



City and County of San Francisco
DEPARTMENT OF PUBLIC HEALTH
ENVIRONMENTAL HEALTH

London N. Breed, Mayor
Greg Wagner, Acting Director of Public Health
Stephanie K. J. Cushing, MSPH, CHMM, REHS
Director of Environmental Health

Date: September 21, 2018

RE: Public Comments on the proposed Cannabis Consumption Rules and Regulations
Permit Program: Article 8A of the San Francisco Health Code

Summary

The San Francisco Department of Public Health (SFDPH) is seeking public comment on the Proposed Rules and Regulations for Cannabis Consumption Permits. The SFDPH has developed these Rules and Regulations to ensure that each business owner of a storefront retail location and the public are aware of the process of requesting a permit and the operating standards required to comply with the permit. As the owner of the business and the member of the public, we are seeking your input to ensure that the guidelines are clear and transparent.

Dates

The public comment period will be 30 days, from **September 21, 2018** through **October 21, 2018**.

Submittal of Public Comments

Submit public comments via Survey Monkey: [Survey Monkey Link](#)

Submit public comment by email to: cannabisprogram@sfdph.org

Submit written comment to: **Attn: Cannabis Program**

1390 Market St. Suite 210

San Francisco, CA 94117

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SEC.1. Authority

The Director of the San Francisco Department of Public Health (“DPH”) promulgates these Rules pursuant to Section 8A.8 of Article 8A of the San Francisco Health Code, which authorizes the Director to adopt rules, regulations, and/or guidelines to establish the minimum health and safety standards that businesses must maintain to be eligible to receive and maintain a Cannabis Consumption Permit. The health and safety requirements outlined in these Rules are intended to protect the health and safety of consumers and employees of cannabis businesses, prevent the ingestion of adulterated cannabis products, promote sanitary conditions in the consumption, preparation and designated cannabis smoking areas and prevent cannabis edible-borne diseases that might occur through unsafe ingredients or cannabis product handling procedures. These Rules may be amended from time to time at the Discretion of the Director.

SEC.2. Definitions

- (a) As used in these Rules, the following words or phrases shall have the meanings set forth below. Terms that are not defined in the Rules shall have the meaning attributed to them in Section 1602 of the San Francisco Police Code.

“**Applicant**” means an Owner applying for a Cannabis Consumption Permit under Article 8A.

“**Cannabis**” has the meaning set forth in the Section of 26001 of the California Business and Professions Code, as may be amended from time to time.

“**Cannabis Business Permit**” means a permit to operate a specific type of Cannabis Business issued under Article 16.

“**Cannabis Microbusiness**” means a fixed place of business where Cannabis and/or Cannabis Products are Cultivated, Manufactured, Distributed, and Sold to Customers.

“**Cannabis Products**” has the meaning set forth in Section 26001 of the California Business and Professions Code, as may be amended from time to time.

“**City**” means the City and County of San Francisco.

“**Consuming**” or “**Consumption**” means smoking, eating, drinking, chewing, applying topically or otherwise ingesting.

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“Customer” has the meaning set forth in Section 26001 of the California Business and Professions Code, as may be amended from time to time.

“Department” means the San Francisco Department of Public Health.

“Director” means the Director of the San Francisco Department of Public Health or his or her designee.

“Designated Cannabis Smoking Room” means a designated area on the premises of a Cannabis Business where customers may smoke cannabis.

“Designated Cannabis Smoking Room Ventilation System” means a ventilation system capable of removing all detectable odors, smoke and by-products of combustion.

“Infuse” means a process by which cannabis, cannabinoids, or cannabis concentrates are directly incorporated into a consumable product or incorporated into a product formulation to produce a cannabis product.

“Permittee” means any person or business to whom a Cannabis Consumption Permit is issued under Article 8A of the San Francisco Health Code and any authorized agent or designee of such person or business.

“Permitted Cannabis Facility” means the facility where the Permittee operates its Cannabis Business.

“Potentially Hazardous Food” means the definition as noted in the California Retail Food Code Section 113871.

“Pre-packaged Cannabis Product” means a Cannabis Product that is packaged by a cannabis business that holds a valid license from the state of California authorizing it to engage in the distribution or manufacturing of Cannabis Products and that is served to a customer in its original packaging.

“Preparing” or “Preparation” means the heating, re-heating, or serving of Cannabis Products.

“Premises” has the meaning set forth in Section 26001 of the California Business and Professions Code, as may be amended from time to time.

