

Preparing for the DCC March 31st Deadline & Annual Licensing

Technical Assistance
Webinar



What are State Annual/Provisional Licenses?

DCC Annual Licensing Requirements

Equity Licensing Timelines

Local Impacts of Provisional Licenses Sunsetting

LA DCR Form 4013

Webinar Overview



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ANNOUNCEMENT



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The DCR will be releasing information about the local annual license process in May!



What are Annual & Provisional Licenses?



Provisional Licenses



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Originally called **Temporary** Licenses

Stopgap measure

Intended for **legacy** operators

Alleviated **local pressure** to ban cannabis activity

Annual Licenses



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Issued by the **DCC**

Requires **completion** of all application requirements

Are indefinitely **renewable**

Predicated on **local** approvals

They were
always
supposed
to be
temporary

Do not fully
account for
CEQA
compliance

DCC
Consolidation
& Local Rules
are mostly **in
place**

Why are Provisional Licenses Going Away?



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Equity Licensing Timelines



Longer Runway



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- Equity Applicants have MORE TIME to receive their Provisional license
- This affords more time for CEQA/other requirements
- Gives local jurisdictions more time to implement annual processes

Equity Deadlines



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MARCH 31st, 2023

- *The deadline for equity applicants to submit a NEW application for a state provisional license*

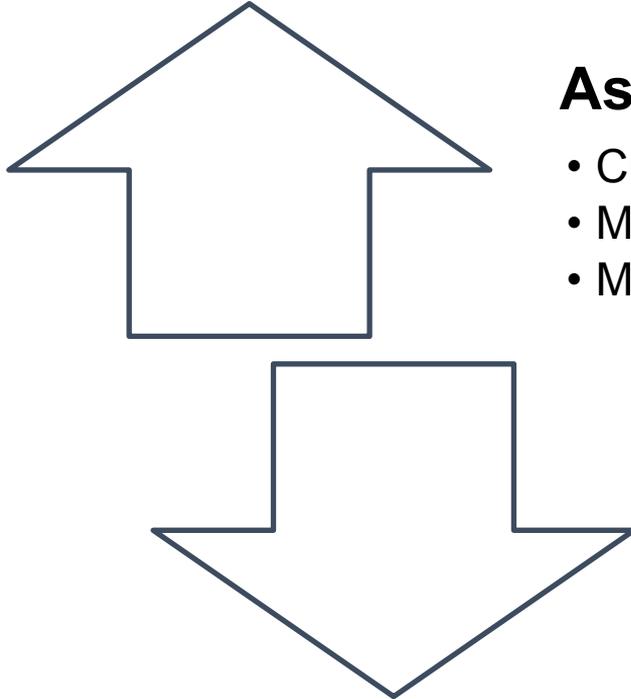
June 30th, 2023

- *The deadline for DCC to ISSUE new equity provisional licenses for applications submitted by 3/31/2023*

Renewals Now Subject to Conditions



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As of, July 1st, 2022:

- Cultivation Requirements & Limitations
- Must **demonstrate** progress toward CEQA
- Most LA Businesses Meet CEQA Exemption

Result of AB 141/SB 160;
Legislature is done with provisional
extensions, **maybe** (SB 51)

Cultivation requires additional documentation

Submitting placeholders no longer sufficient

Local or State jurisdiction must be conducting CEQA investigation

July 1, 2023: Provisional Renewals Subject to Additional Requirements



Provisional Renewal Deadline



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January 1, 2025

*Last day for DCC to renew
provisional licenses.*

*Must complete all license
requirements and obtain
Annual License for Renewals*

Provisional Licenses Sunset



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January 1st, 2026:

*Last day for any
provisional license to
be in effect.*

*Your 2025 Renewal
must transition to
Annual*

Deadline Round-Up



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- What to do by March 31st?
 - Apply for DCC Provisional License and Pay Fee
- What to do by June 30th?
 - Receive DCC approval and Pay Fee/Waiver
- What to do by your 2025 Exp. Date?
 - Receive DCC annual license and Pay Fee/Waiver
 - Pay Attention to Extensions

DCC Requirements for Annual Licensure



DCC Annual License Requirements



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(CEQA) compliance

Compliance with local ordinances

A notarized statement that the applicant either:

- Has 20 + employees = Labor peace agreement, or
- Has <20 employees

Statement that the applicant w/ 2+ Employees:

- (1) Supervisor and (1) Employee who have completed a Cal/OSHA 30-hour general industry training course



- California Environmental Quality Act (1970)
- Considers environmental consequences of all new business / facilities
- Mandates Public Agencies to incorporate Environmental Protections

What in the World is CEQA? 3/30/23 6pm

What is CEQA?



