REPAIRING THE HARMs, CREATING THE FUTURE:

CENTERING CANNABIS SOCIAL & HEALTH EQUITY IN LOS ANGELES

CAGE-FREE CANNABIS
EQUITY FIRST LA
THE SOCIAL IMPACT CENTER
UNITED FOOD AND COMMERCIAL WORKERS LOCAL 770

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Acknowledgements: This report is dedicated to the millions of people who have lost their lives, livelihoods, or life chances across the US, Mexico, the Caribbean and Central/South America due to the decades-long war on drugs and the rise of mass incarceration. We recognize the many communities whose loved ones and leaders suffered, and write with the hopes of repair and transformation that enshrines respect for all life here in Los Angeles and far beyond - and long into the future. We acknowledge this project occurs on Tongva, Gabrieleño, Kizh and Chumash lands and write with our utmost respect for local tribes and peoples.

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EXECUTIVE SUMMARY

REPAIRING THE HARMS, CREATING THE FUTURE: CENTERING CANNABIS SOCIAL & HEALTH EQUITY IN LOS ANGELES

The War on Drugs decimated many of Los Angeles’ communities. With the passage of a national model Social Equity Program in the City of Los Angeles, we have the opportunity to repair the harm.

Despite the passage of this groundbreaking program and more than a year into the launch of adult use legalization, the City of Los Angeles still lags in addressing important issues in the implementation of a fair, equitable, and lawful cannabis scheme:

- Immediate and effective implementation of the City’s groundbreaking Social Equity Program (SEP) designed to repair the harms of the war on drugs.
- Strict and effective regulation to ensure community safety and success of the legal market.
- Community reinvestment and cannabis corporate social responsibility to broaden the benefit of cannabis regulation and taxation.

The report lays out how the City of Los Angeles can address these issues by implementing cannabis regulation with an emphasis on social equity and community reinvestment.

These recommendations and policies are built on an existing foundation of policy and community efforts throughout the city that already emphasize social equity, and show how Los Angeles can (and should) become the national leader and innovator in equity policies in all aspects of governance.
WHAT IS SOCIAL EQUITY?

- Equity in implementation closes historical gaps that often align with place, race, and gender.
- In the present, equity requires deep partnership with affected communities that supports their participation and power.
- Finally, equitable implementation mitigates future disparities by building for the long-term (in adaptable ways) and anticipating future harms.

Most importantly, equity can be applied to a broad-based program that works across departments and policies. It must be present everywhere to be effective and not be isolated or "siloed." The more integrated, dynamic and expansive view of equity we construct, the more the results will be far-reaching and long-lasting.
SUMMARY RECOMMENDATIONS:

1. **Immediate funding and infrastructure to DCR’s Social Equity Program**

Advance robust funding to DCR’s Social Equity Program to ensure that the first wave of licensing for SEP occurs with promised city programs and with the potential to reach affected communities prior to licensing. Fast track a portion of funds to expand low-income and marginalized community access to free and accurate information and support to participate in the social equity licensing programs before the opening of the first 100 SEP retail licenses. By the second 100, create a city-managed incubator system, where the City has oversight directly over incubators. Direct substantive funding to workforce development programs to ensure the capacity of equity applicants/licensees to meet transitional/local hiring requirements and build the social equity workforce.

2. **Create a Cannabis Health & Social Equity working group**

Create a Cannabis Health and Social Equity working group at the City level, convened by the Cannabis Regulation Commission and Department of Cannabis Regulation (DCR), that would coordinate stakeholders at first monthly, then quarterly and in different areas of the city. From this group, write and publish a comprehensive platform and Cannabis Equity Guidelines that can be used to assess and decide upon budgeting for and activities related to cannabis by City agencies. Include a process for accountability anchored in these guidelines and metrics to measure success towards equity goals. Set up collaboration between DCR & Office of Cannabis Management (OCM) to scale this platform to the County.

3. **Implement progressive and comprehensive enforcement**

Develop a progressive and comprehensive enforcement strategy for cannabis regulations. Create a multi-agency collaboration on enforcement through the public safety taskforce for cannabis that also includes representatives from the public, particularly community members and organizations affected by the war on drugs. Conduct a multi-step, non-punitive process. Ensure coordination among various stakeholders in the process and a shared commitment to equity and restorative justice principles. Link in continued pathways for employment opportunities for those seeking a pathway out of the unregulated market, such as through apprenticeship, workforce development programs and job placement programs (see #1). Integrate public education to help communities determine regulated shops and distinguish regulated products.
SUMMARY RECOMMENDATIONS:

4. Halt criminalization and use diversion

Halt further criminalization of youth and ensure that any diversion programs are in line with models of social equity. Link the Department of Public Health and LAUSD with the Cannabis Health and Social Equity Working Group to ensure alignment and equity principles in the youth drug counseling & safety programs. Ensure youth input into such programs and their ability to address health equity.

5. Use cannabis funds for community reinvestment and health

Direct 100% of cannabis tax funds beyond those required for the City’s cannabis regulation activities to specific needs related to health and social equity related directly to cannabis, e.g. create a community reinvestment fund to repair the intersecting harms of the war on drugs. This should include both programs empowering formerly-incarcerated adults and similar investment in youth development and early education, per previous discussions in City Council, the objectives of Prop M (2017) and best practices in health and social equity.

6. Create pathways to public consumption zones

Create a pathway to publicly-managed consumption zones that are free, accessible and meet the needs of medical and low-income patients.

7. Develop reporting to measure progress and advance equity goals

Define the City of LA’s corporate social responsibility reporting requirement for cannabis businesses in ways that deal with the specific past, present and future harms and benefits linked to the industry. Incentivize programs that directly reflect the needs of and give power to those most affected by health/social equity, and reward innovation and creativity. Integrate with any merit-based SEP and other licensing system going forward.
SUMMARY RECOMMENDATIONS:

8. Real, usable data on equity progress

Strengthen data on equity to track progress towards community and expert-defined metrics. Expand data on the past effects of the war on drugs, in particular incorporating LA Sheriff’s Department data and LAUSD data on cannabis-related suspensions/expulsions and school-site policing.

9. Create national standards and make LA a leader on equity

Expand knowledge and shared resources on equity across cities and regions by sponsoring a National Cannabis Repair & Equity Summit in Los Angeles.
INTRODUCTION
LIVING UP TO THE PROMISE

There are few moments comparable historically to the development of Silicon Valley, but today, we are witnessing a similar explosion and innovation regarding - perhaps unexpectedly - cannabis. Much attention has been directed to the economic value of the "green rush" - a market expected to reach $5.1 billion statewide. Cannabis jobs are growing at a pace of 17% to 22% a year nationwide. Los Angeles, by most accounts the largest cannabis retail and production market in the US, stands to gain significantly. But who will benefit from these new opportunities?

Black, Latinx, Native/Indigenous and Asian-Pacific Islander people from marginalized communities hold significant knowledge in cannabis yet have faced significant legal and social exclusions for their involvement – not the least of which is mass incarceration. Many young men and women of color who have worked in the cannabis field – or who came into contact with the plant in any way – have had their slate marked by criminal justice arrests and sentences. Racially-biased marijuana arrests have been the primary driver of the war on drugs: Black people in California were twice as likely as white to be arrested, and Latinos 35 percent. [i] Even as legalization was taking hold from 2012-2016, disproportionate arrests persisted, and Black and Latino residents in Angeleno neighborhoods like South Central lost years of life in jail and millions in bail debt. [ii] Cannabis arrests often targeted youth and created intergenerational ripples that have crushed opportunities for and the well-being of individuals, chosen families, and whole neighborhoods.[iii]
Los Angeles community and labor organizations, policymakers and some cannabis industry operators and workers have looked closely at cannabis’ past harms and sought to resolve them in a way that addresses present challenges, but also ensures future opportunity. Most visible of these efforts, the City of Los Angeles’ Social Equity Program (SEP) in cannabis offers communities affected by the war on drugs (which are often majority-Black and Latinx and poor) prioritized small business and workforce development assistance.[iv] At the urging of community advocates and as affirmed by voters in Proposition M (2017), [v] Los Angeles has committed to a broader vision for cannabis: one of public and environmental health, community benefits or broadly, social justice and responsibility.

Programs like the social equity and cannabis community benefits efforts are part of a broader push by policymakers, community/labor and philanthropy that place equity at the center of making policy.

Los Angeles has been an innovator in a comprehensive approach to equity that spans economic, social and health arenas. [vi]

Among other recent city and county programs with a strong equity lens include the Transit Oriented Communities and County Measures M&A (2016) that fund transportation and parks, the legalization of street vending, protections against wage theft and for a minimum wage, a lens on equity in budgeting and efforts to address the place-based factors shaping health outcomes.

Organizations like UNIDAD, meanwhile, have ensured that new development along in historic South Central and the Figueroa Corridor actually provide community benefit packages to long-term residents and neighbors.[vii] Community benefits agreements (CBAs) can also be traced back across the last twenty years in LA, from the NoHo Commons and LA Live/Staples Center CBAs in 2001[viii]. Each of these efforts are deeply connected to the development of the SEP in cannabis – and in turn, the SEP will allow the City to better execute its comprehensive approach to equity.

The following report approaches the questions facing the city regarding social and health equity through insights gained from a major community dialogue and learning event, as well as through dozens of interviews. In so doing, we borrow from the best practices and precedents set regarding community engagement to implement equity-centered policy in Los Angeles. We draw from the expertise of those affected by the war on drugs, some who are workers and owners in the industry, as well as policymakers and practitioners in public health and community development. We suggest that such an approach should not stop here: cross-sectoral engagement and partnership is an ongoing and necessary part of ensuring equity remains at the center of cannabis regulation and markets.
Intersectional dialogue and expertise is especially needed with the complex process of implementation ahead - in particular, with the issues of funding and enforcement looming. As many community members have pointed out - funding for equity programming has been slow to arrive and a trickle when it does. The City at time of writing had only allocated $1.5 million in funds on an emergency basis for a program meant to support hundreds of non-retail equity and at least 200 retail operations. (In comparison, the City of Oakland allocated $3.4 million for loans and technical assistance in FY2017-2019, licensing thus far 6 equity dispensaries and 24 non-retail equity businesses.) With 100 licenses for Tier 1 and 2 social equity on a fast-track as of March 2019 but no technical or capital assistance, there are significant questions regarding who stands to benefit. Tax revenues will only grow as regulation cements, but there is little guarantee they will be invested to directly respond to voter and community leaders’ calls for equity, justice and public health.

Many in the industry are also calling for the rapid elimination of non-regulated cannabis businesses. Yet operations are waiting in the shadows for licensing to open, continuing their business as a survival strategy at the margins. In each of these hundreds of shops (anywhere from 300 to 700 depending on the estimate) likely thousands of workers – predominantly people of color, from marginalized communities, that are also in need of better options. This is not to mention the thousands of people who survived in the once-underground market – what one interviewee called the “boys with backpacks” – helping fill a wide range of roles like distribution, who now may lack any path forward. Many of these disenfranchised workers and owners are positioned in neighborhoods that lack opportunities and infrastructure - due in part to disinvestment during the decades-long war on drugs. But, delivering on social equity is a surefire way to curb the illicit market.

Communities, too, are concerned with the persistence of non-regulated shops and their potential for stocking untested products and lacking controls on access. Misinformation abounds, and the public has trouble sorting through outdated myths regarding the war on drugs and what constitutes a legitimate operation. Proposition M (2017) mandates the City “protect public health, public safety and the environment” through its cannabis tax regime, but such investments have yet to materialize. With the advance of regulation must also come an approach to health and prevention that also considers equity. In fact, as we discuss, the more that equity comes to the forefront, the better the City can address the underpinning social determinants of health that affect questions like youth usage.

