



BOARD OF SUPERVISORS

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COUNTY OF LOS ANGELES
**DEPARTMENT OF CONSUMER
AND BUSINESS AFFAIRS**

"To Enrich Lives Through Effective and Caring Service"



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Director

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May 6, 2019

To: Supervisor Janice Hahn, Chair
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
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Supervisor Kathryn Barger

From: Joseph M. Nicchitta
Director

**REPORT REGARDING DEVELOPMENT OF AN UNLICENSED CANNABIS
BUSINESS CLOSURE PLAN (ITEM NO. 9, AGENDA OF JULY 3, 2018)**

On July 3, 2018, your Board directed the CEO's Office of Cannabis Management (OCM)¹ to coordinate with County departments to develop an Unlicensed Cannabis Business Closure Plan (Closure Plan) to address the increase in illegal cannabis stores and other businesses in unincorporated areas.

Your Board directed that the Closure Plan include strategies identified by the OCM in a report filed with your Board on June 19, 2018, including but not limited to:

- An outreach campaign to educate the public on how to determine whether a cannabis business is licensed and how to report unlicensed cannabis businesses;
- Enhanced direct enforcement against unlicensed cannabis businesses to make closing businesses more effective and sustained;
- Advocacy in support of legislation that would help the County close unlicensed cannabis businesses and keep them closed; and
- Strategic partnerships between County departments and other agencies involved in cannabis regulation.

¹ The OCM now reports to the Director of Consumer and Business Affairs.

In response to your Board's motion, the OCM formed a workgroup consisting of representatives from the CEO, County Counsel, District Attorney, Sheriff, Regional Planning, Public Works, Public Health, Treasurer and Tax Collector, and Fire. The OCM worked with departments to evaluate the County's existing enforcement procedures and identify potential improvements and new strategies.

The OCM also consulted representatives from State agencies responsible for the regulation and enforcement of commercial cannabis businesses, including the State Bureau of Cannabis Control, the Manufactured Cannabis Safety Branch of the State Department of Public Health, CalCannabis, which is responsible for administering cannabis cultivation regulations within the State Department of Food and Agriculture, and the State Department of Tax and Fee Administration.

In addition to consulting with County staff and outside agencies, the OCM worked with leaders of community groups in unincorporated areas most heavily impacted by unlicensed cannabis stores. The OCM used these discussions as an opportunity to vet proposed strategies with community members, and to receive suggestions on additional strategies.

SUMMARY OF CLOSURE PLAN

The collaboratively developed Closure Plan is attached to this report and offers a toolkit of strategies the County can apply to address existing illegal cannabis businesses and prevent new illegal businesses from opening in unincorporated areas.

The Closure Plan is divided among five primary strategies. Each strategy contains multiple sub-strategies and will be implemented by the OCM in partnership with the departments identified above and in collaboration with State agencies.

The following is a summary of the Closure Plan's strategies and sub-strategies:

Strategy 1: Public Education and Outreach

- 1.1 Implement the Cannabis Emblem Program:** The emblem program would establish a universal symbol displayed by licensed cannabis stores, visible from the exterior of the stores, to allow consumers to shop only at licensed stores. The OCM submitted a report on the cannabis emblem program on August 3, 2018.

- 1.2 Warning Signage at Unlicensed Cannabis Stores:** High-visibility warning signage posted at or near unlicensed cannabis stores could offer a way to protect consumers and communities. The signage could include information on the potential health and safety risks associated with shopping at an unlicensed store.
- 1.3 Outreach to Cannabis Store Employees:** Employees of unlicensed cannabis businesses may face wage theft and threats to their physical safety. Informing cannabis industry workers about the risks they face in illegal businesses can help them avoid falling victim to exploitative labor practices.
- 1.4 Outreach to Property Owners:** Educating owners of commercial and industrial properties about the legal and financial risks of leasing space to an unlicensed cannabis business can help prevent unlicensed businesses from opening in the first place.
- 1.5 Outreach to Community Groups:** When community members know how to recognize and report unlicensed cannabis businesses in their neighborhoods, they will be empowered to protect their communities and serve a vital role as the County's "eyes and ears."
- 1.6 Utilize the "The Works" Smartphone Application:** Currently, the application provides County residents an easy way to report and track services, such as graffiti removal, unpermitted construction, and pothole repairs. The application could be an option for reporting unlicensed cannabis businesses.
- 1.7 Cannabis Consumer Education:** Cannabis consumers will learn about the benefits to their health and safety by shopping at licensed cannabis retailers only.

Strategy 2: Enhanced Direct Enforcement

- 2.1 Utility Disconnection:** Work with utility companies to explore the feasibility of disconnecting electric service at unlicensed cannabis businesses.
- 2.2 Physical Locking and Sealing of Premises:** Physically prevent access to the premises of an unlicensed business by locking and sealing all entrances.

- 2.3 **Increased Civil Penalties:** The County currently imposes civil penalties up to \$1,000 per day. Increased penalties can help deter unlicensed businesses.
- 2.4 **Product Seizure:** Some jurisdictions have found product seizure to be a highly effective and immediate way of preventing unlicensed cannabis stores from engaging in illegal sales. Increasing product seizures in unincorporated areas will make it less profitable to do business there.
- 2.5 **Create a Multi-Department Inspection and Enforcement Team:** Create a cannabis crime abatement team, similar to the County's nuisance abatement teams, but focused specifically on unlicensed cannabis businesses.
- 2.6 **Create Criteria to Prioritize Enforcement Cases:** Establishing a standard list of criteria to "triage" and prioritize new and existing enforcement cases can help ensure that available resources are concentrated on the most problematic cases.
- 2.7 **Streamlining Case Filing Procedures:** Analysis of exiting workflows and case management could reveal opportunities to utilize staff resources more efficiently.

Strategy 3: Legislative Advocacy

- 3.1 **Seek Legislation Focused on Advertising of Unlicensed Cannabis Businesses:** Some online platforms and print publications allow advertisements from unlicensed cannabis businesses. Existing State and federal laws may need to be amended to close loopholes that have been exploited.
- 3.2 **Designate a Dedicated Court Department or Judge:** Establishing dedicated Superior Court departments or judges for cases related to unlicensed commercial cannabis activity could lead to quicker and more consistent judgments in cases involving illegal cannabis businesses.
- 3.3 **Seek State Funding and Resources to Support Enforcement:** The County should proactively seek resources to fund or support local enforcement efforts.

Strategy 4: Strategic Partnerships

- 4.1 Create a Unified Database of Enforcement Cases:** Establishing a unified database of enforcement cases against unlicensed cannabis businesses in the County's unincorporated areas would provide County staff with on-demand access to the most current information.
- 4.2 Develop a Cross-Referral Protocol with State Agencies:** Responsibilities for enforcing California's new cannabis laws and regulations are split between the State and local governments. A cross-referral protocol would help ensure that enforcement activities are well-coordinated.
- 4.3 Create a Forum for Cannabis Regulators and Enforcement Officials:** Establishing a forum would enable regulators and officials to discuss enforcement strategies, emerging trends, identify needs, and exchange other information regularly.

RESOURCE NEEDS AND IMPLEMENTATION TIMELINE

Many of the Closure Plan strategies can be implemented with existing resources. However, additional funding is needed to fund cannabis consumer education (Strategy 1.7) and the cannabis crime abatement team (Strategy 2.5).

The OCM will work with the CEO and affected departments to seek necessary resources as part of the regular budget process. The OCM will also work with County Counsel and the CEO to evaluate the availability of funding from civil penalties paid to the County pursuant to the California Unfair Business Practices Act, which may be used by the District Attorney and County Counsel to enforce consumer protection laws.

Implementation of the Closure Plan will commence immediately upon approval by your Board. The OCM recommends, however, that formation and deployment of the cannabis crime abatement team (Strategy 2.5) take place after the County has adopted procedures to perform the physical locking and sealing of premises (Strategy 2.2) and concluded an evaluation of whether utility disconnection (Strategy 2.1) is feasible in partnership with Southern California Edison. Physically locking and sealing illegal cannabis businesses and disconnecting utilities are tools that should be in place to ensure the cannabis crime abatement team's activities are most effective.

