

Memorandum



Date: July 11, 2023
To: Members of the Board of Supervisors
From: Brittany Odermann, Deputy CEO
Subject: Amend Chapter 50 of the County Code – Licensing of Cannabis Operations; Agenda Item A-7, File No: 23-00650

At the July 11, 2023 hearing, the Board considered the adoption (Second Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara amending Chapter 50 to the Santa Barbara County Code. The Board directed additional revisions to the ordinance and trailed the item for staff to prepare the revisions. Based on these changes, instead of an adoption and Second Reading taking place, the Board’s consideration today will be a revised introduction and First Reading as reflected below and in the attached documents.

Recommended Action:

That the Board of Supervisors on ~~June 27~~ July 11, 2023:

- a) Consider ~~adoption (Second Reading)~~ the revised introduction (First Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara amending Chapter 50 of the Santa Barbara County Code, Licensing of Cannabis Operations in the unincorporated area of the County amending the grounds to deny business license applications and renewal business license applications based on the operator’s failure to file cannabis tax reports by the due date and/or failure to pay county cannabis taxes by within 60 days of the due date set out in Chapter 50A (Attachment 1 and 2 and 3);
- b) Read the title and waive further reading of the Ordinance in full;
- c) Set a hearing on the Administrative Agenda for ~~July 11~~ July 18, 2023 to consider recommendations, as follows:

On ~~July 11~~ July 18, 2023:

- a) Consider adoption (Second Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara amending Chapter 50 to the Santa Barbara County Code, Licensing of Cannabis Operations amending the grounds to deny business license applications and renewal business license applications based on the operator’s failure to file cannabis tax reports by the due date and/or failure to pay county cannabis taxes by within 60 days of the due date set out in Chapter 50A; and
- b) Determine for the purposes of CEQA that:
 - i. Pursuant to CEQA Guidelines section 15168(c) these actions are within the scope of the Cannabis Land Use Ordinance and Licensing Program, and the Cannabis Land Use Ordinance and Licensing Program Final Programmatic Environmental

Impact Report (PEIR) [Case No. 17EIR-00000-00003, State Clearinghouse No. 2017071016] adequately describes this activity for the purposes of CEQA.

- ii. Pursuant to CEQA Guidelines section 15162(a), after considering the PEIR certified by the Board of Supervisors on February 6, 2018, that no subsequent EIR or Negative Declaration is required because: i) no substantial changes are proposed which require major revisions of the PEIR due to the involvement of new significant environmental impacts or a substantial increase in the severity of previously identified significant effects; ii) no substantial changes have occurred with respect to the circumstances under which the ordinance is undertaken which require major revisions of the PEIR due to the involvement of new significant environmental impacts or a substantial increase in the severity of previously identified significant effects; and iii) no new information of substantial importance concerning the ordinance's significant effects or mitigation measures, which was not known and could not have been known with the exercise of reasonable diligence at the time that the PEIR was certified, has been received that shows any of the following situations elements of CEQA Guidelines Section 15162(3) apply.

Attachment 1: Revisions to the Ordinance made on July 11, 2023

Attachment 2: Revised Ordinance Amending Chapter 50, Licensing of Cannabis Operations, To the Santa Barbara County Code (Redlined version)

Attachment 3: Revised Ordinance Amending Chapter 50, Licensing of Cannabis Operations, To the Santa Barbara County Code (Non-redlined version)

Adopted: May 1, 2018

Amended: April 9, 2019, August 27, 2019, December 17, 2019, February 2, 2021, November 2, 2021, March 1, 2022, and November 29, 2022

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ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 50, LICENSING OF CANNABIS OPERATIONS, OF THE SANTA BARBARA COUNTY CODE

The Board of Supervisors of the County of Santa Barbara ordains as follows:

SECTION 1. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-17, Grounds for denial of license, subsection (k) and (l) are hereby amended and shall read as follows:

- (k) Failure to pay county taxes pursuant to chapter 50A, license; or permitting fees. For tax payments due on August 1017, 2023 or later pursuant to Chapter 50A, failure to timely pay county taxes pursuant to chapter 50A within 60 days of by the due date(s) defined in Section 50A-5(a); or
- (l) Failure to file required cannabis tax reports with the county treasurer-tax collector, regardless of whether or not reporting any gross revenue. For cannabis tax reports due on August 1017, 2023 or later pursuant to Chapter 50A, failure to timely file required cannabis tax reports pursuant to chapter 50A by the due date(s) defined in Section 50A-7, regardless of whether or not reporting any gross revenue.

