

# Nevada Cannabis Advisory Commission – Social Equity, Diversity, and Inclusion

## Meeting Minutes August 31, 2021 at 1:30pm

The Nevada Cannabis Advisory Commission’s Subcommittee on Social Equity, Diversity, and Inclusion in-person meeting at the Grant Sawyer Building 555 E. Washington Ave. Las Vegas, NV 89101 on August 31, 2021 at 1:30 p.m.

### **Public Safety Subcommittee Members Present:**

A’Esha Goins, Chair

Kema Ogden

Dallas Harris

Tina Ulman

**Chair Goins called the meeting to order and took roll.** Senator Harris and Member Ulman were present in Las Vegas. Member Ogden was present via Zoom. Attorney General Ford was not present.

### **Chair Goins** 00:16

Good afternoon, I thank you all for coming. This is the first Subcommittee on social equity, diversity, and inclusion. It's August 31, and I want to call this meeting to order. And so, there is a roll call. Okay. So, if I could have each subcommittee member say that they're here, and then we will start so Senator Harris

### **Senator Harris**

Here.

### **Chair Goins**

Tina Ulman

### **Member Ulman:**

Here

### **Chair Goins**

Kema Ogden

### **Member Ogden** 01:10

Here. Hi. Good morning. Good afternoon.

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**Chair Goins** 01:13

Good afternoon. Attorney General Ford.

**Amber Virkler** 01:23

He is not present.

**Chair Goins** 01:26

All right. And that's everyone. So, can I proceed without Attorney General Ford?

**Amber Virkler** 01:34

Chair Goins, yes, you may.

**Chair Goins** 01:39

All right. Thank you. So, we will open it up for public comment. If you have public comment right now, if you would just come to this seat right here and put your comment on the record, this would be the time to do that. No public comment we'll proceed. What I'd like to do first is have in the next agenda item is item two. And what I'd like to do is have the subcommittee members introduce themselves. I want to make sure that the people that are watching and listening know who you are, and also know your contributions to the industry as a whole. So, we will start with Senator Harris, and then Miss Tina Ulman, and then Member Ogden.

**Senator Harris** 02:29

Okay, I'm Senator Harris. I'm the state senator in district 11, which is the southwest part of Clark County. And I've been working on these issues since I first got appointed in 2019, with Commissioner Goins. And so, it's a pleasure to see this subcommittee come to fruition and to be here with you all. Thanks.

**Member Ulman** 02:54

Good afternoon. My name is Tina Ulman. I am the director of brands for the source dispensary the president and co-founder of the chamber of cannabis consumer for 15 years and activist for three. I'm very passionate about making Nevada one of the most thriving and inclusive states in the nation for cannabis industry. I've been involved in activism specifically for cannabis for about three years, building relationships with my political leaders and judicial leaders. And then I'm taking that information and educating my peers and colleagues in the industry as well as consumers on how we can get more involved, share solutions and ideas, and eventually get to a place like this. So, we're very happy to be here

**Chair Goins** 03:39

Kema. Ms. Ogden

**Member Ogden** 03:43

Hi, my name is Kema Ogden I am an owner of top notch the health center which is a local dispensary here have been one of the first to open up medically and then recreationally are the only minority female owners in the state of Nevada African American owners that is and you know been doing social inclusion and advocacy work for many

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years as well as work with doctors for cannabis regulations on regulating and adult use nationally with that organization with also a social inclusion whatnot so and worked with several other organizations for this very reason. Very passionate about the industry. And thank you guys all for having us on the committee.

**Chair Goins** 04:39

Thank you very much and I am A'Esha Goins, and I am the subcommittee chair. I have been in the marketplace since 2013, and social equity and inclusion is my not just what I do, but it is my passion. I have spent many hours, time and years, insisting that this conversation be had. And so here we are, there's nothing greater than to do the work and have the hope and see it come to fruition. It is not just my pleasure to serve my community, but it is an honor to serve my community, I don't have to do this work, I get to do this work. And so, I'm looking forward to what comes out of this board. And as we move forward, I want to just do some housekeeping. This is a very sensitive subject, and some of these conversations, I know will trigger some people and hit some points, I want to make sure that we are respectful with each other and that we honor the people that have given their time to this space, I want to just as a housekeeping space, make sure that we are when we use the words, black and indigenous people of color that we don't abbreviate it that we honor those people by saying those names and not using the initials, by all means, be clear in what you're saying. But I also want to make sure that we're not using the word black market that has negative connotations, we can use the word legacy market, use the words illicit market. And then also as it relates to African American and Latin people, let's be sure that we're using those names, and that we're not abbreviating them when they're talking when we're talking. But I also want to just do a land acknowledgement, because we are going to be talking about indigenous persons. And so, I want to honor this space. And if you know, give me a second. And we wish to acknowledge and honor the indigenous communities of this region and recognize that we are situated on traditional homelands of the Nuwuvi Southern Paiute people. We offer gratitude to the land itself for those who have stewarded it for the generations and for the opportunity to study, learn, work and be in community with this land. We encourage everyone in this space to engage in continued learning about the indigenous people who work and live on this land since time and immemorial, including the Las Vegas Paiute Tribe and the Moapa Band of Paiutes, and about the historical and present realities of colonialism. I just want to make sure that because we are talking about the space, I want to give that honor, I don't want to ever take for granted that, you know, this is our space. So, moving forward, we will move into if there are no questions about the housekeeping. All right, if moving forward to item three. And we will be interpreting of AB 341, section nine. That is a consumption lounge bill and that is the reason why we're here right now is because we want to be talking about how that language has appeared in that bill. So, I'm going to just read the language. And my apologies, I'm nervous. I know everybody said I shouldn't be nervous. I am Anyway, give me just a second and I will pull this up and I'm reading it as enrolled. And I just think it's important to just talk about this component first. Section nine says, my apologies, I'm usually a whole lot more ready for these things. But social equity applicant means an applicant for the issuance of renewal of an adult use cannabis Establishment License for an independent cannabis consumption lounge, who has been adversely affected by provisions of previous laws which criminalize activity relating to canvass as determined by the board in accordance with the regulations adopted pursuant to section 11 of this act. Such adverse effects may include without limitation, adverse effects on an owner or officer of the applicant. And so, what I first want to do as we are getting started, is talk about our own personal interpretations of that section. So, I'm going to leave it open and then if no one talks then I will call on someone.

**Senator Harris** 09:35

Oh, no, thanks. I've been to law school. So, I'll build the word isn't in there. I think the point really here is disproportionately affected. Right? Everybody, all groups got jailed for settling down. But what I think we're really

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trying to get at is those who have been affected disproportionately where those effects have kind of weighed on the community. He's a little bit more significant than others. And so, you know, as we have had this conversation, we can't just think about everybody who's been affected. That negates I think the whole purpose of us being here.

**Chair Goins** 10:13

Senator Harris, if you don't mind, can you kind of explain what disproportionate is because sometimes we use words. And we get in the habit of using them. And people don't really know what that means. Do you mind kind of explaining that? Not Webster's, but a definition.

**Senator Harris** 10:25

Yeah. So, if I can't all explain by definition that or I mean, by example, which usually is not the best way to give a definition. But you know, let's say theoretically, we know that African Americans and or let's say, we know, all races, right, use marijuana at the same rates. However, if you look at arrest rates, one group may be represented higher than they are in the general population. And that suggests that there's some disproportionate effect or disproportionate enforcement, at least on that particular community.

