
UNFINISHED BUSINESS

Bill No: SB 160
Author: Committee on Budget and Fiscal Review
Amended: 7/11/21
Vote: 27

SENATE FLOOR: Not relevant

ASSEMBLY FLOOR: 55-14, 7/15/21, Roll call not available

SUBJECT: Department of Cannabis Control: licensure: appellations of origin: trade samples

SOURCE: Author

DIGEST: This bill contains statutory provisions related to cannabis necessary to implement the Budget Act of 2021.

Assembly Amendments delete the prior version of this bill and insert the current language.

ANALYSIS: This bill makes the following statutory changes:

- 1) Makes technical and conforming changes related to the consolidation of the three licensing agencies into one department, the Department of Cannabis Control.
- 2) Modifies the provisional licensing program as amended by AB 141 (Committee on Budget, Chapter 70, Statutes of 2021):
 - a) Allows local equity operators to apply for new provisional licenses until March 31, 2023, and be issued a provisional license by June 30, 2023, if issuing the license would not cause the applicant to hold multiple licenses on contiguous premises that exceed one acre of total canopy for outdoor 22,000 square feet for mixed-light or indoor cultivation.

- b) Allows cultivation license applicants with less than 20,000 square feet to apply for new provisional licenses until June 30, 2022, and be issued a provisional license by September 30, 2022, if issuing the license would not cause the applicant to hold multiple licenses on contiguous premises that exceed one acre of total canopy for outdoor cultivation or 22,000 square feet for mixed-light or indoor cultivation.
- c) Conforms the provisional license requirements to annual license requirements on the labor peace agreement and complete Cal-OSHA 30-hour training.
- d) Clarifies that if a lead agency complies with the California Environmental Quality Act (CEQA), they are not subject to comply with CEQA benchmarks in the bill.
- e) Beginning July 1, 2022, through June 30, 2023, clarifies that demonstration of CEQA compliance includes preparing a site-specific initial study, addendum, or checklist as specified to identify environmental impacts.
- f) On or after July 1, 2023, clarifies that compliance with lake and streambed alteration agreement includes a draft streambed alteration agreement that is signed and returned to the Department of Fish and Wildlife.
- g) On or after July 1, 2023, clarifies that demonstration of CEQA compliance occurs when the lead agency has certified to the department that it has conducted a reasonably comprehensive site-specific review and has reviewed, prepared, and deemed complete an initial study, addendum, or checklist as specified, in preparation for approval of an annual license.
- h) Clarifies the Legislature's intent that no further exemptions from annual licenses be adopted and that any licenses issued under this division after January 1, 2025, be issued in compliance with all relevant environmental laws.
- i) Adds legislative intent that funds appropriated for the \$100 million General Fund Cannabis Local Jurisdiction Assistance Grant program is promptly deployed to allow local jurisdictions to meet the deadlines in this Act.

- 3) Delays the date by which the Department of Food and Agriculture should establish a process for licensed cultivators to establish appellations of origins to January 1, 2022.
- 4) Clarifies that trade samples must comply with all applicable requirements in existing law and that the Department of Cannabis Control shall determine the amount of trade samples that may be provided to a licensee through regulations.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: No

According to the Senate Budget and Fiscal Review Committee, appropriates \$10,000 to the Department of Cannabis Control for purposes of implementing this act.

SUPPORT: (Verified 7/12/21)

None received

OPPOSITION: (Verified 7/12/21)

None received

Prepared by: Yong Salas / B. & F.R. / 916-651-4103
7/15/21 9:54:38

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