

Equity Fee Relief Program

Cannabis equity businesses in California may be eligible for license fee relief from the Department of Cannabis Control (DCC) if they meet certain criteria. Visit [Apply for Equity Fee Relief](#) to learn more about equity fee relief and eligibility.

Fee Waivers: provide an opportunity for qualified and approved equity applicants/licensees to have either their initial or renewal license fee waived. Please note that equity fee waivers do not apply to application fees, and businesses with more than one license **can only obtain a fee waiver for one license per calendar year.**

Fee Deferrals: qualified and approved equity applicants/licensees can defer payment of their initial or renewal license fees for six months. Businesses with more than one license can request deferrals on each license within the same calendar year. Note: All deferrals must be paid in full no later than six months after the issuance of a license or renewal of a license. Businesses with more than one license **can request a deferral one time on each license within the same calendar year.**

Equity Fee Relief Eligibility

Business eligibility

The cannabis equity business must meet both of the following criteria:

- **Equity ownership:** Individuals who either individually or in combination with the other owners who meet the equity criteria must own 50% or more of the business.
- **Gross revenue (only for fee waivers):** The business has gross revenue of \$5 million or less per year. If a new applicant's business expects gross revenue of \$5 million or less for the first year. Gross revenue can be documented with CA Department of Tax and Fee Administration documents, IRS documents, or profit and loss statements. The documents should include the business's name.

Individual 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:** You were convicted of a cannabis offense before November 8, 2016.
- **Cannabis arrest:** You were 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 criteria:** You lived for at least five years between 1980 and 2016 in a county disproportionately impacted by past criminal justice policies implementing cannabis prohibition, **and** the owner meets one of the two following criteria:
 - Resided in a qualifying census tract
 - Has an immediate family member who was arrested or convicted of a cannabis-related offense prior to November 8, 2016



Learn more about [qualifying neighborhoods](#), or use our [map tool](#) to see if you lived in a qualifying census tract.

If you participate in your local jurisdiction's equity program, you can show you meet the equity criteria through an attestation on the fee relief 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 any 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 individual's name and be dated within two years of the date of the fee waiver request. Income documentation must be submitted to demonstrate the equity owner's income as well as each earner in the equity owner's household.

Neighborhood and family member conviction or arrest

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
- Credit reports
- Utility, cable, or internet billing or payment records
- Vehicle titles or proof of vehicle registration



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

To show eligibility via an immediate family member who was arrested or convicted of a cannabis related crime prior to November 8, 2016, you must provide evidence of the familial relationship via official documentation such as birth certificates or court records and documentation of the offense such as federal or state court records. Immediate family member may include child, stepchild, parent, stepparent, brother, sister, half-brother, half-sister, stepsibling, legal guardian, grandparent, or great grandparent.

How to apply for fee relief

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 fee relief**
When you submit your application, select **Yes** to indicate that you are interested in applying for equity fee relief.
- 3. Upload the fee relief request form**
Download the [fee relief request form](#). Complete the required fields to provide information about the business's equity owners (owners who meet the equity criteria). Upload the completed form to your online application.
- 4. Submit your application**

For license renewals:

- 1. Download the [fee relief request form](#)**
Complete the required fields to provide information about the business's equity owners (owners who meet the equity criteria).
- 2. Include tax documentation in your email**
Attach tax documentation in your email to the DCC verifying your gross revenue is under \$5 million for fee waivers.
- 3. Submit your completed form**
Send your completed form to equity@cannabis.ca.gov at least 60 days before your license expires. Note: Timely submission of equity fee relief requests is encouraged. Licensees are responsible for renewing their licensure regardless of the status of your equity fee relief request. Please consider your expiration date when requesting fee relief to provide the Department processing time and to avoid gaps in your licensure or applicable late fees.

Incomplete applications

Incomplete fee relief requests will be denied. If your fee relief request is denied, DCC will tell you the deficiencies that caused the denial. You can fix these deficiencies and resubmit a fee relief request.

Fee deferrals granted by the DCC shall be subject to the following conditions:

All license fees must be paid in full no later than six months after the issuance or renewal of the license.

The licensee's failure to pay the appropriate licensing fee as required within the six months of issuance or renewal, will result in further action being taken by DCC, including, but not limited to, denial of licensure renewal, suspension, or revocation of a license.

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 cannabis.ca.gov. Email questions to equity@cannabis.ca.gov or call 1-844-61-CA-DCC (1-844-612-2322).

