

County of Los Angeles Commercial Cannabis Business Proposed Operating Requirements Framework

1. Good Neighbor Policy & Corporate Social Responsibility

Sub-Category	Proposed Rules & Regulations
Community Meeting Requirement	Applicants for new permits or renewals will be required to host a community meeting prior to receiving their permit.
Community Meeting Notice	Notices must include the meeting date, time and location, business name and address, permit type, hours of operation, and liaison contact information. Notice of the meeting must be given to all businesses and residents within at least 500 feet of the premises. Notices must be sent at least 10 days before the meeting to businesses, residents, OCM, and the Supervisorial District Office.
Community Liaison	All applicants and permittees will be required to have a community liaison. The liaison must be available 24/7 to address community concerns about the cannabis business or its premises. Contact details for the liaison must be provided to OCM, the Supervisorial District Office, and posted inside and outside the business. The liaison must attend the community meeting. The liaison’s contact information must be kept current and include their full name, title, email, phone number, and mailing address.
Demonstrating Compliance	<p>To show compliance with the Good Neighbor Policy, applicants or permittees must provide:</p> <ul style="list-style-type: none"> • A signed declaration that the meeting was held according to regulations. • A copy of the notice sent to neighbors within the designated radius. • Contact details of the community liaison.

	<ul style="list-style-type: none"> Copies of any input from community meeting attendees, written or verbal.
Corporate Social Responsibility (CSR) Mandate	<p>Applicants must commit to at least one option in each of the three (3) CSR categories:</p> <ol style="list-style-type: none"> Community Engagement Social Equity Labor/Employee Relations
Record Maintenance of CSR Commitments	All CSR commitments run with the permit and must be maintained.
CSR and Permit Renewal	Fulfillment of all CSR commitments is required for permit renewal. Non-compliance can lead to violations, permit revocation, or nonrenewal.
Director's Regulations	The Director will provide options for each CSR category and procedures for demonstrating compliance.

2. Security Requirements

Sub-Category	Proposed Rules & Regulations
Limited-Access/Non-Public Area Requirements	Limited-access areas must have sign-in/sign-out procedures for all individuals, with records maintained for 90 days. Only authorized personnel and visitors escorted by management can enter. No compensation can be provided for access to the limited-access area. Doors to limited-access areas must remain closed during business hours.
Age Verification Requirements	Age verification for all visitors and customers electronically at entry, sales, and delivery points is required. Only individuals 21 and over, Qualified Patients, and Primary Caregivers are allowed on premises. Qualified patients under 18 must be accompanied by a parent or guardian. Only individuals 21 and over can work at cannabis businesses including retail stores, in any capacity.
Locks	Limited-access areas and entry/exit points must have commercial-grade, nonresidential locks.

Alarm System & Incident Reporting	Maintain an alarm system installed and monitored by a licensed operator. Report crimes within 48 hours.
Video Surveillance System	Premises must have a digital video surveillance system recording 24/7, with footage stored for 90 days. Cameras must cover key areas and provide clear identification of individuals. Surveillance recordings must be made available to OCM upon request. Systems must be capable of notifying of any interruptions or failures.
Security Personnel	Retailers must hire licensed security personnel for onsite security during business hours. Security personnel must be in uniform and identifiable to the public. Security guards cannot perform other roles such as doorperson or salesperson.
Employee Badge Requirement	All employees must wear identification badges with specific details including name, photo, and employee number.
Lighting	Outdoor lights for safety or security must be shielded and downward facing.

3. Local and Targeted Hiring

Sub-Category	Proposed Rules & Regulations
Local & Targeted Hiring Mandate	<p>Permittees must demonstrate compliance with local and targeted hiring mandates:</p> <ol style="list-style-type: none"> 1. At least 20% of workforce hours must be performed by local workers. 2. At least 20% of workforce hours must be performed by targeted workers.
Eligible Workers	<p>Targeted Worker: A worker must be either a (1) Social Equity Program eligible individual or (2) be a County resident with career-limiting circumstances, including documented household income below 200% of the federal poverty line, formerly incarcerated, recipient of government assistance (SNAP, etc.), veteran or spouse of a veteran, former foster youth, over the age of 55, or has a documented disability.</p> <p>Local Worker: Workers qualify based on their primary residence being within certain distances and zip codes with higher poverty or unemployment rates.</p>

Dual Qualification	If a worker qualifies as both a targeted and local worker, their work hours can count towards both mandates.
Permit Renewal Condition	Full compliance with both hiring mandates is required for permit renewal. Non-compliance can lead to violations and permit revocation.
Demonstrating Compliance	Permittees must submit a detailed form for permit renewal, listing all employees, work hours, and attestations of qualifications for local and targeted workers.

