



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

Department Name:	County Executive Office
Department No.:	012
Agenda Date:	August 19, 2025
Placement:	Departmental Agenda
Estimated Time:	25 MINUTES
Continued Item:	No
If Yes, date from:	
Vote Required:	Majority

TO: Board of Supervisors
FROM: Department Director(s): Mona Miyasato, County Executive Officer
Contact: Brittany Odermann, Deputy CEO
SUBJECT: Response to 2024-2025 Grand Jury Report on Cannabis Taxation and Expenditures

Signed by:
Brittany Odermann
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County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Consider and adopt the responses in Attachment A as the Board of Supervisors' response to the 2024-25 Grand Jury report entitled "Cannabis Taxation and Expenditure";
- b) Authorize the Chair to sign the letter included in Attachment A, and forward the letter and responses to the Presiding Judge of Santa Barbara Superior Court; and
- c) Determine pursuant to the California Environmental Quality Act (CEQA) Guidelines 15378(b)(5) that the above actions are not a project subject to CEQA review, because they are government administrative activities that do not result in direct or indirect physical changes to the environment.

Summary Text:

On June 20, 2025, the Santa Barbara County Grand Jury issued a report entitled "Cannabis Taxation and Expenditures." Today, the Board will consider the proposed responses to the report, adopt their preferred responses, and authorize the Board Chair to sign the response letter. The Board is required to respond in writing to the Presiding Judge of the Superior Court within 90 days of the report issuance.

Background:

In the report entitled “Cannabis Taxation and Expenditures” (Attachment B), the Grand Jury found that cannabis expenditures have outpaced cannabis tax revenue, that the cannabis program will likely become a financial burden to the County if this issue is not addressed and that there are cross-departmental inefficiencies regarding cannabis business license program management hindering program success.

The Board of Supervisors is named a responder to Findings 1 through 5, and Recommendations 1 through 5. Refer to Attachment A for the County’s responses.

Fiscal and Facilities Impacts:

Staff anticipates no fiscal or facilities impacts as a result of the Board’s action on this matter.

Attachments:

Attachment A – Board of Supervisors Response – “Cannabis Taxation and Expenditures”

Attachment B – 2024-25 Grand Jury Report on Cannabis Taxation and Expenditures

Attachment C – FY2025-26 Adopted Cannabis Tax Revenue Budget

Attachment D – Historical Cannabis Revenue Uses

Contact Information:

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