



**Draft Minutes of the Social Equity in Cannabis Task Force
Licensing Workgroup
February 10, 2022
Virtual Meeting**

Workgroup Members Present:

Monica Martinez, Co-Lead	Ollie Garrett
Micah Sherman, Co-Lead	David Mendoza
Mike Asai	Angel Joi Swanson
Jim Buchanan	

Workgroup Members Absent:

TraeAnna Holiday
Crystal Oliver
Emijah Smith

Guests and Other Participants:

Throughout the meeting, approximately 35 members of the public joined and participated. The workgroup thanks all of those who attended and shared their time, expertise, and lived experience to help shape this important work.

Staff Support:

Anzhane Slaughter	Crystal Ogle
Lauren King	

Call to Order

Monica Martinez, Co-Lead, called the public meeting to order at 1:00 p.m. and read from a prepared statement (on file). Staff member Anzhane Slaughter shared the Zoom protocol, conversation norms, and reviewed the agenda.

1. Introductions

Micah Sherman, Co-Lead asked Workgroup Members to introduce themselves. Representative Melanie Morgan, Task Force Chair, Jim Makoso, Task Force Member, Raft Hollingsworth, Task Force Member and Paul Brice, Task Force Advisory Member were also present for today's meeting.

2. Legislative Update

Micah Sherman, Co-Lead provided the Workgroup with a legislative update.

The update included HB 2022 (Social Equity Licensing), HB 1827 (Community Reinvestment), SB 5796 (Cannabis Tax Reallocation) and HB 1668 (Synthetic Cannabinoids). He shares where each bill currently is and encourages workgroup and members of the public to get involved and stay up to date. Representative Melanie Morgan, Task Force Chair, provided legislative background on the bills mentioned. Micah Sherman, Co-Lead then opens the floor to workgroup member questions and discussion which included clarification on HB 1668 being about regulation and not for or against synthetics. Rep. Morgan also confirmed for the workgroup that HB 1827 would be an annual amount.

3. Recap – **Last Meetings Proposals**

Monica Martinez, Co-Lead reviewed proposals the Workgroup created thus far, which include:

1. That any new licenses are reserved for social equity through 2029. This includes new licenses that gets passed through the legislator. (ex. Delivery licenses, social consumption lounges and additional retail licenses etc.)
2. All licenses available for social equity retail licenses are mobile contingent on local approval within their respective counties.
 - a. There is a revision in the language that we will discuss.
3. To reduce buffer zones from 1000ft to 500ft reserved for social equity licenses. (*Excluding elementary schools, secondary school, playgrounds that must remain at 1000ft*)

After reviewing the proposals, Monica Martinez, Co-Lead opens the floor for discussion amongst workgroup members. Members discuss how many of the recommendations fit into HB 2022 and the amendments that have been made since the bill was introduced. Workgroup members also discussed the concern of oversaturation by business owners in the industry and why they believe additional retail or producer licenses they recommended won't contribute to this theory. Members also recognize it will take years for new licensees to make their businesses successful and the importance of providing new businesses with the opportunity to open. The group also discusses how the new businesses can be supported. The question of a dormant license definition came up. Becky Smith from the Liquor Cannabis Board confirmed that retail licenses have to be fully operational or subject to forfeiture or their license. There is a definition of fully operational.

The Workgroup breaks for 10 minutes at 2:16pm.

At 2:26pm the Workgroup reconvenes and continues with Agenda item 4.

4. Discussion – **New License Types: 2022 Focus**

Micah Sherman, Co-Lead facilitates a discussion around possible new license types in the cannabis industry. He explains the goal would be to have a broad level brainstorming conversation which begins with new license types the workgroup have previously discussed, social consumption and delivery, or non-storefront retail as

Commented [S(1)]: @crystal was this the title of the section on the agenda? if not then lets change it to reflect the agenda item.

Commented [O(2R1)]: Confirmed it was, but actually looked at all to match up and found I should add 2022 Focus on to item #4, did that so they should be good to post.

sometimes called. Other new license types brainstormed included mobile food trucks, micro licenses, craft producer licenses, and peddler's license.

Additionally, some details that were discussed regarding the new license types brainstormed included commercial (selling at) consumption lounges, or non-commercial (just an area to consume that is hosted), what could be sold at lounges came up, can you sell alcohol or food, would there be music, therapeutic (medical) lounges, what else could be designed with a social lounge? Location ideas for social consumption lounges included: events, concerts, venues. Additionally the laws pertaining to air quality and smell would need to be considered. Delivery or non-storefront retail licenses would need to be discussed in detail is it a pick up and deliver (not as profitable) model vs direct purchase from producer (more profitable) model.

The workgroup also confirmed that the recommendation is that all new licenses be reserved for Social Equity through 2029. One member wondered if a survey to collect data regarding current business owners might help identify problem areas which could be used to guide mentorship and programs for new applicants giving them more chances of success. The idea was liked. There was also a suggestion to think outside the box when discussing licenses, be innovative don't just do what other states have done.

Micah Sherman, Co-Lead, opens the floor to public comment. One public member suggests considering single storefronts, as currently one license is good for 5 locations. This way more social equity applicants can benefit. Another public member suggests a nursery license for cultivation and homegrow be considered. Support for social equity licenses being tax exempt was heard. Another idea provided was to make grants available for reducing burglaries and increasing safety in retail stores.

5. Public Comment

Monica Martinez, Co-Lead asks Lauren King, Staff to open the floor to public comment and begins facilitation.

Public comment included comments regarding unfairness in licensing process and concern for ongoing conspiracy and corruption within the Liquor Cannabis board and Task Force.

NEXT STEPS

Monica Martinez, Co-Lead, asks Anzhane Slaughter, Staff to announce next steps.

Community Reinvestment and Workforce Training meets February 16th

Licensing Workgroup meets again on February 24th

She encourages the public to join the email distribution list to keep up to date.

Adjournment

Monica Martinez, Co-Lead thanked everyone for participating and adjourned the meeting at 3:39p.m..

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