



OFFICE OF THE CITY ATTORNEY
Long Beach, California

NB-19

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September 22, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Recommendation to receive and file the City Attorney's report on Medical Marijuana

DISCUSSION

On September 1, 2015, Council requested the City Attorney submit a report regarding the issue of medical marijuana. The City Attorney's Office was requested to: (1) report back to the City Council regarding the implications of AB 266, if it was passed by the Legislature; (2) provide a comparison of the various recommendations made by the Medical Cannabis Task Force with those made by the Planning Commission; and (3) provide a list of topics that the Council must address if the City is to adopt a comprehensive medical marijuana regulatory ordinance.

On September 10, 2015, the California Legislature, with input from the Governor's Office, essentially "gutted" AB 266, and instead, passed three separate bills which are collectively referred to as the Medical Marijuana Regulation and Safety Act ("MMRSA"). The Governor has until October 11, 2015, to act on these bills. The three bills, AB 266 (Bonta), AB 243 (Wood), and SB 643 (McGuire), are extensive and establish the first comprehensive statewide regulatory framework for the cultivation, testing and distribution of medical cannabis and medical cannabis products. An initial overview of the key regulatory features of the three bills is attached as Exhibit "A".

Attached as Exhibit "B" is a Chart which sets forth a comparison of the recommendations made by the Medical Marijuana Task Force and the Planning Commission when it submitted a draft medical marijuana regulatory ordinance to the City Council at a study session on February 10, 2015. A third column in the Chart describes the impact of the state legislation on the recommendation.

The MMRSA makes clear that local public entities retain their current right to ban medical marijuana dispensaries, cultivation sites, and related medical marijuana activities within their respective jurisdictions. The MMRSA also makes clear that cities are fully empowered to adopt regulatory ordinances related to medical marijuana. If cities choose to regulate medical marijuana, they may adopt typical land use regulations such as zoning restrictions,

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buffer areas, cultivation regulations, Conditional Use Permit ("CUP") requirements, application and licensing requirements, regulatory fees, taxes, and the like.

The City's current ban on medical marijuana activities remains in effect. If Council desires to retain the ban in its present form it need do nothing. If, on the other hand, Council desires to adopt a regulatory ordinance, the City Attorney's Office requests direction on several key elements of such an ordinance. The critical issues that must be addressed include:

1. Number of dispensaries per Council District or Citywide;
2. Which zoning districts;
3. Buffer from which locations (e.g., schools, parks, libraries, childcare facilities);
4. Cultivation;
5. Delivery; and
6. Timing.

Any regulatory ordinance adopted by the City Council would operate in conjunction with the numerous provisions of the MMRSA, if the three bills are approved by the Governor. However, many of the provisions of the MMRSA require that various State agencies formulate and adopt administrative regulations before the MMRSA becomes fully operational. If the Council chooses to adopt a regulatory ordinance at this time, the City Attorney's office would craft an ordinance that would address the City's immediate local concerns and would include provisions that would transition certain regulatory functions and responsibilities to the State (e.g., product testing, labeling, and certain licensing activities) when the various State agencies are in a position to commence their respective regulatory activities pursuant to the MMRSA.

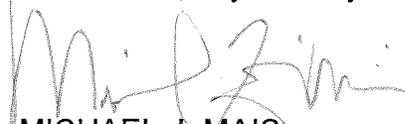
SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,

