. "WARNING: Use of marijuana during pregnancy may result in a risk of being reported to the Department of Child Safety during pregnancy or at the birth of the child by persons who are required to report;" and
    - d. The hours of operation during which the marijuana establishment will sell or otherwise transfer marijuana or a marijuana product to a consumer.
- B.** If a marijuana establishment cultivates marijuana, the marijuana establishment shall cultivate the marijuana in a secure location according to R9-18-312.

**R9-18-309. Selling or Otherwise Transferring Marijuana or a Marijuana Product**

- A.** Before a marijuana facility agent of a marijuana establishment sells or otherwise transfers marijuana or a marijuana product to a consumer, the marijuana facility agent shall:
1. Verify the consumer's age through one of the documents in A.R.S. § 4-241(K);
  2. Make available the results of testing of the marijuana or marijuana product required in R9-18-311, if requested by the consumer; and
  3. Ensure that the amount of marijuana or marijuana product to be sold or otherwise transferred to the consumer does not exceed one ounce of marijuana, with not more than five grams being in the form of a marijuana concentrate.
- B.** A marijuana establishment shall ensure that marijuana or a marijuana product provided by the marijuana establishment to a consumer is sold or otherwise transferred in a container made of material that will not react with or leach into the marijuana or marijuana product.
- C.** A marijuana establishment shall ensure that any marijuana or marijuana products sold to a consumer meets the requirements in A.A.C. R9-17-317.01.

**R9-18-310. Product Labeling and Packaging**

- A.** A marijuana establishment shall ensure that marijuana or a marijuana product provided by the marijuana establishment's retail site to a consumer:
1. Complies with packaging and labeling requirements in A.R.S. § 36-2860(A);
  2. Is labeled with:

- a. The marijuana establishment license number;
  - b. The amount, strain, and batch number of the marijuana or marijuana product;
  - c. The form of the marijuana or marijuana product;
  - d. As applicable, the weight of the marijuana or marijuana product;
  - e. In compliance with Table 3.1, the potency of the marijuana or marijuana product, based on the results of testing by a marijuana testing facility, including the number of milligrams per designated unit or percentage of:
    - i. Total tetrahydrocannabinol, reported according to R9-18-4XX(X);
    - ii. Total cannabidiol, reported according to R9-18-4XX(X); and
    - iii. Any other cannabinoid for which the marijuana establishment is making a claim related to the effect of the cannabinoid on the human body;
  - f. The following statement: “ARIZONA DEPARTMENT OF HEALTH SERVICES’ WARNING: Marijuana use can be addictive and can impair an individual’s ability to drive a motor vehicle or operate heavy machinery. Marijuana smoke contains carcinogens and can lead to an increased risk for cancer, tachycardia, hypertension, heart attack, and lung infection. KEEP OUT OF REACH OF CHILDREN”;
  - g. If not cultivated by the marijuana establishment, whether the marijuana was obtained from another marijuana establishment or a dispensary;
  - h. If not infused or prepared for sale by the marijuana establishment, whether the marijuana product was obtained from another marijuana establishment or a dispensary;
  - i. For a marijuana product, the ingredients in order of abundance; and
  - j. The date of manufacture, harvest, or sale; and
3. Is placed in child-resistant packaging on exit from the marijuana establishment.
- B.** If a marijuana establishment provides marijuana cultivated, or a marijuana product infused or prepared for sale, by the marijuana establishment to another marijuana establishment or to a dispensary, the marijuana establishment shall ensure that:
- 1. The marijuana or marijuana product is labeled with:
    - a. The marijuana establishment license number;
    - b. The amount, strain, and batch number of the marijuana or marijuana product; and
    - c. The date of harvest or sale; and
  - 2. A copy of results of testing by a marijuana testing facility for the marijuana or marijuana product is provided to the receiving marijuana establishment or dispensary.

