

## CANNABIS CONTROL COMMISSION

#### November 13, 2020 10:00AM

# Remote Participation via Facebook Live

## PUBLIC HEARING MINUTES

## 1) Call to Order

- The Chairman recognized a quorum and called the meeting to Order.
- The Chairman gave notice that the meeting is being recorded.
- The Chairman gave an overview of the regulatory process and the purpose of the hearing, its role in soliciting public input above and beyond the legal requirements under the Administrative Procedure Act, and its intent to supplement the written comment solicited, which has also above and beyond the legal requirements, in order to ensure that all public input was heard.
- The Chairman gave an overview for the process and procedure for the hearing.

#### 2) Public Testimony on Delivery Regulations

- Grant Ellis
  - Supports the changes to regulations proposed, including the establishment of the Delivery Operator license and Marijuana Courier license, as well as the three-year exclusivity period.
  - Believes it demonstrates a commitment to equity.
  - Expressed concerns about the arguments being used against the new delivery regs.
- Morriss Partee
  - Supported the Delivery Operator licenses changes proposed and characterized them as thoughtful.
  - Expressed that the new delivery model will benefit consumers to purchase at the retail rates, not an inflated rate.
  - Also stated belief that the new model will strengthen the cannabis industry as a whole and allow for more "mom and pop" market entrants.
- Averyl Andrade
  - o Identified themselves as an Economic Empowerment applicant.
  - Expressed strong support for the exclusivity period to begin tolling only when the first Delivery Operator licensee is given authority commence operations.



- Characterized critiques of the approach as profit protection by larger corporations.
- Supports delivery regulations as considered by the Commission on October 20, 2020.
- Devin Alexander
  - Identified themselves as a graduate of the first cohort of the Social Equity Program.
  - Expressed frustration with the continuing delays to passing final regs.
  - Characterized challenges to the Delivery Operator license as protecting corporate profits.
  - Expressed support for equity measures.
- Alisa Brewer
  - Represented that their comments were their own and not that of any affiliation they hold.
  - Supports steps being taken to support Economic Empowerment Applicants and Social Equity Program participants, especially given the harms of the "War on Drugs".
  - Expressed concern about the 3% local tax option not making it into municipal communities, especially in the face of budget shortfalls.
  - Expressed general support for the Delivery Operator license, but notes that it creates new considerations for municipalities, in particular that delivery, as initially contemplated, would ensure that sales were through a Marijuana Retailer, ensuring that municipalities were getting that 3% tax, but with the Delivery Operator license, that may result in other municipalities getting that benefit.
    - Requested working with the DOR to develop a "win/win" situation for municipalities and equity operators.
- David Rabinovitz
  - Asked for a sunset provision with respect to requiring a second agent for delivery with a body camera.
    - Believes that these requirements are appropriate for a federally controlled substance, but once federally decriminalized, the requirement should no longer be necessary, and therefore should phase out.
  - Does not support the two license cap for delivery, noting it is the only license type with such a cap.
    - Recognizing the anti-market-dominating motivation, suggests that after 10 licensees have been operational for 12 months, lifting the cap to the standard 3 license cap.
    - Suggests that this would allow operators to get established but does not limit upside benefits for successful operators.
  - Supports provisions that prohibit third-party technology platforms from holding any interest in Delivery Licensees.
  - Expressed preference that there be no caps on the number of vehicles that can be used by a Delivery Licensee.

- Alternatively, if there are caps put on the number of vehicles, that a commensurate limit be put on Marijuana Retailers with respect to the number of bud tenders or check out stations available.
- Similarly, indicated that limits on hours of operation should be the same for Marijuana Retailers and Delivery Licensees.
- Urged Commission to keep delivery operator regulations as proposed.
- Jennifer Dudley
  - o Supports the establishment of both Delivery Operator and Marijuana Courier licenses.
    - Noting that a courier only model would ensure that all profits flowed to the Marijuana Retailer.
    - Cited delivery agreements that required a Delivery Courier to cede 9.9% of its equity to the Marijuana Retailer.
    - Believes that the establishing both delivery license types are the only way to create an equitable market.
  - Characterized opposition to the structure as corporate profit protection.
  - Supports a minimum 3-year exclusivity period for delivery.
- Blake Mensing
  - Supports the Delivery Operator and Marijuana Courier regulations.
  - Criticized those opposed to the regulatory scheme for delivery.
  - Does not believe that there is a real risk of municipalities losing tax revenue, suggests municipalities can execute HCAs with Delivery Operator licensees.
  - Gave a statement on the importance of equity to counter the harms caused by cannabis prohibition.
- Edward "Big Ed" DeSousa
  - Expressed frustration in the delay of approving the regulations.
  - Supports delivery regulations as proposed.
  - Suggested changes to quality control samples.
- Chandra Batra
  - Supports the delivery regulations as proposed.
  - $\circ$  Characterized opposition to the structure as corporate profit protection.
  - $\circ$  Suggest increasing cap on delivery licenses to  $\hat{3}$  and allowing repackaging.
  - Suggests allowing craft marijuana cooperatives to participate in delivery.
  - Suggested developing additional license type for delivery to create even greater flexibility.
  - Encourages strong enforcement of the exclusivity period.
- Kate Phillips Averick

