

LOS ANGELES + CALIFORNIA CANNABIS SECURITY REGULATIONS

STATE OF CALIFORNIA SECURITY REGULATIONS

Limited-Access Areas (a) Licensees shall ensure that only employees of the licensee and other authorized individuals access the limited-access areas of the licensed premises. (b) For the purpose of this section, authorized individuals include individuals employed by the licensee as well as any outside vendors, contractors, or other individuals conducting business that requires access to the limited-access areas. (c) An individual who enters the limited-access area that is not employed by the licensee shall be escorted by an employee of the licensee at all times while within the limited-access area. (d) A licensee shall maintain a record of all authorized individuals that are not employees of the licensee who enter the limited-access areas. The record shall include the name of the individual, the company the individual works for, the reason the individual entered the limited-access area, the date, and the times the individual entered and exited the limited-access area. These records shall be made available to the Bureau immediately upon request. (e) A licensee shall not receive consideration or compensation for permitting an individual to enter the limited-access areas. (f) Entrances to all limited-access areas shall have a solid door and a lock meeting the requirements of section 5046 of this division. The door shall remain closed when not in use during regular business hours. Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code. § 5043.

Licensee Employee Badge Requirement All agents, officers, or other persons acting for or employed by a licensee shall display a laminated or plastic-coated identification badge issued by the licensee at all times while engaging in commercial cannabis activity. The identification badge shall, at a minimum, include the licensee's "doing business as" name and license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height. Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code. § 5044.

Video Surveillance System (a) Each licensed premises shall have a digital video surveillance system with a minimum camera resolution of 1280 × 720 pixels. (b) The surveillance-system storage device or the cameras shall be transmission control protocol (TCP) capable of being accessed through the internet. Bureau of Cannabis Control Regular Regulations Text Page 37 of 136 (c) The video surveillance system shall at all times be able to effectively and clearly record images of the area under surveillance. (d) Each camera shall be permanently mounted and in a fixed location. Each camera shall be placed in a location that allows the camera to clearly record activity occurring within 20 feet of all points of entry and exit on the licensed premises, and allows for the clear and certain identification of any person and activities in all areas required to be filmed under subsection (e) of this section. (e) Areas that shall be recorded

on the video surveillance system include the following: (1) Areas where cannabis goods are weighed, packed, stored, loaded, and unloaded for transportation, prepared, or moved within the licensed premises; (2) Limited-access areas; (3) Security rooms; (4) Areas storing a surveillance-system storage device with at least one camera recording the access points to the secured surveillance recording area; and (5) Entrances and exits to the licensed premises, which shall be recorded from both indoor and outdoor vantage points. (f) Licensed retailers and licensed microbusiness shall also record point-of-sale areas and areas where cannabis goods are displayed for sale on the video surveillance system. At each point-of sale location, camera placement must allow for the recording of the facial features of any person purchasing or selling cannabis goods, or any person in the retail area, with sufficient clarity to determine identity. (g) Cameras shall record continuously 24 hours per day and at a minimum of 15 frames per second (FPS). (h) The physical media or storage device on which surveillance recordings are stored shall be secured in a manner to protect the recording from tampering or theft. (i) Surveillance recordings shall be kept for a minimum of 90 days. (j) Surveillance recordings are subject to inspection by the Bureau, and shall be kept in a manner that allows the Bureau to view and obtain copies of the recordings at the licensed premises immediately upon request. The licensee shall also send or otherwise provide copies of the recordings to the Bureau upon request within the time specified by the Bureau. (k) Recorded images shall clearly and accurately display the time and date. Time is to be measured in accordance with the United States National Institute Standards and Technology standards. (l) The video surveillance system shall be equipped with a failure notification system that provides notification to the licensee of any interruption or failure of the video surveillance system or video surveillance-system storage device. Bureau of Cannabis Control Regular Regulations Text Page 38 of 136 (m) If multiple licensed premises are contained within the same building, a single video surveillance system covering the entire building may be used by all of the licensees under the following conditions: (1) Each applicant or licensee shall disclose on their premises diagram where the surveillance recordings are stored. (2) Each applicant or licensee shall include in their security operating procedures, submitted with the application pursuant to section 5002(c)(29)(D) of this division, an explanation of how the video surveillance system will be shared, including who is responsible for monitoring the video footage and storing any video recordings. (3) All licensees shall have immediate access to the surveillance recordings to produce them pursuant to subsection (j) of this section. (4) All licensees shall be held responsible and subject to discipline for any violations of the video surveillance requirements. Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code. § 5045.

Security Personnel (a) A retail licensee or microbusiness licensee who is engaged in retail sale shall hire or contract for security personnel who are at least 21 years of age to provide security services for the licensed retail premises. All security personnel hired or contracted for by the licensee shall be licensed by the Bureau of Security and Investigative Services and shall comply with Chapters 11.4 and 11.5 of Division 3 of the Business and Professions Code. (b) Notwithstanding subsection (a) of this section, **a licensed non-storefront retailer or licensed microbusiness who is not engaged in storefront retail sale is not required to hire or**

contract for security personnel. (c) If multiple licensed premises are contained within the same building, security personnel may be shared by all of the licensees to cover the entire building under the following conditions: (1) Each licensee shall include in their security operating procedures, submitted with the application pursuant to section 5002(c)(29)(D) of this division, an explanation of how security personnel will be shared, including who is responsible for employing or contracting the security personnel. (2) All licensees shall be held responsible and subject to discipline for any violations of the security personnel requirements. Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code. Bureau of Cannabis Control Regular Regulations Text Page 39 of 136 § 5046.

