

**COMMUNITY SERVICES POLICY COMMITTEE  
HIGHLIGHTS  
Thursday, June 16, 2011  
Sacramento Convention Center, Sacramento**

**ATTENDANCE**

Members: Kotowski, Michael (Chair); Carchio, Joe (V.Chair); Abelson, Janet; Anderson, Jayne; Baker, Karl; Bennett, Joan; Biddle, Donald; Coleman, Kay; Cousino, JoAnne; Ewing, Rob; Franklin, Debbie; Gustavson, David; Hunt, Melissa; Mayfield, Linda; Oliva, Susan; Rocha, Mary; Rogers, Steve; Teichert, Rick; Wheatley, Mark; Williams, Maya; Woodcock, Keith

League Staff: Kyra Ross

**i. Special Order of Business: State Budget and Redevelopment Update**

The Housing, Economic and Community Development, Public Safety, Community Services, and Employee Relations Policy Committees came together for a joint briefing on major issues of the budget. Chris McKenzie, the League's Executive Director, provided a summary of the actions of the Legislature, which had passed a budget package the day prior to the meeting which included a two-bill "redevelopment elimination" package. Upon passage of the package, the League and California Redevelopment Association began developing legal documents to challenge the validity of the package. He also noted that there were rumors circulating that the Governor would veto the main budget bill (which Governor Brown did in the middle of the briefing). Dan Carrigg, the League's Legislative Director, followed by providing some details on the remaining budget trailer bills. Committee members were provided with a list of all budget trailer bills as well as a document outlining some of the legal problems with the redevelopment elimination.

Dorothy Holzem, League staff, updated the committee members on public safety funding and policy issues. This included two trailer bills that both seek to increase state revenues through fee assessment. The first, ABx1 22, would increase vehicle registration fees by \$12 to backfill Department of Motor Vehicle administrative costs with approximately \$300 million going back to the 2011 Local Revenue Fund for cities and counties. While not explicit in the bill, these monies could possibly be used to fund COPS programs and booking fee subventions, along with other soon-to-expire county law enforcement grants. The second fee bill, ABx1 29, establishes an annual \$150 fee for structures for fire protection in state responsibility areas. Notably, the Governor's priority public safety issues were not included in the budget trailer bill package, including either a temporary or longer-term tax extension to fund the state-local corrections realignment plan. The realignment plan is at the center of achieving state prison inmate population reduction goals now required under the recent U.S. Supreme Court's ruling against the state.

Natasha Karl updated the group on the latest on pension reform. She indicated that with the governor's veto of the budget we'll likely see talks between republicans and the governor's office heat up on this issue. There are two League resources that can be found in the League's Pension Information Center that may be helpful to members including a comparison of the Governor's 12-Point Pension Reform Plan the Senate Republican's Demands ([http://www.cacities.org/resource\\_files/29685.PensionsGovs12pointplanvsrepublicanplan4.11.pdf](http://www.cacities.org/resource_files/29685.PensionsGovs12pointplanvsrepublicanplan4.11.pdf)) and a Background on Pension Reform ([http://www.cacities.org/resource\\_files/29843.Pension%20Reform%20Background%20Document.pdf](http://www.cacities.org/resource_files/29843.Pension%20Reform%20Background%20Document.pdf)). The Employee Relations and Revenue and Taxation Committees were also expected to discuss the City Managers' Department Pension Reform Action Plan.

Jennifer Whiting, League staff, provided an overview of what is happening on the federal level, noting that federal programs are experiencing significant cuts and encouraging cities to provide specific examples when lobbying their federal representatives.

Following the budget and policy briefing, Dan Harrison, Director of Administrative Services, provided an update on League-sponsored services including California Communities, CalTRUST, and US Communities.

**I. Welcome and Introductions**

Chair Kotowski welcomed everyone and asked that members introduce themselves.

