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Office of Cannabis Management Re: Cannabis Advisory Board Composition

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The National Cannabis Industry Association (NCIA) has been conducting an ongoing roundtable discussion, consisting of multiple National and New York based cannabis social equity and industry organizations to assess and provide feedback regarding rules and regulations. Including: Minorities for Medical Marijuana (M4MM), Social Equity Committee Co-Chairs of NYC/Hudson Valley Cannabis Industry Association (NYCCIA/HVCIA), NYC NORML, Black and Brown Economic Power in Cannabis (BB EPIC), JustUS Foundation, Unified Legacy Operators Council (UNLOC), Minority Cannabis Business Association (MCBA), The People's Ecosystem (TPE), Etain, legacy operators, and social equity cannabis business owners.

Out of our collective discussions, in common effort to assist the OCM in its mission to create an equitable and inclusive cannabis industry for NYS, have come the following comments and suggestions for improving the proposed regulations.

Our goal is to provide sensible and workable regulations that keep diversity, inclusion, and social equity at the center of the opportunities presented in New York State. We believe social equity means providing equitable business ownership opportunities for those most impacted by prohibition - including years of discriminatory arrests and convictions, child custody issues, racial profiling, stop and frisk policies. We hope the Office of Cannabis Management shares the spirit of our perspective in providing the following suggestions and rationales for the proposed regulations under Part 854-A.

Executive Summary

We believe that the NYS Cannabis Advisory Board, as constituted, does not appear to be designed to produce the equitable and inclusive intent of the MRTA. The MRTA is in part trying to restore and reinvest in impacted communities who've been disproportionately harmed by the continuous war on drugs. This is clear in the language of the Preamble where it asserts the intention is to provide remedy to those significantly harmed by the criminalization of cannabis. The MRTA gives the OCM authority to create and amend Boards as need be to effectuate the express provisions and legislative intent of MRTA. We will examine several pieces of the proposed regulations and recommend changes that improve the likelihood of achieving the intended MRTA outcomes. Most importantly this can be done using the input of a well-rounded Cannabis Advisory Board with an additional committee with voting rights that gives agency to those communities most harmed by the war on drugs, or as MRTA specifies "harmed by the criminalization of cannabis."

ARTICLE 2 - NEW YORK STATE CANNABIS CONTROL BOARD

§ 10. Powers and duties of the cannabis control board.

10. To appoint such advisory groups and committees as deemed necessary to provide assistance to the board to carry out the purposes and objectives of this chapter.

11. To exercise the powers and perform the duties in relation to the administration of the board and the office of cannabis management as are necessary but not specifically vested by this chapter, including but not limited to budgetary and fiscal matters.

The CCB has the authority to appoint another advisory board or committee to adjust the imbalance between the current Cannabis Advisory Board and the varied constituents of New York State. In order to do this, we advocate for the creation of a 13 member Community Advisory Committee for Economic Inclusion & Expansion. The make up of this panel, with voting rights equal to the 13 Advisory Board members, should complement the existing Advisory Board by intentionally including the voices of veterans, justice involved, comm. more than one community based organizations from disproportionately damaged from the war on drugs in NYC communities, 1st nations people, veterans, tenant advocates, NYC Dept. of Education, NYS Certified Minority Owned Business cannabis industry professionals, cannabis industry advocacy groups, community health services, re-entry programs, and indeed legacy operators. There are people who fit multiple categories. Justice involved persons should be included wherever possible. There are many opt-in communities that need a seat at the table because they are going to be significantly impacted by neighboring municipalities who opted out, such as on the border of Queens and Nassau Counties. By excluding those voices, we should not expect the MRTA field of dreams for an economically inclusive and equitable marketplace to bear enough fruit. And, without explicit inclusion of legacy operators at the table, this whole exercise will flounder as it has in other states.

Legacy operators built and have sustained this industry for decades. In essence, what MRTA and all the regulations are seeking to do is pull loyal legacy customers and their dollars into new suppliers operating within a new legal framework. It makes much more business sense to bring NYS residents' long-standing trusted legacy suppliers into that legal framework first. People will be much more likely to spend their cannabis dollars in the legal market if their trusted legacy supplier has become legal. Identifying true legacy operators is a challenge that could be aided by the Unified Legacy Operators Council (UNLOC). UNLOC is a vetted group of law-abiding citizens and Legacy Operators that believe cannabis should never have been considered a controlled substance. Their legacy vetting process includes validating the True New York Long Term involvement in the Legacy Market selling THC products (longer than 5 years) and earning the majority of their income from the Legacy THC Cannabis Market.

