

**TITLE 19 – DEPARTMENT OF HEALTH AND SENIOR SERVICES**  
**Division 100 – Division of Cannabis Regulation**  
**Chapter 1 – Marijuana**

**PROPOSED AMENDMENT**

**19 CSR 100-1.190 Microbusinesses.** The division is amending section (1).

*PURPOSE: This amendment adds clarification about what the division expects for application, ownership, and operation of a microbusiness license in order to address noncompliant practices that arose during the first two rounds of microbusiness license issuance.*

**(1) Criteria to apply for, own, and operate a Microbusiness [facilities, generally] license.**

(A) Entities must obtain a license to cultivate, manufacture, and dispense marijuana product in Missouri as a marijuana microbusiness. Application requirements are outlined in the application section of this chapter.

1. An entity may apply for and obtain only one (1) license to operate a microbusiness facility, which may be either a microbusiness dispensary facility or a microbusiness wholesale facility. If an entity, which includes an individual, holds an ownership interest in more than one microbusiness license applicant in the same microbusiness application period, all microbusiness applications where the entity holds an ownership interest will be denied.

2. An entity may be an owner of only one (1) license to operate a microbusiness facility, which may be either a microbusiness dispensary facility or a microbusiness wholesale facility.

**3. The designated contact for a microbusiness must be an eligible individual with ownership interest in the microbusiness license.**

**4. The owners, agents, or representatives of a microbusiness application or license denied or revoked pursuant to the ownership and operation requirements of Article XIV or this chapter are prohibited from holding a voting or financial interest in any other microbusiness license, in whole or in part, subject to a variance or waiver granted pursuant to 19 CSR 100-1.020.**

(B) Applicants for a microbusiness license shall be majority owned and operated by individuals who each meet at least one (1) of the following qualifications:

1. Have a net worth of less than two hundred fifty thousand dollars (\$250,000) and have had an income below two hundred fifty percent (250%) of the federal poverty level, or a successor level, as set forth in the applicable calendar year's federal poverty income guidelines published by the U.S. Department of Health and Human Services or its successor agency, for at least three (3) of the ten (10) calendar years prior to applying for a microbusiness license;

2. Have a valid service-connected disability card issued by the United States Department of Veterans Affairs, or successor agency;

3. Be a person who has been, or a person whose parent, guardian, or spouse has been arrested for, prosecuted for, or convicted of a non-violent marijuana offense at least one (1) year prior to the effective date of this section, unless the conviction—

A. Involved provision of marijuana to a minor; or

- B. Was for driving under the influence of marijuana;
- 4. Reside in a ZIP code or census tract area where—
  - A. Thirty percent (30%) or more of the population lives below the federal poverty level; **or**
  - B. The rate of unemployment is fifty percent (50%) higher than the state average rate of unemployment; or
  - C. The historic rate of incarceration for marijuana-related offenses is fifty percent (50%) higher than the rate for the entire state; or
- 5. Graduated from a school district that was unaccredited, or had a similar successor designation, at the time of graduation, or has lived in a ZIP code containing an unaccredited school district, or similar successor designation, for three (3) of the past five (5) years.

(C) Once an individual [*owner of a licensed microbusiness facility*] is deemed eligible for qualifying majority ownership **of a licensed microbusiness facility** under this rule, subsequent change in circumstances will not affect eligibility. An [*owner*] **individual** may subsequently be deemed ineligible if the [*owner*] **individual** provided false or misleading information or is in violation of other provisions in this chapter affecting owner status.

**(F) “Majority owned and operated” means the eligible individuals having majority ownership at the time of licensure must also, at the time of licensure, collectively hold more than fifty percent (50%) of voting power in the licensed entity and have the power to order or direct the management, managers, and policies of the license, enter into and exit agreements on behalf of the license, and otherwise make decisions for the license. Majority ownership at licensure cannot be subject to conditions that diminish the controlling interests of the eligible individuals that constitute majority ownership, such as arrangements that subject those majority owners to control of a board or any agreements with disproportionate or exploitative termination fees.**

**(G) Pre-Application Technical Assistance Program.**

**1. At least one eligible individual who is contributing to majority ownership shall complete pre-application training, as specified by the department, which shall include, at a minimum:**

- A. predatory business practices,
- B. expectations for owning and operating a microbusiness,
- C. funding and investment options, and
- D. rule compliance expectations;

**(H) Post-Award Technical Assistance Program.**

**1. All eligible individuals contributing to majority ownership shall complete post-award training within three (3) months of licensure or of becoming an individual contributing to majority ownership, as specified by the department, which may include:**

- A. predatory business practices,
- B. expectations for owning and operating a microbusiness,
- C. funding and investment options, and
- D. rule compliance expectations;

**2. Certificates of completion of mandatory training must be provided to the department when that training is completed.**

**3. Eligible applicants, eligible individuals, and licensees shall not enter into new final executed agreements that remove operational control from eligible individuals**

**listed in the application or that would effectuate future automatic transfer of ownership until after successful completion of eligibility verification and mandatory post-award training, and if otherwise permitted.**

*AUTHORITY: Sections 1.3.(1)(b), 1.3.(2), 2.4(1)(b), and 2.4(4) of Article XIV, Mo. Const. Emergency rule filed January 20, 2023, effective February 3, 2023, expires August 1, 2023. Original rule filed January 20, 2023, effective July 30, 2023. Amended: Filed November 6, 2025.*

*PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.*

*PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.*

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Health and Senior Services, [DCRPublicComment@health.mo.gov](mailto:DCRPublicComment@health.mo.gov). To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*