



April 13, 2021

The Honorable Evan Low
Chair, Assembly Business and Professions Committee
Legislative Office Building, Room 379
Sacramento, California 95814

**RE: AB 1302 (Quirk): Commercial cannabis billboards: placement restrictions.
NOTICE OF SUPPORT**

Dear Chairman Low,

The California Cannabis Industry Association (CCIA) writes in support of Assembly Bill 1302 by Assemblymember Bill Quirk. This bill codifies an existing regulation, promulgated by the Bureau of Cannabis Control that prohibits billboard advertising within a 15-mile radius of the California border on an interstate or state highway that crosses the California border.

Passed by voters in 2016, Proposition 64 legalized adult-use cannabis in California and established a framework for commercial cannabis sales. Among its provisions, Proposition 64 imposed various restrictions on cannabis advertising, including a prohibition on cannabis billboards on highways crossing a state border. In implementing the proposition, the Bureau of Cannabis Control (BCC) promulgated regulations allowing a pathway for cannabis billboard advertisements, so long as they are not within 15 miles of a state border and otherwise follow all applicable laws and regulations governing cannabis advertising.

Late last year, however, the San Luis Obispo County Superior Court (*Farmer v Bureau of Cannabis Control*) ruled that the BCC overextended authority in establishing the 15-mile radius. As a result, cannabis licensees are now prohibited from advertising on any interstate highway, and licensees with extant billboards must begin the process of removing them. This hinders one of the only pathways for cannabis operators to advertise their businesses, undermining California's legal industry and serving to strengthen the unregulated, illicit cannabis market.

California's legal cannabis industry is among the most highly-regulated industries in the state. Existing law imposes strict advertising standards and prohibits cannabis advertising on city streets within 1,000 feet of daycare centers, K-12 schools or playgrounds. Rigorous safeguards have also been implemented to ensure that products do not appeal to minors or encourage cannabis use by persons under 21 year of age. In fact, a [2021 report](#) commissioned by the Insurance Institute for Highway Safety looked at California retailers specifically, and found legal operators take laws

prohibiting sales to minors extremely seriously. Researchers from the University of Chicago and the University of Minnesota did not find a single instance of a legal California retailer allowing an individual into their premises without proper identification. Conversely, researchers found that unlicensed cannabis shops are the primary source of underage cannabis access.

AB 1302 clarifies the disputed provision of Proposition 64 by clearly establishing in statute the 15-mile advertising prohibition previously established under regulations. By codifying the disputed regulation, licensing agencies have clear assurance on how to promulgate state law, and cannabis licensees can continue to advertise on billboards in accordance with the State's strict advertising protocols.

A strong, regulated cannabis industry is one of California's primary tools to reduce illicit cannabis activities and protect youth from accessing cannabis products before the age of 21. For the reasons stated above, CCIA is proud to support AB 1302 and requests your AYE vote when it is heard in the Assembly Business and Professions Committee.

Sincerely,

A handwritten signature in black ink that reads "Lindsay Robinson". The signature is written in a cursive, flowing style.

Lindsay Robinson
Executive Director

Cc: Assemblymember Bill Quirk, 20th District
Members, Assembly Business and Professions Committee
Robert Sumner, Chief Consultant, Assembly Business and Professions Committee
Danielle Sires, Senior Consultant, Assembly Business and Professions Committee
Bill Lewis, Assembly Republican Caucus