

October 21, 2019

The Honorable Members of the Budget Committee The Honorable Members of the Rules Committee Los Angeles City Council 200 N. Spring Street Los Angeles CA 90012

Re: Krekorian Motion to Ban all Cannabis Vape Products

Dear Honorable Members of the Budget and Rules Committee:

On September 24, 2019, Los Angeles Councilman Paul Krekorian submitted a motion which instructed the Los Angeles City Attorney to draft an ordinance which: "...will prohibit the sale of all cannabis products and associated accessories used for vaping within the City of Los Angeles for one year." We are writing today to urge Councilman Krekorian to withdraw this motion until such time as it can be determined how much this kind of enforcement will cost. Additionally, as written, the motion has other problems which we hope Councilman Krekorian will address.

The motion contains no request for budget monies for enforcement, and until such time as a budget for this very specialized kind of enforcement exists, the motion is unlikely to accomplish its objective. People so corrupt they would create products that poison consumers, are unlikely to pay any attention at all to a ban, if no monies exist for enforcement of that ban.

Moreover, the companies tied to the manufacture of these poisonous products have already shut down operations¹, making them far more difficult to find than an unlicensed retailer advertising on Weedmaps. Those who actually manufacture these illicit products are typically misguided entrepreneurs with no access to the licensed regulated market. They manufacture and sell their product at "pop up" events,² such as the one recently described by a CBS reporter who rode along to a "farmer's market" for illegal vape products which took place 75 miles outside of Los Angeles.

This proposed motion has also caused a great deal of consternation for the following reasons:

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- The licensed market will obey the motion and all sales of regulated, tested products will cease. Consumers and patients will have no choice but to buy in the illicit market and hope they don't die as a result.³
- Sales of safe, regulated products sold at licensed cannabis locations have not been linked to any illnesses or death. They account for about 30% 40% of retail cannabis sales⁴, so all tax monies tied to these sales disappears.
- CannaSafe, a licensed cannabis testing lab, tested 104 vaping products. NONE of the products coming from licensed, tested manufacturers tested dirty. ALL products coming from unlicensed, illicit operators tested dirty. CannaSafe's report on this is attached. Given this evidence, enforcement should be against unlicensed entities, not the regulated market.
- Because of its large population, and unchecked illicit drug activity, the county will quickly become
 ground zero for vaporization related injuries and deaths once regulated, tested sales cease.
- The resulting costs to voters (who will be the ones actually paying for the expense through added taxes or other mechanisms) will be substantial.
- But for the actions of the City of Los Angeles, consumers and patients could have continued to use tested, regulated products that had long been proven to be safe. Once it becomes widely known that the explosion of deaths and injuries were directly related to a council motion banning safe, regulated products, the City will endure expensive litigation each time a City resident who was pushed into the illicit market dies or is injured.

The motion also maintains that cannabis testing laboratories test only for purity. In fact, many have already added tests for Vitamin E Acetate, widely thought to be one of the chief culprits causing injury. Labs have also pledged to add testing for other contaminants, as soon as they can be identified.

Krekorian's motion is also overbroad. For instance, the motion bans **all** vape products. This means that a completely benign form of vaping which has not been linked to the current epidemic and which has had no previous history of harm is also banned. We are, of course, referring to the vaping of ground cannabis, rather than any distilled liquid form of the plant.

Historically, cannabis has always been vaped. Whether you used a heated rock, pipe, or a PAX device the vaping method was the same: A small amount of ground cannabis was placed in a receptacle then heated

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rather than burned, with the resulting vapor inhaled. Vaping ground cannabis is thought to be safer than smoking it.

Vaping ground cannabis, unlike inhaling oil, has not been named as the cause of any illnesses or deaths currently. It has been used as a marijuana delivery system without incident for centuries, originating in 5th Century (BC) Egypt. Unfortunately, because Krekorian's motion was so broadly written, this completely safe method of vaping will be banned as well.

This is perhaps the cruelest unintended result of the motion: thousands of patients who depend on vaping because they live in shared house and cannot smoke their medicine nor tolerate any other kind of delivery system will simply be denied the safe access the City intended when it began regulating in 2007, because they cannot legally access safe, regulated vaping products.⁶

Those patients have safe access now. They can go to 187 licensed locations across the City and purchase vaping products that have been in widespread use since 1996⁷. Per state law, these products are required to undergo rigorous testing⁸, list their ingredients⁹ and will be immediately recalled if found defective¹⁰.

The Los Angeles County Department of Public Health cannot point to one illness or death relating to these products. Yet Krekorian would ban these products, while allowing the sales of dangerous, poisonous products to go unchecked, because no money has been earmarked for enforcement. Enlarging an illicit market that is already three times the size of the regulated marketplace, 11 is the only possible result of this well-intended but inappropriate motion.

