

# Los Angeles County Advisory Working Group on Cannabis Regulation



## Meeting Two: YOUTH ACCESS AND EXPOSURE *July 20, 2017*

WELCOME



# Today's Agenda

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Review Orientation Meeting Decisions

Overview of Issues Related to Youth Access and Exposure to Cannabis

Presentation on Prevention System of Services

Youth Perspectives on Commercial Cannabis

Update on Public Listening Sessions

Homework - Developing Recommendations

Public Comments

# Decisions from Orientation

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✓ Ground Rules

✓ Principles

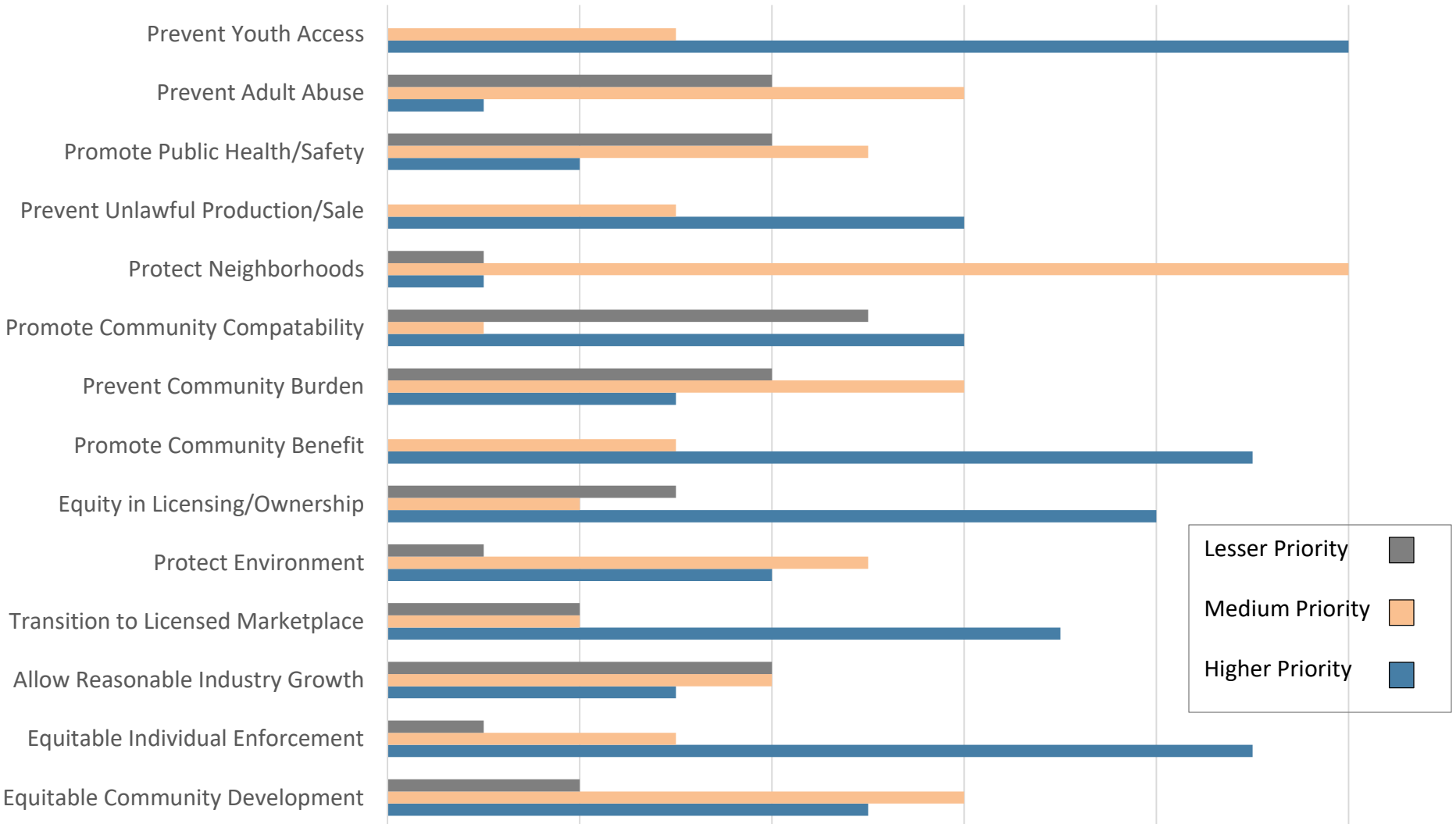
✓ Objectives

## Resource Notebooks



# Decisions from Orientation

## WORKING GROUP OBJECTIVES WEIGHTED



# Youth Access and Exposure

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## **TOPICS FOR REVIEW AND DISCUSSION**

