



Townsend Town Council Meeting Agenda
December 3rd, 2025 @ 7:00 pm
VIA CONFERENCE CALL & Town Hall
141 Main St, Townsend, DE 19734

7:00 pm Town Council Meeting

- I. Call to Order:
- II. Opening Ceremonies
 - A. Roll Call:
 - B. Pledge of Allegiance
 - C. Moment of Silence
 - D. Recognition of Visitors:
 - E. Announcements:

III. General Citizen Comments

IV. Review/Adoption of Agenda

V. Approval/ Rejection of Minutes:

- A. **ACTION ITEM:** Approval/Rejection of Town Council Minutes from July 2nd, 2025 Town Council Meeting.
- B. **ACTION ITEM:** Approval/Rejection of Town Council Minutes from July 22nd, 2025 Special Town Council Meeting.
- C. **ACTION ITEM:** Approval/Rejection of Town Council Minutes from August 6th, 2025 Town Council Meeting.
- D. **ACTION ITEM:** Approval/Rejection of Town Council Minutes from August 20th, 2025 Special Town Council Meeting.
- E. **ACTION ITEM:** Approval/Rejection of Town Council Minutes from September 3rd, 2025 Town Council Meeting.
- F. **ACTION ITEM:** Approval/Rejection of Town Council Minutes from October 1st, 2025 Town Council Meeting.
- G. **ACTION ITEM:** Approval/Rejection of Town Council Minutes from November 6th, 2025 Town Council Meeting.

VI. Departmental Reports:

- A. Mayor S. Lobdell
- B. New Castle County Councilman David Carter
- C. Town of Townsend Police Chief's Report
 - 1. **ACTION ITEM:** Discussion and review of updates on hiring new members of Police Force.
- D. Town Solicitor Lisa Hatfield
 - 1. **ACTION ITEM:** Discussion and Review with potential vote of Council to approve turn over of common areas within Townsend Village I from developer.
- E. Town Engineer Brian Miller
- F. Town Manager Julie Goodyear

Town Meetings will be held both in person and in a virtual format.

Those wishing to attend virtually may dial **1(301)715-8592**. When directed, provide following meeting ID **827- 6421-7575#** and then the following password **361631#** to enter the meeting. If you choose to access the meeting online click the following link: <https://us02web.zoom.us/j/82764217575?pwd=aHI4RDhTZ0xiME1HV0ZOcHRxSHZ3QT09>

Residents will be able to view documents posted to the meeting tab on the Town website at <https://townsend.delaware.gov> or by joining the meeting via computer.

1. **ACTION ITEM:** First Reading of “Ordinance 2025-008” as it relates to Chapter 24 updates for the Townsend Municipal Code.
2. **ACTION ITEM:** Discussion and Review with potential vote of Council to approve HVAC proposal for Town Hall systems along with allocation of fund spending.

G. Public Works Supervisor Rick Boyer

I. Committee Reports:

A. **Finance Committee:** Chair: Mayor S. Lobdell, Co-Chair: Councilman J. Bangura

1. **ACTION ITEM:** Discussion and possible vote of approval of resolution 2025-014, a resolution to amend FY25 Budget.

B. **Human Resources Committee:** Chair: Councilman Suhr, Co-Chair: Mayor S. Lobdell

C. **Public Works and Land Use Development Committee:** Chair: Councilman J. Bangura, Co-Chair: Councilman M. Chapman

1. **ACTION ITEM:** Discussion and Review with potential vote of Council to open an RFP for Public Works Structures.

D. **Public Safety Committee:** Chair: Councilman M. Suhr, Co-Chair: Councilman D. Wiggins

E. **Community Engagement Committee:** Chair: Councilman D. Wiggins

F. **Code Review Committee:** Chair: Mayor S. Lobdell, Co-Chair: Councilman M. Chapman

1. **ACTION ITEM:** First Reading of “Ordinance 2025-009” as it relates to Chapter 18 updates for the Townsend Municipal Code.
2. **ACTION ITEM:** Discussion and Review of the “Delaware Marijuana Control Act” as it relates to Townsend Code adjustments to either support or restrict cannabis sales within Town limits.

II. Discussion of future agenda items.

III. Recess Council Meeting to Convene Executive Session.

IV. **Convene Executive Session:** Pursuant to 29 Del. C. §§10004(b)(4)(9), the Town Council will consider a motion to meet in an executive session for the discussion of potential litigation which will include legal advice or opinions from an attorney-at-law and personnel matters.

V. **Close Executive Session & Re-convene Council Meeting.**

VI. **ACTION ITEM:** Possible vote of Council.

VII. Adjournment.

TOWNSEND POLICE DEPARTMENT



661 South Street, PO Box 223, Townsend, DE 19734
Office 302-464-1262 / Dispatch 302-739-4865 / **EMERGENCY 911**

DECEMBER 2025 Town Council Meeting

The information provided herein is from November 1, 2025 – November 25, 2025

1) 25 Total Calls for Service

1 – Fraud attempt	1- Psychiatric Emergency
1 – Burglar Alarm	1- Missing Person - Suicidal
1 – Domestic	1 – Disorderly Person
1 – Death Investigation	1 - Assault
1 – Noise Complaint	2 – MV Crashes
2 - Thefts	2 - Suspicious Events
2 – Public Assist's	8 – Check Welfare

2) 11 School Traffic Details

3) Participated in 2 Community Outreach Events 1-Townsend, 1- Felton

Sincerely,

Robert J. Longo,

Chief of Police

Town of Townsend Engineer's Report

TO: Julie Goodyear, Town Manager

FROM: Brian Miller, PE

DATE: November 25, 2025

Permit Reviews

TWNSD25001

Date	Description
11/11/2025	Returned review for permit 26-00042
11/18/2025	Returned review for permits 26-00031.Rev1 and 26-00042.Rev1.

Hidden Creek Escrow

TWNSD25003

Date	Description
11/25/2025	Provided Phase 9 Bonding Recommendation Letter

661 South St. Property Boundary Stakeout

TWNSD25009

Date	Description
11/14/2025	Survey crew performed field survey for boundary, building and topography.
11/20/2025	Facilitated Teams discussion with Town staff for Police Station building expansion and parcel setbacks.
11/2025	Survey crew is scheduled to perform stake-out for the police building expansion.

Scott Lobdell, Mayor
Joseph Bangura, Councilman
Matthew Chapman, Councilman
Dylan Wiggins, Councilman
Syed Sharif, Councilman



Julie Goodyear, Town Manager
Jennifer Helms, Financial Officer
Kelsey Gallagher, Town Clerk
Brian Miller, Town Engineer
Lisa Hatfield, Town Solicitor

Town Manager- Monthly Report

November 2025 Recap

Townhall/TM:

- All Town Hall staff attended and participated in the Townsend PD Ground Breaking Ceremony.- 11/5
- TM Attended PS MTG – 11/15
- TM attended Community Engagement MTG- 11/5
- TM attended Council MTG- 11/5
- TM hosted Bi-monthly Staff Meeting- 11-6
- TM attended MTG to review draft of Sewer Agreement with NCC, draft has been sent to Town Solicitor for review. Follow up meeting planned for early 2026. – 11/6
- Town Hall was closed on 11/11 in observance of Veterans Day
- TM and PWS attended webinar "Enhancing Parks and Recreation Compliance with GIS"- 11/12
- TM met with Town Engineer to review Site Plan discussions for the TPD building project.
- TM attended Planning Commission MTG- 11/13
- TM attended meeting with NCC Land Preservation for the Comp Plan.

Permits: 10 permits issued in November

- | | |
|---------------------|------------------------|
| • Solar (2) | • Roof (1) |
| • Patio (2) | • Shed (1) |
| • Plumbing (1) | • Deck (1) |
| • Inground pool (1) | • New Construction (1) |

Licensing:

- 12 Contractor License issued/ renewed in November
 - 158 Active Contractor Licenses
- 32 Business Licenses renewed for 2025
- 15 Rental Licenses renewed for 2025

Grants:

- 2026 Youth Sports Access Grant Program: Baseball Field Lighting
 - STATUS: Application submitted 9/12/2025, Decision by 1/15/26
 - Requesting \$20,000 cash grant for lighting improvements and \$100,000 matching in-kind grant for additional support.
- Game Time Grant: Playground Structures
 - STATUS: Application Submitted 9/12/2025
 - Requesting \$100,000 for new playground equipment for the Smaller park revamp.
- ORPT- 2025 Grant: Park Revitalization

P.O. Box 223 · 141 Main Street · Townsend, DE 19734
Phone (302) 378-8082 · Fax: (302) 378-7099 · <https://townsend.delaware.gov> ·
townhall@townsend.delaware.gov

- STATUS: Application Submitted 9/10/2025
 - Requesting \$25,000 for Smaller park revamp
- 2025 Cycling Infrastructure Innovation Grant
 - STATUS: Application Submitted on 8/18/2025, MTG on 10/20 to discuss application
 - Requesting \$117,044.00 for the walking path/trail connecting TVII to Community Park
- DNREC Surface Water Grant
 - STATUS: **AWARDED \$17,765.00 on 9/22/25**
 - Currently processing paperwork

Rentals: 0 Park, Pavillion or gazebo Rentals in November

Code Enforcement: 2 Violation(s) Issued

- Roof Replacement- no permit (2)

Property Information Requests: 9 (Generating \$90.00 in revenue)

- | | |
|-----------------|-----------------|
| • 25-008.00-047 | • 25-004.00-096 |
| • 25-002.00-091 | • 25-001.00-035 |
| • 25-006.00-019 | • 25-003.00-089 |
| • 25-008.00-047 | • 25-003.00-086 |
| • 25-003.00-079 | |

FOIA Requests: 2 Requests

- Requests for copies of permits for time period (9/1/25 to 9/30/25).
- Requests for ownership records for Parcel #25-001.00-002

Owner Complaints: 0 Received

Respectfully Submitted,

Julie Goodyear
Town Manager

Planning Commission of the Town of Townsend

141 Main Street, PO Box 223, Townsend, DE 19734
Phone (302) 378-8082 Fax (302) 378-7099

November 14th, 2025



Chair
Mr. Troy Geiger

Co- Chair
Mr. James Reyes

Mrs. Elizabeth
Chapman

Mr. Januarius
Asongu

Ms. Eschalla
Clarke

Dear Members of Townsend Town Council,

The Townsend Planning Commission respectfully submits this letter to convey our formal recommendation regarding the establishment of an application fee for Lot Consolidation requests.

After reviewing comparable fee structures from neighboring and similarly sized municipalities, as well as evaluating the Town's internal administrative procedures, the Commission recommends that the Lot Consolidation application fee be set at **\$200**.

This recommendation reflects:

- A cost comparison with regional municipalities, demonstrating that a \$200 fee aligns with the average rate charged for similar services; and
- An internal review of the Town's process, including the time and staff involvement required from the acceptance of an application through its evaluation, coordination, and final approval or denial.

Based on these findings, the Planning Commission believes that a \$200 fee fairly represents the administrative effort necessary to complete the lot consolidation process while maintaining a reasonable cost to applicants.

We appreciate your consideration of this recommendation and stand ready to provide any additional information or clarification upon request.

Please let us know if you have any questions or concerns.

Best Regards,

Commissioner Troy Geiger

The Mayor and Council of the Town of Townsend

141 Main Street, P.O. Box 223, Townsend, DE 19734
Phone (302) 378-8082 Fax (302) 378-7099

Introduced by: Mayor S. Lobdell

Introduction on: December 3rd, 2025



ORDINANCE 2025-008

An Ordinance to Amend Chapter 24 of the Townsend Municipal Code, relating to Lot Consolidation Procedures

Mayor
Scott Lobdell

WHEREAS, the Town Council of the Town of Townsend has adopted Chapter 24 of the Townsend Municipal Code, entitled *Zoning and Unified Development Code*, which regulates land use and development within the Town; and

Councilman
Joseph Bangura,
PhD

WHEREAS, the Town recognizes that clear, consistent, and transparent development procedures are essential to maintaining the character, safety, and efficiency of land use within the Town; and

Councilman
Matthew
Chapman

WHEREAS, the Town Council finds it necessary and appropriate to establish formal procedures for the consolidation of two or more contiguous lots of record under common ownership to ensure consistency, clarity, and orderly development within the Town; and

Councilman
Dylan K. Wiggins

WHEREAS, the Planning Commission has reviewed and recommended adoption of the proposed Lot Consolidation procedures to be included in Chapter 24 of the Townsend Municipal Code;

Councilman
Syed Sharif

NOW, THEREFORE, be it ordained by the by the Town Council of the Town of Townsend, in session duly met, that Chapter 24 of the Townsend Municipal Code shall be amended as follows:

SECTION 1: Addition of Section 24.04.105- Lot Consolidation Procedures

A new section, Section 24.04.105 entitled *Lot Consolidation Procedures*, is hereby added to Chapter 24 as follows:

24.04.105 Lot Consolidation Procedures

- A. An application for consolidating three or less parcels shall be made on a form supplied by the Town, together with a plan/map, prepared by and attested to by a licenses surveyor or engineer, showing the parcels to be consolidated and showing the entire frontage of the proposed consolidated parcels, and that of the adjoining properties of the proposed consolidation. The application, plan and required fees shall be submitted to the Town for recording prior to forwarding to the Town for review. The required

fees shall be the fees established in the currently effective Town of Townsend Fee Schedule.

- B. The Planning Commission may approve consolidation applications that are found to meet all of the requirements of this chapter.
- a. No lot consolidation may be approved that creates a Town non-compliance of any other Town Ordinance.
- C. The applicant shall submit the approved plan, within 90 days from the approved date, to the office of the Recorder of Deeds, in and for New Castle County for recording. If any approved plan is not filed within that period, the approval of such partition shall expire. The Town, for good cause shown, may extend the time for filing o the plan for a period not to exceed 90 days. Consolidation plans must be recorded with the Recorder of Deeds office prior to the tax year expiring to be honored for next years tax billings. A record of all consolidations and one copy of the approved plan shall be kept by the Town and reflected in the records retained by the Town.
- D. If the Planning Commission disapproves of a consolidation application, a written notice shall be returned to the applicant stating the basis for such disapproval within 60 days of submission review. Reasons for disapproval shall be remedied prior to any resubmission.

SECTION 2: If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 3: In the event any existing Ordinances or parts of Ordinances are in conflict herewith, the provisions of this Ordinance shall control.

SECTION 4: This Ordinance shall become effective immediately upon passage.

Adopted by at least a majority of the Council members of the Town of Townsend on this XX Day of XXXX 2025.