CHARLES PARKIN, City Attorney

By


MICHAEL J. MAIS
Assistant City Attorney

MJM:kjm

A15-02162

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ANALYSIS OF STATE LEGISLATION ON MEDICAL MARIJUANA

AB 266, AB 243 AND SB 643

AB 266

- Cities retain the current right to ban medical marijuana dispensaries and cultivation sites within their respective jurisdictional boundaries.
- If cities choose to regulate medical marijuana rather than instituting a ban, they may adopt typical land use regulations such as zoning restrictions, buffer areas, cultivation regulations, hours of operation, CUP requirements, application and licensing requirements, regulatory fees, taxes, and the like.
- A Bureau of Medical Marijuana Regulation will be established within the California State Department of Consumer Affairs. Additional state agencies with licensing authority and the responsibility for granting various state licenses related to medical marijuana include: Department of Food and Agriculture (Cultivators); State Department of Health (Manufacturers, certified testing laboratories); Bureau of Medical Marijuana Regulation (Distributors, dispensaries and transporters).
- Creates a multi-tiered licensing model including ten (10) types of cultivation licenses, two (2) types of manufacturing licenses, a testing license, two types of dispensary licenses, a distribution license, and a transporter license.
- Establishes numerous definitions for such terms as “cannabis”, “cannabis concentrate”, “caregiver”, “commercial cannabis activity”, “cultivation”, “delivery”, “dispensary”, “distributor”, “edible cannabis product”, “labor peace agreement”, “licensing authority”, “manufacturer”, “nursery”, “testing laboratory”, “manufacturing site”, “medical cannabis”, “permit”, “state license”, and “transport”.
- Establishes an administrative scheme for implementing the MMRSA within the Department of Consumer Affairs and establishes a Bureau of Medical Marijuana Regulation and requires the Bureau to prescribe reasonable rules and regulations to carry out the purpose and intent of the MMRSA, and authorizes the Bureau to convene an “advisory committee” to advise the Bureau and other licensing authorities on the development of standards and regulations to implement the MMRSA.
- Creates an enforcement mechanism with authority to suspend or revoke state issued medical marijuana licenses and provides for due process hearings in connection with said actions.
- Reserves to local jurisdictions and local law enforcement entities the power and authority to enforce and administer local medical marijuana ordinances and regulations.

- Recognizes local police powers under Section 7, Article XI of the California Constitution to adopt ordinances that establish “additional standards, requirements and regulations for local licenses and permits for commercial cannabis activity, and, likewise, indicates that “any standards, requirements, and regulations regarding health and safety, testing, security, and worker protections established by the state shall be the minimum standards for all licensees statewide”.
- Establishes that an individual or entity operating pursuant to a valid medical marijuana permit or license issued by both the State and the local jurisdiction are not subject to arrest or prosecution, civil administrative penalty, or asset forfeiture.
- Establishes that an individual engaging in commercial cannabis activity without a valid license shall be subject to civil penalties of up to twice the amount of the license fee for each violation and provides that enforcement actions can be brought by the State Attorney General and local enforcement officers such as City Attorneys.
- Provides that no person shall engage in commercial cannabis activity without both a valid State and local permit or license following the date of implementing of regulations by the relevant licensing authority.
- Provides that revocation of a local license or permit terminates the ability of the medical cannabis business to operate within the local jurisdiction even though the operator may have a valid State permit or license.
- Reserves to local jurisdictions the power to assess fees and taxes on facilities that are licensed or permitted for medical marijuana businesses.
- Mandates that the Department of Consumer Affairs, the Department of Food and Agriculture, and the State Department of Public Health promulgate regulations for implementation of their respective responsibilities under the MMRSA.
- Establishes that licenses issued pursuant to the MMRSA are valid for a period of 12 months from the date of issuance and that state licenses must be renewed annually.
- Provides that a facility or entity operating in compliance with local zoning ordinances or other local requirements on or before January 1, 2018, may continue operations until the applicant’s state application for licensure is either approved or denied.
- Requires that all licensees holding cultivation or manufacturing licenses to send all medical cannabis and medical cannabis products to a licensed “distributor” for the purpose of testing the product by a licensed testing facility, prior to its release into the retail stream for distribution to qualified patients.