We are hopeful that both the honorable committees, as well as the entire council, will consider the above, and work with Councilman Krekorian to shape motions which target those who are creating the problem, rather than those who, as part of a regulated, licensed market, have caused no injuries at all.

Sincerely

Sarah Armstrong JD

Director of Industry Affair Americans for Safe Access

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Advancing Legal Medical Marijuana Therapeutics and Research

 ${}^{1}\,\underline{https://www.leafly.com/news/health/some-vape-cart-additive-makers-pull-products-others-go-dark}$

² https://www.cbsnews.com/news/vaping-inside-booming-black-market-cbs-news-investigates-2019-10-09/

³ It's important to remember that unlicensed retailers spend considerable effort trying to fool consumers into thinking they are legitimate licensed entities.

4 "...but California stood out: concentrates, with 37 percent of market share, bested flower's share of 33 percent." BDS Analytics "The 2018 Year in Review" See: https://bdsanalytics.com/the-2018-california-cannabis-marketplace-in-review/

⁵ See: <u>https://hipporeads.com/a-short-history-of-the-vaporizer/</u>

⁶ Because of housing shortages, as well as high rents, 54% of LA residents live in shared housing. Leasing agreements for all housing forbid smoking, including marijuana. Vaping is a less malodorous form of cannabis consumption, particularly if you step outside and is a form of cannabis consumption favored by patients. See: https://la.curbed.com/2017/2/22/14700970/los-angeles-renters-homeowners-percentage-rent-vs-buy and https://la.curbed.com/2017/2/22/14700970/los-angeles-renters-homeowners-percentage-rent-vs-buy and https://www.safeaccessnow.org/asa-creates-patient-focused-recommendations-in-light-of-the-vaping-crisis

⁷ 1996 was the debut of the Volcano Vaporizer. Though lessor types existed at that time, the Volcano was the game changer. Priced at 800.00 it was also the most expensive vaporizer existent.

8 A chart showing all required testing can be found at: https://bcc.ca.gov/about_us/documents/17-261_required_testing_chart.pdf

9 See: California Code of Regulations §40403 to §40412

10 See: California Code of Regulations §40297 et seq.

11"California's black market for cannabis is at least three times the size of its regulated weed industry, according to an audit made public Wednesday, the latest indication of the state's continued struggle to tame a cannabis economy that has long operated in legal limbo." See: https://www.latimes.com/california/story/2019-09-11/california-marijuana-black-market-dwarfs-legal-pot-industry

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CannaSafe

In response to recent vaping related illnesses, we took a deeper dive into this issue. The attached report expands on our initial findings and provides further insights into the current state of regulated cannabis. CannaSafe's mission is to push cannabis science forward in a way familiar to FDA and medical professional protocols. We hope this report encourages cannabis industry leaders to continue working together to provide information that assists regulators and lawmakers in navigating this burgeoning industry. The goal is to use this data to educate consumers, regulators, and the media.

Recent federal investigations show that the majority of reported vaping-related illnesses are linked to vape cartridges containing THC.¹ The CDC reported many of those in the first two states to report illnesses – Illinois and Wisconsin – said they were sickened by counterfeit marijuana products from the illicit market.²

California is the largest cannabis consumer market in the world. Unfortunately, CA is also the largest illicit market for cannabis in the world. Licensed cannabis in CA contains the industry's best operators, which are controlled by the most stringent final-product testing standards.

CannaSafe performed its own testing on vape products purchased from the legal, regulated market, as well as those from the illicit market. The 104 legal, regulated vape products tested met the label claims of THC% and had no Vitamin E Acetate or pesticides. Out of 12 illicit vape products tested, 9 contained Vitamin E Acetate, and all of them had detectable levels of pesticides, including myclobutanil, which can break down into hydrogen cyanide when heated. All 7 illicit vape products that made a THC% label claim, tested false.

CannaSafe's results prove it is more difficult for these types of adulterants to enter a regulated market. All the illicit products we tested would have failed California Phase III compliance testing, meaning that 0% of the products from the illicit supply chain would have made it through California regulatory standards and onto the shelves of licensed retailers. Vitamin E Acetate is the first dangerous additive in the illicit market to make headlines, but it may not be the last.

Data accumulated by Americans for Safe Access reports that patients prefer vaping as a delivery method over smoking flower, edibles and pills.³ With vaping, patients are able to control their dosing and are not using hydrocarbons, such as lighters, that may introduce another byproduct with a potential health risk. For patients that have difficulty with swallowing, nausea, or vomiting, pills and edibles aren't effective options. Additionally, ingestion hinders the onset of the medication, making it harder for the patient to regulate and medicate acute pain.

