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# CALIFORNIA CANNABIS UNITY CAMPAIGN 2016



Ms. Ashley Johansson, Initiative Coordinator Office of the Attorney General State of California P.O. Box 944255 Sacramento, CA 94244-2550 (916) 445-4752 SEP 0 4 2015

INITIATIVE COORDINA :
ATTORNEY GENERAL \*\*\*

September 1, 2015

Re: Request for Title and Summary for Proposed Initiative

Dear Ms. Johansson,

In accordance with Article II, Section 10(d), of the Constitution of the State of California, the undersigned proponent submits another proposed statewide ballot measure, "The Cannabis Legalization Act of 2016," and hereby respectfully requests that the Attorney General prepare a Title and Summary of the chief purposes and points of the measure titled as required by law.

Additionally, since the term "marijuana" is a colloquialism with its linguistics roots in the cultural racism of the 1930's, and is, therefore, a racial pejorative which offends many people, especially Latin Americans, and since the objective scientific name of the plant is, and always has been, the Latin term "cannabis," we respectfully request that all references to the plant in the Title and Summary be written as they are within the draft of the proposed initiative, to wit:

# Cannabis (marijuana)

In accordance with Election Code sections 9001(b) and 9608, enclosed herein is a check for \$200.

Should you have any questions, please contact the undersigned.

Thank you.

Sam H. Clauder II, Proponent

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#### THE CANNABIS LEGALIZATION ACT OF 2016

## SECTION 1. (a) Whereas:

- (1) Cannabis (marijuana) is a plant being actively used by millions of adult Californians,
- (2) Cannabis (marijuana) is being used medically to successfully treat and cure many diseases and disorders,
- (3) Cannabis (marijuana), as industrial hemp is a renewable and ecological source of food, fiber, and fuel,
- (4) Prohibiting cannabis (marijuana) fails to protect society from criminal behavior, while incarcerating and ruining the lives of millions of otherwise law-abiding Californians,
- (5) Prohibiting cannabis (marijuana) costs California taxpayers hundreds of millions of dollars for law enforcement, while producing an underground economy with billions of dollars in untaxed income.
  - (b) Therefore, it is the intent of the people in enacting this measure to do all of the following:
- (1) Legalize and authorize commercialization of cannabis (marijuana) for personal use by adults over 21 years of age;
- (2) Legitimize the current use of medical cannabis (marijuana), as determined by a patient and his or her doctor;
  - (3) Authorize and finance scientific studies into the medicinal uses of cannabis (marijuana);
  - (4) Legalize industrial hemp for any and all purposes.

SEC. 2. Division 10 (commencing with Section 26000) is added to the Business and Professions Code, to read:

#### DIVISION 10. THE CANNABIS LEGALIZATION ACT OF 2016

#### CHAPTER 1. DEFINITIONS

- 26000. For purposes of this division, the following definitions shall apply:
- (a) "Cannabis (marijuana)" means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, including the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, including the resin extracted therefrom, fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.
  - (b) "Commission" means the California Cannabis Commission.

#### CHAPTER 2. THE CALIFORNIA CANNABIS COMMISSION

- 26010. There is established within the Department of Consumer Affairs an advisory committee known as the California Cannabis Commission.
  - 26011. (a) The commission shall be comprised of nine members, to be appointed as follows:
- (1) Three members appointed by the Governor. Of those three members, one appointee shall represent the medical cannabis (marijuana) community, one appointee shall represent the adult use of cannabis (marijuana) community, and one appointee shall represent industrial hemp producers and manufacturers.