**Chair Goins** 11:07

I appreciate that explanation. Tina, Ms. Ulman

**Member Ulman** 11:14

Yes, I agree, disproportionately affected and gone down from generation to generation, which then affects the community, the families, the upbringing of those children's whose parents were affected. And it's just a domino effect on until we are here today, with now having the opportunity to give life to this and then those licenses going to people that don't meet those needs, like they did originally four years ago. So, I think this bill says that we're going to change that and say specifically who that is changed for.

**Chair Goins** 11:50

Member Ogden.

**Member Ogden** 11:55

I agree with both Senator Harris and Tina as well. Disproportionate representation is very, you know, something that's very crucial needs to be addressed in this industry. And your guys' definition is right on point, I think, interpretation.

**Chair Goins** 12:19

I agree. I also want to lean and to say that I've been having conversations with the community about Section nine specifically, and how will that be interpreted? And one of the things I want to point out is that, specifically it says cannabis policies. And so that's one of the things that I, you know, just want to always draw attention to is, you know, there are so many people, as Senator Harris has said, there's so many people that have been affected by the war on drugs and Member Ogden also, generationally, but I always want to make sure that we are talking about past kind of as policies as we are moving forward, and we're exploring what equity could look like. I did send out some homework,

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a little bit of homework, as we move into. Agenda Item three, no, excuse me agenda item for equity and consumption lounges. Specifically, I did send out a little bit of homework and for the people who are here, I wanted to say, on the record what the homework was, and one of the questions because as we're talking about equity, I want to this is a conversation that is being had nationwide, it's not just being had in Nevada, Nevada was one of the first nine states to legalize cannabis, without an equity program. And so that gave us we were at a disadvantage, but it actually put us at an advantage because what we're able to do is take a look at what all has happened, and then say, this is what we don't want to happen here. Right? We Nevada is always leading in policy and regulations. And here's another opportunity for us to lead out and really show and put our best foot forward and make those recommendations to the cannabis compliance board as they are putting regulations together. I also want to point out that this is also one of the first times that equity has been made a designation in industry in Nevada period. And so, as we are looking at what this looks like, I want us to be thinking about how what we say right now these recommendations could end up as consistent policy across the board and industries across the board. I want to weigh heavy on everyone as it's been weighing on me. I want to ensure that I'm not the only one to think it over at all. But and because of that, because we have a unique opportunity to have these conversations on the record. I wanted to challenge. I'm a coach. That's what I do by trade. And so, because of that, I'm always giving out homework because that's kind of who I am. And so, the subcommittee had homework and one of the things that I asked for them to do is to answer these questions. How do we achieve and sustain equity? So not just thinking about how we how the cannabis compliance board could have an equitable program, but also how can we sustain that program? What does sustainability look like? And then how will we be identifying equity applicants, and I've taken my glasses on and off my age is short, but I can read barely, you know? And what is equitable? What does sustainability look like, as relates to the Nevada cannabis lounges? How will we fairly distribute 10 licenses? So, these are the some of the things that we'll be going over today. And I want to end because this is equity and consumption louder. So, let's just talk a little bit about how do we achieve and sustain equity? Does anybody have thoughts on that? You didn't do your homework. Listen, you know, I'm a firm coach, too. I hold you accountable. I know that you've thought about it.

**Senator Harris** 16:21

I mean, intentionally, right, right. I think being here is a good first step, we have to give it some thought put an effort into it, that's really generally often All it takes is to be conscious about the decisions that you're making. And that, in itself, often leads to great results, as opposed to just kind of letting things go as they've always been done. That's where, you know, this kind of ingrained disparities and things like that perpetuate themselves. And so, you know, you get it by being intentional. And I think that's what we will all do here. As a legislator, I think you get it maintain it by putting it in black letter law. Right. I mean, the more I think we see this type of directive being required from the top down, the more successful we'll be in ensuring that it's always there. And always at the forefront, you require it to be there, you require it to be at the forefront, you require it to be part of every discussion, right, that's a good first step to mean to making sure that it stays that way. And doesn't change leadership.

**Chair Goins** 17:41

Member Ulman Yes.

**Member Ulman** 17:44

Yes. So, I think it starts by us being here right now by having a at a CCB that supports comments from the public and solutions and ideas from the field. You know, in any industry, his best ideas have come from the field. And I think it's important for people to share those ideas and turn them into solutions. Thinking outside the box, we have such a

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great state. We're number one in hospitality, tourism, nightlife, adult life, you know, and now we have the opportunity to be the best in cannabis. So where can we tap into those resources, have already successful, sustainable businesses, and to our own universities, we have two great universities here. You can be partnering with master's program gets an MBA graduate, and really make it so that our whole state is coming together. And you can be the example for other states. And then putting in a policy, again, like the Senator said, and be open to being open, to revising that policy based on what happens with the economy.

**Chair Goins** 18:44

Member Ogden

**Member Ogden** 18:52

I think you made a good point, early on, when you mentioned that we've been able to kind of see what other states have done, I think reaching out and doing some research reaching out to legislative officials and other states that have actually done well in this area. And we see it working, like Tina said, and being open to revisiting it because this is kind of a I feel like this is going to be something that needs tweaking. And as you as you see it going and happening, you make adjustments, so that it works and continues to work. as the industry grows, there's going to be unexpected issues that come up as new. So, there's a lot of times things pop up. So, I think just being open to that reaching out to others who have done this, who are doing well. And just doing a lot of research and you guys hit it right on the head as well sitting here and then being in and out and doing our due diligence. So that's what I think it's going to take

**Chair Goins** 20:00

So, what I have is, from what you guys have said is that we need resources. So, I want to just kind of expand a little bit more on that when we talk about resources for equity applicants, what are we thinking when we say that? I know that's a broad conversation, but it's in these conversations that we narrowed down what the expectation is for our equity applicants. So, when we talk about resources, what are we thinking?

**Member Ulman** 20:29

Money, mentor, how many

**Member Ogden** 20:33

know how education, big part of it should be education. A lot of people just don't know what to do first.

**Chair Goins** 20:47

I agree. And as it relates to money, we always say money, money is the greatest equalizer. Right? When we talk about money, well, what do we think that our equity applicants will need assistance in? And I'm asking these questions, because these are going to be the questions that we'll have to answer as we move forward. This isn't what I want to take to the CAC as a whole to vote on. But I want to explore this now, so that we can expand on that and then make our recommendations to the C CCB. And if you guys don't understand how this flows, if this is your first meeting, I probably should have said that excuse my ignorance. The CAC's responsibility is to the subcommittee's responsibility are to come up with recommendations that will be thence brought up to the Cannabis Advisory Commission to vote on for recommendations to the cannabis compliance board. So, we, really the subcommittees, are the important component to have something to give to the full CAC board to make as hard recommendations to the Cannabis Compliance Board as they are putting regulations and making interjections into the cannabis business place. But we

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are only advisors. And then this subcommittee is where we narrow down that advice. All right. So again, as we're talking about money, what as it relates to our equity applicants, what are we thinking about? How do we allocate this money? And what monies are we talking about? Because this stuff is all brought? It's conversational, but when we want to see our equity applicants support it, how does that look like to us?

