

CANNABIS CONTROL COMMISSION

November 16, 2023

10:00 AM

Remote Participation via [Microsoft Teams Live\\*](#)

PUBLIC MEETING MINUTES

**Documents:**

- Application Materials associated with Dris Corporation (#MDA1321)
- [Meeting Packet](#)
- Email correspondence from Cannalive Genetics, LLC

**In Attendance:**

- Acting Chair Ava Callender Concepcion
- Commissioner Nurys Z. Camargo
- Commissioner Kimberly Roy
- Commissioner Bruce Stebbins

**Minutes:**

1) Call to Order

- The Acting Chair (AC) recognized a quorum and called the meeting to order.
- The AC gave notice that the meeting is being recorded.
- The AC gave an overview of the agenda.

2) Commissioners' Comments and Updates – 00:00:54

- The AC announced the resignation of Executive Director (ED) Shawn Collins effective December 4, 2023. She along with the other Commissioners expressed gratitude towards the ED for his exceptional work in overseeing the agency since its inception and wished him all the best in his future endeavors.

3) Staff Recommendations for Final Licenses – 00:08:44

- Director of Licensing Kyle Potvin (Director Potvin) introduced the final license recommendation for the Commission's consideration.
- Dris Corporation (#MDA1321), Marijuana Delivery Operator
- Commissioner Camargo moved to approve the Final License.
- Commissioner Stebbins seconded the motion.



- The AC took a roll call vote:
  - Commissioner Camargo – Yes
  - Commissioner Roy – Yes
  - Commissioner Stebbins – Yes
  - AC Callender Concepcion – Yes
- The Commission unanimously approved the Final License.

#### 4) Commission Discussion & Votes – 00:11:02

##### 1. Research Department Update

- Chief of Research Julie Johnson (Chief Johnson) acknowledged past and present research staff who helped earn the Commission’s external reputation as leaders in applied cannabis policy research. She mentioned the meeting with Dr. Rosalie Pacula. She noted the research mandates pursuant to G. L. c. 94G, § 17. She gave a departmental update and noted the new department name as the Center for Cannabis Research and Policy (CCRP). The AC thanked Chief Johnson and noted that the research department was one of the things that set Massachusetts apart. Commissioner Stebbins thanked Chief Johnson for organizing Dr. Pacula’s visit. Commissioner Camargo asked if the CCRP would replace the research department. Chief Johnson stated they would still have the research department, but it would not be labeled that anymore. She added it was an organic evolution of their department becoming a center and that it would be more recognizable. Commissioner Camargo asked her if there were any open requests for proposal (RFP). Chief Johnson stated there were not currently but the RFP that they would be moving towards in fiscal year 2025 was the healthcare study. The AC asked about the internal steering committee for the CCRP and next steps. Chief Johnson stated due to budget constraints they may not be able to meet with their consultants until fiscal year 2025. She stated she would check in with Acting Executive Director Debra Hilton-Creek (AED Hilton-Creek) and determine next steps. Commissioner Roy thanked her for the update and expressed her excitement to be on the steering committee. She noted that federal illegality had been an obstacle with bridging external stakeholders. Commissioner Camargo asked how the Commissioners were selected to be part of the internal steering committee, and how long the Commissioners were assigned. Chief Johnson stated the proposal was approved back in November of 2022. Chief Johnson thanked the Commissioners and expressed her excitement to continuing working with all the members of the board and departments at the Commission.
- Commissioner Roy asked to adjourn for a five-minute recess.
- The AC stated they would adjourn for a five-minutes recess until 11:05 AM (returned at 00:47:22).

##### 2. Regulatory Review Discussion: Microbusiness License Type

- Commissioner Stebbins gave an overview of the topic. Commissioner Roy explained that microbusiness licenses were created to help folks get into the industry with



limited capital. She added this license was designed with equity in mind and provided an overview of the existing regulatory scheme. Commissioner Stebbins presented the data relative to the microbusiness license type by year and explained that there could be less interest in the license if the Commission did not remove certain regulatory barriers. He mentioned the Commission remained focused on social equity and participation in the industry by qualified disadvantaged business enterprises. Commissioner Roy added that the Commission was focused on the importance of equity in building a robust and inclusive marketplace. She noted the licenses' rigidity for business owners trying to scale up their business. Commissioner Stebbins mentioned that the proposed regulatory changes would allow Massachusetts resident's microbusinesses to expand and grow with their success. Commissioner Roy noted the current issue where the business owner would need to surrender their microbusiness license before seeking another license which effectively cuts off cash flow. Commissioner Stebbins proposed a motion. The AC asked if there was any data on the number of microbusinesses that had undergone the wind down process. Commissioner Stebbins stated that no business has surrendered their microbusiness license. Commissioner Roy mentioned a microbusiness that she had met with was in the process of winding down due to the inability to scale and attracting investors. The AC asked Director Potvin what the requirements were to wind down a business. Director Potvin explained that no microbusiness licensee officially surrendered their license and that he had conversations with microbusiness licensees who were concerned about the need to wind down. He explained the process and that the Commission would look at the universe of products within a business when it winded down as it would be a public safety issue. The AC noted a significant reduction in the provisional applications and asked if there was any information that showed that people pursued a traditional license type instead of this microbusiness license. Director Potvin explained that he did not but that businesses are more likely to choose a tier one cultivation license over a microbusiness license because of the flexibility offered in the former. The AC asked about the specifics of the microbusiness license. Commissioner Stebbins explained that microbusinesses could grow up to 5,000 square feet which equaled the same canopy spaces as a tier one cultivator. Director Potvin confirmed that a business could apply for another license without putting their microbusiness out of business under the current proposed language. The AC asked what the difference were between a microbusiness license and a tier one license if the proposed amendments were adopted. Commissioner Roy stated that a microbusiness could not convert to a tier two and noted with the proposal the microbusiness would be able to apply to be a tier two separately while staying in business. Commissioner Stebbins added the microbusiness license was created for Massachusetts residents and required a twelve-month residency with other incentives. He added a tier one, and a microbusiness could both cultivate to the same amount of canopy but for the microbusiness license they had to prove Massachusetts residency and would receive helpful incentives. The AC stated she understood the license was a more appealing license than a tier one license and asked how it would be maintained as a small business license for mom-and-pop shops. Commissioner Camargo noted the eleven