- Supports the delivery regulations as proposed and the central focus on social equity in developing them.
- Suggests that the 51% ownership requirement makes it harder to obtain capital without predatory terms.
- Noted that market prices are artificially high and do not reflect consistency or quality of product but allowing for warehousing and purchasing at wholesale by Delivery Operators, equity licensees will have a chance to directly reach consumers without a further inflated price.
- Supports three year exclusivity period and encourages additional innovation o support equity licensees in the delivery space, including:
  - A one-person courier model.
  - Allowing repackaging.
- Jessica Angeline
  - Commends the Commission for keeping equity central in developing the delivery regulations.
  - Supports the three-year equity exclusivity period.
  - Characterized criticism of these regulations as corporate profit protection and contradicted statements made with respect to municipal control.
- Arthur Gulumian
  - Supports the delivery operator license type.
  - Suggest increasing the cap for delivery operator to 3 total and disassociating the license type with the retail license type.
    - Raised concern that the license cap would limit ability to expand.
- Goldie Piff
  - Noted that the cannabis industry in Massachusetts had reached \$1,000,000,000, but that little of it made it to equity applicants.
  - Expressed support for the delivery operator license to help establish equity in the market.
  - Supported the three-year exclusivity period as a minimum.
  - Characterized criticism of these regulations as anti-equity and profit hoarding.
  - Believes the delivery regulations as currently written are crucial to equity.
- Mike Crawford
  - Offered apology to Commissioner McBride and other Commissioners for past harsh criticisms, commending recent work with respect to the delivery regulations.
  - Supports the three year exclusivity period and delivery operator license.
  - Expressed criticism of medical dispensaries who got a head start through priority and those who oppose the delivery regulations as drafted.

- Speaker Stanley Horton withdrew.
- Veronica Santarelli
  - Expressed frustration on the delay of delivery regulations,
    - Cited the disproportionate distribution of profits from the industry.
    - Noted how delivery could be helpful in stemming the spread of COVID-19.
    - Suggested that the delay allowed for continuation of certain aspects of the illicit market.
  - Supports the delivery regulations as drafted.
- Kathryn Rifkin
  - Expressed the crucial aspect of equity programing in reversing the disparate impact of the war on drugs.
  - Supports the establishment of both Delivery Operator and Marijuana Courier license types as a way to ensure that there is profitability for equity licensees without being reliant on other entities, in particular larger operators.
  - Supports the 3 year exclusivity period.
- Ericca Kennedy
  - Identified themselves as a social equity program participant.
    - Supports the draft delivery regulations as most recently approved.
      - Cited ability to warehouse and white label as key mechanisms to equity and the development of profit/wealth that only begins to repair the damage done by the war on drugs.
  - Encourages the Commission to not allow any more delays.
  - Criticized objections to the regulations as oppression disguised as opposition.
- Brian Whalen
  - Supports the draft regulations.
  - Expressed the tax consequences of various aspects of delivery operation.
    - Noted that due to federal prohibition and the impact on tax exemptions, a second driver, for example, cannot include this expenditure in the Cost of Goods Sold, and therefore creates "phantom profit" that will result in a much higher tax margin than retailers who do not have the obligation to have a second human resource devoted to a transaction. This can only be addressed through economy of scale and higher profit margins.
- Nicholas Gomes
  - Believes there should not be as many restrictions or caps on delivery licensees.
    - Believes caps on the number of licenses, vehicles, and warehouses reduce the earning potential and create a secondary class of licenses.

