

# Commonwealth of Massachusetts



## CANNABIS CONTROL COMMISSION

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STEVEN J. HOFFMAN

CHAIRMAN

### CANNABIS CONTROL COMMISSION PUBLIC MEETING MINUTES

*January 17, 2018 11:00 a.m.*

One Ashburton Place, 21<sup>st</sup> Floor

Boston, MA

10:30 a.m.

Boston MA

#### COMMISSION MEMBERS IN ATTENDANCE

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

COMMISSION MEMBERS ABSENT: None

#### LIST OF DOCUMENTS:

1. Presentation: <https://www.mass.gov/files/documents/2018/01/19/CNB17-011718CommissionMeeting.pdf>
2. Memorandum: "[Licensing & Tracking Procurement](#)"

Chairman called the meeting to order at 10:30 a.m. and recognized that Commissioner Flanagan is participating remotely, so all comments will be done by roll call vote.

Chairman recognized that there will be another week for nominees to the Citizens Review Committee. Executive Director Shawn Collins talked about the Chief of Investigations and Enforcement posting.

Commissioner Doyle made a motion to approve the minutes for December 11, 2017, Commissioner Title seconded. Chairman Hoffman took a roll call vote and each Commissioner voted in favor of approving.

Chairman Hoffman opened a discussion on the licensing and tracking procurement process. Chairman acknowledged professional and thorough work done by Commission staff, contractors

and Treasurer's Office and Executive Office of Technology Services and Security Office (EOTSS).

Mr. Collins reviewed recommendations and acknowledged a condensed timeline. The procurement process started with posts on COMMBUYS, the state procurement website, on December 1, 2017. He described the process as open, fair and competitive. Mr. Collins went through the timeline from December 1, 2017 through January 17, 2018. Ms. Luella Wong began engaging with vendors on a day-to-day basis. A procurement management team was formed of the Chairman, Mr. Collins, Ms. Wong, Ms. Maryalice Gill, and Danielle Ondrick from EOTSS. The PMT met on December 17, 2017 to review responses from vendors and narrowed down the finalists. Demonstration of presentations occurred on January 10 and 11, 2017, with vendors making an hour and a half presentation each per type of software (if they were presenting on both, they had three hours).

The timeline proposed initially is still being adhered to by the Commission. The PMT has confidence that it has the resources it needs to complete the process in compliance with the deadlines. Mr. Collins is prepared to make two recommendations: licensing and management software, as well as seed-to-sale tracking software.

The unanimous choice for licensing and management software was JD Software, based in Salem, Massachusetts. The reporting offered by JD Software, its adaptability, ability to offer jobs in the Commonwealth, proposed engagement model, and their references made them attractive. JD Software is currently the licensing vendor for the Department of Public Health, and DPH offered a recommendation as a reference for the company.

The unanimous choice for seed-to-sale tracking was Franwell. It uses RFID tagging, doesn't rely on audit, and is currently active in a majority of legalized states. It works exclusively with regulators, not licensees, but offers an API option to allow interaction with licensees. In Nevada, they launched in less than 60 days and were onboarding staff within 30 days.

Commissioner McBride asked about the training of Commission staff on the system and the ability and availability of the vendors to train. Mr. Collins said training involves training the staff to use the system, and training applicants to navigate the system. Once the Commission locks down the system, they will develop videos or tutorials to be posted on the website. They have looked at training from a robust perspective.

The vote will be to authorize Mr. Collins to enter into negotiations with vendors for licensing management and tracking software. With JD Software, there is also much that the Commission can operate on its own without assistance from JD Software. Chairman Hoffman agreed that JD Software was the most flexible of the responding vendors. Commissioner McBride asked about whether e-forms were going to be used. Mr. Collins agreed that the Commission was anticipating using e-forms exclusively.

