

Cannabis and Racial Equity in WA State

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Background and Outline

Michele Cadigan— PhD student of Sociology at UW and National Science Foundation Graduate Fellow researching law, social stratification, and economic markets. Current work on cannabis markets in the US supported by the Washington Center for Equitable Growth and Horowitz Foundation for Social Policy Research and presented at local, national, and international conferences centered on issues related to cannabis legalization

Alexes Harris, PhD - Professor of Sociology at UW since 2004. Scholar of Social Stratification and Inequality- Juvenile and criminal legal system (monetary sanctions, re-entry, prosecutorial decision making). Book: *A Pound of Flesh: Monetary Sanctions as a Punishment for the Poor* (2016)

- I. Cannabis Equity Programs nationally
- II. Washington State
- III. Measuring “Equity”
- III. Open Questions

Cannabis Equity Programs Nationally

CALIFORNIA, MASSACHUSETTS, ILLINOIS

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California (2016 Ballot measure)

SB 1294 Established state-wide model for equity program and provide funds to municipalities attempting to implement equity programs

- Goal: “ensure that **persons most harmed** by cannabis criminalization and poverty be offered assistance to enter the multibillion-dollar industry as entrepreneurs or as employees with high-quality, well-paying jobs.”

City	Eligibility	Benefits
Oakland	<p>“An eligible Equity applicant is an Oakland resident who either has a cannabis conviction in Oakland after November 5, 1996, or has lived for 10 of the last 20 years in the police beats with disproportionately higher number of cannabis-related arrests” and be at or below 80% of the Avg Medium Income (AMI) for Oakland</p>	<p>Priority licensing and access to Incubator Program (3 years rent free for businesses)</p>
Los Angeles	<p>Low-income and either: a “cannabis conviction prior to November 8, 2016 (the date when Prop 64 was enacted) that now would be prosecuted as a misdemeanor or citation OR (b) 5 years cumulative residency in a qualifying zip code”</p>	<p>App fee deferrals, access to Industry Investment Fund (once established), expedited renewal and relicensing, assistance with licensing and compliance</p>
Long Beach	<p>At or below 80% AMI for Long Beach Reside in low income census tract 3 years Arrested or convicted for cannabis-related crime that qualifies as a misdemeanor or citation LB resident receiving unemployment benefits</p>	<p>Application workshops Fee waivers Expedited application Cultivation tax deferrals</p>

Massachusetts (2016 Ballot measure)

Economic Empowerment program

- Eligibility (three of the following):
 - Majority ownership lived at least 5 of the past 10 years in **area disproportionately impacted** (ADI)
 - Majority ownership **worked at a business** that served these ADI or contributed to economic empowerment of communities residing in ADI's
 - >51% employees/subcontractors reside in ADI's and will increase to 75% by opening
 - >51% employees/subcontractors have drug-related conviction
 - **Majority ownership are Black or Latinx**
 - Owners can demonstrate significant **past experience** in or business practices that promote economic empowerment of ADI residents

Benefits

- Priority licensing

Massachusetts

Equity Training Programs

- Training programs through the Cannabis Control Board to help support:
 - Entrepreneurship in ancillary businesses
 - Management & employment
 - Canna-business ownership

Positive Impact Plan: Plan to positively impact one or more of following communities:

- Past or present residents of ADIs
- State-designated Economic Empowerment applicants or Social Equity Program applicants
- MA residents with past drug convictions
- MA residents with parents or spouses with drug convictions

Illinois (2019 State Legislature)

First to legalize a market for recreational cannabis through the legislature

Explicitly focused on **racial equity**

- Creating funding streams for equity entrepreneurs

Evanston, IL- Reparations tax fund (3 % excise tax on cannabis)

Chicago- Late arrival of medicinal market

Limitations of Programs

- Lag time between initiation of the licensing process and final approval
- Lack of financial support
- Accessibility of real estate
- Disproportionate impact areas cover too large of an area
- Too many applications vs. available licenses

Washington State

BALLOT MEASURE I 502 (2012)

Washington State (I-502)

“Washington’s cannabis laws are enforced disproportionately against **African Americans.**”

(New Approach Washington 2012)

“Our current cannabis laws are ineffective, unreasonable, and unfairly enforced. They have done much damage to civil liberties – eroding protections against unwarranted searches and seizures by government, putting large numbers of non-violent individuals behind bars, and being enforced disproportionately **against communities of color.**”

ACLU-WA Former Executive Director Kathleen Taylor (ND)

Summary – Cadigan & Harris Review (2018)

- WA policy has Legal barriers that bar access to populations with criminal records and low-income individuals
- Financial and extra-legal barriers make it difficult to secure employment and ownership
- Appears there was a co-opting of the social justice movement (namely rhetoric suggesting I-502 would redress African Americans in WA) to justify ownership and employment of predominately White individuals

Washington State Equity Statute (HB 2870)

“Social equity applicant” means:

1. Have resided for at least five of the preceding ten years in a **disproportionately impacted area**; or
2. Has been **convicted** of a marijuana offense or is a family member of such an individual.

“Disproportionately impacted area” means: “A census tract or comparable geographic area that satisfies the following criteria...”

1. The area has a high poverty rate;
2. The area has a high rate of participation in income-based federal or state programs;
3. The area has a high rate of unemployment; and
4. The area has a high rate of arrest, conviction, or incarceration related to the sale, possession, use, cultivation, manufacture, or transport of marijuana.”

Measuring “Equity”

US CENSUS DATA

WA STATE AOC DATA

Difficulty with Measurement

Levels of data: counties, cities, census tracts, block groups and blocks.

