

COUNTY OF SANTA CRUZ

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PRESS RELEASE

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COUNTY JOINS SUIT TO PRESERVE LOCAL CONTROL OVER CANNABIS

25 local governments seek to invalidate rule allowing commercial cannabis deliveries regardless of local rules and regulations established under Proposition 64

Santa Cruz County has joined a geographically diverse coalition of local governments in a lawsuit against the California Bureau of Cannabis Control ("BCC"), seeking to invalidate new state regulations undermining the will of voters and the law by purporting to allow delivery of commercial cannabis statewide regardless of any local law or regulation.

"The BCC is fundamentally undermining the protections included in Proposition 64 by circumventing local control of cannabis operators. This suit isn't about cannabis or even cannabis delivery – it's about preserving our ability to protect local business and residents by making sure we have oversight over who is operating within our jurisdictions," Board of Supervisors Chair Ryan Coonerty said.

Filed in Fresno Superior Court, the suit alleges that BCC Regulation 5416(d) is invalid because it eliminates the ability of cities and counties to regulate commercial cannabis deliveries within their communities, a key promise in Proposition 64, which legalized commercial cannabis activities in California. Regulation 5416(d) states that "[a cannabis] delivery employee may deliver to any jurisdiction within the State of California."

The Plaintiffs assert that the BCC ignored the specific language of Proposition 64, in Business and Professions Code sections 26090 and 26200, guaranteeing cities and counties the right to regulate or prohibit the operation of recreational and commercial cannabis deliveries within their communities. Business and Professions Code section 26200 provides that nothing shall limit the authority of cities and counties to regulate or completely prohibit commercial cannabis activities within their jurisdiction.

The 25 local governments initiating the lawsuit are the County of Santa Cruz and the cities of Agoura Hills, Angels Camp, Arcadia, Atwater, Beverly Hills, Ceres, Clovis, Covina, Dixon, Downey, McFarland, Newman, Oakdale, Palmdale, Patterson, Riverbank, Riverside, San Pablo, Sonora, Tehachapi, Temecula, Tracy, Turlock, and Vacaville. The suit is being litigated by Churchwell White LLP.

Santa Cruz County authorizes its locally licensed retailers to make home deliveries of cannabis upon demonstrating that they meet local regulations, and prohibits non-locally licensed retailers from making home deliveries. A copy of the complaint is available here.