



CANNABIS CONTROL COMMISSION PUBLIC MEETING MINUTES

February 28, 2018 10:00 a.m.

Massachusetts State House
Room B-1
Boston, MA

COMMISSION MEMBERS IN ATTENDANCE

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

COMMISSIONER MEMBERS ABSENT: None

LIST OF DOCUMENTS:

1. Presentation: <https://mass-cannabis-control.com/wp-content/uploads/2018/03/2018.02.28-CNB-Presentation.pdf>
2. EEA Presentation: <https://mass-cannabis-control.com/document/eea-presentation-2-28-2018-commission-meeting/>
3. Tiers Presentation: <https://mass-cannabis-control.com/document/tier-presentation-2-28-2018-commission-meeting/>

Chairman Hoffman called the meeting to order at 10:05 a.m. He put the public on notice that this meeting is being recorded and asked people to silence or shut off their cell phones.

Chairman Hoffman said before they get into the remaining topics, he believes there is one topic they agreed to reopen to make sure there is clarity and alignment among the Commissioners. He wanted to discuss cultivation and the 100,000 square foot limit and whether that applies per license or per licensee. He asked Commissioner Doyle to describe that issue again.

Commissioner Doyle agreed. She said in looking around the country, reading headlines regarding overproduction in other states, she was persuaded it made sense to propose cultivation caps. Around the country it seems where there are cultivation caps, it seems to be the average is 30,000 per license, which she thought didn't really fit this state because there are RMDs that may be bigger than that or have plans to grow bigger than that. Rather than put the 30,000 cap on a particular license, she would propose a 100,000 square-foot cap per licensee, rather than license, since the existing Registered Marijuana Dispensaries applicants were only allowed one cultivation facility, she does not believe any of them are 100,000-square feet, so that would leave room for some controlled growth, but not make it so they would grow so enormous that they

would occupy the field and block the ability of smaller, newer players to get in. She had also proposed, since a craft marijuana cooperative has the equivalent of one license, but multiple locations, that they have a 30,000-square-foot cap. In the course of the conversation yesterday, there was discussion about changing the amounts, but she was going to stick to her initial recommendations. She was not clear on whether or not they had taken a vote. Executive Director Collins said he did not think they took a vote. Commissioner Doyle said the Commission should also discuss whether or not the tiers originally proposed made sense in relation to the limits. Chairman Hoffman asked them to separate those two issues. Chairman Hoffman said they want to be clear on what they are voting on. The proposal on the table is a 100,000-square-foot limit per licensee, and a 100,000-square-foot limit for craft cultivators who are essentially one licensee. He said that is the proposal, he would like to get other Commissioner's comments and thoughts before they vote. Commissioner Title clarified if it would be 100,000 square feet per licensee for a total of three licenses. Commissioner Doyle agreed and commented that the Commission should err on the side of caution at the beginning and adjust upwards in response to evidence, rather than the other way around, because it is more business friendly. Commissioner Title said that seems low to her, however her main concern would be that no one is operating at a bigger level now, and based on the information provided, there is not, so she would be okay with that number if the rest of the Commission is. She does feel strongly the co-op limit should be the same. Chairman Hoffman agreed. Commissioner Doyle said the downside to the 100,000 cap for co-ops, is that it gives room for a lot more locations and she does not know how that will affect the fee calculation.

Chairman Hoffman commented that the Commission would discuss fees momentarily, but he would propose that they charge license fees to craft cooperatives that are comparable to what they are charging other cultivators, based upon the square footage, with one change, that for any location above 6 locations, they would charge the lowest tier licensing fee for each of those locations to cover the additional cost for inspection and enforcement. The fees will be the same for craft cultivators as they are for non-craft cultivators, based on square footage. It will take into account the incremental costs of additional locations that would have to be inspected. Commissioner McBride said she continues to be aligned with Commissioner Doyle and her recommendation, but she requested further explanation on the fees for craft cooperatives. Chairman Hoffman said if Commissioner Doyle suggests they should reconsider the tiering, they would have a separate conversation, but it should not change the base of economics. What he is proposing would be no different than what they saw yesterday: different application and different annual licensing fees depending on which tier, and then for the biggest tier where they are going to be over 10,000 square feet and did not place a limit at that time, an incremental \$0.25 per square feet. Yesterday, the Commission voted on reducing the fees, both application and licensing fees, for outdoor cultivation by 50% so that is reflected here and what he added this morning, for craft cooperatives, was to charge them an application fee that is consistent with tiering for regular cultivation, based upon the square footage they are asking the Commission to license, and charge them an annual licensing fee consistent with the tier of the coop collectively is in, and discount it 50% if the cultivation is outdoors. He also proposed charging an additional incremental fee for each member of the cooperative above six to cover the incremental inspection and enforcement costs. Commissioner McBride discussed treating craft cooperatives the same as cultivators for purposes of square footage and whether charging additional amounts for location would have a prohibitive effect on encouraging a vibrant cooperative. Chairman

Hoffman said his intent was to allow for and allow coops to add members, but account for additional enforcement costs for the Commission. The fees are supposed to cover the costs, so they will go up as they add more locations. The Commission will learn what the enforcement and inspection costs are going to be as they go on and adjust, if appropriate. The Commissioners discussed the appropriate constraints for cooperatives when compared to cultivators, as cultivators were limited to 3 licenses tied to one location each, but craft cooperatives could divide their 100,000 square feet into many locations. Commissioner Doyle expressed concern about starting high with craft cooperatives and having to scale back, which happened to Oregon. Chairman Hoffman said he agrees with her concern, the question is how do they effectually deal with that concern. He has a concern about total cultivation, not just craft versus other cultivation, total cultivation. He believed with the other systems the Commission had put in place to prevent overproduction, craft cooperatives should be treated the same as cultivators.

Commissioner Doyle said maybe as a way to compromise on this management, growth management issue, yesterday they talked about setting a place for people to come in. She had made the recommendation that it be what they are now calling Tier 3, which is the 5,000-10,000. They can pick any of the tiers under that, and that is when the production controls kick in. She said what the discussion had led to yesterday was not doing that because people were more in favor of letting the licensee pick where they came in. The worry she has is that makes growth management controls meaningless, because why wouldn't you just come in at the top. Then you do not have to demonstrate anything. Commissioner Title said first, to address the point about 100,000 among three licenses as a genie in bottle thing, the Commission is being very conservative there. An average of 30,000 is objectively low if you look at the national average. Commissioner Doyle responded that 30,000 was the national average. Commissioner Title said her concern is fairness. She did not have a strong feeling on what the cap should be, but if they institute a cap, they need to be fair to the co-ops and have the same cap for cultivation and the total co-op, and they need to make sure they are being fair to new entrants versus people already operating. She would absolutely not support a system where new entrants are coming in at one tier, and need to prove before they can move up, versus others already operating, coming in at a certain tier.

Commissioner Doyle asked if they could start existing operators at where they actually are operating now, but other people would start at a different level. Commissioner Title said she has saying they should stick with the relegation approach that they already decided on. That is what she supports, she thinks they had a great discussion yesterday and she has consistent on that. What she is suggesting now is were they to make a change that people need to come in at a certain tier, then everybody, including current operators, need to come in at the same tier. But she has not calling for that. Commissioner Doyle said she has trying to understand how it would work functionally. If they did that, they would be able to maintain current, if they are going to stay medical as well as adult use, is the Commission separating out how much is devoted. They agreed yesterday that they weren't going to track separately adult and medical, but then if they say, "we know you're already larger," say you're 50,000 and the Commission starts everybody at a lower rate, she has not sure what happens to those extra plants. Commissioner Title said if she imagined that that suggestion was on the table, she does not support that suggestion. She supports relegation, period. Chairman Hoffman said he agrees. Commissioner Doyle said what she has trying to figure out is when you're starting, whenever you start, and you're an existing

RMD, is the Commission saying they would start at whatever their existing canopy footprint is. Commissioner Title said she thinks everyone, including new entrants and existing RMDs, can pick the tier they are in, and if they do not meet the 85%, then they would go back down. Chairman Hoffman said they would have to agree if they were in the higher tier, pay a higher annual licensing fee, that is their decision, and the whole point of the relegation system is whatever tier they are operating at, they are selling 85% of whatever they produce, or else they get relegated. If the Commission is putting a cap on, which they are, and he thinks the question is whether the caps differ for different categories of licenses, if they are putting a cap on, that is the constraint. People can operate under that as long as they understand they might get relegated to a lower tier.

