



The Medical Cannabis Regulation and Safety Act (MCRSA), comprised of three bills enacted on September 11, 2015 by the California Legislature, directed the California Department of Food and Agriculture to create the Medical Cannabis Cultivation Program (MCCP). The MCRSA further requires the MCCP to carry out specific provisions, including develop a licensing program for medical cannabis cultivation, implement a "track and trace" program, and evaluate the MCCP's potential environmental impacts in compliance with the California Environmental Quality Act. Below are some details from the MCRSA specific to medical cannabis cultivation licenses and the MCCP's obligations.

Definitions:

The MCRSA defines many terms such as: applicant, batch, cannabis, cultivation, cultivation site, licensee, licensing authority, lot, and nursery.

Application Requirements

The MCRSA requires cultivators to submit the following for license applications:

- Board of Equalization seller's permit number
- Proof of fingerprinting submission to the California Department of Justice
- Copy of a local license, permit or other authorization from a local jurisdiction to cultivate
- A cultivation plan detailing grow site dimensions, chemical use protocols, water source and storage, waste removal plan, security protocols, inventory tracking procedures, quality control procedures, product storage and labeling
- · Proof of the legal right to occupy the proposed cultivation site
- Proof of a bond in the amount of \$25,000
- If applicable, a copy of a valid Fish and Game Code section 1602 streambed alteration agreement or written verification from the Department of Fish and Wildlife that a streambed alteration agreement is not required
- · If applicable, approval of water diversion and water rights
- · If applicable, a certificate of rehabilitation for a conviction

The MCRSA also requires an applicant to attest to the following:

- · A license is only valid for the single, identified location
- The proposed location is located beyond a 600-foot radius from a school
- $\cdot\,$ The applicant is not a licensed retailer of alcoholic beverages
- · The applicant is an "agricultural employer"
- For an applicant with 20 or more employees, the applicant will enter into a Labor Peace Agreement
- Under penalty of perjury, the information in the application is complete, true and accurate; the applicant has read and is familiar with all applicable laws and regulations





License Types

The MCRSA specifies that MCCP develop regulations to license nurseries and indoor, outdoor and mixed-light (light deprivation) grow sites using the following parameters:

	Outdoor (no artificial light)	Indoor (exclusively artificial light)	Mixed-Light* (combo of natural & suppli- mental artificial light)
Special Cultivator	Type 1 Up to 5,000 sq ft, or up to 50 mature plants on noncontiguous plots	Type 1a Up to 5,000 sq ft	Type 1b Up to 5,000 sq ft
Small Cultivator	Type 2	Type 2a	Type 2b
	5,001 - 10,000 sq ft	5,001 - 10,000 sq ft	5,001 - 10,000 sq ft
Medium Cultivator**	Type 3	Type 3a	Type 3b
	10,001 sq ft to one acre	10,001 - 22,000 sq ft	10,001 - 22,000 sq ft
Nursery	Type 4	Type 4	Type 4
	Up to one acre	Up to one acre	Up to one acre

*MCRSA requires the MCCP to determine the maximum threshold for supplemental artificial lighting. CDFA has not yet established criteria for the limit. **MCRSA requires the MCCP to limit the number of "medium" sized cultivation licenses. CDFA has not yet established criteria for the limit.





Cultivation Requirements

The MCRSA requires that MCCP determine and mitigate environmental impacts from medical cannabis cultivation sites and seek input from several different state departments and agencies for the development of cultivation requirements as follows:

General Cultivation: MCCP governs the licensing of indoor, outdoor, and mixed-light commercial cultivation sites. Any relevant mitigation requirements determined by the environmental evaluation shall be included in a license for cultivation.

Water: MCRSA requires any cultivation license to include requirements for compliance with applicable principles, guidelines and requirements established by the State Water Resources Control Board and relevant Regional Water Quality Control Boards.

Pesticides: MCRSA requires the Department of Pesticide Regulation to develop guidelines for the use of pesticides in the cultivation of cannabis. DPR is also required to ensure that the application of pesticides in connection with indoor or outdoor cannabis cultivation is compliant with existing pesticide use laws.

Wildlife: The MCRSA requires the State Water Resources Control Board, in consultation with the Departments of Fish and Wildlife and CDFA, to ensure that individual and cumulative effects of water diversion and discharge do not affect instream flows needed for fish spawning, migration and rearing.





Track & Trace Program

MCCP will specify the track and trace system cultivators must use; specify the process for tracking product that existed prior to licensing; and identify when cannabis cultivators and nurseries must track/report movement of cannabis.

Inspections

The MCRSA allows licensing agencies to inspect the licensed premises for compliance with the Act. The licensing agency may examine the records of a licensee. All records related to commercial medical cannabis activity shall be maintained for a minimum of seven years. Failure to provide the records at the request of a licensing agency may be cause for a penalty of \$30,000.

Enforcement

The MCCP is authorized by the MCRSA to revoke, suspend or deny a license that does not comply with the requirements of the Act. The MCCP is directed by the MCRSA to take disciplinary action and assess fines against licenses in violation of cultivation rules.