

Diversity Report

**Bureau Of Medical
Marijuana**

May 2024



pennsylvania
DEPARTMENT OF HEALTH

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Executive Summary

Pennsylvania's Medical Marijuana Program (Program) was established by the Medical Marijuana Act 16 of 2016 (35 P.S. §§ 10231.101 - 10231.2110) (Act), signed into law on April 17, 2016. As part of the Act, the Department of Health (Department) provides a report that includes:

- (1) The participation level, by percentage, of diverse groups in the activities authorized under the Act,
- (2) A summary of how diverse groups are utilized by permittees, including the provision of goods and services, and
- (3) Any other information the department deems appropriate. (35 P.S. Section 10231.615(c)).

A diverse group is defined under the Act as, “a disadvantaged business, minority-owned business, woman-owned business, service-disabled veteran-owned small business or veteran-owned small business that has been certified by a third-party certifying organization.” (35 P.S. Section 10231.615(d)).

The report is submitted to the majority and minority chairs of the Health and Human Services Committee of the Senate and the majority and minority chairs of the Health Committee of the House of Representatives on an annual basis.

Methods

In 2024, the Program provided all permittees a Diversity Goal Reporting form (Form) to provide quantified diversity information of staff, financial backers, principals, and service provider agencies. This Form enabled permittees to provide additional statistical information to supplement the previous narrative information submitted by permittees as part of their renewal application. Attachment A is a copy of the Form's instructions. Attachment B is a copy of the Form.

The Program currently oversees 81 permits – 26 Grower/Processors (G/P) permits, 47 Dispensaries permits, and 8 Clinical Registrants (CR) permits. Each G/P permit is a single location. Each Dispensary permit includes between one and three locations. There are 179 operational Dispensary locations. Each CR permit includes one G/P and up to 6 Dispensary locations. Each permittee was required to submit one Form per permit. The Form covers January 1 to December 31, 2023.

As part of service provider reporting, the Program required permittees to include the third-party certifying organization for diverse service providers. Third-party certification is a required element within the definition of a diverse service provider. (35 P.S. Section 10231.615(d)). Because of this requirement, some permittees reported no diverse service providers because the service providers could not provide evidence of a third-party certification.

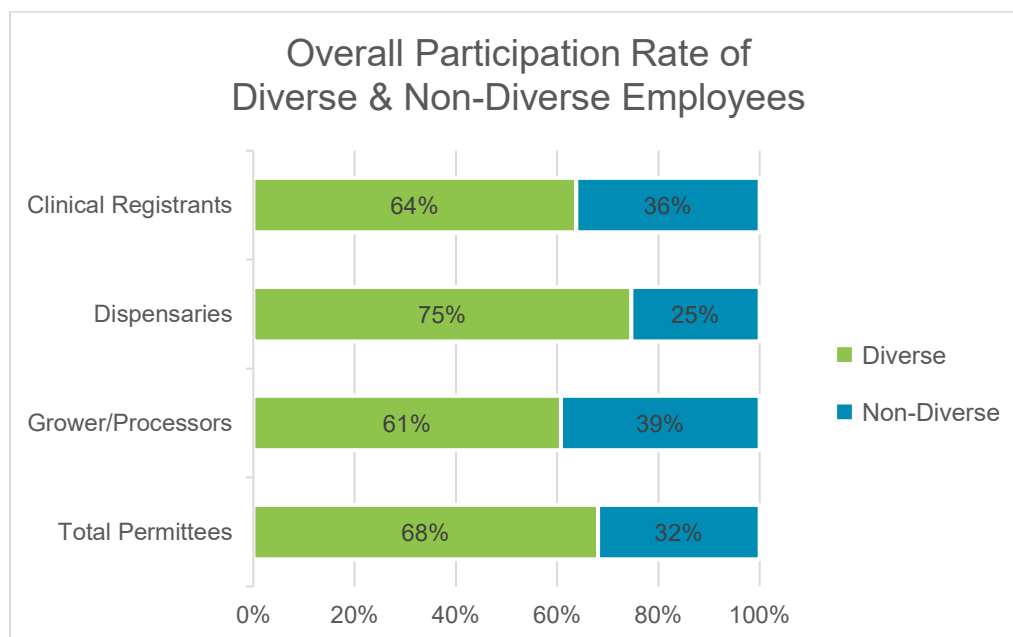
The Program gave additional time to permittees who had incomplete or inaccurate information to provide the appropriate data. Permittees who were still unable to provide the appropriate data were omitted from the analysis. There were 6 permittees omitted due to errors in data and two permittees omitted due to missing or incomplete information.

Utilizing the information provided on the Form, the Program compiled the diverse groups operating within the Program and eliminated duplicated diverse service providers used by permittees. The remaining Forms were organized and aggregated by permittee type. The calculation was done by permittee type then by total permittees. This report also captures the number of diverse service providers who are registered with the Department of General Services, Bureau of Diversity, Inclusion, and Small Business Opportunities (DGS-BDISBO).

Findings – Employees & other Stakeholders

The Program currently has 26 Grower/Processors (G/P) permits, 47 Dispensaries permits, and 8 Clinical Registrants (CR) permits; 6 permittees were omitted from the analysis due to errors in data (1 G/P, 4 Dispensaries, 1 CR). Two permittees did not submit their diversity reports (1 G/P, and 1 Dispensary).¹ The total number of permittees included in the analysis are 24 G/P permits, 42 Dispensaries permits, and 7 CR permits.

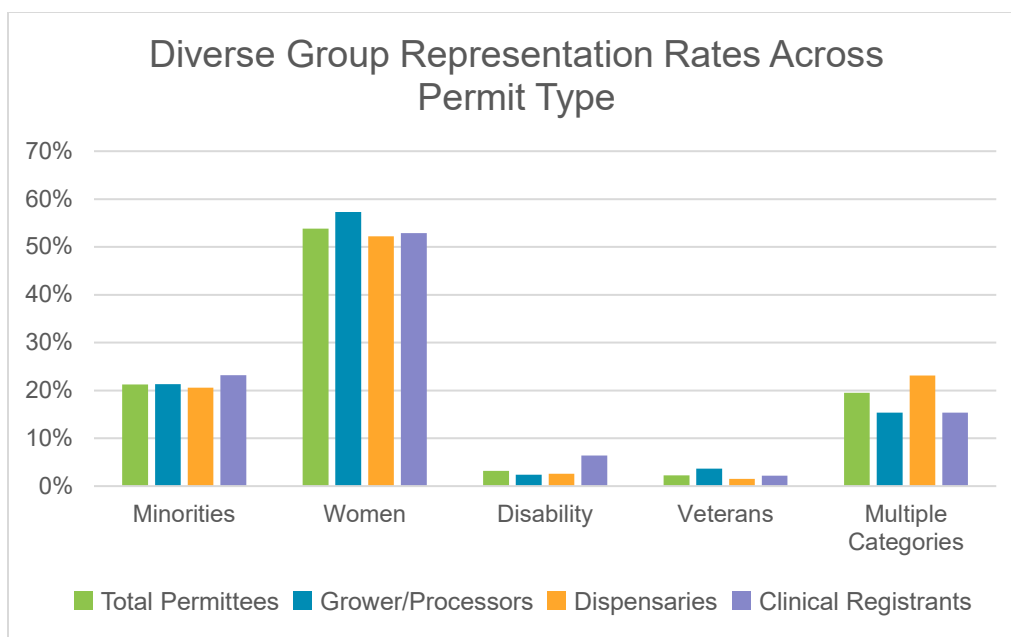
All Permittees



Graph A

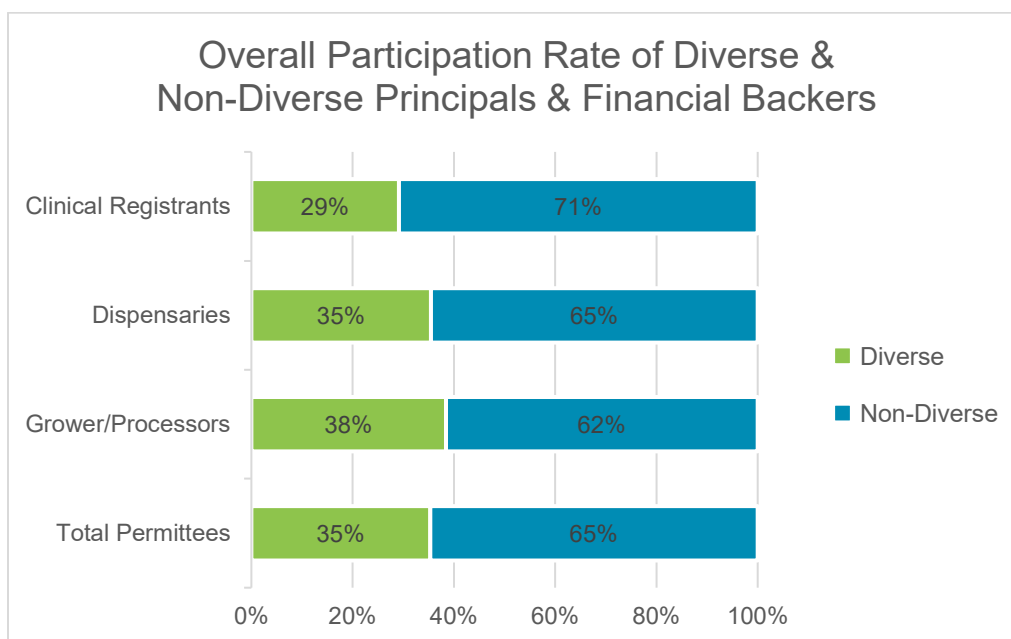
Graph A displays the participation of diverse and non-diverse employees as a percentage of total employees for all permittees in each permit type. There are 7,141 total employees across all permittees. Out of those 7,141 employees, 68% identify as diverse in at least one category.

