



SUMMARY – UPDATED RULES EFFECTIVE 10/31 AND 11/1

The Division of Cannabis Control (DCC or Division) has promulgated updated rules that go into effect today, October 31, and tomorrow November 1. These were rules initially shared with stakeholders as Rules Package 4.

Below is a full list of the rules and their effective dates. Prior to the effective date, the rule language can be found at www.com.ohio.gov/dccrules. Once the rules are effective, they can be found at <https://codes.ohio.gov/ohio-administrative-code/1301:18>.

Please review each rule and this communication in its entirety for important guidance related to these rule updates. **It is your responsibility to read, understand, and comply with all Division rules.**

The new rules outlined below promulgated under O.A.C. 1301:18 supersede the rules outlined below promulgated under O.A.C. 3796. The new and amended rules below regulate both medical and non-medical licensees and activities. Therefore, the Division has rescinded the rules outlined below previously adopted under the medical program. Licensees are required to continue adhering to all other requirements pursuant to O.A.C. 3796.

Unless otherwise noted below, forms and applications may continue to be accessed and submitted in the same manner.

New Rules – Effective Date:

- [1301:18-3-01](#) Cannabis Entity Distance from Prohibited Facilities – **10/31/2024**
- [1301:18-3-03](#) Ownership, Financial Interest, Control – **11/1/2024**
- [1301:18-3-04](#) Disclosure of Ownership, Financial Interest, Control – **11/1/2024**
- [1301:18-3-05](#) Notice of Intent – **11/1/2024**
- [1301:18-3-06](#) Change of Ownership – **11/1/2024**
- [1301:18-3-07](#) Change of Entity Name or Registered Trade Name – **11/1/2024**
- [1301:18-3-08](#) Financial Responsibility – **10/31/2024**
- [1301:18-3-11](#) Facility Visitors – **10/31/2024**
- [1301:18-3-12](#) Waste Disposal – **10/31/2024**
- [1301:18-8-01](#) Dispensary Certificate of Operation – **11/8/2024**
- [1301:18-8-02](#) Operating Procedures and Quality Assurance – **10/31/2024**
- [1301:18-8-03](#) Dispensary Designated Responsible Party – **10/31/2024**
- [1301:18-8-05](#) Minimum Security and Surveillance Requirements – **10/31/2024**

Amended Rule – Effective Date:

- [1301:18-1-01](#) Definitions – **10/31/2024**

Rescinded Rules:



- 3796:2-1-05 Cultivator Financial Responsibility
- 3796:2-2-03 Cultivator Waste Disposal
- 3796:3-2-03 Processor Waste Disposal
- 3796:6-2-01 Requests for Applications to Operate Medical Marijuana Dispensaries
- 3796:6-2-02 Applications to Operate Medical Marijuana Dispensaries
- 3796:6-2-11 Medical Marijuana Dispensary - License Bond
- 3796:6-2-12 Change in Dispensary Ownership
- 3796:6-3-03 Hours of Operation
- 3796:6-3-05 Dispensary Designated Representative
- 3796:6-3-14 Destruction and Disposal of Medical Marijuana
- 3796:6-3-16 Monitoring, Surveillance, and Security Requirements

Ownership, Control, and Financial Interest

The Division has adopted several new rules regarding ownership, control, and financial interest, and harmonized requirements for disclosure, notice, and requests for approval across all license types. Please reference the rule numbers listed above for those rules effective November 1. The Division will issue guidance specific to Ownership, Control, and Financial Interest, along with updated application forms.

Waste Disposal

Waste disposal requirements for all license types can now be found in O.A.C. [1301:18-3-12](#). Of note, stalks, stems, fan leaves, and roots are explicitly designated as “non-cannabis waste.” Those items are not required to be disposed of in the same manner as cannabis waste.

Additionally, a change of note for dispensaries is that the rule no longer requires you to have a set date for waste destruction on file with the Division or otherwise notify the Division at least seven days prior.

All licensees must continue destroying cannabis waste under surveillance, in a secure, limited access area, appropriately tracking in Metrc, maintaining destruction logs, and appropriately rendering it unusable – pursuant to the requirements detailed in the updated rule.

If a licensee wishes to update their standard operating procedures in line with the new rule (such as removal of a set date/time for destruction), a Change of Operations must be submitted and approved by the Division prior to modifying any procedures.

