



Draft Minutes of the Social Equity in Cannabis Task Force
May 25, 2021
Virtual Meeting

Workgroup Members Present:

Rep. Melanie Morgan	Yasmin Trudeau
Sen. Rebecca Saldaña	Cherie MacLeod
Sen. Curtis King	Tamara Berkley
Carmen Rivera	Raft Hollingsworth
Joe Solorio	Monica Martinez
Ollie Garrett	David Mendoza
Christopher Poulos	

Workgroup Members Absent:

Craig Bill	Pablo Antonio Gonzalez
Michelle Merriweather	Rep. Kelly Chambers

Guests and Other Participants:

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

Staff Support:

Christy Curwick Hoff	Anzhane Slaughter
Joe Radermacher	

Call to Order

Rep. Melanie Morgan, Chair called the public meeting to order at 4:00 p.m. and read from a prepared statement (on file). Rep. Morgan asked Christy Hoff, Staff to introduce Anzhane Slaughter, Staff. Anzhane shared the Zoom protocol, conversation norms, and reviewed the agenda.

1. Approval of Agenda

Rep. Morgan motioned to move the break to 5:00 pm. Motion approved unanimously.

Motion: Approve May 25, 2021 agenda as changed.

Motion/Second: Sen. King/Member Garrett. Approved unanimously.

2. Approval of January 25, 2021 Meeting Minutes

Monica Martinez, Member submitted name correction.

Motion: Approve January 25, 2021 Meeting Minutes w/ correction.

Motion/Second: Member Garrett/Member MacLeod. Approved unanimously.

3. Roll-call

Rep. Morgan, Chair requested Anzhane Slaughter, Staff facilitate roll-call. Roll-call completed.

4. Public Comment

Rep. Morgan, Chair opened the Public Comment segment of the meeting and turned lead over to Christy Hoff, Staff.

Two concerns were brought up during the Public Comment section. One concern that was addressed by two different community members was regarding favoring previous medical dispensary owners before i502 that fit the social equity definition when issuing Licenses. Another concern mentioned from community is around the lack of retail space for new social equity licenses. Community was also interested in knowing if the Task Force would like to increase the number of licenses and allotment for the Technical Assistance grant program. Lastly, a suggestion was made by a community member to make an early recommendation to LCB to increase the number of licenses by population, which is an authority LCB currently has under statute.

Rep. Morgan, Chair: Thank you to all who have commented. We will answer some of these questions in our upcoming WG updates. HB 1443 came from public comments. Send in your comments and ideas so the TF can review and come back with discussions and answers. Since our previous TF meeting, there was a new legislative session and law changes. Does anyone want to add some reflection on these changes? I want to give a big thank you to Senators Saldaña and King for their efforts on getting HB 1443 through the Senate. There are a lot of moving pieces with this legislation. Our main mission is to give recommendations to the LCB on all those moving pieces. It will happen as we're ready to make recommendations, not just when the complete report is due in December, 2022.

Sen. Saldaña, Member: I want to provide a quick synopsis of HB 1443. We, as the TF, should and can provide early, partial recommendations to both the LCB and DOC regarding this program. 1443 expanded our reach to producers/processors, extended the deadline for the full report to December, 2022, and expanded eligibility for the technical assistance and grant program to current license holders as well as new applicants.

Carmen Rivera, Member: As has been stated by many, more retail licenses are needed. Where are we in making that recommendation to the LCB?

Rep. Morgan, Chair: The LCB still needs guidance on how this will go forward.

The Task Force recessed for break at 4:57 p.m. and reconvened at 5:01 p.m.

Rep. Morgan, Chair: At this time we will begin our WG updates. We'll start with the Disproportionately Impacted Communities Workgroup WG.

5. Update: Disproportionately Impacted Communities Workgroup

Cherie MacLeod, Workgroup Co-lead and Christopher Poulos, Workgroup Co-lead provided an update from the Disproportionately Impacted Communities Workgroup.

Cherie MacLeod, Workgroup Co-lead reviewed the DIA Sub-WG tasks and described how the group has focused on using census tracts as the start point for developing a method for identifying DIAs.

Michelle Cadigan, Workgroup member presented map overlays (on file) that showed poverty and unemployment levels in the greater Seattle area as an example of how they can be used to further filter the data to meet the needs of the WG. Both sets of data showed low rates around downtown Seattle and how it moved south with gentrification in the 1990's-2000's. Cherie MacLeod, Co-lead added that they're looking at how Colorado, Massachusetts, and others are factoring locations, demographics, and other data sets to help develop our own DIA plan.

Christopher Poulos, Workgroup Co-lead over the Social Equity Applicant Sub-WG, we have been working on defining the term "family" as it relates to determining if an applicant is eligible for the SE program. The group has concluded that having an inclusive definition of "family" as defined in the Paid Family Leave Act is what we want to do. In terms of verification of an applicant's relationship to a person affected by the war on drugs, we have agreed that a short statement on how they were affected would suffice. The workgroup does not want to create additional barriers to entry with this. During our next meeting, we will be looking to develop a SE Plan outline for potential applicants. One question that continues to come up is if we are going to include race as a determining factor for this program. We still need to study this more and strict certainty standards must be used in the evaluation.

Rep. Morgan, Chair opened the floor to Taskforce members questions and feedback. Beginning with her own concern regarding accurate data that was collected in the 1980s. Sen. Saldaña, member raised the question if the people prioritized for licenses would also be prioritized for grants? Cherie MacLeod, Workgroup Co-lead answered Sen. Saldaña, Member question with Yes. We are thinking of adding previous dispensary ownership as a priority criteria. We are also looking at using census blocks to further filter locations. Christopher Poulos, Co-lead also added that applicants will have an opportunity in their Social Equity plans, they can tell more of their story if they want to.

