

## Kentucky Cannabis Licensing Summary - 2 May 2024

[Link to Regulations](#) - Public Comment is Open UNTIL June 30, 2024  
[Link to State of Kentucky Licensing Application Guide](#)

### Quick Facts Cannabis Licensing

#### License Types Available + Application Fees:

- A. Cultivation (Tiers I-IV)
  - a. Tier I: <2,500 FT/2 - \$3,000
  - b. Tier II: <10,000 FT/2 - \$10,000
  - c. Tier III: <25,000 FT/2 - \$20,000
  - d. Tier IV: <50,000 FT/2 - \$30,000
- B. Processing - \$5,000
- C. Dispensing - \$3,000
- D. Producer (i.e. Cultivation + Processing, but *no dispensary*) - \$5,000 + Cultivation Fee
- E. Safety Compliance Facility - \$3,000

#### Number of Licenses Available:

- A. Cultivation (Tiers I-IV)
  - a. Tier I: <2,500 FT/2 - **10**
  - b. Tier II: <10,000 FT/2 - **4**
  - c. Tier III: <25,000 FT/2 - **2**
  - d. Tier IV: <50,000 FT/2 - **NO Initial Licenses**
- B. Processing - **10**
- C. Dispensing: **48** (4 per-rural region **AND** 6 in the regions w/Louisville and Lexington)
- D. Producer - **NO Initial Licenses**
- E. Safety Compliance Facility - **NO Limit**

**APPLICATION METHOD: Random Lottery**  
**TOTAL LICENSES: 76 Avail. In 2024**

**Social Equity Qualification: NONE REQUIRED**

### Current/Future Market Status

- 0 Licensed and operable dispensaries exist in Kentucky until these licenses are issued
- 0 Licensed and operable cultivation or processing facilities before this round
- If **every** dispensary license issued opens, there will be **1 dispensary per 94,000 persons** in the State of Kentucky.

## **Application Requirements**

- A. Funding:** Each business must show a source of funding of *at least \$150,000*.
- a. If **one company** is applying in multiple regions (as is allowed), they *must show a unique source of funding* per each region applied in. They cannot show the same proof of funding for multiple regions.
  - b. There does not appear to be a limit on the number of different applicants that a proposed funding source can be listed on.
  - c. **Takeaway:** Instead of applying with the same company in different regions and being required to show a different source of funding for each, it would appear to be easier to form different companies and show the same (or similar) funding sources for each.
- B. Site Control, Buffer Zones, and Plans:** All applicants must demonstrate site control at the time of application for each site via lease, contingent agreement, purchase agreement, or deed.
- a. **Site Plans:** Are required for each property and there are no further specifics from the State on this item
  - b. **Sensitive Use Buffers:** 1,000' from the nearest *property line* from a K-12 school, preschool, or daycare.
  - c. **Municipal Control:** Municipalities **CAN** opt-out from medical cannabis facilities *before* Jan 1, 2025. However, they **cannot** enact stricter buffer zones than those required by the State.
  - d. **[State of Kentucky OFFICIAL Zoning Tool](#):** The State of Kentucky released a zoning tool, which can be seen linked above.
- C. Ownership Disclosures:** All owners must provide their:
- a. Name
  - b. Date of Birth
  - c. CV or Resume
  - d. A valid phone number and email address
  - e. Address
    - i. **Owner Qualifications:** The State is asking owners to provide documentation to show their business experience in Kentucky **OR** their experience within the licensed cannabis industry. How the State will request and/or access this information is unclear.
- D. Medical Practitioner Anti-Corruption Disclosures and Financial Disclosures:** The State is asking each applicant to provide the information for any proposed financial sources, as well as any licensed physician or RN, that has an agreement or ownership stake in the applicant.

- E. Formation and Foundational Documents:** Per usual, the State will require each company's Articles of Incorporation, Bylaws, Organizational Charts, and any other relevant formation/foundational documents.
- F. Required Plans at Time of Application:** Allegedly, plans required by the State may include:
- a. Job Positions Outline:** Detailed position description of each employee, Board Member, financial source; to include relevant responsibilities.
  - b. Operational Timeline:** To include steps between lottery win and commencing licensed operations
  - c. Financial Plan:** To show budget, cash flow planning, and debt management
  - d. Operations Plan:** To include
    - i. Security Plan
    - ii. Transportation Plan
    - iii. Storage and Labeling Plan
    - iv. Inventory Management Plan
    - v. Recordkeeping Plan
    - vi. Plan to Prevent Unlawful Diversion of Cannabis
    - vii. Workforce Development Plan

### **Region Information - Fast Facts**

**Region 1 - Bluegrass:** Anderson, Bourbon, Boyle, Clark, Fayette, Franklin, Garrard, Harrison, Jessamine, Madison, Mercer, Scott, and Woodford Counties.

**Total Population: 779,000**

**Cities of >20,000 Population In Region:** Lexington, KY, Frankfort, KY, Nicholasville, KY, Richmond, KY, and Georgetown, KY

**Major Interstates of Highways:** I-75 and I-64

**Tourism/Info:** This region is a major part of the Kentucky Bourbon trail and also includes Lexington, KY, as well as the State Capitol, Frankfort, KY.

