



Pure Options - Lansing Frandor

AU-R-000506

This entity qualifies for the Bronze level tier of the Social Equity All-Star Program

SOCIAL EQUITY PLAN

CSHM Services, LLC

Social Equity Policy: The company's goal is to positively impact communities that have been disproportionately impacted by prohibition, generally and by specifically identified municipalities:

1. Those who have been a resident of one of the 19 selected disproportionately impacted communities for the past five years.
2. Those have a marijuana-related conviction, except a person with a conviction which involves trafficking marijuana to children is eligible for employment as restricted by law.
3. Those were registered as primary Caregivers for at least two years between 2008 and 2017.

Implementation of Social Equity Policy: The company will develop implementation of goals, assessments, and best practices for this Social Equity Plan over the next year through employee training, community outreach, and hiring policies, community projects, and procedures that implement this Social equity Plan detailing how the applicant will positively impact communities that have been disproportionately impact by prohibition, such as:

1. Jobs and job training for people from the impacted communities, except a person with a conviction which involves trafficking marijuana to children is not eligible for employment as restricted by Michigan law.
2. Generate 10% excise taxes that will partially go to local government programs and law enforcement in challenged communities, shared tax revenue which benefits people in the identified municipalities and the counties in which they are located, where applicable.
3. Generate 6% Sales taxes which support schools that represent the community's future and roads that are critical infrastructure for all identified impacted communities.
4. Establish public and internal educational resources and programs to help eliminate the stigma that marijuana users experience due to 100 year history of class driven and ethnically inappropriate marijuana prohibition laws in America, and internal training materials to make employees experts and empower them to act as responsible and effective cannabis citizen ambassadors for cannabis normalization. These will address, among other things:
 - a. Healthy living resources, the benefits of MJ testing requirements, and the dangers of vaping and substance abuse generally, especially around children or pregnant women without adequate healthcare resources.
 - b. The strict legal limitations on lawful use and possession of cannabis such 70 gram limits outside the home and 12 plant limit at a person's residence, laws against smoking in public places, and laws against any adult taking money or anything of value for giving another adult up to a 70 gram gift of marijuana.

- c. Provide resources to people who seek to have their prior marijuana records expunged but do not know how to take advantage of Michigan's expungement law, and to help users make smart health and legal decisions.

Impacted Communities: Municipalities

19 communities were selected for Michigan's social equity program, and residents of such cities will be afforded enhanced employment opportunities. The identified impacted communities are as follows:

1. Albion
2. Benton Harbor
3. Detroit
4. East Lansing
5. Ecorse
6. Flint
7. Highland Park
8. Hamtramck
9. Inkster
10. Kalamazoo
11. Mt. Morris
12. Mt. Pleasant
13. Muskegon
14. Muskegon Heights
15. Niles
16. Pontiac
17. River Rouge
18. Saginaw
19. Ypsilanti

Impacted Individuals: Persons with past MJ Convictions

Those have a marijuana-related conviction, except a person with a conviction which involves trafficking marijuana to children is eligible for employment as restricted by law. Such persons have experienced undue burdens for past convictions based on conduct that the People of Michigan by voter initiative have twice declared to be legal as of 2008, and again in 2018. Such persons often lose job and social opportunities. They may need job training, PTSD counseling, and a team that welcomes and encourages them and does not judge them for past malum prohibitum criminal convictions, where those convictions did not involve children. The application process for getting a criminal record sealed from public view in Michigan can be daunting. Impacted people who are eligible can do their own expungement for a little more than \$100. People with one felony or two misdemeanor offenses can apply for expungement five years after they've completed their sentence or probation/parole. Expungement statistically leads to higher earnings and low recidivism rates, which benefits the impacted community, and resources like

the included court forms will help people help themselves.

Impacted Individuals: Caregiver Growers

Those were registered as primary Caregivers for at least two years between 2008 and 2017 have been identified as individuals who may be disparately impacted by prohibition laws. Such persons were effectively excluded from participating the industry by the original appointed licensing panel, prior to the executive order which quickly corrected the mistakes of the past. Instead of shunning caregiver growers, the company will be actively seeking individuals with at least two years' experience as caregiver growers and retaining such employees in long term, well-paying jobs that feed their passion for cannabis horticulture. Research and development projects, and interactive training and team building, will help encourage caregiver growers to engage in the industry as respected professionals with bright futures.

Continued Improvement of Policy: Experiential Development

The implementation will be a continually evolving process and will be based on education, training, contracts, bonuses, promotions, and tolerance for past transgressions and a commitment to social justice. This development will take place as companies share ideas and programs to promote social equity and positively impact communities that have been disproportionately impact by prohibition. Feedback and critical reflection on the policy best practices will be embraced by the entire company, and employee involvement will be the key to improving this policy by engaging in a company attitude of inclusion, and team meetings that focus on exploring ways to better serve the impacted communities and individuals.

