

Bureau of Cannabis Control 15-Day Notice



The Bureau of Cannabis Control today announced changes to the proposed cannabis regulations published to the California Regulatory Notice Register on July 13, 2018. These proposed changes mark the next step in the formal rulemaking process toward adopting non-emergency regulations and the beginning of a 15-day public comment period related to the proposed changes.

The changes to the proposed non-emergency regulations and rulemaking documents have been posted to the Bureau's website: https://www.bcc.ca.gov/law_regs/proposed_regs.html

The full text of the Bureau's 15-Day Notice of Modification to Text of Proposed Regulations and Addition of Documents and Information to the Rulemaking File has been posted below.

BUREAU OF CANNABIS CONTROL CALIFORNIA CODE OF REGULATIONS
TITLE 16, DIVISION 42 MEDICINAL AND ADULT-USE CANNABIS
REGULATION

October 19, 2018

**15-DAY NOTICE OF MODIFICATION
TO TEXT OF PROPOSED**

REGULATIONS AND ADDITION OF DOCUMENTS AND INFORMATION TO THE RULEMAKING FILE

Pursuant to the requirements of Government Code section 11346.8(c), and section 44 of Title 1 of the California Code of Regulations, the Bureau of Cannabis Control (Bureau) hereby makes available and gives notice that it has revised the text of the above-referenced proposed regulations, which was previously published in the California Regulatory Notice Register on July 13, 2018.

The Bureau is also providing notice that additional documents incorporated by reference and documents and other information which the agency has relied upon in adopting the proposed regulations have been added to the rulemaking file and are available for public inspection and comment.

CHANGES TO THE PROPOSED REGULATIONS TEXT

After the 45-day comment period, which ended on August 27, 2018, the following changes were made to the proposed text of the regulations and sent out for a 15-day comment period:

Chapter 1. All Bureau Licensees

Changes Made to Article 1. Division Definitions:

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- 5000. Definitions

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The Bureau has made amendments to this section, including the addition of new definitions. As such, the numbering of the subsections has changed beginning with subsection (b).

The Bureau has added a definition for “branded merchandise.” Branded merchandise has been defined to mean clothing, hats, pencils, pens, keychains, mugs, water bottles, beverage glasses, notepads, lanyards, cannabis accessories, or other types of merchandise approved by the Bureau with the name or logo of a commercial cannabis business licensed pursuant to the Medicinal and Adult-use Cannabis Regulation and Safety Act (MAUCRSA or Act). The definition further clarifies that branded merchandise does not include items containing cannabis or any items that are considered food as defined by Health and Safety Code section 10993.5. This addition was necessary because the Bureau has proposed to allow distributors to distribute and retailers to sell branded merchandise but had not clarified what constitutes branded merchandise. The Bureau limited branded merchandise to those items often used for marketing to allow licensees to avail themselves of this type of marketing, while not allowing licensees to sell other items that are not cannabis goods or accessories.

The Bureau has added a definition for “business day.” Business day has been defined as a day Monday through Friday from 8:00 a.m. to 5:00 p.m. Pacific Time, excluding state holidays in which the Bureau is closed for business. This was necessary because the Bureau has clarified throughout the regulations for requirements related to a period of days whether the period is business days or calendar days.

The Bureau has amended the definition of “cannabis waste” to remove a reference to section 5055. This is necessary because the Bureau has amended the sections regarding waste and has removed section 5055 in whole.

The Bureau has amended the definition of “delivery employee.” Since a microbusiness may only engage in cannabis activities

it has been authorized to engage in by the Bureau, the Bureau has modified the definition to clarify delivery employee includes an individual employed by a licensed microbusiness authorized to engage in retail sales who delivers cannabis goods.

The Bureau has added a definition for "immature cannabis plant" or "immature plant." The Bureau has defined these terms to mean a plant that is nonflowering and is shorter and narrower than 18 inches. This change is necessary because the Bureau allows retailers to sell immature cannabis plants and allows distributor transport only licensees to transport immature cannabis plants to retail but had not defined what an immature cannabis plant is.

The Bureau has amended the definition of "limited-access area" to change contractors to authorized individuals for consistency with the regulations later in the division related to limited-access areas.

The Bureau has removed the definition of "nonvolatile solvent." The Bureau determined that a definition for the term was unnecessary because the term is not used in the regulations.

The Bureau has added a definition for "promotional materials." The Bureau has defined "promotional materials" to mean written material other than permitted signs, displays, decorations, cannabis accessories, and the cannabis goods themselves furnished by any licensee under the Act to a retail licensee for advertising purposes. This addition was necessary because the Bureau has proposed to allow distributors to distribute and retailers to provide to customers promotional materials but had not clarified what constitutes promotional materials.

The Bureau has amended the definition of "publicly owned land" to also include land that is leased or occupied by a city, county, state, federal, or other government entity. This

change was necessary to clarify that all publicly held land is included in the definition.

The Bureau has added a definition for “tamper-evident.” The Bureau has defined “tamper evident” to mean that the cannabis goods packaging is sealed in a manner that prevents the packaging from being opened without obvious destruction of the seal. This change was necessary because the Bureau has proposed to allow distributors to package pre-rolls in a tamper-evident package but had not clarified what constitutes tamper-evident packaging.

The Bureau has added a definition for “wholesale cost” which has the same meaning as the definition adopted by the California Department of Tax and Fee Administration (CDTFA) regarding cannabis taxes. This addition was necessary to ensure consistency with use of the term by CDTFA and the Bureau.

Changes Made to Article 2. Applications:

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- 5001. Temporary Licenses

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The Bureau has amended the title of this section from “Temporary License Application Requirements” to “Temporary Licenses” and removed subsections (a) through (d) related to application requirements. As the Bureau will no longer be accepting temporary license applications after the proposed regulations become effective, these sections are no longer needed. The rest of the subsections have been renumbered to reflect the deletion of the subsections.

The reference section has been revised to correct a typographical error.

- 5002. Annual License Application Requirements

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Proposed subsection (c)(15) has been amended to clarify that all business formation documents must be provided to the Bureau to ensure the Bureau can properly evaluate the application. Additionally, the subsection has been amended to include bylaws in the list of business-formation documents that must be provided. This modification was necessary to clarify that the Bureau considers bylaws to be a part of the business-formation documents that must be disclosed with the application. The subsection was also amended to clarify that for a commercial cannabis business held in trust, the applicant shall provide the certificate of trust establishing trustee authority. The subsection previously stated the applicant shall provide a copy of the trust. The amendment clarifies the specific document that must be provided.

Subsection (c)(17) has been amended to include foreign limited liability company to account for this type of business structure. The subsection has also been amended to include a certificate of registration or certificate of status in addition to a certificate of qualification. The Bureau determined that not all foreign business entities would have a certificate of qualification, and thus amended the section to include the other certificates that a foreign corporation is issued by the Secretary of State. This subsection also made a grammatical change which amended "Secretary of State of California" to "California Secretary of State," and replaced "the" with "a."

Subsections (c)(19) and (c)(20) have been amended to reflect the appropriate cross reference to section 5003. This change was necessary to assure that the reader may accurately cross reference the appropriate language.

Subsection (c)(27) amends the term "provisional" to "interim" license for testing laboratories. This change is necessary to avoid terminology confusion due to a recent change in

legislation that created a provisional license category for all commercial cannabis licensees.

Subsection (c)(29) incorporates by reference several forms to which changes have been made, including updating the "7/18" date to "10/18" for all of the forms to reflect the date the forms were amended. The Transportation Procedures Form, BCC-LIC-015 (New 10/18) was amended to correct for typographical and grammatical errors. Specifically, section 2(d) was amended to correct the spelling of "responsibilities," and section 2(g) was amended to correct for the removal of a comma after "parcel of land."

The Non-Laboratory Quality Control Procedures Form, BCC-LIC-017 (New 10/18) was amended to correct for typographical and grammatical errors. Specifically, section 1(a) was amended to correct the spelling of "transferring," and section 1(b) was amended to correct the spelling of "verifying", and to make a grammatical correction of adding "and" between primary panel labeling and informational panel labeling, to indicate that these are both inclusive in the materials to be verified. Section 1(d) was also amended to make consistent the heading format, and (1)(d)(i) was amended to correct the spelling of "including."

The Security Procedures Form, BCC-LIC-018 (New 10/18) was amended to correct for typographical and grammatical errors. Specifically, section 3(b) was amended to correct a typographical error that omitted language that was intended to be included. Language was added to complete the sentence in its entirety so as to clarify to applicants that the description to be provided under this subsection is pertaining to how the applicant will ensure that only authorized persons have access to the licensed premises and its licensed access areas. Section 5(f) was amended to correct a typographical error that omitted language that was intended to be included. Language was added to complete the sentence in its entirety so as to clarify to applicants that the description to be

provided under this subsection is pertaining to how the applicant will produce copies of video recordings at the licensed premises immediately upon request by the Bureau. Section 7(e) was amended to correct a typographical error that omitted language that was intended to be included. Language was added to complete the sentence in its entirety so as to clarify to applicants that the description to be provided under this subsection is pertaining to how the applicant will be sharing the alarm system with other licenses (when sharing services at the same location), if applicable.

The Cannabis Waste Management Procedures Form, BCC-LIC-019 (New 7/18) has been removed to no longer require cannabis waste management procedures be submitted to the Bureau. Due to changes made to the sections on cannabis waste, this section is no longer necessary.

The Delivery Procedures Form, BCC-LIC-020 (New 10/18) was amended to correct for typographical and grammatical errors. Specifically, section 1 was amended to correct for the removal of a comma after "Provide" starting in the second sentence. This section was also renumbered to subsection (c)(29)(E) based on the removal of a subsection.

Subsection (c)(33) has been amended to add additional references to sections related to the California Environmental Quality Act for clarity. The section has also been amended to correct a grammatical error.