- Harms associated with youth cannabis use
- Summary of youth access and policy interventions
- Advertising and marketing
- Changing risk perceptions about cannabis use
- Sale of cannabis to minors
- Accidental exposure to cannabis

# Youth Access and Exposure

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## **HARMS ASSOCIATED WITH YOUTH CANNABIS USE**

-  Reduced educational attainment and development
-  Adverse brain changes impacting memory and learning
-  Declining IQ scores
-  Increased truancy and dropout rates
-  Criminal justice implications

# Youth Access and Exposure

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## SUMMARY OF YOUTH ACCESS & POLICY INTERVENTIONS

- ***Cannabis is generally available for recreational use despite widespread prohibition***

In 2015, approximately 80 percent of 12<sup>th</sup> graders in the United States reported that cannabis is easy “fairly easy” or “very easy” to obtain. Studies have also shown that teens find it easier to obtain cannabis than alcohol, cigarettes, and other drugs



# Youth Access and Exposure

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## **SUMMARY OF YOUTH ACCESS & POLICY INTERVENTIONS**

### **Policy Interventions**

- Restricting retail density
- Expanding buffer zones
- Limiting hours of retail operation
- Increasing price
- High-quality youth development programs

# Youth Access and Exposure

## YOUTH ACCESS AND EXPOSURE TO CANNABIS

State Law	Considerations	Potential County Actions
<p data-bbox="86 444 631 839"><b>In determining whether to grant, deny, or renew retail licenses, Bureau of Cannabis Control must consider whether an “excessive concentration” exists in the area where the licensee will operate, meaning:</b></p> <ul data-bbox="86 853 631 1196" style="list-style-type: none"><li data-bbox="86 853 631 1039">• Ratio of licensees to population in the census tract exceeds countywide ratio</li><li data-bbox="86 1053 631 1196">• Ratio of licensees to population exceeds limits placed by local ordinance</li></ul> <p data-bbox="86 1210 631 1296">[Bus. &amp; Prof. Code § 20651(c).]</p>	<ul data-bbox="631 444 1180 786" style="list-style-type: none"><li data-bbox="631 444 1180 629">• State statutes do not mandate license denial in the event an “excessive concentration” found</li><li data-bbox="631 644 1180 786">• Subsequently developed regulations may clarify procedure</li></ul>	<ul data-bbox="1180 444 1831 886" style="list-style-type: none"><li data-bbox="1180 444 1831 629">• Specify by ordinance when an excessive concentration occurs and mandate denial of local license</li><li data-bbox="1180 644 1831 786">• Determine minimum separation requirements between cannabis businesses</li><li data-bbox="1180 801 1831 886">• Specify by ordinance days <b>and</b> hours of operation</li></ul>

# Youth Access and Exposure

## YOUTH ACCESS AND EXPOSURE TO CANNABIS

State Law	Considerations	Potential County Actions
<p>Cannabis business may not be located within a 600-foot radius of a:</p> <ul style="list-style-type: none"> <li>• School (K-12)</li> <li>• Day care center (including preschools but not including home day cares with fewer than 14 children), or</li> <li>• Youth center (including youth clubs and video arcades)</li> </ul> <p>[Bus. &amp; Prof. Code § 26054(b).]</p>	<ul style="list-style-type: none"> <li>• State law’s 600-foot radius rule is a default provision only</li> <li>• Local jurisdictions can increase or reduce these distances and add other “sensitive uses”</li> </ul>	<ul style="list-style-type: none"> <li>• Define “sensitive uses” that should be buffered, including places frequented by youth</li> <li>• Specify distances from sensitive uses</li> </ul>
<p>The possession or consumption of cannabis is prohibited at a school, day care, or youth center while children are present.</p> <p>[Health &amp; Safety Code § 11362.3(a)(5)]</p>	<ul style="list-style-type: none"> <li>• May be difficult to enforce</li> </ul>	<ul style="list-style-type: none"> <li>• Education efforts to increase awareness of rules</li> </ul>

