



OFFICE OF THE GOVERNOR

SEP 29 2024

To the Members of the California State Assembly:

I am returning Assembly Bill 1111 without my signature.

This bill would create a small producer event sales license, allowing cannabis producers to sell their products at state temporary events for up to 32 days per calendar year, with the requirement that all products sold must be cultivated by the licensee.

While I appreciate the author's intent to support small and equity cannabis cultivators, I am concerned that the bill's broad eligibility, which extends to the vast majority of licensed cultivators, would undermine the existing retail licensing framework and place significant strain on the Department of Cannabis Control's ability to regulate and enforce compliance.

I remain open to considering a more flexible and narrowly focused version of this bill next year that can better respond to market dynamics, without imposing a rigid monitoring and compliance framework. Such policies must be considered within the broader context of efforts that are necessary to address the fundamental issues straining the legal cannabis market, such as competition from unregulated sources and improving access to regulated products. It is essential that we prioritize solutions that strengthen, rather than further burden, the existing regulated market.



For these reasons, I cannot sign this bill.

Sincerely,



Gavin Newsom