“Referring Department” means any City department, agency, office, board or commission that is required by Article 8A, or its implementing regulations, to review an applicant’s application for Cannabis Consumption Permit prior to issuance of such permit by the Director.

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“**Sell**” “**sale**” and “**to sell**” have the meaning set forth in Section 26001 of the California Business and Professions Code, as may be amended from time to time.

“**Site**” means a parcel of land as defined in the San Francisco Building Code.

“**Smoke**” or “**Smoking**” has the meaning set forth in Section 11362.3 of the California Health and Safety Code, as may be amended from time to time.

“**Storefront Cannabis Retailer**” means either of the following: Medicinal Cannabis Retailer or Adult Use Cannabis Retailer.

“**Tobacco Products**” has the meaning set forth in Section 19H2 of the Health Code, as may be amended from time to time.

SEC. 3. Applicability of Article

- (a) These Rules shall apply to all Storefront Cannabis Retailers or Cannabis Microbusiness, with a storefront retail location, that are licensed under Article 16 of the San Francisco Police Code and that apply for or hold a cannabis consumption permit under Article 8A of the San Francisco Health Code.
- (b) As set forth in Section 8A of the Health Code, it is unlawful to allow Consumption of Cannabis or Cannabis Products on the premises of a commercial business without obtaining and maintaining a permit therefor issued by the Department. In order to allow smoking, a business must apply for and receive a Type C permit. The duty to apply for and maintain a Type C permit applies even to those cannabis businesses that were previously authorized to allow smoking under the auspices of their Article 33 Medical Cannabis Dispensary Permit.
- (c) As set forth in Section 8A.4(g) of the Health Code, cannabis businesses that apply for a Type C Smoking permit and that meet identified eligibility criteria are not required to build and maintain a Designated Cannabis Smoking Room or meet the requirements set forth in Section 16 of these Rules but must demonstrate that they provide adequate ventilation. Cannabis Smoking Permit Applicants that will be held to the “adequate ventilation” standard include those applicants that can demonstrate to the Director that:
 - (1) They previously held a permit to operate a Medical Cannabis Dispensary at the same location, issued by the Director under Article 33 of the Health Code, or had operated in compliance with the Compassionate Use Act of 1996, and were

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- forced to discontinue operations as a result of federal prosecution or threat of federal prosecution; and
- (2) They were not prohibited by the Planning Department, the Planning Commission, or the Director from allowing smoking on the premises of the formerly permitted Medical Cannabis Dispensary; and
 - (3) They submitted their application for a Cannabis Smoking Room Consumption Permit not less than 30 days after such applications were made available by the Director.
- (d) Applicants that can demonstrate that they meet the eligibility criteria set forth in Section 8A.4(g) shall be treated as a “grandfathered smoking establishment” and shall not be required to maintain a Designated Cannabis Smoking Room, but shall be required to demonstrate to the Director’s satisfaction that the establishment provides adequate ventilation within the structure such that doors and/or windows are not left open for such purposes resulting in odor or smoke emission or migration from the premises that may create a public nuisance.
- (e) Permits issued under the authority of Article 8A of the Health Code are nontransferable. Therefore, if a Cannabis Business sells or transfers its business, the new owner will be required to apply for an Article 8A permit in order to allow on-site consumption of cannabis and cannabis products. If the new owner intends to allow smoking and does not meet the eligibility criteria set forth in Section 8A.4(g), the new owner will be required to submit a Designated Cannabis Smoking Room Ventilation Proposal as part of its application for a Type C Smoking Permit and shall be required to meet all the requirements for a Type C Smoking Permit set forth in these Rules.

SEC. 4. Permits for the On-site Consumption of Cannabis

- (a) It shall be unlawful to allow the consumption of cannabis or cannabis products on the premises of a commercial business without obtaining and maintaining;
- (1) A permit therefore issued by the Department; and
 - (2) A storefront Cannabis Retailer or Cannabis Microbusiness permit issued by the Office of Cannabis; and
 - (3) An equivalent State Cannabis License.

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SEC. 5. Cannabis Consumption Permit Types

(a) In the City and County of San Francisco there are three types of permits available for the purpose of legalizing and regulating the consumption of Cannabis Products on the premises of commercial cannabis retailers:

(1) Type A: Cannabis Consumption-Prepackaged Cannabis Products-No Preparation
A permittee in possession of this permit type may allow the on-site consumption of Pre-Packaged Cannabis Products but may not engage in any type of preparation of the Pre-Packaged Cannabis Product and must comply with all operational standards identified in these Rules.