**Senator Harris** 22:34

Um, I mean, a simple version is points on an application, you know, a little some additional late based on, you know, whatever factors may determine are appropriate. You know, I think geography is important. We don't want all of the licensees in one location, whether that be all in one location that's been disproportionately affected or not any in that those particular locations. Right. So, you know, I think that that we need to make sure that we are encouraging the cannabis compliance board to pay attention to these factors on the application. And then sometimes that in itself is giving some additional weight to these applicants without saying give you two points if you're black.

**Chair Goins** 23:29

That's, that's good. That's really good. Member Ulman, I see you. Go ahead.

**Member Ulman** 23:37

So, in regard to your question earlier, how do we come to get the money? So, I first think, starting with looking at once these lounges open where that tax dollars are going, so we can put it into a fund. So, when we're sitting here, two and a half years from now, talking about micro businesses, hopefully, we don't have that conversation. We've already set it up. So, our future self is really proud of our past self, right. And we're feeding that. And then capital investors. I mean, obviously if you're not rich, you probably don't know rich folks. But the rich folks here in Nevada, that's where we would call on the business owners, the developers, the people that are already profiting from cannabis to get into their circles and networks and bring venture capitalists and investors and people that have the bandwidth to bring their funds to these applicants. So, making sure that we're publicizing that and communicating that so that every person in the state of Nevada gets that information. Yeah, those are the two biggest ones I think for money.

**Chair Goins** 24:42

Member Ulman, you said something I just want to kind of ask you to expand on because we're talking about consumption lounges and those social equity applicants that will be coming up that is our immediate concern. How do we position ourselves finance - actually, or excuse me, how do we allow financial support for those equity applicants? How do you see that?

**Member Ulman** 25:07

Yes. So, I think tapping into community resources like business trade associations, and again, current cannabis business owners that might have a network of wealth, that they have seen them doing well here in the industry, and maybe you want to connect those people with the licensees. Also, thinking a little outside the box, you know, there's a great show called Shark Tank, and they get to present their concept and then rich folks give them their money. And I think that would be awesome to partner with someone like UNLV. And have that. Also looking at how do we increase funds coming in from cannabis right now, most of that money all goes to the schools, and a couple other places. But you know, if we, let's say, increase the daily limit and increase taxes, then get those taxes to go to the licensees. So

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**Chair Goins 26:06**

I want to just a little bit of housekeeping because I do see you guys are a ham raise, you want to make sure that you're taking a note and at the end of our meeting, you'll have an opportunity to put on public comment. So, if what we're saying is exciting you and you're passionate about it, make a note for it so that you can absolutely have it on the record at the end of the meeting, we I will absolutely make it available for public comment. Member Ogden.

**Member Ogden 26:32**

I personally don't think raising taxes and things. The industry is already taxed very high. It's hard for some people to even make money because of the way it's taxed federally with not being legal and whatnot. I personally think that going to the state and the city for grants for support programs, they get money, there's a lot of money, like you said in the funds from the taxes already allocating that money for these programs, breaking that out. Because a lot of the resources need to be given out up front a lot of times at first, it cost a lot of money to even apply at times and to compete in this market. You know, once that happens, I mean, you waste you can waste a lot of money just applying. So, I think that initial Park, trying to get grant funding tried to get programs funded by the city or state with that grant with that tax money that's already there. Encouraging kickbacks or incentives for companies to participate in these programs. Unfortunately, the cannabis industry does not, can't write off grants, they can't write off any not you know, charitable contributions, anything like that, trying to work through some of those issues for the organizations to want to participate and support. I think it needs to come around to a community. Because one thing once a person does get into the industry, they're in the industry, you don't want to keep punishing someone for being in the industry. You know, they got to keep paying for programs and stuff. You know, that's not an incentive. You know, once they get there, you're not setting them up to succeed. You're now adding taxes and things. So, I look back at the city, the state, the county, what's already happening, what's already in place, see if you can get some grant funding some programs set up to support the initial part of this, you know, you know, just fun people even applying things of that nature resources to start.

**Chair Goins 28:52**

Yeah, like all of that, and then as it relates to education. How do we see education rolling out because one of the things that has come up in the some of the research that has been done is that a lot of the business owners just don't have business acumen. And so how do we because you said education, Member Ulman said education. How does that look for equity applicants what are we thinking needs to happen to create a sustainable program?

**Senator Harris 29:26**

Well, I think there's a model out there already in Nevada, you and I chatted about it in 2019 for minority owned small businesses. I think it's run out of the Governor's Office of Economic Development. That's essentially what they do is provide information, education, assistance, with applying for state procurement grants. Right now, we don't have the state purchasing marijuana quite yet. So, you know, we can go there. So far, but I think there's a lot that we can take away from that Disadvantaged Business Entity model. When it comes to at least the education piece.

**Chair Goins 30:08**

I absolutely agree because I, you know, that is Senator Neil's baby, and we're talking about the Grow Program, if you aren't, and even to lean in a little bit is Senator Harris was successful in ensuring that there's language almost identical to the Grow Program in AB533. Is that the right bill? Number? I think that's right, with all these numbers. Yes. And

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so, I agree, you know, we're moving into a space where that program can be activated. For this it any other ideas, any other education ideas?

**Member Ulman** 30:51

Continuing Education, I think is very important. Making sure we're not setting people up with a with a "gotcha" problem, which Kema alluded to as well. And I think so many times, like, if we're instilling fear in these new licensees, then it's just not, you know, meeting the purpose of what we're trying to do. So, making sure that the communication is there, what they need to be doing, the expectation is there, possibly, if there is something that isn't done correctly, a reduction in fines, or some kind of other ramification and making sure these businesses are upscale, so people might have wild dreams, making sure that they're also set up for success, possibly looking after finances. Things we don't usually provide. But this is a whole new space. And I don't think anyone wants to say do anything but be successful.

**Chair Goins** 31:45

I love the idea of saying that we should see, instead of just finding them is there should be an opportunity for education instead of I think that's a brilliant idea. You know, and that's thinking completely out of the box. And one of the biggest things you said is communicating expectations. You know, the licensing process is a whole mystery, not just here, but across the nation, right, we have to be better at taking the wool away from everyone's eyes and being you know, I know that the CCB is working towards full transparency. And I appreciate that. But as we move into the new licensing process, I want to see some better transparency, right. And the application process, really saying, hey, this is what's expected. This is what it looks like, not necessarily having to interpret all of the things because I think that's where we lead to some misunderstandings. What do you think, member Ogden?

**Member Ogden** 32:46

Yeah, I really appreciate that we're talking about continuation of support, because one thing I've found being a minority in the industry is, you know, everyone's looking at how to help people get to the place that I'm at, but once you're there, we're just kind of thrown into, like, there's no support going forward. And everything else is for social equity applicants are new coming in people and whatnot, but I'm still at a disadvantage. And I see you know, as an owner, so even when you get into the industry, you still need support, you need access to, you know, have to just like other industries, you get, you know, certain companies have to have certain amount of contracts for minority contracts, things of that nature to help.

**Chair Goins** 33:34

Yes.

**Member Ogden** 33:37

So, I really liked that this committee's kind of thinking long term, and not just how do we get everybody in, because that, to me, is not going to help anything. You know, like you said earlier, not everybody knows business. And unfortunately, a lot of people who want to be in here, don't know business, that you get people from all walks of life, they just want to do something new and different. And so, I think it's really important that we focus on the long-term sustainability when it comes to being a social equity owner.

