

GOVERNMENT OPERATIONS COMMITTEE REPORT relative to amending Los Angeles Municipal Code (LAMC) Sections 104.03 and 104.06 to regulate Commercial Cannabis Activity.

Recommendation for Council action:

REQUEST the City Attorney to prepare and present an Ordinance amending the October 30, 2025 Ordinance to amend Sections 104.03 and 104.06 of Article 4, Chapter X of the LAMC to regulate Commercial Cannabis Activity as follows:

Strike the following from Section 1, Subsection (h) of LAMC Section 104.03 as follows:

For the purposes of this subsection only, an Applicant shall be considered in good standing and not delinquent on fees, fines or taxes, if, within 30 days of the submission of a refiled Application, the Applicant: (1) pays all delinquent taxes or enters into a payment plan with the City's Office of Finance to pay all delinquent taxes; and (2) pays all delinquent fees and fines to DCR. If, within 30 days, the Applicant: (1) does not pay all delinquent taxes or enter into a tax payment plan; or (2) does not pay all delinquent fees and fines, the refiled Application shall be deemed abandoned. The refiled Application shall be submitted by the original Applicant entity.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On November 7, 2025, your Committee considered an October 31, 2025 City Attorney report and Ordinance relative to amending LAMC Sections 104.03 and 104.06 to regulate Commercial Cannabis Activity. According to the City Attorney, the Ordinance incorporates a number of technical changes that were requested in multiple Council Files as amendments to LAMC Sections 104.03 and 104.06 regarding processes at the Department of Cannabis Regulation (DCR) and the regulation of Commercial Cannabis Activity.

These changes include:

- Revoking DCR's ability to suspend processing timeframes when its vacancy rate is 20 percent or higher (*See Recommendation 4 of the Report from the Government Operations Committee dated June 3, 2025, as adopted in Council File No. 25-0418*).

- Extending the time for the issuance of Type 10 Storefront Retailer Licenses for Commercial Cannabis Activity exclusively to Social Equity Applicants to December 31, 2031 (*See Motion 7-A dated June 11, 2025, as adopted in Council File No. 25-0591*).
- Extending the period to refile an abandoned application from three-years to five years (*See Request a. of the Report from the Government Operations Committee dated September 5, 2025, as adopted in Council File No. 17-0653-S1*).
- Allowing applicants to pay or enter into a payment plan to pay previously due City taxes, fines, and fees to come into "good standing" within 30 days of the time an application is refiled (*See Request b. of the Report from the Government Operations Committee dated September 5, 2025, as adopted in Council File No. 17-0653-S1*).

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Ordinance as amended in the above recommendation. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Government Operations Committee

COUNCILMEMBER VOTE

PADILLA:	YES
LEE:	ABSENT
JURADO:	YES

ARL
11/7/25

-NOT OFFICIAL UNTIL COUNCIL ACTS-