



## 2019 Comprehensive Legislative Summary

Since 2013, the California Cannabis Industry Association (CCIA) has worked tirelessly to promote the growth of a responsible cannabis industry by supporting legislation and regulatory policies that ensure a more favorable social, economic, and legal environment for cannabis in California.

This year was no exception, as CCIA spearheaded legislation to reduce taxes, expand consumer and patient access, promote social equity and increase enforcement against illicit cannabis operations. In total, CCIA tracked over 60 bills in 2019. Of those, CCIA adopted positions and actively lobbied on 33 bills and proudly sponsored 6.

Among our successes, CCIA stopped legislation to overturn a state regulation that permits licensed delivery operators to deliver in local jurisdictions with bans, secured a trailer bill amendment to extend the state's provisional license program for an additional 2 years, acquired additional funding for social equity programs, and advanced bills to allow small cannabis businesses to deduct business expenses on their state taxes, promote social compassion programs for low income, medicinal patients, and modify the existing universal symbol requirements to ensure that consumers and medicinal patients alike can better identify which products have met California's rigorous testing and quality assurance requirements.

**Notable cannabis bills signed into law by Governor Newsom are listed below. Unless otherwise noted, these bills are effective January 1, 2020.**

- **AB 97 (Committee on Budget)**. Among other things, this bill, which took effect on July 1, 2019, extends the provisional license program, enacted in CCIA sponsored legislation last year from January 1, 2019 to January 2, 2022.
- **AB 37 (Jones-Sawyer)**. *Sponsored by CCIA, this bill allows cannabis business owners to deduct business-related expenses from their state personal income tax.*
- **AB 404 (Stone)**. *Sponsored by CCIA, this bill allows cannabis testing laboratories to amend Certificates of Analysis (COAs) for minor errors, as defined by the Bureau of Cannabis Control.*
- **AB 1529 (Low)**. *Co-sponsored by CCIA, this bill, which took effect on October 12, amends the size requirement of the universal symbol on vape cartridges to be "no less than 0.25" x 0.25". By reducing the size requirement, AB 1529 strengthens the intent of the California Department of Public Health's (CDPH) regulations to ensure consumers understand what they are consuming and verify their products are manufactured by licensed cannabis manufacturers that have met California's strict testing and quality assurance requirements.*

- **SB 34 (Wiener)**. *Otherwise known as the Dennis Peron and Brownie Mary Act, this **CCIA co-sponsored bill** revives compassionate care programs in California by allowing cannabis licensees to designate cannabis for donation and permitting retailers to donate this cannabis to low-income medicinal patients tax free.*
- **SB 223 (Hill)**. *Otherwise known as Jojo’s Act, allows school boards to adopt a policy permitting parents of minors who possess a valid physician’s recommendation for medicinal cannabis to administer smokeless cannabis on school grounds.*
- **SB 595 (Bradford)**. *This bill requires the state licensing entities to develop and implement a program to provide fee deferrals and/or waivers for needs-based cannabis applicants and licensees, 60% of which must be local equity applicants and licensees.*

## **LOOKING AHEAD**

With 2019 being the first year of a 2-year legislative session, CCIA staff will continue to advocate on behalf of its members. This will include extensive work over the next few months to advance core priorities that stalled in the legislature this year and include:

- **Reducing state taxes on cannabis** [[AB 286 \(Bonta\)](#) was held in the Assembly Appropriations Committee]
- **Expanding access to legal products** [[AB 1356 \(Ting\)](#) stalled on the Assembly Floor]
- Increasing enforcement funding [the Assembly version of budget bill included a \$10 million augmentation, advanced by CCIA, for the BCC to combat illicit operators]
- **Authorizing the provision of cannabis trade samples** [[SB 475 \(Skinner\)](#) was made a two-year bill to allow time to resolve concerns expressed by the state Department of Consumer Affairs]
- **Developing a framework for the lawful manufacture and retail sale of hemp** [[AB 228 \(Aguiar Curry\)](#) was held in the Senate Appropriations Committee]

Additionally, CCIA will be working with its coalition partners to develop policies that achieve the following objectives (*partial list*):

- **Enhance public safety by incentivizing consumers to purchase cannabis products in the legal market**
- **Advance anti-counterfeiting measures**
- **Reduce consumer waste by modifying the state’s existing packaging and labeling requirements**

For a full breakdown of legislation and issues still pending consideration in the Legislature, please see CCIA’s Legislative Resources page at [www.cacannabisindustry.org](http://www.cacannabisindustry.org).