

CALIFORNIA LEGISLATURE

2025–26 REGULAR SESSION

ASSEMBLY JOURNAL

RECESS JOURNAL NO. 31

INTERIM STUDY RECESS

Assembly Chamber, Sacramento
Friday, November 21, 2025

Pursuant to the provisions of Joint Rule 59, the following Assembly Journal for the 2025–26 Regular Session was printed while the Assembly was in Interim Study Recess.

COMMUNICATIONS

The following communication was presented by the Chief Clerk and ordered printed in the Journal:

November 19, 2025

Sue Parker

*Chief Clerk of the Assembly
State Capitol, Room 319
Sacramento, California*

Dear Ms. Parker: Please be advised that I have removed Assembly Member Heath Flora from the Assembly Rules Committee for the remainder of the 2025–26 Regular Session, creating a Republican vacancy.

Sincerely,

ROBERT RIVAS
Speaker of the Assembly

SPECIAL COMMITTEE MEETINGS

By unanimous consent, the following committees were permitted to meet:

Higher Education, on Tuesday, January 13, 2026, at 1:30 p.m., in Room 126;

Select Committee on California's Mental Health Crisis, on Tuesday, December 2, 2025, at 10 a.m., in Room 126.

REPORTS

The following letter of transmittal was presented by the Chief Clerk and ordered printed in the Journal:

California State Auditor

2025-048
November 8, 2025

*The Honorable Speaker of the Assembly
The Honorable Members of the Assembly
of the Legislature of California
State Capitol, Room 319
Sacramento, California*

Members of the Assembly: As required by the Budget Act of 2021, my office conducted an audit of the Local Jurisdiction Assistance Grant Program (Grant Program), and the following report details the audit's findings and conclusions. In general, we determined that all cities and counties (local jurisdictions) that received funding from the Grant Program made progress in reducing the number of provisional licenses among their cannabis businesses, but we had concerns about how two local jurisdictions spent some of the Grant Program funds.

The Department of Cannabis Control (DCC) and 17 local jurisdictions have made significant strides in transitioning cannabis businesses from provisional to annual licenses. As of June 30, 2025, the number of provisional licenses dropped dramatically from more than 4,600 in January 2023 to fewer than 300. DCC expects to complete the remaining transitions without major obstacles, and four of the five local jurisdictions we spoke with believe that they will finalize transitions for responsive businesses by the end of 2025. However, there are concerns about the use of Grant Program funding. At least \$35.7 million remained unspent or was disallowed across local jurisdictions. DCC has closed out six jurisdictions, returning \$4.1 million to the General Fund, but it is still reviewing the remaining 11. The final amount of unspent funds may change depending on whether DCC identifies additional unallowable expenditures. In addition, although the Grant Program's purpose is to help businesses meet the requirements needed to attain annual state licensure, DCC approved Humboldt County's use of Grant Program funds to provide subgrants to cannabis businesses that already held annual state licenses. Further, the city of Oakland made a \$2,000 purchase of computer equipment that did not comply with its grant agreement.

While DCC and the 17 local jurisdictions largely achieved the program's goal of transitioning businesses to annual licenses, it remains unclear how much of that success we can attribute directly to the Grant Program funding. Challenges such as limited staffing, lack of experience managing large grants, and unclear guidance on fund usage hindered the program's effectiveness. These issues suggest that DCC could have benefited from clearer administrative guidance at the program's outset.

Respectfully submitted,

GRANT PARKS
California State Auditor

Above report referred to the Committee on Budget.

ROBERT RIVAS, Speaker

DANIEL ALVAREZ, Assistant Minute Clerk

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