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Sheila de la Guerra **Public Comment-**

From: Peter Dugre <pbdugre@gmail.com>
Sent: Monday, August 21, 2023 3:09 PM
To: Supervisor Das Williams; Laura Capps; Joan Hartmann; Supervisor Nelson; Steve Lavagnino; sbcob
Subject: CARP Growers Public Comment Item D3
Attachments: CARP_SBCountyBOS_CCA_8.21.23_signed.pdf

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Hello Honorable Supervisors,
Please see a comment letter attached from CARP Growers regarding tomorrow's hearing.
Thank you

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-Peter Dugre
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August 21, 2023

Re: Item D3 California Cannabis Authority Fees

Dear Honorable Santa Barbara County Supervisors,

CARP Growers is writing in opposition of item D3 the proposed fees for Santa Barbara County's membership in the California Cannabis Authority.

CCA membership serves as a tool to compare county tax receipts to sales reported in the state's track-and-trace system, METRC, in order to find growers who have not faithfully paid taxes on gross receipts and assist with enforcement. Compliant, tax-paying farmers should not bear the further financial responsibility of weeding out noncompliant farmers.

SB County should not pay a \$300,000 fee to receive information operators already provide to the State of California. Costs associated with reporting sales information to the state are already built into the business model of cannabis cultivation, and the reports should be available to all government stakeholders.

Local jurisdictions can gain METRC access currently by having operators add their information as a "local jurisdiction" which would allow county employees to access METRC data in real time and pull desired reports at no additional cost to operators.

Cannabis wholesale prices have plummeted to as low as one-quarter of peak pricing, and the best way to increase the tax base is to support farmers in the regulated market. More fees will not stabilize long-term cannabis tax revenue. It will shrink the tax base by incentivizing unregulated growers who already avoid taxes.

Rather than add more costs to compliant farmers who pay millions of dollars in taxes and currently established fees annually, please consider either using taxes already collected to maintain the CCA membership or discontinue the membership and utilize the newly rolled out METRC viewer or require operators to share access via a local jurisdiction login.

Thank you for supporting farmers in Carpinteria Valley.

Sincerely,

Graham Farrar, President, CARP Growers