



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 17, 2016

The Honorable Adrin Nazarian
Chair, Assembly Budget Subcommittee
No. 4 on State Administration
State Capitol, Room 4146
Sacramento, CA 95814

**RE: Medical Marijuana Regulatory Structure (Budget Item 1111-1455) –
SUPPORT**

Dear Assembly Member Nazarian:

On behalf of the Rural County Representatives of California (RCRC), I offer our support for the Governor's 2016-17 State Budget proposal to provide funding to California Department of Consumer Affairs (DCA) to commence activities associated with the regulation of medical marijuana. RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

At the end of the 2015 Legislative Session, the Legislature enacted a long-awaited medical marijuana licensing/regulatory framework – Assembly Bill 266 (Bonta), Senate Bill 643 (McGuire), and Assembly Bill 243 (Wood). The three-bill package provided the authorization to use General Fund monies for regulatory activities; however, it is anticipated that once the regulatory scheme has been in full effect, license fees and fines and penalties will be re-directed to backfill many of the initial General Fund costs.

The Governor's 2016-17 proposed Budget provides funding to DCA - \$1.6 million in 2015-16 and \$3.8 million in 2016-17 from the Medical Marijuana Regulation and Safety Act Fund for a variety of activities including the development of regulations pertaining to the licensing of medical marijuana participants, such as dispensers and transporters.

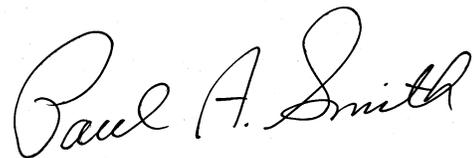
RCRC believes these are important financial commitments that need to be made to ensure the State has a viable regulatory structure in place. We, along with other county partners, have been in close dialogue with DCA regarding their obligations in the new medical marijuana framework. It is clear that the path outlined by DCA needs adequate resources. The Governor's proposed levels of funding in both the current and the budget year should be adopted.

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The Honorable Adrin Nazarian
Medical Marijuana Regulatory Structure (Budget Item 1111-1455)
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If you should have any questions or concerns regarding RCRC's support of this item, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Paul A. Smith". The signature is written in a cursive style with a large, looping initial "P".

PAUL A. SMITH
Senior Legislative Advocate

cc: Members of the Assembly Budget Subcommittee No. 4 on State Administration



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 11, 2016

The Honorable Richard Bloom
Chair, Assembly Budget Subcommittee
No. 3 on Resources & Transportation
State Capitol, Room 6026
Sacramento, CA 95814

**RE: Medical Marijuana Regulatory Structure (Budget Item 8570-3288) –
SUPPORT**

Dear Assembly Member Bloom:

On behalf of the Rural County Representatives of California (RCRC), I offer our support for the Governor's 2016-17 State Budget proposal to provide funding to the California Department of Food and Agriculture (CDFA) to commence activities associated with the regulation of medical marijuana as well as address environmental issues surrounding the cultivation of medical marijuana. RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

At the end of the 2015 Legislative Session, the Legislature enacted a long-awaited medical marijuana licensing/regulatory framework – Assembly Bill 266 (Bonta), Senate Bill 643 (McGuire), and Assembly Bill 243 (Wood). The three-bill package provided the authorization to use General Fund monies for regulatory activities; however, it is anticipated that once the regulatory scheme has been in full effect, license fees and fines and penalties will be re-directed to backfill many of the initial General Fund costs.

The Governor's 2016-17 State Budget proposal provides funding to CDFA (\$3.3 million in 2015-16 and \$3.4 million in 2016-17) from the Medical Marijuana Regulation and Safety Act Fund for a variety of activities including cultivation licensing and the conducting of a statewide Environmental Impact Report. CDFA will also be working with the Board of Equalization to implement a "track and trace" program that monitors the movement of medical marijuana throughout the entire distribution chain. RCRC believes these are important financial commitments that need to be made to ensure the State has a viable regulatory structure in place. We, along with other county partners, have been in close dialogue with CDFA regarding their obligations in the new medical

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The Honorable Richard Bloom
Medical Marijuana Regulatory Structure (Budget Item 8570-3288)
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marijuana framework. It is clear that the path outlined by CDFA needs adequate resources. As such, we believe the Governor's proposed levels of funding in both the current and the budget year should be adopted.

If you should have any questions or concerns regarding RCRC's support of this item, please do not hesitate to contact me at (916) 447-4806.

Sincerely,

A handwritten signature in black ink that reads "Paul A. Smith". The signature is written in a cursive, flowing style.