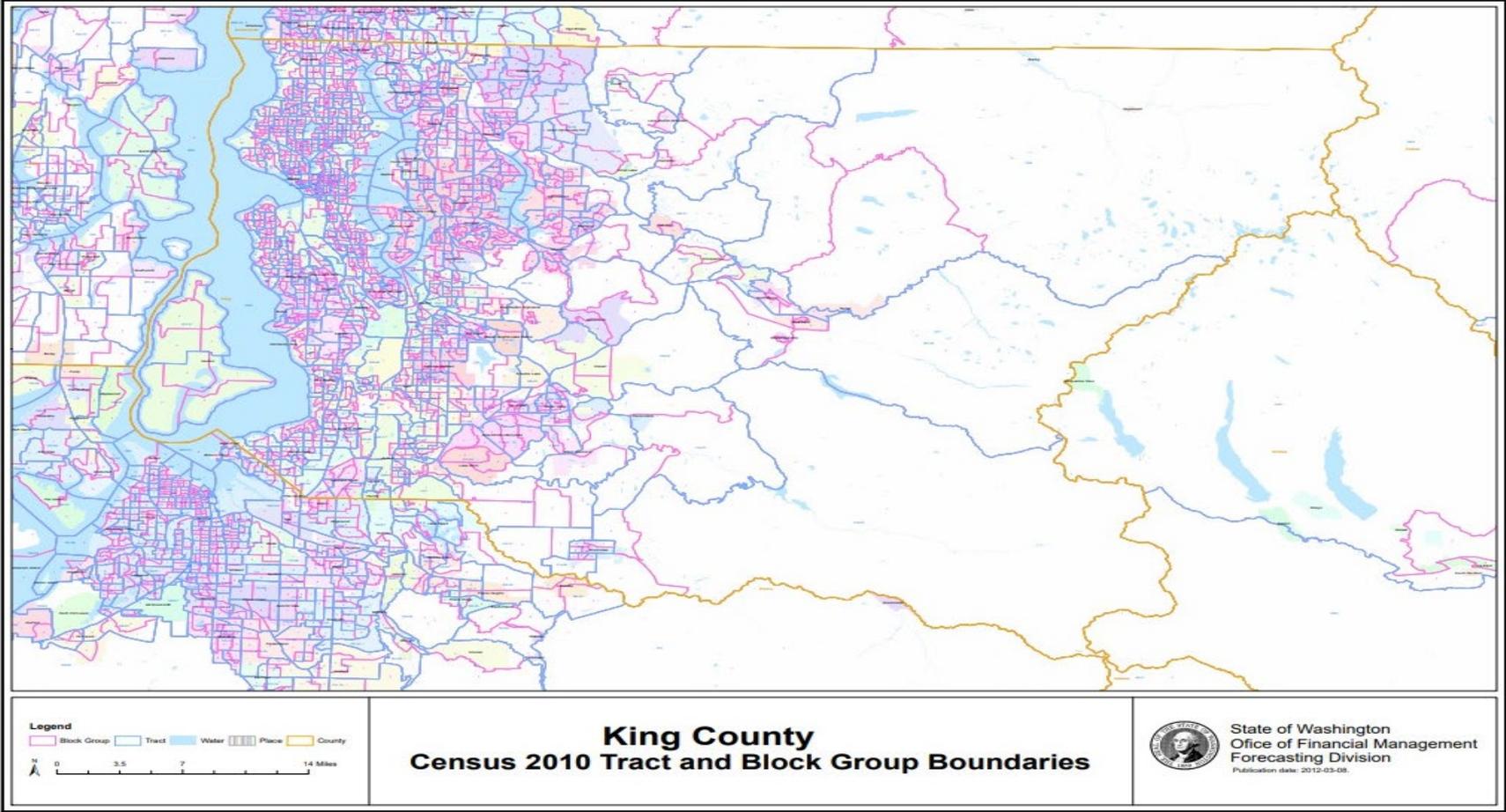
Washington State population = 7.6 million (2019)

Number of counties = 39

Number of census tracts = 1,458

Number of block groups = 4,783

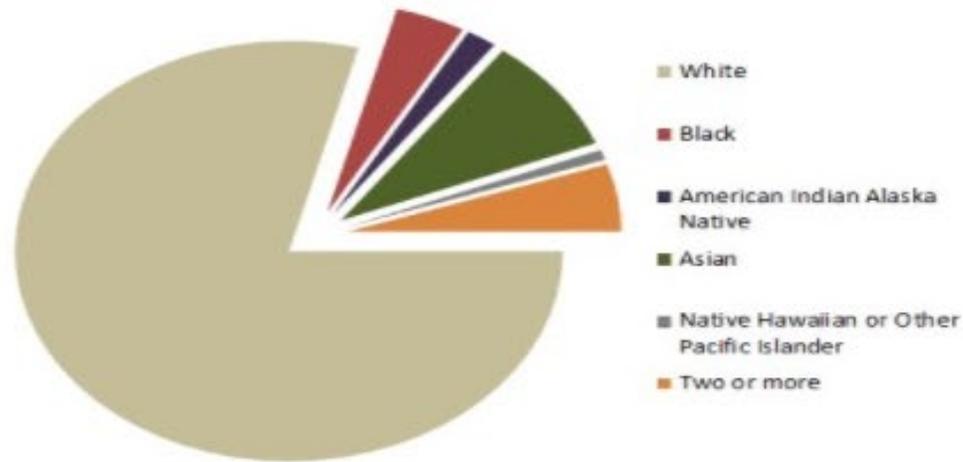
King County Census Tract and Block Groups



