

# DEPARTMENT OF CANNABIS REGULATION (DCR) SOCIAL EQUITY PROGRAM APPLICANT ELIGIBILITY VERIFICATION LIST OF DCR APPROVED DOCUMENTS

The City of Los Angeles adopted a Social Equity Program (SEP) to promote equitable ownership and employment opportunities in the cannabis industry for individuals and communities most impacted by cannabis criminalization and the war on drugs. For more information on the City's Social Equity Program please [click here](#).

Through the SEP, eligible applicants and businesses are authorized to participate in various licensing, technical assistance and business development programs.

The SEP Applicant Eligibility Verification application will be used to determine eligibility for certain programs, such as property assistance and the Fee Deferral Program, which are components of the City's Social Equity Program.

A Tier 1 Social Equity Applicant shall meet the following criteria at time of applying for a License:

- Low Income and prior California Cannabis Arrest or Conviction; or,
- Low Income and a minimum of five years' cumulative residency in a Disproportionately Impacted Area.

A Tier 2 Social Equity Applicant shall meet the following criteria at time of applying for a License:

- Low Income and a minimum of five years' cumulative residency in a Disproportionately Impacted Area; or,
- A minimum of 10 years' cumulative residency in a Disproportionately Impacted Area.

A Tier 3 Social Equity Program Applicant may not apply for Retailer Commercial Cannabis Activity Licenses or Microbusiness Commercial Cannabis Activity Licenses that includes Storefront Retail Activity (Type 10) and Non-Storefront Delivery-Only (Type 9).

If an Applicant does not possess the approved documents listed here, he or she may submit other documents he or she believes satisfies one or more the eligibility criteria. DCR will review such documents on a case-by-case basis and make a determination of whether or not they are sufficient. DCR will not accept declarations or affidavits as proof of an Applicant's eligibility.

For the purposes of the SEP, a California Cannabis Arrest or Conviction is an arrest or conviction in California for any crime under the laws of the State of California or the United States relating to the sale, possession, use, manufacture, or cultivation of Cannabis that occurred prior to November 8, 2016. It includes arrests by federal authorities in California and convictions in federal court in California.

Approved supporting documentation for California Cannabis Arrest or Conviction:

- Court records reflecting an Applicant's California cannabis arrest or conviction; and,
- Government records reflecting an Applicant's California cannabis arrest or conviction.

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To qualify as Low Income, for purposes of the SEP, an Applicant's gross and total household income must have been \$45,644 or less in 2017 or 2018. A household's income is calculated by its gross income, which is the total income received before making subtractions for taxes and other deductions. If your filing status is Married filing separately, you must also provide a copy of your spouse's Federal tax return or your spouse's Internal Revenue Service (IRS) Verification of Nonfiling.

Approved supporting documentation for Income:

- Federal tax return for the calendar year 2017 or 2018; and,
- IRS Verification of Nonfiling, which is proof from the IRS that you did not file a return for the 2017 and 2018 tax year. Use the [IRS Form 4506-T](#) to order a Verification of Nonfiling transcript or Form 1040-series transcripts free of charge. For more information, please visit [www.irs.gov/form4506t](http://www.irs.gov/form4506t).

For the purposes of the SEP, an Applicants must provide evidence of cumulative residency for either a period of 5 years or 10 years in a Disproportionately Impacted Area (DIA). At least one dated document must be provided for each qualifying year. The City commissioned a Social Equity Program Analysis which determined that the following zip codes are to be considered Disproportionately Impacted Areas: (90001, 90002, 90003, 90008, 90011, 90013, 90014, 90016, 90021, 90027, 90033, 90037, 90043, 90044, 90057, 90058, 90059, 90061, 90062).

Approved supporting documentation for Residency in a Disproportionately Impacted Area:

- Federal or State tax returns for the calendar year;
- Property deeds, mortgage documents or residential lease agreements;
- Financial records reflecting lease or mortgage payments that are dated and contain an Applicant's name and address;
- Records reflecting government housing or other assistance that are dated and contain an Applicant's name and address;
- Utility bills, car registration, employment records, insurance documents or government-issued documents that are dated and contain an Applicant's name and address; and,
- Certified education records from a school, including transcripts or enrollment documents, which might reflect an Applicant's residence.