In 2019, we surveyed California’s cannabis farmers to understand why some were — and others were not — complying with the state’s licensing initiative. Over 360 farmers completed the survey from across the state. Approximately 2/3 of the respondents had applied for a license (“applicants”) and the remaining 1/3 had not (“non-applicants”).

**Which farmers apply for licenses?**

Larger farms applied more often than small farms. Non-applicants were more likely to be “part-time” farmers, where small cannabis crops were used to supplement their income. Among farmers who grew less than 100 pounds of cannabis, only 43% applied for permits. The percentage increases to over 70% for farmers who grew over 100 pounds of cannabis.

**Why don’t cannabis farmers apply for licenses?**

High costs were the most frequently cited reason for not seeking a license. Both the cost of permitting as well as bringing properties into regulatory compliance (e.g. culverts, road grading, building modifications) were substantial.

Frequently, people could not obtain required permits from their local government. A majority of non-applicants were located on properties not zoned for cultivation in their local jurisdiction.

A lack of clear, accurate information posed a barrier to compliance for all farmers. Trusted sources of information on the permitting process varied. Applicants were more likely to view government websites as important sources of information, whereas non-applicants were more likely to rely on neighbors for information.

“A lack of clear, accurate information on regulations has hindered my ability to comply.”

The percent of survey respondents according to their agreement with the above statement. The full bar represents 100%.

**Few face enforcement actions.** A small proportion (<10%) of the respondents had experienced enforcement actions by government agencies, for example visits by the Department of Agriculture or Fish and Wildlife, although non-applicants were more likely to have experienced enforcement than applicants.
What motivated farmers to apply for a license — or not?

All sought economic security. How to get there was debated. Non-applicants believed they would make a better living on the non-legal market and that risk of enforcement was limited. Applicants also doubted that legal markets would bring economic security. Instead, they were motivated by the idea that licenses would hold future value either to grow cannabis or to later sell.

All farmers supported stewardship, but many questioned the extent to which current regulations improve environmental outcomes. Applicants and non-applicants reported environmentally protective practices including organic and biodynamic methods.

Peer pressure has played a minimal role in encouraging — or discouraging — compliance. Few farmers felt any social pressure.

What can be done to increase compliance?

Streamline and harmonize county regulations with state permitting requirements to reduce administrative burdens.

Reduce financial costs of permitting by lowering fees and establishing grant programs to incentivize property upgrades needed for compliance.

Develop state outreach programs to deliver reliable information on how to navigate the permitting process and to recognize legal cannabis cultivation as a legitimate economical and social enterprise.

For more information, visit: crc.berkeley.edu or contact vanbutsic@berkeley.edu

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