

April 16, 2019

The Honorable Steven M. Glazer
Chair, Senate Business, Professions and Economic Development Committee
State Capitol, Room 2053
Sacramento, CA 95814

RE: **SB 658** (Bradford): Cannabis: Licensing: Cannabis Retail Business Emblem: Track and Trace
Notice of Support

Dear Chairman Glazer:

MuniServices is pleased to support SB 658 (Bradford), which would give local jurisdictions access to the state's track and trace system and better support compliant retail operators through the establishment of a statewide cannabis retail emblem program. For over 40 years, MuniServices has partnered with cities, counties, transit districts, and other special districts as their local sales tax consultant. Our local agency clients regularly ask our experts to provide revenue impact estimates, as well as implementation interpretation with respect to legislation and regulations.

Proposition 64 granted access to the track and trace system to state regulators and law enforcement officials. This has led to local regulatory agencies unduly burdening law enforcement and state regulators with data requests for the markets they have been tasked with overseeing. SB 658 guarantees local jurisdictions access to track and trace, ensuring local regulators have the data necessary to monitor and protect the compliant cannabis supply chain from illicit market contamination. Track and trace data will also help local regulators craft, implement, and operate a comprehensive and efficient illicit market enforcement strategy for their jurisdictions.

Despite the passage of Proposition 64 and more than a year of state licensing, the illegal cannabis market continues to persist and proliferate, undermining lawful cannabis businesses that are playing by the rules. SB 658 will improve statewide enforcement by creating a retail cannabis business emblem. This program will give licensed retail operators a valuable tool to post outside of their businesses to clearly communicate to consumers that they are selling legal cannabis and cannabis products that meet the state's rigorous testing, packaging and quality assurance requirements.

For these reasons MuniServices is pleased to support SB 658 and urges your AYE vote when this bill comes before your committee for consideration.

Respectfully,



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cc: Senator Steven Bradford, District 35
Members, Senate Standing Committee on Business, Professions & Economic Development
Sarah Huchel, Consultant, Senate Business, Professions & Economic Development Committee