

**SOCIAL
EQUITY IN
CANNABIS
TASK FORCE
PROPOSALS**



SEPTEMBER 14TH 2021

TECHNICAL ASSISTANCE AND MENTORSHIP WORKGROUP

AGENDA ITEM 3: OLD BUSINESS – TECHNICAL ASSISTANCE & MENTORSHIP PROPOSAL

PROPOSAL

The department of commerce use the funds from 2022 to implement the cannabis mentorship program.

DELIVERABLES & FORMAT

1. We recommend that the program has classes that are both **general business** and **cannabis specific**.
2. Seminars
3. Panels
4. In-person support structure
5. Not one-on-one mentorship currently due to the timing to verify social equity applicants.

TECHNICAL ASSISTANCE AND MENTORSHIP WORKGROUP

AGENDA ITEM 4: NEW BUSINESS – TECHNICAL ASSISTANCE & MENTORSHIP PROPOSAL

PROPOSALS

1. To add financial assistance as new use of funds technical assistance dollars.

TECHNICAL ASSISTANCE AND MENTORSHIP WORKGROUP

AGENDA ITEM 4: NEW BUSINESS – TECHNICAL ASSISTANCE & MENTORSHIP PROPOSAL PROPOSALS

- To increase the allotment for the technical assistance and mentorship grant program. Asking for 10% of the cannabis tax revenue that currently go to the state general fund, which equals approximately \$30 million.

	\$Millions	Cannabis Forecast		
		2019-21	2021-23	2023-25
GF-S share of excise tax and license fees		\$361	\$400	\$420
Non-GF		\$648	\$692	\$713
Total		\$1,009	\$1,092	\$1,133

Total change since Mar forecast:

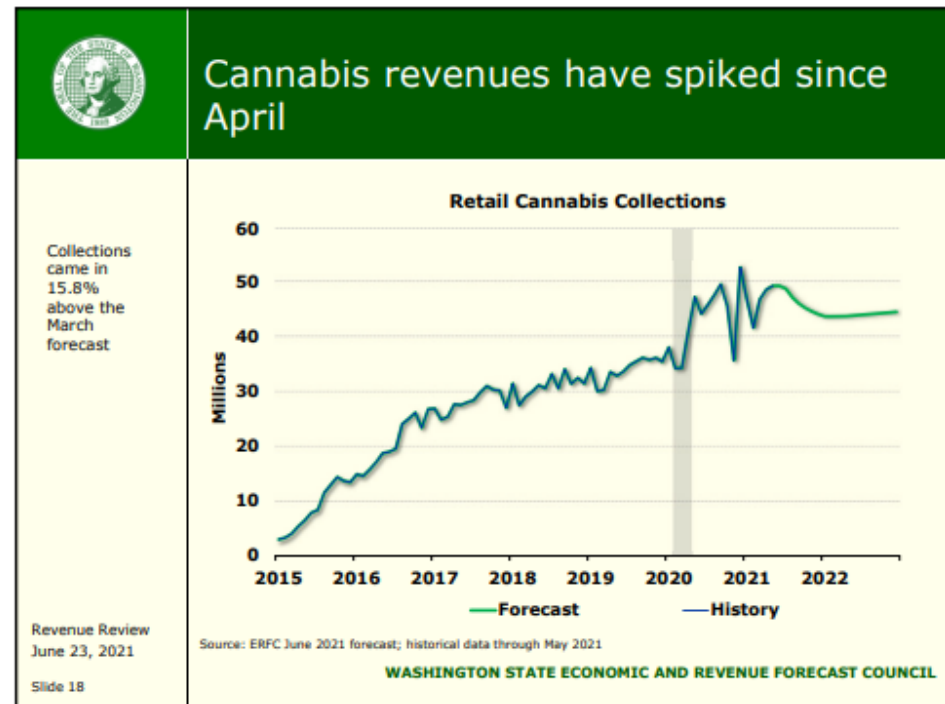
- 2019-21 +\$20 M
- 2021-23 +\$61 M
- 2023-25 +\$39 M

Revenue Review June 23, 2021

Detail may not add to total due to rounding
Source: ERFC June 2021 forecast; historical data through May 2021

WASHINGTON STATE ECONOMIC AND REVENUE FORECAST COUNCIL

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TECHNICAL ASSISTANCE AND MENTORSHIP WORKGROUP

AGENDA ITEM 4: NEW BUSINESS – TECHNICAL ASSISTANCE & MENTORSHIP PROPOSAL

PROPOSALS

3. 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.

