

**ORDINANCE NO. \_\_\_\_\_**

An ordinance adding Section 104.19 to the Los Angeles Municipal Code establishing fees and fines relating to Commercial Cannabis Activity.

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

Section 1. A new Section 104.19 is added to the Los Angeles Municipal Code to read as follows:

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

The following fees and fines shall be payable according to the following schedule:

	Fee
Cannabis LAMC Section 104.07 EMMD Retail License Fee	\$9,360
Cannabis LAMC Section 104.08 License Fee	\$11,806
Cannabis License Fee	\$8,059
Cannabis LAFD Inspection Fee	\$930*
Cannabis Appeal Fee	\$4,687
Cannabis License Modification Fee	\$1,700
Cannabis License Violation Fine – Minor Violation	Amount equal to 50% of the Cannabis License Fee
Cannabis License Violation Fine – Moderate Violation	Amount equal to 150% of the Cannabis License Fee
Cannabis License Violation Fine – Major Violation	Amount equal to 300% of the Cannabis License Fee

\*LAFD Inspector rate is an additional \$219 per hour for inspections exceeding 4 hours.

Sec. 2. **URGENCY CLAUSE.** The City finds and declares that this ordinance is required for the immediate protection of the public peace, health and safety for the following reasons: As documented in, among other places, case law and the legislative histories of cannabis regulations in the City, the proliferation of unauthorized cannabis businesses, with the attendant crime and negative secondary impacts, poses a current and immediate threat to the public welfare; that despite aggressive enforcement by the

office of the City Attorney, an unknown number of unauthorized cannabis businesses, including growers, delivery apps and delivery services, continue to open, close, and reopen within the City, and the proliferation of these unauthorized businesses has led to increased crime and negative secondary impacts in neighborhoods, including but not limited to violent crimes, robberies, the distribution of tainted marijuana, and the diversion of marijuana; that with State licenses for retail sales of cannabis, including nonmedical cannabis, becoming available in 2018, a comprehensive regulatory and enforcement system is required to protect the public and consumers of cannabis from the aforementioned crime and negative secondary impacts on the City's communities; that the passage of the 2016 Adult Use of Marijuana Act has created confusion about the legality of commercial cannabis activity in the City in the absence of a comprehensive local regulatory and enforcement system, with certain businesses selling or distributing nonmedical cannabis to the public despite lacking the proper authorization from the State or City to do so; that the State's issuance of licenses to businesses in other, nearby jurisdictions in the absence of a comprehensive local regulatory and enforcement program in the City of Los Angeles would create further confusion and potentially lead to the further proliferation of unauthorized cannabis businesses in the City; and that this further proliferation would result in that threat to the public welfare. For all of these reasons, this ordinance shall become effective upon publication pursuant to Section 253 of the Los Angeles City Charter.

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

MICHAEL N. FEUER, City Attorney

By \_\_\_\_\_  
DAVID MICHAELSON  
Chief Assistant City Attorney

Date 11/30/2017

File No. \_\_\_\_\_

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I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles, **by a vote of not less than three-fourths** of all of its members.

CITY CLERK

MAYOR

\_\_\_\_\_  
Ordinance Passed \_\_\_\_\_

\_\_\_\_\_  
Approved \_\_\_\_\_