

Attachment A. Written Argument for the San Diego County Cannabis Taxation Ballot Measure for the November 2022 General Election.

In 2016, San Diego County voters overwhelmingly legalized the sale and consumption of cannabis for adults under Proposition 64. Since that time, many cities have taken steps to allow for and regulate cannabis businesses, including the cities of San Diego, La Mesa, Lemon Grove, Vista, Oceanside, and now, unincorporated San Diego County. San Diego County is taking a comprehensive approach to cannabis that advances a safe, regulated, and legal adult cannabis market and promotes social equity.

Measure XYZ would impose a tax on cannabis businesses in the unincorporated regions of San Diego County. The tax is not a sales or use tax on cannabis users. The taxes will be paid solely by cannabis businesses, including retail businesses. These tax revenues will stay within San Diego County to fund general County purposes, including but not limited to, parks, fire safety, roads, health, social equity, and increased enforcement of illegal cannabis operations.

This tax will be paid for by businesses in unincorporated communities such as Ramona, Lakeside, and Fallbrook, even though all San Diego County voters are asked to weigh in. It will not apply to cannabis businesses in cities and will not be a double tax.

Measure XYZ is fiscally responsible. By imposing a tax on cannabis businesses, the County's budget will be protected from any new costs associated with cannabis regulation, and protect resources for investment in our communities, public health, and social equity programs. Additionally, implementing this tax will be important to preserve the County's resources so that it can continue to fight against illicit cannabis businesses that have proliferated in many of our communities.

Measure XYZ is a bipartisan solution to advance a safe, regulated, and legal adult cannabis market in San Diego County. The Board of Supervisors urges you to vote yes.

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