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March 12, 2021

Representative Janelle Bynum, Chair House Judiciary Committee, 900 Court St. NE, HR F Salem, OR 97301

Dear Chair Bynum and Members of the Committee,

My name is Dasheeda Dawson, Cannabis Program Supervisor at the City of Portland. I am also the Chair of the Cannabis Regulators of Color Coalition (CRCC), a coalition of government officials appointed and/or selected to lead, manage and oversee the regulatory and policy implementation for legal medical and adult-use cannabis markets across the United States. Thank you for accepting my testimony in support of House Bill 3112. You'll also find letters on the record from Portland City Council and Cannabis Policy Oversight Team (CPOT) in support of this bill.

In my role as Supervisor, I am responsible for overseeing all regulatory, licensing, compliance and equity initiatives for the city's equity-centered cannabis program. As one of the first cities in the country to establish a cannabis equity grant fund tied to cannabis tax revenue, we also recognize the tremendous opportunity of dismantling a long-standing construct of racism that persists in the United States. To that end, our program participated in the 80+ person workgroup that contributed to the development of this bill.

Understanding that cannabis prohibition had a discriminatory intent, with repercussions falling disproportionately on communities of color, specifically Black, Indigenous and Latino/a/x (BIL) communities, the workgroup set out to create a cannabis equity framework truly designed to deliver on the reparative and restorative potential of cannabis legalization for those communities most harmed by racially-biased prohibition. Moreover, the collateral consequences of prohibition, coupled with housing discrimination, have led to a staggering wealth gap between White Oregonians and BIL communities within the state.

As we began our work together, we started with race-neutral language in mind and then came to the conclusion that the use of race neutral language would render the proposed cannabis equity program ineffective for many reasons detailed in the bill's legislative report including:

• "Resident of a Disproportionately Impacted Area" was proven ineffective due to gentrification and housing instability. Municipalities in California have used this equity criteria in regulations, including LA, where only 18 of the 100 people who qualified for equity licenses were Black.



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- "Low or Average Median Income" was proven ineffective as it does not accurately reflect the racial disparity in wealth. One study found that White households in the middle-income bracket own nearly eight times as much wealth as middle-income Blacks and ten times as much wealth as middle-income Latino/a/x. This wealth gap is visible across the entire income spectrum between these groups.
- And, in 2018, the Maryland Medical Cannabis Commission's Racial Disparity study found clear evidence that minority participants were disadvantaged in the State's medical cannabis industry. This led to the development of emergency regulations to include race-conscious measures to address the needs of minority applicants.

States have a compelling interest in ensuring that its resources and funding are not distributed in a manner that perpetuates the effects of discrimination, a risk presented by continuing to use ineffective race neutral language.

Therefore, HB 3112 was intentionally crafted to establish a cannabis equity program that meaningfully addresses the historical harms to Black, Indigenous and Latino/a/x communities while remaining constitutionally sound.

As we support the passage of HB 3112, the City of Portland Cannabis Program team remains available for any follow-up questions regarding my testimony.

Sincerely,

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Dasheeda Dawson Cannabis Program Supervisor Office of Community & Civic Life City of Portland



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