

STATE OF CONNECTICUT | SOCIAL EQUITY COUNCIL POLICY COMMITTEE
MEETING (DRAFT)

December 5, 2023, Meeting 10 A.M.

In-Person Meeting

1. Call to order and welcome 10:04AM

Meeting was called to order by Chair Robertson. He welcomed CTN public, Council members, state agencies, licensees, and applicants. He declared that they work to support the communities impacted by the War on Drugs was continuing. He called attendance.

2. Attendance

Council Members Present:

Corrie Betts
Andréa Comer
Avery Gaddis
Andrea Hawkins
Michael Jefferson
Paul O. Robertson
Edwin Shirley
Kelli-Marie Vallieres
Kevin Walton

Council members absent:

Subira Gordon
Melvin Medina
Ojala Naeem
Marc Pelka
Shirley Skyers-Thomas

3. Approval of November 8, 2023, SEC meeting minutes

Chair Robertson asked for a motion to approve the minutes.

Motion – by Michael Jefferson
Second – by Kellie-Marie Vallieres
In Favor – All
Opposed – None
Abstention – None
Motion passed.

4. Executive Session

a. Discussion on Pending Litigation Involving the SEC

Motion – by Michael Jefferson
Second – by Corrie Betts
In favor – All
Motion passed.

Chair Robertson announced to the public that the Council would return shortly and thanked them for their patience. Chair Robertson took attendance upon returning from executive session.

Council Members Present:

Corrie Betts
Andréa Comer
Avery Gaddis
Andrea Hawkins
Michael Jefferson
Paul O. Robertson
Edwin Shirley
Kelli-Marie Vallieres
Kevin Walton

Council members absent:

Subira Gordon
Melvin Medina
Ojala Naeem
Marc Pelka
Shirley Skyers-Thomas

5. Vote on Social Equity Applications recommended for Denial

a. AMHF.0008271

Chair Roberson asked for a motion to move for CohnReznick's recommendation for denial of Application AMHF.0008271.

Motion – by Michael Jefferson
Second – by
In favor – All
Opposed – None
Motion passed.

6. Executive Director's Report and Recommendation/s

Executive Director Ginne-Rae Clay noted that before Council was a format for reporting to Council out to you the year end in review. She discussed what was contained in the report. She highlighted Page 4 and noted there were 8 staff, and that there should be a posting for a legal director position by mid next week. There were 14 Council members and 1 vacant seat, which they were working to fill. Over the past summer months, \$6M had been put in the community, which resulted in the receipt of multiple applications, and all money had been awarded. Press releases and announcements had gone out and folks were notified, so the work of reinvestment had officially begun. There had been a series of 13 community conversations and a survey, and she detailed how many had taken the survey and attended the community conversations and the number of joint venture applications reviewed by CohnReznick. An RFP had been issued, and another round of community conversations was planned for early January. Twelve companies had graduated from the Accelerator Program, and 32 had participated. CohnReznick had reviewed 37 Workforce Development Plans. They were also reviewing and approving Social Equity Plans. They had received 13 applications for the Canna-Business Revolving Loan Fund, and it had been opened to all Social Equity applicants on December 1, and 10 applications had been received since December 1. They were planning for the next lottery that was anticipated from the Department of Consumer Protection. They were working on a plan to educate the community on the process. Upon finalizing the programs, they would be presented to Council for review. They were beginning efforts to establish Workforce Development Training programs, which they anticipated would start in January, and information would be provided to Council at the next meeting. She detailed financials for 2023, including the budget, expenditures, revenues, and the bond authorization. They would return to the Bond Commission and request another \$20M for the Canna-Business Revolving Loan Fund. Adult-use cannabis sales as of October 31, 2023, was \$112.1M. She stated that her department could be contacted through the general mailbox on the website, which had been redesigned. They were also on social media. Almost all activities were posted on the YouTube channel. In the report, she had also included pictures of activities that had been done over the year and materials that were being distributed to the public.

Councilman Walton asked what the next steps would be for those who graduated from the Accelerator Program and what happened to those who did not graduate. Executive Director Clay believed the next step would be applying for funding. She noted that the education came with additional counseling/coaching. She outlined the comprehensiveness of the program. As for those who did not graduate, she stated that the program was self-paced, and some opted to take it slower. They had learned in the first accelerator that they wanted to break it out a little more as it was a heavy lift for some applicants, and the program would be slightly revamped to try to accommodate more people finishing it.