- Suggests creating a single license type that allows the functionality of both the Delivery Operator and Marijuana Courier.
- Expressed that requiring a second agent in the vehicle creates waste given other security requirements in the regulations.
- Increase retail value of product in the vehicle from \$10,000 to \$30,000.
- Suggests that the exclusivity period to not begin tolling until after 5-10 licensees gain authorization to commence operations to ensure a stronger foothold for equity licensees.
- Ominique Garner
  - Supported the development of both the Delivery Operator and Marijuana Courier license types.
  - Suggested increasing or time-limiting the license cap on delivery licenses.
  - Criticized those opposing the delivery regulations.
  - Suggested eliminating the cap on the number of delivery vehicles.
  - Expressed overall disappointment in the equitable distribution of wealth generated by the industry.
    - Suggested appointing a liaison to the equity community to ensure accountability in achieving the Commission's equity mandate.
- Lucas Thayer
  - Supports the establishment of the Delivery Operator Licensee.
    - Believes that delivery is important, especially considering the impacts of COVID-19.
    - Believes delivery is crucial for social equity and supports the three year exclusivity period.
  - Believes that regulations should be drafted to allow people to transition from the illicit markets.
    - Believes the key to this is ensuring delivery licensees can offer competitive pricing compared to the illicit market, and which requires lowering the barriers of entry.
      - Cited security requirements and adjusting them to the minimum to protect product and driver and not have any requirements in excess.
- Justin Kennedy
  - Identified themselves as an Economic Empowerment Priority Applicant.
  - Supports the draft delivery regulations, including the ability for Delivery Operators to warehouse and white label products.
    - Encourages the Commission to prevent further delay in approving the regulations.
  - Countered the argument that the delivery operators would hurt brick and mortar stores.
  - Expressed the importance of delivery regulations in achieving full participation in the industry.

- Tito Jackson
  - Commended the Commission for listening to those who expressed concern with respect to the economic viability of the Marijuana Courier model.
    - Expressed the importance of delivery in the time of COVID.
    - Believes that the Delivery Operator license type is also beneficial to consumers.
  - Recommended the Commission increase the cap on delivery licenses to three in order to ensure that equity applicants in the delivery space get the same treatment as other license types.
  - Addressed concerns raised by municipalities, suggesting that illicit delivery is already happening in these places, but regulated delivery, conversely, could prove to be a positive revenue generator for municipalities.
  - Supports three year exclusivity period.
  - Indicated that the key to success of delivery is access to product, which has been an issue facing the industry across the board.
- Sieh Samura
  - Expressed support for previously made comments.
  - Supports the three year exclusivity and flexibility of the two delivery license types.
  - Commented on the slow progress of equity, citing first that the Department of Public Health did not have an equity mandate, which gave medical operators influence in setting up an adult-use market at the Commission.
  - Emphasized the importance of equity.
    - Expressed that exclusivity for delivery and social consumption are not a handout, but compensation for a debt owed resulting from the disproportionate impact of cannabis prohibition.
- Dawn Duncan
  - Identified themselves as indigenous and stressed the need of equity to help indigenous folks.
  - Shared perspective that equity mission has not been fulfilled.
  - Supports delivery regulations as a step in the right direction.
- Aaron Goines
  - Expressed frustration with the delay in regulations.
  - Criticized those opposing the regulations as hurting social equity and economic empowerment applicants.
  - Likened the delivery into towns to UPS, FedEx, Amazon, and pizza delivery, so the lack of tax revenue to municipalities should not only be a problem for cannabis delivery.

The Commission took a ten minute recess, returning at 1:44:11

- Christopher Fevry
  - Identified themselves as a delivery applicant, president of MCAD and a Social Equity Program participant.
  - Expressed general support for the delivery regulations, noting that if left with only the courier model, following exclusivity, retailers would likely crowd them out of the space by obtaining delivery endorsements.
  - Opposed caps on the number of vehicles a Delivery Licensee , noting that medical delivery is not limited in the number of vehicles.
  - Criticized opposition to the delivery regulations as unreasonable and encouraged the Commission to approve regulations as proposed.
- Daniel Berger
  - o Identified themselves as a Social Equity Program participant and delivery applicant.
  - Addressed concerns of municipalities with respect to tax collection.
    - The Delivery Operator license will require an HCA, so municipalities can get tax revenue by allowing delivery operators to set up in their borders.
  - Suggests removing the 2-license cap on delivery licenses, comparing it to the three licenses allowed for Marijuana Retailers.
  - Noted that for Social Equity Program participants, access to capital is already an issue, and further delays make capitalizing a business even harder.
  - Asks the commission to continue acting as a national model for equity.
- David Gariepy
  - Identified themselves as a third party platform developer.
  - Supports the draft delivery regulations.
  - Believes that technology can help leveraging the needs of delivery licensees, including security requirements.
  - Believes that the delivery regulations will go a long way in establishing equity and inclusion in the cannabis industry.
    - Talked about a recent study out of Harvard Business School, that shows that more diverse workplaces result in better business outcomes and diversity and inclusion initiatives have the most long-term success when otherwise marginalized people are in positions of power.
- Steve Bowman
  - $\circ$  Expressed overall support of the draft delivery regulations.
  - Suggested that there may be more flexibility that may be had through the Marijuana Courier license.
  - Noted that there are a lot of local, small Marijuana Retailers who are excited to work with Marijuana Couriers to deliver product to their Consumers.
  - Expressed frustration with the delays in the promulgating of the regulations.



