

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

11/02/2018

2. Department

Department of Food and Agriculture

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

CalCannabis (CalCannabis)

4. CEA Position Title

Assistant Division Director

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 Assistant Division Director overseeing CalCannabis. 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; establish an electronic database to conduct verification inspections, 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 Assistant Division Director functions as an extension of the Team interpreting and applying existing policy as well as the ongoing development and implementation of new and updated policy and regulations related to the following policy areas: Cash Collection, Legislation and Regulation Coordination, Data Sharing/Reimbursement Inter-agency Agreements and Division Strategy/Succession Plan.

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, Assistant Division Director, is responsible for policy decisions in the areas of cash collection, regulation coordination, data sharing agreements, health and safety guidelines for state and local visitation and inspection of cannabis cultivation site and the Division's strategic and succession plan. The CEA A develops, formulates, implements and executes policy and procedures for the collection and handling of cannabis revenue, including but not limited to overseeing agreements between CDFA and other licensing authorities for invoicing and reimbursement of revenues collected. The CEA A develops, implements and manages policies and procedures for data sharing agreements, incorporating guidelines that include cost, time frame, use of data, confidentiality, and security; creates a strategic plan that clearly defines the purpose and priorities of CalCannabis and defines the actions needed to meet all outlined objectives; develops and implements a succession plan to ensure the Division has a strategic approach to recruiting, developing, and retaining a workforce to meet current and future organizational needs. The CEA A develops, formulates, implements and executes policy and procedures for cannabis cultivation site health and safety guidelines. The CEA A is also responsible for developing the policies and procedures for reporting health and safety violations and procedures to identify and correct health and safety hazards. The CEA A also acts as the expert policy advisor to the Division Director and Executive Office on all Division business management issues and in coordination with the Bureau of Cannabis Control and the Manufactured Cannabis Safety Branch within the Department of Public Health. The decisions made by the CEA A support the overall mission and vision statements of CDFA. The CEA A assists the Division Director in the development and adoption of long-range plans related to cannabis cultivation and statewide policies pertaining to cannabis cultivation licensing and enforcement. The CEA A manages all fiscal aspects to ensure the Division is fiscally solvent, establish and implement performance measures, and assists the Division Director in long term planning for the Division and serves as the Division Director in his absence.

**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 MAUCRSA mandates CDFA to establish a program to license cultivation of indoor and outdoor cannabis, establish a track and trace program, 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 to track and trace the sale of cannabis.

This includes the development and implementation of policies and guidelines to ensure the CDFA is in compliance with its mandated responsibilities. CalCannabis is directly related to the Department's primary mission and is critical to achieving the Department's goals by ensuring the public safety of commercial cannabis; adhering to all environmental protection laws; and ensuring time lines for the implementation of policies that coincide with the requirements of MAUCRSA.

The CEA A is responsible for high-level policy decisions and oversight that comes with state-wide functions. The CEA A ensures organizational structure is aligned with CDFA's mission and vision statements; promotes and encourage strategic improvements; and develops and implements lasting contributions to consumers, stakeholders, and CalCannabis employees. The CEA A plans, organizes and leads CalCannabis' goals and objectives to ensure successful implementation and on-going operation. The CEA A ensures new, current, and revised policies are successfully executed. The CEA A develops and implements administrative policies and guidelines related to cannabis revenue and data sharing.

The CEA A is a valuable asset in working to achieve the following goals:

Goal 1: Policy Development and Oversight: Develop and oversee implementation of policy related to the management of CalCannabis' business needs.

Goal 2: Management: Provide guidance, direction, and expert-level leadership to Division managers and supervisors; interpret and apply appropriate department policies and procedures to ensure the usage of the most efficient resources and tools available to Division.

Goal 3: Assessment: Develop annual milestones and performance measures to assess progress toward meeting the mission of CalCannabis and CDFA.

**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 mission of CalCannabis is to ensure public safety and environmental protection by licensing and regulating commercial cannabis cultivators in California. The expansion of responsibilities within CalCannabis related to MAUCRSA warrants the allocation to the CEA A. The CEA A develops the policies, strategies, procedures and implementation methods for Division management and staff to carry out the direction and mission of CalCannabis Cultivation Licensing Division.

