VIA HAND DELIVERY

December 16, 2015

Ashley Johansson Initiative Coordinator California Department of Justice P.O. Box 944255 Sacramento, CA 94244-2550 (916) 445-4752

DEC 17 2015

INITIATIVE COORDINATOR ATTORNEY GENERAL'S OFFICE



Re: Request for Title and Summary for Proposed Initiative

Dear Ms. Johansson:

The undersigned on this and subsequent pages are the proponents of the attached initiative measure entitled "The Marijuana Control, Legalization and Revenue Act of 2016 Version 6" Please prepare a circulating title and summary of the chief purposes and points of the measure. We have also included with this letter the signed statements required by Election Code sections 9001 and 9608, our addresses as registered to vote and a check for \$200.00.

Thank you for your time and attention to this matter. If you have any questions, please do not hesitate to contact John Lee at John@AFPR.us

Sincerely,

Dave Hodges

John Lee

Michael Grafton

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Text of Proposed Law

SECTION 1. Title. This measure shall be known and may be cited as "The Marijuana Control, Legalization and Revenue Act."

SEC. 2. Findings and Declarations. (1) The "war on drugs" has failed miserably, imprisoned the poor and minorities, and handed billions of dollars to criminal cartels and gangs. (2) Taxing cannabis sales will generate hundreds of millions of dollars in annual revenues for the state. (3) Legalizing and regulating cannabis sales will make Californians safer by eliminating the dangers caused by prohibition.

SEC. 3. A new Division 10, entitled "Cannabis Regulation and Taxation" is added to the Business and Professions Code, to read:

Chapter 1.

§ 27100. Cannabis. The social use of marijuana by adults, 21 years of age and older, including the cultivation, distribution, drying, farmers markets, harvesting, on-site consumption, planting, possession, possession of concentrated cannabis, processing, production, public events, retail sale, transportation, veterinary use, manufacture of edible products and manufacture of concentrated marijuana (with or without solvents), whether or not for profit, shall be lawful in this state and is a matter of statewide concern.

§ 27200. Taxes. The applicable sales and use taxes shall apply to sales of non-medical marijuana. In addition, the Legislature may place an excise tax on the sale of non-medical marijuana not to exceed fifteen percent (15%) of the retail price of the products. Marijuana that is sold for medical purposes shall not be subject to any sales, use, or excise tax.

§ 27300. Cannabis Diversion Programs. The State shall establish and fund cannabis-only diversion programs in each county.

§ 27400. Implementation. It shall be the responsibility of the Legislature to implement any regulations necessary for this Act.

§ 27500. Penalties. Violations of any statute or regulation enacted or promulgated to implement this Act shall not constitute a felony and shall not be punished by imprisonment. Except as otherwise authorized by law, the sale, furnishing, or giving away of any cannabis or cannabis product to any person under the age of 21 years is hereby prohibited.

§ 27600. Local Control. A city, county, or city and county may ban, or limit the number of, marijuana businesses within its boundaries, if such restriction has been placed on the ballot by petition in accordance with the procedures for an initiative, or by the city council or board supervisors, and approved by the voters within that jurisdiction at a statewide election held in November.

SEC. 4. Liberal Construction. This Act shall be liberally construed to effectuate its purposes.

SEC. 5. Severability. The provisions of this Act are severable. If any provision of this Act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 6. Conflicting Measures. In the event that this measure and another measure or measures concerning marijuana appear on the same statewide election ballot, the provisions of the other measure or measures shall be deemed to be in conflict with this measure. In the event that this measure receives a greater number of affirmative votes, the provisions of this measure shall prevail in their entirety, and the provisions of the other measure shall be null and void.

SEC. 7. Amendment. The provisions of this Act may be amended by the Legislature to further the purposes of this Act by a statute passed in each house by roll call vote entered in the journal, two-thirds of the membership concurring. Any implementation legislation enacted pursuant to Section 27400 of the Business and Professions Code shall require only a majority vote in each house.

SEC. 8. Legal Defense by the Attorney General. The California Attorney General shall protect and defend this Act from any and all challenges in the courts of any jurisdiction to final judgment.