



March 1 Subcommittee Meeting on Licensing Applications: Regulations and Statutes Chart

Agenda Item	Agenda Topic	Regulation (California Code of Regulations)	Statute (Business and Professions Code, unless otherwise stated)
2a	Ownership/Number of Licenses	<ul style="list-style-type: none">• §5002(c)(6) and (20): Annual license application requirements – list of licenses from licensing authorities, and list of every owner• §5019: Excessive concentration – prohibited unless denying license due to excessive concentration would limit development of legal market.	<ul style="list-style-type: none">• §26000(al): Definitions – “owner” is defined as any person with an aggregate ownership interest of 20% or more, CEO, member of non-profit board of directors, individual with control, direction or management.• §26051: Factors related to determining whether to grant, deny, or renew – licensing authority may deny license due to excessive concentrations• §26200: Local jurisdictions; ordinances; enforcement; notice to bureau of revocation of local license; permissible activities on retailer or microbusiness premises – MAUCRSA does not supersede or limit authority of local jurisdiction to adopt and enforce local ordinances related to licensing, and does not require a licensing authority to undertake, enforce, or implement any local requirement.
2b	Licensing Vested Rights	<ul style="list-style-type: none">• §5001(e): Temporary license – does not create vested right in extension or nontemporary license.• §5024: Death or incapacity of a licensee – no vested right in approval for successor to continue operations.	<ul style="list-style-type: none">• §26050.1: Temporary licenses; requirements; conditions – issuance of a temporary license does not create a vested right in extension of nontemporary license

2c	Privatization of Licensing Application Information	<ul style="list-style-type: none"> • §5002: annual application requirements 	<ul style="list-style-type: none"> • §26067: Unique identifier and track and trace program; electronic shipping manifest database; confidentiality – information received under these provisions are confidential and not subject to PRA • §26162: Confidentiality of patient information – information is not to be disclosed beyond what is necessary to achieve goals of specific investigation, notification, or by court order or subpoena • Civil Code §1798 et seq – Information Practices Act • Government Code §6250 et seq. – Public Records Act
2d	License Fees	<ul style="list-style-type: none"> • §5014: Annual license fees – includes application fee and license fee based on license type and estimated dollar value of operations • §5015: Payment of fees – specifies how the application and licensing fees may be paid, and provision for payment of less than the appropriate amount 	<ul style="list-style-type: none"> • §26012(b): Creation, issuance, denial, renewal, discipline, suspension, or revocation of licenses – each licensing authority has authority to collect fees in connection with regulatory activities. • §26180 et seq.: Licensing fees – licensing authority to establish a fee scale for licensure and renewal, based upon cost of enforcement and administration. The fee is to be scaled based on size of business, and in amount to fully recover costs.
2e	Tribal Issues Related to Land Owner Approval	<ul style="list-style-type: none"> • §5002(c)(32): Annual license application requirements – limited waiver of sovereign immunity • §5007: Landowner approval • §5009: waiver of any sovereign immunity defense may be required for applicant falling within scope of sovereign immunity asserted by federally recognized tribe or other sovereign entity. 	<ul style="list-style-type: none"> • §26051.5(a)(2): Application requirements – landowner approval

2f	Adult-Use & Medicinal License Designations	<ul style="list-style-type: none"> • §5025: Premises – each licensee must have a designated premises, and the one licensed premises may only be held by two licensees when it is an A-license or M-license for the same activity, ownership, name, etc. • §5029: Transition to Regulated Commercial Cannabis Market – licensees may conduct business with other licensees irrespective of “A” or “M” designation. • §5404: Retail customers – adult cannabis goods should only be sold to verified individuals 21 and over, and medicinal cannabis goods to those 18 and over with a valid physician’s recommendation. • §5409: Daily limits are established for the sale of adult-use and medicinal concentrated and non-concentrated cannabis. 	<ul style="list-style-type: none"> • §26001(a),(ae): Definitions – “A-license” is a state license for cannabis intended for adults 21 years or older, and “M-license” is a state license for commercial cannabis activity involving medicinal cannabis. • §26050(b): License classification – all licenses (aside from testing labs) shall designate with distinction whether it is for commercial adult-use cannabis or commercial medicinal cannabis • §26140: Selling or furnishing cannabis or cannabis products to persons under 21 years of age; prohibitions; exceptions – prohibits A-licensees from selling, employing, or allowing access to premises, of anyone under 21, and prohibits M-licenses from selling to anyone under 18, or under 21 without a valid physician’s recommendation
----	--	--	--