

Supplemental Budget Report of the 2021-2022 Budget Act

2025

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Supplemental Budget Report of the 2021-2022 Budget Act

As required by the 2021-22 Budget Act, under the Business, Consumer Services and Housing Item 1115-001-3288, on or before March 1, 2023, and annually thereafter through 2025, the Department of Cannabis Control (Department) shall submit a report to the fiscal, budget, and relevant policy committees of the Legislature and the Legislative Analyst's Office and post the report on its website.

This report contains the required information and data, disaggregated by local jurisdiction, for the prior fiscal year, July 1, 2023 to June 30, 2024.

(i) The total number of active annual licenses.

The Department had 6,055 active annual licenses. Of these, 2,940 were issued to licensees within a city, 3,073 were issued to licensees within a county, and 42 were issued to cannabis event organizers that do not have a reportable local jurisdiction. See Exhibit 1.

(ii) The total number of active provisional licenses.

The Department had 3,011 active provisional licenses. Of these, 1,881 were issued to licensees within a city, 1,130 were issued to licensees in a county, and zero were issued to cannabis event organizers that do not have a reportable local jurisdiction. See Exhibit 2.

(iii) The total number of provisional licenses that transitioned to annual licenses.

The Department transitioned 1,238 provisional licenses to annual licenses. A provisional license is transitioned to an annual license when full compliance with annual licensure requirements, including the California Environmental Quality Act (CEQA), is achieved and if issuing the license does not violate any local ordinance or regulation. See Exhibit 3

(iv) The total number of provisional licenses renewed that did not result in a licensee holding multiple cultivation licenses on contiguous premises exceeding one acre of total canopy for outdoor cultivation or 22,000 square feet for mixed-light or indoor cultivation.

A total of 1,687 provisional licenses were renewed that did not result in a licensee holding multiple cultivation licenses on contiguous premises exceeding one acre of total canopy for outdoor cultivation or 22,000 square feet for mixed-light or indoor cultivation. See Exhibit 4.



(v) The total number of provisional licenses renewed that resulted in a licensee holding multiple cultivation licenses on contiguous premises exceeding one acre of total canopy for outdoor cultivation or 22,000 square feet for mixed-light or indoor cultivation.

A total of 161 provisional licenses were renewed that resulted in a licensee holding multiple cultivation licenses on contiguous premises exceeding one acre of total canopy for outdoor cultivation or 22,000 square feet for mixed-light or indoor cultivation. The 161 provisional licenses represent 27 unique businesses. Additionally, as of June 30, 2024, 23 of those licenses remain active.

The 23 licenses that are still active were mistakenly renewed after the statutory deadline described in Business and Professions Code section 26050.2, subdivision (g)(1) had passed. The Department's licensing system technology is limited in its ability to identify and associate records for licenses held on parcels in close physical proximity. As a result, staff implemented procedures to manually identify and tag relevant licenses held on contiguous premises; however, manual data-entry procedures are subject to human error. After this error was recognized, the Department's licensing staff initiated a comprehensive review of cultivation licenses to identify any remaining contiguous premises exceeding the prescribed limits and resolved the issue. See Exhibit 5.

(vi) The total number of provisional licenses that were not renewed for failure to meet the renewal requirements in Business and Professions Code section 26050.2 and the aggregated reasons those licenses were unable to be renewed.

There were no provisional licenses that were not renewed for failure to meet the renewal requirements in Business and Professions Code section 26050.2.

(vii) The total number of provisional licenses that were revoked or suspended pursuant to Business and Professions Code section 26050.2 subdivision (i).

The Department suspended or revoked 99 provisional licenses pursuant to Business and Professions Code section 26050.2, subdivision (i).

(viii) The total number of revoked or suspended licenses pursuant to Business and Professions Code section 26050.2 subdivision (i) on or after July 12, 2021.

The Department revoked or suspended 123 provisional licenses pursuant to Business and Professions Code section 26050.2, subdivision (i) on or after July 12, 2021. See Exhibit 6.



(ix) A narrative explanation of any of the trends displayed in the data provided, including how they might differ from previous years.

