



## Legislation Text

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**File #:** 17-00926, **Version:** 1

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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;
- 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