



City of Novato
OVERVIEW OF THE
CANNABIS INDUSTRY



GET ACTIVE AND SPEAK UP IN YOUR LOCAL COMMUNITY!

CANNABIS POLICY COMMUNITY OUTREACH

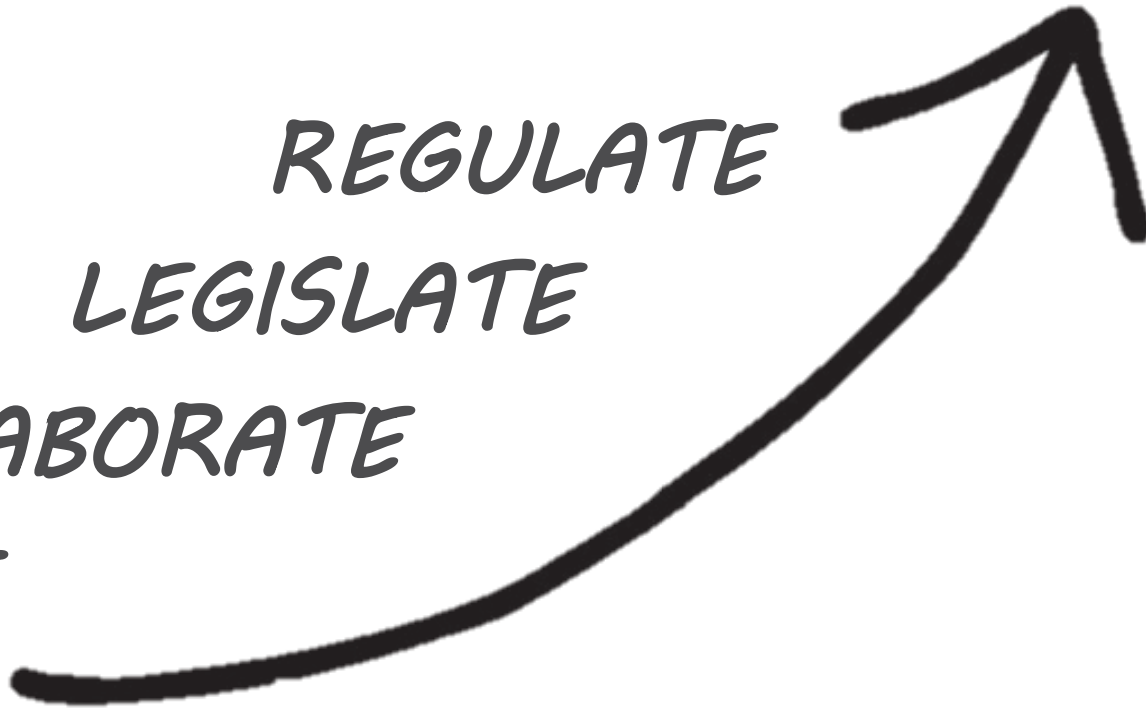
SUCCESS

REGULATE

LEGISLATE

COLLABORATE

EDUCATE



THE PATH TO SUCCESS FOR CITIES THAT
CHOOSE TO REGULATE CANNABIS

AGENDA

- Overview of State and Local Legislation
- Overview of Commercial Cannabis Business types
- Benefits of Regulations (Lessons Learned)
- Personal Cannabis Cultivations
- Questions

OVERVIEW
OF STATE &
LOCAL
LEGISLATION



Ho

California Cannabis Legislation

2015

2016

2017

Medical Cannabis
Regulation and Safety
Act (MCRSA)

Proposition 64
Adult Use of Marijuana
Act (AUMA)

Trailer Bill SB 94:
Medical & Adult Use
Cannabis
Regulation and
Safety Act; AB 133

CANNABIS POLICY COMMUNITY OUTREACH

SB 94 & AB 133 protects local control by:

Dual licensing: A requirement in statute that all marijuana businesses must have both a state license and a local license or permit to operate legally in California. Jurisdictions that regulate or ban medical marijuana will be able to retain their regulations or ban.

Enforcement: Local governments may enforce state law and local ordinances if they request that authority and if it is granted by the relevant state agency.