¹ BMM is following up with each of the permittees who did not provide a report or provided an insufficient report.



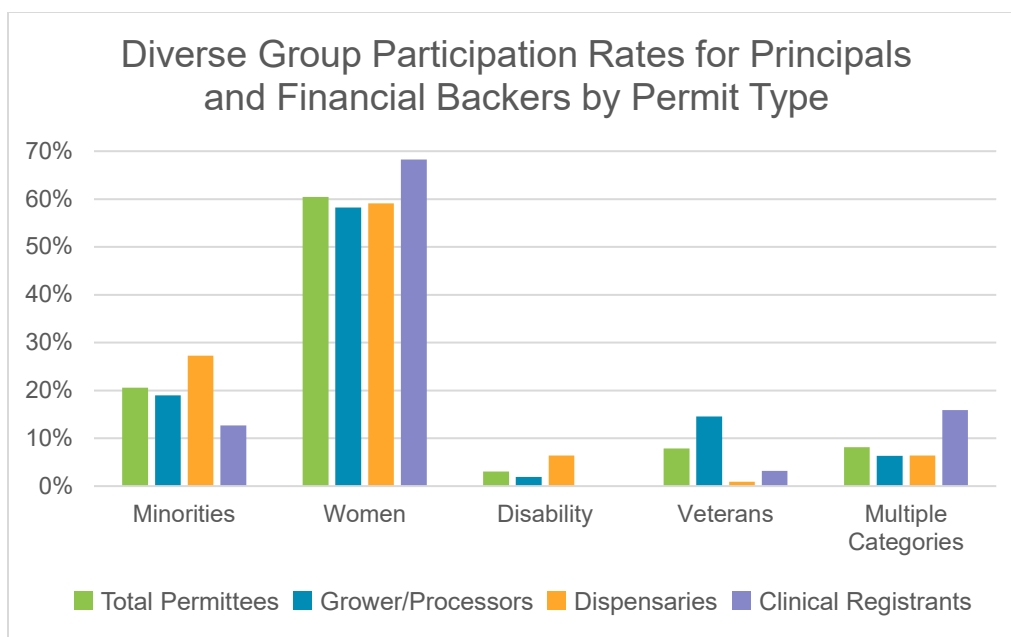
Graph B

Graph B displays the percentage of total diverse group representation across permit type. There are 7,141 total employees for all permittees. Out of those 7,141 employees, 4,862 identify as diverse. Of the 4,862 diverse employees, 21% identify as minorities, 54% as women, 3% as disabled, 2% as veterans, and 19% fit within more than one diverse category.



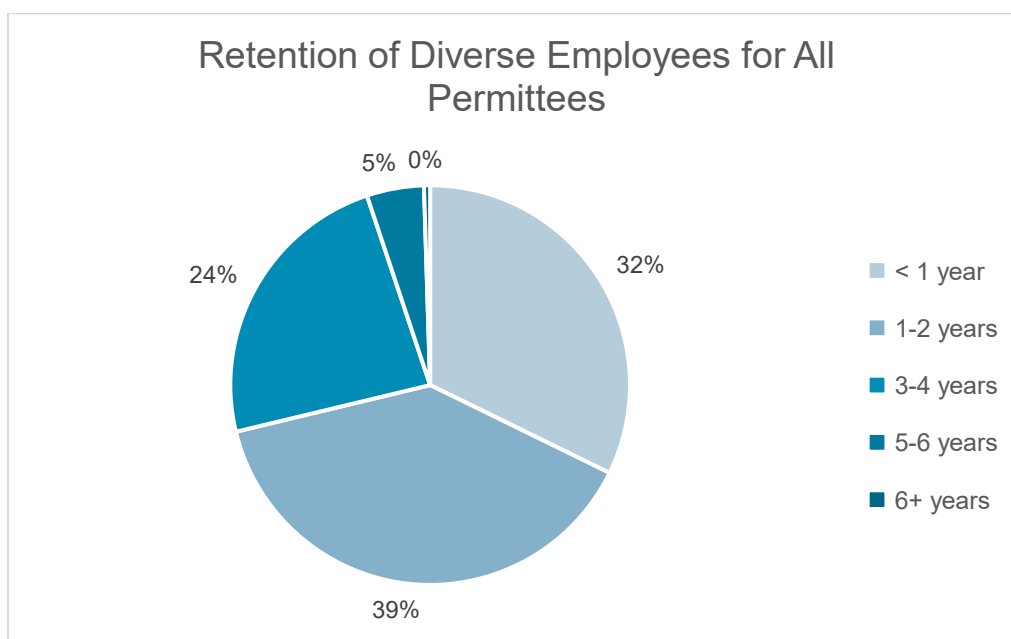
Graph C

Graph C displays the percentage of diverse and non-diverse total principals and financial backers. There are 937 total principals and financial backers. Out of those 937 principals and financial backers, 35% identify as diverse in at least one category.



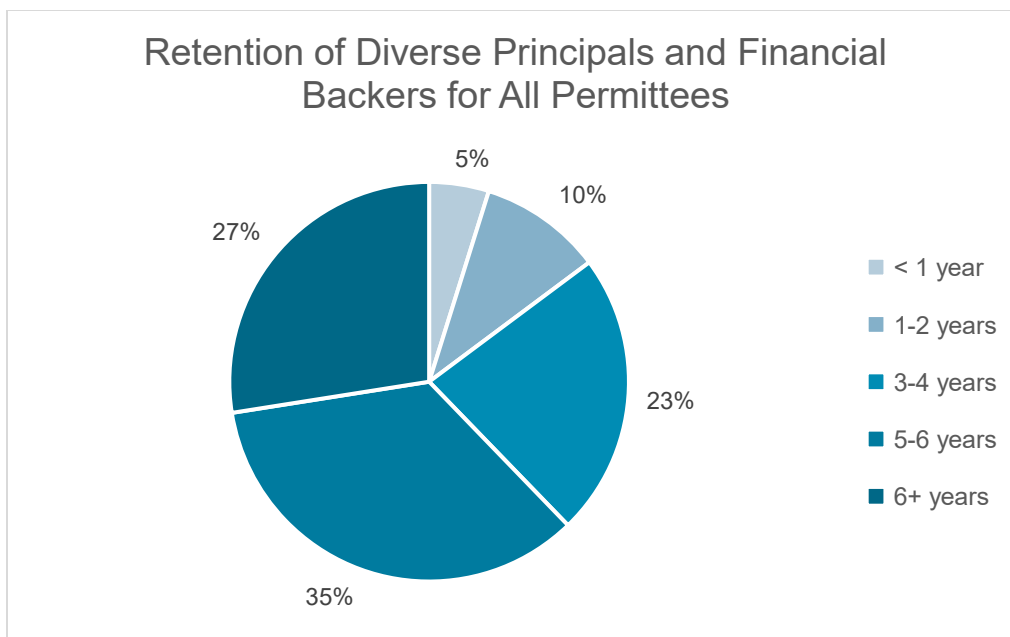
Graph D

Graph D displays the percentage of total diverse group representation for diverse principals and financial backers across permit type. There are 937 total principals and financial backers. Out of those 937 principals and financial backers, 331 identify as diverse. Of the 331 diverse principals and financial backers, 21% identify as minorities, 60% as women, 3% as disabled, 8% as veterans, and 8% fit within more than one diverse category.