Blue = Census track
Pink = Block

Washington state population by race

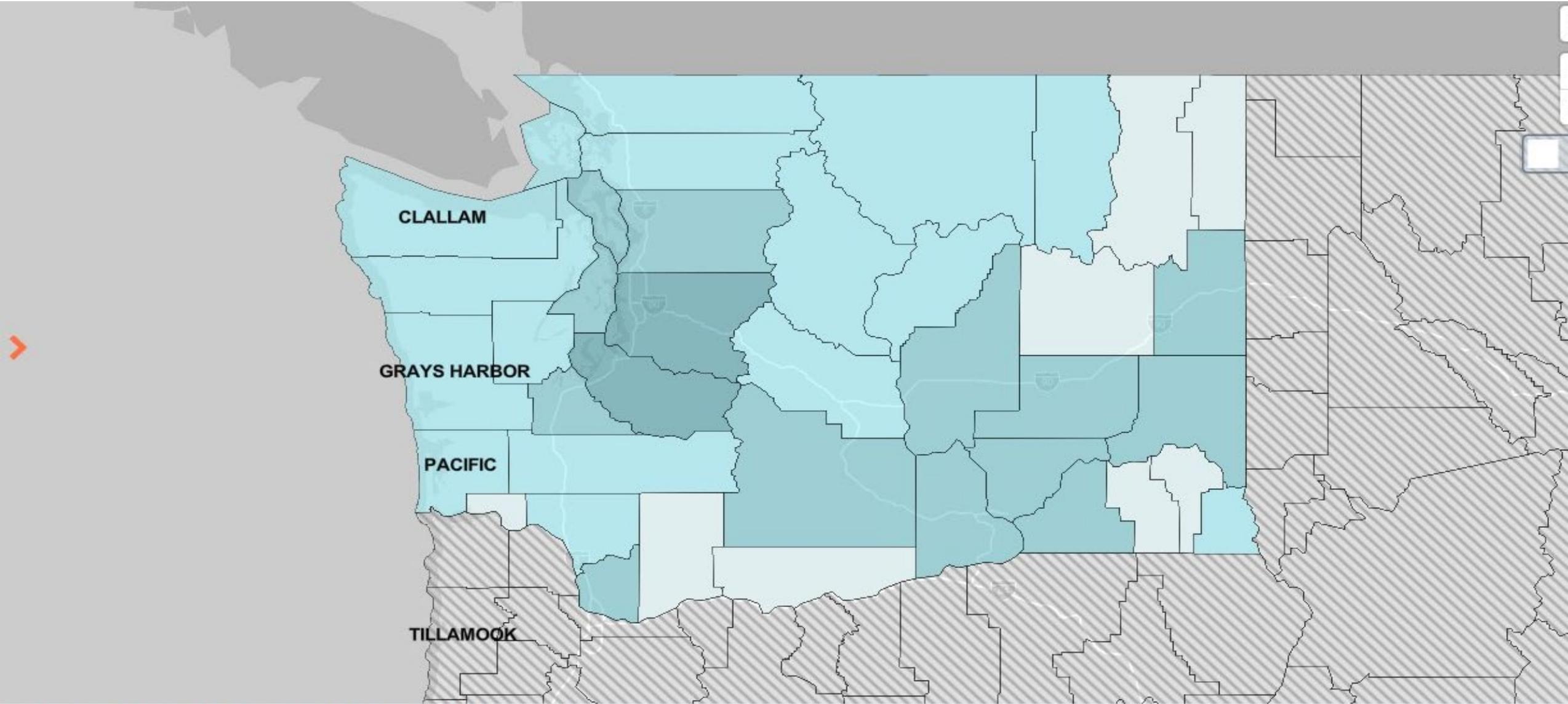
2019



Race	Population
Total	7,546,400
White	5,969,202
Black	313,176
American Indian Alaska Native	136,590
Asian	676,157
Native Hawaiian or other Pacific Islander	59,617
Two or more races	392,413

- Respondents to the federal census were allowed to check more than one race category for the first time in 2000 thus allowing the tabulation of persons of multiple race.
- Asian's make up the largest minority racial group in 2019 with 9.0 percent of Washington's total population.
- Non-white racial groups represented 20.9 percent of Washington's population in 2019.

Black or African American % Washington State, 2019 (U.S. Census Estimates)



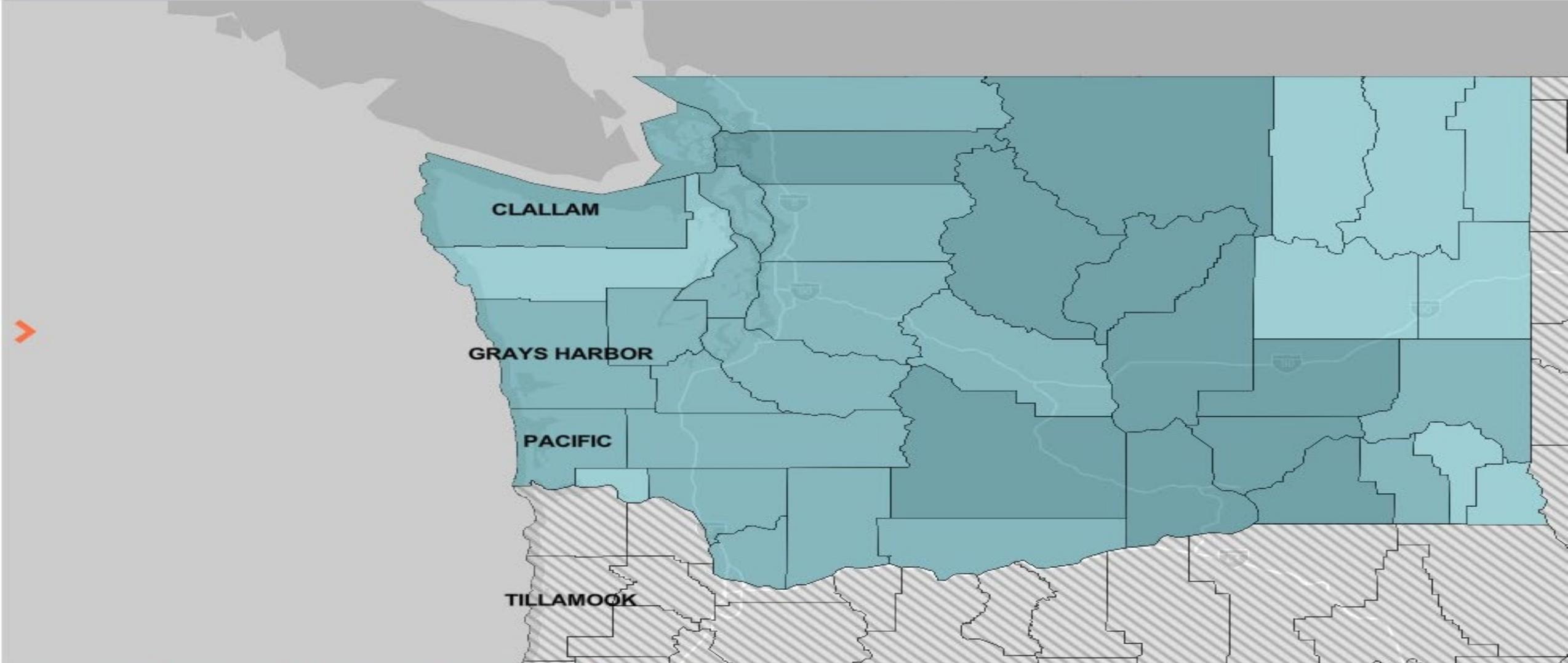
0% - 0.8% 0.8% - 1.6% 1.6% - 4.5% 4.5% - 14.9% 14.9% - 86.6%

Populations below 5,000 are not in QuickFacts and therefore Not Selectable

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Hispanic/Latinx % Washington State, 2019 (U.S. Census Estimates)

Hispanic or Latino, percent (b)