With this complex situation [ix], many community members from affected areas, and residents more broadly are wondering: How can Los Angeles live up to its promise of social equity and social justice through the cannabis industry? How do these fit in with priorities like enforcement of regulation? How can we know when local agencies, organizations and the cannabis industry are succeeding in the City’s broader mission of equity and its obligations to LA’s diverse residents?
The diversity of efforts on equity and social responsibility in Los Angeles that set the groundwork for the cannabis Social Equity Program (SEP) and their challenges and success offer rich learning and ample practices for policymakers, industry and residents. Existing City and County agencies, community organizations and movements also present potential collaborators and comrades to ensure the success of the SEP and corporate responsibility efforts. In other words, efforts for equity beyond cannabis are not mutually exclusive but mutually constituted.

Importantly, this is not a one-way street: community efforts for equity and justice that align with the direction of the SEP “outside” of cannabis could also benefit from participating in the implementation of social and health equity in cannabis. Most neighborhoods that grapple with inequality were also directly affected by the war on drugs. For base-building organizations in LA, many are already grappling with issues raised by their members, like the presence of dispensaries in their neighborhoods or questions regarding youth access. At the most practical level, such organizations struggle with resourcing their own social justice and community development work, and the cannabis industry, in the interests of social equity and corporate responsibility, may be able to help support their broader success.

Yet a large gap has persisted among all these fronts. Conversations at the City and even County level and in public dialogue have, with some notable exception, been the domain of industry organizations. Long-time social movements involved in cannabis, such as the LGBTQ movement focused on HIV/AIDS have become less present over time, and criminal justice organizations who have done the hard work of passing legislation like Proposition 64 are surviving with few resources. When it comes to health equity, the conversation on cannabis is even more bifurcated and often cast in terms of opposing camps on prevention.
It is with this in mind that Cage-Free Cannabis, The Social Impact Center, Smart Pharm Research and United Food and Commercial Workers (UFCW) Local 770, as well as allies like the Drug Policy Alliance, brought community, industry and policymakers together on October 13, 2018 under the banner of Models of Justice. The event sought to spark dialogue and create a space for important, sometimes tough conversations on how to create a comprehensive vision of equity. Participants dug deep into community knowledge to address the most visible, pressing concerns like cannabis small business and workforce development. But the event also expanded the questions at stake to include many priorities that City Council and Department of Cannabis Regulation (DCR) leaders have raised but lacked the space to address – such as those regarding health and reparative criminal justice.

In the report below, we look to different social movement and policy initiatives highlighted at Models of Justice and draw from broader research on equity policy-making models in the Los Angeles region. We look at how city and county agencies and community organizations are already working to enshrine equity in comprehensive ways, how similar strategies are and can be applied to the cannabis space, and how these cross-sectoral efforts can better align in synergistic ways. We close with key recommendations that can ensure Los Angeles once again proves its own position as a national model of equity.

METHODS OF INQUIRY

The following report documents and synthesizes observations and transcribed panels from the Models of Justice (MOJ) event in October 2018. The quotes attributed are approximated from both on-site field notes and transcription of the video from the event. Additionally, the researcher also conducted informational interviews with most of the organizations tabling. Finally, all participants were sent a basic 10-question survey that included basic demographic information and involvement in the industry (see Appendix B).

Participants were invited widely to this event from across the industry; it was advertised via social media and at other cannabis events. Each of the hosting organizations (UFCW Local 770, Social Impact Center, and Cage-Free Cannabis) operates from a perspective of coalition-building and collaboration and drew upon existing relationships. They also forged new ones with relevant organizations. Organizers sent email and phone invites to a range of community organizations who operate with an equity lens and who specifically serve the communities that have been identified as social equity. Effort was made to include organizations that prioritize the leadership of marginalized communities, including formerly-incarcerated people, and that attempt to shift the underlying power relations that perpetuate inequality. (Organizational participants are listed in Appendix A.) It’s important to note that industry participation from established and licensed retail and vertically shops was less than anticipated; we discuss the implications in the final section.
Data from MOJ is also supplemented with research conducted by the report author, including more than 70 supplemental, 1-2 hour semi-structured interviews conducted with owner-operators, workers and advocates in LA’s cannabis industry. An additional 12 non-cannabis organizations who were not able to attend the MOJ event were also interviewed. This has been part of a nearly four-year PhD dissertation research process. All formal interviews were conducted in accordance with protections set out by the Institutional Review Board (IRB) of the University of Southern California. As such, no names and confidential information are included for interviews from this portion of the research.

In addition, the researcher draws from a wider scholarly and policy literature on the question of equity, which includes a range of research from USC’s Program for Environmental and Regional Equity (PERE), where he has been trained as a graduate researcher. PERE has studied different equity models and their applications in Los Angeles through rigorous research and ongoing engagement with stakeholders.

**PART 2: A FRAMEWORK & DEFINITION FOR EQUITY**

“To Repair – to mend, to restore to a sound or good state after decay injury or partial destruction. Reparation – payment for an injury, redress for a wrong done,” retired prosecutor and first responder Yvette McDowell read off a series of definitions for words that have been used in relation to social equity cannabis policy in Los Angeles. “Every day when they are talking about social equity, you hear these words. But you don’t see them in the flesh.”

At the dialogue following, Bamby Salcedo of the TransLatin@ Coalition explained:

“Equity is not the same as equality. It means all of us, together.”

Research on equitable implementation of policy suggests that chief in ensuring that the promise of a program matches its potential is defining equity itself. This involves distinguishing – which as Salcedo and McDowell explained - the confusion among equality for equity. The latter assumes a level playing field - which data suggests is far from the case. Equity, on the other hand, recognizes past, present and future inequalities. In the work to distribute new funds on transit in Los Angeles, for example, some stakeholders have called for geographic equality (spreading resources everywhere).[xi] Yet they do so without recognizing how majority-Black, Latinx and/or poor neighborhoods have been passed over in terms of transit investment in the past – even though these areas have less car ownership rates and use public transit far more.
Social equity policies in the City of Los Angeles require the same honest conversations about who and how different communities have faced exclusion or harm, often on the basis of their race, gender, sexuality or class in combination with where they live. Many people in communities with high rates of arrest for cannabis were workers who were the repositories of innovation, knowledge, and best practices regarding cannabis, but now are shut out of a fair share. Front-line laborers were often the first to risk arrest but the last bailed out of jail, now deprived of the resources that would allow them to start businesses or find good work in the industry. The data provided in the initial City of Los Angeles Attorney’s report (CLA) demonstrates that such unequal processes were geographically concentrated in low-income communities of color like South Central or Boyle Heights.[xii]

The tensions interpreting equity are easy to feel in public hearings regarding cannabis. During some hearings, more resourced players in the industry note that, even though they may be white and from a wealthy area, they too faced arrest for their work in medical marijuana. But the fact is, arrest statistics show those from hard-hit communities – most of whom are low-income, Black, Latinx and Native/Indigenous- did not have the resources to fight their legal cases and were targeted in much larger numbers. [xiii]

The statistics from MOJ alone provide small confirmation of this:

Of the 25% of participants who had directly experienced incarceration, nearly half identify as Black, and a quarter as Latinx (the remainder API or mixed-race).

In other words, almost none were white. Twenty-one percent of participants have had a close family member incarcerated. Of those, nearly half are Latinx and a quarter API. At the same time, of the 43% who did not experience incarceration, more than 40% identify as white.

Participants’ experiences do not stray too far from the broader data. More than a decade of research demonstrates Black, Latinx and non-white people are prosecuted with further vigor and actually received higher bail and harsher sentences.[i]

On the flipside, of the 36 participants with an ownership stake (at least partial) in a cannabis enterprise, some 37% experienced incarceration; 22% have close family who experienced incarceration; and 31% have not experienced incarceration. Only 36% of owners identify as Black, 17% as Latinx, 14% as mixed (Black or indigenous). Many of these participants are shut out of the current process from a lack of information or other issues, not the least of which is political disenfranchisement.
Racialized disparities account for past harms and present inequalities to some degree – but participants at Models of Justice, as this report will outline, also discussed many future harms that could be caused by the current laws and regulations. This includes the continued penalization of youth who consume cannabis and the concerns of residents in area that see many cannabis shops but few returns to their neighborhoods.

These concerns and questions align with the research on equity in implementation, which suggests building a definition of equity on the following three prongs:

- Equity in implementation closes historical gaps that often align with place, race, gender and marginalized identity;
- In the present, equity requires deep partnership with affected communities that supports their participation and power.
- Finally, equitable implementation mitigates future disparities by building for the long-term (in adaptable ways) and anticipating future harms. [xv]

Models built on this definition recognize the multi-faceted nature of making economic and social policy that works for everyone. For example, one may not immediately realize transit policy directly affects housing in Los Angeles. In fact, building rail lines and accompanying development has often led to accompanying gentrification. Transit also ties to policing in that youth are often targeted for arrest and ticketing on Metro. As a result, community advocates, unions and others helped craft Metro’s comprehensive Transit Oriented Communities policies that make project investments contingent upon affordable housing investment, small business interruption policies, and workforce development/local hiring initiatives that prioritize low income, communities of color.

In the cases of the California’s Transformative Climate Communities and LA County’s Measure A (2016) parks and open space funds, equity models include points-based systems for contract awards to local governments and community that take into account the disproportionate effects of environmental pollutants and other harms on marginalized communities. [xvi]

Read together, these different models of allocating resources and programs with a strong eye to mitigating harms and well-distributing benefits offer practical models for many of the elements of the social equity licensing program that remain to be built out at time of writing – such as the request for contractors for compliance assistance or a merit-based licensing program.

But more importantly, they offer a frame for how to integrate discrete elements like licensing into a broader vision of equity for Los Angeles, one that can account for past, present and future challenges and opportunities related to cannabis in a tangible way.
PART 3: REPAIRING PAST HARMs OF WAR, RECOgnizing HISTORIES OF HEALING

4800 BARRIERS AND THE WAR ON DRUGS

Part of creating a shared understanding of the definition and goals of social equity and corporate social responsibility at MOJ meant understanding how we got here today – in particular, the unequal impact on life outcomes and neighborhood resources of decades of cannabis criminalization in Los Angeles. These go beyond the statistics regarding arrest. Recognizing the depth of the harms allows insights into the present reverberations of a decades-long explicitly racialized war on cannabis that arguably spans to the early 20th Century, and was accelerated and expanded in the 1970s.[xvii]

Upon entry to the MOJ event, participants were greeted by two imposing, rusting-metal framed jail beds. They represent the standard issue of the jail system in the U.S. Organizers of the event took significant physical endeavor to carry the beds up so that people could, for a very brief moment, recognize the daily conditions under mass incarceration.

Retired prosecutor and first responder McDowell shared her own important insights on the war on drugs, “not from stats or books but from [sitting] behind that prosecutor’s table for a long time prosecuting cannabis offenses.”

She drew attention to the fact that beyond police violence, the war on drugs also created wars for territory and profit that led to tremendous violence among rivals in affected communities. She had seen “more blood than you can imagine” in her work as a first responder as well, describing “murders, people getting beat down,” and other interpersonal violence spurred by the criminalization of cannabis.
For McDowell, it is critical to recognize that the war on drugs was a war from law enforcement as well as a war among people who worked in the illicit industries, created by pushing cannabis underground. Such “horrific violence,” in McDowell’s words, has generational consequences that must be reckoned with - not the least of which is distrust and alienation among those who have had to survive in the illicit market.

McDowell’s perspective shed significant light on the multiplicity of effects of the war on drugs beyond an arrest. “When we talk about the war on drugs – what are we are...talking about is a loss of freedom, loss of life, loss of education, access to education, future employments - all of these things.” With every prosecution, she wondered how a young man or woman’s life would be indelibly impacted, including their being barred from financial aid or public housing.

