State of California

Department of Cannabis Control

California Code of Regulations, Title 4, Division 19

Proposed Modified Regulation Text:

Commercial Cannabis Cultivation Updates; Minimum Sanitation Standards

LEGEND:

45-day text proposed for adoption is shown in underline

45-day text proposed for deletion is shown in strikethrough

1st 15-day modified text additions are shown in double underline

1st 15-day modified text deletions are shown in double strikethrough

2nd 15-day modified text additions are shown in <u>blue underline</u>

2nd 15-day modified text deletions are shown in red strikethrough

Chapter 1. All Licensees

Article 1. Division Definitions and General Requirements §15000. Definitions.

- (a) [...]
- (m) "Canopy" means the designated area(s) at a licensed premises that will contain mature plants at any point in time, including mature plants used for seed production or research and development.
- (n) [...]
- (tt) "Nonmanufactured cannabis products" means final form items that contain only cannabisdried flower, kief, leaf, pre-roll filter tips, or paper.
- (uu) [...]

Authority cited: Section 26013, Business and Professions Code. Reference: Section 26013, Business and Professions Code.

Article 2. Applications

§15006. Premises Diagram.

- (a) [...]
- (h) If the commercial cannabis business is seeking a license to conduct cultivation activities on the proposed premises, the following must be clearly identified on the premises diagram:
- (1)[...]
- (5) For applicants for a Specialty Cottage, Specialty, Small, Medium, and Large license:
- (A) Canopy area(s), including dimensions in feet and aggregate square footage if the canopy areas are noncontiguous. All unique areas separated by identifiable boundaries pursuant to section 15000(m) shall be clearly described and labeled in the premises diagram. If mature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation. If mature plants are being cultivated for seed production or research and development purposes, the canopy area designated for those purposes shall be included in the total canopy calculation;
- (B) [...]
- (7) For applicants for a nursery license:
- (A) [...]
- (D) At least one of the following areas: Canopy area(s) designated for cultivation of mature plants, including dimensions in feet and aggregate square footage if the canopy areas are noncontiguous. All unique areas separated by identifiable boundaries pursuant to section 15000(m) shall be clearly described and labeled in the premises diagram. If mature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation; and
- (iE) Area(s) that shall contain only immature plants; or
- (ii) Designated seed production area(s) that may contain mature plants; and
- (E) Designated research and development area(s) that may contain mature plants, if the licensee will be conducting research and development activities that require a plant to flower.
- (8) [...]
- (k) If the commercial cannabis business is seeking a license to conduct manufacturing activities using a closed-loop extraction system, the diagram shall include the location of the closed-loop extraction system and clearly display the system's serial number.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26051.5, Business and Professions Code.

§15011. Additional Information.

(a) A commercial cannabis business applying for a license to cultivate cannabis shall

provide the following information:

(1) [...]

(12) For all cultivator license types except processor, a signed attestation that states the commercial cannabis business shall contact the appropriate County Agricultural Commissioner regarding requirements for legal use of pesticides on cannabis prior to using any of the active ingredients or products included in the pest management plan and shall comply with all pesticide laws.

(b) [...]

Authority cited: Sections 26013 and 26130, Business and Professions Code. Reference: Sections 26031, 26050, 26051.5 and 26130, Business and Professions Code.

Article 3. Licensing

§15020. Renewal of License.

(a) [...]

- (e) Beginning January 1, 2022, an application for renewal of a license to engage in commercial cannabis cultivation shall include the following records, for each power source indicated on the application for licensure for the previous annual licensed period:
- (1) Total electricity supplied by local utility provider, name of local utility provider, and greenhouse gas emission intensity per kilowatt hour reported by the utility provider under section 398.4(c) of the Public Utilities Code for the most recent calendar year available at time of submission;
- (2) Total electricity supplied by a zero net energy renewable source, as set forth in section 398.4(h)(5) of the Public Utilities Code, that is not part of a net metering or other utility benefit;
- (3) Total electricity supplied from other unspecified sources, as defined in section 398.2(e) of the Public Utilities Code, and other onsite sources of generation not reported to the local utility provider (e.g., generators, fuel cells) and the greenhouse gas emission intensity from these sources; and
- (4) Average weighted greenhouse gas emission intensity considering all electricity use in subsections (e)(1)-(e)(3).

