Getting it Right from the Start

Advancing Public Health & Equity in Cannabis Policy

THE STATE OF CANNABIS POLICY IN CALIFORNIA'S CITIES AND COUNTIES 2025 SCORECARD METHODOLOGY

INTRODUCTION

The legalization of cannabis has potential social benefits as well as potential harms, and this **State of Cannabis Policy in California Scorecard** summarizes how California cities and counties that have opted to legalize cannabis retail sales have navigated this challenge. As the transition to a legal market moves forward in California, communities have a collective responsibility to act to protect youth and keep this emerging market from boiling over in harmful ways. Of particular concern is the impact of legalization on youth and young adults below age 25 as research suggests that use during this time frame, while the brain is still developing, carries special risks[1] (e.g., impairment of memory,[2] risk of cannabis use disorder[3] and psychotic disorders.[4]) Perceptions of risk from regular cannabis consumption had been falling, dropping from 58.3% to 31.4% among U.S. 12th graders between 2000 and 2023, although they began to rise again since the pandemic.[5] Simultaneously, in California, 12-17-year-olds reporting having used cannabis in the past year rose significantly from 12.8% in 2017/18 to 15.8% in 2018/19,[6] before rates fell during the pandemic (10.2% in 2021),[7] but may be rising again (11.8% in 2022).[8] In 2023, more than one-third of 12th-grade students in California stated they had ever used cannabis, a number far exceeding that for tobacco use and one that should be concerning to all of us. The 2024 Monitoring the Future report demonstrated that past 30-day use among college-age youth was significantly higher in 2023 (27.5%) than in 2013 (23.4%).[9] Past year cannabis use among young adults aged 19-30 reached a 35-year high in 2022 (43.6%). Those who start young and use frequently are at the highest risk for developing

[1] The Health Effects of Cannabis and Cannabinoids: The Current State of Evidence and Recommendations for Research. *The National Academies Press*. https://www.nap.edu/catalog/24625/the-health-effects-of-cannabis-and-cannabinoids-the-current-state.

[2] Morin JFG, Afzali MH, Bourque J, et al. A Population-Based Analysis of the Relationship Between Substance Use and Adolescent Cognitive Development. *Am J Psychiatry*. 2019;176(2):98-106. doi:10.1176/appi.ajp.2018.18020202

[3] Callaghan RC, Sanches M, Kish SJ. Quantity and frequency of cannabis use in relation to cannabis-use disorder and cannabis-related problems. *Drug Alcohol Depend*. 2020;217:108271. doi:10.1016/j.drugalcdep.2020.108271

[4] Kiburi SK, Molebatsi K, Ntlantsana V, Lynskey MT. Cannabis use in adolescence and risk of psychosis: Are there factors that moderate this relationship? A systematic review and meta-analysis. *Subst Abuse*. 2021;0(0):1-25. doi:10.1080/08897077.2021.1876200

[5] Miech RA, Johnston LD, Patrick ME, O'Malley PM. *Monitoring the Future National Survey Results on Drug Use, 1975-2023: Overview and Detailed Results for Secondary School Students*; 2025. Monitoring the Future Monograph Series. Ann Arbor, MI: Institute for Social Research, University of Michigan. Available at https://monitoringthefuture.org/results/annual-reports/

[6] Substance Abuse and Mental Health Services Administration (SAMHSA). *Comparison of 2017-2018 and 2018-2019 Population Percentages (50 States and the District of Columbia) | CBHSQ Data*. Center for Behavioral Health Statistics and Quality, Substance Abuse and Mental Health Services Administration; 2020. https://www. samhsa.gov/data/

[7] Substance Abuse and Mental Health Services Administration (SAMHSA). *2021 NSDUH: State Specific Tables.* Center for Behavioral Health Statistics and Quality, Substance Abuse and Mental Health Services Administration; 2021. https://www.samhsa.gov/data/report/2021-nsduh-state-specific-tables

[8] Substance Abuse and Mental Health Services Administration (SAMHSA). *2021-2022 NSDUH: State Specific Tables.* Center for Behavioral Health Statistics and Quality, Substance Abuse and Mental Health Services Administration; 2024. https://www.samhsa.gov/data/report/2021-2022-nsduh-state-prevalence-estimates

[9] Patrick ME, Miech, RA, Johnston, LD, O'Malley, PM. *Monitoring the Future Panel Study Annual Report: National data on substance use among adults ages 19 to 65, 1976-2023;* 2024. https://monitoringthefuture.org/wp-content/uploads/2024/12/mtf2025.pdf

dependence and adverse effects; therefore, minimizing use by this group should be a key policy objective for communities.

Pregnant women and individuals with existing substance abuse and mental health issues also have specific risks of great concern. Use during pregnancy, which is associated with harm to both mother[10] and baby,[11] nearly doubled in California from 2012 to 2022.[12] Recognition and prevention of risks to public health due to cannabis use and to the characteristics of the emerging market are needed. Sensible and effective regulatory measures are essential to reduce these resultant harms.

While legal purchase should be reasonably accessible in communities that have opted to legalize, cannabis should still be managed from a public health perspective as an addictive substance[13] rather than as an ordinary commodity on the marketplace. Further, while retail outlets should be available to serve all types of communities, precautions to avoid oversaturation should be in place to prevent community-level effects, as has been shown to happen for other addictive and commercially available substances such as alcohol and tobacco. Research has clearly shown that use during pregnancy, adolescent use and problem use, as well as adverse mental health effects, are all associated with allowing local retailing and with the proximity of legal cannabis retailers to a person's home.[14,15,16,17]Similarly, high concentrations of alcohol and tobacco retail facilities can exacerbate health and social disparities, and greater exposure is linked with increased rates of youth use.[18, 19, 20]

There are many risks associated with cannabis exposure and use. The National Academies of Science, Engineering and Medicine (NASEM) note that the growing acceptance, accessibility, and use of cannabis and its derivatives have raised important public health concerns, while the striking transformations in the products themselves and challenges to researching resultant health effects have led to growing

[10] Young-Wolff KC, Adams SR Alexeeff SE et al. Prenatal cannabis use and maternal pregnancy outcomes. *JAMA Internal Medicine*; 2024; 184(9):1083-1093. doi:10.1001/jamainternmed.2024.3270

[11] Avalos, LA, Adams SR, Alexeeff SE, Oberman NR, Does MB, Ansley D, Goler N, Padon AA, Silver LD, Young-Wolff KC. Neonatal Outcomes Associated with In Utero Cannabis Exposure: A Population-Based Retrospective Cohort Study. Am. J. Obstet. Gynecol. 2024; 231(1): 132.e1-132.e13. https://doi.org/10.1016/j.ajog.2023.11.1232

[12] Young-Wolff KC, Chi FW, Lapham GT et al. Changes in prenatal cannabis use among pregnant individuals from 2012 to 2022. *Obstetrics & Gynecology.* 2024; 144(4):e101-e104. doi:10.1097/AOG.0000000000005711

[13] Budney AJ, Borodovsky JT. The potential impact of cannabis legalization on the development of cannabis use disorders. *Prev Med.* 2017 Nov; 104: 31-36.

[14] Silver LD, Slama NE, Dong H, Padon AA, Pacula RL, Alexeeff SE, Sterling SA, Dyer WT, Campbell CI, Satre DD, Lu Y, Does MB, Annam J, Young-Wolff KC. Associations of Local Cannabis Policy and Retail Availability in Northern California with Adverse Adolescent Mental Health Outcomes*. Subst Use Misuse*. 2025;60(10):1571-1576. doi: 10.1080/10826084.2025.2505145.

[15] Young-Wolff KC, Asera A, Padon AA, Slama NE, Alexeeff SE, Pacula RL, Campbell CI, Sterling SA, Satre DD, Lu Y, Dyer WT, Does MB, Silver LD. Association of Local Cannabis Policy and Retail Availability With Cannabis Use and Problematic Cannabis Use Among Adolescents in Northern California. Am J Public Health. 2024 Nov;114(S8):S654-S663. doi: 10.2105/AJPH.2024.307787.

[16] Young-Wolff KC, Slama NE, Avalos LA, Padon AA, Silver LD, Adams SR, Does MB, Ansley D, Castellanos C, Campbell CI, Alexeeff SE. Cannabis Use During Early Pregnancy Following Recreational Cannabis Legalization. *JAMA Health Forum*. 2024 Nov 1;5(11):e243656. doi: 10.1001/jamahealthforum.2024.3656.

[17] Young-Wolff KC, Slama NE, Padon AA, Silver LD, Soroosh A, Alexeeff SE, Adams SR, Does MB, Campbell CI, Ansley D, Conway A, Goler N, Avalos LA. Geographic Accessibility of Retail Cannabis in Northern California and Prenatal Cannabis Use During the COVID-19 Pandemic. *JAMA Netw Open*. 2022 Nov 1;5(11):e2244086. doi: 10.1001/jamanetworkopen.2022.44086.

[18] Center for Public Health Systems Science*. Point-of-Sale Strategies: A Tobacco Control Guide*. St. Louis: Center for Public Health Systems Science, George Warren Brown School of Social Work at Washington University in St. Louis and the Tobacco Control Legal Consortium, 2014. https://cpb-us-w2.wpmucdn.com/sites.wustl.edu/dist/e/1037/files/2004/11/CPHSS_TCLC_2014_PointofSaleStrategies1-2jps9wj.pdf. Accessed Dec 9, 2019.

[19] McCarthy WJ, Mistry R, Lu Y, Patel M, Zheng H, Dietsch B. Density of tobacco retailers near schools: effects on tobacco use among students. *Am J Public Health*. 2009;99(11):2006-2013. doi:10.2105/AJPH.2008.145128.

[20] Borodovsky JT, Lee DC, Crosier BS, Gabrielli JL, Sargent JD, Budney AJ. U.S. cannabis legalization and use of vaping and edible products among youth. *Drug Alcohol Depend*. 2017;0(0). doi:10.1016/j.drugalcdep.2017.02.017.

concerns about the impact of its use, especially when use is heavy or starts young.[21] We know from tobacco and alcohol that restrictions on marketing and products, especially those appealing to youth, and limiting retail outlets are important protective factors, as are providing prominent and accurate health warning information to consumers and minimizing the social normalization of use. These approaches should be part of any cannabis regulatory scheme. Furthermore, any regulatory scheme should include equity provisions aimed at keeping the financial benefits of legalization in communities hardest hit by the war on drugs and ensure that cannabis tax dollars go to improving communities via prevention, equity programs, and youth programs rather than additional law enforcement expenditures.