Indeed, former Drug Policy Alliance coordinator and current JustLeadership LA Campaign Coordinator Eunisses Hernandez noted that there are 4,800 barriers for formerly-incarcerated people or those with records. These are enshrined in the law – as Hernandez noted – “real life, written on paper, barring people from housing, jobs, even supportive services.”

One of the most powerful exchanges among organizers came, in fact, after the event, as Felicia Carbajal, who identifies as Latinx, and a volunteer who identifies as Black worked with others to load the jail bed back. Both had been incarcerated in their 20s and indelibly marked: They shared their sobering experiences sleeping on these rock-hard, small beds. As one formerly-incarcerated woman noted, “Imagine, being more than five-four - how are you going to fit in this. I always felt bad, let the taller girls poke over onto my side.” They described the ways people accommodated each other in the cramped conditions, 6 or more in one cell.

Carbajal and others also detailed the restrictions on everyday freedoms. “Oh, this glue you made,” Carbajal mimicked the voice of the corrections officers: “Well we didn’t approve it, so well, we’re going to tear your family photo off the wall. And, oh, we don’t care it’s the only picture you have.”

Like the beds brought to MOJ, the experiences that each of these women described – and that were shared in intimate and intense conversations at various tables during the event - give important details to an experience of incarceration for cannabis that is often faceless and nameless. While statistics are important, part of MOJ’s contribution to the discussion of cannabis was providing a powerful understanding of just how multi-layered the harms of the war on drugs were and continue to be.
A GENERATION LOST

Additional interviews and data make clear that young Black, Latinx, Native and at times API people have been particularly hit by the first iterations of the war on drugs - and in fact are at risk of being affected by current policies. At MOJ, Jake Gildea, one of the founders of the Telos cannabis group, described how he found himself confronted by mass incarceration in high school. After the loss of his father, Gildea dropped out of school in the ninth grade in Boston. “I was disconnected, and truancy plus cannabis equals intervention from law enforcement real quick.” Gildea was fortunate, he explains, in that he had “enough resources around me at that time to put me on track that diverted and put me out of a longer relationship with the criminal justice system.”

Later, studying at the University of Toronto, he was able to put to question: “How did I end up in a juvenile justice system so easily when all that happened was I lost my father in a volatile domestic situation?” Several leaders in the room were working hard to answer this same kind of question – determining why and how policing became the first line of intervention for issues like cannabis use, especially among youth.

Since the 1990s, zero tolerance laws and increasing police presence in schools have meant that students who utilize cannabis or are found in possession can be easily suspended, expelled and/or immediately referred to law enforcement.[xviii] Many of the encounters with law enforcement described by Gildea and other youth who shared their experience at the MOJ event occurred not during neighborhood police stops but within school sites. As Gildea noted, such encounters are not documented in the existing data utilized by the City of LA, which utilizes LAPD data, while school police fall under the LA Sheriff’s Department.

Prop 64’s architects took a tremendous step forward in attempting to curb the criminalization of youth. Lynne Lyman, who helped craft the initiative, explained how Prop 64 ended the arrest or incarceration of children for cannabis violations. Now, youth (17 and under) can only receive a non-fine infraction for an offense, that carries consequences such as 5-20 hours of drug education, counseling or community service. She highlighted: “We also had all cannabis records of any kind sealed on every child’s eighteenth birthday, so those violations won’t go with them into adulthood and bar them from things like student loans. This is a huge step towards ending the school to prison pipeline.”

But there are further steps needed, Lyman and others noted. Youth ages 18 to 21 can still be charged infractions and misdemeanors for possession. Councilmember Marqueece Harris-Dawson recognized this risk in August 2017 and put forward a recommendation from the City later that year that was unanimously approved. The two reduce any misdemeanors per California Health and Safety Code Section 11357(a)(2) and (b)(2) to citations without a fine (with only community service and participation in a Youth & Safety program). Both require follow up to help draft a resolution at the state level.[xix]
As prevention expert Albert Melena, Executive Director of the prevention community organization San Fernando Valley Partnership noted, continued criminal penalization of youth cannabis usage through the police departments (especially for those ages 18 to 21) and on school sites threatens to further perpetuate the same punitive model affecting the well-being of the youngest residents of Los Angeles.

The past harms of the war on drugs also radically shape the health of communities targeted by the SEP, which affects prevention efforts and other pressing questions in regard to cannabis. Mass incarceration directly worsens physical and mental health of those imprisoned, much of which manifest post-incarceration and mid-life course; it also affects the health of partners and children.[xx]

Proposition M (2017) speaks to these links, calling for addressing public health, safety and the environment via cannabis taxes.

Present consumption laws and regulation also threaten in continue the war on drugs in different ways. In the case of cannabis, landlords still have the option to evict people who consume cannabis, as several participants noted, and unhoused residents lack any public spaces to consume. This puts them once again at risk of criminal prosecution and in the crosshairs of an extended war on drugs. In other words, the most economically precarious residents - those in public housing or who have cannot afford housing - are the ones who may need access to safe consumption spaces. As several participants noted during the discussions at Models of Justice, if the City is to take seriously health equity and access, the only option cannot be privatized, pay-for-use consumption spaces.

Undocumented people also face barriers regarding cannabis, as Eunisses Hernandez raised. If, for example, an undocumented person is cited with public consumption or found to be with cannabis by federal agents, they can be threatened with deportation. They may be more reluctant then to turn to a medicine that could help with a terminal or long-term illness - or even to seek out information. Recent news reports also suggest that legal permanent residents are finding their immigration processes in jeopardy for involvement in the legal cannabis industry. Such frictions create misunderstandings and fear regarding cannabis that require long-term solutions and community engagement, and an awareness of the differential affects of criminalization by legal status.
Public health practitioners and researchers have more thoroughly recognized the link between health disparities and “social determinants” of health – economic, political, and social factors that anchored in place.[xxi] Place-based inequalities includes access to parks, groceries, and childcare as well as factors like job and educational quality and environmental hazards. [xxii] Clearly – the concentration of these factors in one place are linked to histories of segregation and institutional discrimination tied to race – which also affects women, trans, gender nonconforming, and other queer bodies differently. Such “upstream” conditions are crucial to shaping the more visible manifestations in individual behaviors – including smoking or irregular drug use – and in disease patterns.[xxiii]

Many of the neighborhoods targeted by the SEP have suffered from the redirecting of resources away from institutions that help shore up health in the long-term – such as education, job development and even green space - to prisons and policing. They have faced, as noted, racial discrimination that leads to not only higher rates of arrest, but also push-out from schools, challenges receiving proper health care, and more. Health and social inequalities are intimately entwined, in other words, in relationship to cannabis; the solutions towards equity therefore must jointly consider these factors.

HEALTH AND THE FOUNDATIONS OF THE CANNABIS INDUSTRY

But it’s also important to recognize that the “past” in relation to cannabis is more than just a series of traumas. Many people from marginalized communities have created and found meaning in cannabis work. They have poured significant labor into this industry for its promise to help others. For decades, cannabis workers shaped the kind of knowledge of cultivation, manufacturing and the scientific usage of cannabis in ways meant to better health and society. As one African-American “budtender” who has worked in an dispensary for multiple years noted in many ways, dispensaries provided access to medicine “where traditional medical institutions failed – or where many people could not afford other kinds of care.” In fact, another worker who grew up in a social equity community explained, “Cannabis at times has helped people heal from the traumas of growing up in communities that faced the war on drugs.” The persistence of the war on drugs during the medical marijuana period made such care work more complicated – and a continued emphasis on punishment threatens to further complicate the value that cannabis as medicine and meaningful work has for marginalized communities.

Leaf Tyme’s CEO Jilea Hemmings described her motivations in her work to help those who have been handed “death sentences” by the mainstream, pharmaceutically-driven medical industries and who have yet to utilize medical cannabis as an option. “I began on this path when my cousin got turned away from med community,” she described, after seven brain tumor surgeries that seemed to have no effect. Hemmings delved deep into her own research and found evidence of cannabis’ positive effects. She helped her cousin engage on a difficult journey to obtain medicine, which was nearly impossible in New Jersey where they were based. Her cousin went first to Jamaica, but quickly learned about the complexities of the plant there and knew he needed another more reliable option.
Hemmings shared: "[My cousin] is here today simply because of this amazing plant. The tumor actually melted – and doctors, instead of asking and learning how he was able to treat himself without the help of traditional medicine, just said I do not know how you are still alive. So many people are unfairly getting served shortened life sentences and feel defeated. We want to empower patients with information showing how by using cannabis they can alleviate their symptoms and even cure conditions that traditional medicine told them couldn’t be cured."

Dr. Brandie Cross offered her experience to help understand how cannabis access can help address and overcome serious illnesses for children as well. Raised in Pacoima/Northeast San Fernando Valley in Los Angeles (a self-described product of LA Unified School District), Dr. Cross was born with cerebral palsy and autism. She began using it to cure "bad muscle spasms and attention span issues" in high school, with her parents okay. She started community college at 16 and state university shortly after, eventually obtaining her PhD in biochemistry at John Hopkins. Today, Dr. Cross provides care utilizing cannabis to "very sick" children. She describes:

"[The children] are dosed a couple of milligrams of THCA a day, and they are suddenly living normal lives: not having so many seizures they have to go to the ER, not having to be up all night vomiting, and more.

Workers in the industry are also similarly motivated: Of more than 35 workers interviewed, 90% discussed healing work as one of the reasons they continue to work in cannabis, despite the risks and challenges. Particularly for those who started during the medical marijuana period, they have cared for patients with a range of terminal and life-threatening diseases with significant empathy. Others described losses in their family – grandparents, aunts, parents and friends to cancer and HIV/AIDS – as further driving their work with cannabis. Several young women and men of color interviewed are now pursuing higher education in nursing, social work and molecular sciences after their experiences as front-line workers, with several headed to public universities.

"Lucy," who consults with patients in a cannabis dispensary explained: "Moms come in crying, sharing, 'my kid was having these crazy seizures,' and we are able to serve them. Being a parent, knowing there is so many kids out there we can help, that’s what keeps me going."
Workers' health-related role in cannabis was shaped historically by the development of medical cannabis collectives in the 1980s and 1990s, where mostly -queer communities created a care model driven by crowdsourced medical knowledge and person-to-person relationships.[xxiv] Cannabis dispensaries were a vital lifeline for queer people dealing with the worst years of the AIDS crisis, to find respite from the effects of the first generations of anti-retroviral drugs. (Cannabis' status as a Schedule I drug at the federal level have meant that the drug cannot be studied as a medicine - and that only studies to show its harm were permitted for the second half of the 20th Century.)

Many workers in Los Angeles have thoughtfully engaged in a process of helping consumers navigate their medical needs, much as a pharmacist would (and perhaps with even more personalized depth). They try to spend significant time with patients exploring the different options. “Often times, people come in with a preconceived idea - I want something without THC, or just CBD, but you have to explain to them that its more complicated than that,” explained “Valerie,” who identifies as Latina and works at a retail enterprise in Central Los Angeles. Budtenders and front-line consultants introduce patients to different cannabis products, and often regularly check in with patients when they come in regarding their experiences and help them adjust dosage, strains and delivery according to their needs.

Many cannabis retail workers and cultivators recognize that cannabis is a complex plant and its effects vary by each individual. As “Sarah,” a young Armenian-American woman who works part time as a budtender and the rest of her time in other medical-related work, explained: “We don't have the opportunity to do a full medical history. And we know each person is different. We want people to be able to test things out...it takes time, to also see how people react to it and to see what is working.”