MEDICAL & ADULT-USE CANNABIS REGULATION AND SAFETY ACT (MAUCRSA)

Expressly protects local licensing practices, zoning ordinances,
and local actions taken under police powers

Time

Place

Manner

LEGISLATION PROTECTS LOCAL CONTROL



Overview of Commercial Cannabis Business types





CANNABIS POLICY COMMUNITY OUTREACH

City Council can set Cannabis regulatory policies on

- Cultivation
- Microbusiness
- Manufacturing
- Testing Labs
- Delivery/Non Store Front Retailer
- Retail-Medicinal/Adult-Use
- Distribution Facilities

BREAKING NEWS

CANNABIS POLICY
COMMUNITY OUTREACH

What's Happening in Marin County

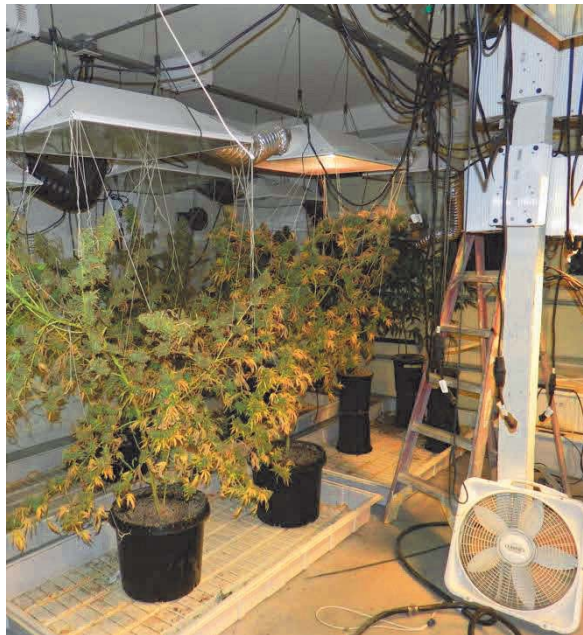
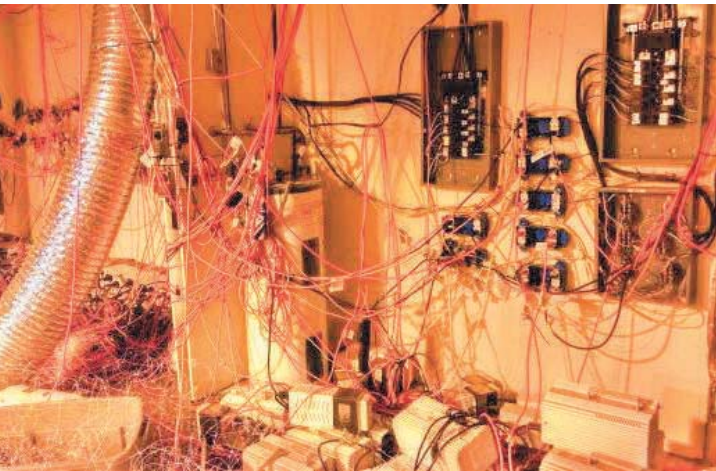
- San Rafael-Up to eight (8) Medical Marijuana Dispensaries
Only permits-MIPS, Distribution, L
and Non-Storefront (delivery)
- Fairfax-Currently has one dispensary
may allow up to three
- Belvedere-Medical delivery only
- Tiburon-Medical Delivery only
- Marin County-Delivery Only
- All other cities in Marin County
prohibit commercial cannabis
activities



