SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-1520 Fax: (916) 327-4478

THIRD READING

Bill No: AB 1332 Author: Ahrens (D)

Amended: 8/29/25 in Senate

Vote: 21

SENATE BUS., PROF. & ECON. DEV. COMMITTEE: 10-0, 7/7/25

AYES: Ashby, Choi, Archuleta, Arreguín, Grayson, Menjivar, Smallwood-

Cuevas, Strickland, Umberg, Weber Pierson

NO VOTE RECORDED: Niello

SENATE LOCAL GOVERNMENT COMMITTEE: 7-0, 7/16/25 AYES: Durazo, Choi, Arreguín, Cabaldon, Laird, Seyarto, Wiener

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/29/25

AYES: Caballero, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 69-0, 5/29/25 - See last page for vote

SUBJECT: Medicinal cannabis: shipments

SOURCE: The Society of Cannabis Clinicians

DIGEST: This bill (1) authorizes a licensed cannabis microbusiness with a medicinal cannabis license to ship medicinal cannabis directly to a medicinal cannabis patient in California, if specified conditions are met for both the licensee and the recipient. The bill also (2) limits the type of medicinal cannabis or cannabis product that may be shipped to the patient.

ANALYSIS:

Existing law:

1) Defines a "Medicinal cannabis patient" for purposes of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) to mean a qualified patient, as defined in § 11362.7 of the Health and Safety Code (HSC),

- who possesses a physician's recommendation, as specified, or a qualified patient or primary caregiver for a qualified patient issued a valid identification card, as specified. (Business & Professions Code (BPC) § 26321)
- 2) Requires deliveries as specified in MAUCRSA, to only be made by a licensed retailer or microbusiness, or a licensed nonprofit. (BPC § 26090(a))
- 3) Requires a retailer to enter into the track and trace system all information required by the DCC, before cannabis or a cannabis product leaves the licensed premises in a delivery vehicle, as specified. (BPC § 26090(c))
- 4) Establishes the Compassionate Use Act (CUA) of 1996, also known as Proposition 215. (Health and Safety Code (HSC) §11362.5)
- 5) Requires the DCC to establish minimum standards governing the types of vehicles in which cannabis and cannabis products may be distributed and delivered, and minimum qualifications for persons eligible to operate such vehicles. (BPC § 26070(b))
- 6) Requires all vehicles transporting cannabis and cannabis products for hire to have a valid motor carrier permit. The California Highway Patrol has authority over the safe operation of these vehicles, as specified. (BPC § 26070(d))

This bill:

- 1) Permits, until January 1, 2029, licensed microbusinesses that are authorized to engage in retail sales of medicinal cannabis solely by means of shipment to provide free medicinal cannabis or medicinal cannabis products by means of shipment.
- 2) Authorizes a licensed microbusiness with an M-license whose licensed activities include retail sale, manufacturing, distribution, and outdoor cultivation to directly ship medicinal cannabis to a medicinal cannabis patient in this state, if the licensed microbusiness complies with the specified requirements.
- 3) Requires a licensed microbusiness providing medicinal cannabis or medicinal cannabis products pursuant to this bill to a qualified patient, as specified, who possesses a valid physician's recommendation, to ensure that the physician is in good standing and verify the physician's recommendation, as specified.

- 4) Requires the microbusiness to act as the retailer for all cannabis products shipped and to be responsible for any taxes applicable to retailers under existing laws and regulations.
- 5) Specifies that a common carrier cannot be in violation of any California law or local ordinance solely on the basis of conveying medicinal cannabis shipped pursuant to this bill, and such conveyance must not constitute delivery or transportation of cannabis.
- 6) Makes conforming changes to authorize the shipment of medicinal cannabis as prescribed by this bill in the Medicinal Cannabis Patients' Right of Access Act, as specified.
- 7) Prohibits a local jurisdiction from adopting or enforcing any regulation that prohibits the retail sale by delivery within or shipment into or from the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers by a licensed microbusiness, as specified.
- 8) Prohibits a local jurisdiction from adopting or enforcing any regulation that prohibits the retail sale by delivery within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers, or that otherwise has the effect of prohibiting the retail sale by delivery within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers by licensed medicinal cannabis businesses in a timely and readily accessible manner, and in types and quantities that are sufficient to meet demand from medicinal cannabis patients within the local jurisdiction, including, but not limited to, regulation of any of the following that has the effect of prohibiting the retail sale by delivery of medicinal cannabis:
- 9) Makes findings and declarations related to the importance of access to medicinal cannabis; ensuring that Californian's have access to safe, effective and affordable medicinal cannabis and allow patients; and ensuring that critically ill patients are not limited to the necessary medicinal cannabis by the current regulatory framework under Prop 64, as specified.

