

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date

August 1, 2018

2. Department

Food and Agriculture

3. Organizational Placement (Division/Branch/Office Name)

CalCannabis Cultivation Licensing (CalCannabis)

4. CEA Position Title

Branch Chief, Compliance and Enforcement

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The California Department of Food and Agriculture (CDFA) requests the establishment of a CEA A to serve as the Branch Chief of CalCannabis' Enforcement Unit. Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) requires the establishment of a regulatory program for the cultivation of cannabis. MAUCRSA mandates CDFA to establish a program to license cultivation of indoor and outdoor cannabis, establish a track-and-trace system, work collaboratively with other agencies to adopt environmental remediation regulations, implement best practices, including water discharge, nutrient management and application, wildlife habitat, and pesticide use standards; and establish an electronic database. The statute also includes the authority to conduct verification inspections and enforcement activities and to promulgate regulations.

6. Reports to: (Class Title/Level)

CEA B, Director

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain):

While not a member of the department's Executive Management Team, the Compliance and Enforcement Branch Chief will function as an extension of the team responsible for ensuring cannabis cultivators are in compliance with commercial cannabis cultivation regulations; Enforcement Unit responsible for actively monitoring observance of commercial cannabis cultivation laws and regulations, California Cannabis Track and Trace System (CCTT) Unit, and responsible for ensuring the state-mandated Cannabis Tracking system is in compliance with statutes and is responsive to program and industry needs.

8. Organizational Level (Select one)

- 1st
- 2nd
- 3rd
- 4th
- 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

The CEA A serves as the Branch Chief for the Enforcement Unit; plans, organizes, and directs the activities of the Compliance and Enforcement Branch and has full responsibility and independent decision-making authority for the development, implementation, and modification of statewide policies and procedures related to the enforcement of commercial cannabis cultivation laws and regulations. Policy responsibilities include the implementation and management of the California Cannabis Track and Trace System (CCTT); and inter-agency cooperation in conducting enforcement activities including investigations and inspection. Inspections involve ensuring accuracy of the data provided in the cultivation license application, which includes canopy size, inventory of product, seller's permit, labor peace agreement, weigh-master certification, and cultivation plan.

The Medicinal and Adult Use of Cannabis Regulation and Safety Act (MAUCRSA) requires applicants for state cannabis licenses with 20 or more employees to provide a statement that the applicant will enter into, or demonstrate that it has already entered into, and abides by the terms of a labor peace agreement. A Labor Peace Agreement is an agreement a cannabis business enters into with a union representing cannabis workers. The agreement includes obligations for both the union and the cannabis employer.

The cultivation plan includes verification of the pesticide management (use of rooting hormones, pesticides, rodenticides, fungicides, etc.), waste management plan (composting and collection), lighting diagram (location and wattage of each light), property diagram (premise and canopy size, processing area, packaging area, harvest storage), water source (water storage facilities, water delivery systems, waterbody diversion), and any non-cannabis activities occurring on site. If deficiencies are found, CalCannabis staff will develop a mitigation plan with licensee to prevent further violations resulting in administrative actions. Administrative actions levied against licensees range from minor to serious and may result in a citation and a fine of up to \$30,000 per individual violation. CDFA may take an administrative action at any time within five years after the department discovers or with reasonable diligence should have discovered, any violation of state law or local ordinances.

The CEA A also functions as a key policy advisor to the Division Director and Executive Office. Decisions made by the CEA A supports the overall mission and vision statements of CDFA. The CEA A provides oversight of the Enforcement Unit responsible for actively monitoring observance of commercial cannabis cultivation laws and regulations, and taking action in cases of non-compliance; California Cannabis Track and Trace System (CCTT) Unit, responsible for ensuring the state-mandated Cannabis Tracking system is in compliance with statutes and is responsive to program and industry needs. The CEA A develops statewide policy, best practices, guidelines, and procedures for the Enforcement Branch.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The CDFA's mission is to serve the citizens of California by promoting and protecting a safe, healthy food supply, and enhancing local and global agricultural trade, through efficient management, innovation, and sound science, with commitment to environmental stewardship. CDFA will ensure that only safe and quality food reaches the consumer; protect against invasion of exotic pests and diseases; promote California agriculture and food products both at home and abroad; ensure equitable and orderly marketplace for California's agricultural products; and build coalitions supporting the state's agricultural infrastructure to meet evolving industry needs. This proposal is consistent with CDFA's mission statement and strategic plan to optimize resources through collaboration, innovation, and process improvements.

The CEA A ensures processes and procedures align with the operational and strategic business goals of CDFA including ensuring the public safety of commercial cannabis; adhering to all environmental protection laws in the course of enforcement activities; and ensuring time lines for the implementation of policies coincide with the requirements of the MAUCRSA. The CEA A works to achieve the following goals:

Goal 1: Policy Development and Oversight: Develop and oversee implementation of policy related to the state's commercial supply of cannabis in order to ensure accountability and safety.

Goal 2: Legislature: Manage the review and analysis of bills introduced in the Legislature that impact the Department, environment, cannabis industry, and the public.

Goal 3: Track and Trace: Formulate a process to maintain and develop a farm inventory system.

Goal 4: Assessment: Develop annual milestones and performance measures to assess progress toward the overall goal of full compliance.

