

ATTACHMENT 1

DRAFT LETTER

October 6, 2021

Nicole Elliott, Director
Department of Cannabis Control
2920 Kilgore Road
Rancho Cordova, CA 95670

Subject: Allowing Cannabis Farmers to reduce cultivation or fallow ground

Dear Ms. Elliott:

On behalf of the cannabis cultivators in Humboldt County and growers in the entire state, the Humboldt Board of Supervisors advocates for consideration of regulations that would allow a cultivator to reduce their cultivation area, or hold their ground fallow, with a corresponding reduction in fees and taxes without having to modify or expire their license. Currently a state license does not provide the ability to temporarily reduce cultivation area without having to pay full state costs. Humboldt County has experienced success in allowing cultivators to reduce their cultivation area by declaring their intention prior to the cultivation season. This reduces the tax burden on the County issued permit.

Allowing such an incentive provides the ability for cultivators to reduce cultivation in response to market conditions, environmental conditions (drought, wildfire) or other factors (family health) without having the fixed overhead of annual state costs associated with a license. This allows cultivators to make better decisions about how to position their product in the marketplace or in response to other factors, rather than being incentivized to maximize cultivation area.

The County hopes you see the benefit of this approach and we offer whatever assistance desired to explain the County program. Thank you for your consideration.

Sincerely

Virginia Bass, Chair
Humboldt County Board of Supervisors

cc: Mr. Mike McGuire, California State Senator District 2
Mr. Jim Wood, California 2nd Assembly District

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