

MENDOCINO COUNTY OFFICE OF THE AGRICULTURAL COMMISSIONER

DEPARTMENT OF AGRICULTURE 890 N BUSH STREET UKIAH, CALIFORNIA 95482

MEMO

CHUCK MORSE

Agricultural Commissioner/ Sealer of Weights & Measures

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TO: The Honorable Board of Supervisors for Mendocino County

FROM: Chuck Morse, Agricultural Commissioner/Sealer Weights & Measures

RE: Medical Cannabis production/ 9.31 Ordinance revisions

Dear Chairman Gjerde and Board members,

At the request of the Medical Marijuana Ad Hoc Committee, I am submitting this memo for informational purposes.

With the passage of and subsequent Governor's signature of SB 643, AB 266, and AB 243 last fall, the Medical Marijuana Regulation and Safety Act (MMRSA), became law starting January 1, 2016. These bills made all aspects of the industry supporting medical cannabis (MC) in California a legal, commercial venture that will be highly regulated by the State. Local control was a key element that was sought in this legislation during its path through the Legislature and was included in the final bills. Many different State agencies play a role in various elements of MMRSA and the California Department of Food and Agriculture (CDFA) is no exception. CDFA has been tasked with a number of significant tasks, including but not limited to, issuing cultivation licenses, issuing nursery licenses, developing a stout Track and Trace (T&T) system, developing a unique identifier system for every cannabis plant that will be grown for medicinal purposes, and developing tamper evident packaging that will be required for product movement throughout the testing and supply chain, from production to final dispensing. The legislation also clearly spelled-out that CDFA can enter into cooperative agreements with the county Agricultural Commissioner offices "...to carry out the provisions of this chapter, including but not limited to, administration, investigations, inspections, licensing and assistance pertaining to the cultivation of medical marijuana." A provision for reimbursement for this work is also included in this section.

MMRSA calls for the various State agencies to start issuing licenses on January 1, 2018. As was shared at the six (6) county North Coast Regional Summit host by Mendocino County on March 3rd, most of the State agencies are just now staffing-up, looking at space needs, etc. and starting to look at regulation development. While final/adopted regulations appear to be some ways off at this point, we can read from the legislation the parameters that will be included in the regulations. The legislation also requires that, if a local government has established a program to regulate the production, distribution, etc. of MC, that any entity seeking the required State issued license must first obtain a local permit or license prior to applying for that license. With MMRSA as a backdrop and setting the stage for State regulation of MC and the mission of our Medical Marijuana Ad Hoc Committee to explore possible changes to the County's current MC cultivation regulations (9.31 Ordinance), I feel the time is right to develop a more robust medical cannabis cultivation compliance program

for Mendocino County. The fundamental intent would be to implement locally a MC cultivation permitting program that would address, to the extent possible, the requirements that cultivators will be facing when the State regulations are promulgated and it starts issuing cultivation licenses, presumably starting January 1, 2018, while also providing guidance and restrictions on MC cultivation that are specific for the county. Two of the more important benefits I see in a program like this could be: 1) Hopefully avoiding a Catch-22 situation for our local MC cultivators could possibly be asked to meet disparate requirements for the same activity between the local and State permitting/licensing and 2) Positioning our cultivators to obtain their State cultivation license with a minimum of additional effort. The reality that all MC cultivated in the State is now considered a commercial, regulated product (with very limited exemptions) is here and I feel we would do well to provide our local industry the opportunity to position themselves to adopt this new paradigm.

While there are a wide array of elements to address locally to cover the entire MC industry (transportation, testing, manufacturing, dispensing, etc.), our current 9.31 Ordinance addresses only cultivation. I will be looking primarily to those elements that CDFA will probably be requesting that Agricultural Commissioners perform for the State program. As quoted from AB 243 (Wood) above, cultivation licensing, inspections, etc. are expressly included.

In preparation of the Board possibly exploring the option of eventually adopting a more complete MC cultivation permitting program that adopts many MMRSA requirements, I have developed an initial DRAFT version of a document entitled: "Mendocino Commercial Cannabis Cultivation Compliance Program: Permitting and Certification" or MC4P. It is intended as a starting point and template to provide a framework for the County to craft a local cultivation permitting program. It is an in-house, working draft version for internal discussion purposes at this time and needs more thought and work before anything resembling a final draft version would be developed.

At the request of the Medical Marijuana Ad Hoc Committee, I will be providing a very brief presentation to your Board on Tuesday, March 15th to summarize the elements of the State program that may overlap and become part of the work load of the Department of Agriculture and to provide an outline/overview of the MC4P document.

Thank you,

Church Morse

Chuck Morse, Agricultural Commissioner