

ORDINANCE NO. 2024 – 015

**AN ORDINANCE PROHIBITING ALL CANNABIS BUSINESS OPERATIONS
IN THE CITY OF FRANKLIN, KENTUCKY**

WHEREAS, on March 31, 2023, the governor signed into law Senate Bill 47 which establishes the licensing and regulation of the cultivation, processing, sale, distribution, and use of marijuana and related activities for medicinal purposes; and

WHEREAS, the Act authorizes the Cabinet for Health and Family Services to issue licenses to the following businesses:

- (a) Tier I cannabis cultivator;
- (b) Tier II cannabis cultivator;
- (c) Tier III cannabis cultivator;
- (d) Tier IV cannabis cultivator;
- (e) Cannabis dispensary;
- (f) Cannabis processor;
- (g) Cannabis producer; or
- (h) Cannabis safety compliance facility; and

WHEREAS, KRS 218B.130(2)(b) authorizes a local government to prohibit all cannabis business operations within its territory through the passage of an ordinance; and

WHEREAS, due to the present uncertainties regarding the potential future impacts that allowing one or more classes of cannabis business might have on Kentucky municipalities in general, and on the City of Franklin in particular, it is necessary and appropriate, and in the best interest of the health, safety, and welfare of the City of Franklin's residents and members of the public who visit, travel, or conduct business in the City of Franklin to prohibit all cannabis business within the geographic boundaries of the City of Franklin; and

WHEREAS, the Cabinet for Health and Family Services has recently promulgated many regulations regarding medical cannabis businesses and, further, there are expected to be other regulations regarding cannabis business operations which have not been yet been vetted or reviewed, and the legislature of the Commonwealth of Kentucky on the last day of the 2024 legislative session passed HB 829 which was signed by the Governor on April 17, 2024, which, among other changes, allows the Cabinet for Health and Family Services to begin issuing licenses to certain of these business operations as of July 1, 2024 instead of the original date of January 1, 2025 and, due to the lack of time for the City of Franklin to study the effect of these business operations and to adopt regulatory ordinances to regulate the time, place, and manner of cannabis business operations, the Board of Commissioners of the City of Franklin have determined that it is in the best interest of the citizens and residents of the City to prohibit these business operations at this time in order for the appropriate City departments to study the impact of the siting, zoning, and regulatory measures that may be required with regard to cannabis business operations in the corporate limits of the City if they are allowed to operate; and

WHEREAS, if the Board of Commissioners does not opt out of these businesses at this time by ordinance, the Commonwealth may issue licenses to businesses without the City's ability to regulate if and when they can operate and where they may be located; and,

WHEREAS, the City of Franklin wishes to utilize the authority granted to it by KRS 218B.130(2)(b).

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the City of Franklin as follows:

Section 1

Definitions

- (1) "Cabinet" means the Cabinet for Health and Family Services;
- (2) "Cannabis business" means an entity licensed under this chapter as a cultivator, dispensary, processor, producer, or safety compliance facility;
- (3) "Cultivator" means an entity licensed as such under KRS 218B.080, 218B.085, and 218B.090;
- (4) "Dispensary" means an entity licensed as such under KRS 218B.080, 218B.085, and 218B.090;
- (5) "Medicinal cannabis" means
 - (a) marijuana as defined in KRS 218A.010 when cultivated, harvested, processed, produced, transported, dispensed, distributed, sold, possessed, or used in accordance with this chapter;
 - (b) includes medicinal cannabis products and raw plant material; and
 - (c) does not include industrial hemp or industrial hemp products as defined in KRS 260.850;
- (6) "Processor" means an entity licensed as such under KRS 218B.080, 218B.085, and 218B.090;
- (7) "Producer" means an entity licensed as such under KRS 218B.080, 218B.085, and 218B.090; and,
- (8) "Safety compliance facility" means an entity licensed as such under KRS 218B.080, 218B.085, and 218B.090.

Section 2

Cannabis Businesses Prohibited

- (1) All cannabis businesses are hereby prohibited from operating in the corporate city limits of Franklin, Kentucky.
- (2) "Cannabis business" means any entity licensed under Chapter 218B of the Kentucky Revised Statutes as a cultivator, dispensary, processor, producer, or safety compliance facility.

Section 3

If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions hereof. All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

May 13, 2024

FIRST READING

June 24, 2024

SECOND READING

At a meeting of the Board of Commissioners of the City of Franklin, Kentucky, held on June 24, 2024, on motion made by Commissioner Powell, and seconded by Commissioner McCreary, the foregoing ordinance was adopted, after full discussion, by the following vote:

- Yes LARRY DIXON, MAYOR
- Yes JAMIE POWELL
- Yes DALE MCCREARY
- Yes WENDELL STEWART
- Yes HERBERT WILLIAMS

APPROVED BY:

Larry Dixon, Mayor
Larry Dixon, Mayor

ATTEST:

Cathy Dillard
Cathy Dillard, City Clerk