Subsection (c)(34) has been added to require applicants to provide their State Employer Identification Number (SEIN) issued by the California Employment Development Department. This number is necessary to ensure that all applicants that are required to obtain such a number have obtained it and are thus, in compliance with California law.

Subsection (c)(35) has been added to require applicants with more than one employee, to attest that they currently

employ, or will employ within one year of receiving a license, at least one supervisor and one employee who have successfully completed a Cal-OSHA 30-hour general industry outreach course offered by a training provider that is authorized by an OSHA Training Institute Education Center. This addition is necessary to align with approved and filed Assembly Bill 2799, amending Business and Professions Code section 26051.5 to include such a requirement. This will also provide the Bureau a comprehensive application and the necessary attestations to ensure that the applicant is fit for licensure.

▪ 5003. Designation of Owner

Subsection (a) has been amended to clarify that reference to section 5002 is a reference to section 5002 of this division. This change was necessary for clarity and consistency throughout the regulations.

Subsection (b) has been amended to add an additional provision. Former subsection (b)(5) is now subsection (b)(6). New subsection (b)(5) includes as an owner an individual who is entitled to a share of 20 percent of the profits of the commercial cannabis business. Inclusion of this provision is necessary because commercial cannabis businesses are seeking alternative methods to acquire capital to cover business costs due to traditional business loans being unavailable. Because of these nontraditional methods, some commercial cannabis businesses have owners that are entitled to profits but may not consider themselves as falling under the aggregate ownership interest of 20 percent because they did not personally provide that much capital to the startup costs. This provision makes clear that an aggregate ownership of 20 percent could be someone who is entitled to at least 20 percent of the profits regardless of how much of an investment they made into the company.

New subsection (b)(6) contains those persons who fall under the statutory provision that an owner is an individual who

will be participating in the direction, control, or management of the person applying for a license. This subsection has been amended to add additional provisions to part (D). Subsection (b)(6)(D) has been amended to expand on the provision that an owner is any individual who assumes responsibility for the license. The Bureau has expanded this subsection by adding parts (D)(i)-(D)(iv) to provide examples which individuals fall under the owner category of an "individual who assumes responsibility for a license." The subsection includes the following: an individual who is managing or directing the commercial cannabis business in exchange for a portion of the profits; an individual who assumes responsibility for the debts of the commercial cannabis business; an individual who is determining how a portion of the cannabis business is run, including non-plant-touching portions of the commercial cannabis business such as branding or marketing; and an individual who is determining what cannabis goods the commercial cannabis business will cultivate, manufacture, distribute, purchase, or sale. The inclusion of these persons as owners is necessary because the Bureau has determined that confusion continued to exist regarding which individuals needed to be disclosed as owners and undergo the background check. The amendment aims to protect public health and safety by ensuring that all individuals that are assuming responsibility for a license are accounted for and qualified as owners.

Subsection (c) has been amended to clarify that when an entity has a 20 percent ownership interest in the commercial cannabis business, then all individuals who are owners of that entity shall be considered owners of the commercial cannabis business. This subsection has also been amended to provide examples such as all entities in a multi-level ownership structure are included as owners as well as persons that have control of a trust, chief executive officers, members of a board of directors, partners, trustees, and managing or non-member managers of the entity. Further clarification is

provided by indicating the disclosures must trace back to the actual person holding an interest until only individuals remain. This modification is necessary to provide clarity to applicants on which individuals will be considered an owner of a commercial cannabis business when an entity owns a portion of the commercial cannabis business. The Bureau has received numerous questions regarding this issue with many applicants not understanding that the intent of this section was to reach the individual owners of an entity that owns a portion of the commercial cannabis business, thus further clarification was necessary. To determine if a person has an aggregate interest of more than 20%, disclosure of actual individuals with ownership in entities is necessary.

▪ 5004. Financial Interest in a Commercial Cannabis Business

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Subsection (a) has been amended to remove the last sentence. This was necessary because the rule was repeated in subsection (d)(2). This subsection has also been amended to expand on what “an agreement to receive a portion of the profits” includes. The Bureau received comments and questions regarding this and determined it was necessary to expand on the provision by providing specific examples of agreements to receive a portion of the profits. The subsection now includes the following: an employee who has entered into a profit share plan with the commercial cannabis business; a landlord who has entered into a lease agreement with the commercial cannabis business for a share of the profits; a consultant who is providing services to the commercial cannabis business for a share of the profits; a person acting as an agent, such as an accountant or attorney for the commercial cannabis business for a share of the profits; a broker who is engaging in activities for the commercial cannabis business for a share of the profits, and a salesperson who earns a commission. With the expanded section, applicants will have clear guidance on

which individuals need to be disclosed as financial interest holders.

A new subsection (c) has been added. The new subsection clarifies that if an entity has a financial interest in a commercial cannabis business, then all individuals who are owners of that entity shall be considered to have a financial interest in the commercial cannabis business. This subsection has also been amended to provide examples such as all entities in a multi-level ownership structure are included as having a financial interest as well as persons that have a profit-sharing plan, have a lease agreement for a share of the profits, are a consultant providing services for a share of the profits, are acting as an agent and receiving a share of the profits, are a broker receiving a share of the profits, and are a salesperson earning commission. Further clarification is provided by indicating the disclosures must trace back to the actual person holding an interest until only individuals remain. This change was necessary to clarify which individuals need to be identified on the application as financial interest holders when an entity is a financial interest holder. The Bureau has received numerous questions regarding this issue with many applicants not understanding that the intent of this section was to reach the individual owners of an entity that has a financial interest in the commercial cannabis business, thus further clarification was necessary.

Former subsection (c) has been renumbered to subsection (d).

▪ 5006. Premises Diagram

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Subsection (c) has been amended to include infusion in the examples of commercial cannabis activities that must be included on the premises diagram. This change was necessary to provide additional examples of commercial cannabis activities

that Bureau licensees may be engaged in on their premises.

Subsection (d) has been amended to provide a cross-reference to section 5315 which exempts from video surveillance requirements distributor transport only licensees who are operating on the same parcel of land as their manufacturing or cultivation licensed premises. This change was necessary to provide clarity to applicants so that they would know exactly what is required on the premises diagram for their license type.

Subsection (i) has been amended to remove the reference to subsections (b) through (g). The Bureau determined that this reference was not accurate and thus, it was necessary to make an amendment.

The reference section has been revised to correct a typographical error.

▪ 5007.2 Use of Legal Business Name

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This new section would require applicants and licensees to use their legal business name on all documents related to commercial cannabis activity. This section is necessary because the Bureau has found that applicants and licensees are using “doing business as” (DBA) names on some documents and their legal business names on others. This creates confusion for the licensing authorities and the licensees, therefore the Bureau determined it was necessary to require that licensees use their legal business name on all documents.

▪ 5008. Bond

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This section has been amended to clarify that a bond is required for each license. This amendment was necessary to provide clarity to applicants so that they know they are

required to have a bond for each license they apply for, as required by the Act.

- **5010. Compliance with the California Environmental Quality Act (CEQA)**

Subsection (c) of this section has been amended to require use of the CEQA Project-Specific Information Form, BCC-LIC-025 (New 10/18) which has been incorporated by reference. Prior to issuing a license, the Bureau must ensure the appropriate level of environmental review under CEQA has been completed. The inclusion of a form was necessary to guide applicants and ensure they provide sufficient information for the Bureau to determine whether a prospective license has the potential to generate significant adverse environmental impacts that might trigger further CEQA review. Specifically, the form will ensure that applicants adequately describe the location of their license; describe surrounding land uses and zoning designations; provide a vicinity map to show the license location; provide photographs of the existing visual conditions; describe the requested license activities and whether any physical modifications will be required; describe related public agency permits and approvals; describe potential impacts to public services and utilities; and describe potential environmental impacts related to licensure.

Revised subsection (c) to correct several grammatical errors.

- **5010.2 CEQA Exempt Projects**

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Proposed section 5010.2 allows applicants to submit documentation to the Bureau demonstrating that a project is exempt from further environmental review pursuant to CEQA because the project falls within a class of projects under the CEQA Guidelines that have been determined not to have a significant effect on the environment. Subsection (a) has been amended to require use of the CEQA Exemption Petition Form,

BCC-LIC-026 (New 10/18) which has been incorporated by reference. The inclusion of a form was necessary to guide applicants and ensure they provide adequate information to facilitate the Bureau's determination of whether a license may be exempt from further CEQA review. Specifically, the form ensures that applicants provide general information about the project location and an explanation as to how the applicant's licensed premises may fit into one of the categorical exemptions identified in the CEQA guidelines.

Subsection (c) has been amended to change 5 working days to 5 business days. This was necessary to provide consistency with the rest of the regulations that use the term business days rather than working days.

Changes Made to Article 3. Licensing:

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- 5014. Fees

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The fees outlined in this section were revised based on updated recommendations from the economists at the University of California Resources Center (AIC). Such revisions were necessary due to newly available information regarding the type and number of prospective/active licenses, as well as feedback about how fees were calculated. Based on AIC's recommendation, the Bureau determined it was necessary to adjust the scaling and tiering of the fees to reflect the sizes and types of the business entities seeking licensure. The fees are now based on estimated revenue, specifically gross revenue for the 12-month license period, a calculation more easily performed by applicants and licensees that may be easily verified by the Bureau. This change is also reflected in the annual license fee table. Additionally, the fee table has been changed to remove "Distributor Transport Only" as a separate fee category from "Distributor." This change will

allow all distributors, not simply transporting their own product, to be subject to the same fee schedule based on their revenue.

The license type classifications have been added to the annual fee schedule as well, under license type, to clarify and specify to the licensees which license classifications correspond to each license type and fee. This is necessary to guide and streamline the process for licensees in applying and paying for an annual license.

▪ 5016. Priority Licensing

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The reference section has been revised to correct a typographical error.

