

218B.100 Cannabis businesses subject to reasonable inspection by the cabinet -- License suspension or revocation -- Notice required -- Administrative hearing and judicial review -- Permissible activities during suspension. (Effective January 1, 2025)

- (1) Cannabis businesses shall be subject to reasonable inspection by the cabinet pursuant to the cabinet's procedures or administrative regulations. The cabinet may inspect any licensed cannabis business premises without having to first obtain a search warrant.
- (2) The cabinet may, on its own motion or on complaint, after investigation and opportunity for a public hearing at which the cannabis business has been afforded an opportunity to appear and be heard pursuant to KRS Chapter 13B, suspend or revoke a cannabis business license for multiple violations or a serious violation of this chapter or any administrative regulations promulgated thereunder by the licensee or any of its agents. A suspension shall not be for a period of time longer than six (6) months.
- (3) The cabinet shall provide notice of suspension, revocation, fine, or other penalty, as well as the required notice of the hearing, by mailing, via certified mail, the same in writing to the cannabis business at the address on the license. The cannabis business may, within thirty (30) days after the date of the mailing of the cabinet's notice, file a written request for an administrative hearing regarding the suspension, revocation, fine, or other penalty. The hearing shall be conducted in compliance with the requirements of KRS Chapter 13B.
- (4) Final orders of the cabinet after administrative hearings shall be subject to judicial review. Jurisdiction and venue for judicial review are vested in the Circuit Court of the county in which the cannabis business is physically located.
- (5) A cultivator may continue to cultivate and possess cannabis plants during a suspension, but it shall not transfer or sell medicinal cannabis during a suspension.
- (6) A dispensary may continue to possess its existing medicinal cannabis inventory during a suspension, but it shall not acquire additional medicinal cannabis, or dispense, transfer, or sell medicinal cannabis during a suspension.
- (7) A processor may continue to process and possess its existing medicinal cannabis inventory during a suspension, but it shall not acquire additional medicinal cannabis, or dispense, transfer, or sell medicinal cannabis products during a suspension.
- (8) A producer may continue to cultivate, process, and possess cannabis plants and its existing medicinal cannabis inventory during a suspension, but it shall not acquire additional medicinal cannabis, or dispense, transfer, or sell medicinal cannabis during a suspension.
- (9) A safety compliance facility may continue to possess medicinal cannabis during a suspension, but it shall not receive any new medicinal cannabis, test or otherwise analyze medicinal cannabis, or transfer or transport medicinal cannabis during a suspension.

Effective: January 1, 2025

History: Created 2023 Ky. Acts ch. 146, sec. 19, effective January 1, 2025.