

August 16, 2022

MEMORANDUM

To: Finance and Housing Committee
From: Amy Gore, Analyst
Subject: CB 120391: Cannabis Equity Ordinance Proposed Amendments

On Wednesday, August 17, the Finance and Housing Committee will continue discussing and may possibly vote on [Council Bill \(CB\) 120391](#), which would outline actions the City intends to take to improve racial disparities in the cannabis industry.

CB 120391 was discussed by the Committee on August 11. For background and a summary of the bill, see [Central Staff Memo \(August 11\)](#). This memorandum summarizes seven proposed amendments in Table 1. All of the proposed amendments are attached to this memo.

Proposed Amendments

Table 1. Proposed Amendments

Topic/ Amendment No.	Sponsor(s)	Title	Effect
Needs Assessment			
1	Mosqueda	Cannabis Needs Assessment – Partnership	This amendment would add a new Section 10 to describe the type of organizations that should conduct the Cannabis Needs Assessment, specifying that it shall be conducted by a Seattle-based educational institution in partnership with a non-profit organization. Amendments 1 and 2 are mutually exclusive.
2	Nelson	Cannabis Needs Assessment – Independent Academic Institution	This amendment would add a new Section 10 to describe the type of organization that should conduct the Cannabis Needs Assessment, specifying that it shall be conducted by an independent academic institution. Amendments 1 and 2 are mutually exclusive.

Table 1. Proposed Amendments (cnt'd)

Topic/ Amendment No.	Sponsor(s)	Title	Effect
Cannabis Needs Assessment Advisory Committee			
3	Mosqueda	Cannabis Needs Assessment Advisory Committee	<p>This amendment would amend Section 9 to provide additional guidance on the composition of the Cannabis Needs Assessment Advisory Committee, specifying that the committee should include:</p> <ul style="list-style-type: none"> • three business owners or industry association representatives; • three representatives of labor, including unions and workers; and • three representatives from communities that have been historically harmed by the War on Drugs and have advocated for cannabis equity in King County, with priority to those who meet the social equity criteria as defined in RCW 69.50.335. <p>Amendments 3 and 4 are mutually exclusive.</p>
4	Nelson	Cannabis Needs Assessment Advisory Committee	<p>This amendment would amend Section 9 to provide additional guidance on the composition of the Cannabis Needs Assessment Advisory Committee, specifying that the committee should include:</p> <ul style="list-style-type: none"> • two representatives from organizations that advocate for the cannabis industry; • two cannabis business owners; • two cannabis business employees; and • three representatives that meet the criteria defining social equity applicants as outlined in RCW 69.50.355. <p>Amendments 3 and 4 are mutually exclusive.</p>
Community Partnerships			
5	Herbold and Mosqueda	Community Partnerships	<p>This amendment would amend Section 3 to specify that the City will partner with King County and with communities negatively impacted by the War on Drugs and with lived experience in the criminal justice system, to seek the expungement of cannabis convictions.</p>
Other			
6	Nelson	Amend Recitals	<p>This amendment would add two new recitals to CB 120391.</p>
7	Nelson	Safety	<p>This amendment would amend Section 6 of CB 12039 to clarify the City's intention with regard to safety of cannabis retail businesses.</p>

Attachments

1. Amendment 1 – Cannabis Needs Assessment – Partnership (Mosqueda)
2. Amendment 2 – Cannabis Needs Assessment – Independent Academic Institution (Nelson)
3. Amendment 3 – Cannabis Needs Assessment Advisory Committee (Mosqueda)
4. Amendment 4 – Cannabis Needs Assessment Advisory Committee (Nelson)
5. Amendment 5 – Community Partnerships (Herbold and Mosqueda)
6. Amendment 6 – Amend Recitals (Nelson)
7. Amendment 7 – Safety (Nelson)

cc: Esther Handy, Director
Aly Pennucci, Deputy Director
Asha Venkataraman, Lead Analyst
Yolanda Ho, Lead Analyst

Amendment 1 Version 2 to CB 120391– Cannabis Equity ORD

Sponsor: Councilmember Mosqueda
Cannabis Needs Assessment – Partnership

Effect: This amendment would add a new Section 10 to describe the type of organizations that should conduct the Cannabis Needs Assessment, specifying that it shall be conducted by a Seattle-based educational institution, in partnership with a non-profit organization.

Amendments 1 and 2 are mutually exclusive.

Add a new section to CB 120391 as follows:

Section 10. The Cannabis Needs Assessment shall be conducted by an entity, such as a Seattle-based educational institution, in partnership with a non-profit organization with experience in curriculum development, administering retail training and apprenticeship programs in the State of Washington, with expertise in the roles and functions of jobs within the cannabis industry, and that is not primarily funded by cannabis businesses or employer associations.

Section ~~11~~10. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Amendment 2 Version 1 to CB 120391– Cannabis Equity ORD

Sponsor: Councilmember Nelson

Cannabis Needs Assessment – Independent Academic Institution

Effect: This amendment would add a new Section 10 to describe the type of organization that should conduct the Cannabis Needs Assessment, specifying that it shall be conducted by an independent academic institution.

Amendments 1 and 2 are mutually exclusive.

Add a new section to CB 120391 as follows:

Section 10. The Cannabis Needs Assessment shall be conducted by an independent academic institution with local experience identifying training needs for workers in a variety of industries, developing industry- and job-specific training curriculum, and delivering job skills programs.