Commissioner Doyle said she has worried what that does is create some sort of a loophole for the higher financed operations to shut out small business because they can afford to pay the \$25,000 fee because they are going to pick 100,000 and they can afford the \$25,000 whereas the smaller businesses are going to have to start smaller because that is the license fee they can afford and they are trying to afford all of the other things that go along with starting up a business. So, then the bigger guys are not going to be subject to production control because they are paying for that 100,000 already and the Commission isn't looking at whether they are doing the 85% production. Chairman Hoffman said they will look at that. Commissioner Doyle said but they have already paid for the absolute top. They may have to separate out the application fee from the production control, separate them altogether. Chairman Hoffman said that is fair. He does not care if somebody pays the full fee; if they are not meeting the 85% threshold, then they get relegated. If the Commission does it sometime within the 12 months that the licensee applies, they might have to give them a rebate, but he thinks they are separate issues.

Commissioner Doyle said if they still did fees by tiers and someone pays \$25,000, and they pay for that absolute top tier, but they do not have that amount yet, they have a smaller canopy in operation right now because they are converting from medical, the Commission takes them at the tier they are at now and apply the production control regardless of what fee they have asked for. Chairman Hoffman said he thinks that is correct. Commissioner Doyle said that may close the loophole but she said they may have to let General Counsel to think about it. Commissioner Title said she thinks the Commission needs to encourage businesses to make their own business decisions. If she had \$25,000, and she is quite certain she is going to make the 85%, because I do not have \$25,000 to just blow, I'm going to do that. If I have \$25,000 and I think maybe I'll be relegated, maybe I won't, it is fine with me either way. Commissioner Doyle said she would add to the recommendation and she apologizes to the General Counsel and Executive Director for making more votes necessary, but she would recommend that they decouple fees and production/growth management to make sure they do not accidentally create loopholes. Chairman Hoffman said that is fine. The question would be how frequently do they want to do the relegation analysis and he thinks they talked about every six months. Commissioner Doyle said they did. Chairman Hoffman said, then he thinks depending on what she thinks is reasonable, they add to the language that they will rebate if someone's prepaid the entire year and they are relegated to a lower tier, they probably have to refund. He would like them to talk about that. Commissioner Doyle said she would be against that just because she would be a little worried about budget uncertainty, but also there are certain calculations you have to make as a business person including nonrefundable application fees. Chairman Hoffman said he thought

that would be fine. They'll do relegation analysis on a six-month basis and there will be no refund of the prepaid annual license fee if someone gets relegated to a lower tier. He said that goes to Commissioner Title's point about being theoretical about the \$25,000.

Commissioner Doyle said the one other point she was going to bring up in this area unless she is diverting anyone who wants to speak on what they were talking about, is their tiers are quite small. Chairman Hoffman asked if they can close this issue first, and separate the tiering conversation. They will get to it immediately as the next topic. Commissioner Doyle agreed. Chairman Hoffman said he wants to make sure they are ready to take a vote. Executive Director Collins said not to further confuse anybody, but do they want to discuss when they would actually begin the analysis knowing once they issue a license, there is a cultivation cycle that occurs as far as the six-month analysis, if three or four months is devoted to growing. Chairman Hoffman suggested doing it after one year, and then every six months thereafter, he asked if that makes sense. Executive Director Collins said it does. Commissioner Doyle agreed. Chairman Hoffman said he'd like to suggest they vote on the following if that is OK: that they have a 100,000 square-foot cap per licensee and that they consider craft cooperatives as a licensee, therefore they are subject to the same cap, that they'll talk about fees in a second, they'll talk about relegation, but those rules will apply across both craft cultivators and non-cooperative growers. They'll come back separately and vote on the relegation issue, so this is solely on the cap issue. Commissioner Title said she has a question about going from no limit to capping at approximately the national average is quite an extraordinary policy change. She is wondering if anybody else has concerns about that. Chairman Hoffman said to him it is about are they confident in relegation and production control regulations. He would like to propose again that they vote on 100,000 square foot per licensee cap and ask General Counsel whether they need to exclusively state a co-op is one licensee. Commissioner Doyle said they can just clarify it in the language. Chairman Hoffman said he would defer on that particular issue. He asked for a motion to approve. Commissioner Doyle made the motion; seconded by Commissioner Title. The Commission voted unanimously in favor of that motion.

Chairman Hoffman said he thinks they should talk next about relegation and other aspects they need to relative to production control. He thinks the only thing that has changes that is worthy of conversation is the suggestion from the Executive Director that they analyze the 85% threshold one year after the license is granted, and then every six months thereafter. Commissioner Doyle said if they didn't vote yesterday, they also have to vote on relegation. Chairman Hoffman said he thinks they voted on relegation. Executive Director Collins said he does not have a vote on relegation. He said it was discussed, they tabled it in the context of the total canopy cap. Commissioner Doyle said everything got tabled. Chairman Hoffman asked if they can get language from yesterday with respect to what was discussed and tabled. Executive Director Collins said there was a discussion on cultivation limits and 85% of product sold; if cultivator fails to demonstrate 85% of product is sold consistently over six months, the previous six months is used, and then you went into another discussion. Chairman Hoffman said then he thinks that should be on the table with the suggestion of the Executive Director that the first analysis would be 12 months after the license issue, and subsequently every six months. He asked for any questions or discussion. There were none. He asked for a motion to approve. Commissioner Title made the motion, seconded by Commissioner Doyle. The Commission unanimously approved the motion.

The Commissioners discussed voting on the tiers licensees started at and relegation. Chairman Hoffman said the concept is they will allow new entrants to go into whatever tier they are willing to pay a license fee for, point one; point two, is for inclusiveness, they are going to evaluate meeting the 85% threshold one year after the license is issued and subsequently every six months, and if they relegate to a lower tier because someone fails to meet that threshold, the annual license fee that was prepaid will not be refundable, but when they renew, it will be at the lower tier. He asked for a motion to approve. Commissioner Doyle made the motion, seconded by Commissioner Title. The Commission unanimously approved the motion.

Commissioner McBride said there was an issue that was brought to her attention last night relative to what they voted on for final versus provisional RMDs for priority treatment. Yesterday Section 56 had been referenced that discussed provisional and final licenses. There is a question about final, final not dispensing, and provisional, which is not dispensing. The question was whether that April 1-16 period under the statute, if they are going to be letting in provisional and final licensed RMDs or some other version of that. There's a section later on in the statute, section 73, which states in part, "Notwithstanding any general or special law to the contrary, for the purposes of reviewing and approving an application for a license to operate a marijuana establishment, the Massachusetts cannabis control commission shall identify applicants who are holders of a provisional or final certificate of registration pursuant to chapter 369 of the acts of 2012 [medical marijuana] and accompanying regulations. The commission shall consider issuance of a provisional or final certificate of registration as achievement of accreditation status. The commission shall ensure an expedited review process for applicants for a license to operate a marijuana establishment who have achieved accreditation status and shall only require that such applicants submit specific information not previously required, analyzed, approved and recognized by the department of public health." There were some comments received during the public comment period that it was too broad of a category, and they heard this from a lot of commenters and folks who worked directly on this statute that perhaps the intent of the statute was really to provide for experienced operators, and by experienced, the reference is to experience operating. The Commission's interpretation is given deference as the regulatory agency. Commissioner McBride wants to discuss to make sure the Commissioners understand the issue and are comfortable with the decision. Commissioner Title thanked Commissioner McBride for opening it and said she supports the initial interpretation in terms of the first section she read relating to priority and the second section relating to accreditation and the need for materials to be submitted. Chairman Hoffman asked if they are recommending they stay with the original intent, which is to prioritize both final and provisional licensees. Commissioner Title agreed. Commissioner Doyle commented it is hard to get around the section sentence of 73(b) which says, "The commission shall consider issuance of a provisional or final certificate of registration as achievement of accreditation status." Commissioner Title said the way she reads it is accreditation status that ensures an expedited review process, nor priority, which is the word used earlier. It explains it is because the applicants only need to submit specific information, because they have already submitted others. Commissioner Title said if expedited means they may even take that first within the previously expected parameters because it will be more efficient process, she thinks that is fine. Commissioner McBride said that is the way it was drafted originally. Chairman Hoffman said right now the intent is to keep the

regulation as drafted, so there is no need to vote. He thanked Commissioner McBride. She thanked him for letting her raise it.

