



Commonwealth of Massachusetts

CANNABIS CONTROL COMMISSION

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CANNABIS CONTROL COMMISSION PUBLIC MEETING MINUTES

November 7, 2017 12:00 p.m.

Minihan Meeting Room, Hurley Building
19 Staniford Street
Boston, MA 02114

COMMISSION MEMBERS IN ATTENDANCE

Chairman Steven Hoffman
Commissioner Kay Doyle
Commissioner Jen Flanagan
Commissioner Shaleen Title
Commissioner Britte McBride (by remote participation)

COMMISSIONER MEMBERS ABSENT: None

Chairman Hoffman calls the meeting to order as of 12:00 p.m. He welcomes the new Executive Director, Shawn Collins. Chairman Hoffman announces his resignation as Interim Executive Director and comments that he would put a memo to the file recording his resignation. Chairman Hoffman reminds the meeting that the Commissioners are busy drafting the regulations and will not have much to report in the upcoming weeks. Chairman Hoffman announces that Commissioner McBride is participating by remote participation. Commissioner McBride greets the meeting by telephone. Attendees affirm that they are able to hear her over the telephone.

Chairman Hoffman comments that now the Commission has a permanent Executive Director, it will be able to begin to hire staff efficiently. The Commission also will be reporting about the proposed budget submitted to the House and Senate Ways and Means Committee last week.

Chairman Hoffman states that the Commission wants to engage in drafting Frequently Asked Questions (FAQs). A draft of the FAQs was circulated to the Commission. Commission Hoffman asked Commissioner Title to discuss it. Commissioner Title explains that she and Commissioner Doyle had started a draft and that Richard Juang and Jesse Zimmer had provided further assistance. Commissioner Title asks that the Commissioners bring their respective areas of expertise to bear as they read it and also check the accessibility of the language used.

Chairman Hoffman apologizes for the lack of minutes to review and explains that the lack of staff has led to a backlog of processing of minutes, but he committed to having the minutes ready for the next meeting.

Chairman Hoffman opens discussion on the budget review, explaining that the Commission submitted a supplemental appropriation request to the Ways and Means Committee last week. He thanked Commissioner Flanagan for her assistance on the project. On Thursday, the

Commission circulated the request not only to the Committee, but also to the Secretary of ANF, the Governor, minority leaders on both sides, the Speaker of the House and Senate President. Chairman Hoffman reminded the meeting that the Commission went over the budget in prior meetings, in terms of head count, out of pocket spending and investment spending. He has added in numbers regarding technology and interagency charges, the numbers for which he had not known during prior meetings. Chairman Hoffman explains that interagency charges includes staff time borrowed from other agencies. He also reviewed the budget with the Budget Director from ANF. He also met with the Governor's Chief of Staff and Secretary of ANF regarding the figures. Chairman Hoffman pledges to continue to work with state officials regarding the budget.

Chairman Hoffman refers to the budget spreadsheet and identifies the line items in the spreadsheet. He mentioned that the technology contract manager, Luella Wong, assisted in the development of the technology line items. Chairman Hoffman comments on the Government Affairs line item and mentions that he and Commission Doyle had just met with representatives of the Massachusetts Municipal Association as a start to the outreach to municipalities. He also explains that Community Outreach to women, minorities, veterans and disproportionately impacted communities is an important part of the Commission's work, including coaching, mentoring and training. Chairman Hoffman talks about the research agenda, including the baseline study, and mandates to the Massachusetts Department of Agricultural Resources regarding the hemp program (MDAR), which requires the hiring of two full-time employees at MDAR. Chairman Hoffman talks about out-of-pocket expenses, such as travel expenses for public hearings. Total operating funds requested is \$3.6 million. There are also three capital projects for technology development: seed to sale tracking, licensing, revenue collection tracking and enforcement. The Commission is working with commercial vendors and other state agencies to understand these technologies. The projected amount is \$750,000 for seed-to-sale tracking and \$700,000 for licensing system. The Commission is working with the Department of Revenue (DOR) regarding the revenue collection and tracking system, as they have an outside vendor that has built their revenue system. DOR asked the vendor what it would cost to add the additional functionality for that system to the Commission and the number that came back was \$2.5 million. The Commission is working to understand the basis for that number and what else may be needed. The total for the capital projects is \$3.95 million. The overall total is \$7.5 million. Chairman Hoffman notes that the amount is lower than what was projected by the Treasurer in the Spring, which was \$10 million. The reason it is lower is that the \$10 million estimate was for a full year, whereas this request is for 10 months, and the Commission whittled down some costs for technology. Chairman Hoffman also stated that there was no "fluff" in the numbers and there is no padding to accommodate numbers being negotiated down. He has tried to stretch out hiring so that the Commission is not taken on expense before it needs to, but will take questions at the end of the meeting if there are any. Chairman Hoffman states that all the state officials that he met with were constructive on contributing to drafting the budget.

Commissioner Title asked about revenue collection, tracking and enforcement was limited to taxes. Chairman Hoffman agreed that it was. Commission Title also stated that farmers should be added to Community Outreach. Chairman Hoffman agreed to do so. Chairman Hoffman asks for understanding on how the budget was developed and acknowledgement that the Executive Director has to implement a budget that he did not have an opportunity to weigh on in.

Commission McBride thanks the Chairman and Commissioner Flanagan for their work on the budget.

Chairman Hoffman announces the extension of the public listening period regarding written comments. Commission Doyle explains that the Commission received feedback that the original October 31, 2017 deadline was difficult to meet, because many did not have power. She asks the Commission to extend the deadline to November 13, 2017. Commissioner Flanagan made the motion, Commissioner Doyle seconded. The Commission voted unanimously in favor, 5-0.

Chairman Hoffman opens discussion on the hiring process. He explains that the position posting for Director of Communications and General Counsel deadline was extended to November 15, 2017. Chairman Hoffman states that the hiring process should be delegated to the Executive Director on behalf of the Commission. Commissioner McBride states that the Commission may delegate authority to the Executive Director so that he could interview applicants. It could be done by completely delegating authority to the Executive Director or having his decision subject to approval by the Commission. In light of the Commission's need to move forward with the regulations, Commissioner McBride recommends the total delegation of staffing authority to the Executive Director for Director of Communications, General Counsel and other positions identified by the Commission. A 1991 Supreme Judicial Court decision recognizes the appropriateness of the delegation of authority to an administrative authority for the hiring process, including the creation of an advisory group that is a subquorum of the governing body. Commissioner Flanagan recommends that delegation of authority, because the public process prevented people from applying because they didn't want their current employers to know they were applying for another job, and the staffing of the agency is imperative. Commissioner Doyle agrees with Commissioner Flanagan's comments. Chairman Hoffman reminds the meeting that the delegation would include the Director of Communications and General Counsel. Commissioner Flanagan made a motion to approve the delegation and Chairman Hoffman seconded the motion. The Commission voted in favor of the motion unanimously, 5-0.

Chairman Hoffman states there is no new business that he was not aware of at the time of posting, so the Commission could take questions from the public. Will Luzier from the "Yes on 4 Coalition" asks whether the \$2.3 million originally allocated to the Commission was included in the budget just presented. \$7.5 million is the total budget requested by the Commission, so the additional amount requested is the difference between \$7.5 million and the original \$2.3 million. Chairman Hoffman comments that there is a press release on the budget that will be shared.

Chairman Hoffman states that the next meeting will be in the same place, Minihan Hall, November 14, 2017 at 10:30 a.m.

Chairman Hoffman adjourns the meeting at 12.35 p.m.

No other individuals rise to ask questions or make comments. The Chairman adjourns the meeting at .m.