

CANNABIS CONTROL COMMISSION

September 8, 2023 10:00 AM

In-Person and Remote Participation via Microsoft Teams Live*

PUBLIC HEARING MINUTES

- 1) Call to Order
 - The Chair recognized a quorum and called the meeting to order.
 - The Chair gave notice that the meeting is being recorded.
 - The Chair gave an overview of the process and purpose for the hearing.
- 2) Public Hearing Testimony 00:02:49
 - Michael Moore, Senator
 - Suitability
 - Expressed concern that the expanded suitability standards would provide a
 means by which individuals with sexual offense convictions may become
 Registered Agents. Underscored this concern with regard to delivery drivers.
 - Noted his general support of removing barriers to entry for employment within the cannabis industry.
 - O Proposed a mandatory and indefinite disqualification of individuals required to register as a sex offender from becoming a Registered Agent. Noted that this provision is already applied to licensure. Further expressed concern that the provision is limited to the preceding five years at the time of application.
 - Commissioner Roy asked to clarify if the Commission has the legal authority to prohibit individuals required to register as sex offenders from serving as retail or delivery operator agents.
 - Senator Moore responded that he believes it does, under M.G.L., c. 94G §4. He quoted the statute.
 - Commissioner Roy asked if Senator Moore was aware of this type of exclusion being utilized elsewhere.
 - Senator Moore cited Lyft, Uber, and similar platforms within the "gig economy" arena.
 - o Commissioner Roy asked Senator Moore if the matter falls within the scope of public health, safety, and welfare.
 - Senator Moore responded affirmatively.



- Shaun Suhoski, Town Manager of Athol, MA
- Host Community Agreements
 - Expressed concern that new provisions for Host Community Agreements (HCAs) are impacting established agreements.
 - O Suggested that the legislative intent was not for Chapter 180 to be enacted retroactively. Noted that the legislature removed a line from the final draft that would have enacted the laws retroactive to 2016. Cited correspondence from the legislature that he suggested would corroborate this interpretation.
- Ali DiMatteo, Legislative Analyst, Massachusetts Municipal Association
- Host Community Agreements
 - Echoed previous concerns about retroactive enactment being inconsistent with the legislative intent.
 - Suggested that established agreements should be permitted to run their course under the previously agreed upon terms.
- Shaleen Title, Former CCC Commissioner
- Municipal Equity
 - Noted that municipalities not presumed compliant must create an equity plan and suggested devising a process for reviewing the plans initially and on a continued basis to ensure compliance and proper data collection.
 - Recommended developing a model ordinance in the interest of clarity, continuity, less strain on resources, and more efficient lateral comparisons of data.
- Grant Smith Ellis, Independent Journalist
- Host Community Agreements
 - Opined on the necessity of the HCA regulations being applied retroactively.
 Cited a period of more than 36 months beginning in 2018 wherein HCAs were not being reviewed by the Commission.
- Suitability
 - Noted that registered sex offenders carry their status on a civil basis in perpetuity. He is therefore of the opinion that the catch-all suitability provision should not be limited to the preceding five years at the time of application.
 - o Raised the question of how unregistered sex offenders will be detected.
- Lucas Thayer, Provisional License Applicant
- Host Community Agreements
 - Suggested that the current model leaves licensees vulnerable to extortion by municipalities.
 - Objects to the requirement that operators pay rent for the retail space while the HCAs, architectural review, etc. are in development and with no revenue



- stream. Noted that the financial burden of these expenditures is ultimately passed down to the customer.
- o Proposed that the Community Impact Fee (CIF) be reduced by three percent.

Suitability

- Echoed prior sentiments about prohibiting registered sex offenders from gaining employment within the cannabis industry.
- Social Consumption
 - Suggested that the Social Consumption license-type should carry an exclusivity period of 10 years for Economic Empowerment Priority (EEP) applicants and Social Equity Program (SEP) participants, given the time required to reach profitability.
- Alisa Nowak, Cohort 1 Social Equity Program Participant
- Host Community Agreements
 - Suggested imposing monetary penalties on municipalities who have not produced a compliant HCA at the time of an operator's licensure renewal.
 - O Suggested rewarding municipalities for either: (i) devising a compliant HCA in a timely manner; or (ii) utilizing the model HCA.
 - Recommended prohibiting municipalities from requesting flat fees or a certain percentage of gross sales.
 - Expressed concern over regulatory language informing parties of their right to discontinue relations. Raised the possibility that it may encourage municipalities to withdraw in objection to the regulations.
 - Remarked that operators should not be penalized for failing to submit a compliant HCA upon license renewal.
 - O Suggested including a provision that if communities have a cap on HCAs and have not yet reached that cap then fifty percent of the remaining HCAs be granted to EEP/SEP applicants.
 - Remarked that a lack of efficiency in establishing an HCA causes undue financial burden on the applicant. Suggested time constraints.

