

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 773 Session of 2023

INTRODUCED BY GEBHARD, STEFANO, BARTOLOTTA, ROBINSON, COSTA, CULVER, LAUGHLIN AND LANGERHOLC, JUNE 8, 2023

AS REPORTED FROM COMMITTEE ON HEALTH, HOUSE OF REPRESENTATIVES, AS AMENDED, OCTOBER 30, 2023

AN ACT

1 Amending the act of April 17, 2016 (P.L.84, No.16), entitled "An
2 act establishing a medical marijuana program; providing for
3 patient and caregiver certification and for medical marijuana
4 organization registration; imposing duties on the Department
5 of Health; providing for a tax on medical marijuana
6 organization gross receipts; establishing the Medical
7 Marijuana Program Fund; establishing the Medical Marijuana
8 Advisory Board; establishing a medical marijuana research
9 program; imposing duties on the Department of Corrections,
10 the Department of Education and the Department of Human
11 Services; and providing for academic clinical research
12 centers and for penalties and enforcement," in preliminary
13 provisions, further providing for definitions; in medical
14 marijuana organizations, further providing for APPLICATION <--
15 AND ISSUANCE, FOR limitations on permits and providing for
16 additional dispensary AND GROWER/PROCESSOR permits <--
17 authorized, for application and issuance of additional
18 dispensary permits and for limitations on other additional <--
19 permits or licenses; and, in academic clinical research
20 centers and clinical registrants, further providing for
21 definitions.

22 The General Assembly of the Commonwealth of Pennsylvania
23 hereby enacts as follows:

24 Section 1. Section 103 of the act of April 17, 2016 (P.L.84,
25 No.16), known as the Medical Marijuana Act, is amended by adding
26 definitions to read:

1 Section 103. Definitions.

2 The following words and phrases when used in this act shall  
3 have the meanings given to them in this section unless the  
4 context clearly indicates otherwise:

5 \* \* \*

6 "Change of control transaction." The consolidation, merger  
7 or acquisition by a person or group of persons acting in concert  
8 of more than 20% of:

9 (1) a medical marijuana organization's securities or  
10 other ownership interests, with the exception of any  
11 ownership interest of the person that existed at the time of  
12 the issuance of the initial medical marijuana organization's  
13 permit and payment of the initial permit; or

14 (2) the securities or other ownership interests of a  
15 corporation or other form of business entity which owns  
16 directly or indirectly 20% of the securities or other  
17 ownership interests of the medical marijuana organization.

18 \* \* \*

19 "DIVERSE GROUP." THE TERM SHALL MEAN THE SAME AS UNDER  
20 SECTION 615(D).

<--

21 \* \* \*

22 "INDEPENDENT DISPENSARY." A DISPENSARY ISSUED A PERMIT TO  
23 OPERATE IN THIS COMMONWEALTH AND THAT MEETS ALL OF THE  
24 FOLLOWING:

25 (1) HAS NOT HAD THE DISPENSARY'S PERMIT REVOKED.

26 (2) HAS NOT ENTERED INTO A CHANGE OF CONTROL TRANSACTION  
27 WITH ANY OTHER PERSON.

28 (3) IS NOT MATERIALLY THE SAME AS A MEDICAL MARIJUANA  
29 ORGANIZATION IN THIS COMMONWEALTH THROUGH A PARENT COMPANY,  
30 SUBSIDIARY OR SHARED AFFILIATION WITH ANOTHER ENTITY THAT

1 HOLDS A PERMIT FROM THE DEPARTMENT UNDER THIS ACT OR THROUGH  
2 THE SHARING OF PRINCIPALS, OFFICERS OR DIRECTORS, EMPLOYEES,  
3 FACILITIES, EQUIPMENT, FINANCES OR CAPITAL.

4 "Independent grower/processor." A grower/processor awarded a  
5 permit to operate in this Commonwealth that meets all of the  
6 following criteria as of the effective date of this definition:

7 (1) Has not had its permit revoked.

