

Chapter 5.60 CANNABIS OPERATIONS

Sections:

- 5.60.010 – Purpose
- 5.60.020 – **PLACEHOLDER**
- 5.60.030 – Definitions
- 5.60.040 – Permits Required
- 5.60.050 – Exemptions
- 5.60.060 – Limitation on Number of Cultivation Permits Available & Submission Procedure
- 5.60.070 – Application Process
- 5.60.080 – Review of Applications
- 5.60.090 – Renewal and Modification Process
- 5.60.100 – Fees
- 5.60.110 – Cannabis Operation Permit Nontransferable
- 5.60.120 – Commercial Cannabis Operating Requirements – All Cannabis Businesses
- 5.60.130 – Additional Regulations for Cannabis Cultivation
- 5.60.140 – Additional Regulations for Cannabis Retail
- 5.60.150 – Additional Regulations for Cannabis Manufacturing
- 5.60.160 – Additional Regulations for Cannabis Testing
- 5.60.170 – Additional Regulations for Cannabis Distribution
- 5.60.180 – Advertising, Packaging and Labeling Requirements
- 5.60.190 – Suspension or Revocation of Cannabis Operation Permit
- 5.60.200 – Procedure for Suspension or Revocation
- 5.60.210 – Service Requirements
- 5.60.220 – Enforcement and Penalties
- 5.60.230 – Severability

5.60.010 Purpose.

This Chapter provides regulations for the local permitting of commercial cannabis activities under specified conditions in the unincorporated areas of the County when authorized by a land use permit issued in accordance with the Mono County General Plan; its purpose is to protect the public health, safety, and welfare; enact effective regulatory and enforcement controls in compliance with state law and any applicable federal enforcement guidelines; and minimize potential for negative impacts on people, communities, and the environment in the unincorporated area while accommodating the health needs of medical cannabis patients and establishing an avenue through which adult-use businesses may operate consistent with state law.

Commercial cannabis activity is defined in Section 5.60.030, and includes the commercial cultivation, possession, manufacture, processing, storing, laboratory testing, packaging, labeling, transporting, distribution, or sale of cannabis or a cannabis product.

5.60.020 **PLACEHOLDER**

Attachment A

5.60.030 Definitions.

The following words and phrases shall have the meanings set forth below when used in this Chapter.

1. “A-permit” means a County permit issued pursuant to this Chapter for cannabis or cannabis products that are intended for adults who are twenty-one (21) years of age and over and who do not possess a physician's recommendation.
2. “The Act” means the Medicinal and Adult-Use Cannabis Regulation and Safety Act as found in California Business and Professions Code section 26000, *et seq.* and as may be amended.
3. “Advertise” means the publication or dissemination of an advertisement.
4. “Advertisement” includes any written or verbal statement, illustration or depiction which is calculated to induce sales of cannabis or cannabis products, including any written, printed, graphic, or other material, billboard, sign, or other outdoor display, public transit card, other periodical literature, publication, or in a radio or television broadcast, or in any other media; except that such term shall not include:
 - a) Any label affixed to any cannabis or cannabis products, or any individual covering, carton, or other wrapper of that container that constitutes a part of the labeling.
 - b) Any educational material, editorial or other reading material, such as a news release, in any periodical or publication or newspaper for the publication of which no money or valuable consideration is paid or promised, directly or indirectly, by any permittee, and which is not written by or at the direction of the permittee.
5. “Advertising sign” is any sign, poster, display, billboard or any other stationary or permanently affixed advertisement promoting the sale of cannabis or cannabis products which are not cultivated, manufactured, distributed, or sold on the same lot.
6. “Applicant” means a person or entity who has submitted an application for a cannabis operation permit or renewal of a cannabis operation permit under this Chapter.
7. “Application” means the form(s) provided by Mono County in accordance with this Chapter for the purpose of seeking a cannabis operation permit.
8. “Approval Authority” means the Mono County Board of Supervisors or its authorized designee.
9. “Attractive to children or youth” refers to products, packaging or labeling or

Attachment A

advertising that may especially encourage persons under age 21 to initiate cannabis consumption or otherwise to consume (accidentally or purposely) cannabis or cannabis products. The term includes:

- a) Products that (1) resemble a non-cannabis consumer product of a type that is typically consumed by, or marketed to, children or youth, such as a specific candy, baked treat or snack products; or (2) occur in the shape of a cartoon, human or any other animate creature, including but not limited to, an insect, toy, fruit, vehicle or robot.
- b) Packaging or labeling that (1) resembles packaging or labeling of a non-cannabis consumer product of a type that is typically consumed by, or marketed to, children or youth; (2) contains images depicting a cartoon, human or any other animate creature, including but not limited to, an insect, toy, fruit, vehicle, or robot, or images of a candy, baked good or snack products resembling a non-cannabis consumer product of a type that is typically consumed by, or marketed to, children or youth; (3) contains text referring to a cartoon, or any other animate creature including an insect, toy, fruit, vehicle or robot; or (4) contains any images, characters, or phrases that closely resemble images, characters, or phrases popularly used to advertise to children.
- c) Advertising that (1) mimics advertising of a non-cannabis consumer product of a type that is typically consumed by, or marketed to children or youth; (2) depicts a cartoon, or any non-human animate creature, including but not limited to, an insect, toy, fruit, vehicle or robot, or images of a candy, baked good or snack product typically marketed to youth; (3) uses actors or human characters who appear to be under age 21; or (4) or includes celebrities who specifically appeal to youth.

10. “Bureau” means the Bureau of Cannabis Control within the California Department of Consumer Affairs.

11. “Cannabis” means 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" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this division, "cannabis" does not mean "industrial hemp" as defined by California Health and Safety Code section 11018.5.

12. “Cannabis accessories” means any materials or devices used for packaging, repackaging, storing, smoking, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing cannabis or cannabis products into the human body.

Attachment A

13. “Cannabis business” means any business activity involving cannabis, including but not limited to cultivating, transporting, distributing, manufacturing, compounding, converting, processing, preparing, storing, packaging, delivering, testing, dispensing, retailing and wholesaling of cannabis, of cannabis products or cannabis accessories, whether or not carried on for gain or profit.

14. “Cannabis concentrate” means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product's potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this Chapter. A cannabis concentrate is not considered food, as defined by California Health and Safety Code section 109935, or a drug, as defined by California Health and Safety Code section 109925.

15. “Cannabis operation permit” means a permit issued by the County to an applicant to perform commercial cannabis activities under this Chapter.

16. “Cannabis product” means raw cannabis that has undergone a process whereby the raw agricultural product has been transformed into a concentrate, an edible product, or a topical product. “Cannabis product” also means marijuana products as defined by Section 11018.1 of the California Health & Safety Code and is not limited to medical cannabis products.

17. “Cannabis retailer” or “retailer” means any person who sells, offers for sale, or does or offers to exchange for any form of consideration, either individually or in any combination, to consumers, cannabis or cannabis products whether intended for recreational or medicinal use. “Cannabis retailer” or “Retailer” shall also mean a person required to be licensed as a retailer, microbusiness, or nonprofit pursuant to California Business and Professions Code section 26000 *et seq.*

18. “Canopy” means the designated area(s) at a licensed premise, except nurseries, that will contain mature plants at any point in time, as follows:

- a) Canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all area(s) that will contain mature plants at any point in time, including all of the space(s) within the boundaries;
- b) Canopy may be noncontiguous, but each unique area included in the total canopy calculation shall be separated by an identifiable boundary that includes, but is not limited to, interior walls, shelves, greenhouse walls, hoop house walls, garden benches, hedgerows, fencing, garden beds, or garden plots; and
- c) If mature plants are being cultivated using a shelving system, the surface area of each level shall be included in the total canopy calculation.

