

SECTF Recommendations	LCB Proposed Bill
New Licenses	
<p>Focus on policies to expand cannabis licensure opportunities for social equity applicants. The Legislature should increase the number of current licenses and create new license types reserved for social equity applicants.</p> <ul style="list-style-type: none"> <li>Establish a policy goal that 50% of total licenses should be owned by social equity licensees by 2029.</li> </ul>	<p>Authorizes the Board to create additional social equity cannabis retailer licenses;</p> <ul style="list-style-type: none"> <li>The number of new licenses created is based on population growth as indicated by the most recent census data and OFM's annual population estimates.</li> </ul>
<p>Ensure that all licenses available for social equity retail licenses are not bound by county and can be used statewide in any county contingent on local jurisdiction approval.</p>	<p>Social equity licensees are permitted to locate in any local jurisdiction that will allow their operation, but this portability feature is available only one time, at the point of initial licensure;</p> <ul style="list-style-type: none"> <li>Provides for an exception to the existing statutory process in RCW 69.50.345 through which the LCB creates cannabis retail licenses within counties, to allow for the initial portability of social equity retail licenses to any local jurisdiction in the state that will allow these businesses;</li> <li>Becomes effective on July 1, 2024.</li> </ul>
<p>Consider creating new license types accessible initially to social equity applicants exclusively.</p>	<p>Not mentioned in this bill.</p>

<b>DIA Formula</b>	
Use the Task Force’s ranking formula and indicators for disproportionately impacted areas (DIA) in conjunction with the Community Based Scoring Rubric when awarding social equity licenses.	The definition of “disproportionately impacted areas” is revised to mean census tracts in Washington where community members were more likely to be impacted by the war on drugs; these are areas of high unemployment, low income, and demographic indicators consistent with populations most impacted by the war on drugs, including areas with higher rates of arrest for drug charges.
<b>LCB Application Process</b>	
Social Equity Contractor (3rd party): A Social Equity Contractor has the responsibility to review and score social equity plans. Once reviewed, they recommend winning candidates to the Social Equity Case Manager at the WSLCB for approval and advancement.	The Board must select a third-party contractor to score social equity applicants using a rubric developed by the Board and the Board must rely on the score provided by the third-party contractor in issuing licenses.
<b>Social Equity Applicant:</b> (i) An applicant who has at least fifty-one percent ownership and control by one or more individuals who have resided in a disproportionately impacted area for a period of time defined in rule by the [WSLCB] after consultation with the commission on African American affairs and other commissions, agencies, and community members as determined by the [WSLCB]; (ii) An applicant who has at least fifty-one percent ownership and control by at least one individual who has been convicted of a cannabis offense, a drug offense, or is a family member of such an individual; or (iii) An applicant who meets criteria defined in rule by the [WSLCB] after consultation with the commission on African American affairs and other commissions, agencies, and community members as determined by the [WSLCB].	The definition of a “social equity applicant” is revised to mean a person who meets at least two of three criteria listed below: 1) lived in a disproportionately impacted area for at least five years between 1980 and 2010; 2) Has been arrested or convicted of a cannabis offense or has a family member who has been arrested or convicted of a cannabis offense; and 3) Had a household income less than the state median in the year prior to submitting an application.

	The annual license and license renewal fee for social equity applicants is waived through December 31, 2029.
	The Board is authorized to require by rule that social equity licenses may only be transferred to or assumed by individuals who qualify as social equity applicants for a period of at least five years from the date of initial licensure.
	<p>Encourages all current cannabis licensees to submit a social equity plan to the LCB. It provides an incentive by offering a one-time reimbursement of the cost of annual renewal of the cannabis license. This incentive is available only one time and limited to one per licensed entity, regardless of the number of cannabis licenses held by that entity.</p> <ul style="list-style-type: none"> <li>• The definition of a social equity plan is revised to indicate a plan may include how the cannabis licensee will work to promote social equity goals in their community and removes other elements of the current statutory definition.</li> </ul>
<b>LCB Point System</b>	
Re-evaluate applicant criminal history restrictions related to licensure.	(Changed in rulemaking process not legislative process)