County of Monterey

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May 15, 2023

The Honorable Greg Wallis California State Assembly 1021 O Street, Room 4330 Sacramento, CA 95814

RE: AB 1448 (Wallis) Cannabis: enforcement by local jurisdictions - SUPPORT

Dear Assembly Member Wallis:

The County of Monterey is pleased to support your measure Assembly Bill (AB) 1488, which will enhance local enforcement mechanisms for unlicensed cannabis activities. This measure creates a streamlined local administrative penalty process, gives local jurisdictions incentives to pursue statutory penalties, and provides more penalty collection options.

California has implemented extensive measures to regulate the exponential growth of the cannabis industry, particularly since the passage of Proposition 64 in 2016, including statutory penalties for unlicensed cannabis operations up to three times the applicable licensing fee. Despite the state's flurry of activity over the past 20 years to permit and regulate cannabis use, an illicit cannabis industry still exists, undercutting lawful operations and denying the state millions of dollars in taxes each year.

A commonality amongst local jurisdictions is the overwhelming enforcement needs to combat unlicensed cannabis activities. Local law enforcement agencies and code enforcement struggle to effectively deter illicit cannabis operators who sidestep regulations and undermine the health and safety of residents. Enhanced tools at the local level are needed to combat this highly lucrative and harmful unlawful activity.

AB 1448 allows a 50/50 state-local split of the statutory penalties recovered in actions brought by local jurisdictions, as originally enacted by the Legislature in the Medical Cannabis Regulation and Safety Act (MCRSA). Revenues from these actions will provide a much-needed source of funds to reinvest in illicit cannabis enforcement. Local jurisdictions are a critical partner to successfully regulate the commercial cannabis marketplace. AB 1448 will bolster safe access to the cannabis market by targeting enforcement against unlawful operators that undermine the legal marketplace and undercut local economies.



It is for these reasons that the County of Monterey supports AB 1488. Should you have any questions, please feel free to contact the County of Monterey's Public Policy Advisor, Ashley Walker of Nossaman LLP at 916-442-8888.

Sincerely,

Luis A. Alejo, Chair Board of Supervisors

Cc: The Honorable Anna Caballero, 14th Senate District

The Honorable John Laird, 17th Senate District The Honorable Robert Rivas, 29th Assembly District The Honorable Dawn Addis, 30th Assembly District California State Association of Counties (CSAC) Rural County Representatives of California (RCRC)