19. “Cartoon” means any animation, drawing or other depiction of an object, person, animal, creature or similar caricature that satisfies any of the following criteria:

Attachment A

- a) The use of comically exaggerated features;
 - b) The attribution of human characteristics to insects, animals, plants or other objects, or the similar use of anthropomorphic technique; or
 - c) The attribution of unnatural or extra-human abilities, such as imperviousness to pain or injury, x-ray vision, tunneling at very high speeds or transformation.
20. “Certificate of accreditation” means a certificate issued by an accrediting body to a licensed testing laboratory, entity, or site to be registered in the state.
21. “Child resistant” means designed or constructed to be significantly difficult for children under five years of age to open, and not difficult for normal adults to use properly.
22. “Children or youth” mean individuals under age 21.
23. “Commercial cannabis activity” means the cultivation, possession, manufacture, processing, storing, laboratory testing, packaging, labeling, transporting, distribution, delivery, or sale of cannabis or a cannabis product, but excludes those activities described in section 5.60.050 (E) of this Chapter.
24. “Commercial cannabis operation” means a person or entity who engages in commercial cannabis activities.
25. “Conditional use permit” or “use permit” means a land use permit issued under the Mono County General Plan.
26. “Constituent” means any ingredient, substance, chemical, or compound, other than cannabis or water, that is added by the manufacturer to a cannabis product during the processing, manufacture, or packing of the cannabis product.
27. “County” means the County of Mono.
28. “Cultivator” means all persons required to be licensed to cultivate cannabis pursuant to California Business and Professions Code Sections 26000, *et seq.* and 3 CCR § 8000, as may be amended.
29. “Cultivation” means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis including, but not limited to, the operation of a nursery or processing facility. Within the definition of cultivation, the permit types, corresponding to state cultivator license types set forth in California Business and Professions Code section 26061 and 3 CCR § 8201, as may be amended, apply.
30. “Day care center” has the same meaning as in California Health and Safety Code section 1596.76.

Attachment A

31. “Delivery” means the commercial transfer of cannabis or cannabis products by a licensee to a customer at a non-commercial location. “Delivery” also includes the use by a retailer of any technology platform owned and controlled by the retailer for the purpose of a commercial transfer (e.g., online sales). Deliveries within the unincorporated areas of the County are prohibited.

32. “Department” means the Mono County Community Development Department.

33. “Director” means the Director of the Mono County Community Development Department or an authorized representative.

34. “Distinguishable” means perceivable by an ordinary consumer by either the sense of smell or taste.

35. “Distribute” or “Distribution” means the procurement, sale, and transport or transfer, of cannabis and cannabis products between licensees for the purposes of conducting commercial cannabis activity authorized under California Business & Professions Code Sections 26000, *et seq.*

36. “Distributor” shall mean a person required to be licensed as a distributor pursuant to California Business and Professions Code Sections 26000, *et seq.*

37. “Edible cannabis product” or “Edible cannabis” means a cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the California Food and Agricultural Code. An edible cannabis product is not considered food, as defined by Section 109935 of the California Health and Safety Code, or a drug, as defined by Section 109925 of the California Health and Safety Code.

38. “Greenhouse” means a fully enclosed permanent structure that is clad in transparent material with mechanical control, such as heating and ventilation capabilities and supplemental artificial lighting, and that uses a combination of natural and supplemental artificial lighting for cultivation.

39. “Health-related statement” means any statement related to health, and includes statements of a curative or therapeutic nature that, expressly or by implication, suggest a relationship between the consumption of cannabis or cannabis products and health benefits, or effects on health.

40. “Hearing Officer” means a person appointed by the Approval Authority to conduct an administrative hearing under this Chapter. The appointed Hearing Officer shall be an impartial decision-maker selected by a process that eliminates risk of bias, such as:

- a) An administrative law judge provided by the State of California Office of Administrative Hearings to function as the County Hearing Officer pursuant to

Attachment A

Chapter 14 of Part 3 of Division 2 of Title 3 of the California Government Code;

- b) A person selected randomly from a panel of attorneys willing to serve as a Hearing Officer;
- c) An independent contractor assigned by an organization or entity which provides hearing officers; or
- d) Such other person determined by the Approval Authority to be capable of serving as an impartial decision-maker.

41. “Hoop-House” and/or “Shade-Cloth” means a single story, unoccupied building which does not have a workstation or repair shop and is used exclusively for the growing and storage of food, herbs, ornamental crops or cannabis. Such a building must be open on one or more sides, be readily removable, be constructed of flexible material and have a cloth type membrane covering the frame.

42. “Identification card” has the same definition as in Section 11362.7 of the California Health and Safety Code, as it may be amended or renumbered.

43. “Labeling” means any label or other written, printed, or graphic matter upon cannabis or a cannabis product, upon its container or wrapper, or that accompanies any cannabis or cannabis product.

44. “Licensee” means any person holding a state license under California Business and Professions Code Sections 26000, *et seq.*, regardless of whether the license held is an A-license or an M-license and includes the holder of a testing laboratory or processor license.

45. “Licensing authority” means the state agency responsible for the issuance, renewal, or reinstatement of a state license for commercial cannabis activities, or the state agency authorized to take disciplinary action against the licensee.

46. “Limited access area” means an area in which cannabis is stored or held and which is only accessible to the licensee and authorized personnel.

47. “Listed price” means the price listed for specific weight of flower or for cannabis products on their packages or on any related shelving, posting, advertising or display at the place where the products are sold or offered for sale.

48. “M-permit” means a County permit issued pursuant to this Chapter for commercial cannabis activity involving medicinal cannabis.

49. “Manufacture” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

Attachment A

50. “Manufacturer” means a person who conducts the 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 repackages cannabis or cannabis products or labels or relabels its container.

51. “Manufactured cannabis” means the same as cannabis product.

52. “Manufacturing Level 1,” for sites that manufacture cannabis products using nonvolatile solvents, or no solvents.

53. “Manufacturing Level 2,” for sites that manufacture cannabis products using volatile solvents.

54. “Manufacturing site” means a location that produces, prepares, propagates, or compounds cannabis or cannabis products either directly or indirectly, by extraction methods, independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and is owned and operated by a licensee for these activities.

55. “Market” or “Marketing” means any act or process of promoting or selling cannabis or cannabis products, including, but not limited to, sponsorship of sporting events, point-of-sale advertising, and development of products specifically designed to appeal to certain demographics.

56. “Medicinal cannabis” or “medicinal cannabis product” means cannabis or a cannabis product, respectively, intended to be sold for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the California Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician's recommendation.

57. “Microbusiness” means a licensee conducting three of the following activities: Cultivation less than 10,000 square feet; Manufacturing Level 1; Distribution; and Retail. When applying for a permit, the licensee must indicate which activities will be conducted and must comply with all requirements for each activity in which the licensee engages (see California Business and Professions Code section 26070).

58. “Non-owner with a financial interest” means any person or entity with an investment into a cannabis business, a loan provided to a cannabis business, or any other equity in a cannabis business that is not qualified as an owner, excluding persons or entities whose only interest in a permittee is an interest in a diversified mutual fund, blind trust, or similar instrument (see California Business and Professions Code section 26051.5(d)).

59. “Nursery” means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the planting, propagation, and cultivation of cannabis.

Attachment A

60. “Owner” means any of the following: (1) A person with an aggregate ownership interest of 20 percent or more in the person applying for a permit (or permit holder), unless the interest is solely a security, lien, or encumbrance; (2) The chief executive officer of a nonprofit or other entity applying for, or holding, a permit; (3) A member of the board of directors of a nonprofit applying for, or holding, a permit; or (4) An individual who will be participating in the direction, control, or management of the person applying for, or holding, a permit.

61. “Package” or “Packaging” means any container or wrapper that may be used for enclosing or containing any cannabis products. The term “package” does not include any shipping container or outer wrapping used solely for the transportation of cannabis or cannabis products in bulk quantity to another licensee or licensed premises.

62. “Permittee” means a person issued a cannabis operation permit under this Chapter.

63. “Person” means an individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit and includes the plural as well as the singular number.

64. “Premises” means the designated structure or structures and land specified in the application that is owned, leased, or, otherwise held under the control of the applicant or permittee where the commercial cannabis activity will be or is conducted. The premises shall be a contiguous area and shall only be occupied by one permittee. There may be multiple premises on a single parcel.

65. “Primary caregiver” has the same definition as in the California Health and Safety Code section 11362.7, as it may be amended.

66. “Processor” is a cultivation site that conducts only trimming, drying, curing, grading, packaging, or labeling of cannabis and nonmanufactured cannabis products.

67. “Property owner” means the individual or entity who is the record owner of the property or premises where commercial cannabis activities are located or are proposed to be located.

68. “Public park” means an area created, established, designated, or maintained by a special district, a county, the state, or the federal government for public play, recreation, or enjoyment or for the protection of natural resources and features at the site.

69. “Purchaser” means the customer who is engaged in a transaction with a permittee for purposes of obtaining cannabis or cannabis products.

70. “Qualified patient” has the same definition as in California Health and Safety Code section 11362.7, as it may be amended or renumbered.

71. “Retailer” shall have the same meaning as cannabis retailer.

Attachment A

72. “Retail” or “Retail sale” means the retail sale of cannabis or cannabis products to customers.

73. “Retail facility” means the facility out of which a cannabis retailer operates.

