IMPARTIAL ANALYSIS OF MEASURE M

California state law now allows the commercial cultivation, manufacturing, testing, distribution, dispensing and sale of cannabis (marijuana) and related products for profit. The decision on whether to allow these kinds of businesses into communities has been left to local jurisdictions. In Lassen County, the decision on whether to allow these kinds of businesses to operate in the unincorporated portion of the County is up to the Lassen County Board of Supervisors. In the City of Susanville, that decision is up to the Susanville City Council.

The Lassen County Board of Supervisors has concluded that operation of these kinds of businesses creates, or has the potential to create, significant impacts on code enforcement, law enforcement, planning services, public and environmental health, at least.

The Board of Supervisors also believes that it has a responsibility to zealously safeguard the precious few general fund dollars it already possesses and if such commercial cannabis activities are to potentially be approved in the future, there must be a separate funding mechanism to support the additional work that comes with allowing it. Said a different way, the Board of Supervisors believes that the industry ought to be responsible for paying the increased costs associated with regulating it.

Consequently, the Board of Supervisors has enacted a cannabis business tax ordinance which imposes a tax on commercial cannabis activities. In order to take effect however, it must be approved by a majority of electors of the County voting on the measure. If the tax is approved, any revenue collected will be deposited into the County general fund and may be used for any legitimate County activity.

The tax is structured in two ways. First, for persons who want to cultivate cannabis, their tax is calculated based on the amount of square footage of canopy space they are using to cultivate. The tax rate per square foot of canopy space depends on the light source being used for cultivation and can range from .50 cents per square foot annually for outdoor cultivation all the way up to $3.00 per square foot annually for space that relies on indoor artificial lighting.

Secondly, all other commercial cannabis activities tax rate is established as a percentage of gross receipts of the particular business. Depending on what kind of cannabis business is being taxed, the rate may go from 2.5% of gross receipts all the way up to 8% of gross receipts.

A “Yes” vote is a vote to impose the tax.

A “No” vote is a vote against imposing the tax.

The measure requires a simple majority vote for approval.

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