Introduction 12/3/2025

Final Reading XX/XX/XXXX

Adoption XX/XX/XXXX

Signed By

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Mayor

Town of Townsend, Delaware

Vote of Council	Yea	Na	Abs
Mayor Lobdell			
CM J. Bangura			
CM M. Chapman			
CM D. Wiggins			
CM S. Sharif			

Attest: _____

Town Manager



Public Works Department Report

December 2025

November Completed projects

- Salt Spreader was purchased and installed on F250
- Skid Steer fully operational
- Connex Box Moved to Wiggins Mill property to house salt
- 25 tons of salt delivered and moved into Connex Box
- Town Hall was pressure washed
- Completed moving all PW items to Wiggins Mill Property
- Signs at Municipal Park that were showing wear or were damaged were replaced.
- Completed Monthly Road Assessment
- Completed Monthly light inspection – 1 issue reported
- Repaired Backstop at Municipal Park baseball field. – Fence post
- Repaired kitchen sink leak in TH. – Garbage disposal removed and drain reconfigured
- Christmas decoration on Main Street went up with Middletown PW assistance
- Winterization of lawn equipment
- Helen Drive potholes repaired
- Requested estimates and met with multiple HVAC companies in regard to TH HVAC repair
- Winter Weather Prep
- Closed 71 Vialytics tasks

Upcoming projects for December

- Tree lighting Ceremony – Dec. 5
- TH HVAC repair
- Wiggins Mill Public Works facility specs and possible RFP
- Conduit trace at Municipal Park
- 0 Chestnut debris removal
- PW Vehicles standard maintenance
- Remove triangular island in driveway at Wiggins Mill property.
- Confirm location of conduit at municipal park for lighting project



TOWN OF TOWNSEND
GENERAL FUND INCOME STATEMENT
October 31, 2025

REVENUES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Fire House Impact Fees	15,000.00	5,250.00	(9,750.00)	35%
Franchise Fees	18,000.00	5,567.48	(12,432.52)	31%
Interest Income	153,500.00	52,661.11	(100,838.89)	34%
Miscellaneous Income	60,650.00	2,099.98	(58,550.02)	3%
Property Transfer Taxes	300,000.00	142,500.43	(157,499.57)	48%
Real Estate Property Tax	834,200.00	845,465.42	11,265.42	101%
Violations, Fines & Penalties	2,500.00	340.00	(2,160.00)	14%
Rental Registration Fee	1,700.00	-	(1,700.00)	0%
Total Administrative Revenues	1,385,550.00	1,053,884.42	(331,665.58)	76%
Impact Fees	135,000.00	47,250.00	(87,750.00)	35%
Licenses & Fees	73,600.00	14,610.00	(58,990.00)	20%
Town Permits	103,700.00	63,481.61	(40,218.39)	61%
Total Permits & Licenses Revenues	312,300.00	125,341.61	(186,958.39)	40%
Park rental	2,000.00	425.00	(1,575.00)	21%
Total Park & Recreation Revenues	2,000.00	425.00	(1,575.00)	21%
Municipal Street Aid Grant	59,800.00	28,801.18	(30,998.82)	48%
Grants Revenue	40,000.00	2,000.00	(38,000.00)	5%
Total Grant Revenues	99,800.00	30,801.18	(68,998.82)	31%

Town Fair Donation	5,000.00	-	(5,000.00)	0%
Veterans & Social Services Donations	-	134.00	134.00	
Community Events: Town Fair	5,500.00	(50.00)	(5,550.00)	-1%
Total Community Events Revenues	10,500.00	84.00	(10,416.00)	1%

General Fund Revenue Totals	1,810,150.00	1,210,536.21	(599,613.79)	67%
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EXPENDITURES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Fire House Impact Fees	15,000.00	-	(15,000.00)	0%
Accounting Audit	25,000.00	-	(25,000.00)	0%
Investments Fees	27,000.00	8,885.58	(18,114.42)	33%
Computer/Software Support	60,100.00	54,913.40	(5,186.60)	91%
Copier Maintenance Agreement	1,300.00	536.50	(763.50)	41%
Town Insurance (General Liab & Property)	33,800.00	16,032.39	(17,767.61)	47%
Town Hall Cleaning/Pest Ctrl	1,350.00	750.00	(600.00)	56%
Membership Fees	1,800.00	325.00	(1,475.00)	18%
General Town Hall Expenses	8,000.00	194.39	(7,805.61)	2%
Security System @ 141 Main Street	1,000.00	239.00	(761.00)	24%
Office Supplies	2,000.00	688.31	(1,311.69)	34%
Postage & Delivery	4,000.00	581.31	(3,418.69)	15%
General Legal	35,000.00	21,148.05	(13,851.95)	60%
Subscription Fee	1,100.00	-	(1,100.00)	0%
Training Classes	2,500.00	-	(2,500.00)	0%
Trash Collection Service	256,600.00	84,395.52	(172,204.48)	33%
Utilities - Town Hall	16,300.00	4,628.66	(11,671.34)	28%
Misc Expense	7,100.00	3,332.85	(3,767.15)	47%
Total Administrative Expenditures	498,950.00	196,650.96	(302,299.04)	39%
Payroll & Benefits	499,900.00	144,535.43	(355,364.57)	29%
Total Payroll Expenditures	499,900.00	144,535.43	(355,364.57)	29%

EXPENDITURES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Street Lights	106,070.00	27,649.41	(78,420.59)	26%
Total Street Lights Expenditures	106,070.00	27,649.41	(78,420.59)	26%
General Engineering	50,400.00	2,607.50	(47,792.50)	5%
Code Enf/Inspections	55,000.00	15,415.00	(39,585.00)	28%
Lot Grading Reviews	11,000.00	-	(11,000.00)	0%
Charter/Comp Plan Fees	1,000.00	-	(1,000.00)	0%
Total Code & Planning Expenditures	117,400.00	18,022.50	(99,377.50)	15%
Town Equipment Fuel	4,000.00	1,095.00	(2,905.00)	27%
Park Maintenance Expense	36,000.00	20,368.75	(15,631.25)	57%
Vehicle/Equipment Maintenance	4,450.00	460.02	(3,989.98)	10%
Public Works Equipment	500.00	608.67	108.67	122%
Public Works Uniforms	1,800.00	317.02	(1,482.98)	18%
Municipal Street Aid (Control Account)	-	-	-	
Street, Sidewalk & Curb Maintenance	30,500.00	8,214.96	(22,285.04)	27%
Snow Removal	12,900.00	-	(12,900.00)	0%
Total Public Works Expenditures	90,150.00	31,064.42	(59,085.58)	34%
Community Relations	1,150.00	500.00	(650.00)	43%
Community Events Expense	11,800.00	1,307.93	(10,492.07)	11%
National Wildlife Foundation/Habitats	600.00	-	(600.00)	0%
Total Community Events Expenditures	13,550.00	1,807.93	(11,742.07)	13%
General Fund Operating Expenditure Totals	1,326,020.00	419,730.65	(906,289.35)	32%
Capital Expenses	200,000.00	-	(200,000.00)	0%
Public Works Capital Expense	84,000.00	13,248.00	(70,752.00)	16%
Total Capital Expenses	284,000.00	13,248.00	(270,752.00)	5%

EXPENDITURES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
General Fund Capital Expenditure Totals	284,000.00	13,248.00	(270,752.00)	5%



TOWN OF TOWNSEND
POLICE INCOME STATEMENT
October 31, 2025

REVENUES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Impact Fees: Public Safety	30,000.00	10,500.00	(19,500.00)	35%
Fines - Police	12,000.00	3,099.61	(8,900.39)	26%
Grant Revenue	673,300.00	300,000.00	(373,300.00)	45%
Miscellaneous Income	4,800.00	2,000.00	(2,800.00)	42%
Transfers In	199,970.00	-	(199,970.00)	0%
General Fund Revenue Totals	920,070.00	315,599.61	(604,470.39)	34%

EXPENDITURES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Repairs & Maint - Vehicles/Equipment	9,400.00	1,496.61	(7,903.39)	16%
Security System - 661 South St	4,100.00	-	(4,100.00)	0%
Computer/Software Expense	900.00	785.00	(115.00)	87%
PD Equipment/Office Equipment	5,500.00	1,231.26	(4,268.74)	22%
Training Classes	5,700.00	1,379.00	(4,321.00)	24%
Fuel	10,100.00	2,306.57	(7,793.43)	23%
Insurance	11,200.00	5,411.11	(5,788.89)	48%
Uniforms: PD	3,400.00	784.44	(2,615.56)	23%
General Engineering	1,000.00	-	(1,000.00)	0%
Legal Services	2,000.00	197.50	(1,802.50)	10%

EXPENDITURES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Utilities - PD	19,000.00	3,802.51	(15,197.49)	20%
Miscellaneous Expense	4,900.00	666.95	(4,233.05)	14%
Total Administrative Expenditures	77,200.00	18,060.95	(59,139.05)	23%
Payroll & Benefits	369,700.00	106,421.40	(263,278.60)	29%
Total Payroll Expenditures	369,700.00	106,421.40	(263,278.60)	29%
Police Fund Operating Expenditure Totals	446,900.00	124,482.35	(322,417.65)	28%
Capital Expense - PD	673,300.00	22,617.50	(650,682.50)	3%
Police Fund Capital Expenditure Totals	673,300.00	22,617.50	(650,682.50)	3%



TOWN OF TOWNSEND
SPECIAL REVENUE FUND INCOME STATEMENT
October 31, 2025

REVENUES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Grants Revenue	50,900.00	-	(50,900.00)	0%
Special Revenue Fund Revenue Totals	50,900.00	-	(50,900.00)	0%

EXPENDITURES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Capital Expenses - ARPA	50,900.00	450.00	(50,450.00)	1%
Special Revenue Fund Expenditure Totals	50,900.00	450.00	(50,450.00)	1%



TOWN OF TOWNSEND
POLICE GRANTS INCOME STATEMENT
October 31, 2025

REVENUES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Police Grants Revenue	34,000.00	12,846.56	(21,153.44)	38%
Police Grants Fund Revenue Totals	34,000.00	12,846.56	(21,153.44)	38%

EXPENDITURES	BUDGET	ACTUAL	OVER/(UNDER)	Target % for Oct 33%
Overtime	19,100.00	6,840.80	(12,259.20)	36%
Misc Expense	14,900.00	-	(14,900.00)	0%
Police Grants Fund Expenditure Totals	34,000.00	6,840.80	(27,159.20)	20%



Sponsor:
Councilman M. Chapman

RESOLUTION
2025-014

A Resolution to Authorize the reallocation of funds from the Town Sign project to the Public Works Facility Project

WHEREAS, the Town of Townsend previously approved budget funding in the amount of Forty Thousand Dollars (\$40,000) for the design, construction, and installation of a Town Sign; and

WHEREAS, the Town has determined that the development and construction of the Public Works Facility is a higher and more immediate priority to support the Town's operational needs and services; and

WHEREAS, reallocating the aforementioned funds from the Town Sign project to the Public Works Facility project will allow the Town to advance essential infrastructure improvements without exceeding the approved fiscal year budget; and

WHEREAS, the Town Council of the Town of Townsend deems it in the best interest of the Town and its residents to authorize this budget reallocation.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the Town of Townsend, in session duly assembled, that:

1. The sum of **\$40,000** originally budgeted for the **Town Sign Project** shall be **reallocated** to the **Public Works Facility Project**.
2. The Town Finance Officer is hereby authorized and directed to make the necessary budgetary adjustments to reflect this reallocation.
3. This Resolution shall take effect immediately upon its adoption by the Town Council.

IN WITNESS WHEREOF, I hereunto set my hand and caused the Seal of the Town of Townsend to be affixed this 3rd day of December 2025.

TOWN OF TOWNSEND

Scott Lobdell, Mayor

ATTEST:

Julie Goodyear, Town Manager

Vote of Council	Yea	Na	Abs
Mayor Lobdell			
CM J. Bangura			
CM M. Chapman			
CM D. Wiggins			
CM S. Sharif			

The Mayor and Council of the Town of Townsend

141 Main Street, P.O. Box 223, Townsend, DE 19734
Phone (302) 378-8082 Fax (302) 378-7099

Introduced by: Mayor S. Lobdell

Introduction on: December 3rd, 2025



**Mayor
Scott Lobdell**

**Councilman
Joseph Bangura,
PhD**

**Councilman
Matthew
Chapman**

**Councilman
Dylan K. Wiggins**

**Councilman
Syed Sharif**

ORDINANCE 2025-009

AN ORDINANCE TO AMEND CHAPTER 18 OF THE TOWNSEND MUNICIPAL CODE, ENTITLED “BUILDING AND BUILDING REPAIRS,” TO ADD PROVISIONS UNDER SECTION 18.08 RELATING TO MOBILE HOMES AND TRAILERS.

WHEREAS, the Town Council of the Town of Townsend finds it necessary to protect the public health, safety, and welfare through the regulation of buildings and structures within the Town limits; and

WHEREAS, Chapter 18 of the Townsend Municipal Code establishes requirements for building and building repairs; and

WHEREAS, the Town Council recognizes the need to provide specific standards and definitions for **mobile homes and trailers** to ensure compliance with applicable building, zoning, and safety codes; and

WHEREAS, the Town Council desires to amend Chapter 18 to add a new subsection within Section 18.08 to address these matters.

NOW, THEREFORE, be it ordained by the by the Town Council of the Town of Townsend, in session duly met, that Chapter 18 of the Townsend Municipal Code shall be amended as follows:

SECTION 1: Addition of Section 18.08.05- Definitions: Mobile Homes

A new section, Section 18.08.05 entitled *Definitions: Mobile Homes*, is hereby added to Chapter 18 as follows:

18.08.05 Definitions: Mobile Homes

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

“Manufactured Home” The term “manufactured home” is a type of prefabricated housing built entirely in a factory and constructed according to federal HUD (U.S. Department of Housing and Urban Development) standards. These homes are transported to their site on a permanent chassis, which remains part of the structure. Manufactured homes are typically considered

personal property, and they often depreciate in value over time. They are not usually placed on permanent foundations and may retain some mobility.

“Modular Home” The term “modular home” is a type of prefabricated home built in sections at a factory and assembled on-site. Unlike manufactured homes, modular homes are constructed to local, state, and federal building codes and are placed on a permanent foundation. They are intended to be permanent residences and are generally classified as real property, with the potential to appreciate in value similarly to traditional site-built homes.

SECTION 2: Amendment to Chapter 18.08.010

Section 18.08.010 “Transporting Mobile homes” of the Townsend Municipal Code is hereby amended as shown with deletions indicated by strikethrough and additions indicated by underline.

18.08.010 Transporting Mobile Homes

~~On and after December 13, 1977 all trailers, Manufactured Homes~~mobile homes, single-wide or double-wide built or designed to be transported on wheels and to be used as dwelling shall be prohibited within the town limits of the town.

~~Manufactured Homes, by definition, are entitled to be in Town limits for the purposes of providing residential housing.~~

SECTION 3: If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 4: In the event any existing Ordinances or parts of Ordinances are in conflict herewith, the provisions of this Ordinance shall control.

SECTION 5: This Ordinance shall become effective immediately upon passage.

Adopted by at least a majority of the Council members of the Town of Townsend on this XX Day of XXXX 2025.

Introduction 12/3/2025

Final Reading XX/XX/XXXX

Adoption XX/XX/XXXX

Signed By

.....

Mayor

Vote of Council	Yea	Na	Abs
Mayor Lobdell			
CM J. Bangura			
CM M. Chapman			
CM D. Wiggins			
CM S. Sharif			

Town of Townsend, Delaware

Attest: _____
Town Manager

Chapter 13
The Delaware Marijuana Control Act
Subchapter I
General Provisions

§ 1301 Purpose and findings.

(a) In the interest of creating jobs with community benefits, eliminating the marijuana illegal market to allow law enforcement to focus on violent crime and property crimes, and promoting individual freedom, the General Assembly finds and declares that the personal use of marijuana should be legal for persons 21 years of age or older and taxed in a manner similar to alcohol.

(b) In the interest of the health and public safety of our citizenry, the General Assembly further finds and declares that marijuana must be regulated in a manner similar to alcohol to ensure all of the following:

- (1) Individuals will have to show proof of age before purchasing marijuana.
- (2) Selling, distributing, or transferring marijuana to individuals under the age of 21 remains illegal.
- (3) Driving under the influence of marijuana remains illegal.
- (4) Legitimate, taxpaying businesspeople, not criminal actors, conduct sales of marijuana.
- (5) Marijuana sold in this State will be tested, labeled, and subject to additional regulations to ensure that consumers are informed and protected.