- Mike Brais
  - Believes that the draft regulations will bring more Consumers into the regulated market from illicit transactions.
  - Does not believe delivery licenses will cut into profits of brick and mortar stores.
  - Expressed support for the equity mission and how the delivery licenses support that mission.
- Ruben Seyde
  - Generally, supports the draft delivery regulations and the positive impact on equity they are expected to have.
  - Suggests removing the 2 license cap for delivery licenses.
  - Opposed caps on the number of vehicles a licensee can have, especially when there is no cap on the number of bud tenders or customers served in a given day for Marijuana Retailers.
  - Opposed the inability of Delivery Operators to Repackage, when Marijuana Retailers can, noting that white labeling ads an additional cost for Delivery Operators.
  - Criticized arguments that the Commission did not provide sufficient time for municipalities to consider the delivery regulations, noting how long delivery has been a subject of deliberation among the Commission.
- Sherri Tutkus
  - Supports the delivery licenses and the exclusivity period.
  - Criticized those opposing the delivery licenses as protecting corporate profits.
  - Expressed concerns about predatory behavior under the Marijuana Courier license, and the Delivery Operator license type is key to mitigating the risk of that.
  - Encouraged the Commission to vote on final regulations as scheduled and not allow further delay.
- Payton Shubrick
  - Supports the new delivery license.
  - Opposed a cap on the number of vehicles delivery licensees may have.
  - Suggests that tolling of the exclusivity period should not start until 5 delivery licensees have commenced operations.
  - Expressed the importance of delivery license types to equity and inclusion in the marijuana industry.
  - Encouraged the Commission to vote on final regulations without additional dely.
- Andrew Mutty
  - Expressed general support for the draft delivery regulations.



- Opposed a cap on the number of vehicles delivery licensees may have, noting that there is not cap on the number of bud tenders in Marijuana Retailers and therefore would result in missed sales opportunities.
- Believes the exclusivity period should be extended to five years.
- Opposes the requirement for second agents in delivery vehicles, indicating that it is a cost without commensurate added safety.
- Chirag Patel
  - Expressed concerns about what happens to the Delivery Operator licensees after the exclusivity period ends and larger operators can crowd them out given they have sufficient capital to undercut prices and drive smaller operators out.
    - Believes courier model does not have the same risk, provided that the fees are sufficient.
    - Believes sharing profits between retail and delivery couriers should make the courier model viable.
    - Believes this will result in overall higher revenue for everyone and references companies like Drizly that deliver for liquor stores.
- Lorna McCafferty
  - Commends the Commissions attempts to be intentional about equity in developing delivery regulations.
  - Characterized opposition to delivery regulations as corporate profit protection.
    - Says that this avoids artificial middleman status for Marijuana Retailers that put them in a position to be predatory toward Social Equity and Economic Empowerment businesses.
  - In strong support of both delivery license types and believes it will go a long way in supporting the equity mission of the Commission.
  - Encouraged the Commission to approve the regulations with no further delay.
- Alethea Amponsah
  - Identified herself as a member of the first Social Equity Program class.
  - Supports the Commissions commitment to equity.
  - Supports the draft delivery regulations as proposed.
    - Supports the three year exclusivity period.
    - Recommends lifting the 9pm cutoff time for delivery.
  - Shared experience as a woman of color trying to enter the cannabis market, despite having an ivy league background.
  - $\circ$   $\,$  Talked about the ease with which multi-state operators enter markets.
- Sean Sheridan
  - Identified themselves as a member of the Social Equity Program.



- Recommends untying delivery licenses from the retail license cap.
- Believes the cap on the number of licenses should be increased to three.
- Encourages the Commission to not allow any further delay in the regulations.
- Cynthia Mompoint
  - Expressed frustration with delays in effectiveness of the delivery regulations.
  - Generally, supports the draft delivery regulations.
  - Recommended building regulatory provisions to ensure that equity initiatives are not thwarted by industry leaders and local control does not create additional barriers to entry.
  - Suggest extending the exclusivity period indefinitely, to be reexamined in 5 years.
    - Believes this will help overcome certain hurdles of entry to the market.
  - Criticized those who oppose the delivery regulations as funded.
- Nathan Pierre
  - Opposed caps on vehicles.
  - Requested that the cap on the number of delivery licenses be raised to three, to be in line with the limits on other license types.
  - Addressed the criticism of the new Delivery Operator license type, noting that the same large multi-state operators opposing the establishment of the Delivery Operator have the most to gain from it by being the primary source of wholesale purchases by Delivery Operator licensees.
    - Characterized their opposition as greed, with these businesses wanting to keep all the retail profit for themselves in addition to the wholesale revenue.
- Scott Brodksy
  - Expressed disappointment in the lack of equitable access to the industry.
  - Encourages reducing barriers to entry for delivery licensees by limiting the requirements designed to create safety.
    - Cites these safety regulations as additional costs of business that have largely contributed to the lack of diversity and equity in the established industry to date.
  - Generally, supports the Delivery Operator license type, but suggests there are ways to ensure easier entry to the market.
    - Opposes caps on the number of vehicles.
    - Suggests eliminating the requirement for a second agent in the vehicle.
    - Suggests eliminating restrictions on hours of operations.
    - Recommends extending the exclusivity period to five years.
- Darius Monteiro
  - o Identified themselves as a social equity program participant and delivery license applicant.
  - Does not understand the strong opposition to these regulations.
  - Generally, supports the draft delivery regulations.