Commissioner Title said the next topic is related to the application process. This has to do with documentation required, that the marijuana establishment is in compliance with local zoning ordinances. This is not a suggested change to the actual policy, because there is no policy the marijuana establishment needs to be in compliance with local zoning. It has to do with the requirement that they added where the applicant would have to submit a certification from the municipality in which the marijuana establishment would be located and they got feedback on this from several applicants and people who represent applicants that it would be very difficult to get that certification. She recommended that they should eliminate that document from the required documentation and instead, leave the original requirement which is that the municipality would have a certain time period to inform the Commission if the establishment was not in compliance with the law. Commissioner Doyle said the risk of not having that certification is going to be borne by the applicant because the potential problem is they will invest a lot in their application and spending time on it, and at the very last hurdle, fall because the town or city has not agreed that they are in compliance with zoning. The reason she made it part of the application was to make sure that the applicant and municipality is on the same page because there was a situation in the medical program where people didn't pay enough close attention to zoning compliance and discovered at the last second the facility was not going to be compliant with zoning, and everything had to be undone. Commissioner Title said her recommendation there is that they address that in the guidance and let businesses take that risk because they shouldn't be moving forward if they are not in compliance with zoning. She does not have an issue with the substance, obviously they need to be in the right place, but getting that certification could be very, very difficult and hold up an application. Commissioner Doyle said it gives her nervousness on behalf of applicants because zoning is so complicated. It is an obscure area. It requires a really good review of bylaws and ordinances and her hope was to get people in the municipality and in the business together to make sure everybody is on the same page. Chairman Hoffman said he is in alignment with Commissioner Title on this. He thinks guidance is great, but if people want to apply for a license, they need to assume people are going to follow the process and follow the guidance. Commissioner McBride said she begs to differ. She completely agrees businesses need to accept risks and be willing to take on those risks. She was concerned about the Commission's process and its ability to move quickly through a licensing process and make sure they are licensing, and not getting into a situation where at the eleventh hour they found out the Commission cannot issue a license. She thinks that it puts businesses in a bad position, but selfishly it creates a tornado of administrative issues for the Commission. Commissioner Title responded that it was addressed in the statute and started looking for the reference. Chairman Hoffman said the Commission would take a 10-minute break.

After the break, Commissioner Title said section 5 of the enabling legislation lays out the application process, including that within 90 days upon receipt of a complete marijuana establishment license application and the application fee if the Commission is not notified by the city or town in which the proposed marijuana establishment would be located, given that the proposed marijuana establishment is in compliance with the zoning or bylaw, consistent with Section 3 of this chapter, and in effect at the time of the application. Commissioner Title said this gets to the same result but there is no proactive need for documentation. Commissioner McBride

said she imagines municipalities would be thrilled to have one less burden on them. She is comfortable moving ahead with that interpretation, with the concern that she does not know how the Commission will address an issue raised by a municipality on the eve of issuing a license the Commission will need to think about it. Chairman Hoffman clarified if they are going to strike the certification. Commissioner Title said they are striking the documentation that the marijuana establishment is in compliance with local zoning ordinances. Chairman Hoffman asked for further conversation or discussion. There was none. He asked for a motion to approve. Commissioner Title made the motion, seconded by Commissioner Flanagan. The Commission unanimously approved the motion.

Chairman Hoffman said the Commission should move into the environmental and energy regulations that were proposed. He said he appreciated Commissioner Doyle's willingness to defer this conversation until today. Referring to a presentation provided by the Executive Office of Energy and Environmental Affairs, Chairman Hoffman said he is comfortable with the recommendations, with one issue concerning should the Commission require these regulations for any category of business, given their desire not to place undue burdens on business. He said he is interested in hearing thoughts from other Commissioners but he is comfortable with the recommendations. Commissioner Doyle asked rather than waive entire categories of business, allowing the applicant or licensees to request waivers from specific provisions. She thinks they should take it on a case by case basis. Commissioner Title said in general she supports the recommendations and thanked EEA for the time they took to meet and share their expertise. She suggested they add a requirement for collecting energy and water use. Chairman Hoffman said it was skipped over, but it was one of the topics pending this conversation. He asked if they could talk about the first issue and exemption or waivers. Commissioner Title asked to go to slide 10. She suggested they make a slight tweak for Tier 1 and Tier 2 licensees, including microbusinesses, to give them a little more room. Currently the recommendation is 36 watts per square foot, and if you can see in the upper right corner, 62.5 is basically what it would be if the Commission weren't making any kind of standard here. If you look at the rest of them, 36.5 is the average watts but you can see all the way on the right that that is 51, and you see the one at the top about a third in, that is 54. These are all the different LED fixtures. Her recommendation would be that for Tier 1 and Tier 2, instead of 36 watts per square, they allow 50. That still keeps them in that range but allows them more flexibility to work within their budget, and she thinks that is a good idea as a policy matter because they are smaller, so of course their use of energy is smaller, and she does not think it would have as big of an impact, and secondly, even though she has persuaded it is a smarter financial move to make these investments up front, the smaller businesses are much more likely to have less capital, so even if it is a good financial decision they might not have the ability to make that investment up front. Commissioner Doyle asked if they know if that is achievable, but is the 50 number generated by LED or HID. Commissioner Title said the HID number is 62.5 and all the rest are LEDs. Commissioner Doyle clarified that the 51.3 number is LED. Chairman Hoffman said it was. Commissioner Doyle asked if they know if doing that will be aligned with the climate goals, because as a state, we have to meet the requirement of the act. Commissioner Title said right, the point of doing this is for the smaller businesses, because their impact on those goals is going to be much smaller than the big facilities. Commissioner Doyle asked if Commissioner Title had a chance to ask EEA. Commissioner Title asked Antonio Barletta, Deputy Chief of Staff and Director of Government Affairs for Department of Energy Resources, who were in the room, to weigh in. Mr. Barletta

agreed. He introduced himself and Alex Pollard, Energy Efficiency Deputy Director, to the Commission. He said Commissioner Title is correct in the smaller facilities would have a less of an impact on the Global Warming Solutions Act goals and thus having a higher light power density requirement, might not have as much of an effect as a larger facility would, and yes, those are all LEDs underneath the 62.5. Chairman Hoffman thanked them for addressing the Commission. Commissioner McBride apologized for putting them on the spot. Chairman Hoffman asked for more feedback on Commissioner Title's suggestion. Commissioner Doyle clarified that EEA in a follow up email submitted some additional language that would soften the 36 square footage, so it would be an average. Chairman Hoffman asked if it would be a change to the recommendation. Commissioner Doyle said it is more a language discussion next week than policy. Generally, the recommendation is to go with what EEA is recommending, subject to language adjustments by the Commission in response to further comments. Chairman Hoffman added the alternative suggested by Commissioner Title. Commissioner Doyle agreed. She asked if for the smaller tiers, up to 5,000 square feet, that they be allowed to do a light power density of 51 watts or 50 square feet. Commissioner Title agreed. She said she does not anticipate any grandfathering in. It is a business decision. If they decide to grow at the higher tiers, they have to decide if they are going to invest up front and they would be subject to the same. Chairman Hoffman said they have to decide or should they discuss and agree to if there is a grandfather for current cultivators. Commissioner Doyle said yes, EEA recommends a phase-in approach. Chairman Hoffman asked for further comments on the recommendation from Commissioners Title and Doyle. There were none. Chairman Hoffman asked for a motion to approve. Commissioner Flanagan made the motion to approve, seconded by Commissioner Doyle. The Commission unanimously approved the recommendation. Chairman Hoffman thanked EEA for their help.

Chairman Hoffman said there was a previous issue they had skipped before they get to Commissioner Title's suggestion. It is under cultivation and regards data collection and submission regarding energy and water use. He believes that is Commissioner Title's second suggestion. Commissioner Title said she thinks it is obvious why they would want that data. The suggestion is that along with renewal, the licensee would submit a document which would include a survey and the necessary data to determine their energy and water use. A way to demonstrate that would be through their utility bills, so she suggests they add that so they can keep up of the energy being used by licensees. Chairman Hoffman asked for objections or concerns. There were none. He asked for a motion to approve. Commissioner Flanagan made the motion, Commissioner Doyle seconded. The Commission unanimously approved the motion.

Chairman Hoffman asked if they are able to discuss the inventory transfer issue for RMDs who are receiving an adult use license. Commissioner Doyle said they had received public comment saying it wasn't clear, the regulations said marijuana establishments that are also registered marijuana dispensaries will be able to transfer their inventory so to speak from medical to adult as they get started. She would propose they do something to the effect that, subject to DPH approval, allowing marijuana dispensaries to transfer inventory to themselves in their capacity to serve as a marijuana establishment. Chairman Hoffman said it is 35%. Commissioner Doyle agreed, it is 35% reserved for marijuana patients. Chairman Hoffman asked her to explain why it is subject to DPH approval. Commissioner Doyle said it will somewhat depend on the timing; that particular regulation will change when the Commission takes over the medical use of

marijuana program. Chairman Hoffman said they do not have any timeline for that yet. Commissioner Doyle agreed. She said in the meantime they have to recognize that this inventory being transferred under DPH's authorization and jurisdiction and being transferred to adult use, so she thinks they need to be part of the conversation and they have agreed to that, most importantly. Chairman Hoffman asked for questions or comments. There were none. Commissioner Doyle made the motion to approve, Commissioner Title seconded. The motion was approved unanimously.

