Track and Trace Information

Track and trace programs are operating in many of the states that currently allow medical or recreational cannabis, including Colorado, Oregon, Washington, New Mexico and Illinois. In California, both the Medical Cannabis Regulation and Safety Act (MCRSA) and the Adult Use of Marijuana Act (AUMA) mandate the state to implement track and trace programs. California is currently engaged in the procurement process for a state-wide track and trace system.

<u>MCRSA</u>

The state is required to implement a track and trace program in order to track the movement of medical cannabis and cannabis products through the distribution chain utilizing a unique identifier and secure packaging which is capable of providing the following information:

- 1. Licensee receiving the medical cannabis or cannabis product;
- 2. Transaction date; and
- 3. Cultivator the medical cannabis originates from.

This information shall be part of an electronic shipping manifest which shall contain at a minimum:

- 1. The quantity or weight, and variety of products shipped;
- 2. Estimated times of departure and arrival;
- 3. Quantity or weight and variety of products received;
- 4. Actual time of departure and arrival;
- 5. Categorization of the product; and
- 6. License number and unique identifier issued for the licensees involved in the shipping process, including cultivators, transporters, distributors, and dispensaries.

For medical cannabis, the transporter will complete an electronic shipping manifest with the information described above, and while transporting the cannabis will have a hard copy of the shipping manifest on hand. The licensee receiving the shipment will submit to the licensing agency a record verifying receipt and the above details of the shipment, and will maintain the electronic shipping manifest. When that medical cannabis or cannabis product is picked up by the transporter for its next destination, the transporter will update the electronic shipping manifest and print out a hard copy for the next stage of transport. No dispensary may receive medical cannabis or cannabis or cannabis products shipping manifest.

<u>AUMA</u>

Track and trace is made equally applicable to adult use marijuana and expanded to include on the electronic shipping manifest the amount of cultivation tax that is due. AUMA requires that the track and trace program include an "electronic seed to sale tracking system with data points for the different stages of commercial activity, including, but not limited to, cultivation, harvest, processing, distribution, inventory, and sale".