- Requires licensed cultivators and manufacturers to package or seal all medical cannabis and cannabis products in tamper evident packaging and use a unique identifier as prescribed by the Department of Food and Agriculture for the purpose of identifying and tracking all medical cannabis prior to the product being delivered to a qualified patient or caregiver.
- Requires that all medical cannabis product be tested at a minimum for concentration, pesticides, mold, other contaminants and purity.
- Requires all licensees to keep accurate records of all commercial cannabis activity for a minimum of seven (7) years and permits State and local authorities to inspect such records at the premises of the location licensed during standard business hours, or at any other reasonable time. Additionally provides for the issuance of citations and significant fines (\$30,000 per violation) for failure to maintain or provide records for inspection.
- Provides that in certain circumstances a State licensee may hold a State license in up to two (2) separate licensing categories.
- Creates an “exemption” from the limit of two (2) licenses for certain medical marijuana businesses operating pursuant to a valid local ordinance adopted prior to July 1, 2015, by permitting said entity to engage in the activities of cultivation, manufacturing, and dispensing of medical marijuana products.
- Provides that no medical marijuana licensee may also hold a license as a retailer of alcoholic beverages.
- Establishes that the provisions of the MMRSA shall not interfere with an employer’s right and obligation to maintain a drug and alcohol free workplace or require an employer to permit or accommodate the use, consumption, possession, transfer or growth of cannabis in the workplace.
- Provides that local jurisdictions may adopt ordinances either permitting or denying the right to engage in delivery of medical marijuana products within the jurisdictional limits of the local public entity.
- Establishes required security measures to deter and prevent unauthorized entry into areas of a licensed dispensary containing medical cannabis. These security measures include, but are not limited to, prevention of loitering, establishing limited access areas, storage of product in locked safes or vaults to prevent theft or loss, and a requirement that facilities notify local law enforcement agencies within 24 hours after discovering a breach of security resulting in theft or loss of product or other related criminal activity.
- Permits a county to impose a tax on each delivery transaction if such delivery activities are permitted by local ordinance.

- Requires the State Department of Public Health to promulgate regulations governing licensing of cannabis manufacturers and product testing laboratories and to establish standard operating procedures using methods consistent with general requirements for the competence of testing and calibration activities, including sampling, using standard methods to test medical cannabis and cannabis products.
- Requires testing facilities to be licensed and registered by the State and to meet certain minimum standards before handling, testing or analyzing medical cannabis or cannabis products.
- Requires the State Department of Public Health to develop procedures to insure that testing of medical cannabis occurs prior to delivery to dispensaries for distribution to patients and caregivers, and that the Department establish a licensing fee for all registered laboratories.
- Requires that prior to delivery or sale at a dispensary all medical cannabis products be properly labeled and packaged and that all packaging contain certain specified warning labels.
- Requires that beginning March 1, 2023, each licensing authority prepare and submit to the State, an annual report on such things as the amount of funds allocated by each authority for medical cannabis licensing, enforcement, and administration.
- Establishes privacy protections and an exemption from the provisions of the Public Records Act for the names of patients, their medical conditions, or the names of their primary caregivers, except as necessary for authorized employees of State or local agencies for the purpose of performing their duties pursuant to local ordinance or the MMRSA.
- Requires that prior to January 1, 2017, the State Division of Occupational Health convene a committee to evaluate whether there is a need to develop industry specific regulations to protect employees who are employed in licensed medical cannabis facilities.
- Requires that various State agencies, including taxing agencies and the Department of Food and Agriculture, develop a system for reporting the movement of commercial cannabis products throughout the distribution chain to ensure that appropriate taxes are tracked and collected.

AB 243

- Requires the Department of Food and Agriculture to promulgate regulations governing the licensing of indoor and outdoor cultivations sites and requires the Department of Pesticide Regulation to develop standards for the use of pesticides

and maximum tolerances for pesticides and other foreign object residue in harvested cannabis.