Cultivators, Processors, and Testing Laboratories may submit a Change of Operations using the form found [here](#).



Dispensaries may submit a Change of Operations request via the [DCC eLicense Portal](#).

Financial Responsibility

All licensees are required to maintain evidence of financial responsibility in compliance with O.A.C. [1301:18-3-08](#), which must include both of the following:

1. Commercial general liability insurance covering products liability through an insurance company authorized to conduct business within the state of Ohio; and
2. One of the following:
 - a. An escrow account with a chartered financial institution within the state of Ohio acting as the escrow agent; or
 - b. A surety bond executed by a corporate surety company licensed by the state of Ohio and authorized to execute surety bonds pursuant to chapter 3929 of the Revised Code naming the licensee as the principal of the bond

The amount required for the escrow account or surety bond is as follows per license type:

- Level One Cultivator: \$750,000
- Level Two Cultivator: \$75,000
- Processor: \$250,000
- Testing Laboratory: \$75,000
- Dispensary: \$50,000

To comply with this rule, a bond or escrow must accurately reflect the licensee's business name as printed on its certificate of operation and its license number issued by the Division. Only one bond or escrow is required per license; therefore, licensees issued a dual-use license are not required to obtain two separate escrows or bonds for medical and non-medical. Furthermore, in the event a cultivator, processor, or testing laboratory was previously granted a reduction or cancellation by the Division or MMCP, it is not required to obtain a new escrow or bond in the full amount outlined above.

Upon meeting compliance milestones for periods of one, two, and three consecutive calendar years, a licensee may petition the Division to reduce these amounts incrementally and ultimately cancel the escrow or bond upon written approval from the Division. In the event a licensee is made aware that its escrow or bond is set to expire on a date certain, the licensee must ensure it acquires a subsequent escrow or bond and ensure that no lapse in coverage occurs. Failure to acquire prior approval from the Division to reduce or cancel an escrow or bond, or otherwise comply with this rule, may lead to enforcement action by the Division.



Dispensary Hours of Operation

Pursuant to O.A.C. [1301:18-8-02\(G\)](#), a dispensary may operate between the hours of 7:00am and 11:00pm. A dispensary is not required to be open from 7:00am – 11:00pm; however, each dispensary must maintain reasonable hours of operation and conspicuously post such hours at the licensed premises.

Each dispensary must notify the Division in advance of any permanent, long-term modifications to its hours of operation. Therefore, if you plan to modify your hours as permitted under the new rules, you must submit a Change of Operations request via the [DCC eLicense Portal](#).

As a reminder, if a dispensary's posted closing time is before 11:00pm, it is permissible to sell and dispense cannabis to patients and consumers up to 15 minutes past the posted closing time. A dispensary is not required to serve customers past the posted closing time.

All transactions must be complete by 11:00pm. Any transactions processed after 11:00pm will be subject to enforcement action, including fines and penalties.

- For example, if my posted closing time is 10:00pm, I can complete transactions until 10:15pm.
- If my posted closing time is 11:00pm, I must complete all transactions by 11:00pm.

Facility Visitors

Pursuant to O.A.C. [1301:18-3-11](#), upon entering the premises of any licensed entity (cultivator, processor, testing laboratory, or dispensary), a facility visitor must:

1. Provide valid, government issued photographic identification evidencing that they are twenty-one years of age or older;
2. Visibly display a visitor badge at all times, which must be returned upon their departure; and
3. Be escorted and monitored by an assigned registered employee at all times.

Each licensee must maintain a visitor log showing all facility visitors that enter the premises, including the visitor's full name, date and time of arrival and departure, the employee assigned to escort the visitor, and the purpose of the visit.

A facility visitor does **not** include a registered employee with an active badge for that facility, or a registered medical marijuana patient/caregiver, or non-medical consumer within a dispensary's retail area.

This rule does **not** require a dispensary to maintain a visitor log for medical marijuana patients/caregivers or non-medical consumers who are within the dispensary's retail area. However, any individual who is not a badged employee and will enter any secured limited access area must



comply with the requirements above for a facility visitor. No one is permitted to take photos or recordings of any secured limited access area unless otherwise approved in writing by the Division.

