



Date: July 1, 2018

To: Medical Cannabis Dispensaries

From: Ajay Kolluri, Assistant to the City Manager

Subject: Cannabis Product Testing, Packaging and Labeling Requirements

The following memorandum outlines key requirements for cannabis testing, packaging and labeling that Dispensaries must follow to remain in compliance with State and local laws. The City of Long Beach (“the City”) has chosen to highlight these regulations due to their significance in protecting the health and safety of Long Beach patients, residents and visitors. This document should not be interpreted as a comprehensive summary of all regulations that Dispensaries must follow to remain in compliance with State and local laws. For a complete list of Dispensary operating conditions, businesses should refer to the following resources:

- Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)
- California Code of Regulations (CCR)
- Long Beach Municipal Code (LBMC)

The City will enforce these regulations through routine inspections of licensed Dispensaries. Failure to comply with State and local law will result in criminal, administrative and/or civil penalties including, but not limited to, revocation of the business license.

Cannabis Testing

Pursuant to Long Beach Municipal Code (LBMC) Section 5.90.060, all licensed Medical Cannabis Dispensaries (“Dispensaries”) in the City are required to have representative samples of any medical cannabis that will be sold by the business analyzed and tested by an independent laboratory for concentration, pesticides, mold and other contaminants regulated under local, state, or federal law. The sale of untested medical cannabis products is a violation of LBMC Chapter 5.90.

Pursuant to MAUCRSA, all cannabis and cannabis products sold at a Dispensary must be purchased from a licensed Distributor. Under state law, Distributors are responsible for ensuring that cannabis and cannabis products are tested by an independent laboratory for concentration of compounds, pesticides, mold and other contaminants. Sale of cannabis goods by a Dispensary that have not been tested by a Testing Laboratory through a licensed Distributor is prohibited. Cannabis or cannabis products obtained from a licensed Distributor do not need to be re-tested by a Dispensary, and may be sold by a Dispensary without sending representative samples to an independent laboratory for analysis.

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All cannabis harvested on or after July 1, 2018 and all cannabis products manufactured on or after July 1, 2018 shall be tested for the following analytes, if applicable:

- (1) Cannabinoids;
- (2) Moisture Content;
- (3) Category I & II Residual Solvents & Processing Chemicals;
- (4) Category I & II Residual Pesticides;
- (5) Microbial Impurities;
- (6) Homogeneity;
- (7) Foreign Material;

A Dispensary is responsible for ensuring that they are purchasing product from a Distributor that has tested all cannabis and cannabis products pursuant to these requirements.

Cannabis Labeling

All cannabis and cannabis product labels and inserts shall comply with the following requirements:

- All applicable requirements pursuant to Sections 26070, 26120, 26121 and 26154 of the California Business and Professions Code.
- All other requirements for cannabis goods specified in the California Code of Regulations by the Bureau of Cannabis Control, the California Department of Public Health, and the Department of Food and Agriculture.

A Dispensary shall not accept, possess or sell cannabis goods that do not meet all labeling requirements. A Dispensary shall not label cannabis goods, even if the cannabis goods were in inventory prior to July 1, 2018. However, a Dispensary may place a sticker on cannabis goods with the statement "FOR MEDICAL USE ONLY" upon sale to a customer if it is not already on the package.

Cannabis Packaging

All cannabis goods sold at a Dispensary shall be in re-sealable, tamper-evident, child-resistant packaging. Child resistant packaging means the package is designed or constructed to be significantly difficult for children under five years of age to open or otherwise obtain access to the product contained therein within a reasonable time, and shall not be difficult for normal adults to open or obtain access to the product contained therein.

A Dispensary shall not accept, possess or sell cannabis goods that do not meet all packaging requirements. A Dispensary shall not package cannabis goods.

A Dispensary may not sell an edible cannabis product that exceed 10 milligrams of tetrahydrocannabinol (THC) per serving or 100 milligrams of THC per package. All cannabis goods purchased by a customer shall not leave a Dispensary premises unless the goods are placed in an opaque exit package.