(2) Type B: Cannabis Consumption-Limited Preparation of Cannabis Products
A permittee in possession of this permit type may allow the on-site consumption of Pre-Packaged Cannabis Products and may also prepare and allow the consumption of Cannabis Products and must comply with all operational standards identified in these Rules.

(3) Type C: Cannabis Smoking
A permittee in possession of this permit type may allow on-site smoking of cannabis and may also allow the consumption of pre-packaged cannabis products and/or the consumption of prepared cannabis product, subject to approval by the Director. Permittee must identify the type of non-smoking consumption they are requesting at the time of initial application.

SEC. 6. Permit Application

(a) Every applicant for a consumption permit shall file an application with the Director upon a form provided by the Director of the Department and shall pay a non-refundable application fee unless eligible for a fee waiver or reduction. As of September 17, 2018, the Board of Supervisors has not authorized a fee waiver or reduction for cannabis consumption permits.

(b) Amount of Fee:

(1) For an applicant that, at the time of the application, has already undergone a Fire Department Plan Check and Inspection that included the applicant's proposed Designated Cannabis Smoking Room the amount of the nonrefundable consumption permit application fee shall be \$341.

(2) For an applicant that, at the time of the application, has not undergone a Fire Department Plan Check and Inspection that included the applicant's

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proposed Designated Cannabis Smoking Room, the amount of the nonrefundable consumption permit application fee shall be \$466. This amount shall include a \$125 fee that will be transferred from the Department of Public Health to the Fire Department to reimburse the Fire Department the costs it will incur in the review and inspection. The nonrefundable application fee is exclusive of filing fees for appeals before the Board of Appeals.

SEC. 7. Application Fees:

(a) Newly constructed cannabis retailer or microbusiness:

Cannabis Consumption Permit Application Fee \$341.00

(b) Existing, permitted and operating cannabis retailer:

Cannabis Consumption Permit Application Fee \$341.00

San Francisco Fire Department Referral \$125.00

SEC. 8. The applicant for a consumption permit shall submit, in conjunction with the consumption permit application, the following documents and information:

- (a) A complete and detailed diagram of the proposed premises.
- (b) The diagram shall show the boundaries of the property and the proposed areas to be licensed for consumption, showing all boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows, doorways, and common or shared entryways, and shall include a brief statement or description of the principal activity to be conducted therein in each designated room.
- (c) The diagram shall show and identify commercial cannabis activities that will take place in each area of the premises, and identify limited-access areas.
- (d) The diagram shall be to scale.
- (e) The diagram shall not contain any highlighting and the markings on the diagram shall be in black-and-white print.
- (f) A copy of the applicant’s San Francisco Business License.
- (g) A signed copy of the Health and Safety Working Conditions document provided by the Department.
- (h) If an owner or entity is applying for a Type B permit, a list of cannabis products that will be minimally prepared, and a Standard Operating Procedure for preparation.

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The Department of Public Health shall be notified of any changes to the menu or Standard Operating Procedure, for approval, prior to those changes taken effect.

- (i) Where the applicant is applying for a Type C permit, a Designated Cannabis Smoking Room Ventilation Proposal that meets the requirements set forth in Section 12. Or, if the applicant meets the eligibility criteria set forth in Section 8A.4(g) in Article 8A, a proposal demonstrating that it provides adequate ventilation within the structure such that doors and/or windows are not left open for such purposed resulting in odor emission from the premises and methods of odor control and migration.

SEC. 9. Referral to other Departments

- (a) Upon receiving a completed cannabis consumption permit application and permit application fee, the Director shall immediately refer the permit application to the City’s Fire Department when applicable

SEC. 10. Plan Check Fees

- (a) In addition to the application fee, which is payable by all applicants unless waived, applicants will also have to pay additional fees to reimburse the City for costs relating to the review of architectural drawings and inspection of the property. These costs include:

(1) Plan Check Fee for all Consumption Permit Applications as well as review and approval of Designated Cannabis Smoking Room Ventilation (up to 6 hours)	\$1146.00
(2) Additional consultation, document review or inspection	\$197/hour

- (b) A plan check fee may be waived for a Cannabis Microbusiness Permit issued through the Office of Cannabis if it has already been reviewed and approved by the Department.
- (c) All applicants for a cannabis consumption permit, undergoing new construction or remodeling, shall apply for a building permit from the San Francisco Department of Building Inspections. Prior to issuance of a Building Permit for construction, plans shall be reviewed and approved by the Department to ensure all structural requirements have been met per these Rules.