SECTION 2. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-18, Procedure and notice of denial, subsection (b), is hereby amended and shall read as follows:

- (b) If the treasurer-tax collector prepares a notice of denial of a cannabis business license application, the treasurer-tax collector shall:
 - (1) Specify in writing the reason(s) for the denial of the application based on section 50-17; and
 - (2) Notify the applicant that the decision shall become final unless the applicant corrects any deficiencies in the application in the timeframe established by the county executive office or appeals, pursuant to this chapter, within five calendar days of the date of service of the treasurer-tax collector's notice of denial. Correction of any deficiencies shall not be authorized if the notice of denial is based on the grounds in Section 50-17 subsections (k) and (l).

Adopted: May 1, 2018

Amended: April 9, 2019, August 27, 2019, December 17, 2019, February 2, 2021, November 2, 2021, March 1, 2022, and November 29, 2022

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SECTION 3. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-19, Cannabis business license renewal process, subsections (c) and (d), are hereby amended and shall read as follows:

- (c) In accordance with the procedure listed in section 50-9, the county executive office will review the renewal license application and forward the application to all applicable county departments, unless the treasurer-tax collector has informed the county executive office, in accordance with Section 50-16(b), of any county tax delinquencies payments that have not been submitted within 60 days of the due date(s) defined in Section 50A-5(a). The county executive office will then provide the treasurer-tax collector with approval to issue the license renewal or provide notice of a denial of the renewal application.
- (d) If a complete renewal application is submitted in compliance with subsection (b) above and the licensee is operating in good standing in accordance with the terms of this chapter, the licensee may continue to operate until the treasurer-tax collector provides a license renewal or a notice of denial of the renewal application. For any reporting or tax payments due August 17~~th~~, 2023 or later, if an operator is delinquent in filing cannabis tax reports by the due date defined in Section 50A-7 and/or failed to pay county taxes pursuant to chapter 50A within 60 days of the due date(s) defined in Section 50A-5(a) delinquent tax payments, the operator is not considered to be in “good standing” and may not continue to operate under this provision while their renewal application is processed.

SECTION 4. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-20, Denial of renewal licenses, subsections (a) and (c), are hereby amended and shall read as follows:

- (a) An application for renewal of a cannabis business license shall be denied if:
- (1) The application is filed fewer than sixty calendar days before the cannabis business license expiration;
 - (2) The licensee fails to conform to and comply with the criteria set forth in this chapter, including possession of all required and valid state licenses;
 - (3) The licensee has failed to pay county taxes pursuant to chapter 50A within 60 days of the due date(s) defined in Section 50A-5(a) or has been is delinquent in payment of quarterly county cannabis taxes on commercial cannabis activity or

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delinquent in filing of quarterly tax reports pursuant to chapter 50A for any reporting or tax payments due August 1017, 2023 or later;

- (4) The cannabis business license is suspended or revoked at the time of the application or at any time before issuing the renewal license;
- (5) The land use entitlement/permit for the commercial cannabis operation is suspended or revoked at the time of the application or at any time before issuing the renewal license; or
- (6) Any of the grounds for denial listed in section 50-17 are present.

...

- (c) If the county executive office denies the renewal, the county executive office shall provide the treasurer-tax collector a request for a notice of denial and the reason(s) for denial based on section 50-20. The treasurer-tax collector shall notify the licensee the reasons for denial of the application based on section 50-20 and that the decision shall become final unless the licensee corrects the deficiencies in the application within the timeframe established by the county executive office or appeals pursuant to section 50-27 of this chapter within five calendar days of the date of service of the treasurer-tax collector's notice of denial. Correction of any deficiencies shall not be authorized if denial is based on the grounds in Section 50-20 subsection (a)(3).

SECTION 5. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-25, Cannabis business license operating requirements, subsection (a)(7), is hereby amended and shall read as follows:

- (a) Throughout the term of the cannabis business license, each and every licensee shall comply with this chapter, the County Code, and state law, including, but not limited to, all of the following:

...