Notable trends compared to data in the previous reporting period are as follows:

- The total number of active annual licenses reported in subdivision (i) represents a 16.1 percent increase in the total number of active annual licenses relative to the number of active licenses in the previous reporting period.
- Provisional licenses comprised 33 percent of all licenses, with 40.8 percent of these provisional licenses located in the City of Los Angeles. This represents a 43.8 percent decrease in the total number of provisional licenses from the previous reporting period. Annual licenses now comprise over two-thirds (66.9 percent) of all licenses.
- Over half of the provisional licenses (56.5 percent) that transitioned to annual licenses were located in local jurisdictions awarded Local Jurisdiction Assistance Grant funding in January 2022 to assist in completing requirements necessary to transition annual licensure, including CEQA compliance. (Exhibit 7)
- The number of provisional licenses transitioned to annual licenses during the previous reporting period is decreasing, as the total number of outstanding provisional licenses gets smaller. The three jurisdictions with the largest number of transitions from provisional licenses to annual licenses were the County of Humboldt (with 133 transitions), the County of Monterey (with 117 transitions), and the County of Trinity (with 112 transitions). All three of these jurisdictions are recipients of Local Jurisdiction Assistance Grant funding.
- The three jurisdictions with the greatest number of remaining provisional licenses are the City of Los Angeles (with 1,221 provisional licenses), the County of Mendocino (with 553 provisional licenses), and the County of Humboldt (with 201 provisional licenses).



Total number of active annual licenses by jurisdiction



Active Annual Licenses - Cities

Adelanto	104	Chula Vista	9	El Cerrito	2
Alameda	5	Clearlake	8	El Monte	7
Antioch	10	Cloverdale	4	Emeryville	6
Arcata	43	Coachella	34	Encinitas	4
Artesia	1	Coalinga	5	Eureka	40
Arvin	3	Colfax	1	Fairfield	4
Atwater	4	Colusa	8	Farmersville	3
Baldwin Park	5	Commerce	22	Firebaugh	5
Banning	6	Concord	8	Fort Bragg	2
Barstow	16	Corcoran	1	Fresno	16
Bellflower	9	Corona	9	Goleta	12
Benicia	3	Costa Mesa	64	Grass Valley	2
Berkeley	9	Cotati	5	Greenfield	24
Bishop	2	Covelo	1	Grover Beach	14
Blythe	7	Crescent City	9	Guadalupe	3
Brisbane	1	Cudahy	8	Gustine	2
Calexico	6	Culver City	10	Hanford	3
California City	40	Daly City	1	Hawthorne	2
Canyon Lake	1	Davis	9	Hayward	6
Capitola	2	Del Rey Oaks	3	Hesperia	2
Carmel	1	Desert Hot Springs	61	Hollister	10
Cathedral City	63	Dixon	5	Huntington Park	3
Ceres	3	Dunsmuir	2	Imperial	1
Chico	5	El Centro	2	Imperial Beach	1



Indio	2	Merced	11	Patterson	1
Isleton	8	Modesto	13	Perris	20
Jurupa Valley	6	Montebello	26	Petaluma	2
King City	14	Moreno Valley	18	Placerville	1
La Habra	5	Morro Bay	2	Pomona	4
La Mesa	16	Mount Shasta	5	Port Hueneme	15
Laguna Woods	1	Mountain View	1	Porterville	3
Lake Elsinore	26	Napa	9	Red Bluff	4
Lancaster	16	National City	1	Redding	25
Lathrop	1	Needles	29	Redwood City	5
Lemon Grove	3	Nevada	2	Redwood Valley	1
Lemoore	220	Nevada City	20	Richmond	23
Lindsay	1	Novato	3	Rio Dell	12
Lompoc	26	Oakdale	1	Rio Vista	8
Long Beach	135	Oakland	151	Riverbank	13
Los Angeles	20	Oceano	1	Sacramento	304
Los Gatos	1	Oceanside	7	Salinas	10
Lynwood	18	Ojai	5	San Bernardino	14
Madera	1	Oxnard	14	San Diego	61
Mammoth Lakes	3	Pacifica	5	San Francisco	99
Marina	3	Palm Desert	5	San Jacinto	35
Martinez	3	Palm Springs	37	San José	35
Marysville	3	Parlier	24	San Leandro	3
Maywood	1	Pasadena	3	San Luis Obispo	2
Mendota	110	Paso Robles	3	San Rafael	10