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(d) An applicant may request a consultation meeting, at a cost of \$197/hour, with the Department before submitting an application and Designated Cannabis Smoking Room Ventilation Proposal to review requirements set forth in these Rules.

SEC. 11. Payment of Annual Fee

(a) The license fee for a Cannabis Consumption Permit shall be paid annually on or before March 31, in accordance with the provisions of Section 76.1 of the Business and Tax Regulations Code.

Annual Fee Chart	
Permit Type	Annual Fee
Type A: Cannabis Consumption - Prepackaged Cannabis Products	\$800
Type B: Cannabis Consumption - Limited Preparation of Cannabis Products	\$1,000
Type C: Cannabis Smoking.	\$1,200

Beginning with fiscal year 2018-2019, the annual license fees may be adjusted each year on July 1, without further action by the Board of Supervisors. Not later than April 1 of each year, the Controller shall determine whether the current fees have produced or are projected to produce revenues sufficient to support the costs of licensing-related activities, and that the fees will not produce revenue that is significantly more than the costs of providing such services. The Controller shall, if necessary, adjust the fees upward or downward for the upcoming fiscal year as appropriate to ensure that the program recovers the costs of operation without producing revenue that is significantly more than such costs. The adjusted rates shall become operative on July 1.

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SEC. 12. Designated Cannabis Smoking Room Ventilation Proposal

An applicant for a Type C permit shall submit to the Director, prior to issuance of a mechanical system approval from the San Francisco Department of Building Inspections Energy/Mechanical Plan Review, the Designated Cannabis Smoking Room Ventilation Proposal. In addition, a letter signed and stamped by a licensed mechanical engineer or other individual authorized by the California Business and Professions Code Sections 6700-6799 (Professional Engineer Act) that demonstrates with reasonable certainty that the performance standards described in these Rules will be met and the Designated Cannabis Smoking Room Ventilation System will operate in compliance with the rules and regulations set forth in this Article 8A shall be submitted.

(a) The Designated Cannabis Smoking Room Ventilation Proposal shall include enough project information (e.g. location, size, adjacent uses) to begin the Designated Cannabis Smoking Room Ventilation approval process between the Department and the project sponsor.

(1) All applicants for a Type C permit shall submit to the Director a Designated Cannabis Smoking Room Ventilation Proposal prepared by, or under the supervision of a licensed professional engineer that is able to design mechanical ventilation systems that meet the requirements set forth in this Article 8A. A Designated Cannabis Smoking Room Ventilation Proposal shall include the name, title and license number of the person preparing the proposal.

(2) The Designated Cannabis Smoking Room Ventilation Proposal shall explain how the project will achieve the standards mandated by this Article 8A and the accompanying Rules. The Designated Cannabis Smoking Room Ventilation Proposal shall include a statement signed by the person who prepared it, certifying that in his or her judgement the ventilation system proposed will be capable of achieving the protection from particulate matter (PM 2.5) equivalent to that associated with MERV 11 filtration (as defined by ASHRAE standard 52.2). In updates to the Rules and Regulation, the Director may specify additional or alternative protective equivalents as technology and research dictate. This proposal must include information to address the following:

- i. Air exchange for the Designated Cannabis Smoking Room
- ii. Air exchange for common areas inside Cannabis Retailer or Microbusiness.
- iii. Filter type and odor control measures for the Designated Cannabis Smoking Room

