

# Draft Minutes of the Social Equity in Cannabis Task Force October 26, 2020

Virtual Meeting

## **Task Force members present:**

Tamara Berkley
Craig Bill
Rep. Kelly Chambers
Ollie Garrett
Pablo Antonio Gonzalez
Raft Hollingsworth
Sen. Curtis King
Cherie MacLeod
Monica Martinez

David Mendoza
Michelle Merriweather
Rep. Melanie Morgan (Co-Chair)
Christopher Poulos
Carmen Rivera
Sen. Rebecca Saldaña
Paula Sardinas (Co-Chair)
Joe Solorio
Yasmin Trudeau

## **Guests and other participants:**

Mike Asai, Emerald City Collective
Gardens
Aaron Barfield, Black Excellence in
Cannabis
Paul Brice, Happy Trees Retail
Michele Cadigan, University of
Washington
Christy Curwick Hoff, Task Force Staff
Duane Dunn, Store Owner in Tacoma
Judy Edwards, Liquor and Cannabis
Board
Zach Ferrely, Public Participant

Gregory Foster, Cannabis Observer
Alexes Harris, University of Washington
Kim Henley, Public Participant
Melanie Hisaw, State Board of Health
Bria Jackson, Medical Cannabis Patient
Kelie Kahler, State Board of Health
Cait Lang-Perez, State Board of Health
Christopher Marr, Former LCB Board
Member
Jferrich Oba, Public Participant
Elise Rasmussen, Task Force Staff

Additionally, approximately 12 members of the public participated in some or all of the meeting by contributing to the discussion and/or sharing their comments and questions via the virtual meeting platform's chat function. A summary of community's comments from the meeting platform's chat function is included at the end of the minutes.

Benjamin Danielson, Chair of the Governor's Interagency Council on Health Disparities and Meeting Facilitator, called the public meeting to order at 9:31 a.m. and read from a prepared statement (on file). Dr. Danielson said a land acknowledgement and expressed how honored he is to be a part of this work. He loves that equity is part of the name and hopes that we hold to the highest values of equity as we move forward.

#### 1. APPROVAL OF AGENDA

Motion: Approve October 26, 2020 agenda

Motion/Second: Ollie Garrett/Melanie Morgan. Approved unanimously.

### 2. INTRODUCTIONS AND ICE BREAKER

Benjamin Danielson, Facilitator, asked Task Force (TF) members to share who they are representing on the TF, a few words about themselves and the values they have that brought them to this social equity (SE) work. He also asked members to share what they think their moms would say about them as an icebreaker to get to know one another better. Each Task Force member then introduced themselves and responded to Mr. Danielson's prompts.

<u>Peter Manning, member of public,</u> questioned Member Mendoza's role on the TF, sharing concerns that Member Mendoza's previous roles led to enforcement efforts targeting the Black community. <u>Member Mendoza</u> responded that his desire is to address the lack of ownership in this industry and that no targeting of the Black community took place.

<u>Member Morgan</u> thanked Peter, and returned to the agenda items, reminding everyone that the TF has been conditioned under systemic racism and we all need to heal and move forward.

#### 3. TASK FORCE SCOPE AND RESPONSIBLITIES

Christy Curwick Hoff, Task Force Staff, reviewed Engrossed Second Substitute House Bill 2870 (E2SHB 2870), Cannabis Retail Licenses Social Equity Program. She reviewed the 7 sections of the bill, the Social Equity Program, and the TF, (on file). Ms. Hoff introduced staff helping with the TF, Elise Rasmussen, Judy Edwards, Cait Lang-Perez and Melanie Hisaw. She then mentioned the TF authority ends on June 30, 2022, unless the legislature extends the date.

Benjamin Danielson, Facilitator, asked members and or legislators for any comments. Member Morgan expressed the licenses are the number one priority to bring the balance to the Black African American Community. Voices are just now being heard and we need to be innovative and creative to make sure this works for all communities, not just one. Member Saldaña, stated that the Liquor and Cannabis Board (LCB) was first set up for enforcement and compliance. The system is set up for racism and bias, as with all drug laws. Communities want to see Black ownership and added value to neighborhoods and economic development. Because of the advocacy, this bill cannot be staffed by LCB. It needs to be led by experts in equity, thus the Council on Health Disparities. The pandemic has caused delay in implementation and it is not completely resourced as the community deserves. Member Saldaña is committed to be a partner with the community during the 2021 session and to not undermine the work of the TF before us.

