

AMENDED IN SENATE AUGUST 2, 2016

AMENDED IN SENATE JUNE 22, 2016

AMENDED IN ASSEMBLY MAY 4, 2016

AMENDED IN ASSEMBLY APRIL 26, 2016

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2149

Introduced by Assembly Member Bonilla

February 17, 2016

An act to add Part 13.5 (commencing with Section 31001) to Division 2 of the Revenue and Taxation Code, relating to medical cannabis, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2149, as amended, Bonilla. State Board of Equalization: counties: state agencies: collection of cash payments: medical cannabis-related businesses.

Existing law, the Compassionate Use Act of 1996, an initiative measure enacted by the approval of Proposition 215 at the November 5, 1996, statewide general election, exempts from specified criminal penalties the possession or cultivation of medical marijuana by patients and primary caregivers. The ~~Medical Marijuana~~ *Cannabis* Regulation and Safety Act provides for the licensure and regulation of commercial ~~medical-marijuana~~ *cannabis* activity by various state entities, as specified.

This bill would authorize the State Board of Equalization or a county to collect cash payments from medical cannabis-related businesses for state agencies, including the Department of Consumer Affairs and the Employment Development Department, if that state agency has entered into an agreement with the board or county. This bill would require a county to collect only if both the board of supervisors of the county and the county tax collector or county treasurer-tax collector approves of entering into an agreement with a state agency to make those collections. The bill would require the agreement to include specified provisions, including that the board or county transmit the collected moneys to the Treasurer to be deposited in the State Treasury to the credit of the funds or accounts which the fees, fines, penalties, or other charges are otherwise required by law to be deposited, as specified.

For the collection by the board or a county of regulatory fees on the behalf of a state agency pursuant to an agreement, this bill would continuously appropriate to the board or county an amount equal to the amount necessary for its costs of collection, not to exceed 10% of the amounts collected, from the funds or accounts which those regulatory fees are to be deposited. For the collection by the board or a county of fines, penalties, taxes, or other charges on the behalf of a state agency pursuant to an agreement, the bill would require the board or county to be reimbursed for its costs of collection from the funds or accounts which those fines, penalties, taxes, or other charges are to be deposited, not to exceed 10% of the amounts collected, upon appropriation by the Legislature.

This bill would also allow a state agency that enters into an agreement with the board or a county to impose a cash collection fee in an amount reasonably necessary to recover the collection costs to be incurred by the board or county in dealing with cash payments, not to exceed 10% of any amounts collected. The bill would require the cash collection fee to be determined by the state agency and the board or county, and would require any cash collection fees to be deposited into the funds or accounts which the fine, penalty, or other charge to be collected is deposited.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Part 13.5 (commencing with Section 31001) is
2 added to Division 2 of the Revenue and Taxation Code, to read:

3
4 PART 13.5. MEDICAL CANNABIS STATE PAYMENT
5 COLLECTION LAW
6

7 31001. This part shall be known, and may be cited, as the
8 Medical Cannabis State Payment Collection Law.

9 31002. All of the following definitions shall apply for purposes
10 of this part:

11 (a) "County" means a county and a city and county.

12 (b) "Regulatory fee" means a charge as defined in paragraph
13 (3) of subdivision (b) of Section 3 of Article XIII A of the
14 California Constitution.

15 (c) "State agency" means a state entity, as defined in Section
16 11000 of the Government Code, that administers any fee, fine,
17 penalty, or other charge payable by a medical cannabis-related
18 business. As used in this part, "state agency" includes, but is not
19 limited to, the following:

20 (1) The Department of Consumer Affairs.

21 (2) The Department of Food and Agriculture.

22 (3) The State Department of Public Health.

23 (4) The Employment Development Department.

24 (5) The State Water Resources Control Board.

25 (6) The Franchise Tax Board.

26 (7) The regional water boards described in Chapter 4
27 (commencing with Section 13200) of Division 7 of the Water
28 Code.

