

From: [Shoshanna Silverberg](#)
To: [PublicComment, CCD , RLD](#)
Subject: Public Comment for Cannabis Hearing on 8/6/21
Date: Thursday, August 5, 2021 10:12:13 PM

To Whom It May Concern:

I am a New Mexico attorney and a long time Cannabis advocate and regulatory consultant. Yet again, I applaud the work being done in New Mexico to decriminalize Cannabis as well as to create a diverse and sustainable marketplace for it. The strides being made in New Mexico are significant.

This comment is intended to address one particular issue that originated in HB 2 which continues to present open questions in the current draft of the state's producer regulations. It will also likely affect any subsequent regulations that are drafted by the Division for other license types. And that is, a general lack of access to resources such as water as well as capital, and technical assistance for social equity applicants, New Mexico residents, and aspiring microbusiness operators in New Mexico's cannabis space. While HB 2 did attempt to address this issue proactively, it did so as much legislation does - in a way that leaves significant room for discussion and interpretation.

Specifically, HB 2 requires the Division to develop "procedures" that promote and encourage full participation in the cannabis industry by communities that have been disproportionately harmed by rates of arrest through the enforcement of cannabis prohibition, rural communities likely to be impacted by cannabis production, and agricultural producers from economically disadvantaged communities. Moreover, "procedures" are to be developed that promote and encourage racial, ethnic, gender and geographic diversity (within New Mexico), and New Mexico residency among license applicants, licensees and cannabis industry employees. The legislature even went so far as to call for a certification process to identify cannabis products for consumers from integrated cannabis microbusinesses or cannabis producer microbusinesses owned by representatives from communities that have been disproportionately harmed by rates of arrest through the enforcement of cannabis prohibition. The bill names as well underserved communities that include tribal, acequia, land grant-merced and other rural historic communities. See Sec.3 of New Mexico's Cannabis Regulation Act (also known as HB 2).

The current iteration of draft producer regulations addresses this by characterizing the Division's goal in the following words: *To accomplish these mandates, the division establishes a goal that at least 50 percent of applicants for licensure, licensees, and cannabis industry employees will represent these groups.* See NMAC 16.8.1.8.

The Division has reiterated in its proposed producer regulations that with the advice of the cannabis regulatory advisory committee, it shall solicit public input to create and implement a social and economic equity plan. The plan will include guidelines to determine how to assess which communities have been disproportionately impacted, how to assess if a person is a member of a community disproportionately impacted, and proposed incentives to promote social and economic equity for applicants, licensees, and cannabis industry employees (IBID).

Additionally, HB 2 provided that yet one more facet of the Division's charge would be, in consultation with the state's economic development department, the development of a technical

assistance resource guide for rural New Mexico residents who are seeking to establish vertically integrated and/or micro cannabis businesses.

It is reassuring that the Division recognizes the need for these procedures to be developed in a stakeholder model, and that provisional licensing is being considered as a means of enabling entrepreneurs to move forward in their business plans and not fall behind due to the volume of applications the Division anticipates receiving.

What would provide an even greater level of reassurance is if a more robust support system existed for microbusiness, social equity, and New Mexico resident applicants. To that end, I advocate for a revision to the proposed regulation so that the words “applicants for licensure” are removed and the goal of the Division reads instead: *To accomplish these mandates ... at least 50 percent of applicants for licensure, licensees and cannabis industry employees will represent these groups.*

A clear distinction between how many New Mexicans we want engaging in the process of applying for a license versus how many we want to become licensed and operational in a profitable, sustainable manner, is necessary to consider and address as this first set of adult use cannabis regulations are carved into stone.

Thank you for your time and consideration.

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