#### 4. PUBLIC COMMENT

<u>Benjamin Danielson, Facilitator,</u> read from a prepared statement on Public Comment (on file).

<u>Paul Brice, Happy Trees Retail,</u> commented that he feels he has a lot of insight that can help this program. He shared that he is doing this for his mother. He stated that the LCB has taken away his voice and the problem is that we're not going to get more Black

growers. Those 13 licenses can empower the community if it is done right. If he had his freedom and wasn't silenced, he could accomplish more. He also shared that the licenses that were issued resulted in communities fighting among themselves. Strategically placing the licenses might be better to increase access and promote justice.

Gregory Foster, Cannabis Observer wanted to ensure TF members are aware of the work they do at Cannabis Observer. They have been gathering information about cannabis policy making for the last 3 years. Their intent is to dismantle prohibition and to do that is to create outstanding information about policy development as it is formed. He shared that this is an incredible opportunity to have meaningful dialogue about how we have gotten here and how we have work in front of us that is unprecedented. He stated we need to develop a better relationship with the plant and with one another. He also shared that he was happy to see this TF form, and the Cannabis Observer will be faithfully observing and making this information available to the wider community.

Mike Asai, Emerald City Collective Gardens, prepared a letter to send to TF members (on file). Mr. Asai stated Emerald City Collective Gardens was the second Black owned medical collective in WA – the first in downtown Seattle. He shared that Shawn Kemp is not the first Black owned cannabis store in Seattle and that is disrespectful to Black pioneers like himself. He shared several concerns, the first was Member Mendoza's role on the TF, as he was formerly a lobbyist for Have-a-Heart. The second concern was having to relocate to another city if only current license allotments are issued. He stated that there were more than 300 medical collectives in Seattle and he is thankful for this bill but hesitant about how the licensing will occur. He feels like his should be one to get a license because they did everything right. He shared that it is now about generational wealth, asked how many of the retail establishments in Seattle are actually helping the community, and that the TF should be focused on African Americans. He stated that the community is angry and doesn't know what to do.

Kim Henley, Public Participant, stated that she doesn't own a cannabis business and wants to get into the industry. She applied for a license after it became legal but didn't make it to first priority. She shared that she is an African American woman with a business degree that would like to build wealth and lead a legacy for her family. She stated she takes issue with the law because it is setting people up to fail. She asked what resources will be provided to help people sustain their businesses and that if those businesses fail, will white counterparts take them back. She feels like she is caught in the middle and can't take advantage of the old system or this new law. Member Sardinas said the CAAA spoke to a number of people about this legislation, their intent is not only social equity in Seattle but rather statewide. They are advocating with local jurisdictions to lift the caps.

<u>Aaron Barfield, Black Excellence in Cannabis</u>, stated that this TF is a smoke screen for the LCB. Energy is put forward for a TF, but the only authority the TF has is to create recommendations. LCB created the lack of inclusion in the industry and they have the power to fix the problem, but instead of doing so, this TF is a standard page from the colonizer playbook. The community has been exploited and is starting to organize. This

TF has no power to do anything but waste community's time so that we get tired and go away. This is especially problematic when folks on the TF have a history of exclusion.

Christopher Marr, former LCB board member, now a regulatory consultant. Mr. Marr stated that the focus up to this point has been on retail licenses and that he was encouraged by the participation of producer/processor side. He shared that diversity is lacking across the entire cannabis industry. In Eastern WA there are more opportunities for producer/processor licenses and is where technical assistance grants can make a big difference. More producer/processor businesses can be a good opportunity to create more jobs in POC communities. There is a need for additional representation in the retail sector. Mr. Marr called attention to retail licenses that were issued, but could not open because of zoning restrictions and the retail licenses were subject to forfeiture if they were not open for certain amount of time. There needs to be exceptions for those that can't open due to ordinances. Mr. Marr thinks that needs to be explored more because there could be more licenses that can be made available over the short term.

