



March 23, 2022

TO: Cannabis Manufacturer Licensees and Applicants
FROM: Cannabis Control Division
RE: Class I Manufacturer Requirements

The following guidance is intended to provide licensees and applicants for licensure with clarification on the following question related to class I manufacturer licenses:

Are class I manufacturers, who are only licensed to package, repack, label or relabel products, required to follow the health and safety requirements for manufacturers who edible and topical cannabis finished products?

Summary

Class I manufacturers do not have to follow the same health and safety requirements found in 16.8.6 NMAC that class II – IV licensees must follow. Class I manufacturers package, repack, label and relabel unlike class II – IV manufacturers who manufacture edible and topical cannabis finished products. To ensure consumer safety for products that will be ingested orally or placed topically on the body, class II – IV licensees must follow additional health and safety requirements that class I licensees are exempt from.

Manufacturer Licenses – Overview

Manufacturer licenses allow a licensed entity to 1) manufacture cannabis products; 2) package cannabis products; 3) have cannabis products tested by a cannabis testing laboratory; or 4) purchase, acquire, sell or transport wholesale cannabis products to other cannabis establishments. 26-2C-2(H) NMSA 1978. Cannabis Control Division (“CCD”) rules created four classes of manufacturer licenses that allow for different types of licensed activity and have corresponding requirements depending on the allowable activity. The differences between manufacturer classes may be found in 16.8.2.29 NMAC and are as follows:

- (1) Class I: A licensee that only packages or repackages cannabis products, or labels or relabels the cannabis product container;
- (2) Class II: A licensee that conducts Class I activities, and manufactures edible products or topical products using infusion processes, or other types of cannabis products other than extracts or concentrates, and does not conduct extractions;
- (3) Class III: A licensee that conducts Class I and Class II activities, and extracts using mechanical methods or nonvolatile solvents; and
- (4) Class IV: A licensee that conducts Class I, Class II, and Class III activities, and extracts using volatile solvents or supercritical CO₂.

Requirements for Edible and Topical Cannabis Finished Products – Class I Exemption

Manufacturing licenses with class II, III and IV distinctions may manufacture edible and topical cannabis finished products. Given that these products will be ingested similar to other food products outside of the cannabis industry, rules were put in place to create consistent food safety and topical product standards. Class I manufacturers are exempt from these health and safety facilities requirements found in 16.8.6 NMAC given that



they are not producing edible and topical cannabis finished products. Instead, class I manufacturers are packaging, repackaging, labeling or relabeling.

The exemption for class I manufacturers may be found in section 7(A)(2) of 16.8.6 NMAC, which states that classes II-IV of manufacturing licensees must provide a certification to the New Mexico Environment Department that, “the facility where the cannabis manufacturer operates, and the manufacturing equipment used will be constructed and maintained in accordance with the requirements of this part.” Subsequent sections of Part 6 specifically address requirement meant to ensure workplace and consumer safety as it relates to the production of edible and topical cannabis finished products. Because class I manufacturers do not manufacture edible and topical cannabis finished products, the rules related to ensuring safety in facilities where those products are made were not applied to class I licensees.

If there are any further questions regarding health and safety requirements for manufacturer license, please review division rules adopted in 16.8.6 NMAC. For general information on licensure and operational requirements for cannabis manufacturers, please refer to 16.8.2 NMAC.

