

DRAFT MEMO: To the General Governance Committee

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CANNABIS

ISSUE: Mendocino County is a pre-eminent producer county in the state of California, home to a very large number of multi-generational cultivators, manufacturers, and other added-value cannabis industry participants. In every license category, consideration must be given to the difficulties facing small cannabis operators in rural communities, unable to compete in the emerging legal market if it demands large sums of investment to scale up and meet regulatory requirements. Mendocino County supports the State's implementation of the Medical and Adult-Use Cannabis Regulation and Safety and will continue to advocate maintaining local government's flexibility and authority to address individual community needs through local control measures. Mendocino County supports federal initiatives to either repeal or modify the federal prohibition of cannabis, and encourages federal recognition of state laws regulating cannabis.

STATE ACTION

- Advocate for a state extension of cannabis provisional licenses through, at minimum, January 1, 2028, allowing cannabis applicants to complete local permitting and state licensing requirements, including the completion of project-specific CEQA analysis that is required for annual licensure.
- eAdvocate for the newly formed Department of Cannabis Control to remove the project-specific CEQA analysis required of all annual licenses and instead provide guidance to local jurisdiction to ensure that commercial cannabis operators meet CEQA compliance during the local permitting process.
- Advocate for State legislation that incentivizes local jurisdictions to permit medical and adult use retail sales to ensure that patients and adult consumers have adequate access to legal cannabis.
- Support opportunities for direct to consumer sales, with an emphasis on events including farmers markets. Advocate for State legislation that removes the cultivation tax to provide a stabilized economic opportunity for small farmers and to prepare Mendocino's farming community to engage in Federal legalization without being shut out due to excessive taxation.
- Advocate for the removal of the 4-acre cap on Cannabis Cooperative Associations to allow economy of scale for small farmers.
- Advocate for State legislation and funding to combat illegal trespass cultivation of cannabis on public and private lands. Support adequate funding to address illegal water diversion, water pollution, erosion, poisoning of wildlife, and other environmental damage associated with trespass cannabis growing operations.
- Support efforts at the state level to allow for and make available banking and other financial services to cannabis operators in order to minimize the use of cash.

FEDERAL ACTION

- The county supports federal legislation that allows cannabis to be regulated at the federal level, including removing cannabis from Schedule 1 of the Controlled Substances Act. The county takes the position that any change to the legal status of cannabis at the federal level must be accompanied by a thorough regulatory framework that delineates the clear roles and responsibilities of the jurisdictions involved.
- Advocate for Federal funding to combat illegal trespass cultivation of cannabis on public and private lands. Support adequate funding to address illegal water diversion, water pollution, erosion, poisoning of wildlife, and other environmental damage associated with trespass cannabis growing operations.
- Support efforts at the federal level to allow for and make available banking and other financial services to cannabis operators in order to minimize the use of cash.