

LOS ANGELES COUNTY
ADVISORY WORKING GROUP ON CANNABIS REGULATION

Mission: *To develop recommendations that will provide a framework for the development of regulations for commercial and personal-use cannabis in unincorporated areas of Los Angeles County. These recommendations will provide guidance to County policymakers and may also be useful to cities and other counties throughout California that are studying cannabis regulations.*

SUMMARY OF MEETING FOUR – Cannabis Retailers, August 3, 2017

- 1. Topic Area(s):** Youth Access and Exposure (Finalize recommendations – continued); Public Health and Safety, and Cannabis Cultivation for Personal Use (Finalize recommendations); Cannabis Retail Operations (Overview)
- 2. Working Group Participants:** Donnie Anderson (*California Minority Alliance and Southern California Coalition*), Beth Burnam (*Resource Conservation District of the Santa Monica Mountains*), Valerie Coachman-Moore (*Coachman-Moore & Associates*), Jonatan Cvetko (*Angeles Emeralds*), Matt Garland (*San Pedro Neighborhood Council*), Patricia Guerra (*Community Coalition*), Aaron Lachant (*Nelson Hardiman, LLP*), Lynne Lyman (*Drug Policy Alliance*), Javier Montes (*UCBA Trade Association*), Dr. Alisa Padon (*Public Health Institute*), Melahat Rafiei (*Progressive Solutions Consulting*), Wayne Sugita (*Los Angeles County Department of Public Health, Retired*) Dr. Avelardo Valdez (*University of Southern California*), Hon. Vivian Romero (*Mayor, City of Montebello*)
- 3. Facilitators:** Joe Nicchitta (*Office of Cannabis Management, Los Angeles County Chief Executive Office*), Sheri Dunn Berry (*Community Partners*)
- 4. Process Note:**
Advisory Working Group Meetings 7 and 8, on August 24th and August 31st, will be extended by two hours and rescheduled for 9:00 am - 2:00 pm to accommodate more discussion and finalizing of recommendations.
- 5. Decision Making:**
 - The remaining 4 recommendations for Youth Access and Exposure were reviewed and discussed. Of those, 1 final recommendation was accepted, and 3 were tabled for *Future Consideration* to be revisited by the group. Items for *Future Consideration* are proposed to be carefully considered at the County's discretion, once the legalized recreational market is established and pending legislation is passed.
 - The Advisory Working Group members submitted 45 recommendations for Public Health and Safety, and Cannabis Cultivation for Personal Use.

- From the 45 recommendations, OCM synthesized 23 recommendations for review by the Advisory Working Group. Some recommendations were combined due to similarity or repetition, not submitted due to conflict with existing state law or set aside for discussion under other topic areas.
- Twelve recommendations listed below were reviewed. Six were accepted by the group. Five were tabled for later discussion in other topic areas and one was set aside pending additional information requested by the Working Group. Eleven remaining recommendations on Public Health and Safety and Cannabis Cultivation for Personal Use will be reviewed at the next meeting.

6. Decisions on Final Recommendations on Youth Access and Exposure (continued from last week)

Recommendation #13 - Advertising and Marketing

The County should advocate for changes to state law to prohibit cannabis advertising in broadcast, cable, radio, print, and digital communications where less than 85 percent of the audience is reasonably expected to be 21 years of age or older, as determined by reliable, up-to-date audience composition data, consistent with rules applicable to tobacco advertising.

Recommendation #14 - Advertising and Marketing

Decision Note: The Working Group agreed to move this recommendation to *Recommendations for Future Consideration*.

The County should consider prohibiting the sale of cannabis for less than the listed price, including but not limited to happy-hour type promotions, discounts, coupons, and buy-one-get-one-free promotions.

Recommendation #15 - Youth Access and Exposure

Decision Note: The Working Group agreed to move this recommendation to *Recommendations for Future Consideration* and requested more specificity regarding the meaning of “where youth congregate.”

The County should adopt local regulations prohibiting: advertising (distribution of flyers, promotional items) to be conducted at a 1000 ft. distance from schools, youth centers and daycare centers in a manner so as not to target underage youth. The County should implement progressive fines and penalties, up to and including license revocation, to deter such practices and should conduct regular compliance checks with cannabis retailers.

Recommendation #16 - Advertising and Marketing

Decision Note: The Working Group agrees to move this recommendation to *Recommendations for Future Consideration Appendix*. Assembly Bill 350 aims to address this recommendation. The Working Group agrees the Office of Cannabis Management should monitor the legislation and ensure it succeeds in addressing it later after the law has passed.