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26012, 26050 and 26051.5, Business and Professions Code.

Article 6. Track and Trace Requirements

§15048.5. Use of Harvest Batch Name and Package Tags.

(a) Harvested plants that are part of the same harvest batch and are hanging, drying, or

curing shall-must be assigned a unique harvest batch name, which shall-must be recorded in the track and trace system. Each harvest batch must be fully separated from other harvest batches by an identifiable boundary, such as including, but not limited to, demarcation with tape, rope, or visible gaps between batches or placement of batches on separate drying racks or in containers. Each area containing a harvest batch must be physically labeled with the assigned name of the harvest batch and the label must be placed within clear view of an individual standing next to the batch. The assigned harvest batch name shall match what is in the track and trace system and the harvest batch name next to the batch shall be the same. If any part of the harvest batch is placed in a container, then the container must be labeled with the harvest batch name.

- (b) Licensees must assign a package tag to any amount of harvested cannabis that has undergone the full extent of processing to be completed onsite within 24 hours of completion. Each harvest batch and manufactured cannabis batch shall be assigned a package tag and recorded in the track and trace system. For each harvest batch, the package tag shall be assigned and recorded in the track and trace system no later than the time at which any part of that harvest batch has finished undergoing any applicable drying, curing, grading, and trimming.
- (c) For all cannabis and cannabis products held in a container, the Licensees must affix a package tag-shall be affixed to the container holding the cannabis or cannabis products for which onsite processing has been completed. If cannabis or cannabis products are held in multiple containers, the package tag shall-must be affixed to one of the containers and the other containers shall-must be labeled with the applicable UID number. Each unit within the container shall-must be labeled with the applicable UID number. All containers with the same UID number shall-must be placed contiguous to one another to facilitate identification by the Department.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26067, 26070, 26160 and 26161, Business and Professions Code.

§15049.1. Additional Requirements for Recording Cultivation Activities.

- (a) The licensee shall must record the following cultivation activities in the track and trace system within three (3) calendar days of occurrence:
- (1) [...]
- (b) The <u>licensee must report the</u> following information shall be reported in the track and trace system for each harvest batch:
- (1) The wet weight of each harvest batch, which the licensee must obtain shall be obtained by the licensee immediately after harvest;
- (2) The weight of cannabis waste associated with each harvested plant batch;
- (3) The unique name of the harvest batch; and

- (4) The initiating date of the harvest. For purposes of this section, the "initiating date" of the harvest is the month, day, and year the first mature cannabis plants in the harvest batch were cut, picked, or removed from the soil or other growing media.
- (c) After the entire harvest batch has been dried, trimmed, cured, and packaged, the licensee shall-must indicate in the track and trace system that the harvest is finished.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26013, 26067 and 26069, Business and Professions Code.

<u>Article 8. Minimum Sanitation Standards</u>

§15060. Animals and Animal Waste.

- (a) Licensees are prohibited from allowing animals, except for service animals as defined in 28 CFR part 36.104, to enter the following areas:
- (1) Any indoor area of a licensed premises where unpackaged cannabis or nonmanufactured cannabis products are present.
- (2) Any outdoor area of a licensed premises used for processing harvested cannabis, creating nonmanufactured cannabis products, or packaging cannabis or nonmanufactured cannabis products.
- (b) Animal waste, other than manure used as fertilizing material, found in any area of a licensed premises within 30 feet of cannabis plants or harvested cannabis must be removed and disposed of immediately upon discovery.

<u>Authority cited: Sections 26013 and 26130, Business and Professions Code. Reference:</u> Sections 26011.5 and 26039.6, Business and Professions Code.

§15061. Tools, Utensils, Equipment, and Containers.