**II. Public Comment**

Joan Bennett, American Canyon, noted that the National League of Cities is serving as a major partner in the national Campaign for Grade-Level Reading by supporting city efforts to boost reading proficiency as part of the National Civic League's 2012 All-America City Grade-Level Reading Awards Competition. More information can be found here: <http://www.nlc.org/find-city-solutions/iyef/early-childhood/campaign-for-grade-level-reading>

**III. Legislative Update**

Kyra Ross, League staff, updated the committee on AB 438 (Williams). The Board of Directors concurred with the committee's April recommendation to oppose AB 438. Since that time, the bill has been amended several times and barely passed the Assembly Floor on a vote of 43-28. The bill is now in the Senate awaiting assignment to a policy committee. The League remains strongly opposed to the bill.

**SB 356 Discussion**

The committee heard from California Department of Parks and Recreation (DPR) Director, Ruth Coleman (see notes below) and then took up SB 356 for discussion. Members commented that cities and counties already have the opportunity to work with DPR if they have the desire to help out and do not necessarily need legislation to do this. Additionally, committee members noted that the bill language could be restrictive to cities that do take on management of a local state park unit and need flexibility to roll-over funding from year to year.

Karl Baker, Jr. moved to recommend opposition to SB 356, Melissa Hunt seconded the motion. The motion passed unanimously.

Finally, a copy of the League's tracking form for Community Services Bills (as of April 5<sup>th</sup>) was handed out.

**IV. Federal Update**

League Staff gave an update on Federal issues. (Attachment A). A verbal update was also presented during the Joint Meeting.

**V. Marijuana Regulation Working Group**

Dorothy Holzem, League Staff, presented the report from the League's Marijuana Regulation Working Group Report (Attachment B).

The League created a small advisory group, the Marijuana Regulation Working Group to examine and make recommendations on current state legislation involving marijuana regulation in a condensed time frame and in accordance with the League's policy review structure. The goal of the working group was to review both specific legislation as well as broader principles to help guide the efforts of the League staff. They reviewed a total of eight bills and developed three policy guidelines and one area for future League study and possible action. A copy of the working group report is attached to this document (Attachment B)

## **VI. Dana Point Internal Revenue Service Case**

League staff provided an update on the Dana Point Internal Revenue Service (IRS) Case. Last month, the City of Dana Point prevailed in their action against the IRS regarding the IRS's challenge of the City's designation of Recreational Class Instructors as independent contractors. The IRS wanted the instructors to be designated as employees. Last month, the IRS capitulated and a Stipulated Decision in favor of the City of Dana Point was filed.

## **VII. Closure of State Parks--How Cities Can Get Involved.**

Ruth Coleman, Director of California State Department of Parks and Recreation (DPR) gave a presentation to the group on the possible closure of 70 state parks in California. She was joined by Bill Herms, Legislative Deputy for State Parks.

State Parks Budget has traditionally been a budget that is up in good years and down in bad ones. The most recent proposal cuts the budget by \$22 million starting July 2012. DPR felt that they could no longer sustain their parks with any level of safety and so cuts were the only option. A few statistics: Today, DPR has about 70 million visitors and about 1.5 million acres of parkland statewide, and 15,000 campsites. They have fewer staff on the ground today than in 1979 and about 10 million more visitors than in 1979. Due to all the cuts that have come before this year, the \$22 million cut has hit DPR significantly harder than in past years and they simply cannot do what they've been able to do in the past.

The list of 70 state parks that are set to close is a mission driven list, DPR stated they had to protect iconic sites and significant historical stories that have to be told and cannot be told anywhere else. They were able to retain sites for about 92% of visitors.

When parks close, DPR will remove staff; remove trash cans, closing down all the water systems, and remove services. About 10% of parks are today operated by cities, counties, non-profits or other entities. They are a good model for alternative options. DPR is hopeful that there's another way—and are actively seeking partners, especially local governments, to keep park units open. They are especially interested in working with local governments because of the existing experience with public safety, solid waste and wastewater services.

Public Resources Code 5080.30 sets out the existing operating agreement in law:

*5080.30 Agreements may be entered into between the department and any agency of the United States, any city, county, district, or other public agency, or any combination thereof, for the care, maintenance, administration, and control by any party to the agreement, of lands under the jurisdiction of any party to the agreement for the purpose of the state park system. The expenses of the care, maintenance, administration, and control may be paid from the general fund of the city, county, district, or other public agency, from the funds of the department, from the funds available to the agency of the United States for these purposes, as the case may be, or from revenues generated on the lands subject to the agreement.*

DPR is also talking to private vendors about funding for campgrounds, but parks are quite large and have large non-campground type areas so DPR has largely recommended that private vendors partner with a non-profit or local agency to combine private funding with philanthropic funds to be able to fund both the campground (revenue generating areas) with the trails and waterfront areas (non-revenue generating).