Chairman Hoffman moved on to the last slide. There are a number of issues on this slide. He asked if they could cover these issues in whatever time it takes, take a lunch break and then finalize the fee tiering. He added that there are two other additions that came up over the last few days and they'll cover those as well. Chairman Hoffman said the next issue was renaming the regulation for Martha's Vineyard to Regulations for Dukes and Nantucket Countries. Chairman Hoffman asked if there were any issues. There were none. Commissioner Doyle made the motion to approve, seconded by Commissioner Flanagan. The motion was unanimously approved.

Chairman asked about the next item, UFCW suggestions. Program Manager Maryalice Gill said it was added to the slides for the Commission's consideration. She said the Commissioners all received testimony from the UFCW dealing with worker safety and compliance issues. Commissioner Title said going off of her memory of having a meeting with them, they had some concerns about worker protection. Given that is something that is addressed in almost every other industry and was not particularly addressed here in detail, she would suggest, even though they have too many working groups, she would suggest an additional working group on worker protections. Commissioner Doyle asked if they could throw that to the Cannabis Advisory Board rather than create a new group. Commissioner Title agreed. Chairman Hoffman asked if that required a vote. General Counsel said it did not.

Chairman Hoffman moved on to the Secret Shopper Program. Commissioner Doyle said in the course of public comments, a number of commenters asked that the secret shopper program be expanded beyond what it was originally drafted, which was as an opportunity for testing, to make clear that it was broader than that and include underage ID checks so they could send in and work with people to go in try to buy, even though they look very young, and not have sufficient ID and see whether the marijuana establishment would sell to them. She thinks that would be a good thing for compliance. Chairman Hoffman asked for a motion to approve. Commissioner Doyle made the motion, seconded by Commissioner Flanagan. The Commission unanimously approved the motion.

He said he is not aware of any issues with the sections on Grounds for Denial, Hearings & Appeals, Non-Conflict, or Waivers. He asked if he is correct. There was no feedback. He said the next issue is with respect to suitability .800. Commissioner McBride said she would take these in reverse order. The first issue is discretion. There was a recommendation provided by a few commentators that the regulations are missing general discretion language and she thinks it is a point well taken. Discretion language is a cornerstone of administrative law and regulatory agencies like the CNB and courts largely recognize agency discretion on the belief that agencies tasked with regulations develop expertise to give opinions that give regulatory agencies validity and weight. That is the legal basis of it. Practically, discretionary language addresses situations

they are just not going to be able to foresee. Part of what they are doing here as a regulatory agency is trying to be proactive in making sure they are obtaining the right information, but they cannot forget that they also are going to be judged and their regulatory authority and ability to sensibly regulate an industry that is going to be sustainable is really going to be based on the way that they react to things as well. They do not have to look very far to see circumstances and instances where discretion is really important and the ability to look closely at information that comes to light that could not have perhaps come to light during an application process, becomes really important as to the suitability of an applicant or a license and they are in a very different place today than they were 10 years ago. Commissioner McBride's recommendation is that the Commission gives itself the tools to be able to respond to unexpected situations. That is what this proposal does. It incorporates with a standard of credible and reliable evidence, that the Commission, under the direction of the Executive Director and a Suitability Review Committee, would be able to take in information that comes to light and be able to react to that information and provide a recommendation to the Commission on what the appropriate action might be.

Chairman Hoffman asked without getting into the specific regulatory language, if she could be a little bit more clear so he can understand what that regulation would look like. Commissioner McBride said a lot of agencies here in Massachusetts and around the country use this terminology which she has aversion to, which is "good moral character." She thinks that terminology is certainly antiquated and it is troubling to her so she would prefer they be looking at what is practically what they are trying to get at. She recommends real, substantive, credible reliable information that the applicant's prior actions pose a risk to public health, safety or welfare, or indicate the applicant would likely pose a risk to public health, safety or welfare, if the registration is granted or renewed, that is one; the second is the applicant or registrant's prior actions indicate they would likely act in a manner that is inconsistent with the enabling act, or that the applicant or registrant's prior actions indicate they are not suitable for registration or licensure. Chairman Hoffman said that is what he wants clarity on what is suitable.

Commissioner McBride said if you look at suitability, they set forth a process where it would not be at a commission level, it would be at the staff level, a Suitability Review Committee. It would fall to the Executive Director and senior staff to figure out what the appropriate make up may be. She would be concerned in the instance of looking at a negative suitability determination, where it might be one of the standards for registration or licensure, that maybe they would want to have on there their community outreach person or Chief of Investigations and Enforcement or human resources person. Chairman Hoffman asked if suitability was defined enough in the draft regulations into what she just articulated, or does the Commission need to further define it? He is not sure he agrees with her on "good moral character" even though he understands her concerns about that. His concern is that suitability is well enough understood. Commissioner McBride said the discretion language fits very squarely into succinct guidance, guidelines and protocols to a suitability review committee about what would be taken into consideration, how it would be used, and how a recommendation would be forthcoming and made to them in the event that one needs to be made to them.

Commissioner McBride reminded the Commission that these instances should be rare. If they are doing their job and providing bright lines and are being diligent about what they are doing, the more bright lines they can provide for applicants and licensees, the more able they'll be able to get through the process and be able to successfully start and then maintain an operational

successful business. By adopting a standard, they are going to be giving themselves a tool to address issues as they come up. Chairman Hoffman asked for any questions or comments. Commissioner Title asked if the issues are being taken forever. She thanked Commissioner McBride for taking her concerns raised Monday into account. Similar to the discussion they had yesterday about law enforcement review, she thinks it is exactly what was intended when this Commission was made, that they have the experience of someone who has experience with a regulatory agency and understands what those needs are. With respect to the context in this case, where for decades people have been looking to the uniqueness of this particular registration and license as it relates to the group of people who are not able to get business licenses, jobs, housing, student loans, etc., and she thinks they need to be very cognizant of that, and aside from the substance of the issue, looking at the will of the voters and the way that ultimately the bill was written and changed throughout the legislative process. There was a very strong, vocalized concept that they need to be very careful about that this discretion is exercised. With all of that said, she read the language, she thinks it is narrow in scope, specific, very well-written to address the concerns that she just raised, and balances those needs. She generally supports it, but has a couple of tweaks on the denial of a registration card. She'll read the language as it is now and suggest the change. She read, "Each of the following, in and of itself, constitutes full and adequate grounds for denial of a registration card issued to a Marijuana Establishment Agent. No. 6: Any other grounds as the Commission may determine in the exercise of its discretion that make the applicant unsuitable for registration, however the Commission will provide notice of the grounds to the applicant prior to the denial and a reasonable opportunity to correct these grounds." Commissioner Title said she feels uncomfortable with how broad it is, because she feels comfortable with it with this Commission and this Executive Director, but she does not know in the future what it will look like, so she feels like the grounds need to be more specific. She suggests they add "other grounds related to the ability of the applicant to serve as a marijuana establishment agent" and she would also suggest, and she does not have strong feelings about how, that they be more specific as to who is making this decision. She would suggest the Executive Director, the Commission themselves, or a Suitability Committee, but the way it is written now as "The Commission" it could mean any staff person. Commissioner McBride said she thinks that is fair, and the way it is written, the Suitability Review Committee would be separate and apart from the five of them, and the hope is with appropriate protocols and guidance and what they have written into the regulations already, in many instances they'll be able to get through that analysis pretty readily and come to a good recommendation. Where it is a closer call and there be a split, those are the circumstances where it may need to be escalated, but she thinks it is a point that is well taken to be more specific in there about that. Commissioner Title asked how she felt about adding "the Suitability Review Committee as defined" and then referring to the Commission. Commissioner McBride asked the General Counsel what she thinks. General Counsel Christine Baily said they can work on language that she thinks would be similar to the language put in elsewhere in the discretionary mechanism. Commissioner Title asked how she feels about making the conduct related to their ability to serve in the community. Commissioner McBride said she has mulling it over. She is trying to think about with that law, the outlying possible situations. The question is about, for the General Counsel relating the other grounds to the ability of the applicant to serve as a registered marijuana establishment agent. Because it is a denial of a registration card, sure, she thinks that makes sense to do that. It is a very specific provision so that makes sense. Commissioner Title said she wanted to thank Commissioner McBride for not putting in the antiquated language. Commissioner McBride said

a big part of what they should be doing is marbling throughout the regulations that they need to be moving forward and progressive in their approach within the bounds of law and what they are given. Chairman Hoffman said the motion on the table is to approve the language suggested by Commissioner McBride with the amended language of Commissioner Title. Commissioner Doyle made the motion to approve, seconded by Commissioner Flanagan. The motion was approved unanimously by the Commission.

Chairman Hoffman asked about the second issue. Commissioner McBride said one is purely administrative matter: giving definition to what they included in the suitability standards on violent crime, which is included in all of the tables for standards for both licensees and registered agents. It is not so much an issue for licensees because there are specific prohibitions in the statute they need to adhere to, but for registration agents, it is adopting two citations that are commonly used as the definition of what is considered to be violent crime. They are included in Chapter 140 Section 121 of the General Laws and Chapter 127 Section 133(E) of the General Laws. She thinks it is useful to be able to give context to what they are talking about, particularly if they are asking a suitability committee that could be revolving with the people to provide a level of context. Chairman Hoffman asked for any comments. There were none. Commissioner McBride made a motion to approve, seconded by Commissioner Doyle. The Commission unanimously approved the motion.

