

**Department of Cannabis Control  
California Code of Regulations Title 4, Division 19**

**Notice of Further Modifications to Text of Proposed Regulations**

**Notice Date:** December 5, 2022

**Subject Matter of Proposed Regulations:** Conversion to Large and Medium Cultivation Licenses; Type 5, 5A, and 5B Large Cultivation License Fees and Requirements.

**Sections Affected:** Title 4, California Code of Regulations, sections 15006, 15014.2, 15027.1, and 16201.1, 16300.1.

Pursuant to the requirements of Government Code section 11346.8(c) and section 44 of title 1 of the California Code of Regulations, the Department of Cannabis Control (Department) hereby provides notice of further modifications made to the proposed regulation sections listed above which were the subject of public hearing on August 1, 2022. The text of the regulations with proposed modifications is attached to this Notice.

The Department will accept written comments on the proposed changes from December 5, 2022 to 5:00 p.m. on December 21, 2022. All written comments received by 5:00 p.m. on December 21, 2022 will be summarized and responded to in the Final Statement of Reasons. **Please limit your comments to the modifications to the text.**

Further modifications proposed to be added to the rulemaking in this 15-day comment period are displayed in *italic, wave underline type font*. Further modifications proposed to be deleted from the rulemaking in this 15-day comment period are displayed in *~~italic, single strikethrough, wave underline~~ type font*.

Text that is single underline, **bold double underlined**, or ~~**bold double strikethrough**~~ were prior proposed modifications for which the comment periods have ended.

**Written Comment Period**

Written comments may be submitted by mail or e-mail to the address listed below. **Comments submitted must be received by the Department at its office by 5:00 p.m. on December 21, 2022.**

Submit comments to:

Department of Cannabis Control  
Legal Affairs Division  
2920 Kilgore Road  
Rancho Cordova, CA 95670  
E-mail: [publiccomment@cannabis.ca.gov](mailto:publiccomment@cannabis.ca.gov)

## **Authority and Reference**

Business and Professions Code section 26013 authorizes the Department to adopt these proposed regulations. Pursuant to Business and Professions Code section 26061, subsection (c), the Department may begin issuing Type 5, 5A and 5B Large Cultivation Licenses (collectively referred to herein as Large Cultivation License) on January 1, 2023. The proposed regulations implement, interpret, and make specific the requirements for obtaining a Large Cultivation License under the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). (Bus. & Prof. Code, section 26000 et. seq.)

## **Updated Informative Digest**

### **Section 15006. Premises Diagram**

Subsection (h)(5) has been amended to include large licenses within the types of licenses that must provide a premises diagram that includes the information contained in subsection (h)(5). This amendment is necessary to clarify the requirements in proposed section 15027.1, subsection (a)(4). Proposed section 15027.1, subsection (a)(4) requires that a licensee seeking conversion to a large or medium license must provide the Department with “a diagram of the proposed premises that meets the requirements of section 15006.” The proposed amendment to section 15006 ensures that it is clear that the premises diagram requirements applicable to other cultivation license types are also applicable to large cultivation licenses.

Subsection (h)(6) has been amended to change the term “Mixed Light” to “Mixed-light” wherever the term appears within the proposed section. This amendment is necessary for clarity and consistency. The amendment is intended to reduce potential confusion by ensuring that the same term is used consistently throughout the division. The term has been amended to appear identical to the term Mixed-light as it appears in the definitions established in section 15000, subsection (ss).

### **Section 15014.2. Fees – Large Cultivation License**

The term “Mixed Light” has been amended to “Mixed-light” wherever the term appears within the proposed section. This amendment is necessary for clarity and consistency. The amendment is intended to reduce potential confusion by ensuring that the same term is used consistently throughout the division. The term has been amended to appear identical to the term Mixed-light as it appears in the definitions established in section 15000, subsection (ss).

### **Section 15027.1. Conversion to Large and Medium Cultivation Licenses**

Proposed subsection (c) has been removed. This Department has identified the information needed for a conversion in subsection (b). Therefore, the Department has determined that this provision is not necessary.

