

MEETING DATE: November 19, 2020

AGENDA ITEM: H

TO: BSCC Chair and Members

FROM: Helene Zentner, Field Representative, helene.zentner@bscc.ca.gov

SUBJECT: Amended Proposition 64 Public Health & Safety Grant Program Request for Proposals and Executive Scoring Panel Chair: **Requesting Approval**

Summary

This agenda item requests the Board approve the release of the amended Proposition 64 Public Health & Safety Grant Program Request for Proposals that expands eligibility requirements for Cohort 2 (Attachment H-1), appoint a Chair for the Proposition 64 Public Health and Safety Grant Program Scoring Panel, delegate authority to the Chair to work with BSCC staff to establish the Scoring Panel membership, and authorize the Scoring Panel to make funding recommendations to the Board.

Background

The Proposition 64 Public Health & Safety (Prop 64 PH&S) Grant Program was established as part of a voter-approved initiative in November 2016, the *Control, Regulate and Tax Adult Use of Marijuana Act* (AUMA). This initiative legalized the recreational use of cannabis in California for individuals 21 years of age and older. As part of the initiative, a portion of tax revenue generated from the cultivation and retail sale of cannabis or cannabis products would go toward implementing AUMA within the State and would provide funds for a variety of grant programs to assist in mitigating impacts due to the legalization of recreational cannabis.

In Budget Year 2019-20, Revenue and Taxation Code (RTC) section 34019, subdivision (f)(3)(C) provided that funds derived from tax revenues collected as part of AUMA were to go to the “the Board of State and Community Corrections for making grants to local governments to assist with law enforcement, fire protection, or other local programs addressing public health and safety associated with the implementation of the Control, Regulate and Tax Adult Use of Marijuana Act.” However, “[t]he board shall not make any grants to local governments which have banned the cultivation, including personal cultivation... or retail sale of cannabis or cannabis products...”

An Executive Steering Committee (ESC) convened to begin development on the Request for Proposals (RFP) last October 2019. The outcome of the ESC’s work was a comprehensive competitive solicitation addressing youth development/youth prevention and intervention, public health, public safety, and environmental impacts due to the legalization of cannabis in California.

On September 18, 2020, Assembly Bill (AB) 1872, signed by Governor Newsom, amended RTC section 34019 (Attachment H-2), subdivision (f)(3)(C) to allow for broader Prop 64 PH&S funding eligibility criteria. The amended language, in pertinent part, now states “*The board shall not make any grants to local governments that ban both indoor and outdoor commercial cannabis cultivation, or ban retail sale of cannabis or cannabis products pursuant to Section 26200 of the Business and Professions Code or as otherwise provided by law.*”

Amended Request for Proposals for Cohort 2

As the Prop 64 PH&S Grant Program RFP, developed by the ESC (Attachment H-3), was approved for release earlier this year, and since monies were just awarded by this Board at its last meeting in September, this document remains highly relevant aside from the change in the RTC. To facilitate an expedited solicitation process and award a new cohort of grantees as soon as possible, staff has updated the original Prop 64 PH&S Grant Program RFP to include the amended RTC and made other non-substantive changes to the document. If approved by the Board, this updated RFP solicitation for a new round of Prop 64 funding for Cohort 2 could be released to the field immediately.

Key Updates to the Prop 64 PH&S Grant Program RFP

- **Eligibility:** Eligible applicants for the Prop 64 PH&S Cohort 2 Grant Program are local governments (i.e., Counties and Cities) in California that do not ban **both** indoor and outdoor commercial cannabis cultivation, or ban retail sale of cannabis or cannabis products per AB 1872, amendment to RTC section 34019, subdivision (f)(3)(C).
 - In addition, local governments awarded Proposition 64 PH&S Grant funds under the previous RFP are ineligible to apply to this current solicitation.
- **Definitions:** “Ban commercial cannabis cultivation” is defined as regulations, ordinances, or amendments to local government charters that prohibit:
 - indoor commercial cannabis cultivation (including mixed light cultivation), **and**
 - outdoor commercial cannabis cultivation.
- **Funding Total:** The total amount available for this round of funding for Cohort 2 applicants is \$51,788,690. This amount is contingent on timely deposits to the BSCC through the Proposition 64 Initiative (the Control, Regulate and Tax Adult Use of Marijuana Act) via the State and Local Government Law Enforcement Account in fiscal year 2020-21.
- **Cohort 2 Timeline:** The tentative timeline of activities necessary to administer a competitive RFP for the Prop 64 PH&S Grant Program Cohort 2 has been updated as follows:

TENTATIVE TIMELINE	ACTIVITY
November 19, 2020	Selection of Scoring Panel Chair and release the amended Cohort 2 RFP to the field (contingent on BSCC Board approval)
December 10, 2020	Bidders' Conference
January 29, 2021	Proposals due to the BSCC
Mid-February 2021	Scoring Panel Training
Mid-March 2021	Scoring Panel rating of proposals complete
April 8, 2021	Present Scoring Panel's funding recommendations to the BSCC Board for approval
May 1, 2021	Grants for Cohort 2 begin

- Non-Substantive Edits to the RFP: Updates include all dates associated with the current grant period, including draft contract dates, a new grant email address for this Cohort, Grantee Orientation information, and the addition of the Scoring Panel.

All other grant components remain unchanged.

Scoring Panel Chair

Contingent on approving the amended RFP for Cohort 2, staff is also requesting the Board appoint a Chair for the Prop 64 PH&S Grant Program Scoring Panel. Staff will reach out to previous members of the Prop 64 PH&S ESC for their expertise. Recruitment for additional panel members will begin on November 20, 2021 for a minimum of 30 days.

Recommendation/Action Needed

Staff recommends the Board:

1. Approve the release of the amended Prop 64 PH&S Grant Program Request for Proposals, Cohort 2;
2. Appoint a Chair of the Proposition 64 PH&S Grant Scoring Panel;
3. Delegate authority to the Chair to work with BSCC staff to establish a Scoring Panel with relevant subject-matter expertise; and
4. Authorize the Scoring Panel to make funding recommendations to the Board.

Attachments

H-1: Proposition 64 Public Health & Safety Grant Program Amended Request for Proposals for Cohort 2

H-2: Amended Revenue and Taxation Code section 34019

H-3: Proposition 64 Public Health & Safety Grant Program Executive Steering Committee Member Roster