Each Supervisor
May 6, 2019
Page 6

Should you have any questions or need additional information, please contact me or Rafael Carbajal, Chief Deputy Director, at (213) 974-0834 or rcarbajal@dcba.lacounty.gov, or Wason Fu, Senior Policy Analyst, at (213) 974-9771 or wfu@dcba.lacounty.gov.

JMN:RC
WF:RV:ph

c: Executive Office, Board of Supervisors
 Chief Executive Office
 Assessor
 District Attorney
 Sheriff
 Agricultural Commissioner/Weights and Measures
 Alternate Public Defender
 County Counsel
 Fire
 Human Resources
 Public Defender
 Public Health
 Public Works
 Regional Planning
 Sheriff Civilian Oversight Commission
 Treasurer and Tax Collector

Unlicensed Cannabis Business Closure Plan

May 2019

**Office of Cannabis Management, Los Angeles County
Department of Consumer and Business Affairs**

Table of Contents

Strategies and Departments At-a-Glance	3
Introduction.....	4
<i>Strategy 1: Public Education and Outreach</i>	
Universal Emblem Program and Education Campaign.....	8
Warning Signage at Unlicensed Cannabis Stores	10
Outreach to Cannabis Store Employees	13
Outreach to Property Owners.....	15
Outreach to Community Groups	17
“The Works” Smartphone Application.....	19
Cannabis Consumer Education	21
<i>Strategy 2: Enhanced Direct Enforcement</i>	
Utility Disconnection.....	23
Physical Locking and Sealing of Premises.....	25
Increased Civil Penalties.....	27
Product Seizure	29
Multi-Department Inspection and Enforcement Team.....	31
Criteria to Prioritize Enforcement Cases.....	33
Streamlined Case Filing Procedures	35
<i>Strategy 3: Legislative Advocacy</i>	
Advertising of Unlicensed Cannabis Businesses	37
Dedicated Court Department or Judge.....	39
State Funding and Resources to Support Enforcement.....	41
<i>Strategy 4: Strategic Partnerships</i>	
Unified Database of Enforcement Cases.....	43
Cross-Referral Protocol with State Agencies.....	45
Forum for Cannabis Regulators and Enforcement Officials.....	47

Strategies and Departments At-a-Glance

Responsible Departments ⊛ = lead ✓ = support	OCM	CoCo	DA	LASD	DRP	DPW	DPH	TTC	FIRE	CEO
Strategy 1: Public Education and Outreach										
1.1 Universal Emblem Program and Education Campaign	⊛	✓					⊛			
1.2 Warning Signage at Unlicensed Cannabis Stores				⊛						
1.3 Outreach to Cannabis Store Employees	⊛									
1.4 Outreach to Property Owners	⊛			✓	✓			✓		
1.5 Outreach to Community Groups	⊛			✓	✓		✓			
1.6 "The Works" Smartphone Application						⊛				
1.7 Cannabis Consumer Education	⊛						✓			
Strategy 2: Enhanced Direct Enforcement										
2.1 Utility Disconnection		⊛				⊛			✓	
2.2 Physical Locking and Sealing of Premises		⊛	✓	⊛	✓	✓	✓	✓		
2.3 Increased Civil Penalties		⊛	✓							
2.4 Product Seizure		✓	✓	⊛						
2.5 Multi-Department Inspection and Enforcement Team	✓	✓	✓	⊛	✓	✓	✓	✓	✓	
2.6 Criteria to Prioritize Enforcement Cases	✓	⊛	⊛	⊛	✓	✓	✓	✓	✓	
2.7 Streamlined Case Filing Procedures		⊛	⊛	✓						
Strategy 3: Legislative Advocacy										
3.1 Advertising of Unlicensed Cannabis Businesses	⊛	✓	✓							✓
3.2 Dedicated Court Department or Judge	⊛	✓	✓							✓
3.3 State Funding and Resources to Support Enforcement	⊛	✓	✓	✓						✓
Strategy 4: Strategic Partnerships										
4.1 Unified Database of Enforcement Cases	✓	⊛	✓	⊛	⊛	✓	✓	✓	✓	
4.2 Cross-Referral Protocol with State Agencies	⊛	⊛	✓	⊛	✓	✓	✓	✓	✓	
4.3 Forum for Cannabis Regulators / Enforcement Officials	⊛	✓	✓	✓	✓	✓	✓	✓	✓	

Key to Department Names	
OCM	Office of Cannabis Management
CoCo	County Counsel
DA	District Attorney
LASD	Sheriff
DRP	Regional Planning
DPW	Public Works
DPH	Public Health
TTC	Treasurer and Tax Collector
FIRE	Fire Department
CEO	Chief Executive Office

Introduction

BACKGROUND

In November 2016, voters in California approved Proposition 64, legalizing adult-use (recreational) cannabis. Proposition 64 also established a regulatory framework for cannabis businesses, including cannabis stores (also known as “dispensaries”). Under California’s new cannabis laws, cities and counties can choose whether or not to allow cannabis businesses within their boundaries, and cannabis businesses are required to obtain licenses from both the state and their local jurisdiction.

Medical marijuana dispensaries have been prohibited in all unincorporated areas of Los Angeles County since January 2011. In July 2017, the ban was expanded to apply to all types of commercial cannabis activity, including commercial cultivation, manufacturing, processing, testing, transportation, and retail sale of medical and non-medical cannabis. However, despite the County’s ban, cannabis stores continue to operate illegally in the County’s unincorporated areas. Indeed, the problem of unlicensed cannabis businesses is an issue that cities and counties throughout California have struggled to address.

Unlicensed cannabis stores create significant negative impacts in a variety of areas. Neighboring residents and businesses are forced to contend with nuisance issues such as odor, littering, and parking problems, all contributing to a reduced quality of life. Moreover, many of these illegal cannabis businesses are concentrated in low-income neighborhoods, in communities of color, and in areas that are already overburdened by liquor stores, raising concerns about health equity and disparities. Surrounding communities are not the only ones impacted. Cannabis products sold at unlicensed stores are generally untested, and reports have found that these products are often contaminated with pesticides and other chemicals, harming the health of those who consume them. Revenues from unlicensed cannabis sales may also support organized criminal gangs, and most unlicensed sellers do not pay taxes, resulting in less funding for state and local governments.

PREVIOUS COUNTY EFFORTS TO ADDRESS THE PROBLEM

In March 2016, the County Board of Supervisors (Board) established the Medical Marijuana Dispensary Enforcement Team (MMDDET), comprised of County Counsel, the District Attorney, the Sheriff, and the Department of Regional Planning (Regional Planning), to combat illegal cannabis businesses in the unincorporated areas. Among other things, the MMDDET monitors all reports of illegal cannabis stores for follow-up and possible investigation. The Sheriff conducts investigations and serves warrants at suspected cannabis stores. County Counsel and the District Attorney work with property owners to evict illegal stores and, if such efforts are unsuccessful, take legal action to close the businesses.

In most cases, the MMDDET’s efforts result in the closure of an illegal store. However, this process is time-consuming and resource-intensive, and preventing cannabis stores from opening remains

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

a constant challenge. For example, in April 2017, the MMDET estimated that approximately 75 illegal cannabis stores were operating in unincorporated areas. In November 2017, the MMDET reported that 29 illegal cannabis stores had been closed during the prior six months, but 31 new stores had opened during the same period. This phenomenon has been described as “whack-a-mole” because new cannabis businesses quickly take the place of cannabis businesses that shut down.

Given these realities, a more comprehensive approach is needed to eliminate unlicensed commercial cannabis activity in the County’s unincorporated areas. Recognizing this need, the Board passed a motion on July 3, 2018, directing the County’s Office of Cannabis Management (OCM) within the Department of Consumer and Business Affairs to develop an Unlicensed Cannabis Business Closure Plan.

