

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 473

Introduced by Assembly Member Ammiano

February 19, 2013

An act to add Chapter 18 (commencing with Section 26000) to Division 9 of the Business and Professions Code, relating to medical cannabis.

LEGISLATIVE COUNSEL'S DIGEST

AB 473, as amended, Ammiano. Medical cannabis: ~~state regulatory structure.~~ *regulation and enforcement.*

Existing law, the Compassionate Use Act of 1996, an initiative measure enacted by the approval of Proposition 215 at the November 6, 1996, statewide general election, authorizes the use of marijuana for medical purposes. Existing law enacted by the Legislature requires the establishment of a program for the issuance of identification cards to qualified patients so that they may lawfully use marijuana for medical purposes, and requires the establishment of guidelines for the lawful cultivation of marijuana grown for medical use.

~~This bill would state the intent of the Legislature to enact legislation that would, pursuant to the Compassionate Use Act of 1996, provide a comprehensive state regulatory structure for medical cannabis cultivation, processing, testing, and distribution.~~

This bill would create the Division of Medical Cannabis Regulation and Enforcement within the Department of Alcoholic Beverage Control. The bill would grant the division all power necessary to, among other things, establish statewide standards for the cultivation, manufacturing, testing, transportation, distribution, and sales of medical cannabis and

medical cannabis products and a statewide fee scale in relation to these activities. The bill would require the division to assist in the development of uniform policies for the taxation of medical cannabis businesses and establish a licensing structure, as specified, which would include an identification card program. The bill would require the division to work in conjunction with law enforcement entities throughout the state to implement and enforce the rules and regulations regarding medical cannabis and to take appropriate action against businesses and individuals who fail to comply with the law.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Chapter 18 (commencing with Section 26000) is*
2 *added to Division 9 of the Business and Professions Code, to read:*

3

4 *CHAPTER 18. MEDICAL CANNABIS REGULATION*

5

6 *Article 1. General Provisions*

7

8 26000. *It is the intent of the Legislature in enacting this chapter*
9 *to provide for the comprehensive regulation of the cultivation,*
10 *manufacturing, testing, transportation, distribution, and sale of*
11 *medical cannabis and the enforcement of laws relating to these*
12 *activities.*

13 26002. *For the purpose of this chapter:*

14 (a) *“Division” means the Division of Medical Cannabis*
15 *Regulation and Enforcement.*

16 (b) *“Identification program” means the universal identification*
17 *card program for qualified patients and persons engaged in*
18 *business operations related to medical cannabis.*

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20 *Article 2. Administration*

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22 26020. *There is hereby created in the Department of Alcoholic*
23 *Beverage Control the Division of Medical Cannabis Regulation*
24 *and Enforcement. The division shall be administered by a chief*
25 *executive to be appointed by the director.*

1 26022. *The division shall have all power necessary for*
2 *administration of this chapter, including, but not limited to, the*
3 *following:*

4 (a) *Establishing statewide standards for the cultivation,*
5 *manufacturing, testing, transportation, distribution, and sales of*
6 *medical cannabis and medical cannabis products.*

7 (b) *Establishing a scale of fees, to be imposed by the state, for*
8 *the cultivation, manufacturing, testing, transportation, distribution,*
9 *and sale of medical cannabis and medical cannabis products.*

10 (c) *Adopting, amending, and rescinding reasonable regulations,*
11 *special rulings, and findings as necessary for the regulation and*
12 *control of the cultivation, manufacturing, testing, transportation,*
13 *distribution, and sale of medical cannabis and to govern the*
14 *procedures of the division to exercise the powers and perform the*
15 *duties conferred upon it by this chapter, in accordance with the*
16 *provisions of Chapter 3.5 (commencing with Section 11340) of*
17 *Part 1 of Division 3 of Title 2 of the Government Code.*

18 26024. *The division shall assist in the development of uniform*
19 *policies for the taxation of medical cannabis businesses.*

20 26026. *The division shall identify successful regulatory*
21 *structures for the purpose of supporting cities and counties in*
22 *appropriately governing activities related to medical cannabis.*

23

24

Article 3. Licensing

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26 26040. *The division shall establish a licensing program and a*
27 *fee structure for cultivation, manufacturing, testing, transportation,*
28 *distribution, and sale of medical cannabis and medical cannabis*
29 *products.*

30 26042. *The licensing program described in Section 24040 shall*
31 *include an identification card program that respects the protections*
32 *of the Confidentiality of Medical Information Act (Part 2.6*
33 *(commencing with Section 56) of Division 1 of the Civil Code) and*
34 *the federal Health Insurance Portability and Accountability Act*
35 *of 1996 (42 U.S.C. Sec. 1320d et seq.).*

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Article 4. Enforcement

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39 26060. *The division shall work in conjunction with law*
40 *enforcement entities throughout the state for the purpose of*

1 *implementing and enforcing the rules and regulations regarding*
2 *medical cannabis and taking appropriate action against businesses*
3 *and individuals who fail to comply with the law.*

4 ~~SECTION 1. It is the intent of the Legislature to enact~~
5 ~~legislation that would, pursuant to the Compassionate Use Act of~~
6 ~~1996, provide a comprehensive state regulatory structure for~~
7 ~~medical cannabis cultivation, processing, testing, and distribution.~~