

# 2018 and Beyond Transition of Cannabis Permitting from the Department of Public Health to the Office of Cannabis

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**San Francisco Department of Public Health**

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# Presentation Overview

- **Overview of Legislative History**
- **2018 DPH and Office of Cannabis transition process**
- **Office of Cannabis Permitting process for Cannabis Businesses moving forward**
- **Department of Public Health (DPH) Permits for Cannabis Consumption**

# Legislative History

- In 1996 California became the first state to pass a law under Prop 215 that legalized medical marijuana called the Compassionate Care Act.
- In 2005, San Francisco passed **Article 33** of the San Francisco Health Code. Businesses operating under Article 33 are a cooperative or collective of ten or more qualified patients or primary caregivers that facilitate the lawful cultivation and distribution of cannabis for medical purposes and operate as a not for profit.
- From October 9, 2015 through September 16, 2017, the Governor signed a series of bills into law that created the Medicinal and Adult-Use Cannabis Regulations and Safety Act (**MAUCRSA**). This new regulatory framework regulates cannabis from “seed to sales”.



# Legislative History

- July 27, 2017: Legislation was passed creating the Office of Cannabis
- December 5, 2017, the Board of Supervisors passed and the Mayor signed (December 6, 2017) two major ordinances:
  - Planning Code - Cannabis Regulation Ordinance 229-17: Clearly outline zoning districts in which commercial cannabis activity could be allowed
  - Various Codes - Regulation of Cannabis Businesses Ordinance 230-17: Creating Article 16 of the Police Code, amending Article 33, and creating Article 8A





# Cannabis Regulation and Services – SFDPH’s Role

## Related DPH Programs

### Consumer Protection, Health & Safety

Permitting and Inspecting Medical Cannabis Dispensaries (Sunset 12/31/18)

Cannabis Consumption

Inspections for Facility Sanitation

Agriculture

Weights & Measures

Hazardous Materials and Solid Waste

Water Quality

Noise

### Health Promotion

Community Health Education

Substance Use Programming



# 2018 Transition of Cannabis Retail For Medical and Adult Use

## DPH Partnership with the Office of Cannabis

### DPH “Article 33” of the Health Code: Medical Cannabis Act

Article 33 is set to sunset on December 31, 2018, until then we continue to:

- Inspect the facilities for sanitation and enforcement of the provisions of Article 33
- Support the permitting process for “pipeline applicants” who submitted their applications prior to July 20, 2017, and who’s location has received approval from the Planning Department and issue the final permit
- Provide final temporary authorization to sell cannabis for adult use at their retail location
- Provide approval of the extension to their temporary medical and adult use sales while the Office of Cannabis develops the permit process structure

### Office of Cannabis “Article 16” of the Police Code: Regulation of Cannabis

- Applies for and receives a State Cannabis License authorizing the retail Sale of Adult Use Cannabis
- Receives a determination from the Planning Department that the Sale of Adult Cannabis on the Premises is in compliance with the Planning Code
- Complies with all of the requirements and prohibitions imposed on Cannabis Retailers under Article 16 of the Police Code and its implementing rules and regulations, any violation of which shall be treated as a violation of this Article 33
- Submits to the Director a "Good Neighbor Policy" developed in consultation with the Office of Cannabis and a "Security Plan" developed in consultation with SFPD as defined in Article 16
- Submits to the Director of the Office of Cannabis a written actionable "Equity Plan" and progress report describing the concrete steps the medical cannabis dispensary has taken to encourage and support the establishment and growth of Equity Operators

# 2018 Transition Cannabis Non Retail-Life Safety Inspections

## Cultivation, Manufacturing, Distribution, Delivery & Testing

### Office of Cannabis “Article 16” of the Police Code: Regulation of Cannabis

- Implement the temporary permitting process through the transition period
- Developed a business registration process for person wishing to apply for Cannabis Business Permits
- Convened a internal cross agency work group of city departments to develop standards for “life safety” inspections
- “Life safety” means a minimum set of safety standards that allows the businesses to continue operate during the transition period while protecting the employees and public.
- Scheduled life safety inspections
- Provide local temporary approval for Cultivation, Manufacturing, Distribution, Delivery & Testing

### DPH Assembled a Team to Support the Transition Process

#### The DPH Team Included:

- Sanitation Inspectors
- Pesticide Inspector
- Hazardous Materials & Solid Waste Inspectors

#### The inspection process included:

- Documented any possible violations and provided technical assistance on how to mitigate the matter
- Documented time spent on inspection process to recover cost when final application is approved

#### During this period the team also drafted portion of the Rules and Regulations that are relevant to their work:

- Cultivation Plan and Pesticides
- Water Plan
- Packaging and Labeling
- Weights & Measures
- Sanitation and Inspection
- Waste Management and Hazardous Materials

