- (e) All remediation of harvest or manufactured cannabis product batches shall be documented in the microbusiness' manufacturing records. Remediated products, harvest batches, or products produced therefrom shall be tested and undergo quality assurance review in accordance with the requirements established by the <u>Bureau-Department</u> in Chapter 2 of this division.
- (f) Notwithstanding subsection (c) of this section, if the edible cannabis products are orally- dissolving products, as defined in section 5700-15700 of this division, and fail laboratory testing because the per-package limit of THC for adult-use products has been exceeded, the orally- dissolving products may be remediated by repackaging the orally-dissolving products as medicinal products in accordance with the following:
- (1) A corrective action plan pursuant to subsection (d) of this section shall be submitted to and approved by the <u>Bureau Department</u>;
- (2) The orally-dissolving edible cannabis products batch is returned to the licensed microbusiness that packaged the products;
- (3) The orally-dissolving edible cannabis products are not altered in any way; and
- (4) The orally-dissolving edible cannabis product is labeled to accurately state the contents.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012, 26050 and 26070, Business and Professions Code.

§ 5507 <u>15507</u>. Microbusiness Records for Licensees Engaging in Manufacturing Activities.

In addition to the records required by section 5037_15037 of this division, a licensed microbusiness engaging in manufacturing activities shall maintain all records required to be maintained by manufacturers under Chapter 13-15 of this, Ddivision 1 of Title 17 of the California Code of Regulations.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

Chapter 5. CANNABIS EVENTS

§ 5600 <u>15600</u>. Cannabis Event Organizer License.

- (a) To obtain a temporary cannabis event license, the event organizer must first apply for and obtain a cannabis event organizer license.
- (b) A cannabis event organizer licensed under this section shall comply with chapter 1 of this division except for sections 5001-5002, 5006-5008, 5010-5010.3, 5016, 5019, 5025-5028, 5032-5034, 5038, 5042, 5044, and 5046-5054-15001-15002, 15006-15008, 15010-15010.3, 15016, 15019, 15025-15028, 15032, 15034, 15038, 15042, 15044, and 15046-15054.
- (c) A cannabis event organizer licensee is not authorized or licensed to cultivate, distribute, manufacture, or retail cannabis or cannabis products without first obtaining the appropriate

licenses or authorizations to engage in such commercial cannabis activities.

- (d) A cannabis event organizer licensee shall comply with the record retention provisions of section 5037–15037 of this division. Records shall be kept by the cannabis event organizer licensee in a manner that allows the records to be produced for the Bureau-Department in either hard copy or electronic form, whichever the Bureau-Department requests. Failure to produce records upon the Bureau's-Department's request may result in disciplinary action against the cannabis event organizer license and/or denial of a temporary cannabis event license.
- (e) Cannabis event organizer applications may be completed online at www.bcc.ca.gov or by delivering a printed copy to the <u>Bureau's Department's</u> office(s).
- (f) Applicants who submit their applications online shall first register for a user account as provided by section $\frac{5002(b)}{15002(b)}$ of this division.
- (g) An application must be completed by an owner as defined by section 5003-15003 of this division. An application for a cannabis event organizer license includes the following:
- (1) The name of the applicant. For applicants who are individuals, the applicant shall provide both the first and last name of the individual. For applicants who are business entities, the applicant shall provide the legal business name of the applicant.
- (2) If applicable, the business trade name ("DBA") of the applicant.
- (3) Payment of an application fee pursuant to section 5014-15014 of this division.
- (4) Whether the owner is serving or has previously served in the military. Disclosure of military service is voluntary. An applicant who has served as an active duty member of the Armed Forces of the United States and was honorably discharged and who can provide evidence of such honorable discharge shall have his or her application expedited pursuant to Business and Professions Code section 115.4.
- (5) A list of the license types and the license numbers issued from the <u>Bureau-Department</u> and all other state cannabis licensing authorities that the applicant holds, including the date the license was issued and the licensing authority that issued the license.
- (6) Whether the applicant has been denied a license or has had a license suspended or revoked by the <u>Bureau Department</u> or any other state cannabis licensing authority. The applicant shall provide the type of license applied for, the name of the licensing authority that denied the application, and the date of denial.
- (7) The mailing address for the applicant.
- (8) The telephone number for the applicant.
- (9) The website address of the applicant's business, if applicable.
- (10) The email address for the applicant's business.
- (11) Contact information for the applicant's designated primary contact person including the name, title, phone number, and email address of the individual.
- (12) The federal employer identification number for the applicant's business.
- (13) A description of the business organizational structure of the applicant, such as

partnership or corporation.

