

ALCOHOL AND MARIJUANA

California ABC Issues New Guidance on the Interplay Between the Alcohol and Cannabis Industries



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On January 18, 2018, the California Department of Alcoholic Beverage Control released an advisory that outlines the agency's policies about legalized cannabis and marijuana relative to licensees that sell alcohol beverages. The advisory, titled "*Cannabis and Alcoholic Beverages*", uses a FAQ format to answer questions about what is permissible for alcohol licensees under California's new cannabis law, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which became effective on January 1, 2018.

Key points from the California ABC's advisory include the following:

- Individuals can hold alcohol beverage licenses with the ABC and cannabis licenses with California's Bureau of Cannabis Control (BCC) simultaneously.
- Cannabis and alcohol cannot be sold at the same location.
- Cannabis cannot be consumed at restaurants and bars; it cannot be sold by the licensee, nor can consumers bring their own.
- Alcohol beverage products cannot be infused or mixed with cannabis.

The agency's cannabis advisory is accessible online at: <http://www.compliance.com/blog/california-abc-cannabis/>.

Although applicable only within the state, California is recognized as a leader in the cannabis legalization movement. Additionally, its alcohol regulatory agency has earned a positive reputation for taking the lead in devising industry guidance for members of the heavily-regulated alcohol industry, taking on complex compliance topics such as the use of unlicensed third-party service providers by alcohol industry licensees.

As more and more states move forward with the legalization of cannabis, California's policies on the interactions between the new marijuana industry and the established alcohol industry will likely figure prominently in the development of relevant laws in other jurisdictions.