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Provisional Renewals Require CEQA Progress



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DCR is Lead Agency

DCC Requires:

- Local Agency to commence CEQA review process

DCR Requires:

- Originates with Form 4013
- Approvals & Appeals

A labor peace agreement is an **arrangement** between a union and an employer under which one or both sides **agree** to waive certain **rights** under federal law with regard to union **organizing** and related activity.

U.S. Chamber of Commerce

DCC-9205 (Updated 11/2021)

State of California, Department of Cannabis Control
Labor Peace Agreement Notarized Statement

An applicant for a commercial cannabis business that has not already entered into a labor peace agreement may use this form to complete the notarized statement required by Business and Professions Code sections 260265.3 and Department regulations sections 1500220.19) and 15023(a). This statement must be signed by an owner who is identified and disclosed on the license application.

Business Information
Business Name: _____ Application/License #: _____
Premises Address: _____

Labor Peace Agreement Statement
As an owner of the business named above, I affirm the following (select one):
 The commercial cannabis business has 20 or more employees and will enter into and abide by the terms of a labor peace agreement.
 The commercial cannabis business has less than 20 employees and will enter into and abide by the terms of a labor peace agreement within 60 days of employing its 20th employee.

Signature of Owner: _____ Date: _____
Name of Owner: _____

Notary Information
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
State of: _____ County of: _____
This record was signed before me on _____ by _____
proved to me on the basis of satisfactory evidence to be the person who appeared before me.
Signature of Notary: _____
Name of Notary: _____

(Notary Seal/Stamp)

*This form is optional. If you would prefer not to use this form, you can provide a separate statement containing the required affirmation, owner's signature, and notarization.

 Department of Cannabis Control CALIFORNIA | Labor Peace Agreement Notarized Statement Form DCC-9205 (Updated 11/2021) 1

What is a Labor Peace Agreement?



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Impacts of Provisional Licenses Sunsetting



Misinformation is Causing Undue Panic



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Current license holders
Operators applying for an additional license
Lottery winners
Legacy operators in noncompliant locations

**Who is affected by this
licensing process change?**



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Applying for an LA Annual license?



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- There will be an annual license process announced in May!
- Start your requirements now, *if feasible*
- Check your inbox for upcoming webinars
- On-premise retailers, prepare for some NIMBY issues

Pursuing a renewal?



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- You will need to demonstrate progress toward CEQA compliance
- The DCR has a list of every SEAs renewal dates
- File form 4013, ***immediately***

FORM 4013



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LIC-4013-FORM

Instructions: If a previously certified or adopted environmental document is not available or does not exist, you must submit a completed Project-Specific Information Form to request that the Department of Cannabis Regulation (DCR) consider whether the project is exempt from further California Environmental Quality Act (CEQA) review or to determine whether the project has the potential to generate "significant adverse environmental impacts" that may require preparation of a CEQA document or the need for additional information. (Cal. Code Regs., tit. 14, § 15060(a) [CEQA Guidelines].).

To facilitate the processing of your Application, please provide detailed responses to the items below. If more space is needed, additional pages may be added. Missing, incomplete, or inconsistent information may delay the processing of your Application.

DCR Record No.: _____

Applicant Entity Name: _____

License Type(s): _____

Business Premises Location: _____

County: _____ Assessor's Parcel Number (APN): _____

Council District: _____ Neighborhood Council: _____

Community Plan Area: _____

Zoning: _____ Specific Plan Area: _____

General Plan Land Use: _____ Redevelopment Project Area: _____

Business Improvement District: _____ Promise Zone: _____

State Enterprise Zone: _____ Historic Preservation Review: _____

LAPD Division/Station: _____ LAPD Reporting District: _____

LAFD Bureau: _____ LAFD District/Fire Station: _____

Applicants seeking DCR to consider whether the project is exempt from further CEQA review may provide justification for a categorical exemption (a partial list of categorical exemptions is provided at the end of this document).

