Ordinance Amending Chapter 50 – Licensing of Commercial Cannabis Operations

Adopted: May 1, 2018

Amended: April 9, 2019, August 27, 2019, December 17, 2019, February 2, 2021, November 2, 2021,

March 1, 2022, November 29, 2022, July 18, 2023, and April 1, 2025

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ORDINANCE NO. 5257

AN ORDINANCE AMENDING CHAPTER 50, LICENSING OF CANNABIS OPERATIONS, OF THE SANTA BARBARA COUNTY CODE

The Board of Supervisors of the County of Santa Barbara ordains as follows:

SECTION 1. Chapter 50 of the Santa Barbara County Code, titled "Licensing of Cannabis Operations," Section 50-8, Application content for an annual cannabis business license, subsection (b)(2)(vi)(E) and (b)(6)(ii), is hereby amended and shall read as follows:

•••

(b) The application shall contain, without limitation, the following documentation:

•••

(2) Information on the Operation:

..

- vi. State information.
 - A. A copy of the applicant's state cannabis licenses or applications.
 - B. The state cannabis license type, pursuant to Business and Professions Code Section 26050, as may be amended, for proposed commercial cannabis operation, including whether the activity is medical or non-medical.
 - C. A description of the number and type of state license(s) that will be required for the proposed operations pursuant to California Business and Professions Code Sections 26000, et seq., as may be amended, including a description of the proposed total canopy area of any cultivation or nursery operation.
 - D. A state seller's permit number issued pursuant to Part 1 (commencing with Section 6001) of Division 2 of the California Revenue and Taxation Code, as may be amended, or indicate that the applicant is currently applying for a seller's permit, if applicable.

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(6) Site Security Plan and Criminal Background Check.

•••

ii. All business owners and other persons having at least a twenty percent financial interest, unless the interest is solely a security, lien, or encumbrance, must go through a live scan background check that discloses no felonies in accordance with California Business and Professions Code Section 26057, as may be amended.

...

SECTION 2. Chapter 50 of the Santa Barbara County Code, titled "Licensing of Cannabis Operations," Section 50-11, Application review by the sheriff's department and ongoing requirements – Criminal history check and security plan, subsection (b), is hereby amended and shall read as follows:

...

- (b) Criminal history checks.
 - (1) All applicants, owners, and persons having at least a twenty percent financial interest, must submit to a live scan check conducted by any entity authorized by the California Department of Justice to perform Live Scan fingerprinting services in accordance with the Department of Cannabis Control CCR Title 4, Division 19, as may be amended. This live scan check consists of a criminal history search for disqualifying convictions identified in subsection (4) below. These checks must be completed on applicants, owners, and persons having at least a twenty percent financial interest prior to employment or engaging in the cannabis operation. Upon satisfactory review of the live scan, the sheriff's cannabis team will obtain a photograph and issue an identification (ID) card to each qualifying individual. This identification shall be worn when on the licensed premise and used to visually verify authorization of employment at that site.
 - (2) The sheriff's department may conduct further investigation of the applicant and owners as deemed appropriate and shall consider compliance with Business and Professions Code Section 26057, as may be amended. During the criminal history check process, the sheriff's department may also obtain a copy of criminal records in the United States, if any, and may obtain a copy of criminal records in any other country, if obtaining such foreign criminal

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records is feasible. Upon the satisfactory review of the criminal history, the sheriffs department will issue each qualified person an identification (ID) card.

- (3) If the sheriff disapproves the application, the sheriff shall notify the county executive office in writing giving the reason(s) for the disapproval.
- (4) No applicant, owner, or person having at least a twenty percent financial interest engaged in the operation of the commercial cannabis operation may have been convicted of a felony or other crime as set forth in Business and Professions Code Section 26057, as may be amended.

<u>SECTION 3.</u> Chapter 50 of the Santa Barbara County Code, titled "Licensing of Cannabis Operations," Section 50-23, Change in Ownership, subsection (a), is hereby amended and shall read as follows:

(a) Any new applicants, owners, or other persons having at least a twenty percent financial interest must submit to a live scan check conducted by any entity authorized by the California Department of Justice to perform Live Scan fingerprinting services in accordance with the Department of Cannabis Control CCR Title 4, Division 19, as may be amended. Live scan results must be submitted to, reviewed, and approved by the sheriff prior to the proposed change. Once the sheriff has approved the new person's criminal history and before the new person engages in any activity related to the cannabis business license, the licensee shall submit this approval along with the new person's contact information to the county executive office.

