



## Department of Commerce

John R. Kasich, Governor  
Jacqueline T. Williams, Director



March 24, 2017

Office of Lt. Governor Mary Taylor  
Common Sense Initiative  
77 S. High Street, 30<sup>th</sup> Floor  
Columbus, Ohio 43215

Attn: Tess Eckstein, Regulatory Policy Advocate

Dear Ms. Eckstein:

On February 10, 2017, the Ohio Department of Commerce (“Department”) received the Common Sense Initiative Office’s Recommendation Memorandum (“CSI Recommendation”) for the medical marijuana cultivator rules packages. The CSI Recommendation stated that “the CSI Office does not have any recommendations for this rule package.” The Department is grateful for the response from the CSI Office.

The Department submitted a Memorandum of Response to CSI Review (“Response”) indicating that the Department planned to move forward with the original filing of the rule packages with the Joint Committee on Agency Rule Review (“JCARR”). The Department filed these rules with JCARR on February 17, 2017.

Subsequent to the submission of the Response and the filing with JCARR, the Department made a minor change to the definition rule references in rules 3796:2-2-02 and 3796:2-2-07. Additionally, the Department proposes minor, substantive changes to rules 3796:1-1-01, 3796:2-1-03, 3796:2-1-04, 3796:2-1-05, 3796:2-2-01 and 3796:5-2-01, pursuant to feedback resulting from the JCARR public hearing and other feedback received. The changes to the rules are as follows:

- **3796:1-1-01** – The Department revised the definition for “qualified applicant” and removed the reference to the scoring rubric, based on JCARR’s recommendation.
- **3796:2-1-03** – The Department struck the language under subparagraphs (B) and (C) specific to the development of a scoring rubric and the assigned scoring weights and now refers to the criteria established in rule, as developed by the Department.
- **3796:2-1-04** – The Department added language to ensure that the financial interest restriction applies to “or other person who may significantly influence or control the activities of a cultivator.”
- **3796:2-1-05** – The Department added subparagraph (D), which allows the Department to waive any of the financial responsibility requirements in rule if the instruments are not in existence in the insurance market.

- **3796:2-2-01** – The Department added language to clarify that no foliar application of approved chemicals is permitted after a certain time period and that the calibration of scales and balances must be performed by an independent third party at least once a year.
- **3796:5-2-01** – The Department added language to clarify who needs to register for an employee identification card, which is consistent across the different rules.

After reviewing these proposed changes in light of the different stakeholders, it is the Department's position that these changes would not cause additional adverse impact to business. Copies of the revised rules are attached with the proposed changes noted. Should you have any questions, please feel free to contact me at (614) 644-3367.

Sincerely,

Brian T. Peters  
Senior Counsel  
Medical Marijuana Control Program  
Ohio Department of Commerce