Santa Ana	73	Walnut Creek	1
Santa Barbara	8	Waterford	1
Santa Cruz	23	Watsonville	18
Santa Monica	2	Weed	2
Santa Rosa	87	West Hollywood	13
Seaside	10	West Sacramento	4
Sebastopol	7	Wildomar	4
Shasta Lake	17	Willits	15
Sonoma	1	Willow Creek	1
Sonora	1	Woodlake	15
South Lake Tahoe	4	Woodland	3
South San Francisco	3	TOTAL	2,940
Stanton	4		
Stockton	11		
Suisun City	1		
Thousand Oaks	2		
Tracy	5		
Truckee	3		
Tulare	2		
Turlock	4		
Ukiah	10		
Union City	2		
Vallejo	10		
Ventura	2		
Vista	10		



Active Annual Licenses - Counties

2	Alameda
116	Calaveras
2	Colusa
6	Contra Costa
1	Del Norte
8	El Dorado
1,026	Humboldt
5	Imperial
45	Inyo
163	Lake
2	Lassen
1	Marin
73	Mendocino
4	Mono
255	Monterey
172	Nevada
20	Riverside
1	San Bernardino
5	San Diego
3	San Joaquin
36	San Luis Obispo
13	San Mateo
673	Santa Barbara

Alameda	2	Santa Cruz	111
Calaveras	116	Sonoma	28
Colusa	2	Stanislaus	7
Contra Costa	6	Trinity	242
Del Norte	1	Tulare	1
El Dorado	8	Tuolumne	1
Humboldt	1,026	Ventura	47
Imperial	5	Yolo	4
Inyo	45	TOTAL	3,073
Lake	163		
Lassen	2		
Marin	1		
Mendocino	73		
Mono	4		
Monterey	255		
Nevada	172		
Riverside	20		
San Bernardino	1		
San Diego	5		
San Joaquin	3		
San Luis Obispo	36		
San Mateo	13		
Santa Barbara	673		



Total number of active provisional licenses by jurisdiction



Adelanto	72	Cotati	1	Los Angeles	1,221
Alameda	1	Cudahy	6	Lynwood	5
Antioch	1	Culver City	5	Malibu	2
Arcata	5	Desert Hot Springs	39	Marysville	1
Atwater	1	El Monte	1	Maywood	7
Baldwin Park	7	Eureka	8	Mendota	2
Barstow	3	Fairfax	2	Modesto	2
Bellflower	1	Goleta	3	Monrovia	1
Berkeley	4	Greenfield	3	Montebello	6
Blythe	2	Grover Beach	1	Moreno Valley	2
Calexico	3	Gustine	1	Moss Landing	1
California City	15	Hayward	2	Mount Shasta	3
Cathedral City	11	Hesperia	3	Needles	9
Ceres	1	Hollister	2	Nevada City	5
Chico	1	Irvine	1	Novato	1
Chula Vista	1	Isleton	2	Oakdale	1
Clearlake	1	Jurupa Valley	4	Oakland	168
Cloverdale	2	King City	2	Oceanside	1
Coachella	4	La Mesa	1	Ojai	1
Coalinga	3	Lake Elsinore	4	Oxnard	2
Colusa	4	Lakeport	1	Palm Desert	1
Commerce	2	Lancaster	1	Palm Springs	7
Concord	1	Lompoc	3	Parlier	2
Concord					



Patterson	3
Perris	4
Placerville	1
Port Hueneme	1
Redding	1
Richmond	3
Rio Vista	4
Sacramento	26
Salinas	1
San Bernardino	3
San Diego	7
San Francisco	16
San Jacinto	3
San José	7
San Leandro	1
Santa Ana	32
Santa Cruz	5
Santa Rosa	11
Shasta Lake	3
South Lake Tahoe	1
Stockton	2
Tulare	1
Ukiah	1
Vallejo	1

