

**MEETING DATE:** September 10, 2020

**AGENDA ITEM:** G

**TO:** BSCC Chair and Members

**FROM:** Helene Zentner, Field Representative, [helene.zentner@bscc.ca.gov](mailto:helene.zentner@bscc.ca.gov)

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

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## Summary

This agenda item requests Board approval of the Proposition 64 Public Health and Safety Grant Program awards as recommended by its Executive Steering Committee (ESC) (Attachment G-1). Ten proposals totaling nearly \$10 million were received for this inaugural Request for Proposal (RFP) that made \$24.7 million available competitively. If the proposed list of grantees is approved, the three-year grant period would begin October 1, 2020 and end September 30, 2023. Proposals recommended for funding include nine counties and one city. A list of proposals recommended for funding is provided in Attachment G-2. Corresponding proposal summaries are provided in Attachment G-3. Successful proposals range from substance use prevention and intervention programs that target youth at the highest risk of cannabis, alcohol, and other drug use, to programs that mitigate public health risks and environmental damage due to illegal growing operations.

## Background

The Proposition 64 Public Health & Safety (Prop 64 PH&S) Grant Program was established as part of a voter-approved initiative in November 2016, the *Control, Regulate and Tax Adult Use of Marijuana Act* (AUMA). This initiative legalized the recreational use of cannabis in California for people 21 years of age and older. As part of the initiative, a portion of tax revenue generated from the cultivation and retail sale of cannabis or cannabis products would go toward implementing AUMA within the State and would provide funds for a variety of grant programs to assist in mitigating impacts due to the legalization of recreational cannabis. The Revenue and Taxation Code ([Attachment G-4](#)) directs the Board of State and Community Corrections 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.* (Rev & Tax. Code, § 34019, subd. (f)(3)(C).)

The ESC and RFP process began in September 2019. Board Chair Linda Penner was appointed Chair to the Prop 64 PH&S ESC, which convened several times in the Fall of 2019 to develop the RFP and criteria for rating the grant proposals. This ESC included diverse individuals, representing a variety of disciplines and expertise across California. A roster of the ESC membership is provided as Attachment G-1.

On February 13, 2020, the Board approved and authorized the release of the Prop 64 PH&S RFP. The submittal date for the Prop 64 PH&S Grant Program RFP was originally scheduled for Friday, April 3, 2020. However, due to the COVID-19 pandemic, the Board extended the

due date to June 5, 2020. The Amended Prop 64 PH&S Grant Program RFP is provided as [Attachment G-5](#).

The BSCC received 10 proposals requesting a total of \$9,982,064. The low number of submissions in this initial RFP does not necessarily reflect a lack of interest from the field. Proposition 64 limited BSCC grants to jurisdictions that do not ban any commercial marijuana activities, including outdoor cultivation and brick and mortar retail sales; few jurisdictions allow all commercial activities and this feature likely contributed to the low number of proposals that were submitted in the inaugural round. Recently, budget trailer bills (Assembly Bill 1827 and Senate Bill 827) were amended which, if enacted, will amend the Revenue and Taxation Code (Rev & Tax. Code, § 34019, subd. (f)(3)(C)) and would increase eligibility by allowing local governments to apply in future rounds of funding if they have not banned both indoor and outdoor commercial cannabis cultivation.

Of the 10 proposals that were received: two proposals were submitted within the Large County funding category; three proposals were submitted within the Medium County funding category; and five proposals were submitted within the Small County funding category.

On July 1, 2020, BSCC research staff trained the ESC on how to read and rate the proposals based on the criteria established in the RFP. Once all scores were submitted by the raters, BSCC research staff finalized the ranked list and funding allocations by county-size category. This list is provided as Attachment G-2.

### **Recommendation/Action Needed**

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On behalf of the Prop 64 PH&S ESC, staff recommends the Board:

- Fully fund the 10 Proposition 64 proposals (Attachment G-2) totaling \$9,982,064 for grant projects that will assist in mitigating local impacts due to the legalization of recreational cannabis in California.

### **Attachments**

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G-1: Prop 64 PH&S Grant Program Executive Steering Committee (ESC) Roster

G-2: List of Prop 64 PH&S Grant Program Proposals Recommended for Funding

G-3: Prop 64 PH&S Grant Program Proposal Summaries

[G-4: Revenue and Taxation Code Section 34019](#)

[G-5: Prop 64 PH&S Grant Program Request for Proposals \(RFP\) amended April 9, 2020](#)