The major change supporting the CEA A request is the passage of MAUCRSA. MAUCRSA increased the regulatory responsibility of CDFR and the Department's role in the emerging California cannabis industry. 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 on the state integration of cash collection, health and safety, mandated background checks, and legislation and regulation coordination regarding the growing Cannabis Industry; and has the opportunity to shape policies, mandates, and interactions between the Division Director, CDFR, management, Secretariat, California agricultural industry, and other state government.

In an effort to provide a regulatory framework for this formerly unregulated industry, Governor Brown signed the Medical Cannabis Regulation and Safety Act (MCRSA) into law effective January 1, 2016. MCRSA established a licensing and regulatory structure for the cultivation, manufacturing, transportation, storage, distribution, and sale of medicinal cannabis in California. MCRSA delegated the licensing responsibility to CDFR to license cultivators and established a track-and-trace program by January 1, 2018. The Medical Cannabis Cultivation Program was originally set up as a branch of CDFR's Inspection Services Division.

On November 8, 2016 California voters passed Proposition 64, the Adult Use of Marijuana Act (AUMA), which required CDFR to license commercial adult use cannabis cultivation and expand the track-and-trace program set up under MCRSA to capture taxes due from the cultivation and sale of adult use cannabis. On June 27, 2017, Governor Brown signed the Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA) which aligns MCRSA with AUMA creating a single regulatory system for commercial cannabis activity; prioritizing consumer safety, public safety and tax compliance. As a result of the new legislation and increased responsibility, CDFR determined that the changing cannabis laws required the creation of a full Division, and as of July 1, 2017, the Medical Cannabis Cultivation Program became the CalCannabis Cultivation Licensing Division.

### 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.

**Cash Collection:** The CEA A oversees the Cash Collection Unit of CalCannabis with offices in both Northern and Southern California. Responsibilities include policy and program direction for the Cash Collection offices including licensing fee accounting and collection. Identify and recommend procedural change; Determine key issues, develop and compare alternatives and select and define solutions necessary to implement new or revised procedures for state wide implementation. The CEA A oversees the Southern CA Cash collection office, where CDFA will collect licensing and application fees on behalf of the Bureau of Cannabis Control and the Department of Public Health. The CEA A will act as the CDFA Liaison for the Cannabis Banking Working Group (CBWG). The federal government still considers cannabis a Schedule I drug under the Controlled Substances Act. As a result, banks and other financial institutions generally refuse to provide services to cannabis businesses. The CBWG is responsible for finding practical and timely ways to address the state-federal banking conflict. As Liaison to the CBWG the CEA A will provide recommendations on the implementation of open access to the banking system for cannabis cultivators in California.

**Health and Safety:** The CEA A develops, formulates, implements and executes policy and procedures for cannabis cultivation site health and safety guidelines. These policies and procedures will be created in order to create a standard that will be used statewide for all cannabis cultivation site inspections and/or visits including those conducted on behalf of CDFA by the CA Agricultural Commissioner, the Bureau of Cannabis Control, the Department of Fish & Wildlife, other state and local government agencies. Official state cultivation site inspections have never been conducted prior to the implementation of MAUCRSA. The development of these policies and procedures is extremely sensitive and it is appropriate that these be developed by the CEA A. The policy and procedures include guidelines to prevent the contamination of plant and/or cannabis products on site and to mitigate the risk of exposure to pesticides, cannabis byproducts and other harmful substances by local and state employees, while onsite at licensed cannabis cultivation farms. The incumbent is also responsible for developing the policies and procedures for reporting health and safety violations and procedures to identify and correct health and safety hazards. The CEA A will collaborate with Cal/OSHA (Occupational Safety and Health Administration) to meet the health and safety mandates of MAUCRSA.

**Legislation & Regulation Coordination:** The CEA A provides legislative and regulatory policy oversight and development related to cannabis cultivation. The CEA A plays a significant role in shaping CalCannabis' legislative and regulatory policy, by recommending modification of proposed policies for consistency with other CDFA programs and policies, identifying the need for new policies and assisting the Division Director in negotiating division issues with legislative staff, industry representatives, board members and interested members of the public.