- Believes issues of barriers to entry with respect to Delivery Operator license should be up to the applicant to resolve, and it is patronizing to suggest the license type should not exist because some applicants would not be able to overcome those barriers.
- Maurice Stringer
  - Yielded some time to Cynthia Mompoint.
    - Asked for demographic information for the second cohort of the Social Equity Program.
  - Believes barriers to entry are not being addressed through the delivery license types.
- Jensen Mejia
  - Expressed concerns around the misunderstanding municipalities seem to have, since no matter what the Commission does, the municipalities have control to stop equity.
  - $\circ$  Believes the draft delivery regulations are on the right track.
- Jason Cragholm
  - Believes there is substantial opportunity to establish equity through the draft delivery regulations.
  - This can only be the beginning and it will take a long time and constant commitment to achieve equity.
  - Suggests, whatever the commission decides, double it.
- Stephen Mandile
  - Supports the draft delivery regulations.
  - Supports at least a 3 year exclusivity.
  - Encourages the Commission to prevent any further delays.
  - Encourages businesses and municipalities to join the fight for social equity.
- Brandon Pollock
  - Supports the Delivery Operator license type as a way to support equity.
  - Supports limits to the size of the businesses.
    - Concerned without limits on the size of businesses creates opportunity for large players to take over the delivery market and predatory lending.
    - Supports a modest fleet size restriction.
- David Torrisi
  - Disappointed in the commission and does not believe the process was transparent or inclusive.
  - Believes that the delivery licensees would be retailers and therefore hurts existing licensees.



• Believes that municipalities will lose tax revenue as a result of the Wholesale Delivery license.

The Commission took a 30 minute recess, returning at 3:28:53.

- Jonathan Batres
  - Generally, supports the draft regulations.
  - Characterized opposition of the regulations as whining and noted that the purpose of social equity is to make it easier.
  - Suggested that lowering barriers to entry and making the legal market attractive to enter is the only way to address the illicit market.
  - Encourages the Commission to prevent any further delay.
- [Speaker called upon that did not respond.]
- Statement on behalf of Mayor Daniel Rivera
  - Stated concern that delivery will reduce safety.
  - Expressed concern that wholesale delivery operators will be able to locate in the City of Lawrence despite the city's vote not to allow cannabis operations.
  - Expressed that the months of discussion and multiple comment periods and hearings were not sufficient for stakeholders to be informed.
  - Emphasized the importance of local control in the licensing process.
- Daniel Napolitano
  - Expressed concerns about how the Commission's regulations do not include municipal zoning decisions.
  - Expressed concern that cities and towns have not been involved enough in the multiple public comment periods and hearing.
- Jordan Clark
  - Identified themselves as a Social Equity license holder.
  - Expressed concern about the utility of Delivery for those subject to property/real estate limitations on marijuana use, in particular medical-use patients, recognizing that changing the law to effect this change is not within the Commission's jurisdiction.
    - Encouraged the Commission to address this in whatever way it can.
- Philip Smith
  - Identified as a participant in the first cohort of the Social Equity Program.
  - Thanked the Commission for the thoughtful approach to the delivery regulations.
  - Generally, supports the delivery regulations.