How can the Cannabis Advisory Board govern and administer the NYS Community Grants Reinvestment Fund when for example there are no representatives on the board from community based organizations on the ground in non-urban regions disproportionately impacted by the drug war? This does not represent the intent of the MRTA. There needs to be insight from a broad spectrum of community members who have a clear understanding of the true social issues in order to make culturally significant and informed decisions.

Article 1 SS14

- 46 2. The state cannabis advisory board shall consist of thirteen voting
- 47 appointed members, along with a representative from the department of
- 48 environmental conservation, the department of agriculture and markets,
- 49 the office of children and family services, the department of labor, the
- 50 department of health, the division of housing and community renewal, the
- 51 office of addiction services and supports, and the department of educa-

52 tion, serving as non-voting ex-officio members. The governor shall have 53 seven appointments, the temporary president of the senate and the speak-54 er of the assembly shall each have three appointments to the board. The 55 members shall be appointed to each serve three year terms and in the 56 event of a vacancy, the vacancy shall be filled in the manner of the S. 854--A 17

The seven NYS departments on the Advisory Board are informed by section 99-kk of state finance law. Although those seven governmental agency representatives will be nonvoting, they will have a voice at the table. These seven will have direct input into which organizations, including approved local governments and community based non-profits, get awarded grants fundable with social equity money according to 99-kk of state finance law.

It is fair to say that several of those governmental agencies have not had a pro-cannabis stance and thus will be a bit out of their element to assist in the creation of this program. This could result in stifling government handholding and continued infantilization of BIPOC Social Equity program beneficiaries.

New York State Finance Law 99-kk

3. The fund shall be governed and administered by the state cannabis advisory board as set out under article two of the cannabis law. 4. The moneys in such fund shall be awarded by the state cannabis advisory board and administered and disbursed by the office of cannabis management and/or the urban development corporation to provide grants for gualified community-based nonprofit organizations and approved local government entities for the purpose of reinvesting in communities disproportionately affected by past federal and state drug policies. Such grants shall be used, including but not limited to, to support job placement, job skills services, adult education, mental health treatment, substance use disorder treatment, housing, financial literacy, community banking, nutrition services, services to address adverse childhood experiences, after school and child care services, system navigation services, legal services to address barriers to reentry, including, but not limited to, providing representation and related assistance with expungement, vacatur, substitution and resentencing of marihuana-related convictions, and linkages to medical care, women's health services and other community-based supportive services. The grants from this program may also be used to further support the social and economic equity program created by article four of the cannabis law and as established by the cannabis control board.

This MRTA section supports the need for a Community Advisory Committee for Economic Inclusion & Expansion.

Article 1 SS14

38 § 14. State cannabis advisory board. 1. The state cannabis advisory 39 board or "advisory board" is established within the office of cannabis 40 management and directed to work in collaboration with the cannabis 41 control board and the executive director to advise and issue recommenda-42 tions on the use of medical cannabis, adult-use cannabis and cannabinoid 43 hemp and hemp extract in the state of New York, and shall govern and 44 administer the New York state community grants reinvestment fund pursu-45 ant to section 99-kk of the state finance law.

Suggested Language Addition: "In addition to the Advisory Board, a 13 Member Community Advisory Committee for Economic Inclusion & Expansion with voting rights shall be formed. A 30 Day open request for applications from community members shall be posted by the Office of Cannabis Management from which those 13 Community Advisory Committee for Economic Inclusion & Expansion members shall be chosen. The thirteen community members, proven to be vested in their communities by previously completed projects and programs, shall be chosen from the applications by the Office of the Chief Equity Officer to represent disproportionately impacted communities and groups that represent fundable types of organizations allowed by Section 99-kk of New York State Finance Law. Chosen committee members will be announced and there shall also be credentials provided that were important to their appointment. The term for the committee members shall be randomly staggered to between two and three years, 6 and 7 members each.

The Community Advisory Committee for Economic Inclusion & Expansion and current Advisory Board shall have the same opportunity and manner to attend all Advisory Board meetings including all executive sessions."