TECHNICAL ASSISTANCE AND MENTORSHIP WORKGROUP

AGENDA ITEM 4: NEW BUSINESS – TECHNICAL ASSISTANCE & MENTORSHIP PROPOSAL

PROPOSALS

4. That current license holders that meet the **definition of social equity** be eligible for grant dollars.

DISPROPORTIONATELY IMPACTED COMMUNITIES WORKGROUP

AGENDA ITEM 5: NEW BUSINESS – DISPROPORTIONATELY IMPACTED PROPOSAL

PROPOSALS

1. Ranking formula and indicators.

DIA FORMULA

% Unemployment +

Median Household Income as Proportion to County +

of Drug Convictions +

2.9 × % of Black Residents +

1.6 × % of Latino/a/x Residents +

1.6 × % of Indigenous Residents +

= DIA Score for Census Tract

Legend:

Explicitly Expressed in legislative mandates

Prioritizing communities of color

Incorporating the disparities in cannabis convictions

DIA FORMULA

% Unemployment +

Median Household Income as Proportion to County +

of Drug Convictions +

2.9 × % of Black Residents +

1.6 × % of Latino/a/x Residents +

1.6 × % of Indigenous Residents +

= DIA Score for Census Tract

EXPLICITLY IN LEGISLATIVE MANDATE

**% Unemployment +
Median Household Income as Proportion to County
+
of Drug Convictions +
2.9 × % of Black Residents +
1.6 × % of Latino/a/x Residents +
1.6 × % of Indigenous Residents +**

= DIA Score for Census Tract

MEASURES FOR DISPROPORTIONATE IMPACT

% Unemployment +

Median Household Income as Proportion to County +

of Drug Convictions +

2.9 × % of Black Residents +

1.6 × % of Latino/a/x Residents +

1.6 × % of Indigenous Residents +

= DIA Score for Census Tract

DIA FORMULA

% Unemployment +

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Explicitly Expressed in legislative mandates

Prioritizing communities of color

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EXAMPLE DIA LIST (NOT FINAL)

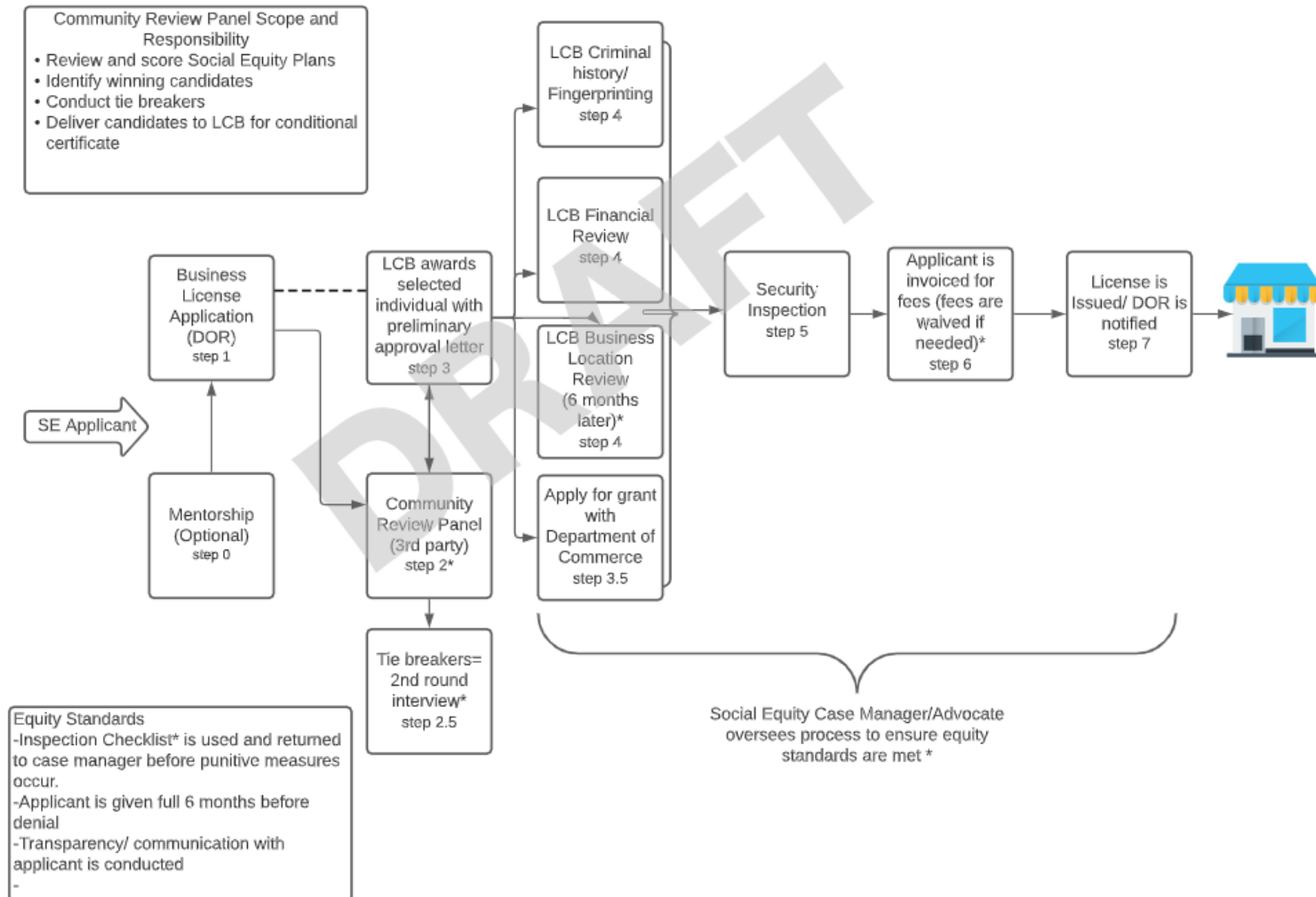
Demonstration purposes only!