74. “Self-service display” means the open display or storage of cannabis, cannabis products or cannabis accessories in a manner that is physically accessible in any way to the general public without the assistance of the cannabis retailer or employee of the cannabis retailer involving a direct person-to-person transfer between the purchaser and the cannabis retailer or the employee of the cannabis retailer. Vending machines and sample trays are forms of self-service display.

75. “State” means the State of California.

76. “State license” or “license” means a state license issued pursuant to California Business & Professions Code Sections 26000, *et seq.*

77. “Testing laboratory” means a facility, entity, or site in the state that offers or performs testing of cannabis or cannabis products and that is both of the following:

- a) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activities in the state; and
- b) Licensed by the Bureau.

78. “Transport” or “transportation” means the same as “Distribute” or “Distribution”.

79. “Volatile manufacturing” means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product with the use of volatile solvents or substances including but not limited to, butane and ethanol.

80. “Volatile solvent” shall have the same meaning as in California Health and Safety Code section 11362.3 (b)(3), unless otherwise provided by law or regulation.

81. “Youth center” has the same meaning as in California Health and Safety Code section 11353.1.

5.60.040 Permits required.

Commercial cannabis activities shall not be allowed in the unincorporated area of Mono County without first securing all permits, licenses, and other entitlements required by the Mono County General Plan, the Mono County Code and state law and regulation.

- A. It is unlawful for any person to conduct, engage in or allow to be conducted or engaged in a commercial cannabis activity in the unincorporated portion of Mono County, unless the County has issued such person a cannabis operation permit

under this Chapter and the permit is in effect. Notwithstanding the above, the permits issued under this Chapter do not provide any protection or immunity for any person from state or federal laws, or from prosecution pursuant to such laws or the Mono County General Plan. The fact that an applicant possesses other types of state or County licenses or permits shall not exempt the applicant from obtaining a cannabis operation permit under this Chapter, nor shall the terms and conditions of any other such permit or license modify the requirements of a permit granted under this Chapter.

- B. A separate cannabis operation permit is required for each type of cannabis activity permitted by the County and carried out on or at the premises, regardless of ownership. For purposes of this Chapter all forms of cultivation licensed by the state are considered to be of the same type. Except for testing laboratory licenses, all license/permit classes shall be distinguished based on whether the business is for commercial adult-use cannabis activity (“A”) or for commercial medicinal cannabis activity (“M”).
- C. A conditional use permit is required for all commercial cannabis activities, unless otherwise indicated by law. The application for a use permit, and for amendments thereto and extensions thereof, shall be processed in accordance with the Mono County General Plan. The Planning Commission is the governing body authorized to consider and approve a use permit for cannabis activities and to consider extensions of and amendments to such use permits. Appeals from the decision of the Planning Commission are governed by Chapter 47 of the Mono County General Plan.
- D. Applications for a cannabis operation permit under this Chapter and a use permit or other land use entitlement for the same premises may be submitted simultaneously, however no permit shall be issued under this Chapter unless and until the corresponding land use entitlement has been approved. The cannabis operation permit must be consistent with the land use entitlement issued by the County pursuant to the Mono County General Plan, as applicable.
- E. A federally recognized tribe wishing to enter the state cannabis market or otherwise engage in commercial cannabis activities within the unincorporated area of the County for which state and/or County permits are required may, in lieu of a cannabis operation permit issued under this Chapter, enter into an MOU with the Mono County Board of Supervisors, which addresses and substantially meets the requirements of this Chapter and the Mono County General Plan.
- F. All cannabis businesses located in the unincorporated areas of the County must obtain a valid business license pursuant to Mono County Code Chapter 5.04.
- G. Pursuant to California Business and Professions Code Section 26000, *et seq.*, a valid license issued by the state shall be required to operate any commercial cannabis activity within the County and such other licenses, permits or approvals as

Attachment A

may be required by any other state, local or federal governmental agency or authority.

- H. The permittee shall post or cause to be posted at the premises, all County and state permits, and licenses required to operate. Such posting shall be in a central location, visible to all persons entering the premises, at the operating site, and in all vehicles, that distribute cannabis or cannabis products.

5.60.050 Exemptions.

- A. The following are not considered commercial cannabis activities and are **exempt** from the requirements of this Chapter, except as provided in subparagraph B:
 - 1. Possession, storage, manufacturing, transportation or cultivation of medicinal cannabis, pursuant to Section 11362.7 of the California Health and Safety Code, provided the qualified patient, possesses, stores, manufactures, transports, or cultivates cannabis exclusively for his or her personal medical use, and does not provide, donate, sell, or distribute cannabis to any other person. Qualified patients shall, upon request, provide appropriate documentation to the County demonstrating that they have a valid doctor's recommendation to use cannabis for medicinal purposes. This exemption does not apply to qualified patients, persons with valid identification cards, and the designated primary caregivers of qualified patients and persons with identification cards, who associate within the State of California in order collectively or cooperatively to cultivate cannabis for medicinal purposes, pursuant to Section 11362.775 of the California Health and Safety Code, which section will be repealed in January 2019.
 - 2. Possession, storage, manufacturing, transportation or cultivation of medicinal cannabis by a primary caregiver on behalf of a qualified patient, within the meaning of Section 11362.7 of the California Health and Safety Code and within the amounts provided in Section 11362.77 of the same code, provided the primary caregiver does not receive remuneration for these activities except for compensation in full compliance with subsection (c) of Section 11362.765 of the same code. Primary caregivers shall, upon request, provide appropriate documentation to the County demonstrating that they are a primary caregiver for a qualified patient. This exemption does not apply to qualified patients, persons with valid identification cards, and the designated primary caregivers of qualified patients and persons with identification cards, who associate within the State of California in order collectively or cooperatively to cultivate cannabis for medicinal purposes, pursuant to Section 11362.775 of the California Health and Safety Code, which section will be repealed in January 2019.

3. Possession, processing, storage, transportation, or donation of not more than 28.5 grams of cannabis or not more than eight (8) grams of concentrated cannabis to or by persons twenty-one (21) years of age or older pursuant to Section 11362.1 (a) of the California Health and Safety Code.
 4. The cultivation of up to six (6) cannabis plants by persons twenty-one (21) years of age or older as allowed pursuant to Section 11362.1 (a) of the California Health and Safety Code.
- B. Qualified patients or their primary caregivers engaged in cultivation or manufacturing, as described in paragraphs A.1 and A.2, shall register with the Department, on a form provided for that purpose, within ninety (90) days of the effective date of this Chapter. Nothing in this section or Chapter shall be deemed to exempt or excuse qualified patients or their primary caregivers or persons engaged in personal use under paragraphs A.3 and A.4 from compliance with any other State or local law, regulation or requirement.

5.60.060 Limitation on number of cultivation permits available & submission procedure.

- A. The number of cannabis operation permits issued by the County for cultivation under this Chapter shall be limited to ten (10). Applications will be processed in the order in which they are received. Multiple state cultivation licenses, including licenses for different cultivation types, may be permitted under one cannabis operation permit for cultivation provided they are all on the same parcel.
- B. To be eligible for consideration, applications for cultivation must be hand-delivered to an employee at the front desk of the Community Development Department office in Mammoth Lakes at the address stated on the application, during regular business hours. Upon receipt of the application, the employee will conduct a preliminary review to ensure that all required components of the application are included. A list of those components will be provided with the application form. If the employee determines that any component is missing, he or she will provide the applicant with a checklist indicating the missing item(s) and will not date stamp, initial or accept the application for processing. If the employee determines that the application contains all required components, then the application will be date stamped, initialed and accepted for processing.
- C. Application denials, or failure to correct incomplete applications within the time provided by section 5.60.080, will result in the application losing its place in the processing line. In such event, the next-received, date stamped, and initialed application will then enter the processing system.
- D. This section is only intended to create a maximum number of cannabis operation permits for cultivation that may be issued within the County. Nothing in this

Chapter creates a mandate that the County must issue any or all of the ten (10) permits allowed for cultivation under this Chapter if it is determined that it is in the best interest of the County to issue less than the maximum number, or if the applicants do not meet the standards which are established in the application requirements.

- E. The Mono County Board of Supervisors, in its discretion, may at any time, reassess the number of cannabis operation permits for cultivation which are authorized by this section. The Board, in its discretion, may determine by resolution that the number of cannabis operation permits for cultivation permits should be reduced, or be expanded.

