

**DEPARTMENT OF CANNABIS CONTROL**  
**CALIFORNIA CODE OF REGULATIONS TITLE 4, DIVISION 19**  
**AUTHORIZATION AND RELEASE OF LICENSEE INFORMATION TO FINANCIAL**  
**INSTITUTIONS**

July 29, 2021

**ADDENDUM TO FINDING OF EMERGENCY**

**BACKGROUND**

On July 23, 2021, the Department of Cannabis Control (Department) provided notice that the Department submitted to the Office of Administrative Law (OAL) an action to readopt its emergency regulations that implement the law allowing cannabis businesses to authorize the Department to share licensee application and regulatory information with financial institutions.

The Department hereby incorporates this addendum as part of the emergency rulemaking package. Unless a specific basis is stated for any modification to the purpose, necessity, and rationale for each adoption as initially stated in the Finding of Emergency, the purpose, necessity, and rationale for each adoption of the regulations as set forth in the Finding of Emergency continues to apply to the regulations as adopted. The modified purpose, necessity, and rationale for the proposed text of the regulations are summarized below. Additionally, the Department has provided a minor typographical correction to the text of the emergency regulations.

**CORRECTION TO TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORTS, OR DOCUMENTS**

In the Finding of Emergency and the proposed emergency text, the Department stated that the regulatory sections affected in the emergency rulemaking action were Title 4, California Code of Regulations (CCR), sections 15037.1, 15037.2, 16410, 16411, 17213.1, and 17213.2. The Department transposed the numbers in sections 17213.1. Manufacturing Licensee Request to Release Data to Financial Institutions, and 17213.2. Financial Institutions Request for Manufacturing Licensee Information, throughout the Finding of Emergency and in the draft emergency regulations readopted text. The correct section numbers are 17123.1. Manufacturing Licensee Request to Release Data to Financial Institutions and 17123.2. Financial Institutions Request for Manufacturing Licensee Information.

## **ADDITIONAL INFORMATION ON SUBSTANTIAL PROGRESS TO MOVE THE EMERGENCY REGULATIONS TO PERMANENT REGULATIONS**

The Department has made substantial progress and proceeded with diligence to move the emergency regulations to permanent regulations via a Certificate of Compliance. On July 12, 2021, the commercial cannabis legacy licensing authorities consolidated into one department, the Department of Cannabis Control. This proposed readoption of the emergency regulations reflect the ongoing efforts of consolidation, including regulatory action to move the commercial cannabis regulations of the Bureau of Cannabis Control within the Department of Consumer Affairs, the CalCannabis Program within the California Department of Food and Agriculture, and the Manufactured Cannabis Safety Branch within the Department of Public Health into one central location in the California Code of Regulations. In furtherance of the consolidation efforts, and the Department's adoption of streamlined regulations, the Department is working to identify necessary changes to the regulatory text that will be accurate and compatible with the regular rulemaking. Since the emergency regulations have become effective, the Department has engaged with stakeholders on the emergency regulations pertaining to financial institutions, which continues to inform the Department as it proceeds with its regular rulemaking efforts. The Department will continue to fact-find in an effort to move emergency regulations to permanent regulations. The Department's rulemaking actions are to ensure that Department applicants, licensees, and the general public are provided notice and clarity on the Department's processes, and are aware and informed of any regulatory changes.