



June 14, 2022

The Honorable Marc Berman  
 Chair, Assembly Business & Professions Committee  
 1021 O Street, Room 6130  
 Sacramento, CA 95814

**RE: SB 1097 (Pan): Cannabis and cannabis products: labeling and advertising**  
**Amended June 6, 2022**  
**NOTICE OF OPPOSITION**

Dear Chair Berman:

The California Cannabis Industry Association (CCIA), together with a coalition of cannabis businesses representing cultivators, processors, manufacturers, distributors, testing laboratories, retailers, as well as patient and consumers advocacy groups, write in strong opposition to SB 1097, which will be heard in the Assembly Business and Professions Committee on June 21, 2022.

SB 1097 subjects an already struggling legal cannabis industry to duplicative and unnecessary labeling requirements that will significantly increase the size of packaging and the amount of packaging waste generated by the industry. In a state that has banned plastic straws, requiring an increase in the size of packaging is irresponsible for an industry that sells about 200,000,000 units per year. SB 1097 also creates excessive new operational costs, undermines consumer health and safety, and bolsters the illicit market.

As leaders in California's regulated cannabis supply chain, we take great pride in our high-quality products, robust compliance and education programming, and extensive engagement in the communities where we live and work.

While we recognize and echo concerns about youth access to cannabis and harmful consumption, we believe that state public policy endeavors should strive to bolster legal cannabis businesses while protecting public health and safety. California's cannabis regulations ensure products are safe for adult consumers and patients and unavailable to minors. A study published in 2022 in the peer-reviewed Journal of Safety Research found that 100 percent of licensed California cannabis retailers checked IDs to avoid selling to underage customers. Unfortunately, as written, SB 1097 undermines these objectives by subjecting legal cannabis businesses to costly new requirements which will only increase product costs and drive more consumers to the illicit market.

Specifically, SB 1097 would require rotating warning labels, covering one-third of the front or principal face of a product with a bright yellow background and, when feasible, appear in 12-point black font type. This would be accompanied by a corresponding pictorial or graphic element appropriate to the warning message. The bill would further require all cannabis retailers with every purchase to distribute a brochure to new consumers, outlining the various warnings. Such requirements would create an overly onerous and entirely unnecessary burden on legal cannabis businesses and do nothing to curb the illicit market, which produces unsafe, untested products.

The legal cannabis industry proactively worked with this Legislature, state regulators, consumers, and scientists over many months to develop the State's existing labeling requirements for cannabis. Under the Medicinal Adult Use Cannabis Regulation and Safety Act (MAUCRSA), legal cannabis products are already required to include clear and effective warning labels that communicate scientifically established health risks. Moreover, recently approved Prop. 65 labeling requirements will soon require the addition of the word WARNING, new language about exposure to smoke and THC, and a list of possible carcinogens by name.

Implementation of SB 1097 will make legal products more expensive by necessitating a complete overhaul of current packaging, with significant wasted materials sent to landfills. Higher costs to produce legal products will inevitably result in higher product prices. SB 1097 will only serve to incentivize customers to purchase cheaper cannabis from the illicit market, undermining consumer health and safety.

As members of the legal cannabis industry, we take seriously our rigorous compliance, testing and labeling standards. While we appreciate the bill's intent, for all the reasons previously stated, we strongly oppose SB 1097 and request your NO vote when the bill is presented in the Assembly Business and Professions Committee.

If you would like to discuss our concerns, please do not hesitate to contact CCIA's legislative advocate, Amy O'Gorman Jenkins, at (707) 291-3270 or [amy@precisionadvocacy.co](mailto:amy@precisionadvocacy.co). We look forward to working with you and your legislative colleagues to support a well-functioning, safe, regulated legal cannabis market in California.

Sincerely,

California Cannabis Industry Association  
California Cannabis Manufacturer's Association  
Cannabis Distribution Association  
California NORML  
Good Farmers Great Neighbors  
Weed for Warriors Project

ALG Strategies  
Anthony Law Group  
Austin Legal Group  
Autumn Brands  
Body and Mind  
Cann.Dev  
Cannabis Connect Insurance Services  
CannaCraft  
Canopy Growth  
CARP Growers  
Columbia Care  
Cresco Labs  
Cronos Group  
Davis Wright Tremaine  
Eaze  
Eden Enterprises  
Emerald Scientific  
Finkle Law Office  
Flow Cannabis Co.  
Gelato  
GrowBIG Commercial Growers Supply  
Harborside  
Headset, Inc.  
Jetty Extracts

Khemia  
Kiva Confections  
Legal Cannabis For Consumer Safety  
Mammoth Distribution  
McDowell & Associates  
MMLG, LLC  
Moxie  
Nabis  
Nine Point Strategies  
Norcal Cannabis Company  
North American Cannabis Registry  
Pax  
People's California  
Ringgenberg Law Firm  
SC Labs  
Seed to Sale Consulting  
Seven Leaf  
Shryne Group Inc.  
SPARC  
Stone Road  
The Higher Path  
The Parent Company  
Veda Scientific  
Weedmaps

West Coast Cure  
WYLD Canna

Cc: Senator Richard Pan  
Members, Assembly Business and Professions Committee  
Robert Sumner, Chief Consultant, Assembly Business and Professions Committee  
Bill Lewis, Consultant, Assembly Republican Caucus