- Requires the State Department of Public Health to develop standards for the production and labeling of all edible medical cannabis products.
- Requires the State Department of Food and Agriculture, in consultation with the Department of Fish and Wildlife, and the State Water Resources Control Board to ensure that individual and cumulative effects of water diversion associated with cannabis cultivation do not affect the instream flows needed for fish spawning or migration.
- Requires the State Department of Food and Agriculture to develop regulations that will insure that cultivation by licensees is conducted in accordance with state and local laws related to land conversion, grading, electricity usage, agricultural discharges and similar matters.
- Establishes cultivator license types to be issued by the Department of Food and Agriculture, establishing license types for both indoor and outdoor grows (10 types of cultivation licenses to be established).
- Establishes a requirement that total licensing fees assessed shall be established so as to generate sufficient revenue to fully cover the costs of administering all State regulated medical cannabis activities; and that fees collected shall be deposited in a "Medical Marijuana Regulation and Safety Act Fund", which fund shall be used by the appropriate licensing authorities upon appropriation by the Legislature.
- Permits the State Director of Finance to provide an initial operating loan from the State General Fund to the Medical Marijuana Regulation and Safety Act Fund in an amount that does not exceed ten million dollars (\$10,000,000).
- Permits the State to establish a "grant program" to allocate monies received from fines and penalties related to medical cannabis production and distribution for the purpose of assisting with medical cannabis regulation and enforcement by the State and local regulating authorities. The grant program shall only be implemented after the initial ten million dollars (\$10,000,000) "start-up" loan has been repaid.
- Establishes civil penalties for those engaging in cannabis activities without proper licenses or other permits in an amount of up to twice the amount of the license fee for each violation. Permits both the Attorney General and local authorities (such as City Attorneys) to bring enforcement actions to collect civil penalties.
- Requires the State Department of Fish and Game, in coordination with the State Water Resources Control Board, to establish a permanent multi-agency task force to address the environmental impacts of cannabis cultivation.

- Prohibits the cultivation of medical marijuana unless a license, permit, or entitlement is obtained from both the State and the local licensing authority (e.g., city or state), and specifies that an application not be submitted to the State unless the applicant has already obtained a license from the city or county where the cultivation will occur.
- Specifies that a city or county through its current or future land use regulations may issue or deny permits to cultivate medical marijuana.
- Specifies that a City (or county) conditional permit requirements “must be at least as stringent” as the State’s licensing requirements and that if a city or county does not have land use regulations or ordinances in place regulating or prohibiting the cultivation of medical marijuana by March 1, 2016, then the State shall be the “sole licensing authority” for medical cannabis cultivation in that city or county.
- Provides that an individual qualified patient is exempt from cultivation licensing requirements if the area cultivated does not exceed 100 square feet, and that a primary caregiver with no more than five specified qualified patients, is likewise exempt provided that no more than 500 square feet is cultivated. However, a city or county is not prevented from regulating or banning such activities.

SB 643

- Requires applicants to submit to the licensing State agency a full set of fingerprints for the purpose of conducting criminal history record checks and permits relevant agencies to obtain criminal history information from the State Department of Justice and the Federal Bureau of Investigation.
- Requires the Medical Board of California to prioritize its investigative and prosecutorial resources with the highest priority being given for “repeated acts of clearly excessive recommending of cannabis to patients for medical purposes without a good faith prior examination of the patient and a medical reason for the recommendation”.
- Makes it “unlawful” for a physician who recommends cannabis to a patient to accept or offer any form of remuneration from or to a facility if the physician or his/her immediate family have a financial interest in the facility dispensing the cannabis product. A violation can be prosecuted as a misdemeanor punishable by up to one year in the county jail and a fine of up to five thousand dollars (\$5,000.00), or civil penalties of up to five thousand dollars (\$5,000.00). Such activity shall also constitute “unprofessional conduct”.
- Requires the Medical Board of California to consult with the California Marijuana Research Program for the purpose of adopting appropriate guidelines for the administration and use of medical cannabis.