For more information on packaging and labeling requirements, see *Attachment A* to this memo.

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PLEASE NOTE: Distributors are responsible for the quality assurance review of all packaging and labeling requirements. However, all packaging and labeling of inventory must meet the requirements of the Medicinal and Adult-Use Cannabis Regulation and Safety Act. Dispensaries should only be purchasing cannabis products from a licensed Distributor who complies with these standards to avoid possible penalties and/or revocation of their business license.

SUBCHAPTER 5. LABELING AND PACKAGING REQUIREMENTS

Article 1. General Provisions

Readopt §40400

§40400. Applicability.

(a) The requirements in this subchapter shall apply to finished cannabis products and shall not apply to cannabis or cannabis products that are transferred between licensees for the purpose of further processing or packaging.

(b) Except as otherwise provided in Section 40601, the requirements of this subchapter shall apply to any cannabis product manufactured on or after January 1, 2018.

Authority: Section 26012; 26013; and 26130, Business and Professions Code.

Reference: Section 26130; Business and Professions Code.

Readopt §40401 with amendments

§40401. Release to Distributor as Finished Product.

Prior to release of a product to a distributor, a licensee shall ensure that the product is in finished form and is labeled and packaged in its final form for sale.

Authority: Section 26012; 26013; and 26130, Business and Professions Code.

Reference: Sections 26011.5; and 26130, Business and Professions Code.

Article 2. Labeling Requirements

Readopt §40403

§40403. General Provisions.

- (a) Any information required to be listed on a label shall be written in English.
- (b) A label shall be unobstructed and conspicuous so that it can be read by the consumer.
- (c) All required label information shall be located on the outside container or wrapper of the finished product to be sold at a retailer.

Authority: Sections 26012; 26013; and 26130, Business and Professions Code.

Reference: Section 26120, Business and Professions Code.

Readopt §40405

§40405. Primary Panel Labeling Requirements: All Products.

(a) The label for a cannabis product shall include a primary panel that includes the following information in a type size no less than 6 point font and in relation to the size of the primary panel and container:

- (1) The identity of the product in a text size reasonably related to the most prominent printed matter on the panel;
- (2) The universal symbol as prescribed in Section 40412;
- (3) The net weight or volume of the contents of the package;
- (4) The THC content and CBD content for the package in its entirety, expressed in milligrams per package.

(b) Nothing in this section prohibits the inclusion of additional information on the primary panel. The content of other cannabinoids or terpenes may be included if such information is verified by the certificate of analysis issued by a licensed testing laboratory.

Authority: Sections 26012; 26013; and 26130, Business and Professions Code.

Reference: Section 26120, Business and Professions Code.

Readopt §40406

§40406. Additional Primary Panel Labeling Requirements: Edible Products.

In addition to the requirements of Section 40405, the primary panel of an edible cannabis product shall include the following information:

(a) The words “cannabis-infused” immediately above the identity of the product in bold type and a text size larger than the text size used for the identity of the product.

(b) The THC content and CBD content per serving, expressed in milligrams per serving.

Authority: Sections 26012; 26013; 26120; and 26130, Business and Professions Code.

Reference: Section 26120, Business and Professions Code.

Readopt §40408 with amendments

§40408. Informational Panel Labeling Requirements.

(a) The label for a cannabis product shall include an informational panel that includes the following:

(1) The licensed manufacturer and its contact number or website address;

(2) The date of the cannabis product’s manufacture and packaging;

(3) The following statement in bold print: “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.”

