

§15412. Prohibition on Packaging and Labeling by a Retailer.

(a) A licensed retailer shall not accept, possess, or sell cannabis goods that are not packaged as they will be sold at final sale, in compliance with this division.

(b) A licensed retailer shall not package or label cannabis goods.

(c) Notwithstanding subsection (b) of this section, a licensed retailer may place a barcode or similar sticker on the packaging of cannabis goods to be used in inventory tracking. A barcode or similar sticker placed on the packaging of a cannabis goods shall not obscure any labels required by the Act or this division.

Authority: Section 26013, Business and Professions Code. Reference: Section 26120, Business and Professions Code.

§15413. Cannabis Goods Packaging and Exit Packaging.

(a) All cannabis goods sold by a licensed retailer shall be in compliance with the packaging requirements in chapter 11.

(b) A package containing cannabis goods shall be tamper-evident and child-resistant. If the package contains multiple servings, the package must also be resealable.

(c) All cannabis goods purchased by a customer shall not leave the licensed retailer's premises unless the goods are placed in an opaque exit package.

(d) Immature plants and seeds sold by a licensed retailer are not required to be placed in resealable, tamper-evident, child-resistant packaging.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070.1 and 26120, Business and Professions Code.

§15414. Non-Storefront Retailer.

(a) A non-storefront retailer licensee shall be authorized to conduct retail sales exclusively by delivery as defined in Business and Professions Code section 26001(o).

(b) A complete application for a non-storefront retailer license shall include all the information required in an application for a retailer license.

(c) A non-storefront retailer licensee shall comply with all the requirements applicable to retailer licensees, except for those provisions related to public access to the licensed premises and the retail area.

(d) The licensed premises of a non-storefront retailer licensee shall be closed to the public.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26070, Business and Professions Code.

§15415. Delivery Employees.

- (a) All deliveries of cannabis goods shall be performed by a delivery employee who is directly employed by a licensed retailer.
- (b) Each delivery employee of a licensed retailer shall be at least 21 years of age.
- (c) All deliveries of cannabis goods shall be made in person. A delivery of cannabis goods shall not be made through the use of an unstaffed vehicle.
- (d) Deliveries of cannabis goods shall be received by customers only during the hours of operation established by section 15403. Delivery employees shall return to the licensed premises after making their last delivery of the day if they have any unsold cannabis goods to return to the premises.
- (e) During the process of delivery, the licensed retailer's delivery employee may not engage in any activities except for cannabis goods delivery and necessary rest, fuel, or vehicle repair stops.
- (f) A delivery employee of a licensed retailer shall, during deliveries, carry a copy of the retailer's current license, a copy of the QR Code Certificate issued by the Department, which complies with section 15039, subsection (d), the employee's government-issued identification, and an identification badge provided by the employer pursuant to section 15043. A delivery employee shall provide a copy of the retail license, a copy of the QR Code Certificate, and their employee identification badge to a delivery customer upon request.
- (g) Prior to providing cannabis goods to a delivery customer, a delivery employee shall confirm the identity and age of the delivery customer as required by section 15404 and ensure that all cannabis goods sold comply with requirements of section 15413.
- (h) A licensed retailer shall maintain an accurate list of the retailer's delivery employees and shall provide the list to the Department upon request.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15415.1. Deliveries Facilitated by Technology Platforms.

- (a) A licensed retailer or licensed microbusiness shall not sell or otherwise transfer any cannabis goods to a customer through the use of an unlicensed third party, intermediary business, broker, or any other business or entity.
- (b) Notwithstanding subsection (a) of this section, a licensed retailer or licensed microbusiness may contract with a service that provides a technology platform to facilitate the sale and delivery of cannabis goods, in accordance with all of the following:
 - (1) The licensed retailer or licensed microbusiness does not allow for delivery of cannabis goods by the technology platform service provider.
 - (2) The licensed retailer or licensed microbusiness does not share in the profits of the sale of cannabis goods with the technology platform service provider, or otherwise

provide for a percentage or portion of the cannabis goods sales to the technology platform service provider.

(3) The licensed retailer or licensed microbusiness shall not advertise or market cannabis goods in conjunction with the technology platform service provider, outside of the technology platform, and shall ensure that the technology platform service provider does not use the licensed retailer's or licensed microbusiness's license number or legal business name on any advertisement or marketing that primarily promotes the services of the technology platform.

(4) The licensed retailer or licensed microbusiness shall ensure the following information is provided to customers:

(A) Any cannabis goods advertised or offered for sale on or through the technology platform shall disclose, at a minimum, the licensed retailer's or licensed microbusiness's legal business name and license number.

