



August 4, 2023

The Honorable Anthony Portantino  
Chair, Senate Appropriations Committee  
State Capitol, Room 412  
Sacramento, CA 95814

**RE: Assembly Bill 1448 (Wallis) – Support  
As Amended May 3, 2023**

Dear Senator Portantino:

On behalf of the Rural County Representatives of California (RCRC), the California State Association of Counties (CSAC), and the League of California Cities (Cal Cities), we support Assembly Bill 1448 (Wallis), which enhances local enforcement mechanisms against unlicensed cannabis activities.

A commonality amongst local jurisdictions that have sanctioned commercial cannabis activities or restrict such operations is the overwhelming enforcement needs to combat unlicensed cannabis activities. Local law enforcement agencies and code enforcement struggle to effectively deter illicit cannabis operators who sidestep regulations and undermine the health and safety of residents and our regulated cannabis businesses. Enhanced tools at the local level are needed to combat this highly lucrative and harmful unlawful activity.

AB 1448 incentivizes local jurisdictions to use the statutory penalties for unlicensed cannabis activities by revising Business and Professions Code 26038 to authorize the recovery of penalties through local administrative processes. In addition, AB 1448 allows a 50/50 state-local split of the statutory penalties recovered in actions brought by local jurisdictions, as originally enacted by the Legislature in the Medical Cannabis Regulation and Safety Act (MCRSA). Revenues from these actions will provide a much-needed source of funds to reinvest in illicit cannabis enforcement.

We are unaware of any county or city utilizing statutory penalties for unlicensed cannabis activities because all the funds go directly to the state rather than portions staying with the local government to cover the comprehensive enforcement costs to shut down the illegal activity. The proposed change would provide a greater tool for locals that covers more than attorney costs for enforcement efforts. This measure would potentially

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be a revenue generator, as the State does not receive Business & Professions 26038 revenues from local jurisdictions.

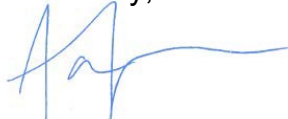
Local jurisdictions are a critical partner to successfully regulate the commercial cannabis marketplace. AB 1448 will bolster safe access to the cannabis market by targeting enforcement against unlawful operators that undermine the legal marketplace and undercut local economies.

For the above reasons, we are pleased to support AB 1448 and urge your “Aye” vote when this measure is heard before your committee. If you should have any questions, please do not hesitate to contact Sarah Dukett (RCRC) at [sdukett@rcrcnet.org](mailto:sdukett@rcrcnet.org), Ada Waelder (CSAC) at [awaelder@counties.org](mailto:awaelder@counties.org), or Ben Triffo (Cal Cities) at [btriffo@calcities.org](mailto:btriffo@calcities.org).

Sincerely,



SARAH DUKETT  
Policy Advocate  
RCRC



ADA WAELDER  
Legislative Advocate  
CSAC



BEN TRIFFO  
Legislative Representative  
Cal Cities

cc: The Honorable Greg Wallis, Member of the California State Assembly  
Members of the Senate Appropriations Committee  
Robert Ingenito, Consultant, Appropriations Committee  
Kayla Williams, Consultant, Senate Republican Caucus