(c) The General Assembly further finds and declares that it is necessary to ensure consistency and fairness throughout this State, and therefore, that the matters addressed by this chapter are of statewide concern, except as specified in this chapter.

(84 Del. Laws, c. 24, § 4.)

§ 1302 Definitions.

As used in this chapter:

(1) “Appeals Commission” means 3 persons, 1 from each county, appointed by the Governor with the advice and consent of the majority of the Senate.

(2) “Commissioner” means the person appointed by the Governor and confirmed by the Senate who serves as the Marijuana Commissioner for the State.

(3) “Compassion center” means an entity registered as a compassion center under § 4914A of Title 16.

(4) “Conditional license” means a license that is issued to an applicant who has met minimum qualifications and been selected through the Commissioner’s process to receive a license. Conditional licensees are granted for a period of 18 months to allow the licensee to secure a physical business premises, complete additional application requirements, receive approval from the Commissioner for the licensed premises, and demonstrate readiness to commence operations.

(5) “Consumer” means an individual 21 years of age or older who purchases marijuana, marijuana products, or marijuana accessories for personal use by the individual or other individuals 21 years of age or older, but not for resale to others.

(6) “Conversion license” means an open license issued to a compassion center for participation in the adult use recreational market.

(7) “Department” means the Department of Safety and Homeland Security.

(8) “Disproportionately-impacted area” means census tracts in the State identified by the Commissioner in collaboration with state and local agencies that have high rates of arrest, conviction, and incarceration relating to the sale, possession, use, cultivation, manufacture, or transport of marijuana.

(9) “Division” means the Division of Alcohol and Tobacco Enforcement.

(10) “Flowering plant” means a marijuana plant from the time it exhibits the first signs of sexual maturity through harvest, which includes budding.

(11) “Immature plant” means a nonflowering marijuana plant: no taller than 8 inches and no wider than 8 inches; that is produced from a cutting, clipping, or seedling; is in a cultivating container; and which does not have buds that may be observed by visual examination.

(12) “Labor peace agreement” means an agreement between a licensee and any bona fide labor organization that prohibits labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the licensee’s business. This agreement means that the licensee has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the licensee’s employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the licensee’s employees work, for the purpose of meeting with employees to discuss the employees’ right to representation, employment rights under state law, and terms and conditions of employment. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

(13) “License” means any license or permit to cultivate, possess, manufacture, sell, transport, or test marijuana or marijuana products and accessories authorized or issued by the Commissioner under this chapter.

(14) “Marijuana” means as defined in § 4701 of Title 16.

(15) “Marijuana accessories” means any equipment, products, or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing marijuana; or for ingesting, inhaling, or otherwise introducing marijuana into the human body.

(16) “Marijuana cultivation facility” or “cultivation facility” means an entity licensed to cultivate, prepare, and package marijuana and sell marijuana to retail marijuana stores, to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers. A marijuana cultivation facility may not produce marijuana concentrates, tinctures, extracts, or other marijuana products.

(17) “Marijuana establishment” means an entity licensed as a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, or a retail marijuana store.

(18) “Marijuana product manufacturing facility” means an entity licensed to: purchase marijuana; manufacture, prepare, and package marijuana products; and sell marijuana and marijuana products to other marijuana product manufacturing facilities and retail marijuana stores, but not to consumers.

(19) “Marijuana products” means products that are comprised of marijuana, including concentrated marijuana, and other ingredients and are intended for use or consumption, such as edible products, ointments, and tinctures.

(20) “Marijuana testing facility” means an entity licensed to test marijuana for potency and contaminants.

(21) “Microbusiness license” means a license issued pursuant to part C of subchapter III of this chapter which includes any of the following:

- a. Marijuana cultivation facility license.
- b. Marijuana product manufacturing license.

(22) “Open license” means a license issued pursuant to part B of subchapter III of this chapter that is not a social equity license or microbusiness license which includes all of the following:

- a. Retail marijuana store license
- b. Marijuana testing facility license.
- c. Marijuana cultivation facility license.
- d. Marijuana product manufacturing license.

(23) “Person” means as defined in § 302 of Title 1.

(24) “Personal use quantity” means as defined in § 4701 of Title 16.

(25) “Possession limit” means the amount of marijuana that may legally be possessed at any 1 time by an individual 21 years of age or older who is not a registered qualifying patient or a registered designated caregiver under Chapter 49A of Title 16.

(26) “Public place” means any indoor or outdoor area or portion thereof generally accessible to the public.

(27) “Retail marijuana” means “marijuana”, as defined in § 4701 of Title 16, that is cultivated, manufactured, distributed, or sold by a licensed marijuana establishment.

(28) “Retail marijuana store” means an entity licensed to purchase marijuana from marijuana cultivation facilities; to purchase marijuana and marijuana products from marijuana product manufacturing facilities; and to sell marijuana and marijuana products to consumers.

(29) “Smoking” means both of the following:

- a. The burning of a lighted cigarette, cigar, pipe, or any other matter or substance that contains marijuana.
- b. The use of an electronic smoking device which creates an aerosol or vapor, in any manner or in any form.

(30) “Social equity license” means a license issued pursuant to part C of subchapter III of this chapter for any of the following:

- a. Retail marijuana store license.
- b. Marijuana testing facility license.
- c. Marijuana cultivation facility license.
- d. Marijuana product manufacturing license.

(31) “Unreasonably impracticable” means that the measures necessary to comply with the regulations require such a high investment of risk, money, time, or any other resource or asset that the operation of a marijuana establishment is not worthy of being carried out in practice by a reasonably-prudent businessperson.

(32) [Repealed.]

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 2; 84 Del. Laws, c. 303, § 1; 85 Del. Laws, c. 11, § 1.)

§ 1303 Marijuana accessories authorized.

An individual who is 21 years of age or older is authorized to manufacture, possess, and purchase marijuana accessories, and to distribute or sell marijuana accessories, to an individual who is 21 years of age or older.

(84 Del. Laws, c. 24, § 4.)

§ 1304 Places of employment.

Nothing in this chapter is intended to impact or impose any requirement or restriction on employers with respect to terms and conditions of employment including accommodation, policies, or discipline.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 514, § 2.)

§ 1305 Driving under the influence prohibited.

Nothing in this chapter is intended to allow driving under the influence of marijuana or driving while impaired by marijuana or to supersede laws related to driving under the influence of marijuana or driving while impaired by marijuana. This chapter is not intended to prevent the State from enacting and imposing penalties for driving under the influence of or while impaired by marijuana.

(84 Del. Laws, c. 24, § 4.)

§ 1306 Individuals under age 21; prohibitions.

(a) Nothing in this chapter is intended to permit the transfer of marijuana, with or without remuneration, to an individual under the age of 21 or to allow an individual under the age of 21 to purchase, possess, use, transport, or consume marijuana.

(b) It is unlawful for an individual under the age of 21 years to knowingly enter or remain in an establishment licensed under this chapter. A violation of this subsection is a civil offense punishable by a civil penalty of \$50.

(84 Del. Laws, c. 24, § 4.)

§ 1307 Private property rights.

Nothing in this chapter prohibits a person, employer, school, hospital, detention facility, corporation, or any other entity who occupies, owns, or controls a property from prohibiting or otherwise regulating the possession, consumption, use, display, transfer, distribution, sale, transportation, or growing of marijuana on or in that property, except that in the case of the rental of a residential dwelling, a landlord may only prohibit the possession of marijuana or the consumption of marijuana by nonsmoked means if 1 or more of the following applies:

(1) The building is the primary residence of the landlord, no more than 3 rooms in the building are rented to tenants, and no more than 3 tenants occupy such building.

(2) Residence is merely incidental to detention or to the provision of medical, geriatric, educational, counseling, religious, or similar services, including prisons, student housing provided by a college or school, long-term care facilities, and hospitals.

(3) Failing to prohibit marijuana possession or consumption would violate federal law or regulations or cause the landlord to lose a monetary or licensing-related benefit under federal law or regulations.

(84 Del. Laws, c. 24, § 4.)

§ 1308 Unlawful marijuana extraction, penalties; class G felony.

(a) It is unlawful for a person, other than a marijuana product manufacturer complying with this chapter and department regulations, to extract compounds from marijuana using solvents other than water, glycerin, propylene glycol, vegetable oil, or food grade ethanol (ethyl alcohol).

(b) It is unlawful for a person to extract compounds from marijuana using ethanol in the presence or vicinity of open flame.

(c) Violation of this section is a class G felony.

(84 Del. Laws, c. 24, § 4.)

§ 1309 Lawful operation of marijuana-related establishments.

(a) It is lawful and may not be an offense under the law of this State, or be the basis for seizure or forfeiture of assets under the law of this State, for an individual 21 years of age or older to do any of the following:

(1) Manufacture, possess, or purchase marijuana accessories or sell marijuana accessories to an individual who is 21 years of age or older in a manner set forth in this chapter.

(2) Possess, display, or transport marijuana or marijuana products; purchase marijuana from a marijuana cultivation facility; purchase marijuana or marijuana products from a marijuana product manufacturing facility; or sell marijuana or marijuana products to consumers if the person conducting the activities described in this paragraph (a)(2) holds a valid license to operate a retail marijuana store or is acting in the person's capacity as an owner, employee, or agent of a licensed retail marijuana store.

(3) Cultivate, harvest, process, package, transport, display, or possess marijuana; deliver or transfer marijuana to a marijuana testing facility; sell marijuana to a marijuana cultivation facility, a marijuana product manufacturing facility, or a retail marijuana store; or purchase marijuana from a marijuana cultivation facility if the person conducting the activities described in this paragraph (a)(3) holds a valid license to operate a marijuana cultivation facility or is acting in the person's capacity as an owner, employee, or agent of a licensed marijuana cultivation facility.

(4) Package, process, transport, manufacture, display, or possess marijuana or marijuana products; deliver, transport, or transfer marijuana or marijuana products; sell marijuana or marijuana products to a retail marijuana store or a marijuana product manufacturing facility; purchase marijuana from a marijuana cultivation facility; or purchase marijuana or marijuana products from a marijuana product manufacturing facility if the person conducting the activities described in this paragraph (a)(4) holds a valid license to operate a marijuana product manufacturing facility or is acting in the person's capacity as an owner, employee, or agent of a licensed marijuana product manufacturing facility.

(5) Possess, cultivate, process, repack, store, transport, display, transfer, or deliver marijuana or marijuana products if the person

holds a valid license to operate a marijuana testing facility or is acting in the person's capacity as an owner, employee, or agent of a licensed marijuana testing facility.

(6) Lease or otherwise allow the use of property owned, occupied, or controlled by any person, for any of the activities conducted lawfully under this chapter.

(b) (1) An entity licensed under this chapter may not sell or deliver marijuana or marijuana products on Thanksgiving, Easter, or Christmas or at hours other than those prescribed by the rules or regulations of the Commissioner.

(2) A holder of license for a retail marijuana store may not sell or deliver marijuana or marijuana products on Thanksgiving, Easter, or Christmas or between the hours of 10:00 p.m. and 9:00 a.m. on Mondays through Saturdays, and on Sundays before noon or after 8:00 p.m. Any municipality with a population of 50,000 or more may limit sales under this subsection within the boundaries of the municipality to a maximum of 4 hours on Sundays as established by ordinance of the municipality. The closing hours for days of the week other than Sunday may be made earlier in any municipality having a population of 50,000 or more persons, by ordinance of the municipality; provided, however, that such ordinance be consistent with the Delaware and federal constitutions and must treat all businesses fairly. During the months of October through December, a holder of a license for a retail marijuana store may have sales take place beginning at 8:00 a.m. on Fridays through Saturdays and 10:00 a.m. on Sundays.

(3) Any holder of a license for a retail marijuana store who wishes to sell marijuana or marijuana products on Sundays must pay a biennial license fee of \$500 for the issuance of a special license to sell marijuana and marijuana products on Sundays, which is in addition to any other license fees which may be required of the holder.

(c) Marijuana and marijuana products may not be sold in an establishment licensed to sell alcoholic liquors under this title.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 3.)

§ 1310 Enforcement.

(a) Inspections and enforcement activities are to be conducted by the Division of Alcohol and Tobacco Enforcement in accordance with Chapter 4 of this title.

(b) The Division of Alcohol and Tobacco Enforcement may conduct administrative inspections under § 403 of this title. The Office of the Marijuana Commissioner may conduct administrative inspections of a premise licensed under any provision of this title at any time the licensee, employee of the licensee, or customer is upon the licensed premise. Administrative inspections under this subsection may be conducted only for the purpose of ensuring compliance with the regulations of this title or the rules and regulations of the Marijuana Commissioner.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 4.)

§ 1311 Contracts enforceable.

Contracts related to the operation of a marijuana establishment licensed under this chapter are enforceable. A contract entered into by a licensed marijuana establishment or its employees or agents as permitted under a valid license, or by those who allow property to be used by a licensed marijuana establishment, its employees, or its agents as permitted under a valid license, is not unenforceable on the basis that cultivating, obtaining, manufacturing, distributing, dispensing, transporting, selling, possessing, or using marijuana is prohibited by federal law.

(84 Del. Laws, c. 24, § 4.)

§ 1312 Verifying the age of marijuana consumers.

(a) Whoever sells any marijuana to a person who has not reached the age of 21 years, or sells to any person of more than such age any marijuana knowing that such marijuana is bought for a person who is less than 21 years of age shall be subject to a civil penalty not less than \$250 nor more than \$500.

(b) In any enforcement action under this section, it is an affirmative defense that the individual who is under 21 years old presented identification, with a photograph of such individual affixed thereon, to the accused and the identification set forth information which would lead a reasonable person to believe such individual was 21 years old or older.

(84 Del. Laws, c. 24, § 4.)

§ 1313 Medical marijuana provision not affected.

Nothing in this chapter may be construed to limit any privileges or rights of a medical marijuana patient, primary caregiver, or medical marijuana compassion center under the Delaware Medical Marijuana Act, Chapter 49A of Title 16.

(84 Del. Laws, c. 24, § 4.)

§ 1314 Oversight Committee; annual report by the Commissioner.

(a) The Delaware Marijuana Control Act Oversight Committee is established to evaluate and make recommendations regarding the implementation of this chapter.

(1) The Oversight Committee shall consist of 15 members who possess the qualifications and are appointed as follows:

- a. The Secretary of the Department, or designee appointed by the Secretary.
- b. The Director of the Division of Revenue, or the Director's designee.
- c. The Director of the Division of Public Health, or the Director's designee.

