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February 3, 2020

Representative John Lively
House Committee on Economic Development
900 Court Street NE, HR E
Salem, OR 97301

RE: HB 4088 – Statewide Cannabis Social Equity Framework

Dear Chair Lively and Members of the Committee:

The City of Portland strongly supports the creation of a statewide social equity framework for cannabis licensing and reinvestment of cannabis tax revenue. Enacted in September 2018, the City's existing social equity framework includes initiatives in licensing, grants, and policy change oversight. However, the framework is nascent, evolving rapidly, and incomplete. While Portland holds the highest number of active cannabis licenses in Oregon, we have found that the City's fee reduction program has been underutilized.

As part of the City's stakeholder engagement process, we have learned that a **comprehensive framework must extend beyond cannabis business licensing and include institutional policy change and reinvestment in communities and individuals who have been disproportionately impacted by the criminalization of cannabis**. A state framework for social equity should extend beyond what the City of Portland has created to include input and direction from other communities and jurisdictions around Oregon. The design process for a state framework must be led by the priority communities and specifically Black, Indigenous and communities of color, other key stakeholders, and include the perspectives of our urban, rural and suburban communities.

Portland's social equity framework is overseen and informed by the City's cannabis policy advisory body, the Cannabis Policy Oversight Team (CPOT). The City is currently working to deepen partnerships with our Black, Indigenous, and Latinx communities and better support their leadership around this work. Additionally, the City regularly collaborates and shares information with other municipalities around the country to better identify best practices. We recognize the opportunity, gravity and responsibility of this moment in history and know that we have much to learn.

Included below are recommended additions to the social equity framework proposed in HB 4088 based upon the City's current work in cannabis social equity, knowledge and expertise provided by stakeholders and priority communities, successful strategies utilized by other municipalities, and the annual CPOT policy report. The goal is to share what we have learned thus far and bring greater clarity to the state's proposed framework. This is a non-exhaustive list and should not supplant a thoughtful, community-driven process to develop a framework led by, and in service to, all Oregonians.

A cannabis social equity framework should include, but not be limited to:

Community Reinvestment:

- Prioritize social equity and restorative justice in allocation of cannabis tax revenue,
- Grants to community organizations for work towards restorative justice for communities who have been most harmed by cannabis criminalization,
- Grants and low interest loans to “equity eligible” cannabis license applicants, and
- Grants to community organizations to provide technical assistance to “equity eligible” licensing applicants.

Cannabis Business Licensing:

- Discounted license and license renewal fees,
- Prioritization or fast track of equity eligible applicants in the licensing process,
- Expanded qualifying criteria for “equity eligible” applicants to increase participation and broaden impact for priority communities, and
- Enhanced licensing navigation support.


Institutional / Policy Change:

- Continued criminal justice reform, including record clearing and expungement of cannabis-related convictions,
- Commitment and resources toward increasing cannabis competency (institutional, systems, and public), and understanding the emerging concept of “canna-bigotry,”
- Inter-agency and inter-bureau agreements to reduce barriers to economic viability for minority-women- and emerging small cannabis businesses,
- Allocate resources to comprehensively collect, track and analyze data to understand the societal, environmental, economic and health impacts of legalization, and
- Utilize complete, accurate and timely data to inform development and expiration of policies related to cannabis.

The City supports a statewide equity framework that extends beyond licensing and adopts a strategic vision and clear position on cannabis and the reparative use of cannabis revenue. Revenue from cannabis must be used to rectify the damage caused by cannabis criminalization, as well as the disadvantaged economic positions of our Black, Indigenous, and communities of color. Policies around cannabis and the use of cannabis tax revenue should have a greater impact on a grassroots level for the businesses and communities that have the greatest level of need.

The City of Portland is excited about the movement toward establishing a statewide social equity framework. We look forward to partnering in future discussions with the state and local communities to support development of a statewide framework.

Respectfully submitted,



Suk Rhee, Director, Office of Community and Civic Life
City of Portland