Municipal Equity

- o Proposed that businesses operating in municipalities that have yet to devise an equity plan be granted a CIF waiver.
- O Suggested that municipalities that did not have an equity plan in place by July 1, 2023, as necessitated by Chapter 180 §25, be fined.
- Devin Alexander, CEO and Founder, Rolling Releaf
- Host Community Agreements
 - Expressed concern that marijuana businesses will continue to be vulnerable to exploitation in the intervening time between when the new regulations are promulgated on November 9, 2023, and when they will be enforced in May 2024.
- Suitability



- Echoed prior sentiments about prohibiting registered sex offenders from gaining employment within the cannabis industry.
- Jeremiah MacKinnon, President & Executive Director, Massachusetts Patient Advocacy Alliance, Inc.
- Telehealth
 - Expounded on the value proposition of telehealth and in particular as it pertains to disabled medical marijuana (MMJ) patients.
 - Encouraged the Commission to make it a permanent option once the waiver period expires.
- Frank Shaw, Patient Advisor, Massachusetts Cannabis Advisory Board
- Telehealth
 - o Underscored the subject as an equity matter.
 - o Remarked on how his own mobility issues have been prohibitive as a medical marijuana patient.
 - o Recommended that the in-person visit requirement for new MMJ be stricken.
- Nicholas Obolensky, Attorney, Obolensky & Balkcom, LLC
- Host Community Agreements
 - Offered anecdotal reports of municipalities acting in bad faith and particularly with regard to implementing the new laws.
 - O Suggested that the new regulations be retroactive to 2018 and that municipalities be provided with clear guidance about expectations.
 - O Suggested that HCAs should reflect the current applicable laws at the time the business becomes operational.
- Brenda Quintana, Labor & Community Organizer, MA Coalition for Occupational Safety & Health
- Workplace Safety
 - o Reflected on the need to expand workplace safety standards.
 - Recommended that the Commission develop and operationalize enforceable rules, trainings and programming tailored to the specific occupational hazards of the cannabis industry.
 - o Further recommended that occupational health and safety language be incorporated within the language of HCAs.
- Ryan Dominguez, Executive Director, MassCultivatED
- Host Community Agreements
 - Expressed the need for an expedited implementation timeline for the HCA review process.
 - Urged the Commission to ensure that the HCA review and certification process does not potentially jeopardize license renewals when municipalities do not enter into a compliant agreement.



- Highlighted the importance of more effective solutions to noncompliant HCAs. Opined that established solutions such as equitable relief for relocation are insufficient.
- Recommended that the Commission prioritize the development of a model HCA.
- Caroline Pineau, Licensee
- Host Community Agreements
 - Expressed the need for operational guidance for HCAs with regard to the intervening time between when the new regulations are promulgated on November 9, 2023, and when they will be enforced in May 2024.
 - Proposed establishing an acceptable notice period for municipality who elect to not renew an HCA as well as an acceptable timeframe for the impacted business to close and/or relocate.
 - o Voiced the need for clarity and consistency around municipal accounting.
- Fran Maguire, Licensee
- Host Community Agreements
 - Raised concerns about potential adverse outcomes in the event that an applicant and municipality cannot agree on the terms of an HCA.
 - Opined that the current regulatory language does not compel cities and towns to make a good faith effort to negotiate mutually beneficial agreements.
 - o Raised the question of what leverage applicants have under the circumstances.
 - Expressed concern about the threat of cannabis prejudice among local elected officials.
- Cleon Byron, Licensee
- Host Community Agreements
 - Advocated for a more expedient process by which to implement the regulations post-promulgations.
 - o Echoed prior sentiments about entities being in a vulnerable position in the intervening time between promulgation and enforcement.
- Ilya Ross, Vice President of Legal & Corporate Development, Trade Roots
- Municipal Equity
 - Voiced support of the Commission's efforts to ensure equity at the municipal level and noted that minimum parameters are a good first step.
- Host Community Agreements
 - Voiced support of the regulatory changes addressing contractual and negotiation requirements, including the certification of CIFs.



