

## Vermont Social Equity Sub-Committee Meeting Minutes—October 21, 2021

Chair calls to order meeting 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

3 members of public

Minutes recorded by John O'Donnell.

\*Geoffrey Gallegos entertains a motion to approve the Board's minutes for the October 18 meeting. Member \*Nader Hashim moves. Member \*Ashley Reynolds seconds. Minutes are approved.

### **Electronic Public Comments**

\*Ben Mervis- Advocating for social consumption lounges.

\*Francis Wyatt- Advocating on behalf of The Vermont Cannabis Equity Coalition. Wants to see outdoor, small scale cannabis cultivation in Vermont – prevention of large corporations dominating the market.

\*Steven Radcliff- Feels that license fees are an unfair impediment to small home (social equity) growers.

### **Notable comments:**

[Agenda and discussion set by accompanying Powerpoint slide presentation]

### Cannabis Social Equity Board Representatives

[slide 8]

\*Gina Kranwinkel- [presentation] 15x representatives list (similar to last meeting). One significant change, to be discussed is:

- Business Owner from Disproportionately Impact Community (“residing” or “serving” ?)

- Licensed social equity cannabis representative from one of the following sectors: retail, processor or cultivator
- Licensed social equity cannabis representative from one of the exclusive licenses: delivery or cooperative

\*Nader Hashim- Not sure whether it matters if they are exclusively residing or exclusively serving.

\*Gina Kranwinkel- Can bring in experts if they are not already represented on the Board.

\*Julio Thompson- There has been much discussion about the number of representatives. 15x representatives is a suitable number. [general agreement by others in the meeting]

\*Gina Kranwinkel- At least 8x representatives are needed to achieve a quorum – numbers in excess of this (e.g. 15) allows for some absences that will occur at meetings.

Vote- [slide 8] 15x Representatives [each as prescribed in slide] for Cannabis Social Equity Board

\*Ashley Reynolds- Agree

\*Nader Hashim- Agree

\*Julio Thompson- Agree

Reinvestment of Cannabis Funds to Disproportionately Impacted Communities

[slide 10]

\*Gina Kranwinkel- [presentation] Create a Disproportionately Impacted Communities (DIC) Fund:

- 20% of cannabis tax revenue to the fund

- Fund allocated to Cannabis DIC for: Education; Legal aid ; Youth development ; Violence prevention

\*Julio Thompson-

Uncertain about the quantity of tax revenue – 20% currently an abstract recommendation.

Likes the areas for listed for investment/allocation.

Suggests a Grant Program for discretionary services – e.g. community needs, entrepreneurs.

The grants to be “Public competitive grants” – to prevent issues with who gets the grant.

Other areas not included in the list, that are addressed in other states: Mental health services; Chronic health care services.

\*Julie Hulburd- Projected retail sales: \$10M for 1<sup>st</sup> year; \$100M for 2022.

[background provided CCB document forecasts] \$15M in 2021; \$25M 2022 ; \$118M 2023

\*Julie Hulburd- Tax Collections: 6% general sales and use tax; 14% adult-use cannabis excise tax.

\*Nader Hashim- Wants some guarantee about input from the local community, and them having adequate influence over the grants offered. Does not want the program abused.

\*Gina Kranwinkel- The funds are directed to a community, rather than to an individual.

\*Xusana Davis- Could we seek more than 20%?

\*Xusana Davis- Community leaders may not have changed in many decades – there may be trenchant biases against specific community members, which carryover as disadvantages to the same people, in this industry in current times.

## Land and Housing Access

[bullet point 8 – slide 10]

\*Nader Hashim- Do not want to stretch funds too far, into various other areas – meaning that the core (essential fund) services may lack adequate funds.

\*Julio Thompson- Last legislative session specifically addressed issues of land and housing – would prefer to see land and housing addressed at that level.

\*Julio Thompson- Use the language of “community based funding”. This allows that community to have discretion to choose where the funds are used – e.g. discretionary inclusion of land and housing by that particular community.

## Vote- [slide 10] Create a Cannabis Disproportionately Impacted Communities Fund

- 20% of cannabis tax revenue to the fund

- Fund allocated to Cannabis DIC for: Education; Legal aid; Youth development; Violence prevention

- Grant submissions for community development and needs

\*Nader Hashim- Agree

\*Ashley Reynolds- Agree

\*Julio Thompson- Agree. [with following proviso regarding “review”]

\*Julio Thompson- The 20% of tax revenue allocation needs the ability to be reviewed in the future – particularly once cannabis market data becomes a business reality.

\*Xusana Davis- The “Review” needs to have the review criteria specified – e.g. based on metrics, by who.

Consensus of subcommittee reps to mandate annual revenue of funding, allocation of at least 20% of tax revenue, increase percentage if needed.

## Possible Disproportionately Impacted Communities

[slide 11]

\*Gina Kranwinkel- [presentation] A (suggested) list of counties and areas of Vermont, that may be prescribed as “Disproportionately Impacted Communities”.

\*Julio Thompson- Feels he is seeing the communities he would expect to see – suggests maybe the addition of Barre

\*Nader Hashim- Describes from when he was previously employed in Police, that Rutland was considered to be the hub of drug distribution – therefore Rutland is liable to have incurred over-policing.

\*Xusana Davis- Consider adding border communities – towns along the interstate have higher rates of stops of motorists of color.

\*Xusana Davis- Need to make a distinction between the community where the “impacted” event happens and the community that is making that “impacted” event occur – the “impacted” events can occur outside the prescribed area of the “impacted community”.

\*Gina Kranwinkel- “Impacted” is defined here, as impacts specific to the “war on drugs”.

\*Ashley Reynolds- maybe the addition of Lamoille county

Opinion- Add Mental Health as a fund allocated category for the Disproportionately Impacted Communities Fund

\*Ashley Reynolds- Yes

\*Nader Hashim- Yes

\*Julio Thompson- Yes

**Public Comments:**

\*Ben Mervis- 20% of the 14% equates to \$28M at the low end of available funds from tax revenue. There is some public resistance to increased taxes.

\*Craig Mitchell- (Business associate of Ben Mervis). Looking forward to being a social equity candidate. Interested particularly in mental health.

**Suggested Next Steps:**

More research regarding the definition of Disproportionately Impacted Communities.

**Adjournment:**

Gina Kranwinkel asked for a motion to adjourn. Member \*Ashley Reynolds moves. Member \*Julio Thompson seconds. Meeting is adjourned at 4:06 pm.

Next Social Equity Sub-Committee meeting is Monday, October 25 at 3 pm ET.