Commissioner McBride said the final issue with regard to suitability is one she will take ownership of. It was an oversight by her when she was putting this together in December and one she should have included and did not, so she has going to ask that it be considered now by the Commission. She suggests they add narcotics trafficking crimes, except for when the statute requires otherwise – so for solely marijuana-related or Chapter 94C, Section 34 crimes – as a mandatory disqualification for marijuana establishment agent registration. The reason she is asking for this is this is different than simple possession. It is different even than distribution. It is talking about quantity and significant quantity of drugs like fentanyl, meth, cocaine, drugs that kill people. She firmly believes that someone who has that level of offense should be prohibited from operating as a marijuana establishment agent and it really is purely as a matter of providing access. She believes they do need to have a bright line on this particularly in a post-Cole Memorandum world where they are going to be in a different position than many states that have gone before them. They are in a state where in under an hour you can be over the border into a different state. We are the first state on the East Coast to be this far along in their regulatory structure, and she thinks it puts them in a different place that requires them to look very closely at suitability. Chairman Hoffman asked her to repeat the specifics of the proposal the automatic criteria for disqualification. Commissioner McBride said they add narcotics trafficking crimes, except where the statute requires otherwise, so not for solely marijuana or Chapter 94C Section 34 crimes (possession), as a mandatory disqualification for an indefinite period of time for marijuana establishment agents.

Commissioner Flanagan said she agrees with Commissioner McBride. This is obviously a difficult conversation to have but she thinks when you start talking about the issue of trafficking and the fact that it is gone through our court system, the Commission needs to really take a look at that level of activity here in Massachusetts. We have a significant drug problem in Massachusetts that she worked on for years in this state. And she thinks while this Commission

has done amazing work in putting forth equity issues into the draft regulations, social justice issues in the draft regulations, ensuring that people who have possession crimes and have been disproportionately affected by the drug laws in Massachusetts are going to be able to partake in that. For her, trafficking is a non-starter. She thinks there is a very large difference between someone picked up for possession and someone who has actively been trafficking in the Commonwealth of Massachusetts. Certainly they are trying to balance all of this and she thinks they have done a good job doing that. She applauded Commissioner McBride for the work she has done on this. It is not easy to sit up here and say that you want to disqualify someone based upon a certain crime, but when it comes down to it and the levels you need to have to be considered for trafficking, she thinks that goes well beyond the intent of what they are trying to do and trying to include people into this market. For her, the question she has been asking herself is how low is the bar going to go for them to let people into this market. They need to have some level of attainability where people have to work hard to be part of this because it is a legal market here. The voters did pass it by question, the legislators did vote on Chapter 55, she will take every criticism in the book when it comes to the votes they have taken and the job that they have done, but for her, if you're trafficking, you're in a whole different category. And she does not feel bad about the disqualification of that.

Chairman Hoffman asked them to provide clarification for his edification. He understood trafficking was different than possession, but it sounded like Commissioner Flanagan was saying trafficking is different than distribution. Commissioner McBride explained under state law, it is a matter of quantity for distribution; trafficking is a higher quantity of controlled substances. Chairman Hoffman clarified the recommendation is for trafficking. Commissioner McBride agreed, except for solely marijuana-related. Under 94C 34, there is no trafficking, but solely marijuana-related, the amount of product you would have, that there would be evidence of you having possession of, to ratchet this up to a trafficking conviction, if it is marijuana, is significant. If it is solely marijuana, she is trying to acknowledge the directive they are given in the statute and trying to move ahead. So it is taken off the table and saying where there are other controlled substances that are dangerous, and that her suggestion is that qualifies it as a significant difference between possession and distribution, and getting to a level of trafficking.

Commissioner Title asked if this what is listed as "specific DQ criteria" in the agenda, and what does it stand for. Commissioner McBride clarified specific disqualifications. Commissioner Title said this is the first she has hearing of this suggestion, so she wants to be clear that they are having this conversation on the fly on the third day of discussions at noon. This has been discussed from the very beginning of this process, who will be disqualified on a mandatory basis. No one is trying to take away discretion from employers. The discussion is about agent registration, so to be an agent, you would still have to go through the entire process of getting hired, the background check process, you would still be subject to the catchall provision you just added, and on top of that the Commission wants to be mandatorily disqualifying people for narcotics-related trafficking crimes, except where statute requires otherwise. Commissioner Title said she wants to recognize everyone in the room who made the statute specifically exempting marijuana related crimes, or else certainly that would be included here as well, the Commission would be trying to disqualify them, but the Commission cannot, so people with marijuana-related crimes will not be disqualified no matter what happens in this conversation. Commissioner Title asked about narcotics trafficking crimes, because it is not just the scary drugs, it would be a lot

longer list. She asked if they can discuss the specific law they are referring to, all of the drugs listed there, and what the convictions would be. Commissioner Title said they should be as a matter of principle, going through each conviction, which would then be a mandatory disqualification and describe why, and also consider all the reasons why a person might have such a violation on their record, versus someone else who may have had a good lawyer or live in a certain area, or for another reason, not have that crime on their record, and let's look at the equity program they passed in terms of the qualifications for the economic empowerment of communities disproportionate impacted by high rates of arrest and incarceration for convictions under the Controlled Substances Act, which include as 1 factor out of 6, that at least 51% of employees or contractors have drug-related CORI, that that requirement would not require an employer who meet that and qualify under the law and would get hired but are not mandatorily disqualified by what is being proposed now, is that correct. Commissioner McBride agreed. Chairman Hoffman suggested they take their lunch break, as it is a new topic. Commissioner McBride said if people read the comments, this was raised in the comments, this is not a new topic that is coming out of the blue, it also has been on the list for the last three days.

Chairman Hoffman also wanted to make sure everybody else knows what else they need to decide in addition to this topic remaining are topics that are not listed because they came up recently, so these are new. One is responsible vendors which he'll defer to Commissioner Doyle on. He asked her to briefly describe the issue there. Commissioner Doyle said the Commission approved a responsible vendor program back in December and due to a drafting error, the details were not included, it was just referenced. She just wanted to refresh everyone's memory and make sure everyone's OK with the detail going into the regulations. Chairman Hoffman said fees they have talked about, so it is really just two topics on fees and tiers: one is a suggestion they put in more tiers particularly at the higher levels of cultivation, to make the relegation process moving up as well as moving down, more actionable. There's also the idea of adding incremental fees for co-ops based upon having more than six locations. He said that is pretty much it on fees. The other topic, which is his fault for not having more carefully read the letter from ANF, with respect to tax issues, there is really three that come out of it that they need to discuss: 1) the request they made to put a requirement on retailers that at POS they can separate and track marijuana products versus non-marijuana products, they are subject to different taxation, so that is something he needs to put on the table; 2) is the request that DOR have the ability to audit for tax compliance from licensed retailers; 3) is that DOR has asked about tax non-payment; those are the three ANF discussions to discuss after their break, but first they'll go back to the topic they are on now, which is mandatory disqualification. He suggested they take a 45-minute break. Commissioner Doyle asked if they could break until 1:30 p.m. Chairman Hoffman agreed.

Chairman Hoffman reconvened the meeting at 1:30 p.m. He wanted to make a couple of comments. Given the number of issues they have been talking about, a number of things did come up last night and they have tried to jam it into the structure they have used, so he apologizes if the meeting seems a little disjointed. The materials posted on their website at the end of this meeting hopefully will put the structure back in. He went through before the break, the topics they need to cover, but obviously they want to get back to the first topic they need to cover that they were discussing when they adjourned dealing with automatic disqualification. He said this is an important topic, and one that they feel strongly about. He respects the fact that all his fellow Commissioners are doing their best to try to figure this out and navigate this and get it

right. One thing he wanted to encourage all of them to remember is they all have the same objectives here. They may have disagreements but they all try to do the right thing. He thought he would start by asking if anybody wants to make a comment before they start the conversation. He would like to make a comment but he didn't want to be the only one to do so. He asked Commissioner Doyle to go first. Commissioner Doyle said she wanted to thank everybody for their continued hard work. Commissioners Title and Flanagan said she didn't have any comments. Commissioner McBride said her comment is going to be it is her hope that as they are structuring this industry that they are doing everything that they can to make sure they are adopting sensible, reasonable regulations and strengthening a good balance. They cannot avoid the fact that since they drafted these regulations in December, the enforcement landscape has shifted and they are dealing in a world where they no longer have the relative safety of the Cole Memorandum. They are dealing in a world where unwanted federal attention could lead to undermining the industry they are working really hard to establish. She understands and realizes the sensitivity of this topic. About a month ago today, they had a U.S. Attorney who made a statement that his focus was going to be on trafficking of drugs like heroin to fentanyl. She thinks it is common sense to understand that the engagement of individuals with convictions for dangerous drug crimes could potentially bring the exact unwanted attention that she thinks they are trying hard to avoid in structuring this industry soundly. So, she can understand that this topic is one that people would just as soon avoid, but she thinks it is one they need to have a conversation about it and goes to the stability of the industry that they are trying to establish and the potential liabilities that could attend this. Chairman Hoffman said he would like to say a few things. First of all, he pretty much respects and agrees with everything Commissioner McBride just said. He is particularly happy she used the words balance, because pretty much everything, not just this topic, he thinks the biggest challenge between various parts of the legislation that they are trying to administer, balance between public health, public safety, equity, big and small players, he thinks they can all understand from the conversation they have been having the last 2.5 days, is try to find a balance on a number of issues, not just this one.