<u>Duane Dunn, store owner in Tacoma</u>, stated that he is the only sole Black retail owner in state. Mr. Dunn said he is the only person on his license and never had anyone else on his license. He shared that, as a retail owner, the only way to be successful is to consolidate. The market is saturated and prices are so low that this industry is currently a volume game. In order to compete, there has to be cooperation between retail stores to purchase from vendors at volume price in order to be successful. May want to open up the parameters for where retail licenses can exist. Mr. Dunn provided the example of if three recreational retail stores are on one block, and three more stores are granted, it will lead to closures because they won't be successful from the beginning.

Zach Ferrely, Public Participant, shared that we're all here together and we need to work together. He asked where the Black millionaires in Washington are. How can they get the fiscal resources if out of state investors are illegal? Where can BIPOC individuals find investors and compete in the market? Mr. Ferrely suggested a possible tax incentive to invest in social equity applicants and a system for vertical integration where Black-grown product is sold at Black-owned retail stores. As a Black man in eastern Washington approaching a white land-owner sets back opportunity. He stated there is often no generational wealth to get support. He expressed that it would be important to give folks a couple years to establish with a tax break or to vertically integrate.

<u>Pablo Antonio Gonzalez</u>, <u>Task Force Member</u>, replied to some of the public's comments and stated when he applied for a license it was during the original lottery allotment process. The east side faces barriers with more moratoriums in place and many underserved communities. He asked Mr. Asai if he applied in the lottery process and if he didn't apply, why not? Member Gonzalez stated that he heard there was reluctance because of lack of trust in the government and that the TF needs to learn from the mistakes made in the past.

Bria Jackson, current medical cannabis patient, for 2 years has had a medical card to treat Crohn's Disease. Ms. Jackson stated she is interested in making a career out of

cannabis and wants to know how the technical assistance grant program will be implemented.

<u>Member Sardinas</u> stated that there will be further opportunities for input, and let the public know she heard them.

The Council recessed for lunch at 12:26 p.m. and reconvened at 1:10 p.m.

# 5. BRIEFING—COMMUNITY COMMENTS AT LIQUOR AND CANNABIS BOARD SOCIAL EQUITY EVENTS

Ms. Hoff, Task Force Staff, reviewed the community comments (on file) from LCB's community listening sessions and asked community members to let the TF know if they would like to add or correct anything. Member Garrett provided the perspective as an LCB Board member for the desired outcomes of this process. She noted that the sessions were very powerful and emotional. She shared themes she heard from the community including frustration in being denied licenses, confusion in communication to the agency vs. the board, the implicit bias in enforcement, and fear of shut down. Member Sardinas stated she was thankful the LCB agreed to put on the listening sessions. She shared that this work is starting with little to no trust from community. She said the TF needs to be open and transparent and acknowledge community's pain in order to build trust. Member Sardinas said there is a difference between the LCB Board and the agency, and the pain comes from working with the agency. Member Saldaña added that there is not one clear answer and multiple approaches are required to address challenges.

Ms. Hoff called on Peter Manning who commented that he appreciates Member Garrett at the LCB. He stated that since 2014, Black owned dispensaries have voiced concerns about the LCB, including concerns that when the first licenses were issued they did not include Black owned stores in Black communities, processor/grower licenses were issued to whites, and that a former board member owned a large grow operation. He stated that while white people received licenses, the Black community's concerns required a task force to address.

Member Morgan, said that as a new legislator, Mr. Barfield and Mr. Manning approached Member Morgan regarding the LCB. Rep. Morgan met with the LCB and shared that the Black community was penalized with no apology. Rick Garza, LCB Director, offered an apology, and Member Morgan was glad to hear of community outreach sessions to begin the process of listening to the community. Now it is up to the TF on how to make it effective. She shared that we cannot deny history and we need to ensure dismantling Black codes that were put in place.

<u>Jferrich Oba, Public Participant,</u> shared he is an 81 year old Black man, who has experienced many forms of discrimination, including within the Cannabis industry. He asked why there is such discrimination from the LCB, and why there is a cap on how Black people can advance and build wealth for their family. He urged the TF to do what is right.