PAUL A. SMITH
Senior Legislative Advocate

cc: Members of the Assembly Budget Subcommittee No. 3 on Resources &
Transportation



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 17, 2016

The Honorable Richard Bloom
Chair, Assembly Budget Subcommittee
No. 3 on Resources & Transportation
State Capitol, Room 2003
Sacramento, CA 95814

RE: Medical Marijuana Regulatory Structure (Budget Item 3600) – SUPPORT

Dear Assembly Member Bloom:

On behalf of the Rural County Representatives of California (RCRC), I offer our support for the Governor's 2016-17 State Budget proposal to provide funding to California Department of Fish & Wildlife (CDFW) to continue addressing environmental issues surrounding the cultivation of medical marijuana. RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

At the end of the 2015 Legislative Session, the Legislature enacted a long-awaited medical marijuana licensing/regulatory framework – Assembly Bill 266 (Bonta), Senate Bill 643 (McGuire), and Assembly Bill 243 (Wood). The three-bill package provided the authorization to use General Fund monies for regulatory activities; however, monies are still needed, at least for the next several years, to address a number of environmental needs. This is especially important on issues involving water quality.

The Governor's 2016-17 proposed Budget provides \$7.6 million in 2016-17 for CDFW to expand and make permanent the statewide multi-agency task force established in 2014 to address environmental impacts of medical marijuana cultivation. These monies would also allow CDFW to work with the State Water Resources Control Board and Department of Food and Agriculture to regulate water diversions.

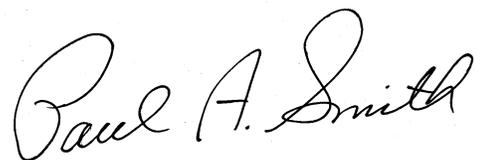
RCRC believes these are important financial commitments that need to be continued to ensure environmental impacts associated with medical marijuana are addressed. The Governor's proposed levels of funding should be adopted.

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The Honorable Richard Bloom
Medical Marijuana Regulatory Structure (Budget Item 3600)
February 17, 2016
Page 2

If you have any questions or concerns regarding RCRC's support of this item, please do not hesitate to contact me.

Sincerely,

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PAUL A. SMITH
Senior Legislative Advocate

cc: Members of the Assembly Budget Subcommittee No. 3 on Resources &
Transportation



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 17, 2016

The Honorable Richard Bloom
Chair, Assembly Budget Subcommittee
No. 3 on Resources & Transportation
State Capitol, Room 2003
Sacramento, CA 95814

RE: Medical Marijuana Regulatory Structure (Budget Item 3940) – SUPPORT

Dear Assembly Member Bloom:

On behalf of the Rural County Representatives of California (RCRC), I offer our support for the Governor's 2016-17 State Budget proposal to provide funding to the State Water Resources Control Board (Water Board) to continue addressing environmental issues surrounding the cultivation of medical marijuana. RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

At the end of the 2015 Legislative Session, the Legislature enacted a long-awaited medical marijuana licensing/regulatory framework – Assembly Bill 266 (Bonta), Senate Bill 643 (McGuire), and Assembly Bill 243 (Wood). The three-bill package provided the authorization to use General Fund monies for regulatory activities; however, monies are still needed, at least for the next several years, to address a number of environmental needs. This is especially important on issues involving water quality.

The Governor's 2016-17 proposed Budget provides \$5.7 million (\$5.2 million General Fund and \$472,000 Waste Discharge Permit Fund) in 2016-17 for the Water Boards to address the environmental impacts of medical cannabis cultivation. This program will protect instream flows for fish from water diversions related to marijuana cultivation. RCRC believes these are important financial commitments that need to be continued. As such, we believe the Governor's proposed levels of funding should be adopted.

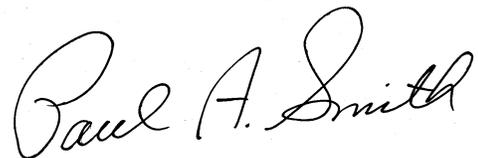
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MERCED MODOC MONO NAPA NEVADA PLACER PLUMAS SAN BENITO SHASTA SIERRA SISKIYOU SUTTER TEHAMA TRINITY TULARE TUOLUMNE YOLO YUBA

The Honorable Richard Bloom
Medical Marijuana Regulatory Structure (Budget Item 3940)
February 17, 2016
Page 2

If you have any questions or concerns regarding RCRC's support of this item, please do not hesitate to contact me.

Sincerely,

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PAUL A. SMITH
Senior Legislative Advocate

cc: Members of the Assembly Budget Subcommittee No. 3 on Resources &
Transportation



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 17, 2016

The Honorable Richard Roth
Chair, Senate Budget Subcommittee
No. 4 on State Administration & General Government
State Capitol, Room 4034
Sacramento, CA 95814

**RE: Medical Marijuana Regulatory Structure (Budget Item 1111-1455) –
SUPPORT**

Dear Senator Roth:

On behalf of the Rural County Representatives of California (RCRC), I offer our support for the Governor's 2016-17 State Budget proposal to provide funding to California Department of Consumer Affairs (DCA) to commence activities associated with the regulation of medical marijuana. RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

At the end of the 2015 Legislative Session, the Legislature enacted a long-awaited medical marijuana licensing/regulatory framework – Assembly Bill 266 (Bonta), Senate Bill 643 (McGuire), and Assembly Bill 243 (Wood). The three-bill package provided the authorization to use General Fund monies for regulatory activities; however, it is anticipated that once the regulatory scheme has been in full effect, license fees and fines and penalties will be re-directed to backfill many of the initial General Fund costs.

