



Commonwealth of Massachusetts

CANNABIS CONTROL COMMISSION

ONE ASHBURTON PLACE, ROOM 313
BOSTON, MASSACHUSETTS 02108
TELEPHONE (617) 878-9853

STEVEN J. HOFFMAN
CHAIRMAN

CANNABIS CONTROL COMMISSION PUBLIC MEETING MINUTES

October 17, 2017 10:30 a.m.
One Ashburton Place, 21st Floor
Conference Room 1
Boston, MA 02108

COMMISSION MEMBERS IN ATTENDANCE:

Chairman Steven Hoffman
Commissioner Kay Doyle
Commissioner Jen Flanagan
Commissioner Britte McBride
Commissioner Shaleen Title

COMMISSIONER MEMBERS ABSENT: None

DOCUMENTS DISTRIBUTED:

1. Mission Statement
2. Draft Organization Chart
3. Preliminary Budget

PUBLIC MEETING AGENDA:

Call to Order

Comments by the Chairman and Update on Commission Activities & Next Steps

Chairman Hoffman explains that reference to the Cannabis Control Commission as "CCC" is not the acronym used by the Commonwealth for the Commission and "CNB" is the acronym used instead.

Chairman Hoffman describes the public listening sessions and thanks Commissioner Doyle for organizing them, as well as the thoughtful and well-prepared statements made by the commenters. The comments are being transcribed and the comments from each session will be made available to each of the Commissioners.

Chairman Hoffman describes progress in staffing. The Commissioner received 42 applications, which were reviewed, 8 people were brought in for interviews and there will be more details on that. Chairman Hoffman explains that a full-time executive assistant has been hired. He also states that the deadline for resumes for Director of Communications is October 18, 2017 and many have been submitted. He recognizes it may take some time to hire someone permanently and notes that in the interim, the Commission has hired Dot Joyce on a contract basis. Chairman Hoffman thanks Chandra Allard for her work assisting the Commission with communications to date. He also describes the technology required by the 2017 Law and the Commission has contracted with Luella Wong to develop specs for the technology required.



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Chairman Hoffman discusses the launch of the Cannabis Advisory Board and the development of the subcommittees, including that each of them has a Chairman and has either held or scheduled their first meeting. He describes the mission of the subcommittees to make recommendations regarding the regulations on or before November 30, 2017.

Chairman Hoffman explains that the Commission will prepare reports on the public listening sessions after the transcriptions are received.

Chairman Hoffman explains that the Commission needs to get to work on the draft of the regulations and will be focused on that in the coming weeks, after which the draft regulations will be posted and public hearings in January.

Chairman Hoffman reiterates on technology, that the Commission's intent is to utilize existing technology, rather than create something from scratch.

Chairman Hoffman discusses the start of a revenue forecasting project. The Department of Revenue has done a revenue forecast for adult use of marijuana in winter of 2017 based on other states, with modifications on issues specific to Massachusetts. The forecast was done on the basis of the ballot petition passed in 2016, rather than the legislation passed in July of 2017, which has a different tax rate. The revenue forecast will be updated on the basis of new information. Chairman Hoffman warns that a full-fledged industry will not entirely be up and running in summer of 2018 and there will be a ramp. The Commission will work to estimate how long and steep the ramp will be.

Chairman Hoffman states that there will be a budget review, but there is no final number. The Chairman prepared the budget with input from each Commissioner. The objective for today is simply to determine whether he has missed anything.

Chairman Hoffman mentions that the Commission is looking to improve the website, with the help of Dot Joyce.

Chairman Hoffman announces the start of the search for a General Counsel and hopes an Executive Director will be on board by the time the hiring process begins in earnest.

Commissioner Title reminds the meeting that the public listening session is not over and that written comments may still be submitted.

Chairman Hoffman opens discussion on the mission statement. He comments that one of the comments frequently received at the public listening sessions is to make sure there is room for smaller businesses in the industry. He has changed the mission statement to recognize the need to encourage participation by small business, women, minorities and veterans. He also added healthcare providers and elected officials to the list of constituents for the Commissions and also added language to acknowledge that there are more constituents listed.



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Commissioner Title recommended eliminating the word “proportional” and replacing it with “full and robust.”

Commissioner Flanagan recommended eliminating the word “new.”