Mr. Asai, thanked Mr. Oba for comments. Mr. Asai stated the Fresh Start Act should be started for reparations. He shared that the LCB is in Olympia, with a small Black community and proposed the agency relocate to King County. Mr. Asai stated that all taxes paid to the Department of Revenue (DOR) by the Collective Gardens should be considered tax-exempt. He asked how many total licenses are available in the state and each city. Mr. Asai expressed that the TF should explore allowing more retail stores in Seattle as well as all other growing cities in the state.

#### 6. ELECTION OF TASK FORCE CO-CHAIRS

Christy Curwick Hoff, Task Force Staff, spoke about proposal of different options for TF leadership. She reiterated that the TF's authorizing legislation (E2SHB 2870) directs the TF to elect a Chair from among the legislative members serving on the TF at its first meeting. She also said that, as staff, she is proposing that the TF also elect a Co-Chair from among the community representatives on the TF to elevate community voice and power. This community Co-Chair would also assist staff with keeping the TF moving as legislative members' time becomes limited during legislative session.

**Motion:** In addition to electing a Chair from among the legislative members on the Task Force, the Task Force will also elect a Co-Chair from among the community representatives.

Motion/Second: Senator King/Yasmine Trudeau. Approved unanimously.

Member Saldaña recommended Member Morgan. Member Chambers verbally said she'd support Morgan or Saldaña. Member King wondered if Member Pablo Gonzalez would be interested. Member Hollingsworth nominated Member Paula Sardinas. Member Gonzalez accepted the nomination by Member King. Member Saldaña wondered if Carmen Rivera was interested. Member Rivera was appreciative and took it as a compliment, but put her support behind Paula Sardinas. Member Morgan shared Tamara Berkeley was nominated in the chat. Tamara Berkeley thanked Mr. Ferrely, but said she just wants to remain supportive at this time. Ms. Hoff asked the nominated members to share what they would bring to this work if they served as a Co-Chair.

Member Morgan, gave a brief background on her leadership and values. She serves on the House Housing & Veterans Committee, Commerce & Gaming Committee, and other Committees. She's the first Chair of the Black Members Caucus and was elected as the Deputy Floor Leader. She introduced a Speakers Equity Council in the House and also introduced 5 equity questions to the House, Senate, Supreme Court, and to the Community. With Sen. Saldaña, created a council to make sure both caucuses internally had adequate equity training. She has worked for years as an advocate and recently cofounded the Black Democrats of Pierce County. She has experience with the Equity Task Force and has built relationships to lead to wholeness, inclusivity and success to bring all voices to the conversation.

<u>Member Saldaña</u> already indicated her preference, but that she is available to provide leadership, commitment and support. Part of democracy is to give choice, but she's fine with withdrawing her name to give support to Representative Morgan.

Member Sardinas is honored to do this work. She's been doing it over 25 years. She not only understands diversity, equity and inclusion, but also has experience in the war on drugs. She and her husband lobbied on the Moore Act. She understands disparities that go with the classification of drugs. She has advocated in all 49 WA Districts for the Black and Brown people and talked to trade organizations. She has worked with 742 people and poured over 2,500 adjudication records. She sees the way they run licensing at the LCB and she has done consulting with other states. She knows how to build consensus and programs. She's honored to serve in this capacity, the community needs to know they have a voice.

<u>Member Gonzalez</u> is honored for the nomination. He has been involved in industry, and started his business by going into debt and built his company with his bare hands. Member Gonzalez has been through both licensing periods and is aware they were both flawed. He's here to make sure the process is fair.

<u>Elise Rasmussen, Task Force Staff,</u> emailed a Survey Monkey ballot with candidates to members. After the votes, Ms. Rasmussen shared her screen, 15 votes for Paula Sardinas, 2 votes for Pablo Gonzalez for the Co-Chair among the TF's community representatives.

**Motion:** The Task Force elects Representative Morgan as the Co-Chair representing legislators on the Task Force.

**Motion/Second:** Ollie Garrett/Carmen Rivera. Approved unanimously.

**Motion:** The Task Force elects Paula Sardinas as the Co-Chair representing community members on the Task Force.

Motion/Second: Raft Hollingsworth/Ollie Garrett. Approved unanimously.