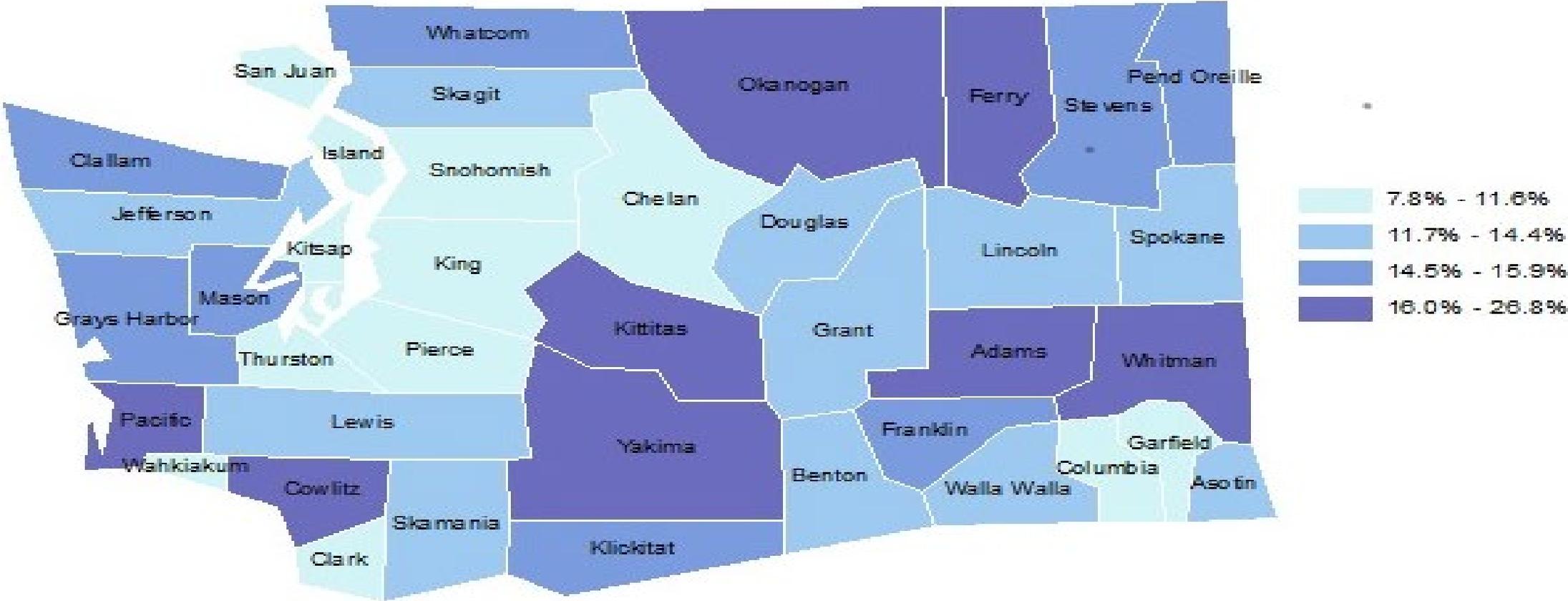


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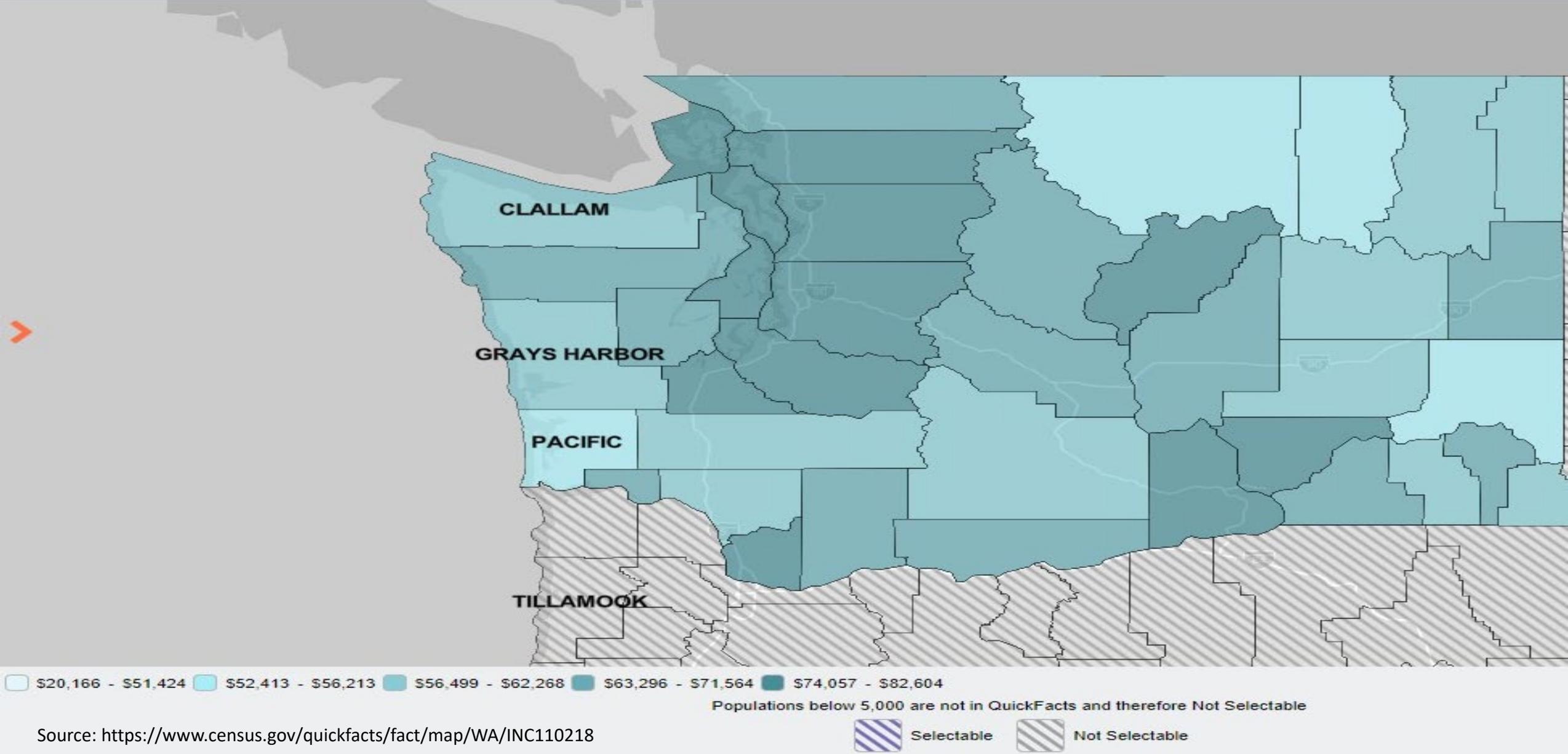
Source: <https://www.census.gov/quickfacts/fact/map/WA/RHI725219>

Criterion #1 - Poverty in Washington (2018)



