



**Draft Minutes of the Social Equity in Cannabis Task Force
Licensing Workgroup
November 10, 2021
Virtual Meeting**

Workgroup Members Present:

Mike Asai, Industry Representative
Craig Bill, GOIA and Task Force
Member
Ollie Garrett, WSLCB and Task Force
Member
Pablo Gonzalez, Industry Rep and Task
Force Member
Michelle Merriweather, Co-Lead and
Task Force Member

Monica Martinez, Co-Lead and Task
Force Member
Crystal Oliver, Sungrowers Association
Micah Sherman, Industry
Representative
Angel Joi Swanson, Industry
Representative

Workgroup Members Absent:

Kevin Oliver, NORML

Guests and Other Participants:

Throughout the meeting, approximately 37 members of the public joined and participated. The workgroup thanks all of those who attended and shared their time, expertise, and lived experience to help shape this important work.

Staff Support:

Anzhane Slaughter
Joy Hollingsworth

Crystal Ogle

Call to Order

Monica Martinea, Co-Lead, called the public meeting to order at 1:00 p.m. and read from a prepared statement (on file). Anzhane Slaughter, Staff shared the Zoom protocol, conversation norms, and reviewed the agenda. Michelle Merriweather, Co-Lead. Anzhane Slaughter, Staff facilitated introductions of members.

1. Recap – Licensing Workgroup Meeting October 20th

The Co-Leads share a presentation (on file) showing the recommendations and proposals. Michelle Merriweather, Co-Lead, reviewed recommendations that have been proposed to the Task Force. 1. That any new licenses are reserved for social equity through 2029. This includes new licenses that get passed through the

legislature. 2. All licenses available for social equity retail licenses are mobile contingent on local approval within their respective counties a. there is a revision in language to be discussed. 3. To reduce buffer zones from 1000ft to 500ft reserved for social equity licenses (excluding elementary schools, secondary schools, playgrounds that must remain at 1000ft). Monica Martinez, Co-Lead reviewed the recommendations that the workgroup has currently agreed upon to be presented at the November 16th Task Force meeting. 1. Recommendation on Cannabis Excise Tax Local allocation: That 5-7% of the current 37% excise tax rate be distributed directly to the local municipality where the sale takes place. 2. Recommendation on Producer Licenses: That at least 200 new producer licenses be created and allocated to social equity licensees between now and 2029. 3. The Task Force should recommend to the legislature that a minimum 300 additional social equity retail licenses should be created and issued with multiple licensing windows between 2022 and 2029. 4. All Social Equity retail licenses and current title certificate holders who fit the social equity definition can be in any municipality that allows for the sitting of additional retail licenses. 5. Social Equity goal: 50% of total licenses should be owned by social equity applicants.

2. Amendment – Buffer Zone Recommendations

Monica Martinez, Co-Lead and Micah Sherman, Member propose an amendment to the buffer zone recommendation. They explain the current recommendation is to reduce buffer zones from 1000ft to 500ft for Social Equity licenses, excluding elementary schools, secondary schools, playgrounds that must remain at 1000ft. They would like to propose an amendment to reduce buffers from Schools and childcare facilities to 500ft or less and eliminate buffers on all other types of locations.

Workgroup members discuss childcare buffers. Becky Smith, Licensing Director from the Liquor and Cannabis Board clarifies that the 1000 ft buffer pertains to Licensed Childcare Centers and points out that cities and jurisdictions have the authority to drop down to 500 ft. She suggested the workgroup consider permitting and zoning which should be addressed as that's more likely where an applicant would get stuck. She also confirms that currently the buffer is 1000 ft from schools. Micah Sherman, Member points out the idea is to reduce buffers and let cities and jurisdictions decide if they want to increase it. The workgroup discusses the language and decides to use childcare center rather than childcare facility. They also decide to align it with the RCW by providing the same list of areas it names. Public comment included the idea to consider increasing retail license caps. It's confirmed that this changing the cap would require legislation. Monica Martinez, Co-Lead suggests this new cap discussion occur at a later time, so we can keep to the agenda. After updating the language for the recommendation and agreeing on it, the workgroup moves to the next agenda item.

