

Pathways and Practices for Cannabis Social and Health Equity in Los Angeles County

An equity assessment prepared for the Los Angeles County Office of Cannabis Management

LOS ANGELES COUNTY OFFICE OF CANNABIS MANAGEMENT

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Important Note: The content of this report expresses the opinions of its authors and focus group participants and does not necessarily represent the views of the Los Angeles County Office of Cannabis Management.

EXECUTIVE SUMMARY

The Office of Cannabis Management (OCM) continues to serve Los Angeles County (LAC) and its residents by leading an equitable transition of cannabis to a regulated market with policies that seek to promote the health, safety, and wellbeing of our communities. This report assesses current practices and provides recommendations to support "cannabis retail, manufacture, distribution, growth, testing, regulation, and enforcement in [unincorporated LAC]" as "rooted in an equity framework and [considering] environmental impacts to biological, ecological and water resources."[iii] The authors of this report emphasize the creation of pathways and practices for cannabis social and health equity by considering the following seven areas: 1.) a shared definition and visioning of social equity and development of equity governing processes, 2.) exploration of priority licensing, 3.) business development, technical and legal assistance, 4.) financial assistance and access to capital, 5.) job training and workforce development, 6.) protection of youth, patients, and communities, and 7.) community reinvestment. Across these seven areas, we lift up the need for a process that centers sustained community engagement, transparency, accountability, and investment from public and private sources from the onset, and the importance of not rushing through what is a complex and very new field.

In this report, we highlight insights from a variety of sources—including focus groups, individual consultations, a literature review, and public document analysis. We weave in community perspectives with an emphasis on identifying key challenges facing LAC in its implementation of an equitable cannabis licensing program and potential solutions based on best practices. We, the primary investigators and authors of this report, are scientists from racial and ethnic minority backgrounds with experience and long-term research focuses on cannabis inequality and social equity in communities of color. We also drew from the insights emerging from the many regulatory and policy experiments in equity emerging throughout cannabis regulation in the US but also in other sectors such as community health, criminal justice reform, small business relief, and street vending legalization where LAC is leading with new transformative models. In this report, we aim to explain the complexities in the development and maintenance of cannabis social equity programming with honesty and integrity toward reparation and justice, and a hopeful eye towards LAC's shared future.

Voters recently approved LAC Measure C (the Cannabis Business Tax), on November 8, 2022, to support enacting taxes on cannabis business in the unincorporated areas of LAC. While all generated tax revenues will be deposited to the County General Fund, this provides a significant opportunity for LAC to ensure funds are directed to support critical priorities highlighted in this report focused on equity in cannabis and reinvestment in communities.



RECOMMENDATIONS AT A GLANCE

Recommendation 1:
Define Equity.

In order to develop a successful and sustainable equity framework, all stakeholders must have a shared understanding and definition of health and social equity. This shared definition of health and social equity can center access to cannabis wealth creation and workforce development, healing and wellness, community investment, and other priorities outlined by stakeholders. Bring this to the public via OCM platforms.

Recommendation 2:
Develop Equity Governing Processes.

- Build a Cannabis Working Group as a standing mechanism for interagency collaboration between OCM, LA County Department of Public Health (LACDPH), Regional Planning, Building & Safety, and other relevant agencies. Include subject matter experts and information sharing with Care First Community Investment; Anti-Racism, Diversity, and Inclusion & juvenile justice reform initiatives.
- Develop a Community Voice Subgroup as part of the Cannabis Working Group that includes cannabis arrest-impacted individuals and those from communities disproportionately impacted by the war on drugs. These should include community, labor, and faith-based groups with credibility and trust in public health and social equity, and be compensated for their time.
- Create an internal cannabis health and social equity screen to guide decision-making across participating departments.

Allocate sufficient up-front funding in the LAC budget to staff OCM appropriately to manage the equity mandate and regulatory demands and to collaborate with stakeholders and agencies.

Recommendation 3:
Identify and Prioritize Equity Applicants.

Develop a mixed merit and lottery-based licensing framework that prioritizes "equity applicants" for the first wave of licensing for 90 businesses. Equity applicants should be defined as those are: a.) directly impacted by the war on drugs, either with prior federal, state, or local cannabis conviction(s) and/or a parent/guardian or spouse/domestic partner of an individual with a prior cannabis-related conviction (these include arrest(s) for cannabis-related convictions where cannabis was used as pretext for a stop or investigation); and b.) residing for at least 5 years in an unincorporated LAC census tract that, according to the LAC Department of Regional Planning Equity Indicators Tool (EIT), at least 60% of the population is housing-burdened and earns 80% of LAC median household income.

- **Baseline Requirement:** At least 51% individual, pooled, or cooperative ownership by equity applicants (see above).
- **Merit Scorecard:** Develop a simple "yes/no" checklist for comprehensive, specific, and evidence-based cannabis social responsibility commitments. Offer points for:
  - Worker-owned cooperative business structure;
  - 80% workforce from LAC equity-impacted areas (double the required amount);
  - Pledging to join, fund, and hire from County-approved cannabis workforce apprenticeship programs;
  - Pledging to invest a percent of profits to LAC community reinvestment fund;
  - Participation in the Compassionate Cannabis Donation Program (SB 34) for medical cannabis patients allowing companies to donate product to low-income patients;

- Planned implementation of consumer and worker cannabis health education programs;
- Use of regenerative, aquaponic, or other sustainable technologies in cultivation;
- Use of sustainable materials, recycling programs, and other technologies in distribution, manufacturing, and cultivation.

If a large number of applicants passes a merit threshold, trigger a lottery system to determine awards. This threshold and process should be determined in advance, in consultation with the Cannabis Working Group and its Community Voice Subgroup.

Recommendation 4:
Protect Equity Licensing.

- Specify rules regarding the sale of existing individual, pooled, or cooperative shares, including transferability and next of kin, to ensure ownership by social equity applicants and prevent fraud. Require that shares be sold to other qualified equity applicants and that commitments for social responsibility be tied directly to the license and its renewal.
- During relicensing, require reporting on all cannabis social responsibility commitments and set measurable progress as necessary for further licensing. Opportunities to correct should be provided but relicensing should be contingent on adherence and progress on initial commitments. Keep all data on cannabis social responsibility commitments and progress transparent and public for accountability and to help promote these businesses as model sites.
- Integrate community-based third-party oversight into the process of equity identification, merit selection, and the lottery, via the Cannabis Working Group Community Voice Subgroup.

Recommendation 5: Build an "Education First" Pathway to Support Transition from Unregulated to the Regulated Market.

Develop pathways to legalization and administrative enforcement processes that educate first and repair the mistrust engendered by long-term criminalization including:

- Multi-stage outreach to unregulated market operators, in partnership with trusted community organizations and in consultation with legacy operators, informing them of licensing processes and assistance available to transition.
- Intensive public education campaigns in the direct vicinity of unregulated, noncompliant businesses to educate consumers about: 1.) the risk of unregulated products and 2.) tools to find regulated products.
- Increasing administrative fines targeted at landlords renting to unregulated, noncompliant businesses to support grants, loans, community reinvestment, and other OCM equity/program goals. Monitor and make data available on administrative penalty programs, to screen for racial/ethnic biases.
- Outreach programs to help legacy workers transition out of the unregulated market, linking them to LAC-sponsored and high road workforce training, apprenticeships, and jobs in and beyond cannabis.

Recommendation 6: Support Transformative Justice from the Drug War.

- Request regular reporting from LASD on cannabis-related arrest data, including race/ethnicity, age, gender, and other demographics. Make such data public and utilize in assessing future action.
- Create firewalls on cannabis administrative enforcement data to protect from federal enforcement risks.
- Coordinate with the District Attorney, Public Defender and Alternate Public Defender's offices to support outreach to unincorporated LAC communities regarding expungement, including OCM expungement fairs as part of other cannabis social equity technical assistance efforts. Focus expungement ground outreach on LAC equity-impacted areas (in conjunction with licensing efforts) and on unhoused communities, which are often unaware of such services yet highly impacted by them.

Coordinate with other LAC working groups and reentry efforts, including those for youth, via the Cannabis Working Group.

Recommendation 7: Establish an Equitable Fee Structure.

Reduce and, with market development, waive fees for qualified equity applicants for the full licensing application. Tier fees based on businesses' existing capital reserves and other factors, like conviction/incarceration history. Require fees only at final-stage licensing.

Recommendation 8: Increase License Availability.

- Petition the LAC Board of Supervisors to manage and plan to increase license availability over the next 5 years to avoid creation of an inflated market to buy and sell scarce licenses.
- Include Type S shared-use manufacturing, outdoor cultivation, and consumption lounges in future rounds of licensing.
- Assign a high point value to cooperative ownership in cannabis social responsibility commitments.

Recommendation 9: Protect from Predatory Investment.

- Develop a prospective investment pool or database through LAC, where investors can sign-up to link to applicants and to support transparency.
- Create boilerplate investment contract language for operating agreements or sample "best practice" model agreements that include required language protecting cannabis equity operators. Include language regarding decision-making control, equity share buyout and inheritance, management agreement restrictions, and other protections in consultation with equity groups and in alignment with current research.
- Include training on how to identify, recruit, and select investors, and how to protect oneself, in LAC-sponsored mentorship program immediately following qualification for the equity program.
- Include an interview portion in the application process to speak directly with the equity applicant about their control, ownership, and voice in their business.

Provide applicants with access to legal investment agreement review as part of the "one-stop-shop" model.

Recommendation 10:
Limit Property Requirements.

- Eliminate initial property requirements and hold lease or title proof until the latter stage of licensing.
- Match zoning to existing commercial and manufacturing zones; do not create "green zones." Align sensitive use requirements with California Department of Cannabis Control criteria to prevent conflicts in the application process.[i]
- Institute density requirements for retail operations only, and with sensitivity to the small amount of unincorporated land covered by this ordinance.

Recommendation 11:
Provide Technical Assistance and Other Supports to Equity Applicants.

- Create a one-stop-shop for cannabis technical assistance that includes LAC-vetted legal support, financial guidance, employee training, tax planning, and business development. Draw upon and include other County agencies/resources, including in small business development, building safety, fire departments, and workplace safety.
- Provide access to this one-stop-shop prior to licensing. Create a 3-stage licensing process that selects equity applicants first, provides training/resources, and then moves forward with permitting or licensing applications.
- Develop a simplified application process and provide the public with 1-page explainers and boilerplates for required elements like security or fire plans, in partnership with collaborative agencies.
- After applicants are accepted, build an equity support cohort model that allows all equity applicants to meet, share resources, support each other, and build supply chain relationships. This can include wellness and mental health support at the participant's choosing.
- Invest LAC funds or state equity funding in a public-private partnership to create an incubator that can support cohorts of cannabis equity applicants.
- To advance these projects, allocate up-front investment from the County – including through potential partnerships with private foundations and from philanthropic capital.

Recommendation 12:
Help Equity Applicants Overcome Capital Barriers.

- Raise funds to provide grants or repayable low interest rate loans of significant value that can help equity applicants overcome capital barriers.
- Using registries of potential vacant public lands or properties, identify and help create a shared cultivation, manufacturing, and/or testing space. These shared spaces can also house the "one-stop shop" for cannabis technical assistance.

Recommendation 13:
Recruit Workers Equitably.

- Require all applicants to hire at least 40% of their workforce from unincorporated LAC equity-impacted areas (aligned with equity licensing criteria). Incentivize doubling to 80% and/or achieving specific goals for managerial positions, as part of merit-based cannabis social responsibility commitments.
- Tie compliance with equity hiring goals, including in cannabis social responsibility commitments with annual relicensing process.
- Create a targeted outreach program that links to high-road employers through meet-and-greets, job fairs, and other events.

Recommendation 14:
Train Workers with Equity.

- Partner with LAC community colleges, state universities, vocational training sites, community-based organizations, and unions to create a cannabis workforce pipeline and paid apprenticeships. Draw from developing models, like the high-road statewide joint apprenticeship model currently being certified by the State.
- Include a budtender/cannabis counselor health certification short course program in community college/workforce development sites. Require participation by at least one worker at each delivery/dispensary/retail site. This can cover "product potency, dosing, evidence of harms to youth, evidence for specific therapeutic effects and when/how to recommend consulting with a physician," in alignment with the 2019 LACDPH report.[xiv]
- Mirror the City of Los Angeles' requirement of a labor peace agreement for 10 or more applicants.
- Partner with worker-led organizations to offer worker know-your-rights training and OSHA 10/30 safety/health, and to offer equity employers in labor-management training, including at LAC-sponsored incubation and shared spaces.

Include workers, their organizations, and workforce development agencies in the Cannabis Working Group and Community Voice Subgroup.

Recommendation 15:
Protect and Invest in Youth.

- Support a public health equity-oriented approach to cannabis use that is rooted in positive youth development models and addresses "upstream factors." Integrate youth in developing related health programming.
- Include LAC medical cannabis, harm reduction, and youth development experts in a collaborative cross-agency working group for cannabis health and social equity.

Recommendation 16:
Protect and Educate Users.

- Develop a budtender health certification program, to be piloted in new equity businesses and gradually implement as a requirement for employees in delivery and dispensary sites. Cover "product potency, dosing, evidence of harms to youth, evidence for specific therapeutic effects and when/how to recommend consulting with a physician" in alignment with the 2019 LACDPH report. [xiv]
- Require cannabis retail sites to post comprehensive, balanced information on cannabis use and cannabis effects, including but not limited to the use of cannabis for medicinal and adult-use purposes, safe consumption, awareness of contraindications or drug interactions, potential risks, mental health awareness, and other key elements to protect public health and consumer safety, and promote reliance upon physicians and LAPDH resources versus informal sources.
- Develop similar community health worker (promotora-style) programs in partnership with community organizations for broader education on cannabis use. Ensure physicians and other healthcare providers have access to cannabis continuing medical education (CME) courses through academic partnerships.

Recommendation 17:
Decriminalize use.

- Assess and remove cannabis-related "quality of life" tickets that harm unhoused residents from County administrative codes. Explore local ordinances like the New York City and State measures that prevent evictions based on cannabis private consumption, as well to ban the removal of unhoused people from shelters for possession of cannabis.
- Provide venues for affordable testing home grows, especially for qualified patients.
- Set a plan for consumption spaces in future licensing and instruct exploration of this, including publicly managed consumption spaces. In the interim, work with LACDPH to identify and designate space for consumptions for qualified patients.

Recommendation 18:
Protect Medical Cannabis Patients

- Include business participation in the Compassionate Cannabis Donation Program (SB 34) to donate products to medical cannabis patients in the merit-based licensing program.
- Expand education and access to LAC Medical Marijuana ID (MMID) program. Consider selecting community-based partners in each Service Planning Area to help medical patients enroll in the MMID and determine participating businesses in the Compassionate Cannabis Donation Program.
- Sponsor community-level conversations regarding cannabis that bridge residents, workers, patients and owner-operators to create understanding, increase trust, expand partnerships in equity priority areas.
- Educate the DCBA Office of Labor Equity on implications of AB 2188, which blocks cannabis workplace testing. Provide educational resources through the DCBA to ensure protections.

Recommendation 19:
Reinvest for Equity.

- With the passage of Measure C (2022) authorizing a cannabis business tax, ensure all cannabis tax revenues go to: 1.) administrative operations of OCM and related LAC programs supporting cannabis social and health equity; and 2.) a comprehensive health and social equity community reinvestment program.
- Direct part of cannabis tax revenues toward OCM social and health equity programs, including grants and loans for cannabis license applicants.
- Create an unincorporated LAC community reinvestment stream to support programming at the county that directly addresses the harms of the drug war, prioritizing the Care First Community Investment Spending Plan (Reimagine LA/Measure J). This Investment plan already includes community engagement with those who suffered through disinvestment during the drug war years. The Community Voice Subgroup can liasion with the Care First and Community Investment Advisory Committee to help link processes.
- Develop a mechanism to allow cannabis businesses to invest in a community reinvestment funding stream-much like Community Reinvestment Act credits for financial institutions– as part of merit-based license application and as part of the relicensing process. Link future tax incentives to investment of profits in this funding stream.