Watsonville

Willits

Woodlake

TOTAL

West Hollywood

2

5

4

2

1,881

Patterson	3
Perris	4
Placerville	1
Port Hueneme	1
Redding	1
Richmond	3
Rio Vista	4
Sacramento	26
Salinas	1
San Bernardino	3
San Diego	7
San Francisco	16
San Jacinto	3
San José	7
San Leandro	1
Santa Ana	32
Santa Cruz	5
Santa Rosa	11
Shasta Lake	3
South Lake Tahoe	1
Stockton	2
Tulare	1
Ukiah	1
Vallejo	1



Alameda	1
Calaveras	19
Contra Costa	1
Humboldt	203
Imperial	3
Inyo	1
Lake	24
Mendocino	553
Monterey	51
Nevada	10
San Bernardino	1
San Diego	5
San Joaquin	2
San Luis Obispo	2
San Mateo	1
Santa Barbara	11
Santa Cruz	4
Solano	1
Sonoma	55
Stanislaus	20
Trinity	118
Tulare	1
Yolo	43
TOTAL	1,130



Total number of provisional licenses that transitioned to annual licenses by jurisdiction



Adalanta	22	Carana	2	Hollister	3
Adelanto	22	Corona		Hollister	<u> </u>
Antioch	2	Costa Mesa	12	Huntington Park	2
Arcata	14	Crescent City	1	Isleton	2
Atwater	2	Cudahy	2	Jurupa Valley	3
Baldwin Park	1	Culver City	4	King City	2
Barstow	3	Davis	2	La Habra	1
Bellflower	2	Del Rey Oaks	1	La Mesa	1
Benicia	1	Desert Hot Springs	18	Lake Elsinore	3
Berkeley	3	Dixon	3	Lancaster	1
Blythe	2	El Monte	1	Lemoore	4
Brisbane	1	Emeryville	3	Lindsay	1
Calexico	2	Eureka	13	Lompoc	9
California City	14	Farmersville	1	Long Beach	53
Capitola	1	Firebaugh	2	Los Angeles	13
Cathedral City	6	Fort Bragg	1	Lynwood	3
Chula Vista	11	Fresno	8	Mammoth Lakes	1
Clearlake	2	Goleta	3	Marina	1
Cloverdale	2	Grass Valley	1	Martinez	1
Coachella	2	Greenfield	2	Marysville	2
Colfax	1	Grover Beach	6	Mendota	2
Colusa	1	Hanford	1	Merced	1
Commerce	3	Hayward	1	Modesto	6
Concord	1	Hesperia	1	Montebello	2



Moreno Valley	4	San Bernardino	5	
Morro Bay	1	San Diego	9	
Mount Shasta	1	San Francisco	17	
Napa	1	San Jacinto	3	
Needles	5	San José	15	
Nevada City	3	San Leandro	2	
Oakland	41	San Rafael	2	
Ojai	2	Santa Ana	12	
Oxnard	2	Santa Barbara	6	
Pacifica	1	Santa Cruz	9	
Palm Desert	5	Santa Monica	1	
Palm Springs	28	Santa Rosa	14	
Patterson	1	Seaside	5	
Perris	3	Sebastopol	1	
Placerville	1	Shasta Lake	5	
Pomona	1	South San Francisco	2	
Port Hueneme	5	Stockton	1	
Porterville	1	Tracy	4	
Redding	11	Truckee	1	
Richmond	5	Turlock	2	
Rio Dell	5	Vallejo	2	
Rio Vista	6	Vista	3	
Sacramento	57	Watsonville	2	
Salinas	5	Weed	1	



West Hollywood

West Sacramento

Willits

Willow Creek

Woodlake

Woodland

TOTAL

4

2

3

1

10

1

645

Calaveras	37
Colusa	1
Contra Costa	2
El Dorado	3
Humboldt	133
Imperial	1
Lake	26
Mendocino	30
Monterey	117
Nevada	31
Riverside	1
San Diego	4
San Luis Obispo	6
San Mateo	5
Santa Barbara	68
Santa Cruz	4
Sonoma	5
Stanislaus	3
Trinity	112
Yolo	4
TOTAL	593



