

# Cannabis Workshop:

## Regulatory Framework: Local, State, Federal – What happens if your regulating city goes a different direction

Presenter: Dean R. Grafilo, Director  
Department of Consumer Affairs



# AGENDA

- Structure of Bureau of Cannabis Control
- Goals of the Bureau
- Timelines for Regulations and Licensing
- Relationship to Local Government



# QUICK BACKGROUND

1996

- Proposition 215, Compassionate Use Act

2003

- Senate Bill 420, Medical Marijuana Program

2015

- Medical Marijuana Regulation & Safety Act (MMRSA)

2016

- AUMA

2017

- Medicinal and Adult-Use Cannabis Regulation & Safety Act (MAUCRSA)



# BCC OVERVIEW

- Established in 2015 through Medical Marijuana Regulation and Safety Act
- Lead agency in development of state regulatory structure for commercial cannabis
- Lori Ajax, Bureau Chief appointed in February 2016
- Dual licensing model maintains local control



# LICENSING AUTHORITIES RESPONSIBILITIES

BCC	<ul style="list-style-type: none"><li>• Distributors</li><li>• Microbusinesses</li><li>• Retailers</li><li>• Testing Laboratories</li></ul>
CDFA	<ul style="list-style-type: none"><li>• Cultivators</li><li>• Track and Trace</li></ul>
CDPH	<ul style="list-style-type: none"><li>• Manufacturers</li><li>• Public Outreach Campaign</li></ul>



# BUREAU STRUCTURE



# BCC GOALS

- Implement the state regulatory structure for commercial cannabis to encourage participation in the regulated legal market.
- Meet statutory deadline to begin issuing licenses on January 1, 2018.
- Collaboratively work with all stakeholders to create and maintain regulatory framework.



# BCC ACTIVITIES: Informational Sessions

- Began in April 2016
- 9 held throughout the State

## Purpose:

- Introduce the Bureau
- Stakeholder and public involvement





# BCC ACTIVITIES: Pre-Regulatory Workshops

- Began in September 2016
- 8 held throughout the State

## Purpose:

- Gain feedback on regulatory concepts.
- Help inform the regulations process.



# BCC ACTIVITIES: Draft Regulations

- Issued proposed medical regulations on April 28 and May 5.
- Held public comment hearings on medical regulations
  - San Jose
  - Sacramento
  - Los Angeles
  - Eureka



# California Environmental Quality Act (CEQA) Initial Study

- Draft CEQA Initial Study Released on September 6
- Held meetings in Long Beach, Fresno and Sacramento
- The meetings explained the CEQA process and received public comment



# BCC ACTIVITIES: Outreach

- Participate in conferences, seminars and workshops
- Collaborate with the industry, local government, and stakeholders
- Outreach to the media



# WHAT'S NEXT: Regulations Process

- Filed Notice of Decision Not to Proceed for Proposed Medical Regulations
- CEQA Process Certification
- MAUCRSA Emergency Regulations in November



# WHAT'S NEXT: Emergency Regulations Process

- Details to come with Emergency Regulations:
  - License/Premises Requirements
  - Licensing Fees
  - Rehabilitation for Applicants with Past Convictions
  - Priority Licensing
  - Security Requirements



# WHAT'S NEXT: Emergency Regulations Process

- Details to come with Emergency Regulations:
  - Distributors
    - Role of a distributor
    - Arrangements for Testing
    - Quality Control
    - Packaging Allowances



# WHAT'S NEXT: Regulations Process

- Details to come with Emergency Regulations:
  - Transportation shall only be conducted by a distributor licensees or their direct employees.
    - Type of vehicle
    - Vehicle Requirements
    - Manifest





# WHAT'S NEXT: Regulations Process

- Details to come with emergency regulations:  
Retailers/Dispensaries:
  - Security Requirements
  - Hours of Operations
  - Premises Requirements
  - Free samples



# WHAT'S NEXT: Emergency Regulations Process

- Details to come with Emergency Regulations:
  - Testing Laboratories
    - Provisional testing laboratory license
    - Sampling
    - Tests performed
    - Certificate of analysis



# WHAT'S NEXT: Licensing

- Licensing workshops
- Accept license applications in December
- Temporary licenses will begin to be issued January 1, 2018



# WHAT'S NEXT: Other Activities

- Advisory Committee
- Continued Outreach
- Online Licensing System
- Hiring Staff



# BCC & LOCAL GOVERNMENT

- State sets the minimum requirements
  - Local jurisdictions maintain local control
- Sharing of information
- The Bureau will verify an applicant is in local compliance by contacting the city or county.
- Temporary license applicants must have a license, permit or other authorization from the local jurisdiction.



# QUESTIONS

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