



Discussion Topics Regarding LCB's Social Equity Applicant Criteria & Prioritization Process

Disproportionately Impacted Communities Workgroup Meeting

March 24, 2021

Roles & Discussion Purpose

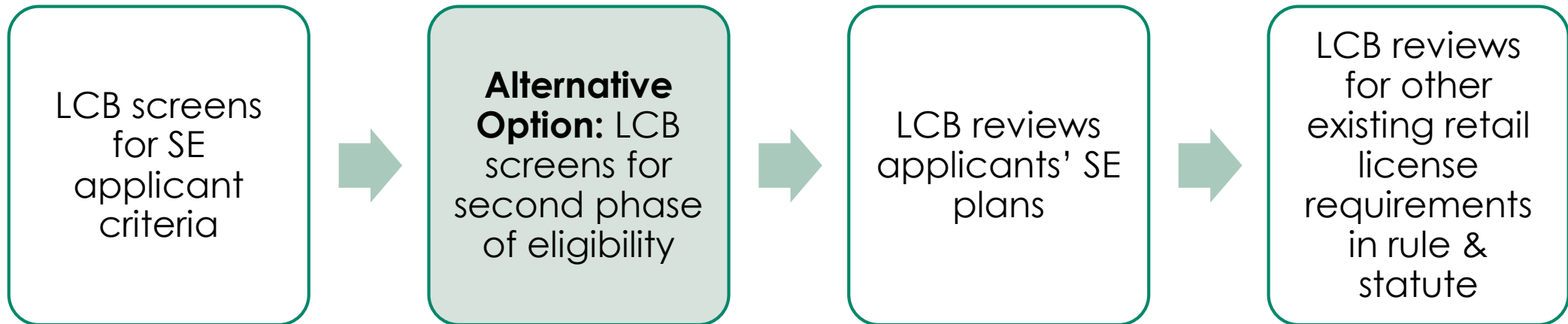
- ▶ **Workgroup & Task Force Role:** Provide recommendations to define criteria for who should be eligible for the Liquor & Cannabis Board's (LCB) Social Equity (SE) Program
- ▶ **LCB Role:** Operationalize criteria & implement the SE program

Today's Discussion Purpose

Think through how the LCB may operationalize criteria for SE applicant eligibility to:

- Ensure recommendations are relevant & can be implemented
- Identify equity concerns in the criteria screening & prioritization process that may be barriers for SE applicants

Overview of Possible LCB Criteria & Prioritization Process



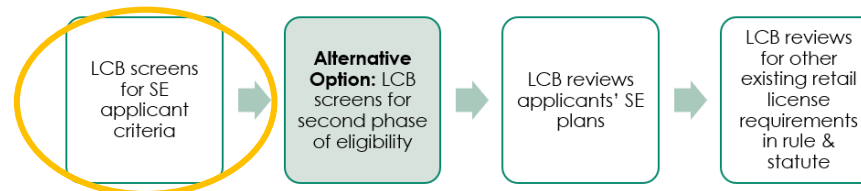
LCB Screens for SE Applicant Criteria

- ✓ Has the applicant lived in a “Disproportionately Impacted Area?”
- ✓ Has the applicant been convicted of a cannabis [or drug] offense?
- ✓ Does the applicant have a family member who has been convicted of a cannabis [or drug] offense?

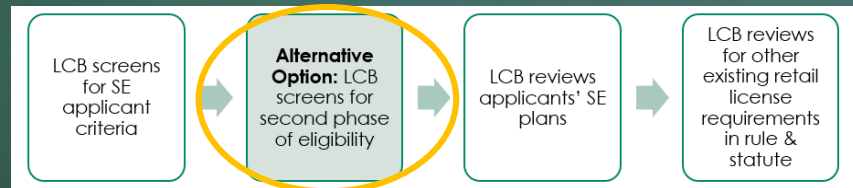
**One of these
MUST apply**

Should there be a 4th eligibility option?

Example: Previous dispensary or collective owner



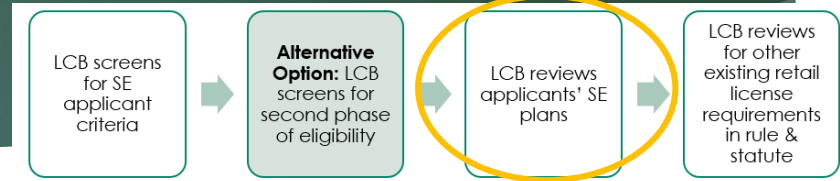
Alternative Option: Second Phase of Eligibility Screening



Should there be a second phase of eligibility criteria?

(Examples: Previous dispensary or collective owner, race-conscious criteria)

LCB Reviews Applicants' SE Plans



SE plans must include “at least some” of the following:

- ▶ Statement that the applicant qualifies as a social equity applicant
- ▶ Description of how issuing the license to the applicant will meet social equity goals:
 - ▶ Increasing # of retailers from DIAs, reducing ‘accumulated harm’ suffered by individuals/areas harmed by disproportionate cannabis enforcement
- ▶ Applicants personal/family history with the criminal legal system
- ▶ Composition of the workforce the social equity applicant intends to hire
- ▶ Neighborhood characteristics of the location where the store will be, focusing on DIAs (*Do we want more stores in DIAs?*)
- ▶ Business plans involving partnerships or assistance to organizations or residents with connection to populations with disproportionate cannabis prohibition enforcement

First Come, First Serve

Should LCB process and issue available SE retail licenses on a first come, first serve basis?

Lottery

Should LCB process and issue available SE retail licenses through a lottery?

Open Application Window

Should LCB designate a window of time to accept applications and then **review/score all applications** and issue them to those that have the highest scores?



- Should the SE Plan be one way that LCB prioritizes applicants?
- Should some components be weighted higher?
- Are any of the components inappropriate?
- What else should be considered for prioritization?
- How do we limit subjectivity in scoring? (e.g., Stand up review panels with community representation)

LCB Reviews for Other Existing Retail License Requirements in Rule & Statute

- ▶ Location
- ▶ Application fee (\$250)
- ▶ No one can have more than 5 licenses
- ▶ Criminal history background check
- ▶ Financial review
- ▶ Residence in Washington for at least 6 months prior to application
- ▶ Operating plan
- ▶ Current in tax obligations

Should there be additional recommendations to the LCB about what they should put in rule specifically for the SE program to modify any of these requirements?

