
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1965 (Sharp-Collins) - Cannabis: testing: quality assurance

Version: February 13, 2026

Urgency: No

Hearing Date: August 3, 2026

Policy Vote: B., P. & E.D. 11 - 0

Mandate: No

Consultant: Janelle Miyashiro

Bill Summary: AB 1965 authorizes the Department of Cannabis Control (DCC) to conduct performance testing of licensed cannabis testing laboratories; requires cannabis retail licensees to provide the Certificate of Analysis (COA) upon request by a customer or the DCC; permits and the DCC to conduct off-the-shelf laboratory testing of any cannabis product and makes other updates to oversight of cannabis testing laboratories, as specified.

Fiscal Impact: Unknown ongoing cost pressures, ranging in the low hundreds of thousands of dollars (Cannabis Control Fund), to support new testing laboratory oversight responsibilities. DCC notes that this additional compliance workload is anticipated to be absorbable through the redirection of staff resources from the provisional licensing program, which concluded in December 2025.

Background: Current law requires cannabis in its final form to be laboratory tested prior to sale. Pursuant to Business and Professions Code (BPC) § 26100, no cannabis, cannabis products, or industrial hemp can be sold by a licensee, unless a representative sample of the products has been tested by a licensed testing laboratory. Testing laboratories must obtain and maintain accreditation from ISO/IEC 17025 accreditation. There are currently 19 licensed testing laboratories in California.

Cannabis testing laboratories are required to evaluate the levels of contaminants of cannabis samples, including residual solvent, processing chemicals, moisture content and water activity, foreign material (such as hair and insects), and microbiological impurities. Testing also determines the concentration of active chemicals and ensures compliance with safety standards. In addition to demonstrating and meeting safety standards for cannabis and cannabis products, laboratory testing also ensures the allowable amount of THC is contained in each product and that the product does not contain more than what is legally allowed and does not contain less so that a consumer is paying for the appropriate product. Under current law, BPC § 26100, specifically for edible cannabis products, THC may not exceed 10 milligrams per serving. Current law does not specifically authorize DCC to test products off-the-shelf of a licensed retailer

Licensed testing laboratories report test results on a COA, which states whether the batch passes or fails testing for each substance. Licensed labs can only issue COAs and results after they finish all tests. Labs cannot change them after they are issued without permission from DCC. In addition to information pertaining to the product's chemical profiles and contaminants, the COA documents administrative information about the laboratory, the distributor or microbusiness, dates and signatures, and other non-testing data, which can be subject to simple data entry mistakes. A COA may be amended to correct minor errors. Pursuant to DCC regulations, a cannabis or cannabis

product batch may only be remediated twice. If the batch fails after the second remediation attempt and the second retesting, the entire batch shall be destroyed.

A licensed testing laboratory may test items not regulated under MAUCRSA if they comply with the laws governing the testing of such items. A licensed testing laboratory must maintain separate and distinct records of their activities regulated by MAUCRSA and activities that are subject to other laws. Current law permits licensed testing laboratories to receive and test samples from law enforcement or other prosecuting agencies for purposes of testing cannabis or cannabis products, however the DCC is prohibited from arranging or overseeing that testing activity. Current regulations require that testing laboratories maintain independence from other licensed cannabis activities and may not have a financial interest in, lease property to or from, or employ any person with a cannabis licensee. Current law requires the DCC to establish specific producers for testing of cannabis products to ensure proper compliance and adherence to the standards of MAUCRSA.

As provided in current regulations, (4, CCR § 15735), licensed laboratories are required to conduct an internal audit at least once per year or in accordance with the ISO/IEC 17025 accrediting body's requirement, whichever is more frequent. However, these are internal audits, not by the DCC. Current law provides the DCC with the power, duty, purpose, responsibility, and jurisdiction to regulate commercial cannabis activity. Further, the DCC may undertake and investigate, as it deems necessary to carry out its functions. However, there is nothing specified in statute that requires the DCC to conduct audits or inspections of licensed testing laboratories, although the DCC is not prevented from undertaking such evaluations.

Proposed Law:

- Requires a retailer and any other licensee authorized to engage in the retail sale of cannabis or cannabis products to provide the COA associated with any cannabis or product held or offered for retail sale to the customer upon request of the customer or the DCC.
- Subjects a testing laboratory to performance testing by the DCC to ensure consistency of results across laboratories.
- Specifies that "performance testing" for purposes of this bill may include blind proficiency testing, round robin testing, and any other type of programs that may be used to demonstrate competent performance of a testing laboratory.
- Requires a testing laboratory to additionally report to the DCC if a retest is required if the testing was compromised, as specified.
- Requires a retailer and any other licensee authorized to engage in the retail sale of cannabis or cannabis products to allow the DCC to obtain or access any cannabis or cannabis products held or offered for retail sale to conduct off-the-shelf laboratory testing, as specified.

- Deletes the prohibition on DCC arranging a testing laboratory for testing samples related to law enforcement requests and requires a testing laboratory to comply with the DCC's request to evaluate the laboratory's testing practices.

Related Legislation: AB 1027 (Sharp-Collins, 2025) would have revised the requirements for the DCC to notify a licensee of an embargoed product and required retail cannabis licensees to provide a COA to any customer upon request. Additionally, the bill would have subjected testing laboratories to performance testing, eliminated the requirement for a DCC-employed quality assurance compliance monitor, and instead required the DCC to conduct random quality assurance reviews at retailer, microbusiness, and distributor licensees. AB 1027 was held on the Suspense File in this committee.

-- END --