SECTION 4. Chapter 50 of the Santa Barbara County Code, titled "Licensing of Cannabis Operations," Section 50-25, Cannabis business license operating requirements, subsection (a)(2)(iii) and (a)(10) are hereby amended and shall read as follows:

(a) Throughout the term of the cannabis business license, each and every licensee shall comply with this chapter, the County Code, and state law, including, but not limited to, all of the following:

•••

(2) Display License and ID Cards.

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Each licensee shall conspicuously display its license on the premises.
 Each commercial cannabis operation that engages in delivery or distribution shall carry a copy of the license in all vehicles that deliver or transport cannabis or cannabis products.

- ii. Employee identification cards shall be worn at all times while on the premises and cards shall be color coded to identify levels of access to portions of the operations.
- (3) Odor. Continuous operation of all required odor prevention devices and techniques for cannabis cultivation, processing, and manufacturing (volatile or non-volatile), in compliance with chapter 50 and chapter 35, zoning, of the County Code.

...

- (9) Valid Permits and State Licenses.
 - i. The property owner(s) who own(s) the premises where the commercial cannabis operation is located must at all times have all necessary land use entitlements/permits as required by chapter 35, zoning, of the Santa Barbara County Code and the land use entitlements must be operative.
 - ii. A licensee must legally hold all required state licenses under the Medicinal and Adult-Use of Cannabis Regulatory and Safety Act (Business and Professions Code §§ 26000, et seq.), as may be amended, and under all other applicable state laws.
- (b) In the interest of public safety, county officials may enter the licensee's premises during standard operating hours for the purpose of observing compliance of the commercial cannabis operation with this chapter.

...

SECTION 5. Except as amended by this Ordinance the Santa Barbara County Code shall remain unchanged and shall continue in full force and effect.

SECTION 6. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance. The Board of Supervisors hereby declares that it would have passed this

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Ordinance and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid.

SECTION 7. This Ordinance shall take effect and become operative 30 days from the date of its adoption by the Board of Supervisors. Before the expiration of 15 days after its passage a summary of it shall be published once together with the names of the members of the Board of Supervisors voting for and against the same in the Santa Barbara Independent and in the Santa Maria Times, newspapers of general circulation published in the County of Santa Barbara.

SECTION 8. Cannabis activities already are highly regulated by both the state and federal governments, and their regulation of cannabis activities is subject to rapid changes. Even if the Board of Supervisors adopts this Ordinance, the Board of Supervisors retains all of its statutory authority concerning cannabis activities. For example, even if the Ordinance becomes operative, the Board of Supervisors still may take action(s) later to change the zoning and/or licensing of cannabis activities to being prohibited. Changing the zoning and/or licensing of cannabis activities to being prohibited, could occur -- for example, but is not limited to -- if: 1) the County Treasurer is not able to deposit cannabis-related funds in a suitable financial institution; and/or 2) the Board of Supervisors submits a proposed County tax on commercial cannabis activity to the voters and the voters do not approve the tax. In part because cannabis activities are highly regulated by both the state and federal governments and their regulation of cannabis activities is subject to rapid changes, the Board of Supervisors later may need to change the zoning and/or licensing of cannabis activities to being prohibited and may need to do so without cannabis activities receiving: 1) an amortization period; and/or 2) legal nonconforming use status.

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PASSED, APPROVED, AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this 10th day of June 2025, by the following vote:

AYES: Supervisors Lee, Capps, Hartmann, Nelson and Lavagnino

NOES: None ABSTAIN: None ABSENT: None

LAURA CAPPS, CHAIR
BOARD OF SUPERVISORS
COUNTY OF SANTA BARBARA

ATTEST:

MONA MIYASATO, COUNTY EXECUTIVE OFFICER CLERK OF THE BOARD

Deputy Clerk

APPROVED AS TO FORM: RACHEL VAN MULLEM COUNTY COUNSEL

Signed by.

Deputy County Counsel