Graph E

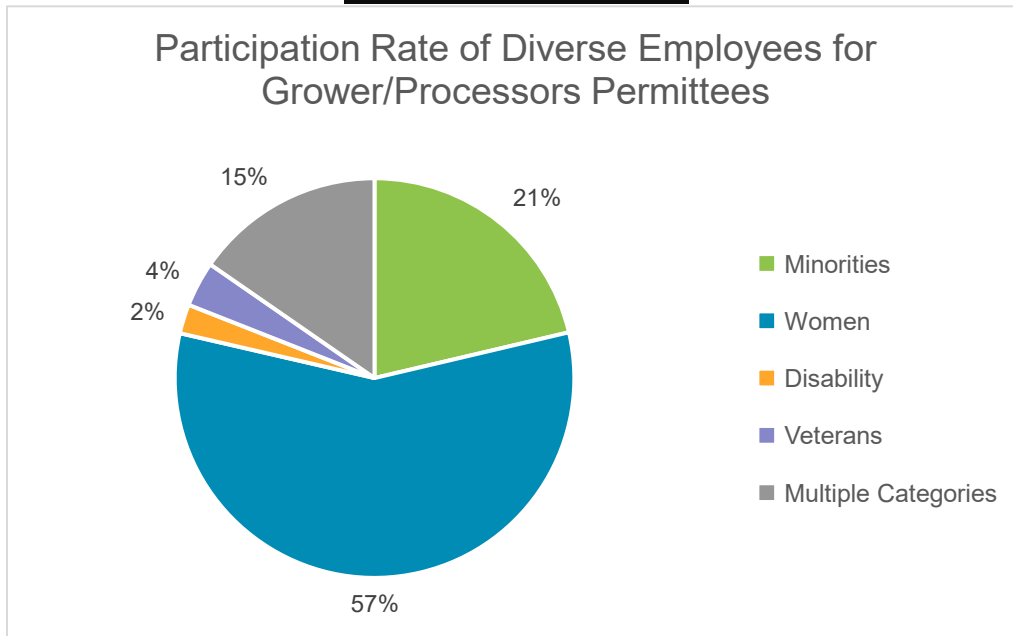
Graph E displays the retention of diverse employees for all permittees. Of 4,862 diverse total employees, 39% have a retention of 1 to 2 years.



Graph F

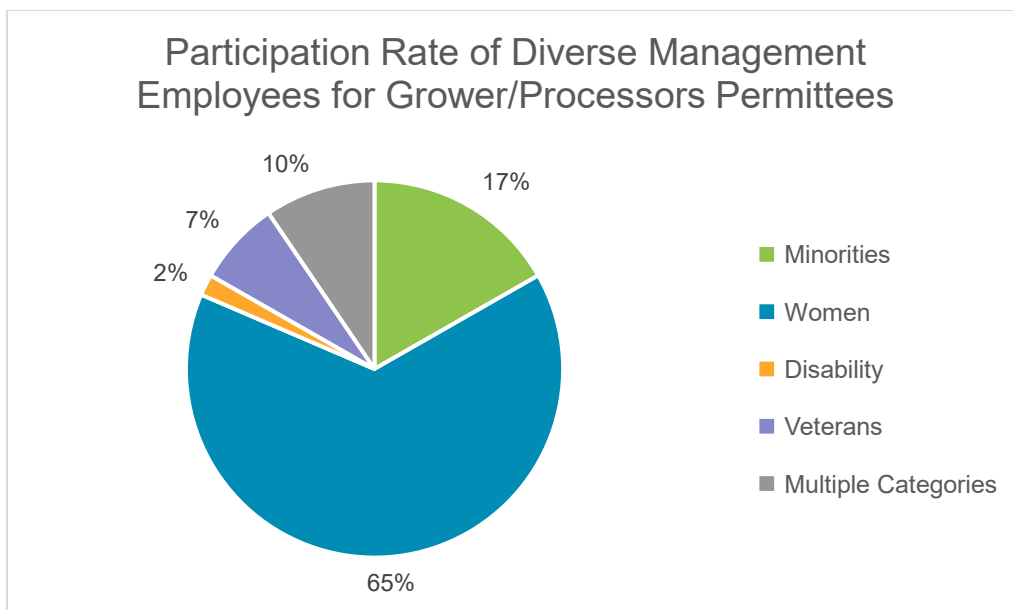
Graph F displays the retention of diverse principals and financial backers for all permittees. Of 331 diverse principals and financial backers, 35% of them have a retention of 5 to 6 years.

Grower/Processors



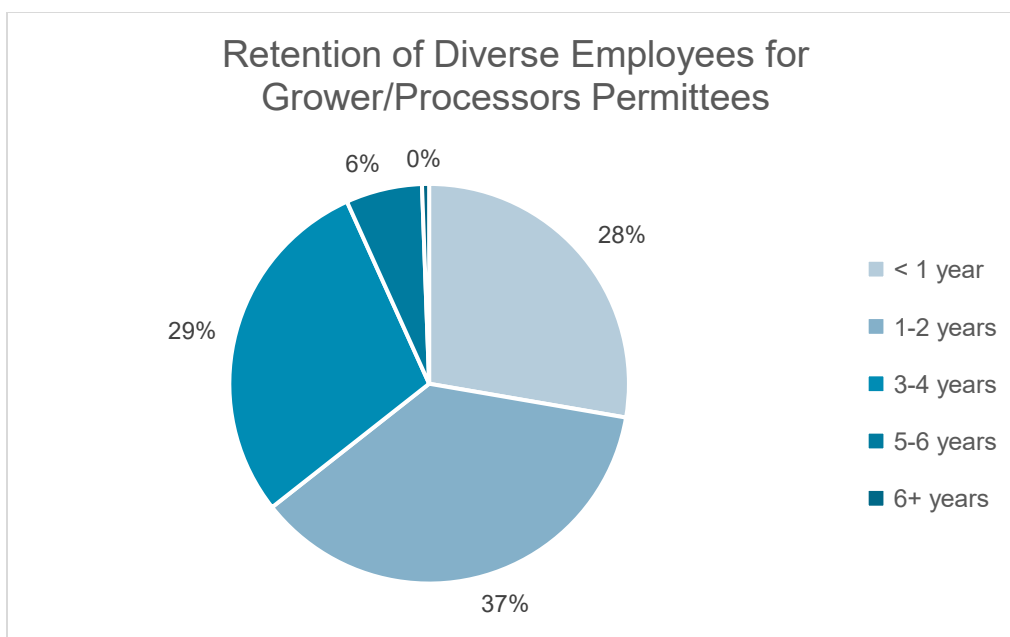
Graph G

Graph G displays the participation rates of diverse employees for Grower/Processor permittees. There are 2,293 total employees. Out of those 2,293 employees, 1,393 identify as diverse in at least one category. Of the 1,393 diverse employees, 57% classify as women. Additionally, 15% of diverse employees identify as belonging to more than one diverse category.



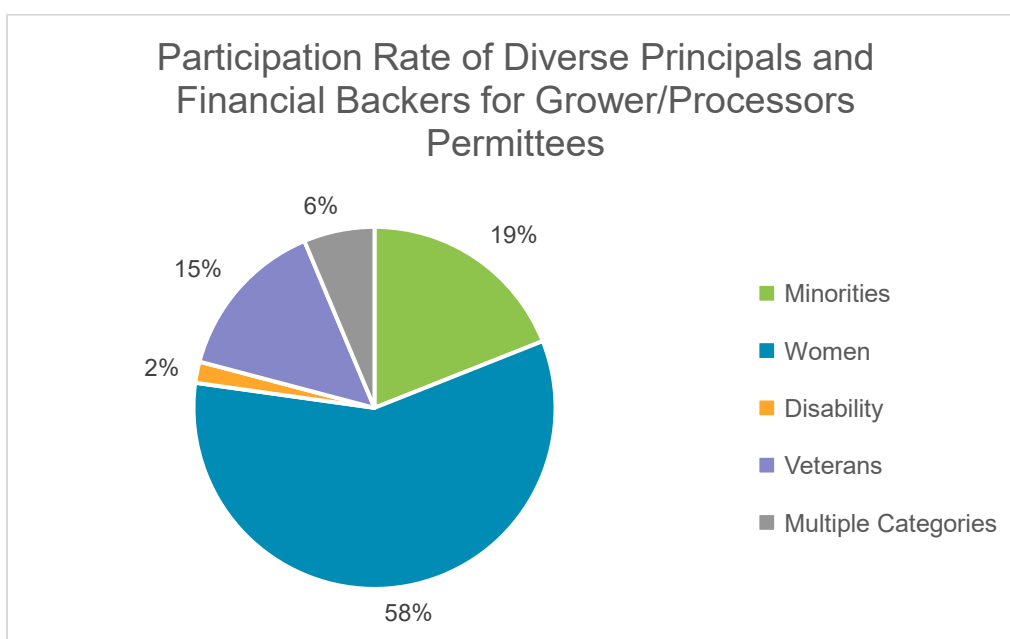
Graph H

Graph H displays the participation level of diverse management employees for Grower/Processor permittees by diverse group. Of 1,393 diverse total employees, 221 are in management. Of the 221 management employees, 67% identify as women. Additionally, 10% of diverse management employees identify as being in more than one diverse category.