Criterion #2 - Washington State Median Household Income, 2014-2018

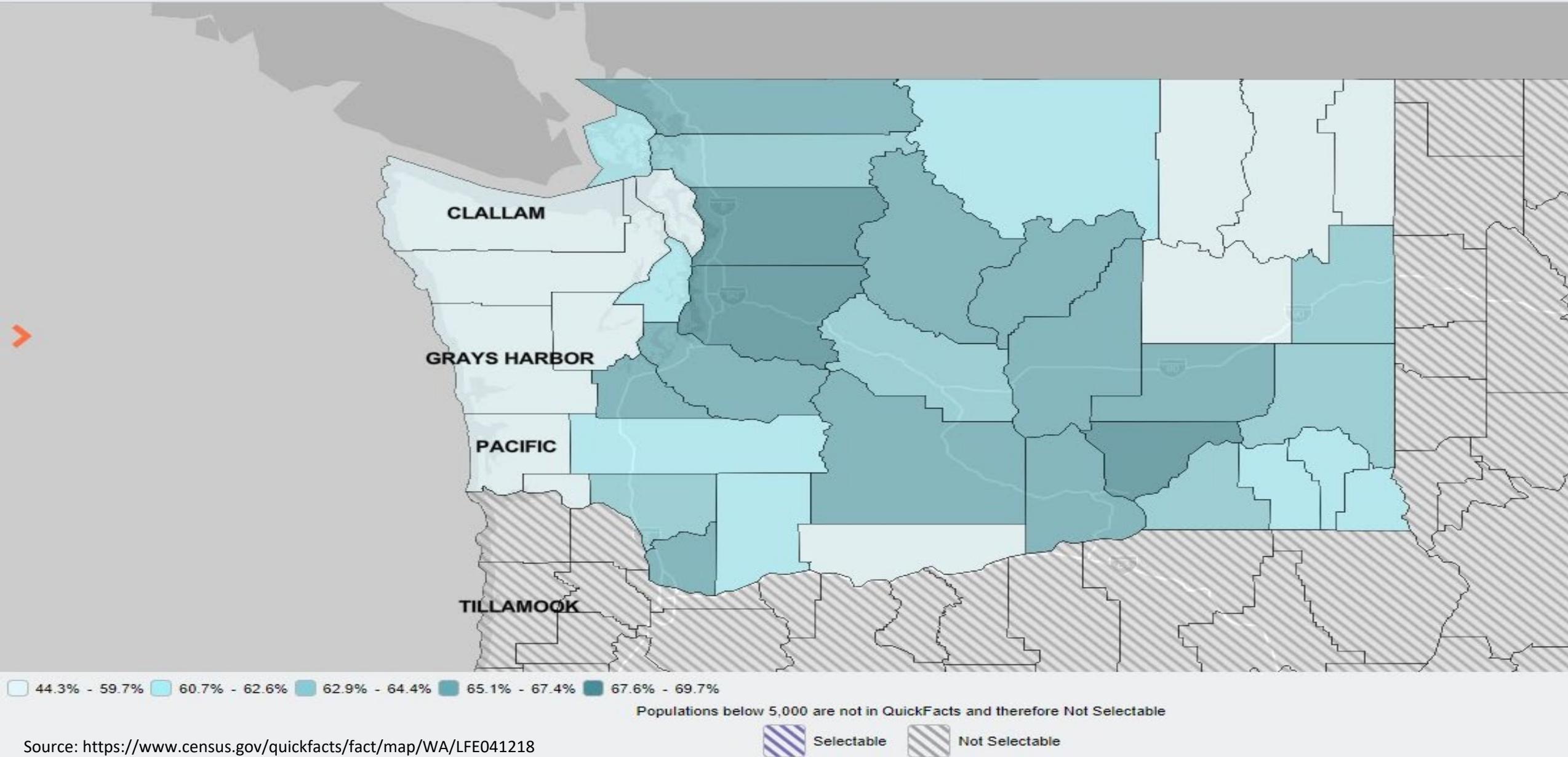
Median household income (in 2018 dollars), 2014-2018



Source: <https://www.census.gov/quickfacts/fact/map/WA/INC110218>

Criterion #3 - Employed % by WA County, 2019 (U.S. Census Estimates)

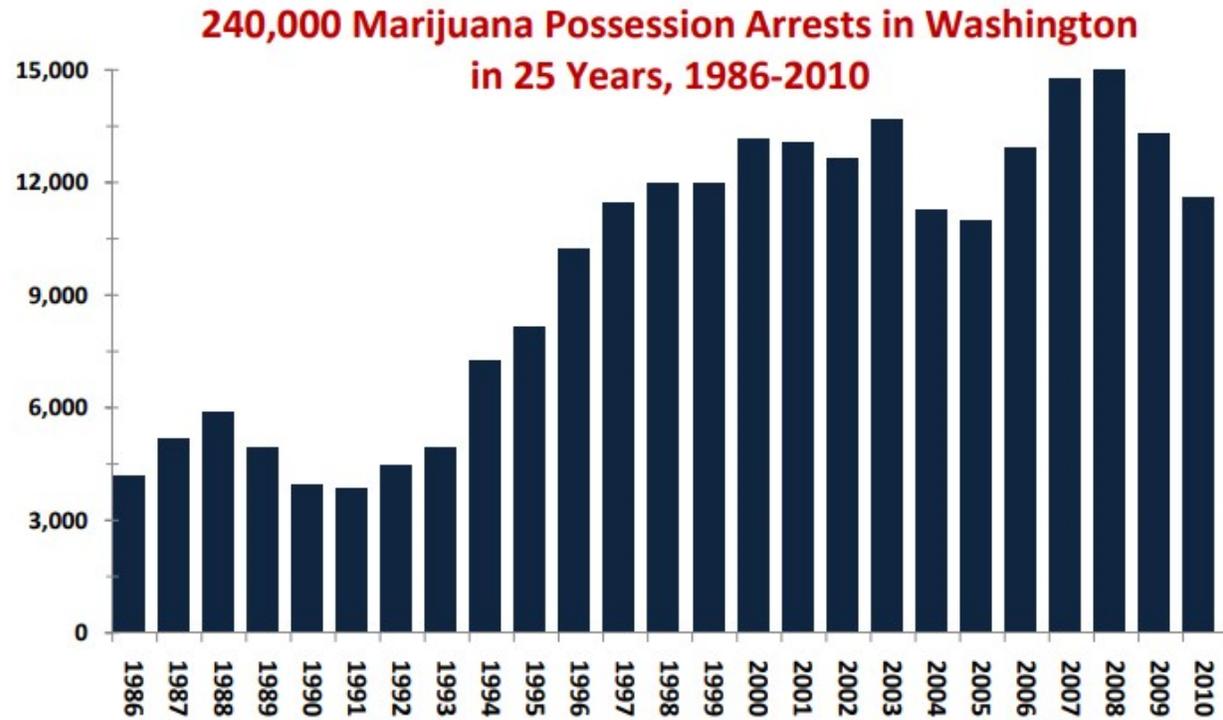
In civilian labor force, total, percent of population age 16 years+, 2014-2018



Cannabis Related: Arrest, Conviction, Incarceration

CRITERION #4

Cannabis Arrests in WA



Source: FBI-UCR Uniform Crime Reports. Prepared by the Marijuana Arrest Research Project <http://marijuana-arrests.com>
Harry G. Levine, PhD, Jon B. Gettman, PhD, Loren Siegel, JD. October 2012

