

July 6, 2023

Dear Applicant,

This communication contains an important update regarding your submission of an application for RFA No. PHR-2020-01, Pharmaceutical Processors-Health Service Area I. Please note that the Board will consider canceling the notice of open application for awarding a pharmaceutical processor permit at its next full board meeting scheduled for September 26, 2023. Should the Board vote in support of this decision, the RFA will be terminated and the application fee of \$10,000 submitted in 2020 will be refunded within approximately 6-8 weeks of the decision. Because regulatory oversight for the medical cannabis program will transition to the Virginia Cannabis Control Authority (VCCA) as of January 1, 2024, the VCCA intends to initiate discussion for opening a new RFA for the issuance of a pharmaceutical processor permit in HSA I.

Staff from the Board of Pharmacy and Virginia Cannabis Control Authority have closely and extensively analyzed this matter in consultation with respective counsel from the Office of the Attorney General. The agencies have determined that the Board would be unable to render a final permit prior to the January 1, 2024 transition in oversight to the VCCA. Additionally, applications submitted in 2020 likely contain outdated information regarding ownership structure, funding, proposed location, and do not include information regarding botanical cannabis products or production and distribution allowances that were not authorized in law at that time. As you are aware, the review of the RFA applications was halted on January 14, 2021, by the Henrico County Circuit Court due to the appeal by PharmaCann of the Board of Pharmacy's rescission of conditional approval and denial of its application for a pharmaceutical processor permit in HSA I. PharmaCann further appealed to the Virginia Court of Appeals which also continued the injunction against reviewing the RFA applications. In April 2023, the Virginia Court of Appeals ruled in the Board's favor affirming the Board of Pharmacy's Order to rescind the PharmaCann conditional approval and denial of its application. No subsequent appeal was filed.

Additional information will be communicated as final decisions are rendered, following the September 26, 2023 meeting of the Board.

Sincerely,

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