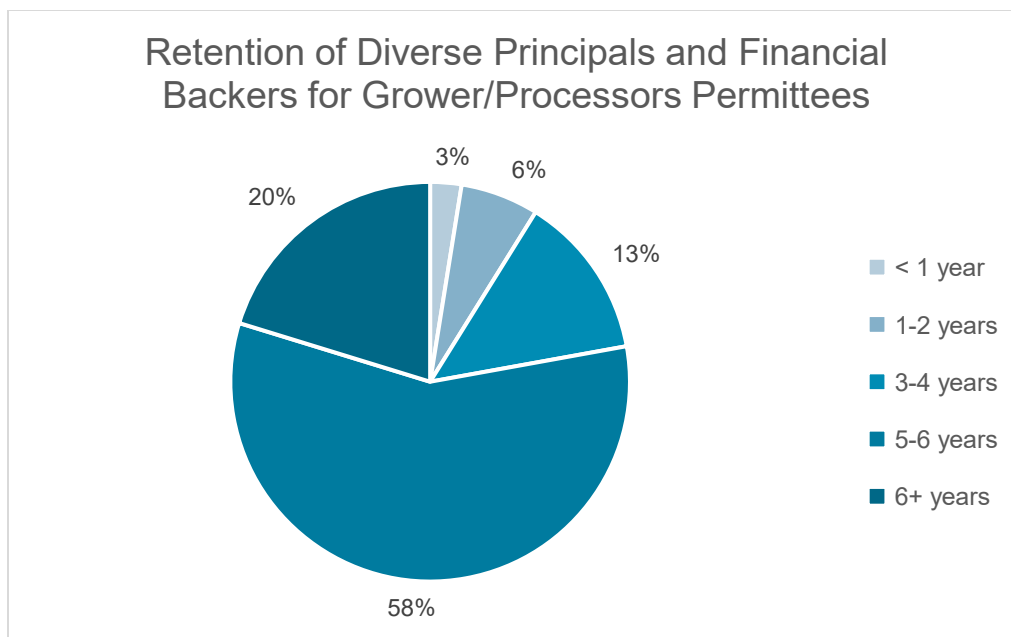
Graph I

Graph I displays the retention of diverse employees for Grower/Processor permittees. Of 1,393 diverse total employees, 37% have a retention of 1 to 2 years.



Graph J

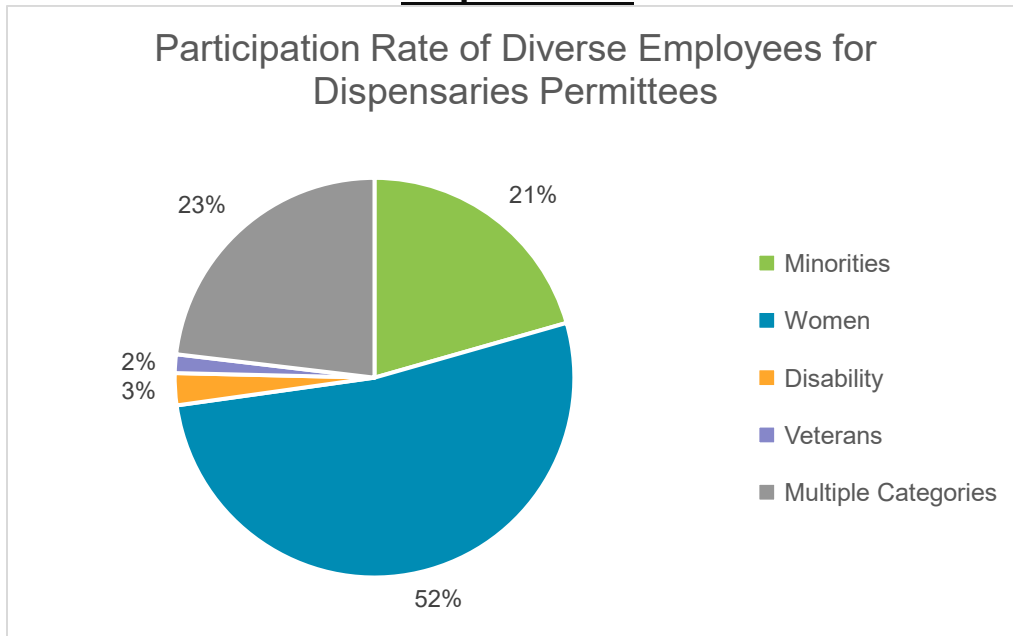
Graph J displays the participation level of diverse principals and financial backers for Grower/Processor permittees. There are 411 principals and financial backers associated with Grower/Processor permittees. Of those 411, 158 identify as diverse in at least one category. Of the 158 diverse principals and financial backers, 58% identify as women. Additionally, 6% of the diverse principals and financial backers identify as belonging to more than one diverse category.



Graph K

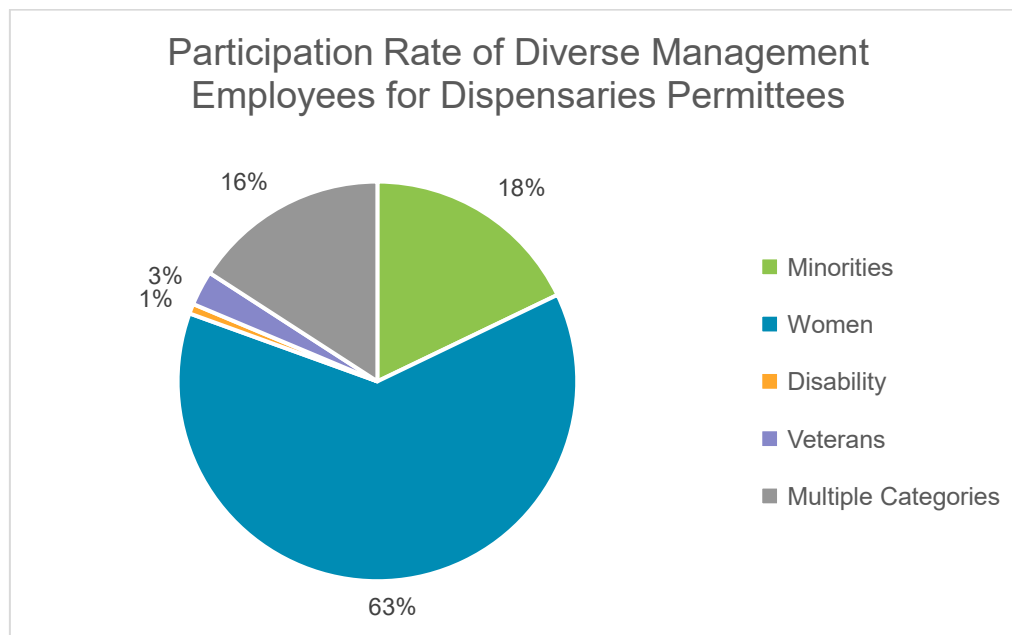
Graph K displays the retention of diverse principals and financial backers for Grower/Processor permittees. Of 158, 58% of the diverse employees have a retention of 5 to 6 years.

Dispensaries



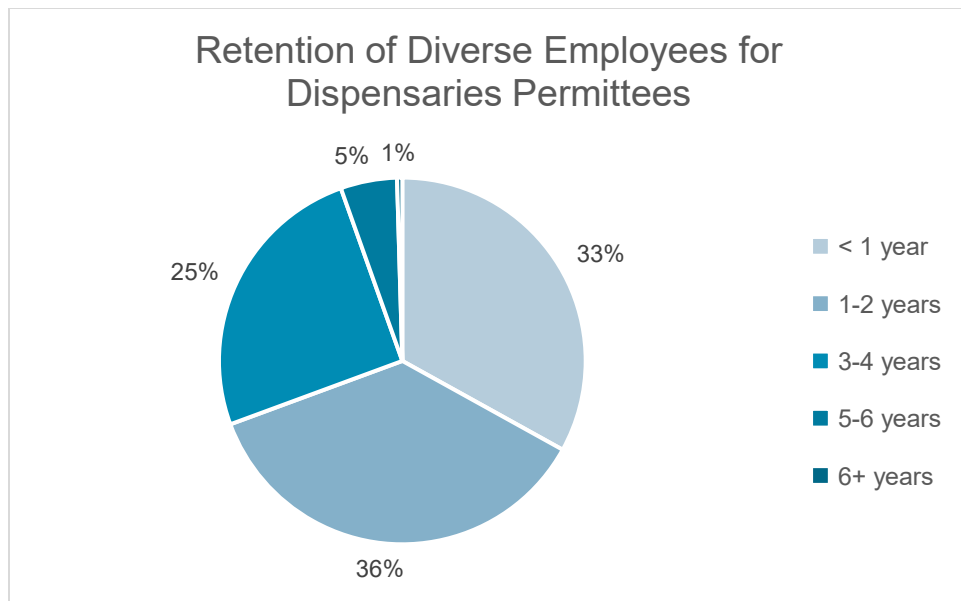
Graph L

Graph L displays the participation level of diverse employees for Dispensaries permittees. There are 3,470 total employees. Out of those 3,740 employees, 2,590 (69%) identify as diverse in at least one of the diverse groups. Of the 2,590 diverse employees, 52% identify as women. 23% of diverse employees identify as belonging to more than one diverse category.



