

Division of Cannabis Regulation

Section for Compliance & Enforcement

Instructions for Business Change Application; 10% Owner

Pursuant to 19 CSR 100-1.100(2), Marijuana and Medical facility licensees must apply for and obtain the department's approval before they may make any changes that would result in an individual becoming an owner of the licensed entity who was not previously an owner.

INSTRUCTIONS

Licensees are required to complete the Business change application Checklist. For the change application to be considered complete, the checklist and ***all*** documentation outlined on the checklist must be uploaded through the Missouri Registry Portal. The documents and information outlined in the checklist are the minimum required to verify the proposed change complies with Article XIV and 19 CSR 100-1. Considering the uniqueness of each request, the department cannot anticipate questions that might arise from the documentation submitted or the need for additional documentation. Pursuant to 19 CSR 100-1.030, licensed or certified entities must provide documents or records requested as part of an inspection or investigation within seven (7) days of the department issuing the request unless additional time is requested and granted. A department request for documents or records made as part of reviewing an application submitted by a licensee, such as a business change application, shall be considered an inspection of records. In addition, failure to timely provide requested documents or records may result in a fine of up to five thousand (\$5,000) dollars for every day the requested documents or records have not been provided after the deadline.

If documents are not submitted within the timeframe provided or found to be incomplete, the business change application may be denied. Licensees will be required to submit a new business change application and payment for applications that were previously denied for the department to process the business change application.

As a reminder, licensees may only submit business change applications as Business Updates through the Missouri Registry Portal, and the department will deny business change applications with missing or incomplete payments and documentation. Licensees can remit payment at <https://magic.collectorsolutions.com/magic-ui/Login/mo-health-senior-serv>, and upload their payment receipt with their business change application. The current fee schedule can be accessed at <https://health.mo.gov/safety/cannabis/fees.php>.

Change applications will be approved if the request contains all of the documentation, fees, and information required by 19 CSR 100-1, and the resulting change in ownership or ownership interests does not violate any provision of this chapter or Article XIV. If the department determines that an applicant has provided false or misleading information in the application, including applications for change, the license may be revoked or the department may impose other remedies not inconsistent with 19 CSR 100-1 or Article XIV. If you have any questions about the documentation or information requested in the Business Change Application Checklist, please reach out to your license's assigned Business Licensing Services Specialist.

Business Change Application Checklist

Licensee Name		License Number	
Indicate License Type:			
Marijuana License (Includes Comprehensive, Testing, Transportation and Microbusiness) Medical License (Licenses designated as Medical only)			
Verify	Department Requested Document	Licensee Uploaded Document Name(s)	
	<p>All current and proposed owners of the licensed entity and their proposed individual ownership percentage;</p> <p>A chart comparing the previously approved ownership percentages to the proposed ownership percentages;</p> <p><i>Complete the Ownership Reporting Tool.</i></p> <p><i>Changes of interest of individuals with less than ten percent (10%) do contribute toward the fifty percent (50%) change threshold. Licensees are required to provide verification of the percent of ownership of individuals under ten percent (10%), but are not required to provide the individuals' names at this time.</i></p>		
	<p>A visual representation of the licensee's proposed ownership structure, including all owner entities</p> <p><i>Organizational Chart</i></p>		
	<p>Verification that the change will not result in any substantially common control, ownership, or management between a testing licensee and any other medical or marijuana licensee</p>		
	<p>An attestation that all individuals subject to analysis for disqualifying felony offenses will submit fingerprints within two (2) weeks after the application submission, or have submitted such fingerprints within the last six (6) months, for a state and federal fingerprint-based criminal background check to be conducted by the Missouri State Highway Patrol;</p> <p><i>Licensees may draft attestation for submission</i></p>		
	<p>For microbusinesses, if the proposed change affects eligibility, documentation sufficient to demonstrate eligibility for microbusiness facility ownership, as provided in the application and selection section of this chapter;</p>		

	<p>Operating agreement(s) and/or bylaws of the entity and parent, subsidiary, and affiliated entities, to include capitalization schedule or exhibit of members, with percentages.</p> <p><i>Agreements provided should allow the Department to arrive at the same interest percentage stated on the Ownership Reporting Tool for each entity and individual's percent of economic and voting interest.</i></p> <p><i>Include applicable agreements pertaining to interest purchase, sale, and/or transfer</i></p>	
	<p>Payment receipt for administrative and processing fee, which shall only be assessed once on multiple licensed entities with identical ownership making the same changes in ownership.</p>	
	<p>Narrative description of request.</p> <p><i>Detail all aspects of the proposed change</i></p>	
	<p>Completed Business Change Application Checklist</p>	