

Policy Committee

Statement of Purpose: The SEC Policy Committee shall develop recommendations regarding the substance of Council programs. In the short term, the committee will recommend criteria for the social equity study RFP and may also develop compliance guidance regarding business structure for social equity ownership and managerial control.

The Policy Committee will report its recommendations to the full Council.

Mission and Responsibilities of the Social Equity Council

The mission of SEC is to promote and encourage full participation in the cannabis industry by people disproportionately harmed by cannabis prohibition and enforcement, and to support broad-based economic development in those communities. SEC is led by an Executive Director and is overseen by a council comprising appointees by the legislature, Governor, and other elected officials. SEC is housed for administrative purposes only within the Connecticut Department of Economic and Community Development (DECD).

SEC is responsible for overseeing the verification of social equity applicants, as defined in law, creating new programs to support both cannabis businesses and businesses in other industries, and managing the more general community investments derived from cannabis tax revenue. SEC will work closely with multiple Connecticut agencies, including DECD and DCP, to carry out its duties.

Tasks for the Policy Committee

1. **Set, monitor and review from time to time the criteria for Social Equity Applicant qualification**
2. **Approve and monitor the Social Equity Applicant review and verification process**
3. **Ensure timely review and verification of Social Equity Applications**
4. **Establish Criteria for the Request for Proposals (RFP) of the Historical and Present-day Use of Cannabis Study.** The study must provide detailed findings of fact regarding the following matters in the state or other matters determined by the council:
 - (1) Historical and present-day social, economic and familial consequences of cannabis prohibition, the criminalization and stigmatization of cannabis use and related public policies;
 - (2) Historical and present-day structures, patterns, causes and consequences of intentional and unintentional racial discrimination and racial disparities in the development, application and enforcement of cannabis prohibition and related public policies;
 - (3) Foreseeable long-term social, economic and familial consequences of unremedied past racial discrimination and disparities arising from past and continued cannabis prohibition, stigmatization and criminalization;
 - (4) Existing patterns of racial discrimination and racial disparities in access to entrepreneurship, employment and other economic benefits arising in the lawful palliative use cannabis sector as established pursuant to chapter 420f of the general statutes; and
 - (5) Any other matters that the council deems relevant and feasible for study for the purpose of making reasonable and practical recommendations for the establishment of an equitable and lawful adult-use cannabis business sector in this state.

(h) Not later than January 1, 2022, the council shall, taking into account the results of the study conducted in accordance with subsection (g) of this section, make written recommendations, in accordance with the provisions of section 11-4a of the general statutes, to the Governor and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding, consumer protection and the judiciary regarding legislation to implement the provisions of this section. The council shall make recommendations regarding:

- (1) **Creating programs** to ensure that individuals from communities that have been disproportionately harmed by cannabis prohibition and enforcement are provided equal access to licenses for cannabis establishments;
- (2) Specifying additional qualifications for social equity applicants;
- (3) Providing for expedited or priority license processing for each license as a retailer, hybrid retailer, cultivator, micro-cultivator, product manufacturer, food and beverage manufacturer, product packager, transporter and delivery service license for social equity applicants;
- (4) Establishing minimum criteria for any cannabis establishment licensed on or after January 1, 2022, that is not owned by a social equity applicant, to comply with an approved workforce development plan to reinvest or provide employment and training opportunities for individuals in disproportionately impacted areas;
- (5) **Establishing criteria for a social equity plan** for any cannabis establishment licensed on or after January 1, 2022, to further the principles of equity, as defined in section 1 of this act;
- (6) **Recruiting individuals** from communities that have been disproportionately harmed by cannabis prohibition and enforcement to enroll in the workforce training program established pursuant to section 39 of this act;
- (7) Potential uses for revenue generated under RERACA to further equity;
- (8) Encouraging participation of investors, cannabis establishments, and entrepreneurs in the cannabis business accelerator program established pursuant to section 38 of this act;
- (9) Establishing a process to best ensure that social equity applicants have access to the capital and training needed to own and operate a cannabis establishment; and
- (10) Developing a vendor list of women-owned and minority-owned businesses that cannabis establishments may contract with for necessary services, including, but not limited to, office supplies, information technology infrastructure and cleaning services.

(i) Not later than August 1, 2021, and annually thereafter, the council shall use the most recent five-year United States Census Bureau American Community Survey estimates or any successor data to **determine one or more United States census tracts in the state that are a disproportionately impacted area and shall publish a list of such tracts on the council's Internet web site.**

(j) After developing criteria for workforce development plans as described in subdivision (4) of subsection (h) of this section, the council shall review and approve or deny in writing any such plan submitted by a producer under section 26 of this act or a hybrid-retailer under section 145 of this act.

(k) The council **shall develop criteria for evaluating the ownership and control of any joint venture** created under section 27 or 145 of this act and shall review and approve or deny in writing such joint venture prior to such joint venture being licensed under section 27 or 145 of this act. After developing criteria for social equity plans as described in subdivision (5) of subsection (h) of this section, the council shall **review and approve or deny in writing any such plan** submitted by a cannabis establishment as part of its final license application.

(l) The Social Equity Council shall, upon receipt of funds from producers in accordance with subdivision (5) of subsection (b) of section 26 of this act, develop a program to assist social equity applicants to open not more than two micro-cultivator establishment businesses in total. Producers shall provide mentorship to such social equity applicants. The Social Equity Council shall, with the department, **determine a system to select social equity applicants to participate in such program without participating in a lottery or request for proposals.**