Finally, they noted that the public wants DPR to be “more efficient” with parks, however, like local government, operating parks is very complex, similar to operating a small city.

For cities that are interested in working with DPR on a nearby state park unit on the closure list, they should contact: Bill Herms, Deputy Director for Legislation at 916-653-8380 or Brian Cahill, Assistant Deputy Director, Park Operations Divisions, 916-653-3460.

**VIII. Next Meeting: This committee WILL NOT be meeting at the Annual Conference in San Francisco.**



1400 K Street, Suite 400 • Sacramento, California 95814  
 Phone: 916.658.8200 Fax: 916.658.8240  
[www.cacities.org](http://www.cacities.org)

## Federal Update Policy Committees June 2011

*Additional information on all the above topics, as well as copies of League and sample city letters, is available on the League's Federal page at [www.cacities.org/federal](http://www.cacities.org/federal).*

**2012 Fiscal Year Discussions:** As the House Appropriations Committees continues to move forward in marking up its FY 2012 appropriations legislation, it is critical that cities weigh in with their members of Congress to urge them to oppose cuts to federal programs that support key local projects and initiatives. These programs, which provide much-needed federal resources for affordable housing and community development, public transportation, safety and infrastructure upgrades, include the Community Development Block Grant (CDBG), the HOME Investment, Choice Neighborhoods and Section 8 programs, the Sustainable Communities Initiative, TIGER, Byrne Justice Assistance Grants (Byrne/JAG), COPS and the Clean Water State Revolving Loan Fund. All of these programs are at risk of being significantly reduced in FY 2012 in accordance with the funding caps contained in the House budget resolution approved on April 15.

Aside from the House budget resolution's threat to these important programs, is the difficult negotiating point that local governments are being forced to bargain from following the passage of HR 1473, the FY 2011 Continuing Resolution (CR). This bill, which extends funding for all federal programs through September 30, 2011, reduced funding for a number of priority local programs from their FY 2010 levels for the remainder of this fiscal year. For example, under the FY 2011 CR:

- CDBG was cut 16% from \$3.99 billion to \$3.34 billion.
- Funding for the HOME program was cut 12% from \$1.8 billion to \$1.6 billion.
- The Sustainable Communities Initiative was cut 33% from \$150 million to \$100 million.
- Funding for the HOPE VI program was cut 26% from \$135 million to \$99 million.
- TIGER grants were cut 12% from \$600 million to \$528 million.
- Funding for the Byrne/JAG program was cut 17% from \$511 million to \$424 million.
- Federal formula highway and transit programs were level funded at FY 2010 levels, despite the ever increasing need for additional federal resources in these areas to reduce congestion and improve community accessibility.

These reduced FY 2011 funding totals are now the new baseline that Congress is working from to determine FY 2012 spending levels. This means that from these already considerable funding cuts in FY 2011 House and Senate leaders are seeking to make further spending decreases to these programs in the coming fiscal year that begins October 1.

Merely requesting that Congress not cut these programs will not be sufficient action to save them. The League is urging its membership to reach out to its members of Congress in person, via telephone and letter and discuss what the specific impact of additional cuts will be on their individual communities and how your cities are currently utilizing these programs. House members will be back in their districts during the week June 27<sup>th</sup>. Please work to schedule meetings with your members of Congress to discuss the impact of the loss of funding for these programs during this time. In the interim, the League urges members to write to their congressional representatives and make them acutely aware of these concerns. Time is of the essence for these communications, with House Appropriations Committee markups of legislation that will contain some level of funding for these programs beginning in July. Urge your congressional representatives to fully fund these programs today!

**SAFETEA-LU Reauthorization:** Federal funding for the federal transportation funding SAFETEA-LU was extended until September 30, 2011. In the meantime Congress is working to organize a full multi-year reauthorization of the bill, though financing continues to be a major obstacle to the momentum of this effort. Recognizing the funding constraints of the Highway Trust Fund, she is shifting focus from a primarily-fund based program to a program that would allow state and local agencies leverage their own funds.

