

# 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: June 3, 2025 (First

Reading)

June 10, 2025 (Second

DocuSigned by:

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Reading)

**Placement:** Departmental Agenda

June 3, 2025 Administrative June 10, 2025

Estimated Time: 1 hour
Continued Item: No

If Yes, date from:

Vote Required: Majority

**TO:** Board of Supervisors

FROM: Department Director(s): Mona Miyasato, County Executive Officer

Contact Info: Brittany Odermann, Deputy CEO

**SUBJECT:** Amend Chapter 50 of the County Code – Licensing of Cannabis Operations

Acreage Cap Reduction Discussion

<u>County Counsel Concurrence</u> <u>Auditor-Controller Concurrence</u>

As to form: Yes As to form: N/A

Other Concurrence:
As to form: N/A

#### **Recommended Actions:**

That the Board of Supervisors on June 3, 2025:

Regarding changes related to **criminal history checks:** 

- 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 Cannabis Operations pertaining to existing criminal background check and live scan requirements and approve one of the following options:
  - Option 1 (Attachment A) aligns background check requirements with the California Department of Cannabis Control (DCC) regulation by requiring live scans only for those with minimum 20 percent financial interest in the operations and makes other changes (Recommended); or
  - ii. **Option 2** (Attachment C) expands requirement of live scans for broader group of individuals excluding persons hired for the sole purpose of manual labor; defines sensitive areas, prohibits manual labor from working in sensitive areas, disallows manual labor from supervisorial or managerial duties and requires permanent

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employee supervision of manual labor (including managers, supervisors and workers) at all times in all areas of the farm or facility; and makes other changes (Proposed by Santa Barbara Sheriff's Office); or

- b) Read the title and waive further reading of the ordinance in full;
- c) Provide other direction as appropriate; and
- d) After providing direction to staff on which ordinance Option to move forward, set a hearing on the Administrative Agenda for June 10, 2025 to consider recommendations, as follows:

#### On June 10, 2025:

- a) Consider adoption (Second 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 pertaining to existing criminal background check and live scan requirements; 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.

# Regarding changes to the acreage cap:

- c) Receive a presentation and direct staff to return with Chapter 50 Ordinance amendments to reduce the acreage cap to one of the following options:
  - i. **Cap Option 1**: Status Quo (186 acres in Carpinteria Overlay; 1,575 acres in Unincorporated), or
  - ii. Cap Option 2: Existing acreage for which land use entitlements have been <u>issued</u> and <u>approved</u> (138 acres in Carpinteria Overlay; 1,345 acres in Unincorporated), or
  - iii. **Cap Option 3**: Existing acreage for which land use entitlements have been <u>issued</u>, <u>approved</u>, and <u>submitted</u> (140 acres in Carpinteria Overlay; 1,399 acres in Unincorporated), or
  - iv. Other direction as appropriate.

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## **Summary Text:**

The purpose of this agenda item is to address two items:

• An ordinance amending Chapter 50, Licensing of Commercial Cannabis Operations regarding criminal history background checks. This change was requested by the Board in June 2023 to remove the requirements for criminal background checks for permanent, 3<sup>rd</sup> party, seasonal or temporary workers. CEO staff recommends requiring live scans for applicants, owners, and persons having at least a twenty percent financial interest, consistent with the Department of Cannabis Control State regulations. The original requirements were proposed at a time when Chapter 50 was being developed, and the County had no experience with licensed operations. Since that time, issues have been raised regarding its impact on farm laborers and practical operational issues.

The Santa Barbara Sheriff's Office (SBSO) proposes an alternative. Key components remain intact; however, the proposed umbrella of required live scans would be more expansive and farreaching. Areas that remain the same include live scans of all applicants, owners, persons having at least a twenty percent financial interest, managers and supervisors of a cannabis operation. New proposed, broader language also requires live scans for any person who has access to any program used to record the inventory and movement of cannabis and cannabis products through the commercial cannabis supply chain from seed to sale, and "any person" not heretofore referenced excluding persons hired for the sole purpose of manual labor. "Any person" refers to anybody who works within or has access to sensitive areas on the farm; this category of individuals could include permanent, direct employees and farm labor or any third-party vendor, contractor, buyer or on-farm person(s).