5.60.070 Application process.

- A. Each application, completed on the form(s) and in the manner prescribed by the Department, for an annual cannabis operation permit shall be submitted to the Department. Applications for all business types, except cultivation, may be submitted in person or by mail, email or fax; applications for cultivation must be submitted in person, in accordance with section 5.60.060.
- B. In all cases, the application shall contain, without limitation, the following. To the extent any of these requirements are identical to the state's application requirements the same documentation submitted to the state may be used for purposes of the cannabis operation permit
 - 1. The full name, date of birth, mailing address, email address and telephone number for all property owners, owners and applicants.
 - 2. Written proof (e.g., California driver's license, California identification card, or certified birth certificate) that all applicants, owners, supervisors, and employees are eighteen (18) years of age or older for M-permits, and twenty-one (21) years of age or older for A-permits.
 - 3. The name, date of birth, and type of government issued identification and identification number for any non-owner with a financial interest as defined in section 5.60.030.
 - 4. If the applicant is a business entity or any form of legal entity, information regarding the entity, including, without limitation, the name and address of the entity, its legal status, and proof of registration with, or a certificate of good standing from, the California Secretary of State, as applicable.
 - 5. The names and addresses of any other cannabis operations currently being operated by any of the property owners, owners, or applicants, or that have previously been operated by any of the property owners, owners, or applicants, whether in Mono County or otherwise, and a statement of

whether the authorization for any such operation had been revoked or suspended and, if so, the reason therefor.

6. A 24-hour emergency contact phone number.
7. The physical address and assessor's parcel number(s) (APN or APNs) of the premises upon which the proposed commercial cannabis operation will be located.
8. Proof of ownership of property or premises; or if the property or premises on which the commercial cannabis operation is to occur is rented or leased, permittee shall submit written permission from the property owner containing the property owner(s)' notarized signature authorizing the permittee to engage in commercial cannabis activities, as described in the application, at the site.
9. A "to scale" diagram of the premises, showing, without limitation, a site plan, building layout, all entry ways and exits to the facility, loading zones and all areas in which cannabis, cannabis products and cannabis waste will be stored, grown or dispensed.
10. A statement of whether the applicant is applying for an M-permit or an A-permit, if applicable.
11. A completed copy of each application submitted (or to be submitted) by the applicant to the state for an annual license issued under California Business and Professions Code Sections 26000, *et seq.*
12. A list of all applicable licenses and permits required to operate the type(s) of commercial cannabis activity(ies) the applicant is seeking to engage in, including but not limited to licenses required pursuant to California Business and Professions Code Sections 26000, *et seq.*, along with a statement whether the applicant has obtained (or when he or she will obtain) such approvals.
13. A detailed operating plan which includes but need not be limited to: a full description of the proposed activities and products to be cultivated, curated and/or sold; an overview of the processes and procedures to be utilized; how chemicals, pesticides and fertilizers will be stored, handled, used and disposed, as applicable; manufacturing methods; transportation plan; inventory procedures; labor standards and employee training plan, as applicable; hours of operation; and quality control procedures, as applicable.
14. A detailed business plan.

Attachment A

15. A cannabis waste management plan, as required by business type.
16. A confidential security plan, as required by business type, for review and approval by the Mono County Sheriff's Office.
17. If applicable, the applicant's seller's permit number issued pursuant to California Revenue and Taxation Code section 6001 *et seq.* or a statement that the applicant is currently applying for a seller's permit.
18. A statement by the applicant and any person involved in management that it has the ability to comply with all laws regulating cannabis businesses in the State of California and that it shall maintain compliance during the term of the permit.
19. Documentation such as resumes, portfolios, professional references or other relevant materials to demonstrate the applicant's and any person involved in management's experience or ability to successfully operate the cannabis business.
20. Authorization for the County, its agents and employees to seek verification of the information contained in the application.
21. Attestation by the applicant and owner(s) that the applicant and owner(s) will complete the Live Scan process at the Mono County Sheriff's Office.
22. Information or materials related to the rehabilitation of any applicant or owner who has been convicted of an offense which could constitute grounds for denial or revocation of a cannabis operation permit under this Chapter.
23. An enforceable agreement to defend, indemnify and hold the County harmless from any and all claims, liability, costs or other expenses associated with the processing, approval or issuance of a cannabis operation permit under this Chapter on a form provided by the County, or approved by County Counsel.
24. Certification, under penalty of perjury, that all the information contained in the application is true and correct.
25. The required application fee.
26. Any other information required by the County.

5.60.080 Review of applications.

- A. The first ten (10) date stamped and initialed applications for permits involving cultivation and all other complete applications for other types of cannabis activities will be reviewed and processed for approval. This includes review by all departments having regulatory or enforcement authority over the proposed activity, and compliance with the California Environmental Quality Act, as needed. If the Director or any other department having regulatory or enforcement authority, determines at any time during this review and processing period that additional information or materials are needed in order to adequately process the application, then he or she shall send notice to the applicant pursuant to section 5.60.210 of the required items or information and the applicant shall have fifteen (15) business days from the post mark date of that notice to provide the requested items or information without, in the case of cultivation, affecting the processing priority of the application. If the requested items or information are not submitted within the time provided, then the application will be denied as incomplete. Upon any such denial, a new application may be submitted. In the case of an application for a cannabis operation permit for cultivation, the new application, when deemed complete, shall be date stamped and initialed as of its date of submission in accordance with section 5.60.060.
- B. During the review and processing period, the applicant and owner(s) will be referred to the Mono County Sheriff's office to complete the Live Scan process. For purposes of the review required by this section, the Mono County Sheriff is authorized and directed to conduct background checks/Live Scans and to receive state summary criminal history information regarding any person for whom a background check/Live Scan is required. The Sheriff shall make a recommendation to the Approval Authority regarding the confidential security plan and the fitness and ability of the applicant and owner(s) to engage in commercial cannabis activities based on the results of the background check/Live Scan. In making the recommendation, the Sheriff may take into account any evidence of rehabilitation submitted with the application or at any time before the matter is set for decision by the Approval Authority.
- C. Upon completion of staff review and internal processing, the Director shall set the matter for decision by the Approval Authority, which shall receive and consider the input and recommendations of the Sheriff, staff, the applicant and any interested persons and, thereafter, may issue the cannabis operation permit if:
 - 1. The commercial cannabis activity, as proposed, will comply with the requirements of state law and regulation, the Mono County General Plan, the Mono County Code and this Chapter.
 - 2. The property has all necessary land use entitlements as required by the Mono County General Plan or is legally exempt from such requirements.

3. The applicant has demonstrated to the satisfaction of the Approval Authority that the operation, its owners and the applicant have the ability to comply with state law and regulation, the Mono County General Plan, the Mono County Code and this Chapter.
4. No applicant or owner has been convicted of a felony or a drug related misdemeanor reclassified under Section 1170.18 of the California Penal Code (Proposition 47) within the past ten (10) years, unless the Approval Authority determines that such conviction is not substantially related to the qualifications, functions or duties of the person or activity and/or there is adequate evidence of rehabilitation of the person. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.
5. The Approval Authority determines that issuance of the permit is in the best interests of the community, the County, and its citizens and visitors, based on the following:
 1. The experience and qualifications of the applicant and any persons involved in the management of the proposed cannabis business;
 2. Whether there are specific and articulable positive or negative impacts on the surrounding community or adjacent properties from the proposed cannabis business;
 3. The adequacy and feasibility of business, operations, security, waste management, odor control, and other plans or measures submitted by the applicant;
 4. Whether granting the permit will result in an undesirable overconcentration of the cannabis industry in a limited number of persons or in a limited geographic area within the County;
 5. Environmental impacts/benefits of the cannabis business such as waste handling, recycling, water treatment and supply, use of renewable energy or other resources, etc.; and
 6. Economic impacts to the community and the County such as the number and quality of jobs created and/or other economic contributions made by the proposed operation.

Attachment A

- D. The Approval Authority shall deny an application that meets any of the following criteria:
1. The applicant has knowingly made a false statement of material fact, or has knowingly omitted a material fact, from the application.
 2. A previous cannabis operations permit issued under this Chapter for an operation involving the same applicant or owner has been revoked by the County within the two (2) years preceding the date of the application and all opportunities for appeal of that determination have been exhausted or the time in which such appeals could have been filed has expired.
 3. The applicant or any owner has been determined, by an administrative hearing body or a court of competent jurisdiction to have engaged in commercial cannabis activities in violation of State or local law and all opportunities for appeal of that determination have been exhausted or the time in which such appeals could have been filed has expired.
- E. If the Approval Authority denies the application, it shall specify the reasons for the denial on the record or by subsequently issued written decision, which written decision shall be sent to the applicant in accordance with section 5.60.210 and applicable law.
- F. A cannabis operation permit issued under this Chapter is an annual permit and shall expire on August 31st of each year (unless renewed or revoked in accordance with this Chapter). Permits granted within three (3) months prior to the expiration date shall skip the first renewal cycle and instead shall expire on August 31st of the following year.