3. Presentation – New License Types: Delivery

Adrian Wayman, owner and founder of PDX Greenbox, a cannabis delivery company in Portland, Oregon, is the first licensed cannabis delivery service and only cannabis subscription service in Oregon, presents about his experience and this type of license. His work, trying to open began in 2015 when measure 91 passed which allowed for cannabis sales at dispensaries. After working with the state and city of Portland Cannabis program, he opened in 2017. He currently has two licenses, one with the state and one with the city of Portland. He operates like any storefront but without foot traffic. No onsite sales, all sales are via delivery. They are licensed like any other cannabis retail store. They have to have all the same equipment, cameras, safes, etc. Sales data and deliveries are tracked through Metric, a system put in place by the Oregon Liquor Control Commission. They check ID at delivery, require a signature and the system tracks all deliveries to the consumer. Business is family owned. Currently there are 12 other delivery licenses in Portland. Any retail store can offer delivery. Recently passed HB 2519 will allow them to deliver to adjacent counties and jurisdictions now too.

Workgroup members inquire about restrictions such as bans and moratoriums. Mr. Wayman explains that very few counties have opted out, Oregon has no cap on licenses but the issue is finding a location that fits land and building use. Mr. Wayman also explains that his license as delivery only allows him to find a location that's within 1000 ft of a storefront retail because he's not walk up retail. Delivery only allowed him to get into the industry. Workgroup members confirm that Mr. Wayman is able to work directly with producers and processors. Mr. Wayman says he works with over 100 producers and processors. Now that HB 2519 has passed, he cannot identify any legislative barriers. There needs to be a lockbox in the vehicle but he's grateful there is no cameras in the delivery vehicles required because it wouldn't be affordable. He estimates it was about \$250,000 to start up including inventory. He has no limitations on how big he can get. Orders are placed online via a website. Payment is taken upon delivery. For an order they must collect the customers name, date of birth, address and that has to be stored for 2 years. They take credit/debit, apply pay or cash at delivery. Mr. Wayman also explains that delivery drivers must have a Cannabis Handlers Permit, which is similar to an alcohol serving permit. There's an online course that goes over how to verify ID, make sure you aren't selling to anyone visually intoxicated, etc.. The card is valid for 3 years, you pass a background check, no felony record, etc.. A member of the public clarifies that they can accept credit or debit cards because there are processing companies that transfer to ATM transactions or gift cards. Joy Hollingsworth, Staff mentions that Mr. Wayman had an article written on his process and it can be found at the Business Insider. Monica Martinez, Co-Lead thanks Mr. Wayman for sharing his experience.

4. Discussion – New License Types

Monica Martinez, Co-Lead opens the floor for workgroup members to discuss delivery and new license types. Generally, the workgroup is in favor of such a

license. They discuss the importance of a delivery licensee to be able to purchase directly from a producer or processor. The workgroup also discusses taxes and how it may work for deliveries. Staff will work on getting more information on taxes from the Department of Revenue. Workgroup members also ask Staff to look at different states and what their delivery models look like. Generally, both workgroup members and public are in support of a retail delivery model where licensees can purchase directly from producers or processors. Support for such a license because it's more easily issued and has less hurdles than others, say consumption lounges which may have hurdles such as the clean air act is heard. There is some discussion about what to call such a license, and a suggestion that it be called a retail delivery license is made. The workgroup expresses interest in learning about other new license possibilities such as social consumption lounges, events, similar to farmers markets, as they have in Oregon, and craft cannabis. Anzhane Slaughter, Staff says social consumption lounges are on the agenda for the next workgroup meeting.

The workgroup then moves the discussion to wording and recommendations around buffer zones. Micah Sherman, Member, presents a request eliminate childcare centers from the recommendations and reduce the buffer to 500ft for elementary and secondary schools. One suggestion is to be specific in listing what the current law states, rather than a blanket remove all other location types.

Kevin Oliver, Member was unable to attend the meeting but wants on record that he would comment that considerations of social equity should not end with the business owners/licenses per se. It should be required of social equity applicants/licensees to extend social equity controls/hiring practices in order to include employees at every level of worker benefits from the equity programs.

5. Next Steps

Anzhane Slaughter, Staff listed upcoming meetings

November 16th Task Force meeting, time TBD

December 14th Task Force meeting, 4pm – 7pm

Adjournment

Monica Martinez Co-Lead thanked everyone for coming and adjourned the meeting at 3:49 p.m.

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