**Chair Goins** 34:10

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You know, remember, I've been you said something also that I thought is very innovative, and that is incentivizing scenarios for current business owners. And, you know, there are so many in a lot of industries, there's a lot of incentives for business owners to contract. Diversity, you know, and that is there's an acidic space for that. And as we move into consumption lounges, because these 10 applicants will have to partner with dispensaries. I think it would be great to offer an incentive for those dispensaries to do business with those equity applicants, you know, and even moving forward is we're trying to think about equity and, you know, think about equity hold only for the cannabis industry and how do we introduce new joint venture businesses. And you know, I'm not focusing on that just talking about it for subject matter. But as we're looking at bringing in what support businesses and joint venture opportunities? I think offering incentives incentivizing the current applicants to do business could be an advantage, right? Because now we're not putting the license, I had never considered this till just now. But now, because there aren't incentives, it doesn't put the licensee at a space that what they that, that would encourage them to reach out to reach again, right? There's no encouragement for that because they're taking all the responsibility and the accountability anyway. So, they would just do it themselves. That relates to all the support businesses, why would I if I know that what you're doing could possibly get me find I'm going to do it myself. But if there is a place to actually say, you know, hey, here's an incentive program, if you use a support marketing service, because it's a minority home business, I think that could be huge. I think that could be huge for diversity as we proceed. So, I've definitely, I know that the team is listening and making notes, that's one of the best parts of what we're doing. We are being visited. Am I on time?

**Asheesh Bhalla 36:32**

Hi, Madam Chair, this is Asheesh Bhalla from the AGs office, you are on time. And I just want to step in really briefly, because I want to remind everyone that we can I know this is very much related to the social equity applicant definition. But the agenda item is really about the interpretation of that. I think we want to just try and focus today's conversation on trying to interpret section nine of AB341. Although I completely understand that this plays into a larger conversation about incentives. But it just wanted to say a little two cents, I think we should just try and focus a little bit more on 341 specifically,

**Chair Goins 37:18**

I'm actually on agenda item four, and we're talking about equity and consumption lounges.

**Asheesh Bhalla 37:24**

My apologies, my apologies. That's okay. That's okay. So please just disregard that. But I just want to make sure we're staying on the agenda. That's it.

**Chair Goins 37:36**

Yes. Thank you very much. Um, so yes, thank you for keeping me on point. We are in just for reference, we are in agenda item four. And this is the conversation for equity and consumption lounges. And we are discussing the homework that was sent out, which was, how do we achieve and sustain equity. And that's what we are discussing right now. I do want to move on to the next part of our homework is identifying equity applicants as it relates to consumption lounges. How are we what are we thinking is going to, there's 10 applications that will be made available, and identifying having identifying markers is going to be necessary? How are we thinking about that?

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**Senator Harris** 38:30

Um, I guess I'd like to maybe learn a little bit more about how other agencies do it. Okay. Because this is, you know, this is not a new thing. For example, the Department of the Nevada Department of Transportation has to give a certain amount of percentage of business to minority owned disadvantaged veteran owned businesses, and they have some mechanism for taking in applications verifying ownership and things like that. So, I don't know I think we can kind of pick it up off the shelf, hopefully. But I'd like to, you know, I don't think I don't know if anybody hears the inside or if the DAC has the insight. But I'd like to know a little bit more about how other agencies do it and we should just copy that.

**Chair Goins** 39:20

Yes, I hadn't considered that. But yes, and then just Well, I always say R & D: rip off and duplicate but definitely take a look at what that is and then adjust you know, make our suggestions based on the testament I think that's a smart. What were you going to say member?

**Member Ulman** 39:39

Yes, definitely that, always best practices. And as we spoke before, folks who've been adversely affected by campus policy, folks that have grown up and lived in neighborhoods specifically affected by drug policy as well because I know this is specific to cannabis, but you'd lived in a neighborhood that had all types of drugs, maybe you didn't necessarily have a parent family member or yourself that go to prison. But still, it's perpetual, getting out of that cycle. So yeah.

**Chair Goins** 40:16

So, I do want to just point out that, when we're talking about equity applicants for the consumption round is the section nine, as we have been reminded, but I just want to go back to the it says, disproportionately from the cannabis policies. So, I just want to be when we're talking about this, I want to be specific. But as we move forward, after we've done this, and we move forward, we'll be talking about how that looks as a whole for the industry. But you said something I wanted to just kind of bring back is, how will we, this is concerning for me. But when we're talking about these specific 10 applicants, how can we? What would we ask for, for them to say that they have been generationally affected?

**Member Ulman** 41:10

You know, I think it's a case where you almost have to speak or read a letter, if you will, from those applicants, and you have to dive in a little bit deeper than you would if it was an applicant for any other business. And that's going to be different because that's not really how compact most business work. But again, this is a whole different opportunity. And that's where I think then looking at those folks, do they qualify to get into the lottery?

**Chair Goins** 41:43

Assuming there's a lottery, because that's even a conversation. Okay. So, you know, this is up for conversation, right. So, if you're saying that you believe the best way to distributed licenses is a lottery, then we want to make sure that we're saying that because it hasn't been there's nothing. Nothing says that that has to happen that way. So, I want to make sure...

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**Member Ulman** 42:09

I thought we were trying to get away from the merit-based system to avoiding more lawsuits.

**Chair Goins** 42:14

Well, the policy says it has to be merit based. So, this is the same. Yeah, this isn't saying that you're wrong. I just want to make sure as the people that are listening are listening to us that they understand nothing. None of that is set in stone. Right. But we have to be mindful of what the policy says. And the policy does say it has to be merit based. But it doesn't say that that has to be the deciding factor. So yeah, there could be if that's what your suggested, if there is a lottery.

**Member Ulman** 42:47

Yeah. And there could be lightning, obviously, different variables. And do those equal? You know, do those add up? Do you first get to qualify and go into the lottery? I think there's pros and cons and looking at other states who have done a lottery to see like, how do those folks feel about it?

**Member Ogden** 43:07

One thing we need to be really mindful of, is the manipulation that can happen when you know how you formulate proof. I think it's important that we structure this to where you can validate, however, you know, whatever qualifying factors that are required to be a social equity piece, and that we really focus on what, um, how organizations have manipulated this in the past. If you look at how other states have done this, there's been a lot of manipulation. And I think, you know, that's an important area to focus on is, you know, having the least amount of that happening, and how can we control that and try to manage that?

**Chair Goins** 44:03

Well, that's where we're here. How can we control it?

**Member Ogden** 44:06

Well, once again, I think that was said, like, Senator Harris, said, you know, we have to research and look at what has been working out there, and then tweaking what we can and taking from other agencies and other organizations have done this pretty well in other areas. You know, that's a start. We're not going to know until we start digging into it, I think, but, but we can and when we do, those are the type of things we need to be thinking about on the back end as we structure those things, because I think, you know, there's, there's certain states that have done this better than others, and they've weeded out some of that manipulation. And, you know, those are the type of scenarios and examples we should be looking at and seeing what the best ones are.

**Chair Goins** 44:51

So, what I hear you saying is we probably need to submit a study for those best practices.

**Member Ogden** 44:59

I think so.