- (a) Each licensee who cultivates cannabis for harvest, processes cannabis, creates nonmanufactured cannabis products, or packages cannabis or nonmanufactured cannabis products for retail sale must ensure that:
- (1) Tools and utensils used to trim, harvest, or process cannabis, create nonmanufactured cannabis products, or package cannabis or nonmanufactured cannabis products for retail sale are cleaned and sanitized each day during periods when the tools or utensils are in use, and between work on different harvest batches. Tools and utensils subject to this section include, but are not limited to, scissors, funnels, sieves, and sifters.
- (2) Equipment surfaces that contact harvested or processed cannabis, unpackaged cannabis, or unpackaged nonmanufactured cannabis goods are cleaned and sanitized each day during periods when the equipment is in use. Equipment subject to this section includes, but is not limited to, trimming machines, sorting machines, rolling

- machines, tables, countertops, tarps, and trays.
- (3) Any container used to store or transport harvested processed cannabis is cleaned and sanitized, or lined with a new, single-use container liner, at minimum, before each use.
- (A) between storage and transport of each harvest batch, and
- (B) at the beginning and the end of each growing season.
- (b) For purposes of this section, "clean" means free of visual accumulation of dust, dirt, debris, cannabis residue, and food residue.
- (c) For purposes of this section, "sanitize" means application, of sanitizing chemicals by immersion, manual scrubbing, or brushing, of any chemical sanitizer that meets the requirements of 40 CFR part 180.940 (rev. 4/28/2004), incorporated herein by reference, when used in accordance with the manufacturer's use directions, using any of the following methods:
- (1) Contact with a solution of 100 ppm available chlorine solution for at least 30 seconds.
- (2) Contact with a solution of 25 ppm available iodine for at least 60 seconds.
- (3) Contact with a solution of 200 ppm quaternary ammonium for at least 60 seconds.
- (4) Contact with isopropyl alcohol (70% or higher grade) for at least 30 seconds.

<u>Authority cited: Sections 26013 and 26130, Business and Professions Code. Reference: Sections 26011.5 and 26039.6, Business and Professions Code.</u>

§15062. Handwashing and Glove Use.

- (a) Each licensee authorized to process harvested cannabis, create nonmanufactured cannabis products, package cannabis or nonmanufactured cannabis products, or otherwise handle unpackaged cannabis or nonmanufactured cannabis products must ensure that individuals conducting these activities have access to either:
- (1) Handwashing stations that provide potable running water, liquid soap or other surfactant, single-service, disposable paper towels or an electric hand dryer, and a waste container, or
- (2) Single-use, food-safe, non-latex gloves.
- (b) Immediately before performing any task involved in processing harvested cannabis, creating nonmanufactured cannabis products, packaging cannabis or nonmanufactured cannabis products, or otherwise handling unpackaged cannabis or nonmanufactured cannabis products, an individual must either:
- (1) Wash their hands thoroughly by scrubbing with soap or other surfactant for at least 15 seconds and rinsing with potable running water, then dry their hands thoroughly

using single-service paper towels or an electric hand dryer, or

(2) Don new, single-use, food-safe, non-latex gloves.

Authority cited: Sections 26013 and 26130, Business and Professions Code. Reference: Sections 26011.5 and 26039.6, Business and Professions Code.

Chapter 5. Cannabis Events

§15601. Temporary Cannabis Event Requirements.

- (a) [...]
- (c) A temporary cannabis event license shall only be issued for a single day or up to 4 30 consecutive days. No temporary cannabis event license will be issued for more than 4-30 days.
- (d) [...]

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26200, Business and Professions Code.

Chapter 7. Cultivators

Article 1. General Cultivation Requirements

§16202. General Cultivation Requirements.

- (a) Licensees are prohibited from transferring any commercially cultivated cannabis or nonmanufactured cannabis products from their licensed premises. All transfers of cannabis and nonmanufactured cannabis product from a licensed cultivation premises must be conducted by a distributor licensed by the Department.
- (b) Artificial lighting is permissible only to maintain immature plants outside the canopy area.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26010, 26012, 26013, 26050 and 26053, Business and Professions Code.