- Encouraged the Commission to reduce as many restrictions as possible, at least for the duration of the exclusivity period.
  - This would allow equity licensees to make the most of that time in terms of establishing their businesses.
- Noted that there are municipalities and non-equity businesses that are committed to working with equity licensees.
- Brian Belts
  - Generally, supports delivery regulations, and believes it will advance equity
  - Encourages the Commission to reduce restrictions on licensees including limits on hours of operation, caps on the number of vehicles, and two agents in the delivery vehicle.
  - Questioned the motives of those opposing the delivery regulations.
  - Argued against the idea that a single company could cover the whole state, noting that it would not be cost efficient to drive an hour to deliver a \$40-\$100 order.
- Michael Hunnewell
  - Does not support Delivery Operator license.
  - Believes the Delivery Operator license will only support MSO control of the market sector once the exclusivity period ends.
    - Cited that large operators could own up to 49% of the equity delivery businesses.
  - Identified lack of competition as a key issue in the industry.
  - Feels that retail stores should be protected.
  - Supports courier model.
- Jim Smith
  - Does not support the Delivery Operator regulations.
    - Believes it violates the municipal control requirements under the statute.
  - Cited people with access to capital through their family and friends, the sale of personal assets, or their pension funds as being, and therefore feels that the establishing the Delivery Operator license would not be fair to people with those economic privileges.
  - Feels the Delivery Operator license will hurt brick and mortar stores.
  - Believes the multiple comment periods and hearings were not sufficient to give municipalities the ability to comment on the regulations.
  - Expressed concern that at the end of the exclusivity period, due to the ability of a company to own up to 49% of an equity licensee's business, will result in market consolidation.
- Dr. Karen Munkacy
  - Generally, supports the exclusivity period for delivery.
  - Expressed concern that the Delivery Operator license regulations will open the market to a few large players.
  - Believes there should be limits on the number of vehicles.



- Taylor Schlacter
  - Expressed concern that after the exclusivity period, large operators will take over the delivery sector.
    - Encouraged the Commission to establish safeguards to ensure that gains made during the exclusivity period are not lost once exclusivity has ended.
  - Believes the barriers to entry for the Delivery Operator license should mean that the license type should not be created.
  - Believes the second agent requirement is superfluous and does not provide additional security.
- Chris Mitchem
  - Does not support the Delivery Operator license type.
    - Believes it will impact their business.
  - Believes that the Delivery Operator license type creates risk of predatory contractual agreements.
  - Feels it is unfair to their business to allow social equity applicants to get a Delivery Operator license and compete with retailers.
- Mayor Kim Driscoll
  - Believes the Delivery Operator license will be a major change and hurt municipalities to collect 3% local tax option despite the ability to execute Host Community Agreements with such licensees.
  - Feels that it will hurt brick and mortar stores.
- Jigar Patel
  - Supports Marijuana Courier License but not Delivery Operator license.
  - Believes the Marijuana Courier license will enhance the market, but the delivery operator will "cannibalize" the industry.
  - Supports exclusivity but only if there are restrictions on the business, including that Economic Empowerment and Social Equity licensees are 100% owned by eligible individuals and that there be a limit on the number of vehicles they licensee can have.
- Ian Woods
  - Identified themselves as social equity program participants.
  - Expressed frustration with the contradiction of municipalities complaining about lost tax revenue while choosing not to execute Host Community Agreements with equity applicants or delivery licensees.
  - Supports the Delivery Operator license.
  - Encouraged extending the exclusivity period to five years.

- Commended the Commission on its responsiveness to the public with respect to the limits of the Marijuana Courier business model, and therefore establishing the Delivery Operator license.
- Gabe Salazar
  - Believes the Marijuana Courier license is viable in addition to the Delivery Operator license.
  - There should not be caps on the number of warehouses or number of cars.
  - Encourages the ability use of Third-Party Technology Platforms to reduce barriers to entry for delivery licensees.
- Desmond Hyde
  - Strongly supports the Delivery Operator license type.
    - Emphasized the importance of this license as an opportunity for social equity.
  - Encouraged the Commission not to delay effectiveness of the regulations, especially in the context of a pandemic.
  - Recommended that that delivery licenses have the same 3 license limit as other license types, not be limited in the number of warehouses or vehicles, extend the exclusivity period, and not be required to have a second driver.
- Gabe Singal
  - Expressed the importance of both delivery license types, in particular the Delivery Operator License, as important to achieving social equity in the cannabis industry.
  - Criticized elected officials who are standing in the way of social equity.
  - Opposes any restriction on the number of vehicles.
  - Encourages the Commission to set license caps for delivery in line with other license types.
  - Suggests that the second agent in a delivery vehicle adds added cost without creating the intended additional safety.
  - Supports restrictions on Third-Party Technology Platforms to prevent domination of the market.
- Vernon Jackson
  - Commends the Commission on its responsiveness to public comment with respect to Delivery licenses.
  - Encourages the Commission to approve the regulations without delay.
  - Supports the three year exclusivity period but suggested it should begin tolling after the first Delivery Operator License commences operations, rather than when the first Marijuana Courier license commences operations.
  - Suggests setting license cap for delivery licensees in line with other license types.
  - Opposes the restriction on Repackaging, citing the ability to Repackage as important to branding.