microbusinesses who commenced operations and asked how to protect these businesses. Commissioner Stebbins mentioned the benefits that are offered with the microbusiness license for a small entrepreneur looking to enter the market. He added the microbusiness license as it was created and envisioned was still there to give people the opportunity to get into the marketplace. Commissioner Camargo noted that only two social equity licenses had commenced operation within microbusinesses and that it was interesting that folks that are Social Equity Program (SEP) applicants or Economic Empowerment Applicants (EEA) had not moved towards the license. Commissioner Roy explained her understanding that the license was not as attractive as others because the business could not incorporate scaling up when appealing to investors. Commissioner Camargo advocated that the board research equity within the licenses. Commissioner Stebbins believed these amendments would lead to a greater number of applicants applying for the microbusiness license. He added they did not know how much discussion around the limitations of the microbusiness type might have stalled people or made them go pursue a different license type. Commissioner Roy noted as regulators they were there to keep the industry safe, secure, and equitable. Commissioner Stebbins clarified that under the proposed amendment the license would count against their ownership of a license limit, but the business did not need to surrender the microbusiness license to pursue another. Commissioner Roy mentioned the microbusiness license was for SEP applicants and EEA to be eligible for delivery endorsement and social consumption licenses too and the policy sought to help scale up new opportunities. Commissioner Camargo explained that larger organizations could use the microbusiness license to exploit SEP participants and EEAs. She explained that the board needed to be careful to not set new regulations that hurt these businesses. The AC stated she wanted to make sure they were not creating a loophole which was not beneficial to the people they were trying to assist. Commissioner Stebbins mentioned the discussions in the old meeting minutes and prior conversations regarding the capital-intensive wind-down process required in the regulations. The AC noted that regulatory rounds would offer opportunities for the public to comment regarding the policy changes. Commissioner Stebbins noted how the regulatory promulgation process worked before it would be filed with the Secretary of State's office. Commissioner Roy read an email for the record that they had just received from Todd Dahn of Cannalive Genetics LLC regarding mom-and-pop shops. Director Potvin offered an amendment to the language which stated that no person or entity having direct or indirect control over a cultivation or product manufacturing license can then also apply for a microbusiness license and noted his reasoning for this proposal. Commissioner Camargo mentioned increasing the twelve-month residency.

- Commissioner Stebbins moved for staff to integrate the revisions to the regulations relative to the microbusiness license type, as outlined in the memorandum dated 5/12/2023, and contained in the Commissioner board book on 11/16/2023, and to include those proposed changes in the Commission's next regulatory submission.
- Commissioner Roy seconded the motion.



- The AC took a roll call vote:
  - Commissioner Camargo – Yes
  - Commissioner Roy – Yes
  - Commissioner Stebbins – Yes
  - AC Callender Concepcion – Yes
- The Commission unanimously approved the motion.
- The AC noted a thirty-minute recess until 12:50 PM (Returned at 2:36:17).

3. FY2025 Budget Update – 2:36:18

- Acting Executive Director Debra Hilton-Creek (AED Hilton-Creek) presented the budget update. She mentioned the impact that Chapter 180 could have on the budget. Commissioner Stebbins asked if she expected the board would approve the fiscal year 2025 request at their next public meeting. AED Hilton-Creek confirmed. Commissioner Camargo asked if this was the first time that the other Commissioners would see the budget. AED Hilton-Creek confirmed. Commissioner Roy mentioned the budget shortfall and asked if someone could do a cost analysis on the creation and distribution of medical cards. She suggested a digital format option for cost savings and mentioned it would be more environmentally friendly. AED Hilton-Creek stated they would investigate that and report back. Commissioner Roy asked about next steps pertaining to delegation of authority. Commissioner Stebbins wished to discuss creating a plan with respect to hiring an ED. The AC stated her number one priority was making sure that the selection process was thoughtful. Commissioner Roy noted the previous Commissioners had created delegations where they transferred some of their authority to the ED and they needed to revisit that. Commissioner Stebbins noted he had been part of a couple of ED searches when he was at the Gaming Commission and mentioned an evaluation tool used. The AC asked Commissioner Roy if she was thinking about having a presentation around the delegation memo. Commissioner Roy confirmed she could do that. Commissioner Roy stated they needed to look at the job description and redefine it as the agency’s needs had changed. The AC noted she wanted to speak with the legal department for their opinions and legal analysis. AED Hilton-Creek added she could draft a framework in collaboration with Legal on the recruitment process. The AC asked AED Hilton-Creek if she could follow-up with the Commissioners prior to the December 14<sup>th</sup> meeting.

5) Next Meeting Date – 02:58:16

- The Chair noted that the next meeting would be on December 14, 2023.

6) Adjournment – 02:58:27

- Commissioner Camargo moved to adjourn.
- Commissioner Roy seconded the motion.
- The AC took a roll call vote:
  - Commissioner Camargo – Yes



- Commissioner Roy – Yes
  - Commissioner Stebbins – Yes
  - AC Callender Concepcion – Yes
- The Commission unanimously approved the motion to adjourn.

