



SOUTHERN CALIFORNIA COALITION

April 25, 2018

The Honorable Members of the Budget and Finance Committee
The Los Angeles City Council
200 North Spring Street
Room 340
Los Angeles, CA 90012

Re: Approval of the Proposed Budget for the Department of Cannabis Regulation
Council File No. 18-0600 and Council File No. 14-0366-S5

Dear Honorable Members of the Budget and Finance Committee:

The Southern California Coalition, the Southland's largest cannabis trade organization, respectfully requests that the honorable committee approve the proposed budget for the Department of Cannabis Regulation when the matter comes before them on April 30th.

In his letter of March 1, 2018, to Mayor Garcetti, addressing 2018-19 revenue expectations, Ron Galperin, Los Angeles City Controller, notes:

"In order to meet its needs, the City must work diligently to maximize its existing revenue streams as well as identifying new sources. Cannabis revenues are a notable example. The City is projected to generate funds from Cannabis-related licensing fees and business taxes of at least \$20 million..."

Obviously, this revenue cannot be realized unless the Department of Cannabis Regulation is adequately funded and staffed. Ms. Packer, the Department's head, has already made significant progress in licensing efforts, despite the fact that she had only a tiny staff and had to establish the department concurrent with licensing efforts.

We urge the honorable committee to approve the Department of Cannabis Regulation's Budget when it comes before them. A robust cannabis industry must be licensed and regulated to realize its revenue potential for the City. Approving this first budget for the Department ensures that Ms. Packer has the resources she needs to begin this important work.

Sincerely,

A handwritten signature in blue ink, appearing to read "Adam Spiker".

Adam Spiker
Executive Director
The Southern California Coalition



Advancing Legal Medical Marijuana Therapeutics and Research

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Dear Honorable Members of the Budget and Finance Committee:

Americans for Safe Access, the nation's oldest and largest advocacy organization for medical cannabis patients, urges that the honorable committee approve the proposed budget for the Department of Cannabis Regulation when the matter comes before them on April 30, 2018.

This historic first budget is comparatively modest. The City Controller estimates that projected income from cannabis industry licensing fees and taxes will be at least twenty million dollars (20,000,000.00) in 2018-19.¹ The cannabis industry in Los Angeles is expected to be robust, and over a period of years has the potential to not only play a meaningful role in retiring the City's debt, but can also revitalize the City's infrastructure, which is badly in need of repair.

Ms. Packer, the Director of the Department of Cannabis Regulation has already made a meaningful start in generating revenue, bringing in several million dollars in licensing fees despite severe staffing limitations. Our organization urges the honorable committee to ensure her diligent, effective oversight continues, by approving the budget for her department when the matter comes before them on April 30th.

By taking this important first step, you ensure that the cannabis industry is effectively regulated and that Ms. Packer and her team can continue their important work.

Sincerely,

A handwritten signature in dark ink, appearing to read "Sarah", written over a light blue horizontal line.

Sarah Armstrong JD
Director of Industry Affairs
Americans for Safe Access

¹ Letter from Controller Ron Galperin to Mayor Eric Garcetti dated March 1, 2018 See: lacontroller.org/revenue for more information.

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