RETAILER/DISPENSARY/MICROBUSINESS



CULTIVATIONS



ELECTRICAL EQUIPMENT



INVENTORY TRACKING

MANUFACTURING EXTRACTION METHODS





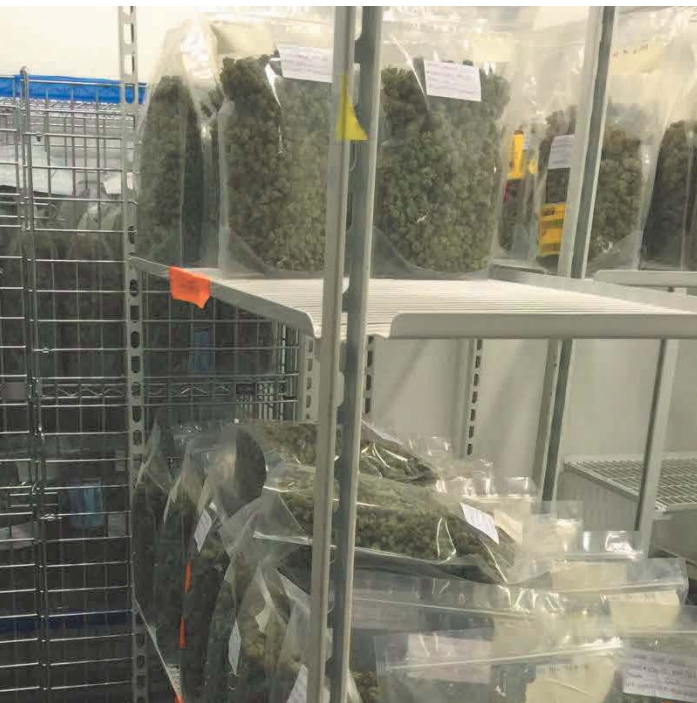
EXTRACTION FACILITY



MANUFACTURING



UNLICENSED ACTIVITIES



DISTRIBUTION



TESTING LABORATORIES



Benefits of Regulations (Lessons Learned)