• Options for reduction of the Carpinteria Overlay and Unincorporated area cannabis cultivation acreage caps as requested by the Board on March 18, 2025. Since the Carpinteria Overlay and Unincorporated acreage limits were adopted respectively in 2018 and 2019, much of it has been taken up by issued and approved land use entitlements: in the Carpinteria Overlay area, 73.9% of the 186-acreage cap have approved or issued land use entitlements; in the Unincorporated area, 85.4% of the 1,575-acreage cap have approved or issued land use entitlements. Staff has developed options regarding issued, approved and submitted acreage, or the Board may request further options be evaluated.

### 1) Chapter 50 of the County Code Regarding Background Checks

#### **Discussion:**

Existing Issues Related to Live Scans & Criminal Background Checks

At the June 6, 2023 Board hearing, the Board directed staff to review criminal background check requirements at cannabis cultivation sites and return with an ordinance amendment as needed. The discussion on the ordinance amendment was postponed while assessing the requirements against the Department of Cannabis Control (DCC) and other local jurisdictions' live scan and criminal history check practices; current review is timely as it simplifies the application process, reduces restrictive requirements and staff time associated with administering live scans, and considers the farm labor community.

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Currently, Chapter 50 live scan and criminal history check requirements fall into the (3) categories referenced below included in County Code §50-11(b)(1-3).

The first category requires live scans for all applicants, owners, persons with at least twenty percent financial interest, managers and supervisors ( $\S50-11(b)(1)$ ). The second category pertains to directly employed permanent employees not referenced in the first category. These employees are required to complete a criminal history check that is equivalent to, and may include the use of, live scan ( $\S50-11(b)(2)$ ). The third category requires criminal background checks of all third-party laborers, seasonal, or temporary workers who move from premise to premise during the cultivation season, or who work for four months or less ( $\S50-11(b)(3)$ ).

The existing live scan and background check language has caused concern from cannabis operators, including operational and managerial issues, disincentives to farm laborers, and the requirement for all live scan background checks be performed by the Sheriff's Cannabis Team (rather than any Department of Justice authorized provider). Operator concerns are summarized below.

#### Issues Raised by Operators

- 1. Only permanent, direct, live scanned employees are allowed as managers and supervisors, limiting the pool of eligible workers to staff these positions.
- 2. All permanent, direct employees must complete a criminal history check equivalent to a live scan, however, there is no live scan equivalent. In the absence of a live scan equivalent, all direct employees in this category must be live scanned.
- 3. The farm labor community is not supportive of live scans or criminal history checks; live scans act as a disincentive to work in cannabis. Because this disincentive reduces the available direct employee labor pool, operators contract with Farm Labor Contractors (FLC) or Managed Service Agreements (MSA) to supply third-party labor. This requirement reduces permanent direct hires and forces operators to default to third-party labor companies. A direct, permanent employee model is not an option for all operators for various reasons.
- 4. Third-party laborers, seasonal or temporary workers cannot work in sensitive areas, handle money or remain unsupervised on-site. Because of these limitations, this labor pool is disallowed from managerial or supervisorial roles and responsibilities.
- 5. Only permanent, direct employees can supervise third-party laborers because they cannot work on-site unsupervised; in practice, permanent, direct managers and/or supervisors are required to supervise all third-party labor crews at all times across the farm and/or facility which is untenable. This is in direct opposition to how labor contractors' function in practice; agricultural labor contractors employ supervisors and managers who are trained and equipped to manage and supervise staff.
- 6. The definition of third-party labor is restrictive; these individuals are prohibited from working in sensitive areas. "Sensitive areas" are not currently defined in Chapter 50, in practice this labor pool is prohibited from accessing cannabis storage areas, pesticide storage areas and any other area determined by SBSO to be sensitive. SBSO considers Metrc inventory control to be sensitive and therefore prohibits third-party labor from working as Metrc staff; SBSO requires permanent, direct live scanned managers, supervisors or employees to manage Metrc inventory activities. In practice, Metrc staff should be allowed to be direct or 3<sup>rd</sup> party staff per the needs of the particular business entity. The Department of Cannabis Control does not require Metrc staff to be live scanned.