R9-18-311.     Reserved

R9-18-312.     Security

- A.     A marijuana establishment shall ensure that, if the marijuana establishment cultivates marijuana:
1.     If cultivation takes place indoors, the marijuana is cultivated in a closed, locked room;  
and
  2.     If cultivation takes place outdoors, the location:
    - a.     Is surrounded by solid, 10-foot walls that are constructed of metal, concrete, or stone that prevent viewing of the marijuana plants; and
    - b.     Has a one-inch thick metal gate.
- B.     A marijuana establishment shall ensure that access to the marijuana establishment's cultivation site or manufacturing site or to the portion of the marijuana establishment's retail site where marijuana is cultivated, processed, manufactured, or stored is limited to the marijuana establishment's principal officers, board members, and authorized marijuana facility agents, unless the individual is supervised by a marijuana facility agent associated with the marijuana establishment.
- C.     A marijuana facility agent may transport marijuana, marijuana plants, marijuana products, and marijuana paraphernalia between the marijuana establishment and:
1.     The marijuana establishment's cultivation site or manufacturing site,
  2.     Another marijuana establishment,
  3.     A dispensary, and
  4.     A marijuana testing facility that has a marijuana testing facility license issued by the Department.
- D.     Before transportation, a marijuana facility agent of a marijuana establishment shall:
1.     Complete a trip plan that includes:
    - a.     The name of the marijuana facility agent in charge of transporting the marijuana;
    - b.     The date and start time of the trip;
    - c.     A description of the marijuana, marijuana plants, marijuana products, or marijuana paraphernalia being transported;
    - d.     Any anticipated stops during the trip, including the locations of the stop and arrival and departure time from the location; and
    - e.     The anticipated route of transportation; and
  2.     Provide a copy of the trip plan in subsection (D)(1) to the marijuana establishment.
- E.     During transportation, a marijuana facility agent shall:
1.     Carry a copy of the trip plan in subsection (D)(1) with the marijuana facility agent for the

duration of the trip;

2. Use a vehicle without any marijuana identification;
3. Have a means of communication with the marijuana establishment; and
4. Ensure that the marijuana, marijuana plants, marijuana products, or marijuana paraphernalia are not visible.

F. After transportation, a marijuana facility agent shall enter the end time of the trip and any changes to the trip plan on the trip plan required in subsection (D)(1).

G. A marijuana establishment shall:

1. Maintain the documents required in subsection (D)(2) and (F) for at least two years after the date of the documentation;
2. If transporting a sample to a marijuana testing facility for testing, provide a copy of the trip plan in subsection (D)(1) to the marijuana testing facility; and
3. Provide a copy of the documents required in subsection (D)(2) and (F) to the Department for review upon request.

H. A marijuana establishment shall not transport marijuana, marijuana plants, marijuana products, or marijuana paraphernalia to a consumer.

I. To prevent unauthorized access to marijuana or a marijuana product at the marijuana establishment's retail site and, if applicable, the marijuana establishment's cultivation site or manufacturing site, the marijuana establishment shall have the following:

1. Security equipment to deter and prevent unauthorized entrance into limited access areas that include:
  - a. Devices or a series of devices to detect unauthorized intrusion, which may include a signal system interconnected with a radio frequency method, such as cellular, private radio signals, or other mechanical or electronic device;
  - b. Exterior lighting to facilitate surveillance;
  - c. Electronic monitoring including:
    - i. At least one 19-inch or greater call-up monitor;
    - ii. A video printer capable of immediately producing a clear still photo from any video camera image;
    - iii. Video cameras:
      - (1) Providing coverage of all entrances to and exits from limited access areas and all entrances to and exits from the building, capable of identifying any activity occurring in or adjacent to the building; and

- (2) Having a recording resolution of at least 704 x 480 or the equivalent;
- iv. A video camera at each point of sale location allowing for the identification of any consumer purchasing marijuana or a marijuana product;
- v. A video camera in each grow room capable of identifying any activity occurring within the grow room in low light conditions;
- vi. Storage of video recordings from the video cameras for at least 30 calendar days;
- vii. A failure notification system that provides an audible and visual notification of any failure in the electronic monitoring system; and
- viii. Sufficient battery backup for video cameras and recording equipment to support at least five minutes of recording in the event of a power outage;  
and
- d. Panic buttons in the interior of each building; and

2. Policies and procedures:

- a. That deter unauthorized removal of marijuana or marijuana products from the premises, including:
  - i. Restricting access to the areas of the marijuana establishment's retail site where marijuana is cultivated, processed or stored and, if applicable, the marijuana establishment's cultivation site or manufacturing site; and
  - ii. Ensuring that an individual other than a principal officer, board member, or marijuana facility agent associated with the marijuana facility is supervised by a marijuana facility agent associated with the marijuana establishment when in an area specified in subsection (I)(2)(a)(i);
- b. That provide for the identification of authorized individuals;
- c. That prevent loitering;
- d. For conducting electronic monitoring; and
- e. For the use of a panic button.

