

Senate Bill 67 and the Cannabis Appellations Program



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October 19th, 2020

CalCannabis Director Richard Parrot
1220 N Street,
Sacramento, CA 95814

RE: Senate Bill 67 and the Cannabis Appellations Program

Dear Director Parrott,

The organizations represented in this letter were driving members of the coalition to support the passage of Senate Bill 67, ensuring that appellations established through California's Cannabis Appellations Program (CAP) are premised upon evidence of terroir-based causal link(s) between the qualities or characteristics of the cannabis and the geographical area in which it was produced, including human *and* natural factors.

Origins Council and our partner organizations have conducted a technical review of the revised CAP regulations and find them to be in direct conflict with this very intent. Specifically, section 9106(d) of the proposed regulations would enable the establishment of an appellation based on reputation alone, without a causal link between geography and the quality or characteristics of the final product. The Initial Statement of Reason states:

[These revisions] preserve the ability of the Department to approve larger reputation-based cannabis appellations of origin such as the widely recognized three-county region known as the "Emerald Triangle."

Reputation alone cannot justify the establishment of an appellation of origin. The key criterion that must be proved is that the natural environment where the cannabis is grown essentially or exclusively affects the quality or characteristics of the cannabis grown there.

If enacted, these reputation-based appellations would fundamentally contradict the premise of SB 67, turning SB 67's in-ground, full-sun baseline from a critical cornerstone of a terroir-based framework into an arbitrary restriction on cannabis farmers.

An appellations program based on terroir will require sufficient expertise to review petitions for a well-supported causal link claim. Fundamental to a proper discretionary review of appellation petitions is the appropriate expertise to evaluate petitions in the following respects: completeness; standard, practice, and cultivar criteria; and the substance and strength of the terroir-based causal link claim(s). In order to incorporate this expertise, the draft regulations propose that CDFA "may" establish a petition review panel. We feel strongly that this panel is essential to the integrity of the program and should be mandated within the regulations, established, and in place before the agency receives petition submissions.

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While state law requires CDFA to “establish a process” for appellations by January 1, 2021, it does not require CDFA to accept or process petitions by a specific date. As a part of establishing that process, we have recommended the agency consider accepting petitions no sooner than January 1, 2022, in order to allow time for the agency to create a discretionary review process and establish the panel of experts to effectively evaluate causal link determinations as well as standards, practices, and cultivar criteria. This also will afford petitioners the time to build consensus among cultivators within the appellations on the required standard, practices, and cultivars.

We believe strongly that the approval of high-quality petitions with defensible causal links should be a top priority in the initial rollout of the appellations program, even if establishing the systems to make this possible require a slower implementation of the program. If the first petitions approved under the appellations system are of poor quality, it will set a precedent that cannot be undone. This timeline would protect against a rush-to-market mentality that could result after the CAP regulations take effect and ensure that the legacy farming communities that have been impacted by COVID, wildfires, and licensing issues are better positioned to develop petitions, with a full understanding of the process and criteria around which to build their petitions. It also would allow cultivators extra time to develop consensus on the appellation boundaries, name, cultivars, standards, and practices which we regard as an essential building block of a successful CAP.

We have included a copy of our comments submitted to CDFA, where we have addressed these issues in detail and offered suggested revisions.

We ask for your support in ensuring that California’s cannabis appellations are premised upon defensible causal link(s) between the unique expression of the cannabis and the terroir in which it was produced, in keeping with the intent of Senate Bill 67.

Sincerely,



Genine Coleman, Executive Director, Origins Council



Ross Gordon, Policy Director, Humboldt County Growers Alliance



Oliver Bates, President, Big Sur Farmers Association

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Diana Gamzon, Executive Director, Nevada County Cannabis Alliance



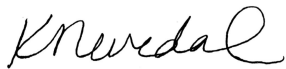
Patrick Sellers, President, Mendocino Cannabis Alliance



Adrien Keys, Chair of the Board of Directors, Trinity County Agricultural Alliance



Joanna Cedar, Board Member, Sonoma County Growers Alliance



Kristin Nevedal, Chair of the Board of Directors, International Cannabis Farmers Association



Lauren Fraser, Chair of the Board of Directors, Cannabis Distribution Association



Jerred Kiloh, President, United Cannabis Business Association

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Lindsay Robinson, Executive Director, California Cannabis Industry Association



Gretchen Giles, Founding Board Member, Sonoma Valley Cannabis Enthusiasts & Cannabis Business Association of Sonoma County



Aaron Smith, Executive Director, National Cannabis Industry Association



Christopher Davis, Executive Director, International Cannabis Bar Association