8 (2) Has not entered into a merger, acquisition or other <--  
9 change of control transaction with any other entity that was  
10 awarded a grower/processor permit, a dispensary permit or a  
11 clinical registrant permit in this Commonwealth. CHANGE OF <--  
12 CONTROL TRANSACTION WITH ANY OTHER PERSON.

13 (3) Is not otherwise associated with or materially the <--  
14 same as another MATERIALLY THE SAME AS A medical marijuana <--  
15 organization in this Commonwealth through a parent company or  
16 subsidiary of another entity that holds a permit from the  
17 department under this act or through the sharing of  
18 PRINCIPALS, officers or directors, employees, facilities, <--  
19 equipment, finances or capital.

20 \* \* \*

21 "Materially the same." A person who shares any of the  
22 following with another person:

23 (1) Profits or losses.

24 (2) Common valuation, in the case of a publicly traded  
25 company.

26 (3) Common ownership of 5% or greater, including <--  
27 subsidiaries. MORE THAN 5%, INCLUDING SUBSIDIARIES. <--

28 (4) COMMON OWNERSHIP OF 5% OR LESS IF THE PERSONS WITH  
29 VOTING RIGHTS TO ELECT OR APPOINT ONE OR MORE MEMBERS OF THE  
30 BOARD OF DIRECTORS OR OTHER GOVERNING BOARD.

1           (5) COMMON MANAGEMENT, POLICIES, PRINCIPALS, OFFICERS,  
2           DIRECTORS, EMPLOYEES, EQUIPMENT, FINANCES OR CAPITAL.

3           \* \* \*

4           "Parent company." A company which directly or indirectly  
5           controls any other permittee under this act.

6           \* \* \*

7           "Person." A natural person, corporation, foundation,  
8           organization, business trust, estate, limited liability company,  
9           licensed corporation, trust, partnership, limited liability  
10           partnership, association or other form of legal business entity.

11           \* \* \*

12           ~~Section 2. Section 616(5) of the act is amended to read:~~           <--

13           SECTION 2. SECTIONS 606(A) (1) AND 616(5) OF THE ACT ARE           <--

14           AMENDED TO READ:

15           SECTION 606. APPLICATION AND ISSUANCE.

16           (A) DUTY TO REPORT.--AN APPLICANT TO BE A GROWER/PROCESSOR  
17           OR TO OPERATE A DISPENSARY IS UNDER A CONTINUING DUTY TO:

18                   (1) REPORT TO THE DEPARTMENT ANY CHANGE IN FACTS OR  
19                   CIRCUMSTANCES REFLECTED IN THE APPLICATION OR ANY NEWLY  
20                   DISCOVERED OR OCCURRING FACT OR CIRCUMSTANCE WHICH IS  
21                   REQUIRED TO BE INCLUDED IN THE APPLICATION, INCLUDING A  
22                   CHANGE IN CONTROL OR CHANGE OF CONTROL TRANSACTION OF THE  
23                   MEDICAL MARIJUANA ORGANIZATION.

24           \* \* \*

25           Section 616. Limitations on permits.

26           The following limitations apply to approval of permits for  
27           grower/processors and dispensaries:

28           \* \* \*

29                   (5) [No] Except as provided under section 617, no more  
30                   than five grower/processors may be issued permits as

1 dispensaries. [If the number of growers/processors is <--  
2 increased under section 1202, no more than 20% of the total  
3 number of growers/processors may also be issued permits as  
4 dispensaries.] <--

5 \* \* \*

6 Section 3. The act is amended by adding sections to read:

7 ~~Section 617. Additional dispensary permits authorized.~~ <--

8 ~~(a) Authorization. An independent grower/processor that~~  
9 ~~applies and meets the requirements under section 618 shall be~~  
10 ~~issued two dispensary permits.~~

11 SECTION 617. ADDITIONAL DISPENSARY AND GROWER/PROCESSOR PERMITS <--

12 AUTHORIZED.

13 (A) AUTHORIZATION.--

14 (1) AN INDEPENDENT GROWER/PROCESSOR THAT APPLIES AND  
15 MEETS THE REQUIREMENTS UNDER SECTION 618 SHALL BE ISSUED ONE  
16 DISPENSARY PERMIT.