(4) If the cannabis product is intended only for ~~sale in the medicinal-use market to medicinal-use customers or contains more than 1,000 mg THC per package~~, the statement “FOR MEDICAL USE ONLY;”

(5) A list of all product ingredients in descending order of predominance by weight or volume;

(6) If the edible cannabis product contains an ingredient, flavoring, coloring, or an incidental additive that bears or contains a major food allergen, the word “contains,” followed by a list of the applicable major food allergens;

(7) If an edible cannabis product, the names of any artificial food colorings contained in the product;

(8) If an edible cannabis product, the amount, in grams, of sodium, sugar, carbohydrates, and total fat per serving;

(9) Instructions for use, such as the method of consumption or application, and any preparation necessary prior to use;

(10) The product expiration date, “use by” date, or “best by” date, if any; and

(11) The UID and, if used, the batch number.

(b) The informational panel text shall be in a text size of no less than 6 point font and in relation to the size of the primary panel and container, unless there is insufficient area on the container available to print all the required information in a text size of no less than 6 point font. In such a case, the label shall include the warning statements required by paragraph (a)(3) in a text size of no less than 6 point font, and the product shall be accompanied by a supplemental labeling that includes all of the information required by this section. The text of the supplemental labeling shall be no less than 8 point font.

(c) Nothing in this section prohibits the inclusion of additional information on the informational panel. The content of other cannabinoids or terpenes may be included if such information is verified by the certificate of analysis issued by a licensed testing laboratory.

Authority: Sections 26012; 26013; and 26130, Business and Professions Code.

Reference: Sections 26120; and 26121, Business and Professions Code.

Readopt §40410 with amendments

§40410. Labeling Restrictions.

The labeling ing shall not contain any of the following:

(a) Claims that the cannabis product was produced from cannabis grown in a California county ~~when the~~ unless all of cannabis was ~~not~~ grown ~~there in that county~~.

(b) The name of a California county unless all of the cannabis used in the product was grown ~~there in that county~~.

(c) Content that is, or is designed to be, attractive to individuals under the age of 21, including but not limited to:

(1) Cartoons;

(2) Any likeness to images, characters, or phrases that are popularly used to advertise to children;

(3) Any imitation of candy packaging or labeling; or

(4) The terms “candy” or “candies.”

(d) Any information that is false or misleading.

(e) Any health-related statement that is untrue or misleading. Any health-related statement must be supported by the totality of publicly available scientific evidence (including evidence from well-designed studies conducted in a manner which is consistent with generally recognized scientific procedures and principles), and for which there is significant scientific agreement, among experts qualified by scientific training and experience to evaluate such claims.

Authority: Sections 26012; 26013; and 26130, Business and Professions Code.

Reference: Sections 26062.5; 26120; 26121; and 26154, Business and Professions Code.

Readopt §40411 with amendments

§40411. Statement of Characteristic Anticipated Effects.

A cannabis product may include information on the characteristic anticipated effects of the cannabis product if the manufacturer has substantiation that the information is

truthful and not misleading. Such information may be located on the informational panel of the label or as an insert included in the product package. For purposes of this section, “characteristic anticipated effect” includes any physiological effect (a temporary effect on the body related to the consumption of cannabis) that is common to or expected from the particular cannabis strain, but excludes any claim of health benefits (i.e. claims of therapeutic action as a result of the consumption of cannabis).

Authority: Sections 26012; 26013^{2,5}; and 26130, Business and Professions Code.

Reference: Sections 26120; and 26130, Business and Professions Code.

Readopt §40412

§40412. Universal Symbol.

The primary panel of a cannabis product shall be marked, stamped, or otherwise imprinted with the universal symbol.

(a) The symbol shall replicate the following in form and shall be black in color:



(b) The symbol shall be no smaller in size than half (.5) inch by half (.5) inch and shall be printed legibly and conspicuously. For packaging that is dark in color, the symbol may be made conspicuous by printing the symbol on, or outlining the symbol with, a contrasting color.

Authority: Sections 26012; 26013; and 26130, Business and Professions Code.

Reference: Sections 26120; 26121; and 26130, Business and Professions Code.

Article 3. Packaging

Readopt §40415 with amendments

§40415. Packaging.

