



The City of



# Cannabis Business Division

## Sales/Transfers of San Diego Cannabis Businesses Frequently Asked Questions

### Overview

The following information is intended to help provide a general overview on the process for changing ownership in a cannabis business. Cannabis Outlets and Cannabis Production Facilities with approved Conditional Use Permits must comply with San Diego Municipal Code [Chapter 4, Article 2, Division 15](#), the regulating CUP, and all applicable City, County, State and Federal Regulations. It is important to ensure that the cannabis conditional use permit and operating permit along with taxes are current with the City. Furthermore, it is important that the business have a valid and current license with the State of California.

### How do I transfer my Cannabis Operating Permit when I sell my business?

- The Conditional Use Permit (“CUP”) holders must notify the San Diego Cannabis Business Division (“CBD”) of the sale/transfer, in writing, and identify the buyer/transferee. CBD staff will reach out to the new operator with instructions for them to initiate the [background check process](#) to enable a new Cannabis Operating Permit to be issued.

### I am the buyer, what is the process for me?

- After CBD has confirmed the sale from the current/past owner, the buyer is prohibited from continuing operations under the old operating permit. As the buyer, you must: reach out to [DSDCannabis@sandiego.gov](mailto:DSDCannabis@sandiego.gov) to initiate the background check process that includes a livescan and San Diego Police Department (“SDPD”) review, designate the new Responsible Managing Operator, and ensure that the Cannabis Operating Permit Fee is current, before cannabis operations/sales are permitted to resume/continue. Please note, this process may take 4 to 8 weeks to complete. Plan ahead and begin the background check process as early as practicable.

### How do I modify who the Responsible Managing Operator (“RMO”) is?

- If the RMO is modified outside of a sale or transfer of the Cannabis Operating Permit, the CUP holder will send an email to [DSDCannabis@sandiego.gov](mailto:DSDCannabis@sandiego.gov) to request a modification of a site’s RMO. The livescan and SDPD background checks will be initiated for the new RMO and a new DS-191 will be issued if that individual passes. Please note, this process may take 4 to 8 weeks to complete and operations must cease if no RMO is designated for the site. Plan ahead and begin the background check process as early as practicable.





**I am the property owner. How do I set up a new tenant cannabis business operator under my existing CUP?**

- The Conditional Use Permit (“CUP”) holders must notify the San Diego Cannabis Business Division (“CBD”) of the new operator and if the new operator is to become the new RMO for the site, in writing. CBD will reach out to the new operator with instructions for them to initiate the background check process. If the new operator is designated as the new RMO for the site, a new Cannabis Operating Permit will be issued.

If you have further questions, please contact the City of San Diego’s Cannabis Business Division by sending an email to: [DSDCannabis@sandiego.gov](mailto:DSDCannabis@sandiego.gov).

For more information from the State of California Department of Cannabis Control, visit <https://cannabis.ca.gov/licensees/cannaconnect-compliance-hub/>.