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INTRODUCTION

On February 15, 2022, the Los Angeles County (LAC) Board of Supervisors passed a motion directing the Department of Consumer and Business Affairs' (DCBA) Office of Cannabis Management (OCM)[ii] to develop and implement an equitable commercial cannabis licensing program in the unincorporated areas of LAC. This focus on equity aligns with the overall Board-directed priorities in LAC, including: Care First Community Investment; Poverty Alleviation; and Anti-Racism, Diversity, and Inclusion. This report assesses current practices and provides recommendations to support "cannabis retail, manufacture, distribution, growth, testing, regulation, and enforcement in [LAC]" as "rooted in an equity framework and [considering] environmental impacts to biological, ecological and water resources."[iii]



Report Background & Goals

In this report, we highlight insights from a variety of sources—including focus groups, individual consultations, a literature review, and public document analysis. We weave in community perspectives with an emphasis on identifying key challenges facing LAC in its implementation of an equitable cannabis licensing program and potential solutions based on best practices. We, the primary investigators and authors of this report, are scientists from racial and ethnic minority backgrounds with experience and long-term research focuses on cannabis inequality and social equity in communities of color. In this report, we aim to explain the complexities in the development and maintenance of cannabis social equity programming with honesty and integrity toward reparation and justice, and a hopeful eye towards LAC's shared future.

Cannabis-Related Racial & Economic Disparities

Support for cannabis legalization has shifted nationwide, with two out of three Americans supporting legalization, underscoring efforts to move policy goals toward equity, particularly decarceration. Popular opinion has driven many states to either legalize or decriminalize cannabis. In California, cannabis was legalized for medicinal use in 1996 and for adult-use in 2016. Proposition 64 (2016) was one of the first adult-use laws to mandate release of those imprisoned by the drug war and to reinvest resources into communities harmed by the drug war. At the local level, cannabis legalization also offers unique wealth-building, job creation, and community reinvestment opportunities that can repair the generational loss and trauma in communities of color caused by cannabis criminalization. In spite of these reforms and a thriving adult-use cannabis market in the City of Los Angeles, disparities persist.

In terms of racial disparities, cannabis-related arrests disproportionately target people of color, affecting not only individuals, but also households and communities.[iv] Specifically, Black and Latina/o/x people accounted for 75% of the Los Angeles Police Department's (LAPD) cannabis-related arrests between 2019 and 2020, even though rates of use are consistently similar between White, Black, Latina/o/x and other racialized groups.[v] In 2020, Black and Latina/o/x residents were nearly three times more likely to be arrested compared to their White counterparts.[vi] LAC Sheriff's Department (LASD) public data from 2005 to 2021 show disparities in majority-people of color geographic areas. For example, the Antelope Valley Service Planning Area (SPA), a predominantly Black and Latina/o/x geography, had over 31,500 arrests; the majority-White West LA SPA, on the other hand, had 2,600 arrests during the same timeframe.

In LAC's unincorporated areas, those places that are predominantly non-White, like East LA, show higher concentrations of "cannabis-related incidents."[vii] So too do small cities contracting with LASD: majority-Latina/o/x and/or Black cities such as Lancaster (14,100 incidents) or Lynwood (4,800 incidents) have much higher incidents that predominantly White cities such as Glendora (55 incidents).[viii] While more analysis of and access to LASD data is needed, reports of its raids demonstrate an enforcement approach centered on arrests, despite the negligible impact arrests have on unregulated cannabis activity.[ix] These trends suggest the continued racialized impacts of a war on cannabis and people who use cannabis. To create a regulated cannabis industry in unincorporated LAC, county regulators and policymakers must be attuned to rates of arrest, detention, incarceration, and law enforcement actions (including raids) that disproportionately target, and so harm, communities of color.



Income disparities exacerbate racial disparities, particularly in the unincorporated LAC areas of South, East, and Southeast LA, according to the County's racial equity analyses.[x] The reality of low-paying work and high rent burden in LAC suggests the need for wealth-creation and capital access opportunities to serve Black and Latina/o/x communities who were commonly targeted by the drug war. LAC data shows Los Angeles Black and Mexican populations with 1% of the wealth compared to White populations, with Korean, Vietnamese, Filipino, and other Latina/o/x persons also experiencing staggering gaps.[xi] Numerous neighborhoods of unincorporated LAC also lack access to banks or credit unions of any form.[xii] Further, disinvestment and disenfranchisement from the drug war shape social determinants (or "upstream" factors) like employment, housing, and healthcare access, thereby impacting health equity and health outcomes. The social disparities in LAC among Black and Latina/o/x residents, and concentrated in places like South LA and East LA, mean heightened diabetes, heart disease, low birth weight, and other health problems.[xiii] An equity-driven approach to decriminalizing cannabis holds the potential to reduce racialized arrests and incarceration, and also to provide critical medical support as well as wealth-building opportunities for those who were historically denied such opportunities.

However, increasing costs of legal cannabis have restricted access in low-income LAC communities to those living with HIV/AIDS, cancer, seizures, ADHD, depression, chronic pain, and other health conditions. Communities of color in areas with high concentrations of unlicensed cannabis retailers, such as unincorporated East LAC and South LAC, have expressed concerns with overconcentration of unlicensed retailers in their neighborhoods. Research from Los Angeles County Department of Public Health (LACDPH) shows that unlicensed shops are more likely to have high-potency products, child-attractive or less child-resistant packaging, and other health risks. There are also legitimate concerns with providing sensible, legible information regarding safe and healthy cannabis use, underscoring the need for a new, more nuanced lens that can uncover past harms and prevent replicating or creating new ones in cannabis education or regulation.



Opportunities to Support Equity Through Cannabis

The last few years have seen a shift in LAC to center questions of equity and reinvest in communities. LAC-sponsored efforts include careful consideration of how to raise and redirect funds toward parks, transportation, social services, and criminal justice to begin to heal past harms and generate a new future. These are enshrined in the LAC Board-directed priorities—*Care First Community Investment; Poverty Alleviation; and Anti-Racism, Diversity and Inclusion*—and in the processes for equitable implementation of Measures M (transportation investments) and A (parks funding).

The LAC Board of Supervisors' decision to "lead with equity" in its passage of the February 2022 motion[xv] to develop an equitable licensing framework aligns with such shifts and presents its own opportunities. The approved motion includes an initial allocation of 90 licenses (25 retail, 25 delivery, 10 cultivation, 10 manufacturing, 10 distribution, and 10 testing). While the limited number of licenses may prove a challenge, it also presents a chance to develop in-depth support, funded programs, and connections for the emerging cannabis market. It is an opportunity for OCM to expand beyond legalized licensing to overall wealth creation and decriminalization that spans everyday usage, patient access, and more.

In this report, we highlight voices of people who operated in the "legacy"[xvi] and unlicensed cannabis markets in South, East, and unincorporated LAC, emphasizing the importance of bringing them into the process and opening pathways for their economic inclusion. Sensationalized media accounts of an "illegal market" often lose sight of the fact that many of those who operate in the legacy market are ordinary small business owners, patients, and workers who have done so for decades and have not been able to find a path to licensing.[xvii] An approach to equity is often lost in a focus on dramatic incidences of violence, while rarely asking what it means to keep workers, owners, and surrounding communities truly safe. Learning from what has and has not worked in other jurisdictions, the new shift in an equity-oriented licensing policy in LAC is a chance to address the root causes for a persistent unregulated market, which including a lack of pathways to a legal market, economic need, distrust for government based on incidences of racially-biased policing, and other inequities.

Further, cannabis licensing provides an opportunity to develop new models of small business ownership programs, capital access, and high-road employment prioritizing vulnerable communities who are high-need. LAC is rife with other new experiments by numerous organizations and educational institutions that are looking to support this critical asset building and high-road workforce opportunities, particularly for those impacted by incarceration.[xviii] Efforts from sectors like street vending offer insights on how to effectively transition actors trapped in the informal market. Moreover, cooperative land trust models can inform how to build assets in new ways, as do public banking discussions.[xix] Meanwhile, new lessons from LAC efforts for juvenile justice reform, Measure J (Cares First Community Reinvestment) implementation, and racial reparations programming offer insights on a community-driven approach to end arrest-first approaches, reduce health harms, and reinvest in harmed communities.

In learning from and linking with such efforts, cannabis can be another hallmark in a new direction for LAC that will make a tangible impact on residents' lives by leading with social and health equity.

METHODS

This report compiles data from: 1.) an in-depth literature review; 2.) a diverse focus group of LAC cannabis community stakeholders; 3.) publicly available sources; and 4.) individual consultations (i.e., informal interviews) with community groups, policymakers, and cannabis stakeholders across the United States.

Focus Groups

We recruited focus group participants through local community-based organizations that support cannabis social equity advocacy across LAC. The resulting convenience sample completed an online demographic survey with equity-centered selection criteria to ensure that historically marginalized groups were prioritized for selection.

We selected a total of 20 participants who consented to join the focus group. The discussion was conducted in English via Zoom in August 2022. It was approximately 2 hours long. Drawing from extensive experience in conducting qualitative research, including other cannabis equity-funded research studies, the co-authors led the focus group. Additional study staff were present for administrative purposes. All participants were compensated $150 at the end of the focus group for providing their time and knowledge. See Appendices 2 and 3 for further details regarding our Focus Group methodology, including: the Focus Group Guide, the written consent form template, and the content produced by participants via Jamboard.

Data Analysis

The focus group was audio and video recorded, transcribed verbatim by Rev.com, and reviewed with de-identified demographic information. We conducted a rapid data analysis and an inductive thematic analysis of the focus group discussion as well as outcomes from the activities conducted during the focus group, including Jamboard and PollEverywhere. Our analyses were further informed by an in-depth literature review of peer-reviewed research and popular reports on cannabis social equity and health equity programs, as well as recent research on equity-oriented policy processes and implementation best practices more broadly.

Our extensive research in the fields of social equity and public health further contributed to our analyses. We drew from more than 15 combined years of research directly with cannabis social equity and legacy operators, workers, and consumers, with a focus on in-depth interviews, ethnography, and engagement in LAC capturing diverse voices in terms of race, gender, sexual orientation, ability, and geography. Our peer-reviewed work has been brought before numerous policy and government agencies.

Limitations

While this methodology provides a snapshot of both stakeholder perspectives and existing cannabis research—particularly on regulatory, equity and public health processes—it also means the project is limited in scope. It is further limited given the recency of legalization. In terms of an analysis of LAC, we rely primarily on past ethnographic research and focus group insights regarding the legacy and unregulated market for cannabis in the region. There are no comprehensive demographics or other economic analyses of this segment of the market, but given the span of our prior work we do see our descriptive data on the cannabis market as widely relevant and confirmed through repeated inquiry. There is also no public racial and demographic analysis of the LASD arrest data for cannabis, and we therefore make approximations or correlations to race/demographics based on the locations of these arrests. Finally, we relied on a multi-faceted focus group and follow-up conversations with community partners, but encourage further engagement with stakeholders beyond this as part of an ongoing equity process.



HOW LOS ANGELES COUNTY CAN ACHIEVE AN EQUITABLE CANNABIS LICENSING PROGRAM & BEYOND

In this section, based on our in-depth analysis of qualitative data from focus groups and document review, we provide recommendations for how LAC can develop and implement an equitable commercial cannabis licensing program—and thereby become a national leader in cannabis equity.

Overall, lessons learned from existing equity processes and complex issues in cannabis demonstrate that there is no quick fix; successful program rollout will require significant time, investment, new ideas, and risk mitigation. This is in part the impetus behind many of the recommendations in this section, including de-prioritizing enforcement and limiting property requirements. In order to achieve cannabis equity for the long-term, LAC should focus on "baking in" equity from day one; engaging with the legacy market, formerly-incarcerated persons, and regions most impacted by health inequity; and mitigating the contradictions that plague much of the industry. Cities and counties have had to do much learning as they go, and LAC is in a unique position to draw from these lessons while keeping focus on equity first and foremost.



Define Equity

Research on equitable policy implementation suggests that starting with a definition of equity rooted in meaningful, continuous engagement helps build programs that are able to achieve their full potential for the long term.[xx] LAC Department of Regional Planning defines equity as "when every individual, regardless of race, income-level, or neighborhood, is given access to the resources they need to succeed and thrive;" it means "closing the gaps so that race does not predict one's success, while also improving outcomes for all."[xxi]

Focus group participants identified the following critical elements of cannabis equity:

- **Social equity:** An attempt to repair the damage done by the war on drugs; reparations; money from cannabis staying in the communities affected by the drug war.
- **Health equity:** Access to cannabis as medicine; healthy food options; healing; freedom from disease and health disparities; an overall focus on wellness.

Central to participants' definitions of equity was access. Specifically, the connections across social and health equity come from "addressing the systemic disparity in access to power and wealth," according to one 73-year-old Black, Indigenous female and two-spirit participant. She further explained that health could only be promoted by investing in social environments. Another community business owner shared that equity is about the "value of being part of a community." In other words, an equity lens must have a systematic analysis of the broader ecosystem, including disparities, assets, and shared values guiding a vision for the future.

Indeed, these findings support a robust body of research arguing that health equity goes hand-in-hand with social equity.[xxii] Specifically, these findings suggest that cannabis equity must include a comprehensive, place-based lens that looks at more "downstream" realities like cannabis use in relation to more "upstream" factors (or root causes) like job access, education, green space, and more.[xxiii] Any approach to equity must also consider how health disparities that may be related to cannabis use are shaped by larger social determinants of health and where new investments created by cannabis taxes and related economic opportunities might be a vital intervention, especially with the continued ravages on these areas by the COVID-19 crisis and recession.[xxiv]

Develop Equity Governing Processes

Building an equity approach includes interagency collaboration. The work of the Los Angeles Regional Reentry Partnership (LARRP), the juvenile justice reform working group, and the parks equity collaboration to implement Measure A are just a few examples of the impact that deep collaboration across agencies and with community-based groups can have. Direct community involvement in such efforts ensures breaking down departmental silos in ways that center on equity goals.[xxv] Integrating public health agencies is key in LAC—and is also a rare opportunity since most municipalities do not have this extensive of a public health infrastructure.

As a 55-year-old Black female cannabis business participant stated, "We're still federally locked out, and the County is responsible for health systems, as well as public health…How do we minimize cannabis businesses, especially those that are going to focus on wellness and other types of nontraditional things[,] bumping heads with the federally governed health systems and reimbursement systems that we currently have with all of our health plans?" The existing proposal by OCM for a Cannabis Working Group is an ideal starting point to conjoining social and health equity imperatives in a way that engenders innovation in the face of a complex regulation situation.



Engage Constituents in Equity Work

Recent research supports convening a diverse stakeholder group, with individuals across government, business, and labor/community groups from a variety of backgrounds (e.g., different racial/ethnic, gender, and other identifications), alongside policymakers who can bear through productive tensions and work together to guide equity processes and growth.[xxvi] Indeed, focus group participants supported a constituent-driven process. As an Asian male participant who was previously involved in LAC processes for justice reform explained, "I think we need more folks that have living experience to be involved with legislation because those are where all the harmful policy that's created in the first place. We need to have some kind of support from high up people [with policy literacy] that can create a positive policy and try to reduce the people that get convicted with marijuana or other [substances] that creates mass incarceration."

While challenging, research on best practices for implementing equity-oriented policies also highlights the critical role of meaningful, shared decision-making beyond just input.[xxvii] One participant suggested a community oversight process over lotteries, zoning, and other licensing selections to ensure security. This would increase trust in both the process and in the government. A 27-year-old Asian non-binary cannabis worker suggested LAC could be the first California jurisdiction with a dedicated community oversight committee.

Part of this process should involve storytelling and an opportunity for affected communities (including legacy market actors, the formerly-incarcerated, and those from disinvested communities) to share their experiences, explained a 58-year-old mixed-race female community advocate. Doing so involves linking community members with subject matter experts and think tanks, she further shared. Others emphasized the importance of both reckoning with the past but also giving a space to share success stories and to help others see that pathways to equity are possible.

It merits noting here that engaging with different agencies and with stakeholders requires significant staffing and investment for OCM to prevent additional layers of bureaucracy and delays. Many municipalities have learned the lesson after the fact that they must invest first in building their new agency capacity first, before creating equity or even licensing programs, to prevent massive bottlenecks and creating more community frustration. The Board of Supervisors must budget appropriately even before seeing the "return" in cannabis taxes to ensure the success of equity and licensing of cannabis overall.