Marijuana Possession Arrests in Washington

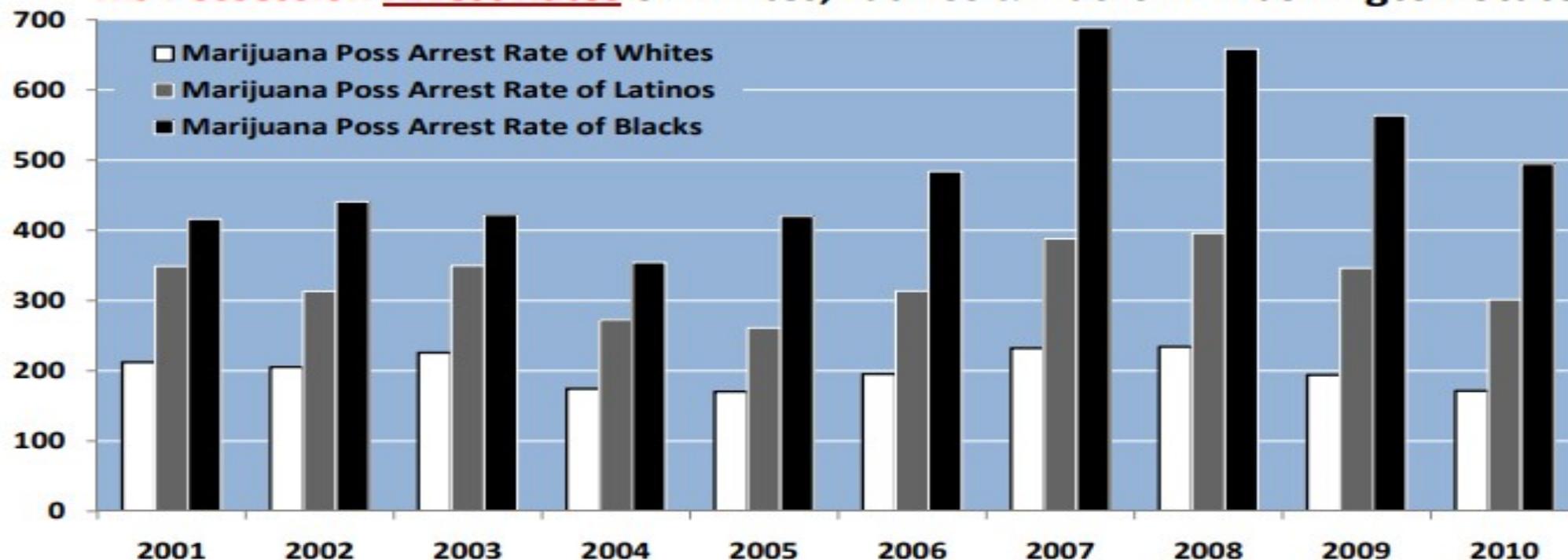
In 10 Years and 25 Years

In the 25 Largest Counties, 1986-2010

	<u>25 YEARS</u> Total # of Marijuana Possession Arrests 1986-2010	<u>10 YEARS</u> Total # of Marijuana Possession Arrests 2001-2010	Average Yearly Arrest Rate for Marijuana Possession per 100,000 of Pop 2001-2010	Ten-Year Average of Population 2001-2010
State Total	241,039	129,351	204	6,329,138
King	65,483	35,823	194	1,830,445
Pierce	25,087	15,026	197	758,945
Spokane	22,716	8,349	188	446,244
Snohomish	18,307	11,152	172	660,708
Benton	10,009	5,945	374	158,414
Yakima	9,618	5,236	226	230,715
Clark	9,300	3,978	102	400,163
Thurston	9,025	4,120	180	232,201
Whatcom	8,063	4,534	245	187,181
Kitsap	6,088	3,814	158	239,301
Grays Harbor	5,436	2,635	371	70,344
Skagit	5,338	2,750	243	112,750
Grant	4,288	2,657	328	81,819
Chelan	3,886	1,989	283	69,524
Island	3,378	2,318	297	79,165
Cowlitz	3,377	1,879	188	97,963
Lewis	3,259	1,790	246	72,190
Whitman	3,196	1,969	474	41,741
Kittitas	2,804	1,821	492	37,382
Franklin	2,767	1,670	259	64,684
Clallam	2,745	1,048	153	68,696
Okanogan	2,055	937	232	39,507
Mason	1,950	1,115	202	54,750
Stevens	1,643	853	203	41,272
Walla Walla	1,409	684	118	57,247
Total of 25 Largest Counties	231,227	124,092	202.3	6,133,351

Source: FBI-UCR Uniform Crime Reports and US Census.

MJ Possession Arrest Rates of Whites, Latinos & Blacks in Washington State



Use Data Source: US Dept HHS, SAMHSA, Office of Applied Studies, National Survey on Drug Use and Health, 2002-2010.

2003-2005: Table 1.80B Marijuana Use in Lifetime, Past Year, and Past Month among Persons Aged 18 to 25, by Racial/Ethnic Subgroup Annual Averages Based on 2002-2003 and 2004-2005.

<http://www.oas.samhsa.gov/NSDUH/2k5NSDUH/tabs/Sect1peTabs67to132.htm#Tab1.80B>.

2006-2010: Table 1.26B – Marijuana Use in Lifetime, Past Year, and Past Month among Persons Aged 18 to 25

2006-2007: <http://www.oas.samhsa.gov/NSDUH/2k7NSDUH/tabs/Sect1peTabs1to46.htm#Tab1.26B>

2008-2009: <http://www.oas.samhsa.gov/NSDUH/2k9NSDUH/tabs/Sect1peTabs1to46.htm#Tab1.26B>

2009-2010: <http://www.samhsa.gov/data/nsduh/2k10NSDUH/tabs/Sect1peTabs1to46.htm#Tab1.26B>

Arrest Data Source: Based on FBI-UCR data adjusted with proxy measure for Latinos and non-Hispanic whites, 2001-2010