17 (2) AN INDEPENDENT DISPENSARY THAT APPLIES AND MEETS THE  
18 REQUIREMENTS UNDER SECTION 618 SHALL BE ISSUED ONE  
19 GROWER/PROCESSOR PERMIT.

20 (b) Rights and privileges.--The dispensary permits issued <--  
21 under this section shall carry the same rights, privileges and  
22 obligations as dispensary permits issued under this chapter. <--

23 ~~(c) Dispensing and facility requirements. The dispensary~~ <--  
24 ~~permits issued under this section shall be subject to the~~  
25 ~~requirements in Chapter 8.~~

26 ~~(d) (C) Suspension or revocation prohibited.--The department~~ <--  
27 ~~may not suspend, revoke or withdraw a permit or fail to renew OR~~ <--  
28 ~~REVOKE the permit of an entity that receives a dispensary permit~~ <--  
29 ~~under this section due to the entity ceasing to qualify as an~~ <--  
30 ~~independent grower/processor ENTERING INTO A CHANGE OF CONTROL~~ <--

1 TRANSACTION WITH ANY PERSON AT LEAST TWO YEARS after the holder  
2 of the dispensary permit becomes operational in this  
3 Commonwealth. Nothing in this section shall prohibit the  
4 department from taking action for a violation of section 618(a)  
5 (4).

6 Section 618. Application and issuance of additional dispensary <--  
7 permits.

8 (a) Applications.—

9 (1) The department shall develop a standard application  
10 form and make the form available to independent  
11 grower/processors that apply for dispensary permits  
12 authorized under section 617.

13 (2) The department shall, within 30 days of the  
14 effective date of this paragraph, accept applications from  
15 independent grower/processors for dispensary permits  
16 authorized under section 617.

17 (3) The department shall review applications for  
18 dispensary permits authorized under section 617 within 30  
19 days of receipt of an application under paragraph (1) from an  
20 eligible independent grower/processor.

21 (4) The department shall require an applicant for a  
22 dispensary permit authorized under section 617 to certify to  
23 the department in the application that the applicant will not  
24 enter into a merger, acquisition, change of control  
25 transaction or otherwise become associated with or materially  
26 the same as another medical marijuana organization, entity or  
27 person that holds a permit from the department for a duration  
28 of one year from the date on which the independent  
29 grower/processor receives an operational certificate from the  
30 department.

1 ~~(b) Issuance.~~

2 ~~(1) The department shall issue dispensary permits within~~  
3 ~~15 days of review of applications received under this section~~  
4 ~~to all applicants that meet the minimum requirements for~~  
5 ~~permitting under this chapter. The department shall notify an~~  
6 ~~applicant for dispensary permits authorized under section 617~~  
7 ~~of the approval of an application by certified mail or email.~~

8 ~~(2) If an applicant under this section does not meet the~~  
9 ~~minimum criteria for permitting, the department shall notify~~  
10 ~~the applicant by certified mail or email within 15 days of~~  
11 ~~review of the application which shall include deficiencies in~~  
12 ~~the application and unmet requirements.~~

13 ~~(3) If the department denies an application for~~  
14 ~~dispensary permits authorized under section 617, no later~~  
15 ~~than 15 days after completing the review under subsection (a)~~  
16 ~~(2), the department shall notify the applicant of the denial~~  
17 ~~by certified mail or email. The notice shall include each~~  
18 ~~deficiency in the application that does not meet the~~  
19 ~~requirements to be issued a permit under this act.~~

20 ~~(4) If the department determines that an application is~~  
21 ~~complete but lacks sufficient information upon which to make~~  
22 ~~a determination, the department shall notify the applicant in~~  
23 ~~writing of the factors that require additional information~~  
24 ~~and documentation. The following apply:~~

25 ~~(i) Except as provided under subparagraph (iv), an~~  
26 ~~applicant has 30 days from the mailing date of the notice~~  
27 ~~under this paragraph to provide the requested information~~  
28 ~~and documentation to the department.~~

29 ~~(ii) An applicant's failure to provide the requested~~  
30 ~~information to the department by the deadline may be~~

