MICHELLE LUJAN GRISHAM Governor

DR. TRACIE C. COLLINS, M.D. Cabinet Secretary





LINDA M. TRUJILLO Superintendent

NOTICE OF PROPOSED RULEMAKING

The New Mexico Department of Health and the New Mexico Regulation and Licensing Department (Department) will hold a rule hearing on Tuesday, June 29, 2021, starting at 9:00 a.m. The rule hearing will be held via an Internetbased video conference and via telephone, due to the ongoing public health concerns posed by the threat of the contagious disease COVID-19. Please use the following link to access the video conference call:

https://ccd.rld.state.nm.us/.

Purpose of Rule Hearing. The purpose of the rule hearing is to consider the proposed new rules set forth by the Cannabis Regulation Act regarding the processing, approval, and denial of license applications for cannabis producers, cannabis producer microbusinesses and any person properly licensed and in good standing as a licensed cannabis producer pursuant to the Lynn and Erin Compassionate Use Act. Good standing requires that the licensee be in good standing as of June 29, 2021. The rule hearing will also consider the regulation of licensees specified under the Cannabis Regulation Act. Licensing consideration will include proposed fees for corresponding license types.

The hearing will also consider the plant count, canopy or square footage limit for each license type (excluding licenses for integrated cannabis microbusinesses or cannabis producer microbusinesses), as well as per-plant fees applied to licensees growing in excess of 200 plants.

Any technical information used to inform the proposed rules will be made available no later than May 26, 2021, and can be accessed by visiting: https://ccd.rld.state.nm.us/.

Statutory Authority. Legal authority for this rulemaking may be found in NMSA 1978, Section 9-16-6 (2020), and the Cannabis Regulation Act, enacted in House Bill 2, 1st Special Legislative Session, 2021. Additional authority may be found at NMSA 1978, Section 9-7-6(E) (2017), and NMSA 1978, Section 26-2B-7(A), (I), and (J) (2019).

Public Comment. The Department will begin accepting public comments on the proposed new rules beginning May 26, 2021. Please submit written comments on the proposed rules to Robert Sachs, Deputy Director of Policy for the Cannabis Control Division, via electronic mail at ccd.publiccomment@state.nm.us. Written comment may also be submitted by mailing the comment to the following address:

Cannabis Control Division Public Comment c/o Robert Sachs P.O. Box 25101 Santa Fe, NM 87504

All public comments must be received by the close of the public rule hearing on Tuesday, June 29, 2021. Persons will also be given the opportunity to present their comments at the rule hearing. Comments received prior to the rule hearing will be posted to the RLD website at: ccd.rld.state.nm.us.

No later than May 26, 2021, interested parties may obtain and review copies of the proposed rules and public comments by going to the Cannabis Control Division website at https://ccd.rld.state.nm.us/ or by contacting the Cannabis Control Division at rld.cannabiscontrol@state.nm.us or (505) 476-4995.

Any individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing should contact Nicole Bazzano, Executive Assistant for the Office of the Superintendent, rld.cannabiscontrol@state.nm.us or (505) 469-0982 at least seven days prior to the hearing.

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Summary of Proposed New Rules.

16.8.1 NMAC: GENERAL PROVISIONS

Part 1 will provide for general requirements for licensees established under the Cannabis Regulation Act and required definitions.

16.8.2 NMAC: LICENSING AND OPERATIONAL REQUIREMENTS FOR CANNABIS ESTABLISHMENTS

Part 2 will provide the requirements necessary for issuance of a license under the Cannabis Regulation Act. Part 2 will govern the licensing and operational requirements for additional types of licensees, however the proposed rules to be discussed at the hearing will only govern cannabis producers.

16.8.6 NMAC: HEALTH AND SAFETY, FOOD AND PRODUCT SAFETY, ENVIRONMENTAL IMPACTS, AND NATURAL RESOURCES

Part 6 will provide the requirements for licensee compliance with necessary standards in health and safety, food and product safety, environmental impacts, and natural resources.

16.8.7 NMAC: QUALITY CONTROL, INSPECTION, AND TESTING OF CANNABIS PRODUCTS Part 7 will address the testing requirements of cannabis for particular licensees.

16.8.8 NMAC: CANNABIS PLANT LIMITS AND PROCESS TO ADDRESS SHORTAGE OF CANNABIS SUPPLY IN THE MEDICAL CANNABIS PROGRAM

Part 8 will provide the requirements for limiting plant count, canopy or square footage for licensees.

16.8.11 NMAC: FEES

Part 11 will provide the licensing fees associated with corresponding license types, as well as plant-based fees for operations growing in excess of 200 plants.

16.8.12 NMAC: DENIAL, SUSPENSION, OR REVOCATION OF LICENSE; SANCTION, PLAN OF CORRECTION, AND CIVIL MONETARY PENALTY

Part 12 will address the disciplinary procedures for denial, suspension, or revocation of a license. This part will also address the sanctions, corrective action plans, and civil penalties that may be assessed by the Regulation and Licensing Department, Cannabis Control Division pursuant to the Cannabis Control Act.