



8/25 Public Meeting – Additional Materials

Table of Contents

Commission Discussion and Votes

20260824 - Chair Harding - Proposed Amendment

20260824- Cmr DeLobato- Proposed Amendments

Chair Harding - Proposed Amendment

Person or Entity Having Direct Control means any ~~P~~person or entity having direct control over the operations of a Marijuana Establishment, which satisfies one or more of the following criteria:

- (a) An Owner;
- (b) A Person or ~~e~~Entity that possesses a voting interest, individually or in the aggregate, of ~~2~~40% or greater in a Marijuana Establishment or Medical Marijuana Establishment, or a right to veto significant events;
- (c) A Close Associate;
- (d) A Person or ~~e~~Entity that has or exercises the right, power, or authority to control ~~or authority~~, through an agreement, contract, or otherwise, including, but not limited to the ability to:
 - 1. ~~To m~~Make decisions regarding operations, ~~and~~ strategic planning, financial decisions, capital allocations, acquisitions, and/or divestments;
 - 2. ~~To a~~Appoint or remove more than 50% of the directors or their equivalent that is disproportionate to the Person's or entity's equity or voting interest, or that exceeds the rights or authority granted to such Person or entity by agreement, contract, or other governing instrument;
 - 3. ~~To a~~Appoint or remove Corporate-level officers or their equivalent; or
 - ~~4. To make major marketing, production, and financial decisions;~~
 - ~~5. To execute significant (in aggregate of \$10,000 or greater) or exclusive contracts;~~
 - ~~or~~
 - ~~46.~~ Earn 40% or more of the profits or collect more than 40% of the dividends;
- (e) A Court Appointee or assignee pursuant to an agreement for a general assignment or Assignment for the Benefit of Creditors; or
- (f) A Third-party Technology Platform Provider that possesses any financial interest in a Delivery Licensee including, but not limited to, a Delivery Agreement or other agreement for services.

Commissioner DeLobato - Proposed Amendments

500.032: Revocation of a Marijuana Establishment Agent Registration Card

(1) Each of the following, in and of itself, constitutes full and adequate grounds for revocation of an agent Registration Card issued to a Marijuana Establishment Agent, including Laboratory Agents:

(i) Failing to disclose themselves as a Person or Entity Having Direct or Indirect Control or a Controlling Person to the Commission.

(j) Misrepresenting their de facto control or authority over the Marijuana Establishment to the Commission.

(k) Exercising control or authority that is disproportionate to their equity or voting interest in the Marijuana Establishment, or that exceeds the rights or authority granted to them by agreement, contract, other governing instrument.

500.400: Marijuana Establishment: Grounds for Denial of Application for Licensure

Each of the following, in and of itself, constitutes full and adequate grounds for denying an applicant on an application for a Marijuana Establishment License and the associated individuals and entities, but not for the renewal of a License.

Shift current (7) catch all to (10) and then add these:

(7) The applicant failed to disclose any Person or Entity Having Direct or Indirect Control or any Controlling Person to the Commission.

(8) An individual or entity listed on an application, including, but not limited to, a Person or Entity Having Direct or Indirect Control, has misrepresented their de facto control or authority over the applicant to the Commission.

(9) An individual or entity listed on an application, including, but not limited to, a Person or Entity Having Direct or Indirect Control, has exercised control or authority that is disproportionate to the Person's or entity's equity or voting interest in the applicant, or that exceeds the rights or authority granted to such Person or entity by agreement, contract, other governing instrument.

500.450: Marijuana Establishment License: Grounds for Suspension, Revocation and Denial of Renewal Applications

Each of the following, in and of itself, constitutes full and adequate grounds for suspending or revoking a Marijuana Establishment's License or denying a renewal application for a Marijuana Establishment License.

Shift current (17) catch all to (20) and then add these:

(17) The Marijuana Establishment has failed to disclose any Person or Entity Having Direct or Indirect Control or any Controlling Person to the Commission.

(18) An individual or entity listed on a Marijuana Establishment License or Application, including, but not limited to, a Person or Entity Having Direct or Indirect Control, has misrepresented their de facto control or authority over the Marijuana Establishment to the Commission.

(19) An individual or entity listed on a Marijuana Establishment License or Application, including, but not limited to, a Person or Entity Having Direct or Indirect Control, has exercised control or authority that is disproportionate to the Person's or entity's equity or voting interest in the Marijuana Establishment, or that exceeds the rights or authority granted to such Person or entity by agreement, contract, other governing instrument.