# Youth Access and Exposure

## YOUTH ACCESS AND EXPOSURE TO CANNABIS

State Law	Considerations	Potential County Actions
<p>Smoking cannabis is prohibited within 1,000 feet of a school, day care, or youth center while children are present, except at a private residence if smoke is not detectable at the school, day care, or youth center</p> <p>[Health &amp; Safety Code § 11362.3(a)(3)]</p>	<ul style="list-style-type: none"> <li>• May be difficult to enforce</li> </ul>	<ul style="list-style-type: none"> <li>• Consider implementation of local ordinance to prohibit this or similar conduct</li> <li>• Consider education efforts to increase awareness of rules</li> </ul>
<ul style="list-style-type: none"> <li>• Excise tax of 15 percent on all commercial transactions of cannabis</li> <li>• Cultivation tax of \$9.25 per dry-weight ounce for cannabis flower and \$2.75 per dry-weight ounce for leaves and stems</li> </ul> <p>[Rev. &amp; Tax. Code § 34011]</p>	<ul style="list-style-type: none"> <li>• State and local sales tax also apply, except for sales of medical cannabis</li> <li>• Establishes effective tax rate of over 24 percent for adult-use cannabis, considering County's local sales tax</li> </ul>	<ul style="list-style-type: none"> <li>• County may establish local taxation in addition to state excise and cultivation taxes</li> </ul>

# Youth Access and Exposure

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## SUMMARY OF YOUTH ACCESS & POLICY INTERVENTIONS

### *Discussion Questions for Youth Access and Exposure to Cannabis*

- ✓ Is the “excessive concentration” concept under state law sufficient to prevent densities of retailers that could increase youth access and exposure to cannabis? Are there additional concentration requirements that should be implemented locally by the County to prevent excessive concentration?
- ✓ Is state law requiring cannabis businesses to locate 600 feet from schools (K-12), day cares (including preschools but not including home day cares with less than 14 children), and youth centers (including youth clubs and video arcades) sufficient? Are there additional places where children are likely to congregate that should be added to the list of “sensitive uses” that must be buffered from cannabis businesses?
- ✓ What strategies can help prevent youth access and exposure to cannabis and cannabis products at schools?

# Youth Access and Exposure

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## SUMMARY OF YOUTH ACCESS & POLICY INTERVENTIONS

### *Discussion Questions for Youth Access and Exposure to Cannabis*

- ✓ What strategies can help prevent youth access and exposure to cannabis smoke?
- ✓ How do restrictions intended to prevent youth access and exposure conflict with other policy objectives, such as maximizing the transition of the cannabis industry from an unlicensed to a regulated and compliant industry? How can conflicts be resolved?
- ✓ What could be some unintended consequences of restrictions designed to prevent youth access and exposure? How can unintended consequences be avoided or minimized?

# Youth Access and Exposure

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## ADVERTISING AND MARKETING

- ***Advertising and marketing can strongly influence young people to consume certain products***

**The U.S. Surgeon General reported in 2012 that nearly all tobacco use begins in childhood and adolescence, and that 88 percent of adult cigarette smokers who smoke daily reported starting smoking by the age of 18**

# Youth Access and Exposure

## ADVERTISING AND MARKETING

State Law	Considerations	Potential County Actions
<p>Advertising is prohibited within 1,000 feet of schools, day cares, youth centers and playgrounds.</p> <p>[Bus. &amp; Prof. Code §26152(g)]</p>	<ul style="list-style-type: none"> <li>• State law does not address on-site marketing or other forms of advertising which youth may frequently encounter</li> <li>• Overly broad restrictions or bans on advertising may be subject to legal challenge</li> </ul>	<ul style="list-style-type: none"> <li>• Limit advertising at retail locations (regardless of proximity to areas where youth congregate), including posters, window coverings, sandwich board signs, and other similar advertising displays</li> <li>• Additional limits on advertising within a certain distance of schools, playgrounds, and other areas where youth congregate</li> </ul>
<p>Advertising that is “attractive to children” or intended to encourage youth use is prohibited.</p> <p>[Bus. &amp; Prof. Code § 26152(e)-(f)]</p>	<ul style="list-style-type: none"> <li>• “Attractive to children” is not defined; subsequently developed regulations may clarify standards</li> <li>• Local ordinances establishing advertising and marketing rules more restrictive than state law may be difficult to implement</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt an ordinance consistent with state law prohibiting advertising “attractive to children” or intended to encourage youth use (e.g., preventing branded characters or celebrity endorsements)</li> <li>• Establish sufficient penalties for violating advertising restrictions, up to and including license revocation</li> </ul>



