

MEETING DATE: June 25, 2026 **AGENDA ITEM:** E

TO: BSCC Chair and Members

FROM: Tony Knapp, Field Representative, tony.knapp@bscc.ca.gov

SUBJECT: Proposition 64 Public Health and Safety Grant Program, Cohort 4 Funding Recommendations: **Requesting Approval**

Summary

This agenda item requests Board approval of the Proposition 64 Public Health and Safety (Prop 64 PH&S) Grant Program Cohort 4 awards, as recommended by the Cohort 4 Scoring Panel (Attachment E-1). The Prop 64 PH&S Grant is funded by an ongoing portion of tax revenue generated from the cultivation and retail sale of legal, adult-use cannabis or cannabis products in California. If approved, 53 city proposals, 17 county proposals, and one city/county proposal will be awarded \$227 million for projects that address the public health and safety impacts associated with the legalization of recreational cannabis in California.

Background

The Prop 64 PH&S Grant was established in November 2016 as part of the voter-approved Control, Regulate and Tax Adult Use of Marijuana Act, which legalized recreational cannabis use for adults aged 21 and older and directed a portion of cannabis tax revenue to state and local programs addressing public health and safety impacts.

Section 34019 of the Revenue and Taxation Code (RTC) directs the Board of State and Community Corrections (BSCC) to 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.”

Before this cohort, the BSCC has awarded three rounds of Prop 64 PH&S grant funding, totaling more than \$124.7 million. Interest in the grant has grown from year to year, as shown below:

- Cohort 1 (2019): 10 projects funded, \$9.9 million awarded
- Cohort 2 (2021): 22 projects funded, \$21 million awarded
- Cohort 3 (2023): 37 projects funded, \$93.8 million awarded

In 2025, Senate Bill (SB) 141 updated the RTC to broaden eligibility criteria for the grant. A local government is eligible for a Prop 64 PH&S grant if it 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 updated statute also requires the BSCC to prioritize grant awards for local governments whose grant application includes illicit cannabis enforcement.

Considering these statutory changes, the BSCC began the process of convening a new Executive Steering Committee (ESC) to update the Request for Proposals. On July 17, 2025, the Board designated Chief Probation Officer Jennifer Branning as Chair of the Cohort 4 ESC. However, low interest and conflict-of-interest restrictions stalled the ESC recruitment process. Consequently, the BSCC did not convene an ESC, but instead worked closely with the Department of Cannabis Control to make targeted revisions to the Cohort 3 RFP and concentrated efforts on recruiting subject matter experts to serve on the Prop 64 PH&S Scoring Panel (Attachment X-1).

On February 12, 2026, the Board approved the release of the [Cohort 4 Request for Proposals \(RFP\)](#), with \$125 million available and proposals due on March 30, 2026.

Applicants were required to propose projects that fall within one of four Project Purpose Areas (PPAs), as established by the original ESC:

- PPA 1: Public Safety/Enforcement*
- PPA 2: Public Health
- PPA 3: Youth Development/Youth Prevention and Intervention
- PPA 4: Environmental Impacts

*To comply with SB 141, which requires the BSCC to prioritize illicit cannabis enforcement, applicants that dedicated a minimum of 70 percent of the grant award to PPA 1 were awarded priority points.

In response to the RFP, the BSCC received 84 proposals, requesting \$252.4 million. Twelve proposals did not meet the eligibility criteria established in the Cohort 4 RFP and did not move forward in the rating process.

On May 5-6, 2026, BSCC research staff trained the Scoring Panel on how to rate proposals based on the rating criteria established in the Cohort 4 RFP. Once all scores for the 72 eligible proposals were submitted and tabulated, BSCC staff developed a rank-ordered list and corresponding funding recommendations. Seventy-one of the eligible proposals met the 50 percent scoring threshold established in the RFP and are being recommended for funding.

Since the release of the RFP, an additional \$85 million has become available. This increase in available funding reflects the repayment of a temporary statewide loan authorized in prior budget years, as well as interest earned, year-end liquidations, and

unused administrative fund rollover. Next year's Prop 64 PH&S appropriation is projected to be approximately \$31 million. In order to allow all eligible proposals to be funded and to avoid a backlog of future funds, staff are recommending and requesting Board approval to include the newly available \$85 million, plus approximately \$17 million from next year's appropriation, in the Cohort 4 awards.

Proposals recommended for funding include 53 from cities, 17 from counties, and one from a city/county (see Attachment E-2). It is important to note that local jurisdictions were allowed to submit more than one proposal provided that each proposal had a different lead public agency. As a result, there are several cities and counties recommended to receive more than one grant award. Successful proposals include activities across all four of the designated Project Purpose Areas. Attachment E-3 includes a project summary for each of the proposals recommended for funding.

If the list of proposals recommended for funding is approved, the five-year grant service delivery period will begin July 1, 2026, end June 30, 2031, and will be followed by a six-month period for evaluation and audit activities concluding by December 31, 2031.

Recommendation/Action Needed

On behalf of the Proposition 64 Grant Program Cohort 4 Scoring Panel, staff recommends that the Board:

1. In addition to the original \$125 million listed in the Cohort RFP, authorize staff to include approximately \$85 million made available from a loan repayment, accrued interest, unused administrative fund rollover, and year-end liquidations, as well as approximately \$17 million of next year's appropriation, bringing the total funding for Cohort 4 to \$227 million.
2. Make conditional awards to fully fund 53 city proposals, 17 county proposals, and one city/county proposal, for Proposition 64 Cohort 4 grant projects that will assist in mitigating local impacts due to the legalization of recreational cannabis in California as set forth in Attachment E-2.
3. Dissolve the Proposition 64 Cohort 4 Scoring Panel upon approval of the funding recommendations.

Attachments

E-1: Proposition 64 Cohort 4 Scoring Panel Membership
E-2: List of Cities and Counties Recommended for Funding
E-3: Proposition 64 Project Summaries