# 2018 and Beyond Cannabis Business

## Office of Cannabis “Article 16” of the Police Code: Regulation of Cannabis

- Implement the permitting process and annual renewal for Cannabis Businesses
- Refer the applications to the appropriate Departments for review
- Responsible for the enforcement of Article 16:
  - Notice of Violations; Hearing and Appeal
  - Administrative Penalties
  - Permit Suspension and Revocations
  - Administrative Enforcement Orders

The Controller Office must submit a report to the Board of Supervisors within one year of the effective date of Article 16 (January 6, 2019) recommending whether the issuance of cannabis business permits should be subject to any limits, including geographic and numeric limits

## DPH Roles and Responsibilities

- Business Plan Check review during application process (e.g., cultivation and pesticide plan, waste plan)
- Annual inspections of the facilities

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Other duties that are the responsibility of health department to conduct and enforce based on the Cannabis Business Model and Permit are seeking:

- Registration and inspection of Point of Sale Devices
- Registration and inspection of scales
- Inspection of product labeling
- Registration of Hazardous Materials
- Pest Control Operator Registration
- Noise complaints
- Smoke complaints



# Cannabis Regulations at the State and Local Level



**BUREAU OF  
CANNABIS  
CONTROL**  
CALIFORNIA

The Bureau is responsible for regulating commercial cannabis licenses for retailers, distributors, microbusinesses, testing laboratories, and temporary cannabis events.



California Department of  
**PublicHealth**

Manufactured Cannabis Safety Branch is responsible for regulation of all commercial cannabis manufacturing in California.



CalCannabis  
Cultivation Licensing

A division of the California Department of Food and Agriculture (CDFA), ensures public safety and environmental protection by licensing and regulating commercial cannabis cultivators. They also manage the state's track-and-trace system, which tracks all commercial cannabis and cannabis products.

**San Francisco Office of Cannabis leads the implementation of San Francisco's regulatory structure, local permitting, and enforcement of Cannabis Business**

DPH Inspections for Facility Sanitation

DPH Agriculture & Pesticides

DPH Weights & Measures (Based on the business model)

DPH Hazardous Materials and Solid Waste (Based on the business model)

Water Quality

# Fact Sheet on Safe Consumption of Cannabis

- **Article 16 required that DPH to produce a fact sheet relating to safe Consumption of Cannabis and Cannabis Products**
- **Each Storefront Cannabis Retailer and Cannabis Delivery Retailer must distribute to each Customer at the time of sale a fact sheet relating to safe Consumption of Cannabis and Cannabis Products**
- **The Fact Sheet is available in English, Spanish, Cantonese, Vietnamese, Russian, and Tagalog and can be found on the landing page on [www.SFDPH.org](http://www.SFDPH.org) and at the Office of Cannabis's website, [officeofcannabis@sfgov.org](mailto:officeofcannabis@sfgov.org)**

# 2018 DPH Article 8 A Cannabis Consumption Permits

The San Francisco Board of Supervisors approved DPH to issue three types of consumption permits:

- **A-Edible Consumption with No food preparation:** A cannabis storefront retailer that allows for the consumption of prepackaged products and provides tables and chairs or a sitting area within the facility where people can safely consume their cannabis product indoors. The retailer will have to meet health and sanitation standards developed by the health department. Consumers cannot smoke cannabis at this retail location
- **B- Edible Consumption with limited food preparation:** A cannabis storefront retailer that sells prepackage products and provides tables and chairs or a sitting area within the facility where people can safely consume their cannabis product indoors. This permit allows the retailer to heat or re-heat cannabis prepackaged products and also serves things in real plates and cups, but does not allow cooking or infusing onsite. The retailer will have to meet additional health and sanitation standards developed by the health department. Consumers cannot smoke cannabis at this retail location

## 2018 DPH Article 8 A Cannabis Consumption Permits (continued)

- **C-Smoking in a separate and designated smoking room** within the cannabis storefront retail facility. This will need to meet ventilation and odor standards that are being developed. This permit type will also allow a location to either do A or B. If they select to also allow for the consumption of edibles, they will also need to meet all health and sanitation standards developed by the department
- The Board of Supervisors also exempted the current locations that allowed for onsite smoking of cannabis products. The health department will work with these locations to ensure that they continue to meet ventilation and odor standards

## 2018 DPH Article 8 A Cannabis Consumption Permits (continued)

- **Our goal is to release the consumption rules and regulations and application this spring**
- **We are working hard to align the timeline to coincide with the release of the application and rules and regulations for storefront cannabis retailers that will be Permitted by the Office of Cannabis**
- **San Francisco laws requires that a retail location first receive their final cannabis storefront retail permit from the Office of Cannabis and state license before the health department can approve a permit for onsite consumption**



# Consumer Information

- Consumer information can be found on the Office of Cannabis website <https://officeofcannabis.sfgov.org/>
- The following information can be found on the website:
  - Cannabis for medical use
  - Buying cannabis for adult use
  - Amount you can carry and buy
  - Responsible use
  - Driving
  - Cannabis at work
  - Buying, selling and growing cannabis
  - Additional information



# Thank you!

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## Questions?