#### 7. TASK FORCE BYLAWS

<u>Christy Curwick Hoff, Task Force Staff,</u> introduced Co-Chair Melanie Morgan. <u>Co-Chair Morgan</u> congratulated all the nominees and appreciated everyone stepping up. <u>Ms. Hoff explained the purpose of the TF's Bylaws and Operating Principles. <u>Ms. Rasmussen shared Bylaws (on file).</u></u>

<u>Co-Chair Morgan</u>, offered a conversation starter around reimbursement while we are meeting virtually. <u>Member Gonzalez</u> appreciated these comments. <u>Ms. Hoff</u> said the TF is designated as a Class 1 group. So even if we traveled, we could not reimburse. There is an exception process in order to reimburse, however, the TF is not funded and with the existing SBOH and HDC budget, there is no existing funding available unless we received allocation from the legislature in the next session. <u>Co-Chair Morgan</u> asked for any comments around Bylaws.

The Task Force took a break at 3:15 p.m. and reconvened at 3:25 p.m.

## 8. TASK FORCE OPERATING PRINCIPLES

Co-Chair Paula Sardinas, described what Operating Principles mean to the TF.

Ms. Rasmussen reviewed the TF's draft Operating Principles (on file) and said it's a guiding document to help with decision making.

Co-Chair Sardinas commented the importance to focus on anti-Black racism as part of Operating Principles, especially in light of George Floyd, Breonna Taylor and others that have suffered from institutional racism. Member Poulos wanted to add the word "people or individuals" affected by Cannabis. We need to include and center people who have been personally harmed by Cannabis prohibition. Michelle Merriweather, Member, agreed with Paula Sardinas about focusing on anti-Black racism with the focus on decedents of slaves. Member Mendoza stated these Operating Principles were developed over time for other successful task forces. Many races have been disproportionally impacted by the war on drugs. But at the same time, he said there is a thread of anti-Black racism. Member Saldaña wanted to make sure the TF is centering on anti-Black racism. She would like to include demographic data because she sees a lot of Black and Brown individuals at the federal prison. Black racism is embedded in enforcement agencies in particular. Member Hollingsworth, agreed to focus on anti-Black racism, he said Senator Saldaña said it perfectly. He thinks this is about restorative justice. The war on drugs was about affecting specific communities on the pathway to wealth.

Member Martinez, offered that as a woman representing Latino businesses, she would like to see women and all minorities included. She does know many Latinos that have been disproportionately affected by Cannabis laws who have experienced barriers. Member Gonzalez stated he thinks it's important that we include all types of people that have been discriminated against. Not just Black men and women, but also Hispanics, women, and others. Member Martinez asked before the TF decides on what minorities to focus on, to get statistics. Co-Chair Sardinas said we can get that data, and said that it was indisputable that the war on drugs targeted Black men.

Member Trudeau, talked about the intersectionality of community. She doesn't see any exclusion to other groups by focusing and centering one group. Being overly inclusive can take away from those most affected, it is not either/or scenario. Co-Chair Morgan, said we know given our history, the people impacted were Indigenous Natives and the Black Africans that were brought here for slavery. That is not to say we discount any type of racism against any other citizens. It is anti-Black racism and racism. This focus is on original hurt and how that has impacted other cultures in the state. Co-Chair Morgan spoke to address the terminology BIPOC. They wrote a resolution against this, and to her, BIPOC is another name being put on them. She wants to give credibility to Black Lives Matter. Would like to focus on the word equity instead of renaming groups such as BIPOC.

The Task Force took a break at 3:15 p.m. and reconvened at 3:25 p.m.

#### 9. DATA BRIEFING AND DISCUSSION—DISPROPORTIONATELY IMPACTED AREAS

Representative Melanie Morgan, Co-Chair, brought us back from the break and introduced the presenters. Professor Alexes Harris, University of Washington, is a Professor of Sociology at UW since 2004, focusing on Social Stratification and

Inequality. Ms. Harris is a sociologist and researcher who cares about social justice and equity and is going to be supporting the TF. <u>Michele Cadigan</u> is a PhD student of Sociology at UW and National Science Foundation Graduate Fellow researching law, social stratification, and economic markets. Her current work is on cannabis markets in the US. Ms. Harris and Ms. Cardigan presented on Cannabis and Racial Equity in WA State (on file).

