

CANNABIS REGULATION

Commercial Activities

- Cultivation
- Manufacturing
- Retail
- Distribution
- Testing

Non-Commercial Activities

- Personal Cultivation
- Personal Use

STATE LEGAL FRAMEWORK

Prop 215 (1996): Compassionate Care Act

Exempted from criminal prosecution *patients and caregivers who possess or cultivate marijuana*, if recommended by physician.

Medical Marijuana Program Act (2004)

Laid out rules for the cultivation of medical marijuana by (non-profit) *collectives and cooperatives*.

Medical Cannabis Safety & Regulation Act (2015):

AB 266: Legalized “commercial cannabis activity” *pursuant to a state medical marijuana license*, allowed *for-profit business* to obtain licenses, created 17 different licenses related to cultivation, manufacturing, distribution, and transportation (to be implemented by January 1, 2018).

AB 243: Included regulations intended to address environmental concerns associated with cultivation. Allowed local jurisdictions to enact further regulations, including complete ban on cultivation within borders. Required license/permit at local level.

SB 654: Exempted small-scale cultivation by patients and caregivers from licensure scheme. Prohibited cultivation within 600 feet of a school. Established “track and trace” program.

Prop 64 (2016): Adult Use of Marijuana Act

Preserved existing medical marijuana laws and created *a parallel licensing system for non-medical commercial marijuana regulation*.

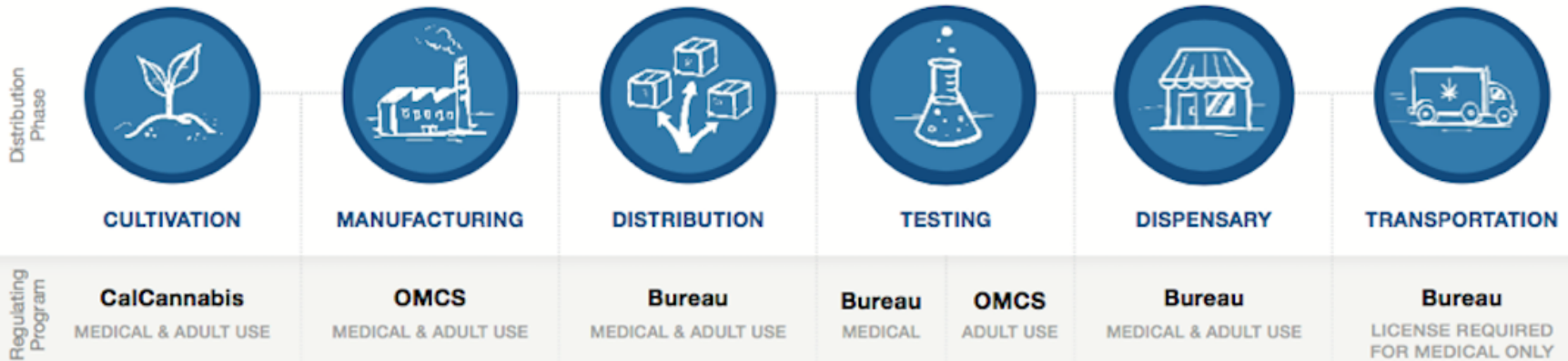
Established a right to limited cultivation for personal recreational use.

MAUCRSA (2017)

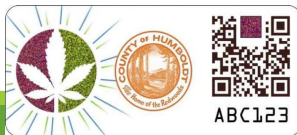
Merged MCSRA & AUMA schemes.

STATE REGULATORY STRUCTURE

Who Does What



This graphic illustrates the movement of cannabis and cannabis products through the state agencies responsible for regulating cannabis.



CULTIVATION

Cultivation Licenses:

Type 1 – Cultivation; Specialty outdoor; Small (No artificial light, $\leq 5k$ sq ft or up to 50 plants)

Type 1A – Cultivation; Specialty indoor; Small (Exclusively artificial light, $\leq 5k$ sq ft)

Type 1B – Cultivation; Specialty mixed light; Small (Natural & supplemental artificial light, $\leq 5k$ sq ft)

Type 2 – Cultivation; Outdoor; Small (No artificial light, 5,001-10k sq ft)

Type 2A – Cultivation; Indoor; Small (Exclusively artificial light, 5,001-10k sq ft)

Type 2B – Cultivation; Mixed-light; Small (Natural & supplemental artificial light, 5,001-10sq ft)

Type 3 – Cultivation; Outdoor; Medium (No artificial light, 10,001-one acre)

Type 3A – Cultivation; Indoor; Medium (Exclusively artificial light, 10,001-22,000 sq ft)

Type 3B – Cultivation; Mixed-light; Medium (Natural & supplemental artificial light, 10,001-22,000 sq ft)

Type 4 – Cultivation; Nursery (Cultivation solely as a nursery. May transport live plants.)