At the same time, many wish they could do more for patients. “We are so close and consult with them so many times,” shared one cannabis consultant who has spent nearly a decade working closely with patients. “We have these relationships and when they are all of a sudden not coming in, you are like, god, what happened? But we aren't in a role where we can just call them up and be like, 'Hey, how are you doing? Just want to check in.' ”

What might be striking is that these workers are indeed young, often under 35 - and many under 25. Not many interviewed have college degrees. A vast majority interviewed (which samples a cross-section of shops) and other worker data from Los Angeles points to the fact the majority are Black, Latinx, API and Native/Indigenous- often from communities affected by the war on drugs.

Yet, these young workers of color in cannabis have taken upon themselves to amass technical and scientific knowledge that helps individuals heal in ways that are rarely recognized.
Almost all workers interviewed described spending hours on their own looking into strains, their effects, the medical potential and other elements of the plant. “David,” a young Latinx who started in the industry right after high school shares: “To be good at this, you often have to put everything to side and do your own research.” Workers are self-taught pharmacists, plant scientists and manufacturers.

But workers’ engagement with health is changing. Worker’s health-promotion role increasingly relies on cannabis “brands.” “Ana” explained, “The information from companies is often general. They don’t talk about everything that we know working with patients. They tell you what could happen, but the effects are not always the same.” Another likened the process to getting data from pharmaceutical representatives: “Of course they are going to tell you that something works really well.”

Other workers have also noted that, in recreational and medical shops, the pressure to serve a larger number of clients has increased, and they must sort through a large number of customers who are more interested in – as one Filipino worker explained – “just trying something out.” Yet, another budtender asserted, “I still think it’s our role to help them understand that it isn’t just about trying to smoke - they need to think seriously about the products and their effects.” Cultivators interviewed described their hopes to continue to improve the quality of plants as output increases.

Legalization, though, does offer new opportunities to build out training and apprenticeship programs to help workers develop their skills and practices in relationship to health – and to share their knowledge among each other as experts (see Part 4 for more in this regards). Unionization also provides a means to protect the value of workers’ efforts and to give them a stronger voice in their work and in the industry, as marketization accelerates.

STOPPING THE WAR, BEFORE IT BEGINS AGAIN

Workers’ roles are also complicated with the persistence of an unregulated market, and with social equity programs pending. Numerous shops are still waiting for their opportunity to apply. The last decade of shutting non-regulated shops down in what police and policymakers have often called “an expensive game of whack-a-mole” also gives further pause. Many who work in the illicit shops often do so lacking the information regarding or access to legitimate opportunities, and are at risk if there is a return to raids and criminal action against shop owners and workers.

Several budtenders were interviewed for this project who transitioned from the non-regulated market. “I didn’t know where I was at the time, that it was illicit, that I had rights,” one young Latinx worker “Melinna” explained. “I was 18 at the time - I needed something to survive.” She counts herself fortunate that a worker at a regulated shop actively recruited her. Through her experience in the regulated shop, she has now become passionate about plant medicine and is pursuing a 4-year degree and eventually graduate school.
But some are not so lucky - many workers in Los Angeles have served jail sentences, while owners and operators have been able to tap into their legal and monetary resources to navigate prosecution.

Another young Latinx woman, "Liana," who worked at a downtown Los Angeles shop described how, working in a non-regulated shop, she and other workers faced regular harassment by the owners. “They would accuse us of stealing, they would treat us like dirt.” Sexual harassment was also rampant. “They told us we knew what to do to get tips,” Liana’s co-worker explained. Eventually, almost all the young women at the shop walked out, but at time of interview, each was struggling to find new, living wage jobs. Most were young Latinas between the ages 18 to 21 and who had relied upon their service work to survive and pay rent, to help support their parents and family, and to pay for community college.

These and other young workers had little recourse and feared raising any of their situation with the California Department of Labor or in the case of open harassment, to other authorities. Policing and raids only increased their fear and the potential for exploitation.

This is not to say that all non-regulated shops are exploitative: across the board though, what little they can offer in such a position is precarious and insecure. At the same time, such experiences stand in contrast to those within unionized cannabis businesses – both those who had a union contract during the medical marijuana period, and those who have collective bargaining contracts today. “Melinna,” who had worked in an illicit shop prior, described the significant change when she joined a union shop, from overtime pay, to breaks, to the ability to raise grievances in a protected way.

During the medical marijuana period, UFCW Local 770 also worked to protect workers that were in legitimate dispensaries and attempting to survive, even when there were unexpected raids due to the legal confusion during this time period. The union also provided, and continues to offer, an avenue for workers to share their experiences and advocate for a robust and regulated industry that continued to serve health needs.

Workers have banded together through the union to advocate in front of policymakers and develop a collective voice that shapes how many of them see themselves and approach their work.

“I still have a picture of my first time at City Hall,” one young worker who grew up in South Central described. “It was so positive to see people start listening to us about medical marijuana and legalization, to realize that this is an actual movement.”

Unionization, in other words, should be considered a part of the kind of power-building that makes equity efforts successful (discussed further in Part 4).
At MOJ and in interviews, neither workers nor owners suggested simply letting non-regulated shops run freely. As one Black shop owner and advocate shared, “If you are not going to operate correct, that’s right, we have to take action.” But the same owner cautioned: “When you say, let’s be tough on the rogue shops - you know who they are going to be tough on first. They are going to be tough on [Black and Latinx owners].”

“What we need right now is to implement an enforcement strategy that keeps equity baked in,” Rigoberto Valdez, UFCW Local 770 Vice-President shared it. “It can’t lean on criminal punishment, given how many vulnerable workers there are and how many people lack the right information and pathways out of the unregulated market. We need to think about it in a collaborative, thoughtful way and focused on restorative justice.”

Looking carefully at the history and effects of the war on drugs, and both the negative effects on communities and community health and the value that many have gleaned from this work, offers insight into the roots of issues like non-regulated cannabis shops and production sites. Some of the reasons for the persistence of the underground market include:

- A lack of viable alternatives for employment and blocked pathways to mobility for those formerly incarcerated and those in social equity communities;
- Disinvestment in resources for healthy communities like good jobs and education in affected communities during the war on drugs;
- A need for affordable cannabis medicine (by consumer/patients);
- A need for workers in cannabis to have clear pipelines to legitimate cannabis jobs (and education/certification);
- The need for a method to distinguish which shops are legitimate (on the consumer and worker end).

The above factors are rooted in the long histories of the war on drugs, as well as intersecting inequalities and structural racism. In the next section, we look at the kind of model partnerships to enact social and health equity that can help address the entrenched roots that feed an unregulated market. We also look at how the City can continue to expand its vision of equity in cannabis to address the broader past harms and disparities noted above, in tandem with existing efforts to generate a more inclusive Los Angeles.
PART 4: PARTNERSHIPS FOR THE PRESENT: HEALTH EQUITY AND THE CANNABIS INDUSTRY

Passing comprehensive reforms (like social equity) is often the first step in repairing past harms and creating present change: the City of LA and organizations also face the challenge of ensuring cannabis policies actually reach the populations they were meant to help. For example, Lynne Lyman, a key organizer in the effort to craft and pass Proposition 64, noted that one of the most important elements of the ballot measure was “retroactive resentencing for all cannabis crimes, no sunset, all the way back to the beginning of your life.” This crucial measure has now become a “minimum standard for any legislation,” and states like Massachusetts have in fact followed suit. But the process of de-incarceration requires significant grassroots efforts to be enacted and effective.

Organizations like Drug Policy Alliance and UFCW Local 770 shared their work as well to provide expungement services for formerly incarcerated people. These two groups alone have provided thousands of expungements based on Prop 47 and 64 in the last several years and an increasing number of organizations have done the same. At the clinics, Hernandez explains, “You see people walk in with the heavy bag on their back, and then walk about with stack of papers this big, and how happy they are to have this burden lifted” and a whole set of barriers removed.

Hernandez explained the unique opportunity to “see how laws and policies are having instantaneous effects on people’s lives” in regard to the war on drugs and mass incarceration. Like Hernandez, many of the people who volunteer to help at expungement programs are affected by mass incarceration themselves or are from marginalized communities; they engage from a perspective that understands the experiences of those who come to receive services. UFCW 770 and DPA’s programs have often also included job fairs, referral to citizenship services and other related programs to address the effects of the war on drugs and interrelated exclusions. [xxv]
Expungement services and campaigns demonstrate how efforts for equity must be grounded in cross-sectoral partnerships tying government, industry and community/labor organizations that actively empower affected communities. In this section, we look at the kinds of partnerships and power-building organizing that are already activated across social equity (often in relation to criminal justice issues) and health equity fields. These movements can be starting points to learn and build from when the City looks to develop SEP assistance, enforcement, corporate social responsibility and other work to comprehensively address past harms and empower communities in the present.

LISTENING TO THE LEADERSHIP OF YOUTH

At MOJ, several youth-led grassroots organizations present shared their work to halt the war on drugs and to bring new investment into the health and well-being of youth. These groups, such as the aforementioned Youth Justice Coalition (YJC), UCLA Underground Scholars, and Immigrant Youth Coalition, center the voices of incarcerated people and those most impacted by punitive policies, like Black and undocumented youth. Much of this work is centered on youth leadership development that helps young people understand their civic and social potential, research the conditions affecting them, and take concerted action for change.[xxvi] Part of their work involves having to dismantle different pieces of law that had favored a punitive approach drug and social policy. For example, because of the ways that the war on drugs has often been framed as a “war on gangs”, youth secured a ruling in 2018 to curb the power of the LAPD gang database - a system with no due process and that was marking people as guilty based on their dress, friendships or mere presence in a group. Young leaders also pushed for state legislation ending the option to try minors under 16 as adults. [xxvii]

Their efforts also are part of a broader rubric of restorative justice policies that work to repair the harm caused in relation to certain behaviors, rather than simply punish. Thanks in part to the active efforts of YJC and partner organizations like Inner City Struggle and Community Coalition, Los Angeles Unified School District (LAUSD) has put in place a comprehensive Restorative Justice program that tempered the zero-tolerance ethos. This includes establishing alternatives for suspension in the case of first marijuana possession, such as parent/student conferences and individual counseling/referral to drug education. [xxviii]

Similar to the statewide laws regarding cannabis and youth, there are still questions regarding what mandated drug/alcohol counseling and interventions look like. There is also the risk that after a second offense, students can be suspended or expelled for marijuana possession - causing tremendous future harm. Given the fact young Black and Latino men are overrepresented in school discipline (even though youth use cannabis across racial identification at similar rates), youth of color risk being pushed-out of school environments for cannabis.
Youth-led organizing, though, provides a model that empowers those in social equity communities by providing them the tools to understand and engage civically, to research the issues that impact them and the attendant root causes, and to build across lines of difference to impact the policies and practices that affect their futures. Importantly, this model emphasizes the power of restorative practices that repair relationships and taps into the potential for healing in and among communities.

**INTERGENERATIONAL CHANGE**

Youth also take part in multigenerational efforts to transform criminal justice and promote a comprehensive vision of equity. Cheryl Branch, director of the LA Metropolitan Churches’ Ex-Offender Network, described how their work centers on a multigenerational coalition of grassroots pastors and formerly incarcerated people (mostly youth and women). Together, they have led a decades-long efforts to help formerly-incarcerated people overcome the barriers ahead of them and transition back into society.

The Ex-Offender Network’s model victories include at the state level, developing the first youth residential diversion program through the state of California, pushing for the incorporation of Rehabilitation in the mission of what was once known as the California Department of Corrections (now CDCR), and getting controls over the high cost of phone calls from jails. At the city level, according to Branch, the organizers pushed for “expanding and including re-entry as part of core services” in local workforce development centers.

As a whole, this work, and that of other multi-generational organizations like Anti-Recidivism Coalition take seriously the need to address the roots of criminalized behavior, like lack of job access or educational resources. Such organizations have tremendous success stopping repeat behavior while improving shared community life.