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- 7. The limitations placed on third-party laborers, seasonal or temporary workers prohibit them from accessing higher paying supervisor and manager positions.
- 8. Criminal background checks can jeopardize the status of immigrants currently in the citizenship queue because cannabis is not federally legal.
- 9. Because the Sheriff is permitted to conduct further investigations of employees, this allows for the request of sensitive information including identification, social security numbers and dates of birth which further disincentivizes many farm laborers from working in cannabis.

## Options to Address Issues Raised

Over the past two years, the CEO's office has tried to work with the Sheriff's Office to develop amendments that would address the Board's request, and the concerns identified by operators. The offices could not reach consensus. Option 1 is recommended by the County Executive Office and is consistent with the California Department of Cannabis Control's (DCC) requirements. This option addresses the Board's request and addresses all of the primary issues identified. Option 2 provided by the Sheriff's Office removes background check requirements for manual labor while expanding SBSO authority to require live scanning of any persons who work within or have access to sensitive areas.

# Option 1 - Aligned to Department of Cannabis Control (DCC) licensing requirements

The proposed language is intended to 1) align with DCC regulations; 2) correct and right-size restrictive requirements; 3) simplify the application and renewal process; 4) reduce staff time associated with administering said requirements; and 5) consider the farm labor community.

- The DCC only requires live scans for owners as defined by DCC §15003, including but not limited to, a person with an aggregate ownership interest of 20 percent or more in a commercial cannabis business. The proposed amendment removes the live scan and criminal background check requirements for all permanent employees, 3rd party laborers and seasonal employees or temporary workers.
- Removal of these sections also removes the requirement for third-party farm labor contractor (FLC) or managed service agreement (MSA) labor to be supervised by a full-time direct employee (allows for direct supervision by a third-party manager or supervisor) at all times in all areas of the farm or facility. This language also removes the prohibition on FLC farm workers and MSA labor from working in sensitive areas.
- For comparison purposes, the County of Monterey's cannabis regulation aligns with the DCC; County staff is unaware of other CA county cannabis regulations requiring criminal background checks for farm labor or live scans for individuals other than business owners and any other persons having at least twenty percent financial interest.
- In addition, the proposed amendment removes the requirement for live scans to be conducted by the Sheriff's Department and allows live scan checks to be conducted by any California Department of Justice authorized entity; SBSO pre-filled forms are posted online on the County of Santa Barbara's Cannabis Regulation & Licensing webpage and do not need to be obtained direct from the Sheriff.

The specific amended Chapter 50 sections are provided in Option 1, Attachment A (Non-redlined) and Option 1, Attachment B (Redlined). A side-by-side comparison of CEO recommended live scan and criminal background checks language, Option 1, is presented alongside SBSO recommended language, Option 2, in Attachment E.

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#### Option 2 - SBSO proposal

The Santa Barbara Sheriff's Office (SBSO) proposal keeps the majority of the existing background check procedures for persons who wish to work in the cannabis industry in Santa Barbara County, exempts manual laborers, but given the definitions provided, would likely expand the pool of impacted persons. SBSO reports that criminal history check requirements have purportedly helped limit some of the crimes that other jurisdictions have seen more frequently, and their background process has helped to keep people with criminal records from working in this highly regulated industry. SBSO believes lowering the standard for the background process would lead to issues within our county.

- Option 2 keeps the existing requirements to live scan all applicants, owners, persons having at
  least a twenty percent financial interest, managers and supervisors of a cannabis operation. The
  proposal adds new live scan requirements for any person who has access to any program used to
  record the inventory and movement of cannabis and cannabis products through the commercial
  cannabis supply chain from seed to sale and "any person" not heretofore referenced excluding
  persons hired for the sole purpose of manual labor.
- "Any person" not heretofore referenced, excluding persons hired for the sole purpose of manual labor refers to anybody who works within or has access to sensitive areas on the farm; this category of individuals could include permanent, direct employees and farm labor or any thirdparty vendor, contractor, buyer or on-farm person(s).
- SBSO supports the removal of criminal background checks for 3rd party laborers and seasonal employees or temporary workers hired for the sole purpose of manual labor, however, the language continues to prohibit 3rd party labor including managed service agreement (MSA) and farm labor contract (FLC) persons from working in sensitive areas, handling money and working unsupervised; these categories of individuals must be supervised by a full-time, live scanned permanent, direct employee at all times in all areas of the farm or facility.
- In addition, this manual labor class cannot engage in supervisorial or managerial responsibilities. Manual labor and lower-level employees are prohibited from working in "sensitive" areas. SBSO defines "sensitive" areas as 1) locations where cannabis or cannabis products are stored, prepared for sale, or displayed for purchase; 2) designated locations where cash is kept including but not limited locations where money is counted, processed, or stored; locations containing cash vaults and registers; locations containing safe deposit boxes; 3) locations where the surveillance recording and data storage systems are housed; or 4) other designated areas identified as a sensitive area during the application review process.
- The proposed amendment allows operators to conduct live scans at the Sheriff's Department or at any California Department of Justice authorized entity; forms must be obtained from the Sheriff.
- Lastly, SBSO adds new language requiring operators to provide a copy of the primary identification documents required by the State of California Employment Development Department before commencing work at the cannabis operation or premises. Licensee shall, upon the request of the sheriff's department, provide a copy of the primary identification documents for the purposes of verifying identity and conducting criminal history checks.
- Although SBSO would like to keep the process as it currently is, they believe they have listened
  to the concerns from industry and have agreed to propose a change, allowing lower-level
  employees, who should be supervised while on the premises, not to undergo a criminal history

