CT Social Equity Council Approves Equity Status for One Equity Joint Venture, Votes to Recertify 2023 DIA Map

HARTFORD (August 1, 2023) — Connecticut's Social Equity Council (SEC) today voted to accept CohnReznick's recommendation on four workforce development plans. All plans were recommended for approval.

The SEC also voted to approve social equity status for one Equity Joint Venture (EJV) while denying the other EJV. The EJV was denied because the applicant did not meet all three social equity applicant criteria and did not comply with the EJV creation process.

Finally, the Council voted to recertify the 2023 Disproportionately Impacted Area (DIA) map. This session the legislature passed legislation that modifies the criteria and process used to identify "disproportionately impacted areas" under RERACA. Public Act 23-79 replaces the current unemployment rate and historical drug conviction metrics previously used to identify eligible census tracts with a calculation based on (1) a poverty rate metric and (2) ranking of historical conviction rates for drug-related offenses by census tract. The legislation also eliminates the requirement that the council annually determine and publish its list of disproportionately impacted areas. The 2023 DIA map includes a total of 237 census tracts which is an increase of 51 census tracts and 9 more municipalities as compared to the 2022 DIA map.

All DIA cultivators approved last year, in addition to the 2021 and 2022 DIA maps, may also locate their cultivation businesses in the DIA map approved by the Council today. All lottery applications and equity joint venture applications submitted on or after the certification of this map shall be governed by the 2023 DIA map. Finally, all other applications submitted before the certification of this map shall be reviewed based on the 2022 DIA map which was applicable at the time of the application submission.

All applicants seeking social equity status are first reviewed by the auditing and accounting firm of CohnReznick, a third-party reviewer hired by the SEC to create a comprehensive review system.

The adult-use cannabis market opened on January 10, 2023 at licensed retailers. For information about Adult-Use Cannabis, visit www.ct.gov/cannabis.

About the CT Social Equity Council (SEC)

The Social Equity Council was created to make sure the adult-use cannabis program is grown equitably and ensures that funds from the adult-use cannabis program are brought back to the communities hit hardest by the "war on drugs." The SEC oversees the verification of equity applicants, creates new programs to support cannabis businesses and businesses in other industries, and manages the more general community investments derived from the cannabis

tax revenue. To learn more about Social Equity Council announcements, upcoming meetings, and adult-use cannabis information, visit <u>Social Equity Council (ct.gov)</u>.

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