

Amendment to Cannabis Business License Fee Ordinance

Board of Supervisors
June 9, 2026



County Executive Office

Overview

- This item proposes changes to the cannabis business license fees:
 - Remove the Sheriff from the cannabis business license fee schedule contingent upon Board approval of the Amendment to Chapter 50 of the County Code – Licensing of Cannabis Operations
 - Remove the fee recovery measure associated with the California Cannabis Authority (CCA) membership

Background *Licensing Fee*

- Board adopted Ordinance No. 5041, Establishing the Cannabis Business Licensing Fee, in May 2018
- The license fee ordinance has been amended (6) times
- Ordinance was amended in June 2025 to reflect changes in salaries and benefits, secure full-cost recovery for (1.5 FTE) cannabis business license division staff, withdraw our participation from the CCA data platform and fee recovery measures, and include the CCA annual membership cost in the updated fees
- Proposed amendment will update fees to current staffing and eliminate CCA cost

Background CCA

- In September 2021, the Board executed a Joint Exercise of Powers Agreement with the California Cannabis Authority (CCA) and data analytics platform subscription
- At the June 3, 2025 Board meeting, the Board approved termination of data platform use and deletion of the fee recovery mechanism to recover the costs for the use of the platform
- Effective July 1, 2025 staff enrolled in the CCA Annual Membership at a cost of \$10,000
- CCA has dissolved their organization; this amendment deletes the annual membership fee recovery mechanism

Fee Schedule

| CANNABIS BUSINESS LICENSE FEE SCHEDULE | | |
|---|---------------------------|----------------------------|
| | Current Rate Range | Proposed Rate Range |
| Initial Deposit Fees | \$8,731 - \$17,723 | \$5,120 - \$14,112 |
| Compliance Flat Fees | \$4,813 - \$6,061 | \$3,579 - \$4,826 |
| Renewal Flat Fees | \$3,128 - \$4,850 | \$2,384 - \$4,106 |

Summary

- Proposed fees remove the Sheriff from the cannabis licensing fee schedule and remove the CCA annual membership fee recovery measure
- License fees have decreased across initial, compliance and renewal activities
- Hourly rates will be reviewed annually and may be adjusted pursuant to changes in the Consumer Price Index (CPI)
- Subsequent fee studies will be conducted on a 3-year cycle to ensure continued program cost recovery

Recommended **Actions**

That the Board of Supervisors:

- a) Consider the introduction (First Reading) of an Ordinance of the Board of Supervisors of the County of Santa Barbara amending the Ordinance 5256, “An Ordinance Amending and Superseding Ordinance No. 5181 Establishing the Cannabis Business License Fee”;
- b) Read the title and waive further reading of the Ordinance in full; and;
- c) Set a hearing on the Administrative Agenda for June 23, 2026 to consider the Second Reading and CEQA determination for amendments to the Cannabis Business License Fee Ordinance.