**R9-18-313. Edible Food Products**

A. A marijuana establishment that prepares, sells, or otherwise transfers marijuana-infused edible food products shall:

- 1. Before preparing, selling, or otherwise transferring a marijuana-infused edible food product obtain a license or permit as a food establishment under 9 A.A.C. 8, Article 1;

2. If the marijuana establishment prepares the marijuana-infused edible food products, ensure that the marijuana-infused edible food products are prepared according to the applicable requirements in 9 A.A.C. 8, Article 1;
3. If the marijuana-infused edible food products are not prepared at the marijuana establishment, ensure that the other marijuana establishment or dispensary that prepares the marijuana-infused edible products for the marijuana establishment has a current license or permit as a food establishment under 9 A.A.C. 8, Article 1, to prepare marijuana-infused edible food products; and
4. If a marijuana establishment sells or otherwise transfers marijuana-infused edible food products, ensure that the marijuana-infused edible food products:
  - a. Are sold or otherwise transferred according to applicable requirements in 9 A.A.C. 8, Article 1;
  - b. In compliance with A.R.S § 36-2854(A)(7), contain no more total tetrahydrocannabinol than:
    - i. 10 mg of per serving; or
    - ii. 100 mg per package; and
  - c. If packaged as more than one serving, are:
    - i. Scored or otherwise delineated into standard serving size, and
    - ii. Of homogeneous consistency to ensure uniform disbursement of total tetrahydrocannabinol throughout the edible food product.

**B.** A marijuana establishment is responsible for the content and quality of any edible food product sold or dispensed by the marijuana establishment.

**R9-18-314. Cleaning and Sanitation**

**A.** A marijuana establishment shall ensure that:

1. Any building or equipment used by a marijuana establishment for the cultivation, harvest, preparation, packaging, storage, infusion, or sale of marijuana or marijuana products is maintained in a clean and sanitary condition;
2. Marijuana or marijuana products, in the process of production, preparation, manufacture, packing, storage, sale, distribution, or transportation, are protected from flies, dust, dirt, and all other contamination;
3. Refuse or waste products incident to the manufacture, preparation, packing, selling, distributing, or transportation of marijuana or marijuana products are removed from the building used as a marijuana establishment's retail site and, if applicable, a building at the marijuana establishment's cultivation site or manufacturing site at least once every 24

hours or more often as necessary to maintain a clean condition;

4. All trucks, trays, buckets, other receptacles, platforms, racks, tables, shelves, knives, saws, cleavers, other utensils, or the machinery used in moving, handling, cutting, chopping, mixing, canning, packaging, or other processes are cleaned daily;
5. Any equipment used in the preparation of marijuana products is clean, in good repair, and, if applicable, calibrated according to the manufacturer's recommendations;
6. Any supplies used in the preparation of marijuana products, including flammable or volatile chemicals, are stored in a manner to avoid a hazardous condition from occurring;  
and
7. All stored marijuana products are securely covered.

**B.** A marijuana establishment shall ensure that a marijuana facility agent at the marijuana establishment or the marijuana establishment's cultivation site or manufacturing site:

1. Cleans the marijuana facility agent's hands and exposed portions of the marijuana facility agent's arms in a hand washing sink:
  - a. Before preparing marijuana or marijuana products, including working with food, equipment, and utensils;
  - b. During preparation, as often as necessary to remove soil and contamination and to prevent cross-contamination when changing tasks;
  - c. After handling soiled equipment or utensils;
  - d. After touching bare human body parts other than the marijuana facility agent's clean hands and exposed portions of arms; and
  - e. After using the toilet room;
2. If working directly with the preparation of marijuana or the infusion of marijuana into non-edible products:
  - a. Keeps the marijuana facility agent's fingernails trimmed, filed, and maintained so that the edges and surfaces are cleanable;
  - b. Unless wearing intact gloves in good repair, does not have fingernail polish or artificial fingernails on the marijuana facility agent's fingernails; and
  - c. Wears protective apparel such as coats, aprons, gowns, or gloves to prevent contamination;
3. Wears clean clothing appropriate to assigned tasks;
4. Reports to the marijuana establishment, according to policies and procedures, any health condition experienced by the marijuana facility agent that may adversely affect the safety or quality of any marijuana or marijuana products with which the marijuana facility agent