Facility visitors must follow the requirements of O.A.C. 1301:18-3-11, and **dispensaries are no longer required to request temporary access for a facility visitor.**

Dispensary Floor Plans & Major Modifications

Pursuant to O.A.C. [1301:18-8-02](#), any proposed major modification or renovation of the dispensary premises must be submitted to the Division at least 60 calendar days prior to implementation. Upon review, the Division may approve or deny the submission, or require updates to ensure compliance with rules. An inspection of the premises may be required prior to implementation of any proposed major modification or renovation.

Major modifications and renovations include, but are not limited to, updates to the physical facility structure or floor plan, use of equipment that has not previously be used by the facility, and reconfiguration of facility security. Some examples may include construction of a drive-thru window, expansion, removal of walls, overhaul of a surveillance system, and removal of vaults or mantraps that require construction or structural modification.

Other operational changes that require updates to standard operating procedures but don't require a major modification or renovation to implement do not require the submission of a major modification application; however, updates to standard operating procedures do require a Change of Operations request. Some examples may include updates to where product is stored, how product moves from storage to dispensing, check-in processes, and opening and closing procedures. The addition of ordering kiosks or points of sale that are consistent with equipment already in use and that don't otherwise require major modifications to the facility to implement may be considered an operations change. Redesignating existing rooms or areas may be considered an operational change and not a major modification as long as the change doesn't require further security or physical updates. Operational changes must be submitted as a Change of Operations request in the DCC eLicense Portal.

The Division encourages licensees to submit one comprehensive proposal of all major modifications or renovations you may wish to complete per facility for a more complete review. The fee for the major modification application is currently \$5,000.

Any questions regarding major modifications or changes in operations must be directed to DCCCompliance@com.ohio.gov.

Drive-Thru



Pursuant to Ohio Administrative Code (O.A.C.) [1301:18-8-02](#), a dispensary may request to distribute inventory via a drive-up window.

The drive-up window must be affixed to the physical premises of the facility. The drive-up window and the area immediately surrounding it must be secure, video surveilled, and meet all security and surveillance requirements outlined under O.A.C. [1301:18-8-05](#). This includes, but is not limited to:

- Video cameras recording the drive-thru point-of-sale location allowing for the identification of the dispensary employee dispensing the cannabis and any non-medical consumer, or medical patient or caregiver purchasing the cannabis. The camera or cameras shall capture the sale, the individuals, and the computer monitors used for the sale.
- Video cameras covering all areas encompassing a drive-thru. The drive-thru area shall be well-lit to allow for the identification of any person located in the surveillance area and the rear license plate of any vehicle utilizing the drive-thru. Such surveillance shall be sufficient to distinctly view the entire area under surveillance.
- In accordance with O.A.C. 1301:18-8-02(E)(2), the secure limited access area with the retail area of the dispensary must not be visible from the outside of the facility. No part of the dispensary retail area or secure limited access areas shall be visible through the drive-thru while the drive-thru is not in operation.
- The drive-thru shall be equipped with a separate silent alarm.
- The drive-thru shall comply with any local zoning and/or building codes.
- Walk-up services are prohibited at drive-up windows.

The area immediately surrounding a drive-up window must be possessed or controlled by the dispensary or authorized for use of the area via express written consent by the property owner.

A registered dispensary employee must review identification for the non-medical cannabis consumer or medical marijuana patient or caregiver as required by O.A.C. [1301:18-8-02\(I\)1](#). Furthermore, the drive-thru point-of-sale must comply with O.A.C. 1301:18-8-02(I).

A dispensary that seeks to construct or make major modifications to a drive-thru must submit such request, including site and security plans, to the DCC for review and approval via the Major Modification form within the DCC eLicense Portal.

Curbside Pickup

Pursuant to O.A.C. [1301:18-8-02](#), a dispensary may request to distribute purchased inventory via a



curbside pickup.

The area designated for curbside pickup and the area immediately surrounding it must be secure, video surveilled, and meet all security and surveillance requirements outlined under O.A.C. [1301:18-8-05](#). This includes, but is not limited to:

- Video cameras recording the curbside location allowing for the identification of the dispensary employee transferring the cannabis and any non-medical consumer, or medical patient or caregiver purchasing the cannabis. The video cameras must ensure an unobstructed and clear view of the transfer of the inventory to the customer.
- The dispensary must assign a registered dispensary employee who meets the requirements of O.A.C. [1301:18-8-05\(B\)](#) for foundational training in security and surveillance, to monitor and assist with any curbside pickup distribution.
- All cannabis, including inventory awaiting pickup, must be maintained in a secure limited access area within the dispensary until the consumer, patient, or caregiver arrives for pickup.
- Cash must be taken into the dispensary after each transaction.