- (14) All business-formation documents, which may include, but are not limited to, articles of incorporation, bylaws, operating agreements, partnership agreements, and fictitious business name statements. The applicant shall also provide all documents filed with the California Secretary of State, which may include, but are not limited to, articles of incorporation, certificates of stock, articles of organization, certificates of limited partnership, and statements of partnership authority. If the commercial cannabis business is held in trust, the applicant shall provide a copy of the certificate of trust establishing trustee authority.
- (15) A list of every fictitious business name the applicant is operating under including the address where the business is located.
- (16) A commercial cannabis business that is a foreign corporation shall include in its application the certificate of qualification, certificate of registration, or certificate of status issued by the California Secretary of State.
- (17) The applicant shall supply the following financial information:
- (A) A list of funds belonging to the applicant's cannabis event organizing business held in savings, checking, or other accounts maintained by a financial institution. The applicant shall provide, for each account, the financial institution's name, the financial institution's address, account type, account number, and the amount of money in the account.
- (B) A list of loans made to the applicant for its use in cannabis event organizing activities. For each loan, the applicant shall provide the amount of the loan, the date of the loan, term(s) of the loan, security provided for the loan, and the name, address, and phone number of the lender.
- (C) A list of investments made into the applicant's cannabis event organizing activities. For each investment, the applicant shall provide the amount of the investment, the date of the investment, term(s) of the investment, and the name, address, and phone number of the investor.
- (D) A list of all gifts of any kind given to the applicant for its use in cannabis event organizing activities. For each gift, the applicant shall provide the value of the gift or description of the gift, and the name, address, and phone number of the provider of the gift.
- (18) A complete list of every individual that has a financial interest in the cannabis event organizing business as defined in section 5004–15004 of this division, who is not an owner as defined in section 5003–15003 of this division.
- (19) A complete list of every owner of the applicant as defined in section 5003 of this division. Each individual named on this list shall submit the following information:
- (A) The full name of the owner.
- (B) The owner's title within the applicant entity.
- (C) The owner's date of birth and place of birth.
- (D) The owner's <u>S</u>social <u>S</u>security number or individual taxpayer identification number.

- (E) The owner's mailing address.
- (F) The owner's telephone number. This may include a number for the owner's home, business, or mobile telephone.
- (G) The owner's email address.
- (H) The owner's current employer.
- (I) The percentage of the ownership interest held in the applicant entity by the owner.
- (J) Whether the owner has an ownership or a financial interest as defined in sections 5003-15003 and 5004-15004, respectively, of this division in any other commercial cannabis business licensed under the Act.
- (K) A copy of the owner's government-issued identification. Acceptable forms of identification are a document issued by a federal, state, county, or municipal government that includes the name, date of birth, height, gender, and picture of the person, such as a driver license.
- (L) A detailed description of the owner's convictions. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Convictions dismissed under Penal Code section 1203.4 or equivalent non-California law must be disclosed. Convictions dismissed under Health and Safety Code section 11361.8 or equivalent non-California law must be disclosed. Juvenile adjudications and traffic infractions under \$300 that did not involve alcohol, dangerous drugs, or controlled substances do not need to be included. For each conviction, the owner shall provide the following:
- (i) The date of conviction.
- (ii) Dates of incarceration, if applicable.
- (iii) Dates of probation, if applicable.
- (iv) Dates of parole, if applicable.
- (v) A detailed description of the offense for which the owner was convicted.
- (vi) A statement of rehabilitation for each conviction. The statement of rehabilitation is to be written by the owner and may contain evidence that the owner would like the Bureau Department to consider that demonstrates the owner's fitness for licensure. Supporting evidence may be attached to the statement of rehabilitation and may include, but is not limited to, a certificate of rehabilitation under Penal Code section 4852.01, and dated letters of reference from employers, instructors, or professional counselors that contain valid contact information for the individual providing the reference.
- (M) If applicable, a detailed description of any administrative orders or civil judgments for violations of labor standards, any suspension of a commercial cannabis license, revocation of a commercial cannabis license, or sanctions for unlicensed commercial cannabis activity by a licensing authority, local agency, or state agency against the applicant or a business entity in which the applicant was an owner or officer within the three years immediately preceding the date of the application.
- (N) Attestation to the following statement: Under penalty of perjury, I hereby declare that

the information contained within and submitted with the application is complete, true, and accurate. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the license, or revocation of a license issued.