Build a Cannabis Equity Vision

Realizing the "nuts and bolts" of equity in the midst of a changing landscape can be hard. Research on equitable implementation processes shows that having concrete indicators and measurable results, in conversation with community, plays a vital role in programmatic success.[xxviii] With this in mind, the focus group offered participants a chance to think ahead and envision how equity should look. We asked participants what success would look like in five years, when global attention is focused on LAC for the Summer Olympics and with cannabis potentially legalizing federally.

Several key themes emerged from participants toward a cannabis equity vision:

1. **Equitable ownership and job opportunities, including direct support for local businesses owned, operated, and supporting those impacted by the war on drugs:**

    - An industry that locally generates "$10M+ annually," with "Black and Brown people leading profitable businesses increases by 50% or more in all licenses with annual revenue of $10 million-plus;"
    - "Dispensary grants" for "minority owned" businesses;
    - "Realignment of the regulations that are so restrictive and serve as barriers to actually getting the [cannabis business] licensing;"
    - "Workforce development, high-end job development, career pathways in cannabis that are not normal to just dispensaries and deliveries, but testing, a lot of different things of that nature;"
    - "Job creation is a big vision for [the] future 5 years;"
    - Support for a broader hemp-based industry. "What we need is green [industry] and that starts with cannabis…Think about vanity products. Think about the medicinal purposes that can be used, the clothes that we can build." This includes hemp plastics and building materials.
    - Bringing new municipalities into cannabis licensing to better respond to California voters and to curb "not in my backyard" politics.

2. **A link between cannabis businesses and reinvestment in community health and overall social good:**

    - Successful nonprofit models of cannabis and other "community health spaces" that includes cannabis community classes, trainings, and affordable prices;
    - A program that creates cannabis social entrepreneurs who directly benefit from community-based organizations that offer care and healing;
    - "Community benefit agreements attached to projects around cannabis equity in local communities…[seeing that resources are] redistributed back into the local communities where these businesses are [located]."
    - "Some of that [cannabis] tax revenue invested in productive things for our community."

> "If you're going to put a cannabis shop on this corner, we want to make sure that the dollar stays on this corner. That's what I want to see, that the dollar stays in our schools, that the dollar stays in our community garden because that's what we need.
>
> *-73-year-old female and two-spirit Black and Native community advocate*

3. **Achieving broader social and health equity through cannabis equity:**

    - Legally clearing those arrested for cannabis convictions via automatic expungement;
    - "…Folks that have disproportionately been impacted by the war on drugs getting maybe a public apology from folks that were directly responsible for the disenfranchisement of people of color;"
    - "Changing the narrative" to support decriminalization and "fully normalizing cannabis."

One 58-year-old Black and white female participant shared that she hopes LAC will be a "role model of sustainability, community access to health services, and healthcare for all." Another participant, a 26-year-old Black female advocate/cannabis consumer shared that the vision must go beyond cannabis economics. "Some people do not want to own a cannabis business. Some people have no desire to do that." Yet, even so, multiple generations have been impacted by a now-legalized plant.

Creating a Cannabis Working Group can both serve the purposes of inter-agency collaboration to ensure all LAC departments have a shared division and vision of health and social equity. In accordance with best practices on equity, and learning from the challenges in other jurisdictions, it will be essential to have a transparent process that integrates input from community members. This can be done in a way that does not slow the process down but helps inform and validate the process. The creation of a Community Voice Subgroup would offer a means to bring those most affected by the drug war into the regulatory process, create mechanisms for continual public input on the definitions of health and social equity, help build trust through partners grounded in community, and can offer input on the cannabis social responsibility commitments. Faith-based and worker organizations can be brought in to help with outreach on the licensing process. Stages like the lottery selection can be done in a publicly-visible manner, in the same way that elections certifications are completed.[xxix]

Recommendation 1: Define Equity. In order to develop a successful and sustainable equity framework, all stakeholders must have a shared understanding and definition of health and social equity. This shared definition of health and social equity can center access to cannabis wealth creation and workforce development, healing and wellness, community investment, and other priorities outlined by stakeholders. Bring this to the public via OCM platforms.

Recommendation 2: Develop Equity Governing Processes.

- Build a Cannabis Working Group as a standing mechanism for interagency collaboration between LACDPH, Regional Planning, Building & Safety, DCBA, and other relevant agencies. Include subject matter experts and information sharing with the Care First Community Investment; Anti-Racism, Diversity, and Inclusion and juvenile justice reform initiative.
- Develop a Community Voice Subgroup as part of the Cannabis Working Group that includes cannabis arrest-impacted individuals and those from communities disproportionately impacted by the war on drugs. These should include community, labor, and faith-based groups with credibility and trust in public health and social equity, and be compensated for their time.
- Create an internal cannabis health and social equity screen to guide decision-making across participating departments.
- Allocate sufficient up-front funding in the LAC budget to staff OCM appropriately to manage the equity mandate and regulatory demands and to collaborate with stakeholders and agencies.

Prioritize Equity in Licensing

Identify and Prioritize Equity Applicants

Developing a licensing program centered on equity was a consistent theme among participants, and is a main avenue of action that municipalities have used to repair the harms of the drug war. Lessons learned from other equity processes, LACDPH recommendations, and focus group input suggest that the best approach would be a mixed merit and lottery-based applications process that incorporates: 1.) baseline equity criteria tied to cannabis-related convictions and to residency in an equity-impacted area, and 2.) a points system for specific, measurable, equity-centered cannabis social responsibility commitments.

Baseline Requirements

Individuals and Communities Impacted by the War on Drugs

Some have critiqued barring violent crimes in determining who qualifies for a social equity license, given that attachment of a violent crime charge, gun charge, or gang enhancement to a drug-related activity has been proven to be deeply connected to racial inequality and to the discretion of prosecutors. Focusing on California crimes also ignores the impact of federal arrests. Focus group participants unanimously prioritized those with federal or state cannabis convictions. Numerous jurisdictions, such as Los Angeles, Oakland, and Sacramento, include social equity criteria for those with California cannabis-related convictions. Other municipalities, like Mendocino County, include being affected by programs such as the Campaign Against Marijuana Planting (CAMP) or having assets seized through drug war raids.[xxx] Mendocino County also allows licensing prioritization for those affected by trafficking and sexual violence when in cannabis planting operations. Focus group participants underlined the collateral consequences directly on family members, such as spouses, siblings, and children. Several participants had been personally impacted. Research shows the ways education, health, and income disparities widen in the overall household when a member is arrested (see Appendix 1).

> I think we need to support a lot of folks that are being convicted and also the people...that were formerly incarcerated. I myself am formerly incarcerated and so I feel like we need to have a support network and like a system that can just include everybody in there instead of like, look at marijuana as something very harmful. I think we can create a program or maybe hire formerly incarcerated that were convicted with marijuana. And a lot of folks have been learning how to grow marijuana because this is not something that can create harm, it can be very useful for the community and like it can help the economy as well.
>
> ***– an Asian male business owner and community advocate (age unknown).***

Residency and Income

The challenge identified with neighborhood residency is that the drug war, resulting in inequality and disinvestment, contributes to risk of eviction and displacement, and, simultaneously, continual movement for better opportunities.[xxxi] Many neighborhoods impacted during the height of the drug war in LAC, like northern South Central and Echo Park, have seen local residents pushed out to areas like the Antelope Valley.[xxxii] To deal with this, localities have sought to include those who once lived in a jurisdiction for a given period of time, and to loosen the kinds of proof needed (including affidavits).

Others suggested that neighborhoods should be considered for selection based on other equity indicators, like poverty, and not just by arrest rates. Different forms of percentage based on median income or Federal Poverty Level (FPL) have been utilized. The latter has raised particular concern because FPL is a national-level blanket category that does not account for local cost of living. It is often far below a living or even survivable wage for areas like LAC that have high costs of housing and basic goods. Oftentimes, equity analyses use markers instead, like 200% of FPL, just to begin to assess working poverty status.[xxxiii] Research from the Working Group suggests a multipronged measure tied to how the drug war has impacted populations. For instance, considering an applicant being a woman, recipient of SNAP or other benefits, recipient of federal public housing, and so forth.[xxxiv]

LAC has a unique opportunity to utilize its existing Department of Regional Planning (DRP) Equity Indicators Tool (EIT) to determine equity target neighborhoods. Among the most succinct measures of today's challenging conditions is the indicator of percent housing-burdened low-income residents, which captures income disparities, poverty, and the threat of displacement. There is a critical overlap among drug war impacted areas and those with extremely high rates of low-income housing burdened people (i.e., those who pay more than 50% of their income on housing and earn 80% of the median family income). For example, most of East Los Angeles, Florence Firestone, and Walnut Park have rates of housing burden above 90%, as well as overcrowding rates upwards of 30%.[xxxv] Median income in most of these areas falls far below $39,000, while the median income in LAC is $65,290. These unincorporated regions of LAC are primarily comprised of Latina/o/x, Black, and some Asian and Pacific Islander residents.

Other potential EIT markers include disproportionately high poverty and segregation rate or unemployment rate. It is important to note that this should be the applicant's residence, not the business location, to prevent overconcentration. OCM should help create easy to use public information that either links tracts to more commonly-used form of data (such as a zip code) or creates an address lookup system on the equity program website. We will refer to an LAC tract determined to be disproportionately affected by economic and health inequity via the EIT in this report as an "LAC equity-impacted area."

Merit Scorecard

Focus group participants suggested a merit approach to award points for meeting certain criteria, mixed with a lottery if a large number of applicants reach a point threshold. This is currently being utilized in Detroit, Michigan, and has been used in other jurisdictions including West Hollywood. With the impetus—including the call from LACDPH—to integrate social responsibility and equity in business practices, this would allow a baseline set of cannabis social responsibility commitments that could be used to determine relicensing. This is a very clear way to start with equity and prevent later "surprises" with which companies rarely comply.

Protect Equity Licensing

Several focus group participants also underlined the importance of understanding how arrest and equity affect availability of capital and other key elements of a successful business. Many criteria that have been used by other jurisdictions' point systems, like standard operating procedures or extensive regulatory documents, can then become a barrier to equity applicants and instead favor well-capitalized firms with wealthy investors and access to consultants and legal staff. Succinctly put by a 73-year-old two-spirit and female Black and Native advocate/operator, "And so, that's the gap…'How do you start a social equity program with zero capital?' What was the whole point? They started out identifying us as low-income, zero income, criminalized, marginalized, and then you want to start a multimillion-dollar business with no money. That's called the Hunger Games."

Recommendation 3: Identify and Prioritize Equity Applicants. Develop a mixed merit and lottery-based licensing framework that prioritizes "equity applicants" for the first wave of licensing for 90 businesses. Equity applicants should be defined as those are: a.) directly impacted by the war on drugs, either with prior federal, state, or local cannabis conviction(s) and/or a parent/guardian or spouse/domestic partner of an individual with a prior cannabis-related conviction (these include arrest(s) for cannabis-related convictions where cannabis was used as pretext for a stop or investigation); and b.) residing for at least 5 years in an unincorporated LAC census tract that, according to the LAC Department of Regional Planning Equity Indicators Tool (EIT), is at least 60% of the population is housing-burdened and earns 80% of LAC median household income.

- **Baseline Requirement**: At least 51% individual, pooled, or cooperative ownership by equity applicants (see above).
- **Merit Scorecard:** Develop a simple "yes/no" checklist for comprehensive, specific, and evidence-based cannabis social responsibility commitments. Offer points for:
  - Worker-owned cooperative business structure;
  - 80% workforce from LAC equity-impacted areas (double the required amount);
  - Pledging to join, fund, and hire from reommCounty-approved cannabis workforce apprenticeship programs;
  - Pledging to invest a percent of profits to LAC community reinvestment fund;
  - Participation in the Compassionate Cannabis Donation Program (SB 34) for medical cannabis patients allowing companies to donate product to low-income patients;
  - Planned implementation of consumer and worker cannabis health education programs;
  - Use of regenerative, aquaponic, or other sustainable technologies in cultivation;
  - Use of sustainable materials, recycling programs, and other technologies in distribution, manufacturing, and cultivation.

If a large number of applicants passes the merit threshold, trigger a lottery system to determine awards. This threshold and process should be determined in advance, in consultation with the Cannabis Working Group and its Community Voice Subgroup.

Recommendation 4: Protect Equity Licensing.

- Specify rules regarding the sale of existing individual, pooled, or cooperative shares, including transferability and next of kin, to ensure ownership by social equity applicants and prevent fraud. Require that shares be sold to other qualified equity applicants and that commitments for social responsibility be tied directly to the license and its renewal.
- During relicensing, require reporting on all cannabis social responsibility commitments and set measurable progress as necessary for further licensing. Opportunities to correct should be provided but relicensing should be contingent on adherence and progress on initial commitments. Keep all data on cannabis social responsibility commitments and progress transparent and public for accountability and to help promote these businesses as model sites
- Integrate community-based third-party oversight into the process of equity identification, merit selection, and the lottery, via the Cannabis Working Group Community Voice Subgroup.

Transition to a Regulated Market by Understanding Realities of the Unregulated Market

Build an "Education First" Pathway to Support Transition from the Unregulated to the Regulated Market

The social equity process is complicated by the fact that the demands for enforcement have been front and center in cannabis policy. In LAC, numerous raids have continued even as different municipalities have implemented licensing programs. While there is a push to reduce and eventually eliminate the unregulated marketplace, LAC must not duplicate drug war tactics that pose the same harms that equity programs mean to heal. Indeed, the last decade of enforcement tactics to shut down unregulated shops have led police and policymakers themselves to call this "an expensive game of whack-a-mole" that has done nothing to weaken the unregulated market. Instead, it has led to numerous arrests impacting more lives, most often workers at the front lines of raided businesses.[xxxvi]

Realities of the Unregulated Market

Many legacy participants explained that the reasons for staying in the unregulated market are largely misunderstood. They shared that barriers to entering the legal market and lack of information play a major role in their decision to operate elsewhere. As one operator shared, "…some of us trying to stay above ground are going broke because it's not realistic the way this is being approached. You stand us in line, we jump through hoops, we fill out all the affidavits, we spend $150 on notary public for notarizing, all for what? To still wait in line?" The quantity of storefront and delivery operations has historically been larger than the number of retail licenses available in regulated markets in LAC cities. These stories are rarely captured in media accounts that sensationalize crime at dispensaries and paint "illegal" shops with a singular brush that includes crime and guns, rather than the more mundane realities of the way the unlicensed market has become crucial for the economic survival of many.

There are no "clean lines" between regulated and unregulated or licensed and unlicensed. The fact is, some operators continue to navigate both, offloading products or maintaining investment ties across both markets. Extensive multi-year interviews, ethnography and other research by the co-authors, as well as focus group comments, suggests that larger organized cartels do not represent a significant portion of cannabis operations in LAC.[xxxvii]

Focus group data, interviews, and prior research[xxxviii] illustrate a complex unregulated market that includes:

- **Legacy actors** who have operated before 2016, which include cooperatives and other retail/delivery actors that operated during the medical cannabis era. Among this group are those who: operate where no licensing is available; distrust government institutions based on encounters with policing; and, in some cases, have a lack of technical information and resources to navigate the licensing process.
- **Newer, small delivery and retail operations** started after 2016, managed by individual operators who seek eventual entry into the legal system, or who are surviving in this economy temporarily, often in areas of LAC where there is no clear licensing pathway.
- **Product and retail outlets tied to licensed actors** who struggle with fully shifting to a licensed model due to the patchwork of laws in California municipalities and/or feeling that this is a necessary strategy given how consumers gravitate to the unregulated market for lower costs.
- **A smaller number of shops tied to other underground operations,** but who are often under much greater cover and harder to locate. For some, cannabis ventures are only a small part of other unregulated activities; and for others, these are part of survival strategies that require deeper engagement to understand the root causes.

Workers are often not directly involved in anything more than the desire to find meaningful, good paying work. Reports and research also show that many workers in legacy or unlicensed shops are rarely aware of the license status of where they are working (or even their location in unincorporated LAC), and also did not have many other options for survival.[xxxix]

Understanding legacy market actors' specific experiences and, more broadly, diversity in the unregulated market serves as a first and critical step in understanding the realities of the unregulated market. Legacy actors have helped build the processes and knowledge upon which the industry depends, whether it is in medical cannabis patient work, cultivation, or manufacturing. They also understand the real pain points in licensing that can hinder equity applicants. Much like the work of *Care First Community Investment Advisory Committee* or other LAC restorative processes, OCM should aim to give these actors a seat at a table and conduct significant outreach to workers/operators who have been waiting many years for licensing to unfold in unincorporated LAC. So too should trusted community organizations be brought in for educating unregulated actors on the opportunities overall, to help break down mistrust created by years of racist criminalization and promote participation in the various programs that will be launched.



