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THIRD READING

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Bill No: SB 622  
Author: Allen (D)  
Amended: 3/22/23  
Vote: 27

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SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 12-0, 4/24/23  
AYES: Roth, Alvarado-Gil, Archuleta, Ashby, Becker, Dodd, Eggman, Glazer,  
Niello, Smallwood-Cuevas, Wahab, Wilk  
NO VOTE RECORDED: Nguyen

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

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**SUBJECT:** Cannabis regulation: plant identification program: unique identifier

**SOURCE:** CannaCraft, Inc.

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**DIGEST:** This bill updates the requirement under the Department of Cannabis Control (DCC) unique identifier (UI) program that a cannabis plant have a UI attached to the base and instead authorizes the UI be attached in a number of ways.

**ANALYSIS:**

Existing law:

- 1) Establishes the DCC to regulate cannabis with the sole authority to create, issue, deny, renew, discipline, suspend, or revoke licenses for microbusinesses, transportation, storage unrelated to manufacturing activities, distribution, testing, and sale of cannabis and cannabis products within the state. Requires the DCC to administer the portions of Medical and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) related to and associated with the cultivation of cannabis and with the manufacturing of cannabis products. Delegates to the DCC authority to create, issue, deny, and suspend or revoke cultivation or manufacturing licenses for violations of MAUCRSA. (Business and Professions Code (BPC) §§ 26010, 26012)

- 2) Requires the DCC to implement a unique identification program for cannabis and cannabis products. (BPC § 26069)
- 3) Requires the unique identification program to include the identification of permitted cannabis plants at a cultivation site during the cultivation period, and must be issued for each plant. (BPC § 26069(a)(2))
- 4) Requires the unique identified be attached at the base of each plant or as otherwise specified in regulations. (BPC § 26069(a)(2))

This bill updates the requirement under the DCC's UI program that a cannabis plant have a UI attached to the base and instead authorizes the UI be attached at the base of each plant, in close proximity to each plant, as determined by DCC or in a manner as otherwise required by regulation.

## **Background**

*Cannabis Regulations and Cannabis Consumption.* Shortly following the passage of Medical Marijuana Regulation and Safety Act (later renamed to the Medical Cannabis Regulation and Safety Act in November 2016, California voters passed Proposition 64, the "Control, Regulate and Tax Adult Use of Marijuana Act" (Prop 64), which decriminalized and legalized adult-use cannabis. Less than a year later in June 2017, the California State Legislature passed a budget trailer bill, SB 94 (Committee on Budget and Fiscal Review, Chapter 27, Statutes of 2017), that integrated MCRSA with Prop 64 to create MAUCRSA, the current regulatory structure for both medicinal and adult-use cannabis.

DCC was established to centralize and align critical licensing, compliance and enforcement responsibilities to help build a sustainable and successful legal cannabis market by creating a single point of contact for cannabis applicant, licensees and local governments. The goal was to ultimately simplify and centralize state regulatory efforts; improve coordination, including enforcement; reduce barriers to participation in the legal market; and incentivize greater local participation.

The DCC was required to establish a UI program for cannabis and cannabis plants during a cultivation period. As part of that process, each plant is required to be assigned a "Unique identifier" or "UI" which is an alphanumeric code or designation used for reference to a specific plant on a licensed premise and any cannabis or cannabis product derived or manufactured from that plant. The UI was required to be issued for each plant and attached at the base of each plant. The UI is then required to be included into the track and trace system. Information

provided to the author, indicated that 43 million plant tags were issued to licensed cultivators and microbusinesses in 2022 for a total cost to the state of \$15 million. This bill would provide increased efficiency to DCC operations and allow for updates to the UI program to allow the UI to be placed in close proximity to each plant. This may help reduce the number of plastic tags required and reduce expenditures. Currently, the DCC contracts with METRC to supply the plastic tags for the UI program.

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

**SUPPORT:** (Verified 5/9/23)

CannaCraft, Inc. (source)  
California Cannabis Industry Association  
California Norml  
California Product Stewardship Council  
Environmental Working Group  
Ethical Data Alliance  
Good Farmers Great Neighbors  
Kiva Confections  
National Stewardship Action Council  
Origins Council  
Upstream

**OPPOSITION:** (Verified 5/9/23)

None received

**ARGUMENTS IN SUPPORT:** Supporters note that this bill will help eliminate single-use plastic tag waste.

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5/10/23 15:29:19

\*\*\*\* END \*\*\*\*