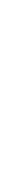


TECHNICAL ASSISTANCE & MENTORSHIP WORK GROUP

OCTOBER 12TH MEETING



RECAP- SEPT 14 TASK FORCE MEETING

TA & MENTORSHIP WORKGROUP PROPOSALS

1. The department of commerce use the funds from 2022 to implement the cannabis mentorship program
2. To expand the financial assistance as new use of funds for technical assistance dollars (Recommendation to the legislator).
3. To increase the allotment for the technical assistance mentorship grant program. Asking for 10% of the cannabis tax revenue that currently goes into the state general fund.
4. To reserve 5% of the cannabis tax revenue that currently goes to the state general fund for low interest loans for social equity cannabis license holders.
5. That current license holders that meet the definition of social equity be eligible for grant dollars.

Source: Social Equity in Cannabis Taskforce Meeting September 14, 2021

DISCUSSION: COMMUNITY REINVESTMENT

Around the Country

New York

40% of tax revenue goes into a community grants reinvestment fund.

Illinois

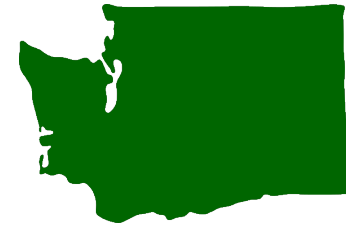
25% of tax revenue goes into the “Recover, Reinvest, Renew” grant program to benefit disadvantaged communities.

Portland

SEED “Social Equity and Educational Development” Allocated funding to grass-roots organizations.

DISCUSSION: NOW WHAT CAN WASHINGTON DO?

Washington State



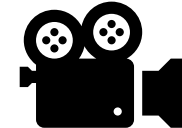
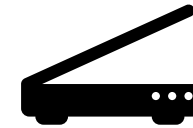
30% of cannabis tax revenue goes into the general fund

2021-2023 Biennium Estimated - \$338.5 million
(over the two-year budget cycle)

DISCUSSION: COMMUNITY REINVESTMENT IDEAS

Whole Community Support Channels

1. Education
2. Housing and Home Ownership
3. Small Business
4. The Arts
5. College Scholarships
6. Digital Equity (Broadband & Devices)
7. Food Insecurity
8. Mental Health
9. Health Care



BREAKDOWN OF CURRENT CANNABIS APPROPRIATIONS

RCW 69.50.540 Dedicated Marijuana Account - Appropriations				FY 20 Actual* Total \$429,318,900
FIRST STEP - Annual Appropriations	\$125,000	HCA	HCA to coordinate healthy youth survey work	\$48,590,338 total to HCA
	\$50,000	HCA/WSIPP	HCA/WSIPP to analyze reports required under RCW 69.50.550 until those reports end in 2032	\$48,590,338 total to HCA
	\$5,000	UW	UW alcohol and drug abuse institute	\$393,951 total to UW and WSU
	\$1,250,000	LCB	LCB for admin of cannabis statutes (as directed by omnibus appropriations bill)	??
	\$2,423,000	WSP	until 2023 for WSP Drug Enforcement Task Force	\$2,373,626
	\$464,000	Ecology	for 2021, \$270,000 for 2022, \$276,000 for 2023 to Ecology for accrediting marijuana product testing laboratories	\$367,292
	\$808,000	DOH	until 2023 to DOH for admin of the marijuana authorization database	\$10,193,648 total to DOH
	\$635,000	Dept Ag	for 2021, \$621,000 for 2022, \$627,000 for 2023 to Dept of Ag for compliance-based lab analysis of pesticides in marijuana	\$621,073
	\$1,650,000	Commerce	for 2022, \$1,650,000 for 2023 to Commerce to fund the marijuana social equity technical assistance competitive grant program RCW 43.330.540	NA
	\$163,000	Commerce	for 2022, \$159,000 for 2023 to Commerce to establish roster of mentors as part of the cannabis social equity technical assistance grant program	NA

BREAKDOWN OF CURRENT CANNABIS APPROPRIATIONS

SECOND STEP - After first step, must appropriate 81% of the remainder as follows	Up to 15%	HCA	Up to 15% to HCA for prevention work (85% for new programs/services and 15% to best practices). Each fiscal year, legislative appropriation must be a minimum of \$25,536,000.	\$48,590,338 total to HCA
	Up to 10%	DOH	Up to 10% to DOH for marijuana public health program and WA poison control center. Public health program must include a hotline providing referrals for substance abuse treatment providers, a grants program for local health departments/community agencies doing coordinated intervention strategies preventing marijuana use by youth, and media-based education campaigns. Each fiscal year, legislative appropriation must be a minimum of \$9,750,000.	\$10,193,648 total to DOH
	Up to 1%	UW & WSU	Up to 0.6% to UW and 0.4% to WSU for research on marijuana use. Each fiscal year (except 19-21 and 21-23 biennia), legislative appropriation must be a minimum of \$1,021,000 to UW and \$681,000 to WSU.	\$393,951 total to UW and WSU
	50%	Basic Health Plan	50% to state basic health plan trust account administered by WA basic health plan administrator (70.47 RCW)	\$213,000,000
	5%	HCA	5% to HCA to use through community health centers to provide health/dental care, migrant & maternity health services (RCW 41.02.220)	\$48,590,338 total to HCA
	Up to 0.3%	OSPI	Up to 0.3% to OSPI to fund grants to building bridges programs (Chapter 28A.175 RCW). Each fiscal year, legislative appropriation must be a minimum of \$511,000.	\$455,972

BREAKDOWN OF CURRENT CANNABIS APPROPRIATIONS

THIRD STEP - Remainder goes to General Funds UNLESS if remainder exceeds \$25 million, 30% is distributed to counties, cities, and towns as follows (capped at \$20 million total as of 2021, \$15 million prior)	30% of up to \$20 million	Local Govt	30% to counties, cities, towns where retailers are physically located. Each jurisdiction gets a proportional share of the total revenues generated in their jurisdiction from taxes paid by the retailers in their jurisdiction. Cities and towns get 100% of the proportional amount attributed to retailers in their city/town.	\$15,000,000
	70% of up to \$20 million	Local Govt	70% to counties, cities, towns on a per capita basis. Counties must get 60% based on their total proportional population as long as they don't prohibit siting of any producer, processor, or retailer.	
	Remainder	General Fund	70% to counties, cities, towns on a per capita basis. Counties must get 60% based on their total proportional population as long as they don't prohibit siting of any producer, processor, or retailer.	\$137,000,000

DISCUSSION: GROUP QUESTIONS

1. What does the group think about recommending that the **30%** that goes to the state general fund to go into community reinvestment?
2. Do we want the current funds from the cannabis tax dollars going into disproportionality Impacted Areas and communities.



DISCUSSION: GROUP QUESTIONS

- 1. Why** are we re-investing in community?
- 2. Who** is eligible for the funding?
- 3. When/Timeline** How long does this re-investment piece go for?
- 4. How** are the dollars dispersed