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3 **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY**
4 **OF CHICO, CALIFORNIA, ADDING CHAPTER 9.23,**
5 **RELATED TO BUTANE RESALE REGULATIONS, TO**
6 **TITLE 9, PUBLIC PEACE, SAFETY AND MORALS, OF THE**
7 **CHICO MUNICIPAL CODE**

8 **WHEREAS**, the northern region of the State of California has experienced a recent increase
9 in explosions caused from the manufacturing of honey oil (also known as hash oil) in clandestine
10 labs using extremely volatile butane as a solvent to strip the oils from marijuana. These incidents
11 have caused considerable property damage, personal injury and even incidents of death to those
12 participating in the manufacturing process, as well as innocent bystanders;

13 **WHEREAS**, the use of butane breaks down and dissolves the Tetrahydrocannabinol (THC)
14 from marijuana plants, creating a concentrated form of marijuana. This process creates inherent
15 dangers as the butane quickly evaporates during the process leaving behind an extremely volatile
16 vapor that will ignite given an ignition source. Butane is also odorless, colorless and its vapors are
17 heavier than air and will therefore pool in low lying areas seeking out ignition sources. Studies
18 suggest 99.5% of the butane used to extract the THC will volatilize into the immediate area and
19 remain in a form that is odorless and latent to the human eye and can only be detected through a
20 combustible gas instrument;

21 **WHEREAS**, honey oil labs using butane as the solvent to extract the THC from marijuana
22 present serious hazards to both property and persons, including first responders and innocent
23 bystanders, and that such conditions present grave risk of loss where any form of ignition sources
24 are capable of igniting the gas resulting in an explosion and/or flash fire. Some examples of these
25 ignition sources are wall switches, thermostatic switches, refrigerator/freezer motors, wall outlets,
26 cigarettes, torches, electric pumps, and even static electricity; and

27 **WHEREAS**, the resale of butane occurs at levels that are only relevant to the manufacturing
28 of honey oils. Such sales and possession of butane should be regulated to prevent the use of butane
in the manufacture of honey oil where such activity presents grave dangers and adverse health risks
to the occupants of the City of Chico (the "City") and the first responders therein.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Chico:

1 H. "Reseller" means any business, company, corporation, person, employee or associate selling
2 products to any customer within the City of Chico. It does not include any wholesaler engaged in a
3 wholesale transaction.

4 I. "Sell" means to furnish, give away, exchange, transfer, deliver, surrender, distribute or supply,
5 whether for monetary gain or other consideration.

6 J. "Transaction" means a purchase, sale, trade, loan, pledge, investment, gift, transfer,
7 transmission, delivery, deposit, withdrawal, payment, exchange of currency, extension of credit,
8 purchase or sale of any monetary instrument, or an electronic, magnetic or manual transfer between
9 accounts or any other acquisition or disposition of property by whatever means effected.

10 K. "Wholesaler" means a person whose business is the selling of goods in gross to retail stores for
11 purposes of resale.

12 **9.23.020 Unlawful Sale, Purchase and Handling of Butane.**

13 A. It is unlawful for any reseller or other person to sell, offer to sell, or otherwise provide to a
14 customer any number of butane canisters that exceed a combined total storage of 600 ml of butane
15 during any single transaction.

16 B. It is unlawful for any customer to purchase or acquire any number of butane canisters that
17 exceed a combined total storage capacity of 600 ml of butane during any 30-day period.

18 C. It is unlawful for any person to have in their possession, custody, or control any number of
19 butane canisters that exceed a combined total storage capacity of 600 ml of butane at any one time.
20 The limitation in this subsection shall not apply to the following:

- 21 1. butane canisters possessed by wholesalers or resellers solely for the purposes of resale;
22 or
- 23 2. butane canisters possessed by persons solely for the purposes of furthering their
24 ongoing, lawful, and City-licensed commercial operations which require butane
25 quantities greater than 600 ml.
- 26 3. butane canisters containing a sulfur-containing odorant, such as ethyl mercaptan.

