

Local Regulation of Cannabis Projects in California

May 2026

This research assessed how local cultivation approval processes function. Across eleven California counties, it involved extensive review of permitting policies, processes, requirements, and performance from 2018-2020. This analysis allowed for a comparative cross-county analysis of California's first local cannabis permit programs, which are required to receive state licenses.

Findings

Challenges with Program Design and Process:

- Local approval processes constantly changed due to evolving State/County level requirements and litigation during the study period.
- Counties varied widely across aspects of approval processes, such as approval pathways, acreage or permit caps, energy regulations, and irrigation water source requirements.
- Discretionary, conditional review processes result in long approval times

Distribution of Approval Timeframes (in months) by Jurisdiction

JURISDICTION	TOTAL OBSERVATIONS	# OBSERVATIONS W/ COMPLETE TIMEFRAME DATA	MEAN	STANDARD DEVIATION
ALL JURISDICTIONS	728	703 (96.6%)	24	13
HUMBOLDT	542	540 (99.6%)	28	11
LAKE	60	38 (63.3%)	10	7
MENDOCINO	3	3 (100%*)	23	6
MONTEREY	4	4 (100%)	26	13
NEVADA	54	54 (100%)	8	4
SAN LUIS OBISPO	31	30 (96.8%)	16	6
SANTA BARBARA	9	9 (100%)	13	5
SANTA CRUZ	12	12 (100%)	10	6
SONOMA	13	13 (100%)	23	12

Effectiveness of Zoning & Environmental Review:

- California Environmental Quality Act (CEQA) review and approval is required for cannabis projects, causing additional work, costs and delays for applicants
- Projects with higher environmental risks did not receive significantly more site-specific Terms and Conditions of Approval (TCOAs), showing that review and approval processes may not have focused on assessing and addressing environmental risks
- Programmatic Environmental Impact Reports (PEIRs) made for more efficient approval processes, as well as lower applicant costs, compared to counties with EIRs required for each individual project
- CEQA review was a major obstacle for counties when developing their regulatory processes

Local Regulation of Cannabis Projects in California

Challenges for All Applicants

- On average, approvals took 24 months, with an average of 60 Terms and Conditions of Approval (TCOAs) required for approval
- Longer time frames, increased hearings, and increased review were not correlated with increased TCOAs

Mean TCOA Count by Approval Timeframe (in Months) and Jurisdiction (*Overall Average & Jurisdiction with Longest & Shortest Approval Time*)

JURISDICTION	MEAN TCOA COUNT OVERALL	MEAN TIMEFRAME OVERALL	MEAN TCOA COUNT FOR AT OR BELOW AVERAGE TIMEFRAMES	MEAN TCOA COUNT FOR ABOVE AVERAGE TIMEFRAMES	MEAN TCOA COUNT FOR ABOVE AVERAGE TIMEFRAMES AS % DIFFERENCE OVERALL MEAN
ALL JURISDICTIONS	60	24	55 (n = 292)	62 (n = 232)	+12.7%
HUMBOLDT	58	28	55 (n = 198)	60 (n = 165)	+9.1%
NEVADA	26	7.6	25 (n = 35)	27 (n = 19)	+8.0%

Challenges for Legacy Cultivators

- Longer approval times: pre-existing projects take an average of 26.6 months for approval compared to a 16.5 month average for new projects
- More Terms and Conditions of Approval: Pre-existing projects had more TCOAs overall and more site-specific TCOAs than new projects

What changes can be made to improve local approval processes?

- Improve consistency of regulation terms, conditions and processes across counties: make a model ordinance and model TCOAs that could be used and slightly altered by each county
- Adjust CEQA review to ensure process efficiency at state and local levels
- Establish local PEIRs rather than requiring site-specific EIRs for each project
- Split application process into two, one for site-specific approval and one for non-site specific approval, to speed up the overall process
- Create ministerial pathways that are exempt from CEQA for low-risk projects
- Increase state funding to assist small, low-revenue and rural counties with the approval process (*this recommendation was implemented in 2021 through CA's Local Jurisdiction program*)