**Chair Goins** 45:01

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what I will say is one of the things that I would like to see is maybe in moving away, because we do have to have merit base, because that's what the policy says. But maybe what we've done, what we could do is make the merit based more personable, I think what we could do is have a board that's based that is scoring, and not partisan, not, you know, an all involved community board or whatever that looks like, and they are scoring the applications, you know, based on what is supposed to be there, and then also meeting the applicant applicants, and putting a score that way, and then taking all those scores, because I think this will take the CCB away from it, right? If we were saying, you know, we're going to have a board of 11 community members score, the cop applications, and based on those scores, this is the people who scored the highest based on all of these scores, instead of hiring people that will, you know, it doesn't matter. But we know how that could look, I think what we could do is lead because I'm a community partner, you know, I love my community. And I'm not just saying my community, but I think it's we put a lot of this back in the hands of the community, it takes away the mystery of it, right. And it holds all persons accountable instead of just the CCB accountable. And then based on that scoring, is how maybe some kind of fishbowl process happens. But instead of just saying, hey, you know, we have these professionals, and these are the ones that are going to score you, and this is what it looks like, have that point. But then also a second point that says the community has taken a look at your idea. And they all like it, right. And we have 11 people that you guys chose and now like it, and you're not moving forward, right. I think that puts and I know it's unorthodox for sure. But I think to be, quite frankly, what has been happening hasn't been working across the nation, right people, they everyone keeps going and I believe that comes from not having an opportunity to be at arm's length, and bringing the community into the process could put the CCD board at that arm's length. And I know it's unorthodox, by all means, but you know, I am unorthodox. Sometimes it's how we land. So, you know, that's kind of what I've been thinking. I'm like, I don't know why we talked about this good aircraft back to the community hold them accountable to that. That's what I think. And then because then what happens is now, you're not just suing. Now you can't come back and sue me for what I said. They can't sue me. I'm just advising but you know, you can't sue me, Glendale Community for how you score. They didn't like it. I don't know what to tell you. You know, I'm saying I think that there's a space for that.

**Member Ulman 48:03**

I think it's a great idea because the cannabis industry and cannabis consumers have had already proved to the community that we have, that we can practice responsible adult use, we've broken stereotype stigmas, we've got all types of new consumers who probably were replaced cannabis is something much more destructive. So, I think the community would be grateful to be involved, and then would how many ideas I think are going to be coming from entrepreneurs, if you're want to go into my district nine, and you might have to present in front of some folks in the community who said I'd love to be involved in that. I think it's a great idea. And I also think, any form of lying, a loss of integrity, I mean, serious ramifications, like you're done. Yep.

**Chair Goins 48:50**

I agree. I agree. So just you know, I agree. Any anything else Member Ogden, you want to add?

**Member Ogden 49:02**

No, I think we got a little way to go before we get to the scoring. But I feel like structuring what makes a social act applicant, what, you know, all those things we talked about are going to be first getting through that. And then and

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then trying to realize, you know, getting to this point, I think is how it has to go. But so, no. Just go through the process.

**Chair Goins 49:29**

And to that, let's talk about what is equitable. And this is it's a hard conversation to have as we're talking about the consumption lounges. And we're talking about how we identify applicants. What I want the subcommittee I'm going to ask now, broadly, this absolutely will be an action item for next meeting. But what do we consider is equitable and this relates to the You have a social equity applicant. And we have identified through other industries, you know how to identify those markers. And now we are saying There's an application process that's available. How much of that application says that that person is an equitable applicant? I stutter, and I take my time because this whole conversation makes me nervous. But it has to, we have to talk about it, it is, you know, something that we will be asked to advise on. And so, right now, right here, I want to know what you guys are thinking how much of an application of that social equity applicant makes them equitable?

**Member Ogden 50:53**

Well, one thing that I didn't like, and I'm sorry to just start talking about it, out of turn, I don't know if you - one thing I don't love, and this is just me, in my opinion, is when the weight of board members or people who are not owners, had on applications in the past, as someone who applied as a minority owner, I got the same scoring as someone who put a bunch of minorities on their board as a manipulation tactic. No parts of this industry after they got the license, and we were weighed the same and when it came to scoring, I think is really important to determine if those things are going to be a factor, you know, some who all is going to what all is on the application, what's required for it? Are those type of things required for the application, you know, do you need board members? Do you need support team? And are those? You know, do those have weight on their scoring? And if so, just making sure that personally, I think nothing should weigh more than an actual owner who has equity in this and then whatever percentage we determined that to be, I personally think 51%, I think it should be my majority minority owned. To have, you know, that designation, that's just a personally and putting things in place so that that can't be manipulated on the back end.

**Chair Goins 52:42**

Member Ogden, what you're saying is that we should be allocating ownership as equity applicants, those owners are social equity, and it should be 50 plus one.

**Member Ogden 52:58**

I think that's my opinion, of course, I'm open to the discussion. It's not set. It's just something that I see I like more when I see the structure like that, as I look across the nation and see what other people have been doing. I know, like I said, before our early application process, we had board members. And that's it, you know, and that's how some people got away with it. Even though there was no social equity piece, in a sense. It was very lightly, you know, it was there, but it wasn't there. So, I just think that's important. Because once again, as you become this owner, and you get into this industry and years go down the line, you still need support, you need help, and how do we determine who those people are, if everybody who really owns it is not a minority, or disenfranchised individual, or whatever the case

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may be, they're on a board, they're on the back end. And they're really not seeing the benefits of this. They're not getting the benefits of what we're trying to do here.

**Chair Goins** 54:04

What are we thinking?

**Senator Harris** 54:05

I think we might want to look at this in two pieces. One, did you meet the definition of social equity, Africa, whatever that may be that we discussed, right? And I think there's room to say, so Exactly, the applicant is 50% plus one ownership or 60%. Board members, right? Or, you know, doesn't necessarily mean we can make like a higher barrier for that. Because I think just generally as a public policy objective, I'd like to see more minorities on board too. Although I do, in fact, understand, you know, the ownership points, I think there's a way to make a distinction without saying it has to be one or the other. We require a little bit more, but we can still offer some incentive. Right. So, the first thing is do you then meet that definition? Right, and then we come up with the issue of if we have more than 10 people who meet the definition, what do we do? Okay, right. And that may be where we have to really get into those community discussions to score the applications, take a look at the plans. And some of that more granular assessment not to say we don't do that, even if we have less than 10. Because we want to make sure we're putting out the best, right, they didn't really decide five people, or five applications are worth giving licenses to at this time. And that's totally warranted as well. But I think we've taken a two-step process, do you meet the standard barrier, social equity applicant, now we can get you into the door, and then have a further discussion about whether you are qualifying for the 10 licenses after that.

**Chair Goins** 55:45

So, what I hear you saying is that, because there are 20 licenses, independent licenses made available. And what you're saying is those are just two independent licenses as a whole. What I hear you saying is that people should just apply for the licenses, and then we decide if these licensees are social equity applicants, because I've been thinking of it in the space of those applicants with specifically apply for Social Equity available licenses. But what I hear you saying is, no, they should just be applying for the independent licenses. And then we decide what the criteria is for them to be SE applicants.

**Senator Harris** 56:27

Actually, I'm actually thinking the same way you are. Okay, let's start off with the premise. We've got 10 Yeah, application set aside for social equity. Yes. Okay. But the question I'm trying to answer is how do we assess those? Yes, yes. Yes. And then the, I'm suggesting the first step. Yeah, actually, to assess in those applications is do you meet the definition. Okay. Right. Right. And then we can move on to whatever other filtering criteria we want to meet, if necessary, right. There are more than 10.