- (20) For an applicant with 20 or more employees, the applicant shall attest that the applicant has entered into a labor peace agreement and will abide by the terms of the agreement. The applicant shall submit a copy of the page of the labor peace agreement that contains signatures of the union representative and the applicant. For applicants who have not yet entered into a labor peace agreement, the applicant shall provide a notarized statement indicating the applicant will enter into and abide by the terms of a labor peace agreement as soon as reasonably practicable after licensure.
- (21) The limited waiver of sovereign immunity required by section 5009 15009 of this division, if applicable.
- (22) The applicant's State Employer Identification Number (SEIN) issued by the California Employment Development Department.
- (23) For an applicant with more than one employee, the applicant shall attest that the applicant employs, or will employ within one year of receiving a license, one supervisor and one employee who have successfully completed a Cal-OSHA 30-hour general industry outreach course offered by a training provider that is authorized by an OSHA Training Institute Education Center to provide the course.

Authority: Sections 115.4 and 26013, Business and Professions Code. Reference: Sections 115.4, 144, 26012 and 26200, Business and Professions Code.

§ 5601 15601. Temporary Cannabis Event License.

- (a) A temporary cannabis event license authorizes a licensed cannabis event organizer to hold a temporary cannabis event where the onsite sale and consumption of cannabis goods is authorized at the location indicated on the license during the dates indicated on the license.
- (b) A temporary cannabis event license shall only be issued to a person who holds a cannabis event organizer license issued by the <u>Bureau Department</u>.
- (c) Violations of the requirements applicable to temporary cannabis events may result in disciplinary action against the cannabis event organizer license or any other licenses held by a licensee participating in the temporary cannabis event and responsible for a violation under this division or the Act.
- (d) A temporary cannabis event license shall only be issued for a single day or up to 4 consecutive days. No temporary cannabis event license will be issued for more than 4 days.
- (e) An application for a temporary cannabis event license shall be submitted to the Bureau-Department no less than 60 calendar days before the first day of the temporary cannabis event.
- (f) A temporary cannabis event may only be held at a county fair event, district agricultural association event, or at another venue expressly approved by a local

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jurisdiction for the purpose of holding a temporary cannabis event.

- (g) A temporary cannabis event license shall not be issued for a premises that is licensed for the sale of alcohol or tobacco.
- (h) An application for a temporary cannabis event license shall include the following:
- (1) The name of the applicant. For applicants who are individuals, the applicant shall provide both the first and last name of the individual. For applicants who are business entities, the applicant shall provide the legal business name of the applicant.
- (2) The license number for each state cannabis license held by the applicant.
- (3) The address of the location where the temporary cannabis event will be held.
- (4) The name of the temporary cannabis event.
- (5) A diagram of the physical layout of the temporary cannabis event. The diagram shall clearly indicate where the temporary cannabis event will be taking place on the location grounds, all entrances and exits that will be used by participants during the event, all cannabis consumption areas, and all retail areas where cannabis goods will be sold. The hours during which cannabis goods will be sold shall be noted on the diagram. The diagram shall also clearly indicate the area where cannabis waste will be stored, all areas where cannabis goods will be stored, and the specific location of each cannabis licensee who will be participating in the event. Each cannabis licensee participating in the event shall be identified with an assigned temporary cannabis event location number. The diagram shall not contain highlighting and the markings on the diagram shall be in black-and-white print.
- (6) The dates and hours of operation for which the temporary cannabis event license is being sought. A temporary event license is required for any date in which the applicant engages in onsite cannabis sales or allows onsite cannabis consumption.
- (7) Contact information for the applicant's designated primary contact person regarding the temporary event license, including the name, title, address, phone number, and email address of the individual.
- (8) Contact information for a designated contact person(s) who shall be onsite at the event and reachable by telephone at all times that the event is occurring.
- (9) Written approval from the local jurisdiction authorizing the applicant to engage in onsite cannabis sales to, and onsite consumption by, persons 21 years of age or older at the temporary cannabis event at the proposed location.
- (10) A list of all licensees and employees that will be providing onsite sales of cannabis goods at the temporary cannabis event.
- (11) Attestation to the following statement: Under penalty of perjury, I hereby declare that the information contained within and submitted with the application is complete, true, and accurate. I understand that a misrepresentation of fact is cause for rejection of this application, denial of the license, or revocation of a license issued.
- (i) If the list of licensees and employees participating in the temporary cannabis event changes after the application is submitted or after the license is issued, the applicant