- (7) Taxes. A licensee shall timely file all cannabis tax reports, ~~and timely~~ pay all applicable state taxes, and pay all ~~and~~ quarterly county taxes pursuant to chapter 50A within 60 days by of the due date as defined in section 50A-5,; and pay all required fees.

...

Adopted: May 1, 2018

Amended: April 9, 2019, August 27, 2019, December 17, 2019, February 2, 2021, November 2, 2021, March 1, 2022, and November 29, 2022

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SECTION 6. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-26, Suspension or revocation of a cannabis business license, subsection (a)(7) and (a)(8), are hereby amended and shall read as follows:

(a) Any of the following shall be grounds for suspension or revocation of a cannabis business license, based on substantial evidence and following notice and the procedure in section 50-27:

...

(7) Failure to ~~timely~~ pay within 60 days of by the due date as defined in section 50A-5(a) as required in subsection 50-17(k), 50-20(a)(3), or engaging in falsely reporting of, state or county taxes on commercial cannabis activity;

(8) Failure to timely file by the due date as defined in section 50A-7 cannabis tax reports as required in subsection 50-17(1), 50-20(a)(3), and chapter 50A;

...

SECTION 7. Except as amended by this Ordinance the Santa Barbara County Code shall remain unchanged and shall continue in full force and effect.

SECTION 8. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board of Supervisors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 9. This Ordinance shall take effect and become operative 30 days from the date of its adoption by the Board of Supervisors. Before the expiration of 15 days after its passage a summary of it shall be published once together with the names of the members of the Board of Supervisors voting for and against the same in the *Santa Barbara News-Press*, a newspaper of general circulation published in the County of Santa Barbara.

SECTION 10. Cannabis activities already are highly regulated by both the state and federal governments, and their regulation of cannabis activities is subject to rapid

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changes. Even if the Board of Supervisors adopts this Ordinance, the Board of Supervisors retains all of its statutory authority concerning cannabis activities. For example, even if the Ordinance becomes operative, the Board of Supervisors still may take action(s) later to change the zoning and/or licensing of cannabis activities to being prohibited. Changing the zoning and/or licensing of cannabis activities to being prohibited, could occur -- for example, but is not limited to -- if: 1) the County Treasurer is not able to deposit cannabis-related funds in a suitable financial institution; and/or 2) the Board of Supervisors submits a proposed County tax on commercial cannabis activity to the voters and the voters do not approve the tax. In part because cannabis activities are highly regulated by both the state and federal governments and their regulation of cannabis activities is subject to rapid changes, the Board of Supervisors later may need to change the zoning and/or licensing of cannabis activities to being prohibited and may need to do so without cannabis activities receiving: 1) an amortization period; and/or 2) legal nonconforming use status.

PASSED, APPROVED, AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this _____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

DAS WILLIAMS, CHAIR
BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO, COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By _____

Adopted: May 1, 2018

Amended: April 9, 2019, August 27, 2019, December 17, 2019, February 2, 2021, November 2, 2021, March 1, 2022, and November 29, 2022

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Deputy Clerk

APPROVED AS TO FORM:

RACHEL VAN MULLEM

COUNTY COUNSEL

By _____

Deputy County Counsel

Adopted: May 1, 2018

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- (k) Failure to pay county taxes pursuant to chapter 50A, license; or permitting fees. For tax payments due on August 17, 2023 or later pursuant to Chapter 50A, failure to pay county taxes pursuant to chapter 50A within 60 days of the due date(s) defined in Section 50A-5(a); or
- (l) Failure to file required cannabis tax reports with the county treasurer-tax collector, regardless of whether or not reporting any gross revenue. For cannabis tax reports due on August 17, 2023 or later pursuant to Chapter 50A, failure to timely file required cannabis tax reports pursuant to chapter 50A by the due date(s) defined in Section 50A-7, regardless of whether or not reporting any gross revenue.

SECTION 2. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-18, Procedure and notice of denial, subsection (b), is hereby amended and shall read as follows:

- (b) If the treasurer-tax collector prepares a notice of denial of a cannabis business license application, the treasurer-tax collector shall:
 - (1) Specify in writing the reason(s) for the denial of the application based on section 50-17; and
 - (2) Notify the applicant that the decision shall become final unless the applicant corrects any deficiencies in the application in the timeframe established by the county executive office or appeals, pursuant to this chapter, within five calendar days of the date of service of the treasurer-tax collector's notice of denial. Correction of any deficiencies shall not be authorized if the notice of denial is based on the grounds in Section 50-17 subsections (k) and (l).