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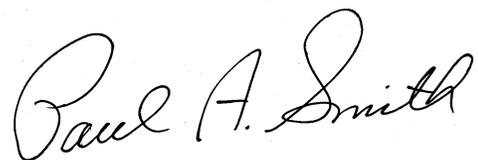
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The Honorable Richard Roth
Medical Marijuana Regulatory Structure (Budget Item 1111-1455)
February 17, 2016
Page 2

If you should have any questions or concerns regarding RCRC's support of this item, please do not hesitate to contact me.

Sincerely,

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PAUL A. SMITH
Senior Legislative Advocate

cc: Members of the Senate Budget Subcommittee No. 4 on State Administration &
General Government



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 11, 2016

The Honorable Lois Wolk
Chair, Senate Budget Subcommittee
No. 2 on Resources, Environmental Protection,
Energy & Transportation
State Capitol, Room 5114
Sacramento, CA 95814

**RE: Medical Marijuana Regulatory Structure (Budget Item 8570-3288) –
SUPPORT**

Dear Senator Wolk:

On behalf of the Rural County Representatives of California (RCRC), I offer our support for the Governor's 2016-17 State Budget proposal which would provide funding to the California Department of Food and Agriculture (CDFA) to commence activities associated with the regulation of medical marijuana as well as address environmental issues surrounding the cultivation of medical marijuana. RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

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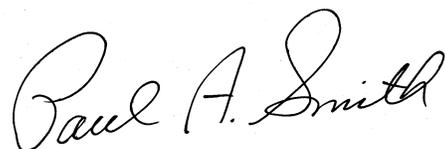
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The Honorable Lois Wolk
Medical Marijuana Regulatory Structure (Budget Item 8570-3288)
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If you should have any questions or concerns regarding RCRC's support of this item, please do not hesitate to contact me at (916) 447-4806.

Sincerely,

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PAUL A. SMITH
Senior Legislative Advocate

cc: Members of the Senate Budget Subcommittee No. 2 on Resources,
Environmental Protection, Energy & Transportation



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 17, 2016

The Honorable Lois Wolk
Chair, Senate Budget Subcommittee
No. 2 on Resources, Environmental Protection,
Energy & Transportation
State Capitol, Room 5114
Sacramento, CA 95814

RE: Medical Marijuana Regulatory Structure (Budget Item 3600) – SUPPORT

Dear Senator Wolk:

On behalf of the Rural County Representatives of California (RCRC), I offer our support for the Governor's 2016-17 State Budget proposal to provide funding to California Department of Fish & Wildlife (CDFW) to continue addressing environmental issues surrounding the cultivation of medical marijuana. RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

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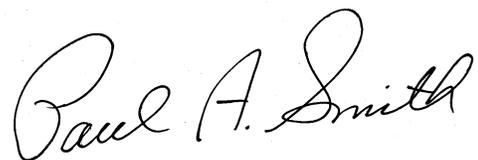
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The Honorable Lois Wolk
Medical Marijuana Regulatory Structure (Budget Item 3600)
February 17, 2016
Page 2

If you have any questions or concerns regarding RCRC's support of this item, please do not hesitate to contact me.

Sincerely,

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PAUL A. SMITH
Senior Legislative Advocate

cc: Members of the Senate Budget Subcommittee No. 2 on Resources,
Environmental Protection, Energy & Transportation



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

February 17, 2016

The Honorable Lois Wolk
Chair, Senate Budget Subcommittee
No. 2 on Resources, Environmental Protection,
Energy & Transportation
State Capitol, Room 5114
Sacramento, CA 95814

RE: Medical Marijuana Regulatory Structure (Budget Item 3940) – SUPPORT

Dear Senator Wolk:

On behalf of the Rural County Representatives of California (RCRC), I offer our support for the Governor's 2016-17 State Budget proposal to provide funding to the State Water Resources Control Board (Water Board) to continue addressing environmental issues surrounding the cultivation of medical marijuana. RCRC is an association of thirty-five rural California counties and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

At the end of the 2015 Legislative Session, the Legislature enacted a long-awaited medical marijuana licensing/regulatory framework – Assembly Bill 266 (Bonta), Senate Bill 643 (McGuire), and Assembly Bill 243 (Wood). The three-bill package provided the authorization to use General Fund monies for regulatory activities; however, monies are still needed, at least for the next several years, to address a number of environmental needs. This is especially important on issues involving water quality.

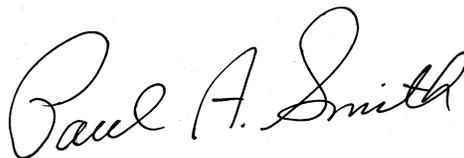
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The Honorable Lois Wolk
Medical Marijuana Regulatory Structure (Budget Item 3940)
February 17, 2016
Page 2

If you have any questions or concerns regarding RCRC's support of this item, please do not hesitate to contact me.

Sincerely,

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PAUL A. SMITH
Senior Legislative Advocate

cc: Members of the Senate Budget Subcommittee No. 2 on Resources,
Environmental Protection, Energy & Transportation