Dr. LaShae Sharp- Collins 79th Assembly District



AB 1027: Cannabis Testing

SUMMARY

AB 1027 allows the Department of Cannabis Control (DCC) stronger regulatory oversight on the testing of cannabis products.

BACKGROUND

Widespread cannabis testing fraud is harming Californians and hampering the growth of its legal cannabis market. In 2016, Californians voted for legalization in large part to eliminate the illicit need, ensure safety, and generate revenue; however, the state is falling short of each of those goals. More than half of California's estimated cannabis sales still take place in illegal markets, and new evidence of testing fraud is uncovered every day.

Limited regulations and enforcement have resulted in persistent testing fraud, a risk to patients and consumers, and inadequate tax collection. For instance, a recent sample of 150 randomly chosen CA products found that 87% had inaccurately high tetrahydrocannabinol (THC) potency labels after retesting. As such, brands and labels are fraudulently inflating stated levels of THC by working with labs known to give artificially high results, as higher THC levels are proven to yield higher prices.

Fraudulent testing and inaccurate labeling create safety risks for the estimated 2 million medical marijuana patients who depend on it for treatment. Product recalls are increasing daily for issues such as pesticides and mold. Evidence from states such as Arizona, Colorado, Florida, Michigan, Minnesota, Nevada, Oklahoma, Oregon, Vermont, and Washington indicates that California residents are likely exposed to other contaminants such as yeast, E. coli, and salmonella.

According to a recent report by the California League of Cities, roughly 55% of all cannabis sales within the state are in the illegal market. Consequently, the \$5.2 billion in revenues received by the California Department of Tax and Fee Administration in 2021 could more than double if the illicit market is eradicated.

<u>THIS BILL</u>

This bill strengthens the Department of Cannabis Control's authority to regulate cannabis product testing by prioritizing consumer protection and ensuring the reliability of cannabis products.

SUPPORT

California NORML (Sponsor)

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