Article 1 SS14

- 11 ... Further, the advisory board shall include
- 12 residents from communities most impacted by cannabis prohibition, people
- 13 with prior drug convictions, the formerly incarcerated, and represen-
- 14 tatives from the farming industry, cannabis industry, and organizations
- 15 serving communities impacted by past federal and state drug policies.

Again, where are those community representatives? This MRTA section supports the need for a Community Advisory Committee for Economic Inclusion & Expansion.

Article 1 SS14

5. The advisory board shall make recommendations to the cannabis
control board, the office and the legislature on cannabis and hemp
cultivation, processing, distribution, transport, social and economic
equity in the cannabis and hemp industries, criminal justice, public
health and safety concerns, law enforcement related to cannabis and
cannabis products, and on the testing and sale of cannabis and cannabis
products.

28 6. The advisory board shall meet as frequently as its business may

29 require. The advisory board shall enact and from time to time may amend

30 bylaws in relation to its meetings and the transaction of its business.

Here the MRTA supports the need for a Community Advisory Committee for Economic Inclusion & Expansion. The existing medical cannabis industry itself has little voice given the current Cannabis Advisory Board.

Article 3 SS35

9. In coordination with the chief equity officer the board shall
21 register additional registered organizations to provide services to
22 unserved and underserved areas of the state. Pursuant to the social and
23 economic equity plan established by section eighty-seven of this chap24 ter, those additional registered organizations shall be reflective of
25 the demographics of the state, be representative of communities dispro26 portionately impacted by cannabis prohibition, and be culturally,
27 linguistically, and medically competent to serve unserved and under28 served areas of the state. The board shall actively promote racial,
29 ethnic, and gender diversity when registering additional registered
30 organizations.

The Chief Equity Officers' ability to add registered organizations from more diverse communities will provide for the wide array of voices that have been repeatedly mandated in the MRTA legislation. The mechanism for the Chief Equity Officer to include some of those diverse organizations could be the creation of the Community Advisory Committee for Economic Inclusion & Expansion.

Article 1 SS2, the MRTA clearly states the desired outcomes from this legislation:

The intent of this act is to regulate, control, and tax marihuana,

27 heretofore known as cannabis, generate significant new revenue, make

28 substantial investments in communities and people most impacted by

29 cannabis criminalization to address the collateral consequences of such

30 criminalization, prevent access to cannabis by those under the age of

31 twenty-one years, reduce the illegal drug market and reduce violent

32 crime, reduce participation of otherwise law-abiding citizens in the 33 illicit market, end the racially disparate impact of existing cannabis 34 laws, create new industries, protect the environment, improve the 35 state's resiliency to climate change, protect the public health, safety 36 and welfare of the people of the state, increase employment and 37 strengthen New York's agriculture sector.

The Advisory Board as constituted is not constructed to achieve the most important goals that improve the quality of life in communities most negatively affected by the war on drugs. The state of Michigan had similar gaps in its legislation that prevented the Social Equity dollars from reaching people within communities heavily by prohibition. Michigan addressed racial disparities and equity issues by creating a similar committee with a very specific sub-committee that addressed Socio-Economic & disproportionately impacted community focused professional certifications and licenses:

- Create specific skills based certifications for positions that will help employees of color to get access to higher paid positions.
- Support opportunities for persons of color to leverage their professional/certified experience (career paths where they have achieved a relatable certification that would be of value to a Marijuana licensee) in exchange for ownership equity.

• Ensure that certification programming, workforce development programming and entrepreneurial training includes pathways for justice involved legacy participants from the formerly illegal Marijuana sector.

Extremely important with regard to those certifications/licenses is to get the input of cannabis companies already operating, via their inclusion on the Community Advisory Committee, to make sure the certifications/licenses fill a need and will result in meaningful career paths.

In conclusion, creating a Community Advisory Committee for Economic Inclusion & Expansion addresses many missing elements that the MRTA legislation mandates. In several of the sections quoted from the MRTA above, who should be represented on the Community Advisory Committee for Economic Inclusion & Expansion is explicitly spelled out. A call for applications for this committee should go out and perhaps the Social Equity Chair could recommend to the OCM those candidates that represent the broadest possible array of regions, community types, and industry sectors. Respectfully,

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