29 31003. (a) The board or a county may enter into an agreement
30 with a state agency to collect cash payments for any fee, fine,
31 penalty, or other charge payable to the state agency by a person
32 that is a medical cannabis-related business in accordance with
33 provisions of this part.

34 (b) (1) The board shall collect fees, fines, penalties, and other
35 charges if the board enters into an agreement with a state agency
36 to make those collections described in subdivision (a).

37 (2) A county shall collect fees, fines, penalties, and other charges
38 only if both the board of supervisors of the county and the county

1 tax collector or county treasurer-tax collector approves of entering
2 into an agreement with a state agency to make those collections
3 described in subdivision (a).

4 (c) (1) For the collection by the board or a county of regulatory
5 fees on the behalf of a state agency pursuant to an agreement
6 authorized by this part, the board or county shall be reimbursed
7 for its costs of collection from the funds or accounts *in* which those
8 regulatory fees are to be deposited, not to exceed 10 percent of the
9 amounts collected. Notwithstanding Section 13340 of the
10 Government Code, there is hereby continuously appropriated to
11 the board or county an amount equal to the amount necessary for
12 its costs of collection of regulatory fees on the behalf of a state
13 agency pursuant to an agreement authorized by this part, not to
14 exceed 10 percent of the amounts collected, from the funds or
15 accounts *in* which those regulatory fees are to be deposited.

16 (2) For the collection by the board or a county of fines, penalties,
17 taxes, or other charges on the behalf of a state agency pursuant to
18 an agreement authorized by this part, the board or county shall be
19 reimbursed for its costs of collection from the funds or accounts
20 which those fines, penalties, taxes, or other charges are to be
21 deposited, not to exceed 10 percent of the amounts collected, upon
22 appropriation by the Legislature.

23 (d) (1) A state agency that enters into an agreement with the
24 board or a county pursuant to the authorization of this part may
25 impose a cash collection fee in an amount reasonably necessary
26 to recover the collection costs to be incurred by the board or county
27 in dealing with cash payments, which may include, but are not
28 limited to, the costs of processing and securing the cash payments,
29 but shall not exceed 10 percent of any amounts collected.

30 (2) The amount of the cash collection fee shall be determined
31 by the state agency and the board or county.

32 (3) A cash collection fee shall not be imposed pursuant to this
33 subdivision if the fine, penalty, or other charge already includes
34 amounts reasonably necessary to recover the collection costs of
35 cash payments.

36 (4) Any cash collection fees imposed shall be deposited into
37 the funds or accounts which the fine, penalty, or other charge to
38 be collected is deposited.

1 (5) This subdivision does not authorize a cash collection fee to
2 be imposed for the collection of a tax, as defined in Section 3 of
3 Article XIII A of the California Constitution.

4 (e) An agreement between the board or a county and a state
5 agency shall include all of the following:

6 (1) A provision that the board or county be reimbursed for the
7 administrative costs of the collection from the funds or accounts
8 which the fees, fines, penalties, taxes, or other charges are
9 otherwise required by law to be deposited, and shall specify
10 whether that reimbursement is continuously appropriated or made
11 upon appropriation by the Legislature, as described in subdivision
12 (c).

13 (2) A provision that the board or county transmit the collected
14 moneys to the Treasurer to be deposited in the State Treasury to
15 the credit of the funds or accounts which the fees, fines, penalties,
16 taxes, or other charges are otherwise required by law to be
17 deposited.

18 (3) A provision that describes the administrative costs the board
19 or county will incur in carrying out the collection, which costs
20 shall not exceed 10 percent of the moneys collected.

21 (4) If the state agency decides to impose a cash collection fee
22 pursuant to subdivision (d), the amount of the cash collection fee
23 and how that amount was determined by the state agency and the
24 board or county.

25 (5) Any other provisions the board or county and state agency
26 determines is necessary to properly implement the collection of
27 the fees, fines, penalties, taxes, or other charges.