

HEALTH LAW & MEDICINAL CANNABIS NEWS ALERT

December 2016

PUBLIC NOTICES FROM DEPARTMENT OF HEALTH RELATING TO MEDICINAL CANNABIS

During the summer of 2016, the Commonwealth of Puerto Rico's Department of Health (the "Department") adopted Regulation No. 8766 of 2016 (the "Regulation") to regulate the use, possession, cultivation, manufacture, dispensation, distribution and investigation of medicinal cannabis in Puerto Rico. Since the approval of the Regulation, the Department has been accepting and evaluating applications in order to grant licenses or permits to qualified patients, doctors, dispensaries, and manufacturers of medicinal cannabis. By virtue of the power conferred in Article 22, Subsection (A) (5) of the Regulation, however, the Department has the authority to close the window for applications of licenses or permits based on the demand of medicinal cannabis patients. Accordingly, the Department has issued public notices exercising its authority to close the window for applications for licenses for the cultivation of medicinal cannabis and for dispensaries in certain municipalities.

In particular, on November 8th, 2016, the Department issued a first Public Notice indicating it will no longer accept applications from establishments seeking permits for cultivation of medicinal cannabis throughout the Island. Based on estimated patient demand, the Department determined that the capacity of establishments to cultivate medicinal cannabis has been fulfilled. For this reason, the Department has not been accepting applications for licenses for cultivation of medicinal cannabis since November 25th, 2016.

The Department issued another Public Notice on December 1st, 2016 announcing that the need for medicinal cannabis dispensaries in the municipalities of Ceiba, Caguas, Hormigueros, Dorado, Aguadilla, Cayey, Rincón, Ciales and Bayamón has been fulfilled. Thus, as of December 15th, 2016, and until further notice, no further applications for permits for medicinal cannabis dispensaries in said municipalities will be accepted. Similar notices are expected for other municipalities. The Department will evaluate if it is necessary to open additional windows for applications for cultivation licenses by January 9th, 2017 and for dispensaries by January 14th, 2017.

We will keep monitoring similar developments affecting the industry of medicinal cannabis in Puerto Rico. For further information, please contact any of our Health Law and Medicinal Cannabis Practice Group attorneys.



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Note: Because of the general nature and informative purpose of this alert, nothing herein should be considered as legal advice or a legal opinion or that it establishes in any way whatsoever an attorney-client relation or engagement for legal services with any reader. In addition, there are relevant issues as to the applicability and interaction of Regulation 8766 with federal and state laws in Puerto Rico which are not addressed in this alert.