Under California's state law and regulations implementing cannabis legalization, the state has opted to set minimum criteria for public health and safety. Local cities and counties must generally comply with State law, but they are authorized to enact stricter rules on retail practices and to impose local cannabis taxes. California local governments have strong authority to regulate and license cannabis commerce, restrict more harmful product types or those attractive to children, require consumer information, limit marketing, and levy taxes and specify their use. Our research showed that jurisdictions should build on State law, which has still failed to put in place adequate guardrails,[22,23] by implementing additional public health and social equity provisions to exercise our collective responsibility to protect youth and public health and advance equity.

This State of Cannabis Policy Scorecard looks at how the state of California and the cities and counties that have opted to legalize some form of cannabis retail sales have approached this new landscape. Points are awarded when jurisdictions go beyond state law in enacting stronger public health and youth protective requirements on cannabis businesses.

RESEARCH AND SCORECARD DEVELOPMENT

Getting it Right from the Start: Advancing Public Health and Equity in Cannabis Policy is a project of the Public Health Institute, an independent non-profit organization that has worked throughout the state of California for over 50 years to promote health, strengthen public health and health systems, and advance greater equity. The Project has worked with experts nationwide and within the state to identify potential best regulatory practices and develop stronger local regulatory and taxation frameworks to protect youth and public health and promote social equity. As part of this effort, the project created model local ordinances for retail and marketing as well as taxation for California jurisdictions.[24]

These model ordinances were produced after a review of the literature and over 50 in-depth interviews with stakeholders from local jurisdictions, community members, academic and research experts, regulators from other states, legal experts, community coalitions, dispensary owners, laboratory experts, manufacturers, clinicians working with addiction, and others. The models use the best available evidence from the fields of alcohol and tobacco control, the experience of states that legalized earlier than California, the massive scientific review completed by NASEM to identify key evidence-based risks

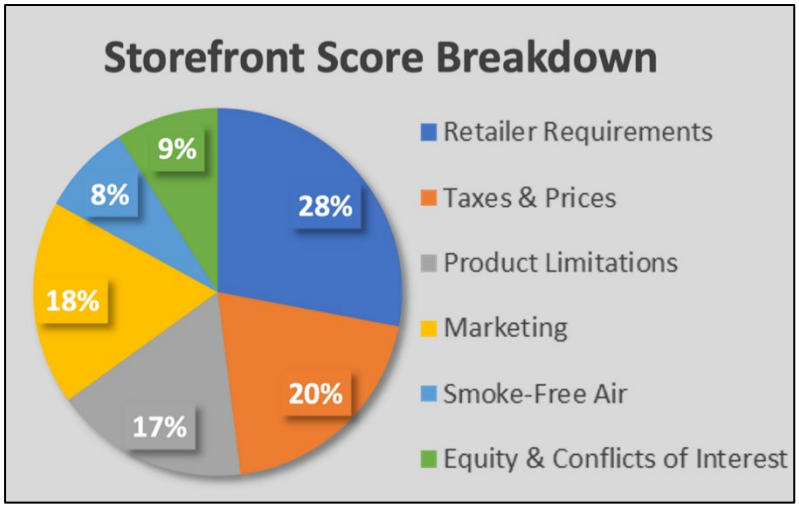
[21] The Health Effects of Cannabis and Cannabinoids: The Current State of Evidence and Recommendations for Research. *The National Academies Press*. https://www.nap.edu/catalog/24625/the-health-effects-of-cannabis-and-cannabinoids-the-current-state. Accessed Jan 11, 2019.

[22] Parks G. (State Auditor) 2024-105 Department of Cannabis Control: Unclear Rules and Insufficient Enforcement Hamper Its Ability to Identify Packaging That Is Attractive to Children. Report Number: 2024-105. August 7, 2025. Sacramento, CA. Accessed at: https://www.auditor.ca.gov/reports/2024-105/

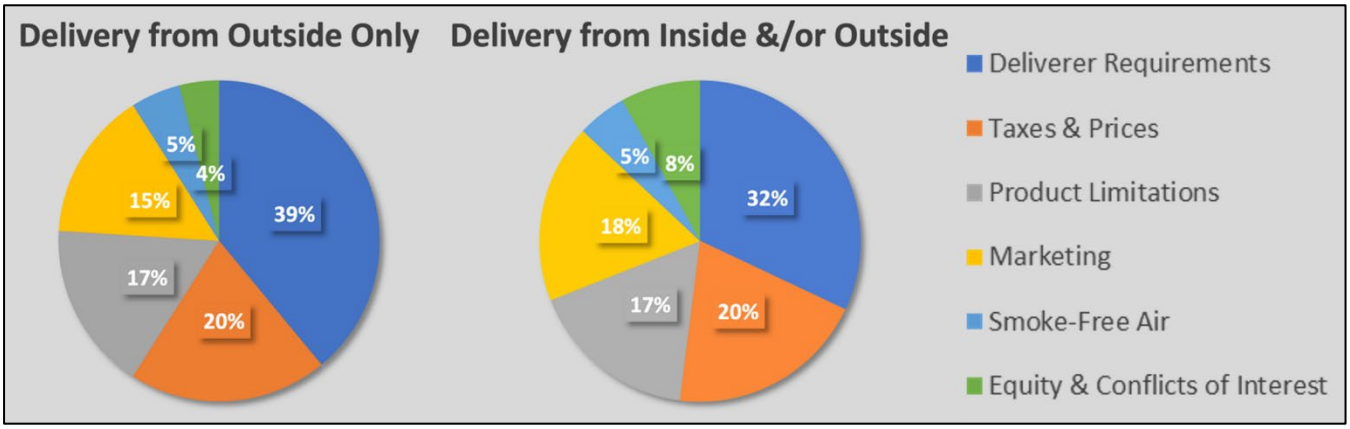
[23] Report and Recommendations of the California High Potency Think Tank to the State of California. October 30, 2024. Sacramento CA. Accessed at: https://www.gettingitrightfromthestart.org/wp-content/uploads/2024/10/California-High-Potency-Cannabis-Think-Tank-Report-10-30-24.pdf

[24] Available at: https://gettingitrightfromthestart.org/

of cannabis consumption, and the advice received on best practices or needed best practices from experts interviewed. Drafts of our model laws were reviewed by attorneys with public health and tobacco control experience, a constitutional law expert, and an alcohol policy expert. We shared the drafts at a convening of individuals from different backgrounds and expertise and representatives from several jurisdictions and revised our drafts to incorporate their input. Our model tax laws were developed by the project with the advice of attorney Michael Colantuono, an experienced appellate attorney and leading expert on the law of local government revenues. In December 2017, the model retail ordinance was disseminated statewide to city managers, administrative officers, and public health officials in all of California's jurisdictions, and the tax ordinances were disseminated in January 2018. Updated model ordinances, informed by more recent scientific evidence and regulatory experience, were published in 2021.



The State of Cannabis Policy Scorecard builds on the extensive research that went into developing the model ordinances. We identified **six primary categories** of public health concern in a cannabis legalization scheme that allows storefront retailers. These are: 1) Retailer Requirements, 2) Taxes & Prices, 3) Product Limits, 4) Marketing, 5) Smokefree Air, and 6) Equity & Conflicts of Interest. In 2021, we developed a scorecard specific to jurisdictions that allow delivery-only (no storefront retailers). Within each primary category are criteria that can be used to analyze how well a jurisdiction has embraced public health principles in its cannabis ordinances. We assigned higher points to those criteria that have the greatest known impact on limiting youth use and exposure based on strong evidence from tobacco and alcohol literature.



We populate these scorecards by collecting information on the cannabis retail, marketing, and taxation policies passed each year by cities and counties in California. We utilize multiple resources, including municipal codes and jurisdiction websites, along with direct feedback from jurisdictions. When the law did not specifically prohibit an activity and we received no response from clerks or managers, jurisdictions were assigned a "silent" status. State law and regulation were verified through the state cannabis portal. A random 5% sample of jurisdictions is coded by two independent coders and tested for inter-rater reliability. After reaching substantial reliability (>95%), the remainder of the jurisdictions are

coded by a single researcher. Scorecards are then privately submitted to jurisdictions for local review, and corrections are made where valid feedback or new information is provided prior to the public release.

Starting in 2022, we generated scorecards based on local policies if a jurisdiction explicitly allowed medical and/or adult-use cannabis sales at storefronts, regardless of whether it allowed delivery. Scorecards were generated for jurisdictions that explicitly banned storefronts but explicitly allowed or were silent on cannabis delivery. Jurisdictions that were silent on whether they allowed storefront retailers are classified as banning them since the state requires active local clearance and not just the absence of a legal ban from local jurisdictions before a state license for a storefront retailer is issued. Because jurisdictions that do not explicitly ban cannabis delivery implicitly allow delivery from businesses based outside of the jurisdiction, jurisdictions that are silent on either medical and/or adult-use delivery are considered as allowing delivery from outside and received delivery scorecards. **These criteria seek primarily to reflect whether a local resident can legally purchase cannabis where they live, not whether a delivery business can legally be located in the jurisdiction.** This is the main reason why some calculations of the California Department of Cannabis Control that measure which jurisdictions issue licenses to local businesses, differ from ours.

Limitations of our methods include focusing on cannabis-specific policies determined in law or by elected bodies, such as ordinances and resolutions. We base our scores primarily on publicly available, codified laws; however, if a policy has been formalized by the jurisdiction, for example, prohibiting temporary events, we can award points when the jurisdiction provides confirmation. We did not review all jurisdiction actions related to cannabis. For instance, we did not regularly review development agreements, meeting minutes, announcements, or RFPs that are subject to change. We also did not review general zoning or municipal code sections that did not expressly reference cannabis.

For the current period, laws passed up to January 1, 2025, were included in the evaluation. Any California cities and counties that have not legalized any form of cannabis retail sale by January 1, 2025, will not receive a scorecard. **Because, as yet, it is unclear whether legalization will bring net benefit or harm, we do not wish to judge jurisdictions based on whether legalization of commerce occurs, but rather to answer the question – if you legalized, did you take steps to protect public health and promote social equity within that process?**

SCORECARD

CATEGORY ONE: RETAILER REQUIREMENTS

Based on the peer-reviewed evidence, placing strategic limits on cannabis retailers can have a positive impact on youth cannabis use and problem use. In a 2024 study of 103,000 California teens, Jurisdictions with bans had a 21% lower rate of adolescent problem cannabis use. Longer drive time to the nearest retailer and lower density of storefront retailers were associated with lower teen cannabis use.[15] A review of 33 California communities with strong tobacco retailer licensing ordinances similarly showed that the youth sales rate declined in 31 of these communities after the ordinances were enacted, with an average decrease of 26% in the youth sales rate.[25]

For jurisdictions that allow storefront retailers, there are five subcategories of recommended Retailer

[25] American Lung Association in California, The Center for Tobacco Policy & Organizing. *Tobacco Retailer Licensing Is Effective*. 2013. http://center4tobaccopolicy.org/tobacco-policy/tobacco-retail-environment/. Accessed September 19, 2017.