**Data Sharing/Reimbursement Interagency Agreements:** The CEA A develops, implements, and manages policies and procedures for Data Sharing agreements for use by various state and local agencies and law enforcement organizations. Responsible for the inclusion of the following: cost, time frames, intended use of data, constraints on the use of data, data confidentiality, data security, and methods of data-sharing.

**DOJ Background Check:** Develop, implement, formulate, and execute the policies and procedures for the MAURCSA required Department of Justice (DOJ) background check for all cannabis cultivation licensees. Develop policies and procedures to include the designated access level for staff, records retention, custody of records and division protocols.

**Division Strategic/Succession Plan:** The CEA A develops, implements, and evaluates strategic and succession planning. The plans must clearly state the direction of how CalCannabis meets the goals of the Division and the Department. The Strategic Plan must successfully convey the purpose and priorities of CalCannabis and define the actions needed to meet all outlined objectives. The CEA A develops and implements a workforce plan to align with the Department and Division's missions, and goals and business needs to ensure a well-trained and knowledgeable workforce. The CEA A implements best practices and guidelines for staff development. Responsibilities include determining critical roles, identifying and assessing possible successors, and providing them with the appropriate skills and experiences for present and future opportunities.

**Cannabis Advisory Committee:**The CEA A will act as the CDFA Liaison to the Cannabis Advisory Committee. The Cannabis Advisory Committee was established in order to advise the cannabis licensing authorities on the development of regulations that help protect public health and safety and reduce the illegal market for cannabis. The CEA A will serve as an expert witness in order to testify during Administrative Hearings related to cannabis cultivation, cash collection, and DOJ Background checks as necessary.

**C. ROLE IN POLICY INFLUENCE (continued)**

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

The CEA A is responsible for the oversight of the annual budget, workload tracking, performance targets, and program planning of the CalCannabis Division including Administration, Licensing and Compliance and Enforcement branches. The CEA A is responsible for policy decisions in the areas of cash collection, regulation coordination, data sharing agreements, health and safety guidelines for state and local visitation and inspection of cannabis cultivation site and the Division's strategic and succession plans. The CEA A also functions as a key policy advisor to the Division Director and Executive Office on all Division business management issues. The decisions made by the CEA A will support the overall mission and vision statements of CDFA. The Assistant Division Director assists the Division Director in the development and adoption of long-range plans related to cannabis cultivation and statewide policies pertaining to cannabis cultivation licensing and enforcement.

The CEA A develops, formulates, implements and executes health and safety guideline policy and procedures for cannabis cultivation site. These policies and procedures sets a standard that will be used statewide for all cannabis cultivation site inspections and/or visits including those conducted on behalf of CDFA by the CA Agricultural Commissioner, the Bureau of Cannabis Control, the Department of Fish & Wildlife, other state and local government agencies. The development of these policies and procedures is extremely sensitive and it is appropriate that these be developed by the CEA A. The CEA A also develops the policies and procedures for reporting health and safety violations and procedures to identify and correct health and safety hazards. The CEA A will collaborate with Cal/OSHA (Occupational Safety and Health Administration) to meet the health and safety mandates of MAUCRSA.

The CEA A provides oversight and policy direction to CalCannabis and ensures the successful implementation of the CDFA's goals and objectives. The CEA A ensures processes and procedures align with the operational and strategic business goals of CDFA; provides expert guidance and direction to the Division managers and supervisors and acts as the Division Director in his absence. The CEA A also represents CDFA at meetings and conferences with state and local governments and cannabis stakeholders.

The CEA A has independent decision-making authority in the planning, developing, and organizing of Division activities. The CEA A mentors Branch managers and ultimately provide solutions for a wide range of difficult management and administrative problems, represents the Director with governmental agencies, industry groups and at legislative hearings, and independently meets with representatives to acquire information, determine solutions, and gather consensus on a variety of issues.

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

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: cash collection, health and safety, legislation and regulation coordination, data sharing, reimbursement, and inter-agency agreements and the Division's strategic and succession planning.