



NATIONAL ASSOCIATION OF CANNABIS BUSINESSES

Vermont Social Equity Sub-Committee

Report to the Vermont
Cannabis Control Advisory Board
09.29.21



SOCIAL EQUITY

SUB-COMMITTEE

- NACB
 - Gina Kranwinkel
 - Geoffrey Gallegos
 - Deneka Scott
 - CCBAC
 - Nader Hashim
 - Ashley Reynolds
 - TJ Donovan
 - Julio Thompson (TJ's designated)
-
- State of VT (*in consultation*)
 - Xusana Davis, Executive Director of Racial Equity, Diversity
 - Lindsay Kurrle, Secretary – Agency of Commerce and Community Development

- Program Design (*stakeholder engagement plan*)
- Applicant Program Design & Execution
- Ongoing program administration including transferability of Social Equity licenses

MILESTONES

- **OCTOBER 1, 2021**
 - Plan for reducing or eliminating fees for SE applicants
- **OCTOBER 15, 2021**
 - Develop criteria for SE applicants for the purpose of obtaining social equity loans and grants from the Cannabis Business Development Fund
- **NOVEMBER 2021**
 - Meet with the relevant subcommittees of the Advisory Committee and stakeholders to assist in the design of a social equity program

Social Equity & DEI programs in Vermont

Two *separate* programs need to be created:

- **Social Equity**

Was the person/applicant disproportionately impacted by cannabis prohibition?

Ex: Minorities (BIPOC), low social economic communities

- **Diversity, Equity and Inclusion**

Was the person/applicant historically unrepresented in society?

Ex: Women, people with disabilities

Social Equity Candidate (Qualifications for Program Applicants)

“Social equity applicant” means an applicant that meets at least one of the following criteria:

1. Lives in an Opportunity Zone
2. Member of BIPOC/minority race/ethnicity
3. Convicted of cannabis-related offense
- 3A. Have personally been arrested, convicted or incarcerated for a cannabis offense (misdemeanor or felony)

OR

- 3B. Are a member of an impacted family

No previous residency required. Must currently reside in state.

Recommendation made by Sivan Cotel: opportunity zone criteria should be reviewed every few years to ensure it is targeting low income candidates. SE subcommittee will review rules when they discuss Cannabis Social Equity Board.

Vermont Cannabis Control Board will be reviewing ways one can gain access to cannabis offense records.

“Impacted family”

- Relationship to the impacted individual:
 - Parent
 - Legal guardian
 - Sibling
 - Spouse
 - Child
 - Minor in their guardianship
 - Grandparent/Grandchild

Recommendation made by Sivan Cotel: Add domestic partner

SUPPORTING DOCUMENTS FOR SOCIAL EQUITY CANDIDATES

- Proof of conviction-court documents, probation documents or Department of correction documents (*can be achieved by requesting one from the courts*)
- Proof of residency:
 - (A) a Vermont driver's license OR Vermont Identification Card OR Vermont Disability Identification Card
 - (B) a voter registration card;
 - (C) signed lease agreement that includes the applicant's name OR a property deed that includes the applicant's name
 - (D) a paycheck stub;
 - (E) School district requirements
 - (F) Bank statement
 - (G) Recent tax return
 - (H) Utility bills
 - (I) Notarized affidavit from lease holding roommate

SE License Business

- At least fifty-one percent owned by one or more Social Equity Candidate
- Social equity candidate must be involved with the daily operations and be able to make decisions for the business
- SE candidate must meet state requirements to open a business

Eliminating/Discounted Fees for SE (Current discussion)

- Application fees should be waived
- License fees should be reduced

Recommendation 1 License Fees *Sub-Committee Preferred*

First year:	Waived
Second year:	25% of fee
Third year:	50% of fee
Fourth year:	75% of fee
Fifth year:	Full fee

Waiver* for License fee:

Partial and/or Full-Fee Waiver for second or third year

- Second year: 25% of fee
- Third year: 50% of fee
- No reduction for year 4 and 5

**Licensee must demonstrate financial need and show plan as to how they will remedy situation moving forward.*

Upcoming Discussions

- Other fee reductions
- Program Benefits for SE applicants & licensee
- Special Licensing for SE applicants
- Cannabis Social Equity Board
- Social Equity Application Approval
- Automatic Expungement (Social Justice)
- Reinvestment into Disproportionately Impacted Area
- Diversity, Equity & Inclusion (DEI) Program