**Chair Goins** 56:59

And so, you're saying that that would qualify them point was marijuana, right?

**Senator Harris** 57:03

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Yes, you are. So luckily, we have determined that by the definition that we advise the CCB to put into place, right, you need it. Okay, checks. Step one. Yeah. That's a filtering process. So, I'm suggesting a two-step filter to look at these applications as people put themselves forward.

**Chair Goins** 57:24

Okay. Yeah, that makes sense. I like that.

**Member Ulman** 57:26

Kind of even playing off that is, let's say you don't know if you qualify. And you have two different costs associated with two different applications. So even a prescreening process, so that, you know, what do I apply for that definitely helps everybody on the board, already vetting them, as you said. So, I think that will help set people up for success. And then you know, okay, I didn't apply for this. But I'm going to apply for this. And now it cost this. Also, back to what member Ogden said about the 51%. Wait, this is also setting them up for success and sustainability. So, they're not manipulated by somebody that's an owner, I've witnessed this firsthand. Being in the industry, on the second round of licenses, I knew somebody that was a Hispanic gentleman worked in cultivation. And they put him on the application because it looked better. He had absolutely no business on the board never been on the board. And it was pure manipulation. So, I definitely agree with the 51% and other metrics that you said, Senator.

**Chair Goins** 58:39

So, I'd like to put that have that added to the next agenda, is to just kind of really talk about that. And because what I'm what the reason why all of these are discussions and not hard movement, is because I really wanted to offer us an opportunity to communicate openly about all of what has to be discussed. Because I, you know, I think it's important that conversation, that we temperate each other right and to see, and that also the community that is watching that they can see what we're thinking, and how we're thinking about it, and holy. And then I wanted to move forward with some action items. And, you know, some hard action items so that we can get some things done. But for many of us, this is the first time that we've been able to openly converse about this in a way that we know that it is going to move the agenda forward. And so, I wanted to, I didn't want to put anything hard. I wanted to say let's have this conversation, so that we can think these things through what we're all thinking and then come back and say, here's the action items. This is what we're thinking let's make some conclusive decisions that we want to recommend. And so that's the reason why this is flowing this way. I, I appreciate all of what you said. And I think it all matters. And so, I definitely want to take that into consideration for the next meeting. One of the last things that I have is What does sustainability look like as relates to the Nevada cannabis lounges. And this is important, because what we don't want is so according to the policy, they only have to have the license for two years. And then after that they can, the license is available. Senator Harris looked up at me. So, you know, that doesn't create a sustainable model. But what I'd like to talk about is, let me say when I'm thinking this is the first time when I say when I'm thinking first, right? So, what I was thinking is, you know, the policy artist says that if they're not consumption lounge, excuse me, if the social equity applicant is not an assumption of mileage, let me say that the social equity applicant is the social equity applicant. And if you know that applicant, that license is always SC license. I don't know how that's going to be interpreted as a relates to if I've had the license for two years, and I want to sell it. If I've had a license for two years, and I want to get it back. I don't know how that is interpreted. But what I do want to talk about is, what is that two years look like? And I don't have I don't expect anything concrete. But I do want to just talk about as member Ogden has said, we want to make sure that we're thinking about these two years. And what do we do with this applicant? Or what can we provide for the application process so that they can make it through their two years? So, because we want sustainability, that is

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an issue across the nation, sustainability and social equity applicants is an issue. And I want us to be different. And so, I want us to be thinking about that. What do you guys think?

**Senator Harris** 1:02:05

I mean, I think we hit on it a little bit earlier, we were talking about that continued education piece to account for that is that you don't just give them a license and say, Have a good day, right? If we continue to educate and cultivate, make sure these people want to stay in the industry, then they're going to come back and say, yeah, let me get my license again, and I want to stay and I like what I'm doing.

**Chair Goins** 1:02:28

I don't we make that a requirement? Can we make that a part of the requirements for the application that you have to do see classes throughout the, I think it's a maintain?

**Member Ogden** 1:02:40

If they're getting any funding, if there's any grants or funding that they're receiving? The I think, absolutely, as part of funding requirements, you know, support, business support out there, you know, people put in programs, like we just got, you know, there's websites on other programs that are out there to help people sustain startup companies, you know, things like that, I think that education piece doesn't have to be required for everybody if they're not getting money, but I think if you are getting money, or you get some type of, you know, support there, you should, you should be able to, you should have to take those.

**Chair Goins** 1:03:19

So, we're considering that a social equity applicant, if they're getting support for that license, that leaves us definitely is the CCB out of the loop. I would like a temperature check. Like I want that social equity applicant to be accountable that let me say differently, because that's the wrong word. I want to ensure that we the CCB is holding themselves accountable to this applicant being successful. I think that's what creates a strong equity program.

**Member Ulman** 1:03:55

I think one thing that we can do is make sure that we allow these licensees to have the opportunities to create what whatever kind of establishment that their dream is. And a lot of that will involve food and beverage. I think that was a huge plus to the bill to make additional income. I remember in the last meeting for the public health and safety they were talking about, should food be the package. One number said no, the intent was for food to be prepared on site. Obviously, if you're serving packaged food, you're not going to be making a lot of revenue. So, making sure that folks see whatever sustainable businesses right now here in the market, add cannabis to it, and not putting so many regulations around it where don't do that can't do that. Can't do that, you know, already setting them off. Well, what are we going to do here? So that I think is very important. Workshops as we already said, licensing licenses go back to the state itself. But he cannot, their business cannot function and stay open and produce revenue.

**Chair Goins** 1:05:06

I want to pause there, but does that mean that they can't sell it? Because according to the license Yeah, I'm just, yeah, we don't have to say this today, right. But I want you to be considering what the policy says.

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**Member Ulman** 1:05:19

So, I don't think they should be able to sell it if they can't run the business before two years, okay. Now, that's where you kind of get the question of, so let's say if after two years, they want to sell it, I see it kind of two ways. If we restrict them and say, you can only sell it to another equity applicant, you could be pressing that person for making more money, and then maybe they don't feel that it's fair that they should be able to sell that to whoever they want to. And now that person becomes more wealthy, and they continue their journey on in business. That's where it's like, how much? How much should the government say what you can and cannot do with your business. But I do think there could be an incentive, where if you then sell it to another equity applicant, you possibly pay a reduction in taxes fees, so that we're encouraged to keep the momentum going. But, you know, we also don't want to hold people back from making a lot of money and they were successful.

**Senator Harris** 1:06:20

One thing I think is important discussion to this discussion that I don't think we've mentioned yet is, and maybe this is outside the scope. So I hope that that isn't listening to closely is building a pipeline on sustainability, given these licenses to folks, and they're, you know, able to become successful, I have no problem making it a requirement that they reach back down the ladder, or that I think we need to be making sure, you know, that while we're focusing on diversifying the industry that we're also solely focused on cultivating the next generation to, to be able to be successful coming into the industry. And then we have the pitch that it's not difficult to find another social equity applicant who might want to license if we just if we don't, you know, do the work on that on the front end, then the sustainability piece, I think becomes much, much more difficult. I think there are a couple of great examples of this already happening there are unions who are doing apprenticeship programs. In this area, they hopefully are focused on minority applicants and in their training. And so maybe there's a lot of avenues to kind of really think holistically about this to make sure that it continues to grow and about.