- (2) Three members appointed by the Senate Committee on Rules. Of those three members, one appointee shall represent the medical cannabis (marijuana) community, one appointee shall represent the adult use cannabis (marijuana) community and one appointee shall represent industrial hemp producers and manufacturers.
- (3) Three members appointed by the Speaker of the Assembly, to be chosen from a list of nine nominees provided by, and chosen by consensus of, organizations whose primary purposes is to advocate for the legalization of medical and adult use cannabis (marijuana) and that wish to participate in this selection process.
- (b) Appointees shall be appointed to the commission for one-year terms. After the first two years, commission appointees shall serve two-year terms.
- 26012. (a) By January 1, 2018, the commission shall recommend to the Legislature a licensing program that allows for the commercial transportation and sale of cannabis (marijuana) that includes, but is not limited to, all of the following:
- (1) Procedures for the issuance, renewal, suspension, denial, and revocation of licenses for cannabis-related activity.
- (2) Procedures for the appeal of fines and the appeal of denial, suspension, or revocation of these licenses.
  - (3) A time period for the approval or denial of an application for such a license.
  - (4) Qualifications for licenses.
- (5) Procedures to prevent employment discrimination against individuals who use cannabis (marijuana) for any purpose, while permitting employers to reasonably assess the effects of the consumption of cannabis (marijuana) on employee job performance.

- (b) The licensing program recommended pursuant to subdivision (a) shall include Tier 1 and Tier 2 licenses. A Tier 1 license shall be for the sale, cultivation, manufacture, or distribution of adult use of cannabis (marijuana) and a Tier 2 license shall be for the sale, cultivation, manufacture, or distribution of cannabis (marijuana) for medical use.
- 26013. By January 1, 2018, the commission, in consultation with the Division of Labor Standards Enforcement, shall recommend to the Legislature procedures for establishing worker safety standards for licensed entities.
- 26015. By January 1, 2018, the commission, in consultation with the Department of Food and Agriculture, shall develop a licensing scheme, for proposal to the Legislature, that would allow for the commercial cultivation of cannabis (marijuana).
- 26017. By January 1, 2018, the commission, in consultation with the State Department of Public Health, shall develop a licensing scheme, for proposal to the Legislature, that would regulate the manufacture and sale of consumable products containing cannabis (marijuana).

#### CHAPTER 3. CALIFORNIA CANNABIS EDUCATION AND RESEARCH FUND

- 26020. The California Cannabis Education and Research Fund is hereby created in the State Treasury for the purposes set forth in Section 26021.
- 26021. (a) Upon appropriation by the Legislature, funds from the California Cannabis Education and Research Fund shall be allocated for expenditure as provided by the Legislature in three equal amounts, as follows:
- (1) One-third (33.3%) for preschool and kindergarten and grades one (1) through twelve (12), inclusive.
  - (2) One-third (33.3%) for substance abuse counseling and education programs.

- (3) One-third (33.4%) to the California Cannabis Commission for cannabis (marijuana) research and the reasonable and necessary expenses of the Commission.
- (b) The California Cannabis Commission, no more than annually, may submit recommendations to the Legislature for expenditures to be made pursuant to subdivision (a) and may establish a process for receiving public comment, which may include interested party or public hearings, regarding the determination of these expenditure recommendations.

#### CHAPTER 4. REPEAL

- 26030. This division shall remain in effect only until January 1, 2027, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2027, deletes or extends that date:
- SEC. 3. Division 24 (commencing with Section 81000) of the Food and Agricultural Code is repealed.
  - SEC. 4 Section 11014.5 of the Health and Safety Code is amended to read:
- 11014.5 (a) "Drug paraphernalia" means all equipment, products and materials of any kind which are designed for use or marketed for use, in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, concealing, injecting, ingesting, inhaling, or otherwise introducing into the human body a controlled substance in violation of this division. It includes, but is not limited to:
- (8) Objects designed for use or marketed for use in ingesting, inhaling, or otherwise introducing marijuana, cocaine, hashish, or hashish oil into the human body, such as:

(c) Roach clips, meaning objects used to hold burning material, such as a marijuana cigarette, that has become too small or too short to be held in the hand.

