



Monterey County

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: 20-295

May 05, 2020

Introduced: 4/13/2020

Current Status: Agenda Ready

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Matter Type: General Agenda Item

Approve and authorize the Cannabis Program Manager to execute a Memorandum of Understanding with the California Department of Food and Agriculture, the California Department of Health, and the California Bureau of Cannabis Control to engage in a pilot study to receive limited reports from the California Cannabis Track-and-Trace System.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Cannabis Program Manager to execute a Memorandum of Understanding with the California Department of Food and Agriculture, the California Department of Health, and the California Bureau of Cannabis Control to engage in a pilot study to receive limited reports from the California Cannabis Track-and-Trace System; and
- b. Provide direction to staff as appropriate.

SUMMARY/DISCUSSION:

On February 18, 2020, the Monterey County Cannabis Program (Program) participated in a meeting at the offices of the California Department of Food and Agriculture (CDFA) to obtain information about a pilot study to gain access to the California Cannabis Track-and-Trace System (CCTT-METRC), also known as the Metrc System, for a two month period of time with the option of an extension of time, if requested and approved. The period may be extended as the pilot program develops. In order to move forward with this pilot study, the County must enter into a Memorandum of Understanding (MOU) with CDFA, the California Department of Health (CDPH), and the California Bureau of Cannabis Control (BCC).

CCTT-METRC is the statewide database which all state issued provisional and annual cannabis licensees are required to use to record, track, and maintain comprehensive information about cannabis, cannabis-product inventories, movement, and related activities throughout the commercial cannabis supply chain as referenced in Business and Professions Code section 26067. CCTT-METRC is designed to track cannabis and cannabis product movement through the supply chain to assist with enforcement of state and local laws regarding commercial cannabis activities. CCTT-METRC is also designed to assist with preventing diversion of cannabis product to other states, and inversion of unlicensed product into the licensed California marketplace.

The MOU is clear that the CCTT-METRC data is confidential, privileged, and exempt from public disclosure. The Program will agree to provide and maintain a list of individuals who will be permitted to receive records pursuant to the MOU. Further, the Program will not make public the use, including

use in any enforcement action, of the information provided pursuant to this MOU without prior approval of the CDFA, the CDPH, and the BCC.

CDFA implemented Metrc in a six-month period of time and is a continuously learning how to leverage the data. As CDFA continues to learn and develop the “business intelligence” of this database, the Program would like to be part of the pilot to offer input. With that said, the Program does not have access to Metrc data and/or reports and staff has had very little training in understanding the components of the system, how they are related to each other, and what are their purposes. The Treasurer-Tax Collector’s (TTC) Office is working with CCA to enable the Program to have access to some of the data which will enable the compliance teams to review the operator’s process from seed to sale. As CDFA considers local jurisdiction requests for Metrc data and CCA/TTC provides data to the Program, it is a critical period of time to retain a partnership with CDFA and CCA.

OTHER AGENCY INVOLVEMENT:

The Treasurer-Tax Collector’s Office participated in the CDFA meeting with the Cannabis Program.

FINANCING:

Monterey County’s Cannabis Program is funded through County Administrative Office - Department 1050, Intergovernmental and Legislative Affairs Division - Unit 8054, Cannabis. The proposed MOU will not incur additional expenses to the Program.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Monterey County Cannabis Program addresses each of the Strategic Initiative Policy Areas that promote the growth of a responsible and legal Monterey County cannabis industry.

Mark a check to the related Board of Supervisors Strategic Initiatives

- X Economic Development
- X Administration
- X Health & Human Services
- X Infrastructure
- X Public Safety

Prepared by: Joann Iwamoto, Cannabis Program Manager

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Joann Iwamoto
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Reviewed by: Kelly L. Donlon, Deputy County Counsel

Approved by: Nicholas E. Chiulos, Assistant CAO

Attachments:

- A. Memorandum of Understanding between the Monterey County Cannabis Program and the CDFA, the CDPH, and the BCC
- B. CCTT - Metrc Local Agency Access Data Request Checklist

