



Legislation Details (With Text)

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Type:	Agenda Item	Status:	Passed
File created:		In control:	BOARD OF SUPERVISORS
On agenda:	12/14/2017	Final action:	12/14/2017
Title:	<p>HEARING - Consider recommendations regarding an update on issues related to taxation options, ballot measure and potential cannabis regulations, as follows: (EST. TIME: 5 HR.)</p> <p>a) Receive and file a report that analyzes economic and tax revenue options of potential cannabis activities in unincorporated Santa Barbara County, and</p> <p>i) Provide direction to staff to develop a gross receipts tax as recommended by the staff as follows:</p> <p>1) 2% gross receipts tax on nurseries and distributors;</p> <p>2) 4% gross receipt tax on all cultivators;</p> <p>3) 6% gross receipts tax on manufacturers and retailers;</p> <p>4) Cap any gross receipts tax at 8%; or</p> <p>ii) Provide other direction to staff on taxation methods;</p> <p>b) Provide direction to staff to develop a ballot measure for cannabis taxation including:</p> <p>i) Creation of required documents for a June 2018 Primary Election ballot; or</p> <p>ii) Creation of required documents for a November 2018 General Election ballot; and</p> <p>iii) Development of a measure for General revenue purposes; or</p> <p>iv) Development of a measure for Specific revenue purposes; and</p> <p>v) Condition cannabis Business Licenses and Land Use Permitting on voter approval of a cannabis tax measure; or</p> <p>vi) Provide other direction to staff on a cannabis tax ballot measure;</p> <p>c) Receive and file an update on cannabis banking related issues and the method of processing the proposed business licenses;</p> <p>d) Receive and file an update and provide direction to staff on options regarding staffing and methods for implementing compliance and enforcement with local cannabis regulations;</p> <p>e) Receive and file an update on the health impacts of cannabis consumption;</p> <p>f) Receive and file an update on the State emergency regulations published on November 16, 2017 by the three State cannabis licensing authorities;</p> <p>g) Pursuant to Board direction on November 14, 2017 regarding Temporary State Licenses consider</p>		

the following actions:

- i) Take no action and thereby do not authorize any response to the State for Temporary State License requests; or
- ii) Direct staff to provide a letter as the County's response to the State for Temporary State License requests for cannabis cultivation; or
- iii) Other direction to staff as appropriate;
- h) Pursuant to Board direction on November 14, 2017 regarding processing applications for Annual (non-temporary) State Licenses during the "transition period" for Coastal and Inland areas, receive an update and direct staff to include this process when a final Ordinance returns for Board consideration;
- i) Receive an update on the conceptual cannabis licensing and land use permitting options discussions conducted by the Board on September 19, 2017; and
- j) 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 administrative activities that will not result in direct or indirect physical changes in the environment.

COUNTY EXECUTIVE OFFICER'S RECOMMENDATION: POLICY

Sponsors: COUNTY EXECUTIVE OFFICE

Indexes:

Code sections:

Attachments: 1. Board Letter, 2. Attachment A - HdL Santa Barbara Analysis, 3. Attachment B - Options Worksheet - Excise Tax on Cannabis Operations, 4. Attachment C - Draft Letter for State Temporary Licensing Program (003), 5. Attachment D - Example of Allowed Use, 6. Attachment E - Conceptual Options for Land Use Permitting and Business Licensing, 7. Attachment F - Updated Cannabis Timeline, 8. Public Comment - Group 1, 9. Public Comment - City of Carpinteria, 10. Public Comment - Hollister & Brace, 11. Public Comment - Cannabis Business Council, 12. Public Comment - Moffitt, 13. Cannabis Matrix, 14. Presentation

Date	Ver.	Action By	Action	Result
12/14/2017	1	BOARD OF SUPERVISORS	Acted on as follows:	Pass
12/14/2017	1	BOARD OF SUPERVISORS	Acted on as follows:	Pass
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HEARING - Consider recommendations regarding an update on issues related to taxation options, ballot measure and potential cannabis regulations, as follows: (EST. TIME: 5 HR.)

a) Receive and file a report that analyzes economic and tax revenue options of potential cannabis activities in unincorporated Santa Barbara County, and

i) Provide direction to staff to develop a gross receipts tax as recommended by the staff as follows:

- 1) 2% gross receipts tax on nurseries and distributors;
- 2) 4% gross receipt tax on all cultivators;
- 3) 6% gross receipts tax on manufacturers and retailers;
- 4) Cap any gross receipts tax at 8%; or

- ii) Provide other direction to staff on taxation methods;
- b) Provide direction to staff to develop a ballot measure for cannabis taxation including:
 - i) Creation of required documents for a June 2018 Primary Election ballot; or
 - ii) Creation of required documents for a November 2018 General Election ballot; and
 - iii) Development of a measure for General revenue purposes; or
 - iv) Development of a measure for Specific revenue purposes; and
 - v) Condition cannabis Business Licenses and Land Use Permitting on voter approval of a cannabis tax measure; or
 - vi) Provide other direction to staff on a cannabis tax ballot measure;
- c) Receive and file an update on cannabis banking related issues and the method of processing the proposed business licenses;
- d) Receive and file an update and provide direction to staff on options regarding staffing and methods for implementing compliance and enforcement with local cannabis regulations;
- e) Receive and file an update on the health impacts of cannabis consumption;
- f) Receive and file an update on the State emergency regulations published on November 16, 2017 by the three State cannabis licensing authorities;
- g) Pursuant to Board direction on November 14, 2017 regarding Temporary State Licenses consider the following actions:
 - i) Take no action and thereby do not authorize any response to the State for Temporary State License requests; or
 - ii) Direct staff to provide a letter as the County's response to the State for Temporary State License requests for cannabis cultivation; or
 - iii) Other direction to staff as appropriate;
- h) Pursuant to Board direction on November 14, 2017 regarding processing applications for Annual (non-temporary) State Licenses during the "transition period" for Coastal and Inland areas, receive an update and direct staff to include this process when a final Ordinance returns for Board consideration;
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COUNTY EXECUTIVE OFFICER'S RECOMMENDATION: POLICY