▪ 5019. Excessive Concentration

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Subsection (a) of this section has been amended to clarify that excessive concentration is evaluated in determining whether to grant, deny, or renew a license for a retail premises or microbusiness premises authorized to engage in retail sales. This change was necessary to provide clarity that the excessive concentration is based on the premises location, rather than license.

The reference section has been revised to correct a typographical error.

▪ 5020. Renewal of License

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The section was revised to add an additional item, subsection (d)(5), for applicants to consider on the license renewal form. Subsequent subsections have been renumbered accordingly. In addition to the information previously enumerated,

applicants for renewal would also need to submit documentation of any change to any item listed in the original application under section 5002 of the division that has not been reported to the Bureau through another process pursuant to the Act or this division. This is necessary to ensure that the Bureau is apprised of any changes to information initially listed on the application; with such updates, the Bureau will have the opportunity to determine whether certain changes affect licensure status.

Subsection (d)(6) was revised to clarify that the attestation that all information provided to the Bureau is accurate and current is found on the license renewal form. This is necessary to ensure that renewal applicants are aware of how to provide the required attestation. Including the attestation on the renewal form streamlines the license renewal process by assuring that applicants are able to fulfill this requirement without having to complete additional paperwork.

Subsection (d)(8) has been added to require multiple-employee licensees applying for a license renewal, to attest that they currently employ, or will employ within one year of license renewal, at least one supervisor and one employee who have successfully completed a Cal-OSHA 30-hour general industry outreach course offered by a training provider that is authorized by an OSHA Training Institute Education Center. This addition is necessary to align with approved and filed Assembly Bill 2799, amending Business and Professions Code section 26051.5 to include such a requirement. This will also provide the Bureau the necessary attestations to ensure that the licensee is fit for continued licensure.

The reference section has been revised to correct a typographical error.

▪ 5021. Denial of License

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The reference section has been revised to correct a typographical error.

▪ 5022. Cancellation of License

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This section revises the time period that the Bureau may cancel a license, from 10 business days to 14 calendar days. This is necessary to assure that all notification timelines within the Bureau's proposed regulations are consistent. The Bureau determined that 14 calendar days not only ensures that the Bureau is apprised of changes to a license as soon as possible, but provides a reasonable time period for licensees to reach out to the Bureau regarding their closure, quitting, or abandoning the licensed premises. Additionally, the Bureau has incorporated by reference a form to provide guidance on how to provide the required notification to the Bureau in subsection (a). The inclusion of a form was necessary to guide applicants and ensure they provide sufficient information for the Bureau to consider. The form also streamlines the notification process by assuring that applicants are able to fulfill its notification requirements without having to complete additional paperwork.

The reference section has been revised to correct a typographical error.

▪ 5023. Business Modifications

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This section includes some grammatical edits to clarify to Bureau stakeholders that business modifications to items contained in an application for licensure may only be made in certain circumstances. This is necessary to ensure that

applicants are aware of the circumstances for which notifications to the Bureau or new applications for licensure are required.

In addition, subsection (a) of this section has been revised to clarify that changes to standard operating procedures may be made without providing notification to the Bureau, except at renewal. This is necessary to ensure that the Bureau is apprised of changes to the standard operating procedures at the time of license renewal. The purpose of collecting this information at the time of license renewal is to ensure that the Bureau may make an informed determination as to whether the applicant's planned operations will comply with the various licensure requirements before a license can be reissued.

Subsection (c)(1) has been amended to clarify that in addition to not being transferable, licenses are not assignable. This is necessary to ensure that licensees are aware that they cannot allow another person to operate under their license as the statute requires evaluation of individuals with specific roles in the business. This section also revises the time period during which an applicant must provide a new application and fee for licensure when one or more owners of a license changes (from 10 business days to 14 calendar days). This is necessary to assure that all notification timelines within the Bureau's proposed regulations are consistent. The Bureau determined that 14 calendar days not only ensures that the Bureau is apprised of changes to a license as soon as possible but provides a reasonable time period for licensees to reach out to the Bureau when one or more owners of a license changes. The Bureau also added language to clarify that the business can continue to operate while the Bureau reviews the new ownership information and makes a determination if one owner remains the same. This is necessary so that the business understands the rules of operation during

the Bureau's review. The Bureau has also clarified that when a new application is required, the new ownership cannot operate the business until the application has been submitted and approved by the Bureau and all fees have been paid. This makes it clear that the application process must be completed and will avoid confusion. The Bureau also made grammatical corrections.

Subsection (d) has been revised to clarify that when there are changes in persons with a financial interest in the commercial cannabis business that do not meet the requirements for a new application, the licensee must submit certain information to the Bureau within 14 calendar days, rather than 10 business days of the change as originally proposed. This is necessary to assure that all notification timelines within the Bureau's proposed regulations are consistent. The Bureau determined that 14 calendar days not only ensures that the Bureau is apprised of changes to a license as soon as possible but provides a reasonable time period for licensees to reach out to the Bureau regarding changes to a licensee's operations.

Subsection (e) of this section has been added to clarify that licensees must notify the Bureau of certain changes within 14 calendar days, rather than 10 business days as originally proposed; subsequent subsections have been renumbered. This is necessary to assure that all notification timelines within the Bureau's proposed regulations are consistent. The Bureau determined that 14 calendar days not only ensures that the Bureau is apprised of changes to a license as soon as possible but provides a reasonable time period for licensees to reach out to the Bureau regarding changes to a licensee's operations.

Subsection (i) has been added to this section to require use of a form incorporated by reference for all notifications to the Bureau required under this section, unless the change can be made through the Bureau's online system. The inclusion of a form was necessary to guide applicants and ensure they provide

sufficient information for the Bureau to consider. The form also streamlines the notification process by assuring that applicants are able to fulfill its notification requirements without having to complete additional paperwork.

The remaining subsections are renumbered accordingly for consistency.

▪ 5024. Death, Incapacity, or Insolvency of a Licensee

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This section revises the timeframe a licensee must notify the Bureau about the death, incapacity, or insolvency of the owner of a license from 10 business days to 14 calendar days. This is necessary to assure that all notification timelines within the Bureau's proposed regulations are consistent. The Bureau determined that 14 calendar days not only ensures that the Bureau is apprised of changes to a license as soon as possible but provides a reasonable time period for licensees to reach out to the Bureau regarding the death, incapacity, or insolvency of the owner of a license. The Bureau has also incorporated by reference a form to be used for this notification. The inclusion of a form was necessary to guide applicants and ensure they provide sufficient information for the Bureau to consider. The form also streamlines the notification process by assuring that applicants are able to fulfill its notification requirements without having to complete additional paperwork.

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▪ 5024.1. Cannabis Goods After Termination of a License

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This section has been added to provide licensees clarification on what they are allowed to do with cannabis goods on the

licensed premises in the event a license is terminated for any reason. The Act provides that commercial cannabis activities can only be conducted by licensees; this is necessary to ensure that licensees are aware that their ability to conduct business under a license ceases once it has been terminated. This section enables the Bureau to minimize the potential for illegal diversion of cannabis goods once a license has been terminated.

Subsection (a) has been added to clarify that in the event a license has been terminated, the cannabis goods in the possession of the former licensee may be destroyed. This is necessary to ensure that illegal diversion of cannabis goods is minimized once a license has been terminated.

Subsection (b) has been added to clarify that in the event a license has been terminated, a licensed distributor or licensed microbusiness authorized to engage in distribution may be authorized by the Bureau to purchase and distribute the former licensee's entire inventory stock in certain circumstances. This is necessary to clarify the limited circumstances in which cannabis goods may be transferred to another licensee once a license has been terminated.

Subsection (b)(1) has been added to clarify that a licensed distributor or licensed microbusiness authorized to engage in distribution shall, within 14 calendar days of the termination of the former licensee's license, submit a written request to the Bureau for authorization to purchase the cannabis goods from the former licensee. This section is necessary to assure that cannabis goods once held by a valid license may be transferred to another Bureau licensee. The Bureau determined that 14 calendar days not only ensures that the Bureau is apprised of potential product transfers as soon as possible but provides a reasonable time period for licensees to reach out to the Bureau to request to transfer product held by a former licensee. Such requests must be submitted on the new Notification and Request Form, BCC-LIC-027- (New 10/18), which

is incorporated by reference. This form is necessary to assure administrative ease for both licensees and Bureau staff by requiring that all requests submitted to the Bureau be done in a uniform manner.

Subsection (b)(2) has been added to clarify that the licensed distributor or licensed microbusiness authorized to engage in distribution shall transport the cannabis goods to their premises, arrange for laboratory testing, and perform quality assurance in accordance with Chapter 2 of the Bureau's proposed regulations. This section further recognizes that if cannabis goods have already been tested and have a valid certificate of analysis under 12 months old, they are not required to undergo additional testing if they are transferred to another distributor. This subsection is necessary to clarify that licensed distributors and licensed microbusinesses that are authorized to engage in distribution are still bound to the distribution requirements found in Chapter 2 of the proposed regulations. This assures that all cannabis goods that enter the retail market meet the quality assurance and testing requirements outlined in MAUCRSA and its implementing regulations. These changes are also necessary to clarify that only microbusinesses that are authorized to engage in distribution may transport cannabis goods in accordance with this section.

▪ 5025. Premises

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Subsection (c) has been amended to clarify that licensed retailers and licensed microbusinesses authorized to engage in retail sales shall only serve customers who are within the licensed premises. This change is necessary because it clarifies that only certain microbusinesses that engage in retail activity must comply with this premises provision. This change is also necessary for consistency of terminology throughout the regulations.

Subsection (f) of this section has been clarified to state that the section shall not be interpreted to prohibit cannabis consumption on the premises of a “licensed” retailer or “licensed” microbusiness that is conducted in accordance with Business and Professions Code section 26200(g). This is necessary because it assures terminology consistency throughout the Bureau’s proposed regulations. It also clarifies that in order to avail themselves of such activities allowed under Business and Professions Code section 26200(g), such businesses need to hold an active state license.