27 **9.23.030 Tracking of Butane Sales.**

28 A. For every sale of butane, the Reseller shall prepare a bill of sale that identifies the date of sale,
quantity of butane purchased, and the purchaser's identification. Purchaser's identification as used
herein shall mean a person's first and last name as verified from a valid driver's license or other
official and valid state-issued identification that contains a photograph of the purchaser and a
residential or mailing address. Reseller shall retain a copy of the bill of sale in readable form for a
period of two years.

B. It shall be unlawful for any reseller to sell butane to any customer without complying with
Section 9.23.030(A) of this Code.

29 **9.23.040 Penalties, Strict Liability, and Nuisance.**

30 A. Any violation of this Chapter is a misdemeanor and subject to a \$1,000 penalty and/or six
31 months in the county jail; provided, however, the City shall have the discretion to reduce the
32 misdemeanor to an infraction. A separate offense shall exist for every single violation of this
33 Chapter in accordance with Section 1.04.110 of the Code. The criminal prosecution of any violation
34 of this Chapter does not preclude the City of Chico from the further initiation of any other civil or

1 administrative proceeding which may be available as a remedy for such violation in accordance with
2 Title 1 of the Code.

3 B. This chapter is a regulatory provision necessary for the protection of the public health, welfare
4 and safety. In any criminal prosecution for a violation of this chapter, it is not necessary to prove
5 knowledge or criminal intent.

6 C. A violation of any provision of this chapter constitutes a public nuisance.

7 **9.23.050 Cumulative Remedy.**

8 Nothing herein is intended to limit the City of Chico from pursuing any other remedy
9 available at law or in equity against any person or entity maintaining, committing, or causing a
10 public nuisance or any other violation of the Code or State or Federal law.

11 **Section 4.** This ordinance is exempt from CEQA pursuant to section 15061(b)(3) which is
12 the general rule that CEQA applies only to projects which have the potential for causing a significant
13 effect on the environment and CEQA does not apply where it can be seen with certainty that there
14 is no possibility that the activity may have a significant effect on the environment. This ordinance
15 has no impact on the physical environment as it will not result in any changes.

16 **Section 5.** If any section, subsection, subdivision, sentence, clause, phrase or portion of this
17 Ordinance, is for any reason held to be invalid or unconstitutional by the decision of any court of
18 competent jurisdiction, such decision shall not affect the validity of the remaining portions of this
19 Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each
20 section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact
21 that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions
22 thereof be declared invalid or unconstitutional.

23 **Section 6.** The city clerk shall attest to the passage and adoption of this Ordinance, and shall
24 cause the same to be posted as required by law, and this Ordinance shall take effect thirty (30)
25 calendar days after its adoption.

26 THE FOREGOING ORDINANCE was adopted by the City Council of the City of Chico at its
27 meeting held on July 5, 2016, by the following vote.

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AYES: Coolidge, Fillmer, Ritter, Schwab, Stone, Morgan, Sorensen

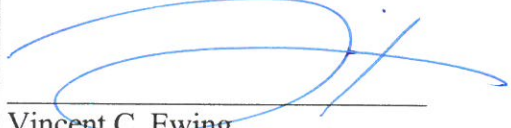
NOES: None

ABSENT: None

ABSTAIN: None


DISQUALIFIED: None

APPROVED AS TO FORM:



Vincent C. Ewing
City Attorney*

ATTEST:



Deborah R. Presson, MMC
City Clerk

*Pursuant to The Charter of the
City of Chico, Section 906(E)

4848-7581-9569, v. 1

DATE 7/6 AGENDA 7/5 COUN _____
ADD INFO _____ CM _____ ACM _____ CA _____
ASD _____ CC _____ CDD _____ COP FC _____
PWD _____ RM _____ OTHER lt. Britt