- d. The Director of the Division of Substance Abuse and Mental Health, or the Director's designee.
- e. The Director of the Delaware Medical Marijuana Program, or the Director's designee.
- f. The Chief Officer of the Division of Diversity, Equity and Inclusion, or the Chief Officer's designee.
- g. The Director of the Division of Small Business, or the Director's designee.
- h. One member of the House of Representatives, appointed by the Speaker of the House of Representatives.
- i. One member of the Senate, appointed by the President Pro Tempore of the Senate.
- j. One marijuana advocate from each county appointed by the Speaker of the House of Representatives.
- k. One marijuana advocate from each county appointed by the President Pro Tempore of the Senate.
- (2) The members of the Oversight Committee shall serve at the pleasure of the appointing authority.
- (3) A quorum shall consist of a majority of the membership of the Oversight Committee.
- (4) The Oversight Committee shall select a chair and vice chair from among its members.
- (5) Staff support for the Oversight Committee shall be provided by the Division.
- (6) The Oversight Committee shall meet at least 2 times per year for the purpose of evaluating and making recommendations to the Governor, the General Assembly, and the Department regarding the following:
 - a. The ability of consumers in all areas of the State to obtain legal marijuana.
 - b. The sufficiency of the regulatory and security safeguards under this chapter and adopted by the Commissioner to ensure that access to and use of marijuana cultivated is provided only to individuals age 21 or over.
 - c. Any recommended additions or revisions to the Commissioner's regulations or this chapter, including relating to security, safe handling, labeling, and nomenclature.
 - d. Any research studies regarding health effects of using marijuana.
 - e. The impact of this chapter on decreasing the illegal sales and production of marijuana.
 - f. The impact of this chapter other aspects of public safety, including the incidence of people driving under the influence, using marijuana in places or in a manner prohibited by this chapter, and the use of prescription opioids and illegal opioids.
 - g. Any research and recommendations to implement current best practices for the development of a diverse workforce among marijuana establishments, including diversity among employees, licensees, and owners of marijuana establishments.
- (b) The Commissioner shall submit to the Governor and members of the General Assembly an annual report setting forth all matters of interest and all statistics concerning marijuana regulation and control in the State, including the following:
 - (1) The number of licenses of each kind issued within the State and the number cancelled during the year.
 - (2) The amount of marijuana and marijuana products sold within the State.
 - (3) Statistics regarding diversity among marijuana establishments, including diversity of employees, licensees, and owners of marijuana establishments.
 - (4) Outcomes and effectiveness of the issuance of social equity licenses which shall include all of the following:
 - a. The number of and types of social equity licenses issued.
 - b. The number of persons or entities receiving financial assistance, and from what source.
 - c. The location of the social equity licensed premises.
 - d. If applicable, the number of new jobs or other forms of economic output created as a result of the social equity licenses.
 - (5) Other data as may make a complete report to the people of this State.
- (c) If marijuana is decriminalized under federal law, the Commissioner shall submit a report to the Governor and the General Assembly evaluating the State's compliance with federal law and make recommendations as to any changes needed in this State's marijuana law to be compliant with federal law.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 89, § 1; 84 Del. Laws, c. 514, § 3.)

§ 1315 Protections for conduct authorized by this chapter.

(a) A public officer or employee of the State, including the members of any board, commission, conservation district or agency of the State, whether elected or appointed, and whether now or previously serving as such, and any contractor or volunteer performing work for the State, whose job functions include, assist, support, regulate, approve, or authorize any of the conduct authorized by this chapter are not subject to arrest, prosecution, or the denial of any right or privilege, including any criminal or civil penalty or disciplinary action by a court or occupational or professional licensing board or bureau where the conduct of the public officer or employee, contractor, or volunteer meets all of the following:

- (1) The conduct arises out of or relates to activities required or authorized by this chapter.
- (2) The conduct was carried out as authorized by this chapter or regulations authorized by this chapter.
- (3) The conduct was carried out in good faith.

(b) A public officer or employee of the State, including the members of any board, commission, conservation district or agency of the State, whether elected or appointed, and whether now or previously serving as such, and any contractor or volunteer performing work for the State, whose job functions include, assist, support, regulate, approve, or authorize any of the conduct authorized by this chapter is entitled to the same rights and privileges set forth in §§ 3925 and 4002 of Title 10.

(84 Del. Laws, c. 24, § 4.)

Subchapter II

Marijuana Commissioner and Appeals Commission

§ 1321 Marijuana Commissioner; Appeals Commission; qualifications; appointment; term; compensation.

(a) The Commissioner must be a resident of this State and suitably educated and experienced to carry out the duties and responsibilities set forth in this chapter.

(b) The Commissioner and the 3 members of the Appeals Commission, consisting of 1 member from each county, shall be appointed by the Governor and confirmed by a majority of the members elected to the Senate and shall serve at the pleasure of the Governor. The Governor shall make initial nominations for the Commissioner and the 3 members of the Appeals Commission by October 30, 2023.

(c) The Commissioner may name a Deputy Commissioner. The Commissioner may, during an absence from the State, appoint the Deputy Commissioner to serve as Acting Commissioner during such absence. In the event of death, resignation, temporary incapacity, or removal of the Commissioner, and prior to the appointment of a successor, the Governor may appoint the Deputy Commissioner, or such other person as deemed qualified by the Governor, to serve as Acting Commissioner. The Acting Commissioner has all the powers and shall perform all the duties and functions of the Commissioner during the Commissioner's absence or incapacity or until a successor is qualified and appointed.

(d) The Commissioner is to be compensated as provided for in the annual Budget Act.

(e) The members of the Appeals Commission are to be compensated at the rate of \$150 per meeting together with the reasonable expenses for no more than 12 meetings per year.

(f) The Appeals Commission shall meet and elect a chair who shall convene meetings of the Commission as frequently as needed to consider appeals of the Commissioner's decision.

(84 Del. Laws, c. 24, § 4.)

§ 1322 Duties and powers of the Commissioner.

(a) The Commissioner, in accordance with the Administrative Procedures Act, Chapter 101 of Title 29, shall do all of the following:

(1) Adopt rules and regulations consistent with § 1331 of this title and other provisions of this chapter or of any other law of this State, and all such rules and regulations have the force and effect of law. A rule or regulation may not extend, modify, or conflict with any law of this State or the reasonable implications thereof. A rule or regulation adopted under this paragraph (a)(1) must focus primarily on public safety and the best interests of the consumer and may not unduly restrict competition within the marijuana industry.

(2) Maintain ongoing communication with the Department of Agriculture regarding the physical address where marijuana or hemp is cultivated. Prior to issuing any license for cultivation of marijuana, the Commissioner shall notify the Department of Agriculture of a proposed location of any marijuana cultivation establishment, and take into consideration any concerns by the Department of Agriculture as it relates to the indoor and outdoor cultivation of marijuana.

(3) Establish rules and regulations for the effective control of the business of cultivation, manufacture, and sale of marijuana and marijuana products within the State, including the time, place, and manner in which marijuana and marijuana products may be sold and dispensed, not inconsistent with § 1331 of this title and other provisions of this chapter or with any other law of this State.

(4) Establish health and safety regulations for the indoor and outdoor cultivation of marijuana by marijuana establishments under this chapter. Such rules and regulations under this section must be consistent with applicable rules and regulations established under the regulatory authority of the Department of Agriculture and the Department of Natural Resources and Environmental Control and may include all of the following:

- a. Prohibition of the use of pesticides that are neither organic nor federally approved for marijuana.
- b. Standards for the use of carbon dioxide.
- c. Standards for water use.
- d. Standards for disposal of waste.
- e. Standards for indoor and outdoor air quality.

(5) Grant, refuse, suspend, or cancel licenses required by this chapter for the cultivation, manufacture, or sale of marijuana and marijuana products, or other licenses required by this chapter in regard thereto and to transfer any license granted. The Commissioner must provide the applicant or licensee with written communication regarding any decision to grant, refuse, suspend, or cancel licenses required by this chapter for the cultivation, manufacture, or sale of marijuana and marijuana products, or other licenses required by this chapter in regard thereto, and when transferring any license granted.

(6) Hear complaints in regard to the conduct of business in any establishment where marijuana or marijuana products are licensed to be sold upon receipt of a petition signed by at least 10 individuals who are residents of the same neighborhood. Ten days' notice of such hearings, together with a recital of the complaint, must be sent by the Commissioner's office by registered mail to the address of the holder of the license for the establishment. Like notice must be delivered at the establishment by affixing the notice addressed to the holder of the license to the outside of an entrance door to the establishment. The hearings must be public and conducted by the

Commissioner. The Commissioner, for the purpose of such hearings, has the power to issue subpoenas, compel the attendance of witnesses, administer oaths, take testimony, and compel the production of pertinent books, payrolls, accounts, papers, records, and documents. In case any person summoned to testify or to produce any such written or printed evidence refuses, without reasonable cause, to be examined, to answer a legal and pertinent question, or to produce any such written or printed evidence, the Commissioner conducting the hearing may certify the fact of any such refusal to the Superior Court of the county in which such hearing is held and the court may proceed against the person so refusing as for a contempt and punish such person in the same manner as persons are punished for contempt of court.

(7) Compel the attendance of witnesses and the production of contracts, papers, books, accounts, and other documents. Subpoenas issued must be signed by the Commissioner and may be served by any sheriff, deputy sheriff, constable, or any agent of the Division and return thereof made to the Commissioner. The Commissioner may enforce compliance with a subpoena issued under this subsection by filing a motion to compel in the Superior Court, which shall have jurisdiction over the matter. The court may award costs and attorneys' fees if it determines that noncompliance with a Commissioner subpoena was unjustified, intentional, or in bad faith.

(8) Act, for purposes of this chapter, as the competent authority in connection with other matters pertinent thereto.

(9) Provide such special seals, labels, and wrappers as deemed necessary for protection of the public against imitations, adulterations, and frauds, and prescribe the proper use of the seals, labels, and wrappers.

(10) Provide such warning signs as may be required by this chapter and distribute such signs to license holders and promulgate regulations with respect to the posting of said signs. The Commissioner may charge a fee to cover printing, handling, and distribution costs.

(11) Coordinate with the Division of Small Business to connect potential marijuana establishments licensed under this chapter with programs that support business development, including farms and programs that support small businesses owned by minorities, women, and veterans.

(12) Establish rules and regulations for the effective collection of data regarding retail sales of marijuana and marijuana products.

(13) Consult with the Division of Alcohol and Tobacco Enforcement before adopting or establishing any rules or regulations that concern enforcement.

(14) Oversee and administer the Delaware Medical Marijuana Act under Chapter 49A of Title 16.

(b) The Commissioner's decision on any appeal or hearing under this chapter must be in writing and is final and conclusive unless a party to such hearing files an appeal within 30 days from the date of the postmark on the Commissioner's decision by mailing notice of the appeal to the Commissioner's office. Upon receipt of the appeal, the Commissioner shall notify the chair of the Appeals Commission of the pending appeal and the chair shall convene the Appeals Commission with at least 20 days' notice to all parties. The Appeals Commission shall hear the appeal and shall: review the matter on the record; act in accordance with the Administrative Procedures Act, Chapter 101 of Title 29; and affirm, reverse, or modify the decision of the Commissioner. A decision of the Commissioner may only be reversed upon a finding of abuse of discretion.

(c) The Commissioner may appear before the Appeals Commission for any appeal of a Commissioner's decision and may appeal any decision of the Appeals Commission or any decision of the Superior Court on appeal from the Appeals Commission.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 300, § 2; 84 Del. Laws, c. 301, § 5.)

§ 1323 Oath of Office of Commissioner and employees.

The Commissioner, members of the Appeals Commission, and any hearing officer shall, on entering office, take the oath or affirmation set forth in Article XIV of the Delaware Constitution. Any other employee may be required to take the oath or affirmation set forth in Article XIV of the Delaware Constitution at the discretion of the Secretary of the Department of Safety and Homeland Security.

(84 Del. Laws, c. 24, § 4.)

§ 1324 Conflict of interest.

(a) The Commissioner, members of the Appeals Commission, and any hearing officer or such person's spouse, or such person's parent, or child residing at such person's residence, may not have a financial interest in any entity that sells, manufactures, cultivates, or uses marijuana; provided, however, such persons may invest in mutual funds or similar financial instruments that hold no more than a 10% interest in any such entity.

(b) Neither the Commissioner nor any person employed in the office of the Commissioner shall receive any commission or profit whatsoever from, or have any interest whatsoever in a business licensed under this chapter to cultivate, manufacture, purchase, or sell marijuana or marijuana products; provided, however, that nothing in this section shall prevent the Commissioner, a member of the Appeals Commission, a hearing officer, or an employee from purchasing and keeping marijuana or marijuana products for the personal use of one's self or members of one's family or one's guests if such purchase is otherwise permitted by this chapter.

(c) The Commissioner and the members of the Appeals Commission shall annually file the financial report required under § 5813 of Title 29 with the Public Integrity Commission.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 42, § 1.)

§ 1325 Commissioner's statement of interest in marijuana business.

When notified of appointment as Commissioner or to the Appeals Commission, the individual so notified shall furnish in duplicate and

in writing to the Governor and to the President Pro Tempore of the Senate a statement of every interest, direct or indirect, and however small, held or owned by the individual as a member or as a stockholder in any partnership, corporation, or other association engaged in the sale or in the cultivation or manufacture of marijuana or marijuana products or in any undertaking, industry, or business in which marijuana or marijuana products are used or required. Prior to taking the oath of office, the Commissioner and members of the Appeals Commission must wholly and fully dispose of all interests, except those permitted by § 1324 of this title. One copy of the statement must be inserted in the permanent records of the office of the Commissioner open to public inspection.

(84 Del. Laws, c. 24, § 4.)

§ 1326 Employees of the Division; Commissioner.

The Department of Safety and Homeland Security shall: appoint, employ, or dismiss every officer or employee, not appointed by the Governor, necessary for carrying out the work of the Division, Appeals Commission, and Commissioner; establish salaries, subject to the annual appropriation in the Budget Act; and assign official titles and duties. The Department may engage the services of experts and persons engaged in the practice of a relevant profession. At the discretion of the Secretary of the Department of Safety and Homeland Security, officers and employees of the Division: shall have the police powers of constables and other police officers of the State, counties, and other subdivisions of the State; shall be conservators of the peace throughout the State; shall be eligible for certification by the Police Officer Standards and Training Commission; and may suppress all acts of violence and enforce the provisions of this chapter.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 149, § 17.)

§ 1327 Property and profits of the office of the Commissioner.

All property owned by the office of the Commissioner and all associated profits are the property of the State.

(84 Del. Laws, c. 24, § 4.)

Subchapter III

Regulation and Licensure

Part A

Regulations

§ 1331 Regulations.

The Commissioner shall adopt regulations necessary for implementation of this chapter. The regulations may not prohibit the operation of marijuana establishments, either expressly or through regulations that make their operation unreasonably impracticable. Regulations and fees for marijuana cultivation facilities may be varied based on the size of the facility to ensure that the operation of smaller facilities is not made unreasonably impracticable. The Commissioner shall include all of the following in the regulations:

(1) Procedures for the issuance, renewal, suspension, transfer, and revocation of a license to operate a marijuana establishment with all procedures subject to the Administrative Procedures Act, Chapter 101 of Title 29.

(2) A selection process to determine which applicants may obtain licenses to operate each type of marijuana establishment if more qualified applicants apply than the Commissioner may license under this subchapter and that ensures applicants will follow best practices for community engagement, consumer protection, food safety, worker safety, family support jobs, diversity, public safety, and environmental stewardship.

(3) Minimum qualifications for all license types must include submission of the following information:

a. The applicants comprehensive business plan, including an annual budget and pro forma financial statements.

b. The experience, training, and expertise of the applicant and managing officers.

c. The applicant's plans for safety, security, and the prevention of diversion.

d. The applicant's plans for operations, training, and staffing, including all of the following:

1. A social responsibility plan outlining diversity goals, including plans to recruit and hire people of color, women, and veterans and to support their ownership and promotion within the organization, as well as the percentage of employees it plans to hire from within the respective city or region of the State.