(B) Customers placing an order for cannabis goods through the technology platform shall be able to easily identify the licensed retailer or licensed microbusiness that each cannabis good is being ordered or purchased from. This information shall be available to the customer prior to the customer placing an order or purchasing the cannabis goods.

(5) All required sales invoices and receipts, including any receipts provided to the customer, shall disclose, at a minimum, the licensed retailer's or licensed microbusiness's legal business name and license number.

(6) All other delivery, marketing, and advertising requirements under this division are complied with.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26001, 26070, 26090, 26151 and 26152, Business and Professions Code.

§15416. Delivery to a Physical Address.

(a) A delivery employee may only deliver cannabis goods to a physical address in California.

(b) A delivery employee shall not leave the State of California while possessing cannabis goods.

(c) A delivery employee shall not deliver cannabis goods to an address located on publicly owned land or any address on land or in a building leased by a public agency. This prohibition applies to land held in trust by the United States for a tribe or an individual tribal member unless the delivery is authorized by and consistent with applicable tribal law.

(d) A delivery employee may deliver to any jurisdiction within the State of California provided that such delivery is conducted in compliance with all delivery provisions of this division.

(e) A delivery employee shall not deliver cannabis goods to a school providing instruction in kindergarten or any grades 1 through 12, day care center, or youth center.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15417. Delivery Vehicle Requirements.

(a) A licensed retailer's delivery employee, carrying cannabis goods for delivery, shall only travel in an enclosed motor vehicle. Any vehicle used in the delivery of cannabis goods shall be operated by a delivery employee of the licensee. A vehicle used in the delivery of cannabis goods shall not have any marking or other indications on the exterior of the vehicle that may indicate that the delivery employee is carrying cannabis goods for delivery. Only the licensee or an employee of the retailer licensee for whom delivery is being performed shall be in the delivery vehicle.

(b) While carrying cannabis goods for delivery, a licensed retailer's delivery employee shall ensure the cannabis goods are not visible to the public. Cannabis goods shall be stored in a secure, fully enclosed trunk that cannot be accessed from inside the vehicle, or in a secured area or compartment within the interior of the vehicle. A "secured area" is defined as an area where solid or locking metal partitions, cages, or high-strength shatterproof acrylic can be used to create a secure compartment in the fully enclosed vehicle. The secured area may be comprised on three sides by any part of the body of the vehicle, provided the parts of the vehicle used for the purposes of this section are shatterproof and are not made of glass.

(c) A licensed retailer's delivery employee shall not leave cannabis goods in an unattended motor vehicle unless the motor vehicle is locked and equipped with an active vehicle alarm system. Any cannabis goods left in an unattended vehicle must be stored in a container as required in subsection (b).

(d) A vehicle used for the delivery of cannabis goods shall be outfitted with a dedicated Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle and recording a history of all locations traveled to by the delivery employee while engaged in delivery. A dedicated GPS device must be owned by the licensee and used for delivery only. The device shall be either permanently or temporarily affixed to the delivery vehicle and shall remain active and inside of the delivery vehicle at all times during delivery. At all times, the licensed retailer shall be able to identify the geographic location of all delivery vehicles that are making deliveries for the licensed retailer and document the history of all locations traveled to by a delivery employee while engaged in delivery. A licensed retailer shall provide this information to the Department upon request. The history of all locations traveled to by a delivery employee while engaging in delivery shall be maintained by the licensee for a minimum of 90 days.

(e) Upon request, a licensed retailer shall provide the Department with information regarding any motor vehicle used for the delivery of cannabis goods, including the vehicle's make, model, color, Vehicle Identification Number, license plate number and Department of Motor Vehicles registration information.

(f) Any motor vehicle used by a licensed retailer to deliver cannabis goods is subject to inspection by the Department. Vehicles used to deliver cannabis goods may be stopped and inspected by the Department at any licensed premises or during delivery.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15418. Cannabis Goods Carried During Delivery.

(a) A licensed retailer's delivery employee shall not carry cannabis goods in the delivery vehicle with a value in excess of \$10,000 at any time.

(b) For the purposes of this section, the value of cannabis goods shall be determined using the current retail price of all cannabis goods carried by, or within the delivery vehicle of, the licensed retailer's delivery employee.

(c) A delivery employee may only carry cannabis goods, cannabis accessories, branded merchandise of any licensee, or promotional materials in the delivery vehicle and may only perform deliveries for one licensed retailer at a time. A delivery employee must depart and return to the same licensed premises before taking possession of any cannabis goods from another licensee to perform deliveries.

