



# RCRC MEDICAL MARIJUANA REGULATORY STRUCTURE LEGISLATION



Key County Issue	
<p data-bbox="346 560 556 592"><b>Local Control</b></p>	<p data-bbox="892 341 2026 414">Local control clauses Referenced in Business &amp; Professions Codes 19315 (a), 19316 (a) &amp; (c) AB 266</p> <p data-bbox="1029 454 1879 560">Locals are responsible for awarding local licenses to operate Referenced in Business &amp; Professions Code 19320 (a) AB 266 &amp; SB 643</p> <p data-bbox="997 600 1911 673">Cultivation must comply with local rules Referenced in Health &amp; Safety Code 11362.777 (b) (3) - AB 243</p> <p data-bbox="1071 714 1837 820">Local fee and tax power Referenced in Business &amp; Professions Code 19320 (d) AB 266 &amp; SB 643</p>
<p data-bbox="262 1161 640 1193"><b>County Taxing Authority</b></p>	<p data-bbox="1029 974 1879 1047">Broad and explicit county taxing authority Referenced in Business &amp; Professions Code 19348 - SB 643</p> <p data-bbox="997 1088 1911 1161">County authority to tax deliveries Referenced in Business &amp; Professions Code 19340 (c) - AB 266</p> <p data-bbox="1071 1201 1837 1372">Local fee and tax authority Referenced in Business &amp; Professions Code 19320 (d) AB 266 &amp; SB 643 Referenced in Business &amp; Professions Code 19350 AB 243</p>

**Licensing Entity**

Local license issuance  
Referenced in Business & Professions Code 19320 (a)  
AB 266 & SB 643

Bureau of Medical Marijuana Regulation in Department of Consumer Affairs -  
Primary state licensing entity  
Referenced in Business & Professions Codes 19302, 19303, 19304  
AB 266

California Department of Food & Agriculture has role in cultivation licensing  
Referenced in Business & Profession Code 19302.1 (e) - SB 643  
Referenced in Health & Safety Code 11362.777 (b) (1) (B) - AB 243

Cultivation licenses must first commence locally  
Referenced in Health & Safety Code 11362.777 (b) (2) - AB 243

Department of Consumer Affairs issues licenses for dispensary, distributor,  
transporter, special dispensary  
Referenced in Business & Profession Code 19334 (a) - AB 266

Department of Public Health issues licenses for manufacturers/testing laboratories  
Referenced in Business & Profession Code 19341 - AB 266

**Environmental Enforcement**

Establishment of the Medical Cannabis Fines & Penalties Account  
Referenced in Business & Professions Code 19360 - AB 243

Fine & penalty monies dedicated to state and local environmental enforcement efforts

Referenced in Business & Professions Code 19351 (c) - AB 243

Bureau of Marijuana Regulation shall establish a grant program to locals for regulation/enforcement assistance

Referenced in Business & Professions Code 19351 (d) - AB 243

Water diversion protections

Referenced in Business & Professions Code 19332 (d)  
AB 243 & SB 643

Cultivation standards

Referenced in Business & Professions Code 19332 (e) (2)  
AB 243 & SB 643

**Collective Model/Personal Grows**

Abolishes collective model

Licensing requirements for all commercial cannabis activities  
Referenced in Business & Professions Code 19320 (a) - AB 266 & SB 643  
Referenced in Health & Safety Code 11362.775 (b) - AB 266

Personal grow exemption/Primary caregiver exemption for 5 patients  
Referenced in Business & Professions Code 19319 (a) & (b) - SB 643

Those exempt must still comply with local restrictions  
Referenced in Health & Safety Code 11362.777 (g) - AB 243

**Date of Licensure**

After January 1, 2018  
Referenced in Business & Professions Code 19321 (c) - AB 266

**Detailed Regulatory Standards**

Department of Consumer Affairs, California Department of Food & Agriculture & Department of Public Health have broad regulatory authority  
Referenced in Business & Professions Codes 19321 - AB 266

California Department of Food & Agriculture responsible for cultivation regulations including weight and measures  
Referenced in Business & Professions Codes 19332 (a), 19332 (e) (1)  
AB 243 & SB 643

Department of Pesticide Regulation & Department of Public Health develop pesticide standards  
Referenced in Business & Professions Code 19332 (b) - AB 243

Annual license  
Referenced in Business & Professions Code 19321 (b) - AB 266

Dispensary security standards  
Referenced in Business & Professions Code 19334 (c) & (d) - AB 266

Testing laboratories  
Referenced in Business & Professions Codes 19343, 19344, 19345  
AB 266