Requirements: 1) Caps on Retailers, 2) Required Distance from Schools Greater than State Law, 3) Other Location Restrictions (parks, libraries, universities, residential areas), 4) Retailer Buffers, and 5) Health Warnings Posted in Stores and/or Handed Out to Consumers. For jurisdictions that allow only delivery, there are five subcategories: 1) Required Local Permit, 2) Allowing Medical Cannabis Delivery Sales, 3) Use of Independent ID Verification Software, 4) Limits on Delivery Destinations, and 5) Health Warnings Handed Out to Consumers. Each subcategory is worth different points with more points awarded to those subcategories with the greatest impact on youth and public health protection.

Caps on Retailers (Max 10 points)

Description: Limiting the number of licensed retailers to a specified number of inhabitants. We recommend that retailers should not exceed 1:15,000 inhabitants.

State Law: Does not provide any limit to the number of retailers.

Rationale & Points: The density of tobacco retailers, particularly in neighborhoods surrounding schools, has been associated with increased youth smoking rates,[26] and a California study found that the density of tobacco retailers near schools was positively associated with the prevalence of students reporting experimental smoking.[27] Similarly, a review of studies of tobacco retailer density and adolescent smoking found that tobacco retailer density and proximity were correlated with adolescent lifetime smoking, past 12-month smoking, past 30-day smoking, and susceptibility to smoking.[28] Cannabis policy research is providing similar results. Our research with Kaiser Permanente has shown that cannabis use by California teens is higher among those who live closer to retailers.[29] Another study found that higher dispensary density in states with legal cannabis laws was associated with a higher likelihood of youth ages 14-18 experimenting with cannabis vaping and edibles.[30] Even a density of legal cannabis dispensaries as low as 1:100,000 residents was associated with increases.[31] Effects extend beyond youth. We found that prenatal use is higher in areas with more retailers,[32] and use during pregnancy increased as the number of retailers within a 15-minute drive of a woman's home increases.[33] In a Health Impact Assessment by Los Angeles (LA) County, each additional dispensary per square mile in a zip code was cross-sectionally associated with a 7.1% increase in the number of cannabis-related emergency department visits.[34]

While there is significant data that higher outlet density results in worse outcomes for populations vulnerable to harm, a balance with providing legal access where commerce is allowed should be sought.

---

[26] Henriksen L, Feighery EC, Schleicher NC, Cowling DW, Kline RS, Fortmann SP. Is adolescent smoking related to the density and proximity of tobacco outlets and retail cigarette advertising near schools? *Prev Med*. 2008;47(2):210-214. doi:10.1016/j.ypmed.2008.04.008.

[27] McCarthy WJ, Mistry R, Lu Y, Patel M, Zheng H, Dietsch B. Density of tobacco retailers near schools: effects on tobacco use among students. *Am J Public Health*. 2009;99(11):2006-2013. doi:10.2105/AJPH.2008.145128.

[28] Gwon SH, DeGuzman PB, Kulbok PA, Jeong S (2017). Density and Proximity of Licensed Tobacco Retailers and Adolescent Smoking. *J Sch Nurs.* 33(1):18-29. doi: 10.1177/1059840516679710.

[29] Young-Wolff KC, Asera A, Padon AA, et al. Association of Local Cannabis Policy and Retail Availability With Cannabis Use and Problematic Cannabis Use Among Adolescents in Northern California. *Am J Public Health*. 2024;114(S8):S654-S663. doi:10.2105/AJPH.2024.307787

[30] Borodovsky JT, Lee DC, Crosier BS, Gabrielli JL, Sargent JD, Budney AJ. U.S. cannabis legalization and use of vaping and edible products among youth. *Drug Alcohol Depend*. 2017;0(0). doi:10.1016/j.drugalcdep.2017.02.017.

[31] Borodovsky et al. Ibid

[32] Young-Wolff KC, Slama NE, Padon, AA, Silver LD, Soroosh AJ et al. Geographic accessibility of retail cannabis in northern California and prenatal cannabis use during the COVID-19 pandemic. *JAMA Network Open.* 2022; 5(11):e2244086. doi:10.1001/jamanetworkopen.2022.44086

[33] Young-Wolff KC, Adams SR, Padon A, Silver LD, Alexeeff SE, Van Den Eeden SK, Avalos LA. Association of Cannabis Retailer Proximity and Density With Cannabis Use Among Pregnant Women in Northern California After Legalization of Cannabis for Recreational Use. JAMA Netw Open. 2021 Mar 1;4(3):e210694. doi: 10.1001/jamanetworkopen.2021.0694. PMID: 33662131; PMCID: PMC7933995.

[34] Nicholas W, Greenwell L, Washburn F, Caesar E, Lee G, Loprieno D, Vidyanti I, Jan M, Stroud L. *Health Equity Implications of Cannabis Regulation in LA County: Health Impact Assessment.* Los Angeles County Department of Public Health, Center for Health Impact Evaluation. July 2019.

Based on other state experiences and the Health Impact Assessment of Los Angeles County Public Health, we recommend dispensaries not exceed 1:19,000 residents. Our research found that for California jurisdictions that capped the number of dispensaries, the average was 1:19,000 inhabitants in both 2019[35] and 2020.[36] However, we also recognize that rural areas and smaller cities may have unique needs and or small populations that impact their ability to limit their ratios to 1:19,000. Rural areas, for example, may have populations that are more spaced out, making it more reasonable to have two retailers even though that exceeds our 1:19,000 cut-off. As such, we created the following scoring method. Scoring is non-linear to give fewer points for greater density and more points for smaller incremental changes that decrease density.

For a population > 20,000
1:5,000 to 1:7,499 inhabitants = 1 point
1:7,500 to 1:9,999 inhabitants = 2 points
1:10,000 to 1:12,499 inhabitants = 3 points
1:12,500 to 1:14,999 inhabitants = 4 points
1:15,000 to 1:15,999 inhabitants = 5 points
1:16,000 to 1:16,999 inhabitants = 6 points
1:17,000 to 1:17,999 inhabitants = 7 points
1:18,000 to 1:18,999 inhabitants = 8 points
1:19,000 to 1:19,000 inhabitants = 9 points
1:20,000 or greater inhabitants = 10 points

For a population 10,000 to 20,000
1:5,000 to 1:7,499 inhabitants = 1 point
1:7,500 to 1:9,999 = 2 points
1 dispensary = 10 points

For a population < 10,000
3 or more dispensaries = 0 points
2 dispensaries = 1 point
1 dispensary = 10 points

Distance from Schools (5 points)

Description: Mandating a distance greater than 600 feet between K-12 schools and retailers.

State Law: Retail dispensaries are not licensed to operate within 600 feet of K-12 schools, daycares, or youth centers unless the local government issuing the license agrees to a smaller distance requirement.[37]

Rationale & Points: Based on the literature on tobacco and alcohol, the proximity of cannabis stores to schools may increase the risks of cannabis use among adolescents who are at a particularly high risk of developing cannabis use disorders and other negative health consequences.[38] We recommend a minimum distance of 1,000 feet. Jurisdictions that enact school distance requirements of more than 600 feet are awarded 5 points, though no points are awarded if such buffers solely apply to retailers allowing

[35] Silver LD, Naprawa AZ, Padon AA. Assessment of Incorporation of Lessons From Tobacco Control in City and County Laws Regulating Legal Marijuana in California. *JAMA Netw Open*. 2020;3(6):e208393.
[36] Padon AA, Young-Wolff KC, Avalos L, Silver LD. Local laws regulating cannabis in California two years post legalization: Assessing incorporation of lessons from tobacco control. *Cannabis*. 2022. 5(3):47-60. doi: 10.26828/cannabis/2022.03.005.
[37] Cal. Bus. & Prof. Code, §26054(b); *see also*, Cal. Code Regs. tit. 16 §5026(a) and (b).
[38] Shi Y, Meseck K, Jankowska M. Availability of Medical and Recreational Marijuana Stores and Neighborhood Characteristics in Colorado. *Journal of Addiction*. 2016; 7193740. doi:10.1155/2016/7193740.

on-site consumption but not retailers without on-site use. Finally, localities that go below the 600-foot requirement outlined in the state regulations receive negative five points.

Other Location Restrictions (3 points)

Description: Mandating additional restrictions on the proximity of retailer locations to youth-serving or other settings such as parks, playgrounds, universities, colleges, or residential zones.

State Law: Retailers are only prohibited from locating within 600 feet of daycares, K-12 schools, and youth centers (defined as a facility primarily used to host recreational or social activities for minors such as clubs, video arcades or "similar amusement park facilities").[39]

Rationale & Points: Many cities and counties have other locations where youth congregate, which may not be readily identifiable, and which should be free of cannabis retailers. We have strongly encouraged the inclusion of community colleges, colleges, and universities as sensitive use sites that should be free from cannabis retailers, given roughly half or more of the college population are likely to be under the age of 21, the rapid increases in use by college-age youth in recent years[40] and the evidence of greater susceptibility to the negative impact of use through the mid-20s.[41] Some jurisdictions have also included libraries, public parks and playgrounds, and substance use treatment centers in the list of sensitive areas that should not have cannabis retailers nearby. If a community chooses to increase the number of sensitive use sites where retailers cannot locate over those required by state law, they are awarded 3 points. However, if a community also then removes or lessens the distance placed by state law on youth centers or daycares, they lose one point for each change (for example, a community adopts restrictions on locating retailers near substance abuse treatment centers but removes the location requirement for youth centers. They would get 3 points minus 1 point for a total of 2 points). Localities that only go below or drop the required 600 ft buffers between retailers and daycare or youth centers placed by state law will receive a negative 1 point per location requirement reduced. Simply stating which zoning district(s) retailers are permitted to locate in, such as industrial or commercial zones, does not by itself merit location restriction points.

Retail Buffers (2 points)

Description: Mandating a required distance between retail stores. We recommend 1,000 feet.

State Law: None.

Rationale & Points: As with caps on retail stores, we are concerned with the overconcentration of cannabis retailers, particularly in health-disadvantaged neighborhoods. We know from tobacco literature that tobacco retailers tend to cluster in neighborhoods with a higher percentage of low-income residents or residents of color.[42] To avoid repeating this clustering pattern in disadvantaged neighborhoods, we recommend a required distance of 1,000 feet between retailers. However, because

[39] Cal.Bus. & Prof. Code, §26054.