Raft Hollingsworth, member asked the question of whether Maps are only to identify DIAs, not where the licenses will go. And if the DIA metrics are looking at other metrics? Cherie MacLeod, Workgroup Co-lead answered with: We have four metrics, but we are looking into other states plans for additional options. Raft Hollingsworth, member asked the follow up question of if it will take legislative action to approve an increase in the metrics we use? Rep. Morgan, Chair responded confirming that it would not take legislative action to look at other metrics Rep. Morgan, Chair ended the feedback portion of this report out with the statement For the WGs, that an accountability component must be present, for both the agencies involved as well as the community. If we are taken to court, we must be able to protect ourselves.

6. Update: Licensing Workgroup

Monica Martinez, Member opened the update from the WG. She asked staff to share the Licensing Workgroup's roles and responsibilities. Christy said the Task Force is required to make recommendations in eight areas and the Licensing Workgroup is taking the lead on two of them—whether any additional retail, producer, or processor licenses should be issued and whether any new cannabis license types should be created. She said the workgroup would be reviewing data to determine if and how many more retail licenses should be created for social equity. Data would likely include the state population data, sales and revenue collections over time, cannabis stores per capita in the state compared to other states, canopy utilization data, and indicators of how the industry has contributed to the state (e.g., jobs created). She said the workgroup would also be exploring whether new license types (e.g., delivery, limited direct sales, etc.) should be created and reserved exclusively for social equity for a period of time. She added that in the past, members have discussed how carving out a new sector of the industry for social equity had the potential to promote equity within the state's already established cannabis industry.

Monica Martinez, Workgroup Co-lead reviewed the membership of the Licensing Workgroup and Michelle Merriweather, Co-lead shared highlights from the workgroup's first meeting.

Sen. King, Member opened up the questions from the Taskforce with asking if the Task Force will be looking at minorities as a whole? We need to include all minorities in our planning. Sen. King, Member followed this question with another question on whether it is important to support more than just black applicants. Carmen Rivera, member asked if Task Force members not use the term "minority," instead use the term "BIPOC." She and other members including Rep. Morgan, Chair expressed the purpose of the social equity program and that is to address harms done to harmed communities. David Mendoza, Member asked the workgroup if they are we looking at other license types?

Ollie Garrett, Member answered with the statement that community wants the TF to start with focusing on retail licenses.

Raft Hollingsworth, member asked if the Licensing workgroup had any preliminary recommendations for the LCB? Monica Martinez, Workgroup Co-lead answered stating that the Licensing Workgroup is not hesitant to make early recommendations. She then informed the group that their next meeting should focus on the question of how many additional licenses are needed. After that we should be covering bans and title certificates. Community members asked if the Task Force can simply request LCB to start by issuing 50-60 licenses? Monica Martinez, Workgroup Co-lead responded stating that figuring out a number of new retail licenses is the first priority, she also explained that the workgroup is not comfortable making a recommendation without a solid foundation of information to support what we determine that number to be.

This report out ended with a new statement from a community member around the value for other license types. Specifically, that we do need more retail licenses, but a craft license would also be good. The TF needs to put more thought into how they can help new, small businesses compete with those that are already established.

7. **Update: Technical Assistance & Mentorship Workgroup**

Tamara Berkley, Workgroup Co-lead and Raft Hollingsworth, Workgroup Co-lead provided an update from the Technical Assistance & Mentorship Workgroup which included an introduction of WG members, an overview of the two prongs of the program, some information on other states' programs, and the next steps for the WG. They asked Anzhane Slaughter, staff to provide an overview of the WG scope and requirements (on file).

This workgroup has only met once before this full Task Force meeting which allowed more room for questions. Cherie MacLeod, member raised the first question around whether the workgroup is considering using prior dispensary owners as mentors. Some community members even expressed that they would mentor for free. Another community member asked the workgroup what they are doing to make the program sustainable. This question of sustainability opened the floor to another community members repeated concern around Real Estate and the difficulty acquiring retail space in this market. Raft Hollingsworth, Workgroup Co-lead responded stating that the Task Force does not have authority over the Real Estate Market. At this point in the conversation Tamara Berkley, Workgroup Co-lead expressed the value behind looking at other license types such as a lounge license that can go to only SE applicants at the start to give them a leg up in the retail industry. Community members agreed that other license types are valuable and can help bring equity to social equity applicants

Rep. Morgan, Chair closed the discussion stating that Rep. Wicks is working on a craft cannabis bill, reach out to her with your ideas and input. What Doug stated is

huge and we have more work to be done on that issue. Gentrification is another huge issue, opportunity zones are a possible solution.

8. Next Steps

Anzhane Slaughter, staff provided next steps to the TF. The next Technical Assistance & Mentorship Workgroup meeting is June 8, 1-4pm. The next Disproportionately Impacted Communities Workgroup meeting is June 16, 4-7pm and the focus will be on DIA maps and SE plans. The next Licensing Workgroup meeting will be June 30, 9am-12pm and the focus will be determining a number of retail licenses needed for the program. The next Task Force meeting will be July 27 with more updates from the WGs and possibly early recommendations for the LCB and Department of Commerce.

Good of the Order & Adjournment

Rep. Morgan, Chair thanked the group for all their work and the ideas they've shared and adjourned the meeting at 7:01 p.m.

To request this document in an alternate format or a different language, please contact Kelie Kahler, Washington State Board of Health Communication Manager, at 360-236-4102 or by email at kelie.kahler@sboh.wa.gov TTY users can dial 711.

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