Background

In 1996, California first legalized medicinal cannabis via Proposition 215, also known as the *Compassionate Use Act*. Proposition 215 protected qualified patients and primary caregivers from prosecution related to the possession and cultivation of cannabis for medicinal purposes. In 2003, the Legislature authorized the

formation of medical marijuana cooperatives—nonprofit organizations that cultivate and distribute marijuana for medical uses to their members through dispensaries.

The California Department of Public Health (CDPH) oversees the Medical Marijuana Identification Card Program. Currently, doctors write their patient or client a "recommendation" for cannabis. After a doctor provides a "recommendation", the county health department approves (or denies) it with an application fee, and then a medical identification card (ID) is given. With this ID, a person can buy cannabis in a retail store, and benefit from reduced taxes. Medicinal Cannabis is fully exempt from state and local sales taxes if purchased for medical use with a valid state medical ID card. Some cities and counties also levy lower excise tax rates on purchases.

Pursuant to BPC § 26090, cannabis deliveries may only be made by a licensed retailer or microbusiness or a licensed non-profit. All employees engaged in the delivery must carry a copy of their employer's license and a government-issued identification with a photo. Upon request of state or local law enforcement, the employee must present a copy of the license and their photo identification. Prior to the cannabis or cannabis product leaving the licensed premises for delivery, product information is required to be entered into the track and trace system. During delivery, copies of each delivery request must be kept and made available upon request of both a licensing authority and law enforcement by both licensees and retained by the customer.

This bill will create a narrow exemption to allow for the shipment of medicinal cannabis via common carriers to a patient who is unable to acquire medicinal cannabis from a licensed retailer in their area. This bill limits the types of cannabis products eligible to be shipped, and expressly limits any types of recreational cannabis goods or products. Although the DCC will not have enforcement over the common carrier shipping the cannabis goods, if there are concerns with a licensee not following the provisions of this bill, or diverting products, the licensee will be subject to DCC's current enforcement authority. This bill has a sunset date of January 1, 2029 to provide the Legislature and interested parties the opportunity to review the policy and determine if changes are necessary for the program.

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

According to the Senate Committee on Appropriations, the Department of Cannabis Control (DCC) reports a one-time implementation cost of approximately \$269,000 in Fiscal Year (FY) 2026-27 to make changes to the track-and-trace

system, and ongoing annual costs of \$472,000 beginning in FY 2026-27 to support oversight of shipments and ensure compliance with product restrictions. DCC notes enhancements to the track-and-trace system will require at least a year to develop and launch. The bill will also result in unknown, potentially significant cost pressures to the state funded trial court system to adjudicate any civil cases filed as a result of this measure, as well as unknown, potentially reimbursable mandate costs.

SUPPORT: (Verified 8/29/25)

Society for Society of Cannabis Clinicians (source)
California Cannabis Operators Association
California Norml
Kiva Confections
Teamsters California
UFCW-Western States Council

OPPOSITION: (Verified 8/29/25)

None received

ARGUMENTS IN SUPPORT: Supporters note generally that this bill will help to ensure access to safe, effective, and affordable medicinal cannabis.

ASSEMBLY FLOOR: 69-0, 5/29/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Stefani, Valencia, Wallis, Wicks, Wilson, Zbur, Rivas NO VOTE RECORDED: Alvarez, Bryan, Castillo, Chen, Nguyen, Solache, Soria, Ta, Tangipa, Ward

Prepared by: Elissa Silva / B., P. & E.D. / 916-651-4104

9/2/25 18:19:19