



# MAYOR REX RICHARDSON

July 7, 2023

The Honorable John Laird  
California State Senate  
1021 O Street, Suite 8720  
Sacramento, CA 95814

**RE: Support for SB 508 (Laird)—Cannabis: licenses: California Environmental Quality Act**

Dear Senator Laird,

On behalf of the City of Long Beach, I write in support of SB 508. This bill will not only help to advance equity in the cannabis licensing process but also reduce undue administrative burden and duplication across local and state permitting agencies.

This bill would provide that the Department of Cannabis Control (DCC) is not required to serve as a responsible agency under the California Environmental Quality Act (CEQA) under certain conditions—specifically, if the local jurisdiction acting as lead agency has filed a Notice of Determination for commercial cannabis activity or a Notice of Exemption for a retail commercial cannabis project following the adoption of a mitigated negative declaration, certification of an environmental impact report by the local jurisdiction, and the license application conforms to the scope of the cannabis activity analyzed by the local jurisdiction under CEQA.

SB 508 aligns with the City's objectives to support legislation that contributes to maintaining local authority, increasing funding and tools for local jurisdictions to license and regulate the legal cannabis market, and enforce against illegal cannabis activity. SB 508 supports the City's, as well as the DCC's, efforts to reduce the barriers for entry into the legal cannabis market by streamlining the dual-licensing process (local and state), especially for equity applicants affected by the prior criminalization of cannabis. State law stipulates that prospective cannabis businesses are required to obtain both a state license (provisional or annual) from the DCC and a business license from the local jurisdiction to legally operate any cannabis activity. Annual licenses issued by the DCC are subject to CEQA compliance with the City currently acting as the lead agency and DCC acting as the responsible agency. To date, the City has completed project-specific CEQA documentation, specifically Notices of Exemption (NOEs), for 64 medical and/or adult-use cannabis businesses including cultivation, manufacturing, distribution, lab testing, and retail. This requires additional staffing capacity and resources, despite a lack of significant environmental impacts as it relates to the legal operation of cannabis business in Long Beach.

SB 508 would help to foster a more efficient and effective dual-licensing process, including the transition of provisional licenses to annual licenses by reducing duplicative CEQA compliance efforts by the lead and responsible agencies. This bill has the potential to serve as a catalyst for additional improvements to state regulatory requirements that aim to advance equitable access to an emerging legal cannabis market. For these reasons, the City of Long Beach supports SB 508.

Sincerely,

A handwritten signature in black ink, appearing to read "Rex Richardson", with a long horizontal flourish extending to the right.

Mayor Rex Richardson  
City of Long Beach

cc: The Honorable Lena Gonzalez, State Senate, 33<sup>rd</sup> District  
The Honorable Mike Gipson, State Assembly, 65<sup>th</sup> District  
The Honorable Josh Lowenthal, State Assembly, 69<sup>th</sup> District