~~grounds for denial of the issuance of the dispensary permit.~~

~~(iii) Nothing in this paragraph requires the department to request additional or supplemental information from an applicant if the application is deemed complete under paragraph (1).~~

~~(iv) Upon showing of good cause, the department may extend the deadline in subparagraph (i) one time for up to an additional 15 days.~~

~~(v) The department shall make a determination on the issuance of the dispensary permit within 15 days of receipt of the requested information or documentation required to make a determination.~~

~~(5) Upon request for inspection or reinspection for an operational certificate, the department shall inspect the dispensary location within 30 days of request by certified mail or email.~~

~~(6) Appeals to the issuance or denials of dispensary permits under this section must be responded to by the department within 30 days of submittal.~~

(D) PERMIT FOR CLINICAL REGISTRANT.--NOTWITHSTANDING <--  
SUBSECTION (C) OR SECTION 619, AN INDEPENDENT GROWER/PROCESSOR  
OR INDEPENDENT DISPENSARY THAT APPLIES FOR A PERMIT TO CONVERT  
TO A CLINICAL REGISTRANT UNDER SECTION 2002 SHALL SURRENDER A  
GROWER/PROCESSOR PERMIT OR DISPENSARY PERMIT, OR BOTH,  
PREVIOUSLY ISSUED TO THE INDEPENDENT GROWER/PROCESSOR OR  
INDEPENDENT DISPENSARY.

SECTION 618. APPLICATION AND ISSUANCE OF ADDITIONAL PERMITS.

(A) APPLICATIONS.--

(1) THE DEPARTMENT SHALL DEVELOP A STANDARD APPLICATION



1 FORM AND OPEN APPLICATIONS FOR PERMITS AUTHORIZED UNDER  
2 SECTION 617 WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS  
3 PARAGRAPH.

4 (2) APPLICANTS UNDER THIS SECTION SHALL, WITHIN 60 DAYS  
5 AFTER APPLICATIONS ARE POSTED, SUBMIT APPLICATIONS FOR  
6 PERMITS AUTHORIZED UNDER SECTION 617.

7 (3) THE DEPARTMENT SHALL REVIEW APPLICATIONS FOR PERMITS  
8 AUTHORIZED UNDER SECTION 617 WITHIN 45 DAYS OF RECEIPT OF AN  
9 APPLICATION UNDER PARAGRAPH (1) FROM AN ELIGIBLE INDEPENDENT  
10 GROWER/PROCESSOR OR INDEPENDENT DISPENSARY.

11 (4) AN APPLICATION FOR A PERMIT AUTHORIZED UNDER SECTION  
12 617 SHALL REQUIRE:

13 (I) SUPPORTING DOCUMENTATION AND CERTIFICATION TO  
14 THE DEPARTMENT THAT THE APPLICANT QUALIFIES AS AN  
15 INDEPENDENT GROWER/PROCESSOR OR INDEPENDENT DISPENSARY.

16 (II) CERTIFICATION TO THE DEPARTMENT THAT THE  
17 APPLICANT WILL NOT ENTER INTO A CHANGE OF CONTROL  
18 TRANSACTION WITH ANY OTHER PERSON FOR A DURATION OF TWO  
19 YEARS FROM THE DATE THE FIRST DISPENSARY LOCATION OR  
20 GROWER/PROCESSOR LOCATION IS DEEMED OPERATIONAL BY THE  
21 DEPARTMENT, UNLESS THE CHANGE OF CONTROL TRANSACTION  
22 OCCURS AT LEAST ONE YEAR AFTER THE HOLDER OF THE PERMIT  
23 BECOMES OPERATIONAL AND IS BETWEEN THE APPLICANT AND A  
24 DIVERSE GROUP.

25 (III) ANY INFORMATION REQUIRED UNDER SECTION 602  
26 THAT HAS SIGNIFICANTLY CHANGED SINCE THE APPLICANT  
27 RECEIVED AN INITIAL PERMIT.

