



COUNTY OF MENDOCINO

Board of Supervisors

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July 22, 2025

The Honorable Matt Haney
California State Assembly
1021 O Street, Suite 5740
Sacramento, CA 95814

RE: AB 564 (Haney) – Cannabis: excise tax: rate increase repeal – SUPPORT

Dear Assemblymember Haney,

On behalf of the Mendocino County Board of Supervisors, we write to respectfully express our support for AB 564, which proposes critical reforms to the structure and administration of California's cannabis excise tax.

As one of California's legacy cannabis-producing counties, Mendocino has experienced firsthand the profound economic and regulatory impacts associated with the legal transition of the cannabis industry.

AB 564 attempts to address long-standing concerns regarding the financial viability of the regulated cannabis market. By recalibrating the excise tax to support licensed operators and reduce the financial burden on small-scale and equity businesses, the bill will ease pressures faced in the regulated market – pressures that undercut our local economy and incentivize a return to unregulated illicit sales.

In Mendocino County, small-scale cultivators have faced mounting pressures from illicit market competition, high compliance costs, and unstable market conditions. The current excise tax structure exacerbates these challenges and threatens the survival of the legal market.

We urge the Legislature to recognize the urgency of reform and support the passage of AB 564. The bill represents a meaningful step toward a fairer, more sustainable regulatory environment for cannabis. Thank you for your leadership on this critical issue.

Sincerely,

John Haschak, Chair
Mendocino County Board of Supervisors

cc: The Honorable Mike McGuire, Member of the California State Senate
The Honorable Chris Rogers, Member of the California State Assembly

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