Ms. Harris and Ms. Cadigan reviewed existing Social Equity programs in California, Massachusetts and Illinois. They presented an overview of Washington State's I-502 and the importance to redress issues with the Black community in WA. They spoke about how existing WA policy has legal barriers for people with criminal records and low-income people. Explained how a "Social equity applicant" is defined in statute, as well as how the statute provides criterion for what may be considered a "disproportionately impacted area" in WA.

Cannabis arrests in WA have had exponential growth over time. The Black population is the highest impacted, as Black individuals are 5 times more likely to be arrested than their white peers, even post-legalization. They presented a few questions for the TF to consider:

- Open question #1: What is the best way to determine disproportionately impacted areas (DIAs)? Should they: Overlay all criteria? Highlight cumulative disadvantage? Number of licenses to be allocated?
- Open question #2: Can we use income as a proxy? If so, what data gaps would that present?
- Open question #3: Timing and gentrification what years should we use data from?

They suggested that the TF establish a set of guiding principles:

- What is the aim of this equity program?
- What (who) is trying to be remedied?
  - o Is there a certain population you think should be the target?
  - o Is this a form of reparations? If so, for whom?
- In five years from now, with data review of equity licenses what would "success" look like?

<u>Co-Chair Morgan</u> would like to see the data on how this has spread to urban areas (Tacoma and Snohomish counties, for example). <u>Member MacLeod</u> stated this work is important and thinks that we need to really think critically about gentrification.

<u>Member Poulos</u> asked about the exclusions of people who have a conviction. If you have a misdemeanor and felonies then you are penalized. <u>Member Garrett</u> stated the LCB has a point system and is looking at what the exact convictions are.

<u>Member Hollingsworth</u> asked for data to see how other social equity programs in other states are doing. <u>Ms. Cadigan</u> answered there is very little data on the outcomes because people are still clogged up in the licensing system. It's a little too early to tell, but early data shows that the zip codes will not work. It would be important to think through outcome measures and how to operationalize those measures. <u>Member</u>

<u>Hollingsworth</u> stated that Black people might be even more disproportionately impacted in rural areas because there are fewer Black people in rural areas and believes that this is a form of reparations.

<u>Member MacLeod</u> asked is the location of the conviction based on where the arrest was made or their residential address. <u>Ms. Cadigan</u> answered that it's the residential address. <u>Member Saldaña</u> asked if we can get more granular through census blocks or tracts. How can we make sure that we're including up to date data in the future, can we make sure to build in this accountability to make sure we have the most up to date data? <u>Member Martinez</u> stated she would like to see the ratio/distribution of convictions/arrests by county and by race.

Ms. Hoff added there's a tension between doing this work quickly and doing it right and recommends that we create a work group outside of the TF with Ms. Harris and Ms. Cadigan. Member Mendoza stated he was in favor of the workgroup. Co-Chair Sardinas added that we need to consider equity and minority representation in the workgroup. Mr. Barfield stated a lot of states are following Washington's bad example. If this Task Force wants to be effective it should look for ways to hold people accountable.

Motion: To create a Work Group

Motion/Second: Ollie Garrett/Michelle Merriweather. Approved unanimously

#### 10. TASK FORCE MEMBER REFLECTIONS AND COMMENTS

Member Martinez shared that she's very happy to be here. As a woman and minority-owned cannabis licensee, she hopes to discuss how to impact the diversity of the industry. She wants to make sure this work also recognizes what the second most impacted group, Latinos, have endured. Co-Chair Sardinas stated for over a year she's traveled across the state with the intent to make sure this process is representative. She wants people to understand that some groups have been systematically oppressed for 401 years, not all oppression is created equal. Even after the legalization of cannabis, Black males are still disproportionally arrested at high rates. She asked how you would feel if you were a self-sustaining Black man who has been providing for their family and now their income is taken away. Black lives matter and they matter in cannabis.

Member Mendoza wanted to acknowledge that he didn't expect to be such a flashpoint. He will continue to strive to listen to communities first and foremost, and this is where our recommendations should come from. Member MacLeod expressed some of what we need to show is that having cannabis retail shop does not add to the crime in a neighborhood. We have this data. They are not negative things to have in the community. Member Garrett asked what we can do to have jurisdictions remove their restrictions. Member Saldaña encouraged us to think about engaging in thoughtful dialogue even though we disagree. We are not our race, gender, etc. Create the space where there is healing.