The area designated for curbside pickup and the area immediately surrounding must be possessed or controlled by the dispensary or authorized for use of the area via express written consent by the property owner.

A registered dispensary employee must review identification for the non-medical cannabis consumer or medical marijuana patient or caregiver as required by O.A.C. [1301:18-8-02\(l\)1](#)) prior to transferring possession of the purchased inventory.

A dispensary that has not previously utilized curbside pickup but seeks to begin using curbside pickup must submit a request to the Division for prior review and approval, including at a minimum site and security plans, via the Major Modification form within the DCC eLicense Portal.

Online Ordering

Pursuant to Ohio Administrative Code (O.A.C.) [1301:18-8-02\(l\)2](#)) a dispensary may accept orders and payment for cannabis and cannabis paraphernalia via the internet. A dispensary wishing to accept orders by telephone or orders/payments online must do so in accordance with this guidance.

Patient privacy and confidentiality is of the utmost importance and dispensaries are only permitted to implement telephone and online ordering if they can ensure the privacy and confidentiality of patient information is maintained pursuant to Division rules.



Any dispensary accepting telephone or online orders of cannabis or medical marijuana patient registrations must establish a procedure that includes, at a minimum, the following:

- Registered dispensary employees may only receive telephone orders for cannabis or cannabis paraphernalia during hours of operation. Online orders may be placed at any time but may only be reviewed and filled during hours of operation.
- Registered dispensary employees must receive the order for cannabis or cannabis paraphernalia using the dispensary’s telephone system on the dispensary’s premises or via a webform submitted through the dispensary’s website.
 - Payment may not be accepted by telephone.
 - No third-party websites, vendors, or platforms may be used to process orders or payments absent prior authorization by the Division of Cannabis Control and execution of an approved confidentiality and user agreement.
 - Dispensaries may advertise on third-party websites in compliance with O.A.C. 3796:6-3-24. This includes, but is not limited to, requirements for the website to be age-gated and any content utilized in the advertisement to be approved by the DCC. Content may not be altered in any way by the third-party.
 - Advertising on a third-party website does not permit the dispensary to use that third-party website, vendor, or platform to process orders or payments. Unless previously approved by the Division, all orders and payments must be processed via the dispensary’s website.
- If an online webform is used, the site:
 - Must ensure patient, caregiver, and non-medical consumer privacy and confidentiality.
 - Must provide the patient, caregiver, or non-medical consumer an opportunity to review its Terms of Service and Privacy Policy, including how personal information that can be used to identify or contact an individual person is stored and used.
 - Shall permit the consumer, patient or caregiver to notify the dispensary of their preferred method of contact (e.g., email, text, phone call).
 - May collect the consumer, patient or caregiver’s name, email address, and telephone number, date of birth, and order information.



- Shall not collect driver's license number (or any other authorized identification number), social security number, medical marijuana registry identification number, medical history/diagnoses, or a photograph or copy of any type of identification or a photograph of any individual.
- A registered dispensary employee shall review the telephone or online order to ensure the order complies with the Division rules, including non-medical transaction limits and medical 90-day supply requirements.
- All transfers of cannabis must occur under video surveillance.
- A registered dispensary employee must verify all required identifying information outlined under O.A.C. 1301:18-8-02(l)(1) prior to transferring possession of any purchased materials to the customer.
- All cannabis, including inventory awaiting pickup, must be maintained in a secure limited access area within the dispensary until the consumer, patient, or caregiver arrives for pickup.
- No label shall be affixed to a container or package until the customer verifies the order is correct. If a label is created and the customer does not accept the order, the label must be destroyed.

Any online pre-orders being picked up via a drive-up window or curbside pickup must be done in compliance with the [Drive-Thru Guidance](#) and [Curbside Pickup Guidance](#).

This approved procedure does not permit dispensary staff to:

- Initiate the telephone or online order (e.g., telemarketing, cold-calling, e-mailing, text messaging, etc.);
- Provide cannabis to a customer outside of the dispensary retail area except as permitted pursuant to an approved curbside pickup procedure;
- Process any transactions within Metrc or OARRS prior to the actual transfer of cannabis.