

## **POLICY MEMORANDUM**

**Date:** July 1, 2024

**From:** Davina Smith, Cannabis Program Manager

**Re: Office of Cannabis Management – 30-Day Renewal Policy**

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After a cannabis business operating (BOP) permit has been issued from the Office of Cannabis Management (OCM), it is the responsibility of the permit holder to renew the BOP on an annual basis. To renew a BOP, the permittee shall submit a renewal application, renewal fee, and required documents in accordance with Sacramento City Code (SCC) section 5.150.210. These requirements are detailed in checklists sent to permit holders and which are also available on OCM's website. The permittee shall submit the application no later than 30 days prior to the permit expiration date. Untimely applications are subject to a late penalty in the amount established by resolution of the city council (SCC 5.150.230).

The Accela renewal permitting portal opens 90 days prior to the expiration of the permit. OCM notifies permit holders through the portal 90 days, 60 days, 30 days, 7 days, and 24 hours prior to the expiration of the permit. OCM also provides a notification one day after expiration of the permit. At that time, the permit holder does have the opportunity to pay a late fee which is 10% of the renewal fee. This allows for the permit holder to have an additional 30 days from the date of expiration to complete the renewal process and have a BOP issued.

OCM processes applications as they are received and has experienced challenges with receiving timely applications and accurate documentation that meets the requirements in SCC, state law, as well as other regulatory requirements. This has resulted in delayed processing times as OCM attempts to assist applicants to retrieve the appropriate document for their permit type beyond the 30-days post-expiration without the fear of denial; however, this is not a sustainable model and is unfavorable to those that do submit complete applications.

Therefore, to ensure BOPs are issued prior to expiration, the following policies shall be enacted:

1. In accordance with SCC 5.150.160, the applicant has 24 hours to respond to OCM's request for business information and documentation. If there is no timely response to OCM's request for documentation within the 30 days post-BOP-expiration period, OCM will notify code enforcement of this violation of the SCC, which may result in adverse actions to the applicant.
2. If application documentation has not been submitted that meets the requirements listed above to issue a BOP renewal, the applicant will receive a notice at the end of the 30-day post-expiration period stating
  - a. OCM will no longer pursue gathering the required BOP renewal information;
  - b. The reason for this is that the applicant failed to provide the necessary renewal documentation within the required timeframe; and
  - c. Therefore, the application will be forwarded to management for denial.