

CalCannabis Appellations Project

What is the purpose of today's workshop?

- **To get your input on how we should develop a process for establishing cannabis appellations in California**
- **To get your suggestions on what standards we should use for county-of-origin designations**

This workshop is set up in an open-house format, with several informational work stations. Please feel free to visit any of these stations and talk to the CalCannabis Appellations Project staff. We welcome your ideas and suggestions. Thank you.

What Are the Key Legal Requirements?

Per Business and Professions Code section 26063, the California Department of Food and Agriculture is directed to:

- **Establish standards by which licensed cannabis cultivators may designate a county of origin for cannabis.**
- **Establish a process by January 1, 2021, by which licensed cannabis cultivators may establish appellations of standards, practices, and varieties applicable to cannabis grown in a certain geographical area in California.**

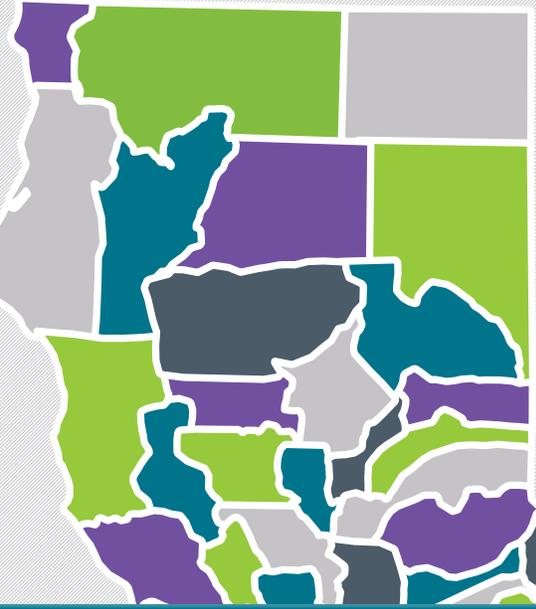


What Is a County of Origin Designation?

Business and Professions Code section 26063(a) states:

To be eligible for the designation, 100 percent of the cannabis shall be produced within the designated county, as defined by finite political boundaries.

- Cannabis shall not be advertised, marketed, labeled, or sold as grown in a California county when the cannabis was not grown in that county.
- The name of a California county, including any similar name that is likely to mislead consumers as to the origin of the product, shall not be used in the advertising, labeling, marketing, or packaging of cannabis products unless the cannabis contained in the product was grown in that county.



How should the CalCannabis Appellations Project expand on these county-of-origin standards?



What Is an Appellation?

An appellation is an identifying name, title, or sometimes a designated geographical area.

A stylized map of California is shown on the left side of the page. The map is filled with a light blue color and has a white outline. The background of the entire page is a light green color with a fine, repeating pattern of diagonal lines.

For example, appellations of origin are used commonly on wine labels to identify where the grapes were grown.

U.S. Wine Appellations

American Viticultural Areas (AVA) are one piece of the appellation system in the United States used to designate the geographical origin of wine. The AVA model recognizes geographical features of wine-growing regions, but it does not include regulations for the characteristics of the product or specific production standards and practices.

California statutes governing cannabis appellations mention standards, practices, varietals, and geographic areas.