Organizers contend (and research asserts) the development of implementation of equity and reform policies work best when rooted in community-based organizations that share principles and give a voice to those most affected by the policies. As such, organizations led by formerly-incarcerated youth and adults and rooted in marginalized communities can be a crucial part of implementation of social equity and even enforcement. They should be considered as potential sites to launch city-sponsored programs and education on social equity opportunities. They can even be part of outreach teams to businesses that are not licensed, helping those involved transition to social equity training or legal job opportunities.
BREAKING OUT OF SILOS

Collaboration on equity is not simply an “outside” endeavor. It also requires inter-agency coordination and working on a shared vision within and across different City and County bodies – a model for both enforcement and social/health equity efforts.

As McDowell notes, “It starts with a conversation: when you are talking about this issue, law enforcement has to be at the table. It has to be inclusive of everyone who is involved - the organizations representing businesses, law enforcement, other agencies, all have to help frame equitable enforcement.” McDowell understands what a multi-faceted model to help people transition from illicit activities looks like from experience: She is a trained gang interventionist whose expertise is well-recognized throughout LA County. In these settings, she saw what it took to help “hardcore” gang members find a path out, including a family component and support around personal development tied to any enforcement efforts.

County efforts related to reform and equity - among others the Los Angeles Regional Reentry Partnership (LARRP), the recent juvenile justice reforms, new homeless prevention and parks and transportation equity – affirm collaboration across agencies is key. Each of these is anchored in a central institution and with a strong institutional mandate from the City or County. Solutions must be holistic, involving cross-agency collaboration and information sharing. Having community directly involved in such a joint effort will ensure that breaking out of departmental silos happens in ways that keep broader equity goals at the center and with public oversight. [xxix] Current inter-agency collaboratives also demonstrate that effective cooperation means that no one agency bears all the burden of resource allocation. Such institutional partnerships can creatively work together to avoid future harms – for example, in the ways in which transportation and parks agencies are now working with housing and planning agencies to mitigate gentrification and displacement.

PRESERVING EQUITY IN INCUBATION

Deep, power-building relationships can also help answer to pressing question of small business and workforce development in cannabis. Much public attention has been directed to social equity licensing programs, and how the underfunding of the City’s promised loans, rental and business/compliance assistance could undermine the SEP’s goals. For many who are struggling to emerge from the underground industry, such programs - according to interviews with at least eight operators in this position - are a necessary lifeline.

For interviewees, the most daunting set of challenges to advancing into the formal market related to the 4800-some formal barriers created by incarceration (See Part 3). These include preventing access to higher education and well-paying jobs, not to mention emotional, health and social burdens and family traumas. These barriers contribute to the widening wealth gap that has significantly limited capital access in affected communities (See Next Page).
Through her gang intervention work, McDowell has learned a significant amount regarding what comprehensive supports are necessary to help bring people from illicit market activities to the formal market. She has also received calls from dozens of people struggling to make such a transition. "Cost of entry is the biggest factor that is keeping people underground, along with lack of training in regulations and in formal business acumen," she described. "People have to know how to navigate through the maze."

**THE WEALTH GAP**

Compounding the challenges of social equity is the fact that the war on drugs is tied up with a massive intergenerational wealth gap among white versus Latinx, Black and API communities - the latter being those who reside in the social equity neighborhoods in Los Angeles. The newest research commissioned by the Federal Reserve Bank of San Francisco found that Black, Latinx, Korean, Vietnamese and Filipino populations in Los Angeles had drastically lower median wealth. This gap is larger than even the income gap and is particularly pronounced when it comes to assets like stocks and bonds and private retirement assets. Most assets in communities of color in Los Angeles were concentrated in homes or vehicle ownership where the debt ratio is high - and as 2008 demonstrated, can be extremely volatile. Nationally, these trends are expected to worsen as asset-building pathways are not being built, with Black and Latinx wealth predicted to reach zero by 2053. Research has noted how extensive discrimination, exclusion and at times expropriation via government policy and private sector actors has paved the way to these massive generational gaps - and to an even more unstable future.


The Los Angeles Cleantech Incubator created by the city provides a model of a city-sponsored small business development program, that also tries to address questions of equity and bringing forward the public good. LACI was created by the city’s Community Redevelopment Agency and by the LA Department of Water and Power. While it operates to some extent as a private non-profit, it still has significant city oversight and management. Such an incubation model makes sense if one considers that the point of incubators is not to “own” or control applicants but to seed, support and help launch ventures. (See Appendix C for other potential models of small business and workforce development.)
Learning from existing small business support programs, advocates interviewed suggested two sets of programs - one of them is a more immediate set of interventions that can be fast-tracked to increase the access to information on the SEP and at least baseline business supports to help develop business plans and strategies before the first licensing period. This can include a legal clinic-style or “bootcamp” program managed by the city that ensures applicants receive fair and balanced information and avoid the tremendous costs of consultation that threaten to further indebted future business owners.

Of course, research and practitioners point to the need for on-going support given the barriers that low-income and marginalized business owners have faced. In Los Angeles, programs like Leadership for Urban Renewal (LURN) have offered on-going coaching programs geared towards street vendors – who also must transition to the formal market – in order to ensure the success of these ventures.[xxx]

Incubation models, in other words, often require long-term engagement and a commitment to meeting the holistic needs of workers and future owners. One of the major tensions that participants mentioned is that city-led collaboration around cannabis leans heavily and gives tremendous weight to the private sector. The fact that incubators are wholly privately held and managed, with little direct oversight (or resources for DCR to do so) suggests the risks for exploitation or, as several groups have publicly called it, “predatory practices.”

“What we need, ultimately, is oversight. And oversight is best done with the direct management of the city,” Felicia Carbajal, Executive Director of The Social Impact Center explained. “If the City is running a central incubator, we know that applicants who are struggling so hard to come out of the shadows or start a new business would be in safe hands.”

A city-managed incubation system can aid transparency regarding how applicants are being supported. Such a program can be tied to the workforce development programs that are being created to provide a pathway for those in the illicit market, to help meet industry needs for a trained workforce and to create another viable wealth-creation pathway via high-road jobs. Linking these in a common framework may even open the door to building cooperative, worker-owned models – a practice that is receiving growing attention in Los Angeles.[xxx]

A NEW DAY FOR PREVENTION

Existing health equity movements also provide key models to learn and build from – and even create partnerships with – in relationship to cannabis.

As organizations who also serve designated social equity neighborhoods and populations, organizations like Wall Las Memorias also came to MOJ to provide health and prevention information. The Wall provides HIV/AIDS, STD, and safe sex services targeted to Latinx populations, with special attention to the needs of undocumented populations and often through peer, young educators and leadership.
Similar to the work on criminal justice equity, such efforts do not seek to stigmatize or punish those who they seek to reach – for example, men who have sex with men who have high-risk encounters. Instead, they seek to break down stigmas and help people feel comfortable with seeking services that protect their health and dignity simultaneously. They also recognize the “upstream” inequalities like legal status, poverty and discrimination against LGBTQ communities and also develop leaders in this regard. Their work, in other words, answers to pressing, immediate health needs while empowering communities to address the underlying inequalities that reproduce health disparities.

Such health equity efforts dovetails with work that many public health and cannabis health organizations are already putting in place. As San Fernando Valley (SFV) Partnership’s Executive Director Albert Melena suggested, legalization opens up a “new day for prevention. It’s time to redefine old strategies that never worked and became the problem themselves. We need to stop kicking kids out of school.” His organization is working towards policy that is “progressive rather than punitive at the school levels.” Much anti-drug curriculum was written during the height of the drug war and with a lens that was not always informed by balanced evidence regarding cannabis (or was written with a punitive bent). The shifting context offers a chance to revise mandated “drug education” programs in ways that actually are responsive to reality and help advance student’s lives.

To this end, Melena suggested a new model and approach to prevention that centers on “education and information.” He discussed prior workshop held earlier that year in the San Fernando Valley with The Social Impact Center, Smart Pharm Research, UFCW Local 770, LAPD and Assemblymember Adin Nazarian’s office focused on the older Latinx community. Stigmas about cannabis use surfaced quickly, but were eroded through dialogue. The conversation, he noted, was just a starting point.

Dr. Cross recognizes that communities of color lack access to medicine, especially quality medical cannabis and research in this regard. Historical medical experiments against Black and other communities, such as “Tuskegee, Henrietta Lacks and so many other cases” have created a “good reason” for these communities to fear being part of medical research. To help bring people in, Smart Pharm Research Group trains and educates through an intersectional lens and provides economic vouchers. They also implement “a non-hierarchical system” where the researchers and doctors “sit at the same table” as their patients and learn with them.

Programs like the Smart Pharm, the Wall las Memorias and SFV Partnership recognize the role and importance of both public health experts and community-grounded health knowledge. They understand need for genuine scientific research on the health benefits and risks of cannabis. Through community-competent staff (many of whom are from impacted communities), they provide a bridge among those affected by health disparities and practitioners. In fact, the community-based model of health research groups like Smart Pharm employ can even ensure that as cannabis research becomes more codified, such research may actually reflect the experiences of marginalized communities.
REINVESTING IN HEALTHY COMMUNITIES

Los Angeles social movements, foundations, and public health experts have widely recognized that to address health equity, they must also take on the place-based “social determinants of health” noted in Part 3 – that often negatively affect social equity neighborhoods. In response, different movement coalitions have also organized in comprehensive ways to ensure re-investment in place-based resources. Given the scale of the investment needed and the long-term nature of this work, such efforts are not merely about pouring resources – they increasingly center on building the power in such communities. The 10-year Building Healthy Communities (BHC) program of the California Endowment exemplifies such a model. The program has targeted two communities locally that are in fact social equity zones, South Central and Boyle Heights. It focused on impacted populations who usually do not participate in policymaking, including documented and undocumented immigrants, young people, formerly incarcerated individuals, and LGBTQ populations. As researchers Jennifer Ito and Manuel Pastor note, BHC organizations offer clear means to develop the “voice, leadership, and advocacy skills [in communities] to influence neighborhood, local, regional, and statewide decision-making processes.” [xxxii]

Recent research has also shown how incorporating a focus on health equity can also broaden the impact and power of movements for social justice and equity.[xxxiii] In fact, the success of the aforementioned efforts regarding restorative justice in schools were due in part to their framing of punitive policies as health equity issues as much as social ones, given how school push-out affects longterm well-being.

Community reinvestment, in its potential to empower and increase place-based investment in disenfranchised communities, is a key place where social and health equity converge. It is an opportunity to respond to the mandates of social equity and social justice in regard to past cannabis laws and the drug war set forth in Measure M and in the City’s policies. On the other hand, it is a means to intervene comprehensively in the “upstream” conditions that affect “downstream” health-related practices like youth over-use of drugs.

Several youth organizations in Los Angeles have long been seeking this kind of investment. One young person pointed how LAPD receives “54% of city’s budget, and youth get 5%.” YJC and others, for example, have been working for several years for new funding for youth development. In particular, they have sought to re-direct 5% of LAPD’s annual budget to create a Youth Development Department and fund at least 30 youth centers, 350 peace builders (intervention workers) in schools and communities, and an additional 15,000 (city-funded) youth jobs.[xxxiv]
City Council has already expressed interest in community reinvestment, with an eye to youth development. Among their efforts include the proposal in 2017 for a cannabis tax-funded Neighborhood Health Equity Fund, and then a more targeted youth and early education development investment tax in 2018. Both received strong support from community and labor, but minimal industry support. The success of any effort to redirect tax funds directly to mitigate the harms of the war on drugs, with a special focus on youth and early education, will require industry participation. (In the case of the reinvestment tax, many were concerned with an additional tax, a real concern that merits conversation.) Getting industry “buy-in” on reinvestment can happen through building the kind of platforms and mechanisms for dialogue and collaboration we discuss in the following section.

If the City follows the logic of social and health equity best practices, community oversight on reinvestment funds- in the form of a community-led board and grant allocation process - could allow the city to sort through such priorities and make choices that best reflect the needs of affected communities.