Continued Improvement of Education: Drug and Alcohol Awareness

The company will make available to the public, and its customers, resources aimed at increasing drug and alcohol awareness and education.

As part of the customer service experience at all of our retail locations, patients and customers will be offered complimentary consultations with our trained employees who will assess their needs and provide individualized education. In addition, as resources allow, we will host education classes facilitated by an experts on marihuana, and coordinate to connect customers navigating similar medical and personal challenges.

We will implement communications where we provide information regarding the effects of alcohol and drugs, what substance abuse is, and warning signs and consequences of addiction. This will include guidance regarding how to personally deal with substance abuse issues, as well as how to help others who may be struggling with addiction. In addition, we will share basic information regarding marihuana laws and regulations, including rules related to possession limits, safe storage, driving under the influence and other matters commonly of interest and concern to the community. We will attempt to work with the local law enforcement to develop these educational materials. We will also services to provide a directory of local counseling, detoxification, and rehabilitation services when requested.

CSHM Services, LLC will provide addiction-related training and education to its retail division staff for the purpose of identifying addiction behaviors and signs in customers, and developing intervention tactics/techniques. The training curriculum is under development.

Impacted Communities: Volunteerism

Our staff will organize and regularly engage in volunteer work in the community, including, but not limited to:

Last Prisoner Project participation

Support local cultural initiatives

Holiday food and toy drives

Winter coat and mitten drives

Local gardening projects

The company plans to set a goal to donate well over 100 hours of local community and volunteer service per year. To achieve this goal, every employee should receive 5+ hours per year to contribute to selected community service organizations. The company's HR Director shall create and implement a plan to monitor and track employee volunteer service. The HR Director shall distribute reminders and notifications of upcoming community service opportunities to employees. The HR Director shall identify company-wide volunteer service events for employees and provide transportation to these events.

Financial Assistance Programs

Our financial assistance program will provide support to certain impacted groups. Our procedure will not require our staff to possess, review, or make judgments on the validity of private financial information. All of retail locations will support patients and customers suffering financial hardship by providing product discounts. The company plans to provide financial assistance to a customer for reasons that may included, but not limited to:

Active duty or veteran status;

Hospice status;

Disability status; or

Senior citizen status

SAMPLES OF SOME INFORMATIONAL RESOURCES TO BE DISTRIBUTED

Michigan Marijuana Laws after December 6, 2019

THE FOLLOWING ACTS BY A PERSON 21 YEARS OR OLDER ARE NOT UNLAWFUL

Caveat: Beware of federal laws prohibiting these activities, which could technically result in convictions or property forfeitures until the federal laws change.

Sec. 5. 1. Notwithstanding any other law or provision of this act, and except as otherwise provided in section 4 of this act, **the following acts by a person 21 years of age or older are not unlawful**, are not an offense, are not grounds for seizing or forfeiting property, are not grounds for arrest, prosecution, or penalty in any manner, are not grounds for search or inspection, and are not grounds to deny any other right or privilege:

(a) except as permitted by subdivision (b), possessing, using or consuming, internally possessing, purchasing, transporting, or processing **2.5 ounces or less of marihuana**, except that **not more than 15 grams** of marihuana may be in the form of marihuana **concentrate**; *[this allows any combination of 70 total grams of cannabis anywhere anytime (except at schools, on school buses, or correctional facilities) – if you possess 15 grams of oil or “concentrate”, you can still have 55 grams of dry cannabis.]*

(b) **within the person's residence**, possessing, storing, and processing not more than **10 ounces of marihuana and any marihuana produced by marihuana plants cultivated on the premises and cultivating not more than 12 marihuana plants for personal use**, provided that **no more than 12 marihuana plants are possessed, cultivated, or processed on the premises at once**; *[this provision does not allow you to have more than 2.5 ounces of marihuana within your residence unless the excess marihuana is stored in a container or area equipped with locks. However, you can have more than 10 ounces total if the excess was cultivated for personal use on the premises from the 12 plants you can grow in your residence at any one time for personal recreational use. This 12-plant “adult use” maximum does not preclude a registered caregiver from cultivating up to 12 additional plants for each qualified registered patient with whom the caregiver is connected through the state registry ID system (maximum 5 patients x 12 = 60 plants), and probably 12 more plants if the registered caregiver is also a patient. However, if you are growing the larger medical plant allowances in your residence, you should not, in my considered opinion, grow the additional 12 plants allowed for personal use under this recreational use section, or you should grow medical allowances off-premises]*

(c) **assisting another person who is 21 years of age or older** in any of the acts described in this section *[grow consultants and helpers are protected]*; and