In late May, the Senate Environmental and Public Works Committee, chaired by Congresswoman Barbara Boxer, released a summary of their proposal. It includes modest growth for highway and transit programs – from \$286 billion in SAFETEA-LU to \$339.2 billion in the reauthorization. The bill would require \$74-75 billion in revenue over the six year period. No information was included on where this revenue would come from.

The House Transportation and Infrastructure Committee is expected to release their plan soon.

**Effort to Limit Local Taxation Authority Over Mobile Phones (UUT):** The U.S. House of Representatives is moving HR 1002, a reintroduction of last year's HR 1521. The legislation imposes a five-year moratorium on state and local taxes on mobile services providers and thus limits local government taxing authority over mobile phones. The same bill has been introduced in the Senate (S. 543), but has yet to gain any momentum.

HR 1002 removes a much needed local government revenue source solely to benefit an industry whose subscribership has grown by 158 percent and whose revenues have increased by 124 percent since 2000. In addition to imposing a financial burden on local governments, HR 1002 undermines the efforts of a number of cities in California that are working directly with voters to update and simplify their tax ordinances to assure technology-neutrality.

It is important for all cities who have a utility users tax (or may want one in the future) to send their letters of opposition, especially if they have a representative on the House Judiciary Committee. The Committee membership includes: Rep. Darrell Issa (CA-49), Rep. Elton Gallegly (CA-24), Rep. Dan Lungren (CA-3), Rep. Howard Berman (CA-28), Rep. Zoe Lofgren (CA-16), Rep. Maxine Waters (CA-35), Rep. Judy Chu (CA-32) and Rep. Linda Sanchez (CA-39).

**Department of Homeland Security Funding:** The Department of Homeland Security (DHS) has released grant guidance for this year's state and local homeland security grants. As a result of the significant cuts to homeland security funding this year (fiscal year 2011), the Department of Homeland Security (DHS) eliminated 31 of last year's Urban Area Security Initiative (UASI) cities or regions, and consolidated two others into one. In the coming weeks and months, cities and towns will feel the impact of the \$780 million in cuts to DHS grants. Cities of all sizes are likely to notice a decrease in the amount of formula funds they receive through State Homeland Security Program (SHSP) grants and other key programs. More specific grant numbers can be found at [http://www.dhs.gov/ynews/releases/pr\\_1305812474325.shtm](http://www.dhs.gov/ynews/releases/pr_1305812474325.shtm).

The news gets potentially worse. Currently, the House Subcommittee on Homeland Security Appropriations is proposing to consolidate all state and local homeland security grants into a single funding stream, radically changing how the grants are distributed, and making an additional \$1 billion in cuts for fiscal year 2012. The League has joined with the National League of Cities to compile examples of the impact of the current cuts in funding are having on emergency preparedness in your cities and towns. We would like to share this information with members of Congress so they better understand the negative impact current cuts are having and additional cuts will have.

**Special Legislative Report**  
**Marijuana Regulation Working Group**  
Informational

**Staff:** Dorothy Holzem, (916) 658-8214

**Overview of Marijuana Regulation Working Group:** Marijuana regulation in California is an issue of growing interest from many stakeholders in the fields of public safety, land use, licensing and taxation, and employee/employer rights. Cities, counties, state representatives and California voters are increasingly engaged in discussions about, and taking action on, regulations in these areas.

The League of California Cities (League) created a small advisory group, the Marijuana Regulation Working Group (working group), to examine and make recommendations on current state legislation involving marijuana regulation in a condensed time frame and in accordance with the League's policy review structure. The goal of the working group was to review both specific legislation as well as broader principles to help guide the efforts of the League. They reviewed a total of eight bills and developed three policy guidelines and one area for future study and possible action.

The potential conflict between federal and state laws regulating medical marijuana framed each of the working groups' discussions. The federal government's shifting position on federal enforcement has left California's cities, counties and state agencies in a challenging place when seeking clarification on permissible marijuana regulation. The uncertain legal status of medical marijuana is reflected in several of the working group's recommendations.

The following report provides the recommendations, background on the working group, and next steps for League activity in the area of marijuana regulation policy.

