



**CALIFORNIA  
CANNABIS  
INDUSTRY  
ASSOCIATION**

January 24, 2019

The Honorable Scott Wiener  
Senator, 11<sup>th</sup> District  
State Capitol, Room 5100  
Sacramento, CA 95814

**RE: SB 34 (Wiener) Cannabis: Donations  
NOTICE OF SUPPORT**

Dear Senator Wiener,

The California Cannabis Industry Association (CCIA) is pleased to support Senate Bill 34 as introduced on December 3, 2018. This bill would permit licensed retailers to contract with individuals and organizations to coordinate the provision of free medicinal cannabis and cannabis products to qualified patients on the retailer's licensed premises, and exempt these products from the cannabis excise and cultivation taxes.

Since 1996, nonprofit compassionate care programs have been able to donate medicinal cannabis to low-income Californians with a valid medical recommendation, including veterans with PTSD, cancer patients, and individuals suffering from HIV/AIDS. However, Proposition 64 did not consider compassionate care programs as part of the adult use framework. Consequently, existing donation-based programs are discouraged from operating compassionate care programs, as they cannot afford to pay the cultivation tax and 15% state excise tax on cannabis that they are giving away to patients. These taxes are in addition to any local taxes a local jurisdiction may impose.

SB 34 is important, in that it would remove a significant financial barrier that precludes cannabis businesses from donating medicinal cannabis and cannabis products that vulnerable patients rely on to manage their debilitating symptoms.

For the reasons stated above the California Cannabis Industry Association is pleased to support SB 34 and thanks you for your leadership on this important issue.

Sincerely,

Lindsay Robinson  
Executive Director