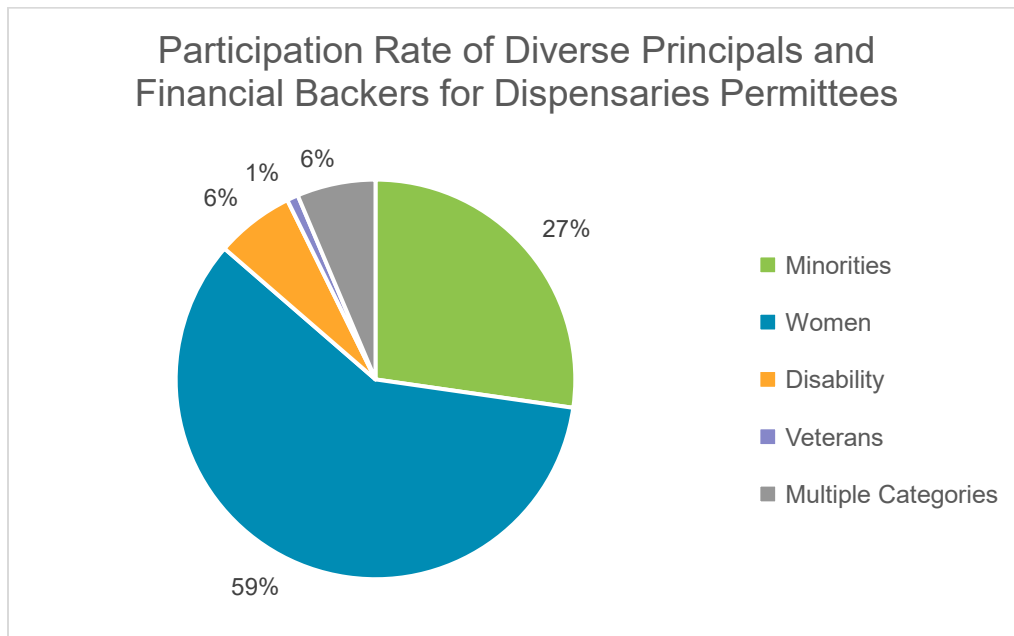
Graph M

Graph M displays the participation level of diverse management employees for Dispensaries permittees. Of 2,590 diverse total employees, 498 are in management. Of these 498 management employees, 63% identify as women. Additionally, 16% of the diverse management employees identify as belonging to more than one diverse category.



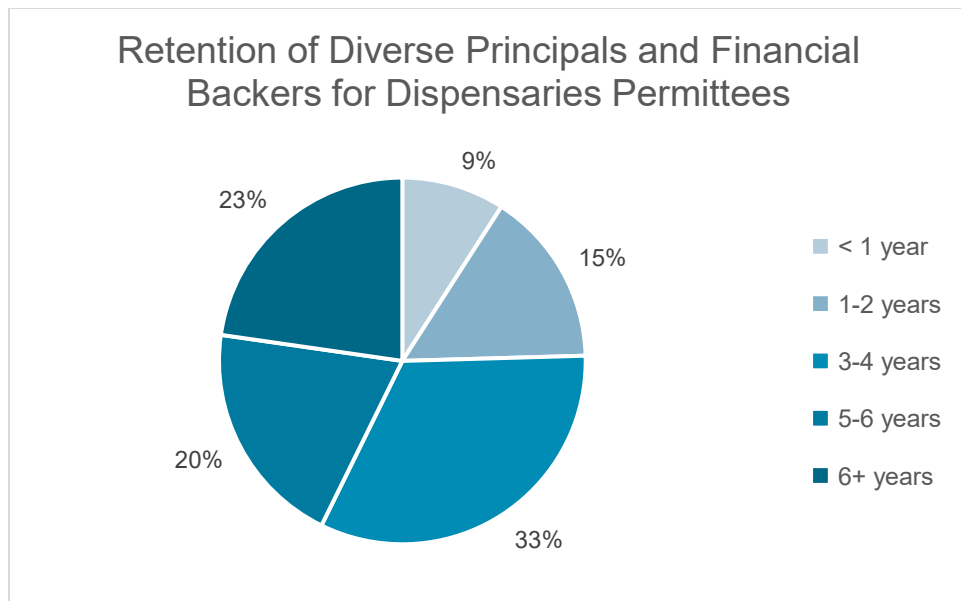
Graph N

Graph N displays the retention of diverse employees for Dispensaries permittees. Of 2,590 diverse total employees, 36% have a retention of 1 to 2 years.



Graph O

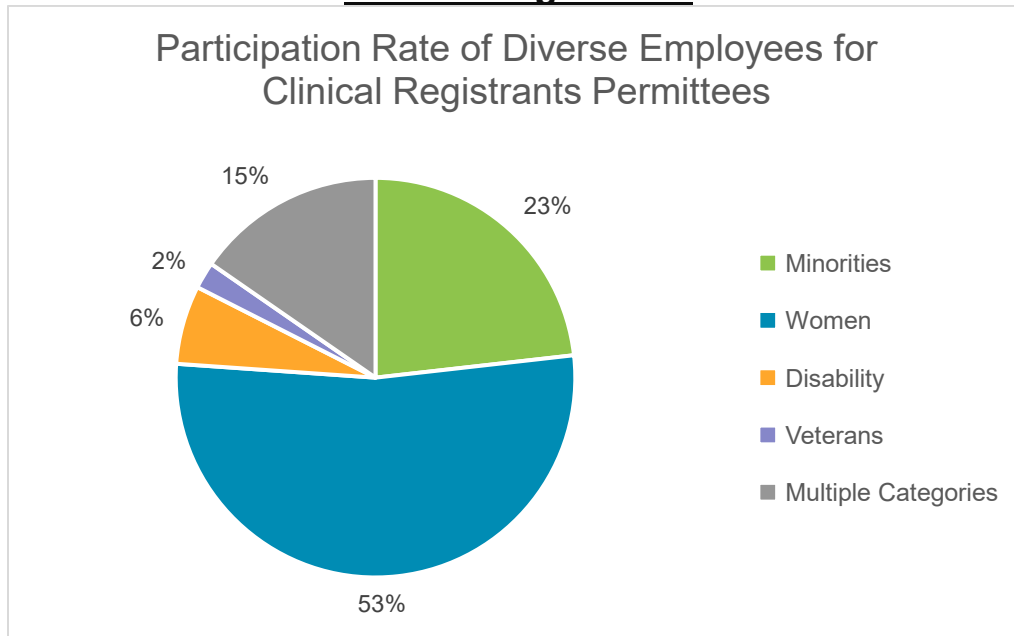
Graph O displays the participation level of diverse principals and financial backers for Dispensaries permittees. There are 310 principals and financial backers associated with Dispensaries permittees. Of those 310, 110 identify as diverse in at least one category. Of the 110 diverse principals and financial backers, 59% identify as women. Additionally, 6% of the diverse principals and financial backers identify as belonging to more than one diverse category.



Graph P

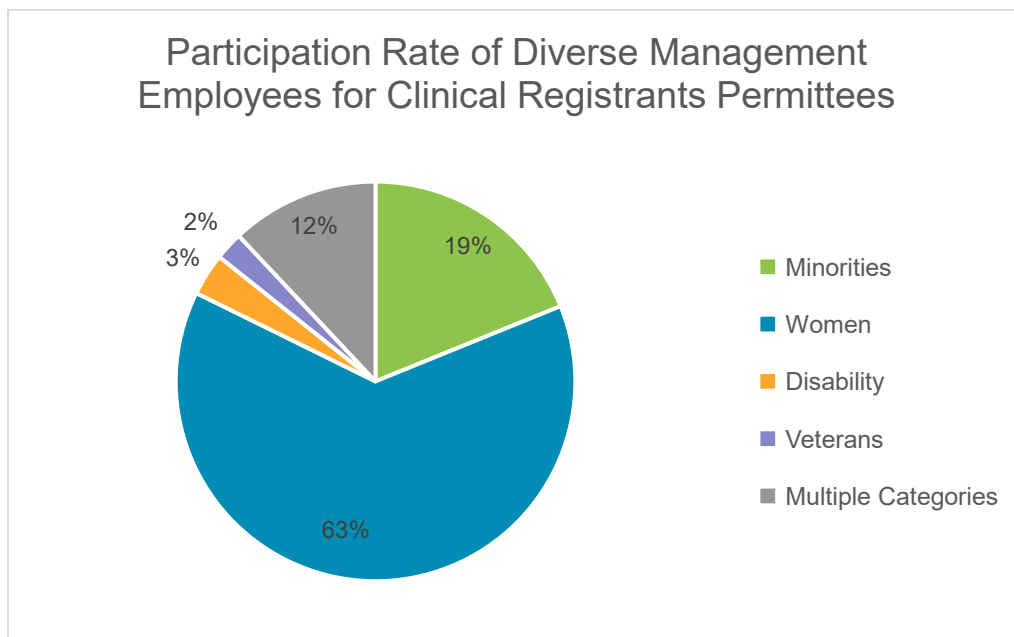
Graph P displays the retention of diverse principals and financial backers for Dispensaries permittees. Of 110, 33% of the employees have a retention of 3 to 4 years.

