



## City of Biggs

### Agenda Item Staff Report

#### City Council Meeting:

March 22, 2016

TO: Honorable Mayor and Members of the City Council  
FROM: City Administrator  
Subject: Consider Supporting or Opposing Legislation AB2614

Council is asked to consider AB2614 and whether to support or oppose the legislation.

#### **Background:**

The attached detail from League of California Cities provides background information and a recommendation to oppose the legislation.

#### **Recommendation:**

Consider the League of California Cities recommendation and direct staff accordingly.

## **ACTION ALERT!!**

### **AB 2614 (Bonta)**

#### **Medical cannabis: state licenses: out-of-state convictions.**

#### **OPPOSE**

##### **Background for AB 2614 (Bonta):**

**AB 2614 would prevent the Department of Consumer Affairs from denying a state license to a person with an out-of-state conviction.** It provides that such a conviction cannot be the sole basis for denial of a license, if it did not include a period of incarceration, and if a local jurisdiction is aware of the conviction and is nonetheless willing to issue a local permit or other authorization.

**This bill blatantly disregards consensus language on disqualifying felonies for state licensure that the League and the Police Chiefs agreed to in last year's legislation,** re-opening one of the most controversial issues in the Medical Marijuana and Safety Act to ensure that a small number of current business operators can obtain a state license.

Under current law, the Department has discretion to approve or deny a license based on an out-of-state conviction. This is the standard rule for state licensing entities. AB 2614 seeks to change that, by infringing on a state licensing entity's discretion for the benefit of a tiny handful of individuals who have grown rich selling marijuana.

This is unprecedented in California law. Such a rule has never applied to any other category of state licensing.

**This bill is an attempt by the Legislature to encroach upon licensing decisions in a most sensitive area – criminal background –** a function that until now has been purely a function of the executive branch of government.

There is no compelling public policy or public safety argument justifying this attempt to weaken the rules on state licensing.

Finally, this bill runs the very substantial risk of **provoking a negative reaction from federal law enforcement authorities, by weakening the criteria for state licensure.** AB 2614 invites more intense federal scrutiny, and may well pave the way to **future federal enforcement efforts.**

#### **ACTION:**

AB 2614, although not yet calendared, is expected to be heard in the Assembly Business and Professions Committee in the next few weeks.

Please **send a letter of CITY OPPOSITION** to your Assembly Member. Sample letter is attached or you may use the [League's Action Center](#) to submit a letter online.

#### **ASSEMBLY BUSINESS AND PROFESSIONS**

<b>Member</b>	<b>District</b>	<b>Party</b>	<b>Room</b>	<b>Phone</b>	<b>Fax</b>
<a href="#">Baker, Catharine</a>	16	R	4153	916 319 2016	916 319 2116
<a href="#">Bloom, Richard</a>	50	D	2003	916 319 2050	916 319 2150
<a href="#">Brough, William</a> (Vice-Chair)	73	R	2174	916 319 2073	916 319 2173
<a href="#">Campos, Nora</a>	27	D	4016	916 319 2027	916 319 2127

<a href="#">Chávez, Rocky</a>	76	R	2170	916 319 2076	916 319 2176
<a href="#">Dahle, Brian</a>	1	R	2158	916 319 2001	916 319 2101
<a href="#">Dodd, Bill</a>	4	D	2137	916 319 2004	916 319 2104
<a href="#">Eggman, Susan</a>	13	D	3173	916 319 2013	916 319 2113
<a href="#">Gatto, Mike</a>	43	D	5136	916 319 2043	916 319 2143
<a href="#">Gomez, Jimmy</a>	51	D	2114	916 319 2051	916 319 2151
<a href="#">Holden, Chris</a>	41	D	3152	916 319 2041	916 319 2141
<a href="#">Jones, Brian</a>	71	R	3141	916 319 2071	916 319 2171
<a href="#">Mullin, Kevin</a>	22	D	3160	916 319 2022	916 319 2122
<a href="#">Salas, Rudy</a> (Chair)	32	D	2188	916 319 2032	916 319 2132
<a href="#">Ting, Philip</a>	19	D	6026	916 319 2019	916 319 2119
<a href="#">Wood, Jim</a>	2	D	3120	916 319 2002	916 319 2102

### Talking Points:

- This bill disregards the consensus language on disqualifying felonies for state licensure that the Police Chiefs Association and the League agreed to in last year's legislation – solely for the benefit of a tiny handful of wealthy individuals who have grown rich selling marijuana.
- AB 2614 seeks to take away the discretion of the Department of Consumer Affairs on the decision of whether applicants with out-of-state felony convictions can be licensed to operate a marijuana business in California.
- This bill would prohibit the Department from denying a license to a person with an out-of-state felony conviction. Such a rule has never applied to any other category of state licensing.
- There is no compelling public policy or public safety argument justifying this attempt to weaken the rules on state licensing.
- This measure should be rejected as imposing an unnecessary and unacceptable danger to public safety.
- AB 2614 places California at greater risk of intense scrutiny by federal law enforcement officials, making it more likely that we will see more, not less, federal enforcement action in the future.