HOW THIS PLAN WAS DEVELOPED

Throughout 2017 and 2018, the OCM worked with County departments to explore various options for regulating commercial cannabis. As part of this process, OCM staff conducted research on compliance and enforcement procedures for cannabis businesses that have been used in other counties and cities throughout California, as well as in other states that have legalized cannabis, such as Colorado. The OCM also worked with MMDET members to evaluate the County’s existing enforcement procedures and identify potential improvements.

In addition to consulting with County staff and outside agencies, OCM staff solicited input from leaders of community groups in unincorporated areas of the County that have been most heavily impacted by unlicensed cannabis stores. The purpose of these discussions was to hear directly from community members about the scope of the problem and specific issues of particular concern in their respective areas. The OCM also used these discussions as an opportunity to vet some of the strategies being considered as part of this plan with community members, and to receive suggestions on additional strategies that the County should consider.

Some of the common themes which emerged during discussions between OCM staff and community leaders are summarized below:

- Unlicensed cannabis stores frequently locate in close proximity to “sensitive uses” such as schools, parks, and other places where children and families congregate.
- Unlicensed cannabis stores are increasingly going “incognito” by keeping a lower profile than in the past, possibly in order to avoid enforcement actions.
- The County should establish a dedicated telephone hotline for community members to report unlicensed cannabis businesses, with Spanish language support and a way for constituents to track the status of their complaints.

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Community leaders also presented concerns about people smoking cannabis in public, law enforcement resources being stretched thin, links between criminal gangs and unlicensed cannabis businesses, businesses deliberately marketing cannabis products to youth, and the public perception of lawlessness as a result of the continued operation of illegal businesses which may lead to blight and community decline if left unaddressed, as it has similarly done in the cases of graffiti and illegal dumping.

All of the community leaders who were consulted by the OCM expressed interest in partnering with the County to address the issue of unlicensed cannabis businesses in their communities. They acknowledged that many people who live and work in the areas impacted by unlicensed businesses feel frustrated because they do not know how to report unlicensed businesses. The community group leaders indicated that if the OCM developed outreach materials with information on how to report unlicensed cannabis businesses, their organizations could help distribute these materials throughout the community.

HOW THIS PLAN WILL BE USED

The purpose of this plan is to provide a diverse toolkit of strategies that can be applied individually or in tandem, depending on the specific circumstances of each case.

It is important to remember that there is no “silver bullet” solution to this issue; however, we can work to make our communities safer by using a variety of different tactics in combination with each other and work to shut down illegally-operating stores from all angles.

Ongoing data monitoring will be important to evaluate the effectiveness of these strategies and to focus enforcement resources in areas of greatest need.

A NOTE ABOUT ENSURING EQUITY

In any discussion about the enforcement of cannabis laws, it is important to acknowledge the harms that have been inflicted by over-criminalization of cannabis and disproportionate enforcement under the “war on drugs.” These impacts have been felt most severely in low-income communities of color, where higher rates of arrest and more severe charges and sentences have compounded barriers to employment, housing, and financial assistance, locking many individuals into a vicious cycle of limited opportunities.

For these reasons, the strategies proposed in this plan will leverage alternative mechanisms to reach the goal of eliminating unlicensed cannabis activity. First and foremost, the plan emphasizes education and outreach (Strategy 1) as a means to promote greater public awareness of what is legal under California’s new cannabis laws. For cases where enforcement is necessary due to prolonged non-compliance, the plan emphasizes administrative and civil enforcement tools (Strategy 2), rather than criminal penalties.

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Going forward, the County will be monitoring a variety of data indicators related to cannabis and the criminal justice system, in order to detect and prevent patterns of disparate enforcement.

Strategy 1.1 | Public Education and Outreach

Universal Emblem Program and Education Campaign

The purpose of the emblem program is to display signage that represents whether a cannabis store has received appropriate state and local licenses and permits, and to help consumers make smart choices about which stores should be avoided to avoid health and safety risks as well as create awareness about the negative impacts unlicensed stores have on surrounding neighborhoods.

Related Strategies

- 1.2 Warning Signage at Unlicensed Cannabis Stores
- 1.7 Cannabis Consumer Education

Responsible County Departments	<ul style="list-style-type: none"> ⊗ Office of Cannabis Management ⊗ Public Health ✓ County Counsel
External Partners	<ul style="list-style-type: none"> • Participating cities • State agencies
Targeted Populations	<ul style="list-style-type: none"> • Cannabis consumers

Problem	<ul style="list-style-type: none"> • Cannabis consumers patronize unlicensed stores while unaware of their increased exposure to health and safety risks and the store’s unlawfulness
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Consumers will become aware of the importance of licensing, be able to identify licensed stores easily, and will choose not to shop at unlicensed stores
Potential Metrics	<ul style="list-style-type: none"> • % of cities allowing retail cannabis stores that participate in the emblem program • % of cannabis consumers who recognize the emblem and what it signifies

Milestones	<p>Completed to date:</p> <ul style="list-style-type: none"> • Select consultant for emblem design and education campaign
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Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

	<ul style="list-style-type: none"> • Initiate discussions with local cities that will authorize cannabis stores • Initial design of emblem and focus group testing • Finalize emblem design <p>Next steps:</p> <ul style="list-style-type: none"> • Work with a consultant to finalize public education campaign • Launch emblem program in participating cities • Launch website • Launch education campaign
Funding / Resources	<ul style="list-style-type: none"> • No additional funding is required at this time
Precedents and Related Programs	<ul style="list-style-type: none"> • Restaurant letter grade program (DPH)
Related Laws and Regulations	<ul style="list-style-type: none"> • <i>Cal. Code of Regulations § 5039. License Posting Requirement</i> – All state cannabis licensees must prominently display the license in an area that is within plain sight of the public

Strategy 1.2 | Public Education and Outreach

Warning Signage at Unlicensed Cannabis Stores

High-visibility warning signage posted at or near unlicensed cannabis stores could offer a way to protect consumers and communities. The signage could include information on the potential health and safety risks associated with shopping at an unlicensed store.

Related Strategies

- 1.1 Universal Emblem Program and Education Campaign
- 1.7 Cannabis Consumer Education

Responsible County Departments	<ul style="list-style-type: none"> • Sheriff
External Partners	<ul style="list-style-type: none"> • State agencies
Targeted Populations	<ul style="list-style-type: none"> • Cannabis consumers • Property owners • Cannabis store employees

Problem	<ul style="list-style-type: none"> • Cannabis consumers patronize unlicensed stores, potentially exposing themselves and surrounding communities to increased health and safety risks
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Consumers will avoid shopping at unlicensed cannabis stores
Potential Metrics	<ul style="list-style-type: none"> • Average time needed to close unlicensed stores where warning signage is posted • Number of signs posted
Milestones	<ul style="list-style-type: none"> • Design signage and establish a protocol for posting the signage • Roll out the program in unincorporated areas

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Precedents and Related Programs	<ul style="list-style-type: none">• In the City of Compton, LASD posts warning signage at unlicensed cannabis stores (see photo on the following page)
Related Laws and Regulations	<ul style="list-style-type: none">• <i>Cal. Health and Safety Code § 11360</i> – Illegal to sell any amount of cannabis without state and local licenses• <i>Cal. Business and Professions Code § 26012</i> – Establishing state licensing authority• <i>Cal. Business and Professions Code § 26055 and § 26200</i> – Establishing local licensing authority



Warning signage posted at an unlicensed cannabis store in the City of Compton

Strategy 1.3 | Public Education and Outreach

Outreach to Cannabis Store Employees

Employees of unlicensed cannabis businesses may face risks ranging from wage theft to physical safety. Informing cannabis industry workers about the risks they may face can help them avoid falling victim to exploitative labor practices.