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- (l) Failure to file required cannabis tax reports with the county treasurer-tax collector, regardless of whether or not reporting any gross revenue. For cannabis tax reports due on August 17, 2023 or later pursuant to Chapter 50A, failure to timely file required cannabis tax reports pursuant to chapter 50A by the due date(s) defined in Section 50A-7, regardless of whether or not reporting any gross revenue.

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 - (1) Specify in writing the reason(s) for the denial of the application based on section 50-17; and
 - (2) Notify the applicant that the decision shall become final unless the applicant corrects any deficiencies in the application in the timeframe established by the county executive office or appeals, pursuant to this chapter, within five calendar days of the date of service of the treasurer-tax collector's notice of denial. Correction of any deficiencies shall not be authorized if the notice of denial is based on the grounds in Section 50-17 subsections (k) and (l).

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- (c) In accordance with the procedure listed in section 50-9, the county executive office will review the renewal license application and forward the application to all applicable county departments, unless the treasurer-tax collector has informed the county executive office, in accordance with Section 50-16(b), of any county tax payments that have not been submitted within 60 days of the due date(s) defined in Section 50A-5(a). The county executive office will then provide the treasurer-tax collector with approval to issue the license renewal or provide notice of a denial of the renewal application.
- (d) If a complete renewal application is submitted in compliance with subsection (b) above and the licensee is operating in good standing in accordance with the terms of this chapter, the licensee may continue to operate until the treasurer-tax collector provides a license renewal or a notice of denial of the renewal application. For any reporting or tax payments due August 17, 2023 or later, if an operator is delinquent in filing cannabis tax reports by the due date defined in Section 50A-7 or failed to pay county taxes pursuant to chapter 50A within 60 days of the due date(s) defined in Section 50A-5(a), the operator is not considered to be in “good standing” and may not continue to operate under this provision while their renewal application is processed.

SECTION 4. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-20, Denial of renewal licenses, subsections (a) and (c), are hereby amended and shall read as follows:

- (a) An application for renewal of a cannabis business license shall be denied if:
 - (1) The application is filed fewer than sixty calendar days before the cannabis business license expiration;
 - (2) The licensee fails to conform to and comply with the criteria set forth in this chapter, including possession of all required and valid state licenses;
 - (3) The licensee is has failed to pay county taxes pursuant to chapter 50A within 60 days of the due date(s) defined in Section 50A-5(a) or has been delinquent in filing of quarterly tax reports pursuant to chapter 50A for any reporting or tax payments due August 17, 2023 or later;

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- (4) The cannabis business license is suspended or revoked at the time of the application or at any time before issuing the renewal license;
- (5) The land use entitlement/permit for the commercial cannabis operation is suspended or revoked at the time of the application or at any time before issuing the renewal license; or
- (6) Any of the grounds for denial listed in section 50-17 are present.

...

- (c) If the county executive office denies the renewal, the county executive office shall provide the treasurer-tax collector a request for a notice of denial and the reason(s) for denial based on section 50-20. The treasurer-tax collector shall notify the licensee the reasons for denial of the application based on section 50-20 and that the decision shall become final unless the licensee corrects the deficiencies in the application within the timeframe established by the county executive office or appeals pursuant to section 50-27 of this chapter within five calendar days of the date of service of the treasurer-tax collector's notice of denial. Correction of any deficiencies shall not be authorized if denial is based on the grounds in Section 50-20 subsection (a)(3).

SECTION 5. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-25, Cannabis business license operating requirements, subsection (a)(7), is hereby amended and shall read as follows:

- (a) Throughout the term of the cannabis business license, each and every licensee shall comply with this chapter, the County Code, and state law, including, but not limited to, all of the following:

...

- (7) Taxes. A licensee shall timely file all cannabis tax reports, pay all applicable state taxes, and pay all quarterly county taxes pursuant to chapter 50A within 60 days of the due date as defined in section 50A-5, and pay all required fees.

...

