



December 12, 2018

Nicole Elliott, Director
Office of Cannabis
San Francisco City Hall
1 Dr. Carlton B. Goodlett Pl.
Room 018
San Francisco, CA 94102
Via email: officeofcannabis@sfgov.org

Re: Office of Cannabis November 2018 “1609(b)(11)(D), 1618(j) Security Plan and Identification Badge Rulemaking” Proposal

Founded in 2004, The Green Cross prides itself on its “patients first” mantra and compassionate approach to patient care. Legally permitted by the City and County of San Francisco, The Green Cross has operated at its current retail storefront location at 4218 Mission Street since 2013. Our store provides patient education, neighborhood safety services, and low-priced quality medicine. In addition to retailing cannabis products, apparel, and other accessories, The Green Cross also manufactures edible cannabis products under the IncrediMeds brand, and distributes cannabis goods under the Green Lift brand.

We appreciate the Office of Cannabis’s extensive outreach efforts, and your consideration of our comments and suggestions below.

A. § (h) – Security Plans – Consultation with San Francisco Police Department

1. Text of Regulation

(h) Security Plans must be developed in consultation with the San Francisco Police Department.

2. Policy Rationale

This regulation seeks to implement the definition of “Security Plan” in Police Code Section 1602, and its good intention for businesses and our Police Department to coordinate efforts for the security of all. However, the operative phrase “developed in consultation with” is vague: insufficiently specific for our business to know whether we are properly in compliance or not. For instance, this phrase could possibly be interpreted to mean that the

Police Department must review and approve our security plan before we can use it, or even that security plans must be created from ideas provided by the Police Department, or merely that security plans must be written on a new form that will be provided by the Police Department. Please clarify the substance of this regulation before adopting it, including specifying how we will be expected to consult with the Police Department, and how we will be expected to demonstrate to the Office of Cannabis that we have done so.

B. § (i)(4)(B) – Diversion Controls – Procedure

1. Text of Regulation

(i) ... how the applicant will secure the premises, diversion controls the applicant has put in place, the premises alarm system, the premises video surveillance system, security personnel, and personnel identification badge maintenance. ...

(4) Diversion Controls ...

(B) Procedure for preventing diversion of cannabis goods.

2. Policy Rationale

This regulation would require our security plan to say how we will prevent diversion. We agree with this requirement's policy goal of preventing secondary sales to minors. However, all of the other security plan requirements – physical security, alarms, cameras, personnel, badges – are all also intended to prevent diversion, however directly or indirectly. Please clarify this regulation to differentiate it from the rest of the security plan requirements, perhaps by adding more detail to explain what additional procedural safeguards are required for diversion controls as distinct from any other requirement. For example, if this rule were intended primarily to enforce daily sales limits, it could instead refer to a permittee's "Procedure to ensure compliance with daily sales limits" or similar.

C. § (I) – Security Plan Changes – Prior Written Approval

1. Text of Regulation and Proposed Revision

~~(I) Changes to a Permittee's Security Plan shall not occur without prior express, written approval of the Office of Cannabis.~~

2. Policy Rationale for Suggested Revision



This regulation is apparently intended to prevent permittees from downgrading security measures after their security plans have been approved by the OOC. This is problematic because we need to be able to adapt and revise our security protocols as necessitated by changing circumstances for the safety of our customers and workers, rather than waiting for the Office of Cannabis to approve. Further this regulation is unnecessary because, if a permittee implements security plans that fail to meet the minimum requirements of these regulations or the Police Code, then the Office of Cannabis already has authority under Sections 1601 and 1631 to revoke their permit. Moreover, this regulation's overreach is demonstrated by contrast with 16 CCR § 5023, where the Bureau of Cannabis Control explicitly requires licensees obtain the Bureau's prior written approval for important changes such as disaster response or adult/medicinal designations, but explicitly does not require prior approval or even prior notification to the Bureau. Please strike this burdensome, unnecessary regulation that far exceed even the Bureau's requirements.

Please transmit responses and the full text of any modified proposed regulations to KevinReed@TheGreenCross.org, jesse.stout@greenbridgelaw.com, and khurshid@greenbridgelaw.com.

Regards,

Kevin Reed
Founder & President
The Green Cross