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check. SBSO believes employees with access to sensitive areas or who are responsible for supervising lower-level employees should still be subject to live scans.

The specific amended Chapter 50 sections are provided in Option 2, Attachment C (Non-redlined) and Option 2, Attachment D (Redlined). A side-by-side comparison of CEO recommended live scan and criminal background checks language, Option 1, is presented alongside SBSO recommended language, Option 2, in Attachment E.

#### API Keys

Staff intends to withdraw from the California Cannabis Authority's (CCA) data analytics platform participation and delete this portion of the fee recovery as part of the Licensing Fee Ordinance Amendment changes scheduled for June 3, 2025. As a result, the requirement for an operator to provide a Metrc Application Programming Interface (API) key to the County will no longer be required as County staff will have direct access to the State's Metrc data through Metrc Viewer. The Department of Cannabis Control (DCC) has granted local jurisdiction access to the California Cannabis Track-and-Trace (CCTT) system known as Metrc. This data sharing program provides access to cannabis operator's seed to sale records and replaces the need for CCA's data. The requirement to provide an API key will therefore be deleted from the business licensing operating requirements in Chapter 50 of the County Code – Licensing of Cannabis Operations.

#### METRC TRACK-AND-TRACE API KEY

Issue Area		Current Language		Proposed Amendment	County Code Section
Application content for annual business license	1.	States that all applicants must submit an API key to the state's track-and-trace system (METRC) associated with all state licenses in Santa Barbara County.	1.	The requirement to submit API keys as part of the application submission is removed.	§ 50-8(b)(2)(vi)(E)
Cannabis business license operating requirements	2.	States that all licensees must submit an API key to the state's track-and-trace system (METRC) within 10 days of receiving state licensure or the county's request.	2.	The requirement to submit API keys as part of the cannabis business license operating requirements is removed.	§ 50-25(a)(10)

The specific amended Chapter 50 sections are provided in Option 1: Attachment A (Non-redlined) and Attachment B (Redlined) and in Option 2: Attachment C (Non-redlined) and Attachment D (Redlined).

#### 2) Discussion on Reducing the Acreage Cap

# **Discussion:**

At the Board's request to amend the acreage cap, staff is seeking Board direction to amend Chapter 50, §50-7 – Limits on cannabis business licenses if applicable, including § 50-7(a)(2), § 50-7(a)(2)(iv), § 50-7(a)(3), and § 50-7(a)(3)(iii).

Chapter 50 limits the Carpinteria Agricultural Overlay District to 186 acres of cannabis cultivation activity and limits the Unincorporated area to 1,575 acres of cannabis cultivation activity. These acreage limits have determined the maximum acreage that can be approved for operation in the business license process for the Carpinteria Overlay and Unincorporated areas. Currently, the cannabis cultivation acreage is not at the cap limit in either area. Land use entitlements run with the

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land, not the operator nor business. Once a land use entitlement is approved, a cultivator may secure their acreage on the Eligibility List for a business license. Once a land use entitlement is approved, a cultivator may apply for a business license to operate; however, the business license cannot be approved until the land use entitlement is issued.