[40] Patrick ME, Miech, RA, Johnston, LD, O'Malley, PM. *Monitoring the Future Panel Study Annual Report: National data on substance use among adults ages 19 to 65, 1976-2023;* 2024. https://monitoringthefuture.org/wp-content/uploads/2024/12/mtf2025.pdf

[41] Office of the Surgeon General, U.S Surgeon General's Advisory: Marijuana Use and the Developing Brain. Available at: https://www.hhs.gov/surgeongeneral/reports-and-publications/addiction-and-substance-misuse/advisory-on-marijuana-use-and-developing-brain/index.html. Accessed June 11, 2020.

[42] Change Lab Solutions. Tobacco Retailer Density: Place-Based Strategies to Advance Health and Equity. 2019. Available at: https://www.changelabsolutions.org/sites/default/files/CLS-BG214-Tobacco_Retail_Density-Factsheet_FINAL_20190131.pdf.

state law does not require *any* distance between retailers, we award 2 points if a jurisdiction places any minimum distance between retailers.

Health Warnings Posted in Stores OR Handed Out to Consumers (4 points for each)

Description: Mandating that retail stores either post health warnings visible to consumers or hand out health warning information sheets at the point of sale. Mandating deliverers to hand out health warning information sheets is also a potential source of points for a delivery-only jurisdiction. We encourage including information about the health risks of use during pregnancy and breastfeeding, before driving a motor vehicle, to youth and adolescent brain development, exacerbating or initiating new mental illness, and respiratory health.

State Law: No health warnings are required to be posted in retail stores or handed out to consumers. Warnings are required on packaging; however, these are required only in 6-point font and can be on the bottom or side of the package, making them unlikely to be seen. Proposition 65 requires warnings on the dangers of use during pregnancy.

Rationale & Points: Public perception of the risks of cannabis consumption has fallen dramatically from 58.3% to 31.4% of youth nationally between 2000 and 2023,[43] even as the potency of cannabis products has grown more dangerous. In one study in Colorado with a simulated pregnant woman calling dispensaries, nearly two-thirds of dispensary budtenders recommended cannabis to treat morning sickness.[44] It is, therefore, extremely important that retailers be obligated to provide accurate information to the public about the health risks they may face. A simple and low-cost way to do this is through prominent point-of-sale posted information. The tobacco and alcohol industries have long invested in point-of-sale advertising, and the effectiveness of that approach is the same reason we can use it to inform consumers. In this way, we can provide a basic public health message to every consumer who enters a retail outlet with little or no ongoing cost. An alternative, and one needed for delivery, is to hand the same warnings to all consumers. A local jurisdiction that includes one or more of these types of health warnings (beyond the minimum required by state law) will be awarded 4 points for required posting and 4 points for required handing out of information to consumers.

Required Local Permit – Delivery-only schemes (delivery businesses allowed inside- 5 points, outside-only- 12 points)

Description: Requiring that cannabis delivery businesses, whether based within or outside a jurisdiction, obtain a local permit.

State Law: Does not require a local permit in addition to the State license. The state regulations require proof of the required 600 ft distance from schools, daycares, and youth centers (BPC § 26054(b)), wherein the proof could be a local permit, valid license, or other authorization issued by the applicable local jurisdiction or a notification from the jurisdiction that the business is in compliance (§ 15002 (b)(18)). Further, if the local jurisdiction does not provide notification of noncompliance with applicable local ordinances or regulations, the DCC shall make a rebuttable presumption that the applicant is in compliance with all local ordinances and regulations (§ 26055(g)(2)(D)).

---

[43] Miech RA, Johnston LD, Patrick ME, O'Malley PM. *Monitoring the Future National Survey Results on Drug Use, 1975-2023: Overview and Detailed Results for Secondary School Students*; 2024. Monitoring the Future Monograph Series. Ann Arbor, MI: Institute for Social Research, University of Michigan. Available at https://monitoringthefuture.org/results/annual-reports/

[44] Dickson B, Mansfield C, Ghiahi M, Allshouse A, Borgelt L, Sheeder J, Silver R, Metz T. Recommendations from cannabis dispensaries about first-trimester cannabis use. *Obstetrics & Gynecology, 2018;131*(6): 1031-1038. DOI: 10.1097/AOG.0000000000002619.

Rationale & Points: Requiring that every cannabis delivery business obtain some sort of permit from the local jurisdiction in which they are delivering allows that jurisdiction to record, regulate, and monitor delivery retail activities within their city/county limits. It is especially important for jurisdictions to require permits for deliverers whose retail premises are located outside the jurisdiction in which the delivery terminates, as a local permit may be the only way the city/county staff are made aware of the commercial cannabis retail activities occurring in their jurisdiction. Five points are awarded to a local jurisdiction for requiring a permit for delivery-only businesses originating within their jurisdiction, and 12 points are awarded for requiring a permit of delivery businesses based outside but who deliver within their jurisdiction.

Allowing Medical Cannabis Delivery Sales – Delivery-only schemes (3 points)

Description: Including medicinal cannabis in a delivery-only retail legalization scheme.

State Law: Prior to 1/1/2024, State law did not require local government to allow retailers to deliver medicinal cannabis, however after that time it required local government to allow at least one delivery operation.

Rationale & Points: Access to medicinal cannabis via delivery may be important for patients who may not be ambulatory or who may have difficulty reaching a storefront retailer due to distance, lack of transportation options, etc. Three points are awarded to jurisdictions that allow medicinal cannabis delivery to patients within their jurisdiction.

Use of Independent ID Verification Software – Delivery-only schemes (Max 10 points)

Description: Requiring a robust process for age and identity verification upon delivery. We recommend the use of an independent ID verification software.

State Law: State law only requires a licensed retailer to confirm the customer's age and identity by inspecting a valid form of identification.

Rationale & Points: Whereas recent research has shown storefront retailer compliance with ID checking laws is high,[45] performing deliveries at private residences or other locations lacking the security measures required of storefront retailers, affords much greater opportunity for neglect or abuse of this crucial step. Home delivery has been found to be associated with greater youth access to alcohol,[46] and a study in San Mateo County, CA found 50% of deliverers did not check identification upon delivery.[47] Retailers should be required to use independent ID scanning technology to immediately identify fake IDs and verify age, in addition to a traditional visual inspection to verify the ID matches the potential customer and ID expiration, particularly on delivery. This kind of technology is increasingly less costly and more effective.[48] Requiring an age verification process more robust than state law receives 5 points, and use of ID scanning software receives 10 points.

---

[45] Shi Y & Pacula RL. Assessment of recreational cannabis dispensaries' compliance with underage access and marketing restrictions in California. *JAMA Pediatrics.* 2021. Doi: 10.1001/jamapediatrics.2021.2508

[46] Fletcher LA, Toomey TL, Wagenaar AC, Short B, Willenbring ML. Alcohol home delivery services: a source of alcohol for underage drinkers. *Journal of Studies on Alcohol.* 2000 Jan;61(1):81-4. Doi: 10.15288/jsa.2000.61.81.

[47] Youth Leadership Institute. Youth cannabis access points. Findings and recommendations. 2019. San Mateo, CA.

[48] Yoruk, BK. Can technology help to reduce underage drinking? Evidence from the false ID laws with scanner provision. *Journal of Health Economics.* 2014. Mar 21;36:46. doi: 10.1016/j.jhealeco.2014.03.004

Limits on Delivery Destinations – Delivery-only schemes (Max 10 points)

Description: Restricting or banning deliveries from terminating at certain locations or limiting termination to certain locations. We recommend delivery only to residences and no delivery to college dormitories.

State Law: State regulations state a delivery employee may only deliver cannabis goods to a physical address and 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. (§ 15416)

Rationale & Points: Exerting some reasonable controls over where cannabis can be delivered aims to reduce youth exposure and access. For limiting deliveries to residential settings only and prohibiting delivery to college dormitories, jurisdictions receive 10 points; 9 points are awarded for limiting deliveries to residential destinations only; 8 points are awarded for restricting delivery to areas used by youth, such as in proximity to schools or parks; and some delivery destination restrictions with unclear impact on youth, such as prohibiting deliveries to businesses or on publicly owned land, receives 7 points.

CATEGORY TWO: TAXES & PRICES

Research demonstrates that youth are particularly responsive to changes in price, and low prices are known to facilitate the use of tobacco by underage minors. When cigarettes cost more, fewer adolescents start smoking[49] and similar findings are expected for cannabis. In a recent report by the California Legislative Analyst's Office (LAO), the LAO noted that higher taxes on cannabis products are likely to reduce youth use, even without completely eradicating the illicit market.[50] Local taxes on cannabis businesses and products can be used to both make cannabis products less price attractive to youth while also raising valuable revenue for local communities. Programs funded by cannabis taxes can help to prevent excessive use of cannabis, opiate addiction, and other substance abuse, prevent the leading causes of illness, injury, and premature death, promote wellness and more equitable health conditions, and reduce incarceration rates in our community. In 2025 the state legislature reduced the cannabis excise tax, thereby reducing funding to youth prevention programs as well as childcare (AB564).

The category of Taxes & Prices is subdivided into five sub-categories: 1) Local Cannabis Tax, 2) Dedicated Tax Revenue, 3) Tax by THC Content, 4) Discounting, and 5) Minimum Price.

Local Cannabis Tax (6 points)

Description: Local jurisdictions have the authority to impose cannabis business taxes at all levels of the business, including retail, manufacturing, cultivation, testing, distribution, and delivery.

State Law: State law imposes a 15% cannabis excise tax on purchasers of cannabis products.[51] State law also allows a local jurisdiction to "impose a tax on the privilege of cultivating, manufacturing, producing, processing, preparing, storing, providing, donating, selling, or distributing cannabis or cannabis products by a licensee."[52]

---

[49] Ding A. Youth are more sensitive to price changes in cigarettes than adults. *The Yale journal of biology and medicine*. 2003;76(3), 115–124.
[50] LAO Report (2019). *How High? Adjusting California's Cannabis Taxes*. Retrieved from: https://lao.ca.gov/Publications/Report/4125.
[51] Cal. Rev and Taxation Code §34011(a).
[52] Cal Rev. and Taxation Code §34021.5(a)(1).

Rationale & Points: By imposing a local tax on cannabis businesses, a local jurisdiction can better control the pricing of products and ensure that tax revenue is kept and spent locally. Local taxes may also play a role in decreasing youth use by making price-conscious youth less likely to purchase and use cannabis products. A jurisdiction that imposes a cannabis tax on any type of cannabis business or product is awarded six points.