1:07:44

I agree. Member Ogden

**Member Ogden** 1:07:50

I agree, I think I think you hit it right on the head, what you're thinking, and I think that we're all, you know, have great synergy with what we're how we're looking at this. And all the research, we know, we got to look into and find the best practices and things. And I think you know.

**Chair Goins** 1:08:10

I agree. I'm going to move on to agenda number five. And that is action items for our next meeting. The next meeting is not scheduled. However, there are a few things I want to make sure that we are looking into for our next meeting. And I will follow up with the staff here who has just lovingly been helping me. I so appreciate you all. I couldn't do this without you. You make me look good. Thank you. But I want to so action items for the next meeting is we will be talking about the application and what the what the designation should be, I want to talk I want to make sure that we're talking about that. And then for recommendation, and then also what is an equity applicant for the next meeting, and then those will be the 2x two action items. And I do realize that we wanted to petition a study for other industries. I'm hoping I can get that done before we have the next meeting. So, we can talk about those designations to decide what we want to ask the advisory Commission's to vote on any questions about that. No, you guys want to add anything to the next action items.

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**Senator Harris** 1:09:52

I'll make two suggestions if I can, yes, wheelchair, yes. One thing we may want to think about is can categories of recommendations we're going to make. Yeah. So, we've already got two, right? What's the application? So that's one category recommendations. Number two, what is the definition of social equity? That is the category of recommendations we're going to make. So maybe we want to think about here, the buckets, we're going to look at, okay, and then look at the box, right? And then that will kind of help make it easier to produce a report and say, here are recommendations pertaining to issue number one recommendations pertaining Issue number two. And then the second thing I'd like to be able to hopefully talk about, and I keep leaving on the bag heavily today, I hope he doesn't hate me is to really look at our scope of authority. Because I'll be honest, I want to push this to everything the CCB is doing as much as possible. I know we're here about consumption lounges. But as you know, we discussed earlier social equity is built into the CCB's mission. And so, if there's any way that we as this advisory board can make recommendations that maybe happen to creep out into what the CCB does, generally, I would hope we'd be able to maybe word them in a in a particular way. Or, you know, maybe push that envelope a little bit.

**Chair Goins** 1:11:16

But that is what this advisory board is for. Yeah. And you know, just to say this, again, that's what this advisory board is for is to make recommendations. It's just that the chain of command is that the subcommittee goes to the yes, the subcommittee makes recommendations to the CAC the CAC votes on those, and those recommendations then go to the Cannabis Compliance Board.

**Senator Harris** 1:11:39

Yes, I just want to see how broad can we get?

**Chair Goins** 1:11:40

that's a that's a good thing.

**Asheesh Bhalla** 1:11:46

Sorry, yeah, no, I just wanted to chime in and say, I think that's, you know, completely fair. And I don't mean to circumvent the discussion at all, just want to make sure for Open Meeting Law purposes, that we're just sticking to the agenda item that's listed there. But, you know, within the scope of diversity and inclusion, this board, you know, or this subcommittee has the ability to really have a wide range of discussion on these topics, we just have to agendize them properly. So, I think if board members have things they want to discuss, just let Amber know, and staff will put it, you know, on the agenda at the chairs, you know, authorization because the chair is in charge of the agenda. But, you know, we can, you know, have a lot of things that are just related to equity, and inclusion and diversity. We just have to make sure we agendize it. And then that's that.

**Chair Goins** 1:12:44

Thank you very much. So, we are now moving on to agenda item six, and it is public comment. And we're just I'm just going to ask that if you want public comment, we just ask that you come to this space right here and limit your public comment to two minutes, please.

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**Unknown Speaker** 1:13:08

Two minutes. That's unfair

**Chair Goins** 1:13:09

Is it? Yes, it is. Oh, my apologies. Everybody.

1:13:19

Ignacio Soria and founder of the cannon coat, we're a pre-revenue startup. We've been working to get in the industry for three years. I'm a first generation Mexican American. I'm a retired Marine Corps Lieutenant Colonel spent 24 years. I'm service disabled, you think that that type of resume might break into the market and there'll be plenty of access to capital, that's not the case. My concern with the social equity program, I put, we put our company put \$100,000 as a company into getting into a social equity program in a large state, west of here in a very big city for the biggest in the state. And, and the lessons learned are just endless. The social equity applicants, they have 1700 qualified applicants. But when the city looked at that they realized they didn't have the capacity themselves to process those folks and you do justice to the due diligence that's required to keep them within the box, the framework that you ultimately will establish and recommend. So, I think you have to think about that, that you may have 10 licenses. But what if you get 1000 applicants, you know, then then you're in trouble as a as a state and as a municipality, potentially, on how you're going to process that. That's one, the application process, extremely lengthy. We paid consultants lots of money to help us compete to win. We were competing against, you know, the End of the World and these types of companies that have lots of capital. I was able we were able to get investors came in the you know some of the regulations Is the seat put in, like you'd have to live, the social equity applicant had to live in a certain zip code was just wrong. To begin with. I think you both do if all three of you have touched in all four, you actually have touched on a lot of the key elements of ensuring that we're casting a wide enough net in social equity programs to have a positive effect on the community, not individuals, I think individuals, you know, is definitely a wrong formula for making people successful, allowing people to succeed in an environment where they otherwise wouldn't. So, the idea that, that you have these social equity applicants, and they can bring three, four of them along into the business somehow has to be thought thoroughly through I mean, that's just too much opportunity there. We were working in the state and other states, you know, east of here, and they're the first ones that had the recreational cannabis overflows, social equity outcomes there, we've been working to seek out social equity applicants, but they're coming online to issue more licenses, and they knowingly are going to issue these, I'm going to use the word lottery, but it's not in the same context that your thinking. Because by the way, lottery system disincentivizes, someone like me to go and get a, an investor to drop a million dollars into a store that that, you know, we're not going to have, you know, full, you know, a 51% owner or greater percentage of the store. So, that's a disincentivize, as far as I'm concerned, when you're looking at that community, but back to that lottery concept, is the individuals are being afforded licenses, but they immediately know, if they put it on the market, they're sold for a million bucks, right million dollars sale instantly to become millionaires, they just won the lottery, but they did nothing for them, they'll go, you know, who knows how they're going to employee that money for themselves or for their communities. You know, I think that somewhere, some thought has to be put into that mechanism, I think the two-year timeline is kind of a way to keep them in and, and have them, you know, reap the benefits of understanding how to run a business. But when it comes to capitalizing these businesses, you know, there has to be, you know, you know, all the either bring investors to the table and drop money onto these folks. They have to know how to run the business, you know, they got to know that they're your if you're going to allow consumption, which of other things because we have a cannabis and coffee concept. So that's our service component to our concept. And when we come with that, we're looking at easily

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spending over a million to a million and a half dollars on a store. So that is the immediate impact on these social equity applicants. The assumption is the social equity folks have access to capital, I would say it's probably that assumption. So it's how do you pair them up with the industry folks, they're working with people that have access to capital, you know, without going down the same road and having the same winners over and over again, as a state, you know, we got to reach out and get in let out you know, you know, other companies participate and have them bring capital and allow them to win as a team. And then I think the program stands on better footing. I know somebody said you know, let's go out and do Joe bend some benchmarking craps on successful cities or states that have but I derogated it to tell me one that successful social equity has just been a disaster at this point. So, appreciate your time. And thanks for giving me more than two minutes

**Chair Goins** 1:18:34

Thank you for your comment start Yes.

