

**Board Report** 

#### File #: 22-942, Version: 1

Receive a report providing a brief history of the California Cannabis Authority, how staff utilizes data provided by NCS Analytics for compliance efforts, and an overview of the NCS Transparency Project. <u>RECOMMENDATION</u>:

Staff recommends that the Board of Supervisors:

Receive a report providing a brief history of the California Cannabis Authority, how staff utilizes data provided by NCS Analytics for compliance efforts, and an overview of the NCS Transparency Project.

### SUMMARY/DISCUSSION

The California Cannabis Authority (CCA) is a Joint Powers Authority (JPA) created to assist local governments in efficiently and effectively deploying resources for the regulatory oversight and taxation of commercial cannabis activities. On January 30, 2018, the Board of Supervisors (Board) adopted a resolution which authorized execution of the agreement to establish Monterey County as a founding member of the CCA.

Through its partner agency, NCS Analytics, CCA provides a sophisticated data analytics platform to quickly make data-driven decisions which protect the integrity of licensed supply chain. Staff from the Cannabis Program and Treasurer-Tax Collector (TTC) utilize this information to facilitate the administration of Chapters 7.90 and 7.100 of Monterey County Code respectively. Recurring weekly meetings with NCS Analytics provides in-depth analysis of Metrc transactional data from seed to sale. Chapter 7.90 pertains to regulatory oversight of commercial cannabis operators and Program staff uses this data to verify that licensees are handling cannabis goods in accordance with state law and reduce diversion to or inversion from the unlicensed market and related compliance requirements. The District Attorney's Office utilizes this information for discovery purposes during the course of their investigations.

CCA is an integral component of the Program's ability to review data from Metrc-the State mandated system to track seed to sale transactions-and analyze price points for CCA to determine a "Blue Box" wholesale and retail price point. The Blue Box is the expected outcome of the variables being analyzed, which may include price, plant size, and grow time. The outcomes are predominately derived from Monterey County data and include a very small portion of the entire State of California, but not the rest of the country.

CCA continues to refine the NCS Transparency Project (Attachment A), which is a publicly available data portal filled with industry insights and useful information geared towards the average citizen. They believe that sharing information in an easy-to-understand, visually appealing, and timely manner is essential. This supports their belief that transparency is the cornerstone of good government. The report is automatically refreshed each month and will continue to be enhanced with new widgets, charts, and insight that staff believe the local community will appreciate. This dashboard view is accessible through the Cannabis Program webpage by clicking into the menu icon in the upper right-hand corner colloquially known as a "hamburger", or by clicking the link in the upper right hand of Attachment A.

# OTHER AGENCY INVOLVEMENT:

No other departments were involved in the preparation of this report.

## FINANCING:

Monterey County's Cannabis Program is funded in County Administrative Office - Department 1050, Intergovernmental and Legislative Affairs Division - Unit 8533, Cannabis. The proposed recommendations will not incur additional expenses to the Program.

### BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The Monterey County Cannabis Program addresses each of the Strategic Initiative Policy Areas that promote the growth of a responsible and legal Monterey County cannabis industry.

Mark a check to the related Board of Supervisors Strategic Initiatives

- X Economic Development
- X Administration
- X Health & Human Services
- X Infrastructure
- X Public Safety

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Attachments:

A. NCS Transparency Project Snapshot