

Vermont Social Equity Sub-Committee Meeting Minutes—September 27, 2021

Advisor Deneka Scott called the meeting to order at 3:03 pm ET.

Attendees:

Advisory Committee Members

- Nader Hashim
- Ashley Reynolds
- Xusana Davis
- Julio Thompson

VT Cannabis Board Members:

- Julie Hulburd

NACB:

- Gina Kranwinkel
- Geoffrey Gallegos
- Deneka Scott

2 members of public

Minutes recorded by John O'Donnell.

*Advisor Deneka Scott requested a motion to approve the Board's minutes for the September 23 meeting. Member *Ashley Reynolds moves. Member *Geoffrey Gallegos seconds. Minutes are approved.

No public comments were submitted via the CCB website. Deneka Scott reminded how to submit public comments in writing.

Notable comment(s):

*Deneka Scott- Oct 1 milestone for report in 3 days and licensing fees are the focus of this meeting.

*Gina Kranwinkel- 1st year license fee waived, 2nd year pay 25% of fee, 3rd year pay 50% of fee, 4th year pay 75% of fee. Proposing partial waiver, not full waiver for "financial hardships" in renewals.

*Ashley Reynolds- Capping revenue vs integrated licenses. Prefer integrated licenses. Crossover with compliance & enforcement subcommittee. Massachusetts model example - someone sells only 85% inventory, then question asked as to why not 100%.

*Geoffrey Gallegos noted that a Social Equity applicant has already "paid their dues", through their historical circumstance. (*disproportionately impacted by the war on drugs*)

*Nader Hashim- Concerned about problems caused by licenses having large variations in fees, that is dependent on licensee category.

*Ashley Reynolds- It's all expensive. Don't want to see abuse of the supply chain. Vertical integration of license = dispensary + grow + processing. *Additionally noted:* Are we willing to limit licenses? Massachusetts has high number of licenses compared to Vermont. Vermont has residency requirement – but potential impact of people flooding Vermont market. Concerned about a boom-and-bust scenario.

*Xusana Davis- Over-production can cause failure across the market. Not concerned if market is dominated by social equity applicants. Their success pays back the state in tax revenue.

*Ashley Reynolds- Consideration of full scope of costs – surveillance + security + health inspections. Campus dispensary is where the most money can be made.

*Nader Hashim- Agrees with criteria of SE License Business. Doesn't want tokenism of social equity licensee.

*Julie Hulburd- Agrees with criteria of SE License Business. Ability to ensure following of criteria – e.g. change of ownership. Configuration of de-certify process.

*Ashley Reynolds- Agrees with criteria of SE License Business.

Gina Kranwinkel opens the floor for public comment at 3:50 pm.

Public Comments:

*Dave Silberman: Does not see an issue with market flooding by candidates - due to other higher costs beyond fees. Department of Corrections input to social equity program.

*Ben Mervis: Not limiting those from whom justice has been (historically) withheld. Example of acquaintance entering industry with help – hearing and learning from this type of person. A dream to have a market filled with social equity and diversity candidates.

Adjournment:

*Gina Kranwinkel asked for a motion to adjourn. Subcommittee member *Nader Hashim moves. Ashley Reynolds seconds. Meeting is adjourned at 3:58 pm.

Next Social Equity Sub-Committee meeting is Thursday, September 30 at 3 pm ET.