Support Transformative Justice from the Drug War

Several focus group participants insisted that both LAC licensing and federal legalization cannot open the door to more surveillance and policing. As such, LAC can institute stopgaps at this licensing stage to prevent what many in the cannabis advocacy and regulation spaces have called a "drug war 2.0"—a model of enforcement that directs cannabis program funds to the hands of the same policing agencies responsible for the racialized execution of the drug war.

Indeed, data show that policing-focused enforcement strategies have only exacerbated racial disparities, worsening drug war legacies and particularly harming frontline workers. In the City of Los Angeles, cannabis-related arrests in 2020 were still disproportionately Black and Latina/o/x (26% and 54% respectively in 2019, and 38% each in 2020), and many of these came through raids and other enforcement actions at dispensaries.[xl] LASD also routinely targets areas that are majority Black and Latina/o/x, such as the Antelope Valley or East LA.[xli]

In this context, a 26-year-old Black community advocate shared, "Including law enforcement in any cannabis budget, I think that's a mistake. Or trying to get folks to get in relationship with law enforcement, I think that's a common mistake." Many police agencies themselves want out of this process. Many community organizations and equity groups have questioned the logic of allocating cannabis tax funds to policing given the pressing needs to repair direct harms of the drug war and associated disinvestment in social and educational needs. OCM should also be keenly aware of such concerns considering the current crisis with the LASD and ongoing LAC Board of Supervisors investigations into LASD abuses and their own gangs.

Administrative Penalties

An administrative model of enforcement that drives toward transformative justice incorporates direct outreach to operators and workers to help them understand the licensing process—and for workers to move into new positions. Moratoriums on enforcement should coincide with rollout of the licensing program. While this means that permitted and unpermitted businesses may co-exist for a while, there are ways to promote equity companies and incentivize consumption from the licensed market and ensure equity businesses see success.

If there are persistent issues with unregulated businesses, new strategies for administrative penalties can be considered. Even police departments, like LAPD, regularly report to media that (costly) raids have had little return.[xlii] Water and power cutoffs are ineffective as businesses are able to avoid significant impact to operations through the use of generators. Fines can be instituted, and these can then cycle the funds back to the maintenance of other programs like community reinvestment and equity grants. Landlords are an important target for fines as they often exploit tenants' ambiguous legal status to collect excessive rent and have the power to evict or close their doors when their pocketbook is affected.[xliii] (It is important to note that there have been incidents of lawsuits in other jurisdictions in relationship to racial biases in landlord fines, and this process must be carefully monitored.[xliv]) Another suggestion may be on-the-ground public education; this can include flyering and setting up LAC-run informational tents next to unregulated dispensaries informing those seeking to enter the shop of alternative regulated businesses and educating about the risks posed by products and to workers in certain unregulated shops. Any strategies that are instituted, including fines, should be monitored in relationship to racial/ethnic and geographic biases, and OCM should regularly report on these with demographics in a publicly-accessible fashion.

Operate in the Context of Broader Reparative Efforts

More than 58,000 LAC cannabis-related arrest records were left off initial automated attempts to expunge records through the Department of Justice, which the current District Attorney is working to rectify.[xlv] Working with expungement networks to assess and take action with the District Attorney and Public Defender on the current state of record clearing of cannabis convictions and investing in re-entry programs is a vital part of helping transition out of the long shadow of the war on drugs. This is a particularly pressing issue for residents who are unhoused and are affected by barriers due to past convictions, yet unaware of expungement opportunities that can help shift their options.

OCM has a unique opportunity to model a new approach that can shift other city and state practices, an approach that puts education and decriminalization which first considers the root causes behind gravitating to the underground.

Recommendation 5: Build an "Education First" Pathway to Support Transition from Unregulated to the Regulated Market. Develop pathways to legalization and administrative enforcement processes that educate first and repair the mistrust engendered by long-term criminalization including:

- Multi-stage outreach to unregulated market operators, in partnership with trusted community organizations and in consultation with legacy operators, informing them of licensing processes and assistance available to transition.
- Intensive public education campaigns in the direct vicinity of unregulated, noncompliant businesses to educate consumers about: 1.) the risk of unregulated products and 2.) tools to find regulated products.
- Increasing administrative fines targeted at landlords renting to unregulated, noncompliant businesses to support grants, loans, community reinvestment, and other OCM equity/program goals. Monitor and make data available on administrative penalty programs, to screen for racial /ethnic biases.
- Outreach programs to help legacy workers transition out of the unregulated market, linking them to LAC-sponsored and high road workforce training, apprenticeships, and jobs in and beyond cannabis.

Recommendation 6: Support Transformative Justice from the Drug War.

- Request regular reporting from LASD on cannabis-related arrest data, including race/ethnicity, age, gender, & other demographics. Make such data public and utilize in assessing future action.
- Create firewalls on cannabis administrative enforcement data to protect from federal enforcement risks.
- Coordinate with the District Attorney, Public Defender and Alternate Public Defender's offices to support outreach to unincorporated LAC communities regarding expungement, including OCM expungement fairs as part of other cannabis social equity technical assistance efforts. Focus expungement ground outreach on LAC equity-impacted areas (in conjunction with licensing efforts) and on unhoused communities, which are often unaware of such services yet highly impacted by them.
- Coordinate with other LAC working groups and reentry efforts, including those for youth, via the Cannabis Working Group.

Remove Barriers to Entry

Establish an Equitable Fee Structure

Participants and numerous equity research reports on cannabis identify tremendous costs of survival in the regulated market as the biggest barrier to transitioning from the unlicensed market and to social equity program success.[xlvi] "[Regulators] have no idea how much it costs to open a cannabis business, nor how long it takes to become profitable," shared a 43-year-old Black operator. Another operator shared that on average, "...it costs $1.7 [million] to open up a dispensary. That's the numbers we got to be looking at, as far as raising money to own and have the equity that we want in the businesses over time." This can include initial fees that in most municipalities can range in the $15,000 to $30,000 range; deposits for leases that often run $20,000 and far above; initial monthly rent; build-out to match security and regulatory needs (which can easily reach the half-million range and above); fixtures; track and trace technology; and staff time to start up that can easily reach the range described. To note, these estimates are only climbing with recent inflation.

Per participants, and in view of the rise of multi-state operators, such high costs tend to benefit more corporate models of investment and capital. These high-capitalized operators take up individual licenses, capitalize upon "economies of scale" (lowering costs via mass production), and create potential monopolies. A 51-year-old Black woman involved in multiple avenues of the industry shared that equity businesses are "competing against investors with the most capital from playing monopoly locking all others out, specifically mom and pops small business that makes community, community."

Focus group participants suggested the clearest way for LAC to overcome the barriers to entry is to waive fees for social equity applicants, particularly if defined as those affected by the War on Drugs. As the same focus group participant explained:

> "I say do away with the fees for people who lived in the communities the war against drugs [targeted]. I don't think they should have to pay a fee. They paid the greatest fee. So many people's lives were lost, families destroyed. It should be, at minimal, the least amount to ensure that everyone has access and is able to participate..."

Several suggested that if fees exist, there should be a tiered system based on the applicant's equity status and other potential indicators, like income. Meanwhile, fees should be redirected back to the systems that support cnnabis social equity.

Such a system is not unprecedented. For instance, application fee reductions range from 25% in Michigan to 80% in Arizona, with many other places in the middle at 50%. At the state level, California retail fees are $1,000 and cultivation ranges from $135 (specialty cottage indoor) to $8,655 (medium indoor). (Local jurisdictions charge additional fees.)[xlvii] California recently passed a bill requiring a fee waiver for initial licensing and renewals from the state Department of Cannabis Control (DCC). The State's fee waiver is among the most comprehensive, allowing equity applicants to qualify by conviction/income/neighborhood and gross revenue cap (less than $5 million in gross revenue).[xlviii] This is a critical intervention with cultivation ranging from $1,205 to $77,905 and retail from $2,500 to $96,000, depending on entity size and revenue.[xlix]

Recommendation 7: Establish an Equitable Fee Structure. Reduce and, with market development, waive fees for qualified equity applicants for the full licensing application. Tier fees based on businesses' existing capital reserves and other factors, like conviction/incarceration history. Require fees only at final-stage licensing.

Prevent Predatory Investment

Increase License Availability

In several cities and LAC, limiting licenses was intended to support access for social equity businesses by giving space for these businesses to grow and protecting the market from larger corporate interests. In other areas this has created a premium on licenses, leading to a race to obtain these "golden tickets" at any cost.[l] The Working Group aptly describes how capping contributes to a feeding frenzy, "At this point in California, there is now a secondary market for existing operational licenses, a third tier market where Social Equity Applicants are being approached by private entities, and a fourth tier market where the limited number of compliant properties across the country are being secured before licenses are even being issued."[li] Expanding or removing license caps could bring many more social equity players into the market, while reducing the premium created for the license itself.[lii]

Protect from Predatory Investment

Investment relationships in the cannabis industry can consist of power imbalances, lack of a shared vision, and attempts to push out equity applicants. Forcing participants from different backgrounds and with different value systems into multi-million dollar relationships tied to a highly-regulated plant has resulted in complexities that many regulators did not foresee. According to a 55-year-old Black community advocate, existing equity applicants in the City of Los Angeles and neighboring jurisdictions have been subject to "All levels of predatory or unscrupulous practices." These include "pay to play; gang taxes; landlord inflated rents; and landlord taxes." Other participants also noted "predatory contracts and loan sharks." Among existing practices in other equity programs, focus group participants cited practices of finding "straw men/women in social equity contracts and businesses," such as putting social equity applicants as owners in name only. Others include "taking advantage of individuals who are less savvy than a predatory investor/partner; bullying of [equity] partners, and threats." Many investors also offer a high price built into their offers, including control of business operations, profit "waterfalls" that redirect towards the investors only, low salaries, and planned buyouts.[liii]

> "I met with an investor and a social equity applicant, and I was appalled by the way the investor treated the social equity applicant. It was basically, 'I own you, you don't even get to speak. I have the money, you have this social equity applicant,' and I couldn't even believe it…having to partner with these type of individuals, when you have someone who is really trying to do the right thing in the right way, and to have to deal with this is, again, unacceptable. And unethical to the core.
>
> *-51-year-old Black female cannabis worker/ prospective operator/community advocate*

Template Contract Language & Mentorship

Other municipalities, like the City of Los Angeles, have moved toward offering pre-existing contract language as a tool for equity applicants.[liv] When coupled with simplified technical assistance processes such templates allow applicants to be better prepared to navigate investment relationships. Mentorship from equity applicants in other jurisdictions arranged through LAC would also be key in helping navigate investor relationships.

Investor Registration

Part of supporting better relationships is easing the pressure on equity applicants, including more extensive timelines, simplified processes, and registering investors. Equity applicants rarely have the time to vet investors. Often this is due to the need to secure property in order to qualify for social equity applications in many jurisdictions, and thus the need for capital.[lv] Some of these decisions are made in a brief meet-and-greet or in response to mass emails sent to struggling equity applicants. Ultimately, LAC can also help register investors in a public database to support more transparency, to centralize potential opportunities and to help quell predation.

Cooperative Ownership

Incentivizing and supporting cooperative, worker-owned models is another key way to move away from investment traps. Different from pooled ownership, cooperative ownership offers a chance to multiply wealth generation without outside investors. It also centers workers who are often impacted by the drug war and have been essential to developing the knowledge and practices upon which the industry depends.

LAC has numerous local community-based programs that can support this and be brought to provide training for social equity qualified applicants, such as via the LA Coop Lab,[lvi] which has recognized cannabis as an area of interest. Cooperative businesses are also eligible for participation in larger nonprofit-run funding pools that can help cover start-up costs to overcome capital barriers.

Other places are beginning to recognize cooperatives. For instance, in the U.S., Rhode Island set aside 25% of new licenses for worker-owned cooperatives (along with another 25% for social equity licenses).[lvii] Looking abroad, Malta chose a decriminalization approach that licenses cannabis associations and social clubs that produce collectively and share cannabis with members. Up to 500 of these will be licensed in the country without a requirement to commercialize. This is in part reminiscent of early models of medical cannabis cooperatives, but in this case, does not require the operation to be medical in nature.[lviii] Research has shown, in California and elsewhere, that many smaller cultivation operations operated in this matter prior to the advent of the commercial market.[lix]

Recommendation 8: Increase License Availability.

- Petition the LAC Board of Supervisors to manage and plan to increase license availability over 5 years to avoid creation of an inflated market to buy and sell scarce licenses.
- Include Type S shared-use manufacturing, outdoor cultivation, & consumption lounges in future licensing.
- Assign a high point value to cooperative ownership in cannabis social responsibility commitments.

Recommendation 9: Protect from Predatory Investment.

- Develop a prospective investment pool or database through LAC, where investors can sign-up to link to applicants and to support transparency.
- Create boilerplate investment contract language for operating agreements or sample "best practice" model agreements that include required language protecting cannabis equity operators. Include language regarding decision-making control, equity share buyout and inheritance, management agreement restrictions, and other protections in consultation with equity groups and in alignment with current research.
- Include training on how to identify, recruit, and select investors, and how to protect oneself, in LAC-sponsored mentorship program immediately following qualification for the equity program.
- Include an interview portion in the application process to speak directly with the equity applicant about their control, ownership, and voice in their business.
- Provide applicants with access to legal investment agreement review as part of the "one-stop-shop" model.



Address the Real Estate Challenge

Property Requirements

Finding a compliant property in tightly-zoned municipalities has proven to be a significant obstacle for equity applicants. Participants in the focus group described the creation of "green zones" that landlords and developers have taken advantage of to charge inflated rents. These are so common in the cannabis industry that they have been dubbed a "landlord tax" or "cannabis tax," as described by participants and confirmed in research.[lx] As a 55-year-old Black female advocate described, "In these past three years, it's actually created a situation where landlords can monopolize and it just didn't go well for our equity operator. So, I think we just have to realign that." (It's important to note that this higher-than-average rent preceded adult-use legalization, and landlords widely have charged what some have called this "tax" far before 2018, in part taking advantage of the fact that many other landlords will reject applicants for their cannabis involvement.[lxi])

Most jurisdictions ask applicants to have identified and purchased or leased properties to go through the application process, further exacerbating the real estate challenge. Real estate agents and companies have taken full advantage of the licensing premiums to find and claim compliant properties, and sell or rent these at a premium.[lxii] This is layered upon a highly inflated California commercial rental market, where small businesses have minimal protections compared to residential tenants.[lxiii] Some landlords have even gone so far to leverage their access to land to claim a part of licenses, or to come on as partners simply for use of the property.

Potential Solutions to Property Requirements

Participants suggested that eliminating property requirements would give needed time to search for an affordable space that meets their needs. Participants also recommended direct support in obtaining property to support equity applicants. Even more valuable will be creating shared spaces, as Oakland has done with supporting its EquityWorks! shared-use manufacturing facility/kitchen, Oakland Cannabis Kitchen and Oakland Equity Collective shared manufacturing space. These shared use facilities (at various stages of launch) are being utilized by a mix of equity manufacturers with a range of experience, who are also given extensive supported in licensing and launch process. Vacant public LAC lands and buildings would be ideal for this type of community reinvestment, a practice shows significant return on investment in other sectors like food systems planning.[lxiv] While this type of support requires the Board of Supervisors to approve the Type S shared-use manufacturing license not to mention start up investment, in the interim, LAC can give more points in the merit process for innovations like cooperatives.

Several participants also suggested keeping zoning far more simplified and aligned with existing commercial and retail zoning, which aligns with OCM's current approach. The main concern should be ensuring criteria matches the state's sensitive use requirements to avoid conflicts.

Density limits may also be considered to help meet the call by LACDPH and certain community organizations to avoid over-concentration in lower-income communities of color (and in areas with lower scores on the Healthy Places Index).

