

CA



## Regulations & Legislation

### Regulations

Earlier this spring, the Department of Food and Agriculture's CalCannabis Cultivation Licensing program, the Department of Consumer Affairs' Bureau of Cannabis Control, and the Department of Public Health's Manufactured Cannabis Safety Branch released draft regulations for the Medical Cannabis Regulation and Safety Act of 2015. These licensing authorities held several public hearings to accept oral and written comments regarding the draft regulations. The licensing authorities had planned to move forward with a separate draft regulatory package for implementation of Proposition 64: The Adult Use of Cannabis Act of 2016. ^

However, in late June, the Legislature passed and the Governor signed into law the **Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)**, which creates one regulatory system for both medicinal and adult-use cannabis. As a result, the licensing authorities will withdraw the proposed medical cannabis regulations noticed for public comment on April 28, 2017. The withdrawal is scheduled to happen on October 6.

The three cannabis licensing authorities are in the process of drafting emergency regulations based on the new law for the commercial medicinal and adult-use cannabis industries. During this process, the licensing authorities will consider the robust and valuable public comments received regarding the draft medicinal cannabis regulations.

**The licensing authorities will use the emergency rulemaking process for the new regulations. The emergency regulations are expected to be published in November. The implementation date for the issuance of commercial cannabis licenses remains the same: January 1, 2018.**

The withdrawn draft medicinal cannabis cultivation regulations are available to read [here](#).

The three cannabis licensing authorities will develop emergency regulations based on the new law and will incorporate the robust and valuable public comment received on the proposed medical cannabis regulations. The summary of public comments, as well as the responses to those comments, received by each agency – either in writing or in person at one of the public comment forums hosted by the three agencies – can be viewed by clicking the links below.

#### **SUMMARY OF PUBLIC COMMENTS REGARDING MEDICAL CANNABIS REGULATION AND SAFETY ACT PROPOSED REGULATIONS:**

- Bureau of Cannabis Control MCRSA Public Comments
- Bureau of Cannabis Control MCRSA Testing Lab Public Comments
- CA Department of Food and Agriculture MCRSA Public Comments
- CA Department of Public Health MCRSA Public Comments

## **Legislation**

In 2015, the Legislature passed and the Governor signed into law three bills (Assembly Bills 243 and 266, and Senate Bill 643) that create a licensing and regulatory framework for medical cannabis through the Medical Cannabis Regulation and Safety Act. This legislation created the Bureau of Cannabis Control within the Department of Consumer Affairs. It also divided the responsibility for state licensing between three state entities – the CA Department of Food and Agriculture, the CA Department of Public Health and the Bureau of Cannabis Control, with the Bureau designated as the lead agency in regulating the cannabis industry in California. ^

**Below is a summary of some of the key components of the laws that establish the Medical Cannabis Regulation and Safety Act:**

**Assembly Bill 266**

- Enacts the Medical Cannabis Regulation and Safety Act for the licensure and regulation of medical cannabis and establishes within the Department of Consumer Affairs the Bureau of Cannabis Control, under the supervision and control of the Director of Consumer Affairs.
- Requires the Board of Equalization, in consultation with the Department of Food and Agriculture, to adopt a system for reporting the movement of commercial cannabis and cannabis products.
- Imposes certain fines and civil penalties for specified violations of the act, and would require moneys collected as a result of these fines and civil penalties to be deposited into the Medical Cannabis Fines and Penalties Account.
- Provides that actions of licensees with the relevant local permits, in accordance with the act and applicable local ordinances, are not offenses subject to arrest, prosecution, or other sanction under State law.
- Makes legislative findings to align with existing constitutional provisions that require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

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**Assembly Bill 243**

- Appropriates funds to implement the Medical Cannabis Regulation and Safety Act.
- Requires the Department of Food and Agriculture, the Department of Pesticide Regulation, the State Department of Public Health, the Department of Fish and Wildlife, and the State Water Resources Control Board to promulgate regulations or standards relating to medical cannabis and its cultivation, as specified.
- Requires various State agencies to take specified actions to mitigate the impact that cannabis cultivation has on the environment, and requires cities, counties, and their local law enforcement agencies to coordinate with State agencies to enforce laws addressing the environmental impacts of medical cannabis cultivation.
- Requires a state licensing authority to charge each licensee under the Act licensure and renewal fees, as applicable, and deposit them into an account specific to that licensing

authority in the Medical Cannabis and Safety Act Fund, which this bill creates. The bill also imposes certain fines and civil penalties for specified violations of the Medical Cannabis Regulation and Safety Act, and requires resulting moneys be deposited into the Medical Cannabis Fines and Penalties Account, also established by this bill within the fund.

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### **Senate Bill 643**

- Sets forth standards for physicians and surgeons prescribing medical cannabis and requires the Medical Board of California to prioritize its investigative and prosecutorial resources to identify those who have repeatedly recommended excessive cannabis to patients for medical purposes or done so repeatedly without a good faith examination.
- Requires applicants to furnish a full set of fingerprints in order to conduct criminal history record checks.
- Requires, through the Medical Cannabis Regulation and Safety Act, that the Department of Food and Agriculture administer the provisions of the act related to and associated with the cultivation and transportation of medical cannabis. The Department of Food and Agriculture, in consultation with the Bureau, shall establish a track and trace program for reporting the movement of medical cannabis items throughout the distribution chain that utilizes a unique identifier. It also establishes State cultivator license types.
- Requires the California Department of Public Health to oversee manufacturing and testing of medical cannabis.
- Requires the Governor to appoint a chief, subject to Senate confirmation, of the Bureau of Cannabis Control, and requires the Department of Consumer Affairs to have the sole authority to create, issue, renew, discipline, suspend, or revoke licenses for the transportation and storage (unrelated to manufacturing) of medical cannabis, and would authorize the department to collect fees for its regulatory activities and impose related specified duties.
- Authorizes counties to impose a tax on specified cannabis-related activity.

### **List of Other Cannabis Legislation Documents:**

- Assembly Bill No. 133

- Comprehensive Medical Cannabis Regulation and Safety Act 2016
- Proposition 64: “Adult Use of Marijuana Act”
- Proposition 64: Official Title and Summary
- Senate Bill No. 94 Cannabis: Medical and Adult Use

