



Prop 64 & Measure J



PROP 64
Passed – 67.44%
MB City



MEASURE J
Passed – 71.49%
MB City



Prop 64: Adult Use of Marijuana Act (Recreational Use)

Seeking Direction from Council to:

1. Regulate the personal cultivation of nonmedical marijuana indoors,
2. Regulate or **ban** the personal cultivation of nonmedical marijuana outdoors,
3. Regulate nonmedical marijuana businesses
4. Update current land use regulations for nonmedical and medical marijuana operations,
5. Impose local taxes on marijuana within the parameters of Prop 218,
6. Revise existing restrictions regarding medical marijuana cultivation and store-front and mobile dispensing.



Pre-Prop 64

SEPT 2015: State enacted the Medical Marijuana Regulation and Safety Act (MMRSA).

JAN 2016: MB Council adopted Ordinance #599 amending MB Muni Code 9.06 to reflect MMRSA and prohibiting the establishment of medical marijuana dispensaries and marijuana cultivation citywide.

In addition, Council also adopted Res. No 04-16 reaffirming the City's Zoning Code, Title 17, is a permissive Zoning Code such that medical marijuana cultivation, as a use not specifically enumerated in the Zoning Code, is prohibited.



Pre-Prop 64

Current City Regulations:

MBMC Ch. 9.06 is to prohibit marijuana dispensaries and the cultivation and processing of marijuana and medical marijuana.

Medical Use - Exception: Medical marijuana could be cultivated and used pursuant MBMC 9.06. w/ a Doctor's card. No limits on amount.



Overview of Prop 64 Adult Use of Marijuana Act

Adult Use of Marijuana Act (AUMA)

1. Took effect in CA Nov. 9th, 2016, the day after the election.
2. Legalized the nonmedical use of marijuana by persons 21 & over
3. Legalized personal cultivation of up to six plants (local gov. can “reasonably regulate”, but can’t ban)
4. The State will be the regulatory and licensing governing body for commercial cultivation



Overview of Prop 64 Adult Use of Marijuana Act

Personal Nonmedical Marijuana Use –

AUMA makes it legal for persons 21 & over to:

1. Smoke or ingest marijuana products
2. Prohibits smoking in any public place,
3. Possess, transport, purchase, obtain, or give away to persons 21 years of age or older, w/o compensation of up to 28.5 grams of marijuana, or 8 grams of concentrated marijuana, including marijuana products.
4. Plant up to six living marijuana plants indoors. (“a house, an apartment unit, a mobile home, or other similar dwelling unit.” Includes a greenhouse on same property that is not attached to home, as long as it is fully enclosed, secure, and not visible from a public space.



Overview of Prop 64 Adult Use of Marijuana Act

Commercial Nonmedical Marijuana Activity–

The Bureau of Marijuana Control, the state regulatory system, will govern the industry from “seed to sale”. The state must begin issuing licenses by January 1, 2018, valid for 1 year.

The State licensing authority may not issue a license to a commercial nonmedical marijuana business if such operation violates a local ordinance. Local agencies that wish to ban or regulate marijuana businesses within their jurisdiction must update or adopt an ordinance to that effect prior to the date the state begins issuing licenses. Absent a local ordinance, a licensed nonmedical marijuana business may operate in the jurisdiction without local permission.



Overview of Prop 64 Adult Use of Marijuana Act

Permissive Zoning Code not Sufficient

Proposition 64 designates nonmedical marijuana as an agricultural product, therefore, if a city's permissive zoning code authorizes agricultural uses, the city may be precluded from arguing that marijuana is prohibited.

Therefore, cities that wish to regulate or ban nonmedical marijuana activities should adopt express prohibitions, even if they operate under a permissive zoning code. Absent a local ordinance, a licensed nonmedical marijuana business may operate in the jurisdiction without local permission or permitting.



Overview of Prop 64 Adult Use of Marijuana Act

Deliveries from Outside the Jurisdiction

Local agencies may ban or regulate deliveries within their jurisdiction, but may not prevent the use of public roads by a licensed delivery company from passing through.



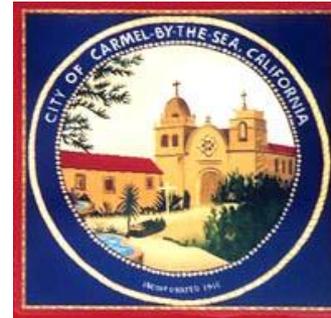
Overview of Prop 64 Adult Use of Marijuana Act

New State Taxes

1. Prop 64 doesn't pre-empt local taxations, however (a) the imposition of state and local sales tax on medical marijuana is prohibited, and (2) personal marijuana cultivated for personal use is tax exempt.
2. Effective Jan 1, 2018, the AUMA imposes an excise tax at the rate of 15% of gross retail sales receipts. This tax is in addition to existing state/local sales tax.
3. Local sales taxes can range from 7-10%, the combined excise tax + sales tax at the retail level could approach 25%.
4. Also effective Jan 1, 2018 is a separate cultivation tax:
 - (a) \$9.25/dry weight ounce on all flowers
 - (b) \$2.75/dry weight ounce on all marijuana leaves



City of Carmel - Prop 64



City of Carmel is Proposing – 1/11/17 @ PC:

1. Ban on commercial nonmedical marijuana in all zoning districts in the city
2. No outdoor cultivation
3. All processing smells or aromas generated by the growing or processing of any marijuana shall be contained to residence
4. Unlawful to use or consume nonmedical marijuana on public property



Pismo Beach- Prop 64



Pismo Beach – 1/17/17 @ CC.

Marijuana Ordinance Introduced:

1. No marijuana manufacturing, processing, testing, labeling, storing, wholesale and retail distribution
2. No outdoor cultivation



Prop 64: Adult Use of Marijuana Act

CONCLUSION

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