WELCOME

MCCP Public Scoping Workshop
September 2016
Scoping Workshop Purpose

Provide information and obtain public input regarding the scope and content of the environmental analysis and regulation development for the Medical Cannabis Cultivation Program (MCCP), in accordance with California Environmental Quality Act (CEQA) requirements.
Scoping Workshop Format

• Open House
• Informational Stations
• Technical Experts
• Submit Written or Verbal Comments
Medical cannabis was first legalized in California under the *Compassionate Use Act of 1996*.

**The Medical Cannabis Regulation and Safety Act (MCRSA):**
- Signed into law in 2015, establishing new requirements for medical cannabis production in California.
- Requires various state agencies to develop regulations and licensing programs for the cultivation, manufacture, testing, transportation, distribution, and sale of medical cannabis in the State of California.

*Marijuana is currently a Schedule 1 controlled substance under federal law.* Individuals engaging in cannabis cultivation not associated with a legitimate medical need risk prosecution under federal, state, or local law.
CDFA is developing the **Medical Cannabis Cultivation Program (MCCP)** to:

- **License** medical cannabis cultivators in the state
- **Establish conditions** under which indoor, outdoor, and mixed-light cultivation may occur
- **Establish a track and trace program** for reporting the movement of medical cannabis items through the distribution chain
- Coordinate with other state agencies to **protect the environment and human health and safety**

The MCCP would be implemented statewide, at licensed medical cannabis cultivation sites.
Cannabis Production and Distribution
Under The Medical Cannabis Regulation and Safety Act

CULTIVATOR → MANUFACTURER → DISTRIBUTOR
QUALITY CONTROL / INSPECTION

NURSERY

LICENSED TESTING LAB

DISPENSARY

PATIENT

DOCTOR

Green arrow represents licensed transporter
State Agency Responsibilities

Under the Medical Cannabis Regulation and Safety Act (MCRSA)

California Department of Consumer Affairs
Oversight of Bureau of Medical Cannabis Regulation (BMCR)

California Department of Food & Agriculture
- Cultivation
- Track & Trace Program

California Department of Public Health
- Manufacturers

Department of Pesticide Regulation
- Standards for Chemical Residues
- Pesticide Use Guidelines

Bureau of Medical Cannabis Regulation (BMCR)
- Transporters
- Distribution
- Testing Laboratories
- Dispensaries & Delivery

California Department of Fish and Wildlife, State Water Resource Control Board, Regional Water Quality Control Boards
- Protection of Natural Resources

Local Implementation and Enforcement
CDFA Actions

• Analyze the potential environmental and human health impacts of licensed medical cannabis cultivation

• Develop a regulatory structure for statewide medical cannabis cultivation licensing in California

• Establish a track and trace system that will document the movement of medical cannabis products from cultivation to final sale.
CDFA is in the initial stages of developing the regulations that will define statewide licensing requirements for medical cannabis.

Licensing will begin on Jan. 1, 2018, after environmental review and approval of the regulations by the Office of Administrative Law.

Stakeholders, agencies, members of the public, and licensing authorities will be invited to review and comment on the proposed regulations.
Regulation Development

Existing and Foreseeable Cultivation Activities → Environmental Impacts → Management Measures

Regulations

SB 643 → AB 266 → AB 243

Public Workshops → Public Review / Comment → Adopted Regulations

Proposed Text of Draft Regulations/Initial Statement of Reasons → Final Text of Regulations/Final Statement of Reasons

Rulemaking
California Environmental Quality Act

- Notice of Preparation & Scoping
- Draft Environmental Impact Report
- Final Environmental Impact Report
- Notice of Determination
- Public Review/Comment
CDFA is developing medical cannabis cultivation regulations to:

- Establish minimum cultivation licensing requirements for indoor, outdoor, and mixed-light medical cannabis cultivation operations.
- Establish a limit on the quantity of licenses issued for cultivation categories over 10,000 square feet.
- Ensure that individual and cumulative effects of water diversion and discharge associated with cultivation do not affect instream flows needed for fish and natural flows.
- Ensure that cultivation will not negatively impact springs, riparian wetlands, and aquatic habitats.
CDFA is developing medical cannabis cultivation regulations to:

- Require that licensed cannabis cultivation is conducted in accordance with state and local laws related to land conversion, grading, electricity usage, water usage, water quality, woodland and riparian habitat protection, agricultural discharges, and similar matters.

- Establish procedures for the issuance, reporting and revocation of medical cannabis cultivation licenses.

- Establish a scale of application, licensing, and renewal fees, based upon the cost of administering and enforcing the Program.