5.60.090 Renewal and modification process.

- A. A cannabis operation permit may be renewed and/or modified in accordance with this section.
- B. An application for renewal and/or modification shall be filed with the Department, on the form(s) and in the manner prescribed by the Department, at least thirty (30) calendar days before expiration of the permit, accompanied by the required renewal/modification fee. If any of the documentation and information supplied by the applicant pursuant to Section 5.60.070 has changed or will change since the grant of the permit, the applicant shall submit updated information and documentation with the application for renewal and shall provide such other information as the Director may require. If an applicant fails to submit the renewal form and all associated fees thirty (30) days before August 31st, the applicant will be required to submit a new application under section 5.60.070.

Attachment A

- C. If the renewal/modification application is incomplete, or if the Director determines that additional information is required, the Director will send notice to the permittee in accordance with section 5.60.210 listing the items or information to be provided. The permittee shall have fifteen (15) business days from the postmark date of the notice to submit the listed items. If the applicant fails to timely provide the items or information listed in a notice, then the renewal/modification application will be denied as incomplete.
- D. Upon the timely filing of a renewal/modification application and timely provision of any missing or supplemental information under subsection C, operations under the expired permit may continue (i.e., holdover) until the Director has made a final determination on the application, unless the permit is otherwise revoked or suspended pursuant to this Chapter.
- E. A permit may be renewed/modified by the Director upon determination that the operation meets the standards for grant of the application under Section 5.60.080 and none of the conditions for denial set forth below are present.
- F. Grounds for denial:
 - 1. The permittee or operation fails to conform to the criteria set forth in this Chapter;
 - 2. The permittee is delinquent in payment of applicable County taxes on commercial cannabis activity or any other County fee or charge; or
 - 3. The permit is suspended or revoked or there is an enforcement proceeding pending at the time of the application.
 - 4. The permitted operation has failed the annual inspection performed pursuant to section 5.60.120 (A).
- G. The Director shall specify in writing the reason(s) for any denial of the renewal/modification and shall send the written decision to the applicant in accordance with section 5.60.210 with an explanation that the decision shall become final in 10 calendar days of the postmark date of the decision, unless the applicant submits a completed appeal form to the Department requesting a hearing. The appeal form may be obtained from the Mono County Community Development Department office or online. Failure to submit a written request for an appeal hearing on the form provided within ten (10) business days of postmark date of the notice of denial shall constitute a waiver of the right to appeal and a failure to exhaust administrative remedies.
- H. Upon timely receipt of the completed form requesting an appeal hearing, the Director shall set the matter for hearing before the Approval Authority to be held in accordance with the requirements of 5.60.200 (E), as applicable. The

Attachment A

determination of the Director shall be stayed pending appeal, unless the operation poses an immediate threat to public health and safety, as determined by the Director and stated in the written denial.

- I. If a renewal/modification application is denied, an applicant may file a new application pursuant to this Chapter.

5.60.100 Fees.

The filing of an application for a cannabis operation permit, for a renewal/modification of a cannabis operation permit, or a written request for an appeal hearing shall be accompanied by payment of such fees as the Board of Supervisors may establish from time to time to recover the County's reasonable costs. Applicants and permittees are responsible for the costs of inspections, investigations, and any other fee-associated activity established pursuant to this Chapter.

5.60.110 Cannabis operation permit nontransferable.

- A. A cannabis operation permit does not create any property interest in the permittee, is not transferable, and automatically terminates upon expiration or subsequent termination of any holdover period under subsection 5.60.090 (D), transfer or upon revocation of any corresponding conditional use permit.
- B. Whenever a corporation, limited liability company, partnership or other type of business entity permitted under this Chapter sells or transfers more than fifty percent (50%) of its corporate stock, partnership interest or other business interest or otherwise transfers more than fifty percent (50%) control in the commercial cannabis operation, a new cannabis operation permit is required pursuant to Section 5.60.070 of this Chapter.
- C. A cannabis operation permit is issued to and covers only the permittee identified on the permit with respect to the premises and activities identified on the permit. The cannabis operation permit does not run with the land.

5.60.120 Commercial cannabis operating requirements – all cannabis businesses.

Throughout the term of the cannabis operation permit, permittees, for each type of commercial cannabis activity, shall comply with this Chapter and all other applicable County or state law, ordinance or regulation, including but not limited to, the following:

- A. Cannabis businesses shall operate only in accordance with their application and all corresponding plans reviewed and approved by the County. All cannabis businesses shall be subject to an annual inspection performed by the Department to ensure compliance with this Chapter. Failure to pass the annual inspection prior to the August 31st expiration date of the cannabis operation permit may result in denial of the renewal application.

Attachment A

- B. A permittee shall not materially or substantially alter the premises, the usage of the premises, or the mode or character of the business operation conducted from the premises, from that contained in the application, unless and until a modification has been authorized under 5.60.090. For purposes of this section, material or substantial physical changes include, but are not limited to, an increase or decrease in the total area of the licensed premises previously diagrammed by more than 10%, any other physical modification resulting in substantial change in the mode or character of business operation, or any change in the cannabis activity type from the approved permit.
- C. No person who is less than eighteen (18) years of age may be employed or otherwise engaged in the operation of an M-permit, and no person less than twenty-one (21) years of age may be employed or otherwise engaged in the operation of an A-permit.
- D. No person under the age of eighteen (18) shall be allowed on the premises of permittees operating pursuant to an M-permit, and no person under the age of twenty-one (21) shall be allowed on the premises of permittees operating pursuant to an A-permit.
- E. Permittees shall maintain a current register of the names of all employees and shall disclose such register for inspection by the County for purposes of determining compliance with this Chapter. At least ten (10) calendar days after hiring any new employee (including supervisors) the permittee shall provide the Director with updated information regarding that employee as required in section 5.60.070(B)(1).
- F. There shall not be a physician located in or around any commercial cannabis operation at any time for the purpose of evaluating patients for the issuance of a medical cannabis recommendation or card.
- G. No cannabis shall be smoked, ingested or otherwise consumed on the premises of any cannabis business.
- H. Alcohol shall not be sold or consumed on the premises of any cannabis business. Retailers shall prohibit patrons from entering or remaining on the premises if they are in possession of or are consuming alcoholic beverages or are under the influence of alcohol.
- I. Tobacco and/or tobacco products shall not be sold, dispensed or consumed on the premises of a cannabis retailer or in any of the public places where smoking is prohibited under state law or pursuant to Mono County Code Chapter 7.92.
- J. No firearms shall be permitted on the premises of any cannabis business without prior written approval from the Mono County Sheriff.

- K. Permittees shall notify the Mono County Sheriff's Department and the Mono County Community Development Department immediately after discovering any of the following: diversion, theft, loss, or any criminal activity involving the commercial cannabis operation; significant discrepancies identified during inventory; or any other breach of security.
- L. Permittees shall provide the Director with the name, telephone number, and e-mail address of a community relations contact to whom the public can provide notice of problems associated with the commercial cannabis operation. The permittee shall make a good faith effort to resolve problems without the need for intervention by the County.
- M. No applicant or owner may have been convicted of a felony or a drug related misdemeanor reclassified by Section 1170.18 of the California Penal Code (Proposition 47) within the past ten (10) years, unless the Approval Authority has determined, taking into consideration the recommendation of the Mono County Sheriff, that such conviction is not substantially related to the qualifications, functions or duties of the activity and/or there is adequate evidence of rehabilitation. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere.
- N. Permittees shall comply with all applicable federal, state and local laws, ordinances and regulations, including without limitation, County building, land use and health codes.
- O. Permittees shall maintain all weighing devices in compliance with local, state or federal law and regulations, including but not limited to, those set and enforced by the Inyo/Mono County Agricultural Commissioner/Sealer of Weights and Measures.
- P. The property owner(s) shall be responsible for ensuring that all commercial cannabis activities at the site operate in good standing with all permits and licenses required by the Mono County Code, Mono County General Plan and state law. Failure to take appropriate action to evict or otherwise remove permittees and persons conducting commercial cannabis activities at the site who do not maintain permits or licenses in good standing with the County or state shall be grounds for the suspension or revocation of a Use Permit pursuant to the Mono County General Plan or other enforcement action.
- Q. No unpermitted operation may advertise its products or services.
- R. Owners and permittees shall maintain clear and adequate records and documentation demonstrating that all cannabis and/or cannabis products are

Attachment A

obtained from and are provided to other permitted and licensed cannabis operations only.