- Thomas Dolan, Principal, DD Hotel Advisors
- Social Consumption
 - o Expressed objection to not allowing food in a social consumption venue.
 - Opined that the concept needs to be developed and particularly with regard to the bifurcation of smoking versus consuming cannabis.
 - Expressed objection to the proposed 20mg consumption limit and noted that alcohol consumption in similar contexts is not limited in this way and advocated for self-governance in this regard.
 - Encouraged the Commission to consult with hospitality professionals as the social consumption model takes shape.
- David O'Brien, President, Massachusetts Cannabis Business Association
- Host Community Agreements
 - o Urged the Commission to implement the regulations expediently.
 - Noted that the Massachusetts Cannabis Business Association conducted two
 analyses of HCAs which revealed that some municipalities have been
 misappropriating funds collected from CIFs and failing to produce an
 accounting of how the funds were used.
 - Requested that the new regulations be enforced retroactively to January 2023, when they first went into effect.
 - Requested that the Commission solicit copies of HCAs from businesses and conduct an independent analysis.
 - o Advocated for the issuance of a model HCA.

Commissioner Camargo moved to take a twenty-minute recess.

- Commissioner Concepcion seconded the motion.
- The Chair took a roll call vote:
 - o Commissioner Camargo Yes
 - o Commissioner Concepcion Yes
 - Commissioner Roy Yes
 - o Commissioner Stebbins Yes
 - Chair O'Brien Yes

The Commission unanimously approved taking a twenty-minute recess, returning at 12:05 PM (02:07:10)

- Linda Tyer, Mayor, Pittsfield, MA
- Host Community Agreements
 - Noted that Pittsfield has been very receptive to the industry and allowed for thirty licenses.
 - Further noted that the town has accepted the movement toward the elimination of CIFs and offered amendments to active HCAs that eliminated these fees.



- Expressed concern that interfering with established contracts entered into in good faith will sour support for the industry.
- Advocated for a two-tiered approach that would allow established contracts to expire under the original terms.
- Noted that municipalities have no perceived recourse if they are aggrieved by a cannabis business.
- Expressed concern over the strain on municipal resources that the proposed changes would pose.
- Raised the question of the value proposition of HCAs to communities and whether they should be discontinued.

Municipal Equity

- Objected to a scoring system and opined that it may be too inflexible to allow the town to issue Social Equity licenses.
- Expressed that requiring a report on how municipal resources are expended on each licensee is redundant and noted that the same information is part of the public record.
- Paul Brodeur, Mayor, Melrose, MA
- Host Community Agreements
 - Remarked that cities and towns were not expecting the terms of HCAs to be amended when entering into agreements.
 - Explained that HCAs were a crucial point of advocacy in the early stages of establishing the local cannabis industry.
 - o Remarked that businesses were eager to enter into HCAs.
 - o Raised the question of why they should get relief from existing contracts.
 - Noted that proposed regulations would have major implications on the long-term planning and budgeting that municipalities undergo.
 - Stated that he is in support of fair access efforts but not at the expense of existing agreements.
- Breanna Lungo-Koehn, Mayor, Medford, MA
- Host Community Agreements
 - Explained that she agreed to four HCAs with the fundings and benefits to the community in mind.
 - Expressed concern that interfering with active agreements will result in extensive litigation, sour relations between cannabis businesses and host communities, and negatively impact municipal recourses.
 - Echoed prior sentiments urging the Commission to consider a two-tiered approach.