▪ 5026. Premises Location

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Subsection (c) has been amended and divided into two separate subsections, with the new subsection (d) containing the provision that the licensed premises shall not be in a location that requires persons to pass through the licensed premises in order to access a business that sells alcohol or tobacco or in private residence. The remaining subsections are renumbered for consistency. These changes are necessary to clarify the restrictions on premises locations and make distinct these separate requirements.

Subsection (g) has been added to this section to clarify that nothing in this section shall be interpreted to prohibit two or more licensed premises from occupying separate portions of the same parcel of land or sharing common use areas, such as a bathroom, breakroom, hallway, or building entrance. The Bureau recognizes that some licensed operations may be located on properties with separate buildings or suites, which provide clear separation between licensed premises; many times, such buildings have shared bathrooms or hallways where no licensed activities would take place. This section is necessary to ensure that prospective licensees are aware of location considerations for licensed premises.

Subsection (h) has been added to this section to clarify that all structures included as part of a licensed premises shall be permanently affixed to the land by a method that would cause the structure to ordinarily remain affixed for an indefinite period of time. This section also clarifies what structures are not considered permanent structures, such as shipping containers that are not affixed to the land, structures that rest on wheels, or any structure that can be readily moved. This is necessary to assure that a licensee's premises remains consistent with the premises diagram approved by the Bureau as part of its application process. It also assures that premises that are approved for licensure are easily accessible by Bureau staff for routine inspections, and that the licensed premises may not be indiscriminately moved or modified without informing the Bureau. As the Bureau is required to determine if the location of the premises is appropriate, it is important that a premises cannot easily be relocated.

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▪ 5027. Physical Modification of Premises

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Subsection (c) of this section has been amended to incorporate by reference new Notification and Request Form, BCC-LIC-027-(New 10/18), to be used by licensees to request permission from the Bureau to modify the premises. This form is necessary to provide clear guidance to licensees on what information must be provided to the Bureau to request a premises modification. The form also streamlines the notification process by assuring that applicants are able to fulfill its notification requirements without having to complete additional paperwork.

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▪ 5032. Commercial Cannabis Activity

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The title of this section has been changed from “Designated M and A Commercial Cannabis Activity” to “Commercial Cannabis Activity” as it has been amended to encompass more than just A-designated and M-designated license activity.

Subsection (a) has been amended to clarify that licensed retailers or licensed microbusinesses authorized to engage in retail sales may conduct commercial cannabis activity in accordance with Chapter 3. This clarification is necessary for consistency of terminology throughout the regulations. This clarification also recognizes that only certain microbusinesses may engage in retail activities. Also, “chapter” was amended to “Chapter” for consistency throughout the regulations.

Subsection (b) was added to the regulations to clarify that commercial cannabis activity can only be engaged in by licensees as required by the Act. It specifies that a licensee shall not conduct commercial cannabis activities on behalf of, at the request of, or pursuant to a contract with an unlicensed person. Subsections (b)(1) through (4) provide examples of prohibited activity to guide licensees. The examples include procuring or purchasing cannabis goods from a licensed cultivator or licensed manufacturer, manufacturing cannabis goods in accordance with specification of a non-licensee, packaging or labeling cannabis goods under a non-licensee’s brand or specifications, and distributing cannabis goods for a non-licensee. The Bureau has received information that licensees may be engaging in such conduct; therefore, this clarification is necessary to assist licensees with determining what activity is allowed.

Subsection (c) has been renumbered from subsection (b).

Subsections (d) and (e) of this section has been amended to clarify that licensed distributors or licensed microbusinesses

authorized to engage in distribution shall only transport and sell cannabis goods designated as "For Medical Use Only," pursuant to the requirements prescribed by the State Department of Public Health in regulation, to M-designated retailers or M-designated microbusinesses authorized to engage in retail. This clarification is necessary for consistency of terminology throughout the regulations. This clarification also recognizes that only certain microbusinesses may engage in distribution and/or retail activities. These subsections were also renumbered based on other amendments to the section.

▪ 5034. Significant Discrepancy in Inventory

—

An introductory sentence has been added to this section to clarify that a determination by a licensee on whether a discrepancy in inventory is significant shall be made in consideration of certain factors. This new introduction to the section is necessary to ensure that licensees are aware that all of the subsequent subsections are relevant to the determination of a significant discrepancy.

Subsection (a) of this section has been revised to state that a significant discrepancy in inventory occurs when there is a difference in actual inventory compared to records pertaining to inventory of 3 percent of the average monthly sales of the licensee. The Bureau received several comments expressing concern about how significant discrepancy is determined. Specifically, individuals expressed concern about over-reporting for larger businesses. The adjustment of the threshold was necessary based on information available about the costs of cannabis goods and the typical losses licensees may have in the course of business.

▪ 5035. Notification of Criminal Acts, Civil Judgements, Violations of Labor Standards, and Revocation of a Local

License, Permit, or Other Authorization After Licensure

Subsection (e) has been added to this section to incorporate by reference the new Notification and Request Form, BCC-LIC-027- (New 10/18), to be used by licensees to provide the required notifications under this section. This is necessary for licensees to have clear guidance on how to provide to the Bureau the notifications required under this section. The form also streamlines the notification process by assuring that applicants are able to fulfill its notification requirements without having to complete additional paperwork.

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▪ 5036. Notification of Theft, Loss, and Criminal Activity

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Subsection (b) has been revised to incorporate by reference the new Notification and Request Form, BCC-LIC-027- (New 10/18), to be used by licensees to provide the required notifications under this section. This is necessary for licensees to have clear guidance on how to provide to the Bureau the notifications required under this section. The form also streamlines the notification process by assuring that applicants are able to fulfill its notification requirements without having to complete additional paperwork.

▪ 5038. Disaster Relief

—

Subsection (h)(4) of this section has been revised to clarify that a licensee must submit a request for temporary relief within 14 calendar days, rather than 10 business days as originally proposed. This is necessary to assure that all notification timelines within the Bureau's proposed regulations are consistent. The Bureau determined that 14 calendar days not only ensures that the Bureau is apprised of changes to a license as soon as possible but provides a

reasonable time period for licensees to reach out to the Bureau for temporary relief. Such requests must be submitted on the new Notification and Request Form, BCC-LIC-027- (New 10/18), which is incorporated by reference. This form is necessary to assure administrative ease for both licensees and Bureau staff, with all requests submitted to the Bureau done in a uniform manner. The form has also been incorporated by reference into subsection (h)(2) which requires notification to the Bureau when cannabis goods have been moved and the licensee is requesting relief from complying with specific licensing requirements.

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Changes Made to Article 4. Posting and Advertising

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▪ 5040. Advertising Placement

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Subsection (a)(2) of this section has been revised to provide that licensees shall not use any depictions or images of minors or anyone under 21 years of age. Subsection (a)(3) has been revised to provide that licensees shall not use certain advertising mechanisms that are likely to be appealing to minors or anyone under 21 years of age. This is necessary to assure consistency with Business and Professions Code section 26151(b), which requires licensees to demonstrate that any advertising or marketing shall only be displayed where at least 71.6 percent of the audience is reasonably expected to be 21 years of age or older. To remain consistent with MAUCRSA, the Bureau will change all references in this section of 18 years of age, to 21 years of age.

In addition, subsection (a)(4) has been clarified to state that licensees shall not advertise giveaways of any type of products, including non-cannabis products. This is necessary

because a number of commenters sought clarity regarding the use of non-cannabis products in promotional giveaways. The revisions to this section are consistent with the promotional giveaway limitations identified in MAUCRSA at Business and Professions Code section 26153.

Subsection (a)(4)(A) is also amended to clarify that “by one product get one free” means “by one product get one product free.” This is necessary to clarify the meaning of this provision.

Subsection (b)(3) has been added to clarify that outdoor signs, including billboards, shall not be located within a 15-mile radius of the California border or an Interstate Highway or on a State Highway which crosses the California border. MAUCRSA prohibits certain advertisements along Interstate Highways and State Highways that cross the California border but does not clarify to what extent such prohibitions take place. This change is necessary to clarify the prohibitions found in section 26152(d) of the Business and Professions Code, by allowing the placement of outdoor signs or billboards along Interstate Highways or State Highways, provided that they are located further than 15-miles from the California border. The Bureau determined that a 15-mile radius was a necessary and appropriate distance from the California border because it satisfies that the intent of section 26152(d) of the Business and Professions Code, while assuring that Bureau licensees, including those located in jurisdictions along the California border, still have an opportunity to advertise and market their commercial cannabis operations along Interstate Highways and State Highways if they satisfy the identified radius limitations.

▪ 5040.1. Marketing Cannabis Goods as Alcoholic Products

—

This section has been added to clarify that licensees shall

not sell or transport cannabis goods that are labeled as beer, wine, liquor, spirits, or any other term that may create a misleading impression that the product is an alcoholic beverage. This addition is necessary because recently passed legislation prohibits licensees from selling, offering, or providing a cannabis product that is an alcoholic beverage and this provision will prevent consumer confusion that may be caused by use of these terms.

▪ 5041.1. Branded Merchandise Approval

—

This section has been added to provide licensees with a process to seek approval of branded merchandise. Subsection (a) indicates that if a licensee wants to sell branded merchandise that is not specifically listed in section 5000, the licensee must obtain approval from the Bureau in writing. This is necessary because section 5000 allows for licensees to sell branded merchandise other than those listed if approved by the Bureau; therefore, this subsection clarifies that the approval must be obtained in writing to avoid any confusion about whether the Bureau has approved the branded merchandise.

