

ASSEMBLY BILL

No. 1332

Introduced by Assembly Member Ahrens

February 21, 2025

An act to amend Sections 26071, 26321, 26322, and 26323 of, and to add Section 26072 to, the Business and Professions Code, relating to cannabis.

LEGISLATIVE COUNSEL'S DIGEST

AB 1332, as introduced, Ahrens. Medicinal cannabis: shipments.

Existing law, the Compassionate Use Act of 1996, an initiative measure enacted by Proposition 215 at the November 6, 1996, statewide general election, declares that its purpose is, among other things, to ensure that seriously ill Californians have the right to obtain and use marijuana for medical purposes, as specified, and exempts from state criminal liability certain patients and their primary caregivers who possess or cultivate marijuana for the personal medical purposes of the patient.

The Control, Regulate and Tax Adult-Use of Marijuana Act of 2016 (AUMA), an initiative measure approved as Proposition 64 at the November 8, 2016, statewide general election, established a comprehensive system to legalize, control, and regulate the cultivation, processing, manufacture, distribution, testing, and sale of nonmedical marijuana. Existing law, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), among other things, consolidates the licensure and regulation of commercial medicinal and adult-use cannabis activities, including the retail sale of medicinal cannabis. MAUCRSA also authorizes specified licensees to provide

free medicinal cannabis or medicinal cannabis products to medicinal cannabis patients if specified criteria are met.

Existing law, the Medicinal Cannabis Patients' Right of Access Act, prohibits a local jurisdiction from adopting or enforcing any regulation that prohibits the retail sale by delivery within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers by medicinal cannabis businesses, as defined, or that has the effect of prohibiting the retail sale by delivery within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers, as specified.

This bill would authorize a licensed microbusiness with an M-license whose licensed activities include retail sale, distribution, and outdoor cultivation may directly ship medicinal cannabis to a medicinal cannabis patient in the state, if the licensed microbusiness complies with specified requirements, including that the amount shipped to a medicinal cannabis patient in a single day does not exceed specified possession limits and the package is received and signed for by someone 21 years of age or older. The bill would amend the Medicinal Cannabis Patients' Right of Access Act to, among other things, prohibit a local jurisdiction from adopting or enforcing any regulation that prohibits the retail sale by shipment within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers by a licensed microbusiness with an M-license, as specified. The bill would also authorize free medicinal cannabis or medicinal cannabis products provided to medicinal cannabis patients in compliance with MAUCRSA to be shipped to those patients by a licensed microbusiness with an M-license, as provided.

To the extent this bill would impose additional duties on local jurisdictions, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 26071 of the Business and Professions Code is amended to read:

26071. (a) To provide access to medicinal cannabis patients who have difficulty accessing cannabis or cannabis products, a licensee that is authorized to make retail sales may provide free cannabis or cannabis products if all of the following criteria are met:

(1) Free cannabis or cannabis products are provided only to a medicinal cannabis patient or the patient's primary caregiver. For purposes of this section, "medicinal cannabis patient" includes a qualified patient, as defined under Section 11362.7 of the Health and Safety Code, or a person in possession of a valid identification card issued under Section 11362.71 of the Health and Safety Code.

(2) (A) A licensed retailer providing medicinal cannabis or medicinal cannabis products pursuant to this section to a qualified patient, as defined under Section 11362.7 of the Health and Safety Code, that possesses a valid physician's recommendation, shall ensure that the physician is in good standing by following the procedures described in subparagraph (B) before providing the qualified patient with any medicinal cannabis or medicinal cannabis products that a cultivator certified were for donation pursuant to Section 34012.1 of the Revenue and Taxation Code or that are exempt from the use tax pursuant to Section 6414 of the Revenue and Taxation Code.

(B) In order to verify the physician's recommendation, the licensed retailer shall do all of the following:

(i) Verify with the Medical Board of California, the Osteopathic Medical Board of California, and the California Board of Podiatric Medicine that the attending physician has a license in good standing to practice medicine or osteopathy in the state.