Chairman Hoffman spoke on his personal opinion. He feels very differently talking about licensees or establishments versus employees. They are talking about people that have paid their debt to society, people that will be hired as employees if they have the skills and the character to do the job, and they are talking about people that might not be able to get any other job. He does not know therefore firsthand the experience of people who have been incarcerated in the past for offenses but he does know that the ones he is spoken to – and he is spoken to a lot in the last six months – that they are just trying to get their lives back. They have paid a gigantic price for the mistakes they have made in the past and they are trying to get their lives back. He thinks one of the great parts of the legislation they are trying to enable and the role they have all agreed to play is to actually play a positive role in helping in that respect. So, for the agents that they are talking about, that have paid their debt to society, that need a job, need help getting their life back, and are subject to the normal constraints of getting a job, proving to an employer they can do the job, he actually thinks this is not just a good thing to do, it is an imperative thing to do to allow them to participate in this industry. He will make it very clear that in his opinion they are talking about past events and situations in which people have paid their debt to society, the nanosecond any agent would in the future violate any of these laws, they would have to lose their license and their ability to participate in this industry instantaneously, but if they are talking about debts paid to society, he would very strongly support their ability to participate in this industry.

Commissioner Title said she did have a chance to think about this and she thinks they are in agreement that certainly there are people whose past conduct should not allow them to be a registered agent, as Commissioner McBride said, drugs that kill people, certainly offenses in the past where none of them would want that person to be working as a registered agent. They did just go through the whole process of describing how important it is for the Commission to have discretion. She is concerned about taking away their discretion with a mandatory blanket exclusion on a population, particularly when they do have a statutory mandate to promote the inclusion of communities disproportionately harmed by and then they are using that exact same drug law to make a mandatory bright line exclusion of people. She thinks that warrants discussing a scenario in which someone has gone through, has been incarcerated for example, has paid their debts to society, has been rehabilitated and is now trying to go through the process. The first hurdle they would have to go through is to be hired by one of the Commission's licensees. That, in and of itself, is a level of rehabilitation they would have to show to get a job in a competitive industry. Secondly, they would go through a mandatory background check. Third, the Commission would have the discretion, as they just passed, to look at their application to be an agent, and consider the factors that we just gave ourselves in which their conduct may affect their ability to be a registered agent. They would already under that process, be able to exclude someone who has for example, committed a trafficking conviction, that makes them unsuitable to be a registered agent. So, her question therefore is considering there is all different kinds of jobs that licensees might be offering, some of them might not even touch a marijuana plant. Some of them might be in marketing, people of all different backgrounds, situations. She asked what that process does not address, what gaps are there such that the Commission needs to make a mandatory blanket exclusion that are not allowed to even look for work.

Commissioner McBride said the point is well taken, again, her concern is that while this applies to individuals, the Commission that is regulating the industry, has to look at it broadly. She has concerns that the mere fact of this being a potential opening for individuals who they are not just talking about convictions for simple possession, it is elevated. It is quantities that are ascertainable and significant in many, many cases. Her approach is to try and narrow gaps as much as they can and try to put forth a structure where they are saying they do have a bright line about what they can tolerate and what they cannot. Commissioner Title said she heard two things there. She asked Commissioner McBride two questions: first, is she certain they would have so many people going through this process that have trafficking convictions that they would not have the resources to look at them individually and make a judgment. Commissioner McBride said she does not know. She does not think any of them know that. She is concerned enough about the uncertainty of the federal landscape to be really concerned about the next years as long as they are under this particular federal administration. She is concerned enough about that that she is doing what she can as an individual commissioner to put forward a recommendation in an effort to try to take away as much of that risk as possible. This recommendation is not a reflection on rehabilitation. This for her is about a great concern about the attention they are going to be drawing and are drawing and she would not be doing her job as a caretaker for this Commission and someone who has been asked to establish this industry and strike a balance if she did not raise this and ask the Commission to consider it. The second question is concern for the consequences of people getting through the process if they do not have a mandatory exclusion and what might happen, or is the concern a matter of perception if they do not pass the

blanket exclusion, or both. Commissioner McBride said she thinks for better or for worse, it is both, but the second one, the perception that they are taking risks that put us into a category of drawing attention that she does not want to draw, is really concerning to her. She does not want for the work that they have done, all of the hours and years in some cases, and many, many, months and hours to get to this point where they are today, to be undermined by assertions that we are not responsible, not serious and not doing their jobs as regulators. Chairman Hoffman asked Commissioners Doyle and Flanagan for their thoughts. Commissioner Doyle said she appreciates the work Commissioner McBride has done on this and her thoughtful approach to it and she is also appreciative of the points the Chairman has made regarding the potential for sweeping people who have been rehabilitated into this category by using a mandatory disqualification. She thinks the thing that tips her in favor of the mandatory disqualification is where they are in time. They have an uncertain federal environment right now. They are talking about the very start of the industry and she thinks it would contribute to the perception of stability and frighten people less – the public comments they have received on the subject bear witness to the fact people are frightened – if they included this at least for now, with a pledge to continue to reexamine all suitability issues on an ongoing basis as they learn more and as the industry grows.

Commissioner Flanagan said she thinks for her, trafficking is a non-starter. They all come from different backgrounds and she has seen the devastation that drugs in general can do to the population here in Massachusetts. She cannot tell you the families she has met with, the people that she has seen detoxed, the things she has seen, whether it be in prison or in jail or hospitals and rehabs. She thinks as a regulator, it is important for her to roll out regulations that are going to strengthen the industry in Massachusetts and she thinks they are living in a time where they are at a crossroads. They have people who have been very active in the prohibition of marijuana or cannabis and they talk about people who have been disproportionately impacted in their communities and they talk about this economic boon to their communities, to try to move them out from where they have been. They have identified 29 cities and towns that have, more than others, been affected by this, but at the same time, she truly thinks they need to start to move past that and acknowledge that it is here, the voters have voted, the legislature has passed their legislation, and it is time for them to regulate this. It is time for them to work as partners and compromising and it is really disheartening that people are fearful. Even yesterday they talked about how a police chief signing off or approving, people are fearful that they are going to be turned down automatically. She can tell you as someone who has been doing public appearances across the state, there is just a lot of questions by cities and towns. They have not been engaged in this for as long as everybody else has and they want to know that this is going to be like for their Main Street. Commissioner Flanagan said she cannot help but think that they need to work with them to help them get to a place where it is here and this is what we're going to now roll out as regulators. She is the only person in the state that voted no on the question, yes on the law, and is now in the position of regulating the law. Those are very different hats that she has had to wear – none of which was allowed to be done personally, all of it was done in a public setting. Everything she has ever said or done has been reported on. Having said that, she thinks when you have 50 pounds of fentanyl or cocaine or methamphetamines, or whatever controlled substance you're talking about, that is a much different charge or conviction than possession. She understands they want to allow people to get into this industry. They want people to have jobs. The places she has toured have a multitude of jobs. They have people from culinary schools

heading up the edibles departments in certain places. They have people that come from different college backgrounds and those that do not have college degrees that are working and getting jobs. Commissioner Flanagan said she is in favor of mandatory disqualification because she thinks people are looking to Massachusetts as a model. They often do when Massachusetts grows out an industry or does something this big and she wants to make sure she can go to sleep at night knowing they are doing the right thing. She appreciates the work that has been done by Commissioners Title, McBride, Doyle and Hoffman, this has been a very transparent process, and that is why it is so difficult, not being allowed to have these conversations without anyone listening and judging and making judgments or reporting on it, and that is what makes this such an important conversation.