(d) Before leaving the licensed premises, the licensed retailer's delivery employee must have a delivery inventory ledger of all cannabis goods provided to the licensed retailer's delivery employee. The contents of the delivery inventory ledger must comply with the requirements of section 15049.3. During the delivery trip as defined in section 15049.3, the delivery employee shall maintain the delivery inventory ledger in either hard copy or electronic copy, which may be an electronic copy maintained in the track and trace system. After each customer delivery, the delivery inventory ledger must be updated to reflect the current inventory in the possession of the delivery employee. The delivery ledger must otherwise be updated in accordance with the requirements of section 15049.3, and must be entered into the track and trace system no later than the end of the calendar day on which the delivery trip occurred.

(e) The licensed retailer's delivery employee shall maintain a log that includes all stops from the time the licensed retailer's delivery employee leaves the licensed premises to the time that the licensed retailer's delivery employee returns to the licensed premises, and the reason for each stop. The log shall be turned in to the licensed retailer when the licensed retailer's delivery employee returns to the licensed premises. The licensed retailer must maintain the log as a commercial cannabis activity record as required by this division. The log may be maintained electronically.

(f) Prior to arrival at any delivery location, the licensed retailer must have received a delivery request from the customer and provided the delivery request receipt to the licensed retailer's delivery employee electronically or in hard copy. The delivery request receipt provided to the licensed retailer's delivery employee shall contain all of the information required in section 15420, except for the date and time the delivery was made, and the signature of the customer.

(g) Immediately upon request by the Department or any law enforcement officer, the licensed retailer's delivery employee shall provide:

(1) The delivery inventory ledgers from the time the licensed retailer's delivery employee left the licensed premises up to the time of the request;

(2) All delivery request receipts for cannabis goods carried by the delivery employee, in the delivery vehicle, or any deliveries that have already been made to customers; and

(3) The log of all stops from the time the licensed retailer's delivery employee left the licensed premises up to the time of the request.

(h) If a licensed retailer's delivery employee does not have any delivery requests to be performed for a 30-minute period, the licensed retailer's delivery employee shall not make any additional deliveries and shall return to the licensed premises.

Required meal breaks shall not count toward the 30-minute period.

(i) Upon returning to the licensed premises, all undelivered cannabis goods shall be returned to the licensed retailer's inventory and recorded within the track and trace system in accordance with section 15049.3.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26067, 26068, 26070, 26090 and 26160, Business and Professions Code.

§15419. Cannabis Consumption During Delivery.

A licensed retailer's delivery employees shall not consume cannabis or cannabis products while delivering cannabis goods to customers.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15420. Delivery Request Receipt.

A licensed retailer shall prepare a hard copy or electronic delivery request receipt for each delivery of cannabis goods.

(a) The delivery request receipt shall contain the following:

(1) The legal business name and license number of the licensed retailer;

(2) The first name and employee number of the licensed retailer's delivery employee who delivered the order;

(3) The first name and employee number of the licensed retailer's employee who prepared the order for delivery;

(4) The first name of the customer and a licensed retailer-assigned customer number for the person who requested the delivery;

(5) The date and time the delivery request was made;

(6) The delivery address;

(7) A detailed description of all cannabis goods requested for delivery. The description shall include the weight, volume, or any other accurate measure of the amount of all cannabis goods requested;

(8) The total amount paid for the delivery, including any taxes or fees, the cost of the cannabis goods, and any other charges related to the delivery; and

(9) Upon delivery, the date and time the delivery was made, and the handwritten or electronic signature of the customer who received the delivery.

(b) At the time of the delivery, the delivery employee of the retailer shall provide the customer who placed the order with a hard or electronic copy of the delivery request receipt. The delivery employee shall retain a hard or electronic copy of the signed delivery request receipt for the licensed retailer's records.

(c) For the purposes of this section, an employee number is a distinct number assigned by a licensed retailer to an employee that would allow the licensed retailer to identify the employee in documents or records using the employee number rather than the employee's full name. A licensed retailer shall be able to identify the employee associated with each employee number upon request from the Department.

(d) For the purposes of this section, a customer number is a distinct number assigned by a licensed retailer to a customer that would allow the licensed retailer to identify the customer in documents or records using the customer number rather than the customer's full name. A licensed retailer shall be able to identify the customer associated with each customer number upon request from the Department.

Authority cited: Section 26013, Business and Professions Code. Reference: Sections 26070, 26090 and 26160, Business and Professions Code.

§15421. Delivery Route.