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- iv. Location of air intakes and exhaust outlets (exhaust outlets located the maximum distance possible from any residential or commercial building, and no less than 15 feet)
 - v. Negative pressure in the Designated Cannabis Smoking Room (Yes or NO)
 - vi. If negative pressure will be maintained only in the Designated Cannabis Smoking Room
 - vii. Areas not served by enhanced ventilation
 - viii. Area or areas of building where smoking or vaping will occur
 - ix. If applicable, location of Z-ducts, trickle vents or similar unfiltered air system used for the Cannabis Retailer or Microbusiness
 - x. Percentage of total square footage, for customer use, of the permitted Cannabis Retailer that will be used for vaping or smoking of cannabis in the Designated Cannabis Smoking Room
 - xi. Designated Cannabis smoking or on-site vaping room does not share space with employee work area. (Yes/No)
 - xii. Maximum occupant load for the Designated Cannabis Smoking Room
- (b) The Director shall review the Designated Cannabis Smoking Room Ventilation Proposal and may require additional modification or justification prior to the Director's approval. The Director shall issue a letter to the Department of Building Inspection Permit Services Energy/Mechanical Plan Review Section identifying and attaching the letter describing the approved Designated Cannabis Smoking Room Ventilation Proposal. The Director shall provide a response to applicants within 30 days of receipt of an initial or revised Designated Cannabis Smoking Room Ventilation Proposal. The Director's action on the Designated Cannabis Smoking Room Ventilation Proposal shall be one of the following:
- (1) Approve Designated Cannabis Smoking Room Ventilation Proposal without further revision; or
 - (2) Invitation to revise according to specific comments and resubmit Designated Cannabis Smoking Room Ventilation Proposal; or
 - (3) Reject Designated Cannabis Smoking Room Ventilation Proposal.

SEC. 13. Required Standards for the Designated Cannabis Smoking Room

- (a) The permittee shall demonstrate to the Director's satisfaction that the following standards have been met prior to approval by the Director :

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- (1) The Designated Cannabis Smoking Room will be located in a non-work area where employees are not required to enter the Designated Cannabis Smoking Rooms as a condition of their employment.
- (2) The Designated Cannabis Smoking Room shall have signage to designate smoking areas and the locations where signage will be installed.
- (3) The Designated Cannabis Smoking Room shall have a separate heating, ventilation and air-conditioning (HVAC) system such that none of the air in the Designated Cannabis Smoking Room will be recirculated into other parts of the Cannabis Business's premises, or other parts of the premises.
- (4) The Designated Cannabis Smoking Room shall be completely separated from the remainder of the premises by solid partitions or glazing without openings other than doors, and all doors leading to the Designated Cannabis Smoking Room must be self-closing. All doors to the Designated Cannabis Smoking Room must be installed with a gasket to provide a seal where the door meets the stop.
- (5) The Designated Cannabis Smoking Room shall exhaust 100% of the air directly to the outside through a Pollution Control Unit and Odor Control Unit that, at a minimum, eliminates all detectable odor, smoke and by-product of combustion so as to prevent any and all public nuisances.
- (6) The Designated Cannabis Smoking Room shall remain under negative pressure in relation to the other spaces of the establishment.
- (7) The Designated Cannabis Smoking Room shall be equipped with a ventilation system that provides 60 cubic feet per minute (cfm) of supply air per smoker.
- (8) The Designated Cannabis Smoking Room shall not be directly accessible from the primary outside entrance to the establishment, and may not be visible from the fronting street or store front.
- (9) The Designated Cannabis Smoking Room shall reside within the existing, permitted Cannabis Retailer or Microbusiness.
- (10) The Designated Cannabis Smoking Room's ventilation system and all mechanical equipment will be designed to assure compliance with all requirements in the San Francisco Noise Ordinance-Police Code Article 29.
- (11) The permittee shall adopt a complaint process by which it will review and address complaints by employees or members of the public concerning on-site consumption or smoking and provide a written process to the Department.

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SEC. 14. Operations and Maintenance

- (a) The Designated Cannabis Smoking Room Ventilation Proposal must include a description of the Operations and Maintenance plan for the ventilation system and methods for recordkeeping to ensure that the Operations and Maintenance Plan is followed.
- (b) A current Operations and Maintenance Manual must be kept on-site and provided to all managers, building engineers and building owners.
- (c) The manual shall be reviewed annually and updated as appropriate. The manual shall include:
 - (1) A provision that the hours of operation of the Designated Cannabis Room Ventilation System will be no earlier than 7 am and no later than 10 pm each day;
 - (2) The approved Designated Cannabis Smoking Room Ventilation System installed shall be properly maintained and documented as stated in the operations and maintenance manual following standard practices, and as specified by the manufacturer.
 - (3) Documentation of the installation and/or maintenance of the Designated Cannabis Smoking Room Ventilation System shall be preserved for five years after installation or maintenance.