28 (B) ISSUANCE.--

29 (1) EXCEPT AS PROVIDED UNDER PARAGRAPH (3), THE  
30 DEPARTMENT SHALL ISSUE PERMITS UNDER SECTION 617 WITHIN 60

1 DAYS OF THE APPLICATION SUBMISSION DEADLINE UNDER SUBSECTION  
2 (A) (2) TO ALL APPLICANTS THAT MEET THE MINIMUM REQUIREMENTS  
3 FOR PERMITTING UNDER THIS CHAPTER. THE DEPARTMENT SHALL  
4 NOTIFY AN APPLICANT FOR PERMITS AUTHORIZED UNDER SECTION 617  
5 OF THE APPROVAL OF AN APPLICATION BY CERTIFIED MAIL OR EMAIL.

6 (2) IF AN APPLICATION UNDER THIS SECTION IS INCOMPLETE,  
7 THE FOLLOWING APPLY:

8 (I) THE DEPARTMENT SHALL, WITHIN 15 DAYS OF  
9 REVIEWING THE APPLICATION, NOTIFY THE APPLICANT BY  
10 CERTIFIED MAIL OR EMAIL OF THE MISSING APPLICATION  
11 MATERIALS.

12 (II) AN APPLICANT SHALL HAVE 15 DAYS FROM WHEN THE  
13 NOTICE IS RECEIVED UNDER THIS PARAGRAPH TO PROVIDE  
14 MISSING MATERIALS TO THE DEPARTMENT.

15 (III) AN APPLICANT'S FAILURE TO COMPLETE THE  
16 APPLICATION BY THE DEADLINE UNDER SUBPARAGRAPH (II) SHALL  
17 BE GROUNDS FOR DENIAL OF A PERMIT.

18 (3) IF AN APPLICATION UNDER THIS SECTION IS COMPLETE BUT  
19 DOES NOT MEET THE MINIMUM CRITERIA FOR A PERMIT, THE  
20 DEPARTMENT SHALL NOTIFY THE APPLICANT BY CERTIFIED MAIL OR  
21 EMAIL OF THE DEFICIENCIES IN THE APPLICATION AND THE  
22 FOLLOWING APPLY:

23 (I) AN APPLICANT SHALL HAVE 30 DAYS FROM THE DATE  
24 THE NOTICE IS RECEIVED UNDER THIS PARAGRAPH TO PROVIDE  
25 SUPPLEMENTAL APPLICATION MATERIALS TO THE DEPARTMENT.

26 (II) AN APPLICANT'S FAILURE TO PROVIDE THE  
27 SUPPLEMENTAL APPLICATION MATERIALS TO THE DEPARTMENT BY  
28 THE DEADLINE WILL BE GROUNDS FOR DENIAL OF THE ISSUANCE  
29 OF A PERMIT.

30 (III) AN APPLICANT'S FAILURE TO MEET THE MINIMUM

1 CRITERIA FOR A PERMIT AFTER PROVIDING SUPPLEMENTAL  
2 APPLICATION MATERIALS TO THE DEPARTMENT SHALL BE GROUNDS  
3 FOR DENIAL OF THE ISSUANCE OF A PERMIT.

4 (IV) THE DEPARTMENT MAY USE UP TO 30 ADDITIONAL DAYS  
5 TO ISSUE DISPENSARY PERMITS TO APPLICANTS THAT MEET THE  
6 MINIMUM CRITERIA FOR A PERMIT AFTER PROVIDING  
7 SUPPLEMENTAL APPLICATION MATERIALS TO THE DEPARTMENT.

8 (4) IF THE DEPARTMENT DENIES AN APPLICATION FOR A  
9 DISPENSARY PERMIT AUTHORIZED UNDER SECTION 617, THE  
10 DEPARTMENT SHALL NOTIFY THE APPLICANT OF THE DENIAL BY  
11 CERTIFIED MAIL OR EMAIL. THE NOTICE SHALL INCLUDE EACH  
12 DEFICIENCY IN THE APPLICATION THAT DOES NOT MEET THE MINIMUM  
13 CRITERIA TO BE ISSUED A DISPENSARY PERMIT.

