

# ANNUAL LICENSE APPLICATION GUIDE

## REQUIRED DOCUMENTS AND PROCEDURES



Applicants for an annual license for cannabis manufacturing must submit documents to verify compliance with the regulations, which can be viewed at [www.cdph.ca.gov/mcsb/regulations](http://www.cdph.ca.gov/mcsb/regulations). Below is information to assist you in the application process.

## REQUIRED DOCUMENTS

### Live Scan (§40310) – required for each person who qualifies as an “owner”

A criminal background check, administered by the California Department of Justice. [Download the form required for this fingerprinting process](#), BCIA 8016, from the CDPH website and upload the completed document to the owner’s Individual Profile in the MCLS online licensing system.

Note: *Live Scan forms completed for other state or local agencies cannot be submitted to CDPH.*

### Property Owner’s Statement (§40131)

A written statement that acknowledges and consents to the manufacture of cannabis on the property and contains:

- Identification of the physical location of the property
- Signature of property owner or the owner’s agent
- Name, address and contact number for the owner or owner’s agent

### Premises Diagram (§40105)

A diagram, to scale, that shows the manufacturing premises and all of the following:

- Boundaries, dimensions, entrances and exits, interior partitions, walls, rooms, windows and doorways
- Areas where commercial cannabis activity will be conducted, including extraction, infusion, packaging and labeling, and transportation (loading and unloading of cannabis and cannabis products)
- Limited-access areas, areas used for video surveillance monitoring and storage devices, and security camera locations
- Cannabis waste disposal areas

If the proposed premises is only a portion of the property, the diagram must indicate where the proposed premises is, identify what the rest of the property is used for, and show:

- Entrances and walls under the exclusive control of the applicant
- Proposed common/shared areas of the property, including entryways, lobbies, bathrooms, hallways and breakrooms

Note: *the premises must be contiguous and can only be occupied by one licensee.*

### Surety Bond (§40129)

A bond certificate in the amount of \$5,000, made payable to the State of California as obligee. [A form for this process](#) is available on the CDPH website.

### Business Formation Documents (§40129)

Copies of the paperwork filed when forming the business, including articles of incorporation, bylaws, operating agreements, partnership agreements and fictitious business name statements, and if the business is held in a trust, the certificate of trust that establishes trustee authority.

### CEQA Documentation (§40132)

Compliance with, or exemption from, the California Environmental Quality Act (CEQA). This may be shown using a local license or permit (if the city or county has adopted an ordinance, pursuant to BPC §26055(h)); Notice of Exemption or Notice of Determination, or an applicant-prepared environmental document that complies with CEQA.

## WHO IS AN OWNER? (§40102)

The definition of an owner goes beyond those with a financial interest in the company. Learn who is considered an “owner” in §40102 of the [CDPH regulations on cannabis](#).

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### OTHER DOCUMENTS

#### Local Authorization (§40132) – optional

The license, permit or other authorization showing the applicant's premises is in compliance with all local cannabis requirements. While this document is an optional attachment, it shortens the review time required for your application. When MCSB receives an application we must, by law, contact the city or county in which your premises is located to verify local compliance. If you submit a local license, permit or other authorization to operate a cannabis manufacturing business, the local office has 10 days to respond. If you do not attach local authorization, the local office has up to 60 days to respond.

#### Labor Peace Agreement (§40128) – for businesses with 20 or more employees

A copy of the page of the labor peace agreement containing the signatures of the union representative and the applicant.

#### Closed-Loop System Certification (§40225) – for extractions using CO<sub>2</sub>, volatile solvents, chlorofluorocarbon, hydrocarbon, or other fluorinated gas

- Documentation showing the extraction system has been approved for use by the local jurisdiction's fire department
- Certification by a California-licensed engineer for each extraction system, completed after a review of the equipment as installed on the premises, which contains:
  - Confirmation that the unit was commercially manufactured, safe for use with the intended solvent, and built to codes of recognized and generally accepted good engineering practices
  - The serial number of the extraction unit
  - The signature and stamp of the engineer

#### Certificate of Status (§40129) – for foreign companies

Companies incorporated outside of the State of California must provide a copy of their Certificate of Status, issued by the California Secretary of State, allowing the business to operate within the state.