SEC. 15. Failure or Malfunction of the Designated Cannabis Smoking Room Ventilation System

- (a) Failure to properly maintain the Designated Cannabis Smoking Room Ventilation System shall result in an enforcement action as set forth in Section 8A.7 of Article 8A.
- (b) Any failure of the Designated Cannabis Smoking Room Ventilation System and the actions that will be taken to repair the Designated Cannabis Smoking Room Ventilation System to its original, approved and permitted functions shall immediately be reported to the Department and the Office of Cannabis.
- (c) Any malfunction or failure of the system to operate in its original, approved and permitted functions shall require the licensee to immediately cease and desist all smoking activity until repairs have been made to ensure the system is operating in its original, approved and permitted functions. Upon failure of the system, the Designated Cannabis Smoking Room shall not be used for on-site vaping or smoking

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until the Department has confirmed that all repairs/adjustments have been made to restore the ventilation system to its original, approved and permitted functions.

SEC. 16. All Permittees shall be Required to Provide the Following Amenities and Services:

- (a) A restroom that can be used by the customers. Flooring inside the restroom shall be constructed of a commercial grade material that is smooth, durable, nonabsorbent and easy to clean. Floor surfaces shall be coved at the juncture of the floor and wall with a 3/8 inch minimum radius coving and shall extend up the wall at least 4 inches. Walls shall be constructed so as to be smooth, durable, nonabsorbent and easy to clean. All plumbing fixtures installed inside the restroom shall be installed in compliance with applicable local plumbing ordinances.
- (b) Handwashing facilities shall be provided within all restrooms. Handwashing facilities shall be equipped to provide warm water under pressure for a minimum of 15 seconds through a mixing valve or combination faucet. If the temperature of water provided to a handwashing sink is not readily adjustable at the faucet, the temperature of the water shall be at least 100 degrees Fahrenheit, but not greater than 108 degrees Fahrenheit.
- (c) Must be vermin proof and shall be constructed and maintained so as to prevent the entrance and harborage of vermin.

SEC. 17. Structural Requirements for a Type A and B Permits:

- (a) Shattered proof lighting over the area where people are eating the cannabis product. Lighting shall be shielded, coated or otherwise shatter-resistant. Shattered proof lighting shall be installed in areas designated for limited prep for Type B permits.
- (b) Mop sink with appropriate flooring. Mop sink shall be installed in compliance with applicable local plumbing ordinances. At least one curbed cleaning facility or janitorial sink equipped with hot and cold water and a drain shall be provided and conveniently located for the cleaning of mops or similar wet floor cleaning tools and for the disposal of mop water and similar liquid waste. The flooring inside the room where the mop sink is located shall be constructed of a commercial grade material that is smooth, durable, nonabsorbent and easy to clean. Floor surfaces shall be coved at the juncture of the floor and wall with a 3/8 inch minimum radius coving and shall extend up the wall at least 4 inches. Walls shall be constructed so as to be smooth, durable, nonabsorbent and easy to clean.

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SEC. 18. Additional Structural Requirements for a Type B Permit:

- (a) A Three compartment sink shall be installed in compliance with applicable local plumbing ordinances, shall be maintained so as to prevent any contamination, and shall be kept clean, fully operative, and in good repair. The three compartment sink shall have at least three compartments with two integral drain boards for manually washing, rinsing and sanitizing equipment and utensils. Sink compartments shall be large enough to accommodate immersion of the largest utensil being used in daily operations. Manual sanitization shall be accomplished in the final sanitizing rinse by one of the following:
- (1) Immersion for at least 30 seconds where the water temperature is maintained at 171 degrees Fahrenheit or above.
 - (2) The application of sanitizing chemicals by immersion, manual swabbing, or brushing, using one of the following solutions:
 - i. Contact with a solution of 100 ppm available chlorine solution for at least 30 seconds.
 - ii. Contact with a solution of 25 ppm available iodine for at least one minute.
 - iii. Contact with a solution of 200 ppm quaternary ammonium for at least one minute.
 - iv. Contact with any chemical sanitizer that meets the requirements of Section 180.940 of Title 40 of the Code of Federal Regulations when used in accordance with the manufacturer's use directions.
 - (3) Other methods approved by the Department.
- (b) After cleaning and sanitizing, equipment and utensils shall be air dried or used after adequate draining before contact with a consumable cannabis product and shall not be cloth dried, except that utensils that have been air dried may be polished with cloths that are maintained clean and dry.
- (c) Testing equipment and materials shall be provided to adequately measure the applicable sanitization method used during manual or mechanical ware washing
- (d) The concentration of the sanitizing solution shall be accurately determined to ensure proper dosage.
- (e) Handwashing sink shall be installed in compliance with applicable local plumbing ordinances, shall be maintained so as to prevent any contamination, and shall be kept clean, fully operative, and in good repair. Handwashing facilities shall be installed within the limited preparation area and be equipped to provide warm

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water under pressure for a minimum of 15 seconds through a mixing valve or combination faucet. If the temperature of water provided to a handwashing sink is not readily adjustable at the faucet, the temperature of the water shall be at least 100 degrees Fahrenheit, but not greater than 108 degrees Fahrenheit.

