



## North Coast Counties Marijuana Policy Statement

### **Preamble**

North Coast Counties have unique insight into the significant problems and opportunities posed by statewide regulation and potential legalization of adult recreational use of marijuana. Inconsistent State and Federal laws and existing ambiguities in State law have caused significant economic, environmental, and public safety impacts to North Coast Counties related to the cultivation and distribution of marijuana. We strongly encourage the adoption of comprehensive State marijuana policies that will protect local communities and governments and also respect local control.

There is a need for certain and uniform state regulation while at the same time allowing local governments the flexibility to address individual community needs. State regulation should set clear minimum guidelines and should expressly not preempt local government control. State law and policy should reflect the basic reality that economic effects, environmental impacts, and community sensitivity vary widely from rural to urban areas and from one area to another, and have a direct impact on local quality of life. It is imperative that counties retain local control to address impacts appropriately from rural to urban communities.

### **Policy Statements**

#### **I. Local Control**

- State leadership is critical to provide a comprehensive regulatory framework which clearly delineates the roles of local and state government.
- Minimum statewide standards on a range of issues including licensing, safety, accounting, state taxation, cultivation standards, distribution and consumer standards should be developed with local input.
- A statewide regulatory program must explicitly preserve the right of local jurisdictions to regulate items of local concern including authority to: issue business licenses and impose local taxes to produce funding streams to fully cover local costs; to enact land use regulations; and to enact other restrictions applicable to the cultivation, distribution, and sale of marijuana based on a local governing body's determination of local needs.
- Existing local authority to regulate or prohibit the indoor or outdoor cultivation of marijuana and the establishment of dispensaries in certain areas must be explicitly preserved.
- The right of local jurisdictions to provide for the health, safety and welfare of their constituents must be respected within an overall state regulatory framework.

#### **II. Revenue & Taxation**

- Counties must have the ability to impose fees and fines to recover direct costs of local regulation and code enforcement with respect to all aspects of marijuana cultivation, sales and distribution.
- Counties must have the option to adopt local excise and sales taxes to recover enforcement, environmental and other costs, subject to uniform statewide tax cap limits.

- State and local marijuana related excise and sales tax limits must be set at a level that does not discourage transition to a regulated market.
- Counties must be granted flexibility to further incentivize the transition to a regulated market, for instance, by deferring full imposition of the adopted local tax structure.
- Marijuana, no matter its use (medical or recreational), must be subject to state and local taxation in the same manner and at the same level in order to provide regulatory certainty and avoid the difficulties inherent in establishing a dual system of administration.

### III. **Environmental Protection**

- Environmental protection and remediation shall be paramount in any regulatory and/or funding framework.
- Best management practices must be developed and adopted.
- Current environmental enforcement should remain the responsibility of existing regulatory agencies.
- Adequate and flexible enforcement tools must be available to local jurisdictions, including the availability of incentives to encourage responsible environmental practices.
- Counties must receive adequate funding from the state to compensate for local environmental enforcement and remediation including legacy impacts.

### IV. **Economics**

- Legalization of marijuana for adult recreational use will have economic implications for North Coast Counties. To mitigate negative effects, the state must allocate a portion of state revenue to assist counties.
- A statewide regulatory program must provide economic development assistance including job training to help North Coast counties of origin successfully rebuild their traditional resource based economies while transitioning to a fully regulated legalized marijuana industry.
- State leadership is also necessary to address larger education and research programs beyond the purview of individual counties. Much like tobacco, the state must allocate funds to implement research, education and prevention programs, particularly for youth, to mitigate marijuana abuse and dependence.
- To ensure that counties can differentiate their products in the marketplace a statewide chain of custody certification program is needed to allow local branding that highlights regional strains, sustainable environmental practices, responsible processing, and ethical business behavior. Chain of custody certification will increase value to local producers and encourage consumers to make responsible purchasing decisions.

### **Conclusion**

North Coast Counties support a comprehensive state regulatory framework that explicitly preserves existing local control, while protecting the environment, local economies and quality of life. We welcome the opportunity to provide additional language and information that supports these policy concepts.