Commissioner Doyle moved to adopt the mission statement as amended. Commissioner Flanagan seconded. The Commission voted in favor, 5-0, unanimously.

Chairman Hoffman explained that he developed the first pass at the organization chart, based on his work experience and work done by the Treasurer’s office. He then asked for Commissioner’s input, added the input to the draft chart and circulated it to the Commission for discussion at this meeting.

Chairman Hoffman goes over the organization chart, mentioning that the Executive Director is the only direct report to the Commission and that he has included a Chief of Staff for budgeting purposes, but it is not final that a Chief of Staff would be included. Chairman Hoffman describes the 8 direct reports to the Executive Director.

Commissioner McBride comments the Executive Director will be reporting to the Chairman on behalf of the entire Commission and we need to be careful on language about that.

Commissioner Title recommends the addition of a Community Outreach focused on the communities harmed by prohibition and participation by women, minorities and veterans. Commissioner Flanagan questions if that would be a person at the level reporting directly to the Executive Director. Commissioner Title confirms that is her recommendation.

Commissioner Doyle recommends removing the Director of Government Affairs up to a direct report to the Executive Director, rather than reporting to General Counsel.

Commissioner McBride reminds the meeting of budget limitations and recommends that job positions be developed for each position, so the Commission can evaluate staffing priorities. Chairman Hoffman acknowledges that there will be a staggering of the hires, in part because the Executive Director needs to be hired first, and agrees that developing the job descriptions is a good idea. Commissioner Title and Flanagan agree. Commissioner Flanagan emphasizes the need for setting priorities with a limited budget, comments on her experience in the Legislature where people do multiple jobs and questions the titles of “Director of Communications” and “Director of Social Media” when money is an issue. Commissioner Hoffman acknowledges that “Director of Social Media” is a relatively junior position, but one that it is important, but maybe the language of the title could change. Commissioner Flanagan emphasizes the highlights the need for a researcher to assist in the drafting of the regulations. Chairman Hoffman differentiates the Director of Research on the organization chart as associated with the research agenda required by the legislation and states that he has accounted for contracted resources to assist in the drafting of the regulations, which will be discussed in the budget.



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Chairman Hoffman continues discussion of positions on the draft organization chart on the next level of the organization chart, the positions reporting to the direct reports to the Executive Director, including Staff Accountant, Deputy General Counsel, Director of Government Affairs, Director of Social Media and Office Manager. The draft organization chart is meant to be for July 1, 2018. He comments that part of the reason to plan out the positions, even if they won't be hired for some time, is to account for space as the Commission looks for future office space. Commissioner Title recommends a policy analyst for a permanent position. Chairman Hoffman comments that he believes Director of Social Media is a separate full-time job. Commissioner Title recommends that the title be renamed to Social Media Manager.

Chairman Hoffman discusses the position of Chief Information Officer and acknowledges the work Scott Olson from the Comptroller's Office has done to assist the Commission.

Chairman Hoffman outlines the positions under the Director of Enforcement. Commissioner McBride comments that Chief of Enforcement may not be needed if there is a robust enforcement staff, but recognizes that the Commission doesn't know the number of applications that will be received and the number may need to change. Commissioner McBride recommends that the Commission should review whether the policy analyst and the researcher be combined. She also recommends that the Commission look to reduce redundancy in staffing. Chairman Title responds that she wasn't necessarily envisioning them as long-term roles, but she was thinking that the researcher position would be more data-oriented and the policy analyst would be more law and policy-oriented.

Commissioner Doyle asks for clarification that the draft organization chart is not meant to incorporate the medical use of marijuana program, but instead is devoted to adult use of marijuana. Chairman Hoffman agrees that the draft organization chart is solely for the regulation of adult use.

Commissioner Title expresses concern re: agreeing on the direct reports to the Executive Director. Chairman Hoffman responds that he believes the job positions should be fleshed out first. Chairman McBride suggests dividing up drafting of the job descriptions for a future meeting. Chairman Hoffman recommends the fleshing out of all ten descriptions on the level direct reports. Chairman Hoffman agrees to take the Chief Financial and Administrative Officer and Chief Information Officer, Commissioner McBride takes General Counsel and Chief of Investigations and Enforcement, Commissioner Flanagan takes Director of Government Affairs, Commissioner Doyle takes Director of Research, and Commissioner Title takes Constituent Services, Community Outreach and Chief People Officer. Commissioner McBride mentions the work done by the Treasurer's office and states that she will circulate it to the other commissioners to inform the job descriptions. Commissioner McBride thanks the Chairman for his work on the draft organization chart.