14 (5) IN THE EVENT AN INDEPENDENT GROWER/PROCESSOR OR  
15 INDEPENDENT DISPENSARY HAS NOT APPLIED FOR A PERMIT  
16 AUTHORIZED UNDER SECTION 617 OR HAS RECEIVED A DENIAL FOR A  
17 PERMIT AUTHORIZED UNDER SECTION 617, THE DEPARTMENT SHALL  
18 ACCEPT NEW APPLICATIONS DURING AN APPLICATION PROCESS  
19 SCHEDULED ANNUALLY BY THE DEPARTMENT. THE ANNUAL APPLICATION  
20 PROCESS SHALL FOLLOW THE TIME LINES ESTABLISHED UNDER THIS  
21 ACT.

22 (6) APPEALS TO THE ISSUANCE OR DENIALS OF DISPENSARY  
23 PERMITS UNDER THIS SECTION MUST BE RESPONDED TO BY THE  
24 DEPARTMENT WITHIN 45 DAYS OF SUBMITTAL.

25 (7) AN INDEPENDENT GROWER/PROCESSOR OR INDEPENDENT  
26 DISPENSARY ISSUED A PERMIT UNDER SECTION 617 SHALL NOTIFY THE  
27 DEPARTMENT WHEN THE INDEPENDENT GROWER/PROCESSOR OR  
28 INDEPENDENT DISPENSARY LOCATION IS OPERATIONAL.

29 (8) UPON NOTIFICATION UNDER PARAGRAPH (7), THE  
30 DEPARTMENT SHALL SCHEDULE AN INSPECTION TO DETERMINE IF THE

1 MEDICAL MARIJUANA ORGANIZATION FACILITY IS OPERATIONAL TO THE  
2 SATISFACTION OF THE DEPARTMENT. NOTHING IN THIS SECTION SHALL  
3 PROHIBIT THE DEPARTMENT FROM DETERMINING THAT THE INSPECTED  
4 LOCATION FAILS TO BE OPERATIONAL.

5 (c) Fees.--

6 (1) An independent grower/processor applying for A <--  
7 DISPENSARY PERMIT SHALL PAY:

8 (i) An initial application fee in the amount of  
9 \$5,000. The fee is nonrefundable.

10 (ii) A permit fee of \$30,000 for each DISPENSARY <--  
11 location. The period of the permit shall be one year. An  
12 applicant shall submit the permit fee at the time of  
13 submission of the application. The fee shall be returned  
14 if the application is not granted.

15 (iii) A renewal fee for the permit as a dispensary  
16 in the amount of \$5,000. The fee shall be returned if the  
17 renewal is not granted and shall cover renewal for all  
18 locations. An application to renew a permit must be filed  
19 with the department not more than six months nor less  
20 than four months prior to expiration.

21 (iv) A fee of \$250 when amending the application to  
22 indicate relocation within this Commonwealth or the  
23 addition or deletion of approved activities by the  
24 medical marijuana organization.

25 (2) AN INDEPENDENT DISPENSARY APPLYING FOR A <--  
26 GROWER/PROCESSOR PERMIT SHALL PAY:

27 (I) AN INITIAL APPLICATION FEE IN THE AMOUNT OF  
28 \$10,000. THE FEE IS NONREFUNDABLE.

29 (II) A PERMIT FEE OF \$200,000. THE PERIOD OF THE  
30 PERMIT IS ONE YEAR. AN APPLICANT SHALL SUBMIT THE PERMIT

1 FEE AT THE TIME OF SUBMISSION OF THE APPLICATION. THE FEE  
2 SHALL BE RETURNED IF THE APPLICATION IS NOT GRANTED.

3 (III) A RENEWAL FEE FOR THE PERMIT AS A  
4 GROWER/PROCESSOR IN THE AMOUNT OF \$10,000. THE FEE SHALL  
5 COVER THE RENEWAL FOR ALL LOCATIONS. THE RENEWAL FEE  
6 SHALL BE RETURNED IF THE RENEWAL IS NOT GRANTED. AN  
7 APPLICATION TO REVIEW A PERMIT MUST BE FILED WITH THE  
8 DEPARTMENT NOT MORE THAN SIX MONTHS NOR LESS THAN FOUR  
9 MONTHS PRIOR TO EXPIRATION.