While making deliveries of cannabis goods, a licensed retailer's delivery employee shall only travel from the retailer's licensed premises to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the retailer's licensed premises. A delivery employee of a licensed retailer shall not deviate from the delivery path described in this section, except for necessary rest, fuel, or vehicle repair stops, or because road conditions make continued use of the route unsafe, impossible, or impracticable.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26070 and 26090, Business and Professions Code.

§15422. Receiving Shipments of Inventory.

(a) A licensed retailer shall receive a shipment of cannabis goods only from a licensed distributor or licensed microbusiness authorized to engage in distribution.

(b) A licensed retailer shall accept shipments of cannabis goods only between the hours of 6:00 a.m. Pacific Time and 10:00 p.m. Pacific Time.

(c) During business hours, shipments of cannabis goods shall not enter the licensed premises through an entrance or exit that is available for use by the public.

(d) A licensed retailer whose licensed premises only has one entryway may be exempt from the requirements of subsection (c) of this section if the licensed retailer obtains authorization from the local jurisdiction explicitly authorizing this activity. The licensed retailer shall be required to provide this authorization to the Department upon request. For this section to apply, the licensed premises must physically have only one entryway and cannot have any other entryways.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26070, Business and Professions Code.

§15423. Inventory Documentation.

A licensed retailer shall maintain an accurate record of its inventory. A licensed retailer shall provide the Department with the record of inventory immediately upon request. A licensed retailer shall keep a record of the following information for all cannabis goods the licensed retailer has in its inventory:

- (a) A description of each item such that the cannabis goods can easily be identified;
- (b) An accurate measurement of the quantity of the item;
- (c) The date and time the cannabis goods were received by the licensed retailer;
- (d) The sell-by or expiration date provided on the package of cannabis goods, if any;
- (e) The name and license number of the licensed distributor or licensed microbusiness that transported the cannabis goods to the licensed retailer; and
- (f) The price the licensed retailer paid for the cannabis goods, including taxes, delivery costs, and any other costs.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

§15424. Inventory Reconciliation.

- (a) A licensed retailer shall be able to account for all of its inventory.
- (b) In conducting an inventory reconciliation, a licensed retailer shall verify that the licensed retailer's physical inventory is consistent with the licensed retailer's records pertaining to inventory.
- (c) The result of inventory reconciliation shall be retained in the licensed retailer's records and shall be made available to the Department upon request.
- (d) If a licensed retailer identifies any evidence of theft, diversion, or loss, the licensed retailer shall notify the Department and law enforcement pursuant to section 15036 of this division.

(e) If a significant discrepancy as defined in section 15034 of this division is discovered between a licensed retailer's physical inventory and the licensed retailer's inventory records, the licensed retailer shall notify the Department and law enforcement pursuant to section 15036 of this division.

Authority: Section 26013, Business and Professions Code. Reference: Section 26160, Business and Professions Code.

§15427. Retailer Premises-to-Retailer Premises Transfer.

(a) A licensee who holds multiple retail licenses may arrange for the transfer of cannabis goods from one licensed retail premises to another licensed retail premises if both retail licenses are held by the same sole proprietor or business entity.

(b) Cannabis goods transferred to a licensed retail premises under subsection (a) may be sold by the licensed retailer receiving the cannabis goods only if the cannabis goods comply with all requirements found in the Act and this division.

(c) The transportation of cannabis goods under this section must comply with all requirements found within the Act and this division.

(d) Any movement of cannabis goods under this section shall be properly entered into the track and trace system.

Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

Chapter 4. Microbusiness

§ 15500. Microbusiness.

(a) In order to hold a microbusiness license, a licensee must engage in at least three (3) of the following commercial cannabis activities: cultivation, manufacturing, distribution, and retail sale. License types created by the Department in regulation shall not be considered qualifying commercial cannabis activities for purposes of obtaining a microbusiness license, except for the Type N manufacturing license and the distributor transport only license.

(b) An applicant for a microbusiness license shall indicate on the application for licensure all commercial cannabis activities in which the applicant intends to engage.

(c) All cultivation, manufacturing, distribution, and retail activities performed by a licensee under a microbusiness license shall occur on the same licensed premises.

(d) A holder of a microbusiness license engaged in cultivation shall comply with all the rules and requirements applicable to the cultivation license type suitable for the cultivation activities of the licensee.

(e) A holder of a microbusiness license engaged in manufacturing shall comply with all the rules and requirements applicable to a Manufacturer 1 license in this division.

(f) A holder of a microbusiness license engaged in distribution shall comply with all the