Related Strategies

- 1.4 Outreach to Property Owners
- 1.7 Cannabis Consumer Education

Responsible County Departments	<ul style="list-style-type: none"> • Office of Cannabis Management
External Partners	<ul style="list-style-type: none"> • City of Los Angeles • Labor unions • Licensed cannabis industry groups
Targeted Populations	<ul style="list-style-type: none"> • Employees of unlicensed cannabis businesses

Problem	<ul style="list-style-type: none"> • Employees of unlicensed cannabis stores may be particularly susceptible to job-related risks including wage theft, sexual harassment, and violent crime
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Create awareness about the risks of working at unlicensed cannabis stores and therefore reduce the desire to seek one for employment, as well as educating workers on identifying “red flags”
Potential Metrics	<ul style="list-style-type: none"> • # of labor-related complaints filed against unlicensed cannabis businesses by employees • % of cannabis store employees who are familiar with the message
Milestones	<ul style="list-style-type: none"> • Develop messaging and determine the most effective methods of reaching the target audience • Launch outreach campaign • Evaluate the effectiveness of campaign messages/methods

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Precedents and Related Programs	<ul style="list-style-type: none">• Minimum wage awareness campaigns (LA County and City)• Union campaigns to organize cannabis industry workers
Related Laws and Regulations	<ul style="list-style-type: none">• State cannabis regulations related to employment conditions (e.g., labor peace agreements)• Local, state, and federal labor laws not specific to cannabis (e.g., minimum wage, equal opportunity, OSHA)

Strategy 1.4 | Public Education and Outreach

Outreach to Property Owners

Educating owners of commercial and industrial properties about the legal and financial risks of leasing space to an unlicensed cannabis business can help prevent unlicensed businesses from opening in the first place.

Related Strategies

- 1.3 Outreach to Cannabis Store Employees
- 1.7 Cannabis Consumer Education

Responsible County Departments	<ul style="list-style-type: none"> ✦ Office of Cannabis Management ✓ Sheriff ✓ Regional Planning ✓ Treasurer and Tax Collector ✓ Assessor
External Partners	<ul style="list-style-type: none"> • Chambers of Commerce • Small business associations • Business Improvement Districts • Real estate industry and landlord associations • Property management companies
Targeted Populations	<ul style="list-style-type: none"> • Commercial and industrial property owners, particularly in areas with a high concentration of unlicensed cannabis stores (e.g., East Los Angeles)

Problem	<ul style="list-style-type: none"> • Property owners are legally liable for activities that occur on their property, however many owners are not aware of (or have been misled about) local laws related to commercial cannabis businesses and may unknowingly violate these laws by leasing space to an unlicensed business
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Unlicensed cannabis businesses will have greater difficulty in leasing space • Property owners will be spared from costly legal proceedings

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Potential Metrics	<ul style="list-style-type: none"> • Number of organizations engaged as partners • % of property owners in targeted areas who are familiar with the message (determined by survey) • Number of shares, comments, likes on social media
Milestones	<ul style="list-style-type: none"> • Develop messaging and determine the most effective methods of reaching the target audience • Launch outreach campaign • Evaluate the effectiveness of campaign messages/methods

Precedents and Related Programs	<ul style="list-style-type: none"> • The LA City Attorney maintains a webpage with information for property owners and real estate professionals: https://www.lacityattorney.org/property-owners • City of Compton reportedly sent an advisory letter to property owners
Related Laws and Regulations	<ul style="list-style-type: none"> • n/a

Strategy 1.5 | Public Education and Outreach

Outreach to Community Groups

When community members know how to report unlicensed cannabis businesses in their neighborhoods, they can serve a vital role as the County’s “eyes and ears” and will be more empowered to protect their communities. Establishing an easy-to-remember email address and/or telephone hotline for reporting unlicensed cannabis activity would further support this strategy.

Related Strategies

- 1.4 Outreach to Property Owners
- 1.6 “The Works” Smartphone Application
- 1.7 Cannabis Consumer Education

Responsible County Departments	<ul style="list-style-type: none"> ☒ Office of Cannabis Management ✓ Sheriff ✓ Regional Planning ✓ Public Health
External Partners	<ul style="list-style-type: none"> • Community organizations (Town Councils, Homeowner associations, Neighborhood watch groups, etc.)
Targeted Populations	<ul style="list-style-type: none"> • General public, especially residents in unincorporated areas

Problem	<ul style="list-style-type: none"> • Some community groups and residents have expressed frustration about unlicensed businesses in their communities, but are not sure how to report them, and may not even be aware that the business is unlicensed
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Community members will know how to report unlicensed cannabis businesses in their neighborhoods, enabling them to serve as the County’s “eyes and ears” and empowering them to protect their communities
Potential Metrics	<ul style="list-style-type: none"> • Number of community organizations contacted/met with • % of unincorporated area residents who know how to report an unlicensed cannabis business (determined by survey)

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

	<ul style="list-style-type: none"> • Number of shares, comments, likes on social media
Milestones	<ul style="list-style-type: none"> • Establish a dedicated website, email address, and/or telephone hotline for members of the public to report unlicensed commercial cannabis activity in the unincorporated areas • Develop brochures, flyers, magnets, and other materials to distribute at community meetings, County facilities, and field offices, with information on how to report unlicensed cannabis businesses • Explore additional cost-effective and “culturally competent” methods to reach target audiences
Precedents and Related Programs	<ul style="list-style-type: none"> • The City of LA has an online form for reporting unlicensed commercial cannabis activity • The State Bureau of Cannabis Control and the State Department of Public Health also have online forms for reporting unlicensed cannabis activity • The State Department of Food and Agriculture has a dedicated telephone hotline: 1-833-WEED-TIP
Related Laws and Regulations	<ul style="list-style-type: none"> • n/a

Strategy 1.6 | Public Education and Outreach

“The Works” Smartphone Application

“The Works” is a smartphone application that provides County residents an easy way to report and track service requests, such as for graffiti removal, unpermitted construction, and pothole repairs. It could offer residents another option for reporting unlicensed cannabis businesses in the unincorporated areas, and could automatically forward reports to the proper jurisdiction if the unlicensed business is located within a city.

Related Strategies

- 1.5 Outreach to Community Groups
- 4.1 Unified Database of Enforcement Cases

Responsible County Departments	<ul style="list-style-type: none"> • Public Works
External Partners	<ul style="list-style-type: none"> • Community organizations, Town Councils, Homeowner associations, Neighborhood watch groups, etc. • Cities in Los Angeles County
Targeted Populations	<ul style="list-style-type: none"> • General public, especially residents in unincorporated areas

Problem	<ul style="list-style-type: none"> • Some residents are not sure how to report unlicensed cannabis businesses in their communities. Some complaints received by the County have missing or inaccurate information. Residents do not have an easy way to track the status of a complaint after submitting it
Goals / Desired Outcomes	<ul style="list-style-type: none"> • With this convenient new option, residents will be more likely to report unlicensed cannabis businesses in their communities and will be able to easily attach a photo, GPS coordinates, or other information that can help expedite enforcement
Potential Metrics	<ul style="list-style-type: none"> • Number of cannabis complaints received through “The Works” app

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Milestones	<ul style="list-style-type: none">• Conduct necessary programming and testing to add this new feature to “The Works” app• Incorporate information about the app in outreach to community groups
Precedents and Related Programs	<ul style="list-style-type: none">• “The Works” app is already used to submit and track a wide variety of service requests for which Public Works has some responsibility, including graffiti removal, unpermitted construction, and pothole repairs: http://dpw.lacounty.gov/theworks/
Related Laws and Regulations	<ul style="list-style-type: none">• n/a

Strategy 1.7 | Public Education and Outreach

Cannabis Consumer Education

Focus groups conducted by the OCM reveal that cannabis consumers are confused about how licensing and permitting of cannabis businesses works, and are unaware of the benefits of purchasing cannabis through a regulated and licensed market. Cannabis consumers also are largely unaware of the risks to their health and safety from consuming cannabis, and many consumers who are new to cannabis do not understand how to consume cannabis safely. A wide-ranging education campaign directed at cannabis consumers can empower them to protect their own health and safety by avoiding illegal cannabis, and make it less profitable for illegal cannabis producers and retailers as consumer behaviors change.