(ii) Keep a copy of the patient's or primary caregiver's driver's license or other government issued identification.

(3) Except as provided for under Section 34012.1 of the Revenue and Taxation Code, the cannabis or cannabis products comply with all applicable requirements for cultivation, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, *shipment*, or donation under this division.

(4) A licensee intending to donate the cannabis or cannabis products shall designate the cannabis or cannabis products for donation in the track and trace system. If a cultivator certified that the cannabis or cannabis products are designated for donation to medicinal cannabis patients pursuant to Section 34012.1 of the Revenue and Taxation Code, a licensee shall not change that designation pursuant to subdivision (b) of Section 34012.1 of the Revenue and Taxation Code.

(5) Before being provided to the patient or primary caregiver, the cannabis or cannabis products have been properly recorded in the track and trace system as belonging to the retailer.

(6) The cannabis or cannabis products provided to a medicinal cannabis patient or the primary caregiver of the patient in a single day shall not exceed the possession limits prescribed by Section 11362.77 of the Health and Safety Code.

(7) The event shall be properly recorded in the retailer's inventory records and the track and trace system. The retailer shall include in its inventory records for each medicinal cannabis patient the number of an identification card issued pursuant to Article 2.5 (commencing with Section 11362.7) of Chapter 6 of Division 10 of the Health and Safety Code or a copy of the physician's recommendation for no less than four years. If the medicinal cannabis patient is a qualified patient, as defined under Section 11362.7 of the Health and Safety Code, that possesses a valid physician's recommendation, the retailer shall certify in writing that they verified the recommendation pursuant to paragraph (2) and shall keep a copy of that certification for no less than seven years.

(8) A licensed retailer that donates medicinal cannabis or medicinal cannabis products shall note the donation in their sales invoice or receipt pursuant to Section 26161 of the Business and Professions Code.

(b) In addition to the provision of free cannabis or cannabis products in subdivision (a), a licensee that is authorized to make retail sales may donate cannabis or cannabis products and the use of equipment in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction.

(c) A licensee that is authorized to make retail sales may contract with an individual or organization to coordinate the provision of free medicinal cannabis or medicinal cannabis products on the

1 retailer's premises. Licensed retailers that are solely authorized to
2 engage in retail sales by means of delivery may provide free
3 medicinal cannabis or medicinal cannabis products by means of
4 delivery. *Licensed microbusinesses that are solely authorized to*
5 *engage in retail sales of medicinal cannabis by means of shipment*
6 *may provide free medicinal cannabis or medicinal cannabis*
7 *products by means of shipment.*

8 ~~(d) This section shall become operative upon completion of the~~
9 ~~necessary changes to the track and trace program in order to~~
10 ~~implement the act adding this section, as determined by the~~
11 ~~Department of Food and Agriculture, or on March 1, 2020,~~
12 ~~whichever occurs first.~~

13 *(d) For purposes of this section, "shipment" means the act of*
14 *shipping medicinal cannabis or medicinal cannabis products to a*
15 *medicinal cannabis patient by a licensed microbusiness utilizing*
16 *a commercial carrier in compliance with Section 26072.*

17 SEC. 2. Section 26072 is added to the Business and Professions
18 Code, to read:

19 26072. (a) Notwithstanding any other provision of this division
20 to the contrary, a licensed microbusiness with an M-license whose
21 licensed activities include retail sale, distribution, and outdoor
22 cultivation may directly ship medicinal cannabis to a medicinal
23 cannabis patient in the state, if the licensed microbusiness complies
24 with all of the following requirements:

25 (1) The amount shipped to a medicinal cannabis patient in a
26 single day shall not exceed the possession limits prescribed by
27 Section 11362.77 of the Health and Safety Code.

28 (2) The licensed microbusiness shall maintain adequate records
29 of the shipments, shall properly enter all transactions related to
30 the shipments into the track and trace system, and shall otherwise
31 comply with all recordkeeping and track and trace requirements
32 under this division.