- Noted that municipalities can address their concerns about tax revenue by entering into Host Community Agreements with equity applicants.
- Shanel Lindsay
  - Noted that equity is a statutory mandate for the Commission but has not been achieved in the industry.
  - Supports the exclusivity period.
  - Expressed that the regulations are drafted to prevent market domination, so concerns in that regard are unfounded.
- Edward M. Sousa
  - Expressed support for the equity driven comments made throughout the day.
  - Generally, supports the delivery licenses.
  - Criticized those who oppose the delivery regulations by saying that the pie is big enough for everyone.
- Joel Gonzalez
  - Identified themselves as a member of the Social Equity Program.
  - Stated that the delivery license types will not cut into the business of Marijuana Retailers, but instead will expand the number of people who access it.
  - Generally, supports delivery licensees, and encourages the Commission to not allow any further delay in approving the regulations.
- David Michaud
  - Generally, supports delivery regulations.
  - Supports the three year exclusivity period.
  - Suggests allowing up to 3 delivery licenses, like other license types.
  - Believes that delivery will not pull consumers way from Marijuana Retailers, but instead will encourage folks to purchase through the regulated market who otherwise obtain delivery by way of the illicit market.
    - Noted that by pulling those consumers into the regulated market benefits both the Commonwealth generally, as well as municipalities, through additional tax revenue.

The Commission took a 15 minute recess. Returned at -4:58:40

- Eric Schwartz
  - Supports the draft delivery regulations and notes their importance in achieving the Commission's equity mandate.
  - Criticized opponents to the draft regulations as anti-equity.

- Michael Nashawaty
  - Identified themselves as an Economic Empowerment applicant and a member of the social Equity program.
  - Supports the draft delivery regulations.
  - Believes that the solution to municipal concerns about lost tax revenue is to execute Host Community Agreements with Delivery Operator licensees.
- Angela Bradway
  - Identified themselves as a member of the Social Equity Program.
  - Generally, supports the delivery regulations and believes it will make headway in fulfilling the Commission's equity mandate.
  - Suggested additional revisions that could further the equity goals and more viable business models.
    - Eliminate the cap on the number of vehicles and warehouses.
    - Allow for a three license cap.
    - Extend the exclusivity period to five years.
- Chauncy Spencer
  - Suggests eliminating the 9pm cut off for hours of operations.
  - Suggests allowing any municipality-based limitation on hours of operation to be set out in the Host Community Agreement if the municipality has not had the chance to amend its zoning bylaws.
  - Believes concerns about large players overtaking the market are overblown.
- Judith Foster
  - Generally, supports the draft delivery regulations.
  - Expressed frustration with delay in the effect of the revised regulations.
  - Said that increased access to cannabis is good for the industry, so the additional of the delivery license types contribute to that.
- Max Piergallini
  - Supports both the Delivery Operator and Marijuana Courier licenses as an important step for social equity.
  - Argued against complaints that the Delivery Operator license would compete with Marijuana Retailers saying that competition is important to ensure the best possible product and value for consumers.
- Leon Porcher
  - Identified themselves as a microbusiness and Economic Empowerment Applicant.



- Generally, supports the draft delivery regulations and supports comments made in support so far.
- Believes that the concerns of an Amazon type delivery model are overblown but could be addressed through a longer or indefinite exclusivity period.
- Also believes the impact on brick and mortar stores will not be detrimental.

# • Hillary King

- Clarified that these were their views and opinions.
- Generally, supports the draft delivery regulations with some suggested modifications.
  - Do not allow Third-Party Technology Platforms to have ownership or control interests in delivery businesses.
  - Scaled caps on businesses, akin to cultivation.
    - Believes some types of "guardrails" on both delivery types will be helpful once the exclusivity period is over.
  - Allow Repackaging to help delivery operators to develop their brand.
- Damon Schmidt
  - Identified themselves as a Social Equity Program participant.
  - Generally, supports the delivery regulations with a few modifications to support the longevity of the sector.
    - Believes limits on the number of vehicles will help ensure that there are no large players who are able to establish a large, Commonwealth-wide Real Estate Investment Trust and therefore vertically integrate production with Delivery.
    - Believes after the exclusivity period, there is room for Amazon or aggregator type delivery.
    - Believes that leases and other property agreements should be included in the definition of Control.
    - Believes a longer exclusivity period may help.
- Katie Neer
  - Believes Third-Party Technology Platforms will be key in the development of delivery.
  - Does not believe that a Third-Party Technology Platform should be listed on the license of a Delivery Operator, simply as the result of a service agreement.
  - Ensure transparency for consumers requiring disclosure of paid content on platforms.
- Tom Cataloni
  - Identified themselves as a Social Equity Program participant.
  - Supports the draft delivery regulations and believes it will advance equity in the state.
  - Supports extending the exclusivity period.
  - Suggests raising the cap on delivery licenses three licenses.
  - Sees benefits of vehicle limits to prevent domination by large operators.



