

# CHAPTER 50

# Licensing of Commercial Cannabis Operations Ordinance Amendments

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Board of Supervisors  
February 2, 2021



County Executive Office

# Context

- Board adopted Chapter 50, Licensing of Commercial Cannabis Operations, in May 2018
- Cannabis operators have been applying for cannabis land use permits and business licenses since the cannabis ordinances became effective in June 2018 (inland area) and November 2018 (coastal zone)
- Proposed amendments to the cannabis licensing ordinance seek to address inefficiencies and inconsistencies in the business licensing process

# Proposed Amendments

| Issue Area                  | Proposed Amendment  | County Code           |
|-----------------------------|---|-----------------------|
| Definitions                 | 1. Add and revise various definitions as needed   | § 50-2                |
| Business License Required   | 2. Require that applicants submit business license applications within 15 days of approval of a land use entitlement  | § 50-3                |
| Business License Exemptions | 3. Clarifies requirements and circumstances under which legal, non-conforming sites may continue to operate without a business license  | § 50-5                |
| Application Content         | 4. Requires that applicants submit consistent information across all processes (local and state), and requires a P&D approved Premises Diagram be submitted with the business license application | § 50-8(a) and 50-8(b) |

# Proposed Amendments

| Issue Area   | Proposed Amendment   | County Code             |
|--|--|-------------------------|
| Criminal History and Security Plan                           | <ul style="list-style-type: none"> <li>5. Revises and further clarifies the employers' responsibilities for criminal history checks</li> <li>6. Adds a new class of seasonal and temporary employees with transferable IDs and live scan verifications valid between operations</li> <li>7. Requires an approved Site Security Plan submittal with the business license application</li> </ul> | § 50-11(b) and 50-11(c) |
| License Issuance by the Treasurer-Tax Collector's Department | <ul style="list-style-type: none"> <li>8. Defines tax delinquency to include failure to file a quarterly tax report with the County or failure to pay any required taxes</li> </ul>  | § 50-16(b)              |

# Proposed Amendments

| Issue Area                                      | Proposed Amendment   | County Code |
|---|--|-------------|
| Change in Ownership                             | 9. Requires timely notification of change in ownership   | § 50-23(b)  |
| Procedure for Denial, Suspension, or Revocation | 10. Clarifies appeal procedures and limits cannabis operations if an operator requests to continue a hearing more than 60 days | § 50-27(c)  |

# Revised Language to Address Comments from County Treasurer-Tax Collector's Office

§50-5 (a)(3)(i)c – The cannabis operation files all cannabis tax reports and pays all **required taxes on cannabis taxes operations**; and

§50-16 (b)(1) –

b) The Treasurer-Tax Collector shall:

a) Inform the County Executive Office of any County tax delinquencies pursuant to Chapter 50A related to license or renewal applications. **A delinquency includes, but is not limited to, failure to file a quarterly **required cannabis tax reports with the County Treasurer-Tax Collector or failure to pay any required taxes on cannabis operations.****

§50-17(l) – **Failure to file quarterly **required cannabis tax reports with the County Treasurer-Tax Collector, regardless of whether or not reporting any gross revenue.****

§50-26(a)8 - **Failure to file quarterly **cannabis tax reports as required in Section 50-17(l) and Chapter 50A;****

§50-31(b)3 – **Failure to file required County quarterly cannabis tax report(s) or failure to pay any required taxes **on cannabis operations**; or**

## Recommended **Actions**

- a) Consider the 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 Commercial Cannabis Operations;
- b) Read title: “An Ordinance Amending Chapter 50, Licensing of Commercial Cannabis Operations, of The Santa Barbara County Code,” and waive reading of the Ordinance in full;
- c) Set a hearing on the Administrative Agenda for February 9, 2021 to consider the adoption (Second Reading) of an Ordinance Amending Chapter 50 of the Santa Barbara County Code, Licensing of Commercial Cannabis Operations; and
- d) Make the required CEQA findings