§16209. Medium Cultivation License Limits.

A person or owner shall be limited to one (1) Medium Outdoor, or one (1) Medium Indoor, or one (1) Medium Mixed-Light A-License or M-License. This section shall remain in effect until January 1, 2023.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26012, 26013, 26050 and 26061, Business and Professions Code.

Article 2. Cultivation Site Requirements

§16300. Cultivation Requirements.

- (a) Cannabis plants maintained outside of the designated canopy area(s) for specialty cottage, specialty, small, and medium licenses are prohibited from flowering. Licensees authorized to conduct cultivation activities must ensure that all flowering plants are located within designated canopy area(s). Should a plant outside of the canopy area(s) begin flowering, the licensee must apply a plant tag shall be applied, move the plant shall be moved to a designated canopy area, and reported the activity in the track and trace system-without delay in accordance with section 15049.1.
- (b) All plants or portions of a plant used for seed production shall be tagged with a plant tag pursuant to section 15048.4.
- (e<u>b</u>) A licensee propagating immature plants or seed for distribution to another licensee shall Licensees authorized to conduct cultivation activities must obtain a nursery license in order to propagate immature plants or seed for distribution to another licensee.
- (c) Notwithstanding subsection (b), licensees authorized to conduct cultivation activities may arrange for the transfer, via a licensed distributor, of immature plants or seeds from their licensed cultivation premises to a licensed nursery premises.
- (d) Licensees shall-must either process their harvested cannabis only in area(s) designated for processing in their-cultivation plan premises diagram, or transfer their harvested cannabis to a licensed processor, manufacturer, or distributor via a licensed distributor.
- (e) A licensee who holds multiple cultivation licenses may arrange for the transfer, via a licensed distributor, of immature plants, seeds, or harvested cannabis from one of their licensed cultivation premises to another of their licensed cultivation premises.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26013, 26060 and 2612026069, Business and Professions Code.

§16304. General Environmental Protection Measures.

- (a) All licensed cultivators shall comply with all of the following environmental protection measures:
- (1) Principles, guidelines, and requirements adopted pursuant to section 13149 of the Water Code and implemented by the State Water Resources Control Board, Regional Water Quality Control Boards, or California Department of Fish and Wildlife;
- (2) Any conditions of licensure included pursuant to section 26060.1(b)(1) of the Business and Professions Code;
- (3) Requirements of section 7050.5(b) of the Health and Safety Code if human remains are discovered during cultivation activities;

- (4) Requirements for generators pursuant to section 16306;
- (54) Requirements for pesticides pursuant to section 16307;
- (65) Outdoor lights used for safety or security purposes are shielded and downward facing; and
- (7<u>6</u>) Lights used for indoor or mixed-light cultivation are shielded from sunset to sunrise to reduce nighttime glare.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26013, 26060, and 26066 and 26201, Business and Professions Code.

§16305. Renewable Energy Requirements.

- (a) Beginning January 1, 2023, all holders of indoor, tier 2 mixed-light license types of any size, and all holders of nursery licenses using indoor or tier 2 mixed-light techniques shall ensure that electrical power used for commercial cannabis activity meets the average electricity greenhouse gas emissions intensity required by their local utility provider pursuant to the California Renewables Portfolio Standard Program in division 1, part 1, chapter 2.3, article 16 (commencing with section 399.11) of the Public Utilities Code.
- (b) If a licensed cultivator's average weighted greenhouse gas emission intensity, as calculated and reported upon license renewal pursuant to section 15020, is greater than the local utility provider's greenhouse gas emission intensity, the licensee shall obtain carbon offsets to cover the excess in carbon emissions from the previous annual licensed period. The carbon offsets shall be purchased from one or more of the following recognized voluntary carbon registries:
- (1) American Carbon Registry;
- (2) Climate Action Reserve; or
- (3) Verified Carbon Standard.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26013, 26060, 26066 and 26201, Business and Professions Code.

§16306. Generator Requirements.