Dedicated Tax Revenue (Max 6 points)

Description: Cannabis-related tax revenue should be reinvested in communities at greatest risk of substance abuse and poor health outcomes. The benefits of any tax revenue should also be kept and utilized within those communities that were most negatively impacted by the war on drugs and cannabis-related incarcerations. For example, revenues can be dedicated to substance abuse prevention or youth development. We recommend that local tax revenue not be used to further expand law enforcement budgets as has occurred widely.[53]

State Law: State law mandates that state cannabis tax revenue go first to pay for reasonable costs associated with implementing the cannabis program. After costs, portions of remaining funds are allotted for university-based public health-related research ($10,000,000), highway safety research related to cannabis impairment ($3,000,000), community reinvestments grant program ($10,000,000 progressing to $50,000,000 in 2022-2023), and medical cannabis research ($2,000,000). Of any remaining funds, sixty percent of those remaining funds go to a youth education, prevention, early intervention, and treatment fund.[54]

Rationale & Points: Cannabis businesses may bring economic benefits to a community but not without attendant harms and risks. Cannabis tax revenue should seek to improve health, reduce social inequity, save healthcare and other costs from substance abuse and other preventable illness, injury, and premature death, and mitigate other social harms from substance abuse and incarceration. A jurisdiction that enacts a tax ordinance with a firm revenue dedication of a defined amount, for example, 2% of gross receipts, that goes to youth, prevention, health, social equity, or other programs that mitigate the negative effects of cannabis is awarded six points. Using another mechanism, such as a development agreement or ordinary allocation from a general fund, is awarded 3 points. We typically cannot verify such alternative dedications in ordinances and rely on jurisdictions to provide this information.

Tax by THC Content (5 points)

Description: We discourage the sale of any high potency (high THC) products but if their sale is allowed, then we recommend adopting higher tax rates for high potency products to discourage their cultivation, manufacturing, and consumption.

State Law: None. Although the Legislative Analyst's Office recommended a potency-based tax in December 2019,[55] as did the High Potency Cannabis Scientific Committee convened by the State in 2024,[23] this has not been implemented.

Rationale & Points: In the 1960s and 70s, cannabis flower had about 3-4% THC, but potency has greatly increased, and today, flower is between about 16-28% in stores. Higher potency flower is associated

[53] Youth Forward & Getting it Right from the Start. California cannabis tax revenues: A windfall for law enforcement or an opportunity for healing communities? 2020. Available at https://16b32f34-58c4-491a-92ab-86279a938ebf.filesusr.com/ugd/21178c_bc7cc9c373874b3b9d479581e3f98c54.pdf.
[54] Cal. Rev. and Taxation Code § 34019(f)(1).
[55] LAO Report (2019). *How High? Adjusting California's Cannabis Taxes*. Retrieved from: https://lao.ca.gov/Publications/Report/4125.

with more negative health effects.[56,57] Cannabis concentrates such as vaping products are far more potent, often 60-90% THC, and some very high potency products, such as shatter for "dabbing" (vaporizing highly concentrated cannabis by placing it on a heated "nail" and inhaling intensely) can be over 90% THC. High potency products increase risks for psychosis, dependence, tolerance, and withdrawal[58] and other adverse physiological and psychological effects - paranoia, anxiety, and hallucinations have all been observed in those administered high doses of THC. Risk of psychosis increases fivefold with daily use of cannabis above 10% THC.[59] The LAO released a report on the state of California's state cannabis tax scheme in which they note that "a tax should impose higher costs on more harmful purchases and lower costs on less harmful purchases."[60] The State of New York has adopted such a tax approach, and it is proposed in a current bill by US Senate leadership. Because a potency tax is an effective way to discourage harmful use,[61] a jurisdiction that taxes high-potency products is awarded 5 points.

Discounting (2 points)

Description: Prohibiting discounting on cannabis products such as coupons or discount days.

State Law: Cannabis businesses may not advertise free products or giveaways of any type including Buy One, Get One Free, free products with donations, contests, sweepstakes, or raffles.[62] Cannabis retailers may not offer free cannabis goods, except for in limited circumstances involving medical cannabis.[63] However, a variety of other forms of price discounts are allowed.

Rationale & Points: Prohibiting discounting at the cannabis retail level is an important way to prohibit activities that encourage consumers to purchase more products than they might otherwise choose, such as 50% off, time-limited coupons, or discount days. Tobacco research has shown that cigarette companies are strategic with their discounts, often targeting young adults, heavy smokers, and women. Additionally, smokers who use price discounts are less likely to attempt to quit smoking or to successfully quit at some point in the future.[64] Thus, jurisdictions that include bans on discounting beyond that required by state law are awarded two points.

Minimum Price (1 point)

Description: Mandating minimum prices on cannabis products to discourage consumption.

State Law: None.

Rationale & Points: Minimum price measures have been used to discourage tobacco consumption by assuring higher prices. From tobacco, we know that when cigarettes cost more, fewer adolescents start

---

[56] Report and recommendations of the high potency cannabis think tank to the State of California. Oct. 30, 2024. https://www.gettingitrightfromthestart.org/wp-content/uploads/2024/10/California-High-Potency-Cannabis-Think-Tank-Report-10-30-24.pdf. Accessed on 12/17/24.

[57] van der Pol P, Liebregts N, Brunt T, van Amsterdam J, de Graaf R, Korf D J, et al. Cross-sectional and prospective relation of cannabis potency, dosing and smoking behaviour with cannabis dependence: an ecological study. *Addiction. 2014;109*: 1101–1109. doi:10.1111/add.12508

[58] Loflin M, Earleywine M. A new method of cannabis ingestion: the dangers of dabs? *Addict Behav*. 2014;39(10): p. 1430-3.

[59] Di Forti M, Morgan C, Dazzan P, Pariante C, Mondelli V, Marques TR, Murray RM. High-potency cannabis and the risk of psychosis. *The British journal of psychiatry: the journal of mental science*. 2009;195(6), 488–491. doi:10.1192/bjp.bp.109.064220.

[60] https://lao.ca.gov/Publications/Report/4125.

[61] https://lao.ca.gov/Publications/Report/4125.

[62] Cal. Code Regs Tit. 16, § 5040.

[63] Cal. Code Regs. Tit. 16, § 5411.

[64] Caraballo RS, Wang X, Xu X. Can you refuse these discounts? An evaluation of the use and price discount impact of price-related promotions among US adult smokers by cigarette manufacturers. *BMJ open*. 2014; 4(6), e004685. doi:10.1136/bmjopen-2013-004685.

smoking. For every 10% increase in the real price of cigarettes, the number of kids who consume is reduced by 6-7%, and overall cigarette consumption is reduced by approximately 3-5%.[65] A similar price-to-use correlation is expected in cannabis as well. Minimum price laws can maintain price floors even when a tax has not been passed by the voters. They can also prevent a large retailer from undercutting a smaller competitor. Jurisdictions that set a minimum price on cannabis products, even if only an authorization to do so in the future, are awarded 1 point.

CATEGORY THREE: PRODUCT LIMITS

There is a significant and rapidly expanding group of products that are not traditional cannabis and which represent the recent effort by the industry to diversify its supply and expand its market in ways that will inevitably attract youth as well as adults, increase the risk of dependency, and/or increase risk of adverse effects. The legalization of cannabis does not require the legalization of every conceivable formulation of cannabis. It is well-known that products with characterizing flavors (such as strawberry-banana or grape) are used to attract and addict youth and should be restricted.[66] There are four subcategories under Product Limits: 1) Limit High Potency Products; and three which represent policies for ending the Cannabis Kids Menu: 2) Flavored Products (Non-Edibles); 3) Cannabis-Infused Beverages, and 4) Products Attractive to Youth (greater than state law requires).

Limit High Potency Products (Max 6 points)

Description: Prohibiting the sale of cannabis flower and products that are considered high potency in terms of concentration of THC, by establishing ceiling limits (6 points) or prohibiting specific high potency product types such as vaping products (3 points in isolation).

State Law: None. The state allows the sale of products of any potency other than for edibles.

Rationale & Points: In the landmark decision in *US v Philip Morris*, 449 F.Supp.2d 1 (D.D.C. 2006),[67] Judge Kessler held tobacco companies liable for violating the Racketeer Influenced and Corrupt Organizations Act (RICO) finding that *"tobacco company profits, depend on creating and sustaining that addiction…[and that] Defendants have designed their cigarettes to precisely control nicotine delivery levels and provide doses of nicotine sufficient to create and sustain addiction."* Sadly, but not surprisingly, the cannabis industry is following suit. Over the past quarter century, the concentration of THC, the main psychoactive component of cannabis, has been systematically increased from approximately 3% to levels as high as 30% or more in flower. In addition, the market has now been flooded with many ultra-high potency concentrates of 50-90+% THC whose safety is of deep concern. Some varieties of high potency cannabis concentrate include "oil," "wax," and "dabs" typically created by butane or other extraction or distillation.[68] Published case reports have shown that high potency products are associated, for example, with "significant psychosis, neurotoxicity, and cardiotoxicity associated with dabs."[69] Concentrates are also known to cause psychotic reactions in some and severe unpleasant highs in others.[70] Consumption of higher potency products also corresponds over time to major upsurges in care seeking behavior for

[65] https://www.tobaccofreekids.org/assets/factsheets/0146.pdf.
[66] Tobacco Free CA. Flavors Hook Kids. https://www.flavorshookkids.org/ Accessed 9/15/2021.
[67] Kessler G. Amended Final Opinion in US. v Philip Morris USA Inc. United States District Court for the District of Columbia. Civil Action No. 99-2496 (GK) 449 F.Supp.2d 1 (D.D.C. 2006).
[68] Alzghari SK, Fung V, Rickner SS, et al. (September 11, 2017) To Dab or Not to Dab: Rising Concerns Regarding the Toxicity of Cannabis Concentrates. *Cureus*. 9(9): e1676. DOI 10.7759/cureus.1676.
[69] Alzghari et al. ibid.
[70] Allen JA, et al. New product trial, use of edibles, and unexpected highs among marijuana and hashish users in Colorado. *Drug Alcohol Depend*. 2017. 176: p. 44-47.

cannabis dependency, now the leading substance of abuse for seeking care in Europe.[71] Vaping products, which are very high in THC have seen massive increase in use by teens and young adults in recent years, for both cannabis and nicotine, and represent a major avenue of initiation. Quebec limited products to 30% THC. Because the dangers of high potency products are becoming clearer, jurisdictions that place limits on potency in flower and in cannabis products are awarded 6 points. If a jurisdiction only prohibits vaping products, they are awarded 3 points.

The Cannabis Kids Menu

Flavored Products (Non-Edibles) (5 points)

Description: Prohibiting the retail sale of flavored combustible or inhalable (non-edible) products.

State Law: As of November 7, 2022, DCC adopted section 17303.1, which limits the components that may be included in cannabis products intended for inhalation. Cannabis products intended for inhalation may contain only cannabis; cannabis concentrate; terpenes; rolling paper leaf; pre-roll filter tips; and ingredients permitted by the United States Food and Drug Administration as an "inactive ingredient" for inhalation. The accompanying guidance states "artificial, synthetic, and natural flavorings or terpenes that do not contribute to the natural flavor or aroma of cannabis are not permitted" and provides examples of fruit and other flavors that are not allowable. It addresses only additives and not labeling and packaging indicators of flavors.