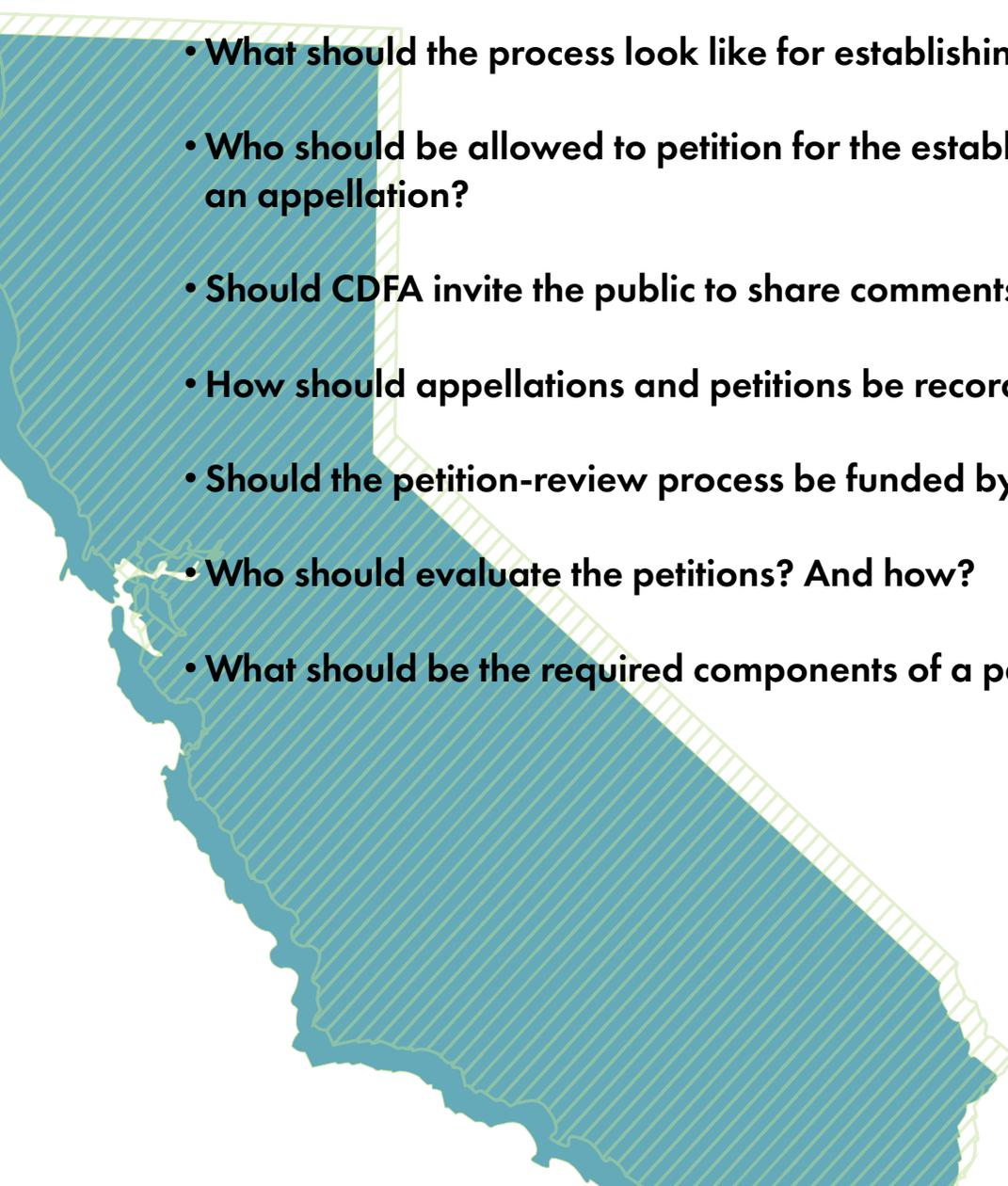
How do you think appellations for cannabis compare with the AVA or another existing model for wine?



The Process for Establishing an Appellation

The California Department of Food and Agriculture (CDFA) envisions a petition process to establish an appellation for California cannabis.

Questions to consider:

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- What should the process look like for establishing an appellation?
 - Who should be allowed to petition for the establishment of an appellation?
 - Should CDFA invite the public to share comments on the petitions?
 - How should appellations and petitions be recorded and announced?
 - Should the petition-review process be funded by a collection of fees?
 - Who should evaluate the petitions? And how?
 - What should be the required components of a petition?

Standards, Practices, and Varietals

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- **What standards would you include in an appellation?**
 - **What practices would you include or exclude?**
 - **What varietal restrictions would you include?**
 - **How could standards, practices, and varietals be applied?**

The Importance of Appellations

Which of the following considerations are important to you in an appellations system?

- Prevent producers in other areas from profiting from your region's reputation.
- Ensure producers who use the same appellation produce a consistent product.
- Encourage the use of best practices in an area.
- Provide more information to consumers about where their purchases were produced.
- Help local cannabis farmers stay competitive in the market.
- Limit additional government regulations, requirements, and fees.
- Encourage local municipalities to participate in the licensed cannabis marketplace.
- Encourage existing cultivators to enter the licensed cannabis marketplace.

Are there other considerations you recommend?