- Douglas Lapp, Town Administrator, Rockland, MA
- Municipal Equity
 - Opined that the proposed mandates would be burdensome to municipal resources.
- Host Community Agreements
 - Remarked that revenue was a factor in voting to allow marijuana establishments in the community.
 - Explained that the town does not have the resources to meet the proposed recordkeeping requirements.
 - Echoed prior sentiments urging the Commission to consider a two-tiered approach.
 - Noted that Rockland voted to maintain the CIF monies in a designated fund.
 Further noted that the use of the funds is authorized by vote pursuant to a use of funds policy adopted by the Board of Selectmen.
 - Opined the proposed regulations might inspire a mistrust of government.
 Further opined that the proposed regulations are incongruent with the legislative intent.
- Kevin Rudden, Chair, Massachusetts Association of Assessing Officers
- Taxation/Municipal Requirements
 - Requested that the Commission compel marijuana establishments to submit (i)
 MA State Tax Form 2 (Form of List) to identify personal property under their
 ownership and its value; and (ii) MA State Tax Form LA-39D (Annual
 Expenses for All Property Types) to the assessors of their host community for
 the issuance of property tax bills.
- Lynsi Sheckler, Senior Director of Compliance, Security & Regulatory Affairs, Acreage Holdings
- Market Saturation
 - Expressed concern that the proposed regulations do not seem to address
 oversupply and market saturation. Noted that cannabis supply is currently
 three times that of the previous year.
 - Recommended that the Commission halt licensing until the oversupply is corrected, as well as require cultivators to provide inventory and production records upon renewal of licensure and assert the discretionary right to reduce a licensee's maximum cultivation canopy.
- Definitions
 - Recommended amending the definition of "Gross Annual Sales" to include returns and discounts and not top line revenue.
- Host Community Agreements



- Recommended allowing operators to maintain business operations in the event that a municipality does not want to renew an HCA.
- Blake Mensing, Attorney, The Mensing Group, LLC
- Municipal Equity
 - Objected to the presumption that municipalities are acting within the interest of marijuana establishments.
 - o Echoed prior concerns about cannabis prejudice.
- Host Community Agreements
 - Asserted that the original statute concerning CIFs was clear that the fees had to be reasonably related, sufficiently documented, and not result in a net positive.
 - Suggested that there is an imbalance of power in the HCA process that favors municipalities.
 - Suggested that there is a fundamental and willful misunderstanding among municipalities around the function of CIFs.
- Alisa Brewer, Retired At-Large Town Councilor, Amherst, MA
- Municipal Equity
 - Outlined the impact on resources the proposed regulations would have on municipal resources.
 - Advocated for more expedient action and better guidance on the part of the Commission.
 - Recommended that the Commission pre-certify applicants before they seek HCAs.
- Kevin Gilnack, Consultant, Equitable Opportunities Now
- Equity
 - Urged the Commission to take advantage of the prerogative granted by Chapter 180 to refocus the prioritization of Marijuana Treatment Centers toward SEP/EEP enterprises instead.
 - Encouraged the Commission to strengthen regulatory language around licensing ratios to ensure more equitable industry participation.
- Ellen Brown, Founder, Green Path Training
- Suitability
 - Recommended that the literature about suitability standards include data and information about why removing specific mandatory disqualifiers is for the betterment of the industry.
 - Expressed concern that mandatory disqualifications were being removed for registered and unregistered sex offenders and individuals with human



- trafficking convictions but restrictions would remain in place with regard to certain cannabis convictions.
- o Advocated for the swift implementation of the Leadership Rating Program.
- Expressed concern over sex offenders being permitted to seek employment in the industry given the notable pediatric care element in the MMJ arena.

Equity

- o Encouraged greater focus on licensing minority-owned businesses.
- o Echoed prior sentiments in support of telehealth.
- Harry Jean Jacques, Co-Founder, Big Hope Project
- Municipal Equity
 - Urged the Commission to look more closely at what the cities of Boston and Cambridge are doing to implement equitable practices. He outlined some of those practices.
 - o Opined that the Commission has failed to meet statutory equity imperatives and its obligation to those disproportionately affected by the War on Drugs.
 - Encouraged the Commission to actively implement regulations, including those pertaining to CIFs that may disproportionately affect equity applicants.
 - o Proposed a municipal equity priority period for the next four years.
- Charles Carey, Town Administrator, Brookline, MA
- Municipal Equity
 - Suggested that if the proposed regulations are advanced, Brookline may be unable to accommodate any new Equity applicants and may be resigned to leave the cannabis business altogether.
 - Recommended that the regulatory language be clearer that communities can license cannabis businesses.
 - Expressed concern over the municipal personnel resources being dedicated to cannabis industry matters.
 - Objected to the ability of any "interested party" to lodge a complaint against a municipality for non-compliance with equity standards as it may pose an opportunity for bad faith actors to weaponize the system.
- Juwan Skeens, Candidate for Boston City Council, At-Large
- Civic Engagement
 - Recommended that some of the tax dollars generated from the industry be designated to childcare vouchers, school lunches, books, etc. for families in Disproportionately Impacted Areas as well as non-profits and public transportation.
- Equity
 - o Advocated for a more economical Social Equity Program application process.