Related Strategies

- 1.1 Universal Emblem Program and Education Campaign
- 1.2 Warning Signage at Unlicensed Cannabis Stores
- 1.3 Outreach to Cannabis Store Employees
- 1.4 Outreach to Property Owners
- 1.5 Outreach to Community Group

Responsible County Departments	<ul style="list-style-type: none"> ⊕ Office of Cannabis Management ✓ Public Health
External Partners	<ul style="list-style-type: none"> • Community organizations, Cities in Los Angeles County, Licensed Cannabis Industry Organizations
Targeted Populations	<ul style="list-style-type: none"> • Those who use cannabis or are likely to try cannabis

Problem	<ul style="list-style-type: none"> • Consumers are confused about how to buy cannabis legally and what licensing and regulation of cannabis businesses means for consumers in terms of health and safety benefits
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Cannabis consumers will be cognizant that licensed and regulated cannabis is safer and of higher quality, and will be more likely to avoid buying cannabis illegally

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Potential Metrics	<ul style="list-style-type: none">• Responses to regular surveys• Slowdown in the rate that illegal cannabis businesses open in the County
Milestones	<ul style="list-style-type: none">• Conduct research to inform an education campaign• Launch comprehensive messaging in digital and other media
Precedents and Related Programs	<ul style="list-style-type: none">• LA County Public Health's #BiggerChoicesThanWeed education campaign• WhatsLegalOregon.com
Related Laws and Regulations	<ul style="list-style-type: none">• n/a

Strategy 2.1 | Enhanced Direct Enforcement

Utility Disconnection

Working with utility companies to explore the feasibility of disconnecting electric service at unlicensed cannabis businesses, particularly those with unsafe wiring and those that are engaged in utility theft, is a tactic that some cities in Southern California have explored using, and one that was recommended by the Los Angeles County Advisory Working Group on Cannabis Regulation.

Related Strategies

- 2.5 Multi-Department Inspection and Enforcement Team
- 2.6 Criteria to Prioritize Enforcement Cases

Responsible County Departments	<ul style="list-style-type: none"> ⊕ County Counsel ⊕ Public Works (Building and Safety Division) ✓ Fire
External Partners	<ul style="list-style-type: none"> • Southern California Edison (SCE) • California Public Utilities Commission (CPUC) • Western States Utility Theft Association
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses

Problem	<ul style="list-style-type: none"> • Some unlicensed cannabis businesses continue to operate even after being ordered to close by court order
Goals / Desired Outcomes	<ul style="list-style-type: none"> • It will be more difficult for unlicensed cannabis businesses to continue operating after utility service have been disconnected
Potential Metrics	<ul style="list-style-type: none"> • Number of unlicensed businesses where utility service has been disconnected • % of unlicensed businesses that cease operating within 24 hours after utility service has been disconnected

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Milestones	<ul style="list-style-type: none"> • Work with utility service providers to establish criteria, rules, and procedures for disconnecting electric service at unlicensed cannabis businesses
Precedents and Related Programs	<ul style="list-style-type: none"> • The cities of Los Angeles, Long Beach, and Anaheim have adopted ordinances authorizing utility shut-off for unlicensed cannabis businesses
Related Laws and Regulations	<ul style="list-style-type: none"> • <i>Rule 11 of the Cal. Public Utilities Commission (CPUC)</i> – Reasons for which utilities may disconnect service • <i>LA County Code, Title 27 (Electrical Code), sec. 81-12. Authority to Disconnect</i> – The Chief Electrical Inspector is empowered to disconnect or to order in writing the discontinuance of electrical service to wiring, devices or materials found to be dangerous and a hazard to life, health and property • <i>Cal. Public Utilities Code section 394.4(b) - Physical disconnects and reconnects:</i> Only an electrical corporation, or a publicly owned electric utility, that provides physical delivery service to the affected customer shall have the authority to physically disconnect or reconnect a customer from the transmission or distribution grid

Strategy 2.2 | Enhanced Direct Enforcement

Physical Locking and Sealing of Premises

Physically preventing access to the premises of an unlicensed cannabis business is a tactic that could be effective and rapidly deployed to shut down businesses with severe or long-standing code violations.

Related Strategies

- 2.5 Multi-Department Inspection and Enforcement Team
- 2.6 Criteria to Prioritize Enforcement Cases

Responsible County Departments	<ul style="list-style-type: none"> ✦ Sheriff ✦ County Counsel ✓ District Attorney ✓ Regional Planning ✓ Public Works ✓ Public Health ✓ Treasurer and Tax Collector
External Partners	<ul style="list-style-type: none"> • n/a
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses that would not be eligible for a license due to their location/zoning

Problem	<ul style="list-style-type: none"> • Some unlicensed cannabis businesses continue operating even after being ordered to close by court order
Goals / Desired Outcomes	<ul style="list-style-type: none"> • It will be more difficult for unlicensed cannabis businesses to continue operating after being locked out
Potential Metrics	<ul style="list-style-type: none"> • Number of unlicensed businesses that have been locked and sealed
Milestones	<ul style="list-style-type: none"> • Establish procedures for one or more County departments to make the necessary findings to justify a lockout order • Designate Hearing Officers to hear appeals

Unlicensed Cannabis Business Closure Plan
 Los Angeles County Office of Cannabis Management

	<ul style="list-style-type: none"> • Establish procedure for physical locking and sealing of premises
Precedents and Related Programs	<ul style="list-style-type: none"> • San Diego County Sheriff and code enforcement staff have recently used this tactic for unlicensed cannabis stores, with apparent success • <i>San Francisco's cannabis regulations (section 1634)</i> state that "any cannabis business...without all valid, effective, and current permits" can be required to cease operations within 72 hours of receiving notice of violation. If the business does not cease operating, the director is authorized to "take such steps as the Director [of the Office of Cannabis] views as reasonable and necessary to enforce such order, including but not limited to securing and barricading the Premises." The Director can also "call upon the Chief of Police and all other City officers, employees, departments, and bureaus to aid and assist the Director in such enforcement"
Related Laws and Regulations	<ul style="list-style-type: none"> • Los Angeles County Code has a provision in Title 7 which allows the County to lock and seal a business that is operating without a license required by County Code and which business would not be able to obtain a license if it applied. This provision only applies to businesses to which the County issues licenses. Since the County bans cannabis businesses, this provision would not apply. However, the County is drafting a consumer protection ordinance the violation of which will include a lock-out remedy against businesses, including cannabis businesses, which fail to comply with a cease and desist order immediately • Amendments to Los Angeles County Code, Title 7 (Business Licenses) are needed to implement this strategy

Strategy 2.3 | Enhanced Direct Enforcement

Increased Civil Penalties

The County currently imposes civil penalties up to a maximum of \$1,000 per day, under the existing nuisance abatement ordinance. However, many local jurisdictions that license cannabis businesses have authorized larger civil penalties commensurate with the potentially lucrative nature of unlicensed cannabis sales. Additional mechanisms to collect these penalties, including alternate County and State laws, may also need to be evaluated. This strategy was recommended by the Los Angeles County Advisory Working Group on Cannabis Regulation.

Responsible County Departments	<ul style="list-style-type: none"> ✪ County Counsel ✓ District Attorney
External Partners	<ul style="list-style-type: none"> • State law enforcement and cannabis licensing agencies
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses • Property owners who rent to unlicensed cannabis businesses

Problem	<ul style="list-style-type: none"> • County Code currently imposes civil penalties to a maximum of \$1,000 per day, which may be too low to effectively deter against operating an unlicensed cannabis store, and may be regarded by some operators as merely a “cost of doing business”
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Increased penalty amounts will serve as an effective deterrent, aiding the County to shut down current illegal cannabis businesses and preventing new ones from opening
Potential Metrics	<ul style="list-style-type: none"> • Number of unlicensed cannabis businesses operating in unincorporated areas • % of imposed civil penalties that are paid/collected within 60 days • Total amount of civil penalties collected
Milestones	<ul style="list-style-type: none"> • Draft and adopt an ordinance amending the County Code to authorize increased civil penalties against unlicensed cannabis businesses