- shall submit with the Notification and Request Form, BCC DCC-LIC-027 (New Amended 10/18 7/21), incorporated herein by reference, an updated list and an updated diagram, as required in subsection (f)(5) of this section, to the Bureau-Department no less than 72 hours before the event. Licensees not on the list submitted to the Bureau-Department shall not participate in the temporary cannabis event.
- (j) The licensed cannabis event organizer shall hire or contract for security personnel to provide security services at the licensed temporary cannabis event. All security personnel hired or contracted for by the licensee shall be at least 21 years of age, licensed by the Bureau of Security and Investigative Services, and comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code. Security personnel shall be present on the licensed premises at all times cannabis goods are available for sale and/or cannabis consumption is allowed on the licensed premises.
- (k) A licensed cannabis event organizer shall maintain a clearly legible sign, not less than 7" x 11" in size reading, "No Persons Under 21 Allowed" at or near each public entrance to any area where the sale or consumption of cannabis goods is allowed. The lettering of the sign shall be no less than 1 inch in height.
- (I) All cannabis waste generated at a temporary cannabis event shall be collected and disposed of in accordance with the requirements of section 5054-15054 this division. The licensed cannabis event organizer may contract or arrange for the collection and disposal of cannabis waste generated during the temporary cannabis event.
- (m) A licensed cannabis event organizer and all other licensees participating in a temporary cannabis event are required to comply with section 5037_15037 of this division and all other applicable requirements in the Act and this division pertaining to record keeping.
- (n) The Bureau Department may require the event organizer and all participants to cease operations without delay if, in the opinion of the Bureau Department or local law enforcement, it is necessary to protect the immediate public health and safety of the people of the state. Upon notification from the Bureau Department that the event is to cease operations, the event organizer shall immediately stop the event and all participants shall be removed from the premises within the time frame provided by the Bureau Department.
- (o) Upon notification from the Bureau-Department, the event organizer shall immediately expel from the event any person selling cannabis goods without a license from the Bureau-Department that authorizes the participant to sell cannabis goods. The event organizer or their representative shall remain with the person being expelled from the premises at all times until he or she vacates the premises. If the person does not vacate the premises, the Bureau-Department may inform the event organizer that the event must cease operations. Upon notification from the Bureau-Department that the event is to cease operations, the event organizer shall immediately stop the event and all participants shall be removed from the premises within the time frame provided by the Bureau-Department.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012

and 26200, Business and Professions Code.

§ 5602 15602. Temporary Cannabis Event Sales.

- (a) Only persons age 21 or older may purchase and consume cannabis goods at a temporary cannabis event. Prior to selling cannabis goods to a customer, the licensee making the sale shall confirm, using valid identification as specified in section 5404–15404 of this division, the age and identity of the customer.
- (b) All sales of cannabis goods at a temporary cannabis event must occur in a retail area as designated in the premises diagram pursuant to section 5601(h)(5) <u>15601(h)(5)</u> of this division.
- (c) Each sale at a temporary cannabis event shall be performed by a licensed retailer, a licensed non-storefront retailer, or licensed microbusiness that is authorized to engage in retail sales. The cannabis event organizer may also sell cannabis goods at the temporary cannabis event if the organizer separately holds a license authorizing the retail sale of cannabis goods.
- (1) Licensed retailers or licensed microbusinesses shall only conduct sales activities within their specifically assigned area, identified in the diagram of the physical layout of the temporary cannabis event.
- (2) Mobile sales activities via wagon, cart, or similar means are prohibited at the temporary cannabis event site.
- (d) Licensed retailers or licensed microbusinesses must prominently display their temporary cannabis event location number and state license within plain sight of the public.
- (e) All sales at a temporary cannabis event shall occur on the dates stated on the license and shall occur at the location stated on the license. All onsite sales of cannabis goods must comply with the hours of operation requirements of section <u>5403-15403</u> of this division.
- (f) Sale of alcohol or tobacco shall not be allowed on the licensed temporary cannabis event premises.
- (g) The cannabis goods sold onsite at a temporary cannabis event shall be transported by a licensed distributor or licensed microbusiness in compliance with the Act and this division. All shipments of cannabis and non-cannabis goods intended for sale at a temporary cannabis event must be checked by the temporary cannabis event organizer staff to prevent prohibited items, such as alcohol and tobacco, from entering the licensed premises.
- (h) Except small amounts of cannabis goods used for display, all cannabis goods for sale at a temporary cannabis event shall be stored in a secure, locked container that is not accessible to the public. Cannabis goods being stored by a licensee at a temporary cannabis event shall not be left unattended. Licensees may share the secure, locked container; however, each licensee using the container shall be held responsible for any violations of this section and subject to disciplinary action.