Subsection (b) provides that to obtain approval, the licensee must submit a written request to the Bureau for approval to sell a specific item of branded merchandise and provide a photograph of the branded merchandise. It also informs licensees that requests may be emailed to the Bureau at bcc@dca.ca.gov or by mail to the Bureau office. This is necessary for licensees to know how to seek approval from the Bureau and the information that the Bureau needs to evaluate the request.

Subsection (c) informs the licensee that the merchandise must not be sold prior to receiving written approval from the Bureau for the specific item of branded merchandise. This is necessary to clarify for licensees that each item of branded

merchandise requires a separate approval from the Bureau before it is sold.

Changes Made to Article 5. Security Measures

▪ 5042. Limited-Access Areas

—

Subsection (b) has been amended to remove “individuals employed by the licensee as well as any” as the Bureau has determined that this edit is necessary for this section to be consistent with section 5000 subsection (m).

The reference section of this regulation has been amended to include a reference to Business and Professions Code section 26160. The Bureau determined this reference should also be included with this section.

▪ 5044. Video Surveillance System

—

This section has been amended to remove the requirement that surveillance system storage devices or the cameras be transmission control protocol capable of being accessed through the internet. The Bureau determined that this requirement was not necessary to ensure the health and safety of the public as recordings are required to be saved for 90 days which provides the Bureau and the licensee with sufficient time to review the surveillance footage in case a crime or unauthorized act occurs on the premises that necessitates an investigation. With the removal of this requirement, the numbering of proposed subsections (b)-(m) have been changed.

Subsection (e) which was formerly subsection (f) has been amended to clarify licensed microbusinesses authorized to

engage in retail sales are required to record point-of-sale areas. This change was necessary because the requirement to record point-of-sale areas does not apply to all microbusinesses, it only applies to microbusinesses that have been authorized by the Bureau to engage in retail.

Proposed subsection (h) contains an amendment to the requirement that surveillance recordings be kept for a minimum of 90 days. The Bureau has amended this section to clarify that the 90- day requirement is 90 calendar days. This was necessary to provide consistency with other sections of the regulations where the Bureau has clarified business days and calendar days.

Subsection (j) has been amended to insert "of" into "United States National Institute of Standards and Technology." This change was necessary for accuracy. A grammatical change was also made to clarify the appropriate standards to be used.

Subsection (l)(3) amends a cross reference to subsection (i). This change was necessary due to the renumbering of the section.

▪ 5045. Security Personnel

—

This section has been amended to clarify that security personnel must be on-site at the licensed premises of a licensed retailer or licensed microbusiness authorized to engage in retail sales during the hours of operation. This was necessary because the Bureau has received questions requesting clarity on whether the security personnel needed to be on-site and the hours that the security personnel is required to be on-site. This change also clarifies that these requirements only apply to licensed retailers or licensed microbusinesses authorized to engage in retail sales.

Changes Made to Article 6. Track and Trace Requirements

▪ 5048. Track and Trace System

—

Subsection (b)(2) is revised, by amending the requirement for a track and trace system account manager to sign up for and complete state mandated training, within five business days of license issuance, to five calendar days. This is necessary to keep consistent the training requirement among the licensing authorities.

Subsection (e)(2) has also been amended to incorporate by reference a form to be used by licensees to provide the required notification under this section. This is necessary for licensees to have clear guidance on how to provide to the Bureau the notification required under this section. The form also streamlines the notification process by assuring that applicants are able to fulfill its notification requirements without having to complete additional paperwork.

▪ 5049. Track and Trace Reporting

—

Subsection (b)(3) is revised to remove the term “sale price” and replace it with “wholesale cost.” This change is necessary to establish consistency in terms used in the Bureau’s regulations and terms used in regulations promulgated by CDTFA.

Subsection (b)(6)(A)(i) is revised, to make consistent and clarify that the premises address on the shipping manifest is the licensed premises address. This is necessary to avoid any confusion or ambiguity as to the address that needs to be included.

Subsection (b)(6)(B) is revised, by adding “receipt” to the activity to be recorded in the track and trace system, to clarify and specify that the licensee receiving cannabis goods for transport, storage or inventory, shall record either acceptance or receipt in the track and trace system. This is necessary to avoid any confusion or ambiguity as to whether one type of transfer is exempt from the track and trace system, and to clarify that either type of transfer, which may have different considerations, is subject to such requirements.

Subsection (b)(6)(C) is revised, by adding “cannabis goods” to clarify that the discrepancy between type or quantity in the shipping manifest pertains to cannabis goods. This is necessary to avoid any confusion or ambiguity as to the types of goods that need to be identified in the shipping manifest.

Subsection (b)(7)(B) is revised, to clarify and specify that the licensee is required to record both destruction and disposal of cannabis goods in the track and trace system. This is necessary to ensure that both activities are properly recorded in the track and trace system, and one activity does not obviate the need to record the other activity.

Subsection (b)(7)(C) is revised, to clarify and specify that the name of the entity collecting and processing cannabis waste is the entity disposing of cannabis waste, and to reflect the removal of section 5055 of the division.

Subsection (b)(8)(B) is revised, to clarify and specify damage of cannabis goods is an event for which the licensee is required to record in the track and trace system, and to align with proposed section 5052.1, allowing for the return of cannabis goods damaged during transportation.

The reference section was amended to identify the accurate reference sections in the Business and Professions Code.

▪ 5050. Loss of Access

Section is revised by amending “access” to “connectivity,” to clarify and specify that loss of access is specific to connectivity and the licensee’s ability to connect to the track and trace system. This is also necessary to keep track and trace provisions consistent among the licensing authorities, and the California Department of Food and Agriculture, the lead agency in establishing the track and trace system, under Business and Professions Code section 26067.

Subsection (b) is revised, by removing the old subsection (b), and splitting the requirement to notify the Bureau, into a new subsection (b), and adding the requirement to document the cause for the loss of connectivity, and the date and time for when connectivity was lost and restored, into subsection (c)(2). Additionally, “transfer” has been removed from the section, to allow for certain commercial cannabis activities, such as retail sale to customers. Additionally, the Bureau has incorporated by reference a form to provide guidance on how to provide the required notification. The inclusion of a form was necessary to guide applicants and ensure they provide sufficient information for the Bureau to consider. The form also streamlines the notification process by assuring that applicants are able to fulfill its notification requirements without having to complete additional paperwork.

Subsection (c) is revised, to specify that licensees are required to enter into track and trace all commercial cannabis activity occurring during a loss of connectivity within three calendar days. The subsection has also been amended to require licensees to document the cause for the loss of connectivity and the dates and times when connectivity was lost and when it was restored. This will provide clarity to licensees on the requirements and is necessary to keep track and trace provisions consistent among the licensing authorities, and the California Department of Food and Agriculture, the lead agency

in establishing the track and trace system, under Business and Professions Code section 26067. It also assures that licensees update all cannabis activity in the track and trace system in a timely manner.

▪ 5051. Track and Trace System Reconciliation

—

Subsection (a) is revised, from requiring a track and trace system inventory reconciliation every 14 calendar days, to every 30 calendar days. This revision was necessary to provide licensees more time in which to conduct a reconciliation of inventory in the track and trace system, while assuring that reconciliation happens on a regular basis.

▪ 5052. Temporary Licenses; Licensees in Operation at Time of Licensure

—

Subsection (b) is revised, to correct a typing error and clarify commercial cannabis activities, as defined under Business and Professions Code section 26001. The section has also been amended to add Section 26161 of the Business and Professions Code to the reference section. These changes were necessary for accuracy.

Changes Made to Article 7. Returns and Destruction

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▪ 5052.1 Acceptance of Shipments

—

Subsection (b) is revised, to allow for additional circumstances in which a licensee may reject a partial shipment of cannabis goods. Subsection (b)(2) has been added to allow for a licensee to reject a partial shipment of cannabis goods when those cannabis goods were damaged during

transportation; subsection (b)(3) has been added to allow a licensee to reject a partial shipment of cannabis goods when it is non-compliant with labeling requirements or is expired. This is necessary to account for circumstances beyond the control of a licensee, necessitating return of a cannabis good.

Subsection (c) is added to specify and clarify that these activities, including the specific reasons for rejection, must be recorded in track and trace system. This is necessary to ensure that licensees are compliant with track and trace system provisions, which include all commercial cannabis activities, which in turn ensures that cannabis goods are properly tracked, as required by statute.

The section has also been amended to add Section 26067 of the Business and Professions Code to the reference section. This change was necessary for accuracy.

▪ 5053. Returns Between Licensees

—

Subsection (a) is revised, to clarify and specify that the cannabis goods that may be returned are manufactured cannabis goods. This is necessary to ensure that non-manufactured cannabis goods are not returned and makes licensees aware of the distinction.

▪ 5054. Destruction of Cannabis Goods Prior to Disposal

—

The heading of this section is revised from use of the term “Cannabis Products” to “Cannabis Goods”, to more accurately reflect that the section applies to both cannabis and cannabis products as defined under the Business and Professions Code, section 26001. This is necessary to avoid any confusion or ambiguity as to what needs to be destroyed prior to disposal.

Subsection (a) amends the cross reference from section 5000(e) to 5000(g) to reflect updates and renumbering of that section. This is necessary to assure that readers may accurately reference the definition of cannabis waste.

Subsection (b) is revised, by removing the old subsection (b), and adding the new provision specifying that licensees must comply with all applicable waste management laws, including those found under Division 30 of the Public Resources, when handling cannabis waste. This is an existing provision under the proposed regulations, however, removed from the now deleted section 5055, and placed under proposed section 5054, to make clear to licensees the requirement to comply with all applicable laws and regulations relating to waste management, as the proposed regulations have been revised to remove any requirements as to how a licensee disposes of cannabis waste.