## (J) Bongs.

SEC. 5. Section 11054 of the Health and Safety Code is amended to read:

11054. (d) Hallucinogenic substances. Unless specifically excepted or unless listed in another schedule, and material, compound, mixture, or preparation, which contains any quantity of the following hallucinogenic substances, or which contains any of its salts, isomers, and salts of isomers whenever the existence of those salts, isomers, and salts of isomers is possible within the specific chemical designation (for purposes of this subdivision only, the term "isomer" includes the optical, position, and geometric isomers):

#### (13) Marijuana.

- (20) Tetrahydrocannabinols. Synthetic equivalents of the substances contained in the plant, or in the resinous extractives of Cannabis, sp. and/or synthetic substances, derivatives, and their isomers with similar chemical structure and pharmacological activity such as the following: delta leis or tans tetrahydrocannabinol, and their optical isomers; delta 6 cis or trans tetrahydrocannabinol, and their optical isomers; delta 3,4 cis or trans tetrahydrocannabinol, and its optical isomers. (Since nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of numerical designation of atomic positions covered).
  - SEC. 6. Section 11357 of the Health and Safety Code is repealed.
- SEC. 7. Section 11357.5 of the Health and Safety Code, as added by Section 2 of Chapter 372 of the Statutes of 2014, is repealed.
  - SEC. 8. Section 11358 of the Health and Safety Code is repealed.

- SEC. 9. Section 11359 of the Health and Safety Code is repealed.
- SEC. 10. Section 11360 of the Health and Safety Code is repealed.
- SEC. 11. Section 11360 is added to the Health and Safety Code to read:
- 11360. (a) A person under 21 years of age shall not possess, cultivate, or transport cannabis (marijuana) unless he or she has a recommendation from a physician to obtain and use cannabis (marijuana) for a medical purpose, as provided for in Section 11362.5.
- (b) A person shall not sell or provide cannabis (marijuana) to a person under 21 years of age or procure cannabis (marijuana) for a person under 21 years of age, unless the person under 21 years of age has a recommendation from a physician to obtain and use cannabis (marijuana) for a medical purpose, as provided for in Section 11362.5.
  - (c) Violation of this section is a misdemeanor.
- (d)(1) For purposes of this section and Section 11360.5, "cannabis (marijuana)" means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin, including the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, including the resin extracted therefrom, fiber oil, or cake, or the sterilized seed of the plant which is incapable of germination.
- (2) This definition is intended to be the same as in Section 26000 of the Business and Professions Code.

- SEC. 12. Section 11360.5 is added to the Health and Safety Code, to read:
- 11360.5. (a) A city, county, or city and county may regulate the time, place, and manner of possession, cultivation, or consumption of cannabis (marijuana).
- (b) A city, county, or city and county shall not prohibit the private cultivation, possession, or use of cannabis (marijuana) by an adult 21 years of age or older.
- (c) In the absence of specific local regulation, the consumption of cannabis (marijuana) by an adult 21 years of age or older shall conform to the laws regulating the use of tobacco products in public.
  - SEC. 13. Section 11703 of the Health and Safety Code is amended to read:
  - 11703. As used in this division:
- (c) "Level 1 offense" means the possession for sale of less than four ounces or the sale or furnishing of less than one ounce of a specified illegal controlled substance, or the cultivation of at least 25 plants but less than 50 plants, the furnishing of more than 28.5 grams, or the possession for sale of up to four pounds, of marijuana: substance.
- (d) "Level 2 offense" means the possession for sale of four ounces or more but less than eight ounces of, or the sale or furnishing of one ounce or more but less than two ounces of, a specified illegal controlled substance, or the cultivation of at least 50 but less than 75 plants, the possession for sale of four pounds or more but less than eight pounds, or the sale or furnishing of more than one pound but less than five pounds, of marijuana. substance.
- (e) "Level 3 offense" means the possession for sale of eight ounces or more but less than 16 ounces of, or the sale or furnishing of two ounces or more but less than four ounces of, a specified illegal controlled substance, or the cultivation of at least 75 but less than 100 plants, the possession

for sale of eight pounds or more but less than 16 pounds, or the sale or furnishing of more than five pounds but less than 10 pounds, of marijuana. substance.

