

**ORDINANCE NO. \_\_\_\_\_ (N.C.S.)**

*City Attorney Impartial Analysis*

*The proposed ordinance amends the Salinas Municipal Code regarding cannabis employee work permits. This ordinance eliminates the requirement that the Police Department conduct background investigations on all cannabis industry employees. The proposed ordinance maintains the requirement for all cannabis industry employees to have a background investigation but places the responsibility and cost with the cannabis business. The proposed ordinance also requires the cannabis business to complete employee backgrounds in accordance with state law and their insurance provider requirements. Furthermore, the proposed ordinance requires the business to provide the background to law enforcement upon request.*

**BE IT ORDAINED BY THE CITY COUNCIL OF SALINAS as follows:**

**SECTION 1.** Salinas Municipal Code section 5-07.25 is amended to read as follows:

**Sec. 5-07.25. - Employee work permits.**

~~(a) Any person who is an employee or who otherwise works or volunteers within a commercial cannabis business, other than a business owner or principal, must obtain a work permit from the chief of police. The chief of police is hereby authorized to promulgate all regulations necessary to implement the work permit process contemplated in this section including, but not limited to, the reasons for denial of a work permit to any person. A work permit shall be valid for a twelve month period and must be renewed on an annual basis. Applications for work permits shall be submitted under oath and shall contain a statement of the past criminal record, if any, of the applicant and such information as may be deemed necessary by the chief of police to determine whether it would be appropriate and in the public interest to issue a work permit to the applicant. The initial application shall be accompanied by fingerprints and a recent photograph of the applicant in a form and manner as required by the chief of police. In the event a person changes employment from one commercial cannabis business within the city to another, the work permit holder shall notify the chief of police in writing of the change of employment within ten days of such change or the work permit shall be suspended or revoked.~~

~~(b)~~ (a) The business shall provide an identification card to all persons, including employees and principals, employed or working at the commercial cannabis business. This identification card shall include on its front, at a minimum: the business's name (as identified on its state license); the business type; the person's first name and the first initial of the person's last name; whether the person is an employee or principal; the expiration date of the employee's work permit (if applicable); and a recent color photograph of the person that clearly shows the full front of the person's face and is at least one inch in width and one-and-one-half inches in height. The card shall also include, on either the front or reverse sides, the business's state license number, an employee identification number provided by the business, and the employee's work permit

number. The required information shall be included in the original manufacture of the card, and the information on the card may not be updated through any other method, including writing on the card or placing tape on the card. Each person to whom an identification card is issued shall wear his or her personal identification card at a prominent and readily-visible location on the outermost garment and approximately chest-high. Such identification card shall at all times be in good and readable condition.

~~(e)~~ (b) Each owner or operator of a commercial cannabis business shall maintain on-site a current register of all the employees currently employed by the commercial cannabis business and shall produce such register upon demand by the chief of police, his/her designee, or any other City of Salinas official authorized to enforce the Salinas City Code for purposes of determining compliance with this article.

~~(d) Each application for a work permit and renewal of an existing work permit shall be accompanied by a fee set by resolution of the city council and shall be valid for a period of twelve months from the date of issuance, unless terminated, suspended, or revoked sooner. The fee is non-refundable and shall not be returned in the event the work permit is denied, revoked, or suspended.~~

~~(e)~~ (c) Individuals performing intermittent work at or who are visiting the commercial cannabis business, such as electricians, waste disposal companies, potential customers or vendors, shall not be required to obtain a permanent identification card pursuant to subsection (b), above. However, these persons shall be issued identification cards by the business identifying them as visitors. Persons using these visitor identification cards shall be accompanied at all times by an owner/principal or a regular employee of the business, and shall at no time be left unattended. A record of all persons issued these visitor identification cards - including names, businesses, times in, times out, and the purpose of the visit - shall be maintained by the business and shall be made available for inspection by the city upon request.

~~(f)~~ (d) It shall be unlawful and a violation of this article for any person to employ any other person at a commercial cannabis business who is not at least twenty-one years of age, except that a business that engages only in the medicinal market may employ persons at least eighteen years of age.

**SECTION 2.** Salinas Municipal Code section 5-07.09 is amended to read as follows:

**Sec. 5-07.09. - Commercial cannabis permits—Amendment procedures.**

The City of Salinas recognizes that from time-to-time it may become necessary for certain businesses to make adjustments to their business models in a manner that would differ from the originally approved conditions. Modifications and amendments to permits may be requested at any time, subject to the following requirements:

(a) An applicant may request a change to the business location subject to the following requirements:

(1) The applicant shall submit all items normally required for a new application, except that information related to the principals or operations that will remain unchanged and are not directly related to the site may be excluded.

(2) The selection committee shall review the proposed new site. The selection committee may approve an amendment to the permit authorizing the new site if it can make the following findings:

a. The new site would not be located within the distances specified in Section 5-07.27, unless an exception is approved pursuant to that section.

b. The relocation to the new site would not create any significant negative impacts greater than those that existed at the original site.

c. The proposed location is located in an appropriate zoning district for the proposed use.

d. Owners of real property located within three hundred feet of the proposed site have been notified and have had the opportunity to provide information to the city regarding the proposed site.

(b) A business may elect to add or remove those individuals serving as the principals of the business, subject to the following requirements:

(1) If the only change is to add principals that will not be listed on the permit, the business shall submit the names of any new principals, including their name, address, a copy of their social security card, a copy of a driver's license or other form of government identification including the proposed principal's name, photo, and birthdate, ~~and a copy of a criminal history check done with the Salinas Police Department listed as the requesting agency.~~ The office of the city manager ~~and the police department~~ shall review the information and approve the addition if the principal meets the requirements of this article. No change to the permit will be required.

(2) If the only change is to delete principals that are not listed on the permit, the business shall submit the names of the principals to be removed to the office of the city manager. No change to the permit will be required.

(3) If the business seeks to modify the names that are listed on the approved permit, then the business shall submit a list of all business principals, including identification of each principal's role and identification of which principals would appear on the permit, ~~background information as defined in subsection (b)(1), above,~~ for any principals being added to the business, and a brief background of the principals' qualifications. The selection committee shall review the submitted names and may approve an amendment to the permit if the following findings can be made:

a. Any new principals added comply with the requirements for principals outlined in this article.

b. If principals are being removed, the remaining principals have the expertise and ability to continue to ensure that the business will operate in accordance with the terms of its permit and all applicable regulations and statutes.

**SECTION 3.** California Environmental Quality Act (CEQA). The Salinas City Council finds that the adoption of this Ordinance is exempt from environmental review pursuant to section 15061(b)(3) of the CEQA Guidelines. It can be seen with certainty that there is no possibility that the Ordinance may have a significant effect on the environment.

**SECTION 4.** Publication. The City Clerk shall cause a summary of this ordinance to be published once in a newspaper published and circulated in Salinas within fifteen (15) days after adoption. (Salinas Charter Section 11.9)

**SECTION 5.** Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Salinas City Council hereby declares that it would have passed this ordinance, and each and every section, subsection, clause, and phase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

**SECTION 6.** Effective Date. This Ordinance will take effect thirty (30) days from and after its adoption.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2021, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

\_\_\_\_\_  
Kimbly Craig, Mayor

ATTEST:

\_\_\_\_\_  
Patricia M. Barajas, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Christopher A. Callihan, City Attorney