- (a) For the purposes of this section, "generator" means a stationary or portable compression ignition engine, also known as a diesel engine, as defined in title 17, California Code of Regulations, section 93115.4.
- (b) Licensed cultivators using generators rated at fifty (50) horsepower and greater shall demonstrate compliance with the Airborne Toxic Control Measure for stationary or portable engines, as applicable, established in title 17, California Code of Regulations,

- sections 93115-93116.5. Compliance shall be demonstrated by providing a copy of one of the following to the Department upon request:
- (1) For portable engines, a Portable Equipment Registration Certificate provided by the California Air Resources Board; or
- (2) For portable or stationary engines, a Permit to Operate or other proof of engine registration, obtained from the Local Air District with jurisdiction over the licensed premises.
- (c) Licensed cultivators using generators rated below fifty (50) horsepower shall comply with the following by 2023:
- (1) Either subsection (1)(A) or (1)(B):
- (A) Meet the "emergency" definition for portable engines in title 17, California Code of Regulations, section 93116.2(a)(12), or the "emergency use" definition for stationary engines in title 17, California Code of Regulations, section 93115.4(a)(30); or
- (B) Operate eighty (80) hours or less in a calendar year; and
- (2) Either subsection (2)(A) or (2)(B):
- (A) Meet Tier 3 with Level 3 diesel particulate filter requirements in title 13, California Code of Regulations, sections 2700-2711; or
- (B) Meet Tier 4 requirements, or current engine requirements if more stringent, in title 40, Code of Federal Regulations, chapter I, subchapter U, part 1039, subpart B, section 1039,101.
- (d) All generators used by licensed cultivators shall be equipped with non-resettable hour-meters. If a generator does not come equipped with a non-resettable hour-meter, an aftermarket non-resettable hour-meter shall be installed.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26013, 26060, 26066 and 26201, Business and Professions Code.

§16307. Pesticide Use Requirements.

- (a) Licensed cultivators shall comply with all applicable pesticide statutes and regulations enforced by the Department of Pesticide Regulation.
- (b) For purposes of Business and Professions Code section 26039.6(a)(1), the Department will consider a licensed premises unsanitary upon discovery at that premises of any pesticide that is unregistered in violation of Food and Agricultural Code section 12811 or not labeled in accordance with 40 CFR part 156.10.
- (b) For all pesticides that are exempt from registration requirements, licensed cultivators shall comply with all applicable pesticide statutes and regulations enforced by the Department of Pesticide Regulation and the following pesticide application and storage protocols:

- (1) Comply with all pesticide label directions;
- (2) Store chemicals in a secure building or shed to prevent access by wildlife;
- (3) Contain any chemical leaks and immediately clean up any spills;
- (4) Apply the minimum amount of product necessary to control the target pest;
- (5) Prevent offsite drift:
- (6) Do not apply pesticides when pollinators are present;
- (7) Do not allow drift to flowering plants attractive to pollinators;
- (8) Do not spray directly to surface water or allow pesticide product to drift to surface water. Spray only when wind is blowing away from surface water bodies;
- (9) Do not apply pesticides when they may reach surface water or groundwater; and
- (10) Only use properly labeled pesticides. If no label is available, consult the Department of Pesticide Regulation.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26013, <u>26039.6</u>, 26060, <u>and 26066 and 26201</u>, Business and Professions Code.

§16309. Cultivation Plan Requirements.

- (a) Licensed cultivators shall establish and maintain a cultivation plan that includes bothall of the following:
- (1) A premises diagram drafted in accordance with section 15006.
- (2) A cannabis waste management plan developed in accordance with section 17223.
- (3) A pest management plan developed in accordance with section 16310.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26013, 26051.5 and 26060, Business and Professions Code.

§16310. Pest Management Plan.

- (a) The licensed cultivator shall develop a pest management plan that includes:
- (1) The product name and active ingredient(s) of all pesticides to be applied to cannabis; and
- (2) Any integrated pest management protocols, including chemical, biological, and cultural methods, that will be used to prevent and control pests on the cultivation site.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26013, 26051.5 and 26060, Business and Professions Code.