

May 7, 2018

The Honorable Bob Hertzberg
California State Legislature
State Capitol, Room 4038
Sacramento, CA 95814

RE: SB 930 (Hertzberg) Financial institutions: cannabis. – SUPPORT

Dear Senator Hertzberg:

Thank you for authoring SB 930 and for your efforts to assist cannabis-related businesses with banking. The cannabis industry in Monterey County is expected to grow; yet cultivation, distribution, and retail businesses alike have been forced to operate on a cash-only basis. This is not only impractical from an accounting perspective, but also presents a significant public safety issue.

Even before cannabis was legalized, entrepreneurs were seeking out aging or retrofitted greenhouses in Monterey County. In addition to cultivation, the County is poised to serve as a major cannabis production hub to serve the state's metropolitan areas such as San Francisco and Los Angeles in terms of our ability to produce and transport.

Statistics:

- Self-reported canopy space for FY 2017-18 = 1,186,201 square feet
- Available greenhouse space capacity = 8 million square feet
- Temporary Cannabis Cultivation Licenses issued by the State = 308

We predict cannabis agriculture could bring in millions of dollars annually in new tax revenues and that Monterey County will soon be in the top five counties for cannabis cultivation. We strongly support legitimizing cannabis cultivation and banking is a key step in that direction. In addition, banking opportunities for cannabis will encourage unlicensed growers to come forward and become legitimate, permitted and tax-paying businesses.

For these reasons, Monterey County strongly supports SB 930.

Sincerely,

Luis A. Alejo
Chair, Board of Supervisors

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