Clinical Registrants



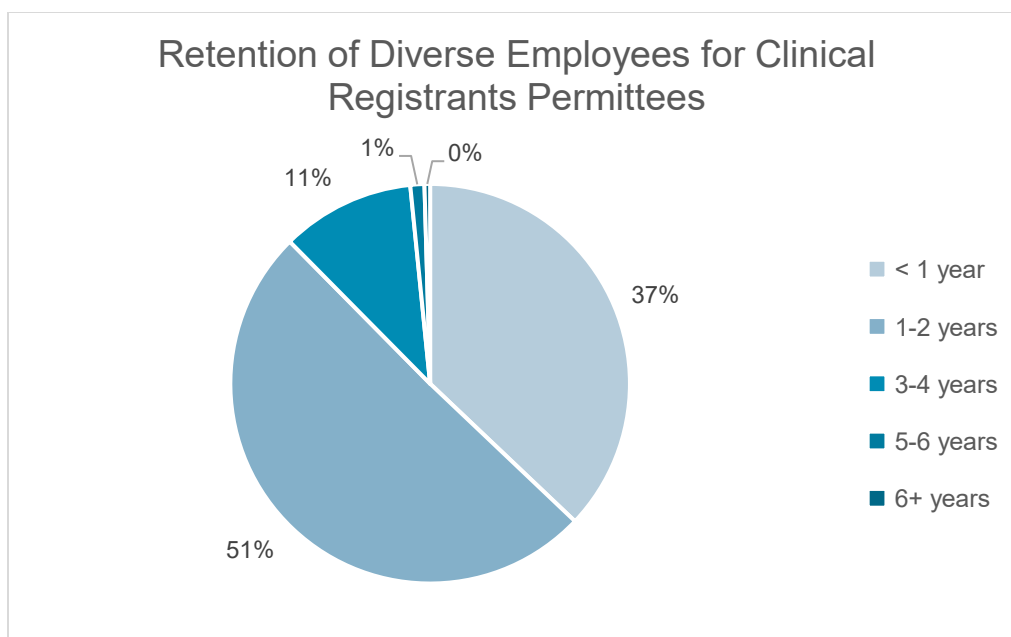
Graph Q

Graph Q displays the participation levels of diverse employees for Clinical Registrants permittees. There are 1,378 total employees. Out of those 1,378 employees, 879 identify as diverse in at least one category. 53% of the 879 employees classify as women. Additionally, 15% of the total diverse employees identify as belonging to more than one diverse category.



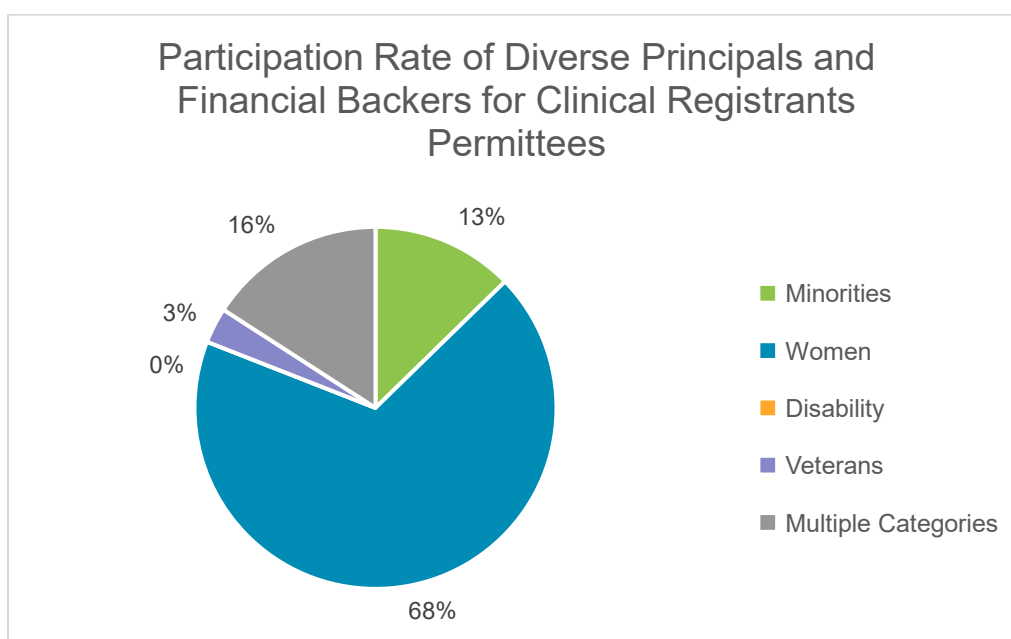
Graph R

Graph R displays the participation rate of diverse management employees for Clinical Registrants permittees. Of 879 diverse total employees, 175 are in management. Of the 175 management employees, 63% identify as women. Additionally, 12% of the diverse management employees identify as belonging to more than one diverse category.



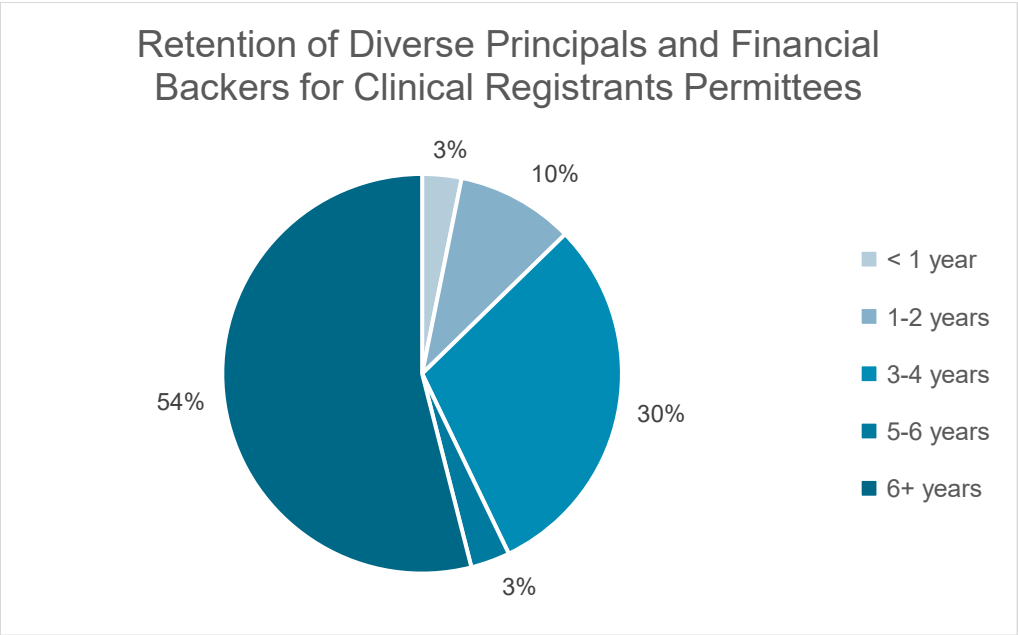
Graph S

Graph S displays the retention of diverse employees for Clinical Registrants permittees. Of 879 diverse total employees, 51% have a retention of 1 to 2 years.



Graph T

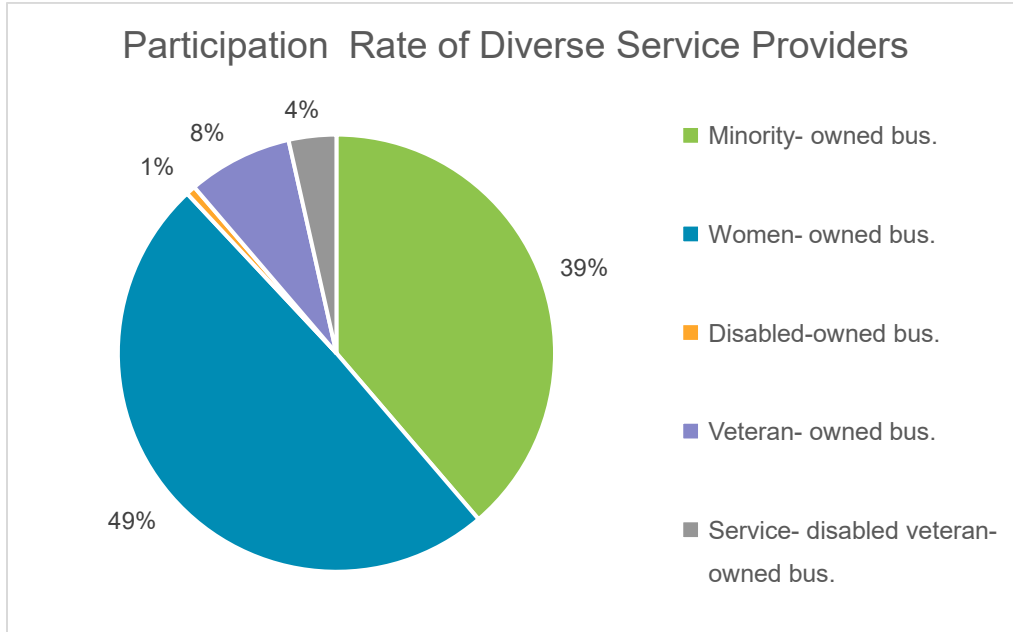
Graph T displays the participation level diverse principals and financial backers for Clinical Registrants permittees. There are 216 principals and financial backers associated with Clinical Registrants permittees. Of those 216, 63 identify as diverse in at least one category. Of the 63 diverse principals and financial backers, 68% classify as women. Additionally, 16% of diverse principals and financial backers identify as belonging to more than one diverse category.