TRTID10	Neighborhood Examples	DIA_SCORE	Unemployment	Median HH				Convictions	Median HH Income	
				Income Proportion	% Black	% Hisp	% Indigenous			% White
53033008800	CD	274.70	6.25	54.37	53.68	7.39	1.00	0.34	45.00	24258.00
53033008700	CD	238.24	7.11	61.13	40.00	11.74	2.01	0.35	32.00	20661.00
53033011800	Rainer Beach	229.35	9.83	64.01	34.88	8.56	1.65	0.22	38.00	19130.00
53033008100	Pioneer Square	227.13	16.79	24.83	14.50	6.59	3.71	0.67	127.00	39958.00
53033010300	Rainer Valley	226.42	8.91	65.44	35.69	6.96	1.52	0.21	35.00	18370.00
53033008900	CD	211.72	3.82	40.51	43.49	6.59	1.07	0.41	29.00	31621.00
53033011101	Othello	207.84	5.28	73.40	32.52	5.44	1.34	0.10	24.00	14139.00
53033009000	Yesler	206.78	13.00	72.74	29.24	15.28	1.12	0.13	10.00	14492.00
53033010702		206.73	11.16	75.86	25.26	11.68	2.98	0.29	23.00	12832.00
53033007700		200.78	5.94	44.16	38.85	4.69	0.95	0.50	29.00	29681.00
53033010701		196.73	11.16	75.86	25.26	11.68	2.98	0.29	13.00	12832.00
53033011700		196.14	11.18	66.42	28.56	6.07	1.25	0.13	24.00	17852.00
53033010100		195.85	4.22	57.14	29.58	7.45	1.73	0.35	34.00	22783.00
53033008500		192.75	8.49	72.43	28.40	7.72	3.20	0.50	12.00	14657.00