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

<p>Precedents and Related Programs</p>	<ul style="list-style-type: none"> • Many cities that allow licensed cannabis businesses have increased the maximum civil penalties and/or administrative fines for unlicensed cannabis businesses: <ul style="list-style-type: none"> ○ City of Los Angeles: up to \$20,000 per day ○ City of Long Beach: up to \$5,000 per day
<p>Related Laws and Regulations</p>	<ul style="list-style-type: none"> • <i>LA County Code Chapter 1.23 - NUISANCE ABATEMENT ORDINANCE</i> <ul style="list-style-type: none"> ○ Max. \$1,000/day (section 1.23.090) • <i>LA County Code Chapter 1.25 - ADMINISTRATIVE FINES AND NONCOMPLIANCE FEES FOR CODE VIOLATIONS</i> <ul style="list-style-type: none"> ○ Max. \$1,000/day (section 1.25.040) • <i>LA County Code § 7.04.360 - Operating without a license—Civil penalty</i> • <i>Cal. Business and Professions Code section 26038(a)</i> – A person engaging in commercial cannabis activity without a license required by this division shall be subject to civil penalties of up to three times the amount of the license fee for each violation • <i>Cal. Gov. Code § 38773</i> – The legislative body may provide for the summary abatement of any nuisance at the expense of the persons creating, causing, committing, or maintaining it and by ordinance may make the expense of abatement of nuisances a lien against the property on which it is maintained and a personal obligation against the property owner

Strategy 2.4 | Enhanced Direct Enforcement

Product Seizure

Some jurisdictions have found product seizure to be a highly effective and immediate way of stopping unlicensed cannabis stores from engaging in illegal sales. However, this strategy can be resource-intensive and may require repeated visits within a short period of time to be most effective.

Related Strategies

- 2.5 Multi-Department Inspection and Enforcement Team
- 2.6 Criteria to Prioritize Enforcement Cases
- 4.2 Cross-Referral Protocol with State Agencies

Responsible County Departments	<ul style="list-style-type: none"> ⊕ Sheriff ✓ County Counsel ✓ District Attorney
External Partners	<ul style="list-style-type: none"> • State law enforcement agencies (e.g., Department of Consumer Affairs' Division of Investigation-Cannabis Enforcement Unit)
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses

Problem	<ul style="list-style-type: none"> • Unlicensed cannabis stores that close in one location are often able to quickly reopen elsewhere because their inventory of products and business operations are highly mobile
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Faced with the prospect of having their inventory seized, fewer unlicensed cannabis businesses will open in unincorporated Los Angeles County area, and those that are closed will be unable to reopen as easily
Potential Metrics	<ul style="list-style-type: none"> • Number of unlicensed cannabis businesses operating in unincorporated areas • Total amount/value of cannabis products seized • % of unlicensed stores that cease operating within 24 hours after product seizure

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Milestones	<ul style="list-style-type: none"> • Integrate product seizure and destruction into existing enforcement procedures, as appropriate
Precedents and Related Programs	<ul style="list-style-type: none"> • City of Seattle staff reported that product seizure was the single most effective tactic for closing unlicensed cannabis stores. • San Diego County combines product seizure with lock-outs to close their most problematic unlicensed stores
Related Laws and Regulations	<ul style="list-style-type: none"> • <i>Cal. Health and Safety Code sections 11469 – 11495</i> – Seizure and disposition of controlled substances <ul style="list-style-type: none"> ○ <i>Cal. Health and Safety Code section 11479</i> – Allows for destruction of cannabis without a court order, subject to testing, weighing, and documentation requirements • <i>Cal. Business and Professions Code section 26038</i> – (a) A person engaging in commercial cannabis activity without a license required by this division shall be subject to civil penalties of up to three times the amount of the license fee for each violation, and the court may order the destruction of cannabis associated with that violation

Strategy 2.5 | Enhanced Direct Enforcement

Multi-Department Inspection and Enforcement Team

The County’s Nuisance Abatement Team (NAT) consists of law enforcement and code enforcement staff from multiple departments and was established specifically to focus on the most egregious or persistent code violations on private properties. Unlicensed cannabis operations can present unique risks and challenges for inspectors and may require specialized training. Creating a “Cannabis Crime Abatement Team” (C-CAT), similar to NAT but specifically focused on unlicensed cannabis businesses, would allow inspectors to develop deeper subject matter expertise in this area.

Related Strategies

- 2.1 Utility Disconnection
- 2.2 Physical Locking and Sealing of Premises
- 2.4 Product Seizure
- 2.6 Criteria to Prioritize Enforcement Cases
- 3.3 State Funding and Resources to Support Enforcement
- 4.1 Unified Database of Enforcement Cases
- 4.2 Cross-Referral Protocol with State Agencies

Responsible County Departments	<ul style="list-style-type: none"> ☛ Sheriff ✓ Office of Cannabis Management ✓ County Counsel ✓ District Attorney ✓ Regional Planning ✓ Public Works ✓ Public Health ✓ Treasurer and Tax Collector ✓ Fire
External Partners	<ul style="list-style-type: none"> • State cannabis enforcement agencies
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses • Property owners who rent to unlicensed cannabis businesses

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Problem	<ul style="list-style-type: none"> • Unlicensed cannabis operations can present unique risks and challenges for inspectors and may require specialized training
Goals / Desired Outcomes	<ul style="list-style-type: none"> • County departments will enforce their respective codes in a well-coordinated manner at unlicensed cannabis businesses, resulting in stronger cases
Potential Metrics	<ul style="list-style-type: none"> • Number of unlicensed cannabis businesses successfully closed by the "C-CAT" teams • Average number of days to close unlicensed cannabis businesses after initial contact with "C-CAT" team • Number of unlicensed cannabis businesses operating in unincorporated areas
Milestones	<ul style="list-style-type: none"> • Train participating staff, as needed • Initial launch of "C-CAT" teams on a pilot basis • Evaluate program effectiveness and whether changes are necessary

Precedents and Related Programs	<ul style="list-style-type: none"> • County nuisance abatement and neighborhood enhancement teams
Related Laws and Regulations	<ul style="list-style-type: none"> • n/a

Strategy 2.6 | Enhanced Direct Enforcement

Criteria to Prioritize Enforcement Cases

Establishing a standard list of criteria to “triage” and prioritize new and existing enforcement cases can help ensure that available resources are concentrated on the most problematic cases. Criteria could include, among other things: occurrence of violent crimes; the presence of weapons; location near a sensitive use; employing or selling to minors; a large number of public complaints.

Related Strategies

- 2.5 Multi-Department Inspection and Enforcement Team
- 4.1 Unified Database of Enforcement Cases
- 4.2 Cross-Referral Protocol with State Agencies

Responsible County Departments	<ul style="list-style-type: none"> ✦ Sheriff ✦ County Counsel ✦ District Attorney ✓ Office of Cannabis Management ✓ Regional Planning ✓ Public Works ✓ Public Health ✓ Treasurer and Tax Collector ✓ Fire
External Partners	<ul style="list-style-type: none"> • State law enforcement agencies (e.g., Department of Consumer Affairs’ Division of Investigation-Cannabis Enforcement Unit)
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses • Property owners who rent to unlicensed cannabis businesses

Problem	<ul style="list-style-type: none"> • Available resources for enforcement are limited, and may not always be consistently targeted towards the most problematic cases
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Clear criteria will help inspectors manage their caseloads more effectively and ensure that available resources have the maximum impact

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Potential Metrics	<ul style="list-style-type: none"> • Average number of days to close unlicensed cannabis businesses that are deemed “high priority” based on these criteria • Number of unlicensed cannabis businesses operating in unincorporated areas
Milestones	<ul style="list-style-type: none"> • Work with stakeholders to develop and implement a list of criteria for prioritizing enforcement cases

Precedents and Related Programs	<ul style="list-style-type: none"> • The City of Seattle established the following criteria for prioritizing their cannabis-related enforcement cases: <ul style="list-style-type: none"> ○ <i>Tier 1 (Highest Priority)</i>: Distributing or delivering cannabis or cannabis-infused products to anyone under 21 years old or people other than qualifying patients; Under law enforcement investigation for criminal violations or public safety concerns; Manufacture or distribute products that mimic trademark protected products or are otherwise appealing to children; Operating without a business license or with a business license obtained after January 1, 2013 ○ <i>Tier 2</i>: Violation of City building, fire, or other codes; Engaged in medical delivery; Allow consumption of cannabis or cannabis-infused products on premises ○ <i>Tier 3</i>: Distributing cannabis that has not undergone microbial and potency testing; Located within 500 feet of another licensed or unlicensed cannabis establishment or are within 1000 feet of a school or playground
Related Laws and Regulations	<ul style="list-style-type: none"> • n/a

Strategy 2.7 | Enhanced Direct Enforcement

Streamlined Case Filing Procedures

Analyzing existing workflows and case management procedures could reveal opportunities to utilize staff resources more efficiently and reduce the average amount of time it takes to close an unlicensed cannabis store after the initial complaint is received.

