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Subject: EIR comments

I thank the board for the opportunity to hear my comments and hope that we will have the opportunity for further comments in the future. The EIR document is extensive and I have only had the opportunity to skim over a very small portion of the EIR. I also did not have the time to review this work and comment on it prior to today's deadline for comments.

I am a retired physicist, engineer, and patent practitioner whom have recently begun cultivating cannabis to treat a health condition with which I am suffering. I have registered in 2016 to grow cannabis.

I have a number of specific issues I would like to discuss, but lack the time, so I will just give some broad strokes. Overall, the regulations associated with cannabis cultivation, manufacturing, and sales, seem extremely over regulated. As pointed out, the cannabis industry in Santa Cruz county is estimated to be between 200 and 250 million dollars a year, which is comparable to the strawberry industry. In terms of environmental impact the cannabis industry, for decades, has been mostly invisible to everyone, particularly law enforcement. Whereas, the environmental impact of the strawberry industry is clearly visible. So it's hard to imagine that the cannabis industry could've made such a dramatic impact on the environment while remaining invisible. Granted, there may be small violations/exceptions, but clearly, as a whole, have been mostly invisible to the public, and hence, have had a minimal impact on the environment. In terms of a ratio of economic benefit over environmental impacts nothing comes close to surpassing the cannabis industry in this respect. Every industry has an environmental impact; ideally the best strategy is to maximize economic benefit while minimizing environmental impact. Many of the regulations that I've reviewed treat cannabis very differently from all other crops. For example, on page 3-15, a "fire regulation does not apply to indoor agriculture where the crop is other than tobacco, hemp or cannabis." I don't see the logic behind such a strategy. Creating a disparity unnecessarily increases the cost of cannabis thereby attracting organized crime. I would like to see greater effort to increase uniformity in the agriculture business with respect to cannabis while reducing factors that would promote overpricing products, such as permitting monopolies to exist at any level in the cannabis industry. Furthermore, such price disparities are also achieved by overregulation, which will squeeze out many small businesses that cannot afford an army of attorneys to facilitate compliance, thus creating a monopoly and artificially raise prices. Historically, organized crime and criminals seek large profit margins via overregulation and/or monopolies in order to survive. They do not do well in a competitive free market environment. The best way to prevent this is to make it easy and affordable for all people to enter into all aspects of the cannabis industry.

For example, a variety of states and counties were adamantly opposed to the sale of alcohol after the end of prohibition, typically known as dry counties. These are frequently located in the "bible belt" of the south and mid-west. Unfortunately, this had the side effect of attracting organized crime and gangs that engaged in moonshine production and distribution that still exists in those counties to this day, because it created a price disparity which translates to a large profit margin. Furthermore, those areas that permitted/resumed alcohol sales, distribution and manufacture already had a strong organized crime presence, so when it became legal the profit margin was far too thin and organized crime moved out of the alcohol business and into other more profitable activities, such as heroin. Hence, these regions had the misfortune of having to deal with large organized criminal groups, which they may never get rid of. In my opinion, the best strategy is to encourage further cannabis industry development in Santa Cruz county via deregulation and promote anti-monopolistic strategies. For example, if strawberries were outlawed we would still have the same types of problems. Strawberry prices would skyrocket, a strawberry black market would be formed, attracting many illegal operations. Big organized crime groups would try to take over and would monopolize the industry, especially if strawberries were later decriminalized. The point being, the specific crop involved has little to do with the economic and criminal forces involved and everything to do with the regulations. If Santa Cruz county wants to keep organized crime out and bring illegal operations into the public, it is imperative that the regulations be simple, cheap, and easy to comply with. Overregulation is likely to result in the unintentional attraction of organized crime groups and perpetuate illegal activities that can undercut the regulated industry. If the price of cannabis to a customer is the same from an illegal operator as it is for compliant operator, customers are much less likely to buy from the illegal operator, hence putting them out of business. Overregulation is an attractive nuisance.

I would encourage the board to treat cannabis the same as they would if the crop were strawberries, or corn, or tomatoes. Would you really need a 20 foot wide road and 200 foot radius turns for a small crop of tomatoes?

Thank you for your time and consideration.