A package used to contain a cannabis product shall adhere to the following requirements:

(a) The package shall protect the product from contamination and shall not expose the product to any toxic or harmful substance.

(b) The package shall be tamper-evident, which means that the product ~~shall be packaged in~~ packaging ~~that~~ is sealed so that the contents cannot be opened without obvious destruction of the seal.

(c) The package shall be child-resistant. A package shall be deemed child-resistant if it satisfies the standard for “special packaging” as set forth in the Poison Prevention Packaging Act of 1970 Regulations (16 C.F.R. §1700.1(b)(4)) (Rev. December 1983), which is hereby incorporated by reference.

(d) The package shall not imitate any package used for products typically marketed to children.

(e) If the product is an edible product, the package shall be opaque.

(f) If the package contains more than one serving of cannabis product, the package shall be re-sealable so that child-resistance is maintained throughout the life of the package

Authority: Sections 26012; 26013; and 26130, Business and Professions Code.

Reference: Sections 26120; and 26121, Business and Professions Code.



The transition period in the licensing authorities' regulations allowing exceptions from specific regulatory provisions ends on June 30, 2018. Beginning July 1, 2018, cannabis goods must meet all statutory and regulatory requirements. Cannabis goods that do not meet all statutory and regulatory requirements must be destroyed in accordance with the rules pertaining to destruction.

LABORATORY TESTING REQUIREMENTS

Beginning July 1, 2018, a licensee may only sell cannabis goods that have been tested and passed all testing requirements in effect at the time of testing.

- Untested cannabis goods cannot be sold by a retailer and must be destroyed. A retailer may not send cannabis goods to a distributor for testing.
- Untested cannabis goods manufactured or harvested before January 1, 2018, in possession of a distributor that are owned by the distributor must be destroyed.
- Untested cannabis goods manufactured or harvested before January 1, 2018, in the possession of a distributor owned by a manufacturer or cultivator may be returned to the licensee who owns the cannabis goods. If a cultivator or manufacturer chooses to sell the returned cannabis goods, the cannabis goods must be sent to a distributor for testing and must meet all of the testing requirements in effect at the time of testing before transported to a retailer for sale.

PACKAGING AND LABELING REQUIREMENTS

Beginning July 1, 2018, all packaging and labeling must be performed prior to cannabis goods being transported to a retailer.

- A retailer shall not accept cannabis goods that are not properly packaged and labeled. A retailer shall not package or label cannabis goods, even if the cannabis goods were in inventory before

July 1, 2018. However, for medicinal sales, retailers will place a sticker on cannabis goods stating, "FOR MEDICAL USE ONLY" upon sale to a qualified medicinal consumer, unless the statement is already printed on the package.

- A retailer may not send unpackaged cannabis goods to another licensee for packaging or labeling. Cannabis goods in possession of a retailer that do not meet packaging and labeling requirements must be destroyed.
- Exit packaging is not required to be child-resistant and can no longer be used to satisfy the child-resistant packaging requirements. All cannabis goods must be in child-resistant packaging prior to delivery to a retailer.

THC LIMITS FOR EDIBLE CANNABIS PRODUCTS

Beginning July 1, 2018, edible cannabis goods may not exceed 10 milligrams of THC per serving and may not exceed 100 milligrams of THC per package.

THC LIMITS FOR NON-EDIBLE CANNABIS PRODUCTS

Beginning July 1, 2018, non-edible cannabis products must meet package THC restrictions.

- Non-edible cannabis products shall not contain more than 1,000 milligrams of THC per package if intended for sale only in the adult-use market.
- Non-edible cannabis products shall not contain more than 2,000 milligrams of THC per package if intended for sale only in the medicinal market.

INGREDIENTS AND APPEARANCE OF CANNABIS PRODUCTS

Beginning July 1, 2018, a retailer may only sell cannabis products that meet the requirements set by the California Department of Public Health for ingredients or appearance.

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