“Even beyond cannabis workers, many of our union members or those who come to our expungement clinics come from communities that were deeply scarred by the war on drugs,” Rigoberto Valdez of UFCW Local 770 explained. He further noted:

“Broad, but deep community reinvestment that puts the voices of affected communities at the center is a surefire way to fulfill the broader goals of neighborhood health and equity.”
Dealing with the interlocking issues of social, health and economic inequality may seem overwhelming. But in the prior sections, we have also highlighted key strategies for inclusively confronting disparities and repairing past harms. It turns out there is even more good news: research shows that furthering policy with equity at the center produces economically benefits in a region for the long-term. In other words, the more we tackle past and present inequality, the more we can ensure widespread, sustainable growth that benefits everyone into the foreseeable future.

New research on this idea of “just growth” has been spearheaded by researchers Manuel Pastor and Chris Benner, and affirmed by unexpected sources like the Federal Reserve Bank of Cleveland.[xxxv] Even the Bank’s researchers found that “racial inclusion and income inequality” are the most important indicators of economic growth for metropolitan areas in the US.[xxxvi] The International Monetary Fund (IMF) echoed this idea at the global level, showing that the single largest barrier to maintaining growth was initial levels of inequality.[xxxvii] Benner and Pastor’s recent research delves deeper in the US context, finding income inequality is actually a statistically significant (i.e. provable and valid through the data) deterrent to sustained growth. Inequality beats out other factors such as education levels or industry location.[xxxviii]

Benner and Pastor looked “on the ground” in regions where growth and equity were high like Seattle and San Antonio (and where they were not, like Greensboro and Fresno). They found that “diverse and dynamic epistemic communities” were key to addressing inequality and spurring growth. This refers to a community of different stakeholders and actors (in other words, not just business or just community or just agencies), from a variety of backgrounds (i.e. different racial, gender, other identifications) who can handle ups and downs and work together to a common goal.[xxxix] Among other aspects, these “knowledge communities” (1) share data and knowledge; (2) attempt to build a common vision for their region; (3) acknowledge conflicting viewpoints; (4) pursue a frame that incorporates different issues; (5) allows for long-term relationship building.
The research on advancing comprehensive equity - and doing so in a way that benefits economically and socially - shows this is by no means an easy process. There will be disagreements, conflicts and questions. Past and present inequalities of course make such tensions even more acute. (Any public hearing on cannabis can tell you the industry is no stranger to competing viewpoints and tensions.) But processes for continued dialogue, data-sharing, engagement and coalition-building can be crucial to transforming an industry and a region into a model of equity.

In this last section, we look at what it will take to build such a collaborative infrastructure for social, health and economic equity for the long-term, based on our data. We highlight here the present state of a diverse, dynamic and lasting knowledge community centered on cannabis in Los Angeles - and what different stakeholders suggest can help expand such collaborations to construct a vibrant and resilient, model of equity whose benefits go far beyond those directly involved in cannabis.

**DIVERSITY: BROADENING THE TABLE**

There have been hints already in Los Angeles of the benefits of cross-sectoral engagement in cannabis - not the least of which are the nearly 19 months of stakeholder and public meetings the City and County engaged in. But if we take the research on equity seriously, it cannot stop here - and it’s going to take many more different facets of the community, including organizing groups, health advocates, and more to step into the dialogue for the long-term. Research outside of cannabis and from MOJ resoundingly points to the need for continued, sustained engagement among stakeholders and led by the City and County - in the form of some kind of publicly-facing standing body and/or working groups.

*Models of Justice gave a chance to demonstrate how productive it can be when the table is broadened to build the kind of “diverse and dynamic epistemic communities” that contribute to equitable growth.* Participants at MOJ shared knowledge and experiences, and they addressed areas of agreement and conflict. They brought in and engaged with data on disparities and best practices. Some even took concrete action together afterwards: participants came together regarding upcoming expungement clinics, and new collaborations were built regarding outreach and joint policy engagement.

But the MOJ event also pointed to a few key issues where more attention is necessary to ensure the success of continued stakeholder engagement efforts and collaboration.

First, is inclusion. At present, most of the groups who participate in the City’s public process are industry stakeholders, either present participants or those seeking entry into the market and are likely eligible for social equity. Community organizations have been noticeably absent, except for specific events like MOJ and at expungement events put on by DPA, UFCW Local 770, and others. But they are stakeholders in their own right - as noted above, having been part of long efforts for criminal justice reform and representing many people who have lived through the war on drugs. Many power-building organizations in affected communities hold a wealth of insight on health and social equity implementation.
Bamby Salcedo of the TransLatin@ Coalition echoed the importance of broadening the table: “I know this industry is a fast-growing industry, but I would want them to think about the most marginalized” — including trans people. Salcedo described how trans people today are positioned “40 years behind legislatively, academically, economically, you name it” in comparison just to the gay and lesbian community. Salcedo provided sobering accounts of the violence that trans women of color are subjected to, and how this impacts their everyday experiences and social equity prospects.

Salcedo’s words provided a critical context to understand that social equity will not be experienced the same, even among those residents of the zip codes identified by the city. Further defining and honing social equity and social responsibility programs with this in mind is a joint learning process among different communities and will require patience. It will also include inclusivity in how conversations are organized (accounting for language, ability, and other factors).

Take the example of the LGBTQ community, which has been fundamental to developing current models upon which the industry relied. Grassroots organizations fought hard for legalization in order to help queer communities dealing with the worst years of the HIV/AIDS crisis. But today, many LGBTQ organizations have been pressed out of a conversation that publicly, rarely touches upon medical cannabis. Efforts will be necessary to bring these groups back into the conversation, to learn from this past and ensure there is continuity. But this outreach to LGBTQ communities must happen with attention again to equity - to the experiences of queer Black, Latinx, Native/Indigenous and API groups and special attention to the trans community’s needs and engagement.

The City and stakeholders can together build more inclusive forums, coalitions and opportunities that will enhance the depth and potential of social equity and any models of corporate social responsibility. As Salcedo notes, “[Trans communities] are creative. We make things happen. We are survivors... resilient people.” Approaching equity work from understanding not just the harms but also the assets within communities is critical. Tapping into such creativity will be challenging if not everyone has a seat at the table.

On the other hand, many of the now-licensed operators were absent from the Models of Justice conversation - and have been less and less present at city engagement meetings as the focus turns to social equity. Less than a dozen licensed shop owners came to MOJ, for instance, of 178 shops. It will be critical for these entities to continue to be part of this conversation on social and health equity as they share in the same market infrastructure. It will also behoove these organizations to be present, as they are being held to common standards like labor peace agreements, environmental regulations, hiring targets, and soon corporate social responsibility.

For equity to be successful, it cannot be treated by industry actors or even policymakers as a sideshow: equity must be understood as the defining conversation, through which the cannabis economy is already and will be defined. It must also be understood as the fundamental link between cannabis and the broader vision for the City that so many are working hard to bring to life.
Information-sharing and building a common understanding among various stakeholders - both within and beyond the city (and county) government and the industry itself - will be key. We have already seen in cannabis the challenges of data dissemination and knowledge sharing. As Leaf Tyme’s Hemmings noted, information is key, not just to accessing medicine. The MOJ event was unique in that there was no paywall. As legalization took hold, there was a visible shift with cannabis-related events informing people about policy; many more were charging fees, including those geared towards social equity.

Equity advocates present at MOJ raised concerns that several interviewees echoed: while information regarding the equity program has just been in formation, many people are already having to pay consultants, lawyers and others who are making significant promises with little guarantees.

The reality is that much of the information on social equity is publicly available and LA City Council and DCR have worked hard to make their current policy and regulations public (much as LA County did with its working group). But for those new to the space, or who are just trying to figure out a way to start a business, it’s hard to discern the truth about who has the latest information. And many are losing valuable capital in the confusion.

One young Black cannabis worker interviewed sought to develop a cultivation business and determine if he would qualify for the social equity program. Yet, every program he has found has asked him to pay a membership fee that he cannot afford. “I am not sure where to go - or who to trust,” he noted.

There is significant parallel between this and the experiences of Los Angeles’ undocumented population, who has fallen prey to numerous schemes by “notarios” or notaries offering false promises in regard to immigration legal matters.

In terms of getting this information to the public, the County’s and City’s web-based hubs provide a good starting point in trying to share a diversity of information in an inclusive way. Such information needs to be translated to different languages - and must go beyond the licensing process itself (as the County’s does). But outreach, in other words, needs to be far more expansive.

The existing infrastructure of community organizations who have concepts of social and health equity already in their frameworks are ideal partners for getting the word out on the SEP and disseminating knowledge of cannabis and health more broadly. They can also help serve as valuable watchdogs, as applicants and communities require protection from false information and schemes that could rob even more capital from hard-hit communities. The City and County can also consider other modalities for engagement - like arts-based interventions and discussions. Not every engagement needs to be direct input via public comment, but there are other ways to bring people to the table. [xl] MOJ was a case in point, where participants sat in dialogues, had face-to-face conversations at tables, and interacted with creative displays like maps and video tools.
Including community-based organizations and other non-cannabis actors in the processes of building equity programs and models will also allow the city and applicants to learn more from best practices regarding incubation, workforce development, health education and other programmatic aspects that are still in development. And, on the flipside, it will allow those developing other equity efforts to learn from cannabis.

The problem of knowledge regarding cannabis and equity, as this report also outlined, goes beyond individuals figuring out how to start a business. Noted above, the existing data the city is using to assess the war on drugs has large holes, not the least of which is LA Sheriff Department and LA Unified School District data. Meanwhile, with enforcement changing, there needs to be public information to keep an eye on disparities and to ensure repeat of the first iterations of the war on drugs. On the health end, there are information gaps between medical patients, communities that house cannabis dispensaries, business, brands and public health experts. Workers at dispensaries often provide a key bridge among these actors, and should be included in this knowledge-sharing process.

A collaborative working group or oversight body can help coordinate this kind of data and bring people together operating in different spheres to conduct new research. Involving organizations with existing research capacity to the table can help lift some of the burden from the City and County in these areas, especially if these research methods are participatory and community-engaged. Local universities have been relatively quiet when it comes to cannabis but might be engaged through new funds available via the statewide Prop 64 taxes geared to public universities, including community colleges.

**DYNAMISM: REINVESTING IN AND REMAKING THE FUTURE**

One of the key elements of building collaborative, knowledge-sharing communities with equity in mind is that these need to be resilient and deal with the "ups and downs" of different economic and other tensions. Structures and systems regarding equity must be built, in many ways for the longer term. Permanent city funding streams will be necessary. A Cannabis Social and Health Equity Working Group is also an ideal venue to address the allocation of community reinvestment funds in collaborative, transparent ways. Such

A key issue with moving forward on equity goals will be setting metrics and measurables - specific goals and objectives that let the officials and the public know how we concretely define success on issues like health equity. It will be crucial to chart progress via concrete data on issues like policing of youth or employment in social equity communities. Individual businesses can be asked to collect data on their corporate social responsibility goals and other obligations, like transitional worker hiring. But there will need to be central mechanisms housed in DCR or a joint equity working group to keep on track towards goals – and to relay this progress to the public.
The long term efforts to build a comprehensive platform and process to ensure social and health equity in and beyond cannabis may seem daunting.

But in the short term, action can be taken. There are key places where the foundation has already been set in intersecting equity efforts, not to mention in Prop 64 and measures by Los Angeles City Council to address questions like social equity, youth incarceration and other aspects of the war on drugs. This report also sought to identify immediate areas where equity principles can be better applied and put into practice in cannabis policy at the local level. The most pressing of these - the topic on many policymakers’ and community members’ minds - is enforcement. Related to this is the fast-tracking of funds to support social equity applicants. There is also a massive opportunity in defining the corporate social responsibility process to align more strongly with the goals of health and social equity.