(d) **giving away** or otherwise transferring **without remuneration** up to **2.5 ounces** of marihuana, except that **not more than 15 grams of marihuana may be in the form of marihuana concentrate**, to a person 21 years of age or older, as long as the transfer is

not advertised or promoted to the public. *[this protects de minimus informal relationships, like passing a joint in private, from strained interpretations of cannabis manufacturing and delivery laws (growing/distribution), and private suppliers who do not charge for cannabis and don't advertise the fact.]*

PROTECTIONS FOR LEASING PROPERTY FOR CULTIVATION

Sec. 10. 1. Notwithstanding any other law or provision of this act, and except as otherwise provided in section 4 of this act or the rules promulgated thereunder, the **following acts are not unlawful**, are not an offense, are not grounds for seizing or forfeiting property, are not grounds for arrest, prosecution, or penalty in any manner, are not grounds for search or inspection except as authorized by this act, and are not

(g) **leasing or otherwise allowing the use of property** owned, occupied, or managed for activities allowed under this act. *[this provides protection for landlords who let you grow marijuana at your residence and property owners who may lease you farming space on their land or in buildings for medical purposes. Beware of federal laws prohibiting these activities]*

ACTS NEVER AUTHORIZED BY PROPOSAL ONE

Sec. 4.1. This act does not authorize:

- (a) operating, navigating, or being in physical control of any motor vehicle, aircraft, snowmobile, off-road recreational vehicle, or motorboat **while under the influence** of marihuana;
- (b) transfer of marihuana or marihuana accessories to a person under the age of 21;
- (c) any person under the age of 21 to possess, consume, purchase or otherwise obtain, cultivate, process, transport, or sell marihuana;
- (d) separation of plant resin by **butane extraction** or another method that utilizes a substance with a flashpoint below 100 degrees Fahrenheit in any public place, motor vehicle, **or within the curtilage of any residential structure**;
- (e) **consuming marihuana in a public place or smoking marihuana where prohibited by the person who owns, occupies, or manages the property**, except for purposes of this subdivision a public place does not include an area designated for consumption within a municipality that has authorized consumption in designated areas that are not accessible to persons under 21 years of age;

(f) cultivating marihuana plants **if the plants are visible from a public place** without the use of binoculars, aircraft, or other optical aids **or outside of an enclosed area** equipped with locks or other functioning security devices that restrict access to the area;

(g) **consuming marihuana while operating, navigating, or being in physical control of any motor vehicle**, aircraft, snowmobile, off-road recreational vehicle, or motorboat, **or smoking marihuana within the passenger area of a vehicle upon a public way**;

(h) possessing marihuana accessories or **possessing or consuming marihuana on the grounds of a public or private school** where children attend classes in preschool programs, kindergarten programs, or grades 1 through 12, **in a school bus, or on the grounds of any correctional facility**; or

(i) **Possessing more than 2.5 ounces of marihuana within a person's place of residence unless the excess marihuana is stored in a container or area equipped with locks** or other functioning security devices that restrict access to the contents of the container or area.

2. **This act does not limit any privileges, rights, immunities, or defenses of a person as provided in the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or any other law of this state allowing for or regulating marihuana for medical use.**

3. This act **does not require an employer to permit or accommodate** conduct otherwise allowed by this act in any workplace or on the employer's property. This act **does not prohibit an employer from disciplining an employee for violation of a workplace drug policy or for working while under the influence of marihuana**. This act does not prevent an employer from refusing to hire, discharging, disciplining, or otherwise taking an adverse employment action against a person with respect to hire, tenure, terms, conditions, or privileges of employment because of that person's violation of a workplace drug policy or because that person was working while under the influence of marihuana.

4. This act allows a person to prohibit or otherwise regulate the consumption, cultivation, distribution, processing, sale, or display of marihuana and marihuana accessories on property the person owns, occupies, or manages, **except that a lease agreement may not prohibit a tenant from lawfully possessing and consuming marihuana by means other than smoking**.

5. All other laws inconsistent with this act do not apply to conduct that is permitted by this act.

Landlords - Leases

Lease Addendum - Marijuana

Prop 1 Language: This act allows a person to prohibit or otherwise regulate the consumption, cultivation, distribution, processing, sale, or display of marihuana and marihuana accessories on property the person owns, occupies, or manages, *except that a lease agreement may not prohibit a tenant from lawfully possessing and consuming marihuana by means other than smoking.*

Question: *How does a landlord comply with this without risking a federal law forfeiture for knowingly allowing tenants to possess or consume marijuana?*

Answer: *Add this language to lease of by way of addendum, using “unlawfully” to comply with the statute but remaining vague about whether you mean the word “unlawfully” to refer to state or federal law. In this way you prohibit the conduct without violating the state statute, without giving permission in violation of federal law.*

New Language:

Tenants are prohibited from cultivation, distribution, processing, sale, or display of marihuana and marihuana accessories on the property, and from unlawfully possessing or consuming marijuana on the premises