<u>Co-Chair Morgan</u> stated we give each other space, suggestions, and that we're still at the table. She thanked Dr. Ben Danielson. She thanked the staff. She thanked the community members, and encouraged community members to reach out to their

communities and bring them along to this meeting. She is happy to see the definition of equity transcend. She asked us to have faith in the process. When Initiative 502 came across there were zero people of color in the Senate, and one person in the House, but now the House and Senate are becoming more diverse. She stated that things are getting better.

#### **ADJOURNMENT**

Rep. Melanie Morgan, Co-Chair, adjourned the meeting at 4:42 p.m.

## Summary of Chat Box Comments from 10/26/2020 SECTF Meeting

Approximately 12 members of the public participated in some or all of the meeting by contributing to the discussion and/or sharing their comments and questions via the virtual meeting platform's chat function. The following is a summary of community's comments from the meeting platform's chat function.

## Objective

Community members shared different ideas of what the objective should be—an
equitable market; a successful market; and one in which community members can
own and operate a sustainable business.

## **Equity Focus**

- The Social Equity Program needs to be addressed equitably—NOT equally. The Black community bore the greatest burden of the war on drugs (death and incarceration), which is fueled by anti-Black racism. Black men, specifically, have been disproportionately targeted by cannabis enforcement.
- Centering anti-Black racism does not mean the exclusion of others. Centering anti-Black racism focuses first on those targeted, then on all who became affected. All marginalized communities should receive reparations for the war on drugs, but this will look different for each community.
- Community members expressed concerns about the composition of the TF and questioned individual members' commitment to social equity and ability to build an equitable plan for the LCB.

## **Operating Norms**

- TF members must listen to the community for input on what we want and need. It's the community who was affected by these rules (e.g., the war on drugs, cannabis licensing regulations and enforcement).
- It is important that all TF members work transparently. Members of the TF are going to make recommendations that will directly impact people on the call, many of whom have been negatively impacted. The TF needs to be open and honest and to actively listen. Members and community must show respect and respect the processes.
- To ensure the community has a voice in who gets social equity licenses, one community member stated a Cooperative Community Advisory Council should be created to review and approve any decisions made by the TF.

• The TF should adopt Community Agreements to foster a positive, productive, and thoughtful environment at each TF meeting and throughout all TF work.

## **Social Equity Program**

- Social Equity Program requirements should be designed to prevent against predatory loans and operating agreements and remove regulatory barriers (e.g., requirement to secure a retail location before a license is granted).
- The Social Equity Program should include resources to address the high costs associated with licensing and establishing a sustainable business.
- Community members asked the TF to consider recommendations including: opening
  additional social equity licenses; creating new social equity license types (e.g.,
  delivery, consumption spaces, banquet permits, tourism); allowing for complete
  vertical integration; licensing cooperative-owned and/or franchise social equity
  business models; lowering financial barriers; providing Small Business
  Administration no- or low-interest loans for social equity licensees; creating tax
  incentives (e.g., for social equity licensees and landlords leasing to them);
  establishing cannabis regulation parity with alcohol; expanding technical assistance
  grants to producers and processors of color; etc.
- Community members provided different views regarding where social equity retail licenses should be allotted. One individual noted that Black business owners should be able to operate businesses within their own communities. Another stated that social equity licenses should be allowed to locate in jurisdictions where the market is not saturated. A few agreed that work should be done to open current allotments in cities and counties where moratoriums exist.
- Former owners of tax-paying medical dispensaries, who were shut down during the merger of the medical and recreational markets, deserve a fair chance to get a cannabis retail license, participate in the industry they helped found, and build generational wealth.

## Other

- Multiple members supported the ask that I-502 tax funds currently allocated to the Washington State Patrol be redirected to Dr. Alexes Harris and Michele Cadigan for additional research (i.e., disproportionate impact of cannabis-related enforcement) and to Greg Foster to support the Cannabis Observer as a resource for the community.
- Community also provided resources for TF members and staff to consider.
- Questions raised by community have been added to a list of questions for the TF staff, and/or a workgroup to pursue.

Melanie Morgan, Task Force Co-Chair Paula Sardinas, Task Force Co-Chair

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