



Cultivators



Processors



Safety Compliance Facilities



Dispensaries

What is a processor?

A processor license authorizes its holder to process raw plant material into medical cannabis products on its licensed premises in Kentucky. Processors may modify medical cannabis through extraction and other processing methods to develop various products for the medical-use cannabis market.

Examples of allowable product formats:

- Edibles
- Oils
- Topical Forms
- Vaporization
- Tinctures
- Dermal patches
- Raw plant material
- Nebulization

Extraction methods include:

- Hydrocarbon solvent-based
- Carbon dioxide-based
- Ethanol
- Non-solvent, mechanical

Qualifications for applicants

- ▶ Must conduct a criminal background check on each person seeking to become a principal officer, board member, agent, volunteer, or employee before that person begins work and not employ, accept as a volunteer, or have as a board member, principal officer, or agent any person who was convicted of a disqualifying felony offense or is younger than 21 years of age
- ▶ Cannot hold management roles or financial interests in safety compliance facilities
- ▶ Must test production batch samples of medical cannabis products as required by *915 KAR 1:110*
- ▶ Must meet qualifications for licensure in the Kentucky Medical Cannabis Program as detailed in *915 KAR 1:010E*, *915 KAR 1:020E*, and *915 KAR 1:040*
- ▶ May only apply for a license in one cannabis business type being offered at that time (e.g., an applicant cannot apply for both a processor and a dispensary license)

Associated financial commitments

Nonrefundable application fee	\$5,000
Initial licensing fee	\$25,000
Annual licensing fee	\$15,000
Capital requirements	\$150,000

Approved activities

- ▶ Acquiring or purchasing raw plant material from a cultivator, producer, or another processor
- ▶ Possessing, processing, preparing, manufacturing, manipulating, blending, or packaging medicinal cannabis
- ▶ Transferring, transporting, supplying, or selling medicinal cannabis and related supplies to other licensed cannabis businesses

Prohibited activities

- ▶ Possessing or selling finished medical cannabis products with THC content over the allowable THC limits or any product that contains vitamin E acetate. See *KRS 218B.115(2)*
- ▶ Displaying signage, logos, products, or any other identifying characteristics to alert the public that medical cannabis is being processed at that facility
- ▶ Locating within one thousand (1,000) feet of an existing elementary school, secondary school, or daycare center
- ▶ Selling medicinal cannabis products directly to medical cardholders

Resources

- ▶ For more information about cannabis businesses, please visit the Kentucky Medical Cannabis Program website at: <https://kymedcan.ky.gov/>.