Many participants at MOJ were clear: they may never own a cannabis business, but they know full well the far-reaching impacts of the war on drugs, challenges of being a patient who uses cannabis to deal with medical needs, or difficulties of living in neighborhoods that are at the front line of continued health disparities. Their voices, and the goals of equity, cannot fall away or be brushed away from the discussion.

Fortunately, as we have sought to lay out, there are already models that show us how a multi-faceted, multi-issue approach can actually succeed. This model can better integrate questions like incubation or licensing into the broader concerns of health, social and economic equity. And research from other cities experiencing growth with equity - and Los Angeles’ recent history regarding transportation, education and many other areas tell us - this can pay off. The more integrated, dynamic and expansive view of equity we construct, the more the results will be far-reaching and long-lasting.

Eunisses Hernandez of JusticeLA clearly outlined the importance of acting quickly on a comprehensive vision of equity: “There is a real urgency. Right now is the moment to be proactive, not reactive, as we are having to be with sentencing reforms... [The implementation of] regulation of this scale is not going to happen again, and we have one chance to get it right.”
In 2017, Los Angeles made history with its commitment to social equity, leading with a set of programs that are now being echoed by presidential candidates, mayors, and community organizations (not to mention across social media). This is powerful and exciting for a city that for too long was marked by histories of unequal policing, is grappling with health disparities and still suffers a massive wealth gap. Moving the program forward has been challenging given that equity involves significant community input and that many programs are wholly new and quite innovative. Fortunately, the city and county are rife with models of justice and partners in equity that can help move cannabis policy forward, helping the seeds of an equitable industry bloom into a wider field of opportunities for economic, health and community prosperity.
APPENDIX A

Models of Justice Participant Organizations:

Aeon
Black Lives Matter
Cage-Free Cannabis
Casa Solidaria Del Sur
Drug Policy Alliance
Ex-Offender Action Network
Equity First Alliance
Green Believers
ROcio
Korean American Coalition
LA Mushroom Co-op
Los Angeles Re-Entry Partnership
Lady Vet
Leimert Park Free Store
Latinos for Cannabis
LATTCC Industrial Hemp Alliance
My Health Freedom
Pierce College Industrial Hemp Alliance

SeedWerk
SFV Partnership
Somos Familia Valle
Smart Pharm Research Group / The Pot Lab
Sweetleaf Compassion Program
The Social Impact Center
The Wall Las Memorias
TransLatin@ Coalition
Tree Femme Collective
UCLA Cannaclub
United Food and Commercial Workers Local 770
Underground Scholars, UCLA
Veterans Health Solution
Youth Justice Coalition

Invited/sent representatives to dialogue:
SCOPE, Angeles Emeralds

Invited, not in attendance:
Black Worker Center, CD Tech, Community Coalition, Dignity & Power Now, LAANE

Black Lives Matter, Korean American Foundation, Solidarity House, & Seedwerk co-op accepted invitations, but were not able to attend.
APPENDIX B

1. **Name**: First, Last
2. **Email**
3. **Address** (Voter Zip Code)
4. **Age**: 18-24, 24-30, 31-40, 41-50, 51-60, 60+
5. **Gender**: Man, Woman, Gender nonconforming, Trans-man, Trans-woman, Decline to state
6. **Race Identification** (check any and all that apply): Black or African-American, White or Caucasian, Latinx or Hispanic, Asian or Pacific Islander, Native American or Native Alaskan, Other: ______
7. **What best describes your business?** (check any and all that apply): Cultivation, Manufacturing, Distribution, Retail, Recreational, Marketing and Public Relations, Operations and Administration, Research and Development, Activism, Education, Medical, Entertainment and Media, Other: ______
8. **Are you the business owner?** Yes, No, Partial ownership
9. **Which best describes your business’ status?** License holder, License applicant, Interested in applying, I am not looking to pursue a license
10. **If you are a license holder or applicant, do you qualify for Social Equity consideration?** Yes, No, I don’t know, What is Social Equity?, Not applicable
11. **How long have you been involved in the cannabis industry?**
12. **Have you ever experienced incarceration?**

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How long have you been involved in the cannabis industry?

- Not involved: 21.4%
- 0-6 months: 8.6%
- 6 months - a year: 12.9%
- 1-3 years: 30%
- 3-5 years: 20%
- 5-10 years: 12.9%
- 10+ years: 9.5%

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Have you ever experienced incarceration?

- Yes, I’ve been incarcerated: 43.2%
- Yes, a close family member has been or is incarcerated: 23%
- No, I have not had direct personal or family experiences with incarceration: 24.3%
- Decline to state: 9.5%
APPENDIX C: INCUBATION MODELS OF EQUITY (SMALL BUSINESS & WORKFORCE DEVELOPMENT)

The Los Angeles Cleantech Incubator, funded by the CRA/LA and numerous regional research and business institutions, is a business and learning program and facility focused on fostering innovative green economy businesses. LACI features diversity programs[1] which include community engagement to bring new ideas to the table and deploy projects; high school and college educational opportunities; targeted outreach to people of color and women; and advocacy to shape employer hiring practices. The program also offers space, coaching, mentoring, and expert access for entrepreneurs, as well as industry leadership opportunities via the Diversity in Entrepreneurship Council and Women in Cleantech steering committee.

Leadership for Urban Renewal (LURN)'s (Re)Store and Semi’a Funds[2] present a model of micro- and small loans focused on emerging industries that are not traditionally bankable -- in this case centered on the legalizing street vending economy -- integrated into a larger community development strategy. Key replicable elements include the fact the funds are linked to intensive 1:1 coaching for recipients, community outreach and advocacy. Successful programs also include the organization’s COMPRA food projects to help small grocers pool resources to purchase better quality produce and capital items.

Los Angeles Trade Tech College (LATTC)’s CA FWD[3] partnership with the Anti-Recidivism Coalition and the LA County Federation of Labor provides living wage opportunities (with benefits and a clear career ladder) to formerly incarcerated residents, most often those with felonies. The program combines outreach to affected communities, life skills classes (including social support and counseling), construction training and union apprenticeships, geared to meet the range of needs faced by those re-entering the workforce after incarceration.

LATTC’s LA Infrastructure and Sustainable Jobs Collaborative, and LADWP/Sustainable Energy Development Institute are part of the college’s Regional Economic Development Institute.[4] Both bring together a range of city offices (including committees from the Mayor’s Office), high schools, community-based organizations, and unions to create a pipeline to well-paying utilities, transit, communications and energy sector jobs. The programs center on shaping business and government planning on energy and other issues, but also creating learning academies with “on the job” learning, certification, and direct paths to unionized jobs with strong possibilities for advancement and growth.
The Los Angeles Black Worker Center’s Black Labor Construction Council [5] serves as advisory committee to the formation of a pipeline of outreach, placement and retention of Black residents in well-paying, unionized construction jobs. The Council helps oversee the BLING Leadership Institute that links young Black workers with mentors in the field of construction, job opportunities and broader popular education, as well as helps provide input and guidance into ensuring the success of Project-Labor Agreements and other Community Benefits Agreements focused on diversity/transitional worker hiring.

LA City Local Hire Program comes out of the work of FIX LA, the City of Los Angeles and the Coalition of City Unions, and offers an inclusive workforce development strategy to diversity city industries.[6] The program includes extensive outreach to affected communities through partners like the Los Angeles Black Worker Center and LA Trade Tech, streamlined civil service application processes, paid “on the job” vocational training, and support to ensure retention. The program targets transitional workers, [7] but also includes advocacy to press the city to more rapidly identify and fill numerous vacancies in the field.

The Los Angeles County Federation of Labor and its affiliates are key partners in numerous workforce development efforts, such as the LA Infrastructure and Sustainable Jobs Collaborative and CA FWD initiatives noted above. Other programs include Proposition JJJ Affordable Housing projects, which will focus on hiring transitional workers to create transit-oriented and affordable housing in the city. [8] Most programs the LA County Fed include connections to grassroots/community-based organizations for outreach, intermediary support for training, strong coordination with business and government partners, and of course, a pathway to living wage jobs with a career ladder and benefits.

Richard F. Icaza Worker Center is a worker center operated by UFCW Local 770 that responds to both needs within and beyond the workplace. Most pertinent is their community outreach programs to help residents access their LiveScan records and expunge prior offenses (particularly in the wake of Propositions 47 and 64), Residents who come to workshops and walk-in are both given social and legal services access then placed in a job pipeline to unionized jobs. The Center also helps workers and residents regarding immigration legal needs and is interlinked with a range of community-based organizations, including housing, advocacy and immigrant rights organizations throughout the city’s vulnerable communities. At the same time, the Center also advocates for formerly-incarcerated workers with employers and for equitable cannabis industry policy to create new pipelines for those affected by mass incarceration and exclusionary immigration policies.
Key Characteristics of Models:
Common elements unifying the programs above include: (1) recognition of the specific challenges faced by vulnerable communities and the need for comprehensive strategies for small business & workforce development, (2) a strong grassroots outreach component with groups that have established ties to affected communities; (3) intensive training that includes mentorships, apprenticeships, and/or broader "life skills" or financial planning elements; (4) recognition of the need for living wages, benefits and a career ladder; (5) a link between the program’s economic needs and broader issues of social concern in Los Angeles (i.e. sustainability, mass incarceration, etc.); (6) advocacy to also shift hiring, education and other related business or government practices to enact long-term change in the field(s) in question.

[7] In most recent City of Los Angeles community benefits agreements and PLA’s, transitional workers includes 1) Having been incarcerated; (2) being homeless; (3) being a custodial single parent; (4) receiving public assistance; (5) lacking a GED or high school diploma; (6) suffering from chronic unemployment; (7) having been emancipated from the foster care system; (8) being a veteran of the U.S. military.
The following is a summary of the recommendations derived from participants at Models of Justice and input from the interviews conducted in conjunction with this research. These solutions are rooted in evidence from other equity programs outside of cannabis and extensive data on related issues of criminal justice reform, health equity and economic inclusion.

