

**ORDINANCE NO. 188686**

An ordinance amending Sections 104.03, 104.13, 104.14, and 104.19 of Article 4, Chapter X of the Los Angeles Municipal Code regarding fees and fines associated with the regulation of Commercial Cannabis Activity.

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. Subsection (e) of Section 104.03 of Article 4, Chapter X of the Los Angeles Municipal Code is amended to read as follows:

(e) **Payments.** Unless otherwise specified, payments may be considered timely paid if an Applicant or Licensee schedules and confirms a payment appointment with the Office of Finance by the date of the payment deadline, notwithstanding that the payment appointment may occur after the date of the payment deadline. For the purpose of renewal payments due under LAMC Section 104.12(a) only, payments may also be considered timely paid if enclosed in a properly addressed envelope with sufficient postage, deposited in the mail, and postmarked by the payment deadline.

Sec. 2. Subdivision 6 of Subsection (d) of Section 104.13 of Article 4, Chapter X of the Los Angeles Municipal Code is amended to read as follows:

6. **Stipulated Agreements.** Prior to or after issuing a NOV, DCR, in its sole discretion, may enter into a written agreement with a Licensee whereby the Licensee stipulates to committing a violation in exchange for a negotiated administrative penalty or corrective action. DCR, in its sole discretion, may apply the Licensee's payment of the Administrative Hearing Appeal Fee, or a \$2,000 deposit paid pursuant to LAMC Section 104.14(c)(1), to offset the total penalty assessed in a stipulated agreement. If a Licensee violates a stipulated agreement, DCR may issue or re-issue a NOV and impose any administrative penalties authorized under this section or the Rules and Regulations.

Sec. 3. Subsection (c) of Section 104.14 of Article 4, Chapter X of the Los Angeles Municipal Code is amended and a new Subdivision 1 is added to read as follows:

(c) For hearings authorized by Subsections (a)(1)-(a)(4), the Licensee shall file a request for an administrative hearing within 30 days of the date the written decision being appealed was sent by electronic mail, unless a later date is provided in the notice. A request for an administrative hearing is filed following the submission of all required and completed appeal information, forms, and documents, and the payment of the Administrative Hearing Appeal Fee under LAMC Section 104.19, or deposit of the Administrative Hearing Appeal Fee pursuant to Subdivision 1. A Licensee may continue to conduct Commercial Cannabis Activity pending the

hearing officer's final determination. If DCR places an administrative hold on Cannabis and/or a Cannabis product, the hold shall remain in effect pending the outcome of the administrative hearing.

1. A Licensee may pay a \$2,000 deposit of the Administrative Hearing Appeal Fee at the time the Licensee files a request for an administrative appeal hearing. The remaining unpaid portion of the Administrative Hearing Appeal Fee shall be paid no later than 48 hours before the administrative appeal hearing date. If the Licensee fails to timely pay the remaining unpaid portion of the fee, the appeal will be deemed abandoned and the administrative appeal hearing shall be canceled.

Sec. 4. Section 104.19 of Article 4, Chapter X of the Los Angeles Municipal Code is amended in its entirety to read as follows:

**SEC. 104.19. FEES AND FINES.**

(a) **Application and License Filing Fees.** The following fees shall be payable pursuant to LAMC Sections 104.03, 104.06, 104.20 and any other applicable sections in accordance with the following schedule:

| Type  | Fee      |
|---|----------|
| Legal Business Entity Record Review   | \$2,084  |
| Pre-Application Review <sup>(a)</sup>   | \$462    |
| Social Equity Individual Applicant Eligibility Verification <sup>(c)</sup><br>(LAMC Section 104.06.1)   | \$1,256  |
| Storefront Retailer Annual License <sup>(a)(d)</sup>  | \$17,701 |
| Non-Storefront Annual License – Primary Activity <sup>(a)(d)</sup>                                      | \$14,378 |
| Non-Storefront Annual License – Additional Activity <sup>(d)</sup>                                      | \$11,435 |
| EMMD Temporary Approval Application <sup>(b)</sup><br>(LAMC Section 104.07)                             | \$9,360  |
| LAMC Section 104.08 Temporary Approval Application <sup>(b)</sup><br>(LAMC Section 104.08)              | \$11,806 |
| Social Equity Program Temporary Approval Application <sup>(b)</sup><br>(LAMC Section 104.06.1(b))       | \$8,059  |
| Social Equity Program Temporary Approval Application <sup>(b)</sup><br>(LAMC Section 104.06.1(c) – (f)) | \$6,969  |
| Cannabis Public Convenience or Necessity Filing Fee <sup>(b)</sup>                                      | \$595    |

<sup>(a)</sup> Fee is charged per Application.

<sup>(b)</sup> Fee is charged per Activity.

<sup>(c)</sup> Fee is charged per Individual.

