



The Bureau of Cannabis Control (Bureau) must readopt its emergency regulations currently set to expire. The re-adoption of the emergency regulations would extend the effective period for an additional 180 days. The Bureau is proposing changes to some of the regulatory provisions to provide greater clarity to licensees and address issues that have arisen since the emergency regulations went into effect. Following is a summary of key proposed changes.

### **Specific Text Amendments**

#### **Adult-Use and Medicinal Licenses**

- Applicants may complete one license application and request an A-designation, an M-designation, or both for the license.
- Regardless of designation requested, applicants will pay one license fee.
- Licensees may engage in commercial cannabis activities with any licensee regardless of designation.

#### **Licensing**

- A financial interest includes an agreement to receive a portion of the profits of a business.
- Clarifies what items must be identified on a premises diagram so that the Bureau can determine whether the proposed premises meets the requirements for licensure.
- Requires use of the Commercial Cannabis Licensee Bond form under Title 11, California Code of Regulations, Article 56, at section 118.1. (Section 5008)
- Clarifies a licensee's notification requirements when there are certain modifications to the Business (e.g., standard operating procedures, license designations, premises location).
- Fees have been revised to account for the proposed licensing changes and better reflect the updates in funding needs.

#### **Advertising**

- Prohibits advertising or marketing from using depictions or images of minors under 18 years of age.

#### **Premises**

- Clarifies activities licensees may conduct on their premises. Licensees authorized for retail may not sell or deliver cannabis goods through a drive-through or pass-out window. Deliveries of cannabis goods shall not be made to people within motor vehicles.
- Clarifies premises location restrictions. Proposed premises shall not be within a private residence or in a location that requires persons to pass through a private residence.
- Provides that premises adjacent to other premises engaging in manufacturing and cultivation must be separated by walls and doors.



### **Security Measures**

- Identifies certain security personnel requirements including: age restrictions, qualifications, and when security personnel is required.
- No longer requires non-storefront retailers to have security personnel.
- Clarifies requirements for sharing security personnel, video surveillance systems, and alarm systems when multiple premises are contained in the same building
- Identifies door and lock requirements for limited-access areas

### **Re-Labeling**

- Allows distributors to re-label packages with the accurate amount of cannabinoids and terpenoids post laboratory testing in certain circumstances.

### **Remediation**

- Restricts remediation of cannabis goods that fail testing to licensed manufacturers.

### **Transport**

- Clarifies the requirements for the transportation of cannabis goods. Permits cannabis goods to be transported by foot, fork lift, or similar means, when cannabis goods are transported to premises located in the same building or same parcel of land.
- Allows security personnel, licensed by the Bureau of Security and Investigative Services, to be in a transport vehicle.
- Clarifies how a distributor may verify that cannabis goods received are accurately reflected in the shipping manifest without unpacking and inventorying all boxes.

### **Delivery**

- Permits a delivery employee to complete multiple deliveries of cannabis goods if they are prepared by the retailer prior to the delivery employee leaving the licensed premises. The total amount of cannabis goods in the delivery vehicle may be up to \$10,000. Requires delivery drivers to conduct age verification of customers.

### **Microbusinesses**

- Clarifies microbusiness requirements. Also provides that areas of the premises designated for manufacturing and cultivation must be separated from the distribution and retail areas.



### **Testing Laboratories**

- Licensees are no longer required to collect field duplicate samples.
- Clarifies laboratory limit of quantification (LOQ) requirements for all Category I Residual Solvents or Processing Chemicals.
- Clarifies laboratory limit of quantification (LOQ) requirements for all Category I Residual Pesticides.
- Malathion and its corresponding action levels added to Category II Residual Pesticides.
- Clarifies certain Certificate of Analysis (COA) requirements when a content label is affixed on the cannabis or cannabis product batch at the time of testing.