The workflow management was well-designed as well. Chairman Hoffman clarified that the Commission could allow the acceptance of paper applications, if needed. The Chairman also

stated that the software could be used on multiple platforms, such as cellphones. Mr. Collins added that accessibility issues were tested on all the vendors.

Commissioner Title asked about the background check licensing process and whether it would be done as part of this software or separately. Mr. Collins said it would be housed separately, but it would integrate with this system through API configuration. Commissioner McBride noted they have been assured all security requirements necessary for keeping information such as fingerprinting, can be satisfied with this equipment. Mr. Collins added they are FEDRAMP certified, meeting federal security requirements.

Commissioner Title asked if there was any negative feedback regarding JD Software. Mr. Collins said there was not, but there were comments that the government agency that needed to engage and invest early on. Chairman Hoffman said there was going to need to be staff devoted to this issue and a subset of the Commission dedicated to addressing it.

Commissioner McBride asked about the costs associated with change orders as the industry and the Commission changes. Mr. Collins acknowledged that change orders can result in ballooning costs, but evaluating the future costs would be done in the near future, and would be discussed during contract negotiations. The cost projections currently received do fit within the budget. Commissioner Title asked how the adaptability to changes were determined. Mr. Collins explained that it was discussed during the presentations and they demonstrated how something could be changed. Chairman Hoffman commented that it appeared to be a very straightforward process to change and he thought it was flexible. Commissioner Title asked about security breaches and unannounced outages. Mr. Collins said there were not to his knowledge. Security testing was done to see if they could identify any vulnerabilities. He reiterated they are FEDRAMP certified.

The Chairman asked for a vote to authorize Mr. Collins to engage in negotiations with JD Software. Commissioner Doyle moved, Commissioner Title seconded. Chairman Hoffman took a roll call vote and each Commissioner voted in favor of approving.

Mr. Collins began discussion of Franwell's seed-to-sale tracking technology known as Metrc. Commissioner Title asked about the vendor not providing software to licensees and only regulators. Mr. Collins explained that Franwell did not directly market to licensees, but used API to allow licensees to interact with the software. Commissioner Title asked if licensees could come up with their own POS system. Mr. Collins and Chairman Hoffman said they could as long as it could successfully interact with the Franwell software. In order to be in the tracking system, you need to have a license. Using APIs, both vendors are confident they can make a data connection. Commissioner Title asked about negative feedback. Mr. Collins said there was no direct feedback, but there were stories regarding speed of rollout and other issues. In California, there are multiple bureaus regulating marijuana and there has been some difficulty dealing with multiple government agencies. Chairman Hoffman added that Franwell was confronted with the problems California had and the responses they received gave them confidence that Franwell could operate in a timely manner. Mr. Collins added that Franwell managed to do things quickly in Nevada, despite being brought in late. Chairman Hoffman commented that the reports that

could be generated was one of the big pluses. Commissioner Title asked whether there had been outages or other issues. Mr. Collins responded that there had not and explained the redundancies in the system to compensate for possible disruptions and outages so that data is not left.

Commissioner McBride asked about Franwell's ability to train Commission staff. Mr. Collins commented that there were bandwidth questions asked, including if there would be a way for licensees to get help if they were having problems. They operate roadshows to do trainings around the country. They recommend that training with the software should be a condition of licensure. Chairman Hoffman added that while licensing software instruction could be taught by video, he thought seed to sale tracking needed to be taught in person. Commissioner McBride also commented that she was interested in each company's ability to provide robust auditing process.

Chairman Hoffman asked for a motion to authorize Mr. Collins to enter into negotiations into seed to sale software with Franwell. Flanagan moved, Doyle seconded. Commissioners all voted yes in roll call vote.

Chairman thanked everyone for their work.

Chairman is not aware of any additional topics that he was not aware of when posting the agenda. Next meeting is Tuesday, January 23, 2017 at 10:30 a.m. at Gaming Commission hearing room.

Meeting adjourned is 11:09 a.m.