Recommendation 10: Limit Property Requirements.

- Eliminate initial property requirements and hold lease or title proof until the latter stage of licensing.
- Match zoning to existing commercial and manufacturing zones; do not create "green zones." Align sensitive use requirements with California Department of Cannabis Control criteria to prevent conflicts in the application process. [ixv]
- Institute density requirements for retail operations only, and with sensitivity to the small

Invest in Success

Support Equity Applicants

As one focus group participant put it, "If it's going to be a social equity program, you invest, you identify the entities and you invest in them. In terms of resources, in terms of facility, in terms of technical assistance, in terms of capital." This aligns with key research on equitable implementation that shows that equity-oriented policies must be matched with substantive government dollar investment to succeed.[lxvi] Participants and research both center on several key areas where investment will be necessary up front, even prior to cannabis taxes coming. Because the licensing program will start with a relatively small number of licenses (90 total), LAC can provide intensive support to equity applicants, which will help fast-track start up and attract consumers to this emerging market. It is also important to note that this substantive investment has already shown high return for municipalities like Oakland,[lxvii] and can be done – in ways that County has already modeled in other processes like the COVID-19 response, with private philanthropy partnerships that may even be able to leverage foundations' impact investing arms.



One-Stop-Shop Technical Assistance

In the focus group, numerous participants suggested a "one-stop-shop model" that parallels workforce development and small business administration programs. These would serve, one participant shared, as a "hub of technicians and advocates" who can provide direct assistance, including "legal support, standard operating procedure support, one-on-one consulting, mentorship." Several participants stressed including tax planning support to understand how to survive with current tax rules. The key in technical assistance, a 51-year-old cannabis operator shared, is "collaboration, collaboration, collaboration" among the different service providers, agencies and relevant community organizations. The other is that technical assistance must be provided throughout the process, from pre-application onward, to ensure success.

Several jurisdictions have piloted different programs, often through similar equity consulting, and are experimenting on how to best support applicants in a changing cannabis industry. San Francisc, one of the more comprehensive programs, takes applicants through an analysis of financial, consumer/customer, market, and budget relationships. This program has received favorable reviews, and when matched with actual capital or property, shows the kinds of comprehensive programming that can help equity applicants navigate the financial and regulatory hurdles to operating in the licensed market. Overall, Ecotone and Supernova Women's analysis has shown multi-faceted technical assistance investments do have a specific return on investment in terms of ensuring a business is able to develop its earning power, reinvest in community via taxes, and increase hiring in communities.[lxviii]

These types of supports cannot be built on the premise that cannabis businesses are ignorant of the ways to succeed in an industry that some built for years in the legacy market. Instead, the focus should be centered on the key pain points like technical hurdles associated with regulation and complex problems of capital/investment inherent in commercialized markets and to give space for applicants to share knowledge among each other based on coming from different levels of experience.[lxix]

A Simplified Application Process

Aside from the costs of licensing, research and focus group comments show that compliance itself is hard to navigate—from developing security plans to upgrading equipment. The industry has attracted numerous consultants who promise help navigating these requirements or passing inspections—but such consulting comes at a high price.[lxx]

Direct municipal assistance for free consulting to complete some of the required compliance elements, like building plans, may be another means to offset start-up costs and help businesses launch faster. Participants suggested offering templates, 1-pagers, and blueprints for business plans and other documents that do not necessarily require person-to-person guidance and can be easily used by equity applicants. Other models to examine include incorporating an interview stage in the application process, in lieu of other written elements, to reach equity applicants from different backgrounds and to ensure that equity applicants are playing a key role in their business—a method employed by foundations.

Shared Cultivation, Manufacturing, and Business Spaces

Incubators are designed to seed, support, and help launch ventures, rather than "own" or control applicants. They also allow cannabis businesses to support each other. However, it is important that incubation be tightly defined. Equity advocates note that many investors claimed to be developing incubators when instead they were simply building a multi-sited brand and looking to obtain licenses by locking in social equity applicants via investment mechanisms. A municipally-managed incubation system or public-private partnership like Oakland's multiple shared kitchen and manufacturing spaces offers transparency regarding agencies are supporting applicants, and it will also ensure that the County is tracking progress towards business creation and employment. Such a program can be tied to workforce development programs that are being created to provide a pathway for those in the illicit market and to help meet industry needs for a trained workforce.

As one applicant explained, "[Oakland has] cooperative sites, like community kitchens where multiple businesses can work out of, thus not having to do the heavy lift for manufacturing if they're in the edibles space, or shared kitchens, things like that. They offer workforce development programs, so they're training the community to work for these businesses. All of those things, I think, make Oakland an interesting program to look at." Municipally-supported commercial properties like EquityWorks! show that it is possible for LAC to create direct leases for abandoned LAC properties for shared manufacturing or for cooperative cultivation.[lxxi] Oakland subcontracts incubation in the space for manufacturing brands, including edibles, topicals and extracts, as well as includes workforce development training for those seeking non-entry level employment in these fields. The project supports five equity businesses at a time, screened through an interview process, and a number of workers trained in manufacturing or compliance.[lxxii]

In many early conversations regarding social equity in the City of Los Angeles, incubators were seen as a potential municipally-supported way to cultivate small businesses and support them with capital, real estate, and guidance. The Los Angeles Cleantech Incubator (LACI) provides a model of a city-sponsored small business development program that also tries to address questions of equity and public good.[lxxiii] LACI was created by the City's economic development programming and by Los Angeles Department of Water and Power (LADWP). While it operates to some extent as a private non-profit, it still has significant city oversight and management.

A Community of Support

One of the least discussed parts of cannabis legacy and equity relationships is the ways in which many have relied upon each other and other local networks to survive. In unincorporated areas, as a 55-year-old Black community advocate shared, cannabis economy participants rely upon "peer-to-peer support and neighborhood-based networks and resources." This includes financial support as well as mentorship, emotional support, and care resources. Another participant shared that "meditation, exercise, socializing, and gathering" are key to help applicants make it through the process. This resiliency is an asset that remains untapped by equity programs.

It is also part of healing for those dealing with the years-long impacts of reentry.

Strengthening a social equity supply chain and mentorship ties are critical to creating a robust system of support. By bringing together applicants for equity, LAC can also facilitate relationships among "micro-license" holders to work together toward success. Cooperation-focused processes are part of incubation models and successful training programs like the LACI and Grid110. These community approaches, led by groups like Inclusive Action for the City, have been successful in supporting street vendors through the hard and long process of transitioning to a regulated market.[lxxiv]



Overcome Capital Barriers

Participants stressed the importance of government grants as a fundamental intervention to remove barriers to entry and to meet the economic realities of those being prioritized by equity programs. Based on knowledge of existing operations, participants largely agreed that "a real grant for cannabis business is $50,000 minimum, no payback" and a "minimum loan investment is $250,000 with 1-3% interest." Many applicants thought smaller amounts, like $25,000 and $10,000, were not sufficient to support start-up costs, especially considering the length of time that many applicants wait to open and move through emerging regulatory processes. With startup costs ranging between $500,000 to more than $1 million, small grants are expended by one or two months of rent and other urgent costs.[lxxv]

Despite the extensive need, due to federal criminalization, small business loans backed by the government are not available for cannabis operators. The most common federal loans are up to $5 million (type 7a and 504 SBA loans, the latter being for fixed assets), and the smallest loans are microloans at $50,000.[lxxvi]

Larger cannabis loans and grants by jurisdictions are not unprecedented: A 43-year-old Black female equity operator shared that Oakland's model is important because it offers "both grants and loans of significant value." Oakland offered grants up to $90,000 throughout a multiple-stage timeline (that includes establishment and expansion) and loans up to $150,000 managed through a third party contractor. The City also quickly readjusted its loan repayment timeline when most applicants could not pay within the first few years due to the long length of start-up to solvency time in cannabis. Ecotone's return on investment analysis shows that Oakland's larger grants and loans have overall return to communities impacted by the War on Drugs.[lxxvii]

The San Francisco Office of Cannabis provides dozens of grant awards up to $100,000 to sole proprietorships and single-member LLCs, and up to $48,000 for others, with about $3 million in funding in 2021. By the end of 2021, the city had disbursed $5.5 million in grants between $50,000 to $150,000, and in 2022 had started a process to disburse an additional $2 million.[lxxviii] Recipients used grants for rent, capital compliance, and other areas.

LAC has successfully managed similar programs, including the LAC Regional COVID-19 Relief Fund from the DCBA public-private foundation that provided more equitable results than most Paycheck Protection Programs, with extensive impact in unincorporated areas.[lxxix] DCBA's success in maintaining transparency and in reaching far more small business operators of color suggest that it may be a suitable home to OCM grant and loan programs. Of course, this kind of grant program will require significant fundraising. We suggest considering the DCC as an important source of funds and recommend the State take proactive action to support grants and loans.

> "I think that if we're talking about what a real grant program looks like, it's going to have to be something where we're seeing numbers that are closer to $200,000, $100,000. Anything less is not going to help people get off the ground. And I think that if you can do that with a mix of loan opportunities that have low or no interest loans that don't require payback for the first two years of business, and that can offer those loans that can go up to a half million dollars. I think that they need to step up and stand in the gap for the SBA loans that we're not able to access in this industry.
>
> ***– a 43-year-old Black female cannabis worker/prospective operator***

Recommendation 11: Provide Technical Assistance and Other Supports to Equity Applicants.

- Create a one-stop-shop for cannabis technical assistance that includes LAC-vetted legal support, financial guidance, employee training, tax planning, and business development. Draw upon and include other County agencies/resources, including in small business development, building safety, fire departments, and workplace safety.
- Provide access to this one-stop-shop prior to licensing. Create a 3-stage licensing process that selects equity applicants first, provides training/resources, and then moves forward with licensing applications.
- Develop a simplified application process and provide the public with 1-page explainers and boilerplates for required elements like security or fire plans, in partnership with collaborative agencies.
- After applicants are accepted, build an equity support cohort model that allows all equity applicants to meet, share resources, support each other, and build supply chain relationships. This can include wellness and mental health support at the participant's choosing. Invest LAC funds or state equity funding in a public-private partnership to create an incubator that can support cohorts of cannabis equity applicants.
- To advance these projects, allocate up-front investment from the County – including through potential partnerships with private foundations and from philanthropic capital.

Recommendation 12: Help Equity Applicants Overcome Capital Barriers.

- Raise funds to provide grants or repayable low interest rate loans of significant value that can help equity applicants overcome capital barriers.
- Using registries of potential vacant public lands or properties, identify and help create a shared cultivation, manufacturing, and/or testing space. These shared spaces can also house the "one-stop shop" for cannabis technical assistance.



Support Workforce Development

Develop a Workforce Development Pipeline

For focus group participants, the opportunities to promote equity also require incorporating workers and creating comprehensive pathways to opportunity. They look to "[create] a pipeline of young people interested in learning from seed to sale, employment training that are specifically built to create the pipeline for entrepreneurship" in cannabis. This is especially relevant for targeted unincorporated areas, where incomes are relatively lower and local opportunities scarce.

Both workforce development best practices and focus group participants suggest that community colleges are critical sites for cannabis courses and training. In California, pilot programs are underway in Los Angeles (Southwest College), Long Beach (Long Beach City College), San Francisco (San Francisco City College), and Alameda County (Laney College). These include introductory coursework on cannabis operations in different fields, and the first two are potential partnership sites for LAC given their proximity to unincorporated areas. East Los Angeles College (ELAC) is also considering such programming. LAC Workforce Development programs already have existing relationships with ELAC and Southwest College, and working with them may support adjoining goals, like the development of a biotech and STEM corridor through ELAC.

Several respondents and workforce development research note that paid opportunities are key; it is not enough to create unpaid internships, especially if the end goal is equity. At present, major unions are developing "High-Road Training Partnership" (HRTP) statewide apprenticeships, which centers equity and matches apprentices with supportive programs that recognize challenges faced by Black, Indigenous, and other workers of color, and help workers stay in their positions. Employers participate in a joint apprenticeship committee, pay into a training fund, and are able to hire highly trained equity workers at a starting rate that increases with experience. Including unions guarantees long-term protections for apprentices and empowers equity participants.

> "One Native and Black female and two-spirit participant emphasized the importance of workforce development as a lever for community reinvestment and restorative justice: "How many of those green crosses that are in our community that are paying taxes, how much of those taxes going to end up back in our community? And the only chance we have is through employment development, making sure that if you get employed and you've got a cannabis shop in our neighborhood, somebody better be coming from my neighborhood walking in that shop and getting a paycheck."

Focus group participants stated that businesses should be required to hire directly from communities affected by inequity. This should be determined in alignment with the screening for ownership programs. A zip code based strategy avoids adding illegal questions to the hiring process and third party hiring agencies and intermediaries. The City of Los Angeles and Sacramento are among the few jurisdictions to ask license-holders to consider local hiring and hiring workers through an equity lens. Such programs are similar to community benefit agreement requirements for development that mitigate displacement and may be a way to stop cannabis gentrification.

Equity hiring requirements can be set at a rate such as 40%, mirroring the successful program in Long Beach, with applicants who go double this awarded points in the merit process.[lxxx] Currently, the City of Santa Ana is considering a similar program for reducing taxes based on efforts to support workers and equity. This rate of 40% also was selected as it combines the 30% local hire and 10% target hire set by the County's Local Worker Hire Program for capital projects.[lxxxi]

Protect Workers

The backbone of the industry in LAC is still predominantly people of color, with women of color often working frontline service positions. While cannabis jobs can offer enhanced income earning, skills development potential, and other pathways to equity for target populations, there are several key factors that have made these jobs challenging for Black, Indigenous, and People of Color (BIPOC) workers in particular:

- **Insecurity**, including the constant threat of raids and policing that targets workers equal to operators/investors;
- **Sexual harassment**, by both customers and managers/staff;
- **Wage theft**, through unpaid "internships," lack of meal and rest breaks, failure to provide overtime, use of "by the pound" rate (in cultivation), and other illegal labor practices;
- **Unsafe worksites**, including lack of protections from hazards including pesticide exposure.[lxxxii]

Cannabis workers are also largely responsible for integrating regulatory requirements to keep patients and communities safe, from checking identification to managing the Marijuana Enforcement Tracking Reporting & Compliance (METRC)—the official state track and trace system. Training programs are an important asset to helping guarantee safety, but also to validating the professional nature of work. As a 57-year-old mixed-race female community advocate explained, "For harassing behavior, workers need to know their employment and labor laws and their rights to a safe [workplace] and [the right to] zero tolerance for harassment work environment." Participants suggested that LAC provide training and education on these topics; there are also specific OSHA intensive trainings (OSHA-10 and OSHA-30) provided by worker organizations. Equity employers also have noted the need for supports in how to train workers and budget for paying workers well, and a major union representing cannabis workers is piloting a program in Oakland to train social equity employers in labor-management alongside workers in an innovative new model.



Another worker present at the focus group laid out a simple avenue to protect workers: "Unionize!" Indeed, numerous media have highlighted the surprising presence of unions and democratic worker organizations in the cannabis industry.[lxxxiii] Fortunately, access is built into cannabis, unlike many other industries, through California state laws guaranteeing a "labor peace agreement" for any business with 20 employees; given the average business size locally, Los Angeles City lowered this to 10 workers. At present, the City of Los Angeles has seen one of the highest rates of unionization of cannabis businesses in the country. In-depth qualitative research shows that workers note a marked difference in unionized retail locations from both licensed non-union and unlicensed retail locations, including space to raise grievances, combat harassment, receive overtime and breaks, obtain healthcare benefits, higher wages, and implement protections for transgender workers.[lxxxiv]

Research also demonstrates that workers find value in the cannabis industry itself. Medical cannabis frontline care work, a broader cannabis culture/community, and in-depth knowledge of plant biology, dynamics, and chemical and manufacturing have been cited as valued benefits of working in the industry.[lxxxv] Many of the frontline workers are themselves responsible for the innovations in medical, cultivation, and manufacturing technologies and applications. Given that many are workers of color, creating pathways to cooperative ownership and encouraging other programs like profit sharing are imperative to ensure this is a wealth-building investment.

Recommendation 13: Recruit Workers Equitably.