The cannabis industry has come together to propose solutions to combat counterfeit products and identify approved sources for additives. We conclude that a ban on vaping would only endanger the progress made and force vulnerable patients back into unsafe and unregulated markets where dangerous products thrive. The THC vape cart industry alone is estimated at \$5 billion annually, and it will remain a lucrative business for illegal producers if a legal market isn't supported.

CannaSafe

On behalf of the cannabis industry, CannaSafe urges lawmakers not to take this delivery method away from patients and consumers. We also encourage patients to speak out and use the channels available to make their voices heard. We are currently working on establishing a client portal to post our client's testing results and make them a resource to all for information and research.

Thank you for your time. We hope the following report helps you make a more informed decision. Please buy legal, whenever and wherever possible.

Aaron Riley President

Sources

- ¹ Fertig, Natalie, et al. "CDC Says Majority of Vaping-Related Illnesses Linked to THC." POLITICO, 30 Sept. 2019, https://www.politico.com/newsletters/morning-cannabis-preview/2019/09/30/cdc-says-majority-of-vaping-related-illnesses-linked-to-thc-761462.
- ² "E-Cigarette Product Use, or Vaping, Among Persons with Associated Lung Injury Illinois and Wisconsin, April–September 2019 | MMWR." Centers for Disease Control and Prevention, Centers for Disease Control and Prevention, 27 Sept. 2019, https://www.cdc.gov/mmwr/volumes/68/wr/mm6839e2.htm?s_cid=mm6839e2_w.
- ³ "ASA Creates Patient-Focused Recommendations in Light of the Vaping Crisis." Americans for Safe Access, 2 Oct. 2019, https://www.safeaccessnow.org/asa_creates_patient_focused_recommendations_in_light_of_the_vaping_crisis.

CannaSafe

Vitamin E Acetate Report

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Introduction

In response to recent vaping related illnesses, we took a deeper dive into this issue. The attached report expands on our initial findings and provides further insights into the current state of regulated cannabis. CannaSafe's mission is to push cannabis science forward in a way familiar to FDA and medical professional protocols. We hope this report encourages cannabis industry leaders to continue working together to provide information that assists regulators and lawmakers in navigating this burgeoning industry. The goal is to use this data to educate consumers, regulators, and the media.



Current Data on Vape Illnesses

805+ Lung Injuries | States

Cartridges Packaging Distillate Terpenes

Profit in the illict market Deaths

Recent federal investigations show that the majority of reported vaping-related illnesses are linked to vape cartridges containing THC.1 The CDC reported many of those in the first two states to report illnesses - Illinois and Wisconsin - said they were sickened by counterfeit marijuana products from the illicit market.2

Data as of October 3, 2019

Preliminary CannaSafe Testing Results

		LICENSED	CARTS LICE	NSED	CARTS	LICENSED CARTS Cannas	afe
IRTS		Vape Name	Compliance Testing	% THC	Vitamin E Acetate	Pesticides	=
LICENSED CARTS	DREAD TO THE PROPERTY OF THE P	Orchid	California Phase 3 Compliance	Claim 63% Tested 67%	0%	None Detected	LICENSED CARTS
	TILCLIN MINE	Tikun	California Phase 3 Compliance	Claim 48% Tested 48%	0%	None Detected	
LICENSED CARTS	Solect Solect	Select	California Phase 3 Compliance	Claim 84% Tested 87%	0%	None Detected	LICENSED CARTS
		Heavy Hitters Diablo OG	California Phase 3 Compliance	Claim 91% Tested 91.6%	0%	None Detected	CARTS
IT CARTS		Brass Knuckles Sour Apple	None	No Claim Tested 75%	4.2%	Bifenazate Boscalid Chlorfenapyr Etoxazole Fipronil Myclobutanil Paclobutrazol Permethrin Piperonyl Butoxide	COUNTE
COUNTERFEIT CARTS	5	Brass Knuckles Gushers	None	No Claim Tested 70%	10.1%	Bifenazate Chlorfenapyr Fipronil Myclobutanil Permethrin	COUNTERFEIT CARTS
COUNTERFEIT CARTS C	- no	Heavy Hitters Pineapple Express	None	No Claim Tested 60%	25.1%	Bifenazate Chlorfenapyr Etoxazole Fipronil Myclobutanil Permethrin	
		Dank Vapes Dole Whip	None	No Claim Tested 59%	29.7%	Bifenazate Chlorfenapyr Fipronil Myclobutanil Permethrin	COUNTERFEIT CARTS
	Lands Lands	Dank Vapes Lemon Berry	None	Claim 90.99% Tested 26%	33.1%	Bifenazate Malathion Metalaxyl Myclobutanil Permethrin Piperonyl Butoxide Propicanazole Tebucanazole Trifloxystrobin	EIT CARTS
CARTS		Cereal Carts Trix	None	Claim 85-90% Tested 23%	32.3%	Bifenazate Metalaxyl Myclobunatil Paclobutrazol Permethrin Piperonyl Butoxide	COUNT
COUNTERFEIT C	Pille S	Exotic Carts Mars OG	None	Claim 80-85% Tested 27%	38.5%	Bifenazate Chlorfenapyr Chlorpyrifos Fenpyroximate Malathion Myclobutanil Piperonyl Butoxide	NTERFEIT CARTS
100		West Coast Carts Hybrid	None	Claim 80-85% Tested 60%	0%	Myclobutanil	RTS
IT CARTS	PART OF THE PART O	West Coast Carts Indica	None	Claim 80-85% Tested 61%	0%	Myclobutanil	COUNTE
COUNTERFEIT CARTS	***************************************	Mario Carts Skunk OG	None	Claim 83-87% Tested 46%	32.9%	Bifenazate Chlorfenapyr Etoxazole Metalaxyl Myclobutanil Paclobutrazol Permethrin Piperonyl Butoxide	COUNTERFEIT CARTS
	Cannasafa CNI	INTERFEIT C	ARTS COUNT	DECIT	CADTO	COUNTEDEELT CARTS	S