## AB 2614 (Bonta) Medical Marijuana: Felony Convictions Talking Points

- This bill disregards the consensus language on disqualifying felonies for state licensure that the Police Chiefs Association and the League agreed to in last year's legislation – solely for the benefit of a tiny handful of wealthy individuals who have grown rich selling marijuana.
- AB 2614 seeks to take away the discretion of the Department of Consumer Affairs on the decision of whether applicants with out-of-state felony convictions can be licensed to operate a marijuana business in California.
- This bill would prohibit the Department from denying a license to a person with an out-of-state felony conviction. **Such a rule has never applied to any other category of state licensing.**
- There is no compelling public policy or public safety argument justifying this attempt to weaken the rules on state licensing.
- This measure should be rejected as imposing an unnecessary and unacceptable danger to public safety.
- AB 2614 places California at greater risk of intense scrutiny by federal law enforcement officials, making it more likely that we will see more, not less, federal enforcement action in the future.

\*\*\*On City Letterhead\*\*\*

DATE

The Honorable Rob Bonta  
California State Assembly  
State Capitol – Room 6005  
Sacramento, CA 95814  
FAX: (916) 319-2118

**RE: AB 2614 (Bonta) Medical Cannabis: Out-of-State Convictions**  
**Notice of OPPOSITION**

Dear Assembly Member Bonta:

The City/Town of \_\_\_\_\_ regrets to inform you of its strong opposition to AB 2614. AB 2614 would prohibit the denial of a state license for commercial cannabis activity if the denial is based solely on an out-of-state felony conviction that did not include a period of incarceration, so long as a local jurisdiction is aware of the conviction and is nonetheless willing to issue a local permit or other authorization.

The suitability provisions for state licensure included in the Medical Marijuana Regulation and Safety Act (MMRSA) ensure that individuals seeking a state license for commercial cannabis activity represent law-abiding citizens whom our communities can trust to operate compliant medical cannabis business operations. The provisions were negotiated in good faith among a number of stakeholders over the course of 2015, culminating in language that protects public safety while acknowledging the legal challenges that cannabis industry operators have faced in the past. In addition to providing a means for an individual with a felony conviction to obtain a license, the language also provides complete discretion to the licensing authority by stating that the licensing authority “**may** deny the application for licensure” if the applicant has been convicted of a substantially related offense.

Any change to the existing statutory licensing provisions that would restrict the discretion of the relevant state agency in granting a license -- particularly in regard to evaluating an applicant’s criminal history -- represents a dangerous, negative precedent in the form of a legislative attempt to encroach upon and micromanage what has until now been a purely executive function.

There is no pressing need to change existing law in this area by crafting a weaker standard for state licensing for medical marijuana businesses than is applied to any other applicant for any other category of state licensure. This approach calls the legitimacy of the entire regulatory structure for medical marijuana into question, because it invites unnecessary and entirely avoidable hazards to public safety. Should AB 2614 become law, it is within the realm of plausibility that drug traffickers of far more dangerous controlled substances -- who happen to have been convicted only once -- could become licensed by the State of California.

This measure discards the fragile consensus on the issue of disqualifying felonies for state licensure that was achieved only after several weeks of bitter and contentious stakeholder meetings last year. At a minimum, it will damage the credibility of the entire regulatory structure from the viewpoint of cities and law enforcement groups who played a critical role in achieving last year's consensus. To re-open this issue now invites a resumption of last year's conflict, as it may well result in calls for even stricter criteria for licensing than that which exists in the MMRSA today.

Finally, this bill runs the very substantial risk of provoking a negative reaction from federal law enforcement authorities, by weakening the criteria for state licensure in a way that makes it more difficult to ferret out potential bad actors. It invites more intense federal scrutiny, and may well pave the way to future federal enforcement efforts, which no one wants.

For these reasons the City/Town of \_\_\_\_\_ must respectfully, but firmly, oppose AB 2614.

Sincerely,

NAME

TITLE

CITY/TOWN of \_\_\_\_\_

cc: Your Senator & Assembly Member

Le Ondra Clark Harvey, Chief Consultant, Assembly Business and Professions Committee, Fax:  
(916) 319-3306

Your League Regional Public Affairs Manager (via email)

Meg Desmond, League of California Cities, [mdesmond@cacities.org](mailto:mdesmond@cacities.org)