Graph U
Graph U displays the retention of diverse principals and financial backers for Clinical Registrants permittees. Of 63 diverse principals and financial backers, 54% of them have a retention of 6 years or more.

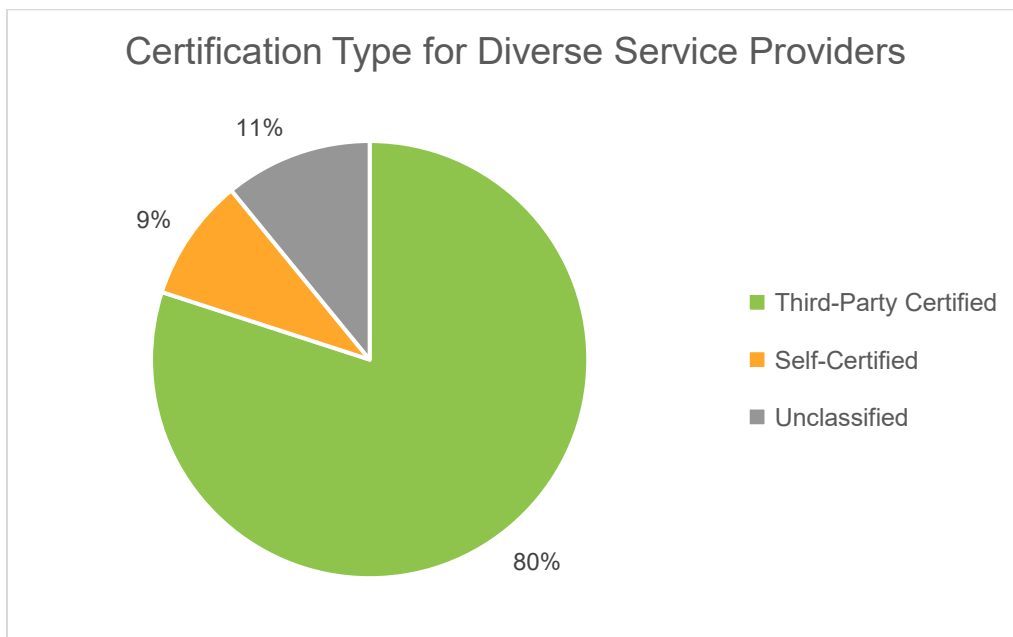
Findings – Service Providers

Permittees currently use 110 unique diverse service providers in their operations to conduct activities authorized under the Act. The following graphs represent the participation of diverse groups in service providers' activities under this Act.



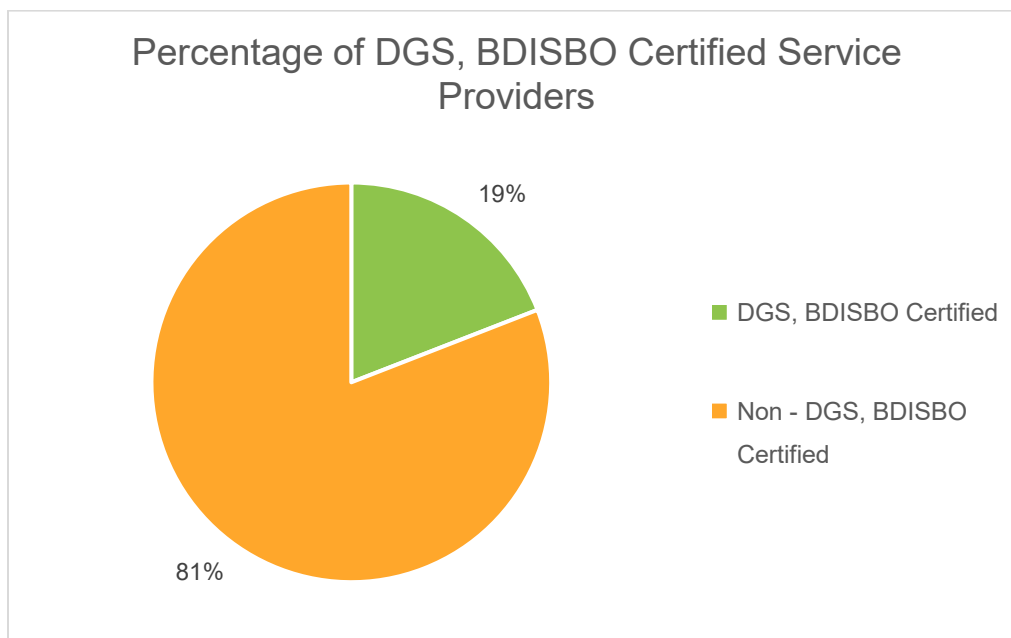
Graph V

Graph V displays the participation level of diverse groups for service providers. Of 110 unique diverse service providers, 49% classify as women-owned business.



Graph W

Graph W displays the percentage of certification type for diverse service providers. Of 110 unique diverse service providers, 80% were certified by third-party organizations.



Graph X

Graph X displays the percentage of DGS, BDISBO certified service providers. Of 110 unique diverse service providers, 19% are DGS, BDISBO- Certified.

Permittees use the diverse service providers for the following service types:

- Accounting & Payroll
- Apparel/ Swag
- Architect
- Auto Services
- Cleaning Equipment and Supplies
- Cleaning Service
- Coffee Supplier
- Construction
- Consulting
- Cultivation Supplies
- Design Services
- Domestic Appliances and Supplies
- Consumer Electronic Products
- EHR Platform
- Equipment
- General Contractor
- Grants
- Insurance Provider
- Lab Supplies & Equipment
- Landscape Maintenance
- Lightweight Steel Framing Installation
- Lobbyist
- Manufacturing Components and Supplies
- Marketing

- Office Supplies
- Orders System
- Packaging & Labeling Equipment
- Personal Care Products
- Personal Protective Equipment
- Product Lab Testing
- Public Relations
- Raw Materials
- Real Estate
- Repairs & Maintenance
- Security
- Staffing & Recruiting
- Supply Chain Solutions Provider
- Supply Distributor
- Technology
- Transportation
- Waste Management
- Water Management
- Wholesale

Conclusion

This report demonstrates a commitment to diversity on the part of the permittees and the Program. Overall, employee diversity within the industry and each permittee type exceeds 50% of employee total. In particular, women are the largest group of diverse employees representing 54% of total diverse employees. Thirty-five percent of financial backers and principals identify as diverse. As with employees, women are the most represented diverse group with women representing almost 60% of the diverse principals and financial backers. Currently, permittees have 29% of their diverse employees with a retention of more than 2 years. The retention of diverse financial backers and principals for more than 2 years is 85%. The Department continues to encourage permittees to provide employment opportunities to all diverse groups.

While there are a total number of 110 unique diverse service providers utilized by permittees, several are utilized by multiple permittees within their operations. Of those 110 diverse service providers, 64% are woman-owned businesses. Only 19% of diverse service providers are currently registered with the DGS, BDISBO. The Program will be working with diverse service providers over the coming year to improve registration. The Program will also continue to encourage and support permittees in their work to increase business opportunities with diverse service providers. By providing diverse service provider information on the BMM website, the Program hopes MMOs will utilize that list when seeking vendor partners. Additionally, all permit applications submitted to the Bureau, including any Act 63 permit applications filed by existing MMOs, are required to include a diversity plan in which the MMO addresses its plan to promote and ensure the involvement of diverse participants in ownership, management, employment and contracting opportunities.

Attachment A

Attachment A displays the Form instruction sent to all permittees.

Instructions for Diversity Goal Reporting Form

Pursuant to 28 Pa. Code § 1141a.36, a Medical Marijuana Organization (MMO) wishing to renew its permit shall submit a Permit Renewal Application. As of January 1, 2024, the Diversity Goal Reporting template replaces questions 1, 3 and 4 of the Diversity Plan section of the Permit Renewal Application. The following instructions describe how an MMO completes the Diversity Goal Reporting Template.

General Information Worksheet tab: Please complete appropriate demographic information as indicated on the General Information Worksheet. This information must match your 2023 renewal application information. For Grower/ Processors (G/P), only one facility is to be listed under primary facility information. State N/A (not applicable) for second and third facilities.

The Attestation must be completed by clicking

Reporting Worksheet tab: The Reporting Worksheet provides quantitative information on diverse employees and contractors used by an MMO. When categorizing if an individual or entity meets the definition for diverse, please see the following definitions taken from 74 Pa.C.S. § 303(b) (relating to diverse business participation), 51 Pa.C.S. § 9601 (relating to definitions) and 42 U.S. Code § 12102 (relating to definitions).