Subsection (c) is added, to require that cannabis goods intended for disposal shall remain on the licensed premises until it has been rendered cannabis waste. This is to clarify and specify that cannabis goods that must be disposed of, due to any specified reason, such as a customer return, or failed batch, must be secured and separated from other cannabis goods on the licensed premises, with access limited to the licensee its employees or agents, until it is destroyed and ready for disposal. This is necessary to ensure that the cannabis goods that are designated for disposal are not diverted into the illicit market, especially at this later stage of seed-to-sale tracking.

Subsection (d) was formerly subsection (b) and is revised, to clarify and specify how to render cannabis goods into cannabis waste. This subsection is revised to provide additional clarification, that there is no requirement that vape cartridges be emptied of cannabis oil prior to disposal, provided that the vape cartridge itself is unrecognizable and unusable at the time of disposal. This is necessary as a precaution against unsafe handling of vape cartridges, or

other like products, and to prevent diversion.

Subsection (e) is added, to clarify and specify that licensees must comply with all hazardous waste laws and regulations, if applicable. This is necessary to ensure that the licensees are aware that the Bureau's regulatory provisions on cannabis destruction are not comprehensive of all requirements, and laws and regulations, by which licensees must comply.

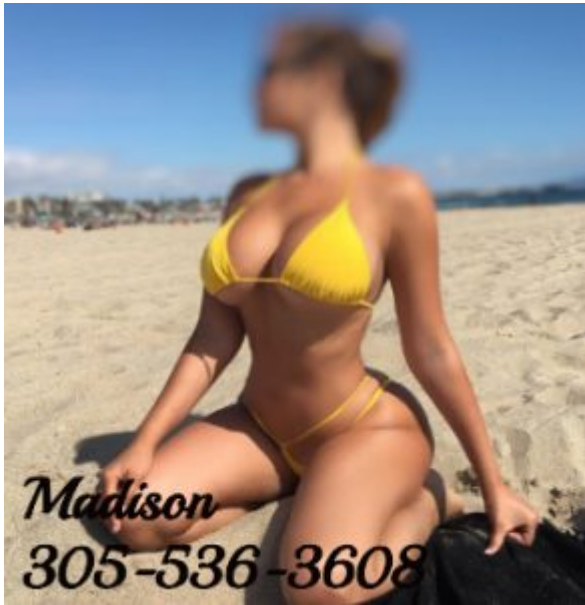
Subsection (f) is added, to clarify and specify that licensees must comply with all organic waste laws and regulations, if applicable. This is necessary to ensure that the licensees are aware that the Bureau's regulatory provisions on cannabis destruction are not comprehensive of all requirements, and laws and regulations, by which licensees must comply.

Subsection (g) is added, removed from section 5055, to require a licensee to secure cannabis waste in a receptacle or area, when on the licensed premises. Access to the secured receptacle or area shall be limited to the licensee, its employees, or an authorized waste hauler. This is necessary to preserve the requirements for securing cannabis waste, under the revised and removed former section 5055.

Subsection (h) is added to require that licensees report all cannabis waste activities, up to and including disposal, into the track and trace system. This is necessary to provide clarity to licensees on what activities related to cannabis waste must be entered into the track and trace system.

▪ 5055. Cannabis Waste M

California's Cannabis Portal



SACRAMENTO – California's three state cannabis licensing authorities today announced changes to the proposed cannabis regulations published to the California Regulatory Notice Register on July 13, 2018. These proposed changes mark the next step in the formal rulemaking process toward adopting non-emergency regulations and the beginning of a 15-day public

comment period related to the proposed changes.

The changes to each licensing authority's proposed non-emergency regulations and rulemaking documents have been posted to California's Cannabis Portal and may be viewed at the following link: <https://cannabis.ca.gov/cannabis-regulations/>

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"We received valuable feedback from industry stakeholders and the public over the duration of the 45-day comment period," said Bureau of Cannabis Control Chief Lori Ajax. "These changes we've proposed further clarify the requirements for cannabis businesses while protecting overall public health and safety."

PUBLIC COMMENT: There will be a 15-day public comment period on the proposed changes, which starts today and concludes Monday, November 5, 2018, at 5 p.m. Please note that only

public comments addressing the newly proposed changes will be considered.

The three licensing authorities will review each timely comment received and will respond to all comments in documents filed during the final stages of the rulemaking process. Comments may be submitted in writing to each licensing authority through email or physical mail. No public comments will be accepted by phone.

The current emergency regulations, adopted by the Bureau of Cannabis Control, California Department of Public Health and California Department of Food and Agriculture in December 2017 and readopted in June 2018, were originally issued through the emergency rulemaking process to meet the legislative mandate to open California's regulated cannabis market on January 1, 2018. These emergency regulations will remain in effect until the non-emergency rulemaking process is complete.

On June 27, 2017, the legislature passed and Governor Brown signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) which provided one regulatory framework for both medicinal and adult-use commercial cannabis activity within the state. The state cannabis authorities adopted emergency regulations in December 2017 for initial implementation of the provisions of MAUCRSA and are now using the regular rulemaking process to adopt permanent regulations.



100 Percent Free Dating Site



100 Percent Free
Dating Site

100 Percent Free Dating Site

With over one thousand dating sites available for use, it has become imperative that users get access to dating sites that are 100% free for use. This has prompted the need for this article. We will discuss some of the best 100% free dating sites that users can choose from.

1. SpeedDate.com

As the name implies, this site helps users to get hooked up as fast as possible. This is achieved through varied communication channels that have been put in place by the site

to offer audio, video, and text chats. Currently, this site has over 9 million users, and users are guaranteed fast responses. Users on this site are sure of connecting with more people from different walks of life. There is no hidden charges or gimmicks when using this site.

2. Date Hookup

This dating site is 100% free. When signing up, users are required to fill in several fields that pertain to their gender. On this site, users are required to specify which gender they would love to connect with. You will be required to fill in your state zip-code. Once this is done, users can begin the search for their partners.

3. Alikewise

This is a literature-themed dating site. On this site, users find people that are interested in books as they are. Users make comments on books read, thus, giving others who have read the same book to offer their opinions as well. On this site, users will discover that more people like a particular book than they thought. This site is developed on the premise that sharing or having the same feeling towards a book could constitute a ground for romance, thus, leading into a long-term relationship.

4. ConnectingSingles

This site is 100% free and at the same time offering users certain amazing features. Interestingly, on this site, users can send e-flowers, emails, participate in forums, and even write blogs. On this site, users can rate the photos of other users, cut videos, as well as take part in polls. According to the ConnectingSingles official website, there are no gimmicks and hidden charges.

5. BookofMatches

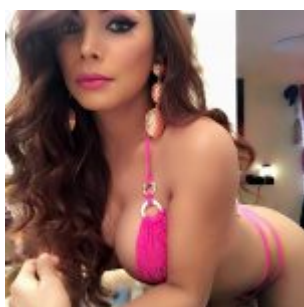
Otherwise called "BoM", users will have to set up a personal

profile which according to the developers will only take about 30 seconds. After this is done, users can begin meeting local singles online. This site offers you the opportunity to block users who do not arouse your interest. Whether you are looking for hookups, dates, or long-term relationships, this site offers you that opportunity.

On this site, users do not have to worry about their personal identities being revealed, and interestingly, users do not have to spend any penny when making use of the site.

6. Matel

This 100% free dating site offers users advanced search options like; the two-way chatting that has been made unlimited. On this site, users can make personalized voice greetings to persons of interest. All features on this dating site are 100% free, no gimmicks nor hidden charges.



100% Free Online Dating And Personals

100% Free Online Dating And Personals



While there are over a thousand dating sites, most do not offer 100% free use. Some of these sites claim to be free but charge hidden fees. We will take a look at some of the best free online dating sites that users can choose from;

1. Mates1

Currently, there are millions of users on this site. This is simply because of its amazing features, its easy to use interface, as well as its free and no hidden charge policy. This dating site offers users advanced options, like the two-way unlimited chatting that is not common in the online dating industry. On this site, users can quickly take photos of themselves, as well as send personalized voice greetings to other users. This feature has been put in place for those that would love to hear the voice of their person of interest.

This site offers users the opportunity to communicate or chat with multiple people. Also, it has been designed with this amazing user interface that makes it extremely easy for beginners to have a go at it. You could also check the email account of users, thus, offering you the opportunity to chat privately with them. Currently, there are over 35 million users on the dating site.

According to the official website, this dating site has been

rated amongst the top 5 dating sites in the world. This is simply because of the features mentioned above.

2. Fdating

This is one of the 100% free dating sites available. This site is designed in such a way that there are rows of made up of profile pictures of singles that are captioned by their online usernames, their country or state of origin, and their age. Below these rows are the birthdays of each user. Setting up an account on this site is quite easy, all that should be done is simply click on the "join" button. Once done, users will have to fill all required fields.

3. FreeandSingle

This is another 100% free dating site. According to the official website, this dating site has been in existence for over 10 years. Besides, the FreeandSingle site, there are other niches like the; MatureFree and Single, Blackfree and Single, and Cuddlyfree and Single. Like the others mentioned above, this site is quite easy to use and set up. In less than two minutes, the set-up process is completed.

4. Flirty9

This site has been made to be as simple as possible. To begin, users will have to select if they are "gay" or "straight". Creating an account and making use of this site is 100% free and personal. This site has the unlimited feature, which means that users can chat with others for a long period of time.

5. Mingle2

The setting up process of this site is quite simple. All that is required is for users to offer their date of birth, and select their gender. Once these fields have been filled, users can begin the search for their partners. This site offers you the opportunity to block those who do not arouse your interest.



Free Online Dating On OkCupid

Free Online Dating On OkCupid



OkCupid is a free dating site that beginners will definitely love to make use of. It is a modern, intuitive dating site. Beginners usually get hooked on this dating site simply because of its amazing features. On the OkCupid dating site, users will be required to answer certain in-depth questions during the set-up process. Although being

in-depth, the questions are not designed to be exhaustive. These questions are asked to help the site better provide users with perfect matches. The OkCupid dating site is designed to be easy to use. It comes with this easy and amazing user-interface.