# Youth Access and Exposure

## ADVERTISING AND MARKETING

State Law	Considerations	Potential County Actions
<p>Billboard advertising is prohibited along all interstate highways and state highways that cross the California border into another state.</p> <p>[Bus. &amp; Prof. Code § 26152(d)]</p>	<ul style="list-style-type: none"> <li>State law does not address outdoor advertising on local roads which may be viewed by youth</li> <li>Constitutional challenges or preemption under the state Outdoor Advertising Act may prevent the implementation of additional billboard restriction</li> </ul>	<ul style="list-style-type: none"> <li>Adopt an ordinance restricting outdoor advertising in other places not specified under state law</li> </ul>
<p>Advertising placed in broadcast, cable, radio, print, and digital media is restricted to audiences where at least 71.6 percent of audience members are 21 or older.</p> <p>[Bus. &amp; Prof. Code § 26151(b)]</p>	<ul style="list-style-type: none"> <li>Must be based on reliable reporting of audience data</li> <li>Additional restrictions may be difficult to implement locally as media is often not limited to County areas, but may be disseminated statewide</li> </ul>	<ul style="list-style-type: none"> <li>Local ordinance can reinforce this requirement for licensees and establish sufficient penalties for noncompliance, including up to license revocation</li> </ul>
<p>Direct Advertising or marketing, including online must utilize age verification software.</p> <p>[Bus. &amp; Prof. Code § 26151(c)]</p>	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Local ordinance can reinforce this requirement for licensees and establish sufficient penalties for noncompliance, including up to license revocation.</li> </ul>

# Youth Access and Exposure

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## ADVERTISING AND MARKETING

### *Discussion Questions for Advertising and Marketing*

- ✓ Does state law establish adequate advertising and marketing protections for people under 21? If not, what additional restrictions should the County implement locally to address concerns about state law?
- ✓ Are there strategies used in the context of tobacco and alcohol that can be applied to cannabis to prevent advertising and marketing that is attractive to people under 21?
- ✓ Should the County implement rules about what types of publicly visible signs a cannabis business can display to limit young peoples' exposure to cannabis marketing? What rules would you propose?
- ✓ Some argue that overly restrictive marketing and advertising will defeat one of the purposes of Proposition 64, to create a regulated marketplace for cannabis. How do proposed rules and restrictions on cannabis advertising and marketing reasonably accommodate Proposition 64's objective to create a regulated marketplace for cannabis?

# Youth Access and Exposure

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## CHANGING RISK PERCEPTIONS ABOUT CANNABIS USE

- *National data on secondary students indicate that attitudes about the risks associated with substance use are often closely related to use, with an inverse association between use and risk perceptions*

# Youth Access and Exposure

## CHANGING RISK PERCEPTIONS ABOUT CANNABIS USE

### Strategy

### Considerations

**Using mass media to increase public concern about use and change perceptions**

Must be sufficiently targeted and have high level of reach and frequency; should be reinforced by other strategies

**Using community coalitions to affect positive perceptual changes**

Requires well developed coalition and action plan; should have a clear, shared vision of coalition's objective, have committed partnerships and active participation from various community sectors, and utilize a broad menu of prevention strategies

# Youth Access and Exposure

## CHANGING RISK PERCEPTIONS ABOUT CANNABIS USE

### Strategy

### Considerations

**School-based drug education opportunities for students, parents, teachers, and others**

Schools should provide information to students, young adults, parents and other caregivers, teachers, and school administrators that is motivating, factual, believable, and does not present only one side (e.g., only the dangers and not potential benefits)

**Partnering with cannabis retailers and other cannabis businesses to provide information to deter youth use**

Information provided by retailers could target children, young adults, parents, and caregivers to increase awareness of harms associated with youth cannabis use; interior signage or displays, pamphlets, and flyers can be effective means of distributing information

