

MEETING DATE: July 17, 2025

AGENDA ITEM: E

TO: BSCC Chair and Members

FROM: Helene Zentner, Field Representative, helene.zentner@bscc.ca.gov

SUBJECT: Proposition 64 Public Health & Safety Grant Program Cohort 4, Appointment of Chair and Establishment of Executive Steering Committee: **Requesting Approval**

Summary

This agenda item requests approval to establish an Executive Steering Committee (ESC) to develop a Request for Proposals (RFP) for Cohort 4 of the Proposition 64 Public Health & Safety (Prop 64) Grant Program. Staff also requests that the Board designate a Chair to oversee the grant development process, authorize staff to work with the ESC Chair to establish a diverse ESC with relevant subject-matter expertise, and delegate authority to the Chair to modify ESC membership, if needed.

Background

In November of 2016, voters approved Proposition 64, the Control, Regulate and Tax Adult Use of Marijuana Act. The Act provided for the taxation of the cultivation of legal cannabis and a method to distribute collected revenues for licensing and enforcement of the Act. In addition, Proposition 64 set aside funds for several different grant programs administered by different agencies, including the BSCC. As part of the Budget Act of 2025, Senate Bill 141 (Chapter 18, Statutes of 2025) amended the Revenue and Taxation Code that sets forth the parameters of the BSCC Proposition 64 grant program to provide the following:

- The Board of State and Community Corrections (BSCC) shall make grants to local governments to assist with law enforcement, fire protection, or other local programs addressing public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act.
- A local government shall be eligible for a grant only if it either:
 - allows the retail sale of cannabis in storefronts or,
 - for jurisdictions with a population of 10,000 residents or less, allows cannabis delivery in the jurisdiction that serves both medicinal and adult-use consumers.
- The BSCC shall prioritize grants to local governments whose grant application includes illicit cannabis enforcement.
- The BSCC may award grants both competitively and based on a formula to provide consistent and ongoing funding for local governments.

(Attachment E-1: Rev. & Tax. Code, § 34019, subd. (f)(3)(C).)

The BSCC estimates there will be approximately **\$100 million** of tax revenue funding available for the Prop 64 Grant Program Cohort 4 RFP. (Note: The BSCC is permitted to use up to five percent of its appropriation for administrative costs, which has already been taken into account.)

Proposed Activities

In consultation with the appointed Chair, staff will establish and convene an ESC of relevant subject-matter experts representing both the public and private sectors and a membership representing diverse professional and lived experience, geographic regions, and demographics. The BSCC will reach out to known experts, including the Department of Cannabis Control, and invite any interested person to submit a statement of interest to serve on the ESC through the BSCC's website.

The ESC will meet to develop the Request for Proposals (RFP) in accordance with Proposition 64 and relevant sections of the Revenue and & Taxation Code, read and rate proposals, and develop funding recommendations for the Board's approval.

The proposed activities and a corresponding tentative timeline for the development of the Prop 64 Grant Program, Cohort 4, is shown in the following table:

| Tentative Timeline | Activity |
|------------------------|---|
| July 17, 2025 | Appoint Chair and request ESC formation |
| August-November 2025 | Establish the Prop 64 Cohort 4 Grant ESC membership |
| November-December 2025 | RFP development by ESC |
| February 2026 | Present the RFP for BSCC Board approval |
| February 2026 | Release the RFP to the field |
| Late February 2026 | Prospective Applicant Grant Information Session |
| April 2026 | Proposals due to BSCC |
| April 2026 | ESC Rater Training |
| May 2026 | ESC rating of proposals complete |
| June 2026 | Present funding recommendations to the BSCC Board |
| July 1, 2026 | Grants begin |

Recommendation/Action Needed

Staff recommends that the Board:

1. Designate a Chair for the establishment of the Proposition 64 Grant Cohort 4 Executive Steering Committee (ESC).
2. Delegate authority to the Chair to work with BSCC staff to establish a diverse ESC membership with relevant subject-matter expertise and to modify membership, if needed.
3. Authorize the ESC to oversee development of the Proposition 64 Grant Cohort 4 Request for Proposals, according to the tentative timeline listed above.

Attachments

E-1: Rev. & Tax. Code, § 34019.