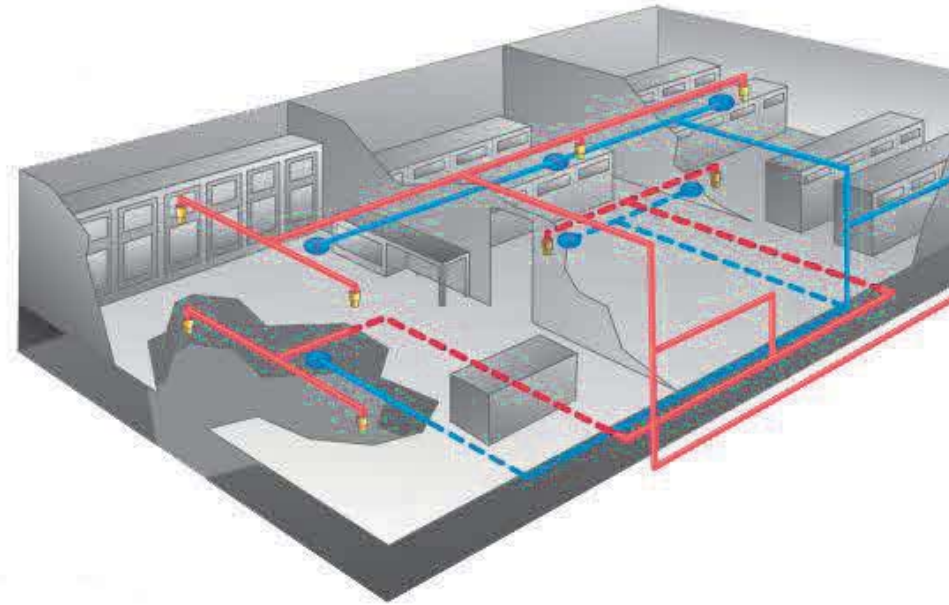
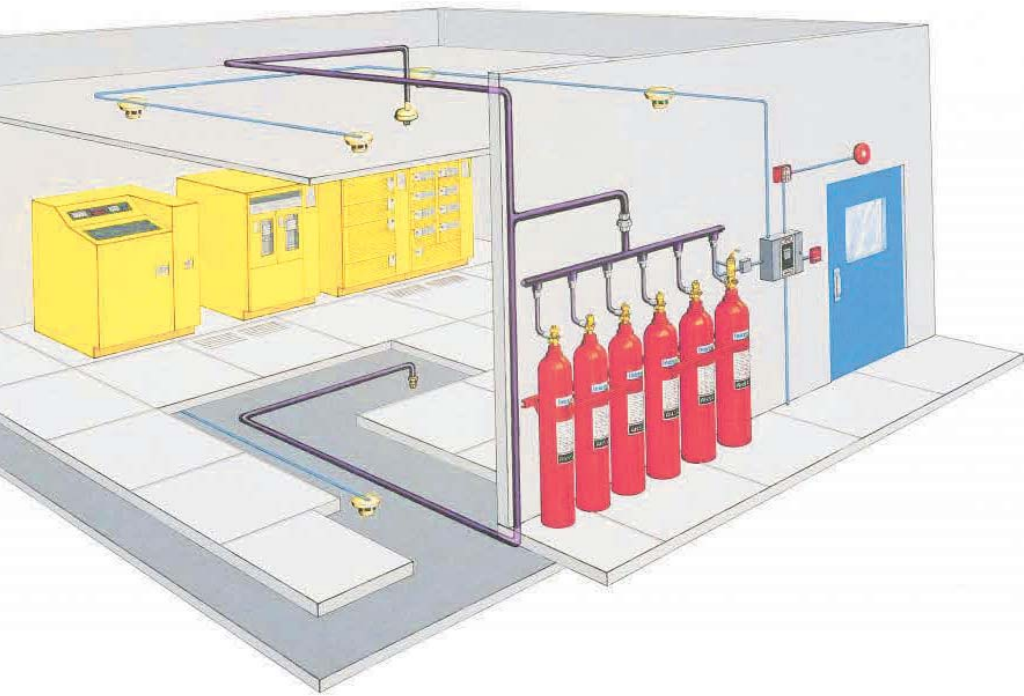
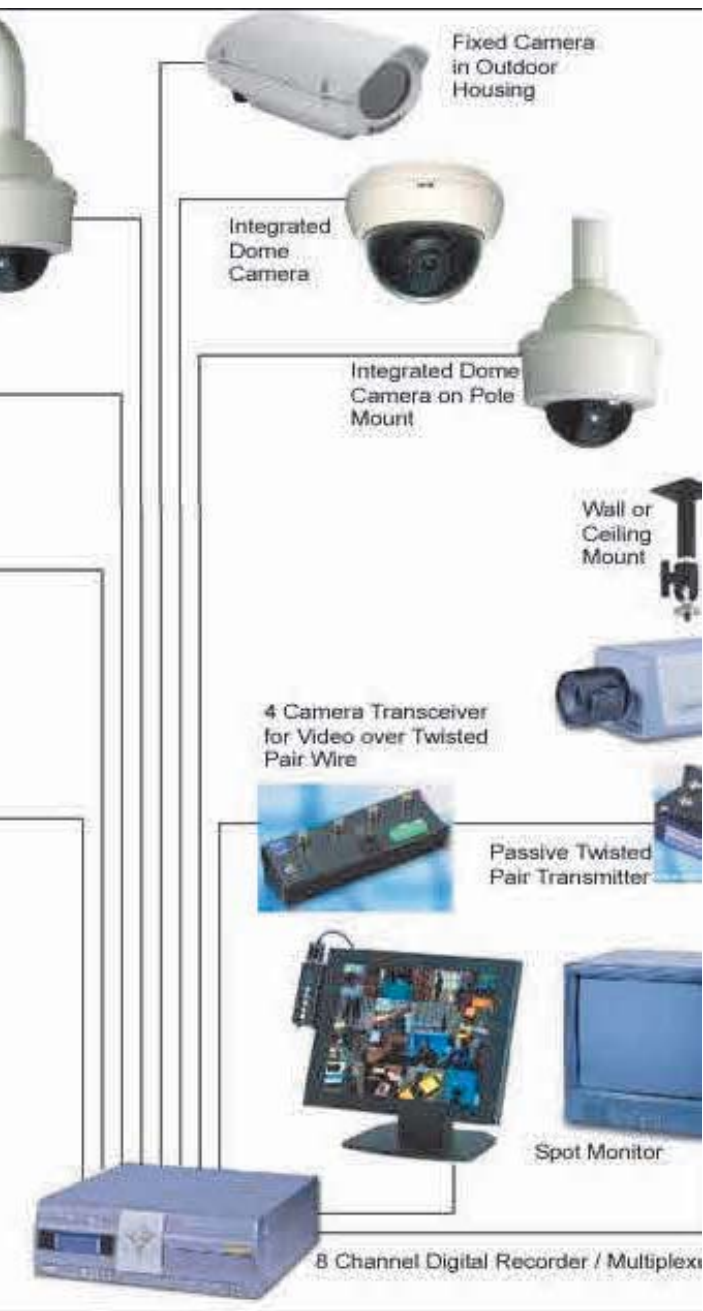
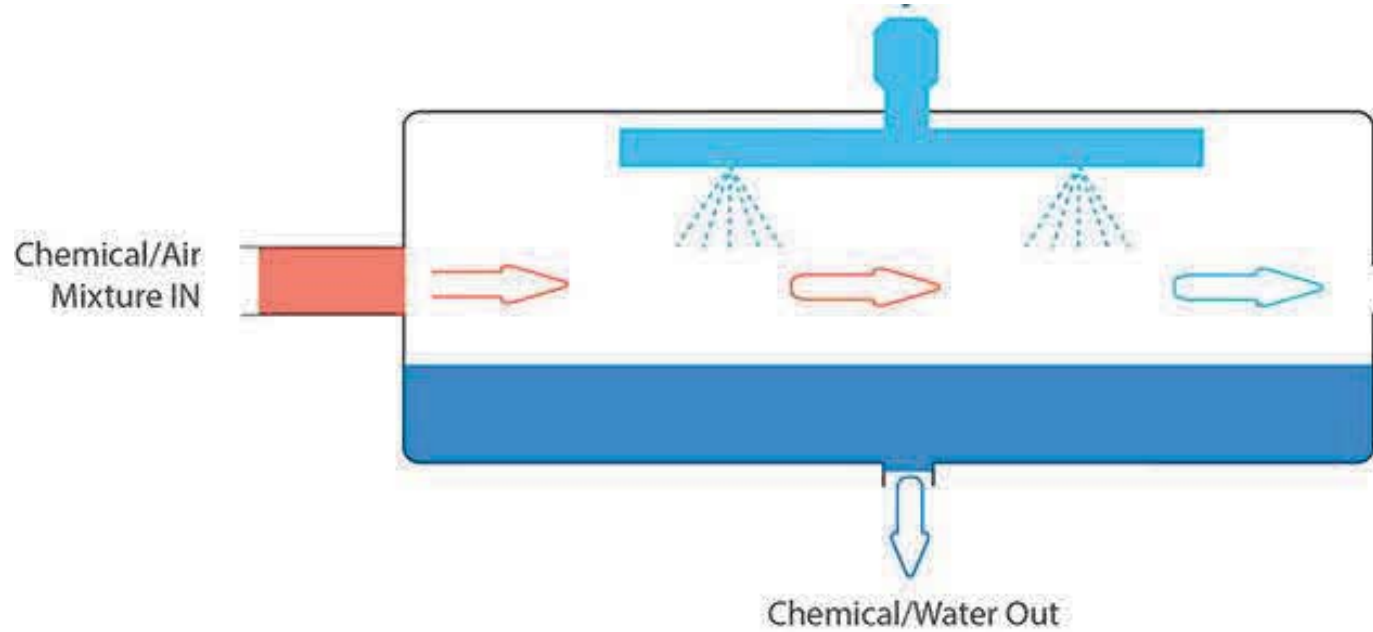


