Equity Fee Waiver Program

Cannabis equity businesses in California may be eligible for a license fee waiver from the Department of Cannabis Control (DCC) if they meet certain criteria. Visit <u>cannabis.ca.gov</u> to learn more about equity fee waivers and eligibility.

Cannabis businesses may only utilize the fee waiver program for one license fee waiver of a single license per 12-month licensure period. DCC will process fee waiver requests in the order in which the licensure application or renewal has been approved.

Equity Fee Waiver Eligibility

Business eligibility

The cannabis equity business must meet the following criteria:

- **Equity ownership**: Individuals who meet the equity criteria own 50% or more of the business.
- **Gross revenue**: The business has gross revenue of \$1.5 million or less per year. If a new applicant, the business expects gross revenue of \$1.5 million or less for the first year.

Equity criteria

You may be considered an equity applicant if you are an owner of a cannabis business and satisfy at least one of the equity criteria:

- **Cannabis conviction or arrest**: You were convicted of or arrested for a cannabis offense before November 8, 2016.
- **Household income**: Your household income is less than or equal to 60 percent of the Area Median Income for the local jurisdiction where you live.
- **Neighborhood**: You lived for at least five years between 1980 and 2016 in an area disproportionately impacted by past criminal justice policies implementing cannabis prohibition. Learn more about <u>qualifying neighborhoods</u>, or use our <u>map tool</u> to see if you lived in a qualifying area.

If you participate in your local jurisdiction's equity program, you can show you meet the equity criteria through an attestation on the fee waiver form.

If you don't participate in your local equity program or are in a jurisdiction without an equity program, you must submit documents to show your eligibility.



Verification Documents

Submit at least one of the following for each owner who is not verified through a local equity program.

Conviction or arrest

You can show proof of conviction or arrest using one of the following:

- Copies of federal or state court records that show the outcome of the case
- Records showing dismissal or expungement
- Any other court or law enforcement record that show proof of conviction or arrest

Income

You can show proof of income using any of the following:

- Individual federal tax returns, state tax returns, or W-2s
- At least two consecutive paystubs
- Proof of eligibility for a general assistance program that provides financial aid to adults without sufficient income or resources, such as CalFresh, MediCal, CalWORKS, supplemental security income, or social security disability

The records must include the equity owner's name and be dated within two years of the fee waiver request.

Neighborhood

You can prove you lived in an area disproportionately impacted by cannabis criminalization using any **two** of the following:

- California Driver's License or State Identification Card
- Property tax bill or payment, or evidence that the owner is exempt from property tax payment
- Signed rental agreement, or deed or title to residential property
- Copies of state or federal tax returns
- School records
- Banking or credit card records
- Voter registration
- Utility, cable, or internet billing or payment records

The records must include the equity owner's name, show an address in the jurisdiction, and be dated between 1980 and 2016.



Equity Fee Waiver Program New 12.31.2021

How to apply for a fee waiver

For new applicants:

1. Start your online license application

DCC has three licensing systems. Use the one that corresponds to the license type you are applying for.

2. Apply for a fee waiver

When you submit your application, select **Yes** to indicate that you are interested in applying for a fee waiver.

3. Upload the fee waiver request form

Download the <u>request form</u>. Complete the required fields to provide information about the business's equity owners. Upload the completed form to your online application.

4. Submit your application

For renewal applicants:

1. Download the fee waiver request form

Complete the required fields to provide information about the business's equity owners.

2. Submit your completed form

Send your completed form to <u>equity@cannabis.ca.gov</u> at least 60 days before your license expires.

Note: If your license renewed immediately before the fee waiver program started on January 1, 2022, email <u>equity@cannabis.ca.gov</u> to find out if you can still receive a fee waiver.

Incomplete applications

Incomplete fee waiver requests will be denied. If your fee waiver request is denied, DCC will tell you the deficiencies that caused the denial.

You can fix these deficiencies and resubmit a fee waiver request.

The Department of Cannabis Control (DCC) licenses and regulates commercial cannabis activity within California. To learn more about the California cannabis market, state licenses or laws, visit <u>cannabis.ca.gov</u>. Email questions to <u>equity@cannabis.ca.gov</u> or call 1-844-61-CA-DCC (1-844-612-2322).



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