

Mendocino County Board of Supervisors Cara Martinson, Executive Director – CCA August 6, 2019



- CSAC active in supporting a role for local governments in cannabis regulation through MCRSA & Proposition 64.
- CSAC Appointed to Treasurer's Cannabis Banking Working Group in 2017.
- CSAC Leadership recognized need for additional tools and services for local governments regulating cannabis.
- CSAC Finance Corporation established partnership to create the California Cannabis Authority in 2018.

Local Regulation – Spring 2019

24 Counties Regulate Commercial Cannabis Activity:

Alameda, Contra Costa, Del Norte, Calaveras, Humboldt, Imperial, Inyo, Kern, Lake, Mendocino, Mono, Monterey, Placer, Riverside, San Benito, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Cruz, Sonoma, Stanislaus, Trinity, Yolo

7 Counties Actively In Process of Developing Ordinances:

El Dorado, Glenn, Lassen, Nevada, Plumas, San Joaquin, Tuolumne

21 Counties Ban Commercial Cannabis Activity:

Alpine, Amador, Colusa, Fresno, Kings, LA, Madera, Mariposa, Modoc, Napa, Orange, Sacramento, San Bernardino, San Diego, Santa, Clara, Shasta, Siskiyou, Sutter, Tehama, Tulare, Yuba

6 Counties Passed Ordinances for Delivery:

Butte (Medical only), Marin (Medical only), Merced (Medical only), Sierra, Solano, Ventura



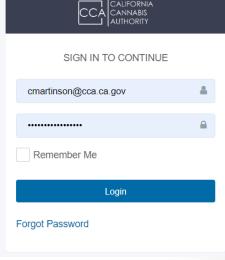


- A County Joint Powers Authority- A public entity exercising common powers to gather and manage cannabis regulatory and taxation data.
- Two primary goals:
 - 1. Provide actionable, real-time information to local governments for efficient and cost effective regulation.
 - 2. Link willing financial institutions with cannabis businesses by providing banks with comprehensive, ongoing licensing and regulatory data on cannabis businesses
- Authority has the power to request data from state on behalf of Members, and compel businesses within Member's jurisdiction to provide data.

What Does CCA do with the Data?

CCA aggregates data from multiple sources into one innovative and dynamic cloud-based platform to make it easier for local governments- permitting, code enforcement, and tax collectors to know that their licensed cannabis businesses are following all regulations in good faith.

✓ Directs local compliance efforts towards businesses that aren't abiding by the law.



CCA & NCS Analytics Partnership



Improving Access to Banking



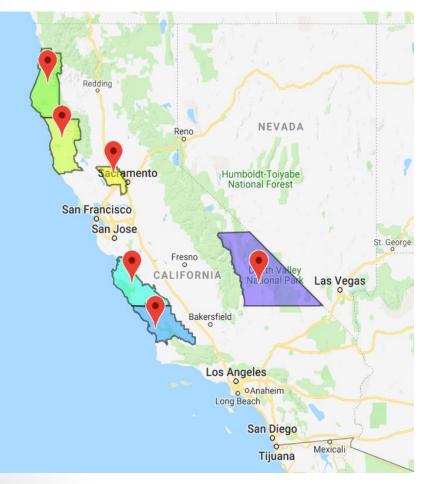
- CCA will work with financial institutions that wish to work with cannabis clients, and help to facilitate banking services.
- CCA will help to provide consistent and accurate data to banks and credit unions to ease the cost and burden of federal reporting requirements.

Requirements on Businesses?

- County Members of CCA require transmittal of commercial cannabis data from licensees within their jurisdiction via their cannabis 3rd Party Software Provider or through a manual submission process to the CCA data platform.
- This requirement is consistent with METRC, but is a separate requirement from the state.
- A separate connection is required to allow for data verification.



Who has joined CCA?

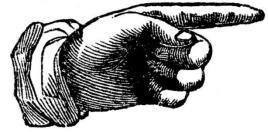


- Humboldt
- Mendocino
- Yolo
- Monterey
- San Luis Obispo
- Inyo
- More coming soon!

Timeline?

- Every county that joins CCA establishes their own timeframe to begin requiring businesses to transmit data.
- There is no current requirement on businesses in Mendocino County to connect with CCA yet.
- The county is assessing their timeline and will provide businesses with ample notice and direction.





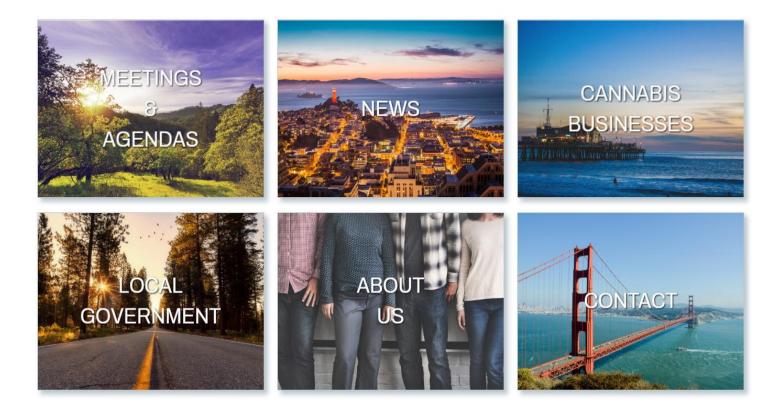
Funding

- CCA is a public, not-for-profit agency.
- We are funded by a fee imposed on Member Counties.
- Start- up funding has been provided by CSAC Finance Corp.
- The CCA Board met in June 2019 and altered the fee structure to reflect the fact that counties have different timeframes for noticing an connecting to CCA. The fee structure is as follows:
 - Charge of 15 basis points on total sales tracked (gross receipts) for current members until September 30, 2019;
 - Charge of 25 basis points for all Members and Participants starting on October 1, 2019;
 - A quarterly \$5000 administrative fee on new Members and Participants that <u>have not</u> on- boarded with Platform after one year of participation, or for existing Members after September 30, 2019.

Next Steps

- CCA is working to connect to various additional data streams.
- CCA is working on soliciting new members and additional banks.
- CCA is working with current Members to establish timelines for connection.
- CCA is working on setting up a series of Q&A webinars for businesses to answer questions and offer instructions.
- We are constantly approving new 3rd Party Vendors.
- CCA Board meets monthly via conference call, open to the public.

CCA CALIFORNIA CANNABIS AUTHORITY CCA.ca.gov





Please send questions to:

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