

ORDINANCE NO. _____

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

**THE PEOPLE OF THE STATE OF CALIFORNIA
DO ORDAIN AS FOLLOWS:**

Section 1. 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 Section 104.03, 104.06, 104.20 and any other sections specified in accordance with the following schedule:

Type	Fee
Legal Business Entity Record Review	\$1,407
Pre-Application Review ^(a)	\$436
Social Equity Individual Applicant Eligibility Verification ^(c) (Section 104.06.1)	\$368
Storefront Retailer Annual License ^{(a)(d)}	\$16,599
Non-Storefront Annual License – Primary Activity ^{(a)(d)}	\$14,610
Non-Storefront Annual License – Additional Activity ^(d)	\$14,304
EMMD Temporary Approval Application ^(b) (Section 104.07)	\$9,360
LAMC Section 104.08 Temporary Approval Application ^(b) (Section 104.08)	\$11,806
Social Equity Program Temporary Approval Application ^(b) (Section 104.06.1(b))	\$8,059
Social Equity Program Temporary Approval Application ^(b) (Section 104.06.1(c) - (f))	\$6,969
Cannabis Public Convenience or Necessity Filing Fee ^(b)	\$790

(a) Fee is charged per Application.

(b) Fee is charged per Activity.

(c) Fee is charged per Individual.

(d) Fee includes the separate fees required to process a Storefront Retailer Annual License or a Non-Storefront Annual License. Additional fees may be assessed if document reviews or meetings must be repeated due to deficiencies in the application. The 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 ^(b)	\$7,873
License Renewal ^(b)	\$15,783
Record Renewal Fee ^(b)	\$3,401

(b) Fee is charged per Activity.

(c) **Appeal Filing Fees.** Appeal fees shall be payable pursuant to LAMC Sections 104.10, 104.13, and 104.14 in accordance with the following schedule:

Type	Fee
Appeal to the Cannabis Regulation Commission ^(a)	\$4,868
Appeal to City Council ^(a)	\$4,868
Administrative Hearing Appeal – Notice of Violation	\$11,200
Administrative Hearing Appeal – Notice of Suspension	\$8,198
Administrative Hearing Appeal – Notice of Revocation	\$8,198

(a) 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 ^(f)	\$582
Ownership Structure Modification Review ^(f)	\$1,611
Evidence of Legal Right to Occupy Document Review ^{(f)(g)}	\$179
Business Premises Diagram Document Review ^{(f)(g)}	\$179
Indemnification Agreement Document Review ^{(f)(g)}	\$51
Legal Business Entity Disclosure Form Review ^(a)	\$998
Equity Share Documents/Social Equity Agreement Review ^{(f)(g)}	\$1,333
Initial Inspection ^{(i)(j)}	\$403
Final/Compliance Inspection ^(h)	\$4,671
Off-Hours Final/Compliance Inspection ^(h)	\$7,006
Annual License Application Review ^(b)	\$14,304
Community Meeting ^{(a)(j)}	\$244
Mailed Notice ^{(a)(j)}	\$282
Printed Notice ^{(a)(j)}	\$179
Categorical Exemption ^{(a)(j)}	\$1,432

Type	Fee
Cannabis Regulation Commission Hearing ^{(a)(j)}	\$1,284
Publication Fee ^{(a)(e)(j)}	\$306
Environmental Analysis Review Services ^{(a)(e)(k)}	Actual Cost
Extraordinary Projects or Services ^(e)	Actual Cost
Expedited Services (Time and a Half Rate)	150% of Regular Fee
Expedited Services (Double Time Rate)	200% of Regular Fee
Los Angeles Fire Department (LAFD) Inspection ^{(a)(l)}	Actual Cost

- (a) Fee is charged per Application.
- (b) Fee is charged per Activity.
- (e) Fee is based on the actual cost. DCR shall calculate actual costs in accordance with LAMC Section 104.19(f).
- (f) Fee is charged per modification request by the Applicant.
- (g) Fee is charged for additional document review when required by DCR to assess compliance.
- (h) Fee is charged per inspection trip. If DCR determines that, in addition to the routine inspections 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.
- (j) Fee is charged pursuant to LAMC Section 104.05 (Temporary Approval).
- (j) 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.
- (k) In 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.
- (l) Fee is based on the actual cost. Cannabis LAFD Inspection Fee shall be based on the current LAFD hourly Inspector Rate, at a four-hour minimum. LAFD will invoice the Applicant separately to recover any inspection costs exceeding four hours.