- (f) Cannabis product preparation or handling area shall be finished with a commercial grade floor material that is smooth, durable, nonabsorbent and easy to clean. Floor surfaces shall be coved at the juncture of the floor and wall with a 3/8 inch minimum radius coving and shall extend up the wall at least 4 inches. Walls shall be constructed so as to be smooth, durable, nonabsorbent and easy to clean. Walls inside the cannabis preparation or handling area shall be finished with a commercial grade material and shall be smooth, durable, nonabsorbent and easy to clean.
- (g) A commercial grade water heater capable of providing an adequate, protected, pressurized, potable supply of hot water and cold water shall be provided. Hot water shall be supplied at a minimum temperature of at least 120 degrees Fahrenheit measured from the faucet, unless otherwise specified in this part. The water supply shall be from a water system approved by the health officer or the local enforcement agency.

SEC. 19. Operating Standards

- (a) All Permittees shall comply with the following operating standards:
 - (1) The consumption of cannabis or cannabis products that were not purchased from the Permittee is prohibited. Cannabis and Cannabis Products that were purchased or otherwise procured from a business or person other than the Permittee may not be consumed on the premises of the Permitted Cannabis Facility.
 - (2) Permittees shall be responsible for preventing the consumption of tobacco, alcohol or any controlled substance, other than a cannabis product, within the Cannabis Retailer or Microbusiness, Designated Cannabis Smoking Room or area established for consumption of cannabis.
 - (3) All cannabis and cannabis products shall be protected from contamination by storing in a clean, dry location, where they are not exposed to splash, dust, vermin, or other forms of contamination or adulteration, and at least six inches above the floor.

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- (4) The premises of a permitted business shall at all times be constructed, equipped, maintained, and operated as to prevent the entrance and harborage of animals, birds, and vermin, including, but not limited to, rodents and insects.
- (5) A permitted cannabis facility shall be kept free of vermin.
- (6) All equipment shall be installed so as to be easily cleanable, prevent vermin harborage, and provide adequate access for service and maintenance.
- (7) A Permittee shall post signage in compliance with Proposition 65 within the Designated Cannabis Smoking Room or consumption area stating the following:
“Detectable Amounts of Chemicals Known to the State of California to Cause Cancer, Birth Defects or Other Reproductive Harm May Be Found inside this Facility”
- (8) A Permittee shall post signs at locations clearly visible within the consumption area and at all exits requesting patrons to respect residents of adjacent residential neighborhoods by reducing noise levels when leaving.
- (9) A Permittee shall refuse service to impaired patrons.
- (10) A Permittee shall designate an employee or manager for all shifts that will be on-site, to be the contact, for any complaints related to the Cannabis Retailer or Microbusiness consumption area or Designated Cannabis Smoking Room.
- (11) A Permittee shall provide, to the Department, a contact number for the individual that will be responsible for handling any complaints relating to the Cannabis Retailer, Microbusiness, consumption room or Designated Cannabis Smoking Room.
- (12) A Permittee shall post signage in all consumption areas and Designated Cannabis Smoking Rooms regarding the safe consumption of cannabis products.
- (13) Any employee or agent of the Department may enter and inspect the premises of a Permittee during business hours, without notice.
- (14) Cannabis Consumption shall not be visible from any public place or any nonage-restricted area on the premises.

SEC. 20. Additional Operating Standards for Type A Permit: Cannabis Consumption - Prepackaged Cannabis Products

- (a) The on-site consumption of Pre-Packaged Cannabis Products is allowed in the consumption area. The preparation of the Pre-Packaged Cannabis Products is not permitted, including but not limited to, heating or reheating.

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SEC. 21. Additional Operating Standards for Type B Permit: Cannabis Consumption - Limited Preparation of Cannabis Products

- (a) Permittees may heat, reheat or dispense a prepackaged cannabis product only.
- (b) Permittees may not cook, compound, blend, infuse, extract, or prepare cannabis products.
- (c) Permittees shall sanitize all utensils or equipment after each use.
- (d) Permittees must ensure that all utensils or equipment being used are smooth, durable, nonabsorbent and easy to clean.
- (e) Permittee may not manufacture on-site in the licensed Cannabis Retailer.