Locks A licensee shall ensure that the limited-access areas described in section 5042 of this division can be securely locked using commercial-grade, nonresidential door locks. A licensee shall also use commercial-grade, nonresidential door locks on all points of entry and exit to the licensed premises. Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code. § 5047.

Alarm System (a) A licensee shall maintain an alarm system as defined in Business and Professions Code section 7590.1(n) at the licensed premises. (b) A licensee shall ensure a licensed alarm company operator or one or more of its registered alarm agents installs, maintains, monitors, and responds to the alarm system. (c) Upon request, a licensee shall make available to the Bureau all information related to the alarm system, monitoring, and alarm activity. (d) If multiple licensed premises are contained within the same building, a single alarm system covering the entire building may be used by all of the licensees under the following conditions: (1) Each licensee shall include in their security operating procedures, submitted with the application pursuant to section 5002(c)(29)(D) of this division, an explanation of how the alarm system will be shared, including who is responsible for contracting with the alarm company. (2) All licensees shall have access to and be able to provide the information under subsection (c) of this section. (3) All licensees shall be held responsible and subject to discipline for any violations of the alarm system requirements. Authority: Section 26013, Business and Professions Code. Reference: Section 26070, Business and Professions Code.

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5. All agents, officers, or other persons acting for or employed by a licensee **shall display a laminated or plastic-coated identification badge** issued by the licensee at all times while engaging in commercial cannabis activity. The identification badge shall, at a minimum, include the licensee's "doing business as" name and license number, the employee's first name, an employee number exclusively assigned to that employee for identification purposes, and a color photograph of the employee that clearly shows the full front of the employee's face and that is at least 1 inch in width and 1.5 inches in height. (Violation Type – Minor)

6. A Licensee shall ensure that any person on the Business Premises, except for employees and contractors of the Licensee, are **escorted at all times by the Owner or at least one employee** of the Licensee when in the limited-access areas of the Business Premises. (Violation Type – Minor)

7. At a minimum, the Business Premises shall have a **digital video surveillance system** with a minimum camera resolution of 1280 × 720 pixels. The video surveillance system shall at all times be able to effectively and clearly record images of the area under surveillance. Each camera shall be permanently mounted and in a fixed location. Each camera shall be placed in a location that allows the camera to clearly record activity occurring within 20-feet of all points of entry and exits on the Business Premises, and allows for the clear and certain identification of any person and activities in all areas required to be filmed. Areas that shall be recorded on the video surveillance system include, but are not limited to, the following: EFFECTIVE AS REVISED JULY 23, 2018 12 (a) Areas where cannabis goods are weighed, packed, stored, loaded and unloaded for transportation, prepared, or moved within the Business Premises; (b) Limited-access areas; (c) Security rooms; (d) Areas storing a surveillance-system storage device with at least one camera recording the access points to the secured surveillance recording area; and (e) Entrances and exits to the Business Premises, which shall be recorded from both indoor and outdoor vantage points. Retailers shall also record point-of-sale areas and areas where cannabis goods are displayed for sale on the video surveillance system. At each point of sale location, camera placement must allow for the recording of the facial features of any person purchasing or selling cannabis goods, or any person in the retail area, with sufficient clarity to determine identity. Cameras shall record continuously 24 hours per day and at a minimum of 15 frames per second (FPS). The physical media or storage device on which surveillance recordings are stored shall be secured in a manner to protect the recording from tampering or theft. Surveillance recordings shall be kept for a minimum of 90 days. Surveillance recordings are subject to inspection by the DCR and Office of Finance and shall be copied and sent to or otherwise provided to the DCR or Office of Finance, and shall be kept in a manner that allows the DCR and Office of Finance to view and obtain copies of the recordings at the Business Premises immediately upon request. The Licensee shall also send otherwise provide copies of the recordings to the DCR and Office of Finance upon request within the time specified by the DCR or the Office of Finance. Recorded images shall clearly and accurately display the time and date. Time is to be measured in accordance with the United States

National Institute Standards and Technology standards. The video surveillance system shall be equipped with a failure notification system that provides notification to the Licensee of any interruption or failure of the video surveillance system or video surveillance-system storage device. (Violation Type – Moderate)

8. A Licensee shall hire or contract for security personnel to provide security services for the Business Premises. Security personnel shall not be employees of the Licensee. All security personnel hired or contracted for by the Licensee shall comply with the requirements of the State of California and City of Los Angeles and maintain an active American Red Cross first-aid card. (Violation Type – Moderate)

9. A Licensee shall ensure that the limited-access areas can be securely locked using **commercial-grade, nonresidential door locks** in accordance with the approved security plan. A Licensee shall also use commercial-grade, nonresidential locks on all EFFECTIVE AS REVISED JULY 23, 2018 13 points of entry and exit to the Business Premises in accordance with the approved security plan. (Violation Type – Moderate)

10. A Licensee shall maintain an **alarm system** in accordance with the approved security plan as required by the State of California and the DCR. A Licensee shall ensure a licensed alarm company operator or one or more of its registered alarm agents installs, maintains, monitors, and responds to the alarm system. Upon request, a Licensee shall make available to the DCR or the Police Department all information related to the alarm system, monitoring, and alarm activity. A Licensee must apply for, and maintain in good standing, an Alarm System Permit issued pursuant to LAMC Section 103.206. (Violation Type – Moderate)