- Require all applicants to hire at least 40% of their workforce from unincorporated LAC equity-impacted areas (aligned with equity licensing criteria). Incentivize doubling to 80% and/or achieving specific goals for managerial positions, as part of merit-based cannabis social responsibility commitments.
- Tie compliance with equity hiring goals, including in cannabis social responsibility commitments with annual relicensing process.
- Create a targeted outreach program that links to high-road employers through meet-and-greets, job fairs, and other events.

Recommendation 14: Train Workers with Equity.

- Partner with LAC community colleges, state universities, vocational training sites, community-based organizations, and unions to create a cannabis workforce pipeline and paid apprenticeships. Draw from developing models, like the high-road statewide joint apprenticeship model currently being certified by the State.
- Include a budtender/cannabis counselor health certification short course program in community college/workforce development sites. Require participation by at least one worker at each retail site. This can cover "product potency, dosing, evidence of harms to youth, evidence for specific therapeutic effects and when/how to recommend consulting with a physician," in alignment with the 2019 LACDPH report.[xiv]
- Mirror the City of Los Angeles' requirement of a labor peace agreement for 10 or more applicants.
- Partner with worker-led organizations to offer worker know-your-rights training and OSHA 10/30 safety/health, and to offer equity employers in labor-management training, including at LAC-sponsored incubation and shared spaces.
- Include workers, their organizations, and workforce development agencies in the Cannabis Working Group and Community Voice Subgroup.

Protect Youth, Patients, and Communities

Protect and Invest in Youth

Focus group data make clear that young people were particularly harmed by the first iterations of the war on drugs and remain at-risk by current policies. Since the 1990s, zero tolerance laws and increasing police presence in schools have meant that students who utilize cannabis or are found in possession can be easily suspended, expelled, and/or immediately referred to law enforcement.[lxxxvi] Such encounters are not documented in LAPD data utilized by the City of Los Angeles. School police fall under LASD and are often invisible in the conversation on cannabis licensing policy.

Prop 64's architects took a tremendous step forward in attempting to curb the criminalization of youth by ending the arrest or incarceration of children for cannabis violations. Now, youth under 18 can only receive a non-fine infraction that carries consequences such as 5-20 hours of drug education, counseling, or community service.

LAC is well-positioned to build on existing work for a more restorative and effective model of youth engagement. Thanks in part to the active efforts of youth, Los Angeles Unified School District (LAUSD) has put in place a comprehensive Restorative Justice program that tempered the zero-tolerance ethos by establishing alternatives for suspension in the case of first cannabis possession.[lxxxvii] So too are the current efforts to reimagine juvenile justice fundamental parts of the conversation ahead on cannabis.

Researchers and advocates argue that further steps are needed, as youth ages 18 to 21 can still be charged with infractions and misdemeanors for possession. In 2017, Los Angeles City Council unanimously approved a recommendation to reduce any misdemeanors under California Health and Safety Code Section 11357(a)(2) and (b)(2) to citations without a fine (with only community service and participation in a Youth and Safety program).[lxxxviii] The state has yet to take similar action.

LACDPH analysis suggests an approach rooted in youth development and positive motivational interviewing focusing on schools affected by inequity. Agreement across the board seems to show a need to move from penalization to education for youth to understand the adverse impacts of cannabis in ways that support broader goals like "a sense of support, belonging, mastery, self-efficacy, and independence that will help them succeed in all aspects of life."[lxxxix]

Focus group participants recognized that youth themselves should serve as the starting point to develop a youth platform. Much of the anti-drug curricula were written during the height of the drug war and with unbalanced evidence regarding cannabis. Youth participatory research models are an important tool to help build this curriculum, especially if they center systems-impacted youth. Several participants lifted up the work of community-based organizations that place formerly incarcerated youth in a position to help guide restorative justice.

> We literally support and work with those directly impacted by incarceration, and also young people. We literally work to uplift system-impacted young people. Everyone that works at [our organization] is system-impacted in some way. I work [at this organization] because my dad went to prison, forever. We put our money where our mouth is, so everybody in there is directly impacted by the system. We're all people of color, we all work in South Central. And we practice transformative justice, so we do not allow police or any policing type of systems in our space. We've been running for, I think 22 years, I've been with them for 9 years, and we've still continued that mission. We practice transformative justice, so no criminalizing things. We've just been working with the community so long and doing lots of different things. And I think it would be great to have us join.
>
> ***– a 26-year-old Black female community advocate/cannabis consumer/community member***

Protect and Educate Users

Significant concerns are raised in public health scholarship and by community groups that, in particular, Black and other racialized communities have been targeted by tobacco advertising and can be targeted by cannabis advertising. Zoning regulations and an effort to push out retail operators from wealthier areas over time have also led to the reconcentration of both licensed and unlicensed dispensaries in areas like South and East Los Angeles, mirroring similar past concerns with liquor stores.

Helping ensure patients have proper information and communities understand the benefits and potential health implications of cannabis means responding to these needs and barriers comprehensively. Punitive models that carry policing and fines tend to disproportionately harm low-income and unhoused residents.[xc] Harm reduction and other proactive education models seek to break down stigmas and help people feel comfortable seeking services that protect their health and dignity simultaneously, while informing residents of various methods and monitoring of cannabis consumption to support health. LACDPH and its partner agencies have spearheaded this vast, complex, and growing field in other health equity work, including Overdose Education and Naxalone Distribution.[xci]

Medical and adult-use consumers also face risks, like eviction and job loss, that would worsen health "downstream." Landlords and shelters still have the option to evict people who consume cannabis, and residents who are unhoused lack any public spaces to safely consume or to participate in legal home grows (less than 10 plants).[xcii] This often affects those in public housing, shelters, or single-room occupancies. This means that the most economically precarious residents face worsening health disparities. Curbing landlord and shelter practices that lead to greater economic and housing insecurity are an important step, as is exploring public cannabis consumption spaces, especially for medical patients. To note, New York City was among the first jurisdictions to pass an ordinance to protect public housing residents from eviction due to private use and public space cannabis possession, and a wider state law protecting medical cannabis patients.[xciii]

Engage and Protect Workers

Another important and often misunderstood resource in the health equity aspects are cannabis workers themselves and their role in health education. Many frontline cannabis consultants and retailers shared that the driver behind their work is helping others navigate medical aspects of cannabis. This role was shaped extensively by the development of medical cannabis collectives in the 1980s and 1990s, when queer communities created a care model driven by crowd-sourced medical knowledge and person-to-person relationships.[xciv] Many workers have thoughtfully engaged in a process of helping consumers navigate their medical needs, similar to how a pharmacist would (albeit with even more personalized depth).

Providing certified budtender/cannabis consultant training through community college and/or apprenticeship program workshops may be a critical intervention point, and a way to recognize the crucial role these young workers already play in health equity outcomes. Budtender/cannabis consultant training is especially important if one considers that many of these workers are younger Black, Latina/o/x, Indigenous, and Asian Pacific Islander women (including queer and transgender identified people) who would benefit from the kind of boost this would provide to their working conditions and marketable skills. It would also be vital that such training ensure budtenders/consultants understand that they are not providing medical advice (to protect them and their businesses from lawsuits). These programs can be an opportunity to help budtenders and consultants transition to other medical-related higher education and vocational programs.

Such training can parallel effective promotora health models that have been piloted in Los Angeles. Overall, cannabis health education training can be extended to other community health workers, in partnership with local nonprofits.

Worker safety is still a significant issue of concern, given their exposure to pesticides, high-intensity light, chemical fertilizers, and other toxic products. What would help here is investment in pathways to union protections as well as access to comprehensive, in-person OSHA 10/30 training in alignment with state law.[xcv] Sustainable outdoor cultivation also plays a role in mitigating health concerns for workers. Indoor grows produce substantially more pollutants to maintain their space and use much more technology to simulate the outside year-round atmosphere, whereas outdoor or "sun-grown" are known for more regenerative practices. As one of the only metropolitan counties with agriculturally zoned land, LAC may consider taking advantage to support a more sustainable product. At present, there is no differing risk shown in outdoor grows (even the smell itself is not produced until harvest) and indoor grows have proven a more risky environmental and health venture, including massive greenhouse gas emissions correlated mostly to HVAC systems.[xcvi] However, outdoor operations are also water intensive and can be a source of pesticide runoff in non-organic cultivation.[xcvii] It also merits considering the intersection with environmental justice and the location of more industrial zoned lands in LAC. Across the board, the use of hydroponic, aquaponic, organic, regenerative, and other sustainable indoor/outdoor cultivation techniques are critical to minimizing the environmental harm, and can be incentivized via a merit-based system.

Decriminalize Use & Protect Medical Cannabis Patients

A framework for health equity must include cannabis medical patients in an understanding of both the benefits and risks with cannabis access. Patients and other community stakeholders hold vital insights into how to concretely support safe, steady, and affordable care. Recent research shows that low-income people of color lack consistent medical cannabis access. Specifically, they cannot afford price increases in the licensed market and lack access to trusted primary care. Therefore, they are reluctant to enroll in medical cannabis programs, making them more likely to use alternative therapies, non-prescription medications, and non-regulated cannabis.[xcviii] Home grow programs are meant to help bridge this gap, but access to testing for home grows is challenging, as is education overall on how to best implement this.

The costs of cannabis are of major concern to patients from low-income communities across LAC, including actually accessing programs meant to address inequities in medical access. Responding to patients who pressed the importance of integrating these individuals with the changing commercial market, California revamped its regulation to allow untaxed and discount/free medicine programs via the Compassionate Cannabis Donation Program (SB34) to ensure rising costs do not lock out low-income patients.[xcix] Though the Medical Marijuana ID Program (MMID) offers qualifying tax discounts and access to other services, focus group participants noted that the registration system is challenging to navigate and linked to fear of registering cannabis use with a public agency. LACDPH data from 2019 also show dropping enrollment. Community-rooted and health equity area targeted education, enrollment support on MMID programs, and incentives in merit licensing may boost participation in Compassionate Cannabis Donation.

Moreover, there is an ongoing need to consider larger decriminalization processes that ensure those with medical cannabis conditions are not penalized with tickets, loss of housing or access to housing, unemployment, or other dangerous destabilizing realities. Recently passed laws like AB 2188 that ban testing of workers for cannabis, signal a growing statewide understanding of the contradictions of such punitive policies and the need to protect cannabis patients and consumers to ensure equity.

> “Well, as a 3-time cancer thriver, I’ve relied on cannabis for years for my treatment and my alternative therapies. So, what I would say is that question that I hope I never hear again from the medical industry, ‘how do you know it has health benefits? What is the data? Do you have data? Do you have research?’ If I never hear that or the word ‘protocol.’
>
> ***– a 60-year-old Black male cannabis patient***

Recommendation 15: Protect and Invest in Youth.

- Support a public health equity-oriented approach to cannabis use that is rooted in positive youth development models and addresses "upstream factors." Integrate youth in developing related health programming.
- Include LAC medical cannabis, harm reduction, and youth development experts in a collaborative cross-agency working group for cannabis health and social equity.

Recommendation 16: Protect and Educate Users.

- Develop a budtender health certification program, to be piloted in new equity businesses and gradually implement as a requirement for employees in delivery and dispensary sites. Cover "product potency, dosing, evidence of harms to youth, evidence for specific therapeutic effects and when/how to recommend consulting with a physician" in alignment with the 2019 LACDPH report.[xiv]
- Require cannabis retail sites to post comprehensive, balanced information on cannabis use and cannabis effects, including but not limited to the use of cannabis for medicinal and adult-use purposes, safe consumption, awareness of contraindications or drug interactions, potential risks, mental health awareness, and other key elements to protect public health and consumer safety, and promote reliance upon physicians and LAPDH resources versus informal sources.
- Develop similar community health worker (promotora-style) programs in partnership with community organizations for broader education on cannabis use. Ensure physicians and other healthcare providers have access to cannabis continuing medical education (CME) courses through academic partnerships.

Recommendation 17: Decriminalize use.

- Assess and remove cannabis-related "quality of life" tickets that harm unhoused residents from County administrative codes. Explore local ordinances like the New York City and State measures that prevent evictions based on cannabis private consumption, as well to ban the removal of unhoused people from shelters for possession of cannabis.
- Provide affordable venues for testing home grows, especially for qualified medical patients.
- Set a plan for consumption spaces in future licensing and instruct exploration of this, including publicly managed consumption spaces. In the interim, work with LACDPH to identify and designate space for consumptions for qualified patients.

Recommendation 18: Protect Medical Cannabis Patients

- Include business participation in the Compassionate Cannabis Donation Program (SB 34) to donate products to medical cannabis patients in the merit-based licensing program.
- Expand education and access to LAC Medical Marijuana ID (MMID) program. Consider selecting community-based partners in each Service Planning Area to help medical patients enroll in the MMID and determine participating businesses in the Compassionate Cannabis Donation Program.
- Sponsor community-level conversations regarding cannabis that bridge residents, workers, patients and owner-operators to create understanding, increase trust, expand partnerships in equity priority areas.
- Educate the DCBA Office of Labor Equity on implications of AB 2188, which blocks cannabis workplace testing. Provide educational resources through the DCBA to ensure protections.

Bridge Health & Social Equity in Community Reinvestment

The call to invest cannabis tax funds back into drug-war-affected communities was consistent during the focus groups. This can look like "investing in non-profits that are at the front lines of our [drug-war impacted] communities," as well as into public workforce, education, and health institutions. This also includes investment in the kinds of grants, loans, and assistance programs for operators detailed in prior sections. Fortunately, the County has already engaged in building a community-driven investment process through Care First Community Investment Spending Plan (born from Measure J), in which cannabis tax funds can be directed in a way that addresses questions of community disinvestment from the war on drugs.

Together, this framework of reinvestment links health and social equity approaches, benefiting communities harmed by a drug war approach and supporting "upstream" solutions for health equity. Participants also strongly underscored how investment of tax money should not go to further perpetuating the same policing practices that caused harm in the first place. Taking guidance from and linking the Cannabis Working Group (and Community Voice Subgroup) to the Care First and Community Investment Advisory Committee would be a simplified but robust way to engage directly and support the County's already existing work in the direction of repairing the harms of the drug war.

A California youth-led network provided an analysis of current efforts for reinvestment, highlighting existing programs (updated here with information from outside California):

- Santa Ana has set aside a "public benefit fund" in which "revenue from cannabis sales in town would be allocated to libraries, park improvements, and youth services." In 2021, $9.6 million went towards these, including Wi-Fi hotspots for youth, library investment, and a parks program.[c]
- Santa Cruz County invests 20% in early childcare, afterschool programs, and scholarships. This includes the Thrive by Three program, which dramatically strengthens the early childcare program for low-income individuals and their families. It also supports nurses to visit first-time mothers early in their pregnancies and for 2 years after birth. The program started as a 12.5% investment and voters increased the amount to 20% in 2021 when it became a permanent part of the City Charter.[ci]
- Monterey County has invested cannabis taxes in early childhood education and intervention programs, a homeless shelter, and a pilot Whole Person Care program that provides comprehensive case management services to those who are experiencing homelessness or have mental illness, substance use disorders, or multiple chronic diseases.
- Humboldt County uses $400,000 in cannabis revenue per year to fund the Adverse Childhood Experiences (ACEs) Collaborative Partnership, which seeks to address the impact of the intergenerational trauma inflicted by the War on Drugs and deep poverty in the Emerald Triangle region. It provides early childhood mental health supports, training for early childhood educators on social-emotional needs of children, and training for foster parents of children who have experienced trauma.
- Chicago suburb Evanston has funded a historic local reparations program via cannabis revenue, supporting housing ownership for Black communities.

Overall, community investment should be a central pillar in LAC's approach, recognizing the challenges and contradictions in operating in a system that has perpetuated exclusions, while mobilizing public power to create genuine access and inclusion. A 73-year-old two-spirit Native and Black woman provided the following summation of an equity-rooted reinvestment strategy and cannabis tax use:

"How do you take a social equity approach to addressing disparities, addressing criminalization, addressing all of the traumas associated with criminalization of cannabis and you try to create it within a system and a structure that is designed to impede based upon race and gender? …the question has to be asked, are we going to do the same thing, expecting different results? Are we going to spend our time doing all of the assessment and all of the work and jumping through the hoops and filling out all the documents only to end up where we are right now? Because we're trying to fit a round hole into a square peg and it won't work. So, that will require us to become more civic-minded — civic engagement, working together to dismantle the structure in order to create a social equity platform."