- S. Owners and permittees shall create, maintain and retain accurate records as identified by the state licensing authorities and in accordance with all applicable County and state laws, including but not limited to, sections 26160 and 26162 of the California Business and Professions Code.
- T. Permittees shall comply with all County and State laws and regulations for maintaining and tracking inventory, including but not limited to, the state's track and trace system, if applicable.
- U. The County shall have the right to examine, monitor, and audit the records and documentation of any cannabis business, which shall be made available to the County upon request.
- V. Permittees shall conduct commercial cannabis activities in compliance with all required County permits, state licenses, County regulation, and state law and regulation. The permittee shall be responsible for the payment of all required inspection fees, permit fees, and taxes (including, but not limited to, those taxes imposed pursuant to Chapter 3.40 of the Mono County Code, if approved by the voters).
- W. Permittees and owner(s) shall agree to submit to, and pay for, inspections of the operations and relevant records or documents necessary to determine compliance with this Chapter from any enforcement officer of the County or their designee.
- X. It is unlawful for any owner, applicant, permittee, supervisors or employee of cannabis business to refuse to allow, impede, obstruct, or interfere with an inspection, or the review of the copying of records and monitoring (including recordings) including, but not limited to, the concealment, destruction, and falsification of any recordings or records.
- Y. Permittees and owner(s) shall indemnify, defend, and hold the County harmless from any and all claims and proceedings relating to the approval of the permit or relating to any damage to property or persons stemming from the commercial cannabis activity.

5.60.130 Additional regulations for cannabis cultivation.

In addition to the general regulations found in sections 5.60.040 and 5.60.120, cultivators shall comply with the following:

- A. The canopy area of cannabis located at any premises shall not exceed the limits set forth in the use permit issued pursuant to the Mono County General Plan, if

Attachment A

applicable. The cannabis operation permit shall specify the canopy limit allowed by the permit.

- B. All indoor, greenhouse and mixed-light cultivation operations and any drying, aging, trimming and packing facilities shall be equipped with odor-control filtration and ventilation system(s) to control odors, humidity and mold in compliance with the odor mitigation plan approved under the use permit.
- C. Permittees must follow all pesticide use, storage and disposal requirements of local, state and federal law and regulations, including but not limited to, those found in 3 CCR § 8307 (a)-(b) and any requirements set and enforced by the Inyo/Mono County Agricultural Commissioner's Office.
- D. Any greenhouse must have a valid building permit issued by the Mono County Building Division and conform to applicable requirements of the California Building Code.
- E. A Hoop-House or similar structure must have an emergency escape opening on one or more sides, be readily removable for seasonal variations, be constructed of somewhat flexible material, and have a cloth type membrane or other similar membrane not exceeding six mils (1/1000in.) covering the frame. Permanent or temporary service systems, such as electrical, plumbing, gas, or mechanical systems and permanent foundation/anchoring systems are not allowed without a building permit.
- F. Permittees shall be responsible and liable for the management of waste on and around the cannabis operation and shall adhere to the waste management plan developed and implemented in compliance with 3 CCR § 8308 and approved by the County.
- G. Permittees shall be responsible and liable for safety and security in and around the cannabis operation and shall adhere to the security plan developed and implemented in compliance with 16 CCR §§ 5042-5047, and approved by the County, which shall include, but is not limited to, the following:
 - 1. Limited access areas on the premises and measures to keep access limited to authorized personnel.
 - 2. An employee badge requirement or a similar identification and sign-in/sign-out procedure for authorized persons.
 - 3. Perimeter lighting systems.
 - 4. Installation of a video surveillance system that meets all requirements in 16 CCR § 5044. Permittees shall maintain surveillance video tapes for a period of at least thirty (30) days and shall make such videotapes available to the County upon request.
 - 5. Installation of commercial-grade, nonresidential locks on all points of entry and exit to the premises, including limited access areas.

Attachment A

6. Installation of an alarm system that meets all requirements in 16 CCR § 5047.
7. Storage or security methods used to safeguard areas where the mature and immature cannabis plants are stored and where any other cannabis or cannabis products or accessories are located to prevent diversion, theft, and loss.
8. Additional methods used to deter and prevent unauthorized entrance into areas containing cannabis or cannabis products as well as to prevent unauthorized individuals from loitering on the premises or in area(s) immediately surrounding the premises.

5.60.140 Additional regulations for cannabis retail.

In addition to the general regulations found in sections 5.60.040 and 5.60.120, retailers shall comply with the following:

- A. No cannabis or cannabis products shall be visible from the exterior of the retail premises.
- B. No Retailer shall allow entry into the premises, or sell or transfer cannabis, cannabis products or cannabis accessories to another person, without first verifying the age of the recipient either by electronically scanning, or inspecting through other reliable methods, the person's identification. A retailer with an A-permit shall not sell to a person under the age of 21 and a retailer with an M-permit shall not sell to a person under the age of 18, unless that person is accompanied by a parent or guardian.
- C. All permittees, owners, supervisors and employees involved in face-to-face retail sales of cannabis or cannabis products or management of a retail facility must complete a training program on cannabis retailing best practices and health education using a curriculum and program approved by the Mono County Public Health Department. The training shall be completed prior to beginning work on the sales floor and a refresher course shall be required each subsequent year of employment with verification of the completion provided to the County. Any such program shall address the following objectives: (1) education on state and local regulatory requirements and best practices for cannabis retailing; (2) education on how to verify age requirements and inform customers about the potential effects that various dosages and products may cause; (3) practices that can lower any risks associated with cannabis use; and (4) information on how to advise customers about best practices for the storage and use of cannabis to prevent access and accidental use by individuals under the age of 18 (or 21 for retailers holding an A-permit).
- D. A cannabis retailer shall not hold or maintain a permit as a food services establishment or cottage food establishment from the County.

Attachment A

- E. Cannabis retailing by means of a self-service display is prohibited.
- F. A cannabis retailer holding an A-permit may not use in its name any words or phrases implying health or therapeutic benefits, including but not limited to “health,” “wellness” or “clinic”.
- G. A permit shall not be issued for a cannabis retailer that shares an entryway with a holder of a license to sell tobacco or alcohol; a purveyor of food products; or a pharmacy.
- H. Retailers shall not sell, or allow to be sold, cannabis, cannabis concentrates or cannabis products in any amount exceeding the daily limits set forth 16 CCR § 5409.
- I. Retailers shall have a licensed premises which is a physical location from which commercial cannabis activities are conducted. Cannabis retailing is not permitted from a vehicle or non-permanent structure.
- J. Permittees shall be responsible and liable for the management of waste on and around the cannabis operation and shall adhere to the waste management plan developed and implemented in compliance with 16 CCR §§ 5054-5055 and approved by the County.
- K. Permittees shall be responsible and liable for safety and security in and around the cannabis operation and shall adhere to the security plan developed and implemented in compliance with 16 CCR §§ 5042-5047, and approved by the County, which shall include, but is not limited to, the following:
 - 1. Limited access areas on the premises and measures to keep access limited to authorized personnel.
 - 2. An employee badge requirement that meets all requirements in 16 CCR § 5043.
 - 3. Installation of a video surveillance system that meets all requirements in 16 CCR § 5044. Permittees shall maintain surveillance video tapes for a period of at least thirty (30) days and shall make such videotapes available to the County upon request.
 - 4. Perimeter lighting systems.
 - 5. Installation of commercial-grade, nonresidential locks on all points of entry and exit to the premises, including limited access areas.
 - 6. Installation of an alarm system that meets all requirements in 16 CCR § 5047.
 - 7. Security personnel hired pursuant to 16 CCR § 5045.
 - 8. Storage methods used to store all cannabis and cannabis products in a manner to prevent diversion, theft, and loss, except for limited amounts of cannabis and cannabis products used for display purposes or immediate sale.

