



CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE • BEVERLY HILLS, CALIFORNIA 90210

Julian A. Gold M.D., Mayor

August 20, 2018

Lori Ajax
Chief, Bureau of Cannabis Control
P.O. Box 419106
Rancho Cordova, CA 95741

Re: Bureau of Cannabis Control Proposed July 2018 Regulations - Section 5416 (d), Local Control
City of Beverly Hills – OPPOSE

Dear Chief Ajax,

On behalf of the City of Beverly Hills, I write to you in respectful **OPPOSITION** to the proposed July 2018 Regulations. As currently drafted, these regulations would codify the emergency regulations initially implemented in December of 2017.

A core promise of Proposition 64, the Adult Use of Marijuana Act (“AUMA”), was to preserve local control over cannabis businesses that operate within local jurisdictions. Among the declared purposes contained within AUMA was to “allow local governments to ban nonmedical marijuana businesses, as set forth in this Act.” Under the authority granted to local jurisdictions by AUMA, most local governments in the state have banned the delivery of medical cannabis, recreational cannabis, or both. According to the May 23, 2018 State Senate Floor Analysis of Senate Bill 1302 (Lara) - Cannabis: local jurisdiction: prohibitions on delivery, 333 cities and counties in California have banned the delivery of both medical and recreational cannabis and an additional 72 have prohibited the delivery of one or the other—totaling 75 percent of all municipalities in California.

The July 2018 Regulations released by the Bureau of Cannabis Control (“Bureau”), specifically Section 5416 (d), would preempt local control and regulatory authority over the commercial sale of cannabis by authorizing cannabis delivery anywhere in the state, disregarding any local restrictions or prohibitions. This section would authorize all cannabis delivery in our City, even when our local ordinance only allows for the delivery of medical cannabis.

For over eight years, the legislature has continually guaranteed local control over commercial cannabis. This began with the passage of AB 2650 and AB 1300 in 2010 and 2011. These two bills amended SB 420, which was passed in October 2003, to expressly recognize the authority of counties and cities to adopt local ordinances to regulate medical marijuana. Governor Brown further protected local authority over the commercial medical cannabis industry in October 2015 when he signed AB 266, AB 243 and SB 643. The

intent of your proposed regulation would not only override the intent of these five legislative bills, but it would also override the intent of AUMA.

The City of Beverly Hills strongly opposes the adoption of these regulations, as they would substantially inhibit the ability of the City to regulate the sale of adult-use cannabis. These regulations conflict with both the language and the intent of AUMA and undermine the ability of cities to regulate cannabis sales effectively by implementing local ordinances that reflect the unique challenges and opportunities in each jurisdiction.

The City of Beverly Hills believes that these proposed regulations go beyond the Bureau's regulatory authority and would in fact create an entirely new cannabis policy, circumventing the legislative process. California's voters and local governments were assured that the passage of AUMA meant that the adult use of marijuana would be legalized and regulated in a manner that preserved local control, not the one size fits all model exhibited in these proposed regulations.

Furthermore, when Senator Lara introduced Senate Bill 1302, which would have enacted similar delivery standards as proposed in the Bureau's regulations, he was unable to garner enough support for his bill to pass out of its first house, indicating that there is little support in the legislature, from local governments, or from residents for this level of preemption.

The proposed regulations by the Bureau would remove the ability of cities like Beverly Hills to maintain local control over the cannabis market and to make public safety decisions by allowing deliveries in every jurisdiction in the state. Additionally, the influx of cannabis deliveries would require an increase in public safety costs for enforcement and to ensure the safety of our residents. Routine deliveries of cannabis can be scouted by individuals who wish to either steal the cannabis or to rob the resident of their payment utilizing deadly force. This risk can cause extreme physical harm to the parties involved. As such, the decision to protect residents from this potential harm should be left to each individual jurisdiction and not with the Bureau.

For these reasons, the City of Beverly Hills must respectfully **OPPOSE** the Bureau of Cannabis Control's proposed regulations. Thank you for your consideration.

Sincerely,



Julian A. Gold, MD

Mayor, City of Beverly Hills

cc: The Honorable Ben Allen, 26th Senate District
The Honorable Richard Bloom, 50th Assembly District
Andrew K. Antwih, Shaw / Yoder / Antwih, Inc.