2. A plan to provide a safe, healthy, and economically beneficial working environment with fair scheduling practices, family-supporting wages, and benefits for its employees.

3. Any criminal, civil, or regulatory history encountered by other entities the applicant and managing officers have previously controlled or managed.

4. [Repealed.]

5. Any other criteria deemed appropriate by the Commissioner.

(4) For applications for marijuana cultivation facility licenses and marijuana product manufacturing facility licenses only, minimum qualifications must include an environment and sustainability plan, including efforts it will take to minimize the environmental impact,

and resource needs of its facilities and other business operations, such as plans to minimize water usage, employing organic cultivation methods, and adoption of other sustainable business practices.

a., b. [Repealed.]

(5) Except as provided in part C of this subchapter, a nonrefundable \$5,000 application fee for all marijuana establishments that the Commissioner may adjust annually for inflation.

(6) Qualifications for licensure that are directly and demonstrably related to the operation of a marijuana establishment.

(7) Procedures for how establishments licensed under this chapter must track marijuana from seed to sale.

(8) Security requirements for marijuana establishments, including lighting, physical security, video, and alarm requirements.

(9) Requirements for the transportation and storage of marijuana and marijuana products by marijuana establishments.

(10) Employment and training requirements for licensees, employees, and agents of marijuana establishments, including the following:

a. That the Commissioner must create and issue identification badges for each employee or agent and may require a fee for each identification badge. The amount to be charged for the fee imposed under this paragraph (10)a. must approximate and reasonably reflect the costs necessary to defray the expenses of the Division.

b. That employees of retail marijuana store establishments must complete training approved by the Commissioner in recognizing valid identification cards.

c. That agents of a marijuana establishment are subject to all standards and requirements of regulations adopted by the Commissioner.

(11) Requirements to prevent the sale or diversion of marijuana and marijuana products to individuals under the age of 21. To protect individual privacy, the Commissioner may not require a consumer to provide a retail marijuana store with personal information other than government-issued identification to determine the consumer's age and a retail marijuana store may not be required to acquire and record personal information about consumers.

(12) Standards for marijuana product manufacturers to use so that consumers can determine the amount of marijuana in each product and compare the amount of marijuana in different products based upon the standard measurements, including a definition of the amount of delta-9 tetrahydrocannabinol that constitutes a single serving in a marijuana product.

(13) Requirements for marijuana and marijuana products sold or distributed by marijuana establishments, including information for consumers and labeling requirements for marijuana products that include all of the following:

a. The length of time it typically takes for a product to take effect.

b. The amount of marijuana in the product using the standard established in this section, not to exceed 10 mg per serving.

c. The serving size and the number of servings in each package, not to exceed 10 servings.

d. Ingredients and possible allergens.

e. A nutritional fact panel.

f. The requirement that information on the packaging may not mislead consumers.

g. The specific batch number of the product.

h. Educational information for consumers to educate consumers, including evidence-based information about how to interpret the information on the label, health effects, and potential interactions with prescription and nonprescription medications.

i. Opaque, resealable, and continually child-resistant packaging, which must be designed or constructed to be significantly difficult for children under 5 years of age to open and not difficult for an adult to use properly as defined by 16 C.F.R. § 1700.20.

j. A standard symbol indicating edible marijuana products contain marijuana so that marijuana products are clearly identifiable.

k. A warning label that explains evidence-based harms from consuming marijuana, including the impact on developing brains, the impact on an individual's ability to operate machinery, the impact on pregnant and breastfeeding women, and any interference with prescription drugs.

l. A label that indicates the product is not for children.

m. All required information must be in typed, legible font that is easy to read, is unobstructed and conspicuous, and contrasts sufficiently with the background. The information must be in English, but may also include translations in additional languages.

(14) Health and safety regulations and standards for the manufacture of marijuana products by marijuana establishments consistent with other Delaware requirements for food, including all of the following:

a. Prohibition of the manufacture of products that look like candy or cartoon characters.

b. Restrictions or prohibitions on additives to marijuana and marijuana-infused products, including additives that are toxic, designed to make the product more addictive, or designed to make the product more appealing to children, but not including common baking and cooking items.

c. Standards for the safe manufacture of marijuana extracts and concentrates.

d. Requirements for random sample testing, including the manner and frequency of testing, to ensure quality control, including by ensuring that marijuana and marijuana-infused products are accurately labeled for potency. The testing analysis must include testing for: residual solvents, poisons, or toxins; harmful chemicals; dangerous molds or mildew; filth; harmful microbials such as E. coli or salmonella; and pesticides.

(15) Restrictions on the advertising, marketing, and signage of marijuana and marijuana products, including a prohibition on mass-market campaigns that have a high likelihood of reaching minors.

(16) Restrictions on the display of marijuana and marijuana products, including requirements that marijuana and marijuana products may not be displayed in a manner that is visible to the general public from a public right-of-way.

(17) Requirements governing visits to cultivation facilities and product manufacturers, including the requirement that these marijuana establishment log visitors.

(18) Requirements that educational materials be disseminated to consumers who purchase marijuana-infused products.

(19) Standards for the operation of marijuana testing facilities, including requirements for equipment and qualifications for personnel, which shall be based upon international standard ISO/IEC 17025. Marijuana testing facilities shall achieve and maintain accreditation to ISO/IEC 17025 by an International Laboratory Accreditation Corporation recognized accreditation body. The marijuana testing facilities shall achieve and maintain accreditation within the first applicable licensing period.

(20) Civil penalties for the failure to comply with regulations made under this chapter.

(21) Procedures for receiving and processing consumer complaints about marijuana establishments.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 6.)

Part B

Open Licenses

§ 1332 Retail marijuana store licenses.

(a) A retail marijuana store license may only be issued to a person selling retail marijuana or retail marijuana products under the terms and conditions of this chapter. A license issued under this section is valid for 2 years. Each application for a retail marijuana store license must contain all of the following:

(1) The application materials required by the Commissioner, including the location where the retail marijuana store will operate.

(2) The application fee in an amount determined by the Commissioner.

(3) Materials required by § 1331(3) and (4) of this title.

(b) A retail marijuana store licensee shall pay the Commissioner \$10,000 biennially for the retail marijuana store license. A retail marijuana store licensee must renew the license biennially by paying the fee required by this subsection and by providing documentation of a labor peace agreement.

(c) A retail marijuana store may purchase retail marijuana from a licensed retail marijuana cultivation facility or may cultivate its own retail marijuana if it obtains a retail marijuana cultivation facility license under § 1334 of this title.

(d) A retail marijuana store shall track all of its retail marijuana and retail marijuana products from the point that they are transferred from a retail marijuana cultivation facility or retail marijuana products manufacturer to the point of sale.

(e) (1) A retail marijuana store licensee may also sell retail marijuana products that are prepackaged and labeled as required by this chapter.

(2) A retail marijuana store licensee may transact with a retail marijuana products manufacturing licensee for the purchase of retail marijuana products upon a retail marijuana products manufacturing licensee's licensed premises or a retail marijuana store's licensed premises.

(f) (1) A retail marijuana store may not sell more than a personal use quantity of marijuana, except for nonedible, nonpsychoactive retail marijuana products, including ointments, lotions, balms, and other nontransdermal topical products, during a single transaction to an individual.

(2) Before initiating a sale to an individual, an employee of the retail marijuana store making the sale shall verify that the purchaser has a valid government-issued photo identification card showing that the individual is 21 years of age or older. If an individual under 21 years of age presents a fraudulent proof of age, any action relying on the fraudulent proof of age is not grounds for the revocation or suspension of any license issued under this section.

a. If a retail marijuana store licensee or employee has reasonable cause to believe that an individual is under 21 years of age and is exhibiting fraudulent proof of age in an attempt to obtain any retail marijuana or marijuana product, the licensee or employee is authorized to confiscate such fraudulent proof of age, if possible, and shall, within 72 hours after the confiscation, remit it to a state or local law-enforcement agency. The failure to confiscate such fraudulent proof of age or to remit to a state or local law-enforcement agency within 72 hours after the confiscation does not constitute a criminal offense.

b. The questioning of an individual suspected of providing fraudulent proof of age by an employee of the Division or a law-enforcement officer does not render the employee of the Division or the law-enforcement officer civilly or criminally liable for slander, false arrest, false imprisonment, malicious prosecution, or unlawful detention.

(g) A retail marijuana store must provide a sample of its products to a facility that has a marijuana testing facility license for testing and research purposes as required by regulations adopted under this chapter. A retail marijuana store shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the results of the testing.

(h) All retail marijuana and retail marijuana products sold at a licensed retail marijuana store must be packaged and labeled as required by this chapter.

(i) A retail marijuana store shall comply with all provisions of Delaware and federal law in regard to individuals with disabilities.

(j) (1) A retail marijuana store may only sell retail marijuana; retail marijuana products; marijuana accessories; nonconsumable products such as apparel; and marijuana related products, such as childproof packaging containers. A retail marijuana store is prohibited from selling or giving away any consumable product, including cigarettes or alcohol, or any edible product that does not contain marijuana, including sodas, candies, or baked goods.

(2) A retail marijuana store may not sell any retail marijuana or retail marijuana products that contain nicotine or alcohol if the sale of the alcohol would require a license under this title.

(3) A retail marijuana store may not sell retail marijuana or retail marijuana products over the Internet or deliver retail marijuana or retail marijuana products to a person not physically present in the retail marijuana store's licensed premises.

(k) A display case containing marijuana concentrate must include the potency of the marijuana concentrate next to the name of the product using the standard established under this chapter.

(l) [Repealed.]

(m) Marijuana or marijuana products may not be consumed on the premises of a retail marijuana store.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 7.)

§ 1333 Marijuana testing facility licenses.

(a) A marijuana testing facility license may be issued to a person who performs testing and research on retail marijuana under the terms and conditions of this chapter. A license issued under this section is valid for 2 years. Each application for a marijuana testing facility license must contain all of the following:

(1) The application materials required by the Commissioner, including the location where the marijuana testing facility will operate.

(2) The application fee in an amount determined by the Commissioner.

(3) Materials required by § 1331(3) and (4) of this title.

(b) A marijuana testing facility licensee shall pay the Commissioner \$10,000 biennially for the marijuana testing facility license. A marijuana testing facility licensee must renew the license biennially by paying the fee required by this subsection and by providing documentation of a labor peace agreement.

(c) The Commissioner shall promulgate rules related to: acceptable testing and research practices, including testing, standards; quality control analysis; equipment certification and calibration; chemical identification; identifying other substances; and other measures used in bona fide research methods.

(d) A person who has a financial interest in a marijuana testing facility license from the Commissioner for testing purposes may not have a financial interest in a registered compassion center, a marijuana cultivation facility, a marijuana products manufacturing facility, or a retail marijuana store. A person that has a financial interest in a registered compassion center, a marijuana cultivation facility, a marijuana products manufacturing facility, or a retail marijuana store may not have a financial interest in a facility that has a marijuana testing facility license or is a registered safety compliance facility.

(e) Marijuana or marijuana products may not be consumed on the premises of a marijuana testing facility.

(84 Del. Laws, c. 24, § 4.)

§ 1334 Marijuana cultivation facility licenses.

(a) A marijuana cultivation facility license may be issued only to a person who cultivates retail marijuana for sale and distribution to licensed retail marijuana stores, marijuana products manufacturing licensees, or other marijuana cultivation facilities under the terms and conditions of this chapter. A license issued under this section is valid for 2 years. Each application for a marijuana cultivation facility license must contain all of the following:

(1) The application materials required by the Commissioner, including the location where the marijuana cultivation facility will operate.

(2) The application fee in an amount determined by the Commissioner.

(3) Materials required by § 1331(3) and (4) of this title.

(b) (1) A marijuana cultivation facility shall pay the Commissioner biennially for a marijuana cultivation facility license as set forth in this subsection. A marijuana cultivation facility licensee must renew the license biennially by paying the fee set forth in this subsection and by providing documentation of a labor peace agreement.

(2) The license fee is based on the cannabis plant grow canopy area, which is calculated as follows:

a. Square footage of a cannabis plant grow canopy area is measured horizontally starting from the outermost point of the furthest plant in a cannabis plant grow canopy area and continuing around the outside of all plants located within the cannabis plant grow canopy area.

b. If a vertically-tiered or shelving system is included in the cultivation area, the surface area of each tier or shelf must be included in calculating the cannabis plant grow canopy area. Vertical tiers or shelving systems may not exceed 24 feet in height.

c. A cannabis plant grow canopy area is the total square feet of space used by a cannabis cultivator for the production of flowering

plants and does not include areas exclusively used for harvesting, drying, curing, packaging, labeling, or storing cannabis.

(3) a. For an indoor facility with a cannabis plant grow canopy area less than or equal to 2,500 square feet or for an outdoor facility with a cannabis plant grow canopy area less than or equal to 1 acre, the fee is \$2,500.

b. For an indoor facility with a cannabis plant grow canopy area equal to or between 2,501 and 7,500 square feet or for an outdoor facility with a cannabis plant grow canopy area equal to or between 1.1 and 2.5 acres, the fee is \$5,000.

c. For an indoor facility with a cannabis plant grow canopy area between 7,501 and 10,000 square feet or for an outdoor facility with a cannabis plant grow canopy area equal to or between 2.6 and 5 acres, the fee is \$7,500.

d. For an indoor facility with a cannabis plant grow canopy area equal to or greater than 10,001 square feet or for an outdoor facility with a cannabis plant grow canopy area equal to or greater than 5.1 acres, the fee is \$10,000.

(c) A marijuana cultivation facility shall track the marijuana it cultivates from seed or immature plant to sale pursuant to subsection (a) of this section.

(d) A marijuana cultivation facility must provide a sample of its products to a facility that has a marijuana testing facility license for testing and research purposes as required by regulations adopted under this chapter. A marijuana cultivation facility shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the testing results.

(e) Marijuana or marijuana products may not be consumed on the premises of a marijuana cultivation facility.

(f) No marijuana cultivation facility license may be issued for an indoor facility with a cannabis plant grow canopy area exceeding 12,500 square feet or for an outdoor facility with a cannabis plant grow canopy area exceeding 7.5 acres unless additional tiers are created by the Commissioner under subsection (h) of this section.

(g) At the time of renewal under subsection (b) of this section, a marijuana cultivation facility licensee may request a 1-tier increase in size each renewal period, as long as an updated safety, security and prevention of diversion plan is provided as required under § 1331(3)c. of this title.

(h) The Commissioner may create additional tiers under subsection (b) of this section anytime after August 1, 2025, if demand requires additional tiers.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 8.)

§ 1335 Marijuana product manufacturing facility license.

(a) A marijuana product manufacturing facility license may be issued only to a person who manufactures and distributes marijuana products under the terms and conditions of this chapter. A license issued under this section is valid for 2 years. Each application for a marijuana product manufacturing facility license must contain all of the following:

(1) The application materials required by the Commissioner, including the location where the marijuana product manufacturing facility will operate.

(2) The application fee in an amount determined by the Commissioner.

(3) Materials required by § 1331(3) and (4) of this title.

(b) A marijuana product manufacturing facility licensee shall pay the Commissioner \$10,000 biennially for the marijuana product manufacturing facility license. A marijuana product manufacturing facility licensee must renew the license biennially by paying the fee required by this subsection and by providing documentation of a labor peace agreement.

(c) A marijuana product manufacturing facility shall track all of its marijuana products from the point the marijuana is received from the retail marijuana cultivation facility until the products are transferred to a retail marijuana store.

