

ORDINANCE NO. 2018-23

COMMERCIAL CANNABIS HEALTH PERMITS

The Contra Costa County Board of Supervisors ordains as follows (omitting the parenthetical footnotes from the official text of the enacted or amended provisions of the County Ordinance Code):

SECTION I. SUMMARY. This ordinance adds Chapter 413-4 to the County Ordinance Code to require all persons engaged in commercial cannabis activities or engaged in cannabis deliveries to any location in the unincorporated area of the county to obtain a county health permit in addition to all other licenses and permits required by the County and the State.

SECTION II. Chapter 413-4 is added to the County Ordinance Code, to read:

Chapter 413-4

COMMERCIAL CANNABIS HEALTH PERMITS

Article 413-4.2

General Provisions

413-4.202 Purpose. The purpose of this chapter is to regulate commercial cannabis activities, as authorized by the Control, Regulate, and Tax Adult Use of Marijuana Act, and by the Medicinal and Adult Use Cannabis Regulation and Safety Act, by requiring all persons engaged in commercial cannabis activities or engaged in cannabis deliveries to obtain a county health permit in addition to all other licenses and permits required by the County and the State. The requirements of this chapter are in addition to all other applicable requirements of this code and all applicable State laws and regulations. (Ord. 2018-23 § 2).

413-4.204 Applicability. This chapter applies in the unincorporated area of Contra Costa County. (Ord. 2018-23 § 2).

413-4.206 Definitions.

- (a) Except as otherwise provided in subdivision (b), the definitions set forth in Division 10 of the Business and Professions Code, and the definitions set forth in Health and Safety Code section 11362.7, apply to this chapter.
- (b) The following terms have the following meanings for purposes of this chapter:

- (9) “Volatile solvent” means any solvent that is or produces a flammable gas or vapor that, when present in sufficient quantities, will create explosive or ignitable mixtures, including, but not limited to, butane, hexane, and propane. (Ord. 2018-23 § 2).

Article 413-4.4

Commercial Cannabis Health Permit Requirements

413-4.402 Permit requirement. It is unlawful for any person to conduct any commercial cannabis activity in the unincorporated area of the county or to deliver cannabis or cannabis products to any location in the unincorporated area of the county without obtaining and maintaining a commercial cannabis health permit. (Ord. 2018-23 § 2).

413-4.404 Permit applications. An application for a commercial cannabis health permit shall be submitted to the director on a form available from the director and shall contain the following information:

- (a) Identifying information for applicant. The name, date of birth, social security number, address, and telephone number for the applicant. If the applicant is an entity and not an individual, the term “applicant” means each person participating in the direction, control, or management of the entity, and each person having a financial interest of 20 percent or more in the entity.
- (b) State license type. A description of the specific State license(s) that the applicant either has obtained or will obtain.
- (c) Description of operations. A description of the proposed commercial cannabis activity or delivery.
- (d) Certification. Certification, under penalty of perjury, that all the information contained in the application is true and correct.
- (e) An application for a commercial cannabis health permit for a proposed commercial cannabis activity shall contain the following additional information:
 - (1) Land use permit. A copy of the land use permit issued pursuant to Chapter 88-28 of this code authorizing the proposed commercial cannabis activity, and all applications and materials submitted in support of issuance of the land use permit.
 - (2) Description of premises. The address and assessor’s parcel number(s) of the property upon which the proposed commercial cannabis activity will be located.

of the application and notify the applicant of the decision. (Ord. 2018-23 § 2).

413-4.410 Permit renewal.

- (a) Each commercial cannabis health permit will expire on June 30th following the date of its issuance.
- (b) An application for renewal must be filed with the director at least 30 calendar days before the permit expires. If any of the documentation or information supplied by the applicant pursuant to Section 413-4.404 has changed since the permit was issued, the applicant must submit updated information and documentation with the application for renewal. The director will deem the application incomplete if it does not contain all required information and documents, or if all required application fees have not been paid.
- (c) Upon review of a renewal application, the director will approve the renewal application unless any of the following grounds for denial exist:
 - (1) Any of the grounds for denial under Section 413-4.408.
 - (2) The application is filed fewer than 30 calendar days before the permit expires.
 - (3) The applicant is delinquent in payment of County taxes.
 - (4) The permit is revoked at the time of application.
- (d) The decision of the director to approve or deny a permit renewal application is final. If the director denies the application for renewal, the director will specify in writing the reasons for denial of the application for renewal and notify the applicant of the decision.
- (e) If a renewal application is denied, an applicant may file a new permit application pursuant to Section 413-4.404. (Ord. 2018-23 § 2).

413-4.412 Permit fee. A commercial cannabis health permit, or a renewed commercial cannabis health permit, will not be issued until the applicant has paid a non-refundable permit fee in the amount established by the board of supervisors in the Contra Costa County health services department's fee schedule. (Ord. 2018-23 § 2).

413-4.414 Permit nontransferable.

- (a) A commercial cannabis health permit is not transferable and automatically terminates upon transfer of ownership.

- (d) Security breach. A permittee shall notify the Contra Costa County Sheriff's Office within 24 hours after discovering any diversion, theft, loss, or any criminal activity involving cannabis, cannabis product, or any agent or employee of the permittee. (Ord. 2018-23 § 2).