When considering a cap acreage reduction, there are three categories of acres to be considered: acreage with *issued* land use entitlements; acreage with *approved* land use entitlements; and acreage that has been *submitted* in a land use entitlement application and in the permitting process but has not yet received an approval.

- Issued acres includes all acreage with issued land use entitlements. A land use entitlement can only be issued after it has been approved and certain conditions of approval satisfied. Accordingly, a business license can only be approved after a land use entitlement is issued. Issued acreage comprises almost 74% of the existing cap capacity in the Carpinteria Overlay area and 75% of the Unincorporated cap capacity.
- Approved acres include applicants with an approved but not issued land use entitlement. An
  applicant may apply for a business license upon approval of their land use entitlement. The
  approved acreage can fluctuate down from previous quarterly data due to changes to approved
  projects during the appeal process or when a project is withdrawn after approval. Approved but
  not yet issued acreage comprises 0% of the Carpinteria Overlay cap capacity and 9.8% of the
  Unincorporated cap capacity.
- Submitted acres includes the submitted cannabis cultivation acres in the permit application process pending land use entitlement approval and issuance; these acres can fluctuate based on project redesigns or changes to proposed cultivation areas. Submitted acreage comprises 1% of the Carpinteria Overlay cap capacity and 3.4 % of the Unincorporated cap capacity.

#### ACREAGE CAP STATUS BY AREA – LAND USE ENTITLEMENT PROCESS

Region	Status Quo (Option 1)	Issued*	Approved**	Issued and Approved (Option 2)	Submitted***	Issued, Approved and Submitted (Option 3)
Carp Ag Overlay	186	137.54	0	137.54 (26% reduction)	1.9	139.44 (25% reduction)
Unincorporated	1,575	1,189.59	154.92	1,344.51 (15% reduction)	54.04	1,398.55 (11% reduction)
Total	1,761	1,327.13	154.92	1,482.05	55.94	1,537.99

<sup>\*</sup>Issued acres: total acres with an issued land use entitlement.

There are several options available for consideration including the following:

<sup>\*\*</sup>Approved acres: total acres with an approved, but not yet issued, land use entitlement.

<sup>\*\*\*</sup>Submitted acres: total submitted cannabis cultivation acres in the permit application process pending land use entitlement approval and issuance.

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<u>Cap Option 1</u>: Maintain the acreage cap as-is; 186 acres in the Carpinteria Overlay area and 1,575 acres in the Unincorporated area. Total capped acres are 1,761.

<u>Cap Option 2</u>: Reduce the cap to reflect the Issued and Approved acreage. Given land use entitlements have been issued and approved for 1,483 rounded acres, the Board could set the new cap to this corresponding acreage. This would result in a cap of 138 acres, a reduction of 48 acres or 26%, in the Carpinteria Overlay area; and 1,345 acres, a reduction of 230 acres or15%, in the Unincorporated area.

<u>Cap Option 3</u>: Reduce the cap to reflect the Issued, Approved and Submitted acreage. This option takes into consideration that some applicants submitted their applications based on space being available in the cap and many have been working through the application process for several years. In the Carpinteria Overlay area, there are currently 2 acres submitted and pending approval. In the Unincorporated area, there are 55 acres submitted and pending approval. Most of the 55 acres are in the Cuyama Valley. This option would result in a cap of 140 acres, a reduction of 46 acres or 25% in the Carpinteria Overlay area; and a new cap of 1,399, a reduction of 176 acres or 11%, in the Unincorporated area. Total capped acres would be 1,539.

Other Options: The Board could direct staff to review other options. For example, the Board could request the same percentage reduction (for example 5% or 10%) for both the Carpinteria Overlay and Unincorporated areas. Staff did not propose reducing the cap to a number below what is currently approved in issued business licenses because this option would involve developing a process to reduce the number of acres in issued business licenses. Such a process would require a reduction of the number of acres in issued business licenses either upon the effective date of the ordinance, or as renewals are processed. However, if the Board wished for further review of this option, staff could return with more information. Finally, if the Board reduced the cap to a level lower than the recommended options, Planning and Development could continue to approve new permit application acreage, however, future cannabis business license applicants would remain on the eligibility wait list and be invited to apply for a business license when an existing operator surrendered their acreage back to the cap.