(d) A marijuana product manufacturing facility may not do any of the following:

(1) Add any marijuana to a food product where the manufacturer of the food product holds a trademark to the food product's name; except that a manufacturer may use a trademarked food product if the manufacturer uses the product as a component or as part of a recipe and where the marijuana product manufacturer does not state or advertise to the consumer that the final retail marijuana product contains a trademarked food product.

(2) Intentionally or knowingly label or package a retail marijuana product in a manner that would cause a reasonable consumer confusion as to whether the retail marijuana product was a trademarked food product.

(3) Label or package a product in a manner that violates any federal trademark law or regulation.

(e) Retail marijuana products shall be prepared in a marijuana product manufacturing facility that is used exclusively for the manufacture and preparation of retail marijuana or retail marijuana products and using equipment that is used exclusively for the manufacture and preparation of retail marijuana products.

(f) All licensed premises on which retail marijuana products are manufactured must meet the sanitary standards for retail marijuana product preparation promulgated under this chapter and as applicable under all of the following:

(1) Section 122(3)u of Title 16 and related regulations, the State of Delaware Food Code, 16 DE Admin. Code 4458, and the Cottage Food Regulations, 16 DE Admin. Code 4458A.

(2) Chapter 35 of Title 16.

(3) Chapter 41 of Title 16.

(4) Chapter 43 of Title 16.

(g) All retail marijuana products must be shelf-stable and not require refrigeration to prevent spoilage.

(h) A retail marijuana product must be sealed and conspicuously labeled in compliance with this chapter and any rules promulgated under this chapter.

(1) A marijuana product manufacturing facility shall package and label each product manufactured as required by the rules established by the Commissioner, including the use of the standard symbol.

(2) An edible retail marijuana product must list its ingredients and may list its compatibility with dietary practices.

(3) The standard symbol requirements as established by the Commissioner do not apply to a multi-serving liquid retail marijuana product that is impracticable to mark if the product complies with all statutory and rule packaging requirements for multi-serving edibles and with all of the following enhanced requirements to reduce the risk of accidental ingestion:

a. A multi-serving liquid is packaged in a structure that uses a single mechanism to achieve both child-resistance and accurate pouring measurement of each liquid serving in increments equal to or less than 10 milligrams of active THC per serving, with no more than 500 milligrams of active THC total per package.

b. The measurement component is within the child-resistant cap or closure of the bottle and is not a separate component.

(i) Retail marijuana or retail marijuana products may not be consumed on the premises of a marijuana product manufacturing facility.

(j) A marijuana product manufacturing facility must provide a sample of its products to a facility that has a marijuana testing facility license for testing and research purposes as required by regulations adopted under this chapter. A marijuana product manufacturing facility shall maintain a record of what was provided to the testing facility, the identity of the testing facility, and the results of the testing.

(84 Del. Laws, c. 24, § 4.)

§ 1335A Conversion licenses.

(a) Conversion licenses may be issued to a currently licensed compassion center when the applicant meets the following criteria:

(1) The applicant is eligible for renewal under § 4916A of Title 16.

(2) The applicant has submitted documentation demonstrating how the applicant currently meets the demands of the medical market and a plan outlining how the applicant will continue to serve the medical market.

(3) The applicant has submitted a plan detailing how the applicant will support the social equity program.

(4) The applicant has submitted a signed labor peace agreement with a bona fide labor organization.

(5) If seeking a conversion license for a cultivation facility, the applicant has submitted facility dimensions.

(6) The applicant has paid a conversion license fee.

a. Except as described in paragraphs (6)b. and c. of this section, the base conversion license fee is \$100,000, which may be paid in quarterly installments over 12 months.

b. If the conversion license sought is for a cultivation facility, the base conversion license fee is \$200,000, which may be paid in quarterly installments over 12 months.

c. The conversion license fee may be paid in quarterly installments over 18 months, in which case the base conversion license fee is increased by 10%.

(7) If the conversion license sought is for a retail facility, the applicant has submitted a signed attestation that the applicant will serve medical cardholders in accordance with Chapter 49A of Title 16, including a commitment to doing the following:

a. Selling tax-free marijuana to qualifying patients directly or through designated caregivers.

b. Selling up to 3 ounces of marijuana in any 14-day period to qualifying patients directly or through designated caregivers and up to a total of 6 ounces per month.

c. Providing home delivery to qualifying patients.

(8) The applicant meets all other requirements set forth in this title or by regulation for each requested license.

(b) If an existing registered compassion center or marijuana testing facility seeking a conversion license is located in a jurisdiction that prohibits the operation of an open license under this title, the registered compassion center or marijuana testing facility may request an open license in a new location. If the conversion license would be granted under this section but for the jurisdictional prohibition on the operation of an open license, the Commissioner must grant the request so long as the new location meets the requirements set forth in this title for the open license.

(c) If an applicant seeks a conversion license for a cultivation facility, pays the conversion license fee, and otherwise qualifies for and is granted a conversion license, the applicant may upon receipt of a conversion license operate a facility with any grow canopy area allowed under this chapter or regulations established by the Commissioner under § 1334(h) of this title.

(84 Del. Laws, c. 303, § 1.)

§ 1335B Conversion license for retail marijuana stores.

(a) If a conversion license to operate a retail marijuana store is granted to a compassion center under § 1335A of this title, the licensee and any successor licensee must, in addition to complying with any other requirements for the operation of a retail marijuana store under this title or regulations promulgated by the Commissioner, do the following:

(1) Continue to operate the former compassion center as a medical dispensing location.

(2) Prioritize the distribution of marijuana and marijuana products to qualifying patients, including suspending recreational marijuana and recreational marijuana product sales to consumers in the event of a shortage of marijuana or marijuana products.

(3) Maintain or increase the diversity of medical marijuana products available.

(4) Provide to the Commissioner a product list with the maximum prices to be offered for all marijuana or marijuana products, and provide an updated list within 7 days when a new product is offered or the maximum price for any marijuana or marijuana product offered by the licensee is increased.

(b) The licensee must agree and abide by the agreement to continue medical marijuana operations, maintain an adequate and diverse supply, and maintain justifiable pricing with respect to medical marijuana and medical marijuana products.

(c) Failure to abide by subsection (a) or (b) of this section is a violation of this chapter for which the Commissioner may fine the licensee or take any other action against the license authorized under § 1361 of this title.

(84 Del. Laws, c. 303, § 1.)

§ 1335C Conversion license for marijuana cultivation facilities.

(a) If a conversion license to operate a marijuana cultivation facility is granted to a compassion center under § 1335A of this title, the licensee and any successor licensee must, in addition to complying with any other requirements for the operation of a marijuana cultivation facility under this title or regulations promulgated by the Commissioner, provide monthly wholesale pricing information to the Commissioner.

(b) Failure to abide by this section is a violation of this chapter for which the Commissioner may fine the licensee or take any other action against the license authorized under § 1361 of this title.

(84 Del. Laws, c. 303, § 1.)

§ 1335D Conversion license for marijuana product manufacturing facility.

(a) If a conversion license to operate a marijuana product manufacturing facility is granted to a compassion center under § 1335A of this title, the licensee and any successor licensee must, in addition to complying with any other requirements for the operation of a marijuana product manufacturing facility under this title or regulations promulgated by the Commissioner, provide monthly wholesale pricing information to the Commissioner.

(b) Failure to abide by this section is a violation of this chapter for which the Commissioner may fine the licensee or take any other action against the license authorized under § 1361 of this title.

(84 Del. Laws, c. 303, § 1.)

Part C

Social Equity and Microbusiness Licenses

§ 1336 Social equity applicant.

A social equity applicant must meet 1 of the following criteria:

(1) An applicant for any type of license with at least 51% ownership and control by 1 or more individuals who have resided for at least 5 of the preceding 15 years in a disproportionately-impacted area, as defined in § 1302 of this title.

(2) An applicant for any type of license with at least 51% ownership and control by 1 or more individuals who meets 1 of the following criteria:

a. Was convicted of or adjudicated delinquent of a marijuana-related offense under Delaware law prior to April 23, 2023, except any of the following:

1. Delivery to a minor.

2. Any marijuana offense with a Tier 3 quantity of marijuana as defined in § 4751C of Title 16.

3. [Repealed.]

b. Had or has a parent, legal guardian, child, spouse, or dependent who was convicted of or adjudicated delinquent for any marijuana-related offense that would qualify an applicant under paragraph (2)a. of this section.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 9.)

§ 1337 Social equity application and fees.

(a) A social equity license issued under this part is valid for 2 years. Each application for a social equity license must contain all of the following:

(1) The application materials required by the Commissioner.

(2) The discounted application fee in the amount of \$1,000.

(3) Materials required by § 1331(3) and (4) of this title.

(b) A social equity licensee shall pay the Commissioner biennially for the social equity license at a discounted rate of 40% of the applicable open license. A social equity licensee must renew the license biennially by paying the fee required by this subsection, providing confirmation that all of the criteria in § 1336 of this title are satisfied, and by providing documentation of a labor peace agreement.

(84 Del. Laws, c. 24, § 4.)

§ 1338 Technical assistance.

The Commissioner shall develop a technical assistance program to aid social equity applicants in applying for a license and finding financial resources. The Commissioner may partner with the Division of Small Business to administer workshops to assist social equity applicants and licensees in applying for a license and operating a business.

(84 Del. Laws, c. 24, § 4.)

§ 1339 Financial assistance.

(a) The Commissioner shall investigate opportunities for public and private sources of financial assistance that could support social equity applicants, including, but not limited to, portions of the Justice Reinvestment Fund under § 1387 of this title.

(b) All funds derived from the issuance of conversion licenses shall only be used as sources of financial assistance for social equity applicants issued a conditional license under § 1342 of this title.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 10; 84 Del. Laws, c. 303, § 1.)

§ 1340 Microbusiness license.

A microbusiness applicant is an applicant for a marijuana cultivation facility license or a marijuana product manufacturing license who meets all the following criteria:

(1) [Repealed.]

(2) Intends to employ no more than 10 employees.

(3) Will not operate a facility with a cannabis plant grow canopy area greater than 2500 square feet.

(4) [Repealed.]

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 11.)

§ 1341 Microbusiness application and fees.

(a) A microbusiness license issued under this part is valid for 2 years. Each application for a microbusiness license must contain all of the following:

(1) The application materials required by the Commissioner.

(2) The discounted application fee in the amount of \$3,000.

(3) Materials required § 1331(3) and (4) of this title.

(b) A microbusiness licensee shall pay the Commissioner biennially for the microbusiness license at a discounted rate of 40% of the applicable open license. A microbusiness licensee must renew the license biennially by paying the fee required by this subsection and by providing confirmation that all of the criteria in § 1340 of this title are satisfied.

(84 Del. Laws, c. 24, § 4.)

§ 1342 Conditional license [Repealed].

84 Del. Laws, c. 24, § 4; repealed by 84 Del. Laws, c. 301, § 12, effective July 17, 2024.

Part D

Issuance of All Licenses

§ 1343 Licensing process.

(a) Beginning September 1, 2024, the Commissioner may begin accepting applications for all licenses, including open, social equity, and microbusiness licenses.

(b) [Repealed.]

(c) Beginning November 1, 2024, the Commissioner shall issue the following number of conditional licenses for cultivation facilities, provided a sufficient number of qualified applicants exist:

(1) Indoor facility with a cannabis plant grow canopy area less than or equal to 2500 square feet or an outdoor facility with a cannabis plant grow canopy area less than or equal to 1 acre:

a. Twenty microbusiness licenses.

b. Ten social equity licenses.

(2) Indoor facility with a cannabis plant grow canopy area greater than 2500 square feet or an outdoor facility with a cannabis plant grow canopy area greater than 1 acre:

a. Twenty open licenses.

b. Ten social equity licenses.

(d) Beginning December 1, 2024, the Commissioner shall issue the following number of conditional licenses for product manufacturing facilities, provided a sufficient number of qualified applicants exist:

(1) Ten open licenses.

(2) Ten social equity licenses.

(3) Ten microbusiness licenses.

(e) Beginning March 1, 2025, the Commissioner shall issue the following number of conditional licenses, provided a sufficient number of qualified applicants exist:

(1) Retail store licenses:

a. Fifteen open licenses.

b. Fifteen social equity licenses.

(2) Testing facility licenses:

a. Three open licenses.

b. Two social equity licenses.

(f) Impossibility of performance because of opposition by localities or lack of qualified applications is a defense to any lawsuit brought against the Commissioner to comply with the issuance of the required number of licenses.

(g) At any time after August 1, 2025, the Commissioner may accept applications for any type of license and issue licenses in excess of the numbers identified in this section for any of the following reasons:

(1) The Commissioner determines that additional stores or facilities are needed.

(2) The number of licenses for a particular type of license is less than the number permitted for that type of license in this section.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 13.)

§ 1343A Conversion licensing process.

(a) Beginning August 1, 2024, the Commissioner may begin accepting applications for conversion licenses from compassion centers. Facilities granted a conversion license may commence operations as follows:

(1) A cultivation facility, manufacturing facility, or testing facility may commence operations immediately upon receipt of a conversion license.

(2) A retail facility may commence operations only upon receipt of authorization to operate by the Commissioner. Before authorizing a retail marijuana store with a conversion license to commence operations, the Commissioner must consider the following:

a. The ability of the converted retail marijuana store to continue to serve the medical market.

b. The number of retail marijuana stores under this Part C of this subchapter that are available to open.

(b) A conversion license expires 24 months after it is issued.

(c) No conversion license may be issued after November 1, 2024.

(d) Prior to the expiration of a conversion license, the licensee may apply to renew the license as an open license of the type applicable to the facility. A renewal fee of \$10,000 is required to renew the conversion license as an open license. This renewal fee is in lieu of any renewal fee that would be required to renew an open license other than a conversion license.

(84 Del. Laws, c. 303, § 1.)

§ 1344 Applications for multiple licenses.

(a) An applicant may not apply for, may not be issued, and may not renew any license that would result in the applicant, or a person with a financial interest in that application or license under this chapter, owning or operating more than 1 marijuana establishment of the same license type in a single county.

(b) This section does not prohibit an applicant from applying for and being issued or renewed more than 1 license in a single county, provided that each license is of a different license type.

(84 Del. Laws, c. 301, § 13.)

§ 1345 Conditional license.

The Commissioner may grant an applicant a conditional license under this section. Any applicant who receives a conditional license must identify a physical location for the licensed premises and become operational within 18 months from the date the conditional license is granted. The proposed licensed premises must be approved by the Commissioner. If the applicant is unable to begin operations meeting all criteria established by the Commissioner within 18 months of issuance of the conditional license, the Commissioner may extend the period to become operational if the conditional licensee demonstrates good faith efforts to begin operations. If the Commissioner denies the extension of the conditional license or the licensee is unable to become operational, the Commissioner must rescind the conditional license.

(84 Del. Laws, c. 301, § 13.)

§ 1346 Active license.

(a) The Commissioner shall grant an active license to a conditional licensee who does all of the following:

(1) Pays any fees or costs associated with obtaining a background check.

(2) Provides financial and ownership documentation for review and approval.

(3) Submits an attestation signed by a bona fide labor organization stating that the licensee has entered into a labor peace agreement with such bona fide labor organization.

(4) Is in compliance with all local laws including local zoning, fire codes and building codes.

(5) Submits any additional information or documentation required by the Commissioner.