Further Findings

Licensed 104 Samples

0% No
Vitamin E Pesticides

CannaSafe performed its own testing on vape products purchased from the legal, regulated market, as well as those from the illicit market. The 104 legal, regulated vape products tested met the label claims of THC% and had no Vitamin E Acetate or pesticides. Out of 12 illicit vape products tested, 9 contained Vitamin E Acetate, and all of them had detectable levels of pesticides, including myclobutanil, which can break down into hydrogen cyanide when heated. All 7 illicit vape products that made a THC% label claim, tested false.

Illicit/Counterfeit Cartridges Tested



12
Samples

contain Vitamin E Acetate

Up 38.5%
Vitamin E Acetate

100% contain Pesticides

16
detected
Pesticides

contain Heavy Metals

8ppm of Lead



California Illicit Market

Licensed VS Unlicensed

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Fewer than 20% of cities in California — 89 of 482 — allow retail shops to sell cannabis for recreational use



Source: McGreevy, Patrick. "California Now Has the Biggest Legal Marijuana Market in the World. Its Black Market Is Even Bigger." LA Times, August 15, 2019, https://www.latimes.com/california/story/2019-08-14/californias-biggest-legal-marijuana-market



HEAVY HITTERS

Authentic

Claim: 91% Tested: 91.6%

Vitamin E: None

Pesticides None



Kingpen

Authentic

Claim: 81.38% Tested: 81.38%

Vitamin E: None

None









NET W

AWA

PEN

REAM



Counterfeit

Claim: No Claim Tested: 60%

Vitamin E: 25.1%

Pesticides

Fipronil Myclobutanil

Counterfeit

Claim: 75.13% Tested: 63.29%

Vitamin E: 34.88%

Pesticides

Propiconazole Permethrin



Counterfeit

Claim: No Claim Tested: 63.29%

Vitamin E: None

Pesticides

Bifenazate Etofenprox





C CannaSafe

8



Tested: 84.48%

Vitamin E: None

Pesticides None

Safe Access for Patients

Data accumulated by Americans for Safe Access reports that patients prefer vaping as a delivery method over smoking flower, edibles and pills.³ With vaping, patients are able to control their dosing and are not using hydrocarbons, such as lighters, that may introduce another byproduct with a potential health risk. For patients that have difficulty with swallowing, nausea, or vomiting, pills and edibles aren't effective options. Additionally, ingestion hinders the onset of the medication, making it harder for the patient to regulate and medicate acute pain.



Conclusion

The cannabis industry has come together to propose solutions to combat counterfeit products and identify approved sources for additives. We conclude that a ban on vaping would only endanger the progress made and force vulnerable patients back into unsafe and unregulated markets where dangerous products thrive. The THC vape cart industry alone is estimated at \$5 billion annually, and it will remain a lucrative business for illegal producers if a legal market isn't supported.

"The THC vape cart industry is estimated at 5 Billion dollars annually alone"

On behalf of the cannabis industry, CannaSafe urges lawmakers not to take this delivery method away from patients and consumers. We also encourage patients to speak out and use the channels available to make their voices heard. We are currently working on establishing a client portal to post our client's testing results and make them a resource to all for information and research.

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