Attachment A

9. Measures used to deter and prevent unauthorized entrance into areas containing cannabis or cannabis products in compliance with California Business and Professions Code section 26070 as well as to prevent unauthorized individuals from loitering on the premises or in area(s) immediately surrounding the premises.
- L. All sales and dispensing of cannabis and cannabis products shall be conducted in-person and entirely within the licensed premises of the cannabis retailer. The delivery of any cannabis or cannabis products by a licensee to a consumer is prohibited within the unincorporated area of the County.
- M. Hours of operation for a retail facility shall begin no earlier than 9:00 a.m. and end no later than 9:00 p.m.
- N. Retailers are prohibited from selling and advertising for sale the following:
 1. Any cannabis or cannabis product that is attractive to children or youth, as determined by the County in accordance with subsection 5.60.030 (9).
 2. Any cannabis or cannabis product whose packaging or labeling is attractive to children or youth, as determined by the County in accordance with subsection 5.60.030 (9).
 3. Synthetic cannabinoid containing products.
 4. Cannabis or cannabis products that contain any noncannabinoid additive that would increase potency, toxicity or addictive potential, or that would create an unsafe combination with other psychoactive substances. Prohibited additives include, but are not limited to, nicotine, caffeine and alcohol [excepting a minimum of alcohol that is residual from manufacturing or required solvents for the cannabis containing product if the product's packaging, labeling and marketing make no other reference to alcoholic content].
 5. Any cannabis product that would otherwise be classified as a potentially hazardous food (as defined in California Health and Safety Code section 113871), including a food that requires time or temperature control to limit pathogenic microorganism growth or toxin formation.
 6. Any cannabis-infused beverages, powders, gels or other concentrates with instructions for the preparation of cannabis-infused beverages.

Attachment A

7. Any cannabis product that the County determines is easily confused with a commercially available food product without cannabis.
- O. Every cannabis retailer shall maintain on the premises the original labeling and packaging provided by the manufacturer for all cannabis products that are sold or offered for sale by the establishment separately from the original packaging designed for retail sale to the consumer. The original labeling and packaging from which the contents are sold separately shall be maintained during such time as the contents of the package are offered for sale and may be disposed of upon the sale of the entire contents of such package.
- P. Retailers must display a warning sign in a prominent location within the premises with letters of not less than one-half inch in height, and must clearly state the following information:

WARNING

Are you pregnant or breastfeeding? According to the U.S. Centers for Disease Control (CDC), marijuana use during pregnancy can be harmful to your baby's health, including causing low birth weight and developmental problems.

Driving while high is a DUI. Marijuana use increases your risk of motor vehicle crashes.

Not for Kids or Teens! Starting marijuana use young or using frequently may lead to problem use and, according to the CDC, may harm the developing teen brain.

Sign posted pursuant to Mono County Code Chapter 5.60.140.

5.60.150 Additional regulations for cannabis manufacturing.

In addition to the general regulations found in sections 5.60.040 and 5.60.120, manufacturers shall comply with the following:

- A. In no case shall any hazardous, flammable or explosive substances be used to process or manufacture cannabis products on site unless all necessary permits have been obtained from the Mono County Health Department, and all other appropriate agencies.
- B. Extraction equipment used in manufacturing facilities shall be listed or otherwise certified by an approved third-party testing agency or licensed professional engineer and approved for the intended use by the County Building Official and local Fire District Chief, if any.
- C. All employees of a cannabis manufacturing facility operating potentially hazardous equipment shall be trained on the proper use of equipment and on the proper hazard response protocols in the event of equipment failure. In

addition, employees handling edible cannabis products or ingredients shall be trained on proper food safety practices.

- D. All cannabis-infused edible products, their storage facilities and related utensils, equipment and materials shall be approved, used, managed and handled in accordance with sections 113700-114437 of the California Health and Safety Code, and the California Retail Food Code. All cannabis-infused edible products and ingredients shall be protected from contamination at all times.
- E. Edible cannabis products shall be designed, produced, manufactured, distributed, packaged and sold or distributed by a licensee in accordance with section 26130 of the California Business and Professions Code.
- H. Permittees shall be responsible and liable for the management of waste on and around the cannabis operation and shall adhere to the waste management plan developed and implemented in compliance with 17 CCR § 40290 and approved by the County.
- I. Permittees shall be responsible and liable for safety and security in and around the cannabis operation and shall adhere to the security plan developed and implemented in compliance with 17 CCR §§ 40200 – 40205, and approved by the County, which shall include, but is not limited to, the following:
 - 1. Prevention of access to the manufacturing premises for unauthorized personnel and for the protection and safety of all employees pursuant to 17 CCR § 40200 (a).
 - 2. An employee badge requirement or a similar identification and sign-in/sign-out procedure for authorized persons in compliance with 17 CCR § 40200 (a).
 - 3. Installation of a video surveillance system that meets all requirements in 17 CCR § 40205. Permittees shall maintain surveillance video tapes for a period of at least thirty (30) days and shall make such videotapes available to the County upon request.
 - 4. Perimeter lighting systems.
 - 5. Installation of commercial-grade, nonresidential locks on all points of entry and exit to the premises, including limited access areas.
 - 6. Installation of an alarm system that meets all requirements in 16 CCR § 5047.
 - 7. Pursuant to 17 CCR §§ 40200 (b) – (c), measures to prevent against theft or loss of cannabis and cannabis products including, but not limited to, establishing an inventory track and trace system to track cannabis and cannabis products and the personnel responsible for processing it throughout the manufacturing process; limiting access of personnel within the premises to those areas necessary to complete job duties, and to those time-frames specifically scheduled

for completion of job duties; supervising tasks or processes with high potential for diversion; providing designated areas in which personnel may store and access personal items; secure and back electronic records in a manner that prevents unauthorized access and protects the integrity of the records.

5.60.160 Additional regulations for cannabis testing.

In addition to the general regulations found in sections 5.60.040 and 5.60.120, testing laboratories shall comply with the following:

- A. Testing facilities shall adopt standard operating procedures using methods consistent with general requirements for the competence of testing and calibration activities, including sampling, using standard methods established by the International Organization for Standardization, specifically ISO/IEC 17020 and ISO/IEC 17025 to test cannabis and cannabis products that are approved by an accrediting body that is a signatory to the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement.
- B. Testing facilities shall notify the County within 24 hours of conducting a test if a sample that was cultivated, manufactured, or supplied by a cannabis business located in Mono County is found to contain levels of a contaminant not allowed by the state that could be injurious to human health if consumed.
- C. Permittees shall be responsible and liable for the management of waste on and around the cannabis operation and shall adhere to the waste management plan developed and implemented in compliance with 16 CCR §§ 5054-5055 and approved by the County.
- D. Permittees shall be responsible and liable for safety and security in and around the cannabis operation and shall adhere to the security plan developed and implemented in compliance with 16 CCR §§ 5042-5047, and approved by the County, which shall include, but is not limited to, the following:
 - 1. Limited access areas on the premises and measures to keep access limited to authorized personnel.
 - 2. An employee badge requirement that meets all requirements in 16 CCR § 5043.
 - 3. Installation of a video surveillance system that meets all requirements in 16 CCR § 5044. Permittees shall maintain surveillance video tapes for a period of at least thirty (30) days and shall make such videotapes available to the County upon request.
 - 4. Perimeter lighting systems.
 - 5. Installation of commercial-grade, nonresidential locks on all points of entry and exit to the premises, including limited access areas.
 - 6. Installation of an alarm system that meets all requirements in 16 CCR § 5047.

7. Storage methods used to store all cannabis and cannabis products in a manner to prevent diversion, theft, and loss.
8. Measures used to deter and prevent unauthorized entrance into areas containing cannabis or cannabis products in compliance with California Business and Professions Code section 26070 as well as to prevent unauthorized individuals from loitering on the premises or in area(s) immediately surrounding the premises.

5.60.170 Additional requirements for cannabis distribution.

In addition to the general regulations found in sections 5.60.040 and 5.60.120, distributors based in Mono County shall comply with the following:

- A. Transportation shall only be conducted by persons licensed and permitted by the state and County to distribute cannabis and cannabis goods.
- B. Only a permittee or an authorized employee shall be in a vehicle while transporting cannabis and cannabis products. Under no circumstances shall a person under the age of 21 years old be in a commercial vehicle or trailer transporting cannabis or cannabis products.
- C. Permittees transporting cannabis and cannabis products shall only travel between licensees shipping or receiving cannabis and cannabis products and its own licensed/permitted premises when engaged in the transportation of cannabis and cannabis products. The distributor may transport multiple shipments at once in accordance with applicable laws. A distributor shall not deviate from the travel requirements set forth in 16 CCR §§ 5311, except for necessary rest, fuel, or vehicle repair stops.
- D. Under no circumstances may non-cannabis products, except for cannabis accessories as defined in Business and Professions Code section 26001(g), be transported with cannabis or cannabis products.
- E. Permittees shall not leave a vehicle or trailer containing cannabis or cannabis products unattended in a residential area or parked overnight in a residential area.
- F. All vehicles used for transporting cannabis and cannabis products shall comply with all applicable local and state law and regulation, including but not limited to, 16 CCR §§ 5311-5315.
- G. Permittees shall implement measures to keep all cannabis and cannabis products secure and inaccessible during all stages of operation and shall at all times comply with applicable local and state law and regulation for tracking, storing and transporting cannabis and cannabis products, including but not limited to, 16 CCR §§ 5311-5315.