- Develop a cultivation checklist tool to evaluate environmental impacts of cannabis cultivation license programs.
**CDFA is authorized to issue ten license types for medical cannabis cultivation**

<table>
<thead>
<tr>
<th>License Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type 1</td>
<td>Specialty Outdoor</td>
</tr>
<tr>
<td>Type 1A</td>
<td>Specialty Indoor</td>
</tr>
<tr>
<td>Type 1B</td>
<td>Specialty Mixed-Light</td>
</tr>
<tr>
<td>Type 2</td>
<td>Small Outdoor</td>
</tr>
<tr>
<td>Type 2A</td>
<td>Small Indoor</td>
</tr>
<tr>
<td>Type 2B</td>
<td>Small Mixed-Light</td>
</tr>
<tr>
<td>Type 3</td>
<td>Outdoor</td>
</tr>
<tr>
<td>Type 3A</td>
<td>Indoor</td>
</tr>
<tr>
<td>Type 3B</td>
<td>Mixed-Light</td>
</tr>
<tr>
<td>Type 4</td>
<td>Nursery</td>
</tr>
</tbody>
</table>

**CDFA will not begin issuing licenses until 2018**
CDFA’s Regulations Will Include Guidelines on:

- **Applications for Cultivation License**
  - Application Requirements
- **Licensing**
  - License Types, Allowances, and Constraints
  - License Denial and Appeal Process
  - License Renewal
  - License Fee Schedule
- **Cultivator Requirements**
  - Requirements for All License Types
- **Track and Trace Requirements**
  - Unique Identifiers
  - Tracking System
  - Reporting Requirements
- **Inspections**
  - Inspection Requirements
- **Enforcement**
  - License Violations
  - Administrative Hold Procedure
  - Voluntary Surrender of Cannabis or Cannabis Product
  - Completed Investigations
  - Minor, Moderate, or Serious Violations
  - Appeal Process
License Requirements

Application Requirements
- Have local approvals
- Description of operating procedures
- Fingerprint
- Fee
- One license per site

Operational Requirements
- Health and safety requirements
- Buffers from schools
- Labor laws
- Environmental requirements

Types of Licenses

<table>
<thead>
<tr>
<th>Types</th>
<th>Outdoor</th>
<th>A - Indoor</th>
<th>B - Mixed Light</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Specialty</td>
<td>5,000 ft² or 50 plants</td>
<td>5,000 ft²</td>
<td></td>
</tr>
<tr>
<td>2 - Small</td>
<td></td>
<td>10,000 ft²</td>
<td></td>
</tr>
<tr>
<td>3 - Medium*</td>
<td>1 acre</td>
<td>22,000 ft²</td>
<td></td>
</tr>
<tr>
<td>4 - Nursery</td>
<td></td>
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</tr>
</tbody>
</table>

Combinations
- Cultivation, Manufacturer, Dispensary

Key Factors
- Land conversion
- Grading
- Electricity Use
- Water source/use
- Wastewater discharge
- Pesticide Use

Other CDFA Requirements
- Standards (weigh/measure)
- Implementation (with County Agricultural Commissioner)
- Annual Reports

Track & Trace
- Unique identifier for each plant
- Manifest system (chain of custody)
- Reporting system (database)
Key Considerations

- Pesticide, Fertilizer, and other Chemical Use
- Energy Use
- Water Use
- Cultivation

- Transportation/Tracking
- Other MCRSA licensing programs
- Enforcement
CDFA is the lead agency preparing a Programmatic Environmental Impact Report (PEIR) for the Medical Cannabis Cultivation Program (MCCP) to:

- Ensure that medical cannabis cultivation is protective of the environment, cannabis cultivation workers, and the general public
- Establish a track and trace program to ensure the movement of medical cannabis is tracked throughout the production chain
California Environmental Quality Act
Public Scoping

The purpose of scoping is to solicit early input from the public and public agencies on:

- Potential Environmental Impacts of Medical Cannabis Cultivation
- Extent of the Proposed Project
- Reasonable Range of Alternatives
- Methodologies for Impact Analysis
- Types of Impacts to Evaluate
- Potential Mitigation Strategies
The primary purpose of the Programmatic Environmental Impact Report (PEIR) is to:

- Analyze and disclose the **reasonably foreseeable direct and indirect environmental impacts** that may occur as a result of the Medical Cannabis Cultivation Program (MCCP).

- Analyze and disclose the **potentially significant environmental impacts** associated with the MCCP.

- Where impacts are significant, identify **potentially feasible mitigation measures and alternatives** that substantially lessen or avoid such effects.
Potential environmental issues to be addressed in the Programmatic Environmental Impact Report (PEIR):

- Aesthetics
- Agriculture and Forestry Resources
- Air Quality
- Biological Resources
- Cultural Resources
- Geology and Soils
- Greenhouse Gas Emissions
- Hazards and Hazardous Materials
- Hydrology and Water Quality

- Land Use and Planning
- Mineral Resources
- Noise
- Population and Housing
- Public Services
- Recreation
- Transportation and Traffic
- Tribal & Cultural Resources
- Utilities and Service Systems
- Cumulative Impacts
- Irreversible Impacts
Comment Period: September 1-30, 2016

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Medical Cannabis Cultivation Comments
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AT PUBLIC MEETING:
Fill out a comment form or give verbal comments to a court reporter.

cdfa.ca.gov/is/mccp
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