- Patricia Cooney, RN, Department of Public Health
- Telehealth
 - Echoed prior comments in support of telehealth. Noted that she is a nurse specializing in cannabis-involved care. Reflected on how telehealth has been invaluable to her family.
 - Opined that medical marijuana treatment should be able to be administered in a school setting for those with a prescription.
- Diego Bernal, Co-Founder, Coastal Healing
- Host Community Agreements
 - Remarked that he felt pressured to accept a suboptimal HCA as his startup funds continued to become depleted.
 - Expressed that he is willing to reimburse his host community for any costs incurred by the operation of his marijuana establishment but has learned that it has cost the town nothing.
 - Echoed prior sentiments that the new provisions around CIFs should be implemented as efficiently as possible following promulgation.
- 3) Next Meeting Date-03:21:30
 - The Chair noted the next meeting would be on September 14, 2023.
 - The Chair raised a procedural question about how the body would continue with their discussion of the draft regulations at the following public meeting. She invited Commissioner Stebbins to comment.
 - Commissioner Stebbins noted that he would like the opportunity to revisit the proposed regulations after hearing public testimony and suggested that the working groups may want the opportunity to do so as well.
 - The Chair indicated that she would like to discuss the public testimony with the working groups.
 - Acting General Counsel Andrew Carter (AGC Carter) echoed Commissioner Stebbins' recommendation to allow the working groups to reconvene with their respective Commissioners to review the testimony. He added that any resulting proposed changes should be contemplated in the context of a public meeting.
 - Commissioner Roy asked AGC Carter if the public meetings would include live edits.
 - o AGC Carter responded affirmatively.
 - Commissioner Camargo invited comments from the Commissioners in the HCA and Municipal Equity working groups. She raised a concern about scheduling conflicts.
 - Commissioner Roy noted recurring themes from the public testimony which she suggested may help to expedite the working groups' deliberation efforts. She further noted that the September 14 public meeting is for licensing matters. She proposed holding a dedicated meeting on September 15.



- Commissioner Stebbins stated that he does not want to rush the working groups and that the meeting date should be determined by their needs, if possible. He asked AGC Carter to clarify the deadline.
 - o AGC Carter noted that he did not have the date on hand but would follow up.
- Commissioner Concepcion proposed holding one meeting to discuss Municipal Equity and another for HCAs.
- Commissioner Camargo encouraged seeking clarification from the working groups where needed but noted that it would be prudent to act decisively, given the time constraints.
 - The Chair agreed and suggested that the Commissioners meet one-on-one and with staff as needed for additional information. She indicated that she would coordinate with Project Manager, Mercedes Erickson (PM Erickson) to solidify the meeting dates.
- Commissioner Roy asked if the regulatory language would need to be re-written in real time or if the Legal department would take point on that afterward.
 - o PM Erickson replied that, as with the regulatory review meetings, Legal would make any final amendments to the verbiage.
 - o AGC Carter concurred.
- Commissioner Roy asked to clarify that the Legal department would be on hand during the meeting.
 - o AGC Carter responded that Legal would be on hand to offer guidance, as with the regulatory review meetings.
- Commissioner Roy thanked those who provided testimony and underscored its importance to the regulatory process.
- The Chair reiterated that the next public meeting would be held on September 14 as well as September 15, 18, and 19, tentatively.
- 4) Adjournment 03:53:26
 - Commissioner Camargo moved to adjourn.
 - Commissioner Concepcion seconded the motion.
 - The Chair took a roll call vote:
 - o Commissioner Camargo Yes
 - o Commissioner Concepcion Yes
 - Commissioner Roy Yes
 - Commissioner Stebbins Yes
 - Chair O'Brien Yes
 - The Commission unanimously approved the motion to adjourn.