Council Member Shirley inquired if they expected those who took the program more slowly to finish it. Executive Director Clay expected those individuals to complete the program, and they would continue to provide them with resources.

Council Member Comer queried if investors at the pitch day event had provided funds to anyone. Executive Director Clay would follow up with the investors and with Oaksterdam University. They had recently established Constant Contact, which was a good way to reach

out. They would be speaking to and surveying them as they participated in the Loan Program, Accelerator Program, etc.

Council Member Shirley questioned how the \$112M sales compared to projections. Executive Director Clay did not know how it compared, but she would try to do some research. Chair Robertson suggested tracking what other states had done in the same time period. Council Member Comer expressed that retail cannabis sales increased each month.

Council Member Vallieres asked if there was a percentage of revenue going back to the Social Equity Council and Reinvestment Committee. Executive Director Clay expressed that 65% of the sales tax revenue went to Council.

Council member Walton highlighted the numbers in the community reinvestment portion, which he thought indicated there was a need for reinvestment. He mentioned that people in the community were willing to do the much-needed work. Executive Director Clay noted there had been overwhelming response to the pilot program, which had provided them with a lot of information to continue the good work and to be more impactful.

7. Committee Reports/Committee's Recommendation/Policy Committee

a. Finance Committee

Chair Comer announced that the Finance Committee would meet on December 13 at 10:00 a.m. She hoped the Finance Committee members had received the invite. It was a hold currently and was awaiting feedback from Committee members as to their availability. She requested those who had not yet responded to do so. She had asked Executive Director Clay to indicate where line items might be a little short and where there was significant dollars and the plan for those.

b. Policy Committee

Chair Shirley remarked that it had been brought to the Committee's attention a need to revise and clarify the existing criteria for Social Equity plans. The Policy and Governance Committee approved the revisions presented by staff, and it was being brought before the Full Council for approval and implementation. He asked for a motion to approve the revised Social Equity Plan criteria.

Motion – by Corrie Betts
Second – by Kevin Walton
All in Favor – All
Opposed – None
Motion - passed

Executive Director Ginne-Rae Clay commented that this document was a clarification and added more detail to the criteria. The Policy Committee had asked her to have it reviewed by an attorney, but she explained why she had been unable to do that, although it was assembled by the Staff Attorney in conjunction with Legal staff at the Department of Consumer Protection. If this was allowed to move forward, she asked that the motion allow her to have it reviewed by an attorney when one was available.

Council Member Comer asked for an explanation of the changes made. Executive Director Clay summarized the changes, which included the definition of a stakeholder, monetary donations and community asks, and who letters of support must come from. Council Member Comer inquired if Executive Director Clay was requesting a friendly amendment to the motion regarding the legal review. Executive Director Clay affirmed she was seeking a friendly amendment. Council Member Jefferson voiced that the Policy Committee agreed to move this to the Full Council for approval. One individual suggested review by legal counsel, but the Committee was very comfortable moving it forward for approval. Therefore, a friendly amendment was not needed.

In favor – All
Opposed – None
Abstentions – None
Motion passed.

Council Member Shirley thanked Executive Director Clay and her staff for the work done.

c. Outreach Committee

Executive Director Clay reported that the Outreach Committee would meet on Friday.

d. Reinvestment Committee

Executive Director Clay voiced that the next Reinvestment Committee meeting would be December 20.

e. Personnel Ad Hoc Committee

Council Member Jefferson announced that the Personnel Ad Hoc Committee had their inaugural meeting, which was well attended. He thanked the Committee members for their involvement. They were trying to define and frame various roles. Documentation would be circulated to the full body and Full Council for their input. They would meet again and then present a final document to the Full Council at the January meeting.

Council Member Comer thanked Chair Jefferson for to the meeting and complimented him on it, and she thanked Executive Director Clay for her candor and openness in working through the process.

8. For the Good of the Order (New Business, Updates, Information)

Council Member Jefferson was very proud of the Council's work. He encouraged the Council to stay encouraged as there was a lot of work to be done. In terms of reinvestment, he understood that the governor wanted resources to be delivered to the communities. He wished all a happy holiday.

9. Adjourn

Motion – by Avery Gaddis



Second – by Andrea Comer
In favor – All
Motion passed.

The meeting adjourned at 11:20AM.

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