Type 12 – Microbusiness (Cultivation on area $< 10k$ sq ft. Not allowed for Type 5, 5A, and 5B)

No issue until January 1, 2023:

Type 5 – Cultivation;
Outdoor; Large (No artificial
light, greater than one acre)

Type 5A – Cultivation;
Indoor; Large (Exclusively
artificial light, greater than
22,000 sq ft)

Type 5B – Cultivation;
Mixed-light; Large (Natural
& supplemental artificial
light, greater than 22,000 sq
ft)

MANUFACTURING AND TESTING

State Licenses:

Type 6 – Manufacturer 1 (For products not using volatile solvents)

Type 7 – Manufacturer 2 (For products using volatile solvents)

Type 8 – Testing

Type 12 – Microbusiness (Cultivation on area < 10k sq ft. Not allowed for Type 5, 5A, and 5B)

RETAIL SALES AND OTHER LICENSED ACTIVITIES

State Licenses:

Type 10 – Retailer

Type 11 – Distributor (Not allowed for Type 5, 5A, and 5B)

Type 12 – Microbusiness (Cultivation on area < 10k sq ft. Not allowed for Type 5, 5A, and 5B)

OVERVIEW OF COMMERCIAL ACTIVITIES UNDER STATE LAW

State license required for commercial cultivation, manufacturing, testing, retail, or distribution

No license for retailers of alcoholic beverages or tobacco products

No license for businesses located within 600 feet of a school, day care center, or youth center

No license for those convicted of certain offenses

Cross-licensing allowed

LOCAL CONTROL OF COMMERCIAL ACTIVITIES

No State license *if activities prohibited* by County ordinance

However, County license/authorization is ***not*** required for State-issued license

County can ***regulate or completely ban*** commercial cultivation, manufacturing, testing, or retail

County ***cannot completely ban*** lawful transportation or delivery of cannabis

COUNTY INTERIM ORDINANCE COMMERCIAL ACTIVITIES

Prohibits all “commercial or industrial use involving marijuana, including but not limited to manufacture, processing, laboratory testing, labeling, storing, wholesale, distribution and retail”

Prohibits “[o]utdoor planting, cultivation, harvesting, drying, or processing of marijuana plants for nonmedical use”

Remains in place until December 12, 2017 (unless extended)

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PERSONAL USE

Individuals 21 and over can lawfully:

- use, possess, process, transport, or give away to individuals 21 and over up to 1 ounce of marijuana and up to 8 grams of concentrated cannabis; and
- cultivate up to 6 marijuana plants

Cultivation must occur in a locked area within a private residence not visible from a public place (includes a locked yard)

STATE LAW RESTRICTIONS ON PERSONAL USE

No using in a public place unless authorized by local jurisdiction

No using in a location where smoking tobacco is prohibited

No using within 1,000 feet of a school, day care center, or youth center

No “open container” or using while in a vehicle

LOCAL CONTROL OF PERSONAL USE

County can place “reasonable” restrictions on cultivation for personal use, but **cannot** completely ban personal cultivation within a fully enclosed and secure private residence

Can completely ban personal cultivation **outdoors** (even upon grounds of a private residence)

Can prohibit use in public places

Can prohibit use and possession in buildings owned, leased, or occupied by County

Can prohibit use by employees

COUNTY INTERIM ORDINANCE PERSONAL CULTIVATION

Prohibits “[o]utdoor planting, cultivation, harvesting, drying, or processing of marijuana plants for nonmedical use”

“Indoor planting, cultivation, harvesting, drying, or processing of marijuana plants for nonmedical use is limited to residential districts, is limited to six (6) plants per residence, and must be entirely for the personal use of a resident of the residence who is twenty-one (21) years of age or older. The County reserves the right to enact regulations regarding the indoor cultivation of marijuana at a later date”

Remains in place until December 12, 2017 (unless extended)

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