SECTION 6. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis Operations,” Section 50-26, Suspension or revocation of a cannabis business license, subsection (a)(7) and (a)(8), are hereby amended and shall read as follows:

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Amended: April 9, 2019, August 27, 2019, December 17, 2019, February 2, 2021, November 2, 2021, March 1, 2022, and November 29, 2022

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- (a) Any of the following shall be grounds for suspension or revocation of a cannabis business license, based on substantial evidence and following notice and the procedure in section 50-27:

...

- (7) Failure to pay within 60 days of the due date as defined in section 50A-5(a) as required in subsection 50-17(k), 50-20(a)(3), or engaging in falsely reporting of, state or county taxes on commercial cannabis activity;

- (8) Failure to timely file by the due date as defined in section 50A-7 cannabis tax reports as required in subsection 50-17(1), 50-20(a)(3), and chapter 50A;

...

SECTION 7. Except as amended by this Ordinance the Santa Barbara County Code shall remain unchanged and shall continue in full force and effect.

SECTION 8. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board of Supervisors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 9. This Ordinance shall take effect and become operative 30 days from the date of its adoption by the Board of Supervisors. Before the expiration of 15 days after its passage a summary of it shall be published once together with the names of the members of the Board of Supervisors voting for and against the same in the *Santa Barbara News-Press*, a newspaper of general circulation published in the County of Santa Barbara.

SECTION 10. Cannabis activities already are highly regulated by both the state and federal governments, and their regulation of cannabis activities is subject to rapid

changes. Even if the Board of Supervisors adopts this Ordinance, the Board of Supervisors retains all of its statutory authority concerning cannabis activities. For example, even if the Ordinance becomes operative, the Board of Supervisors still may take action(s) later to change the zoning and/or licensing of cannabis activities to being prohibited. Changing the zoning and/or licensing of cannabis activities to being prohibited, could occur -- for

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example, but is not limited to -- if: 1) the County Treasurer is not able to deposit cannabis-related funds in a suitable financial institution; and/or 2) the Board of Supervisors submits a proposed County tax on commercial cannabis activity to the voters and the voters do not approve the tax. In part because cannabis activities are highly regulated by both the state and federal governments and their regulation of cannabis activities is subject to rapid changes, the Board of Supervisors later may need to change the zoning and/or licensing of cannabis activities to being prohibited and may need to do so without cannabis activities receiving: 1) an amortization period; and/or 2) legal nonconforming use status.

PASSED, APPROVED, AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this _____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

DAS WILLIAMS, CHAIR
BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO, COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By _____
Deputy Clerk

Adopted: May 1, 2018

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APPROVED AS TO FORM:

RACHEL VAN MULLEM

COUNTY COUNSEL

By _____
Deputy County Counsel

Adopted: May 1, 2018

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- (c) In accordance with the procedure listed in section 50-9, the county executive office will review the renewal license application and forward the application to all applicable county departments, unless the treasurer-tax collector has informed the county executive office, in accordance with Section 50-16(b), of any county tax payments that have not been submitted within 60 days of the due date(s) defined in Section 50A-5(a). The county executive office will then provide the treasurer-tax collector with approval to issue the license renewal or provide notice of a denial of the renewal application.
- (d) If a complete renewal application is submitted in compliance with subsection (b) above and the licensee is operating in good standing in accordance with the terms of this chapter, the licensee may continue to operate until the treasurer-tax collector provides a license renewal or a notice of denial of the renewal application. For any reporting or tax payments due August 17, 2023 or later, if an operator is delinquent in filing cannabis tax reports by the due date defined in Section 50A-7 or failed to pay county taxes pursuant to chapter 50A within 60 days of the due date(s) defined in Section 50A-5(a), the operator is not considered to be in “good standing” and may not continue to operate under this provision while their renewal application is processed.

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- (a) An application for renewal of a cannabis business license shall be denied if:
 - (1) The application is filed fewer than sixty calendar days before the cannabis business license expiration;
 - (2) The licensee fails to conform to and comply with the criteria set forth in this chapter, including possession of all required and valid state licenses;
 - (3) The licensee is ~~delinquent in payment of county taxes on commercial cannabis activity~~ has failed to pay county taxes pursuant to chapter 50A within 60 days of the due date(s) defined in Section 50A-5(a) or has been delinquent in filing of

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quarterly tax reports pursuant to chapter 50A for any reporting or tax payments due August 17, 2023 or later;

- (4) The cannabis business license is suspended or revoked at the time of the application or at any time before issuing the renewal license;
- (5) The land use entitlement/permit for the commercial cannabis operation is suspended or revoked at the time of the application or at any time before issuing the renewal license; or
- (6) Any of the grounds for denial listed in section 50-17 are present.

