

Vermont Social Equity Sub-Committee Meeting Minutes— October 4, 2021

Chair calls to order meeting at 3:06 pm ET.

Attendees:

Advisory Committee Members

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

VT Cannabis Board Members:

- Julie Hulburd
- Brynn Hare
- David Scherr

NACB:

- Gina Kranwinkel
- Geoffrey Gallegos

4 members of public

Minutes recorded by John O'Donnell.

*Gina Kranwinkel entertains a motion to approve the Board's minutes for the September 30 meeting. Member Ashley Reynolds moves. Member Nader Hashim seconds. Minutes are approved.

Notable comments:

[Agenda and discussion set by accompanying Powerpoint slide presentation]

License (Business) Transfer

[slide 7]

*Ashley Reynolds- Highlights the business owner perspective - strategy to exit ; minimize business barriers ; control of business future.

*Gina Kranwinkel- Do not restart clock on business sale (currently) – option for subcommittee to restart clock if buyer is SE candidate? Allow transfer of ownership after 5 years without penalty.

*Ashley Reynolds- Agree.

*Nader Hashim- Advantages and disadvantages both ways. Prefer to retain status quo on not restarting.

*Julio Thompson- Want the ability for SE players to remain in the market – want to encourage sale to another SE candidate.

*Ashley Reynolds- What if employees take over the business from their SE boss?

*Gina Kranwinkel- Propose to restart clock at 2nd year – giving 75% discount. Stipulation that it is not a current partner of the business or a family member – to prevent “gaming” the SE benefits.

*Nader Hashim- Propose new license is automatically started at year 2 (irrespective of timeline of previous owner), if license is transferred to another SE candidate.

Vote- Social Equity License Business Transfer [slide 7 – bullet point 1]

2nd year fee schedule (regardless of time period) – unless business partner or family member

*Ashley Reynolds- Agree

*Julio Thompson- Agree

*Nader Hashim- Agree

Vote- Social Equity License Business Transfer to non-SE [slide 7 – bullet point 2]

*Ashley Reynolds- Agree

*Julio Thompson- Agree

*Nader Hashim- Agree

Vote- Social Equity License Business Transfer after 5 years [slide 7 – bullet point 3]

*Nader Hashim- Agree

*Julio Thompson- Agree

*Ashley Reynolds- Agree

Social equity program benefits

[slides 8-12]

*Gina Kranwinkel- Focus on education and growing SE component of industry

[slide 9]

Illinois - Training & technical assistance ; Low interest loans access

[slide 10]

Massachusetts - Special licenses for SE candidates only (until 2024) ; Training & technical assistance ; Low interest loans access.

[slide 11]

Michigan – Licensing preference ; Technical assistance ; Joint venture pathway program (JVPP)

Social Equity list of benefits:

[slide 12]

*Gina Kranwinkel- Offer priority licensing and processing.

*Ashley Reynolds- Priority over?

*Gina Kranwinkel- Over non-SE candidates

*Ashley Reynolds- How does it play out beyond this first year?

*Gina Kranwinkel- VT Cannabis Control Board will determine “priority”

*Gina Kranwinkel- Offer training and technical assistance

*Gina Kranwinkel- Want to offer certificates – to help SE candidates with their problematic past.

*Nader Hashim- Agree.

*Gina Kranwinkel- Offer on-line access.

*Nader Hashim- Agree. Need a car in Vermont – e.g. travel to classrooms

*Gina Kranwinkel- Offer access to low-interest bank loans.

*Julio Thompson- Is it direct access?

*Gina Kranwinkel- Yes, if VT can secure

*Julio Thompson- Overall agree.

*Ashley Reynolds- Overall agree - anything that supports a new business.

*Xusana Davis- Overall agree. Nice to take examples from other states – would like to go beyond what is done elsewhere.

*Gina Kranwinkel- All this can be adjusted by the Vermont CCB.

[Based on above discussion, then vote]

Vote- Social equity benefits [slide 12]

*Nader Hashim- Agree

*Julio Thompson- Agree – Affirms non-exclusive list

*Ashley Reynolds- Agree – Wants more detail on priority licensing.

*Gina Kranwinkel- This is a starting point – to help SE candidate.

Exclusive Licenses

[slides 13-16]

Delivery License

[slide 14]

*Gina Kranwinkel- Add delivery as a license.

*Nader Hashim- What is the definition of a reliable vehicle? Issues with what SE candidate can afford e.g. new car, GPS tracking, alarm system.

*Gina Kranwinkel- Have to ensure safety of other Vermont citizens.

*Ashley Reynolds- In favour of delivery services generally. “What if” questions for clarification – e.g. contracted deliverer ; company vehicles maintenance ; uber drivers ; trucks.

*Nader Hashim- No tints on car windows for front seats.

Public comments:

*Zachary Tyson –

1. Priority benefit integral for SE candidate.

2. Applicant assistance – it from the state?.
3. SE general fund?
4. California delivery company style may be beneficial to Vermont

*Ben Mervis (business with Craig Mitchell)- When social consumption added, there is an impact on BIPOC communities. Possession and consumption are the main reasons for arrest. Vermont is less diverse than other states.

*Dave Sliberman (MiddleBerry)-

1. Propose technical assistance for ancillary industry jobs (beyond direct jobs).
2. Requests a (non-inspection) problem solver industry expert coach/trainer to going to farms, and directly assist the SE candidate.

Next Meeting Preparation:

Co-op License

[slide 15+16]

*Gina Kranwinkel- Introduce concept of Co-op license. To be Vermont specific. Currently there is a limited Cannabis Business Development Fund (only \$500,000) – how is it to be allocated across how many businesses? We don't want to set up the SE candidate for failure.

*Gina Kranwinkel- Suggest a united SE group approach. Share resources – e.g. loans, land, equipment, rent, sales

Adjournment:

Following closing thoughts/comments, *Gina Kranwinkel asked for a motion to adjourn. *Ashley Reynolds moves. *Nader Hashim seconds. Meeting is adjourned at 3:55 pm.

Next Social Equity Sub-Committee meeting is Thursday, October 7 at 3 pm ET.