April 9, 2018

The Honorable Autumn Burke 62nd State Assembly District Room 5150 – State Capitol Sacramento, CA 95814

RE: SUPPORT - AB 3157 (Lackey) Taxation: cannabis.

Dear Assemblymember Burke,

On behalf of the Monterey County Board of Supervisors, we write to offer our strong support for AB 3157 (Lackey), which would reduce the State cannabis excise tax imposed under the Control, Regulate and Tax Adult Use of Marijuana Act of 2016.

In Monterey County, cannabis operators are demanding lower tax rates to ensure prospective cannabis businesses can be successful. At the same time the County of Monterey needs adequate revenue to process permit applications and handle cannabis enforcement actions. The County believes that a lower State cannabis excise tax, as proposed by AB 3157, would take pressure off local government to lower their cannabis related taxes.

We support passage of AB 3157 to ensure the County of Monterey can maintain a tax structure to successfully implement a legal adult-use cannabis program.

Sincerely,

Luis A. Alejo Chair, Board of Supervisors

Cc: The Honorable Tom Lackey, California State Assembly The Honorable Anna Caballero, California State Assembly The Honorable Bill Monning, California State Senate The Honorable Anthony Cannella, California State Senate California State Association of Counties