

The background of the entire image is a dense field of vibrant green cannabis leaves. A semi-transparent white rectangular box is centered on the page, containing the main text. The box is framed by dark grey L-shaped corner brackets in the top-left and bottom-right corners.

# **CANNABIS GENERAL STAKEHOLDER MEETING**

**November 17, 2022**

**City of Sacramento Office of Cannabis Management**



# **WASTE MANAGEMENT REQUIREMENTS FOR CANNABIS BUSINESSES**

By Leo Falcon  
City of Sacramento Recycling and  
Solid Waste Division



# **BOP UPDATE**

- **Cultivation: 7 out of 107 (4 CORE apps)**
- **Delivery only: 11 out of 64 (20 CORE apps)**
- **Distribution: 6 out of 41 (6 CORE apps)**
- **Manufacturing: 11 out of 34 (7 CORE apps)**
- **Microbusiness: 1 out of 7 (3 CORE app)**
- **Testing lab: 0 out of 3 (1 CORE app)**
- **Storefront: 2 out of 31 (3 CORE app)**

**38 CORE BOPS issued/ 44 Pending**



# ELECTIONS: UPDATE ON MEASURE L

- **Measure L - Sacramento Children Health and Safety Act**
  - Ahead 60% to 40% as of latest election returns
  - What it means for cannabis businesses?
    - The City would designate 40% of its cannabis tax revenue for youth programs and services
    - These funds currently go into the City's General Fund to support general city services.



# STATE-RELATED UPDATE/REMINDERS:

- **Dual Licensing system:** Businesses need BOTH State License AND Local Permit before they can start operating (including ordering inventory)
  - Products on premises = operating without a permit (even with State lic.) and liable for administrative penalties and/or BOP enforcement action
- **Provisions of the Budget Act that will take place on 1/1/23**
  - Adds delivery information to Track-and-Trace beginning 2023
  - Max amount of product for delivery - \$10K  
**(NOTE: Sacramento still \$5K)**



# STATE-RELATED UPDATE/REMINDERS:

- **Provisions of the Budget Act that will take place on 1/1/23 (cont.)**
  - Caps the 15% excise tax for three years
  - Moves the collection of the excise tax from the distributors to retailers
  - Allows equity retailers who have received a fee waiver from the DCC to retain 20% of the excise tax they collect
  - Allows equity operators to claim tax credits of up to \$10,000 for 2023-2027 tax years.



## STATE-RELATED UPDATE/REMINDERS:

**New state regulations went into effect November 7, following upon March 4, 2022 emergency regulations:**

- New requirement on beverages, tinctures & inhaled products, enforcement, subleasing, transport of cannabis, abandoned applications, and many other items
- See the “Summary of Certificate of Compliance” for details and regulation sections at <https://cannabis.ca.gov/cannabis-laws/dcc-regulations/>

# STATE-RELATED UPDATE/REMINDERS:

## Key Dates for Provisional Licenses

- 1/1/23 – Last day DCC can renew provisional cultivation licenses for Type 5 (large/mixed light)
- 3/31/23- Deadline for local equity applicants to submit a license application and be considered for a provisional license
- 6/30/23 – Last day for DCC to issue provisional licenses to local equity applicants
- 7/1/23 – Provisional renewals become subject to additional requirements







# **SACRAMENTO CANNABIS PLANNING ASSISTANCE/NAVIGATOR**

By Kevin Valente, AICP  
Contract Planner  
Community Development Department  
City of Sacramento



## **BOP EXTENSION GOING INTO EFFECT 12/1**

- Apply for extension if application is 180 calendar days (6 months) old and no BOP received, otherwise application is deemed abandoned
- You will receive an email 60/30/7 days prior to expiration to provide notice
- Applications submitted prior to 12/1/22 - 180 days end on 5/30/23
- Applications submitted after 12/1/22 - applications will expire 180 days after submission date



# APPLYING FOR BOP EXTENSION

- Log on to online portal and access your application
- Select the “BOP Extension” option
- Pay the \$500 fee
- Your application will be valid for another 180 days from the original application date (regardless of when extension was submitted)
- If your application has expired and no extension has been submitted & paid for, apply for a new application.