Chairman Hoffman said he would like to jump in with a couple comments. First, he certainly respects Commissioner McBride both in terms of her concern about the action of the federal level, and her risk aversion. By his own thinking, he wants to do what he thinks is right and what he thinks is right is what he already articulated. The second thing is he is deeply opposed to and abhors trafficking of addictive, dangerous, deadly drugs. He abhors it. He believes in our system of laws, however, and people that have been convicted, have been imprisoned, have paid their debt to society. He believes it is not the job of the Commission to say whether that debt was adequate enough – whether the conviction was long enough or short enough or harsh enough. They have paid their price, they have been released from prison, they are now members of our communities. He does not want anyone hearing that he does not think trafficking is horrible. He does, but he thinks people have paid their debt to society and it is not their job to impose additional punishment. That being said, he is not sure they shouldn't just put this to a vote.

Commissioner Title said she has two suggested amendments. First, they talked about fentanyl and opioids a lot, however, the motion on the table is for all narcotics. Commissioner McBride clarified minus solely marijuana crimes. Commissioner Title said that may be a long list. Her suggestion would be they write certain drugs, then ask the public safety subcommittee, which includes law enforcement who work with this issue every day to come back with what drugs they would include on that list. Her second suggestion would be that they consider making this apply to jobs that include access to the plant itself, because not all jobs do. Commissioner McBride agreed on the second recommendation. Commissioner Title said she envisions when the agent registration form is submitted, when the background check is done, if the person has a trafficking conviction, there would be an exception to mandatory exclusion if the job does not involve touching the marijuana plant, or access to it. Commissioner McBride said she was willing to accept that as a recommendation. Commissioner McBride said on the first one, she can go through the list of what is included in Chapter 94C Section 32(E) if that is helpful and she can talk a little bit about it. Chairman Hoffman said he does not feel confident; if they want to exclude or consider excluding, he would prefer to go with some variation of Commissioner Title's suggestion that experts help them. He feels he is a complete inexpert on this topic and he couldn't possibly make an informed vote about which to include and which to exclude. Commissioner McBride said she is not comfortable with putting this to subcommittee, because they on the last day of getting these recommendations underway and they are going to be drafting them, finalizing them, voting on them next week, and she is willing to take a good recommendation from Commissioner Title on the agents who would not be touching cannabis,

but on the first recommendation, she has not willing to unwrap that at this point. At a future date, if as Commissioner Doyle pointed out, that these regulations need to be evolving, then they should take into consideration what he results of their actions are and if they begin licensing and opening establishments and there is reliable information that there is a wide exclusion, then they should be coming back and revising that. Today, she is where her recommendation is in terms of the content, notwithstanding the amendment by Commissioner Title, that is where her recommendation is. Commissioner Title said she wasn't suggesting they ask the advisory board, public safety subcommittee to come back to us by the time these regulations are finalized, she suggested as they have done with many issues, that they would define certain narcotic trafficking convictions for the purpose of this exclusion, and by the time agent registration starts, they would then have a list.

The Commissioners discussed how to define which narcotics would be excluded on the list and how the information would be made available. Commissioner Title said that would be available with the guidance that comes with the agent registration form and it would say if you have these certain narcotic convictions, there is a mandatory exclusion. Commissioner McBride said she was trying to think through due process and the implications of it. Commissioner Doyle said trafficking occurs is covered in 94C, Section 32E and the narcotics are identified there. It identifies marijuana, which is obviously excepted their statue, but also a very specific list of cocaine, heroin, morphine, opium and derivatives thereof, and they specifically identify fentanyl, and there may be something else in there, but it is not that lengthy of a list, so could they just refer to 94C, Section 32E. Commissioner Flanagan asked about meth and Commissioner Title said if they would read that list one more time and then vote, that is fine. Commissioner Doyle read cocaine, heroin, morphine, opium or derivatives thereof, fentanyl, and said she was trying to find methamphetamine. Commissioner McBride said it is 32(E)(b)(2). Commissioner Title asked if while they are looking for that, after the vote, is it OK if she puts it in plain English so they know what just passed. Chairman Hoffman agreed. Commissioner Title said it is just for people with convictions who want to understand what just happened.

Commissioner Doyle asked someone else to read from it. Commissioner McBride said cocaine, methamphetamine, phenmetrazine, heroin, morphine, opium, fentanyl. Chairman Hoffman asked for a motion to approve the recommendation of Commissioner McBride to call for automatic disqualification of trafficking offenses with the amendment proposed by Commissioner Title to exclude from automatic disqualification those agents that do not touch the product but leave the list of drugs that qualify for automatic exclusion per the statute you just read, with the exclusion of marijuana. Commissioner Doyle said she had a language clarification. It was employees who did not touch or have access to. Chairman Hoffman agreed. Commissioner Doyle made the motion to approve, seconded by Commissioner McBride. The Commission voted 3-2 to approve the motion, with Commissioners Doyle, McBride and Flanagan voting for the amendment, and Chairman Hoffman and Commissioner Title voting against.

Commissioner Title asked for the opportunity to summarize. Chairman Hoffman agreed. Commissioner Title said for people who may be watching the Commission and are wondering what changed for them: if you have a marijuana conviction nothing has changed due to the

statute; if you have a 94C conviction, nothing has changed because of the statute; if you are applying for a job where you would touch or have access to cannabis and you have a trafficking conviction for cocaine, methamphetamine, phenmetrazine, heroin, morphine, opium, or fentanyl, then you will not be able to get a job touching the plant now, but this does not apply to possession, distribution or intent to distribute convictions; and lastly this only applies to marijuana companies that are licensed by the Commission, so if it is something to do with marijuana, but you're not a dispensary, cultivation, or manufacturing or something under the Commission, this does not affect you. Chairman Hoffman said he appreciates that conversation and thanked the Commissioners.

Chairman Hoffman said they have a more topics, according to the sequence in his notes. Commissioner Doyle asked if they could do tiering first. Chairman Hoffman agreed. Commissioner Doyle explained that they had voted to do a 100,000 square foot cap for cultivation per licensee. After the conversation about controls on production, it occurred to her that as they voted to reevaluate that every six months, the growth of only being able to grow up to 5,000 square feet every six months was somewhat constrained. Commissioner Doyle said she thought they should revisit how the tiers are structured. She introduced a slide with options for tiering. On the left hand side of her slide, you see essentially what they already had with some additional tiers. She offered to email the table to the Commissioners in case they want to look at it on their computers if they cannot see it. It is very similar to what they already had, except Tier 3-4 are bigger in option 1, and the entire option 2 is chopped up because it is bigger by 10,000 square feet increments rather than 5,000-square-foot increments. Chairman Hoffman said to clarify, the current tiering in the draft regulations are four tiers, the first tier is up to 1,000 square feet; the second tier is 1,001-5,000 square feet; the third tier is 5,001-10,000 square feet; so what Commissioner Doyle is proposing is reducing the number of tiers at the low end, as well as adding tiers at the higher end. Commissioner Doyle said they had started talking about tiers from a quarterly place, and then moving to six months. What she had failed to appreciate at that time was if you made the growth opportunity less frequent and by failing to change the tiers, the Commission may constrain growth more than intended. The only difference between Option 1 and Option 2 is in Option 1 there are 11 tiers, and Tier 1 and Tier 2 are broken down in 5,000-square-foot increments, and after that it is 10,000-square-foot increments. Option 2 is all 10,000-square-foot increments. Chairman Hoffman said he has no problem this, he thinks option 1 is preferred. He would prefer to have those 2 tiers. Commissioner Doyle said it actually means more constraint on them though. Chairman Hoffman said he understands. He asked for comments. Commissioner Title said she prefers Option 1. Chairman Hoffman asked for a motion to approve Option 1. They will talk about fees afterward, but immediately afterward. Commissioner Flanagan made the motion, seconded by Commissioner Doyle. The Commission voted unanimously to approve Option 1.

Chairman Hoffman said without going to the fee table, just referring to this, since his table does not have these tiers, they had in December essentially approved a \$0.25 per square foot licensing fee for these tiers. They also approved different application fees for the four tiers, they have to come back and talk about that, but for the actual annual license fees, it was essentially \$0.25 per square foot. He said what they just voted on would not change that, although Commissioner

Doyle did raise the possibility for Tier 1 and Tier 2 having \$0.10 per square foot versus \$0.25. Commissioner Doyle said as much as she would like to claim credit for the idea, the Commission received a couple comments who raised that. It encourages small business, lowering the market barriers. Chairman Hoffman said he is not saying he is not for or against that, but annual license fees are intended to cover the cost of inspection in the regulation and they are driven to a larger sense, in his opinion, by facility rather than the size of the facility. If there is an inspector out there, they are taking the time to be out there, they are clearly doing more work with more square footage that has to be inspected, but the primary driver of cost in his opinion is the number of facilities, which is why he would argue for keeping things where they are right now, which is \$0.25 per square foot for each tier. He asked for comments or thoughts. There were none. Since that is not a change in the regulations, he didn't think a vote was required.