**Transportation Standards**

Transportation operators must be licensed  
Referenced in Business & Professions Code 19337 (a) - SB 643

Detailed manifest/accessible records required  
Referenced in Business & Professions Codes 19337 (b), (c), (d) and (e) SB 643

Bureau to develop minimum security requirement for transportation  
Referenced in Business & Professions Code 19334 (b) - AB 266

**General Enforcement**

Cities can request to be primary enforcement entity  
Referenced in Business & Professions Code 19316 (b) - AB 266

State not required to enforce local standards  
Referenced in Business & Professions Code 19315 (b) - AB 266

**Mobile Retail Deliveries**

Permitted, unless prohibited by local ordinance  
Referenced in Business & Professions Code 19340 - AB 266

<p><b>License Prohibitions (Criminal Record)</b></p>	<p>Previous criminal violations that could trigger failure to obtain state license:          Felony illegal involvement in controlled substances          Fraud, deceit &amp; embezzlement          Illegal patient recommendations          Illegal cultivation activities          Record of violations in last 3 years          Specified serious felonies          Specified violent felonies          Failure to have tax registration          Referenced in Business &amp; Professions Code 19323 (b) (5) - SB 643</p>
<p><b>Local Involvement in License Revocation</b></p>	<p>Yes.          Referenced in Business &amp; Professions Code 19323 (b) (3) - SB 643</p>
<p><b>Advertising Restriction &amp; Edibles Labeling</b></p>	<p>No advertising restrictions          Edibles labeling requirements          Referenced in Business &amp; Professions Code 19347 - AB 266</p>
<p><b>Cross Ownership of Licensing</b></p>	<p>Extensive restrictions          Referenced in Business &amp; Professions Code 19328 - AB 266          No alcoholic beverage retailers can hold a medical marijuana license          Referenced in Business &amp; Professions Code 19329 - AB 266</p>

<p><b>Local Examination of Licensee's Records</b></p>	<p>Yes.  Referenced in Business &amp; Professions Codes 19327 (c) &amp; (d) - AB 266</p>
<p><b>Employer Restrictions/Drug Free Workplace</b></p>	<p>Employers can adopt policies regarding employee use  Referenced in Business &amp; Professions Code 19330 - AB 266</p>
<p><b>Background Checks</b></p>	<p>Prospective licensees must submit to State Department of Justice background checks  Referenced in Business &amp; Professions Code 19322 - SB 643</p>
<p><b>Addresses Doctor/Patient Relationship</b></p>	<p>Facility/restrictions on financial interest  Referenced in Business &amp; Professions Code 2525(a) - SB 643</p> <p>Physician recommendation requirements  Referenced in Business &amp; Professions Code 2241.5 &amp; 2525.3 - SB 643</p> <p>Physician advocating  Referenced in Business &amp; Professions Codes 2525.5 (a) &amp; (b) - SB 643</p>

<p><b>Appellation/Organic Standards/Agricultural Product</b></p>	<p>California Department of Food &amp; Agriculture shall establish organic program by 2020  Referenced in Business &amp; Professions Code 19332.5 (a) - SB 643</p> <p>Bureau of Marijuana Regulation may establish appellations  Referenced in Business &amp; Professions Code 19332.5 (b) - SB 643</p> <p>County of origin labeling standards  Referenced in Business &amp; Professions Code 19332.5 (c) - SB 643</p> <p>Agricultural Product  Referenced in Health &amp; Safety Code 11362.777 (a) – AB 243</p>
<p><b>Criminal Penalties Statues</b></p>	<p>No criminal penalties if licensed  Referenced in Business &amp; Professions Code 19317 (a) &amp; (b) - AB 266</p> <p>No license, then one is eligible to face criminal penalties  Referenced in Business &amp; Professions Code 19318 (a) &amp; (c) - AB 266</p>
<p><b>Track &amp; Trace/Unique Identification System</b></p>	<p>California Department of Food &amp; Agriculture shall establish a unique identifier program  Referenced in Business &amp; Professions Codes 19335 (a), 19332 (e) (3) &amp; (e) (4)  AB 243 &amp; SB 643</p> <p>Locals can administrate their own unique identifier program  Referenced in Health and Safety Codes 11362.777 (e) (1), (e) (2), (e) (3), (e) (2)  AB 243 &amp; SB 643</p> <p>Board of Equalization for tax compliance associated with unique identifier program  Referenced in Revenue &amp; Tax Code 31020 - AB 266</p>



**State & Local Regulatory  
Fee Authority**

Yes, explicit fee authority  
Referenced in Business & Professions Code 19350 - AB 243