**Recommendations from Marijuana Regulation Working Group:** The working group has offered the following policy guidelines, which will be considered in January 2012 by the relevant policy committees during the revision of the "Summary of Existing Policy and Guiding Principles" booklet. The policy guideline recommendations are based on common themes that arose during discussions on current legislation, existing League policy, and prior League action on marijuana regulation legislation or ballot measures. (Please refer to Appendix A for a summary of recent League action on proposed marijuana regulations. Additional background information and resources referenced by the working group is available at: [www.cacities.org/marijuanaregulation](http://www.cacities.org/marijuanaregulation).)

- 1) Reaffirming that local control is paramount, cities should have the authority to regulate medical marijuana dispensaries, cooperatives, collectives or other distribution points as it relates to location, operation, and establishment to best suit the needs of the community.
- 2) Revenue or other financial benefits from creating a statewide tax structure on medical marijuana should be considered only after the public safety and health ramifications are fully evaluated.
- 3) While the value of marijuana as a physical or mental health treatment option is uncertain, the League recognizes the need for proactive steps to mitigate the proliferation of unlawful medical marijuana dispensaries, cooperatives, collectives and other access points acting outside of state or local regulation.

In addition, the working group has asked for further study on:

- 1) Residential cultivation and its impacts on energy consumption and housing stock. The proliferation of residential cultivation represents a considerable drain on utilities, increasing costs for providers and ratepayers. It can also reduce availability of existing housing, which is magnified when considering affordable housing units.

In addition to making these guideline and future study suggestions, the working group provided comments on eight specific bills, guided by previous League action on marijuana policy and League existing policy and guiding principles applicable to all/other policy areas. Those recommendations are provided below.

### No Action Recommended

#### *Due to legislative deadline failure*

- AB 223 (Ammiano). Compassionate Use Act findings and declarations: Declares legislative intent to improve the Compassionate Use Act of 1996 and makes findings and declarations to the potential benefits of medical marijuana.
- AB 1017 (Ammiano). Reduced penalties for cultivation: Makes cultivation of marijuana a “wobbler” offense instead of a felony, reducing the penalty to one year in county jail or a fine from a state prison term of 16 to 36 months.
- SB 626 (Calderon). State Board of Equalization licensing and taxation task force: Establishes a task force consisting of representatives from law enforcement, drug enforcement, cannabis cooperatives and dispensaries, and the State Board of Equalization to determine how medical marijuana sales could be licensed and taxed on a statewide level, similar to tobacco products.

#### *Defer to California Police Chiefs Association*

- SB 420 (Hernandez). Synthetic cannabinoid compound penalties: Establishes penalty structure for possession of cannabinoid chemical compounds to match those of marijuana under current state law. The California Police Chiefs Association has a registered support position.

### Action Recommended

- AB 1300 (Blumenfield). Medical marijuana local ordinances: *Based on League existing policy and past action, recommend that League staff work with author’s office to clarify and strengthen local control provisions.*  
This bill clarifies authority for cities or other local governing bodies to adopt and enforce local ordinances that regulate the location, operation or establishment of a medical marijuana cooperative or collective.
- SB 129 (Leno). Employment discrimination for medical marijuana: *Based on existing League employee relations policy, the League formally opposed this measure. It failed passage on the Senate floor.*  
This bill creates a protected class for individuals with medical marijuana patient status from workplace discrimination based on this status. Poses a conflict with federal Drug-Free Workplace Act but provides exemptions from protected status for employees in “safety-sensitive” positions.
- SB 676 (Leno). Industrial hemp cultivation: *Refer to policy committees to consider challenges for local law enforcement to regulate the law and potential threat to city autonomy within those five counties. (Referred to Public Safety Committee as an action item).*  
This bill establishes a five county pilot program for the legal cultivation of hemp as an agricultural product until 2020. Includes testing requirements to ensure product maintains low THC levels. Also requires two reports to legislature with data on the number of violations from growers and potential fiscal benefits of hemp growing and related product sales for the state.
- SB 847 (Correa) Zoning restrictions on medical marijuana dispensaries/cooperatives: *Based on League existing policy and past action, recommend that League staff work with author’s office to ensure local control provisions are maintained.*  
This bill creates a statewide prohibition of a medical marijuana dispensary, collective, cooperative or other establishment from being located within 600 feet of a residential zone or

residential use area, unless a local ordinance is adopted by a city or county that creates a more or less restrictive prohibition specific to residential zoning or residential use areas.