1. Immediate funding and infrastructure to DCR’s Social Equity Program

Allocate robust funding to Department of Cannabis Regulation’s Social Equity Program (SEP) to ensure that Phase 3 and further licensing occurs with the capacity to meet the needs of social equity communities. Do not open the next wave of 100 licenses before city and assistance programs are launched. Ensure that workforce development is included in social equity programming.

   a. Fast track immediate funds to expand low-income and marginalized community access to free and accurate information and technical assistance to participate in the social equity licensing programs or to secure cannabis jobs before the opening of the first 100 Tier 1 or 2 retail licenses.

      i. Host city-managed workshops on small business and workforce social equity programs with community-based organizations that prioritize the leadership of and have a strong base in affected communities.

      ii. Provide small business development through adaptable and accessible models, such a free legal clinic-style business preparation program, a “bootcamp” or a coaching system for applicants. Consider community-rooted programs that have an equity frame that work outside of cannabis.

      iii. Wait at least 45 days between assistance program launch and before the opening of Phase 3 licensing to ensure inclusion.

   iv. Develop an interest-free loan fund that can provide initial start-up capital. Include training and coaching for all loan participants.

   v. Include accessible, multi-lingual web-based resources for applicants. At present, there is no widely-available list of resources or available programs. Include information in programming that is sensitive to questions of immigration as well as ability.

   vi. Create a process where private-sector cannabis incubation programs register online with the City and provide details on the terms of support and resources available.

   vii. Create an active campaign to halt disinformation on social equity focused on predatory lending and corporate agreements using workshops, the registration of incubators and other programs. Potential models to follow include those that protect applicants from mortgage fraud.
APPENDIX D (CONTINUED)

2. Create a Cannabis Health & Social Equity working group
   a. Create a **Cannabis Health & Social Equity working group** at the City level that would coordinate stakeholders who represent affected communities and experts. Convene this public body via the Cannabis Regulation Commission and in coordination with the Department of Cannabis Regulation (DCR).
      i. For the first six months, meet monthly to ensure establishment of platform and guidelines, and then on a quarterly basis.
      ii. Facilitate options to reduce burdens on participants, including public transport vouchers and childcare access.
      iii. For the City, include agencies outside of Department of Cannabis Regulation such as Building & Safety, Planning, and Economic Development with intersecting missions.
      iv. If tied to the County, include stakeholders like Metro, the Department of Public Health, Office of Re-Entry & Diversion.
   b. From this group, develop a **comprehensive platform on cannabis-related equity** and **Cannabis Equity Guidelines**. These can be used to assess and inform programming and activities on cannabis by City agencies. Draw from expert data and further engagement with industry, workers, community and neighborhoods.
   c. Give this group the authority to present recommendations on City’s social/health equity and community reinvestment budget related to cannabis (see #5).
   d. Include a process for tracking **metrics to measure success** towards equity goals and City agency responsiveness to the Cannabis Equity Guidelines.

b. Before the opening of the second batch of 100 licenses, create a **city-managed incubator system**, where the City has oversight directly over the support process.
   i. Under this infrastructure, create city and community-sponsored spaces where applicants can connect with legitimate social equity sponsors and incubation programs.
   ii. Structure the incubator to help applicants best accede to corporate social responsibility guidelines (see #7).

c. Provide **substantive funding for workforce development programs** to ensure the capacity of equity applicants to meet transitional/local hiring programs and to ensure that equity programs also reach workers.
   i. Work in coordination with existing efforts in development to train and certify workers via community colleges, union and community partnerships/apprenticeships.
   ii. Develop a list of existing workforce development agencies able to certify workers as qualifying as transitional workers.
   iii. Ensure that efforts are grounded in community organization partnerships that empower social equity/formerly-incarcerated communities.
APPENDIX D (CONTINUED)

3. Implement progressive and comprehensive enforcement

Develop a progressive and comprehensive enforcement strategy for cannabis regulations rooted in civil enforcement.

a. Create a multi-agency taskforce on enforcement for cannabis that also includes representatives from the public, particularly social equity community members.
b. Involve affected communities (formerly-incarcerated, workers, etc.) in developing the outreach materials and ensure all materials are multi-lingual.
c. Learn from the efforts in regard to homelessness or harm reduction/prevention in which wraparound resources are available to help the transition to formal opportunities. Take special consideration to protect undocumented/migrant workers who may be in these sites due to a lack of other options.
d. Conduct a multi-step, non-punitive process that may involves:
   - Initial informational contact and conference with illicit operation owners and workers;
   - Visits from DCR and related staff to directly contact the workers in the illicit operation to offer potential pathways out of the illicit market;
   - Built-in linkages to workforce development resources or other job opportunities in the industry for the workers in the illicit operation;
   - Utilities shut-down and lock-out after initial contacts and information;
   - Administrative citations after several steps.

e. Ensure coordination among various stakeholders in the process – LA Department of Water & Power, Building and Safety, LAPD, and others - and a shared commitment to equity and restorative justice principles.
f. Support continued pathways for employment opportunities for those seeking a pathway out of the unregulated market through apprenticeship, workforce development programs and job placement programs (see #1).

4. Halt criminalization and use diversion

Halt further criminalization of youth and ensure that any diversion programs are in line with models of social equity.
APPENDIX D (CONTINUED)

a. Support alignment in the Department of Public Health, LAUSD and the Cannabis Health and Social Equity Working Group on implementing youth drug counseling & safety programs through an equity lens. Ensure diverse youth input into the content, outreach and structure of such programs.

b. In the case of individual citations for 18-21 year old, follow up in this legislative session on the City’s support for drafting statewide legislation that halts a punitive approach for 18-21 year old and incorporates education instead as soon as possible (see City Council File 17-0002-S107 and 17-0002-S107).

5. Use cannabis funds for community reinvestment and health

Direct 100% of cannabis tax funds beyond those allocated for any of the City’s cannabis regulation activities to specific needs related to health and social equity related directly to cannabis, i.e. to the “historical issues of social equity and social justice” tied to cannabis and to “protect public health, public safety and the environment” as noted in Proposition M (2017). In other words, create a robust fund to reinvest taxes in communities harmed by the war on drugs and to promote health equity.

a. Manage the fund via a community-managed process via the Cannabis Health & Social Equity working group.

b. Direct funding to the city-managed cannabis small business and workforce development programs and supports for social equity applicants and workers.

c. Fund community-based efforts that promote prevention and public health through holistic, place-based approaches that address health disparities, in accordance with best practices and research. Such programs also help repair the comprehensive harms of the war on drugs in ways that empower residents.

d. Suggested specific areas relevant to social and health equity include youth development and early education in social equity neighborhoods; job placement, mental/physical health services and community empowerment for formerly-incarcerated residents and in social equity neighborhoods.

e. Expand access to medical cannabis research in low-income communities.

f. Prioritize organizations that approach their work with an equity or restorative justice lens and that are led by the communities they work in/represent.

g. Involve community organizations and voices of affected communities via a board that can allocate the funding to individual community organizations.

6. Create pathways to public consumption zones

Create a pathway to publicly-managed consumption zones that are free, accessible and meet the needs of medical and low-income patients.

a. Ensure that spaces are safe, secure and protected.

b. Make sure spaces have geographic reach and breadth.
7. Develop reporting to measure progress and advance equity goals

Define the City of LA’s corporate social responsibility reporting requirement for any license-holding cannabis businesses in ways that deal with the specific past, present and future harms and benefits related to the industry. Incentivize programs directly reflecting the needs of and give power to those most affected by health/social equity and rewarding innovation. Integrate this reporting with any license renewal and future merit-based licensing. Potential reporting areas include:

a. Responsibility to medical marijuana patients
   i. For example:
      1. Patient medicine discount programs
      2. Participation in IRB-approved scientific research programs
      3. Regular patient education utilizing health professionals.

b. Responsibility to a cannabis business’ workers
   i. For example:
      1. Giving workers a voice via tried-and-true methods like collective bargaining and unionization
      2. Worker shares in the business/cooperative structures
      3. Guaranteeing healthcare, including support for reproductive rights and trans worker health needs
      4. Active efforts at diversity and strong policies against sexual, racial, religious harassment.

c. Responsibility to the community a business is housed in.
   i. For example:
      1. Offering education to the community that brings health professionals to discuss cannabis usage
      2. Supporting local minority/women-owned small businesses
      3. Sponsoring youth development/leadership locally
      4. Supporting affordable housing efforts, including local shelter building or supporting efforts for rent control.

d. Responsibility to help repair harms from the war on drugs.
   i. For example:
      1. Sponsoring social equity business applicants
      2. Offering dedicated shelf space to social equity non-retail
      3. Supporting legal aid, health care, mental health, and leadership development for formerly-incarcerated people
      4. Hiring and training of formerly-incarcerated people
      5. Support for foster youth and other highly-impacted populations.

e. Responsibility to the environment
   i. For example:
APPENDIX D (CONTINUED)

1. Waste/packaging and battery recycling initiatives
2. Discounts for Metro and bike users and/or transit passes for workers and medical marijuana patients
3. Support for environmental justice organizations.
   f. Set up an accountability mechanism via annual review of these plans in relationship to license renewal via the Cannabis Commission and DCR.
      1. Post corporate social responsibility reporting online and on-site.
      2. Include Neighborhood Councils in this process and require businesses to present responsibility reports to these bodies.

8. Real, usable data on equity progress
   a. Expand data on the past effects of the war on drugs, in particular incorporating LA Sheriff's Department data and LAUSD data on cannabis-related discipline.
      i. Develop a lens on geographic equity by including relative impact on different parts of the City, such as San Fernando Valley.
   b. Collect data going forward on all cannabis citations through LAPD (and for the County, LASD). Include LAUSD data on cannabis-related disciplinary actions.
   c. Gather demographic data on all license-holders via DCR, including race, gender, sexual orientation, foster youth and veteran status.
      i. Work with employer and labor partners to collect demographic and wage data on the cannabis workforce.
   d. Create a process for reporting this data regularly to the Cannabis Commission, DCR, and the City Council.

9. Create national standards and make LA a leader on equity

   Expand knowledge and shared resources on equity across cities and regions by sponsoring a National Cannabis Repair & Equity Summit in Los Angeles.
   a. Collaborate with local research institutions.
   b. Invite community-based organizations, policymakers, incubators and other entities involved in social equity.
   c. Compile report for dissemination with model legislation/proposition components.
REFERENCES


[iv] Building from best practices and models of equity, the City of Los Angeles Social Equity Program:

- Prioritizes those affected disproportionately by the war on drugs for access to small business development in cannabis via licensing priority and technical/capital assistance.
- Offers those targeted by the war on drugs – and more broadly disadvantaged local residents - access to high road workforce opportunities in cannabis.
- Holds the promise of a potential a community reinvestment or neighborhood health equity funding.

[v] Voters in Los Angeles both overwhelmingly endorse Proposition 64 (2016) but also Proposition M (2017), which specifically calls for the City to consider “historical issues of social equity and social justice” in the public hearings leading to the formulation of cannabis regulations. http://clkrep.lacity.org/onlinedocs/2017/17-1100-S2_ORD_184841_4-4-17.pdf


[ix] Rendering the situation even more complex is the fact that in the broader region, small cities are a patchwork of policies - and after an in-depth community engagement and stakeholder input process, the County of Los Angeles has put a (temporary) ban on cannabis business in unincorporated LA County. At the state level, the picture is even more daunting, with an outsized number of municipalities banning cannabis, leaving a patchwork of policies that with few exceptions consider equity.
REFERENCES (CONTINUED)


[xii] The City Council has recognized the limits of such data and the need for further analysis in relation to hard-hit areas in the San Fernando Valley and Eastside of Los Angeles.


REFERENCES (CONTINUED)


[xxv] Organizers highlighted how expungement services demand tremendous resources from grassroots groups, while blanket resentencing could help resolve this. Van Nuys Community Council have affirmed the need for District Attorney Lacey to act to reclassify and clear all low-level offenses going back 40 years, and the Board of Supervisors also passed an ordinance to explore routes to better work in the the spirit of Proposition 64. To impel action, organizers also worked to pass AB 1793 at the state level for automatic expungement of all those records – and a similar resolution in LA County’s ordinance, passed March 2018: http://cannabis.lacounty.gov/wp-content/uploads/2018/02/2018-02-13-MRT_Solis-REVISED-Motion-Decriminalization-of-Cannabis-andEnsuring-Equity-in-Enforcement.pdf


[xxvii] For more on the ways the war on drugs led to such tactics supposedly geared towards gangs and often involving militarization, see Murch, D. (2015). Crack in Los Angeles: Crisis, militarization, and black response to the late twentieth-century war on drugs. *Journal of American History*, 102(1), 162-173.
REFERENCES (CONTINUED)

[xxviii] For LAUSD's Restorative Justice policies that youth helped secure, see: https://achieve.lausd.net/restorativejustice. For the listing of alternative approaches employed by LAUSD, see https://achieve.lausd.net/site/handlers/filedownload.ashx?moduleinstanceid=34064&dataid=42298&FileName=ATTACHMENT%20D_2.PDF
[xxx] LURN’s work provides significant learning regarding the challenges of small business development in social equity communities,
[xxxi] Los Angeles, for example, hosted the National Worker Cooperative Conference in 2018 https://conference.coop/2018-conference/home/. Projects like the LA Co-Op Lab are further detailed in the following Non Profit Quarterly article: https://nonprofitquarterly.org/2018/08/31/a-worker-co-op-movement-emerges-in-los-angeles/