Responsible County Departments	<ul style="list-style-type: none"> ✦ County Counsel ✦ District Attorney ✓ Sheriff
External Partners	<ul style="list-style-type: none"> • n/a
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses • Property owners who rent to unlicensed cannabis businesses

Problem	<ul style="list-style-type: none"> • Current procedures for assigning and filing cases may lead to underutilized human capital and prolong the amount of time it takes to close an unlicensed business
Goals / Desired Outcomes	<ul style="list-style-type: none"> • With a revised workflow, the division of labor will be better aligned with each department’s respective areas of expertise, and bottlenecks or unnecessary steps will be eliminated, enabling cases to be resolved more expediently
Potential Metrics	<ul style="list-style-type: none"> • Average number of days required to close an unlicensed cannabis store after the initial complaint • % of unlicensed cannabis businesses that close in response to warning letters (prior to a court hearing) • Number of unlicensed cannabis businesses operating in unincorporated areas
Milestones	<ul style="list-style-type: none"> • Establish a protocol for prosecution between County Counsel and the District Attorney • Evaluate the effectiveness of new procedures and refine as needed

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Precedents and Related Programs	<ul style="list-style-type: none">• n/a
Related Laws and Regulations	<ul style="list-style-type: none">• n/a

Strategy 3.1 | Legislative Advocacy

Advertising of Unlicensed Cannabis Businesses

Some online platforms and print publications allow advertisements from unlicensed cannabis businesses, potentially misleading consumers into believing that these businesses are legitimate. Existing state and federal laws may need to be amended to close loopholes that have previously been exploited to avoid responsibility for the content of advertisements and promote unlawful cannabis sales.

Related Strategies

- 1.2 Warning Signage at Unlicensed Cannabis Stores

Responsible County Departments	<ul style="list-style-type: none"> ✪ Office of Cannabis Management ✓ County Counsel ✓ District Attorney ✓ Chief Executive Office (Legislative Affairs)
External Partners	<ul style="list-style-type: none"> • California State Association of Counties (CSAC) • Licensed cannabis industry organizations • State law enforcement agencies (e.g., Department of Consumer Affairs' Division of Investigation-Cannabis Enforcement Unit)
Targeted Populations	<ul style="list-style-type: none"> • Advertisers of unlicensed cannabis businesses • Cannabis consumers

Problem	<ul style="list-style-type: none"> • Advertisements from unlicensed cannabis businesses are widespread in certain online platforms and print publications, misleading consumers and allowing unlicensed stores to compete against licensed retailers unfairly
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Unlicensed cannabis businesses will no longer be able to advertise, and cannabis consumers will instead patronize licensed stores
Potential Metrics	<ul style="list-style-type: none"> • Number of advertisements for unlicensed cannabis businesses in unincorporated areas

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Milestones	<ul style="list-style-type: none"> • Work with partners to develop and/or sponsor state/federal legislation, as needed
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Precedents and Related Programs	<ul style="list-style-type: none"> • Colorado passed a state law in 2017 explicitly prohibiting all cannabis-related advertising by anyone other than a licensee (Senate Bill 17-015)
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Related Laws and Regulations	<p>State</p> <ul style="list-style-type: none"> • <i>Business and Professions Code section 26151 (a)</i> – (1) All advertisements and marketing shall accurately and legibly identify the licensee responsible for its content, by adding, at a minimum, the licensee’s license number. (2) A technology platform shall not display an advertisement by a licensee on an Internet Web page unless the advertisement displays the license number of the licensee. <p>Federal</p> <ul style="list-style-type: none"> • <i>Communications Decency Act (CDA) of 1996, section 230 (47 U.S. Code § 230)</i> – “No provider or user of an interactive computer service shall be treated as the publisher or speaker of any information provided by another information content provider.” <ul style="list-style-type: none"> ○ In April 2018, Congress passed FOSTA (“Allow States and Victims to Fight Online Sex Trafficking Act of 2017”), limiting the immunity provided by section 230 for online services that knowingly host third-party content that promotes or facilitates sex trafficking. The law was drafted after Backpage.com successfully used section 230 as a defense against civil suits brought by sex trafficking victims.
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Strategy 3.2 | Legislative Advocacy

Dedicated Court Department or Judge

Establishing dedicated Superior Court departments or judges for cases related to unlicensed commercial cannabis activity could allow for civil litigation to be adjudicated more swiftly, leading to quicker closures of unlicensed businesses.

Related Strategies

- 2.7 Streamlined Case Filing Procedures
- 3.3 State Funding and Resources to Support Enforcement

Responsible County Departments	<ul style="list-style-type: none"> ✳ Office of Cannabis Management ✓ County Counsel ✓ District Attorney ✓ Chief Executive Office (Legislative Affairs)
External Partners	<ul style="list-style-type: none"> • Superior Court
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses • Property owners who rent to unlicensed cannabis businesses

Problem	<ul style="list-style-type: none"> • Litigation against unlicensed cannabis businesses and their landlords is handled at the Superior Court along with a wide variety of other civil matters, resulting in long lead-times and delays when scheduling court hearings • Some judges may not be thoroughly versed in all aspects of state and local cannabis laws and regulations, which have evolved rapidly
Goals / Desired Outcomes	<ul style="list-style-type: none"> • Cases against illegal cannabis businesses will proceed to civil judgments more quickly
Potential Metrics	<ul style="list-style-type: none"> • Average amount of time (number of days) between the filing of complaint and resolution of the case (e.g., stipulated judgment, dismissal) • Average amount of lead-time needed to schedule Superior Court hearings

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Milestones	<ul style="list-style-type: none">• Work with Superior Court to establish dedicated court departments/judges• Evaluate effectiveness and refine/expand the program as needed
Precedents and Related Programs	<ul style="list-style-type: none">• Specialized courts such as Drug, Family, Traffic
Related Laws and Regulations	<ul style="list-style-type: none">• n/a

Strategy 3.3 | Legislative Advocacy

State Funding and Resources to Support Enforcement

A portion of the cannabis tax revenues collected by the State will be allocated for enforcement against illegal commercial cannabis activities. The County should proactively seek resources to fund or otherwise support local enforcement efforts and, if necessary, lobby for additional funding from the State.

Responsible County Departments	<ul style="list-style-type: none"> ⊗ Office of Cannabis Management ✓ County Counsel ✓ District Attorney ✓ Sheriff ✓ Chief Executive Office (Legislative Affairs)
External Partners	<ul style="list-style-type: none"> • California State Association of Counties (CSAC) • League of California Cities • California Police Chiefs Association
Targeted Populations	<ul style="list-style-type: none"> • Owners/operators of unlicensed cannabis businesses • Property owners who rent to unlicensed cannabis businesses

Problem	<ul style="list-style-type: none"> • Closing illegal cannabis businesses are often resource-intensive, placing a considerable strain on County departments
Goals/ Desired Outcomes	<ul style="list-style-type: none"> • The costs of local enforcement against unlicensed businesses will be offset with external resources, reducing impacts on the County's General Fund and departmental budgets, and/or allowing for the expansion of existing closure efforts
Potential Metrics	<ul style="list-style-type: none"> • County's share of overall enforcement costs for unlicensed cannabis businesses (percent funded by County/NCC vs. State/external/recovered)
Milestones	<ul style="list-style-type: none"> • Apply for funding and other resources to support local enforcement, as grant opportunities become available

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Precedents and Related Programs	<ul style="list-style-type: none">• Federal and state grants have long been used to support local law enforcement in a variety of specific areas, such as counterterrorism, domestic violence, impaired driving, etc. In addition to funding, these grants may provide other resources such as equipment and specialized training
Related Laws and Regulations	<ul style="list-style-type: none">• <i>Revenue and Taxation Code section 34019</i> – Specifies the allocation of state cannabis tax revenues (not subject to appropriation by the Legislature). Current law precludes the making of public safety grants from cannabis tax revenue to local jurisdictions which have banned the retail sale or commercial cultivation of cannabis

Strategy 4.1 | Strategic Partnerships

Unified Database of Enforcement Cases

Establishing a unified database of enforcement cases against unlicensed cannabis businesses in the County’s unincorporated areas would provide County staff with on-demand access to the most current information for any given enforcement case or location, and would facilitate reporting on summary-level statistics and geographic trends.