Rationale & Points: California has banned flavored tobacco products since December 2022. Sadly, our state did not create robust, consistent and parallel rules for cannabis. Flavored products are a key tool for attracting young smokers to tobacco[72,73,74] and e-cigarettes.[75,76] Most, over 80%, of adolescent tobacco and e-cigarette users currently use and initiated with flavored products.[77] These products are attractive to youth and provide a false impression of greater safety. Disguising unpalatable tastes with flavors to attract novice users is a tobacco industry strategy that has been widely adopted for manufactured cannabis products in the absence of strong regulations and enforcement. The FDA's 2009 ban on cigarettes with characterizing flavors (authorized by the Family Smoking Prevention and Tobacco Control Act) was followed by a decrease in adolescent tobacco use and substantial reductions in the probability of being a cigarette smoker and in cigarettes smoked among adolescents.[78] Because the final 2009 ban controversially failed to include menthol cigarettes or flavored non-cigarette tobacco, increased use of cigars, pipes, and menthol cigarettes limited the impact on adolescent tobacco use. In December 2019, during the national vaping epidemic the FDA issued new guidance prioritizing enforcement against flavored nicotine vaping products except for menthol, but it did not act on THC products, which are all illegal under federal law. Several states also acted to prohibit flavored cannabis products for inhalation, including Montana and Washington. Terpenes, which come from plants but are

[71] Montanari L, Guarita B, Mounteney J, Zipfel N, Simon R, Cannabis Use among People Entering Drug Treatment in Europe: A Growing Phenomenon? *Eur Addict Res.* 2017;23:113-121

[72] Surgeon General, Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General. 2012, Department of Health and Human Services.

[73] Villanti AC, et al. Flavored Tobacco Product Use in Youth and Adults: Findings from the First Wave of the PATH Study (2013-2014). *Am J Prev Med*. 2017;53(2): p. 139-151.

[74] Carpenter CM, et al. New cigarette brands with flavors that appeal to youth: tobacco marketing strategies. *Health Aff* (Millwood). 2005;24(6): p. 1601-10.

[75] McDonald EA, Ling, PM. One of several 'toys' for smoking: young adult experiences with electronic cigarettes in New York City. *Tob Control*, 2015;24(6): p. 588-93.

[76] Kong G, et al. Reasons for Electronic Cigarette Experimentation and Discontinuation Among Adolescents and Young Adults*. Nicotine Tob Res*. 2015;17(7): p. 847-54.

[77] Ambrose BK, et al. Flavored Tobacco Product Use Among US Youth Aged 12- 17 Years, 2013-2014. *JAMA*. 2015;314(17): p. 1871-3.

[78] Courtemanche CJ, Palmer MK, Pesko MF. Influence of the Flavored Cigarette Ban on Adolescent Tobacco Use. *Am J Prev Med*. 2017;52(5): p. e139-e146.

not known to be safe for inhalation and, in some cases, are known to be harmful, are widely used by the cannabis industry for flavoring inhalable products. While flavored flower is less common, a wide range of other flavored products, including flavored pre-rolls, flavored beverages such as cannabis-infused orange soda, and vaping products, are sold. A separate component of the flavor problem is the widespread use of strain or product names that mislead the consumer into thinking the product is flavored (e.g., Girl Scout Cookie, Grape Ape, Pax Mango), when it is not**.** Local jurisdictions prohibiting the retail sale of flavored inhalable products are awarded five points. We encourage prohibiting not just those that are flavored, but also those whose packaging or labeling would induce a reasonable consumer to believe that they are. Contra Costa County was a national pioneer in prohibiting flavored inhaled cannabis in 2019.

Cannabis-Infused Beverages (4pts)

Description: Prohibition on the retail sale of cannabis-infused beverages, whether pre-made or available to mix.

State Law: None.

Rationale & Points: By mimicking common beverages like iced tea and soda, cannabis-infused beverages will both attract youth and normalize cannabis consumption. Sugar-sweetened beverage consumption has been clearly linked in a massive body of research to obesity, diabetes, heart disease, and other health problems, and even artificially sweetened beverage consumption has growing evidence of associated harm.[79] "Alcopops," the model for many of these infused beverages, are mostly heavily used by adolescents, have been marketed in a way known to initiate youth drinking, and are associated with adolescent binge drinking.[80,81,82] Cannabis-infused beverages are an example of unfettered product expansion that is unnecessary and likely to attract youth. Jurisdictions that prohibit cannabis-infused beverages (either pre-made or available for mixing in a liquid) are awarded four points.

Products Attractive to Youth (2pts)

Description: Going beyond state law by more clearly prohibiting any products considered attractive to youth, such as products that resemble common foods or bear images of toys or candy.

State Law: Prohibits cannabis products that the California Department of Public Health "determines, on a case-by-case basis, is easily confused with commercially available foods that do not contain cannabis" (§40300(l)); and prohibits "any cannabis product in the shape of, or imprinted with the shape of a human being, either realistic or caricature, animal, insect, or fruit." (§ 40300(m)).

Rationale & Points: State regulations prohibit cannabis products that are determined, on a case-by-case basis, to be "easily confused" with commercially available foods that do not contain cannabis. The terms "easily confused" and "commercially available" are not specified, and as a result, the vague wording is open to wide interpretation. While it is likely that something like a cannabis-infused Oreo cookie or gummy worm would be prohibited, it is less clear whether the state meant to prohibit other

[79] Malik VS, Popkin BM, Bray GA, Despres JP, Hu FB. Sugar-sweetened beverages, obesity, type 2 diabetes mellitus, and cardiovascular disease risk. *Circulation*. 2010;121(11):1356-1364

[80] Siegel M, Chen K, DeJong W, Naimi T, Ostroff J, Ross C et al. Differences in alcohol brand consumption between underage youth and adults –United States, 2012. *Substance Abuse*. 2015;36(1):106-112.

[81] Grube J. Alcohol in the media: Drinking portrayals, alcohol advertising, and alcohol consumption among youth. *Reducing Underage Drinking: A Collective Responsibility*. 2004. The National Academies Press: Washington, D.C.

[82] Albers A, Siegel M, Ramirez R, Ross C, DeJong W, & Jernigan D. Flavored alcoholic beverage use, risky drinking behaviors, and adverse outcomes among underage drinkers: Results from the ABRAND Study. *Research & Practice*. 2015; 105(4): 810-815.

commercially available items like granola bars, rice krispee treats, cookies, candies, or brownies. Local jurisdictions have the authority to place greater restrictions and even prohibit products that are attractive to youth. For instance, an ordinance could prohibit products that look like or bear images of toys, robots, candy, or other baked goods that are typically marketed to or particularly attractive to youth. Including this provision in local law strengthens the local ability to enforce when such products are identified. State regulations also focus on the product itself with insufficient focus on packaging, labelling and marketing. A jurisdiction that bans products that are attractive to youth beyond state law requirements is awarded two points.

CATEGORY FOUR: MARKETING

It is well known from the extensive literature on cannabis, tobacco and alcohol that youth exposure to industry marketing is associated with substance use initiation, frequency and quantity of use, more positive attitudes and perceptions of use, and the normalizing of consumption.[83,84,85,86,87] For example youth exposed to cannabis billboards had 5-7 times the risk of developing problem use. [88]

There are five subcategories under Marketing: 1) Billboards, 2) Health Warnings on Advertisements, 3) Therapeutic or Health Claims, 4) Business Signage Restrictions, and 5) Marketing Attractive to Youth.

Billboards (Max 6 points)

Description: Restricting or prohibiting the use of billboards to advertise cannabis products, use of products or cannabis businesses.

State Law: By its own language, California law prohibits the placement of billboards advertising cannabis on an interstate or state highway that reaches the state border.[88] Despite the clear language of the statute, the 2018 implementing regulations stated that this prohibition only applies to billboard advertisements on state highways that cross the California border or on interstate highways within a 15-mile radius of the California border.[89] This resulted in widespread billboard advertising on highways across the state, easily seen by children and youth. A 2021 judicial decision ruled that this regulation conflicted with state law, and the regulation was withdrawn. However, Assembly Bill 1302 was passed by the legislature in the 2021 session, despite being a clear violation of Proposition 64's intent, reinstating the weakened language, however, it was vetoed by Governor Newsom, who acknowledged that it was an illegal modification of the voter's intent and would expose children to ads. Billboards are still allowed under state law at other locations. Thirteen other states currently prohibit cannabis billboards through a variety of legislative approaches. Additionally, state law prohibits advertisers from advertising or marketing "cannabis or cannabis products on an advertising sign within 1,000 feet of a

[83] Ellickson PL, Collins RL, Hambarsoomians K, McCaffrey DF. Does alcohol advertising promote adolescent drinking? Results from a longitudinal assessment. *Addiction.* 2005;100:235-46.
[84] Jernigan D, Noel J, Landon J, Thornton N, Lobstein T. Alcohol marketing and youth alcohol consumption: a systematic review of longitudinal studies published since 2008. *Addiction*. 2017;112:7-20.
[85] Smith LA, Foxcroft DR. The effect of alcohol advertising, marketing and portrayal on drinking behavior in young people: systematic review of prospective cohort studies. *BMC Public Health.* 2009; 9:51.
[86] Duke JC, Lee YO, Kim AE, et al. Exposure to electronic cigarette television advertisements among youth and young adults. *Pediatrics.* 2014; 134(1):e29-e36.
[87] Trangenstein PJ, Whitehill JM, Jenkins MC, Jernigan DH, Moreno MA. Cannabis Marketing and Problematic Cannabis Use Among Adolescents. J Stud Alcohol Drugs. 2021 Mar;82(2):288-296. doi: 10.15288/jsad.2021.82.288.
[88] Cal Bus & Prof Code §26152(g).
[89] Cal. Code Regs Tit. 16, § 5040. Advertising Placement

daycare center, school providing instruction in kindergarten or any grades 1 to 12, inclusive, playground, or youth center."[90]

Rationale & Points: It has been well documented that youth exposure to advertising increases youth interest in and use of products and positive perceptions of product use.[91,92] Exposure to billboards is associated with more frequent use and more cannabis use disorder.[93] Whereas broadcast, print, and digital advertising can utilize audience composition data to limit advertising placement in media where underage youth are likely to be exposed, there is no relevant corollary for outdoor advertising, and thus, no means of allowing outdoor advertising without risking youth exposure. If a local jurisdiction places restrictions on billboard use more than state law, they are awarded 3 points. If the jurisdiction prohibits billboard use for cannabis-related advertising, they are awarded the full 6 points.

