



California Chapter of the National Organization for the Reform of Marijuana Laws  
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Jan 27, 2017

Senate Committee on Business, Professions, and Economic Development  
Attn: Sarah Huchel  
State Capitol 2053  
Sacramento CA 95814

Re: Oversight Hearings on MCRSA and Prop 64

On behalf of California's three million adult marijuana consumers, Cal NORML wishes to bring the following regulatory issues concerning MCRSA and Prop 64 to your attention.

- (1) Special events. There should be specific new license categories to authorize the display and sale of cannabis and cannabis products by licensed vendors at special events. California now hosts innumerable cannabis fairs, expositions and conferences, where cannabis and cannabis products are displayed and available to eligible patients. Events like the Emerald Cup in Santa Rosa and High Times Cup in San Bernardino attract thousands of tourists each year and have proven to be a cultural and economic boon to the state. For years, these have operated under the vague legal umbrella of the Medical Marijuana Program Act (SB 420). With the looming sunset of SB 420 and onset of MCRSA and AUMA regulations, it's important that a new license category be established to allow such events to continue.
- (2) On-site consumption. AUMA allows local governments to permit on-site consumption on the premises of licensed retailers and microbusinesses. On-site consumption licenses should also be allowed for businesses that do not engage in actual sales or distribution, but simply allow consumption on the premises, such as cafés, motels, resorts, and outdoor theaters. This could be done by creating a new "on-site consumption" license. Allowance should also be made for on-site consumption at social events in rented hotel, restaurant and conference rooms with appropriate

ventilation. Insofar as these arguably don't qualify as "public" events, consumption they may not require state licensing, just local permission.

- (3) Delivery of medical marijuana. AUMA forbids local governments from barring the licensed transport of marijuana on public roads (BPC 26080(b)). Nonetheless, a number of local governments currently prohibit delivery of medical marijuana to qualified patients in their jurisdiction under MCRSA (BPC 19340(b)1). The same governments likewise ban licensed sales within their jurisdiction, effectively depriving resident patients of legal access to medical marijuana, especially if they have mobility problems. This is contrary to the explicit mandate of Prop. 215 "to ensure that seriously ill Californians have the right to obtain and use marijuana for medical purposes" (HSC 11362.5(b)1A). It is essential that all governments be required to accept legal delivery of medicinal cannabis from state licensed medical delivery services.
- (4) Non-profits. Prop 64 (BPC 26070.5) directs the Bureau to investigate creating one or more classifications of nonprofit licenses and possibly exempting them from taxes. Ever since the passage of Prop 215 and SB 420, there have existed numerous small, nonprofit collectives dedicated to providing medicine free to needy patients. The advent of new taxes and regulations under AUMA places these nonprofits and their members in economic jeopardy. Lacking insurance coverage for needy patients, we urge the adoption of a licensing category for the non-profit distribution of medical cannabis to indigent and needy patients.
- (5) Taxes: We believe the 15% retail excise tax is excessive and unwarranted in the case of patients with legitimate medical need. We therefore propose that needy patients with state ID cards be exempted from this tax, as are medical users in Colorado.
- (6) Scientific research. Scientific, medical research, and educational institutions that do not engage in commercial sales or production may require the possession or display of more than just the one ounce of or six plants allowed under Prop 64. A special license category for such activities might be appropriate.

We respectfully urge the legislature to give attention to these issues.

Sincerely,



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