#### **Background:**

In May 2018, the Board adopted Chapter 50 of the Santa Barbara County Code, Licensing of Cannabis Operations. Since the effective date of the cannabis ordinances (June 2018 in the Unincorporated area, November 2018 in the Carpinteria Overlay zone), cannabis operations have been applying for County cannabis land use permits and business licenses. Chapter 50 has since been amended several times to reflect necessary changes in the business licensing process; it was most recently amended in April 2025.

In March 2018, the Board considered four options from staff on the establishment of cultivation caps or limits. Option 1 would limit cannabis cultivation licenses in the coastal zone countywide. Option 2 would cap cannabis cultivation within the existing Carpinteria Agricultural Overlay District boundary. Option 3 would cap cultivation through the application of Uniform Rule 2-4 on "compatible uses" to agriculture operations on Williamson Act contracted parcels at a percentage low enough to have the effect of a cap. Staff recommended option 4 would allow the cannabis market to decide; supply and demand would limit the amount of cultivation. In April 2018, the Board directed staff to make changes to the proposed ordinance including 1) a cap of zero acres of outdoor cannabis cultivation in the Coastal Zone of Santa Barbara County and 2) a cap of 186 acres of indoor or mixed light cannabis in the Carpinteria Agricultural Overlay District. In August 2019, the Board approved the Unincorporated cap area at 1,575 acres. Both caps were calculated by confirming the total acreage of all pending cannabis cultivation applications submitted to the Planning & Development

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Department as of July 9, 2019. Limits were established to avoid visual impacts and nuisances associated with significant concentrations of cannabis cultivation.

On March 18, 2025 the Board directed staff to provide options to consider reduction of the Carpinteria Overlay and Unincorporated area acreage caps.

In September 2021, the Board approved executing a Joint Exercise of Powers Agreement with the California Cannabis Authority's (CCA) and subscription to a data analytics platform. The real-time data provided by CCA was necessary for regulatory compliance efforts when tracking inventory, transfers and sales. At the July 18, 2023 hearing the Board approved an amendment to include fees for the cannabis licensing program to recover the costs for the use of the platform. Current access to Metrc Viewer replaces the need for the data analytics platform subscription, billed fees and API key request.

#### **CEQA Determination:**

Adoption of the proposed ordinance is within the scope of the Cannabis Land Use Ordinance and Licensing Program, and the <u>Cannabis Land Use Ordinance and Licensing Program Final Programmatic Environmental Impact Report (PEIR)</u> (17EIR-00000-00003, State Clearinghouse No. 2017071016).

#### Fiscal Analysis:

Changes to the ordinance regarding background checks do not have a budgetary impact. The result of more flexible or stringent requirements may impact the continued need for Sheriff staff resources to enforce the requirement. Changes to the acreage cap could impact the number of cannabis operations in the County, and potentially the amount of cannabis tax revenue. However, cannabis tax revenues have witnessed a decline over the last few years therefore it would be a reduction in the opportunity, but not actual, cannabis tax revenue.

#### **Special Instructions:**

The Clerk of the Board shall publish the ordinance in accordance with Government Code section 25124.

#### Attachments:

**Attachment A** – Option 1: Ordinance Amending Chapter 50, Licensing of Cannabis Operations, To the Santa Barbara County Code (Non-Redlined)

**Attachment B** – Option 1: Ordinance Amending Chapter 50, Licensing of Cannabis Operations, To the Santa Barbara Code (Redlined)

**Attachment C** – Option 2: Ordinance Amending Chapter 50, Licensing of Cannabis Operations, To the Santa Barbara County Code (Non-Redlined)

**Attachment D** – Option 2: Ordinance Amending Chapter 50, Licensing of Cannabis Operations, To the Santa Barbara Code (Redlined)

**Attachment E** – Side-by-Side Comparison of CEO & SBSO Criminal Background and Live Scan Proposed Language

Attachment F - CEQA Findings

**Attachment G** – Link to the Program Environmental Impact Report for the Cannabis Land Use Ordinance and Licensing Program, 17EIR-00000-00003:

https://cosantabarbara.app.box.com/s/o9fp2865sykagn98s0702plaa96xj7t5/folder/72887579662

**Attachment H** – PEIR Statements of Overriding Consideration

# **Authored by:**

Carmela Beck, Cannabis Program Manager, cbeck@countyofsb.org