
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2250 (Aguiar-Curry) - Cannabis: cannabinoids

Version: March 11, 2026

Policy Vote: B., P. & E.D. 11 - 0, REV. &
TAX. 4 - 0

Urgency: No

Mandate: Yes

Hearing Date: August 3, 2026

Consultant: Janelle Miyashiro

Bill Summary: AB 2250 makes various technical and conforming changes to the various provisions of law which provide for the regulation and enforcement of products containing cannabinoids derived from industrial hemp.

Fiscal Impact:

- The California Department of Tax and Fee Administration (CDTFA) estimates the following revenue losses for the 2028 calendar year resulting from the exclusion of cannabiniol (CBN) from the cannabis excise tax:
 - \$1.7 million to \$2.0 million in cannabis excise tax revenue losses (California Cannabis Tax Fund).
 - \$150,000 to \$170,000 in sales and use tax revenue losses (Cigarette and Tobacco Products Compliance Fund).Any additional administrative and enforcement workload for CDTFA is expected to be absorbable.
- The Department of Cannabis Control (DCC) does not anticipate a fiscal impact (Cannabis Control Fund).

Background: In 2025, the Legislature passed, and the Governor signed into law, AB 8 (Aguiar-Curry, Chapter 248, Statutes of 2025). AB 8 created a legal framework for the integration of cannabinoids derived from hemp to be integrated into the cannabis supply chain beginning January 1, 2028. AB 8 allows hemp plant material to enter the cannabis supply chain and be used in manufacturing of cannabis or hemp products and sold by cannabis retailers or transported out of state. AB 8 is intended to ensure that all cannabinoid products – whether derived from cannabis or hemp – are subject to the same regulatory standards.

AB 8 allows cannabinoids derived from hemp, outside of the regulated cannabis cultivator framework under MAUCRSA, to enter the cannabis supply chain at the point of laboratory testing and manufacturing and additionally allows hemp products to exit the system, either as raw ingredients (non-intoxicating cannabinoid isolates) for use in non-cannabis manufacturing or as finished products for transport outside of the state.

The DCC has responsibility for the licensure and regulation of cannabis and enforcement of the provisions of MAUCRSA. A cannabis retailer must have a license issued by the DCC. Current law under the provisions of MAUCRSA specifically prohibit tobacco or alcohol products from being sold at a cannabis retail location. The CDTFA is the lead agency responsible for oversight and regulation of the Cannabis Tax Law.

Under the California Cigarette and Tobacco Products Licensing Act of 2003 (Act of 2003), any business in California that sells cigarette and tobacco products is required to obtain a cigarette and tobacco retailer license (in addition to any local permit) issued by the CDTFA. If CDTFA discovers that a retailer, or any of its agents or employees, sells or offers to sell unstamped cigarette packages, it can seize the packages. Similar authority exists for CDTFA to seize cannabis products under specified circumstances. This bill clarifies that CDTFA's enforcement funds are available for enforcing cannabis sales at unlicensed premises.

Hemp cultivation is primarily regulated by the California Department of Food and Agriculture, and hemp manufacturing is regulated under the Sherman Food, Drug, and Cosmetic Law by the California Department of Public Health. As part of the regulatory framework to allow cannabinoids derived from hemp to be integrated into MAUCRSA, AB 8 updated numerous definitions across code sections including the Business and Professions Code, the Health and Safety Code (HSC), and the Revenue and Taxation Code.

Proposed Law:

- Conforms the definition of cannabis and cannabis products under the Act of 2003, with the definition of cannabis products in the HSC.
- Clarifies that a person engaged in the business of selling cigarette or tobacco products is prohibited from making any sale, not just a retail sale, of cannabis, cannabis products, or a product presumed to be cannabis.
- Authorizes the CDTFA or a law enforcement agency to seize cannabis or cannabis products that are possessed, stored, offered for sale, or sold at an unlicensed premises.
- Removes the definition of "CBD isolate" and "synthetic cannabinoid" from the Cannabis Tax Law.
- Makes other technical changes.

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