413-4.606 Processing and manufacturing standards. A permittee that processes or manufactures cannabis or cannabis products shall comply with all of the following standards in addition to the standards specified in Sections 413-4.602 and 413-4.604.

- (a) No volatile solvent may be used to process or manufacture cannabis or cannabis products.
- (b) All processing and manufacturing operations must occur at the fixed location listed on the permit. (Ord. 2018-23 § 2).

413-4.608 Retail sale standards. A permittee that sells cannabis or cannabis products shall comply with all of the following standards in addition to the standards specified in Sections 413-4.602 and 413-4.604.

- (a) Within each building in which cannabis or cannabis products are sold, the permittee shall prominently display a sign including the following statement in bold print:
"GOVERNMENT WARNING: CANNABIS IS A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS 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 MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION."
- (b) Within each building in which cannabis or cannabis products are sold, the permittee shall establish a waiting area that persons must enter prior to entering the retail area. No person may be admitted to the waiting area without first verifying through examination of a government-issued identification card that he or she is at least the minimum age under state law to enter the premises. The waiting area must be physically separated from the retail area. No cannabis or cannabis product may be accessible to customers in the waiting area.
- (c) The permittee or at least one employee shall be physically present in the retail area at all times when any non-employee is in the retail area. Within the retail area, the number of non-employees may not exceed twice the number of employees at any time.
- (d) The sale of any non-cannabis food or beverage, alcohol or alcohol product, or tobacco or

delivery, which shall be made available upon request to law enforcement.

- (f) No delivery employee may deliver cannabis or cannabis products to a customer without first examining a government-issued identification card of the recipient to confirm that the recipient is the customer who requested the delivery and that the recipient is at least the minimum age under state law to purchase the cannabis or cannabis product.
- (g) A delivery employee who delivers cannabis or cannabis products to a customer shall at the time of delivery provide the customer with a written warning that includes the following statement in bold print: “GOVERNMENT WARNING: CANNABIS IS A SCHEDULE I CONTROLLED SUBSTANCE. KEEP OUT OF REACH OF CHILDREN AND ANIMALS. CANNABIS 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 MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY. PLEASE USE EXTREME CAUTION.” (Ord. 2018-23 § 2).

Article 413-4.8

Commercial Cannabis Health Permit Enforcement

413-4.802 Permit revocation.

- (a) Grounds for revocation. A commercial cannabis health permit may be revoked on any of the following grounds:
 - (1) One or more of the grounds for denial of a commercial cannabis health permit under Section 413-4.408 existed either when the permit application was made or before the commercial cannabis health permit was issued.
 - (2) Any violation of this chapter.
 - (3) Any violation of State or local laws or regulations.
 - (4) The permittee is delinquent in payment of County taxes.
 - (5) The commercial cannabis health permit was transferred in violation of Section 413-4.414.
- (b) Notice of revocation hearing. If any grounds for revocation exist, the director may issue a

413-4.804 Inspections. The County shall have the same rights of access that the Bureau of Cannabis Control has under Title 16, California Code of Regulations, section 5800. A permittee shall allow access to its premises and records if requested by the County, its officers, employees, or agents. A permittee, upon request, shall submit to an inspection by the County for the purpose of verifying the permittee is operating in compliance with the requirements of this chapter, the terms of a permit issued under this chapter, the State license, and all applicable requirements of this code and State laws and regulations. A permittee, upon request, shall provide the County with copies of records that the County requires to verify the permittee's compliance with this chapter and other applicable requirements of this code and State laws and regulations. A permittee must pay the applicable inspection fees for each County inspection. (Ord. 2018-23 § 2).

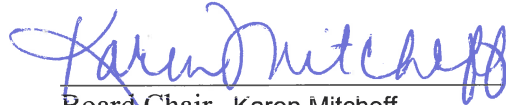
413-4.806 Enforcement. The County may seek compliance with this chapter by any remedy allowed under this code, including, but not limited to, revocation (Section 413-4.802), administrative fines (Chapter 14-12), infraction citations (Section 14-8.008), and any other remedy allowed by law. (Ord. 2018-23 § 2).

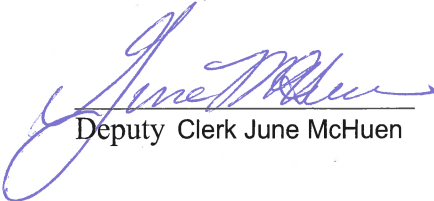
SECTION III. EFFECTIVE AND OPERATIVE DATE. This ordinance becomes effective, but not operative, 30 days following its adoption by the Board of Supervisors. This ordinance will become operative on the effective date of the Contra Costa County Cannabis Business Tax Ordinance only if the tax ordinance is approved by a majority of voters voting on the tax ordinance at the November 6, 2018, general election. Within 15 days after passage this ordinance shall be published in the East Bay Times, a newspaper published in this County, in a manner satisfying the requirements of Government Code section 25124, with the names of supervisors voting for and against it.

PASSED on August 7 2018, by the following vote:

AYES: Gioia, Burgis, Mitchoff, Glover
NOES: None
ABSENT: Andersen
ABSTAIN: None

ATTEST: DAVID J. TWA,
Clerk of the Board of Supervisors
and County Administrator


Board Chair Karen Mitchoff

By: 
Deputy Clerk June McHuen

[SEAL]

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