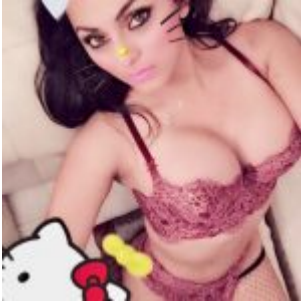
This site offers services to people of the LGBTQ community. This is in line with the ad campaign that was carried out by the site earlier this year. During testing, this site offers the best matches, thus, making it the best dating site available. Creating an account on this site will require you to choose the type of relationship you want. If you are looking for a marriage mate, hookup, short-term relationship,

and long-term relationship, this site offers users all options. You would be required to write a short biography of yourself as well as provide answers to certain personal questions that would be asked. Although, you have the opportunity to skip certain questions if you deem it necessary. Some of these questions could be whether you are; weird or normal, whether you will be willing to date someone that is messy, or if you enjoy talking about politics. These are some of the questions you will be required to answer.

After giving accurate answers to the pre-arranged questions, you will have to describe your personal appearance. You are given the opportunity to add up to six pictures. You could also decide to add certain information like; your diet, your hobbies, drinking habits, drug use or ailments. There are also tons of personal questions that users can give personalized answers to. According to the official website, it could take about 15 minutes to set up the account. Once your account has been created on the OkCupid dating site, a message is sent to the user with dating tips and advice. According to the official website, the key to increasing your success rate is by consistently updating their information and photos. To make the site better, women are advised to make the move as well.

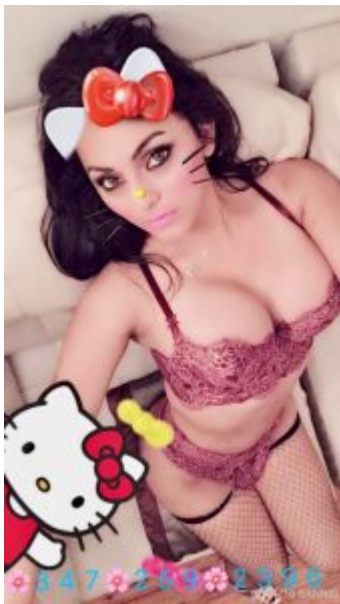
In less than 24 hours, all accounts that have been created with the right or accurate information gets about 100 matches. This clearly shows that users are sure of getting matches and meeting their persons of interest in less than no time. To keep the site harassment-free, users are allowed to send messages to only those they have liked. On this dating site, users are offered the opportunity to block other users. This further reduces inappropriate behavior among users.

Interestingly, users get to enjoy these amazing features at no cost, no gimmicks, no hidden charges. Currently, there are thousands of users from different walks of life on this site.



Best Free Dating Sites (2018)

Best Free Dating Sites (2018)



It has been reported that about one-third of the married couples in the United States met online. This goes a long way to show that the online dating Industry is growing. This growth has prompted the development of thousands of [dating sites](#). This could be overwhelming for beginners, that is why this piece will be of great help to them. We will list some of the best free dating sites based on these; the number of users, its easy to use nature, the features, and other essential factors.

1. OkCupid

This is one of those [free dating sites](#) that singles new to online dating will actually try out. Although it has been changed over the years, it still has certain amazing features. It affords users the opportunity to provide handful and insightful but not necessarily long profiles. To ensure that users are matched perfectly, this site has certain arranged questions, users have to answer. These questions will help the site suggest users that meet the interest of others. This site uses a search method, rather than the hand-fed method that is

predominant in the online dating industry.

2. Pure

This free dating site happens to be one of the best in the online industry. It seeks to focus on the privacy of users. On this free dating site, the profile, as well as chats of users, are erased every 60 minutes. It still offers users the opportunity to restore the information even after it must have been erased. On this dating site, users will simply have to search for a match for the supposed 60 minutes, after the time elapses, the chats will be erased. When using this site, users are advised to exchange contact information as soon as possible.

3. Plenty Of Fish

This is actually one of the best online dating sites simply because of its easy to use interface and power packed features that come at no cost. This site has millions of users from different walks of life. Unlike most of the other free dating sites, Plenty Of Fish operates in a search method rather than the fancy, undisclosed matching algorithm used by most of the other dating sites.

4. Coffee Meets Bagel

This dating sites take bits from most of the developed dating sites and combines them into creating one of the most efficient and best dating sites in the industry. This site collects feedback from users and uses it to increase the success rate of users on the site. Like the other dating sites mentioned above, this dating site is quite easy to make use of and has thousands of users as well.

5. Chemistry.com

This free dating site has almost the same system with the OkCupid dating site. On this dating site, users are presented with questionnaires that will help them determine their match

and compatibility. Once the questions are answered, the user is judged and presented with a perfect match. The questions answered, will help the site group users into four categories; explorers, director, negotiator and builder.



Top 5 Free Dating Sites (2018)

Top 5 Free Dating Sites (2018)



According to a survey that was carried out in the United States, it was discovered that about one-third of the married couples in the country met online. Currently, there are hundreds of dating sites to choose from. This means that you will have to consider certain factors like; the number of users, the interface and user experience of the site as well as other essential factors. This article will discuss the top five free dating sites you can choose from. They include;

1. Tastebud.fm

This is one of the top sites for lovers of concerts, music, and organists. Currently, this site has a user base of over

200,000 users. It has been described as your go-to site if you want to meet people whom you may share the love of music with. Unlike most of the other free dating sites, Tastebud.fm offers users music suggestions, thus, offering users the opportunity to meet with concert buddies.

2. Tinder

One feature that makes this free dating site stand out is its easy to use features. This site is designed to be as simple as possible, this is why there are only a few things you can actually do on the dating site. This site focuses primarily on profile pictures, providing just a small area for text. With this free dating app, users are able to link their social media accounts.

According to a report that was provided by the developers of this site, it was discovered that there are over 50 million Tinder visitors each month and that each month about 12 million matches are made on the site. This makes the dating site the most popular in the world.

3. OKcupid

This free dating site is one of the trial sites singles looking to begin the journey into online dating will actually give a shot. It is also the site they will definitely return to throughout their online dating journey, why? This site comes with an easy to use interface, offers users the opportunity to post insightful but not necessarily long profiles, and for better matching, the site has certain questions that users will have to answer. This ensures that that website is able to match users better.

4. Plenty Of Fish

This has been described as one of the best ways to dive into online dating without having to spend a penny. This site has been designed with power-packed online dating features that

come at no cost. This site affords users the opportunity to search for long time partners and even short-term hookups. Currently, there are over 4 million users on this site, and about 65,000 users register on this site each day.

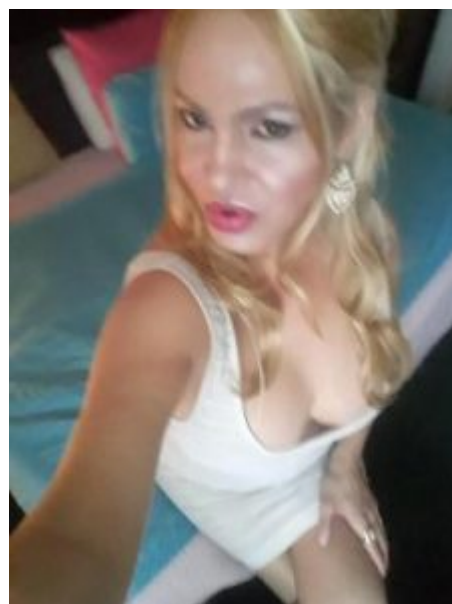
5. Pure

One thing that makes this free dating site stand out is its prioritization of privacy. This site is designed in such a way that the profile of users is erased every hour, and at the same time offering them the opportunity to restore it if they deem it necessary.



WHATSYOURPRICE TUTORIAL

Welcome to an online dating platform that guarantees you a date. [WhatsYourPrice](#) was founded in 2010 by Brandon Wade. It has over 500,000 active members, majorly comprising of generous men and beautiful women. It does not provide escort services. It is simply a place where one party places a bid and the other party either accepts or rejects the bid. Here are few easy steps to creating a profile and getting a date:



WhatsYourPrice – Getting started

[WhatsYourPrice](#) registration is free and very easy to do. Once you are on the website, you click to join. You are offered two questions: your gender and your purpose on the site. You can pick either of the options: bid on dates or get paid on dates. Once you have selected an option, you can then proceed to fill out your profile.

WhatsYourPrice – Profile

You have to describe yourself in less than 20 characters. You are also expected to fill in the following required fields: ethnicity, religion, education, children, occupation, income, body build, smoking and drinking habits and many more. A good way to generate interests is to build an eye-catching profile. You also have to provide clear and sharp pictures. Adding a profile picture is free and it can be viewed by everyone. Once you have completed your profile and verified your email, you can see those who have viewed your profile, browse for members close to your location and place or accept a bid.

WhatsYourPrice – Placing a bid

The minimum amount of bid is \$5. WhatsYourPrice is usually dominated by men placing the bid and women accepting or rejecting the bid. To place a bid, you need to buy credits. Credits are like keys that help you access features on WhatsYourPrice. With your credits, you can place a bid and send messages. You can choose any of the packages offered: 100 credits for 50USD, 450 credits for 150USD and 1000 credits for 250 USD. You can pay using a credit card or PayPal. Once you have your credits, you can go ahead to place your bid and get your date.

WhatsYourPrice – Services

There are services you have to pay for and those that are completely free.

Free services

- creating a profile
- browsing and viewing profiles
- viewing profile pictures
- sending winks

Fee-based services

- Making a bid
- Sending messages

WhatsYourPrice – Making contact



You can only chat once an offer has been accepted or rejected. The majority of those placing bids are men while those accepting are usually women. Men can place a bid while women can accept or counter your bid. On placing a bid, a woman can accept it and then counter it once the chat option has been unlocked. This means you can either agree to pay or not. Once a price has been agreed on, the next thing is to set a date or meeting.

