



March 20, 2023

The Honorable Steven Bradford
Assembly District 35
1021 O Street, Suite 7210
Sacramento, CA 95814

RE: SB 51 (Bradford) Cannabis Provisional Licenses: Local Equity Applicants - SUPPORT

On behalf of Origins Council, representing 800 small and independent cannabis businesses in rural legacy producing counties throughout California, we are pleased to support SB 51 (Bradford), which would indefinitely extend provisional licenses for locally-verified equity retail applicants.

In many local jurisdictions, equity applicants face intensive capital requirements, high barriers to entry, and uncertain local permitting processes that establish significant barriers to licensure. Simultaneously, the legal cannabis market in California as a whole is suffering from a severe lack of legal retail access, with just 1,800 legal retail licenses serving a population of nearly forty million people. The lack of legal retail access throughout the state, and high barriers to entry to enter the legal market, are at the root of the continued flourishing of the unregulated cannabis market in California.

By creating a permanent provisional licensing pathway for new equity retailers, and ensuring existing equity retailers can retain their provisional licenses and ultimately transition into an annual license, SB 51 would help ensure that retail applicants who have been disproportionately

impacted by the War on Drugs have an equitable opportunity to transition into the licensed cannabis market. In turn, these licensed retailers will contribute to the establishment of a vibrant and diverse cannabis market in California.

In addition to challenges facing equity retailers, we believe it is critical to recognize that small, legacy, and equity cannabis producers throughout California face their own set of licensing challenges. With rolling statutory deadlines for provisional licensure approaching on July 1, 2023, 3,571 of 7,038 total cannabis cultivation licenses (51%) in California continue to be classified as “provisionals.” While we support SB 51 as written, we also urge the Legislature to seek parallel solutions for cultivation licensees through a separate legislative vehicle.

We believe that SB 51 is a critical piece of addressing licensing challenges statewide, and urge the Legislature to move this measure forward and ensure that equity retailers maintain a clear path to legal operation under state law.

Sincerely,



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Executive Director
Origins Council



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Executive Director
Humboldt County Growers Alliance



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