<sup>(d)</sup> Fee includes the separate application fees required to process a Storefront Retailer Annual License. Additional fees may be assessed if document reviews or meetings must be repeated due to deficiencies in the application. A Non-Storefront Annual License – Additional Activity fee is assessed for each activity that is in addition to the primary activity.

**(b) Renewal Fees.** The following renewal fees shall be payable pursuant to LAMC Section 104.12 in accordance with the following schedule:

| Type  | Fee      |
|---|----------|
| Temporary Approval Renewal Fee <sup>(b)</sup> | \$6,294  |
| License Renewal <sup>(b)</sup>                | \$12,617 |
| Record Renewal Fee <sup>(b)</sup>             | \$2,719  |

<sup>(b)</sup> Fee is charged per Activity.

**(c) Appeal Filing Fees.** Appeal fees shall be payable pursuant to LAMC Sections 104.10 and 104.14 in accordance with the following schedule:

| Type  | Fee     |
|---|---------|
| Appeal to the Cannabis Regulation Commission <sup>(a)</sup> | \$5,793 |
| Appeal to City Council <sup>(a)</sup>                       | \$5,793 |
| Administrative Appeal Hearing                               | \$9,156 |

<sup>(a)</sup> Fee is charged per Application.

**(d) Modification and Other Filing Fees.** Modification fees pursuant to LAMC Section 104.03(c), and other fees due under various sections, including, but not limited to, LAMC Sections 104.06 and 104.20, shall be payable in accordance with the following schedule:

| Type  | Fee     |
|---|---------|
| Business Diagram Modification Review <sup>(f)</sup>                     | \$4,421 |
| Ownership Structure Modification Review <sup>(f)</sup>                  | \$2,084 |
| Evidence of Legal Right to Occupy Document Review <sup>(f)(g)</sup>     | \$232   |
| Business Premises Diagram Document Review <sup>(f)(g)</sup>             | \$163   |
| Business Formation and Organization Document Review <sup>(f)(g)</sup>   | \$788   |
| Indemnification Agreement Document Review <sup>(f)(g)</sup>             | \$100   |
| Certificate of Occupancy Document Review <sup>(f)(g)</sup>              | \$466   |
| Legal Business Entity Disclosure Form Review <sup>(a)</sup>             | \$1,296 |
| Equity Share Documents/Social Equity Agreement Review <sup>(f)(g)</sup> | \$1,852 |
| Initial Inspection <sup>(i)(l)</sup>                                    | \$519   |
| Final/Compliance Inspection <sup>(h)</sup>                              | \$4,027 |

| Type  | Fee                      |
|---|--------------------------|
| Off-Hours Final/Compliance Inspection <sup>(h)</sup>        | \$6,040                  |
| Annual License Application Review <sup>(b)</sup>            | \$11,435                 |
| Community Meeting <sup>(a)(j)</sup>                         | \$536                    |
| Written Notice <sup>(a)(j)</sup>                            | \$463                    |
| Mailed Notice <sup>(a)(j)</sup>                             | \$926                    |
| Printed Notice <sup>(a)(j)</sup>                            | \$463                    |
| Categorical Exemption <sup>(a)(j)</sup>                     | \$2,133                  |
| Cannabis Regulation Commission Hearing <sup>(a)(j)</sup>    | \$1,018                  |
| Publication Fee <sup>(a)(e)(j)</sup>                        | \$727 plus Actual Cost   |
| Environmental Analysis Review Services <sup>(a)(e)(k)</sup> | \$1,024 plus Actual Cost |
| Extraordinary Projects or Services <sup>(e)</sup>           | Actual Cost              |
| Expedited Services (Time and a Half Rate)                   | 150% of regular fee      |
| Expedited Services (Double Time Rate)                       | 200% of regular fee      |

<sup>(a)</sup> Fee is charged per Application.

<sup>(b)</sup> Fee is charged per Activity.

<sup>(e)</sup> Fee is based on the actual cost. DCR shall calculate actual costs and charge the final fee in accordance with LAMC Section 104.19(f).

<sup>(f)</sup> Fee is charged per modification request by the Applicant.

<sup>(g)</sup> Fee is charged for additional document review when required by DCR to assess compliance.

<sup>(h)</sup> Fee is charged per inspection trip. If DCR determines that, in addition to the routine inspections performed pursuant to this article or the Rules and Regulations, additional inspections or abatement actions are required to process an application or enforce compliance with this article or the Rules and Regulations, the Applicant or Licensee shall pay separate fees for each inspection.

<sup>(i)</sup> Fee is charged pursuant to LAMC Section 104.05 (Temporary Approval).

<sup>(j)</sup> Fee is charged for additional document reviews or services performed by DCR beyond the routine reviews and activities required during the course of Application review.