(b) The Commissioner may refuse to grant an active license to a conditional licensee if the requirements of subsection (a) of this section are not met.

(84 Del. Laws, c. 301, § 13.)

§ 1347 Background checks.

(a) All of the following persons are required to complete a background check under this chapter:

(1) An applicant for a marijuana establishment license.

(2) A person who performs work at or for a marijuana establishment, whether classified as a contractor, employee, or volunteer, with or without compensation, and prior to beginning work.

(3) A person who is or seeks to become a director, officer, or board member of a licensed marijuana establishment or a business entity that is an applicant for a marijuana establishment license.

(4) A person who holds an ownership interest of 10% or more in a licensed marijuana establishment or a business entity that is an applicant for a marijuana establishment license.

(b) A person required to obtain a background check under subsection (a) of this section must submit fingerprints and other necessary information to the State Bureau of Identification in order to obtain a Delaware and national criminal history background check through all of the following:

(1) A report of the person's entire criminal history record from the State Bureau of Identification or a statement that the State Central Repository contains no such information relating to that person.

(2) A report of the person's entire federal criminal history record pursuant to the Federal Bureau of Investigation (FBI) appropriation of Title II of Public Law 92-544 (28 U.S.C. § 534) or a statement that the FBI's records contain no such information relating to that person.

(c) The State Bureau of Identification is the intermediary for the purpose of this section and must forward all information required by subsections (a) and (b) of this section to the Division of Alcohol and Tobacco Enforcement.

(d) The Division and the Commissioner may use the background check required by this section only to consider the background, qualifications, and suitability of persons required to obtain a background check for licensure or employment under this chapter.

(e) A person required to obtain a background check under this chapter is responsible for any costs associated with obtaining the background check.

(f) If a current applicant, person performing work at or for a marijuana establishment, director, officer, board member, or person who holds an ownership interest of 10% or more in a licensed marijuana establishment or a business entity that is an applicant for a marijuana establishment license obtains a background check under this section, the State Bureau of Identification shall provide all of the following to the Division:

(1) Any subsequent state criminal history record information of the person.

(2) Any subsequent criminal history record information of the person available through the "Rap Back System" as defined under § 8502 of Title 11, if the Rap Back System is available.

(g) The failure of an applicant, person holding a 10% or more ownership interest in a licensed marijuana establishment, or current officer or director to satisfy the requirements of § 1336(2), § 1354(b)(4), or § 1361(c) of this title may constitute grounds for refusal, suspension, or cancellation of a license issued by the Commissioner pursuant to this chapter.

(84 Del. Laws, c. 301, § 13; 85 Del. Laws, c. 11, § 2; 85 Del. Laws, c. 114, § 1.)

§ 1348 Confidentiality.

(a) Information and data required by the Commissioner to be furnished in the application or background investigative process, or which may otherwise be obtained by the Commissioner during the license application or renewal process is confidential and is exempt from the Delaware Freedom of Information Act [Chapter 100 of Title 29].

(b) No part of the information and data described under subsection (a) of this section may be revealed except in the ordinary administration of this chapter, upon the lawful order of a court of competent jurisdiction, or, with the approval of the Attorney General, to a duly authorized law-enforcement agency.

(84 Del. Laws, c. 301, § 13.)

Subchapter IV

Determination of Applications

§ 1351 Local control.

(a) A municipality may prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores through the enactment of an ordinance or through an initiated or referred measure.

(b) A municipality or county may enact ordinances or regulations that are not in conflict with this chapter or in conflict with regulations enacted by the Commissioner, governing the time, place, manner, and number of marijuana establishment operations. A municipality or

county may establish civil penalties for violation of an ordinance or regulations governing the time, place, and manner that a marijuana establishment may operate in such municipality or county.

(84 Del. Laws, c. 24, § 4.)

§ 1352 Procedural requirements governing Commissioner's action; hearing; appeal.

(a) The Commissioner shall distribute and receive all of the applications for licensure under this chapter and shall refer an application to the Division for investigation. If it appears that any application should not be granted, the Commissioner shall timely notify the applicant stating the reason for denial.

(b) *Hearings on applications for licensure under this chapter.* — (1) If 10 or more persons who reside or own property within 1 mile of the premises where the licensee is to operate or in any incorporated areas located within 1 mile of the premises where the licensee is to operate file a protest against the issuance of the license with the Commissioner within 30 days from the filing of the application, then a hearing must be held to consider the application and protest and, specifically, the concerns of the members of the community within which the licensee is to operate.

(2) The Commissioner may hold a hearing in the absence of a protest.

(3) The Commissioner shall cause notice of the time and location of the hearing to be published in 2 consecutive issues of the same newspapers within which the applicant published notice of the applicant's application for the license.

(4) The Commissioner shall send notice of the time and location of the hearing to the applicant and to each of the persons who signed the protest and provided a legible name and address; provided, however, that it is sufficient for the Commissioner to send notice to a legal agent representing a person.

(5) The Commissioner shall conduct the hearing and shall make and keep a record of the hearing. The record must include the evidence, the Commissioner's findings of fact, the Commissioner's decision, and a brief statement of the reasons for the decision.

(6) The Commissioner shall issue a written decision after the hearing. The Commissioner's decision must show the manner in which the Commissioner construed the law and applied it to the facts, must recite any objections presented by the community, and must show how and the extent to which the Commissioner took community concerns into account and gave them due consideration when making the decision.

(c) The Commissioner's decision on an application must be in writing and is final and conclusive unless a party to such hearing files an appeal within 30 days from the date of the postmark on the Commissioner's decision by mailing notice of the appeal to the Commissioner's office. Upon receipt of the appeal, the Commissioner shall notify the chair of the Appeals Commission of the pending appeal and the chair shall convene the Appeals Commission with at least 20 days' notice to all parties. The Appeals Commission shall hear the appeal and shall review the matter on the record; act in accordance with the Administrative Procedures Act, Chapter 101 of Title 29; and affirm, reverse, or modify the decision of the Commissioner. A decision of the Commissioner may only be reversed upon a finding of abuse of discretion.

(d) A party who is aggrieved by a final decision of the Appeals Commission may file a written appeal with the Superior Court within 30 days of the date that the Appeals Commission's decision was mailed. The Superior Court's review of an appeal shall be on the record and in accordance with the Administrative Procedures Act, subchapter V of Chapter 101 of Title 29. The Superior Court's review shall take into account the experience and specialized competence of the Commissioner and the purpose under which the Commissioner acted. Further, the Superior Court's review, in the absence of fraud, shall be limited to whether the Commissioner's decision is supported by substantial evidence on the record and is free from legal error.

(84 Del. Laws, c. 24, § 4.)

§ 1353 Decision upon application for renewal of license; time of making.

On or before the first day of the month preceding the biennial expiration date of a license, the Commissioner shall render a decision upon every application properly and completely made to it on or before the first day of the third month preceding the biennial expiration date of a license.

(84 Del. Laws, c. 24, § 4.)

§ 1354 Grounds for refusal of license; transfer or extension of premises.

(a) The Commissioner may not grant a license under this chapter in any county or subdivision thereof, if granting a license is contrary to the law of any municipality or county adopted under § 1351 of this title.

(b) The Commissioner may refuse to license an applicant if the Commissioner has substantial evidence that would reasonably support a belief that any of the following apply:

(1) There are sufficient licensed premises in the municipality or county, or the granting of a license in the municipality or county stated in the application is not otherwise demanded by public interest or convenience.

(2) The applicant is financially irresponsible.

(3) The applicant has made false statements to the Commissioner.

(4) The applicant, including any of the directors, officers, and board members, or such other person who holds an ownership interest of 10% or more in a licensed marijuana establishment or a business entity that is an applicant for a marijuana establishment, has been convicted of an offense that may impact the qualifications, functions, or duties of the business or profession for which the application is made, except that if the Commissioner determines that the applicant is otherwise suitable to be issued a license, and granting the license

would not compromise public safety, the Commissioner shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability of the applicant to be issued a license based on the evidence found through the review. In determining which offenses may impact the qualifications, functions, or duties of the business or profession for which the application is made, the Commissioner shall include the following:

- a. A violent Title 11 or Title 31 felony conviction as defined in § 4201(c) of Title 11 or its functional equivalent under the laws of the United States, any state or territory of the United States, or any other country.
- b. Any class A through C felony conviction as defined in Title 11 or its functional equivalent under the laws of the United States, any state or territory of the United States, or any other country.
- c. Any felony conviction regarding an offense against public administration as defined in subchapter VI of Chapter 5 of Title 11 or its functional equivalent under the laws of the United States, any state or territory of the United States, or any other country.
- d. A felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor.
- e. Any felony conviction as defined in Chapter 47 of Title 16 or its equivalent under the laws of the United States, any state or territory of the United States, or any other country.
- f. Any felony conviction as defined in Chapter 5 of Title 30 or its equivalent under the laws of the United States, any state or territory of the United States, or any other country.

(5) A substantial objection to the granting of the license has been presented by the community within which the license is to operate, or that the granting of such license is otherwise not in the public interest. For the purposes of this subsection, the term “substantial objection” includes 1 or more of the following:

- a. Any objection, or group of objections, presented to the Commissioner either individually or as a group, by persons who reside within 5 miles of where the licensee is to operate, sufficient to give the Commissioner reason to believe that a majority of the residents in that 5 mile radius within which the licensee is to operate oppose the issuance of the license.
- b. Any objection, or group of objections, presented to the Commissioner either individually or as a group, the content of which gives the Commissioner reason to believe the quality of life of the community within which the licensee is to operate will be adversely affected by the granting of the license.

(c) Except as set forth in subsection (b) of this section, a prior conviction for possession of, possession for sale, sale, manufacture, transportation, or cultivation of marijuana may not be a ground for denial of a license.

(d) The Commissioner may refuse to grant a license to sell marijuana, marijuana products, or marijuana accessories to any new establishment to be located in the vicinity of a church, school, college or substance abuse treatment facility as defined under § 2203 of Title 16. The Commissioner may issue a license to any establishment located in the vicinity of a church, school, or college when such establishment has been located in a place prior to the time any church, school, or college may thereafter be located in the vicinity of such establishment.

(e) The Commissioner shall refuse to grant a license for the sale of marijuana, marijuana products, or marijuana accessories when there is an existing licensed establishment of the same type within 1200 feet by accessible public road or street in any incorporated city or town, or within 1 mile by accessible public road or street in any unincorporated or rural area. If there is an existing licensed establishment less than 1 mile but more than $\frac{9}{10}$ of 1 mile by accessible public road or street in any unincorporated or rural area, the Commissioner may grant such license. This subsection does not apply to any of the following:

- (1) Any existing license or to the sale, transfer of ownership, or renewal of an existing license.
- (2) Any licensee who desires to move the location of the licensee’s licensed premises to a location within 500 feet thereof by accessible public road or street or any licensee located in a shopping center or shopping mall who desires to move the location of the licensee’s licensed premises any distance within the same shopping center or shopping mall, whether such center or mall consists of 1 or more than 1 separate buildings.
- (f) Any holder of an existing license who desires to move the location of the existing licensed premises due to the destruction of the building, loss of lease, diversion of highway traffic pattern, or other reason beyond the control of the licensee, shall have preference in the issuance of a new license provided that the application satisfies this section and all other requirements under this chapter.

(g) The Commissioner may not grant a new license of any type and may not grant an extension of premises of an existing license of any type unless the application for said new license or for said extension is accompanied by a certificate of compliance from the appropriate political subdivision showing all of the following:

- (1) That the premises where the license is to be used are properly zoned for the applicant’s intended use.
- (2) That all necessary permits have been approved.
- (3) That the applicant has complied with all other applicable licensing requirements of the appropriate political subdivision.
- (h) Subsection (g) of this section does not apply to any application for a temporary extension of premises as authorized by Commissioner rule if such application has not been objected to by the appropriate political subdivision and the political subdivision was provided with notice of the application by the applicant within 7 days of the date the application is filed with the Commissioner.
- (i) The Commissioner may refuse to issue a license to an applicant that in the Commissioner’s discretion, based on information collected

in the criminal background check process, presents a risk to the health or public safety of Delaware citizens.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 514, § 4; 85 Del. Laws, c. 11, § 3.)

§ 1355 Finality of Commissioner's decision refusing license.

If an application is not timely protested, but the Commissioner determines that the application should nevertheless be denied, the Commissioner shall render the decision promptly in writing. The Commissioner's decision shall be final and conclusive unless, within 30 days after notice thereof has been mailed by the Commissioner's office, the applicant files an appeal in the office of the Commissioner. The appeal shall follow the procedure outlined in § 1362 of this title.

(84 Del. Laws, c. 24, § 4.)

§ 1356 Improvements to premises.

The Commissioner may not require an applicant to make improvements to the premises before the issuance of a license; however, the Commissioner may issue a license to sell marijuana, marijuana products, or marijuana accessories upon the condition that certain improvements shall be made to the premises.

(84 Del. Laws, c. 24, § 4.)

Subchapter V

Cancellation or Suspension of License

§ 1361 Grounds for cancellation, suspension, or fines.

(a) The Commissioner may cancel every license made use of on behalf of any person other than the one to whom or on behalf of whom it has been issued.

(b) If the Commissioner has reasonable grounds to believe that a licensee has committed any of the violations in subsection (c) of this section, the Commissioner may do 1 or more of the following:

(1) Suspend the licensee's license.

(2) Cancel the licensee's license if the Commissioner determines the violations to be repeated and continuous, or egregious.

(3) Fine the licensee.

(c) It is a violation for a licensee to do any of the following:

(1) Violate any provision of this chapter, any regulation of the Commissioner, or any applicable regulation of the Department of Health and Social Services.

(2) Make any false representation or statement to the Commissioner in order to induce or prevent action by the Commissioner.

(3) Not maintain an acceptable bond, if a bond is required.

(4) Maintain a noisy, lewd, disorderly, or unsanitary establishment or supply impure or otherwise deleterious marijuana or marijuana products.

(5) Habitually use dangerous or narcotic drugs, or habitually uses alcoholic beverages or marijuana to excess.

(6) Sell marijuana or marijuana products to minors in contravention of § 1312 of this title.

(7) Possess on the licensee's licensed premises or sell or offer for sale any marijuana or marijuana products not purchased or sold in compliance with this chapter.

(8) Use any seal, labels, or wrapper not purchased from or through the Commissioner which are deceptively similar to those used by the Commissioner.

(9) Be convicted of a felony or be convicted of violating any of the marijuana laws of this State, general or local, including the provisions of this chapter.

(10) Admit guilt or be adjudged guilty of violations of local, municipal, county, or Delaware regulations, ordinances, or codes related to the operation of a licensed premises.

(11) Discipline, threaten, or otherwise penalize any person for refusing to violate or aiding the enforcement of the provisions of this chapter or the rules of the Commissioner.

(d) Notwithstanding subsection (b) of this section, the Commissioner may cancel or suspend a license if there is any other reason which, in the opinion of the Commissioner, warrants cancelling or suspending the license.

(e) The Commissioner may not cancel or suspend any license for the sale of marijuana products or impose any fine for an alleged violation of § 1306 or § 1312 of this title where the licensee or its employee has made a reasonable effort to determine the age of a purchaser of the marijuana products. For purposes of this subsection, a licensee or its employee is deemed to have made a reasonable effort to determine the age of a purchaser if, prior to any sale of marijuana products, the licensee or its employee requires the purchaser to display identification, with a photograph of the purchaser thereon affixed, which sets forth information that would lead a reasonable person to believe the purchaser to be 21 years of age or older.