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SAFETY PLAN



SECURITY PLAN



ODOR MITIGATION



ENHANCED PRODUCT SAFETY (Illegal Products)

 **MADE IN USA**
FACTORY DIRECT

 **CoolJarz™**



CHILD RESISTANT ASTM D3475 CERTIFIED

ENHANCED PRODUCT SAFETY
(Regulated Product Packaging)

Ho
COMPA

UNIVERSAL
SYMBOL





PRODUCT LABELING

PERSONAL CANNABIS CULTIVATIONS



IMPACTS OF PERSONAL CANNABIS CULTIVATION

Thoughtful local regulations should address the potential impacts:

- Unsafe electrical & construction
 - Waste management
 - Water & power usage
 - Quality of life complaints
 - Lighting, noise, odor
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HEALTH AND SAFETY IMPACTS

FEEES AND TAXES



CUMULATIVE CANNABIS TAXES HdL Analysis



Cumulative Cannabis Taxes - HdL Analysis			
CATEGORY	AMOUNT	INCREASE	CUMULA
Producer Price	\$1,000	\$1,000	\$1
State Cultivation Tax	\$9.25/oz	\$148	\$1
Local Tax	3.50%	\$35	\$1
Batch Testing	\$50/lb, + 0.50%	\$55	\$1
Wholesale Price w/ Taxes		\$1,238	
Total Tax at Wholesale		\$238	
Tax as %		23.80%	
Distributor Markup	30.00%	\$371	\$1
Local Tax	2.00%	\$32	\$1
Total Distributor Price		\$1,642	
Total Taxes at Distributor		\$270	
Total Tax as %		16.46%	
Retailer Markup	100.00%	\$1,642	\$3
Local Tax	4.00%	\$131	\$3
State Excise Tax	15.00%	\$492	\$3
Total Retailer Price		\$3,907	
Total Taxes at Retail		\$894	
Total Tax as %		22.88%	
CA Sales Tax (non-medical)	9.00%	\$352	\$4
Local Sales Tax	1.00%	\$39	\$4
Total Taxes at Retail		\$1,285	
Total Tax as %		29.89%	
Total Local Tax		5.53%	\$23



Thank you!

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