



Implementation of the Medical Cannabis Regulation and Safety Act

Pre-Regulatory Stakeholder Meeting

Dispensaries Discussion Topics and Background

The Medical Cannabis Regulation and Safety Act (Act) authorizes the Bureau of Medical Cannabis Regulation (BMCR) to regulate the retail sale of medical cannabis and medical cannabis products from a dispensary.

At the pre-regulatory stakeholder meetings, we will examine these topics with the public and collect feedback on alternative solutions. In the following pages, you will find some critical topics BMCR is examining along with potential regulatory solutions and BMCR's thoughts for regulation. Please review the information and either submit comments at www.dca.ca.gov/webapps/bmcr/public_comment.php (link available at www.bmcr.ca.gov) or come prepared to share your ideas at our pre-regulatory meetings! Please note that due to time constraints we will not be able to discuss all aspects of each license type, however you will have many opportunities to submit your comments to BMCR.

Topics To Be Covered

1. Subtypes of dispensary licenses
2. Employee requirements
3. Delivery requirements
4. Transaction limits

Action Items for the Public

BMCR has researched multiple alternatives for the direction of a variety of regulatory concepts. Now we are looking for your feedback!

- Please review the attached documents.
- How do you feel about BMCR's thoughts for the topics attached?
- What are your suggested alternatives and reasons for supporting them?
- Provide us with your feedback in one or both of the following ways:
 - Visit www.dca.ca.gov/webapps/bmcr/public_comment.php or www.bmcr.ca.gov to provide comments.
 - Register and participate in one of our pre-regulatory meetings! If you have not registered, please visit www.bmcr-omcs-prereg.eventbrite.com.

For more background, information, and proposals for each topic, please see the following attachments.

TOPIC #1: ADDITIONAL DISPENSARY LICENSES

Objective: Determine whether additional subtypes of dispensary licenses are necessary for initial implementation of the Act (January 1, 2018).

Existing Law: The Act authorizes the licensing authorities to create new licenses for implementation of the Act.

Options for Regulations

1. Create a subtype of dispensary license for delivery-only dispensaries. The delivery-only dispensary license would require a brick and mortar premises but would allow only for delivery, non-storefront retail sales to qualified patients and primary caregivers. BMCR and law enforcement would maintain the right to inspect the premises at any time.
2. Other subtypes of dispensaries

BMCR's Thoughts: Option #1, establish a license delivery-only dispensaries

TOPIC #2: EMPLOYEE REQUIREMENTS

Objective: Determine what requirements there should be for employees.

Existing Law: The Act states that protection of the public will be the highest priority for the licensing authorities. The Act requires licensees to maintain accurate records of commercial cannabis activity.

Options for Regulations:

1. Require all of the following:
 - a. Training for all employees;
 - b. Require licensees to maintain an accurate, up-to-date roster of all employees; and,
 - c. Require licensees to maintain information on each employee as part of their records. The information would include data such as the date the employee started, all applicable training, job description, and any employee information maintained by the licensee
2. Require a different combination of the above items
3. Other alternative

BMCR's Thoughts: Option #1, requiring employee training, roster, and general information

TOPIC #3: DELIVERY REQUIREMENTS

Objective #1: Determine information required for delivery manifests.

Objective #2: Determine storage security standards for delivery.

Existing Law: The Act requires BMCR to regulate the sale, including the delivery, of medical cannabis and medical cannabis products. Delivery is defined as the commercial transfer of medical cannabis or medical cannabis products from a dispensary to a primary caregiver or qualified patient. The Act requires BMCR to establish a maximum threshold of medical cannabis and medical cannabis products that may be delivered by a licensee. The Act states that protection of the public will be the highest priority for the licensing authorities.

Options for Regulations for Objective #1 – Delivery Manifests:

1. Require the following information for all delivery manifests:
 - a. Name and license number of dispensary;
 - b. Name of primary caregiver or qualified patient who ordered the medical cannabis or medical cannabis products;
 - c. Number of units or weight of items being transported;
 - d. Strain and product type of medical cannabis and medical cannabis products in shipment;
 - e. Unique identifiers of all products in shipment;
 - f. Travel route, start and end time; and,
 - g. All planned stops on travel route.
2. Required a different combination of the information above
3. Other alternative

BMCR's Thoughts: Option #1, require a variety of information on the delivery manifests (consistent with transport manifest requirements)

Options for Regulations for Objective #2 – Storage and Security Standards:

1. Require all delivery vehicles to be equipped with the following:
 - a. Refrigeration;
 - b. Specialized locking system for storage of medical cannabis and medical cannabis products;
 - c. Vehicle alarm system; and,
 - d. Separation between the people in the vehicle (i.e., drivers and passengers) and the shipment
2. A combination of the above requirements
3. Other alternative

BMCR's Thoughts: Option #1, refrigeration, security, and separation of driver/passenger and medical cannabis and medical cannabis products

TOPIC #4: TRANSACTION LIMITS

Objective: To determine what the transaction limits are at dispensaries.

Existing Law: The Act requires BMCR to regulate the sale, including the delivery, of medical cannabis and medical cannabis products. The Act states that protection of the public will be the highest priority for the licensing authorities.

Options for Regulations:

1. Set the transaction limits for an individual patient within the following range for all dispensaries, based on other states:
 - a. 2.5 oz per month of usable medical cannabis, regardless of product type;
 - b. 5 oz per month of usable medical cannabis, regardless of product type; or,
 - c. Limits based on product type:
 - i. 24 ounces of dried flower;
 - ii. 16 ounces solid or 72 fluid ounces of liquid medical cannabis product;
 - iii. 16 ounces of a cannabinoid concentrate whether sold alone or in an inhalant delivery system;
 - iv. Five grams of a cannabinoid extract whether sold alone or in an inhalant delivery system;
 - v. Four immature medical cannabis plants; and,
 - vi. 50 seeds
2. One of the three choices from above
3. No limit on transaction amounts
4. Other alternative

BMCR's Thoughts: Option #1, range between the transaction limits of other states