(f) The Commissioner may also suspend a license for any of the grounds for refusal of a license under § 1354 of this title.

(g) The Commissioner may cancel any retail license if it has reasonable grounds to believe that the license was granted in violation of

this chapter, or any regulation enacted pursuant to § 1331 of this title.

(84 Del. Laws, c. 24, § 4.)

§ 1362 Public hearing and right of appeal.

(a) The Commissioner may not cancel or suspend a license, or fine a licensee, before both of the following occur:

(1) The licensee has been given a public hearing by the Commissioner at which time the licensee is entitled to legal representation and to present witnesses.

(2) The ground for canceling or suspending a license is established by clear and convincing evidence.

(b) The Commissioner shall keep a full and complete record of all proceedings incident to a hearing under subsection (a) of this section. The Commissioner shall record all testimony at such hearing, but need not have it transcribed unless an order of the Commissioner is appealed to the Superior Court under subsection (c) of this section.

(c) An order of the Commissioner relative to suspension or cancellation of a license, or fining a licensee, becomes final 10 days after the licensee receives notice thereof, unless, within 10 days of the date of the postmark on the Commissioner's decision, a written appeal is filed in the Superior Court. No bond may be required for filing such appeal.

(d) The appeal must state the grounds upon which a review is sought. After the appeal is filed, service shall be made by the sheriff upon the Commissioner. The Commissioner shall certify and file with the court all documents and papers and a transcript of all testimony taken in the matter, together with the Commissioner's findings therein as soon as practicable but in no event later than 20 calendar days from the date of service of the appeal. The Superior Court's review of an appeal shall be on the record and the Superior Court shall take into account the experience and specialized competence of the Commissioner and the purpose under which the Commissioner acted. Further, the Superior Court's review, in the absence of fraud, shall be limited to whether the Commissioner's decision is supported by substantial evidence on the record and is free from legal error.

(e) An appeal without bond may be taken from the decision of the Superior Court to the Supreme Court in the same manner as is provided in civil cases. Upon the final determination of judicial proceedings, the Commissioner shall enter an order in accordance with such determination, or shall take such further or other action as the Court may order. A petition for Supreme Court review shall act as a supersedeas.

(84 Del. Laws, c. 24, § 4.)

§ 1363 Effect of cancellation or surrender of license; notice.

(a) The cancellation or acceptance of a surrender of a license entails the loss of the privilege conferred by the license and entails the acceptance of or the seizure by the Commissioner of any marijuana or marijuana products found in the possession of the licensee, except those which occur solely by reason of the death of the licensee.

(b) Notice of the order of the cancellation or acceptance of the surrender of a license may be served by an officer designated by the Commissioner: by affixing a duplicate thereof to the outside of the entrance door of the licensed premises; by leaving a duplicate with the holder of the license, or with any member of the family of the holder over the age of 18 years at the residence of the holder; or otherwise as in the judgment of the Commissioner will give notice of such cancellation or acceptance of the surrender. All cancellations or acceptances of surrender of a license take effect as soon as the order is served.

(c) The cancellation or acceptance of surrender of a license does not prevent the filing of any criminal proceedings for any offense against the licensee while the license was in force. No conviction obtained for any offense prevents the Commissioner from cancelling a license or from making at the same time a seizure of marijuana or marijuana products as provided in this title.

(d) The Commissioner shall adopt regulations for seizure of marijuana and marijuana products that preserves and does not destroy the marijuana or marijuana products.

(84 Del. Laws, c. 24, § 4.)

§ 1364 Payments to former licensee.

The Commissioner shall, within 30 days of the date of the cancellation or acceptance of surrender of a license, remit to the former licensee a part of the license fee which has been paid and pertains to the unexpired term of the license. In addition, the Commissioner shall remit to the former licensee the amount originally received by the Commissioner from the former licensee in payment for such marijuana or marijuana products accepted or seized as remains in packages sealed by the Commissioner, after paying or deducting therefrom all reasonable costs and expenses incurred by the Commissioner by reason of the acceptance or seizure of the marijuana or marijuana products of the former licensee. When other legally-acquired marijuana or marijuana products have been accepted or seized under this section, the fair market value thereof as determined by the Commissioner must be remitted by the Commissioner to the former licensee, after paying or deducting therefrom all reasonable costs and expenses incurred by the Commissioner by reason of the acceptance or seizure of the marijuana or marijuana products of the former licensee. No payment may be made for illegally-acquired marijuana or marijuana products that have been seized under this section.

(84 Del. Laws, c. 24, § 4.)

Subchapter VI

Transfer of License; Death of Licensee

§ 1366 Transfer of license.

(a) The rights conferred by a license may be transferred by the Commissioner to any representative designated by the person to whom or on behalf of whom the license was originally granted, if such representative is a person approved by the Commissioner. In the case of death of a licensee, the Commissioner may transfer the license to a qualified person recommended by the executor or administrator of the estate of the deceased licensee.

(b) In instances where the Commissioner has approved the transfer of a license, all matters concerning marijuana inventories must be handled directly between the transferor and the transferee and all payments must be made directly and not through the Commissioner.

(c) A social equity licensee may not transfer the license to a person who would not meet the criteria for the issuance of a social equity license until at least 3 years from the date the licensee was awarded an active social equity license.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 301, § 14.)

§ 1367 Death of licensee; payments to licensee's estate.

If any licensee dies and no application is made for transfer of the license, or the Commissioner refuses to permit the transfer of the license to another person, the Commissioner shall return to the legal representative of such deceased licensee a share of the license fee received by the Department proportionate to the number of full calendar months of the unexpired term. If the marijuana or marijuana products in possession of the licensee at the time of the licensee's death are delivered to the Commissioner and the Commissioner ascertains that such marijuana or marijuana products have been received by the deceased licensee according to law, the Commissioner must pay to the legal representative the amount originally received by the Commissioner for such marijuana or marijuana products less 10% thereof, or the appraised value less 10% thereof.

(84 Del. Laws, c. 24, § 4.)

Subchapter VII

Owner and Financial Interests of Licensee

§ 1371 Commissioner approval.

The commissioner may refuse approval of changes in the ownership, officers, or directors, financial interest, or lease in connection with any license. No such change shall be implemented until reported to and approved by the Commissioner.

(84 Del. Laws, c. 24, § 4.)

§ 1372 Change in ownership.

(a) In order to change ownership of a license, all of the following must be filed with the Commissioner on behalf of the new owner or owners:

- (1) An application.
- (2) A financial statement of the new owner or owners.
- (3) Personal financial statements of all individuals, partners, or stockholders holding at least 10% of the corporate stock.
- (4) A copy of the agreement of the terms of the sale or other exchange of financial interest, including stock distribution.
- (5) Copy of all documents explaining interest and profit/loss distribution.
- (6) Any application fee required by the Commissioner.
- (7) Any other documents requested by the Commissioner.

(b) A change in ownership includes a change in the entire ownership, change in the partial ownership, or the sale or exchange of shares of stock by stockholders.

(84 Del. Laws, c. 24, § 4.)

§ 1373 Change in officers or directors.

A person elected as an officer or director of a licensee must notify the Commissioner within 7 days of the election and provide all information requested by the Commissioner.

(84 Del. Laws, c. 24, § 4.)

§ 1374 Changes in financial interest.

No person may obtain a financial interest in a license or licensee without doing all of the following:

- (1) Notifying the Commissioner.
- (2) Providing all information and documents requested by the Commissioner.

(84 Del. Laws, c. 24, § 4.)

§ 1375 Fees.

If there is a change in ownership or financial interest more than 10%, a fee of \$5,000 or 15% of the value of the transaction, whichever is higher, is required.

(84 Del. Laws, c. 24, § 4.)

Subchapter VIII

Marijuana Regulation Fund; Taxes

§ 1381 Marijuana Regulation Fund; Justice Reinvestment Fund.

(a) The Marijuana Regulation Fund is established as a special fund of the State consisting of fees collected, civil penalties imposed under this chapter, and a portion of taxes imposed under this subchapter. The Office of the State Treasurer shall administer the Fund.

(b) The Justice Reinvestment Fund is established as a special fund of the State consisting of a portion of taxes imposed under this subchapter as set forth in § 1386 of this title.

(84 Del. Laws, c. 24, § 4.)

§ 1382 Levy and rate of marijuana tax; collection.

(a) A tax is imposed on the retail sale of marijuana products under this chapter in this State. This tax is not imposed on the sale of medical marijuana products under Chapter 49A of Title 16.

(b) The tax imposed under this section is at the rate of 15% of the retail sales price of the marijuana product.

(c) If the tax imposed under this section does not equal an amount calculable to a whole cent, the tax shall be equal to the next higher whole cent.

(d) The amount of tax shall be separately stated on an invoice, receipt, or other similar document, in the manner directed by the Director of Revenue, that the marijuana retailer provides to the consumer at the time the retail sale occurs.

(e) A person may not knowingly sell, purchase, install, transfer, or possess electronic devices or software programs for the purposes of either of the following:

(1) Hiding or removing records of retail sales of marijuana products.

(2) Falsifying records of retail sales of marijuana products.

(f) A marijuana retailer may not discount a marijuana item or offer a marijuana item for free if the retail sale of the marijuana item is made in conjunction with the retail sale of any other item.

(84 Del. Laws, c. 24, § 4.)

§ 1383 Collection and administration of the marijuana tax; mandatory reports; preemption.

(a) The marijuana tax imposed on the consumer under § 1382 of this title shall be collected at the point of sale and remitted by each retail marijuana store licensee that engages in the retail sale of marijuana products. The marijuana tax is considered a tax upon the retail marijuana store licensee that is required to collect the tax, and the retail marijuana store licensee is considered a taxpayer.

(b) A retail marijuana store licensee shall file a monthly report to the Commissioner, the Division of Revenue, and the Division of Alcohol and Tobacco Enforcement.

(c) A retail marijuana store licensee shall pay the marijuana tax to the Division of Revenue in the form and manner prescribed by the Director of Revenue, but not later than with each monthly report.

(d) Except to the extent inconsistent with specific provisions of this chapter, the provisions of Chapter 5 of Title 30 shall govern the assessment, collection, review, and appeal of deficiencies of tax imposed by this title, and any interest and penalties thereon, and claims for refund of overpayment of taxes imposed by this chapter.

(e) The fees, charges, and taxes imposed by the State under this chapter shall be in lieu of all county and municipal license fees and taxes upon the business of selling, growing, and manufacturing marijuana as such. Provided, however, general occupational licenses fees and general taxes imposed uniformly on everyone within the class are not preempted.

(f) Any information set forth or disclosed in any report or return required under or as a result of this section, including any information which is required to be attached or included on any report or return required under or as a result of this section, is subject to the provisions of § 368 of Title 30.

(84 Del. Laws, c. 24, § 4.)

§ 1384 Retention of records by retail marijuana store licensee; penalties.

(a) Each retail marijuana store licensee shall maintain and keep, for a period of 3 years, such records of marijuana products sold within this State by such retail marijuana store licensee, together with invoices, bills of lading, and other pertinent records and papers as may be required by the Commissioner for the reasonable administration of this chapter.

(b) A person who violates this section is subject to a civil penalty of up to \$1,000 and may be charged the costs of an enforcement action.

(84 Del. Laws, c. 24, § 4.)

§ 1385 Discontinuance, sale, or transfer of business by retail marijuana store licensee; penalties.

(a) Whenever a person ceases to engage in business as retail marijuana store licensee within this State, all taxes, penalties, and interest

under this chapter not yet due and payable under the provisions of this chapter shall, notwithstanding such provisions, become due and payable concurrently with the discontinuance, sale, or transfer, and the retail marijuana store licensee shall concurrently with such discontinuance, sale, or transfer make a report and pay all such taxes, interest, and penalties.

(b) If a retail marijuana store license is transferred under § 1366 of this title, the purchaser or transferee shall be liable to this State for the amount of all taxes, penalties, and interest under this chapter, accrued against any retail marijuana store licensee selling or transferring a business, on the date of such sale or transfer, but only to the extent of the value of the property and business thereby acquired from such distributor or retailer.

(c) A person who violates this section is subject to a civil penalty of not less than \$50 nor more than \$500.

(84 Del. Laws, c. 24, § 4.)

§ 1386 Deposit of receipts.

(a) All money received by the Division of Revenue under this chapter shall be allocated as follows:

(1) All marijuana tax money and all money received through fees or other mechanisms must be deposited in accordance with § 6103(a) of Title 29 and credited to the Marijuana Regulation Fund.

(2) Each month, 7% of total marijuana tax money received from the preceding month shall be withdrawn from the Marijuana Regulation Fund and credited to the Justice Reinvestment Fund.

(b) The State Treasurer shall invest the Funds consistent with the investment policies established by the Cash Management Policy Board. The State Treasurer shall credit interest to the Funds on a monthly basis consistent with the rate established by the Cash Management Policy Board.

(84 Del. Laws, c. 24, § 4.)

§ 1387 Appropriation of revenue.

(a) The funds in the Marijuana Regulation Fund in each fiscal year must be appropriated by the General Assembly as follows:

(1) To the administrative costs and expenses of the Commissioner and the Division, including administrative expenses, including payroll and other employment costs.

(2) To the administrative costs and expenses of the Department of Finance, Department of Health and Social Services, Department of Agriculture, and other agencies responsible for taxing and regulating personal use marijuana in Delaware. These departments shall submit a proposed expenditure plan for approval by the Commissioner, Controller General, and Director of the Office of Management and Budget prior to the expenditure of these funds.

(3) To the administrative costs and expenses of the Criminal Justice Council incurred to administer the Justice Reinvestment Fund.

(4) The maximum unencumbered balance which shall remain in the Marijuana Regulation Fund at the end of any fiscal year shall not exceed \$5,000,000.

(5) After the payment under paragraphs (a)(2) and (3) of this section, the transfer to the Justice Reinvestment Fund set forth in § 1386(a)(2) of this title, and the maximum unencumbered balance set forth under paragraph (a)(4) of this section, any remainder shall be deposited to the General Fund.

(b) The funds in the Justice Reinvestment Fund in each fiscal year shall be appropriated to the Criminal Justice Council to administer grants, contracts, services, or initiatives that focus on any of the following:

(1) Restorative justice, jail diversion, workforce development, industry-specific technical assistance or mentoring services for economically-disadvantaged persons in disproportionately-impacted areas.

(2) Addressing the underlying causes of crime, reducing drug-related arrests, and reducing the prison population in this State.

(3) Creating or developing technology to assist with the restoration of civil rights and expungement of criminal records.

(4) Supporting social equity applicants with select business-related expenses.

(5) Supporting or providing reentry services for justice-involved individuals.

(6) Any remainder in the Fund at the end of a fiscal year is not subject to reversion.

(84 Del. Laws, c. 24, § 4; 84 Del. Laws, c. 295, § 139; 84 Del. Laws, c. 301, § 15; 85 Del. Laws, c. 62, § 31.)

§ 1388 Financial statements of the Commissioner.

The Commissioner shall render an account to the State Treasurer, in the manner and at the time required by the latter, of its receipts and disbursements, and of its assets and liabilities. The State Treasurer may not, however, require such reports to be rendered more often than quarterly.

(84 Del. Laws, c. 24, § 4.)

§ 1389 Annual audit.

The State Auditor of Accounts shall annually examine and audit the operation of the Office of the Commissioner.

(84 Del. Laws, c. 24, § 4.)