**Background on Marijuana Regulation Working Group:** The working group was formed to provide guidance on legislation on a condensed timeline and within the frame work of the eight policy committees to allow for timely action, if needed, on bills related to marijuana regulation.

The working group met via conference call and webinar three times between mid-May and early June, in addition to individual communications with League staff. They reviewed the history of League action on marijuana regulation issues, current legislative proposals, and the League's existing policies and guiding principles as a foundation for their recommendations. Following League procedures, the legislative/policy recommendations were sent to the relevant policy committees in June, who provided their recommendations to the League board for action in July.

The membership of the working group was based on League policy committee assignments, board membership, professional department involvement, regional divisions, and prior League involvement on marijuana related issues, such as Proposition 19 (2010) or educational sessions at League conferences. They provided invaluable information and perspective on how the various proposals would impact local control and quality of life issues for residents in California cities. (Please see Appendix A for roster of members).

**Next Steps:** The next steps for the League in the area of marijuana regulation legislation will follow the standard process for policy review by committees in June and the board of directors in July.

In January, the appropriate policy committees will review the recommended policy guidelines for incorporation in the "Summary of Existing Policy and Guiding Principles" booklet. Individual committees may also wish to incorporate areas of marijuana regulation into their 2012 work plan.

At a future date, and with pending ballot measures on this topic, the League may reconvene this or a similar working group to provide specific feedback and recommendations as needed.

## APPENDIX A

### Recent History of League Action on Marijuana Related Regulations

#### **2010**

##### **AB 2650 (Buchanan) – Medical marijuana. (Chapter 603, Statutes of 2010)**

*Summary:* This measure prohibits any medical marijuana cooperative, collective, dispensary, operator, establishment, or provider who possesses, cultivates, or distributes medical marijuana from being located within 600 feet of a school (defined as grades K – 12, public or private) unless a local jurisdiction has adopted an ordinance providing a lesser/no restriction prior to January 2011. Also permits more restrictive local ordinances.

*League Action:* The League took an “oppose unless amended” position and requested specific amendments to remove the preemption of local ordinances and also allow the complete prohibition of dispensaries upon local approval. This position was recommended by the League Housing, Community, and Economic Development Policy Committee and approved by the League board of directors.

##### **Proposition 19 - The Regulate, Control and Tax Cannabis Act of 2010.**

*Summary:* Would have authorized the personal consumption of marijuana for persons ages 21 and older in a non-public place. Also allowed for a person to:

- possess, process, or transport up to one ounce of marijuana for personal consumption;
- cultivate marijuana on private property in an area up to 25 sq. feet;
- possess harvested and living marijuana plants cultivated in such an area;
- possess any items or equipment associated with these activities.

Allowed for sale of marijuana in public establishments licensed for marijuana consumption and related transport. Established associated sanctions for underage sales or activities where prohibited by this proposition.

Prop 19 also allowed local governments to adopt ordinances and regulations regarding the cultivation, processing, distribution, transportation, sale or possession for sale of marijuana by licensed marijuana sales establishments. Local governments would have been able to license businesses that could sell up to one ounce of marijuana (per transaction) to a person 21 years or older, including the regulation of the location, size, hours of operation, and signs and displays of the business. Local governments would have also been authorized to impose general, excise, or transfer taxes, as well as benefit assessments and fees, on authorized marijuana-related activities in order to raise revenue or offset any costs associated with marijuana regulation. Required that licensed marijuana establishments pay all applicable federal, state, and local taxes and fees currently imposed on other similar businesses.

In addition, Prop 19 stated that no person could be punished, fined, or discriminated against for engaging in any conduct permitted by the measure. Also maintained employers’ existing rights to address on-the-job consumption of marijuana that affects an employee’s “job performance.”

*League Action:* This measure was referred to the League Public Safety Policy Committee and the Revenue and Taxation Policy Committee. Both committees recommended an “oppose” position. This was based on concerns with potential increases in crime, the unsatisfactory experience with medical marijuana implementation, and that any benefit that cities realize from additional revenue would not outweigh the potential public safety risks. The board approved the “oppose” position.

