

COMMERCIAL CANNABIS BUSINESS DEFINITIONS

The City of Stockton references the State of California Health and Safety Code, Chapter 1, Section 2 for definitions and specifications for cannabis and cannabis business types, as the same may be updated from time to time.

Cannabis - Includes all parts of the plant *Cannabis sativa* Linnaeus, *Cannabis indica*, or *Cannabis ruderalis*, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. Cannabis also means the separated resin, whether crude or purified, obtained from cannabis

Cannabis Businesses/Commercial Cannabis Business- Includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery or sale of cannabis or sale of cannabis and cannabis products or any other activity provided for in the Stockton Municipal Code and in the Medicinal and Adult-Use Cannabis Regulation and Safety Act.

Cannabis Cultivation - To plant, grow, harvest, dry, cure, grade, or trim cannabis plants on a licensed premise.

Cannabis Delivery/Cannabis Retail Non-Storefront - To deliver cannabis and cannabis products to customers from a licensed premise that is not accessible by or open to members of the public.

Cannabis Distribution - To procure, sell, and transport cannabis and cannabis products to and from licensed premises.

Cannabis Manufacturing - To conduct the licensed production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or re-packages cannabis or cannabis products or labels or re-labels its container.

Volatile Manufacturing involves a solvent that produces a flammable gas or vapor. Examples: butane, hexane and propane.

Non-Volatile Manufacturing involves any other type of solvent used during the extraction process. Examples: carbon dioxide, ethanol, water, butter and oil.

Cannabis Microbusiness - To engage in the licensed cultivation of cannabis on an area less than 10,000 square feet and to act as a licensed distributor, Level 1 manufacturer, and retailer, as specified in an application. In order to hold a Microbusiness license, a licensee must engage in at least three (3) of the four (4) listed Commercial Cannabis activities.

Cannabis Retail Storefront - To sell medical and/or adult-use cannabis and cannabis products to customers from a licensed premise that is open to the public. For purposes of this document, "retailer operator permit" shall also include a cooperative.

Cannabis Testing - To offer or perform testing of cannabis goods within a licensed laboratory or facility. Testing laboratories must obtain and maintain ISO/IEC 17025 accreditation. Testing laboratories may be issued a provisional license allowing them to operate while they obtain ISO/IEC 17025 accreditation, provided they meet all other licensure requirements.

The Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) or Proposition 64 was passed in the General Election on November 8, 2016.

On March 5 2019, City Council Adopted Ordinance 2019-03-05-1501 enacting the regulatory program for commercial cannabis businesses. Commercial Cannabis Businesses include the cultivation, manufacturing, distribution, laboratory testing, delivery, or sale of cannabis or cannabis products provided for in the Stockton Municipal Code (SMC) and the MAUCRSA.