Proposed subsections (d), (e), and (f) have been renumbered to accommodate the removal of proposed subsection (c).

#### Section 16201.1. Large Cultivation Licenses

Subsection (a)(3) has been amended to change the “Mixed Light” to “Mixed-light” wherever the term appears within the proposed section. This amendment is necessary for clarity and consistency. The amendment is intended to reduce potential confusion by ensuring that the same term is used consistently throughout the division. The term has been amended to appear identical to the term Mixed-light as it appears in the definitions established in section 15000, subsection (ss).

#### Section 16300.1. Additional Cultivation Requirements for Large Licenses

The title of proposed section 16000.1 has been changed to add the word “Additional.” This amendment is necessary for clarity. The requirements of Article 2 are applied to all cultivation sites. The provisions in proposed subsection 16300.1 are additional requirements that apply to large cultivation licenses on top of all other existing cultivation site requirements. Adding the word “Additional” to the title of the proposed section reduces the risk of a reader potentially interpreting the requirements of proposed section 16300.1 to be the only cultivation site requirements applicable to large cultivation licenses.

Proposed subsection (a) has been removed. This amendment is necessary for clarity. The requirements that are applicable to cultivation activities are applicable to large cultivation licenses. It is not necessary to restate this requirement in this proposed section.

Proposed subsections (b) and (c) have been renumbered to accommodate the removal of proposed subsection (a).

Proposed new subsection (b) has been amended to further clarify that the applicant or licensee must submit an attestation that all persons who hold an ownership or financial interest in the large cultivation license do not currently hold any ownership or financial interest in a Type 8, Type 11, or Type 12 license and that no person who will hold an ownership or financial interest in the large cultivation license will apply for or hold an ownership or financial interest in a Type 8, Type 11, or Type 12 license while maintaining their ownership or financial interest in the large cultivation license. The substance of this section has not changed, however the revisions are necessary to provide additional clarity regarding the requirement for submission of the attestation.

#### **Incorporated by Reference**

**The following documents are incorporated into the regulations by reference:**

There are no documents incorporated by reference.

## **Contact Person**

Inquiries concerning the proposed administrative action may be directed to:

Charisse Diaz  
Department of Cannabis Control  
Legal Affairs Division  
2920 Kilgore Road  
Rancho Cordova, CA 95670  
916-465-9025  
[Charisse.Diaz@cannabis.ca.gov](mailto:Charisse.Diaz@cannabis.ca.gov)

The backup contact person for these inquiries is:

Paul Atienza  
Department of Cannabis Control  
Legal Affairs Division  
2920 Kilgore Road  
Rancho Cordova, CA 95670  
916-251-4494  
[Paul.Atienza@cannabis.ca.gov](mailto:Paul.Atienza@cannabis.ca.gov)

## **Availability of Statement of Reasons, Text of Proposed Regulations, and Rulemaking File**

The Department will have the entire rulemaking file available for inspection and copying, throughout the rulemaking process, at its office at the address above. Copies of materials may be obtained by contacting Charisse Diaz at the address, email or phone number listed above.

## **Availability of Changed or Modified Text**

After considering all timely and relevant comments received, the Department may adopt the proposed regulations, substantially, as described in this Notice. If the Department makes modifications that are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days before the Department adopts the regulations, as revised. Please send requests for copies of any modified regulations to the attention of Charisse Diaz at the address, email, or phone number indicated above.

The Department will accept written comments on the modified regulations for at least 15 days after the date on which they are made available.

### **Availability of The Final Statement of Reasons**

Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting Charisse Diaz at the address, email, or phone number indicated above.

### **Availability of Documents on the Internet**

Copies of the Notice of Proposed Action, the Initial Statement or Reasons, and the text of the proposed regulations can be accessed through the Department's website at:

<https://cannabis.ca.gov/cannabis-laws/rulemaking/>.