BUREAU OF MEDICAL CANNABIS REGULATION

PRE-REGULATORY MEETING

DISTRIBUTOR REQUIREMENTS—MEETING SUMMARY

SANTA ROSA

September 22, 2016

Topic 1: Ensuring Quality of Product

BMCR Thoughts: Require all distributors to abide by the following storage conditions for all medical cannabis and medical cannabis products:

1. **Dried Flower: Humidity 60-65%, dark area out of direct sunlight;**
2. **Concentrates and infused products: Refrigerated less than or equal to 4 degrees Celsius, dark area out of direct sunlight, well-ventilated area;**
3. **Edibles: Refrigerated at 4 degrees Celsius; and**
4. **All products: Sealed bags, dark containers, locked up.**

COMMENTS:

- Edibles require different temperatures depending on the product. Don't make the required temperature the same for all edibles.
- Don't regulate storage conditions, should be part of the contract between the cultivator or manufacturer and the distributor. [Multiple commenters]
- Put into regulation a range of acceptable storage conditions, and then people can contract for storage conditions between that range.
- Regulate storage conditions so it won't be necessary to litigate breach-of-contract issues in civil court.
- There are ways to store cannabis that are unequivocally better than others, and they should be put into regulation.
- Require a performance bond of the distributor, so he or she stores things correctly.
- Cannabis is a perishable product, and regulations should address storage conditions.
- There should be timelines for testing in regulation (how long a distributor may sit on product) because cannabis is a perishable product.
- There should be a regulation requiring physical protection of the product like locking boxes.
- Bags are not a good idea because the flower can be crushed.
- Free market will fix any storage problems. It's a contract issue.
- Want recourse with state rather than having to file a civil suit.
- If there are not enough distributors to choose from, distributors may take advantage of people, and therefore storage conditions should be put into law.
- The goal is to keep product in the same condition throughout storage. Therefore regulations are needed regarding storage.

• BMCR should collect info on optimal storage conditions and then disseminate the information. • Small businesses will have a hard time paying for civil breach-of-contract lawsuits, and therefore storage conditions should be in regulation.
QUESTIONS: • Are distributor-to-distributor sales allowed?
MAIN THEMES: • Contracts should cover storage conditions, not regulations. • Storage conditions should be in regulation because lawsuits are expensive and burdensome.

Topic 2: Repurposing of Medical Cannabis

BMCR Thoughts: Allow processing of medical cannabis flower if contamination levels are below limits set by BMCR. Limits will be set using scientific studies and will ensure safety of any medical cannabis product for human use. Any product found with contamination levels higher than those limits set by BMCR will require destruction.

COMMENTS: • Bureau should allow for this. [multiple commenters] • The handout says "below limits," but sometimes product will fail because it has limits *above* those allowed by law; should change handout. • Allow for remediation or repurposing. • Testing too broadly for bacteria (such as an aerobic plate count) is a bad idea because it picks up beneficial bacteria.
QUESTIONS: • Do labs re-test after a failed result? May people re-test at another lab? • Can you remediate? How? [Multiple commenters]
MAIN THEMES: • Allow for retesting, repurposing and remediation.

Topic 3: Labeling

BMCR Thoughts: Allow for labeling to occur as follows:

1. **At cultivator's or manufacturer's premises prior to medical cannabis and medical cannabis products being sent to distributor;**
2. **By distributor at the distributor's premises; or,**
3. **By a third party at the distributor's premises.**

COMMENTS:

- Should be able to label at retailer because if flower were prepackaged into eighths or quarters, dispensaries may not be able to sell quarters and couldn't break the flower into grams for sale. [Multiple commenters]
- Pre-approved labels and packaging is not a good idea. Guidelines only would be good.
- Can't predict THC and other cannabinoid levels, so labeling should occur at distributor or retail level.
- Should include nutritional labels.
- Label with a sticker right after testing.

MAIN THEMES:

- Allow retailers to buy flower in bulk and label themselves with each sale.

Topic 4: Sample Collection for Testing Purposes

BMCR Thoughts: All sample collection for testing purposes shall be done by an agent of a licensed testing laboratory, under the surveillance of a distributor; sample collection shall be performed under video surveillance. All sample collection shall occur under one of the following conditions:

1. **A testing lab agent comes to the distributor's licensed premises to select a random sample for laboratory testing; or,**
2. **The distributor transports all medical cannabis and medical cannabis products from one testing batch to the laboratory and a testing lab agent selects a random sample.**

COMMENTS:

- A one-pound bag of flower is the industry standard for packaging bulk.

QUESTIONS:

- Will they open all bags of a batch to sample?
- Can a distributor take title after cultivation, before manufacturing and move the product to the manufacturer and then test after manufacturing?