Health Warnings on Ads (4 points)

Description: Requiring specified health warnings on all cannabis advertisements.

State Law: None.

Rationale & Points: Public perception of the risks of cannabis consumption has fallen dramatically.[94] Reported exposure to cannabis advertising is common,[95] and including a health warning on advertisements may inform potential consumers and youth about risks. If a local jurisdiction requires a health warning on advertisements, they are awarded 4 points. This is modeled after the Surgeon General's warning on tobacco advertisements.[96]

Therapeutic or Health Claims (3 points)

Description: Prohibiting the use of therapeutic or health claims on cannabis products, packaging, or advertisements.

State Law: Cal Business and Professions Code §26154 provides that "a licensee shall not include on the label of any cannabis or cannabis product or publish or disseminate advertising or marketing containing any health-related statement that is untrue in any particular manner or tends to create a misleading impression as to the effects on health of cannabis consumption."[97]

Rationale & Points: One unique aspect of cannabis that is currently absent from tobacco and alcohol products is the potential medicinal use of cannabis goods, although it was widely employed in the past. Cannabis has limited proven therapeutic uses, although more are likely to emerge. Medicinal cannabis uses should be guided by the medical knowledge of the prescribing physician or health professional based on science. While adult-use cannabis should not be marketed as therapeutic, our research in California dispensaries has identified widespread deceptive marketing of cannabis for both medicinal

---

[90] Cal. Bus & Prof Code §26152(g)
[91] Ellickson et al. Ibid
[92] Duke et al. Ibid
[93] Trangenstein PJ, Whitehill JM, Jenkins MC, Jernigan DH, Moreno MA. Cannabis Marketing and Problematic Cannabis Use Among Adolescents. J Stud Alcohol Drugs. 2021 Mar;82(2):288-296. PMID: 33823976.
[94] Johnston et al. Ibid.
[95] Krauss MJ, Sowles SJ, Sehi A, Spitznagel EL, Berg CJ, Bierut LJ, Cavazos-Rehg PA. Marijuana advertising exposure among current marijuana users in the U.S. *Drug and alcohol dependence*, 2017;174, 192–200. doi:10.1016/j.drugalcdep.2017.01.017
[96] U.S. Department of Health and Human Services. *Preventing Tobacco Use Among Youth and Young Adults: A Report of the Surgeon General.* Atlanta, GA: Centers for Disease Control and Prevention, National Center on Chronic Disease Prevention and Health Promotion, Office on Smoking and Health; 2012. http://www.surgeongeneral.gov/library/reports/preventing-youth-tobacco-use/full-report.pdf.
[97] Cal Bus. And Prof. Code §26154.

and adult-use as wellness products intended to cure a vast variety of problems from severe mental health issues to cancer. These claims are not based on peer-reviewed evidence and should not be allowed. The state, and even more so, local government, lacks the scientific structures, such as those at the FDA, to evaluate whether any health claims are evidence-based or deceptive. Just as such statements are not present on alcohol products or cigarettes, they should not be permitted on cannabis products. While the State Cannabis Advisory Commission has agreed that health and therapeutic claims should not be allowed in adult-use cannabis marketing,[98] this recommendation has not yet been adopted by the state. If a local jurisdiction enacts restrictions or bans on therapeutic or health claims beyond state law, they are awarded three points.

Business Signage Restrictions (3 points)

Description: Restrictions on on-site business signage and advertising such as, but not limited to, prohibitions on street-side arrows or persons holding signs or large wall advertisements.

State Law: Department of Cannabis Control regulations state "any advertising or marketing… that is placed in broadcast, cable, radio, print, and digital communications: (4) Shall not advertise free cannabis goods or giveaways of any type of products, including non-cannabis products."[99] There are no state limitations on business signage, though the state law prohibits delivery vehicles from indicating in any way that it is transporting cannabis for delivery.

Rationale & Points: It has been well documented that youth exposure to advertising increases youth interest in, use, and positive perceptions of product use.[100,101] Recent research has shown that exposure to cannabis advertising is associated with youth cannabis use.[102] Limiting youth exposure to cannabis business advertisements can minimize the normalization of the product and use and prevent businesses from marketing and encouraging the use of new and unique product types. A jurisdiction that limits business signage and advertising is awarded three points. Because jurisdictions only allowing delivery from businesses located outside cannot regulate their business signage, they cannot earn points in this category, but can make up for it by requiring a local permit.

Marketing Attractive to Youth (2 points)

Description: Detailed restrictions on packaging or advertising attractive to youth.

State Law: California state law states "No licensee shall: No licensee shall: (e) Advertise or market marijuana or marijuana products in a manner intended to encourage persons under the age of 21 years to consume marijuana or marijuana products; (f) Publish or disseminate advertising or marketing containing symbols, language, music, gestures, cartoon characters or other content elements known to appeal primarily to persons below the legal age of consumption."[103] Additionally, Department of Cannabis Control regulations state that "any advertising or marketing… that is placed in broadcast, cable, radio, print, and digital communications: (1) Shall only be displayed after a licensee has obtained reliable up-to-date audience composition data demonstrating that at least 71.6 percent of the audience viewing the advertising or marketing is reasonably expected to be 21 years of age or older; (2) Shall not use any

[98] Cannabis Advisory Committee Oct. 23, 2019 meeting. Referenced at California Cannabis Advisory Committee Annual Report 2019. Available at: https://bcc.ca.gov/about_us/documents/cac_annual_report_2019.pdf

[99] Cal. Code Regs Tit. 16, § 5040. Advertising Placement

[100] Ellickson et al. Ibid

[101] Duke et al. Ibid

[102] Trangenstein PJ, Whitehill JM, Jenkins MC, Jernigan DH, Moreno MA. Active cannabis marketing and adolescent past-year cannabis use. *Drug and Alcohol Dependence*, 2019, 107548.

[103] Cal. Bus. & Prof Code §26152.

depictions or images of minors or anyone under 21 years of age; (3) Shall not use any images that are attractive to children, including, but not limited to: (A) Cartoons; (B) Any likeness to images, characters, or phrases that are popularly used to advertise to children; (C) Any imitation of candy packaging or labeling; or (D) The terms "candy" or "candies" or variants in spelling such as "kandy" or "kandeez."(§15040).

Rationale & Points: A systematic review of the literature on youth perceptions of advertising for alcohol, tobacco and food, found specific content features to which minors are particularly susceptible due to their unique developmental stage, propensity for high-risk behaviors, and relative inexperience with consumption of alcohol and tobacco.[104,105,106,107,108] A subsequent analysis found a positive association between the use of such features in alcohol brand advertisements and youth consumption of those brands, and no association with adult alcohol consumption of those brands, suggesting they have particular appeal for youth.[109] Similar advertising tactics by the cannabis industry are expected to have similar results of attracting youth users. The State Cannabis Advisory Committee recommended modifying the audience threshold from 71.6% adult to 85% adult viewers, as recommended by the Institute of Medicine for alcohol,[110] but this has not been adopted by the state Legislature. A jurisdiction that actively restricts marketing aimed at youth beyond state law is awarded two points.

CATEGORY FIVE: SMOKEFREE AIR

Smoke-free air laws protect people from the health effects of exposure to secondhand smoke. Secondhand smoke can contain nearly seventy cancer-causing chemicals,[111] and there is no safe level of secondhand smoke. Exposure to secondhand smoke causes significant health risks (including cardiovascular disease, lung cancer, and SIDS) and is especially dangerous to children, the elderly, the chronically ill, and pregnant women. According to the CDC, 2.5 million adults have died from breathing secondhand smoke since 1964.[112] Comprehensive smokefree air policies, such as prohibitions on smoking in restaurants and bars, workplaces, schools, and other public places, have been shown to improve air quality and reduce secondhand smoke exposure.[113] Unfortunately, certain cannabis policies may work to seriously undermine the progress gained on smoke-free air in California, notably: 1) Temporary Events, and 2) On-Site Consumption.

---

[104] Padon AA, Rimal RN, DeJong W, Siegel M, Jernigan D. Assessing Youth-Appealing Content in Alcohol Advertisements: Application of a Content Appealing to Youth (CAY) Index. *Health Commun*. 2016;0(0):1-10. doi:10.1080/10410236.2016.1250331.

[105] Smith et al. Ibid

[106] Lewis MK, Hill AJ. Food advertising on British children's television: a content analysis and experimental study with nine-year olds. *Int J Obes Relat Metab Disord J Int Assoc Study Obes*. 1998;22(3):206-214.

[107] Waiters ED, Treno AJ, Grube JW. Alcohol Advertising and Youth: A Focus-Group Analysis of What Young People Find Appealing in Alcohol Advertising. *Contemp Drug Probl*. 2001;28(4):695.

[108] Chen MJ, Grube JW, Bersamin M, Waiters E, Keefe DB. Alcohol advertising: what makes it attractive to youth? *J Health Commun*. 2005;10(6):553-565. doi:10.1080/10810730500228904.

[109] Padon AA, Rimal RN, Siegel M, DeJong W, Naimi TS, Jernigan DH. Alcohol Brand Use of Youth-Appealing Advertising and Consumption by Youth and Adults. *Journal of Public Health Research.* 2018;7(1). doi: 10.4081/jphr.2018.1269.

[110] National Research Council and Institute of Medicine. *Reducing Underage Drinking: A Collective Responsibility*. Committee on Developing a Strategy to Reduce and Prevent Underage Drinking, Richard J. Bonnie and Mary Ellen O'Connell, Editors. Board on Children, Youth, and Families, Division of Behavioral and Social Sciences and Education. 2004. Washington, DC: The National Academies Press.

[111] Tobacco Free California. What you need to know about secondhand smoke, vape, and marijuana. https://tobaccofreeca.com/issues/secondhand-smoke/what-you-need-to-know-about-all-secondhand-smoke-and-vape/. Last accessed December 18, 2019.

[112] Centers for Disease Control and Prevention. Health Effects of Secondhand Smoke. Jan 17, 2018. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/secondhand_smoke/health_effects/index.htm. Last accessed Dec. 18, 2019.

[113] Centers for Disease Control and Prevention. Smokefree Air Policies Improve Air Quality in Hospitality Settings. Health Effects of Secondhand Smoke. Jan 17, 2018. https://www.cdc.gov/tobacco/data_statistics/fact_sheets/secondhand_smoke/protection/air_quality/index.htm

Temporary Events (5 points)

Description: Prohibiting temporary cannabis events such as at county fairs, agricultural events, concerts in parks, or other similar venues.

State Law: Allows temporary cannabis events with a state license and license from the jurisdiction in which the event is scheduled to take place.[114] Any cannabis consumption at events requires a separate state license.