Chairman Hoffman introduces the preliminary budget. He explains it is a spreadsheet that he developed that spans the months of the remaining fiscal year and FY19. He wanted to have the conversation about staff needs and to develop a budget because the Commission needs to seek a supplemental appropriation for the remainder of the current fiscal year and work on incorporating itself into the state's budgeting process for fiscal year 2019. The spreadsheet features a month-by-month for each of those two time frames, the remainder of this fiscal year and the entirety of fiscal year 2019.



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Chairman Hoffman notes that he had not had a chance to sit down with the department of revenue yet, but for the supplemental appropriation required for the remainder of fiscal year 2018, there will not be much revenue. The Commission cannot start accepting license applications until April 1, 2018, when it would receive some applications fees. The Commission also can't approve licenses until June 1, 2018, so there might be some license fees in the last months of the fiscal year, but it may be minimal compared to the investment the Commission is asking the state to make.

Chairman Hoffman states that he has focused on costs, not revenues, but ultimately the model will have revenue in it, and that the spreadsheet will change as the organization chart changes. The salary estimates are based on work done by the Treasurer's office, but as the commission puts together specific job descriptions, it will be determined whether they are the right salaries. Chairman Hoffman comments that the Treasurer's office did an amazing amount of work and has been incredibly generous about sharing it with the Commission. The positions have expected start dates, with the assumption that they won't all start at the same time. The ones that may start sooner are Director of Communications and General Counsel. Commissioner McBride observes a typographical error in the start date for the General Counsel, which should be 12/1/17, rather than 12/1/18 as stated in the spread sheet. Chairman Hoffman agrees to fix it.

Chairman Hoffman states that the spreadsheet positions are placeholders to get the Commission a headcount. Based upon the estimated salaries and the estimated start times, he will be able to forecast what the salary costs will be, but notes that there are also benefit costs that will need to be reflected.

Chairman Hoffman comments on the contractors already retained that are reflected in the spreadsheet: Dot Joyce (communications) for three months and Luella Wong (technology) through the launch, but her contract is month to month. Chairman Hoffman requests information on the lawyers and policy analysts needed to help draft the regulations, as well as a graphic designer suggested by Commissioner McBride to design the warning symbol required by the law.

Chairman Hoffman asks Commissioner Doyle what is needed to assist in drafting the regulations. Commissioner Doyle said two lawyers or one lawyer and two policy analysts. Chairman Hoffman asked for a time frame and Chairman Doyle responded that it would start as soon as possible and last through March. Commissioner Title requested two additional policy analysts. Chairman Hoffman asked the typical number of hours for a lawyer. Commissioner Doyle responded 37.5 hours. Commissioner Title continued that one analyst would be working on the Economic Empowerment Priority licensing, and the other one will be working on the social consumption research. She is unable to do her work until the Commission has a definition of "community disproportionately harmed." There are two separate ones identified: marijuana prohibition and enforcement is in one part of the law and then communities disproportionately impacted by high rates of arrest and incarceration for offenses under the Controlled Substances Act is another part of the law, and those are two different communities. Commissioner Title stated that she would need a data analyst or researcher to identify those communities. Chairman Hoffman asks if two separate data analysts are needed, but Commissioner Title responds that one should be fine and she is in the process of getting proposals for it. She clarifies that the data analyst she is describing is



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different from a policy analyst and that the data analyst needs to start as soon as possible, but would conclude their work in a month.

Chairman Hoffman asks about the policy analyst. Commissioner Title says she will need a policy analyst through the beginning of March. Chairman Hoffman asks the other Commissioners if they need additional analysts. Commissioner Doyle responds that they would need at least one for general research. Commissioner Flanagan says she needs someone similar to an aide to assist her in the work she is doing, and that person may do both data and policy analyst work. Chairman Hoffman asks what each Commissioner needs. Commissioner Doyle responds that she needs one lawyer and one policy analyst. Commissioner McBride states that she needs a lawyer that could be shared. Commissioner Doyle agrees regarding sharing a lawyer. Commissioner McBride states that she too probably needs a policy analyst, and perhaps a second or third year law student could help. Chairman Hoffman agrees that he would like to go to every law school and business school. Commissioner Flanagan agrees that she could share a lawyer and a half with the other Commissioners. Chairman Hoffman clarifies that it means one full-time and one part-time lawyer. Commissioner Title states that her policy analysts need not be lawyers and she could use two policy analysts on a part-time schedule.

