

3796:5-6-02

Prohibited activities.

(A) Any of the following shall be considered threats to the public health, welfare, or safety and shall be sufficient cause for a provisional license, certificate of operation, or employee identification card of a cultivator, processor, or testing laboratory, or any combination thereof, or employee to be denied, suspended with or without a hearing, revoked, fined, have conditions placed upon such license, or subject to other actions authorized under paragraph (A) of rule 3796:5-6-01 of the Administrative Code, or any combination of such actions necessary to ensure the program's administration, implementation and enforcement:

- (1) The distribution of medical marijuana to minors has occurred;
- (2) Revenue from the sale of medical marijuana has gone to criminal enterprises;
- (3) Medical marijuana has been diverted across state lines in a manner prohibited by either state;
- (4) Trafficking of illegal drugs or illegal activities has occurred on the premises;
- (5) Illegal or unauthorized possession or use of a firearm at a facility;
- (6) Driving while drugged or otherwise intoxicated;
- (7) Drug or alcohol abuse;
- (8) Permitting the cultivation of medical marijuana in a facility outside the designated marijuana cultivation area;
- (9) Failure to comply with a subpoena issued by the department;
- (10) Acceptance of medical marijuana from a source other than a cultivator or processor licensed by the department, unless by a licensed testing laboratory pursuant to the rules promulgated for testing laboratories;
- (11) Failure to maintain effective controls and security measures designed to ensure compliance with the law or protect the facility, employees, and medical marijuana;
- (12) Knowing material misstatements or omissions in the inventory tracking system, where, in the exercise of reasonable diligence, the person should have obtained such knowledge prior to the misstatement or omission;
- (13) A finding by the department that the medical marijuana entity, after having the license suspended or subject to mandatory corrections under any rules promulgated in accordance with Chapter 3796, of the Revised Code, has violated the terms of the suspension or failed to perform the mandatory corrections;

- (14) Operational failures that endanger public health, create a likelihood of contamination or diversion, or a pattern of deviation of standard operating procedures;
 - (15) Aiding or assisting another person in violating any provision of Chapter 3796. of the Revised Code or the rules promulgated in accordance with Chapter 3796. of the Revised Code;
 - (16) Permitting another person to use the licensee's license;
 - (17) Cultivating, processing, transporting, or testing medical marijuana in violation of Chapter 3796. of the Revised Code or the rules promulgated in accordance with Chapter 3796. of the Revised Code;
 - (18) Failure to cooperate or give information to the department, law enforcement authorities or any other enforcement agency upon any matter arising out of conduct at any cultivator, processor or testing laboratory; or
 - (19) Discontinuance of business for more than ninety days, unless the director or the director's designee approves an expansion of such period for good cause shown, upon a written request.
- (B) Any of the following shall be considered threats to public health, welfare, or safety and shall be sufficient cause for a provisional license, certificate of operation, or employee identification care of a cultivator, processor, or testing laboratory, or any combination thereof, or employee to be denied, suspended with or without a hearing, revoked, fined, have conditions placed upon such registration, or any combination of such actions necessary to ensure the program's administration, implementation and enforcement:
- (1) False or misleading statements in or involving a license or registration application;
 - (2) Any civil or disciplinary action is taken, or has been taken, against any persons relating to a professional license;
 - (3) Failure to continuously escort an otherwise unauthorized person within an area designated by the facility as a controlled access area, unless that person is an investigator or employee of the department, authorities from local licensing authority or any state or law enforcement agency;
 - (4) Failure to promptly inform the department of any changes of address or other material information contained in the application;
 - (5) Discipline, including, but not limited to, denial, suspension or revocation of a license, by any state or any territory of the United States or any foreign

jurisdiction:

- (6) Failure to report to the department within fourteen days of any adverse final action taken against a license in any state or any territory of the United States or any foreign jurisdiction, any governmental agency, any law enforcement agency or any court;
 - (7) Failure to respond to a written request for information by the department within ten business days, unless otherwise stated;
 - (8) Failure to keep accurate records in accordance with any rules promulgated in accordance with Chapter 3796. of the Revised Code;
 - (9) Operating in a manner inconsistent with the public health, safety and welfare standards of the local governmental authority;
 - (10) A fraudulent or deceptive practice, transaction, representation or omission to the public, law enforcement or a representative of the department, regardless whether anyone relied on such practice, transaction, representation or omission;
 - (11) A finding by the department of a substantial discrepancy in a department inspection of any records and the subject matter of any records that are required under any rules promulgated in accordance with Chapter 3796. of the Revised Code;
 - (12) Allowing medical marijuana, or medical marijuana byproduct or scrap, to be used or disposed of in a manner not consistent with Chapter 3796. of the Revised Code or the rules promulgated in accordance with Chapter 3796. of the Revised Code; or
 - (13) Failure to maintain a good business repute. For purposes of this rule and making a determination of a failure to maintain good business repute, the department shall consider if the person has engaged in any conduct which would reflect on the reputation for honesty, integrity, and competence in business and personal dealings of the person. These would include, but not limited to, if the person has been determined to have engaged in forgery, embezzlement, nondisclosure, incomplete disclosure, misstatement of material facts, and manipulative or deceptive practices, or if the person has established a reputation for honesty, integrity, and competence.
- (C) Whenever the department revokes or suspends a medical marijuana entity license, it shall notify the state of Ohio board of pharmacy, the state medical board of Ohio, law enforcement, and county sheriff's office whose jurisdiction includes the location of the medical marijuana entity.

Effective:

Five Year Review (FYR) Dates:

Certification

Date

Promulgated Under:	119.03
Statutory Authority:	R.C. 3796.03
Rule Amplifies:	R.C. 3796.