

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT relative to establishing a regulatory framework for commercial cannabis activity, and other cannabis-related issues, in the City of Los Angeles.

Recommendations for Council action:

1. REQUEST the City Attorney, with the assistance of the Cannabis Department, the City Administrative Officer (CAO), and the Chair of the Rules, Elections, and Intergovernmental Relations Committee, to prepare and present a draft ordinance addressing the procedural components of procuring licenses and rules and regulations for commercial cannabis activity based on the Council's latest proposed draft regulations on commercial cannabis activity entitled *Revised Draft for Commercial Cannabis Activity in the City of Los Angeles*, dated September 22, 2017. This draft ordinance should also include changing the name of the Cannabis Department to the Department of Cannabis Regulation (DCR), and changing the name of the Cannabis Commission to the Cannabis Regulatory Commission (CRC).
2. REQUEST the City Attorney, with the assistance of the Bureau of Contract Administration (BCA), to prepare and present a draft ordinance which provides for worker retention at legally licensed cannabis businesses in order to ensure that standards related to security, social equity, and other training standards already in place are maintained when commercial cannabis businesses change ownership. In doing so, the City Attorney should look to existing worker retention ordinances in the Los Angeles Municipal Code, such as the Grocery Workers Retention Ordinance.
3. REQUEST the City Attorney, with the assistance of the Los Angeles World Airports, to prepare and present a draft ordinance imposing requirements for auto rental agencies, particularly at airports, to advise visitors to the City about prohibitions against driving while under the influence of cannabis and other limitations.
4. REQUEST the City Attorney to prepare and present an ordinance that includes anti-retaliation provisions and protections for employees of commercial cannabis businesses who raise concerns with the employer or the City regarding compliance with the City of Los Angeles rules, regulations, and ordinances concerning commercial cannabis activity.
5. INSTRUCT the Chief Legislative Analyst (CLA), with the assistance of the CAO and the DCR, to report back on the issue of social consumption, providing an analysis of what the State of California allows, the ongoing processes of the States of Colorado, Nevada, Washington, and Alaska, as well as the cities of Denver, Seattle, Washington D.C., and San Francisco. This report should also include an analysis of how other jurisdictions are addressing the issue of impaired driving or driving under the influence of cannabis and cannabis-related products.
6. INSTRUCT the DCR to include Business Improvement Districts in the group for the DCR's Early Notification System.

7. INSTRUCT the BCA to report in 30 days on the additional resources it will need in order to support the DCR in enforcing labor standards in this new industry; and, INSTRUCT the CAO to include in that report how the resources will be funded.
8. REQUEST the City Attorney to include language that enables the DCR and CRC to add more stringent restrictions for public safety reasons (relative to adding site-specific conditions for compliance when approving permits).

Fiscal Impact Statement: Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: Yes.

P.I.C.O. Neighborhood Council
Historic Highland Park Neighborhood Council
Greater Toluca Lake Neighborhood Council
Downtown Los Angeles Neighborhood Council
Studio City Neighborhood Council
Westside Neighborhood Council
South Robertson Neighborhood Council
West Hills Neighborhood Council
Woodland Hills Warner-Center Neighborhood Council
South Robertson Neighborhood Council
Sherman Oaks Neighborhood Council

SUMMARY

At a special meeting held on September 25, 2017, the Rules, Elections, and Intergovernmental Relations Committee considered various reports from the CAO and CLA including the Council's latest proposed draft regulations on commercial cannabis activity entitled *Revised Draft for Commercial Cannabis Activity in the City of Los Angeles* dated September 22, 2017. These reports provide information relative to establishing a regulatory framework for commercial cannabis activity, and other cannabis-related issues, in the City of Los Angeles and are attached to the Council file.

During Committee's consideration, the Committee Chair submitted recommendations into the record as attached to the Council file. The Vice Chair made additional recommendations. After further consideration, and after providing an opportunity for public comment, the Committee recommended that Council approve the recommendations as submitted by the Chair and Vice Chair and detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

RULES, ELECTIONS, AND INTERGOVERNMENTAL RELATIONS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
WESSON:	YES
HUIZAR:	YES
HARRIS-DAWSON:	YES

REW 9/26/17 FILE NO. 14-0366-S5, etc.

-NOT OFFICIAL UNTIL COUNCIL ACTS-