- Believes that delivery licensees should be able to Repackage product.
- Ethan Vogt
  - Generally, supports the draft delivery regulations.
  - Believes the delivery regulations are a strong step forward in equity.
    - Supports the ability for Delivery Operators to Repackage.
  - Encouraged the Commission to consider the ability to deliver by bike messenger, both from an environmental perspective and reducing traffic on the roadways.
  - Asked that the Commission clarify that Delivery Operators can sell seeds and clones to support home grows.
- Shannon Jones
  - Identified themselves as an Economic Empowerment Applicant.
  - Expressed concern that Black drivers for delivery licensees will still be targeted by law enforcement.
  - Expressed frustration with the overwhelmingly white and male composition of the industry.
  - Encourages the Commission to take greater steps to reduce the barriers of entry, such as helping cover certain capital costs.
  - Suggests extending the exclusivity period to five years.
- Christian Pineda
  - Expressed support for the draft delivery regulations.
  - Noted that delivery can increase access to regulated marijuana, for folks who cannot afford to get a medical registration or for communities who are wary of the stigma surrounding marijuana, and therefore would not ask for a patient certification.
- Linda Noel
  - Identified herself as a Social Equity Program participant.
  - Expressed frustration with the delay in the approval of the regulations, especially given how long the industry has been waiting for equity.
  - Noted that municipalities can ensure they do not lose tax revenue as a result of delivery license by executing Host Community Agreements with such licensees.
  - Suggested that the Marijuana Courier license is an opportunity for Marijuana Retailers to reach new consumers who might otherwise be deterred, whether as the result of stigma or covid-19.
  - Doubted the likelihood that there would be market domination at the end of the exclusivity period, but also said that there would be opportunity for equity licensees to get a payout for selling their businesses at the time, which contributes to the equity mission.

- Mario Signore
  - Expressed frustration with the lack of equity in the cannabis industry.
  - Believes that the delivery licenses are key to establishing equity.
  - Believes the requirement that a second delivery agent be present in the vehicle is unnecessary and only increases costs without added safety.
- Jeffrey Shaheen
  - Identified themselves as a social Equity Program participant.
  - Supports the draft regulations for the most part.
  - Suggests bringing the license cap in line with other license types, limiting it to three licenses.
  - Discourages any limits on the number of vehicles.
- Brian Wall
  - Believes that delivery is only going to increase business for Retailers, noting that they may first access product through a delivery, but the ability for increased customer support at a retail location will ultimately drive many Consumers to the retail location.
  - Expressed the importance of delivery to the consumer experience.
  - Encouraged the Commission to establish a license cap in line with other license types, for a total of three delivery licenses.
  - Believes that Delivery Operators should be allowed to Repackage, and without that option, they are at a sales/cost disadvantage compared with Marijuana Retailers.
  - Opposes limits on the number of vehicles a delivery licensee may have, noting that there is no limit for the number of bud-tenders or Consumers put on a Marijuana Retailer.
  - Suggested allowing co-location of Delivery Operators with other license types.
- Megan Carvalho
  - Encouraged the Commission to consider the employees of delivery companies and ensure the jobs are safe and equitable.
- Evan Polmaritis
  - Generally, supports the draft delivery regulations and encourages the Commission to approve them as written.
- Oluseyi Obasa
  - Described their experience as a Patient facing the lack of diversity among the cannabis sector workforce, highlighting the importance of equity.
  - Believes the delivery regulations would advance equity in the industry.
  - Encourages the Commission extend the exclusivity period to a minimum of 5 years.
  - Urged the Commission to finalize Social Consumption regulations so that renters have a safe place to use cannabis without being ticketed for public consumption.

- Noted how there are barriers to getting a Patient card, because of jobs or other factors, and so people must rely on the adult-use industry to get their medicine, and Delivery can be a helpful aspect for that scenario.
- Carlha Toussaint
  - Believes delivery regulations are going to be key to bringing equity and offering a remedy for the disproportionate enforcement of cannabis prohibition and is not simply about the money potentially earned.
- 3) Next Meeting Date
  - The Chairman gave an overview of the upcoming meeting schedule.
    - November 19, 2020 Regularly Scheduled Public Meeting
    - November 30 Public Meeting for vote on final regulations.
- 4) Adjournment
  - Commissioner McBride moved to adjourn the meeting.
  - Commissioner Flanagan seconded the motion.
  - The Commission voted unanimously to adjourn.