

Medical pot regs may cause Calif. growers pain

By Guy Kovner, Santa Rosa Press Democrat

As California prepares to bring in the \$1 billion medical marijuana industry from the legal shadows, growers and marketers on the pot-rich North Coast are waiting to see how much the massive regulatory structure will cost them and whether to stick instead with the prosperous but risky outlaw status they have lived with for nearly two decades.

The regulatory scheme, which will cost up to \$50 million, must be funded entirely by license fees paid by the industry, while new taxes on the cannabis trade – which some advocates say is one of Sonoma County's major industries – offer the prospect of millions of dollars to help pay for paving roads, hiring police and other public services.

Investors have taken note of the imminent regulation of California's cannabis industry, which accounts for nearly half of the nation's booming \$2.7 billion market in legal cannabis, according to one report.

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