Section ~~11~~10. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Amendment 3 Version 1 to CB 120391– Cannabis Equity ORD

Sponsor: Councilmember Mosqueda

Cannabis Needs Assessment Advisory Committee

Effect: This amendment would amend Section 9 to provide additional guidance on the composition of the Cannabis Needs Assessment Advisory Committee, specifying that the committee should include:

- three business owners or industry association representatives;
- three representatives of labor, including unions and workers; and
- three representatives from communities that have been historically harmed by the War on Drugs and have advocated for cannabis equity in King County, with priority to those who meet the social equity criteria as defined in RCW 69.50.335.

Amendments 3 and 4 are mutually exclusive.

Amend Section 9 of CB 120391 as follows:

Section 9. To aid in the scoping of this needs assessment, the City will appoint an advisory committee comprised of nine members, including three business owners or industry association representatives, three representatives of labor, including unions and workers, and three representatives from communities that have been historically harmed by the Federal War on Drugs and have advocated for cannabis equity in King County, with priority to those who meet the social equity criteria as defined in RCW 69.50.335 ~~workers, industry members, and community members impacted by the federal War on Drugs~~. The work of this advisory committee will commence in Quarter One of 2023, with a task of completing the scope of the needs assessment no later than the end of Quarter Two 2023. The advisory committee will then be tasked with reviewing the results of the needs assessment and providing recommendations to

Amy Gore
Finance and Housing Committee
August 17, 2022
D1a

the Mayor and the Council no later than 60 days after the completion of the needs assessment, at which time the committee shall be dissolved.

Amendment 4 Version 1 to CB 120391– Cannabis Equity ORD

Sponsor: Councilmember Nelson

Cannabis Needs Assessment Advisory Committee

Effect: This amendment would amend Section 9 to provide additional guidance on the composition of the Cannabis Needs Assessment Advisory Committee, specifying that the committee should include:

- two representatives from organizations that advocate for the cannabis industry;
- two cannabis business owners;
- two cannabis business employees; and
- three representatives that meet the criteria defining social equity applicants as outlined in RCW 69.50.355.

Amendments 3 and 4 are mutually exclusive.

Amend Section 9 of CB 120391 as follows:

Section 9. To aid in the scoping of this needs assessment, the City will appoint an advisory committee comprised of nine members total, including two representatives from organizations that advocate for the cannabis industry, two cannabis business owners, two cannabis business employees, and three representatives that meet the criteria defining social equity applicants as outlined in RCW 69.50.335~~workers, industry members, and community members impacted by the federal War on Drugs~~. The work of this advisory committee will commence in Quarter One of 2023, with a task of completing the scope of the needs assessment no later than the end of Quarter Two 2023. The advisory committee will then be tasked with reviewing the results of the needs assessment and providing recommendations to the Mayor and

Amy Gore
Finance and Housing Committee
August 17, 2022
D1b

the Council no later than 60 days after the completion of the needs assessment, at which time the committee shall be dissolved.

Amy Gore
Finance and Housing Committee
August 17, 2022
D1d

Amendment 5 Version 1 to CB 120391– Cannabis Equity ORD

Sponsor: Councilmembers Herbold and Mosqueda
Community Partnerships

Effect: This amendment would amend Section 3 to specify that the City will partner with King County and with communities negatively impacted by the War on Drugs and with lived experience in the criminal justice system to seek the expungement of cannabis convictions.

Amend Section 3 of CB 120391 as follows:

Section 3. The City will partner with King County and communities negatively impacted by the War on Drugs and with lived experience in the criminal justice system to seek the expungement of cannabis convictions handed down prior to 2014, including, but not limited to, printed and electronic records where this information might be retained ~~advocate partnership with King County to seek the expungement of cannabis convictions handed down prior to 2014.~~

Amendment 6 Version 1 to CB 120391– Cannabis Equity ORD

Sponsor: Councilmember Nelson

Amend Recitals

Effect: This amendment would add two new recitals to CB 120391.

Amend the recitals of CB 120391 as follows:

WHEREAS, the City supports the establishment of new license types by the State, recognizing that Washington is behind other states in creating a variety of paths to market for cannabis consumers, producers, and retailers. The City also recognizes making these license types exclusive to social equity applicants creates a unique opportunity for individuals who have been disproportionately impacted by the War on Drugs, and who have historically been excluded from opportunities in the legal cannabis industry, to launch competitive cannabis businesses with a reasonable chance for success;

WHEREAS, research indicates that nationally only 42 percent of cannabis retail businesses are profitable; and

WHEREAS, The City of Seattle is committed to a thriving cannabis industry and supports making business development and technical assistance, career advancement training, and enhanced safety measures available for cannabis business owners and workers; NOW,

THEREFORE,

Amy Gore
Finance and Housing Committee
August 17, 2022
D1a

Amendment 7 Version 1 to CB 120391– Cannabis Equity ORD

Sponsor: Councilmember Nelson

Safety

Effect: This amendment would amend Section 6 of CB 12039 to clarify the City’s intention with regard to safety of cannabis retail businesses.

Amend Section 6 of CB 120391 as follows:

Section 6. The City will ~~continue to partner with organizations advocating~~ implement strategies that strengthen the cannabis industry; support for the advancement, ~~safety,~~ and retention of cannabis workers; and improve the safety of retail cannabis workers, owners, and customers.