**Region 2 - Kentuckiana:** Bullitt, Henry, Jefferson, Oldham, Shelby, Spencer, and Trimble Counties.

**Total Population: 1,023,000**

**Cities of >20,000 Population In Region:** Louisville, KY

**Major Interstates of Highways:** I-65, I-64, and I-71

**Tourism/Info:** This region includes all of Louisville, KY and the surrounding suburbs. This region has the highest population of any region.

**Region 3 - Northeast:** Bath, Boyd, Carter, Elliot, Fleming, Greenup, Lewis, Mason, Menifee, Montgomery, Morgan, Nicholas, Robertson, and Rowan Counties.

**Total Population: 255,000**

**Cities of >20,000 Population In Region:** Ashland, KY

**Major Interstates of Highways:** I-64

**Tourism/Info:** Mostly rural region in NE Kentucky on the border with Ohio.

**Region 4 - South Central:** Allen, Barren, Butler, Edmonson, Logan, Metcalfe, Monroe, Simpson, and Warren Counties.

**Total Population: 291,000**

**Cities of >20,000 Population In Region:** Bowling Green, KY

**Major Interstates of Highways:** I-165 and I-65

**Tourism/Info:** Mostly rural region in South-Central KY, which includes Bowling Green, KY. Home to Mammoth Cave National Park. Region includes border areas with Tennessee.

**Region 5 - Cumberland:** Bell, Casey, Clinton, Cumberland, Harlan, Knox, Laurel, Lincoln, McCreary, Pulaski, Rockcastle, Russell, Wayne, and Whitney Counties.

**Total Population: 371,000**

**Cities of >20,000 Population In Region:** N/A

**Major Interstates of Highways:** I-75

**Tourism/Info:** This is a rural and mountainous area that comprises SE Kentucky and borders Tennessee. Outdoor recreation tourism is prevalent and I-75 goes into Tennessee in the region.

**Region 6 - Mountain:** Breathitt, Clay, Estill, Floyd, Jackson, Johnson, Knott, Lawrence, Lee, Leslie, Letcher, Magoffin, Martin, Owsley, Perry, Pike, Powell, and Wolfe Counties.

**Total Population: 322,000**

**Cities of >20,000 Population In Region:** N/A

**Major Interstates of Highways:** N/A

**Tourism/Info:** No major cities, no major highways; this region is **rural**. It comprises the central-eastern part of the State in the rural Appalachians.

**Region 7 - Pennyryle:** Caldwell, Christian, Hopkins, Lyon, Muhlenberg, Todd, and Trigg Counties.

**Total Population: 196,000**

**Cities of >20,000 Population In Region:** Hopkinsville, KY, Madisonville, KY

**Major Interstates of Highways:** I-169 and I-24

**Tourism/Info:** There are two cities within this region above 20,000 population and there are two major interstate corridors. This region includes the SW Kentucky area and borders Clarksville, TN.

**Region 8 - West Kentucky:** Ballard, Calloway, Carlisle, Crittenden, Fulton, Graves, Hickman, Livingston, McCracken, and Marshall Counties.

**Total Population: 214,000**

**Cities of >20,000 Population In Region:** Paducah, KY

**Major Interstates of Highways:** I-24 and I-69

**Tourism/Info:** This region is more or less all of Kentucky west of Kentucky Lake. It includes Paducah, KY and borders Illinois, Tennessee, and Missouri.

**Region 9 - Lincoln Trail:** Adair, Breckenridge, Grayson, Green, Hardin, Hart, Larue, Marion, Meade, Nelson, Taylor, and Washington Counties.

**Total Population: 359,000**

**Cities of >20,000 Population In Region:** Radcliff, KY and Elizabethtown, KY

**Major Interstates of Highways:** I-65

**Tourism/Info:** This region comprises the I-65 corridor south of Louisville, KY and north of Glasgow, KY. It also includes areas between Louisville, KY and Lexington, KY and Illinois rural border regions.

**Region 10 - Northern Kentucky:** Boone, Bracken, Campbell, Carroll, Gallatin, Grant, Kenton, Owen, and Pendleton Counties.

**Total Population: 478,000**

**Cities of >20,000 Population In Region:** Florence, KY, Covington, KY, Independence, KY, Erlanger, KY

**Major Interstates of Highways:** I-71 and I-75

**Tourism/Info:** This region is all of suburban Cincinnati, OH areas within Kentucky. It also includes the I-75 corridor between Cincinnati, OH and Lexington, KY,

**Region 11 - Green River:** Daviess, Hancock, Henderson, McLean, Ohio, Union, and Webster Counties.

**Total Population: 216,000**

**Cities of >20,000 Population In Region:** Owensboro, KY, Henderson, KY

**Major Interstates of Highways:** I-165 and I-69

**Tourism/Info:** This region is the KY/IN border area and also includes the large city of Owensboro, KY.

