



Element MD, LLC © 11501 Progress Ln., Princess Anne, MD 21853

Chairwoman Griffith, Vice Chair Klausmeier, Members of the Committee, my name is Nkechi Iwomi and I am Founder and Chief Executive Officer of Element MD, LLC. Element is a stand-alone processor of which I own over 94%, in addition to my 100% ownership of the underlying real estate. We are located in Princess Anne in Somerset County at the tip of the lower Eastern Shore where we moved our family and have resided since December of 2020. I thank you for the opportunity to come before you today to offer favorable testimony on Senate Bill 516 and present some matters for your consideration for amendments to this groundbreaking piece of legislation.

We were blessed to be awarded our processing license as part of the 2018 House Bill 2 merit-based award process where we finished in the top nine in both processing and cultivation. Element and the other House Bill 2 licensees represent the most thoroughly vetted class of awardees the national commercial cannabis industry has seen. After the State first determined we were the most highly qualified candidates through its merit-based award process, we were forced to undergo deposition level questioning and subpoena level document requests to further prove we were truly minority owned and not a front.

After battling through the global pandemic and facing raging inflation and ice-cold capital markets, my husband and I invested our life savings and left our successful careers to build Element's facility and operations in one of the most economically disadvantaged counties in Maryland. I am proud to say we not only received our Stage II permit in October of 2022, but I gave birth to twin baby girls in September 2021 who will forever be "from-heres" not "come-heres" like their parents. We could have sold our license to out-of-state business interests, as so many of the original licensees did; but we chose not to, in fulfillment of our mission and commitment to the State to ensure a real Black owned business was operating and creating economic opportunity for others in a community in desperate need.

While SB 516 has taken a forward-thinking approach to addressing matters of social equity in future licensure, the present definition fails to include the vast majority, if not all, of the House Bill 2 licensees. Should the definition of Social Equity Applicant be amended to include the House Bill 2 licensees and SB 516 further promote vertical integration, Maryland's expanded medical and adult use cannabis program would benefit from the State's prior investment in the intensive vetting of the HB 2 awardees and more rapidly address the lack of black-owned cultivation facilities in Maryland). Should the HB 2 licensees not be included in the new definition of Social Equity Applicant, the HB 2 licensees will not have access the resources wisely allotted in SB 516, which are so desperately needed for all minority businesses entering the extremely competitive Maryland marketplace that is utterly dominated by the white-owned businesses originally licensed under the State's initial award process.

Therefore, we would respectfully suggest this Committee consider amending SB 516 to add the HB 2 licensees to the definition of Social Equity Applicant and provide the corresponding stand-alone processors and growers the opportunity to apply for a fast-tracked standard processor or grower license, and one dispensary, should they meet the required qualifications already outlined in the present draft of the bill. The State promoted vertical integration in this exact same way when it allowed growers to opt-in to receiving a dispensary license and directly awarded a grower/processor license to qualifying stand-alone processor/growers who were not vertically integrated.

We are not recommending the State do anything it has not already done before. We are asking for the State to do what it has done in the past to correct systemic issues in the States cannabis marketplace (which just so happened to directly benefit the original, almost exclusively white owned businesses awarded licenses as part of the State's initial process). We are not asking for a hand-out for the HB 2 licensees. We are asking to not be excluded from the State's past and present efforts to ensure the success of its licensees, and to do so in support of Black owned businesses like Element who have risked everything to help lift up others.

Thank you and I am available to answer any questions.

Respectfully,

Nkechi Iwomi
Majority Owner, Sole Manager, and Chief Executive Officer
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