"Diverse business." A disadvantaged business, minority-owned or women-owned business or service-disabled veteran-owned or veteran-owned small business that has been certified by a third-party certifying organization. (74 Pa.C.S. § 303(b)).

"Disability." An individual (with)

- (A) a physical or mental impairment that [substantially limits](#) one or more major life activities of such individual;
- (B) a record of such an impairment; or
- (C) being regarded as having such an impairment. (42 U.S. Code § 12102).

"Minority-owned business." A business owned and controlled by a majority of individuals who are African Americans, Hispanic Americans, Native Americans, Asian Americans, Alaskans, or Pacific Islanders. (74 Pa.C.S. § 303(b)).

"Service-disabled veteran-owned small business." A small business owned and controlled by:

- (1) a service-disabled veteran or veterans; or
- (2) if approved by the Department of General Services, a surviving spouse or permanent caregiver of a service-disabled veteran. (51 Pa.C.S. § 9601).

"Veteran-owned small business." A small business owned and controlled by a veteran or veterans. (51 Pa.C.S. § 9601).

"Women-owned business." A business owned and controlled by a majority of individuals who are women. (74 Pa.C.S. § 303(b)).

SUBMIT THE COMPLETED DIVERSITY GOAL REPORTING FORM TO RA-DHMMRCompliance@pa.gov
WITH THE SUBJECT LINE <PERMIT NUMBER> DIVERSITY GOAL REPORTING FORM.

Question 1: Total Number of management and non-management employees associated with the permit (whether diverse or non-diverse).

The MMO indicates the total number of management and non-management employees working for the facility. Response includes all staff associated with the permit listed on the General Information Worksheet tab. Staff do not need to be located at the specific facility location(s) to be counted as part of the staff for the permit listed.

Question 2: Diversity Management Employees

For the total number of management employees, the MMO indicates how many management employees identify as a minority, woman, person with a disability, or veteran. If a management employee identifies as being in more than one category, count the management employee under "Multiple Categories".

Question 3: Diverse Non-Management Employees

For the total number of non-management employees, the MMO indicates how many non-management employees identify as a minority, woman, person with a disability, or veteran. If a non-management employee identifies as being in more than one category, count the non-management employee under "Multiple Categories".

Question 4: Diverse Total Employees

This number totals the number of management and non-management employees overall for each category. The MMO does not enter information into these cells.

Question 5: Retention of Diverse employees

For the total number of management and non-management employees identified in question 4, please indicate how many employees have been with the organization for less than one year, one year to under two years, two years to under three years, three years to under four years, and four years to under five years, five years to under six years, and six years or more. The retention does not have to be with the specific facility but must be with the organization holding the permit.

Question 6: Verification Point

The verification point ensures that the numbers entered in questions 1 through 4 match the information provided in question 5. The verification point number should equal 0. If the verification point is different than 0, the MMO must review the entry for question 5 to ensure the total number equal question 4.

Question 7: Total Number of principals and financial backers associated with the permit (whether diverse or non-diverse).

SUBMIT THE COMPLETED DIVERSITY GOAL REPORTING FORM TO RA-DHMMRCompliance@pa.gov
WITH THE SUBJECT LINE <PERMIT NUMBER> DIVERSITY GOAL REPORTING FORM.

The MMO indicates the total number of principal and financial backers associated with the MMO. Response includes all principals and financial backers associated with the permit listed on the General Information Worksheet tab. Please see the definitions of principal and financial backer taken from 28 Pa. Code §1141a.21:

"Financial backer." An investor, mortgagee, bondholder, note holder, or other source of equity, capital and other assets other than a financial institution.

"Principal." An officer, director or person who directly or beneficially owns securities of an applicant or permittee, or a person who has a controlling interest in an applicant or permittee or who has the ability to elect the majority of the board of directors of an applicant or permittee or otherwise control an applicant or permittee, other than a financial institution.

Question 8: Diverse principals and financial backers

For the total number of principals and financial backers, the MMO indicates how many principals and financial backers identify as a minority, woman, person with a disability, or veteran. If a principals or financial backers identifies as being in more than one category, count the principal and financial backer under "Multiple Categories".

Question 9: Retention of Diverse principals and financial backers

For the total number of principals and financial identified in question 8, please indicate how many principals and financial backers have been with the organization for less than one year, one year to under two years, two years to under three years, three years to under four years, and four years to under five years, five years to under six years, and six years or more. The retention does not have to be with the specific facility but must be with the organization holding the permit.

Question 10: Verification Point

The verification point ensures that the numbers entered in question 9 match the information provided in question 8. The verification point number should equal 0. If the verification point is different than 0, the MMO must review the entry for question 9 to ensure the total number equal question 8.

Question 11: Diverse Service Providers

This question provides information on any entity the MMO contracts with the provide services to the facility. The MMO lists the name of the contractor, and whether it meets one or more of the identified categories.

SUBMIT THE COMPLETED DIVERSITY GOAL REPORTING FORM TO RA-DHMMRCompliance@pa.gov
WITH THE SUBJECT LINE <PERMIT NUMBER> DIVERSITY GOAL REPORTING FORM.

Attachment B

Attachment B displays the Form sent to all permittees. The Form was sent as an Excel spreadsheet.

A	B	C
Medical Marijuana Organization Information		
Permit Name		
Permit Number		
Submission Date		
Business Primary Contact Name		
Business Primary Contact Phone Number		
Business Primary Contact Email Address		
Primary Facility Information		
Name of Primary Facility		
Street Address		
City		
Zipcode		
Municipality		
County		
Facility Primary Contact Name		
Facility Primary Contact Email		
Facility Primary Contact Phone		
Primary Contact role at Facility		
Second Facility Information (if applicable)		
Name of Second Facility		
Street Address		
City		
Zipcode		
Municipality		
County		
Facility Primary Contact Name		
Facility Primary Contact Email		
Facility Primary Contact Phone		
Primary Contact role at Facility		
Third Facility Information (if applicable)		
Name of Third Facility		
Street Address		
City		
Zipcode		
Municipality		
County		
Facility Primary Contact Name		
Facility Primary Contact Email		
Facility Primary Contact Phone		
Primary Contact role at Facility		
Attestation		
I acknowledge that the Medical Marijuana Organization complies with the Medical Marijuana Act, its regulations, and all other laws of the		<input type="checkbox"/>
I acknowledge that a false statement made by me in this Permit Renewal Application is punishable under the applicable provisions of 18 Pa. C.S. Ch. 49 (relating to falsification and intimidation).		<input type="checkbox"/>
By typing my signature as indicated below and by checking the boxes to the right of the attestation statement, I acknowledge that these actions are the same as a physical signed document.		<input type="checkbox"/>
Signature		
Printed Name		
Date		
Title in Medical Marijuana Organization		
<div> ◀ ▶ Gen Info Report + </div>		

A	B	C	D	E	F	G	H	I	J	K	L	M	N
DIVERSITY OF EMPLOYEES	TOTAL		Minorities		Women		Disability		Veterans		Categories		
1. Total number of management and non-management employees associated with the permit (without consideration to diversity status)													
2. Diverse Management Employees	0	=	-	+	-	+	-	+	-	+	-		
Diversity % of Management Employees			0%		0%		0%		0%		0%		
3. Diverse Non-Management Employees	0	=	-	+	-	+	-	+	-	+	-		
Diversity % of Non-Management Employees			0%		0%		0%		0%		0%		
4. Diverse TOTAL Employees	0	=	0	+	0	+	0	+	0	+	0		
Diversity % of TOTAL Employees			0%		0%		0%		0%		0%		
5. RETENTION OF DIVERSE EMPLOYEES													
Retained Duration Percentage	TOTAL		Minorities		Women		Disability		Veterans		Multiple Categories		
< 1 year	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
1-2 years	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
3-4 years	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
5-6 years	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
6+ years	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
6. VERIFICATION POINT (Remaining Employees Unaccounted For)	0		0		0		0		0		0		
DIVERSITY OF PRINCIPALS & FINANCIAL BACKERS	TOTAL		Minorities		Women		Disability		Veterans		Categories		
7. Total number of principals and financial backers associated with the permit (without consideration to diversity)													
8. Diverse principals and financial backers	0	=	-	+	-	+	-	+	-	+	-		
Diversity % of principals and financial backers			0%		0%		0%		0%		0%		
9. RETENTION OF DIVERSE PRINCIPALS & FINANCIAL BACKERS													
Retained Duration Percentage	TOTAL		Minorities		Women		Disability		Veterans		Multiple Categories		
< 1 year	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
1-2 years	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
3-4 years	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
5-6 years	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
6+ years	0	=	-	+	-	+	-	+	-	+	-		
			0%		0%		0%		0%		0%		
10. VERIFICATION POINT (Remaining Employees Unaccounted For)	0		0		0		0		0		0		

Gen Info
Report
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