Rationale & Points: Temporary cannabis events, such as at a local fair or festival, serve not only to normalize cannabis use but may also work to undermine smokefree air laws, such as those banning smoking in parks and public places. In the past, "tobacco events" served as excellent avenues for the industry to "reinforce brand visibility, allow the industry to reach specific target groups, and generate names for future marketing efforts."[115] Tobacco promotions at sporting and social events encourage non-smokers to try smoking, occasional users to become regular users, and discourage current smokers from quitting. By opening fairs, parks, or concerts to the presence of cannabis events, children and adolescents are inevitably exposed, even when certain areas are age-limited. Through temporary cannabis events, the cannabis industry can model the same tactics and practices of the tobacco industry – targeting new users to try the products and encouraging current users to continue regular use. A jurisdiction that prohibits temporary events is awarded five points.

On-Site Consumption (3 points)

Description: Prohibition on on-site consumption, whether by inhalation, vaporization, or consumption of edibles.

State Law: A local jurisdiction may allow for smoking, vaporizing, and ingesting of cannabis or cannabis products on the premises of a retailer so long as the area is restricted to persons over age 21, consumption is not visible from public spaces and the sale or consumption of alcohol and tobacco is not permitted on premises.[116] Furthermore as of January 2025, AB1775 allows jurisdictions which permit on-site consumption lounges to allow preparation and service of food at these sites, essentially bringing back the long-banned smoke-filled restaurants to California, if local government allows it.

Rationale & Points: For years, the tobacco industry utilized social gatherings such as bars and clubs to promote smoking among young adults. Such tobacco events normalized smoking in these places and made it part of the "experience" in these settings.[117] It took hundreds of years to eliminate smoky bars and restaurants and the perception that this was normal and socially desirable. Smoke-Free Air law has been extremely successful in reducing tobacco exposure and consumption[118,119,120] and should not be undermined by allowing cannabis smoke exposure. Going back to permitting on-site smoking or vaping of cannabis products undoes that effort, and worse yet, cannabis restaurants and clubs. It also exposes

---

[114] Cal. Code Regs Tit. 16, § §5601.
[115] Rigotti NA, Moran SE, Wechsler H. US college students' exposure to tobacco promotions: prevalence and association with tobacco use. *American journal of public health*, 2005;95(1), 138–144. doi:10.2105/AJPH.2003.026054
[116] Cal. Bus & Prof Code §26200(g).
[117] Gilpin, EA, White VM, Pierce, JP. How effective are tobacco industry bar and club marketing efforts in reaching young adults. *Tobacco Control* 2005;14:186–192. doi: 10.1136/tc.2004.009712
[118] Levy DT, Huang AT, Havumaki JS, Meza R. The role of public policies in reducing smoking prevalence: results from the Michigan SimSmoke tobacco policy simulation model. *Cancer causes & control : CCC*. 2016;27(5), 615–625. doi:10.1007/s10552-016-0735-4.
[119] Farrelly MC, Nonnemaker JM, Chou R, Hyland A, Peterson KK, Bauer UE. Changes in hospitality workers' exposure to secondhand smoke following the implementation of New York's smoke-free law. *Tobacco control*, 2005;14(4), 236–241. doi:10.1136/tc.2004.008839
[120] Frieden TR, Mostashari F, Kerker BD, Miller N, Hajat A, & Frankel M. Adult tobacco use levels after intensive tobacco control measures: New York City, 2002-2003. *American journal of public health*, 2005;95(6), 1016–1023. doi:10.2105/AJPH.2004.058164

workers to harmful second-hand smoke, even if from vaping. This is because vaping, like smoking, produces harmful second-hand smoke components. New research shows that vaping smoke exacerbates asthma similarly to regular smoke. Research from San Francisco in a lounge that allowed only vaping and dabbing found that the average particulate matter was 564 ug/m^3. The EPA says it should not be over 35.[121] For this reason, jurisdictions that ban on-site consumption are awarded three points. We strongly encourage even those allowing on-site consumption not to allow food preparation, sale or service. Because jurisdictions only allowing delivery cannot prohibit on-site consumption in storefronts that do not exist, they cannot earn points in this category but can make up for it by implementing delivery-specific policies such as limiting delivery destinations.

CATEGORY SIX: EQUITY & CONFLICTS OF INTEREST

When Proposition 64 was passed, legalizing adult-use cannabis in California, supporters cited an estimated $1 billion in annual tax revenues from new cannabis businesses.[122] As of November 2024, the market has surpassed $23 billion in total sales since 2018.[123] It is undeniable that there is a significant financial benefit to be reaped by cannabis businesses in the state of California. Historically, people of color have been disproportionately negatively affected by the war on drugs yet are seriously underrepresented in the industry.[124] A recent analysis of cannabis-related arrests in California through 2016 revealed dramatic disparities in arrest rates of Black and white people. Statewide, Black people were arrested four times more often than white people for cannabis offenses, with Black arrest rates nearly 30 times higher in some communities.[125] Those neighborhoods and communities that were most negatively affected by discriminatory cannabis-related incarcerations should be benefiting from local cannabis tax revenue through reinvestment, social equity programs, and prevention and wellness programs. In addition, to ensure that these communities and individuals reap the benefit of cannabis legalization, the implementation of equity provisions in cannabis licensing programs is imperative. Along with equity considerations, any licensing scheme should also consider the impact of conflicts of interest in ownership.

Equity Provisions (Hiring, Cost Reduction/Deferral, Licensing) (7 points)

Description: Ensuring that revenue from cannabis legalization stays in communities most affected by incarcerations for minor drug offenses should be a priority in any legalization scheme. Past cannabis convictions, which have negatively affected so many lives in the Black and Latino communities, should not be a barrier to entry into the legal market. Equity provisions that lower costs for applicants and/or prioritize equity applications can provide applicants from these communities the time to obtain investors and locate properties without being pushed aside by outside money and corporate investors. In general, local ordinances will define an equity applicant as either a person who has lived for a specified number of years in a census tract with a high proportion of cannabis-related incarcerations and/or a person with a cannabis-related conviction and who lives below the poverty level, or some similar combination. Best practices are still being developed, so we recognize any jurisdiction that makes a clear effort to develop an approach to economic equity in cannabis licensing.

---

[121] https://no-smoke.org/wp-content/uploads/pdf/2018-Indoor-Air-Cannabis01-Schick.pdf

[122] California Secretary of State, "California General Election November 8, 2016, Official Voter Information Guide," https://vig.cdn.sos.ca.gov/2016/general/en/pdf/complete-vig.pdf. Accessed Dec. 18, 2019.

[123] Department of Cannabis Control Data Dashboard. https://cannabis.ca.gov/resources/data-dashboard/daily-sales-customer-type-item-category-report/. Accessed Dec. 17, 2024.

[124] Equity First Alliance, National Open Letter, available at https://www.equityfirstalliance.org/national-letter. Accessed June 1, 2020.

[125] When the Smoke Clears: Racial disparities in California's marijuana arrests. UCLA, UC Davis, and Public Health Advocates. Sacramento 2020.

State Law: Promoting social equity in cannabis-related licensing, hiring, or cost deferral is not a consideration in the State's cannabis licensing system. However, the Department of Cannabis Control (DCC) has awarded funding in support of equity programs to jurisdictions that have adopted such programs and jurisdictions interested in developing one, pursuant to the California Cannabis Equity Act of 2018, amended by AB97 (2019-2020).[126]

"Priority in Licensing" (3 points)

Description: Refers to an ordinance provision that gives priority to equity applicants over non-equity applicants when issuing cannabis business licenses. This may include a requirement that all licenses be given to equity applicants or that some percentage of available licenses be reserved for equity applicants.

"Equity in Hiring" (3 points)

Description: Refers to an ordinance provision that requires that a certain percentage of a cannabis business' workforce be comprised of low-income, transitional workers or workers that live in communities that have been most disadvantaged by the war on drugs.

"Cost Reduction/Deferral" (1 point)

Description: Refers to an ordinance provision that reduces or defers the costs of applying for and maintaining a cannabis business license for individuals that meet the definition of an equity applicant.

Rationale and Points: The lengthy "war on drugs" disproportionately and negatively impacted certain communities. Social equity cannabis programs are intended to specifically respond to and assist individuals in those communities that were most disadvantaged by cannabis laws and enforcement.[127] Equity applicants should be given priority in licensing to ensure that available licenses are not monopolized by well-resourced cannabis operators over those previously jailed or otherwise harmed for the same economic activity. The financial benefits of cannabis legalization should be realized by those communities most negatively impacted by prior cannabis policy. A jurisdiction that prioritizes licensing of equity applicants will be awarded 3 points, equity in hiring provisions is awarded 3 points, and cost deferral or reduction for equity applicants receives 1 point. Because jurisdictions only allowing delivery from businesses located outside cannot regulate their hiring practices, they cannot earn points in this category but can make up for it by requiring a local permit.

CONFLICTS OF INTEREST

No Prescriber on Premise or in Ownership (1 point each)

Description: Prohibiting physicians or other prescribers/medical practitioners, including chiropractors, from being on the premises of a cannabis retail store for purposes of making cannabis recommendations. Further, prohibiting physicians or other prescribers/medical practitioners from ownership interests in cannabis businesses or from financial relationships with cannabis retailers is advisable.

State Law: None.

Rationale & Points: We recommend prohibiting any type of arrangement where a physician or other licensed prescriber can financially benefit from encouraging the use or purchase of cannabis. Prescribers

[126] Business and Professions Code Section 26240 (a). https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB97. Accessed Dec. 17, 2024.
[127] Drug Policy Alliance. Proposition 64 implementation: ten 18 recommendations for prioritizing social justice & equity. https://www.drugpolicy.org/sites/default/files/california-marijuana-policy-equity-recommendations-final_2.pdf. Accessed May 25, 2020.

should not be making recommendations for cannabis use while also being either employed by, in a financial relationship with, or an owner of a cannabis business. Not only does this pose significant conflict of interest concerns, but it also may lend unsubstantiated support to the concept that all cannabis has medicinal or therapeutic properties. Conflict of interest provisions are already widely in use in the practice of medicine, often to avoid financial gains at the expense of patient care,[128] and should be extended to apply in the cannabis retail setting. Jurisdictions that prohibit prescribers from being on or in a financial relationship with retail premises are awarded one point. Jurisdictions that prohibit prescribers from ownership or from having any financial incentives (kickbacks) for prescribing or sending patients to cannabis businesses of any kind are also awarded one point. Because jurisdictions only allowing delivery from businesses located outside cannot restrict ownership, they cannot earn points in this category, but can make up for it by requiring a local permit.

[128] American Medical Association. Code of Medical Ethics Opinion 11.2.2. https://www.ama-assn.org/delivering-care/ethics/conflicts-interest-patient-care. Accessed Dec. 19, 2019.