33 (3) Payment for medicinal cannabis shipped pursuant to this
34 section shall be obtained by the licensed microbusiness from the
35 medicinal cannabis patient prior to shipment. The retail transaction
36 shall be deemed to occur at the time and location that the payment
37 is received and title to the shipped medicinal cannabis shall be
38 deemed transferred to the medical cannabis patient at the time the
39 shipment is conveyed from the microbusiness to the commercial
40 carrier.

(4) The licensed microbusiness shall require the commercial carrier to obtain the signature of an individual 21 years of age or older before providing any medicinal cannabis shipped pursuant to this section to an individual in this state.

(5) The containers in which the medicinal cannabis is shipped shall be conspicuously labeled with the words: “SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY.”

(6) The microbusiness shall enter into the track and trace system information sufficient to verify that all shipped medicinal cannabis is sourced entirely from cannabis cultivated only at the microbusiness’s licensed location or from up to five licensed outdoor cultivation sites holding outdoor license types small, medium, specialty, or specialty cottage, and all shipped manufactured medicinal cannabis products are manufactured solely by the licensed microbusiness at its licensed location.

(b) Notwithstanding any other law, a commercial carrier shall not be in violation of any California law or local ordinance solely on the basis of conveying medicinal cannabis shipped pursuant to this section, and such conveyance shall not constitute delivery or transportation of cannabis under this division or any regulation promulgated under the authority of this division.

(c) For purposes of this section, “medicinal cannabis” means medicinal cannabis or medicinal cannabis products, as those terms are defined in Section 26001.

SEC. 3. Section 26321 of the Business and Professions Code is amended to read:

26321. (a) This act shall be known, and may be cited, as the Medicinal Cannabis Patients’ Right of Access Act.

(b) For purposes of this chapter:

(1) “Medicinal cannabis” means medicinal cannabis or medicinal cannabis products, as those terms are defined in paragraph (1) of subdivision ~~(ai)~~ (am) of Section 26001.

(2) “Medicinal cannabis business” means ~~a~~ *either of the following*:

(A) A retailer authorized to engage in the retail sale by delivery of medicinal cannabis to medicinal cannabis patients pursuant to an M-license.

(B) A licensed microbusiness authorized to engage in the retail sale by shipment of medicinal cannabis to medicinal cannabis

1 *patients pursuant to an M-license and in compliance with Section*
2 *26072.*

3 (3) “Medicinal cannabis patient” means a qualified patient, as
4 defined in Section 11362.7 of the Health and Safety Code, who
5 possesses a physician’s recommendation that complies with Article
6 25 (commencing with Section 2525) of Chapter 5 of Division 2,
7 or a qualified patient or primary caregiver for a qualified patient
8 issued a valid identification card pursuant to Section 11362.71 of
9 the Health and Safety Code.

10 (4) “Regulation” means a local ordinance, regulation, policy,
11 or practice.

12 (5) “*Ship,*” “*shipment,*” or “*shipping*” means the act of
13 *shipping medicinal cannabis to a medicinal cannabis patient by*
14 *a licensed microbusiness utilizing a commercial carrier in*
15 *compliance with Section 26072.*

16 SEC. 4. Section 26322 of the Business and Professions Code
17 is amended to read:

18 26322. (a) A local jurisdiction shall not adopt or enforce any
19 regulation that prohibits the retail sale by delivery *or shipment*
20 within the local jurisdiction of medicinal cannabis to medicinal
21 cannabis patients or their primary caregivers, or that otherwise has
22 the effect of prohibiting the retail sale by delivery *or shipment*
23 within the local jurisdiction of medicinal cannabis to medicinal
24 cannabis patients or their primary caregivers by licensed medicinal
25 cannabis businesses in a timely and readily accessible manner, and
26 in types and quantities that are sufficient to meet demand from
27 medicinal cannabis patients within the local jurisdiction, including,
28 but not limited to, regulation of any of the following that has the
29 effect of prohibiting the retail sale by delivery *or shipment* of
30 medicinal cannabis:

31 (1) The number of medicinal cannabis businesses authorized to
32 deliver medicinal cannabis in the local jurisdiction.

