

218B.095 Requirements for licensed businesses -- Prohibited activities -- Recordkeeping -- Transporting cannabis on behalf of business -- Cultivation in enclosed, locked facility -- Persons under age eighteen.

- (1) A cannabis business licensed under this chapter shall:
 - (a) Comply with this chapter and any administrative regulations promulgated thereunder by the cabinet;
 - (b) Conduct a criminal background check into the criminal history of each person seeking to become a principal officer, board member, agent, volunteer, or employee before that person begins work. A cannabis business shall not employ, accept as a volunteer, or have as a board member, principal officer, or agent any person who:
 1. Was convicted of a disqualifying felony offense; or
 2. Is younger than twenty-one (21) years of age;
 - (c) Implement appropriate security measures to deter and prevent the theft of medicinal cannabis and unauthorized entrance into areas containing medicinal cannabis;
 - (d) Demonstrate sufficient capital such that it can establish its business and meet the needs for its type of cannabis business;
 - (e) Display its license on the premises at all times; and
 - (f) Only acquire, possess, cultivate, manufacture, deliver, transfer, transport, supply, or dispense medicinal cannabis:
 1. For the purposes of distributing medicinal cannabis to cardholders who possess a valid registry identification card issued by the cabinet, or for visiting qualified patients, a valid out-of-state registry identification card and documentation of having been diagnosed with a qualifying medical condition; and
 2. From a cannabis business licensed under this chapter.
- (2) A cannabis business licensed under this chapter shall not:
 - (a) Be located within one thousand (1,000) feet of an existing elementary or secondary school or a daycare center;
 - (b) Acquire, possess, cultivate, process, manufacture, deliver, transfer, transport, supply, dispense, or sell:
 1. Raw plant material with a delta-9 tetrahydrocannabinol content of more than thirty-five percent (35%);
 2. Medicinal cannabis products intended for oral consumption as an edible, oil, or tincture with more than ten (10) milligrams of delta-9 tetrahydrocannabinol per serving;
 3. Any medicinal cannabis product not described in subparagraph 1. or 2. of this paragraph with a delta-9 tetrahydrocannabinol content of more than seventy percent (70%); or
 4. Any medicinal cannabis product that contains vitamin E acetate;
 - (c) Permit a person under eighteen (18) years of age to enter or remain on the

- premises of a cannabis business;
- (d) Permit a person who is not a cardholder to enter or remain on the premises of a cannabis business, except in accordance with subsection (6) of this section;
 - (e) Employ, have as a board member, or be owned by, in part or in whole, a medicinal cannabis practitioner; or
 - (f) Advertise medicinal cannabis sales in print, broadcast, online, by paid in-person solicitation of customers, or by any other advertising device as defined in KRS 177.830, except that this paragraph shall not prevent appropriate signs on the property of a licensed cannabis business, listings in business directories including phone books, listings in trade or medical publications, or sponsorship of health or not-for-profit charity or advocacy events.
- (3) The operating documents of a cannabis business shall include procedures for its oversight and procedures to ensure accurate recordkeeping and inventory control.
 - (4) When transporting medicinal cannabis on behalf of a cannabis business that is permitted to transport it, a cannabis business agent shall have:
 - (a) A copy of the cannabis business license for the business that employs the agent;
 - (b) Documentation that specifies the amount of medicinal cannabis being transported and the date on which it is being transported; and
 - (c) The cannabis business license number and telephone number of any other cannabis business receiving or otherwise involved in the transportation of the medicinal cannabis.
 - (5) The cultivation of medicinal cannabis for cannabis businesses licensed in this state shall only be done by cultivators and producers licensed under this chapter and shall only take place in an enclosed, locked facility which can only be accessed by cultivator agents working on behalf of the cultivator or producer at the physical address or global positioning system coordinates provided to the cabinet during the license application process.
 - (6) A person who is at least eighteen (18) years of age but not a cardholder may be allowed to enter and remain on the premises of a cannabis business if:
 - (a) The person is present at the cannabis business to perform contract work, including but not limited to electrical, plumbing, or security maintenance, that does not involve handling medicinal cannabis; or
 - (b) The person is a government employee and is at the cannabis business in the course of his or her official duties.

Effective: July 1, 2024

History: Created 2023 Ky. Acts ch. 146, sec. 18, effective July 1, 2024.

Legislative Research Commission Note (4/17/2024). The effective date of the creation of this statute in 2023 Ky. Acts ch. 146, sec. 18, was changed from January 1, 2025, to July 1, 2024, in 2024 Ky. Acts ch. 195, sec. 24.