3. Required Approvals and Inspections

Sub-Category	Proposed Rules & Regulations
Site Alterations	Obtain all necessary county approvals, plans, and permits before making alterations or expansions to a building used for a commercial cannabis business. Compliance with all relevant laws and regulations is mandatory.
Permits and Inspections Before Operations	Before beginning operations, businesses must undergo a mandatory inspection, obtain all required building permits, licenses, clearances, and approvals from relevant state and county departments.
Announced and Unannounced Inspections	<p>County officials can enter and inspect the premises during businesses hours, with or without notice. Inspections may include review of records and recordings, and collection of cannabis samples for safety testing.</p> <ul style="list-style-type: none"> • It is unlawful to obstruct, interfere with, or impede an inspection, or to tamper with records. • Youth decoys can be used for compliance checks without enforcement of age laws against them under specific conditions.
Inspection Compliance	Businesses must comply with all scheduled and unannounced inspections. Annual compliance inspections will review operations, records, and inventory.
Minimum Inspection Requirements	Inspections conducted by OCM will include checks on entry points, property maintenance, locked limited-access areas,

	alarm system, video surveillance, age verification devices, subletting, records retention, and security breach notification procedures.
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4. Prohibited Activities & Prohibited Owners

Sub-Category	Proposed Rules & Regulations
Physician Presence	No physician can be present on the premises to evaluate patients for cannabis recommendations.
Consumption & Loitering Prohibition	Smoking, ingesting, or consuming cannabis or cannabis products is prohibited on or within 20 feet of the premises. Loitering is not allowed on or around the premises.
Sales Restrictions	No sales to persons under 21 years of age, except with a valid medical card. No sales of tobacco, alcohol, or food are allowed. No sales allowed until all state and local approvals are obtained and a cannabis business permit.
Operating Hours	No sales are permitted between 10:00 p.m. and 8:00 a.m.
Change Approval	No changes in business name, location, or ownership without OCM written approval.
Prohibited Owners	<p>No person shall have an ownership interest in any cannabis business or cannabis management company if they have been convicted of:</p> <ul style="list-style-type: none"> • A violent felony conviction, as specified in subdivision (c) of Section 667.5 of the California Penal Code; • a serious felony conviction, as specified in subdivision (c) of Section 1192.7 of the California Penal Code; • a felony conviction involving fraud, deceit, embezzlement, theft, or perjury; • a felony conviction for hiring, employing, or using a minor in transporting, carrying, selling, giving away, preparing for sale, or peddling, any controlled substance to a minor; or selling, offering to sell, furnishing, offering to furnish, administering, or giving any controlled substance to a minor; or,

	<ul style="list-style-type: none"> • a felony conviction for drug trafficking with enhancements pursuant to Section 11370.4 or 11379.8 of the California Health and Safety Code.
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5. Advertising & Signage

Sub-Category	Proposed Rules & Regulations
Off-Site Cannabis Advertising	No off-site advertising for cannabis or cannabis products is allowed on interstate or state highways crossing the California border, in residential or agricultural zones in unincorporated areas, or within 1,000 feet* of youth-oriented uses.
Vehicle Advertising Restrictions	Delivery vehicles for cannabis products must not have any exterior markings or symbols indicating or suggesting the presence of cannabis or cannabis products.
Required Signage: Storefront Retail	<p>Adult Use Only: Must have a sign stating: “Adult-use cannabis sales only. Persons under 21 years of age are prohibited from entering.”</p> <p>Medical and Adult-Use: Must have a sign stating: “Medical and adult-use cannabis for sale. Persons under 21 years of age are prohibited from entering this property unless they are a qualified patient or a primary caregiver. Any qualified patient or primary caregiver under 18 years of age must be accompanied by their parent or legal guardian.”</p> <p>Medical Use Only: Must have a sign stating: “Medical cannabis sales only. Any qualified patient or primary caregiver under 18 years of age must be accompanied by their parent or legal guardian.”</p>
Required Signs Non-Storefront Retail	Must post a sign at each entrance stating: “Onsite cannabis sales are prohibited.”
Required Signs: No Consumption, No Loitering	<p>Must have a sign stating: “Smoking, ingesting, or consuming cannabis or cannabis products on the premises or in areas adjacent to the business is prohibited.”</p> <p>Must have a sign stating: “No loitering on the premises or in the areas adjacent to the business.”</p>

Health Warning Sign	Must display a health-warning sign behind the main dispensing counter, with specific characteristics (size, height, languages, content).
No Obstruction Sign	No signs shall obstruct any entrance, exit, or window of the building.
Permit Display	Must prominently display permits or approvals as required by the Department of Public Health, Los Angeles Fire Department, and Los Angeles Planning Department.

6. Administrative Violations and Penalties/Fines

Sub-Category	Proposed Rules & Regulations
Administrative Penalties/Fines	OCM may: issue notices, impose penalties/fines and/or corrective actions, revoke or suspend permits.

7. Misc. Rules & Regulations

Sub-Category	Proposed Rules & Regulations
Annual Renewal Requirements	Permittees must renew all records annually, including permits and other approvals, and submit required information and fees. Applicants must be current on all county taxes and fees. Renewal applications will be denied if taxes and fees are not current. OCM may conduct an on-site compliance inspection prior to or within one year of issuing a renewal.
Permit Expiration	Commercial Cannabis Business Permits expire one (1) year after issuance.
Distribution of Retail Businesses	Limit permitted retail storefront businesses to no more than five (5) per supervisorial district. Limit permitted non-retail storefront (deliver) businesses to no more than five (5) per supervisorial district.