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

Type	Fee
Cannabis Code Violation Inspection – Notice of Violation ^(h)	\$14,364
Cannabis Code Violation Inspection – Notice of Suspension ^(h)	\$15,039
Cannabis Code Violation Inspection – Notice of Revocation ^(h)	\$11,222

Cannabis Code Violation Inspection – Notice of Violation (Off-Hours) ^(h)	\$21,546
Cannabis Code Violation Inspection – Notice of Suspension (Off-Hours) ^(h)	\$22,559
Cannabis Code Violation Inspection – Notice of Revocation (Off-Hours) ^(h)	\$16,833
Cannabis Code Violation Inspection & Enforcement Recovery ^(e)	Actual Cost
Cannabis License Non-Compliance Inspection Fee – Notice of Violation ^(h)	\$6,746
Cannabis License Non-Compliance Inspection Fee – Notice of Suspension ^(h)	\$6,982
Cannabis License Non-Compliance Inspection Fee – Notice of Revocation ^(h)	\$4,951
Cannabis License Non-Compliance Inspection – Notice of Violation (Off-Hours) ^(h)	\$10,119
Cannabis License Non-Compliance Inspection – Notice of Suspension (Off-Hours) ^(h)	\$10,473
Cannabis License Non-Compliance Inspection – Notice of Revocation (Off-Hours) ^(h)	\$7,427
Cannabis License Violation Fine – Low Violation ^(m)	\$4,000
Cannabis License Violation Fine – Minor Violation ^(m)	\$7,000
Cannabis License Violation Fine – Moderate Violation ^(m)	\$14,000
Cannabis License Violation Fine – Major Violation ^(m)	\$29,000
Cannabis License Violation Fine – Severe Violation ^(m)	\$43,000

(e) Fee is based on the actual cost. DCR shall calculate actual costs in accordance with LAMC Section 104.19(f).

(h) Fee is charged per inspection trip. If DCR determines that, in addition to the routine inspections 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.

(m) Fee 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, compliance, enforcement, or related services which requires another City department, a City contractor, or unusually heavy commitments of DCR resources.

1. Actual Cost shall be charged for certain services identified in LAMC Section 104.19, or costs related to enforcement actions pursuant to LAMC Section 104.13 when a hearing officer finds that a Licensee committed one or more violations of this article or the Rules and Regulations. Actual Cost includes, but is not limited to: wages, including overtime, retirement, compensated time off

and other benefits, bureau or divisional overhead, departmental overhead and general City overhead, which are incurred in connection with the employees assigned to perform the services, the direct costs of material and equipment required to furnish the services, the reasonable out-of-pocket expenses incurred by any employee assigned to furnish the services, costs of investigation and enforcement activities to address violations of this article including reasonable attorney's fees, and the cost of hiring outside consultants necessary to provide the City with special expertise.

2. 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 the processing services required, including but not limited to environmental reviews, and the personnel, time and physical resources the City requires to accomplish those processing services.

3. 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.

4. 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 procedure for deposit of additional funds if the funds deposited are not adequate to fund the agreed upon processing services.

5. 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.

6. Entering into the 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. 2. **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. 3. 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 WAGNIERE
Deputy City Attorney

Date June 9, 2026

File No. _____

[M:\Muni Counsel\CALLS\Ordinance LAMC 104.19 2026 Amendment re Commercial Cannabis Activity Fees and Fines. FINAL.docx

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 _____

Approved _____