- Specifies that an individual who practices medicine or osteopathy shall not recommend medical cannabis to a patient unless that person “is the patient’s attending physician”.
- Requires that any form of advertising for physician recommendations contain a specific notice to consumers specifying, among other things, that the use of cannabis is subject to federal prosecution regardless of protections provided by State law.
- Specifies that the Department of Consumer Affairs shall have the “sole authority to create, issue, renew, discipline, suspend, or revoke licenses for the transportation, storage unrelated to manufacturing activities, distribution and sale of medical marijuana within the state and to collect fees” in connection with the regulated activities, and that the State Department of Health shall administer the provisions of the act related to and associated with the manufacturing and testing of medical cannabis.
- Specifies that when medical cannabis regulations are implemented by the State, no person shall engage in commercial cannabis activity without “possessing both a state license and a local permit, license or other authorization”. Revocation of a local permit or license shall terminate the ability of a medical cannabis business to operate within that locale even if the entity has a State license or permit.
- Recognizes that local jurisdictions “retain the power to assess fees and taxes” on facilities licensed by the State for medical cannabis activities.
- Requires a license applicant to provide proof that the applicant has the permission of the landowner to engage in medical cannabis activities.
- Requires that applicants with more than 20 employees to provide a statement that the applicant will enter into, or has entered into, a “labor peace agreement”.
- Requires an applicant to obtain a “seller’s permit” in accordance with the State Revenue and Taxation Code.
- Establishes those circumstances (e.g., fraud and certain criminal misconduct) where a license can be denied or not renewed for medical cannabis activities.
- Establishes certain “labeling” requirements that prohibit misrepresentation regarding the origin of cultivation.
- Establishes a “Unique Identifier and Track and Trace Program” to insure that product is tracked from “seed to sale” for the purpose of public safety and the imposition of taxes.

(A15-02162)

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS

AND CURRENT DRAFT STATE LEGISLATION

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>1. Recommendation to equally distribute medical marijuana businesses throughout the City, with each district having the same maximum number of businesses.</p> <p>Yes: 9</p> <p>No: 3</p> <p>Absent: 6</p>	<p>1. Limits medical marijuana businesses to one dispensary per CCA or CHW zone per district, and up to four businesses in Industrial zones per district, section 21.66.070.</p> <p>Does not necessarily equally distribute all businesses in all districts due to zoning and buffers.</p>	<p>1. The City is authorized to establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>2. Recommendation to allow medical marijuana businesses in all zones except those that are exclusively residential, subject to established buffers.</p> <p>Yes: 7</p> <p>No: 5</p> <p>Absent: 6</p>	<p>2. Limits medical marijuana businesses to CCA, CHW, and Industrial zones only, section 21.66.070(B).</p>	<p>2. The City is authorized to establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>

**COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS
AND CURRENT DRAFT STATE LEGISLATION**

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266 SB 643 AB 243</u>
<p>3. Recommendation to include 1,000 foot buffers from all schools in surrounding cities.</p> <p>Yes: 15</p> <p>No: 0</p> <p>Absent: 3</p>	<p>3. Includes 1,000 foot buffers from elementary and middle schools in Long Beach, and 1,500 foot buffers from high schools in Long Beach only, section 21.66.070(G).</p>	<p>3. The City is authorized to establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p> <p>Dispensaries and cultivation sites must be located <i>at least</i> 600 feet from schools, SB 643: Business and Professions Code section 19322(a)(4).</p>
<p>4. Recommendation to require cultivation and/or processing sites be closed to the public.</p> <p>Yes: 15</p> <p>No: 0</p> <p>Absent: 3</p>	<p>4. This is not addressed in the draft ordinance.</p>	<p>4. Cultivation sites and licenses are separate and distinct from dispensary and manufacturing sites and licenses. The City is authorized to enact local ordinance requirements, and may ban cultivation in the City altogether, AB 266: Business and Professions Code section 19300.5(x), 19315(a), Health and Safety Code section 11362.777(c)(4).</p>
<p>5. Recommendation to prohibit print advertising for medical marijuana businesses in newspapers and other circulations.</p> <p>Yes: 10</p> <p>No: 5</p> <p>Absent: 3</p>	<p>5. This is already included in section 21.66.080(Q).</p>	<p>5. The bills do not limit the City's ability to restrict advertising, but does significantly restrict advertising for physician recommendations for medical marijuana, SB 643: Business and Professions Code section 2525.5</p>

**COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS
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<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266 SB 643 AB 243</u>
<p>6. Recommendation to allot two (2) points to individuals who successfully completed the LBMC 5.87 lottery.</p> <p>Yes: 9</p> <p>No: 6</p> <p>Absent: 3</p>	<p>6. Section 21.66.070(D)(1)(e)(iii) allots one (1) point to individuals who successfully completed the LBMC 5.87 lottery.</p>	<p>6. The City is authorized to enact local ordinance requirements, including additional standards, requirements, and regulations for local licenses and permits for medical marijuana activities, AB 266: Business and Professions Code section 19315(a), 19316(a).</p>
<p>7. Recommendation to allot two (2) points to those operators who successfully completed the LBMC 5.87 lottery and who continue to possess the original location of their medical marijuana business.</p> <p>Yes: 8</p> <p>No: 7</p> <p>Absent: 3</p>	<p>7. Section 21.66.070 does not allot any points to operators who continue to possess the original location of their medical marijuana business when they successfully completed the LBMC 5.87 lottery.</p>	<p>7. The city is authorized to enact local ordinance requirements, including additional standards, requirements, and regulations for local licenses and permits for medical marijuana activities, AB 266: Business and Professions Code section 19315(a), 19316(a).</p>

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS
AND CURRENT DRAFT STATE LEGISLATION

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>8. Recommendation to add 1000 foot buffers from libraries.</p> <p>Yes: 15</p> <p>No: 0</p> <p>Absent: 3</p>	<p>8. This is not addressed in the draft ordinance.</p>	<p>8. The City is authorized to establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>9. Recommendation to add 1000 foot buffers from licensed child care facilities.</p> <p>Yes: 8</p> <p>No: 7</p> <p>Absent: 3</p>	<p>9. This is not addressed in the draft ordinance.</p>	<p>9. The City is authorized to establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>10. Recommendation to consider high crime areas when determining which commercial zones are appropriate for medical marijuana business operations.</p> <p>Yes: 14</p> <p>No: 1</p> <p>Absent: 3</p>	<p>10. The Planning Commission and City staff considered all appropriate zones and limited medical marijuana business operation to the CCA, CHW, and Industrial zones only.</p>	<p>10. The City is authorized to enact local ordinance requirements, including additional standards, requirements, and regulations for local licenses and permits for medical marijuana activities, AB 266: Business and Professions Code section 19315(a), 19316(a).</p>

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS
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<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>11. Recommendation to keep buffers of 1,000 feet between medical marijuana businesses.</p> <p>Yes: 13</p> <p>No: 1</p> <p>Absent: 4</p>	<p>11. There is no buffer between medical marijuana businesses in Industrial zones to discourage the spread of these locations throughout districts with more Industrial zoning area, section 21.66.070(G)(2).</p>	<p>11. The City is authorized to establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>12. Recommendation to prohibit co-location of medical marijuana businesses by maintaining 1000 foot buffers between marijuana businesses.</p> <p>Yes: 14</p> <p>No: 0</p> <p>Absent: 4</p>	<p>12. There is no buffer between medical marijuana businesses in Industrial zones to discourage the spread of these locations throughout districts with more Industrial zoning area, 21.66.070(G)(2).</p>	<p>12. The City is authorized to establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>13. Recommendation to allow home delivery by approved and permitted medical marijuana businesses.</p> <p>Yes: 13</p> <p>No: 1</p> <p>Absent: 4</p>	<p>13. The draft ordinance prohibits delivery of medical marijuana, section 21.66.090(N).</p>	<p>13. Deliveries may only be made by a licensed dispensary in a jurisdiction that does not explicitly prohibit them. The City is authorized to enact local ordinance requirements, and may ban delivery in the City altogether, AB 266: Business and Professions Code section 19300.5(m), 19315(a), 19340.</p>