Goal 5: Education: Facilitate compliance through standardized, education-focused regulatory inspections that include guidance and educational references.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

The major change supporting the CEA A request is the passage of MAUCRSA which increased the regulatory responsibility of CDFA and the department's role in the emerging California cannabis industry. Changes brought about by MAUCRSA in regard to Compliance and Enforcement Branch include additional requirements for a track and trace system, to be utilized by multiple agencies including the Bureau of Cannabis Control and the Department of Health, in addition to coordinating activities between CDFA and County Ag Commissioners, Local Law Enforcement and other licensing authorities. As responsibilities are expanding in the highly sensitive area of legal cannabis the need for constant oversight and policy direction is required. The CEA A acts as the primary contact and policy advisor for the state integration of enforcement of the growing cannabis cultivation industry; and the opportunity to shape policies, mandates, and interactions between the Division Director, CDFA, management, Secretariat, California agricultural industry, and other state government agencies.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The CEA A develops and implements policies, procedures, and guidelines impacting the following areas in CalCannabis:

Enforcement: The CEA A oversees the development and implementation of statewide policies and procedures, legislative and regulatory development and implementation; education and outreach, providing expert advice to management; and compliance and enforcement of state laws and regulations regarding the enforcement of commercial cannabis cultivation. The CEA A develops and implements statewide policies and procedures outlining the methods of access to commercial cannabis cultivation premises or properties as mandated by statute. The CEA A develops policies to successfully implement Administrative Actions, including a Notice of Violation, the evaluation of violations of cannabis cultivation state laws and regulations to determine level of severity as minor, moderate, or serious and associated fines and fees to be collected. The CEA A is responsible for developing policies and procedures for coordination between the CalCannabis Enforcement Unit and the Compliance Unit to prepare for and determine the necessity and/or urgency of Enforcement Actions, including inspections and investigations. The CEA A establishes policies and procedures for use of the Enforcement Case Management Module positioned within the CalCannabis Licensing System. The Case Management Module allows the Enforcement Unit to track inspection, investigation, and legal cases including all relevant documents and comments as well as licensee violation history and workload and management reports.

California Cannabis Track and Trace System (CCTT): The California track-and trace system is the state approved system used to record the inventory and movement of cannabis and cannabis products through the commercial cannabis supply chain, from cultivation to sale. The CEA A acts as the administrator of the CCTT system. The CEA A formulates and promulgates policies, procedures and guidelines to ensure that CCTT policies and procedures are in compliance with statutes and are responsive to program and industry needs. All state-issued annual cannabis licenses are required to use the CCTT system to record, track, and maintain information about their cannabis and cannabis-product inventories and activities. The CEA A provides expertise for future system development with the desired functionality. Data collected from the CCTT system is used to identify and provide recommendations for evolving efficiencies for CalCannabis and other licensing authorities. The CEA A develops the policies and procedures outlining and implementing the steps each licensee must take to gain access to the required CCTT system, including training, becoming a credentialed user of the system and obtaining unique identifier tags. Annually licensed cultivators are required to report the disposition of immature and mature plants, non-manufactured products, transfers, and waste. The CEA A establishes policies and procedures to ensure that the CCTT system operates effectively in maintaining accountability for California cannabis licensed businesses including cultivators, distributors, manufacturers, testing labs and sellers.

Coordination Efforts: The CEA A develops and implements statewide policies and procedures for the coordination of enforcement and track and trace activities between the CDFA and County Ag Commissioners, Local Law Enforcement and other licensing authorities. The CEA A ensures the role of each agency is clearly defined to avoid unnecessary overlap of enforcement activities. The CEA A institutes the policies and procedures with multiple County Ag Commissioner Agencies in which inspections and investigations will be completed on behalf of CalCannabis. The CEA A oversees educational outreach, procedures and best practices for CalCannabis Enforcement staff to train, shadow and audit the county staff and the inspections conducted. The CEA A must create a clear communication plan to communicate effectively with other licensing authorities and Local Law Enforcement to ensure that there is consistency in the enforcement and use of the system and that the needs of all involved agencies are being met.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The CEA A plans, organizes, and directs the activities of the Compliance and Enforcement Branch and has full responsibility and independent decision-making authority for the development, implementation, and modification of all Branch activities. The CEA A also functions as a key policy advisor to the Division Director and Executive Office. The decisions made by the Branch Chief will support the overall mission and vision statements of CDFA.

The CEA A provides oversight of the Enforcement Unit responsible for actively monitoring observance of commercial cannabis cultivation laws and regulations and taking action in cases of non-compliance, and the CCTT Unit, responsible for ensuring the state-mandated cannabis tracking system is in compliance with statutes and is responsive to program and industry needs.

The CEA A acts as the CCTT administrator and has decision-making authority for CCTT, which includes the coordination of use and business needs of CCTT licenses issued by the Bureau of Cannabis Control and Department of Public Health. CCTT provides data from seed to sale for cannabis activities in California.

The CEA A ensures policies, processes and procedures align with the operational and strategic business goals of CDFA; provides expert guidance and direction to Division managers and supervisors in the areas of compliance and enforcement of cannabis cultivation; ensure the fiscal viability and effectiveness of the Branch programs, and implements program enhancements and modifications when necessary.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The CEA A develops and implements new policy regulations involving the Compliance and Enforcement Branch, along with being the lead coordinator of enforcement activities with county agricultural commissioners. The CEA A also represents CDFA at meetings and conferences with state and local governments, law enforcement, and cannabis stakeholders.

The CEA A serves as a leader for CalCannabis and is responsible for the interpretation and application of existing policy as well as the ongoing development and implementation of new and updated policy and regulations related to the following policy areas: Enforcement, California Cannabis Track and Trace System (CCTT), and Coordination Efforts.