CEQA Exemption Petition

Class: _____ Category: _____ Explanation of how the project fits the CEQA exemption indicated above: _____

Page One: Form 4013



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Partial List of Categorical Exemptions under CEQA

Certain commercial cannabis activities (projects) may be exempt from further environmental review pursuant to the California Environmental Quality Act (CEQA) because they fall within a class of projects determined not to have significant effect on the environment. (Cal. Code Regs., tit. 14, § 15300 et seq.) Common exemptions that may apply have been identified below.

Class	Category	Description
Class 1	Existing Facilities	Consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. (Cal. Code Regs., tit. 14, §15301.)
Class 2	Replacement or Reconstruction	Consists of replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced with a new structure of substantially the same size, purpose, and capacity. (Cal. Code Regs., tit. 14, § 15302.)
Class 3	New Construction or Conversion of Small Structures	Consists of construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. (Cal. Code Regs., tit. 14, § 15303.)

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4013: Other Req'd Info



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- Project Location and Surrounding Land Use
- Project Description
- Operation and Maintenance Activities
- Environmental Setting
- Other Required Permits

- Showcase the sustainable features of your business
- Prioritize the time needed to fill it out
- Do not procrastinate submission
- Determine if you need to hire help ASAP
- Attend upcoming informational webinar on 4/14

Tips for Filling Out Form 4013 Successfully



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CITY OF LOS ANGELES DEPARTMENT OF
**CANNABIS
 REGULATION**

221 N. Figueroa Street, Suite 1245
 Los Angeles CA, 90012

NOTICE OF SUBSTANTIAL PROGRESS - LOCAL ENVIRONMENTAL REVIEW

Legal Business Name: NEW - DCR Legal Inc 2021.10.01

Doing Business As (DBA): DCR DBA Inc 2021.10.01

Business Premises Address: 221 N FIGUEROA, LOS ANGELES, CA 90012

BTRC#: **DCR Record Number:** LA-C-23-402166-01-01-REN

Medical Cannabis Activities:

- Medical Retail (J010)
- Medical Microbusiness (J010)
- Medical Cultivation Medium Indoor (J062)
- Medical Cultivation Small Indoor (J062)
- Medical Cultivation Specialty Indoor (J062)
- Medical Delivery Only (J030)
- Medical Distributor (J080)
- Medical Manufacturer Level 1 (J083)
- Medical Delivery Only (Microbusiness)(J030)
- Medical Cultivation Processor(J060)

Adult-Use Cannabis Activities:

- Adult-Use Retail(J010)
- Adult-Use Microbusiness(J010)
- Adult-Use Cultivation Medium Indoor(J062)
- Adult-Use Cultivation Small Indoor(J062)
- Adult-Use Cultivation Specialty Indoor(J062)
- Adult-Use Delivery Only(J030)
- Adult-Use Distributor(J080)
- Adult-Use Manufacturer Level 1(J083)
- Adult-Use Delivery Only (Microbusiness)(J030)
- Adult-Use Cultivation Processor(J060)



Congratulations! The Department of Cannabis Regulation (DCR) has completed its review of the draft project specific information associated DCR Record No. LA-C-23-402166-01-01-REN and determined that NEW - DCR Legal Inc 2021.10.01 is eligible to submit a final Project Specific Information form (LIC-4013-FORM) for the commercial cannabis activities listed above at NEW - DCR Legal Inc 2021.10.01's listed and reviewed Business Premises located at 221 N FIGUEROA, LOS ANGELES, CA 90012.

In accordance with [Section 15001.2\(b\)\(1\)\(B\) of Title 4 of the California Code Of Regulations](#) and to facilitate the timely renewal of a State provisional license for NEW - DCR Legal Inc 2021.10.01 at 221 N FIGUEROA, LOS ANGELES, CA 90012 for the commercial cannabis activities listed above from July 1, 2022 through June 30, 2023, **DCR confirms it has made substantial progress during the previous 12-month period toward completing its review of NEW - DCR Legal Inc 2021.10.01's commercial cannabis project at 221 N FIGUEROA, LOS ANGELES, CA 90012.**

“Notice of Substantial Progress” is needed for your renewal moving forward!



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- DCR Local Annual License Launch in **MAY**
- The DCR will be reviewing Form 4013
- Secure other local permits, complete inspections

There will be additional webinars and technical assistance made available!

Thank you!



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Q&A with Jason Killeen