### FIND MORE HELP ONLINE

For more information about cannabis manufacturing licenses, please visit:  
[www.cdph.ca.gov/mcsb](http://www.cdph.ca.gov/mcsb)

### MANUFACTURING PROCEDURES

The following questions are meant to provide guidance about the descriptions required for the annual license application, which provide a summary of the controls in place to ensure a safe, hazard-free manufacturing environment.

*Note: Manufacturers must have and use detailed procedures throughout their operations, and the descriptions sufficient for the application are not a replacement for the procedures required to be in use throughout the facility, as detailed in the CDPH regulations.*

#### Inventory Control Plan (§40282) – to track all cannabis and cannabis products at the licensed premises

- How will the location and nature of cannabis and cannabis product be tracked within the premises?
- How will the business make sure on-hand inventory matches Track-and-Trace records, which must be reconciled at least once every 30 days?
- How will the manufacturer conduct the audit if on-hand inventory does not match Track-and-Trace records?
- How will the business ensure CDPH is notified within 24 hours if reconciliations or audits show more than 5% discrepancy between on-hand inventory and Track-and-Trace records?

#### Transportation Process (§40131) – the procedures for how cannabis and cannabis products will be transported into and out of the premises

- How will cannabis products be loaded and unloaded at the premises, and what will be done to prevent diversion and ensure product safety?
- What will the business do to make sure cannabis and cannabis products, raw materials and other ingredients are kept safe from contamination or degradation during transportation (ex: refrigeration, proper storage)?

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**Quality Control Program (§40235-40258)** – a comprehensive program to ensure cannabis products are not contaminated or misbranded, which includes all of the following aspects of operations: grounds, building, manufacturing premises, equipment and utensils, personnel, cannabis product components, manufacturing processes and procedures.

- How will the building be maintained to ensure clean and sanitary operations and minimize contamination of cannabis products, ingredients, equipment and supplies? Include a description of grounds maintenance, plumbing/drainage, pest exclusion ventilation, and features of the building designed to protect cannabis products from adulteration.
- How will equipment and utensils be cleaned and maintained in order to prevent cross-contamination and adulteration of cannabis products?
- What measures will be used to ensure workers take precautions to protect cannabis product from allergen cross contact and product contamination?
- How will you prevent the spread of bacteria, disease/illness, or other biohazards from personnel to cannabis products during manufacturing?
- How will product components, raw materials and other ingredients be stored and used so that cannabis products are protected from allergen cross contact and contamination?
- What kind of protective clothing or personal protective equipment will workers wear?
- Where will workers store personal items and take breaks to eat and drink?
- Who will be responsible for ensuring the implementation of the quality control program?

**Security Plan (§40200)** – measures used to prevent unauthorized access, protect the physical safety of employees and protect against theft/loss of cannabis and cannabis product

- How will the business prevent access to the premises and limited-access areas by unauthorized personnel? Describe physical barriers used to secure perimeter access and all points of entry into the manufacturing premises, alarm system, sign in/out procedures, and video surveillance system.
- What methods will be used to limit the access of workers to only those areas of the premises necessary to complete their job duties?
- What measures are in place to prevent the theft or loss of cannabis and cannabis products?
- How will surveillance footage be stored?
- How will electronic records be secured and backed up

**Waste Management Plan (§40290)**

- How will cannabis and non-cannabis waste on the premises be handled and disposed of?
- *If manufacturing activities generate hazardous waste:* how will the hazardous waste be handled and disposed of?
- How will cannabis waste be made unrecognizable and unusable before disposal?
- How will the area in which waste is stored be secured? How will the business ensure access to this area is limited to essential workers and/or waste haulers?
- *If cannabis waste will be picked up by a waste hauler:* Provide the name and contact information of the entity hauling the cannabis waste.
- *If the cannabis waste will be self-hauled:* How will the business transport the waste, where will it be taken, and how will certified weight tickets/receipts be maintained at the premises?

Note: Any manufacturer submitting operating procedures and protocols to the Department pursuant to the Act may claim such information as a trade secret or confidential by clearly identifying such information as “confidential” on the document at the time of submission. Any claim of confidentiality by a manufacturer must be based on the manufacturer’s good faith belief that the information marked as confidential constitutes a trade secret as defined in Civil Code section 3426.1(d), or is otherwise exempt from public disclosure under the California Public Records Act in Government Code section 6250 et seq.