## BOP PROCESSES & PROCEDURES: REMINDERS

- **Cultivation** – Authorization to add OCM & Code as a user to your MTRC account
- **Notification of Operations Form** – submit this form when you're ready to start operating (you receive this form with your BOP)
- **Cessation of Operations Form** – submit this form for a temporary closure
  - If permanently closing, let us know!



## **BOP PROCESSES & PROCEDURES: REMINDERS**

- **Business Information Change Form** – Submit within 30 days of any change for:
  - Ownership, business structure, management companies, legal business name, DBA
  - Ownership change – must have continuity
  - 100% change = new application (not allowed for storefront dispensaries as new applications are not accepted)
- **Interested Parties Form (Updated)** – for all new and renewal apps. One form per business.
- **Live Scan/Background check Forms** – submit to Revenue/Permits in order to receive results



# BOP PROCESSES & PROCEDURES: REMINDERS

- **Cash Payments**

- Schedule a cash payment appointment online at <https://www.cityofsacramento.org/Finance/Revenue/Business-Operation-Tax/Cannabis-Business-Tax>

- **Check Payments – In-Person**

- <https://www.cityofsacramento.org/finance/revenue>

- **COVID Relief BOP Renewal Payment Plan**

- No longer available

- **All forms** can be downloaded through OCM website under the Business Information dropdown

- **NOTE: Keep a copy of all OCM-approved forms onsite for inspection**



# NEW SECURITY PLAN REQUIREMENTS

- All renewals for BOPs with expiration date of 10/1/22 or later required to submit a new security plan.
- **New security plans must contain:**
  - Live monitoring analytics
  - Logs for quarterly security meetings
  - Latch guards for external doors
  - Secure storage for non-business hours
  - Hidden shackle padlocks for secure storage for products or cash
- **All items on updated security plan must be installed and ready for Code inspection by 1/1/23**



## **SECURITY REBATES: FUNDS AVAILABLE!**

- **Up to \$4,000 per business for eligible security products and services including:**
  - ✓ Preparation of a new or updated security plan
  - ✓ Purchase and installation of live motion security cameras
  - ✓ Up to one year of monitoring service for live motion security cameras
  - ✓ Purchase and installation of law enforcement Knox Box
  - ✓ Purchase and installation of safes, circular padlocks, steel or vault doors and frames, remote activated access for doors, door plates/hardware, floor contact for rollup doors and 3M intrusion deterrent glass film
  - ✓ Upgrade of exterior gates





# SECURITY REBATE REQUIREMENTS

- Can be submitted by an owner of a business who holds a BOP OR an applicant for a business who has received their CofO and has completed a walk-thru.
- Products and/or services must be from a credentialed third-party vendor or meet the certification requirements listed on website. Items that do not meet the specifications are not eligible for rebates.
- Max amount of rebate check is \$4,000 regardless of expenses identified on the request
- Must register as a vendor with the City and receive a supplier ID in order to receive check (instructions and link to register on the OCM website)
- Submit paid receipts (proof of payment). Invoices with balance owing will not be honored.



## NEIGHBORHOOD RESPONSIBILITY PLAN: UPDATE

- 1% election for the NRP can be modified per directions in letter sent by City Attorney's Office to property owners
- Requires request submitted to City Attorney by property owner, minor modification of CUP to change from 1% NRP to "Good Neighbor" agreement, and registration for supplier ID if a refund is due
- NOTE: NRP statements will continue to be sent until the process is completed, but these are not invoices requiring payment
- Questions? Email [cnra@cityofsacramento.org](mailto:cnra@cityofsacramento.org)



# ANNOUNCEMENTS

- Onsite Consumption Community Meetings postponed until early 2023.
- Presentation from DCC and OCM on Shared Manufacturing – coming soon!
- City offices closed November 24-25 and December 26, 2022 and January 2 and 16, 2023
- Thank you to everyone who attended Sell-Smart Training!
  - Suggestions for training topics?



# QUESTIONS? CONTACT US:

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