

Social Responsibility in the Marijuana Industry



Questions for Investors and Consumers

I. OVERVIEW

The following questions are designed to:

- guide consumers and investors in making socially responsible decisions in relation to the cannabis industry; and
- help cannabis businesses operate in a more socially responsible manner

These questions are narrowly focused to address issues that are central to reforming drug policy in a just and equitable manner. They are not meant to address all arenas that may demonstrate a business is acting in a socially beneficial and responsible manner (e.g., environmental, labor rights, consumer protection, etc.).

The harms of marijuana have been devastating, particularly for black and brown people who have suffered dramatic rates of arrest, mass criminalization, heavy-handed policing, seizure of property with little or no due process, and large-scale deportations.

Given this history, those investing and operating in the cannabis sector have some responsibility to support repairing the harms of that prohibition.

Repairing the harms of prohibition entails:

- 1) ensuring that the harm is not continuing;
- 2) supporting the development of an accurate historical record of the harms caused by marijuana prohibition, including how it has oppressed black and brown communities; and
- 3) supporting initiatives that create a remedy for past harms.

Measures that further repairing the harms of prohibition include, among others:

- resisting attempts to legislatively or administratively exclude people with marijuana-related arrests or convictions from working in or otherwise accessing the sector or from participating in home grow or social cannabis clubs;
- promoting automatic expungement of records for people with marijuana convictions;
- investing in the communities that have been most impacted by prohibition; and

- making it possible for communities that have been most impacted by prohibition to participate in the new industry, e.g., by removing barriers to entry and promoting racial equity.

While it is primarily the responsibility of the government to right wrongs, the cannabis sector can take a principled stand in shaping how marijuana is regulated and how the tax revenues from that regulation are used.

The cannabis sector can also invest directly in communities harmed by marijuana prohibition through donations, job training and placement, incubation, and technical assistance.

Disclaimer

These are basic guidelines for assessing a company. They do not measure a company's actual impact. However, considering these questions will help companies, investors, and consumers determine whether they are operating in a socially responsible manner.

The Drug Policy Alliance has no way of monitoring these companies or verifying that the information they share is correct. Nor do we have the resources to receive and investigate claims that the company is failing to respect these standards.

II. QUESTIONS FOR COMPANIES

Policy Positions

- Does the company support expanding marijuana regulation to other states, even when they do not have a financial or business interest there?
- Does the company support a free and fair marijuana market that does not give it disproportionate advantages? Specifically, does the company support:
 - Home cultivation?
 - Expansion of medical marijuana program?
 - Expansion of adult use program?
 - Scaled licenses?
 - Restrictions on vertical or horizontal integration?
- Does the company support measures to repair the harms of marijuana prohibition? These measures include:
 - Criminal record expungement
 - Reinvestment of taxes in communities impacted by the war on drugs
 - Market access for impacted communities
- Is the company collaborating with impacted groups:
 - In their lobbying efforts?

- In other decisions?
 - In hiring?
- To which causes or candidates is the company donating money?

Internal Practices and Diversity of Employees

- Does the company have a policy against drug testing employees?
- Does the company have a policy against asking about prior arrests or convictions on job applications? If not, are they asking about drug convictions?
- Does the company hire formerly incarcerated individuals?
- Has this company taken any steps to help people with past drug convictions clear their records?
- Does the demographic makeup of the company, including its owners, senior managers, and Board, reflect a commitment to inclusiveness?
- How many owners/employees have been directly impacted by the drug war and/or are formerly incarcerated?

Internal Practices and Diversity of Employees

- Is the company incubating or providing technical assistance to (a) smaller marijuana company(ies)? If yes:
 - How is the supported business doing now?
 - How long have they been working with the supporting company?
 - Has the supported company been able to gain capital?
 - Has the supported company been able to gain investment?
 - Will the supporting company put you in touch with the supported company? If so, ask the supported company about the quality of support they are receiving

Investment in the Community

- Does the company's mission and value statement reflect concern for repairing the harms of the war on drugs?
- Does the company do anything to ensure patients have access to medical marijuana?

- Is the business a social benefit corporation? B-Corp? Non-profit? Cooperative? Or collective? If not, what percentage of its profits is donated to nonprofits?
- Does that company invest in the community? If yes, is that investment geared toward addressing drug war harms?