#### **2008**

##### **Proposition 5 – Nonviolent Offender Rehabilitation Act (NORA)**

*Summary:* Sought to expand drug treatment diversion programs for nonviolent offenders; modify parole supervision procedures and expand prison and parole rehabilitation programs; allow for additional early

release credits for participation and performance in rehabilitation programs; change the penalties for marijuana possession; and make various changes to the organization of rehabilitation programs in the California Department of Corrections and Rehabilitation (CDCR). Specific to marijuana, this ballot measure would have reduced penalties for marijuana possession (less than 28.5 grams) for adults and minors, as follows: reduce first offense for adults from a misdemeanor to an infraction and maintain the fine of up to \$100; reduce the first offense for minors from a fine to mandatory participation in a drug education program; maintain \$250 fine for repeat offenses by a minor in addition to mandatory participation in a drug education program.

*League Action:* This ballot measure was referred to the Public Safety Policy Committee, who recommended an “oppose” position to the League board based on the reduced penalties and fines for marijuana use/possession, and redundancy of rehabilitation services offered. The League board approved the “oppose” position.

### **SB 1098 (Migden). Medical marijuana.**

*Summary:* Defined in state law a “medical cannabis dispensary” and offered these dispensaries a one-time opportunity to comply with the Board of Equalization’s sales and use tax program by March 31, 2009, and receive relief from back tax liability, penalties and interests on its sales of tangible property made prior to October 1, 2005. The dispensary’s obligation would be to pay unpaid sales taxes between 2005 and 2009 and continue paying sales taxes moving forward.

*League Action:* This bill was referred to the League Revenue and Taxation Policy Committee for review because of the potential revenue local governments would receive from back tax payments. The committee recommended “no position” to the League board because of the questionable status of revenues received from tax payments. However, the bill did not move out of the Senate Revenue and Taxation Committee and therefore the League board did not take action to adopt a formal position on the bill.

## **2005**

### **League Public Safety Policy Committee Medical Marijuana Subcommittee**

*Summary:* The Public Safety Policy Committee Medical Marijuana Subcommittee convened two meetings to review the prevalence of medical marijuana dispensaries in California’s cities and the implications of Proposition 215 (Compassionate Use of Act of 1996) and Senate Bill 420 (Chapter 875, Statutes of 2003), which established within the Department of Health Services the voluntary identification card and implementation guidelines, as well as pending litigation.

*League Action:* This Subcommittee was formed as an informational body, who heard from various state and local agencies on the implementation of medical marijuana regulations. No action was taken or recommended to the League board.

**APPENDIX B**  
**Roster of Marijuana Regulation Working Group Members**

<b>First</b>	<b>Last</b>	<b>Title</b>	<b>City</b>	<b>League Affiliation</b>
Jan	Arbuckle	Mayor	Grass Valley	Vice Chair, Public Safety Committee
Tom	Brown	City Attorney	Berkeley, others	City Attorneys Department
Sonia	Carvalho	City Attorney	Asuza, Claremont	City Attorneys Department
Ed	Dadisho	Police Chief	Suisun	Member, HCED Committee
Jeff	Dunn	City Attorney	Various southern California cities	City Attorneys Department
Marc	Fox	Assistant City Manager	Pittsburg	President, Personnel & Employee Relations Department; Member, TCPW Policy Committee
Dennis	Gillette	Council Member	Thousand Oaks	Member, Public Safety Committee; Past Public Safety Committee chair
Bob	Johnson	Mayor	Lodi	Vice Chair, Employee Relations Committee
Carlos	Mestas	Police Chief	Hanford	Board of Directors, Police Chiefs Dept
Kelly	Morariu	Assistant City Manager	Hayward	Proxy for Fran David, Member, Revenue and Taxation Committee
Scott	Nassif	Council Member	Apple Valley	Vice Chair, HCED Committee
Steve	Quintanilla	City Attorney	Rancho Mirage, Cathedral City, others	City Attorneys Department
Mark	Wheatley	Council Member	Arcata	Board of Directors, Redwood Empire Division; Member, Community Services Committee; Member, Environmental Quality Committee