Getting a date on [WhatsYourPrice](#) is very easy to do. The generous member has to pay to the beautiful member after the first date. The venue for the date and what happens during and after is totally up to those involved.



What's Your Price Average Price

WhatsYourPrice – Online Dating



[WhatsYourPrice](#) is an online dating site that allows you to meet people around your area and go out on dates with them. [WhatsYourPrice](#) allows you to bid or place money for dates. There are two types of members, the generous members which are usually the men that bid while the women are usually the beautiful members who receive and get paid to go on dates. That does not mean that women cannot be generous members but, it is his often men that are the generous ones. Since men are

usually the ones to pay on *WhatsYourPrice*, they buy credits ranging from \$50 to \$250 for 100 credits to 1000 credits. These credits allow you to send messages to other members and also gives you the opportunity to bid for a date.

WhatsYourPrice – Generous Bidder

If you want to be a bidder, that is a generous member, you have to be able to place a reasonable amount of money for a

beautiful member. For example, bidding for a \$50 dollar date not just get you women or ladies that just want to hook up or just hang out with you. So as a generous giver, be willing to place a reasonable amount of money so can get the kind of date that you wish for. You are sure to be guaranteed with a first date, but does not guarantee you getting another date with the person. That depends solely on you and how well you treat your date. If you treat them well, something and nice might come out of it.

WhatsYourPrice – Members

If you are a beautiful member, your profile has to be catchy and interesting. You have to appear beautiful and smart and also you should be honest about your profile details. If generous bidders find your profile interesting, they will be able to bid for any amount you agreed to. As a woman, you are free to request for any amount of bid ranging from \$100 to \$ 500. The higher your price, the higher your chance of getting serious bidders. Remember that you can only get serious bidder if your profile is interesting and honest enough. You also have to come up with a profile that matches your price. Do not appear cheap. It is your responsibility to remain classy. Also as a beautiful member, if you have agreed to go on your first date, you have to well composed and collected. Your behavior and attitude will make the generous member or your date not regret paying so much for the date. Also going for more dates depends on how well you flowed with your date. This will make you stand a chance of going out with your date again and who knows, a serious relationship can come out of it.

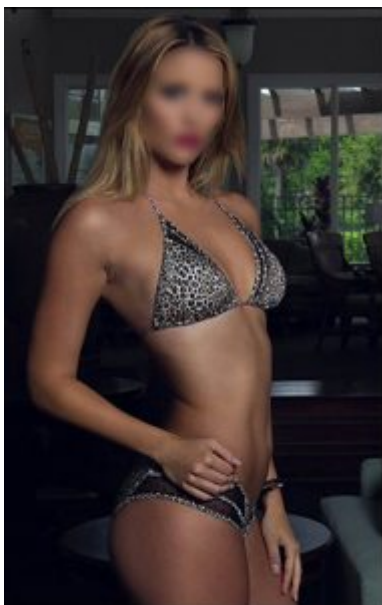


Finally, getting a reasonable date depends on how much you are willing to pay for a date, don't be scared about falling into

fraudulent members as the site suspends any account that is found to be fraudulent. Start bidding now and start going on dates with your dream people.



WHAT'S YOUR PRICE REVIEW SEPTEMBER 2018



[What's your price](#) is an online dating site where members are guaranteed to get dates. It was launched by Brandon Wade, the founder of [seeking arrangement](#) in 2010. It is a large dating platform with over 500,000 active members weekly. It is basically an auction for dates. The bidding member has to pay the agreed price during the date.

WhatsYourPrice – How to sign up

To register, you have to first indicate your sex. From here, you are asked if you want to bid for dates or get paid to go on dates. Once you make your selection, you can then browse the website and fill in the required information that makes up your profile. Information required includes your location,

ethnicity, body type, education, income, about me section and many more.

WhatsYourPrice – Chatting

You can only send messages after completing your profile details and attached a valid profile photo. Once you have done that, you can either place a bid or accept one. \$5 is the minimum bid accepted. If you are willing to get paid on dates, you can accept a bid or counter it if you want something better. However, if you are willing to pay on dates, usually as a guy, you place a bid and its either accepted or countered, usually by a lady in the chatting room. The lady might state her preferred price and if you find her interesting enough, you proceed to set up a meeting or a date.

WhatsYourPrice – Setting your profile

When filling out your profile, you have to describe yourself in more than 20 characters. You also have to provide a profile photo and fill in the required information. You can always make changes to your profile as time goes on. Adding a profile photo is free. Winks can be sent for free too.

On WhatsYourPrice, members are mostly composed of beautiful women and generous males. The homepage shows you members that are close to your location and active ones.

WhatsYourPrice – Price and charges

[WhatsYourPrice](#) charges you for bids and messaging. It's like playing a game. You buy credits and you use the credits to make a bid and send messages. Once your credit runs out, you have to buy more to continue. The credits range from 100 credits to 1000 credits. For 100 credits, you pay 0.50 USD per credit, for 450 credits, you pay 0.33 USD per credit and 1000 credit goes for 0.25 USD per credit.

Basically, your credits help you unlock the messaging options

and to make bids. You have two payment options: PayPal or credit card. Payment is safe and secure and there are no refunds.

WhatsYourPrice is just an amazing platform for men willing to spend and woman willing to be paid to go on dates. If you want to join as a male, be prepared to spend to message and place bids. You also have to pay your bidding price to your date in addition to other date expenses. Basically, it is all about spending and receiving money. You never know, you might just find something serious.



WHATS YOUR PRICE PROFILE EXAMPLES



What makes an online dating platform attractive? Why do some people's profile capture attention and others get ignored? What makes a good profile?

WhatsYourPrice is an online platform where people can pay for dates and be paid to go on dates. When filling in your profile, it is important to be as engaging as you can. On [WhatsYourPrice](#), upon registration, you have to select your gender and your purpose. You either choose to place a bid or accept a bid.

You are then required to fill in the following requirements which basically makes up your profile: ethnicity, religion, income, occupation, children, relationship status, body build, and location. You are also to provide a profile picture. To a large extent, your profile picture can decide if people pay attention to or ignore you. Men and women are moved by different things. Studies have shown that men spend 65% more time looking at photos than women. This might be attributed to the fact that men are visual beings. For women, pictures taken in bikinis or while doing a fun activity or traveling is more likely to elicit interest. They get to see your body build and some part of your daily activities. On the other hand, you don't want to post pictures that give the wrong impression about you. The way you are dressed will determine how the men chatting you up will address you. This will also determine how much they are willing to pay.

For men, women are more attracted to pictures of men wearing suit and tie. To them, it shows the man is responsible and has a job. They are more willing to trust him than a profile that has a picture of a bare-chested man.

In the 'about me section', women pay more attention. They want to know what you are like. Pictures aren't enough for them. They want to know if you are fun and if they will find common interests with you. It is best to avoid cheesy pickup lines. Be honest about yourself and what you want. State your preferences in clear and well-constructed sentences. A woman can tell if you are confident and honest by the words you drop.

For women, you should not bore men with stories in your 'about me section'. Men are impulsive beings and as such do not have time to read your life story. State in 2 paragraphs your preferences, interests, and type. In just a few sentences, a man can easily tell if you are witty and interesting or boring. There are certain keywords that capture attention. Some of them are: vivacious, sophisticated, graduate degree, down to earth, adventurous, sexy, fun and smart. Including these keywords in your profile helps people know you aren't only a beautiful face but also have an amazing and fun personality.

Once you have successfully completed your profile and added nice profile photos, you can then browse members close to your location and place or accept bids.



How To Use WhatsYourPrice



[What'sYourPrice](#) is one dating site that gives you the liberty to date anyone of your choice as long as you are willing to pay for the date. It allows you to meet singles like you around your area. On WhatYourPrice, women are more on the receiving end than men. This dating site has made dating seem like a game where you can just go straight to the point. You can either be the bidder or you can be the one being paid to go on a date with someone. Membership and registration

on this site is absolutely free.

Here are tips on how to use WhatsYourPrice :

WhatsYourPrice – Sign in

You are first to sign in before you can be recognized as a member of WhatsYourPrice. Membership is free and safe on this website.

WhatsYourPrice – Create a profile

After signing in, you must create a profile follow up information such as name, age, location, and other necessary information. You should also choose where you are a male or female. In creating your profile, you should select whether you are a bidder or you want to receive offers. This is very important. In creating your profile, you have to be completing him about it, your completely filled profile allows potential dates to know what exactly you are looking for. Therefore do not mess up your profile.

WhatsYourPrice – Look for the First Date

After completing your profile, the best thing to do is to Look for potential dates. WhatsYourPrice allows you to look for potential dates based on the things you have written down in

your profile, therefore searching for dates is completely easy. When searching for your first date, you are to the seas page and click on filters. These filters allow you to select what exactly you want in your first date. Once you have used the filter, it would be automatically saved only if you want to change it. Meaning that you can change your filters.

WhatsYourPrice – Start making offers/deals

After you are done with filtering, you can start making offers. Every member can make offers, so when you make an offer and the other members may accept or even offer a higher offer. When you both have come to a conclusion about the price, then you can go on by sending messages. Winking allows you to negotiate a price with a member if you don't know how much you are to offer to a date with the member. If you are not ready to message is to start negotiating with a member you can favorite the member and go back later to attend to the member.

WhatsYourPrice – Types of Members

There are two types of Members, the generous members that pay only when your offer is accepted and the beautiful members that get paid to date, generous members.

This online dating site is free for both men and women. It is safe, tested and trusted. Let your money do the talking and save yourself the stress. sign in to [WhatsYourPrice](#) and get a date now.