Recommendation 19: Reinvest for Equity.

- With the passage of Measure C (2022) authorizing a cannabis business tax, ensure all cannabis tax revenues go to: 1.) administrative operations of OCM and related LAC programs supporting cannabis social and health equity; and 2.) a comprehensive health and social equity community reinvestment program.
- Direct part of cannabis tax revenues to OCM social and health equity programs, including grants and loans for cannabis license applicants.
- Create an unincorporated LAC community reinvestment stream to support programming at the county that directly addresses the harms of the drug war, prioritizing the Care First Community Investment Spending Plan (Reimagine LA/Measure J). This Investment plan already includes community engagement with those who suffered through disinvestment during the drug war years. The Community Voice Subgroup can liasion with the Care First and Community Investment Advisory Committee to help link processes.
- Develop a mechanism to allow cannabis businesses to invest in a community reinvestment funding stream-much like Community Reinvestment Act credits for financial institutions– as part of merit-based license application and as part of the relicensing process. Link future tax incentives to investment of profits in this funding stream.

Conclusion: A Potential Program Workflow



Launch Social Equity Licensing Applicant Registration

- Hold community workshops to guide registration for licensing, detailing merit-based processes.
- Launch social equity investor registration/public database.
- Conduct further legacy market outreach to invite applicant registration and help transition workers.
- Recruit youth to engage in health promotion; select Service Planning Area-level (SPA) Medical Mariuajana ID (MMID) liaison organizations.
- Coordinate with the District Attorney and Public Defender to outreach to unhoused and other vulnerable populations regarding expungement services.
- Begin exploring with Board of Supervisors new phases of licensing, including consumption lounges, outdoor grows, and Type S shared-use manufacturing facilities.

Social Equity Licensing Roll-Out

- Process final social equity applications and conduct inspections on site, linking to support resources as needed.
- Launch apprenticeship courses in partnership with community college, union, and community-based organization programs.
- Rollout of cannabis health-equity programming, including budtender/cannabis consultant certification.
- Continue legacy market outreach to support workers, businesses in transition.
- Launch youth development-centered education programs in target equity schools/communities.

Building Collaboration & Consenus

- Develop cross-agency Cannabis Working Group with Community Voice subgroup.
- Explore shared incubator and public vacant land availability.
- Develop materials for "Education First" legacy market outreach, including storytelling & education project.
- Develop merit-based cannabis social responsibility criteria for application processes and with public transparency.
- Apply for state funding for grants program & training/technical assistance programs.

Applicant Support, Resourcing and License Preparation

- Select applicants based on registration & transparent merit processes. Post applicant cannabis social responsibility commitments.
- Launch Social Equity Cohort Training Program for all selected applicants and one-stop support.
- Engage qualified applicants in multi-week technical assistance and community building to support application completion, and include investor meet-and-greets and initial startup grants/loans.
- Support participants in identifying rental properties, including offering access to shared space as possible.

Market Advancement

- Integrate cannabis social responsibility merit processes into re-permitting process and new licensing.
- Support worker continuing education on health, safety, and other programs.
- Advance opportunities for consumption lounges, outdoor grows, Type S shared-use manufacturing, and other licenses
- Launch community reinvestment funding via tax revenue, in coordination with Care First Community Investment processes.

APPENDIX 1:

Brief Analysis and Literature Review of Incarceration Approach Impacts

Impacts of the current incarceration approach include:

- Reduced high school completion and **lowered access to post-secondary educational opportunities** in affected communities for those incarcerated and their families.[cii]
- Exacerbation of **racialized disparities in health** through incarceration, including heightened rates of HIV/AIDS and untreated mental illness.[ciii]
- **Increased exposure to risk of deportation** among vulnerable migrant populations, through imprisonment, and the risk of associated social dislocation and dispossession.[civ]
- **Reduced job opportunities** through both direct (i.e., background checks that occur before hiring, even though employers are banned from directly[cv] asking about arrest history on applications) and indirect discrimination against formerly incarcerated peoples.[cvi]
- **Drastically low opportunities for capital access** and small business ownership for wealth creation.[cvii]
- Increased **wage disparities and lessened mobility** opportunities in vulnerable communities. [cviii]
- **Reduced tax base for vulnerable** communities due to joblessness, lack of wealth-creation, lack of home ownership.
- **Expropriation of assets and capital** from vulnerable communities through drug raids and other war on drugs policing tactics, including in continued post-2016 enforcement.[cix]
- Inflation of drug prices through illegalization, creating **market distortions** and making access to medical cannabis more expensive for vulnerable patients.[cx]
- **Production of massive debt,** with $50 million dollars in criminal justice debt nationally, and the average post-incarceration debt amounting to $13,000 and consuming on average 60% of a person's income.[cxi]
- Continued **disenfranchisement of people of color from the electoral process** (though California now allows those in county, not state, jails to vote).
- Increased **distrust of the policing and political system** and frustration with existing arrangements, making political reintegration challenging.[cxii]

APPENDIX 2:

Focus Group Survey

Focus group survey questions exclude display, skip, and other survey logic.

- Q1 Do you consent to taking this survey? [Yes, No]
- Q2 What is your gender identity? [Man (cisgender), Woman (cisgender), Trans man, Trans woman, Nonbinary/nonconforming, Two-spirit, Intersex, Other (please specify), Prefer not to respond]
- Q3 What was your biological sex at birth? [Male, Female, Intersex, Prefer not to respond]
- Q4 What is your sexual orientation? [Straight/Heterosexual, Gay, Bisexual, Asexual, Queer, Other (please specify), Don't know/Not sure, Prefer not to respond]
- Q5 Do you identify as Hispanic or Latina/o/x? [No, not of Hispanic, Latina/o/x, or Spanish origin; Yes, Mexican, Mexican-American, Chicano; Yes, Puerto Rican; Yes, Cuban; Yes, of another Latina/o/x, origin (please specify - for example, Salvadoran, Guatemalan, Nicaraguan, Peruvian, Honduran, etc.), Prefer not to respond]
- Q6 What is your racial identity? (Select all that apply.) [American Indian, Indigenous or Alaska Native, Asian, Black or African American, Native Hawaiian or other Pacific Islander, White, Middle Eastern or North African, Some other race (please specify), Prefer not to respond]
- Q7 What is your tribal affiliation or indigenous group affiliation? (Select all that apply.) [Cahuilla (Ivilyuqaletem) Tribe, Hopi Tribe, Hupa Tribe, Mohave Tribe, Washoe Tribe, Yurok Tribe, Mayan, Mixteco, Zapotec, Other (please specify)]
- Q8 What are your Asian origins or ethnic identities? (Select all that apply.) [Chinese, Filipino/Pilipino, Indian, Japanese, Korean, Pakistani, Thai, Vietnamese, Other (please specify)]
- Q9 What are your Native Hawaiian or Pacific Islander origins or ethnic identities? (Select all that apply. [Hawaiian, Guamanian (Chamorro), Samoan, Other (please specify)]
- Q10 What are your Black and/or African American origins or ethnic identities? (Select all that apply.) [Beninese, Bissau-Guinean, Ethiopian, Eritrean, Gambian, Ghanaian, Haitian, Jamaican, Malian, Nigerian, Senegalese, Other (please specify), I don't know]
- Q11 What are your White, Middle Eastern or North African origins or ethnic identities? (Select all that apply.) [European, Middle Eastern (includes Armenian), North African, Other (please specify)]
- Q12 What are your countries of origin in Europe? (Select all that apply.) [England, France, Germany, Ireland, Italy, Russia, Spain, Other (please specify)]
- Q13 What are your Middle East country of origins? (Select all that apply.) [Armenian diaspora, Egypt, Iran, Israel, Lebanon, Palestine, Saudi Arabia, Syria, Turkey, Other (please specify)]
- Q14 What are your countries of origin in North Africa? (Select all that apply.) [Algeria, Egypt, Morocco, Libya, Other (please specify)]
- Q15 What was your income before taxes in calendar year 2021? [$0 to $10,000, $10,001

to $20,000, $20,001 to $30,000, $30,001 to $40,000, $40,001 to $50,000, $50,001 to $60,000, $60,001 to $70,000, $70,001 to $80,000, $80,001 to $90,000, $90,001 to $100,000, $100,001 to $250,000, $250,001 to $500,000, $500,001 or more, Prefer not to respond]

- Q16 Have you been a resident of Los Angeles County for at least 5 years? [Yes, No, Prefer not to respond]
- Q17 Have you been ever been incarcerated? [Yes, No, Prefer not to respond]
- Q18 Do you have a prior cannabis arrest or conviction? [Yes, No, Prefer not to respond]
- Q19 Have you had a family member or close relative incarcerated? [Yes, No, Prefer not to respond]
- Q20 Are you a former foster youth? [Yes, No, Prefer not to respond]
- Q21 Are you a veteran of the armed forces? [Yes, No, Prefer not to respond]
- Q22 Are you a person living with a disability? [Yes, No, Prefer not to respond]
- Q23 What is your age? [Select Age]
- Q24 What is the highest level of education you received? [Some High School, High School Diploma/GED, Associates Degree, Bachelor's Degree, Masters or professional (e.g., Law Degree), Doctorate]
- Q25 Are you a fluent English speaker? [Yes, No, Prefer not to respond]
- Q26 Are there other parts of your identity that you would like to share? [Open-Ended Survey Response]
- Q27 Do you self-identify as any of the following? [Existing or Prospective Cannabis Business Operator, Other Business Owner, Cannabis Worker, Community Advocate, Cannabis Medical Patient, Cannabis Consumer, Accredited Investor (if not accredited access to excess of $1 million more to invest in cannabis businesses), Cannabis Attorney (e.g., admitted to Bar of State of California), Community Member, Healthcare Worker Related to Cannabis, Other, None of the Above]
- Q28 When was your first cannabis business formed? [Month/Year. Please write N/A if not yet formed.]
- Q29 What kind of cannabis business do you operate or intend to operate? [Cultivation, Manufacturing, Testing, Dispensary, Delivery only, Distribution, Event Organizer, Consumption Lounge, Not Applicable]
- Q30 Do you have a cannabis business license in California? [Open-Ended Survey Response]
- Q31 What year did you start working in the cannabis industry? [Open-Ended Survey Response]
- Q32 What kind of cannabis business do you work in? (Select all that apply) [Cultivation, Manufacturing, Testing, Dispensary, Delivery only, Distribution, Event Organizer, Consumption Lounge, Not Applicable]
- Q33 Which issue areas are you involved in? [Cannabis equity, Drug war reparations, Abolition/criminal justice reform, Small business access/equity, Health equity, Immigrant rights, Racial justice, Gender or LGBTQ justice, Environmental justice, Other]
- Q34 Do you have or intend to have any financial, legal, consulting, advocacy, health or any

APPENDIX 3:

Focus Group Discussion Methodology

Focus Group Process:

The research protocol was performed in accordance with the Declaration of Helsinki and using a Determination of Research with Human Subjects assessment process, the Ethical & Independent Review Services determined the project was not considered "research" and formal Institutional Review Board review was not required. All focus group participants provided written informed consent prior to participation and recording. Using a community-partnered and community-informed semi-structured guide developed for this study, facilitators asked open-ended questions and led interactive exercises using Jamboard and PollEverywhere to elicit discussion about:

- Definitions of health, social, and racial equity in cannabis;
- Their vision of cannabis social equity;
- The process for creating a social equity licensing program in unincorporated LAC;
- Challenges of past approaches to cannabis equity; and
- Equity models.

To obtain a working framework on health, social, and racial equity, participants were asked to brainstorm and create a word cloud on PollEverywhere responding to the following prompt: "Let's start with the why. What does social equity mean to you, when it comes to cannabis? What does health equity mean to you, when it comes to cannabis?"

In the discussion of their vision for cannabis social equity in unincorporated Los Angeles County, participants were asked: "What does success look like when it comes to cannabis health and social equity in Los Angeles County, 5 years down the road?"

In discussing how to create a social equity program from "scratch, without rules and no base," participants were split into two groups and utilized Jamboard to create digital sticky notes to think through equitable business development, workforce development and worker equity, and finally health equity and reinvestment. Finally, in addressing equity challenges, participants in the complete group were asked to describe the barriers, pitfalls, and traps associated with social equity programming. They were asked: "What do you think is the biggest misconception

[i] Sensitive use requirements can be found in California Business and Professional Code S. 26054 (2021).

[ii] With antiracist intention and attention to language, we respectfully utilize the plant's scientific word "cannabis" in place of "marijuana," a word with a racist history, where appropriate.

[iii] Updated Framework and Recommendations for Regulating Commercial Cannabis in Unincorporated Los Angeles County (December 20, 2021), submitted to Board of Supervisors.

[iv] Research at the national level shows the effects of arrest are deep and do not stop at prison doors. Disparities in arrest and incarceration can reverberate through communities. Research on this is noted in depth in Appendix 1.

[v] Oliver-Ray, Lexis (2020). Blacks and Latinos Still Account for Over 75% of Cannabis Arrests in Los Angeles. LA Taco. November 11. See also: Drug Policy Alliance (2016). It's Not Legal Yet: Nearly 500,000 Californians Arrested for Marijuana in the Last Decade. San Francisco: DPA.

[vi] Oliver-Ray, Lexis (2020).

[vii] Data from publicly-available LASD Cannabis Incident Data, 2005-2021.

[viii] Data from publicly-available LASD Cannabis Incident Data, 2005-2021.

[ix] Following participants in the industry, in this report, we use "legacy" to signify the long- standing presence of this market and its role in shaping the medical, cultivation, and other practices upon which the industry relies.

[x] County of Los Angeles Anti-Racism, Diversity and Inclusion (ARD) Initiative (2021). Los Angeles County Equity Strategic Plan. LA: LAC ARD.

[xi] De La Cruz, Viesca, et al. (2016). The Color of Wealth in Los Angeles. SF: The Federal Reserve in San Francisco.

[xii] Neighborhood Data for Social Change (2017). Bank Deserts: Nearly One in Five L.A. County Neighborhoods Lack Bank or Credit Union. KCET. November 27.

[xiii] Our County LA (2018). Public Health and Wellbeing Briefing. LA: OurCountyLa.org

[xiv] Nicholas, Will, Greenwell, L., et al. (2019). Health Equity Implications of Retail Cannabis Regulation In LA County. LA: Los Angeles County Department of Public Health, Center for Health Impact Evaluation.

[xv] LA Board of Supervisors Motion, February 15, 2022. Implementing an Equitable Commercial Cannabis Regulatory Framework. (Proposed by Supervisors Solis and Mitchell).

[xvi] We define legacy actors as dispensaries, cultivators and other cannabis businesses who have operated since before 2016, which include cooperatives and other retail/delivery actors that operated during the medical cannabis era, and have historically provided for local medical patients and other community members.

[xvii] For example, see Ormseth, Matthew (2022). Killings, robberies, extortion. California can't stop its booming illegal cannabis stores. Los Angeles Times. September 13.

[xviii] Sanchez-Lopez, Alejandro, Robert Chlala, Pamela Stephens and Manuel Pastor (2017). Freeing Our Futures: How Data Can Inform New Economic Strategies for Boys and Men of Color. Los Angeles: RISE Network.

[xix] For examples, see Beverly-Vermont Community Land Trust; Inclusive Action for the City; and Public Bank LA.

[xx] To note, this research has been conducted in Los Angeles County and focused on the best mechanisms to actualize the equitable intent behind recent policies. See: Carter, Vanessa, Manuel Pastor and Madeline Wander (2018). Measures Matter: Ensuring Equitable Implementation of Los Angeles County Measures M & A. LA: USC PERE.

[xxi] Data derived from LA County Equity Indicators Tools, available via the LA Department of Regional Planning site.

[xxii] Braveman, Paula & Gottlieb, Laura (2014). The social determinants of health: it's time to consider the causes of the causes. Public health reports, 129(1_suppl2), 19-31; Williams, David R., Costa, M. V., Odunlami, A. O., & Mohammed, S. A. (2008). Moving upstream: how interventions that address the social determinants of health can improve health and reduce disparities. Journal of public health management and practice, 14(6), S8-S17.

[xxiii] Woolf, Steven H. (2017). Progress in achieving health equity requires attention to root causes. Health Affairs, 36(6), 984-991.

