



NATIONAL ASSOCIATION OF CANNABIS BUSINESSES

# Vermont Social Equity Sub-Committee

Discussion Guide for  
10/07/21



# SOCIAL EQUITY

## SUB-COMMITTEE

- NACB
    - Gina Kranwinkel
    - Geoffrey Gallegos
    - Deneka Scott
  - CCBAC
    - Nader Hashim
    - Ashley Reynolds
    - TJ Donovan
- 
- 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

# AGENDA

- Call to Order
- Summary of Public Comments received electronically
- Exclusive Licensing for SE applicants
  - Delivery
  - Cooperative (Co-op)
- Cannabis Business Development Fund
- Public Comments (in person)

# Electronically submitted Public Comments (Summarized)

**No comments received electronically**

**Submit Public Comments to:**

- **[https://ccb.vermont.gov/form/  
publicinputform](https://ccb.vermont.gov/form/publicinputform)**

# Approval of meeting minutes

- Monday, October 04, 2021

# AGENDA Item: Exclusive Licenses

Consider exclusive licenses for the social equity program

# Exclusive Licenses

Cooperative License (Co-op)

Delivery License

- Exclusive to Social Equity candidate
- Time Limit of Exclusivity ???

# DELIVERY LICENSE

- Courier service for dispensaries “Delivery-only”
- Delivery operators
- Delivery business
- Wholesale delivery license type



# MA – Marijuana Courier

- Previously called a “Delivery-Only” License.
- Marijuana Couriers are allowed to
  - Deliver marijuana and marijuana products to consumers and patients
  - From a Marijuana Retail Establishment
    - or Medical Marijuana Treatment Center.
- Marijuana Couriers **cannot** store marijuana and marijuana products overnight

# MA – Marijuana Delivery Operator

- Delivery Operators are allowed to:
  - Purchase marijuana and marijuana products from
    - Licensed Marijuana Cultivators and
    - Licensed Marijuana Product Manufacturers
  - and
  - Sell and deliver to consumers.
- Marijuana Delivery Operators may securely store on its premises marijuana and marijuana products that have been purchased at wholesale for eventual resale to consumers.
- Compare to Ice Cream Truck

# CA & MI – Eaze.com (Delivery Business)

- Consumer logs on to the Eaze online platform
  - Independent website would need to be created in VT, or partner with Eaze
  - Site needs to maintain inventory management between dispensary and platform
- Using zip code, customer submits order to dispensary
- SE licensee picks up order from dispensary
- SE licensee delivers to consumer
  - Driver needs to verify age
- Need independent cashless payment processor, or cash management strategy
- Compare to DoorDash
- Explainer video produced by Eaze
  - <https://www.eaze.com/article/what-is-eaze-and-how-does-it-help-my-local-dispensary>

# Wholesaler Delivery License

- Wholesaler delivery license type
- Given authority to
  - Buy from Manufacturer or Wholesaler
  - Sell to individual consumers
  - Deliver the order directly to the consumer
- Driver provides vehicles
- Driver stores inventory
- Compare to Ice Cream Truck

# IDEA: VT – Retail Delivery

- Retailer license with Delivery add-on
  - Retailer employs drivers
  - Retailer provides vehicles
  - Retailer provides insurance coverage for driver
- Given authority to
  - Customer can call in or order online from Retailer
  - Retailer provides delivery service to customer location
- Compare to Pizza Delivery
- Less expensive for SE licensee

# CO-OP LICENSE – Why?

## Reasons for consideration:

- Funding in the Cannabis Business Development Fund is limited
  - \$500,000 allocation
  - Possible funds but not definite: additional \$50,000 from each Integrated Licensee
- Dividing the loans/grants between licensees could result in two adverse results:
  - Small loans for applicants
  - Large loans for very few applicants
- Cannabis business is expensive to maintain
- Don't want to set Social Equity Applicant up for failure.
- Working together united is stronger

# CO-OP LICENSE - Approaches

Different approach to share resources:

- Property
  - Pool resources from what would otherwise be small loans
  - VT Cannabis Control Board lease/purchase land and equipment for SE candidates to work together
  - SE candidates pay small monthly rent to support program.
  - Cultivate, process, and sell cannabis from the licensed premises (works well with the farm to consumer license)

# Cannabis Business Development Fund

Funding in the Cannabis Business Development Fund is limited

- \$500,000 allocation
- Possible funds but not definite: additional \$50,000 from each Integrated Licensee

Recommendations:

- 5% of cannabis tax revenue goes to fund program
- Creation of a Social Equity Cannabis Trust (public donation)

Expenditures from the fund :

- Educational courses: certificates and workshops
- Operational expenses
- Funding for Social Equity Co-op program
- low interest loans to SE licensee (if funds permit)



# Public Comments

## In-Person Public Comments

**Provide written Public Comments**

**<https://ccb.vermont.gov/form/publicinputform>**