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS

AND CURRENT DRAFT STATE LEGISLATION

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>14. Recommendation to require testing by a third-party laboratory.</p> <p>Yes: 14</p> <p>No: 0</p> <p>Absent: 4</p>	<p>14. Extensive testing is required. However, the testing may be completed by the medical marijuana business if they incorporate a lab that meets the standards identified by section 21.66.100.</p>	<p>14. All medical marijuana and associated products must be tested by a licensed testing lab prior to dispensing any product, AB 266: Business and Professions Code section 19326.</p>
<p>15. Recommendation to allow testing facilities to determine the amount of marijuana necessary for testing.</p> <p>Yes: 13</p> <p>No: 1</p> <p>Absent: 4</p>	<p>15. The amount necessary for testing is not currently addressed in the draft ordinance.</p>	<p>15. Testing labs are required to adopt standard methods of the International Organization for Standardization for the competence of testing and calibration activities, including sampling, AB 266: Business and Professions Code section 19342(a).</p>
<p>16. Recommendation that all applicable testing labs register with the City.</p> <p>Yes: 14</p> <p>No: 0</p> <p>Absent: 4</p>	<p>16. Registration is not addressed in the draft ordinance.</p>	<p>16. An applicant for a testing lab must obtain a local license in addition to a State license to operate. AB 266: Business and Professions Code section 19320.</p>

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS
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<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>17. Recommendation to allow medical marijuana businesses to share their product and supplies with other medical marijuana businesses in accordance with transportation and accounting regulations.</p> <p>Yes: 10</p> <p>No: 4</p> <p>Absent: 4</p>	<p>17. Sharing marijuana products and supplies between separate medical marijuana businesses is prohibited, 21.66.090(N)(4).</p>	<p>17. The City is authorized to enact local ordinance requirements and establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>18. Recommendation that the City Council determine the location of production facilities to create edibles and extracts.</p> <p>Yes: 13</p> <p>No: 1</p> <p>Absent: 4</p>	<p>18. Production facilities and edibles are briefly discussed in the draft ordinance. However, staff require additional direction from Council regarding this topic.</p> <p>All extracts, oils, and concentrates are prohibited, section 21.66.090(S).</p>	<p>18. Manufacturing sites and licenses are separate and distinct from dispensary and cultivation sites and licenses. The City is authorized to enact local ordinance requirements, and may ban manufacturing in the City altogether, AB 266: Business and Professions Code section 19300.5(af), 19315(a), Health and Safety Code section 11362.777(g).</p>

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS

AND CURRENT DRAFT STATE LEGISLATION

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>19. Recommendation to required LBPD and LBFD to maintain and track calls for services, recorded crime, and compare these statistics to surrounding cities.</p> <p>Yes: 7</p> <p>No: 5</p> <p>Absent: 6</p>	<p>19. This is not addressed in the draft ordinance.</p>	<p>19. The City is authorized to enact local ordinance requirements and establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>20. Recommendation that the City Council designate funding be provided for public safety requirements to the LBPD, LBFD, and City Attorney's Office.</p> <p>Yes: 12</p> <p>No: 0</p> <p>Absent: 6</p>	<p>20. This is not addressed in the draft ordinance.</p>	<p>20. The City is authorized to enact local ordinance requirements and establish fees and taxes, AB 266: Business and Professions Code section 19315(a), 19320(d).</p>

**COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS
AND CURRENT DRAFT STATE LEGISLATION**

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266 SB 643 AB 243</u>
<p>21. Recommendation to prohibit stationary security guards on the exterior of medical marijuana business dispensary sites during business hours.</p> <p>Yes: 12</p> <p>No: 0</p> <p>Absent: 6</p>	<p>21. A security guard is required to be located at an indoor location on the premises during all hours of operation, section 21.66.120(D).</p>	<p>21. The City is authorized to enact local ordinance requirements and establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>22. Recommendation to require surveillance video recordings be maintained by medical marijuana businesses for one year for the audit surveillance cameras and 30 days for all other surveillance cameras.</p> <p>Yes: 12</p> <p>No: 0</p> <p>Absent: 6</p>	<p>22. Medical marijuana businesses are required to connect to LBCOP as well as maintain recordings of all surveillance video for a minimum of 30 days, section 21.66.120(A).</p>	<p>22. The City is authorized to enact local ordinance requirements and establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS

AND CURRENT DRAFT STATE LEGISLATION

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>23. Recommendation to determine the impact of legal challenges to the ordinance to medical marijuana businesses.</p> <p>Yes: 12</p> <p>No: 0</p> <p>Absent: 6</p>	<p>23. This is not addressed in the draft ordinance.</p>	<p>23. The City is authorized to enact local ordinance requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>24. Recommendation to require the City to comply with all federal law reporting requirements on cash receipts.</p> <p>Yes: 10</p> <p>No: 2</p> <p>Absent: 6</p>	<p>24. This is not addressed in the draft ordinance, which assumes the City consistently complies with all federal financial reporting requirements.</p>	<p>24. The City is authorized to enact local ordinance requirements, AB 266: Business and Professions Code section 19315(a).</p>

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS

AND CURRENT DRAFT STATE LEGISLATION

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>25. Recommendation to add an annual regulatory fee to medical marijuana businesses be added to the ordinance.</p> <p>Yes: 11</p> <p>No: 0</p> <p>Absent: 7</p>	<p>25. A regulatory fee, in additional to an application and a permit fee, is not addressed in the draft ordinance.</p>	<p>25. The City is authorized to enact local ordinance requirements and establish fees, AB 266: Business and Professions Code section 19315(a), 19320(d).</p>
<p>26. Recommendation to specify an application fee in the ordinance.</p> <p>Yes: 12</p> <p>No: 0</p> <p>Absent: 6</p>	<p>26. The application fee is not addressed in the draft ordinance as it has not been established, but will be listed in the Master Fee Schedule should the ordinance be adopted.</p>	<p>26. The City is authorized to enact local ordinance requirements and establish fees, AB 266: Business and Professions Code section 19315(a), 19320(d).</p>
<p>27. Recommendation to maintain the City's ban until further action by the State.</p> <p>Yes: 7</p> <p>No: 6</p> <p>Absent: 5</p>	<p>27. The ban is currently in place and would be repealed by the draft ordinance.</p>	<p>27. The City is authorized to continue the ban on all marijuana related activities, AB 243: Health and Safety Code section 11362.777(g)</p>

**COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS
AND CURRENT DRAFT STATE LEGISLATION**

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>28. Recommendation to prohibit transfer of ownership of a medical marijuana business CUP, and to require a new Conditional Use Permit in the event of a change of ownership.</p> <p>Yes: 7</p> <p>No: 6</p> <p>Absent: 5</p>	<p>28. Section 21.66.030(F) prohibits a transfer of the medical marijuana business CUP unless the new owner provides to the City all the information required in the application.</p>	<p>28. The City is authorized to enact local ordinance requirements and establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>
<p>29. Recommendation to present Task Force member Larry King's ordinance to the City Council.</p> <p>Yes: 9</p> <p>No: 4</p> <p>Absent: 5</p>	<p>29. The Task Force did not review or discuss the substance of the ordinance proposed by Task Force member Larry King, however it was provided to the Council on September 1, 2015.</p>	<p>29. Not applicable.</p>

COMPARISON TABLE OF TASK FORCE RECOMMENDATIONS

AND CURRENT DRAFT STATE LEGISLATION

<u>Task Force Approved Recommendations</u>	<u>Draft Ordinance:</u>	<u>AB 266</u> <u>SB 643</u> <u>AB 243</u>
<p>30. Recommendation to require the City to hold the CUP hearing within 60 days of an application being approved.</p> <p>Yes: 13</p> <p>No: 0</p> <p>Absent: 5</p>	<p>30. Section 21.66.140 establishes a timeline and process for the Department of Development Services to review applications and set hearings before the Planning Commission. As with all other CUP applications, the CUP application will be set for hearing in accordance with Long Beach Municipal Code Chapter 21.21.</p>	<p>30. The City is authorized to enact local ordinance requirements and establish and enforce local zoning requirements, AB 266: Business and Professions Code section 19315(a).</p>