



**Draft Minutes of the Social Equity in Cannabis Task Force
Regulation of Cannabis Production Workgroup
June 21, 2022
Virtual Meeting**

Workgroup Members Present:

Jim Makoso, Co-Lead
Micah Sherman, Co-Lead
Trecia Ehrlich
Justin Nordhorn
Lara Kaminsky
Jessica Tonani

Workgroup Members Absent:

Steve Garrido

Guests and Other Participants:

Throughout the meeting, approximately 19 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
Lauren King
Crystal Ogle

Call to Order

Jim Makoso, Co-Lead, called the public meeting to order at 3:03 p.m. and read from a prepared statement (on file). Anzhane Slaughter, Staff shared the Zoom protocol, conversation norms and reviewed the agenda. Micah Sherman, Co-Lead facilitates workgroup member introduction and it's noted that Paul Brice, Task Force Advisory Member, is also present at today's workgroup.

Prior to beginning the meeting, Jim Makoso, Co-Lead announces a change to the name of the workgroup from Department of Agriculture Regulation to Regulation of Cannabis Production to better align with the focus of the workgroup. He then provides a background on Task Force work and their task as a workgroup. He explains that the question given to this workgroup is to evaluate and report on the social equity impact of switching the regulating authority of cannabis production from the Liquor Cannabis

Board (LCB) to the Washington State Department of Agriculture (WSDA), with the inclusion of workers' rights in this evaluation.

1. Presentation – Current Production Regulation Landscape

Jim Makoso, Co-Lead opens an oral presentation to the workgroup. Both Co-Leads, Micah Sherman and Jim Makoso spent time gathering information on the current production regulation landscape. They reviewed the current set up and spoke with both the Liquor and Cannabis Board (LCB) and Washington State Department of Agriculture (WSDA) to see what components they may need to consider. They also looked at what each agency is good at doing and want the workgroup to be able to consider what components would make sense, if any, to consider moving. Finally, they considered the mission statement of each agency. They feel this may help identify foundational aspects of each agency and what guides each agency. The LCB promotes public safety and trust through fair administration, education and enforcement. The WSDA through service, regulation and advocacy supports the viability and vitality of agriculture while protecting consumers, public health and the environment. Co-Leads asked themselves a few questions. What are stakeholders saying? How do we put an equity scope/lens on this? Or, the bigger question, how would a shift benefit or potentially cause harm to an equity program or equity in general? Micah Sherman, Co-Lead pointed out that so far, the main conversation has been getting more Social Equity licenses available. Now we pivot to not just pathways to more licenses but equitable outcomes and viability. We want social equity licensees to have the best opportunity for success both initially and in the future. So, how can we create a recommendation that includes considering the eventual federal economy? Can we do something in this process to ensure Social Equity Applicants are successful in transitioning to a federal market as well?

2. Discussion and Q&A – Barriers and Solutions

Micah Sherman, Co-Lead opens the floor to discussion amongst workgroup members. There was discussion about the current producer market and thinking ahead to the federal market. Right now, it's a difficult and closed market but once the federal market opens, it will open up even more. Consideration regarding coming up with a short-term path and another path, post federal legalization is heard and suggested. Some solutions for the future federal shift discussed include grants to expand farming capacity, to secure pesticides and growing practices. Members discussed the mission statements of the agencies and that the WSDA's contains advocacy which could be very helpful as Washington State is an agriculture powerhouse for local, national and even international markets. Cannabis currently isn't seen as an agricultural product, but if that changed, cannabis could be set up like other crops locally and nationally. WSDA inspects and grades products from seed to sale. Producing the best product is important for a national market, because higher quality products are sought outside of the state. Regulation of cannabis production was initially put under LCB because, at the time, it seemed like a good fit for a few reasons. Many agencies are federally funded and because cannabis is illegal at the federal level, they didn't or couldn't take regulation on. Since then, there has been some shift and the WSDA now oversees cannabis infused edibles.

Another possibility brought up in discussion is if WSDA should take over regulation until a certain point.

Members discussed and questioned how a shift may affect tax both now and once a federal market, where the funding may come or how it will be dispersed, what fees will look like for farmers, is cannabis different than other agriculture products because less processing is done before retail, and if food hubs or Co-Op models the WSDA uses could be utilized. Having education, support and advocacy at the level each farmer needs is equitable. Some members wondered if WSDA would be a more supportive and flexible approach. There was concern that LCB has little space for flexibility in variance or exemptions. Another possible solution to equality for cannabis farmers may be a Cannabis Coalition, which would be a group of farmers who pool resources together.

Co-Leads asked for public comment and thoughts but hearing none, they continued on with the agenda.

3. Workgroup Member Feedback – Next Steps for Final Meeting

Co-Leads opened the floor to thoughts and areas of study before the next workgroup meeting. Members were reminded that cannabis is still federally illegal and that should be considered. The WSDA has numerous resources in programs and marketing and seed and plant pathology. However, if shifting, the WSDA would need to understand what the farmers need and prepare for any challenges. Traditionally they work with multigenerational crops and farming families. Initially the Cannabis farmers would need a lot of support in such a shift. It would need to be a shared knowledge type of shift. Another consideration is if this is a completely new program or a lift and shift. These two types of changes would require different conversations. Are there other effective Social Equity programs to be modeled? There was also caution heard in discussing a federal market. So much would have to happen first, such as states being able to interact with each other's systems, it wouldn't be an automatic introduction, it would take time when and if cannabis became legalized at a federal level. Some members feel national trade opening would be a great way to help social equity applicants, and that it provides hope for opportunity.

Good of the Order and Adjournment

Micah Sherman, Co-Lead asked Anzhane to share next steps.

June 28th 2-3pm: Social Equity in Cannabis Task Force meeting

Jim Makoso, Co-Lead thanked everyone for participating and reminded everyone there will be one more meeting in July. He then adjourned the meeting at 4:34 p.m.

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