Related Strategies

- 1.5 Outreach to Community Groups
- 1.6 “The Works” Smartphone Application
- 4.2 Cross-Referral Protocol with State Agencies

Responsible County Departments	<ul style="list-style-type: none"> ✦ County Counsel ✦ Sheriff ✦ Regional Planning ✓ Office of Cannabis Management (OCM) ✓ District Attorney ✓ Public Works ✓ Public Health ✓ Treasurer and Tax Collector ✓ Fire
External Partners	<ul style="list-style-type: none"> • State cannabis licensing and law enforcement agencies • Cities in Los Angeles County
Targeted Populations	<ul style="list-style-type: none"> • Authorized County staff

Problem	<ul style="list-style-type: none"> • County’s current method of tracking enforcement cases against unlicensed cannabis stores is not easily accessible by relevant County departments, and does not provide a way for departments to enter data or lookup the latest status of any given enforcement case
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Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

Goals / Desired Outcomes	<ul style="list-style-type: none"> Authorized County staff will have on-demand access to the latest information for enforcement cases against unlicensed cannabis businesses and will also be able to easily generate summary statistics, such as the number of cases closed during a certain period of time, or the number of active cases in a given geographic area. This information may be used to guide future policy decisions, allocate resources, and respond to constituent inquiries, among other uses.
Potential Metrics	<ul style="list-style-type: none"> % of database users who are satisfied with the functionality and interface (determined through a survey)
Milestones	<ul style="list-style-type: none"> Determine the most appropriate software/service for this purpose Launch the new system and train authorized users, as needed Export summary statistics from the system to the cannabis data dashboard

Precedents and Related Programs	<ul style="list-style-type: none"> Several County departments currently use the EPIC-LA system to track both code enforcement and permitting activity (at the level of individual private properties)
Related Laws and Regulations	<ul style="list-style-type: none"> n/a

Strategy 4.2 | Strategic Partnerships

Cross-Referral Protocol with State Agencies

Responsibilities for enforcing California’s new cannabis laws and regulations are split between the State and local governments, and new enforcement cases can be initiated at either the State or local level. A cross-referral protocol would help to ensure that enforcement activities are well-coordinated between state and local authorities, by automatically notifying all relevant parties whenever a new enforcement case is initiated.

Related Strategies

- 4.1 Unified Database of Enforcement Cases

<p>Responsible County Departments</p>	<ul style="list-style-type: none"> ✦ Office of Cannabis Management ✦ County Counsel ✦ Sheriff ✓ District Attorney ✓ Regional Planning ✓ Public Works ✓ Public Health ✓ Treasurer and Tax Collector ✓ Fire
<p>External Partners</p>	<ul style="list-style-type: none"> • State cannabis licensing and law enforcement agencies (e.g., Department of Consumer Affairs’ Division of Investigation-Cannabis Enforcement Unit)
<p>Targeted Populations</p>	<ul style="list-style-type: none"> • Authorized County staff

<p>Problem</p>	<ul style="list-style-type: none"> • Enforcement actions can be initiated by both state and local agencies. Without a procedure to automatically notify all parties, there is the potential for inconsistency between agencies
<p>Goals / Desired Outcomes</p>	<ul style="list-style-type: none"> • All licensing and enforcement agencies will be immediately informed whenever action is taken against a licensed or unlicensed cannabis business within their respective jurisdictions, preventing inconsistent

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

	<p>actions between agencies, and increasing the effectiveness of enforcement efforts leading to better results</p> <ul style="list-style-type: none"> • In the long term, information sharing between jurisdictions will provide regulators and law enforcement with a complete view of the statewide cannabis industry (both legal and illicit). With proper vetting procedures and due process, this information could potentially serve as the basis for a statewide database of cannabis entities with a history of severe or prolonged non-compliance (i.e., a blacklist)
Potential Metrics	<ul style="list-style-type: none"> • Number of cases referred by state agencies to County • Number of cases referred by County to state agencies
Milestones	<ul style="list-style-type: none"> • Work with state agencies on protocols for cross-notification • Integrate automatic notification to state agencies into the unified database of enforcement cases

Precedents and Related Programs	<ul style="list-style-type: none"> • Statewide and nationwide databases of individual criminal records, etc
Related Laws and Regulations	<ul style="list-style-type: none"> • <i>Cal. Business and Professions Code § 26030(f)</i> – Grounds for disciplinary action by state agencies include failure to comply with a local ordinance • <i>Cal. Business and Professions Code § 26031(e)</i> – State agencies required to notify each other in the event of an enforcement action

Strategy 4.3 | Strategic Partnerships

Forum for Cannabis Regulators and Enforcement Officials

Cannabis regulators and enforcement officials across the State are grappling with many of the same challenges and issues raised herein, yet there are few established channels to pool their collective knowledge and share insights. Establishing such a forum would enable regulators and officials to discuss enforcement strategies, emerging trends, identified needs, and other information regularly, to the mutual benefit of all participants.

<p>Responsible County Departments</p>	<ul style="list-style-type: none"> ✪ Office of Cannabis Management ✓ County Counsel ✓ District Attorney ✓ Sheriff ✓ Regional Planning ✓ Public Works ✓ Public Health ✓ Treasurer and Tax Collector ✓ Fire
<p>External Partners</p>	<ul style="list-style-type: none"> • State cannabis licensing/enforcement agencies: <ul style="list-style-type: none"> ○ CA Bureau of Cannabis Control (Dept. of Consumer Affairs) ○ CA Dept. of Public Health ○ CA Dept. of Food and Agriculture • Other state agencies involved in cannabis regulation/enforcement: <ul style="list-style-type: none"> ○ CA Dept. of Tax and Fee Administration ○ CA Dept. of Fish and Wildlife • Cities in Los Angeles County • Other cities and counties throughout California (and potentially other states)
<p>Targeted Populations</p>	<ul style="list-style-type: none"> • State and local cannabis regulators and enforcement staff
<p>Problem</p>	<ul style="list-style-type: none"> • State and local cannabis regulators and enforcement officials do not have a way to share knowledge or strategies, creating the potential for

Unlicensed Cannabis Business Closure Plan
Los Angeles County Office of Cannabis Management

	uncoordinated and inefficient approaches (“reinventing the wheel”), as well as unintended “spillover” effects in other jurisdictions
Goals / Desired Outcomes	<ul style="list-style-type: none"> Regulators and enforcement staff from County departments, state agencies, and local cities will have a venue for sharing insights and strategies, increasing the effectiveness and efficiency of their respective efforts to close unlicensed cannabis businesses
Potential Metrics	<ul style="list-style-type: none"> Number of jurisdictions/agencies participating in meetings % of participants who find the meetings worthwhile (determined through a survey)
Milestones	<ul style="list-style-type: none"> Host additional “regular roundtable” events, in collaboration with local cities
Precedents and Related Programs	<ul style="list-style-type: none"> “Regulator Roundtable” event organized by the OCM Monthly statewide enforcement conference calls organized by the State Department of Consumer Affairs
Related Laws and Regulations	<ul style="list-style-type: none"> n/a