DISPROPORTIONATELY IMPACTED COMMUNITIES WORKGROUP

AGENDA ITEM 5: NEW BUSINESS – DISPROPORTIONATELY IMPACTED PROPOSAL

SOCIAL EQUITY APPLICATION PROCESS



PROPOSALS

2. Application Process

DISPROPORTIONATELY IMPACTED COMMUNITIES WORKGROUP

AGENDA ITEM 5: NEW BUSINESS – DISPROPORTIONATELY IMPACTED PROPOSAL

PROPOSALS

3. Scoring Rubric
(Next Slide Example)

DISPROPORTIONATELY IMPACTED COMMUNITIES WORKGROUP

AGENDA ITEM 5: NEW BUSINESS – DISPROPORTIONATELY IMPACTED PROPOSAL

Point System and Weight Structures				
Category	Criteria Elements	Point Scale #1	Point Scale #2	Point Scale #3
Eligibility Criteria	1. Lived in a Disproportionately Impacted Area (V)	100	100	100
	1a. How long have you lived in a DIA (6m-5y) = 5pts, (5y-10) = 10pts, (10+years) = 20pts (V)	20	20	20
	2. Convicted of a drug offense (self)	10	18	25
	2a. Convicted of Cannabis Offense? (Self)	10	18	35
	3. Convicted of a drug offense (Family)	5	12	20
	3a. Convicted of Cannabis Offense (Family)	5	12	25
Eligibility Criteria Weight % of overall Scoring		33%	40%	50%
Social Equity Plan Elements	1. Affirm social equity status and 51% ownership (V)	100	100	100
	2. Affirm being issued a license will further equity goal	25	10	10
	3. Personal or family history with criminal legal system	5	10	10
	3a. Did you or your family member's incarceration keep you from getting employment?	5	10	5
	3b. Did you lose custody of your children? or separation from your family?	5	10	5
	3c. Did you lose your home or your ability to purchase a home?	5	10	5
Social Equity Plan Elements Weight % of overall Scoring		32%	33%	29%
Business Plan	1. Executive summary, vision and mission? (V)	50	50	40
	2. Are you a previous cannabis business owner/manager? What qualifications do you have? (V)	10	10	5
	3. What are your diversity goals and plans for your business? Tell us who you would partner with in the community? (V)	45	25	25
	4. Labor and employment practices. What are your plans for a safe working environment, living wage standards? (V)	20	25	20
Business Plan Elements Weight % of overall Scoring		33%	25%	20%
Other Priority Criteria	1. Do you want to apply for the Technical Assistance Grant and how much do you need?	N/P	N/P	N/P
	2. What is the source of the majority of your funding?	N/P	N/P	N/P
	3. What is your personal income level?	N/P	N/P	N/P
	Black, Hispanic, Native American (Black)=10pts, (Hispanic/Native American) = 5pts (V) <i>**Based on arrest rates ratios from (240,000 Marijuana Arrests Costs, Consequences, and Racial Disparities of Possession Arrests in Washington, 1986-2010, Marijuana Arrest Research Project)</i>	10	10	5
Other Priority Weight % of overall Scoring		2%	2%	1%
		100%	100%	100%
Total Score:		450	450	450

Scoring Rubric

- There are (3) options of scoring and scale for the rubric. total scoring for each option is 450 points.
- There are (4) scoring categories
 1. Eligibility criteria
 2. Social equity plan elements
 3. Business plan
 4. Other priority
- Each scoring scale differs in overall weight per section, but the total points remain the same at 450. The differences are the following.
 - Scale (1)** each category (exception of other priority) all have similar weights (32-33%).
 - Scale (2)** eligibility criteria has 40% of the weight, social equity plan elements at 33%, business plan 24% and other priority at 2%
 - Scale (3)** eligibility criteria at 50% of the weight, social equity plan elements at 29%, business plan 20% and other priority at 1%

LICENSING WORKGROUP

AGENDA ITEM 6: NEW BUSINESS – LICENSING PROPOSAL

PROPOSALS

1. That any new licenses are reserved for social equity through 2029. This includes any new licenses that gets passed through the legislator (example, delivery licenses, social consumptions lounges and additional retail licenses etc.)

LICENSING WORKGROUP

AGENDA ITEM 6: NEW BUSINESS – LICENSING PROPOSAL

PROPOSALS

2. All social equity licenses are mobile within their respective counties.

LICENSING WORKGROUP

AGENDA ITEM 6: NEW BUSINESS – LICENSING PROPOSAL

PROPOSALS

3. To reduce buffer zones from 1000 to 500ft reserved for social equity licenses.

RCW 69.50.331 allows cities to reduce buffer zones from 1000ft (but not less than 100 feet) from recreational facilities, public transit centers, correctional facilities, libraries and game arcades.

*****this excludes elementary schools, secondary schools and playgrounds that must remain at 1000ft***