

# Status of State Bills Related to Cannabis & Update on Local Legislative Process

San Francisco State Legalization Cannabis Task Force

September 20, 2017

# AB 133, Trailer Bill Cleanup

## What it does:

- Makes various technical and clarifying changes to MAUCRSA including:
  - Deletes "provided that the licensed premises are separate and distinct".
  - Clarifies that “delivery” also includes the use by a retailer of a technology platform.
  - Clarifies that labs may transport samples of cannabis or cannabis products.
  - Clarifies that the driver of a vehicle “transferring” cannabis or cannabis products must be directly employed by a licensee authorized to “transfer” cannabis or cannabis products.
  - Clarifies that if an applicant submits a valid license, permit or other authorization from a local jurisdiction, a licensing authority does not have to wait 60 days before issuing a state license. However, the licensing authority must notify the local jurisdiction of such submittal.

## Status:

- Governor **signed** on September 16, 2017

# AB 350, Assemblymember Rudy Salas (D-Bakersfield)

## What it does:

- Prevents California companies from making and selling marijuana edibles made in the shape of a person, animal, insect or fruit, including gummy bears.

## Status:

- Enrolled September 14, 2017

# AB 1120, Assemblymember Jim Cooper (D-Elk Grove)

## What it does:

- Directs DOJ to develop and maintain, contingent on the availability of funding, an electronic database to track the amount of butane purchased by individual customers.
- Allows the imposition of a civil penalty of \$2,500, if a manufacturer, wholesaler, reseller, retailer, or other person or entity sells a quantity of nonodorized butane that would cause the customer to exceed 600 milliliters of nonodorized butane in any 30-day period.
- States that the prohibition on butane sales shall not be enforced until a database has been developed. Requires any seller of any quantity of nonodorized butane to record specified information about the purchaser and the sale.

## Status:

- Enrolled September 13, 2017

# AB 1159, Assemblymember David Chiu (D-San Francisco)

## What it does:

- Modifies current state law to clarify that an attorney may provide legal advice to a person who is engaged in marijuana business in conformity with state law, without violating ethical duties or compromising the attorney-client privilege, and allowing the formation of contracts.

## Status:

- Enrolled & presented to the Governor on September 12, 2017

# SB 65, Senator Jerry Hill (D-San Mateo)

## What it does:

- Prohibits smoking or consuming cannabis while driving or riding in a vehicle in California.
  - Of this bill, Hill says it "enhances" Prop. 64 which stipulated that it's illegal to have open pot containers in vehicles but doesn't address the use of cannabis by other passengers or in other forms.
- Creates a \$70 fine

## Status:

- Governor **signed** this bill on Monday, September 11, 2017

# SB 663, Senator Jim Nielson (R-Gerber)

## What it does:

- Outlined standards that would determine if cannabis packages or labels are attractive to children

## Status:

- Governor **vetoed** this bill on Monday, September 11, 2017
- The Governor's veto message said, *"State licensing authorities are currently drafting emergency regulations on packaging and labeling for the cannabis industry, which must take effect before January 1, 2018. This process is more nimble than statute and allows the licensing authorities to respond to the changing industry. Rather than creating new statutory restrictions, it would be prudent to allow licensing authorities to finish drafting the regulations."*

# SJR 5, Senator Stone (R-Temecula)

- Calls for Congress to:
  - 1) pass a law to reschedule marijuana or cannabis and its derivatives from a Schedule I drug to an alternative schedule, therefore allowing the legal research and development of marijuana or cannabis for medical use; and
  - 2) Allow for the legal commerce of marijuana or cannabis so that businesses dealing with marijuana or cannabis can use traditional banks or financial institutions for their banking needs, which would result in providing a legal vehicle for those businesses to pay their taxes
- Status: Measure will be transmitted to President Trump, Vice President Pence, House Speaker Ryan and Senate Majority Leader McConnell, California's Senators Feinstein and Harris, and to the 53 State House Representatives.



# Two Year Bills

- AB 175 - Cannabis marketing: packaging and labeling
- AB 389 - Cannabis: consumer guide
- AB 416 - relating to CBD-enriched cannabis
- AB 702 - Driving under the influence: chemical tests.
- AB 1135 - California Marijuana Tax Fund.
- AB 1143 - Outdoor advertising: prohibitions.
- AB 1627 - Adult Use Marijuana Act: testing laboratories.
- AB 1652 - Cannabis: distribution and transportation: evaluation.
- SB 139 - Harmful substances: local regulation.
- SB 148 - State Board of Equalization: counties: cannabis-related business: cash payments.
- SB 162 - Cannabis: marketing.
- SB 175 - Marijuana: county of origin: marketing and advertising.
- SB 311 - Medical cannabis and nonmedical marijuana: testing by a licensee.
- SB 698 - Driving under the influence: alcohol and marijuana.

# Local Legislative Process - September

**September 26:** Two ordinances, sponsored by the Mayor, will be submitted to the Board of Supervisors for consideration. These ordinances will:

- 1) Amend the Administrative, Business and tax Regulations, Health and Police Codes to establish the regulatory structure and permit types and associated policies; and
- 2) Amend the Planning Code to create land use controls and associated policies

**September 28:** Planning Commission Informational Hearing

The Office of Cannabis will invite formal comment on both ordinances. Comments will be reviewed and conveyed to the Legislative Branch prior to their action on both ordinances.

# Local Legislative Process – October

- Small Business Commission Action
- Planning Commission Action
- Task Force Informational Session
- Community Informational Sessions
- Industry Informational Sessions
- Potential Board of Supervisor Committee Hearings and Action

# Local Legislative Process – November

- The Board of Supervisors has two regularly scheduled meetings in November:
  - 1) November 14<sup>th</sup>
  - 2) November 28<sup>th</sup>
- Under current rules, in order for the legislation to become effective in time for January 1, 2018, the BOS would need to pass the legislation and the Mayor would need to sign it by the end of November.