Chairman Hoffman indicates that he will make changes to reflect the conversation to be reviewed at the next regular meeting, and repeats his intention to reach out to area schools. Commissioner Title also suggests public health programs. Chairman Hoffman requests contact information and Commissioner Title states that she has a list.

Chairman Hoffman thanks the Commissioners for the discussion. He states that he does not have a technology cost yet and is working hard to get one. The treasurer's budget had a \$5 million technology development budget, which he was not prepared to comment on whether that's high, low, or right, but he pledged to do it as cost effectively as possible.

Chairman Hoffman comments on the Facilities budget. The Commission currently has 7 cubicles at One Ashburton Place, but is unable to secure any more. The Commission is looking for other space, but will only be to get interim quarters for 12 to 15 months before getting permanent space for the Commission. The interim space will be located in Boston, because the Commission has to work with the state house and other agencies. The location of the permanent office will be discussed at a future meeting. For the interim space, DCAMM, Department of Capital Asset Management and Maintenance, is doing the negotiation with a couple prospective landlords. The Commission hopes to be there by December 1st. The proposed space would be expandable, with the first tranche having a capacity for 15 people, which will not require any build-out. The space for expansion will require buildout and will be spread out over the course of the lease for approximately \$90,000. The Commission is also attempting to secure cheap or surplus furniture, as well as office supplies, telecom, and technology. The Chairman comments on the services of Chris Guido, the CTO for the Comptroller's office, in helping develop a technology budget and execute a technology plan for the space. Chairman Hoffman recognizes that the state budget is tight and that the Commission is trying to be particularly frugal as far as everything goes, including space, the budget for which was also taken from work done by the Treasurer's office.



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Chairman Hoffman explains that the Commission will need investigative staff, who will need items such as cars and hazmat suits. Commissioner McBride asks about the personal protective equipment. Chairman Hoffman comments on interdepartmental charges and the difficulty in determining them, such as interim staff from the Comptroller's office and space from HRD, the costs of which need to be paid. He also notes that the legislation has requirements for the Department of Agriculture and they believe that they need to add staff to satisfy those other requirements. Chairman Hoffman states that he is working with the Comptroller's Office to flesh out all interdepartmental charges. He explains that he believes the commission is close to having a good budget, but he is hesitant to proceed with one until the Executive Director starts because the Executive Director will own the budget. He will update the budget based on the discussion during the meeting. Commissioner Doyle thanks the Chairman for the work he has done on the budget.

Commissioner Title remarks that on community outreach, she has worked with our advisory board representatives from the ACLU and the Union of Minority Neighborhoods to develop a budget, but she was not sure if it was included. Chairman Hoffman agrees that it needs to be included and will work with her to incorporate it. Commissioner McBride asks what that budget would be, such as education. Commissioner Title states that it is the costs of a public awareness campaign. Commissioner Doyle asked if the budget included the costs of the statutorily imposed public awareness campaigns. Chairman Hoffman said he would work to include the two separate issues and thanks the Commissioners for a productive conversation.

Chairman Hoffman states that there is no new business that he did not anticipate at the time of posting.

Chairman Hoffman states that the next agenda item is the next public meeting dates for the commission, and there are three. One is this afternoon, October 17, 2017, at 2:00 PM in the same room for Executive Director interviews for the three candidates for that position. Chairman Hoffman expects that the meeting may last until 6:00 p.m. He anticipates giving each finalist an hour interview and take a short break in between, for a total of four hours. The next meeting after that is Thursday, October 19, 2017 at 12 Noon in the State House, Room 222, at which there will be a public meeting to deliberate and determine to whom we will offer the job of Executive Director. Following that, on Tuesday, October 24, 2017, at 10:30 a.m. there will be a standard open public commission meeting at the Minihan meeting room at 19 Staniford Street.

Chairman Hoffman states there is no further business before the Commission, and adjourns the meeting as of 11:53 a.m.