

- Element MD, LLC (“EMD”) is 97% Black-owned and 94% Black and female owned by Ms. Nkechi Iwomi.
- Ms. Iwomi owns 100% of the EMD facility’s underlying real estate in Princess Anne, Somerset County, Maryland.
- EMD was one of the first (and only one of 3) fully operational HB 2 licensees (only 3 of 14 are operational).
- For the 2019 HB 2 merit-based licensure process, Ms. Iwomi and EMD finished eighth in processing and ninth in cultivation (moving up to sixth after three of the other applicants ahead of her had been determined not to be truly minority owned).
- After having won her HB 2 processing license, Ms. Iwomi left Ohio and moved her family to Princess Anne, MD.
- Ms. Iwomi chose to locate EMD in one of most socially and economically disadvantaged counties in Maryland.
  - In Somerset County, the ACLU estimates that Black people are 4.2X more likely to be arrested for cannabis than white people. <https://graphics.aclu.org/marijuana-arrest-report/MD>
  - Somerset county is historically one of the least-wealthy, most-disadvantaged areas, not only within Maryland but also within the United States. According to the data provided by the Maryland Department of Commerce, the median household income in Somerset was \$39,239 for the years 2013-2017. This number is well below the U.S. average of \$57,652 for the same period.
  - These statistics are even worse when you consider the Maryland median household income was \$78,916, more than double the median for Somerset County. In 2019, unemployment in Somerset was 6.1%, almost double the Maryland rate of 3.6%. Somerset and the surrounding counties have historically faced economic challenges, but matters are worse today than ten years ago due to the devastation Hurricane Sandy brought to the region.
  - Poverty rates are excessively above the national average of 10.5% at 23.4% for Somerset County and even worse in one of its predominant cities, including Crisfield at 38.61%. All of this is before any new 2020 Census data has been released, which is surely to reflect an even worse economic outlook given the global pandemic.
- Ms. Iwomi successfully responded to a Request For Proposal by the City of Crisfield and was afforded the opportunity to purchase the historic Carvel Hall (which she did and owns 100%).
  - Carvel Hall is a 70,000 square foot building sitting on 20 acres in Crisfield.
  - The citizens of Crisfield are over 33% black.
  - Crisfield has one of the highest arrest rates in the State at over 2000/100,000 and crime having risen over 266% from 2019 to 2020. <https://mdsp.maryland.gov/Document%20Downloads/Crime%20In%20Maryland%202020%20Uniform%20Crime%20Report.pdf>
  - EMD has already begun renovating Carvel Hall for indoor agriculture.
- At present, Ms. Iwomi has been able to locate only one grower able to sell EMD high-quality fresh frozen biomass and at that price the input cost represents 78% of the wholesale value of the concentrate EMD manufactures (meaning the wholesale price EMD can sell that concentrate to a dispensary is made at a significant loss).
- We are aware of no other state in the US that did not allow a process of immediate conversion of a medical cannabis license to an adult use license. The policy justification being, without such an approach, the state adult use market would be delayed for years until the new licenses were issued and operational.