[xxiv] Our County LA, 2018; Corburn, J., Curl, S., Arredondo, G., & Malagon, J. (2014). Health in all urban policy: city services through the prism of health. Journal of urban health, 91(4), 623-636. Marmot, M., Friel, S., Bell, R., Houweling, T. A., Taylor, S., & Commission on Social Determinants of Health. (2008). Closing the gap in a generation: health equity through action on the social determinants of health. The lancet, 372(9650), 1661-1669. And Shah, G. H., Shankar, P., Schwind, J. S., & Sittaramane, V. (2020). The detrimental impact of the COVID-19 crisis on health equity and social determinants of health. Journal of Public Health Management and Practice, 26(4), 317-319.

[xxv] This aligns with best practice research in LA County on equity. See: Carter, Vanessa et al (2018).

[xxvi] This includes research on equitable "just growth" spearheaded by researchers Manuel Pastor and Chris Benner, and affirmed by sources like the Federal Reserve Bank of Cleveland, and the need for "diverse and dynamic epistemic communities," which are key to addressing inequality and spurring growth. For more, see: Benner, C., & Pastor, M. (2013). Just growth: Inclusion and prosperity in America's metropolitan regions. Routledge; Randall Eberts, George Erickcek, and Jack Kleinhenz (2006). Dashboard Indicators for the Northeast Ohio Economy: Prepared for the Fund for Our Economic

Future. Cleveland, OH: Federal Reserve Bank of Cleveland; and Benner, C., & Pastor, M. (2015). Equity, growth, and community: What the nation can learn from America's metro areas. Oakland, CA: University of California Press.

[xxvii] Carter, Vanessa et al (2018).

[xxviii] Carter, Vanessa et al (2018).

[xxix] WG Report: hubs.ly/Q014Zk8K0

[xxix] The Working Group Coalition (2021).

[xxx] For more, see: County of Mendocino, Cannabis Equity Grant (Program Site).

[xxxi] The Working Group Coalition (2021).

[xxxii] Urban Displacement Project: Los Angeles Gentrification And Displacement. Updated 2021.

[xxxiii] For more, see: National Equity Atlas: Poverty Indicators (Los Angeles County). Updated IPUMS Data 2020.

[xxxiv] The Working Group Coalition (2021).

[xxxv] Data derived from LA County Equity Indicators Tools, available via the LA Department of Regional Planning site.

[xxxvi] Lekhtman, Alexander (2019). California Poised to Crack Down Harder on Illicit Medical Cannabis Market. Filter Magazine; Chlala, Robert with Cornejo, J., Cross, B., Lovell, K., and Vine, A. (2019). Repairing the Harms, Creating the Future: Creating Cannabis Social & Health Equity in Los Angeles. LA: UFCW 770.

[xxxvii] Most reporting on unregulated markets interchangeably fails to distinguish between local gangs and cartels, and widely uses the presence of guns as evidence of organized crime. See Ormseth, Matthew (2022).

[xxviii] For broader research on California's unregulated markets, see: Bodwitch, Hekia., Polson, M., Biber, E., Hickey, G. M., and Butsic, V. (2021). Why comply? Farmer motivations and barriers in cannabis agriculture. Journal of Rural Studies, 86, 155-170; Polson, M., and Petersen- Rockney, M. (2019). Cannabis farmers or criminals? Enforcement-first approaches fuel disparity and hinder regulation. California Agriculture, 73(3).

This also includes extensive peer-reviewed interviews and ethnographic research by the authors in LA County.

[xxxix] Chlala, Robert et al. (2019).

[xl] Oliver-Ray, Lexis (2020).

[xli] Data from publicly-available LASD Cannabis Incident Data, 2005-2021.

[xlii] Ormseth, Matthew (2022).

[xliii] This assessment is based on stakeholder focus group comments and prior interview-based research.

[xliv] Rodd, Scott (2022). Sacramento revamps cannabis enforcement system after facing dozens of lawsuits, racism allegations. CapRadio. October 3

[xlv] Yakowicz, Will (2021). Los Angeles County District Attorney To Expunge 60,000 Cannabis Convictions. Forbes. September 28.

[xlvi] California Cannabis Industry Association (CCIA) Diversity, Inclusion and Social Equity (DISE) Committee (2021). California Cannabis Equity Accountability Report. Sacramento: CCIA; Littlejohn, Amber and Eliana Green (2022). MCBA National Cannabis Equity Report 2022. Washington DC: Minority Cannabis Business Association and The Arcview Group; The Working Group Coalition (2021).

[xlvii] Littlejohn, Amber and Eliana Green (2022).

[xlviii] California Department of Cannabis Control, Equity Fee Waivers (Program Site).

[xlix] California Department of Cannabis Control, Application and License Fees (Program Site).

[l] The Working Group Coalition (2021).

[li] The Working Group Coalition (2021).

[lii] Littlejohn, Amber and Eliana Green (2022).

[liii] For examples, see: Krupnick, Matthew (2021). 'A farce of social equity': California is failing its Black cannabis businesses. The Guardian UK. November 4; Orenstein, D. G. (2020). Preventing Industry Abuse of Cannabis Equity Programs. Southern Illinois University Law Journal. 45-69; Phillips, Erica (2022). Can marijuana bring about social equity? In Massachusetts, a case study. CT Mirror. July 3.

[liv] For examples, see: City of Los Angeles, Department of Cannabis Regulation (n.d.). Social Equity Program Entity Eligibility Verification Procedure Memo.

[lv] CCIA DISE Committee (2021).

[lvi] For more, see: Los Angeles Coop Lab.

[lvii] Nash, Meg (2022). Rhode Island Legalizes Cannabis: Key Provisions of the 'Rhode Island Cannabis Act.' JD Supra.

[lviii] ReLeaf Malta and Moviment Graffitti (2022). A Social Equity Approach for Cooperative and Environmentally Sustainable Practices within Maltese Cannabis Associations. Valletta, Malta: Releaf.

[lix] Bodwitch, Hekia, Polson, M., Biber, E., Hickey, G. M., and Butsic, V. (2021). Why comply? Farmer motivations and barriers in cannabis agriculture. Journal of Rural Studies, 86, 155-170.

[lx] Goldstein, Robin and Sumner, Daniel. (2022). Can Legal Weed Win?: The Blunt Realities of Cannabis Economics. Berkeley: Univ of California Press; The Working Group Coalition (2021).

[lxi] See Polson, Michael. (2013). Land and law in Marijuana Country: clean capital, dirty money, and the drug war's rentier nexus. PoLAR: Political and Legal Anthropology Review, 36(2), 215-230. Los Angeles County research on "landlord tax" was also conducted by the author and cited in numerous interviews with medical-era operators. More also in Goldstein and Sumner (2022).

[lxii] CCIA DISE Committee (2021); The Working Group Coalition (2021).

[lxiii] For more, see: Assad, Anna (2018). California Laws Regarding Tenants in a Commercial Building. SF Gate.

[lxiv] Raja, Samina, Picard, D., Baek, S., and Delgado, C. (2014). Rustbelt radicalism: A decade of food systems planning practice in Buffalo, New York. Journal of Agriculture, Food Systems, and Community Development, 4(4), 173-189.

[lxv] Sensitive use requirements can be found in California Business and Professional Code S. 26054 (2021).

[lxvi] Carter, Vanessa et al (2018).

[lxvii] Nielsen, William, et al. (2021). Supernova Women Cannabis Social Equity Programs: Impact Analysis and Social Return on Investment. Minneapolis, MN: Ecotone.

[lxviii] Nielsen, William, et al. (2021).

[lxix] Orenstein, Daniel (2020).

[lxx] Chlala, Robert et al. (2019).

[lxxi] Nielsen, William, et al. (2021); The Working Group Coalition (2021).

[lxxii] Smith, Jeff (2022). Small-scale cannabis social equity success stories emerge amid stumbles among big programs. MJBiz Daily.

[lxxiii] LA Cleantech Incubator.

[lxxiv] For more, see: Inclusive Action for the City.

[lxxv] For a review of these grant programs, see CCIA DISE Committee (2021).

[lxxvi] For more, see US Small Business Administration, 7a Loans and Microloans (Program Sites).

[lxxvii] Carbajal, Felicia, Haywood, K., and Chlala, R. (2022). Cannabis Corporate Social Responsibility: Engaging the Industry's Mandate with Equity. LA: The Social Impact Center; Nielsen, William, et al. (2021);

[lxxviii] CCIA DISE Committee (2021); SF Office of the Mayor (2022). City Awarded $4.5 Million to Support Equity Program and Further Support Cannabis Business Owners. City of San Francisco.

[lxxix] For more, see: LA Regional COVID Fund (Program Site).

[lxxx] City of Long Beach (n.d.). Cannabis Equity Employment Registry Guide.

[lxxxi] For more see: LA Department of Public Works. Local & Targeted Worker Hiring Program (Program Site).

[lxxxii] Otañez, Marty and Grewal, J. (2021). Health and safety in the legal cannabis industry before and during COVID-19. New Solutions: A Journal of Environmental and Occupational Health Policy, 30(4), 311-323;

[lxxxiii] Fox, Hayley (2019). Unionizing Weed Workers Are Reigniting the Labor Movement. Vice News; Sainato, Michael (2022). Booming US cannabis industry seen as fertile ground for union expansion. The Guardian.

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[lxxxv] Chlala, Robert. (2020). Misfit medicine and queer geographies: The diverse economy and politics of cannabis in carceral Los Angeles. Environment and Planning C: Politics and Space, 38(7-8), 1180-1197.

[lxxxvi] Aull IV, Elbert. (2012). Zero tolerance, frivolous juvenile court referrals, and the school-to- prison pipeline: Using arbitration as a screening-out method to help plug the pipeline. Ohio St. J. on Disp. Resol., 27, 179. and Nguyen, Holly, and Reuter, Peter. (2012). How risky is marijuana possession? Considering the role of age, race, and gender. Crime & Delinquency, 58(6), 879- 910.

[lxxxvii] For the listing of alternative approaches employed by LAUSD, see LAUSD (n.d.). Guide to Tier II and Tier III Intervention Supports and Alternatives to Suspension.

[lxxxviii] For both resolutions passed in Nov. 2017, see City of Los Angeles, Council File 17-0002- S107 and Council File 17-0002-S106.

[lxxxix] For more, see Nicholas, Will et al. (2019).

[xc] For more, see: City of Pasadena, Code of Ordinances 8.78.051.

[xci] For more, see: LA County Department of Health Services, Harm Reduction and Community- Based Diversion (Program Site); Meth Free LA County (n.d.), Harms, Risks and Accidental Overdoses.

[xcii] Chlala, Robert et al. (2019).

[xciii] See NY City Council (2022). NYCHA to add unlawful possession of marijuana and criminal possession of marijuana in the 4th & 5th degrees to its list of "overlooked offenses. and Jaeger, Kyle (2020). New York Senate Approves Bill Protecting Medical Marijuana Patients From Eviction. Marijuana Moment.

[xciv] Chlala, Robert (2020).

[xcv] For the latest report on the presence of toxins in non-regulated shops, see Grover, Joel and Corral, Amy (2019). Poisonous Pot Found in Some Los Angeles-Area Stores. NBC News. Many of these shops serve in communities of color, and workers are subjected to handling these products.

[xcvi] Summers, Hailey, Sproul, E., and Quinn, J. C. (2021). The greenhouse gas emissions of indoor cannabis production in the United States. Nature Sustainability, 4(7), 644-650. Other issues have also arisen with regulation, not the least of which is the massive amounts of plastic and glass packaging required to comply with state laws, an especially troubling concern for front-line communities like those in East LA near incinerators and on the pathways of freeways and manufacturing. The County should also consider how to incentivize producers that utilize sustainable packaging or support reuse and recycling methods.

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[xcviii] Valencia, Celina I., Asaolu, I. O., Ehiri, J. E., and Rosales, C. (2017). Structural barriers in access to medical marijuana in the USA—a systematic review protocol. Systematic reviews, 6(1), 1-8.

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[ci] CBS News Bay Area (2021). Measure Increasing Santa Cruz Cannabis Tax Payments to Children's Fund. CBS Bay Area. For the complete analysis of community reinvestment programs in California as of 2020, see Youth Forward & Getting it Right from the Start (2020). California Cannabis Tax Revenues: A Windfall for Law Enforcement or an Opportunity for Healing Communities. Sacramento: Public Health Institute.

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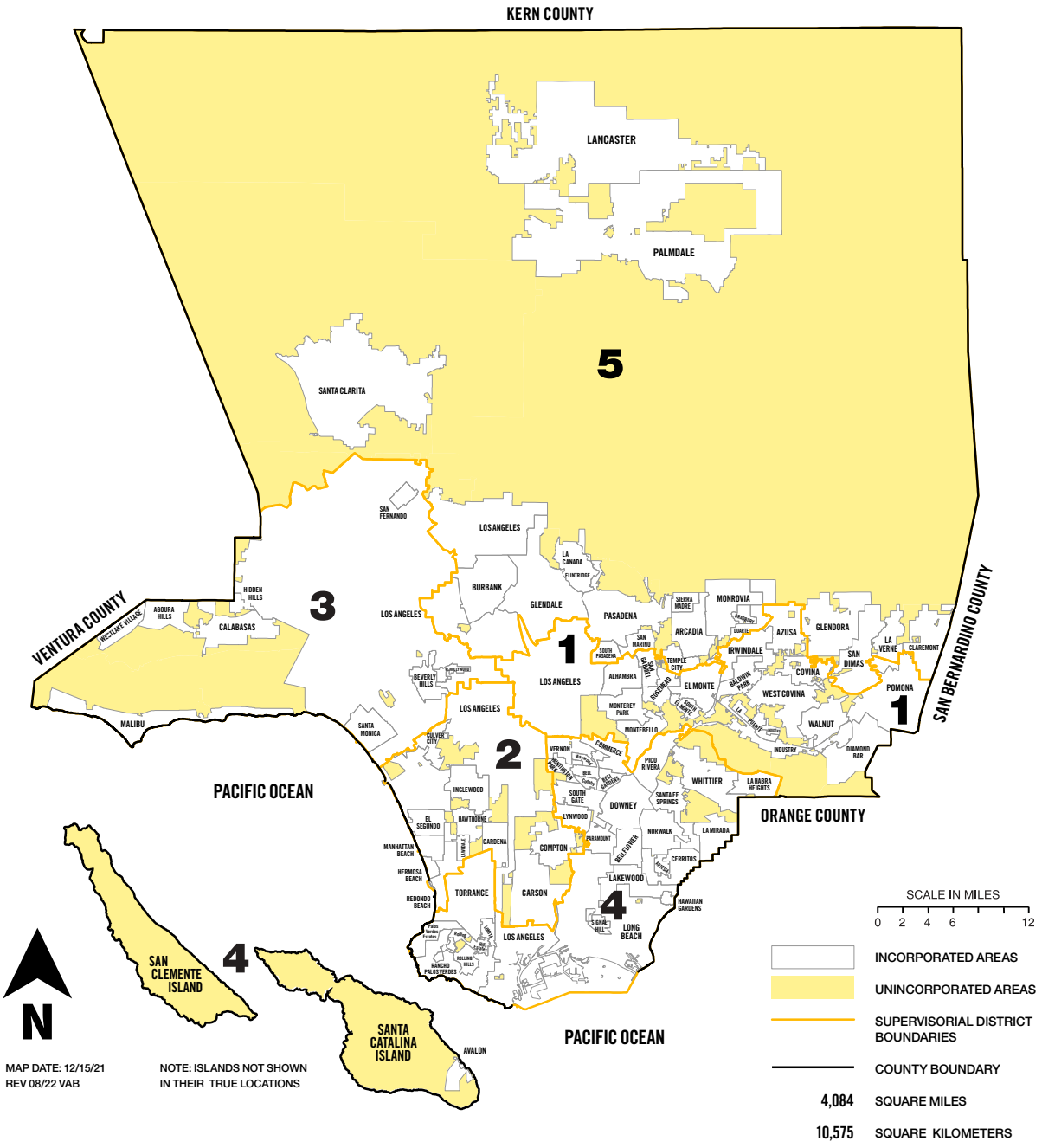
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MAP DATE: 12/15/21
REV 08/22 VAB

NOTE: ISLANDS NOT SHOWN IN THEIR TRUE LOCATIONS