



February 19, 2021

**RE: Agenda item 6a: SB 59 (Caballero): Cannabis: Provisional licenses**

To the Mendocino County Board of Supervisors,

Flow Cannabis Company, a licensed cannabis distributor, processor and manufacturer in Redwood Valley is asking you to write a letter of support for SB 59, which would extend the provisional license program for cannabis businesses until July 1, 2028.

We currently hold provisional licenses for processing, distribution and soon-to-be retail and cultivation. We began the local licensing process in Mendocino County in 2017. And, despite constant attention and a desire to progress, have only been able to obtain a state annual permit for our manufacturing facility. This issue is shared across the supply chain in Mendocino County, where upwards of 90% of our licensees are on provisional licenses that will expire at the end of 2021. This includes thousands of small farmers in an already depressed economic region. Recently, we produced a video to highlight this issue in rural parts of the state. It can be viewed [here](#). Please feel free to share this video to help garner support for this extension.

Absent an extension of the provisional license program, the risk to California and Mendocino's legal cannabis market is significant. If provisional licensees fall out of the legal marketplace, existing businesses will be left with few options, including moving to the illicit market or shuttering operations. This will decimate the critical progress made by the State and local jurisdictions to bring the industry into compliance thus far.

SB 59 will prevent costly disruptions in compliant business activity and will ensure that cannabis businesses continue on a path to achieving full CEQA compliance. As a direct result of the continuation of business, the State will continue to receive much needed cannabis tax revenue, and maintain a stable regulated supply chain, so that both patients and consumers continue to have access to safe, compliant cannabis and cannabis products.

Flow Cannabis Company hopes you will vote to write a letter of support for SB 59.

Sincerely,

CAREN WOODSON  
Director of Government Affairs  
Flow Cannabis Company

AMANDA REIMAN, PHD  
VP of Community Development  
Flow Cannabis Company