- H. Permittees shall create a shipping manifest pursuant to 16 CCR § 5314, a physical copy of which shall be maintained during transportation and shall be made available to the County upon request.
- I. Permittees shall be responsible and liable for the management of waste on and around the cannabis operation and shall adhere to the waste management plan developed and implemented in compliance with 16 CCR §§ 5054-5055 and approved by the County.
- J. Permittees shall be responsible and liable for safety and security in and around the cannabis operation and shall adhere to the security plan developed and implemented in compliance with 16 CCR §§ 5042-5047, and approved by the County, which shall include, but is not limited to, the following:
 - 1. Limited access areas on the premises and measures to keep access limited to authorized personnel.
 - 2. An employee badge requirement that meets all requirements in 16 CCR § 5043.
 - 3. Installation of a video surveillance system that meets all requirements in 16 CCR § 5044. Permittees shall maintain surveillance video tapes for a period of at least thirty (30) days and shall make such videotapes available to the County upon request.
 - 4. Perimeter lighting systems.
 - 5. Installation of commercial-grade, nonresidential locks on all points of entry and exit to the premises, including limited access areas.
 - 6. Installation of an alarm system that meets all requirements in 16 CCR § 5047.
 - 7. Storage methods used to store all cannabis and cannabis products in a manner to prevent diversion, theft, and loss.
 - 8. Measures used to deter and prevent unauthorized entrance into areas containing cannabis or cannabis products in compliance with California Business and Professions Code section 26070 as well as to prevent unauthorized individuals from loitering on the premises or in area(s) immediately surrounding the premises.

5.60.180 Advertising, packaging and labeling requirements.

- A. Permittees shall comply with state law and regulations pertaining to packaging, product labeling and product inserts requirements for cannabis and cannabis products, including but not limited to, those provisions found in sections 26120 – 26121 of the California Business and Professions Code.
- B. Permittees shall comply with all applicable County and state laws and regulations pertaining to the creation, publication and dissemination of advertising signs, advertising and marketing.

Attachment A

- C. Permittees shall not include on the label of any cannabis or cannabis product or publish or disseminate advertising or marketing containing any health-related statement.
- D. Labeling, advertising signs, advertising and marketing shall not be attractive to children or youth.
- E. No cannabis business, cannabis or cannabis product brand identification, including logos, trademarks or names, may be used or licensed for use on clothing, toys, games, or game equipment, or other items that are typically marketed primarily to or used primarily by persons under the age of 21, or that are attractive to children or youth.

5.60.190 Suspension or revocation of cannabis operation permit.

Any of the following shall be grounds for suspension or revocation of a cannabis operation permit, following the procedures in Section 5.60.200 of this Chapter or, if there is an immediate threat to the public health or safety, such other procedures as may be authorized by law.

- A. Failure to comply with one or more of the terms and conditions of the cannabis operation permit, the Mono County Code, the Mono County General Plan or state law or regulation.
- B. The cannabis operation permit was granted on the basis of false material information, written or oral, given willfully or negligently by the applicant.
- C. Suspension or revocation of the conditional use permit issued under the Mono County General Plan.
- D. Denial, revocation or suspension of the permittee's state cannabis license.
- E. Failure to pay applicable state or County taxes or fees.
- F. Conduct of the commercial cannabis operations in a manner that constitutes a nuisance, where the permittee has failed to comply with reasonable conditions to abate the nuisance as directed by the County.

5.60.200 Procedure for suspension or revocation.

- A. If the Director determines that grounds for suspension or revocation of the cannabis operation permit exist, he or she shall issue a written Notice of Intention to suspend or revoke the permit, as applicable. The Notice of Intention shall be served in accordance with Section 5.60.210 on the permittee and owner(s), as reported on the permit, and on the property owner, as reported on the latest equalized assessment roll. The Notice of Intention shall describe the property, the intention to revoke or

Attachment A

suspend the permit, the grounds for suspension or revocation, the action necessary to correct or abate the violation and a reasonable time limit for compliance.

- B. If the violation has not been corrected within the period specified in the Notice of Intention, the Director may issue a Notice of Suspension or Revocation, as applicable. The Notice of Suspension or Revocation shall be served in the same manner and upon the same persons as described above for service of the Notice of Intention and shall be effective ten (10) business days from the date it is postmarked, unless a request for hearing is submitted as described in subsection C.
- C. The permittee and/or owner shall have ten (10) business days from postmark date of the Notice of Revocation or Suspension to submit a completed appeal form, to the Department requesting a hearing. The appeal form may be obtained from the Mono County Community Development Department office. Failure to submit the requisite form within ten (10) business days of postmark date of the Notice of Revocation or Suspension, shall be deemed a waiver of the right to challenge the suspension or revocation and a failure to exhaust administrative remedies.
- D. Upon receipt of a timely written request for a hearing, the Director shall set a date for a hearing to be held as soon as reasonably practicable before the Board of Supervisors or a Hearing Officer designated by the Board (“hearing body”). Notice of the hearing, including the time, date, and location of the hearing, shall be served in the same manner and upon the same persons as described above for service of the Notice of Intention. The revocation or suspension shall be stayed until the hearing body decision is final.
- E. Hearing Procedures:
 - 1. The hearing body is authorized to conduct hearings, issue subpoenas, receive evidence, administer oaths, rule on questions of law and the admissibility of evidence, prepare a record of the proceedings, and render decisions on the suspension or revocation of the cannabis operation permit.
 - 2. In any proceeding before a hearing body, oral testimony offered as evidence shall be taken only on oath or affirmation, and the Hearing Officer, his/her clerk, or other designee shall have the power to administer oaths and affirmations and to certify to official acts.
 - 3. All parties to the hearing shall have the opportunity to testify, introduce exhibits, call and examine witnesses, and cross examine opposing witnesses on any matter relevant to the issues.
 - 4. The hearing body may postpone the hearing date upon good cause shown, continue the hearing during the course of the hearing, and make such

Attachment A

other procedural orders and rulings as he or she deems appropriate during the course of the hearing.

5. The hearing shall follow the procedures set forth in subsections 1.12.050 (E) -(L) of the Mono County Code, except that the Notice of Intention issued under this Chapter shall be treated as the Notice of Violation under those subsections and the Notice of Suspension or Revocation issued under this Chapter shall be treated as the Administrative Citation.
 6. Within thirty (30) calendar days after the close of the hearing, the hearing body shall issue a written decision, including a statement of the basis for the decision. The hearing body's written decision shall constitute the final administrative decision of the County.
- F. If neither the permittee nor the owner, nor their authorized representatives, appear at the noticed hearing, such failure to appear shall constitute an abandonment of the hearing request and a failure to exhaust administrative remedies.

5.60.210 Service requirements.

Wherever this Chapter requires the County to serve notice on an applicant, permittee, property owner, or owner such notice shall be given in writing, and shall be delivered by certified U.S. mail, postage prepaid, return receipt requested. In addition, any such notice may be posted at the physical address of the premises on the date of the mailing of notice. Service shall be deemed complete upon mailing.

5.60.220 Enforcement and penalties.

The remedies provided by this Chapter are cumulative and in addition to any other remedies available at law or in equity.

- A. Any violation of this Chapter, the Mono County General Plan, use permit or state law or regulation may be enforced through administrative citation and penalty as provided in Chapter 1.12 of the Mono County Code except that the amount of the administrative penalty shall be \$1,000 per day.
- B. Any condition caused or allowed to exist in violation of any of the provisions of this Chapter, the Mono County General Plan, use permit, or applicable state law or regulation is a public nuisance which shall, at the discretion of the County, be subject to abatement or other relief pursuant to Chapter 7.20 of the Mono County Code.
- C. Each and every violation of this Chapter, the Mono County General Plan, or applicable state law or regulation shall constitute a separate violation per day and shall be subject to all remedies and enforcement measures authorized by the Mono County Code or otherwise authorized by law. Additionally, any violation shall be subject to injunctive relief, disgorgement to the County of any and all monies

Attachment A

unlawfully obtained, costs of abatement, costs of restoration, costs of investigation, restitution, and any other relief or remedy available at law or in equity. The County, including the Office of the District Attorney and the Office of the County Counsel, may pursue any and all remedies and actions available and applicable under state and local laws for any violations.

5.60.230 Severability.

If any section, subsection, sentence, clause or phrase of this Chapter is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Chapter. The Board of Supervisors hereby declares that it would have passed this Chapter and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections.