



COUNTY OF HUMBOLDT

Legislation Text

File #: 18-623, **Version:** 2

To: Board of Supervisors

From: Supervisor Ryan Sundberg

SUBJECT:

Letter of Support for SB 930 (Hertzberg): a Bill to Provide Banking Services to the Cannabis Industry (Supervisor Ryan Sundberg)

RECOMMENDATION(S):

That the Board of Supervisors authorize the Chair to sign the letter of support.

SOURCE OF FUNDING:

N/A

DISCUSSION:

The use of medical marijuana was legalized in California in 1996 and Prop 64 legalized adult-use cannabis as of January, 2018. However, due to cannabis' federal classification as a Schedule I drug, cannabis-related businesses are not able to deposit income with federally-insured financial institutions. Cannabis cultivation, distribution, and retail businesses have been forced to operate on a cash-only basis creating a significant public safety issue, and is extremely impractical from an accounting perspective.

SB 930 creates a limited purpose state charter bank license that would be administered and regulated by the Department of Business Oversight, and would allow cannabis-related businesses to open accounts and deposit income in banks that hold a limited purpose state charter created under the bill.

FINANCIAL IMPACT:

N/A

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion

ATTACHMENTS:

Letter of Support

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

