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**LA Black & Brown Leaders Condemn Power Play that Undermines Social Equity & Community Reinvestment in New Cannabis Licensing**

*Community Leaders Fully Reject the Rushed Move as one that Undermines the Original Criminal Justice and Community Reinvestment Intent of LA’s Cannabis Licensing Policy*

**Los Angeles, CA.** A broad cross section of community leaders spoke in front of the Los Angeles City Council Chambers Tuesday to strongly condemn efforts to rush Phase 3 of the cannabis licensing process in the City as one that cripples progress on social equity, criminal justice, and community reinvestment in communities of color. Citing the original intent of the landmark policy as one that would ensure social equity and community reinvestment by affirmatively supporting the training, preparation and incubation of community owned businesses and create a level playing field, leaders rejected the rush to move Phase 3 as an effort to undermine the progressive policy. Of top most concern is that after two years of discussions, and issuing over 1,000 licenses in the City of LA, there is still no funded Social Equity Program. The leaders discussed the need for the City to do more to protect first time applicants from the predatory business practices and large exclusion of key communities that abounded in Phase 2.

Community leaders specifically called on the three members of the Rules Committee, Council President Herb Wesson, President Pro Tempore Nury Martinez, and Councilmember Marqueece Harris-Dawson, who voted to advance the new recommendations, to uphold their commitment to the broader community and delay Phase 3. As it stands, today’s Rules Committee vote on the new recommendations will go to a rushed vote by the full City Council this Friday, which if passed, would instruct the City Attorney to draft an ordinance to move the policy forward for final passage next week. While last week the City was considering a merit based process for Phase 3 after technical assistance and business support is issued, today they were railroading a proposal to immediately begin Phase 3 licensing on a first come first serve basis. Also of concern is language that allows for a back door buy out after 3 years, essentially allowing social equity applicants to serve as “strawmen” for the investors.

In addition to concerns about the specific policies in the approved Recommendations, stakeholders expressed confusion about the sudden rush on the timing. Just two weeks ago, the Department of Cannabis Regulation held a stakeholder meeting on the future of social equity in LA, where Director Cat Packer and Council Members Wesson and Harris-Dawson each addressed the group and invited stakeholders to help them craft Phase 3 in a way that would truly advance the social equity aims. Most of the stakeholders who rushed to City Hall at 8:30 in the morning Tuesday, with less than 12 hours notice, have not finished offering advice and proposals for Phase 3. After waiting years, even decades, for cannabis licensing, why this last minute rush?

Community leaders in the regional cannabis community spoke categorically on the matter issuing the following statements:

Bo Money, Executive Director of the National Diversity and Inclusion Cannabis Alliance (NDICA), said:

“This is not the time to rush a process through that undermines the intent of creating an equitable and fair industry. This is a major move that will further ensure that licenses are are primarily awarded to the wealthy investors and lobbying groups.”

Felicia Carbajal, Smart Pharm Research Group said:

“To maintain the integrity of the spirit of the social equity ordinance, the City must immediately engage in impactful education and outreach to impacted communities, and address community reinvestment and corporate social responsibility.”

Cheryll Branch, Green Believers said:

“This move only benefits one group of well funded corporate interests and makes it extremely difficult for small black owned shops to compete for licensing.”

Arturo Carmona, ImpreMedia said:

“Rushing the licensing process without building out social equity programming all but ensures Latino exclusion in this critically important new market for the city. Despite being the largest population in the City, Latinos are facing numerous barriers to gain inroads in the industry, one that offers great promise for job and wealth generation in our communities.”

Stakeholders plan to spend the rest of the week visiting council offices in an effort to defeat Friday's vote.

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