

BLACK HISTORY MONTH STARTS WITH ANOTHER PROMISE DEFERRED

Social Equity Cannabis Lawsuit Dismissed; Another Lawsuit Promised Shortly!

PHOENIX, ARIZONA, UNITED STATES, February 1, 2022 /EINPresswire.com/ --Maricopa County Superior Court Judge Randy Warner dismissed Acre 41/Urban League's case filed against the Department of Health Services today. In short, the court found that DHS acted within its broad statutory authority by creating rules that initially award licenses to social equity qualifiers, but where licenses can be subsequently sold to non-social equity qualifiers minutes after award. The court found that the initiative (largely funded by the MSO's and represented to the unsuspecting electorate as a program that would "right the wrongs done to those disproportionately impacted by the war



The Industry Professionals of Acre 41

on drugs") does not require DHS to do any more that what it has done in the release of the final rules. While the plaintiffs and those who supported the litigation vehemently disagree with the court's ruling, they will obviously respect the court's decision.

However, the Fight is not Over!...

According to Celestia Rodriguez, a principal in Acre 41, "We were always concerned that the influence of the MSO's would be too great to overcome. People of color have very rarely been able to get justice in the courts because we know the system is rigged. We will continue to try nevertheless." Rodriguez continues, "However, despite this immediate setback, these licenses are so important to DIA's, we need to continue to fight. We want what we were promised; nothing more, nothing less. Since the court will not accept the challenge to the program as a whole, the focus will now shift to specific applicants who are adversely impacted if the lottery is permitted to be held with the current application pool".

"It is important to note that the current application pool includes almost one-half applications

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Enterprises

that are MSO-sponsored. We have several copies of the non-disclosed underlying predatory agreements that should be deemed void as a violation of the department's current regulations and public policy. The other half of the applications are those "true social equity applicants" who scraped together their money, pulled together their documents, and did their best to submit compliant applications, and are now having to respond to deficiencies that request easily verifiable information. Under the current application pool and DHS regulations, those applicants' statistical chances of winning a license are

seriously diluted by the other half of the MSO-sponsored applications".

Rodriguez points out, "Remember that 1. no entity was supposed to submit more than 2 applications and 2. MSO board members weren't supposed to be involved in the entities. Although the MSO's technically submitted separate entities, a deep dive into the underlying documents lead back to the same MSO-connected people who were prohibited from participating in the program. What is particularly disheartening is that this scheme was apparently supported by many prominent law firms in the state".

Rodriguez concludes, "Unless this glaring loophole is corrected and the <u>lottery pool</u> is limited to only those applicants who are true social equity applicants, only have submitted 2 applications, and have not executed underlying signed or unsigned predatory agreements with MSO's, another lawsuit will be filed in the coming weeks that will name numerous social equity applicants. If the allegations are supported during discovery, those MSO supported applications should be unilaterally disqualified because they violate the letter and spirit of DHS' own rules. We will not allow DHS to stick its head in the sand as it has done with the medical licenses that were supposed to be non-transferrable and act as not for profits without a fight".

Acre 41 principals, Blake Humphrey and Zsa Zsa Brown add, "The industry clearly engaged in a bait and switch in the 2020 voter initiative. The drafters added the buzzwords 'social equity' to the ballot to get adult use passed for their benefit. They then counted on DHS to carry their water the rest of the way by drafting rules with enough loopholes tho ensure the MSO's ultimately snatch up these licenses for pennies on a dollar from 26 unsophisticated qualifiers. When communities of color talk about systemic racism, it is not our imagination; this is it and we've had enough!"

Acre 41 and the Urban League will be hosting several educational seminars for social equity qualifiers in the coming months. Register at <u>www.acre41.org</u>.

Blake Humphrey Acre 41, LLC. This press release can be viewed online at: https://www.einpresswire.com/article/562082347

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