

2025 SOCIAL EQUITY INDIVIDUAL APPLICANT VERIFICATION WEBINAR



CITY OF LOS ANGELES DEPARTMENT OF™

**CANNABIS
REGULATION**



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ABOUT THE SOCIAL EQUITY PROGRAM

Cannabis criminalization and disproportionate enforcement have contributed to adverse outcomes in low income neighborhoods.

The City established its Social Equity Program (SEP) as a tool to acknowledge the harm caused by the War on Drugs and the disparate enforcement of cannabis prohibition.



ABOUT THE SOCIAL EQUITY PROGRAM

The mission of the Social Equity Program is to promote equitable ownership and employment opportunities in the cannabis industry.



ABOUT THE SOCIAL EQUITY PROGRAM

Social Equity Applicants may receive certain benefits related to application processing, such as:

- Priority filing periods for certain license types until December 31, 2025
- Business, Licensing, Compliance (BLC) and Technical Assistance resources such as business coaching, networking events, and online courses
- Pro Bono / Low Bono legal services
- Fee waivers/financial assistance, when available, through State grant programs





**SOCIAL EQUITY INDIVIDUAL APPLICANT VERIFICATION
2025 CRITERIA & DOCUMENTS TYPES**

Social Equity Individual Applicant - 2025 Definition

To be verified as a **Social Equity Individual Applicant** (SEIA), a natural person (Individual) must be considered “Low Income” and have a qualifying “Cannabis Arrest or Conviction,” as defined by law.

Please note that these criteria have changed since the last verification window in 2022. **Individuals verified in 2019 and/or 2022 do not need to be reverified to participate in Phase 3 Retail Round 3.**



Cost for SEIA Verification review is **\$597**



Low Income Criteria



“Low Income” means both of the following:

- The Individual meets the low-income thresholds established in the annual U.S. Department of Housing and Urban Development (HUD) income limits based upon the Area Median Income (AMI) for the county in which the Person resides or which is closest to the Person’s home address; **and**
 - The Individual does not have Assets in excess of the allowable amount based on Household Size
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- 




Low Income Criteria



“Asset” means net assets at or below four times the Low Income thresholds based on Household Size. Examples of liquid accounts that shall be disclosed include but are not limited to, saving accounts, checking accounts, certificates of deposit, money market accounts, stocks, trusts, and gifts.

Note: Qualified retirement accounts and an applicant's primary residence shall be excluded for purposes of the calculation, but other forms of real estate shall be included.



Low Income Criteria

“Household Size” means the number of individuals that meet any of the following criteria:



- All spouses or domestic partners must be included in the household and must appear in the submission content
- All household members who are under 18 years of age must be the legal dependent of an adult household member, except in the case of emancipated minors, as claimed on the most recent income tax return, or legal minor children of title holders.
- All household members who are under 18 years of age must be the legal dependent or emancipated minor of an adult household member, as claimed on the most recent income tax return.



Low Income Criteria

Temporarily absent household members who intend to live in the residence upon return may be considered, if verifiable documentation supporting their absence is provided.

Such household members include, but are not limited to, household members serving temporarily in the armed forces, or who are temporarily institutionalized.







Low Income Criteria

Neither live-in assistants nor foster children will be counted toward Household Size.

Individuals not listed on the Social Equity Individual Applicant's most recent tax return, such as elderly relatives, live-in assistants, and foster children will not be counted toward Household Size



A Prior Cannabis Arrest or Conviction

“Cannabis Arrest or Conviction” means an arrest or conviction for any crime under the laws of any State, any of its political subdivisions, or the United States, relating to the sale, possession, use, manufacture, or cultivation of Cannabis.

- A Social Equity Applicant with a Cannabis Arrest or Conviction shall be ineligible to apply for a License in any of the circumstances specified in Section 104.04(c) and (d), subject to the time restrictions therein.
- An arrest, prosecution or conviction for a violation of Proposition D, as codified in former Article 5.1 of Chapter IV of the Los Angeles Municipal Code, notwithstanding that Proposition D has been repealed, is not a Cannabis Arrest or Conviction.



Required Documents for 2025 Verification

Low Income Documentation

Federal Tax Returns - 2023 or 2024 tax returns or IRS Verification of Non-filing documents to evidence your income.

- Please submit the final, filed version of your tax return, including all schedules.
- Requesters that are married and file taxes separately must provide documentation for the Requester and the Requester's spouse.
- If you did not file a tax return, please use IRS Form 4506-T to order a Verification of Non-filing transcript or Form 1040-series transcripts free of charge. For more information, please visit <https://www.irs.gov/forms-pubs/about-form-4506-t>

Arrest or Conviction Documentation

At least one court or government document evidencing the arrest or conviction for a cannabis-related crime.

- A physical copy of the ticket or citation
- Police report documenting the arrest
- A court docket referencing the arrest or conviction
- A letter of expungement from the jurisdiction that expunged your arrest or conviction or arrest record.

GENERAL GUIDELINES ABOUT REQUIRED DOCUMENTS

Please ensure each document submitted to DCR is complete. Double-sided documents are often accidentally scanned one-sided, leading to missing pages.

If the legal name listed on the government records and/or documents you provide differs from the legal name associated with your ACA Reference ID, you must provide supporting documentation to demonstrate the relationship between the two legal names. This may include a birth certificate, marriage certificate, or other government document connecting the names.

You will be notified if DCR determines there are any deficiencies in your submission. You will have 7 days from the date of the notification to submit documentation to correct any identified deficiencies.

SEIA Verification Request Filing Period

The Los Angeles Municipal Code (LAMC) establishes a 15-day filing period.

- The filing period will open on Monday, March 17, 2025 and closes on Tuesday, April 1, 2025 at 4:00 p.m. local time (Pacific Time for Los Angeles, CA).
 - Late submissions will not be accepted.
- 7-day Cure Period - DCR will notify prospective SEIAs if additional documentation is required and allow prospective SEIAs to submit updated documentation within the 7-day cure period.
- The filing fee of \$597 must be paid within 30-days of the date an invoice is issued.
- Individuals verified in 2019 and/or 2022 do not need to be reverified to participate in Phase 3 Retail Round 3.



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Thank You for Attending

The next SEIA Verification
webinar will be at
12:00 PM, 2/25/2025

