

**BUREAU OF CANNABIS CONTROL  
PROPOSED CHANGES TO TEXT OF REGULATIONS UNDER  
CALIFORNIA CODE OF REGULATIONS, TITLE I, SECTION 100**

**CALIFORNIA CODE OF REGULATIONS  
TITLE 16  
DIVISION 42. BUREAU OF CANNABIS CONTROL**

**Chapter 1. ALL BUREAU LICENSEES**

**Article 4. Posting and Advertising**

**§ 5040. Advertising Placement.**

- (a) Any advertising or marketing, as defined in Business and Professions Code section 26150, that is placed in broadcast, cable, radio, print, and digital communications:
- (1) Shall only be displayed after a licensee has obtained reliable up-to-date audience composition data demonstrating that at least 71.6 percent of the audience viewing the advertising or marketing is reasonably expected to be 21 years of age or older;
  - (2) Shall not use any depictions or images of minors or anyone under 21 years of age;
  - (3) Shall not contain the use of objects, such as toys, inflatables, movie characters, cartoon characters, or include any other display, depiction, or image designed in any manner likely to be appealing to minors or anyone under 21 years of age; and
  - (4) Shall not advertise free cannabis goods or giveaways of any type of products, including non- cannabis products. This includes promotions such as:
    - (A) Buy one product, get one product free;
    - (B) Free product with any donation; and
    - (C) Contests, sweepstakes, or raffles.
- (b) In addition to the requirements for advertising and marketing in subsection (a) of this section, all outdoor signs, including billboards, shall:
- (1) Be affixed to a building or permanent structure; and
  - (2) Comply with the provisions of the Outdoor Advertising Act, commencing with section 5200 of the Business and Professions Code, if applicable; ~~and~~
  - ~~(3) Not be located within a 15-mile radius of the California border on an Interstate Highway or on a State Highway that crosses the California border.~~
- (c) For the purposes of this section, “reliable up-to-date audience composition data” means data regarding the age and location demographics of the audience viewing a particular advertising or marketing medium. “Reliable up-to-date audience

composition data” does not include data from the most recent United States decennial or special census, or the annual population estimate for California counties published by the Demographic Research Unit, State Department of Finance.

- (d) Immediately upon request, a licensee shall provide to the Bureau audience composition data as required in subsection (a) of this section for advertising or marketing placed by the licensee.
- (e) If the Bureau determines that audience composition data for advertising or marketing provided by a licensee does not comply with the requirements of subsection (a) of this section, or the licensee fails to provide audience composition data to the Bureau upon request, the licensee shall remove the advertising or marketing placement in question.
- (f) In construing and enforcing the advertising provisions of the Act and this division, any action, omission, or failure of an advertising agent, representative, or contractor retained by the licensee shall in every case be deemed the act, omission, or failure of the licensee.

Authority: Section 26013, Business and Professions Code.

Reference: Sections 26151 and 26152, Business and Professions Code.