may come into contact; and

5. If, according to the marijuana establishment's policies and procedures, a marijuana facility agent has a health condition that may adversely affect the safety or quality of the marijuana or marijuana products, the marijuana facility agent is prohibited from direct contact with any marijuana, marijuana products, or equipment or materials for processing marijuana or manufacturing marijuana products until the marijuana facility agent's health condition will not adversely affect the medical marijuana or marijuana products.

**R9-18-315. Physical Plant**

- A.** A marijuana establishment shall ensure that the licensed premises are maintained free from hazards.
- B.** A marijuana establishment shall provide onsite parking or parking adjacent to the building used as the marijuana establishment's retail site.
- C.** A building used as a marijuana establishment's retail site or the location used as a marijuana establishment's cultivation site or manufacturing site shall have:
  1. At least one toilet room;
  2. Each toilet room shall contain:
    - a. A flushable toilet;
    - b. Mounted toilet tissue;
    - c. A sink with running water;
    - d. Soap contained in a dispenser; and
    - e. Disposable, single-use paper towels in a mounted dispenser or a mechanical air hand dryer;
  3. At least one hand washing sink not located in a toilet room;
  4. Designated storage areas for marijuana or materials used in direct contact with marijuana, separate from storage areas for toxic or flammable materials; and
  5. If preparation or packaging of marijuana is done in the building, a designated area for the preparation or packaging that:
    - a. Includes work space that can be sanitized, and
    - b. Is only used for the preparation or packaging of marijuana.
- D.** For each commercial device used at a marijuana establishment retail site, cultivation site, or manufacturing site, the marijuana establishment shall:
  1. Ensure that the commercial device is licensed or certified pursuant to A.R.S. § 3-3451,
  2. Maintain documentation of the commercial device's license or certification, and
  3. Provide a copy of the commercial device's license or certification to the Department for

review upon request.

**R9-18-316. Denial, Suspension, or Revocation of a Marijuana Establishment License**

**A.** The Department shall deny an application for a marijuana establishment license or a renewal if:

1. A principal officer or board member:
  - a. Has been convicted of an excluded felony offense, or
  - b. Is under 21 years of age; or
2. The application or the marijuana establishment does not comply with the requirements in A.R.S. Title 36, Chapter 28.2, and this Chapter.

**B.** The Department may deny an application for or renewal of a marijuana establishment license if a principal officer or board member of the marijuana establishment provides false or misleading information to the Department.

**C.** The Department may suspend or revoke a marijuana establishment license if:

1. The marijuana establishment:
  - a. Provides false or misleading information to the Department;
  - b. Operates before obtaining approval to operate a marijuana establishment from the Department;
  - c. Diverts marijuana to an individual who or entity that is not allowed to possess marijuana, pursuant to A.R.S. Title 36, Chapter 28.1 or 28.2; or
  - d. Acquires marijuana from an individual who or entity that is not allowed to possess marijuana, pursuant to A.R.S. Title 36, Chapter 28.1 or 28.2;
2. A principal officer or board member:
  - a. Has been convicted of an excluded felony offense, or
  - b. Provides false or misleading information to the Department; or
3. The marijuana establishment does not:
  - a. Comply with the requirements in A.R.S. Title 36, Chapter 28.2, and this Chapter;  
or
  - b. Implement the policies and procedures or comply with the statements provided to the Department with the marijuana establishment's application.

**D.** If the Department denies a marijuana establishment license application, the Department shall provide notice to the applicant that includes:

1. The specific reason or reasons for the denial, and
2. All other information required by A.R.S. § 41-1076.

**E.** If the Department suspends or revokes a marijuana establishment license, the Department shall provide notice to the marijuana establishment that includes:

1. The specific reason or reasons for the suspension or revocation; and
2. The process for requesting a review of the Department's decision pursuant to A.R.S. Title 41, Chapter 6, Article 10.