

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA
Certified copy of portion of proceedings, Meeting of March 13, 2018

RESOLUTION NO. 18-19

**RESOLUTION OF THE HUMBOLDT COUNTY BOARD OF SUPERVISORS
APPROVING, AUTHORIZING, AND DIRECTING EXECUTION OF A JOINT
EXERCISE OF POWERS AGREEMENT RELATING TO THE CALIFORNIA
CANNABIS AUTHORITY**

WHEREAS, in November 2016, California voters approved Proposition 64, the Adult Use of Marijuana Act (AUMA). AUMA decriminalized the cultivation, possession, and use of cannabis for non-medical purposes for adults 21 years of age and older. Beginning on January 1, 2018, AUMA also decriminalized the sale and distribution of cannabis within a robust tax and regulatory scheme anchored by a "track and trace" system that cultivators, distributors, and dispensaries will be required to adhere to in order to participate in the cannabis market; and

WHEREAS, among California's 58 counties, a wide divergence of regulatory and taxing regimes have been enacted. Despite AUMA's general decriminalization of adult-use cannabis, the commerce of cannabis, including cultivation, distribution, and dispensing, is left to the initial approval of local governments; and

WHEREAS, Humboldt County shares with the state and other local governments a pressing need to coordinate an unprecedented growth of cash deposits in the short term, a need for comprehensive data regarding cannabis business activities and cannabis transactions in the short and long term, and a desire to effectively coordinate and implement robust regulatory oversight and tax regimes as well as reduce the burden on financial institutions to provide enhanced due diligence for cannabis customers; and

WHEREAS, there is currently no statewide database that consolidates local and state regulatory and taxation information, and enhanced due diligence information that includes analytics to provide targeted and defensible data; and

WHEREAS, a statewide Joint-Powers Authority entitled "California Cannabis Authority" (CCA) has been established pursuant to the Joint Exercise of Powers Act (California Government Code section 6500 et seq.) as a cooperative effort among counties to facilitate state and local regulatory and tax programs of cannabis activities; and

WHEREAS, Humboldt County is a public agency qualified to become a member of CCA by executing the CCA Joint Exercise of Powers Agreement (Agreement) and furnishing CCA with satisfactory evidence that such action has been taken; and

WHEREAS, Humboldt County has determined that management of the tax administration, cash collection, data collection, analysis and sharing, and other regulatory activities related to cannabis will be enhanced by joining the CCA and participating in the exchange of services, funding, and information as provided in the Agreement; and

WHEREAS, Humboldt County proposes to become a member of the CCA and participate in its activities and it is in the public interest and for the public benefit that the County do so; and

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WHEREAS, the Agreement is now before this Board of Supervisors, and the members of the Humboldt County Board of Supervisors, with the assistance of its staff, have reviewed said document; and

WHEREAS, by joining the CCA, a designated official of Humboldt County will serve as a member of the CCA Board of Directors and another official(s) will serve as an alternate(s); and

WHEREAS, as a member of the CCA, Humboldt County will be obligated to adopt or amend ordinances as may be necessary to implement CCA requirements; and

WHEREAS, as a member of the CCA, Humboldt County will be obligated to ensure timely and comprehensive operational, transactional, and financial data are provided to the CCA by those persons engaged in cannabis commerce as a condition of operating a cannabis business within Humboldt County; and

WHEREAS, as a member of the CCA, Humboldt County will also be obligated to contribute funds to the CCA as membership fees to defray its costs of operation in an amount to be established by the CCA Board of Directors; and

WHEREAS, those membership fees paid to the CCA shall be paid from the General Fund, until such time as the Board of Supervisors modifies, changes, or otherwise amends the funding structure utilized to pay the membership fees;

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The CCA Joint Exercise of Powers Agreement is hereby approved and the Chair of the Humboldt County Board of Supervisors is hereby authorized and directed to execute said document, and the Clerk of the Board or such Clerk's designee is hereby authorized and directed to affix Humboldt County's seal to said document and to attest thereto.
2. The Chair of the Humboldt County Board of Supervisors, the County Administrative Officer, the Clerk of the Board and all other proper officers and officials of the county are hereby authorized and directed to execute such other agreements, documents and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.
3. The Clerk of the Board shall forward a certified copy of this Resolution and an originally executed Agreement to:

Cara Martinson
California Cannabis Authority
1100 K Street
Sacramento, California 95814

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4. This Resolution shall take effect immediately upon its passage.

Dated: March 13, 2018



Ryan Sundberg, Chair
Humboldt County Board of Supervisors

Adopted on motion by Supervisor Wilson, seconded by Supervisor Bass, and the following vote:

AYES:	Supervisors	Bass, Sundberg, Wilson
NAYS:	Supervisors	--
ABSENT:	Supervisors	Fennell, Bohn
ABSTAIN:	Supervisors	--

STATE OF CALIFORNIA)
County of Humboldt)

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



By Ryan Sharp
Deputy Clerk of the Board of Supervisors of the
County of Humboldt, State of California