Marijuana Arrest Research Project www.marijuana-arrests.com October 2012

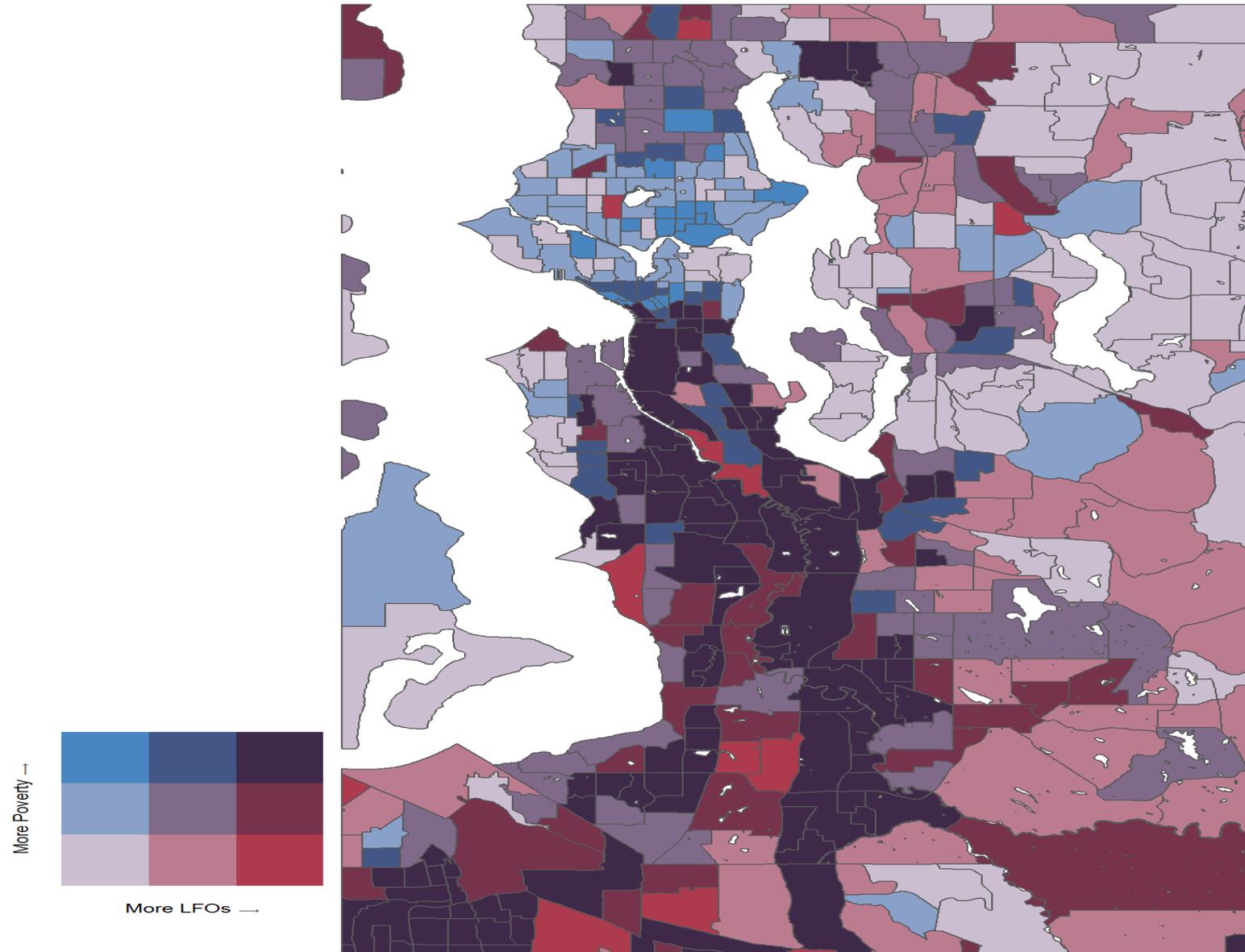
Our Data

Administrative Office of the Courts, Washington State (WA State AOC Data)

- Example for prior Analyses
 - Individual-level data on traffic to felony fines, fees, and restitution for 8.5 million cases (3.4 million people) from 2007-2014
 - Merged with home addresses for people charged leaves us with around 2.8 million cases (1.8 million geocoded individuals)
 - Aggregated up to 1,447 WA state tracts
- Working to create a subset of data for analysis



Example of Analysis: Seattle, poverty rates and LFO debt burden by Track, 2014



Source: O'Neill, Kennedy, Harris.
O'Neill, Kate, Ian Kennedy and Alexes
Harris. "Debtor's Blocks: Justice
System Monetary Sanctions and the
Exacerbation of Racial and Economic
Spatial Inequality." Under Review.

Open Question #1

- Determining Disproportionate Impact Areas (DIAs)
 - Overlay all criteria? – Highlight cumulative disadvantage?
 - Number of licenses to be allocated?
 - One per county or just ID Most Disadvantaged (e.g. top 10 with highest rate of cumulative disadvantage)

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Open Question#2

- Identifying income based or federally funded programs at census tract level
 - Because of federal laws people with certain violation of CSA are not eligible, we would not capture them in data
 - Can use income level as proxy?

Open Question #3

- Timing – Gentrification (language says lived in 5 of last 10 years)
 - What years should we use data from?
 - Eg. Think of Seattle in 1990s (“Weed and Seed”), looks very different even in 2010

Gentrification (quote from Urban@UW)

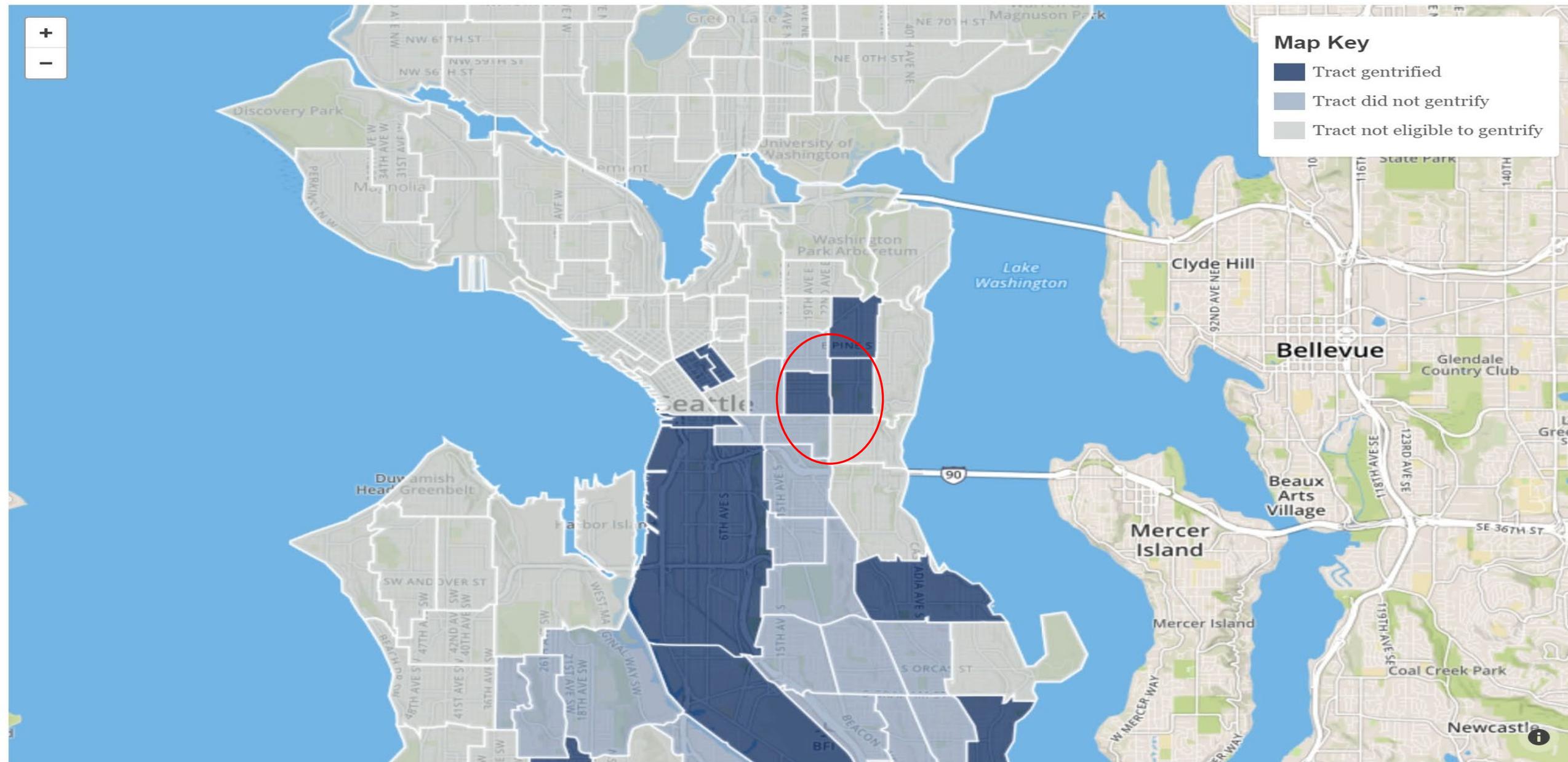
“Seattle is the third most quickly gentrifying city in the US, after Washington, DC and Portland, OR....