...

- (c) If the county executive office denies the renewal, the county executive office shall provide the treasurer-tax collector a request for a notice of denial and the reason(s) for denial based on section 50-20. The treasurer-tax collector shall notify the licensee the reasons for denial of the application based on section 50-20 and that the decision shall become final unless the licensee corrects the deficiencies in the application within the timeframe established by the county executive office or appeals pursuant to section 50-27 of this chapter within five calendar days of the date of service of the treasurer-tax collector's notice of denial. Correction of any deficiencies shall not be authorized if denial is based on the grounds in Section 50-20 subsection (a)(3).

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...

- (7) Taxes. A licensee shall timely file all cannabis tax reports, pay all applicable state taxes, and pay all quarterly county taxes pursuant to chapter 50A within 60 days of the due date as defined in section 50A-5, and pay all required fees.

...

SECTION 6. Chapter 50 of the Santa Barbara County Code, titled “Licensing of Cannabis

Adopted: May 1, 2018

Amended: April 9, 2019, August 27, 2019, December 17, 2019, February 2, 2021, November 2, 2021, March 1, 2022, and November 29, 2022

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Operations,” Section 50-26, Suspension or revocation of a cannabis business license, subsection (a)(7) and (a)(8), are hereby amended and shall read as follows:

(a) Any of the following shall be grounds for suspension or revocation of a cannabis business license, based on substantial evidence and following notice and the procedure in section 50-27:

...

(7) Failure to pay within 60 days of the due date as defined in section 50A-5(a) as required in subsection 50-17(k), 50-20(a)(3), or engaging in falsely reporting of, state or county taxes on commercial cannabis activity;

(8) Failure to timely file by the due date as defined in section 50A-7 cannabis tax reports as required in subsection 50-17(1), 50-20(a)(3), and chapter 50A;

...

SECTION 7. Except as amended by this Ordinance the Santa Barbara County Code shall remain unchanged and shall continue in full force and effect.

SECTION 8. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board of Supervisors hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 9. This Ordinance shall take effect and become operative 30 days from the date of its adoption by the Board of Supervisors. Before the expiration of 15 days after its passage a summary of it shall be published once together with the names of the members of the Board of Supervisors voting for and against the same in the *Santa Barbara News-Press*, a newspaper of general circulation published in the County of Santa Barbara.

SECTION 10. Cannabis activities already are highly regulated by both the state and federal governments, and their regulation of cannabis activities is subject to rapid

changes. Even if the Board of Supervisors adopts this Ordinance, the Board of Supervisors retains all of its statutory authority concerning cannabis activities. For example, even if the

Adopted: May 1, 2018

Amended: April 9, 2019, August 27, 2019, December 17, 2019, February 2, 2021, November 2, 2021, March 1, 2022, and November 29, 2022

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Ordinance becomes operative, the Board of Supervisors still may take action(s) later to change the zoning and/or licensing of cannabis activities to being prohibited. Changing the zoning and/or licensing of cannabis activities to being prohibited, could occur -- for example, but is not limited to -- if: 1) the County Treasurer is not able to deposit cannabis-related funds in a suitable financial institution; and/or 2) the Board of Supervisors submits a proposed County tax on commercial cannabis activity to the voters and the voters do not approve the tax. In part because cannabis activities are highly regulated by both the state and federal governments and their regulation of cannabis activities is subject to rapid changes, the Board of Supervisors later may need to change the zoning and/or licensing of cannabis activities to being prohibited and may need to do so without cannabis activities receiving: 1) an amortization period; and/or 2) legal nonconforming use status.

PASSED, APPROVED, AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this _____ day of _____, 2023, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

DAS WILLIAMS, CHAIR
BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA

ATTEST:
MONA MIYASATO, COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

By _____
Deputy Clerk

Adopted: May 1, 2018

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APPROVED AS TO FORM:

RACHEL VAN MULLEM

COUNTY COUNSEL

By _____
Deputy County Counsel