<sup>(k)</sup> If an Applicant is permitted to submit an Annual License Application without environmental documents, this fee is charged pursuant to LAMC Sections 104.03(c) or 104.06(d) for the processing of an initial study prepared or filed in connection with an Application, or for the processing of any supplemental report or for the preparation of a general exemption pursuant to the City's California Environmental Quality Act Guidelines.

(e) **Fines, Violations, and Non-Compliance Fees.** Fines, violations, and non-compliance fees shall be payable pursuant to LAMC Section 104.13 and the Rules and Regulations in accordance with the following schedule:

| <b>Type</b>   | <b>Fee</b> |
|---|------------|
| Cannabis Code Violation Inspection <sup>(h)</sup>                     | \$749      |
| Cannabis Code Violation Inspection (Off-Hours) <sup>(h)</sup>         | \$1,124    |
| Cannabis License Non-Compliance Inspection Fee <sup>(h)</sup>         | \$1,450    |
| Cannabis License Non-Compliance Inspection (Off-Hours) <sup>(h)</sup> | \$2,175    |
| Cannabis License Violation Fine – Low Violation <sup>(l)</sup>        | \$3,000    |
| Cannabis License Violation Fine – Minor Violation <sup>(l)</sup>      | \$6,000    |
| Cannabis License Violation Fine – Moderate Violation <sup>(l)</sup>   | \$11,000   |
| Cannabis License Violation Fine – Major Violation <sup>(l)</sup>      | \$23,000   |
| Cannabis License Violation Fine – Severe Violation <sup>(l)</sup>     | \$34,000   |

<sup>(h)</sup> Fee is charged per inspection trip. If DCR determines that, in addition to the routine inspections performed pursuant to this article or the Rules and Regulations, additional inspections or abatement actions are required to process an application or enforce compliance with this article or the Rules and Regulations, the Applicant or Licensee shall pay separate fees for each inspection.

<sup>(l)</sup> Fine is charged per violation, pursuant to the Rules and Regulations.

(f) **Actual Cost.** In addition to the fees expressly set forth in this article, DCR may charge an Applicant or Licensee for full or partial reimbursement of the actual costs associated with the City's processing of applications, licenses, or related services which requires another City department, a City contractor, or unusually heavy commitments of DCR resources.

1. Actual cost may be charged for Commercial Cannabis Activity services not expressly enumerated in this article provided DCR and the Applicant or Licensee agree upon:

A. The processing services required, including environmental reviews, and the personnel, time and physical resources which the City will need to accomplish those processing services; and

B. The costs which are to be funded shall consist of the actual costs to the City which include, but are not limited to: wages, including overtime, retirement, compensated time off and other benefits, bureau/divisional overhead, departmental overhead and general City overhead, which are incurred in connection with the employees assigned to perform the processing services for the major project, the direct costs of material and equipment required to furnish the processing services, the reasonable out-of-pocket expenses incurred by any employee assigned to furnish the processing services, and the cost of hiring outside consultants necessary to provide the City with special expertise.

2. The Applicant or Licensee shall deposit funds into the Cannabis Regulation Special Revenue Trust Fund based on the estimated costs of providing the processing services.

3. DCR shall promptly advise the Applicant or Licensee if, at any time during the processing period, DCR believes that the costs of accomplishing the processing services will exceed the estimated costs. DCR and the Applicant or Licensee shall agree to a processing service agreement that details the procedure for the deposit of additional funds if the funds deposited are not adequate to fund the agreed upon processing services.

4. DCR shall maintain appropriate records of the actual costs of the processing services, prepare a report for the Applicant or Licensee upon completion of processing services, and refund any unused portion of the deposit to the Applicant or Licensee.

5. Entering into a processing service agreement is voluntary.

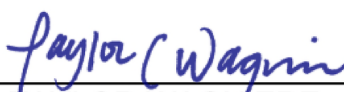
(g) **Filing Fee Credit.** At DCR's sole discretion, an Applicant or Licensee may be allowed credit for fees already paid when DCR determines that the Applicant or Licensee made a good-faith attempt to file the application, modification request, or other request for service properly and that the process could be more appropriately handled if filed under a different procedure. This subdivision shall not be construed to allow credit to be given at the Applicant or Licensee's option, nor to allow refunds of any fees paid on the original application or request for service.

Sec. 5. **SEVERABILITY.** If any provision of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that invalidity shall not affect the remaining provisions of this ordinance, which can be implemented without the invalid provisions and, to this end, the provisions of this ordinance are declared to be severable. The City Council hereby declares that it would have adopted each and every provision and portion thereof not declared invalid or unconstitutional, without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

Sec. 6. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

HYDEE FELDSTEIN SOTO, City Attorney

By   
TAYLOR WAGMIERE  
Deputy City Attorney

Date July 17, 2025

File No. 25-0418

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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK



MAYOR



Ordinance Passed August 5, 2025

Approved 08/06/2025

Ordinance Published: 8/11/2025  
Ordinance Effective Date: 9/11/2025