GOVERNOR'S VETO AB 1332 (Ahrens) As Enrolled September 15, 2025 2/3 vote

SUMMARY

Authorizes a licensed cannabis microbusiness, as specified, to directly ship medicinal cannabis to a medicinal cannabis patient in California via common carrier in limited circumstances.

Senate Amendments

- 1) Restrict the direct-to-patient shipping authorization to only licensed microbusinesses with an M-license whose licensed activities include retail sale, *manufacturing*, distribution, and outdoor cultivation (emphasis added to distinguish from the version of this bill passed by the Assembly).
- 2) Delete the 60-mile radius restriction.
- 3) Prohibit additional medicinal cannabis products from being included in a medicinal cannabis shipment, as specified.
- 4) Require tinctures, topicals, suppositories, and full-spectrum cannabis oil in a medicinal cannabis shipment to be manufactured at the licensed microbusiness manufacturing premises using only nonvolatile, mechanical, or infusion extraction techniques, or containing only cannabis ingredients that were extracted using nonvolatile, mechanical, or infusion extraction techniques at the licensed microbusiness manufacturing premises, and all cannabis ingredients are sourced as specified.
- 5) Authorize a medicinal cannabis shipment to include cannabis seeds sourced from outdoor cultivation, as specified.
- 6) Define numerous terms and replace references to "commercial carrier" with "common carrier."
- 7) Make other technical, clarifying, and conforming changes.

Governor's Veto Message

This bill would authorize a limited number of cannabis microbusinesses to ship certain medicinal cannabis products directly to patients using a common carrier.

While I appreciate the author's goal of expanding patient access to medical cannabis, the proposed direct-shipping program would be burdensome and overly complex to administer. The Department of Cannabis Control (DCC) will need to revamp the California Cannabis Track-and-Trace System, which will take significant resources and time. Moreover, this measure includes numerous restrictions on eligible products - many of which are unclear, overly narrow, or unworkable, adding to the implementation challenge. Given that this measure allows just two businesses to ship medical cannabis directly to patients, the costs of administering this program far outweigh the possible benefits to patients.

I remain open to working with the Legislature on strategies to effectively advance equitable access to safe and regulated cannabis. However, this measure would not achieve that goal while shifting limited resources away from DCC's other priorities.

COMMENTS

Availability of Medicinal Cannabis. As of January 9, 2019, the collective and cooperative model for medical marijuana dispensaries, as authorized under Proposition 215, was formally sunset, and any dispensary that was in place under the Compassionate Use Act was required to obtain a license under the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). In the months following that transition date, many expressed concern that the state's new regulatory framework insufficiently accommodated existing patients who use cannabis for medicinal purposes. Before the enactment of SB 1186 (Wiener), Chapter 395, Statutes of 2022, MAUCRSA allowed localities to ban cannabis sales within their jurisdictions completely, so many patients arguably had less access to cannabis than they did under the old Proposition 215 system. However, SB 1186 prohibited local governments from banning, or effectively banning, the delivery of medicinal cannabis to patients or primary caregivers within their jurisdictions.

Need for this bill. Proponents of this bill argue that a small population of patients in California requires specific medicinal products that retailers do not stock, as only a handful of individuals seek them, and these products are perishable. This bill is intended to create flexibility for medical patients and caregivers for whom it is a hardship to travel to purchase medicinal cannabis products. However, prior amendments narrowed the scope of the bill by prohibiting the shipment of medicinal cannabis goods to patients who live within 60 miles of a cannabis retailer or delivery option. It is unclear how many patients currently stand to benefit from this bill.

Cannabis Delivery. Statute contains relatively few provisions governing cannabis delivery. MAUCRSA defines delivery and provides that deliveries "may only be made by a licensed retailer or microbusiness, or a licensed nonprofit." Delivery employees must carry their licenses and identification and present them upon request from law enforcement. Further, 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 customers. The Department of Cannabis Control's (DCC) regulations contain a majority of the requirements for delivery, including, but not limited to: deliveries must be made by an employee of a licensed retailer who is at least 21 years old; a delivery employee must verify the customer's identity and age and ensure that all cannabis goods sold comply with packaging requirements; and deliveries can only take place through an enclosed motor vehicle that is unmarked, equipped with an alarm system and GPS device, and does not bear any exterior indications that the delivery employee is carrying cannabis goods for delivery. Additionally, cannabis goods must be locked in a fully enclosed box, container, or cage that is secured on the inside of the vehicle. This bill would allow medicinal cannabis to be shipped to medicinal cannabis patients via common carrier (i.e., DHL), in limited circumstances.