“...Outcome of **segregation**, **redlining** and **urban** renewal policies that exploit the large gap between existing and potential **property values**, which in turn encourages an influx of **wealthier residents**....

“Young professionals and more affluent people move back into the urban core, often into neighborhoods that have historically been home to people of color;

- this new wealth quickly changes the look and feel of the neighborhood, increases the cost of living, and displaces the original residents”

Seattle Gentrification Map: 1990 Census - 2000 Census



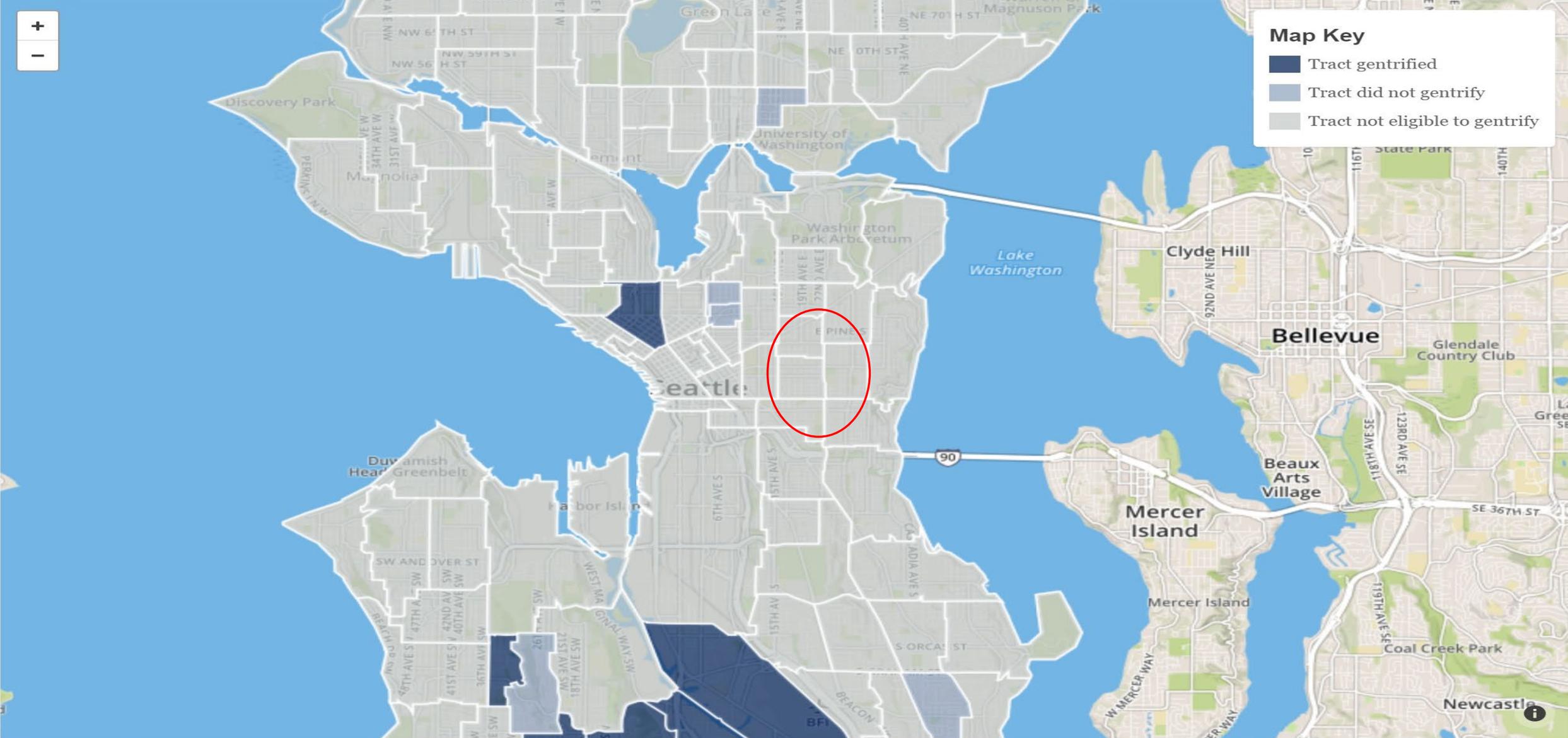
NOTE: Data shown correspond to current tract boundaries, which may have changed from prior Census years. Estimates are from the [US2010 Longitudinal Tract Data Base](#) project of the Russell Sage Foundation and Brown University.

Source: <https://www.governing.com/gov-data/seattle-gentrification-maps-demographic-data.html>

Seattle Gentrification Map: 2000 Census - Present

Click a tract to display its demographic data:

Source: <https://www.governing.com/gov-data/seattle-gentrification-maps-demographic-data.html>



NOTE: Data shown correspond to current tract boundaries, which may have changed from prior Census years. Figures are calculations from 2009-2013 American Community Survey estimates.



Sources: City of Seattle Department of Neighborhoods, Census Bureau

Moving Forward.....

Establish a set of guiding principles:

What is the aim of this equity program?

What (who) is trying to be remedied?

- Is there a certain population you think should be the target?
- Is this a form of reparations? If so, for whom?

In five years from now, with data review of equity licenses what would “success” look like?