- (i) All cannabis goods made available for sale at a cannabis event shall comply with all requirements for the retail sale of cannabis goods within the Act and section 5406-15406 of this division.
- (j) All cannabis goods made available for sale at a temporary cannabis event shall comply with all track and trace requirements within the Act and this division.
- (k) All cannabis goods used for display at a temporary cannabis event shall comply with the requirements of section 5405 of this division.
- (I) All cannabis goods sold at a temporary cannabis event shall comply with section 5413 15413 of this division.
- (m) All customer returns of cannabis goods at a temporary cannabis event shall comply with section 5410-15410 of this division.
- (n) The daily sales limits under section 5409-15409 of this division apply to all sales made at a temporary cannabis event.
- (o) A licensed retailer shall only provide free cannabis goods to a person at a temporary cannabis event if the licensed retailer complies with all requirements of section 5411–15411 of this division.
- (p) The licensed cannabis event organizer shall be responsible for ensuring that all rules and requirements for the onsite sale of cannabis goods are followed.
- (q) Any compensation paid from a licensed retailer to a licensed cannabis event organizer for participation in a temporary cannabis event shall not be determined based on, or be contingent on, the sale of cannabis goods.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26200, Business and Professions Code.

§ 5603-15603. Temporary Cannabis Event Consumption.

- (a) Access to the area where cannabis consumption is allowed shall be restricted to persons 21 years of age or older.
- (b) The event organizer licensee shall ensure that cannabis consumption is not visible from any public place or non-age-restricted area.
- (c) Consumption of alcohol or tobacco shall not be allowed on the licensed premises.
- (d) All requirements for onsite cannabis consumption imposed by the relevant local jurisdiction shall be followed and smoking of cannabis goods shall be prohibited in any areas where smoking is prohibited by law.
- (e) The licensed cannabis event organizer, who holds the temporary cannabis event license, shall be responsible for ensuring that all rules and requirements for the onsite consumption of cannabis goods are followed.
- (f) A licensed cannabis event organizer and all other licensees participating in a temporary cannabis event are required to follow all applicable requirements in this division pertaining to record keeping and waste management.

Authority: Section 26013, Business and Professions Code. Reference: Section 26200, Business and Professions Code

§ 5604-15604. Informational or Educational Cannabis Events.

- (a) Informational or educational cannabis events where no sales of cannabis goods or consumption of cannabis goods is occurring are not required to be licensed by the Bureau-Department.
- (b) A person may display cannabis goods for informational or educational purposes consistent with Health and Safety Code sections 11362.1 and 11362.77.

Authority: Section 26013, Business and Professions Code. Reference: Section 26013, Business and Professions Code; and Sections 11362.1 and 11362.77, Health and Safety Code.

Chapter 6. TESTING LABORATORIES

Article 1. Chapter Definitions

§ 5700-15700. Definitions.

In addition to the definitions in section 5000 of this division, the following definitions apply to this chapter.

- (a) "Acceptance criteria" means the specified limits placed on the characteristics of an item or method that are used to determine data quality.
- (b) "Accreditation body" means an impartial non-profit organization that operates in conformance with the International Organization for Standardization (ISO) / International Electrotechnical Commission (IEC) standard 17011 and is a signatory to the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement (MRA) for Testing.
- (c) "Accredited college or university" means a college or university accredited by a regional or national accrediting agency that is an accreditor recognized by the Secretary of the US Department of Education.
- (d) "Action level" means the threshold value that provides the criterion for determining whether a sample passes or fails an analytical test.
- (e) "Analyte" means a chemical, compound, element, bacteria, yeast, fungus, or toxin to be identified or measured.
- (f) "Analytical batch" means a set of no more than 20 samples that is prepared together for the same analysis and are prepared with laboratory quality control (LQC) samples.
- (g) "Analytical method" means a technique used qualitatively or quantitatively to determine the composition of a sample or a microbial contamination of a sample.
- (h) "Analytical sequence" means a group of samples that are analyzed sequentially using the same instrument calibration curve.
- (i) "Cannabinoid" means a class of diverse chemical compounds derived from a cannabis