According to the Author

"Since the implementation of Proposition 64, the availability of medical cannabis products has declined significantly due to regulatory burdens, high taxation, and the prioritization of adult-use recreational products over medicinal formulations. As a result, many patients—particularly those with intractable epilepsy, advanced cancers, multiple sclerosis, and neurodegenerative disorders—are struggling to obtain appropriate and effective medical cannabis products. California's vast geography further exacerbates this issue, as many seriously ill patients live in

areas where specialized medical cannabis products are not available locally and these patients are not able to travel long distances to dispensaries that carry the products they need. [This bill] provides a narrow, well-regulated solution that allows for direct shipment of medicinal cannabis only to approved patients under medical supervision, ensuring that they receive safe and effective treatment. [This bill] provides a narrow authorization for M-licensed cannabis outdoor cultivation microbusinesses to ship medicinal cannabis products directly to a patient's home via intra-state common carrier parcel delivery service. Allowable products for shipment would be limited to cannabis flower and "tinctures" (products manufactured with non-volatile solvents, mechanical extraction, or infusion only, such as food-oil infusion tinctures). The bill includes appropriate safeguards, such as requiring verification and documentation of legal medical patient status, ensuring compliance with track-and-trace systems, and mandating adult signatures upon delivery. Additionally, it includes a three-year sunset provision to allow the legislature to evaluate its impact and identify any problems with implementation. By enacting [this bill], California will take a significant step in fulfilling its commitment to protecting the rights and well-being of medical cannabis patients."

Arguments in Support

As the sponsor of this bill, the *Society for Cannabis Physicians* writes in support:

This bill is a crucial step toward ensuring that patients with severe and complex medical conditions can access the medicine they need. Since the implementation of Proposition 64 in 2018, the availability of medical cannabis products has declined significantly due to regulatory burdens, high taxation, and the prioritization of adult-use products over medicinal formulations. As a result, many patients—particularly those with intractable epilepsy, advanced cancers, multiple sclerosis, and neurodegenerative disorders—are struggling to obtain effective treatment. California's vast geography further exacerbates this issue, as many seriously ill patients live in areas where medical cannabis products are not available locally. Current regulations make it difficult, if not impossible, for these patients to travel long distances to dispensaries that carry the specialized products they need. [This bill] provides a narrow, well-regulated solution that allows for direct shipment of medicinal cannabis only to approved patients under medical supervision, ensuring that they receive safe and effective treatment without unnecessary hardship.

Arguments in Opposition

There is no opposition to this bill.

FISCAL COMMENTS

According to the Senate Appropriations Committee:

- 1) 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 (Cannabis Control Fund). DCC notes enhancements to the track-and-trace system will require at least a year to develop and launch.
- 2) Unknown, potentially significant cost pressures to the state funded trial court system to adjudicate any civil cases filed as a result of this measure (Trial Court Trust Fund, General Fund). The fiscal impact of this bill to the courts will depend on many unknowns, including

the number of cases filed and the factors unique to each case. An eight-hour court day costs approximately \$10,500 in staff in workload. If court days exceed 10, costs to the trial courts could reach hundreds of thousands of dollars. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources and to increase the amount appropriated to backfill for trial court operations.

3) Unknown, potentially reimbursable mandate costs (General Fund). To the extent the Commission on State Mandates determines that any of the provisions of this bill create a new program or impose a higher level of service on local agencies, local agencies could claim reimbursement of those costs.

VOTES

ASM BUSINESS AND PROFESSIONS: 17-0-1

YES: Berman, Flora, Ahrens, Alanis, Bains, Bauer-Kahan, Caloza, Chen, Elhawary, Wilson,

Irwin, Jackson, Krell, Lowenthal, Macedo, Nguyen, Pellerin

ABS, ABST OR NV: Hadwick

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González,

Hart, Pacheco, Pellerin, Solache, Tangipa

ABS, ABST OR NV: Ta

ASSEMBLY FLOOR: 69-0-10

YES: 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

ABS, ABST OR NV: Alvarez, Bryan, Castillo, Chen, Nguyen, Solache, Soria, Ta, Tangipa, Ward

SENATE FLOOR: 39-0-1

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Rubio

ASSEMBLY FLOOR: 78-0-2

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Chen, Connolly,

Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas ABS, ABST OR NV: Castillo, Ta

UPDATED

VERSION: September 15, 2025

CONSULTANT: Kaitlin Curry / B. & P. / (916) 319-3301 FN: 0002165