Total number of provisional licenses renewed that did not result in a licensee holding multiple cultivation licenses on contiguous premises exceeding one acre of total canopy for outdoor cultivation or 22,000 square feet for mixed-light or indoor cultivation



Santa Rosa

Shasta Lake

Stockton

Willits

TOTAL

1

1

1

1

484

Adelanto	44
Arcata	1
Baldwin Park	2
California City	12
Cathedral City	4
Colusa	3
Cotati	1
Cudahy	4
Desert Hot Springs	12
Eureka	2
Greenfield	1
Hollister	1
Long Beach	9
Los Angeles	280
Montebello	1
Needles	3
Oakland	64
Perris	6
Sacramento	15
San Bernardino	2
San Francisco	6
San Jacinto	1
San José	1
Santa Ana	5



Calaveras	21
Del Norte	1
Humboldt	260
Imperial	1
Inyo	1
Lake	19
Mendocino	566
Monterey	50
Nevada	18
San Bernardino	1
San Joaquin	1
San Mateo	1
Santa Barbara	17
Santa Cruz	5
Sonoma	59
Stanislaus	13
Trinity	132
Yolo	37
TOTAL	1,203



Total number of provisional licenses renewed that resulted in a licensee holding multiple cultivation licenses on contiguous premises exceeding one acre of total canopy for outdoor cultivation or 22,000 square feet for mixed-light or indoor cultivation



Parlier	11
TOTAL	16

Humboldt	20
Inyo	6
Lake	39
Monterey	32
Santa Barbara	41
Yolo	7
TOTAL	145



Total number of provisional licenses revoked or suspended pursuant to Business and Professions Code section 26050.2, subdivision (i), on or after July 12, 2021



Adelanto	2
California City	2
Cathedral City	1
Coalinga	1
Colusa	1
Commerce	1
Costa Mesa	2
Goleta	1
Hesperia	1
Isleton	1
Long Beach	4
Lynwood	2
Moreno Valley	1
Needles	1
Nevada City	1
Oakland	16
Palm Springs	6
Perris	4
Sacramento	2
San Diego	1
San Francisco	4
Santa Rosa	2
Willits	1
TOTAL	58



Calaveras	1
Humboldt	35
Inyo	1
Lake	1
Mendocino	13
Monterey	2
Santa Barbara	7
Sonoma	1
Trinity	4
TOTAL	65



The Local Jurisdiction Assistance Grant expenditure update and number of provisional licenses transitioned to annual licenses by jurisdiction



Jurisdiction	Total Grant Award	Total Spent as of June 30, 2024	Transitions from Provisional to Annual Licensure (July 1, 2023 – June 30, 2024)
City and County of San Francisco	\$3,075,769	\$1,096,133	17
City of Adelanto*	\$972,696	\$0	22
City of Commerce	\$416,320	\$60,958	3
City of Desert Hot Springs	\$822,160	\$240,871	18
City of Long Beach	\$3,934,773	\$585,072	53
City of Los Angeles	\$22,312,360	\$2,320,429	13
City of Oakland	\$9,905,020	\$4,460,171	41
City of Sacramento	\$5,786,617	\$643,330	57
City of San Diego	\$764,261	\$116,845	9
City of Santa Rosa	\$775,841	\$135,332	14
County of Humboldt	\$18,635,137	\$10,786,016	133
County of Lake	\$2,101,143	\$768,858	26
County of Mendocino	\$17,586,4067	\$7,615,364	30
County of Monterey	\$1,737,035	\$985,962	117
County of Nevada	\$1,221,188	\$84,799	31
County of Sonoma	\$1,158,023	\$893,044	5
County of Trinity	\$3,293,867	\$1,789,285	112

^{*} The Department initiated the closeout of Adelanto's Local Jurisdiction Assistance Grant program. The jurisdiction was unable to provide sufficient amendments and eligible supporting documentation. After multiple discussions with the jurisdiction and internal reviewers, the Department determined that a closeout of Adelanto's program was necessary. The returned grant funds amount will be \$778,156.80.