33 (2) *The number of licensed microbusinesses authorized to ship*
34 *medicinal cannabis within the local jurisdiction.*

35 ~~(2)~~

36 (3) The operating hours of medicinal cannabis businesses.

37 ~~(3)~~

38 (4) The number or frequency of sales by delivery *or shipment*
39 of medicinal cannabis.

40 ~~(4)~~

(5) The types or quantities of medicinal cannabis authorized to be sold by ~~delivery~~: *delivery or shipment*.

(5)

(6) The establishment of physical premises from which retail sale by delivery of medicinal cannabis within the jurisdiction is conducted by a licensed nonstorefront retailer, except that this paragraph shall not be construed to require the establishment of additional physical premises in a local jurisdiction that allowed medicinal cannabis retail as of January 1, 2022, and in which at least one physical premises engaged in the retail sale of medicinal cannabis, whether storefront or delivery, is already established.

(7) The establishment of physical premises from which shipment of medicinal cannabis within the jurisdiction is conducted. A local jurisdiction that allowed retail sales of medicinal cannabis as of January 1, 2022, and in which at least one physical premises engaged in the retail sale of medicinal cannabis, whether storefront or delivery, is already established, may limit the retail activities of a licensed microbusiness to only shipment of medicinal cannabis and may prohibit that microbusiness from engaging in retail sale by delivery.

(b) Nothing in this chapter shall be construed to prohibit the adoption or enforcement of reasonable regulations on retail sale by *delivery or shipment* of medicinal cannabis, including, but not limited to, reasonable regulations related to:

(1) Zoning requirements that are not inconsistent with subdivision (a). If compliance with subdivision (a) would otherwise require a local jurisdiction to authorize a physical premises from which retail sale by delivery of medicinal cannabis within the jurisdiction is conducted, this paragraph shall not be construed to alter that requirement.

(2) Security or public health and safety requirements.

(3) Licensing requirements.

(4) The imposition, collection, and remittance of any applicable state or local taxes upon retail sales occurring within the local jurisdiction.

(5) Regulations consistent with requirements or restrictions imposed on cannabis businesses by this division or regulations issued under this division.

(c) Nothing in this chapter shall be construed to limit or otherwise affect the ability of a local jurisdiction to adopt or

1 enforce any regulations on commercial cannabis operations other
2 than retail sale by delivery *or shipment* of medicinal cannabis in
3 the local jurisdiction.

4 ~~(d) This section shall become operative on January 1, 2024.~~

5 SEC. 5. Section 26323 of the Business and Professions Code
6 is amended to read:

7 26323. (a) This chapter may be enforced by an action brought
8 pursuant to Chapter 2 (commencing with Section 1084) of Title 1
9 of Part 3 of the Code of Civil Procedure by any of the following
10 parties, who shall be beneficially interested within the meaning of
11 Section 1086 of the Code of Civil Procedure:

12 (1) A medicinal cannabis patient or their primary caregiver who
13 seeks to purchase *or have shipped* medicinal cannabis or medicinal
14 cannabis products within the local jurisdiction.

15 (2) A medicinal cannabis business that seeks to offer medicinal
16 cannabis for sale within the local jurisdiction.

17 (3) *A licensed microbusiness that seeks to ship medicinal*
18 *cannabis within the local jurisdiction.*

19 ~~(3)~~

20 (4) The Attorney General.

21 ~~(4)~~

22 (5) Any other party otherwise authorized by law.

23 (b) This section shall not be construed to limit the availability
24 of any other remedy otherwise available to enforce this chapter.
25 The existence of any other remedy shall not restrict the availability
26 of relief to enforce this chapter under Chapter 2 (commencing with
27 Section 1084) of Title 1 of Part 3 of the Code of Civil Procedure.

28 ~~(e) This section shall become operative on January 1, 2024.~~

29 SEC. 6. If the Commission on State Mandates determines that
30 this act contains costs mandated by the state, reimbursement to
31 local agencies and school districts for those costs shall be made
32 pursuant to Part 7 (commencing with Section 17500) of Division
33 4 of Title 2 of the Government Code.