# Youth Access and Exposure

## CHANGING RISK PERCEPTIONS ABOUT CANNABIS USE

State Law	Considerations	Potential County Actions
<p data-bbox="73 364 374 1286">After funding regulatory costs and other programs specified by Proposition 64, 60 percent of remaining cannabis tax revenue (est. \$400-500 million annually) will be deposited into a Youth Education, Prevention, Early Intervention and Treatment Account, to fund grants for outreach and education campaigns, among other things</p> <p data-bbox="73 1339 374 1419">[Rev. &amp; Tax. Code § 34019(f)(1)]</p>	<ul data-bbox="401 364 1066 578" style="list-style-type: none"> <li>• Programs will be implemented by the State Department of Public Health and the State Department of Education</li> <li>• Education campaigns must be multilingual and culturally sensitive</li> </ul>	<ul data-bbox="1081 364 1823 978" style="list-style-type: none"> <li>• Prioritize spending local cannabis tax revenue on education and outreach</li> <li>• Implement local education, prevention and intervention programs and campaigns specifically targeting cannabis</li> <li>• Involve schools to disseminate information to parents and kids</li> <li>• Partner with local community groups and community-serving nonprofits to increase campaign reach</li> <li>• Within constitutional limitations, specify by ordinance requirements for cannabis retailers to disseminate educational information to consumers and parents</li> </ul>

# Youth Access and Exposure

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## CHANGING RISK PERCEPTIONS ABOUT CANNABIS USE

### *Discussion Questions for Changing Risk Perceptions*

- ✓ What steps can parents and educators take to ensure young people make informed choices about whether to consume cannabis or cannabis products? How can the County support parents and educators in this regard?
- ✓ Should the County prioritize the spending of cannabis tax revenue on education, intervention and prevention messaging? What objectives should the County seek to achieve through such messaging?
- ✓ Are there new or existing models that would be helpful for developing messaging?

# Youth Access and Exposure

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## CHANGING RISK PERCEPTIONS ABOUT CANNABIS USE

### *Discussion Questions for Changing Risk Perceptions*

- ✓ What special steps could the County take to ensure that messaging is culturally sensitive?
- ✓ What stakeholders should be involved in developing educational tools or media campaigns?
- ✓ How can cannabis businesses help spread the message to people under 21 that using cannabis is associated with certain risks of harm?



# Youth Access and Exposure

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## SALE OF CANNABIS TO MINORS

- *Despite restrictions of sales of adult-use cannabis to people over the age of 21, sales of cannabis to minors can still occur in at least three ways:*

*In-store purchases*

*“Social” purchases*

*Illegal sales to minors by unlicensed vendors*



# Youth Access and Exposure

SALE OF CANNABIS TO MINORS		
State Law	Considerations	Potential County Actions
<p>Licensed retailers may not sell cannabis to a person under 21, may not allow persons under 21 on the licensed premises, and may not employ persons under 21</p> <p>[Bus. &amp; Prof. Code § 26140(a)(1)-(3)]</p>		<ul style="list-style-type: none"> <li>Establish routine inspections to ensure compliance, including for delivery</li> <li>Establish sufficient penalties, including up to license revocation, to deter the sale of cannabis or cannabis products to minors</li> </ul>
<p>Consumers must present a valid, government-issued ID card showing the consumer's age prior to purchase</p> <p>[Bus. &amp; Prof. Code § 26140(a)(4)]</p>	<p>No particular procedure for verifying age is specified; subsequently developed regulations may clarify requirements</p>	<ul style="list-style-type: none"> <li>Specify by ordinance mandatory technology and procedures for verifying the identity and age of a person to whom cannabis or cannabis products are sold, including for delivery orders</li> <li>Establish sufficient penalties, including up to license revocation, to deter the sale of cannabis or cannabis products to minors</li> </ul>

# Youth Access and Exposure

SALE OF CANNABIS TO MINORS		
State Law	Considerations	Potential County Actions
<p>Police may use persons under 21 years of age to purchase or attempt to purchase cannabis or cannabis products for the purpose of enforcing age restriction laws</p> <p>[Bus. &amp; Prof. Code § 21640(b)]</p>	<p>No routine compliance checks are specified; subsequently developed regulations may clarify requirements</p>	<ul style="list-style-type: none"><li>• Establish routine “secret shopper” purchases by minors, including for delivery orders, to ensure compliance</li><li>• Establish sufficient penalties, including up to license revocation, to deter the sale of cannabis or cannabis products to minors</li></ul>

# Youth Access and Exposure

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## **SALE OF CANNABIS TO MINORS**

### **Discussion Questions for Sale of Cannabis to Minors**

- ✓ What compliance processes should the County implement to verify that retailers do not sell to minors? What fines or penalties should the County impose on retailers that do sell to minors?
- ✓ Are there unique regulations the County should apply to the retail delivery of cannabis to consumers at offsite locations to ensure people under 21 are not able to take delivery of adult-use cannabis products?
- ✓ What steps can the County take to discourage “social” purchases of cannabis?

