RULES, ELECTIONS, INTERGOVERNMENTAL RELATIONS

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) authorizes a person who obtains a state license to engage in commercial medicinal and adult-use cannabis activities pursuant to the state license and applicable local ordinances; and

WHEREAS, the MAUCRSA imposes several requirements on cannabis advertisements and marketing, including 1) accurately identifying the licensee responsible for that content by adding the licensee's license number and 2) certain audience restrictions and age affirmation requirements; and

WHEREAS, several technology platforms are advertising for unlicensed cannabis businesses, including illicit operators that sell and deliver cannabis products; and

WHEREAS, currently pending before the State Legislature, AB 1417 (Rubio) would prohibit an operator of an internet website, online service, online application, or mobile application from displaying an advertisement for the sale of cannabis products unless the advertisement displays the license number of the cannabis business; and

WHEREAS, AB 1417 would allow the Attorney General, a district attorney, a city attorney or prosecutor, or a person in the public interest to bring a civil action for violations of the MAUCRSA's cannabis advertisement and marketing requirements; and

WHEREAS, AB 1417 would impose a civil penalty, not to exceed \$2,500 per day for each violation, on any person or operator that violates the MAUCRSA's cannabis advertisement and marketing requirements; and

WHEREAS, AB 1417 would require all civil penalties collected for violations of the MAUCRSA's cannabis advertisement and marketing requirements to be used towards enforcement efforts against unlicensed commercial cannabis activity;

WHEREAS, AB 1417 would require an operator of an internet website, online service, online application, or mobile application that promotes information about the sale of cannabis products in the State to warn individuals who visit or use their services about the risks associated with consuming cannabis products sold by unlicensed entities;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-2020 State Legislative Program SUPPORT for AB 1417 (Rubio) which would prohibit the operator of an online platform or application from displaying advertisements for the sale of cannabis products unless the advertisement displays the license number of the cannabis business, and would allow for civil action for violations of cannabis advertisement and marketing requirements.

PRESENTED BY:

HERB J. WESSON, JR. Counsilmember, 10th District

SECONDED BY:

si 172 0 3 203