10 (IV) A FEE OF \$250 WHEN AMENDING THE APPLICATION TO  
11 INDICATE RELOCATION WITHIN THIS COMMONWEALTH OR THE  
12 ADDITION OR DELETION OF APPROVED ACTIVITIES BY THE  
13 MEDICAL MARIJUANA ORGANIZATION.

14 ~~(2) (3) All fees under paragraph (1) THIS SUBSECTION~~ <--  
15 shall be paid by certified check or money order.

16 ~~(3) (4) Fees payable under paragraph (1) THIS SUBSECTION~~ <--  
17 shall be deposited into the fund.

18 ~~(d) Regions.~~ <--

19 ~~(1) An independent grower/processor may apply for a~~  
20 ~~dispensary permit under this section in any region~~  
21 ~~established under section 603(d).~~

22 ~~(2) The department may limit the number of dispensary~~  
23 ~~permits issued under this section to each independent~~  
24 ~~grower/processor in accordance with the following:~~

25 ~~(i) The department may limit the number of~~  
26 ~~dispensary permits issued under this section to one~~  
27 ~~dispensary permit per independent grower/processor for~~  
28 ~~any region established under section 603(d).~~

29 ~~(ii) If a single independent grower/processor~~  
30 ~~applies for two dispensary permits in the same region~~

~~established under section 603(d) and the department  
determines that issuing the dispensary permits to the  
applicant would not be in the best interests of medical  
marijuana patients, the department shall notify the  
applicant within seven days of the department's  
determination and allow the applicant to submit a new  
application for a different region without remittance of  
an additional application fee under subsection (c)(1)(i).~~

~~(iii) Nothing in this paragraph shall be construed  
to modify the allowable dispensary permits for each  
independent grower/processor under section 617.~~

(D) REGIONS.--AN INDEPENDENT GROWER/PROCESSOR MAY APPLY FOR <--  
A DISPENSARY PERMIT UNDER THIS SECTION IN ANY REGION ESTABLISHED  
UNDER SECTION 603(D).

(e) Certification violation.--If an independent  
grower/processor enters into a merger, acquisition or other OR <--  
INDEPENDENT DISPENSARY ENTERS INTO A change of control  
transaction with another entity in violation of subsection (a) <--  
(4) THIS ACT, the contract or agreement executed with the other <--  
entity for the merger, acquisition or other change of control <--  
transaction shall be void. CHANGE OF CONTROL TRANSACTION SHALL <--  
BE VOID, UNLESS THE CHANGE OF CONTROL TRANSACTION OCCURS AT  
LEAST ONE YEAR AFTER THE PERMITTEE BECOMES OPERATIONAL AND THE  
MERGER IS BETWEEN A PERMIT HOLDER AND A DIVERSE GROUP.

Section 619. Limitations on other additional permits or  
licenses.

Notwithstanding the provisions of section 617 or 618, nothing  
in section 617 or 618 shall be construed to limit an entity that  
qualifies as an independent grower/processor OR INDEPENDENT <--  
DISPENSARY from applying for and receiving additional permits or

1 licenses under any other provisions of this act upon the release  
2 of additional permits or licenses by the department or the  
3 Commonwealth.

4 Section 4. Section 2001 of the act is amended by adding a  
5 definition to read:

6 Section 2001. Definitions.

7 The following words and phrases when used in this chapter  
8 shall have the meanings given to them in this section unless the  
9 context clearly indicates otherwise:

10 \* \* \*

11 "Accredited medical school." An institution located within  
12 this Commonwealth that is accredited by the Liaison Committee of  
13 Medical Education or the Commission on Osteopathic College  
14 Accreditation or has gained pre-accreditation or provisional  
15 accreditation so that the institution is authorized to enroll  
16 students and is affiliated with an accredited institution of  
17 higher education located within this Commonwealth.

18 \* \* \*

19 Section 5. This act shall take effect in 120 days.