# Youth Access and Exposure

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## ACCIDENTAL EXPOSURE TO CANNABIS

- *The increased availability of cannabis to adults could result in increased levels of accidental cannabis consumption, primarily edible cannabis products, by children*



# Youth Access and Exposure

ACCIDENTAL EXPOSURE TO CANNABIS		
State Law	Considerations	Potential County Actions
<p>All cannabis sold at retail must be in a re-sealable, tamper-evident, and child resistant package.</p> <p>[Bus. &amp; Prof. Code § 26120(a)]</p>		<ul style="list-style-type: none"> <li>Establish sufficient penalties for violations, up to and including license revocation</li> </ul>
<p>Packages and labels must not be “attractive to children.”</p> <p>[Bus. &amp; Prof. Code § 26120(b)]</p>	<ul style="list-style-type: none"> <li>“Attractive to children” is not defined; subsequently developed regulations may clarify standards</li> <li>Local ordinances establishing labeling rules more restrictive than state law may be difficult to implement and result in unintended market consequences</li> </ul>	<ul style="list-style-type: none"> <li>Adopt an ordinance consistent with state law prohibiting packaging “attractive to children”</li> <li>Establish sufficient penalties for violations, up to and including license revocation</li> </ul>

# Youth Access and Exposure

ACCIDENTAL EXPOSURE TO CANNABIS		
State Law	Considerations	Potential County Actions
<p><b>Cannabis or cannabis products purchased by a customer shall not leave a licensed retail premises unless they are placed in an opaque package</b></p> <p>[Bus. &amp; Prof. Code § 26070.1]</p>	<ul style="list-style-type: none"> <li>• Opaque packaging need not be child-resistant</li> <li>• Local ordinances establishing labeling rules more restrictive than state law may be difficult to implement and result in unintended market consequences</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt an ordinance consistent with state law ensuring exit packaging is both opaque and child resistant</li> <li>• Establish sufficient penalties for violations, up to and including license revocation</li> </ul>
<p><b>Edible cannabis products shall not be designed to be appealing to children or easily confused with commercially sold candy or foods that do not contain cannabis</b></p> <p>[Bus. &amp; Prof. Code § 26130(c)(1)]</p>	<ul style="list-style-type: none"> <li>• “Appealing to children” not defined; subsequently developed regulations may clarify phrase</li> <li>• Local ordinances establishing rules for edibles more restrictive than state law may be difficult to implement and result in unintended market consequences</li> </ul>	<ul style="list-style-type: none"> <li>• Adopt an ordinance consistent with state law prohibiting edibles that are “attractive to children”</li> <li>• Establish sufficient penalties for violations, up to and including license revocation</li> </ul>

# Youth Access and Exposure

## ACCIDENTAL EXPOSURE TO CANNABIS

State Law	Considerations	Potential County Actions
<p>Cannabis products must bear the following on its label:</p> <p><b>“GOVERNMENT WARNING: THIS PRODUCT CONTAINS CANNABIS, A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS PRODUCTS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. THE INTOXICATING EFFECTS OF CANNABIS PRODUCTS MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS PRODUCTS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.”</b></p> <p>[Bus. &amp; Prof. Code § 26120(c)(1)(B)]</p>	<ul style="list-style-type: none"> <li>• Reminds parents and caregivers to store cannabis products properly</li> <li>• Will not be effective to prevent children with no or limited literacy, or who speak and read exclusively in languages other than English, from consuming cannabis products</li> <li>• Local ordinances establishing warning label requirements different than those required under state law may be difficult to implement and may result in unintended market consequences</li> </ul>	<ul style="list-style-type: none"> <li>• Education campaigns can complement and reinforce labeling</li> </ul>



# Youth Access and Exposure

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## **ACCIDENTAL EXPOSURE TO CANNABIS**

### **Discussion Questions for Accidental Exposure to Cannabis**

- ✓ Does state law provide sufficient protections against accidental cannabis consumption by children with respect to packaging and labeling of cannabis and cannabis products? If not, how could the County supplement state law at the local level?
- ✓ What potential problems could be associated with the County implementing packaging and labeling requirements that are more restrictive than state law? How could those problems be dealt with or minimized?

# QUESTIONS & COMMENTS

# 15 MINUTE BREAK