- (f) "Level 4 offense" means the possession for sale of 16 ounces or more of, or the sale or furnishing of four ounces or more of, a specified illegal controlled substance, or the cultivation of 100 plants or more of, the possession for sale of 16 pounds of, or the sale or furnishing of more than 10 pounds of, marijuana. substance.
- (*l*) "Specified illegal controlled substance" means cocaine, phencyclidine, heroin, or methamphetamine and any other illegal controlled substance the manufacture, cultivation, importation into this state, transportation, possession for sale, sale, furnishing, administering, or giving away of which is a violation of Section 11351, 11351.5, 11352, 11358, 11359, 11360, 11378.5, 11379.5, 11383.
  - SEC. 14. Section 6016.1 is added to the Revenue and Taxation Code, to read:
- 6016.1. "Tangible personal property," for the purpose of this part, includes cannabis (marijuana), as defined in Section 11360 of the Health and Safety Code.
  - SEC. 15. Section 6369.7 is added to the Revenue and Taxation Code, to read:
- 6369.7. There are exempted from the taxes imposed by this part the gross receipts from the sale of, and the storage, use, or other consumption in this state of, cannabis (marijuana), as defined in Section 11360 of the Health and Safety Code, purchased by a person with a medical marijuana identification card received under Article 2.5 (commencing with Section 11362.7) of Chapter 6 of Division 10 of the Health and Safety Code, as specified by the California Cannabis Commission or its successor, or equivalent identification.

SEC. 16. Section 7102.2 is added to the Revenue and Taxation Code, to read:

7102.2. All revenues, less refunds, derived under this part, from the imposition of sales and use taxes with respect to the sale, storage, use, or other consumption of cannabis (marijuana), as defined in Section 11360 of the Health and Safety Code, that would otherwise be transferred to the General Fund pursuant to subdivision (b) of Section 7102, shall be deposited in the State Treasury to the credit of the California Cannabis Education and Research Fund, established pursuant to Section 26020 of the Business and Professions Code, or any successor fund.

SEC. 17. The Legislature may enact statutes regulating cannabis (marijuana), including licensure and taxation, by a majority vote of each house of the Legislature only if those statutes are in conformance with the recommendations of the California Cannabis Commission. The Legislature may enact statutes regulating cannabis (marijuana), including licensure and taxation, prior to the commission issuing recommendations or that are inconsistent with or in addition to the recommendations of the commission only by a 2/3 vote of each house of the Legislature. An act of the Legislature to amend this measure by criminalizing the use of cannabis (marijuana) by adults 21 years of age or older shall not be effective unless approved by the electors.

SEC. 18. SEVERABILITY. The provisions of this Act are severable. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, or is held illegal or unenforceable in a judicial proceeding, the same shall not affect the other terms or provisions thereof or the whole of this Act, but such provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, or shall be declared inoperative and severed, and shall not affect any other provision or application of this Act which can be given effect without the invalid provision or application.

SEC. 19. CONFLICTING MEASURES. If this Act is approved by the voters of the State of California, and if one or more other proposed measures are passed in the same election, they shall all go into effect except for any conflicting provisions between the measures. In each case of conflicting provisions between the measures, the one provision in conflict which shall take effect will be contained in the measure which received the greatest number of votes and other conflicting provisions shall be void. If a conflicting ballot measure is later held invalid, it is the intent of the voters of the State of California that this Act shall be self-executing and given the full force of law.

SEC. 20. LIBERAL CONSTRUCTION. This Act is an exercise of the public power of the State for the protection of the health, safety, and welfare of the People of the State of California, and shall be liberally construed to effectuate these purposes.

SEC. 21. SELF-EXECUTION AND EFFECTIVE DATE. This Act shall become effective immediately upon its approval by the voters of the State of California.