SEC. 22. Additional Operating Standards Type C Permit: Cannabis Smoking

- (a) A Permittee shall ensure all on-site smoking or vaping shall be conducted inside the boundaries of the approved Designated Cannabis Smoking Room only.
- (b) A Permittee shall limit the number of customers utilizing the Designated Cannabis Smoking Room at any given time to ensure the ventilation system is able to operate in accordance with this Article 8A at the optimum level necessary, removing smoke or vaping by-product while the Designated Cannabis Smoking Room is occupied. The Permittee shall abide by the San Francisco Fire Department occupant load for the Designated Cannabis Smoking Room. The San Francisco Fire Department shall set the occupant load for all Designated Cannabis Smoking Rooms.

SEC. 23. Sale of Non-Cannabis Products on Premises

- (a) The sale of prepackaged, non-potentially hazardous food items shall be allowed if the prepackaged, non-potentially hazardous food items are stored and or refrigerated completely separate from all cannabis products. The total area designated for prepackaged, non-potentially hazardous food items shall be limited to less than 25 square feet including back stock of prepackaged, non-potentially hazardous food items. This provision excludes alcohol and alcohol products and tobacco and tobacco products from sale and Permittees are prohibited from having alcohol and alcohol products and tobacco and tobacco products on-site at any licensed premises.

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SEC. 24. Display of Permit

- (a) All permits shall be displayed in a conspicuous place within the establishment so that the permit may be readily seen by individuals entering the premises.

SEC 25. Change of Ownership

- (a) Any forfeiture of an Article 16 permit shall automatically forfeit an Article 8A permit.
- (b) Article 8A permit shall have the same owner as the associated Article 16 permit.
- (c) No consumption permit under this article is transferrable.
- (d) Upon sale of a cannabis retailer, all consumption permits shall be forfeited and considered null and void.
- (e) Any change of ownership shall require the new owner of the Cannabis Retailer to reapply for any and all cannabis consumption permits with the Department.

SEC. 26. Administrative Penalties: Permit Suspensions and Revocations: Notice of Violations; Hearing and Appeal

- (a) Any Person who is in violation of [Article 8A](#) and its rules and regulations shall be subject to an administrative penalty imposed by order of the Director, not to exceed \$1,000 for each violation, for each day such violation occurs.
- (b) The Director may revoke or suspend a Cannabis Consumption permit if the Director finds that the Permittee has engaged in conduct that violates [Article 8A](#) or its implementing rules, regulations, and guidelines, or if the Director finds that the Permittee is being managed, conducted, or maintained in a way that threatens the health or safety of Customers, employees, or the public at large.
- (c) If the Director determines that a Cannabis Business is operating in violation of [Article 8A](#) or rules, regulations, or guidelines adopted pursuant to Article 8A, the Director shall issue a Notice of Violation to the Permittee. The Notice of Violation shall include the following information: the alleged act or failure to act that constitutes the basis for the Director's determination; that the Director intends to take enforcement action against the Permittee, and the nature of that action, specifically, the administrative penalty to be imposed, additional permit conditions to be imposed, and/or suspension or revocation of the permit; and that the Permittee may request a hearing before the Director within 15 days after the Notice of Violation is mailed, to challenge the Director's determination and/or the proposed enforcement action.

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- (d) If no request for a hearing is timely filed with the Director, the right to request a hearing shall be deemed waived, and the Director's determination shall become final and effective 15 days after the Notice of Violation was mailed. The failure of the Person on whom the Notice of Violation is served to request a hearing shall constitute a failure to exhaust administrative remedies and shall preclude the Person from obtaining judicial review of the validity of the enforcement action.
- (e) Upon a timely request for a hearing, the Director shall, within 15 days of the request, notify the requester of the date, time, and place of the hearing.
- (f) The Director shall conduct the hearing, or may designate a hearing officer who shall have the same authority as the Director to hear and decide the case.
- (g) An order after hearing to suspend or revoke a permit, or to impose additional permit conditions, may be appealed to the Board of Appeals in the manner prescribed in [Article 1](#) of the Business and Tax Regulations Code; and such an order shall inform the recipient of this right to appeal.

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