

Date of Hearing: May 13, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1826 (Lackey) – As Amended April 14, 2026

Policy Committee:	Business and Professions	Vote:	19 - 0
	Judiciary		12 - 0

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill revises and recasts enforcement provisions of the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) to generally require the Department of Cannabis Control (DCC) to provide more information to a licensee when issuing a citation and to allow a licensee facing enforcement action to provide information to DCC.

For a recounting of the bill’s provisions, please refer to the Assembly Judiciary Committee Analysis.

FISCAL EFFECT:

DCC estimates ongoing costs of approximately \$1.6 to \$2 million annually (Cannabis Control Fund) for additional legal and compliance staff needed to support the expanded use of informal conferences, adherence to specified timeframes, and expanded documentation and evidentiary requirements. DCC explains the bill’s requirements to provide more detailed notices of violation, including enhanced explanations of testing and sampling methodologies, will increase staff time required to prepare, review, and issue citations and notices.

More specifically, DCC notes the expansion of informal conference processes will significantly increase workload for legal staff to coordinate, prepare for, facilitate and document outcomes of the informal conference, and that embargoes and recalls are undertaken in instances where there is evidence that a product is misbranded or adulterated – issues that pose consumer safety risks, and the numerous opportunities and obligations for informal conference proposed in the bill may impede or delay the ability to address these consumer safety risks in a timely manner.

COMMENTS:

- 1) **Purpose.** This bill is sponsored by California Cannabis Industry Association. According to the author:

[This bill] addresses the mounting challenges facing California's licensed cannabis industry, where prolonged enforcement actions without resolution are driving preventable business closures and inventory losses that undermine both the regulated market and the public safety goals it is meant to advance. Licensed operators - many of them small and minority-owned businesses - cannot absorb the financial harm caused by enforcement actions that lack transparency,

move without defined timelines, or condition relief on the surrender of legal rights. The bill establishes evidence disclosure requirements, meet-and-confer procedures, expedited hearing timelines for perishable products, and prohibitions on coercive waiver conditions. Together, these reforms ensure that DCC enforcement actions are grounded in documented evidence, proceed expeditiously, and afford licensees a meaningful opportunity to respond before irreversible harm occurs.

- 2) **Background.** According to the Assembly Judiciary Committee analysis, this bill reorganizes the DCC's administrative enforcement statutes to accomplish four primary goals. The bill adopts these changes to several enforcement schemes across DCC. First, this measure seeks to improve the information provided to licensees alleged to have violated a provision of MAUCRSA. To that end, the bill requires DCC to notify licensees of any documentation supporting DCC's position, including laboratory test results, sampling methods, and inspection findings. Second, the bill provides licensees the opportunity to request an informal conference with DCC staff within 15 days of receiving a notice that they violated MAUCRSA. The informal conference is designed to be more streamlined than a formal adjudication under the Administrative Procedure Act. Third, the bill clarifies the timelines DCC must adhere to before destroying unlawful cannabis products. Finally, the bill prohibits DCC from conditioning a voluntary recall, participation in an informal conference, or a corrective action plan on a licensee signing a waiver of liability for DCC or waiving judicial review.

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