The County should adopt an ordinance prohibiting advertising, marketing, products, and product-design practices that are attractive to or targeted at youth. The ordinance should be consistent with state law and regulation, and clearly describe products considered to be attractive to youth, and advertising and marketing practices that target youth. The County should implement progressive fines and penalties, up to and including license revocation, for violations of the ordinance. The County should lobby the state for legislation and regulation that clearly define and prohibit advertising, marketing, products, and product-design practices that are attractive to or targeted at youth.

- End of Recommendations on Youth Access and Exposure -

7. Decisions on Final Recommendations on Public Health and Safety and Cannabis Cultivation for Personal Use

Recommendation #1 - Public Consumption

Decision Note: The Working Group agreed they will need further discussion during recommendations on Equity.

The County should preclude the smoking of cannabis within 1,000 feet of schools (K-12), day care centers (including preschools), youth centers, parks, libraries, and public transportation stops near those places, except upon the grounds of a private residence and provided cannabis smoke cannot be detected on the grounds of the school, day care center, youth center, park, library, or public transportation stop.

Recommendation #2 - Public Consumption

Decision Note: The Working Group agreed they will need further discussion during recommendations on Equity.

The County should develop and implement a comprehensive secondhand smoke ordinance, which would address both tobacco and cannabis smoke, to reduce health risks to youth, employees, and other members of the public.

Recommendation #3 - Banking

The County should investigate the feasibility of creating a public bank to serve the cannabis industry.

Recommendation #4 - Banking

The County should explore the feasibility of using third-party services to handle financial transactions, such as tax payments, between cannabis businesses and the County to reduce risks involved with cash only payment methods, and should implement adequate security measures and business capabilities at County offices, including exploring adding new payment offices, to handle the anticipated increase in cash payments by cannabis businesses.

Recommendation #5 - Crime

In connection with any new license or renewal application, the County should require each cannabis business to submit a security plan that implements industry best practices to deter crime and facilitate response and intervention by law enforcement.

Recommendation #6 - Crime

Decision Note: The Working Group agreed they will need further discussion during recommendations on Taxation.

The County should prioritize the spending of cannabis tax revenue on law enforcement to respond in areas with identifiable criminal or quality-of-life issues associated with cannabis businesses.

Recommendation #7 - Crime

The County should ensure law enforcement is properly trained to prevent racial, ethnic, mental health and age-related profiling when interacting with community residents on cannabis-related issues.

Recommendation #8 - Crime

County law enforcement should partner with cannabis businesses to understand the businesses' unique security concerns, including assigning a law enforcement liaison to interface directly with each cannabis business.

Recommendation #9 - Driving under the influence of drugs

Decision Note: The Working Group agreed they will need further discussion during recommendations on Cannabis Retailers.

The County should impose distance requirements between alcohol outlets and cannabis retail outlets.

Recommendation #10 - Driving under the influence of drugs

Decision Note: The Working Group agreed they will need further discussion during recommendations on Taxation and Revenue.

The County should make funds available for research collaboratives between the County, universities, research groups and law enforcement to identify standards and best practices for the accurate testing of DUIs for cannabis.

Recommendation #11 - Driving under the influence of drugs

The County should advocate for state legislation that clarifies cannabis open container laws to ensure both residents and law enforcement understand what is and is not legal.

Recommendation #12 - Driving under the influence of drugs

Decision Note: The Working Group agreed clarification is needed before a decision is made, from the Office of the Public Defender to understand their position of support and advocacy for the laboratory equipment.

The County should make funds available to purchase laboratory equipment necessary to detect the presence of active THC in the blood.

- End of Recommendations on Public Health and Safety –

8. Panel: Perspectives on Cannabis Retail Operations

Panelists:

- Dan Edwards, Associate General Counsel, MedMen
- Ari Roughton, Western Regional Retail Manager, MedMen
- Amanda Ostrowitz, Co-founder and Chief Strategy Officer CannaRegs

9. Public Comment: Andre D. Tate voiced his concerns about the validity and reliability of using a machine to determine an individual's degree of cannabis intoxication; he highlighted the negative impact of open container laws and the need for those laws to be applied to prescription drugs and addressed the need for restrictions on advertising and marketing, particularly where kids are concerned.

Los Angeles County Advisory Working Group on Cannabis Regulation

AGENDA

Meeting 4: Thursday, August 3, 2017

- 9:00 AM** Welcome, agenda review, and suggested timeline revision
- 9:10 AM** Workshop recommendations on Youth Access and Exposure, Public Health and Safety, and Cannabis Cultivation for Personal Use
- Facilitated group discussion to reach consensus on recommendations submitted by working group members
- 11:00 AM** Break
- 11:15 AM** Perspectives on Cannabis Retail Operations
- Dan Edwards, Associate General Counsel, MedMen
 - Ari Roughton, Western Regional Retail Manager, MedMen
 - Amanda Ostrowitz, Co-founder and Chief Strategy Officer, CannaRegs
- 11:50 AM** Public Comments
- 12:00 PM** End