



**Social Equity
in Cannabis
Task Force**

Presentation Overview

- Task Force Background
- Public Meetings
- Work Plan
- Task Force Recommendations

Background

- Staffing
- Membership
- Purpose and Responsibilities (RCW 69.50.336 and ESHB 1443 (2021))
- Timeline

Public Meetings

- **Task Force** (convened in October 2020, 8 meetings to date)
- **Disproportionately Impacted Communities Workgroup** (convened in February 2021, 7 meetings to date)
- **Licensing Workgroup** (convened April 2021, 7 meetings to date)
- **Technical Assistance & Mentorship Workgroup** (convened May 2021, 6 meetings to date)

Work Plans

- Recommendations to LCB
- Recommendations to Department of Commerce
- Recommendations to the Legislature

Adopted Recommendations to LCB

- Definition of Family for individuals who are eligible for a social equity license because they have a 'family' member that has a drug conviction.
 - Family Definition: Using the definition adopted from HB2614 passed in 2021 legislative session.
- Definition of Disproportionately Impacted Area
 - DIA is defined through a formula rooted in statute. Variables to the formula are % unemployment, median household income as proportion to county, # of drug convictions **Nuance:** coefficient to represent disparities in cannabis convictions.
- Scoring Rubric used to score applications and award licenses to individuals who have been most harmed.
 - The task force operates from a lens prioritizing anti-black racism.
- Social Equity Application Process that recommends a 3rd party equity contractor review applications and recommend applicants for licensure. New process will also allow applicants to access grant funding before LCB location review.

Adopted Recommendation to Department of Commerce

- The Department of Commerce should use the funds from 2022 to implement the cannabis mentorship program. (*Fiscal Year 2022*)

Adopted Recommendations to the Legislature

- That any new cannabis licenses are reserved for social equity through 2029. This includes new licenses that may get passed through the legislature. (example: Delivery licenses, social consumption lounges and additional retail licenses etc.)
- All licenses available for social equity retail licenses are mobile contingent on local approval within their respective counties.
- To reduce buffer zones from 1000ft to 500ft reserved for social equity licenses. (*Excluding elementary schools, secondary schools, playgrounds that must remain at 1000ft*)

Adopted Recommendations to the Legislature (cont.)

- 50% of all cannabis tax revenue will go back into social equity grants/loans and community programming
- To provide financial assistance to all cannabis licensees who meet the social equity definition. Financial assistance awards will be funded by transferring 10% of the cannabis tax revenue to the cannabis social equity grant program.
(Fiscal Year 2023 and beyond)
- To reserve 5% of the cannabis tax revenue for low interest loans for licensees who meet the social equity definition. *(Fiscal Year 2023 and beyond)*
- Remaining 35% to Disproportionally Impacted Areas for programming: Non-Profits and Faith-Based organizations to provide these services.
Education, Housing, Small business, Economic Development, College scholarships, Digital Equity, Food Insecurity, Mental Health, Health Care, Job Training, Employment Opportunity, Gun Violence Prevention, Drug Prevention, Research and Child welfare.

Upcoming Legislative proposals from Licensing workgroup

- Social Equity Goal 50% of total licenses should be owned by social equity applicants.
- The task force should recommend to the legislature that at minimum 300 additional social equity retail licenses should be created and issued with multiple licensing windows between in 2022 and 2029
- That at least 200 new producer licenses be created and allocated to social equity licensees between now and 2029
- Recommendation to give cities 5-7% of excise tax revenue proportionate to that localities sales.
- Amendment to mobility of social equity license recommendation. Allow Social equity applicants to place their license anywhere in the state subject to locality approval.
- Amendment to Buffer recommendation to reduce buffers from elementary schools and secondary schools to 500 feet. Eliminate buffers on all other locations (parks, arcades etc.)

Next Steps

- Next topic is New license Types:
 - Delivery Licenses
 - Social Consumption Licenses
 - Event Licenses

Q&A

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