**Timothy Addo**1:18:49

Timothy Addo. The founder of Chemovario, which is kind of this tech startup, basically, it's a show we're doing internal and external business, financial analysis, just to touch on a few, just to basically share some of my recommendations for the committee have expressed during the previous legislative session that unfortunately, up till today, there still isn't any proven profitable model for this consumption lounges social equity discussion that we have going on right now at this moment. So that is to me the most important issue that we need to address. Can I take my mask off? I need the mask off to speak. . All right. Excuse me for that. Yeah, because I do, primarily as the first person of color in the state that had a random local nonprofit that was sponsored by the US Pain Foundation, I could attest to the point from firsthand that the biggest issue I had with the pipeline to this industry was access to capital. And I watched as my colleagues that had overnight formed MSOs, and they were able to raise funding, and they were able to basically establish their businesses and some of us got left behind. That's the main reason why I will forever advocate that we need to establish a real pipeline and the real sustainability, I guess, around to some sort of social, economic empowerment for those that were marginalized or disenfranchised from this industry, short term I wanted to earlier, you when indicate that you did some homework and the results, it's always good to issue our homework. Well, I have some homework to issue out too. And I want to address that. Based on your comment that there shouldn't be a category of recommendation for social equity first that has to do with definition, we get that. And you know, we've been an advocate for only thing to understand based 51%, conviction, yes, there's been lots of experience from other states that we can learn from and pick up the best and leave the ones that did not work behind. Also, social equity goals should be also defined very well, increasing the number of retailer licenses held by social equity applicants from this approach from disproportionately impacted areas. And we should also have another, particularly a social equity plan. And that's what goes with our business plans and forming partnerships or assistance to organizations, with residents in connection with populations with a history of high rates of enforcement and cannabis prohibition, and also establishing that has to be a workforce, you know, technical training that also aids that pipeline.

**Chair Goins** 1:22:32

I'm going to give you just 30 more seconds, I've given you three and a half minutes. Okay. Thank you for your comment.

**Ali** 1:23:00

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My name is Ali. I'm basically here speaking on behalf of social equity consumption. Firstly, I want to say like, thank you guys, so much for what you're doing right now. Nevada really needs this conversation to happen. And I'm just very grateful that the CCB is considering these regulations, and being more inclusive in our industry because speaking as someone who is one of the few minority business owners in the cannabis industry here in Nevada, it's one of the most toughest hardest experiences I've ever been through in my life. And to now see that you guys are looking at offering assistance and ongoing things that I didn't have when I started with this industry. It's desperately needed. I don't want to see people who look I came from the same areas that I came from go through the same hardships, you know, so I don't want to see one of the biggest things where I'm thinking with ongoing education is compliance. Like, we need to be making sure these people know the rules 100% Because speaking to someone who's gotten hit for compliance, it's one of the hardest things you don't have to go through. And it could literally ruin your business and devastate your business over overlooking certain things that are required by the state. And I don't want to see anybody have to go through that. And if we can prevent that, let's do what we cannot prevent those situations. When we're talking about funding, right, there's, in essence, anytime you put the license caps in place, there's always going to be the sharks are always going to come out, right because there's only a certain number of licenses that are available. So, you're going to be looking at predatory lending practices. They're going to be looking at people's being set up as puppets. For bigger corporations and other people. We're going to try to get these licenses. So, what are we going to do to prevent that from happening? Just on the definition of item nine the way it is for social equity right now, the way is defined is going to put us in the same scenario as what happened to what [unclear] was saying before on the last dispensary round application. Because I can speak to that myself, I've seen multiple groups just put on minorities as puppets on their boards, so they can meet the diversity portion of the application. And a board member can easily be removed and taken up, being a board member doesn't necessarily mean anything. Because that person can be removed, they don't have any ownership. So, we have to consider that as well. So, the way the definition is written right now says, in order to clarify something, you have to be an owner or an officer, that officer thing right there can be like, Okay, so the CFO is a minority, but there's no minority ownership, but they qualify because he's an officer of the company. Another thing we have to consider too, is the one of the biggest things that's happening all over the country is when someone is applying for a license, we shouldn't be making them require them to have the real estate already. Because now they're paying rent, they're buying the stock, they're putting themselves in real tough position just to apply for that application. So, they should have, there should be a conditional application, we get to conditionally apply, and then you can go out and find your location. Application stacking, that's going to be another big thing, you're going to have groups that are going to come in and put in 50, or 100, application, you know what I mean, so there should be ownership should be, you shouldn't be able to have ownership of more than one license. And an applicant shouldn't be able to apply for more than one or two licenses, because what's going to happen is, especially if you have some sort of lottery, they're going to stack the lottery, again, put 100 applications in the lottery,

**Chair Goins** 1:27:11

can I get your final?

**Ali** 1:27:16

Yeah, frankly, this social equity is not charity. We're not looking for charity, we're looking for a level playing field, we're looking for a way for us to be able to play on the same field as everybody else. And that started from way behind. We want to we want to start from the same position.

**Chair Goins** 1:27:36

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Thank you for your comments, sir.

**Ali** 1:27:38

One last thing is management contracts. A lot of the people are just getting put in management, or corporations, they're where they are the whole company, we will management services.

**Chair Goins** 1:27:51

Thank you for your comment.

1:27:58

My name [unclear] McCoy. I am still new to the space of the cannabis market. I come from a background about 25 years in Hollywood production. And I am very interested in the space this is something that I've been dreaming about since moving to Nevada few years ago, and the social equity bargains very apply. I think that they are going to be a lot of barriers to make a distinction. I think one of my suggestions on making things up with the 10 applicants who will be allowed to do this is 51% ownership and operation you should have to be the operator, as opposed to just somebody who's a corporation who is licensees out for plummet people, as you said, I think it is very few. Ten is a very small number in a four million plus city. You know, and I think the ideas that you did have were very great ideas on how to make this a somewhat socially equitable thing, and I think we do have to just really kind of, and I think the application process has to be more transparent, we have no clue what we need to do, how we need to do it. Whatever requirements, this word requirements for capital, what are the requirements, from a little guy trying to get into a situation to where he's willing to work? But unfortunately, he's doesn't have the same kind of capital as these major corporations who are invested into this business. So how do we how do we make that a more equitable thing to wear and take the classes on financial literacy and running the business? It's all great ideas. I think. As a community, we do need to sit down and work out the best way. So, it's not just the same old people getting the same overwrites every time Thank you for you guys. Appreciate it. I have one more suggestion. Listen to the meeting on public health and safety on the food preparation. I think it should also be a culinary class for the people who are in this particular field to have to be certified in doing you know, on site, preparation of food with THC in it. I think that would be helpful way to go more standardize what the recipes are. Thank you very much for your time. Guys. Have a nice day.

**Chair Goins** 1:30

Thank you for your comment. Is there anybody else with public comment? If not, I just want to say I appreciate everybody's patience and being here with us digitally and also in person  
I hope with this meeting hope that you guys really see that we want to be involved in this process that we're taking it seriously. I appreciate everyone's public comment, and if without anything else said this meeting is adjourned