Chairman Hoffman said they just talked about the annual license fees and agreed to keep the \$0.25 per square foot. They did vote yesterday, for outdoor cultivation, to reduce the fee by 50%. The only thing they need to talk about is since they just changed the tiering, is that there are four application fees for the four tiers they just obsoleted. There are different application fees for \$100, \$250, \$400 and \$600 respectively for tiers 1-4 in the draft regulations, now that they have 10 tiers, they need to agree on what they want to do in terms of application fees by tier. Commissioner Doyle said there is actually 11 tiers because they voted for option 1. He thinks what they can do is just take the 11 tiers they voted on and apply them to the 1-4, and use the same application fee as they have historically. They can match the 11 tiers back to these four. Commissioner Doyle said she would be comfortable saying they vote to allow the Chairman to use the same methodology that they used to get to those, and then propose that as part of the language adoption next week. Chairman Hoffman said if everybody else is comfortable with that, he is comfortable with that. Commissioner Title clarified that they meant application fee. Chairman Hoffman agreed, he thinks they already covered annual fees. Commissioner Title agreed. Executive Director Collins said he does not know if they formally adopted the outdoor piece. Chairman Hoffman said he thought they voted on that yesterday. He said they have agreed to option 1, that is 11 tiers, they have agreed and do not need to vote on keeping the annual license fees at \$0.25 per square foot; they are going to use the same methodology to come up with application fees per tier; they will have that in the final language to be approved next week; the other thing the Executive Director said they need to discuss and vote on is yesterday they discussed but did not formally vote on the annual fees and application fees would be reduced by 50% for outdoor cultivators, so he would like to put that on the table and ask for a motion to approve. Commissioner Title made the motion, seconded by Commissioner Flanagan. The Commission unanimously approved the motion.

Commissioner Title asked to talk about for a fee for additional locations more than six, for co-ops. Chairman Hoffman reminded the meeting that he had promised to figure out what would be the incremental licensing cost for a co-op that has more than six locations. What he did was he took the annual license fee for the first tier, \$1,000 in the baseline analysis he had done prior to the meeting in December attempting to estimate their inspection and enforcement costs, and it was small facilities at \$1,000 annually, so that was the logic for a \$1,000 annual license fee for the old Tier 1. His proposal would be to assess or set a license fee for co-ops that would be at

based on the total amount of square footage that the co-op would apply for, and if they had anything in addition to 6 locations, an additional \$1,000 per locations more than six. Commissioner Title said she thinks that is a very logical, intuitive way to approach it, but just as a matter of relativity or proportionality, if \$1,000 is for our costs as a licensing matter, then she would think if the co-op is already in place and it is an additional location, some of that work would be done already on their part, so incrementally she thinks it should be a little bit lower. Commissioner Title asked what are the costs in the licensing fee numbers. Chairman Hoffman said it covers pro rata distribution of the staff, the licensing staff across the Commission, the other expenses such as automobiles, hazmat suits, training; in the FY 18 budget and FY 19 budget, they estimated all of those costs, and that is where those data come from. He's paying mind to her suggestion he is just not sure which of those costs would not be incrementally incurred with a new facility, new location. Most of those are location based. Commissioner Title said she could be wrong about this but she was bringing it up for discussion thinking about staff time to inspect, she would think if it is a co-op perhaps you've done part of the work in reviewing the paperwork, even if it is just a 10% reduction that might make a big difference. Chairman Hoffman said that is a reasonable suggestion. He does not know if off the top of his head an estimate of what percentage is driven by facility or the background preparation work Commissioner Title just described. As she just said, he thinks it is a very logical way to think about it, but, are there are other thoughts. Commissioner Doyle suggested that if they are going to add charge fees for locations in addition to six, do further work to examine what that fee should be and vote on a precise fee along with other language next week, is that comfortable for everyone. Chairman Hoffman said he is comfortable with doing that work, if people are comfortable with deferring the specific number, with the understanding that it is not going to change dramatically from that number, based on Commissioner Title's thoughts – to do that work. He will circulate it ahead of time and finalize it next week. The Commissioners discussed whether that needed a vote and determined it did not.

Chairman Hoffman said the next issue is Responsible Vendors. Commissioner Doyle said as she mentioned earlier, they did discuss and approve this in December, but due to a drafting error the actual details did not end up in the draft regulations. She just wanted to refresh everybody's memory because December was some time ago. What had been proposed and was largely recommended through at least one advisory board subcommittee was that marijuana establishment agents were required to undergo Responsible Vendor Training and that all owners, managers and employees involved in the handling and sale of marijuana for adult use are going to be required to complete at least two hours of this training. Employees that were more administrative in nature and did not handle or sell marijuana were encouraged to take responsible vendor training, but not required, so they would be doing it voluntarily. After the completion of the responsible vendor training, they have to do it annually. The subcommittee had recommended every two years, but she realizes in other places in the regulations they actually voted to make it an annual requirement, so she made it annual to be consistent. There is also a record-keeping requirement that goes with this for keeping the records of the training for four years and making them available for inspection by the Commission and any other applicable licensing authority such as the local licensing authority for applicable community that adopts local licensing. The Commission will provide guidance on a curriculum and the regulations and

the core curriculum. The Program is based on something Denver is doing. It involves a discussion of marijuana's effect on the human body, diversion prevention and prevention of sales to minors, acceptable forms of identification training – in other words, how to check IDs well, and other key state laws and rules that affect owners, managers and employees, that include local and state licensing and enforcement, incident and notification requirements, administrative and criminal liability, license sanctions and court sanctions, waste disposal, health and safety standards, patrons prohibited from bringing marijuana onto licensed premises, permitted hours of sale, conduct of establishment, permitting inspections by state and local licensing and enforcement authorities, licensee responsibilities for activities occurring within licensed premises, maintenance of records, privacy issues, and prohibited purchases and practices, and any other training the Commission determines they want to add to the core curriculum, particularly in the future if there are other types of licenses added in the mix, if there is something specific to them. The training is provided by third parties, not by the commission itself. This is another instance of jobs and opportunity being created by the industry, even though these people would not be directly in the marijuana business themselves. They also are required to maintain training records available for inspection. They must maintain the written documentation of attendance by a particular person and that they pass a test based on the knowledge involved in the training and there are options to do this training online, so if you live in a remote part of Massachusetts where the program is not, you would be able to complete it. She warned they may need to revisit that online issue if it becomes a problem with people being able to do it successfully online. There are requirements that attendees who can speak and write English are able to pass a written test with a score of 70% or better, and attendees who cannot read or write English may be offered a verbal test provided that the same questions are given that are on the written test and the results of the verbal test are documented with a score of 70% or better. The programs are required to solicit effectiveness evaluations from the individuals have concluded their program. Chairman Hoffman since they discussed and voted on this, is it appropriate that they vote on this next week as part of the final regulations. Commissioner Doyle agreed they do not need to vote; she just wants to remind everybody what it is. Commissioner Title said she remembers in that discussion having two suggestions, and she does not know if they made it in or not. Commissioner Doyle said this might be an old draft. Commissioner Title said one was that the responsible vendor training was done by a third party, that the third party would be accredited, is that Commissioner Doyle's understanding as well. Commissioner Doyle said that is sounding familiar. That is a good idea. They have to work on language. Commissioner Title said she can work on that, it might have been done already. The second has to do with record keeping. She suggested making this into a proactive requirement, once the training is done, it is signed by the employer and employee and then sent to the Commission for inspection, she thinks that would be a useful requirement. Commissioner Doyle said she hopes they would have the record-keeping capacity for that. If they do not, they can revisit that issue. She asked if there is any other record they are asking to send about individual employees, or are they just inspecting them onsite. Commissioner Title said she thinks that is the only one, other than the registration. Commissioner Doyle said they can put it in for now, and then if they decide it is overwhelming them administratively, then can take it out again. Chairman Hoffman said storage is cheap. Commissioner Title said she does not imagine it would be a problem. Chairman

Hoffman said there is no vote necessary, they'll do it as part of their discussion on the final regulations next week. He thanked Commissioner Doyle.

Commissioner Doyle said she forgot to say one thing that is policy-driven. The one thing that she would say about this is she has wondering if this needs to be delayed a little bit to give people time to get up and running. They are talking about third-party institutions here, that need to form business plans, etc., so she does not think they can physically require current applicants, like the applicants coming right in to comply with this, because the schools may not be ready. Chairman Hoffman asked if she had a recommendation. Commissioner Doyle said she was thinking July 1, 2019 being the potential effective date. That way that gives the time for schools to get up and running. Chairman Hoffman agreed with the idea to defer them, but he thinks it is longer than necessary. Commissioner Doyle said they need to accredit them as well and the marijuana establishments still have to do other training before they are required to do this one. Chairman Hoffman said he agrees, but they still think it is important enough to put it in the regulations. Commissioner Title asked Executive Director Collins to weigh in. Executive Director Collins said he thinks July 1, 2019 is reasonable. Chairman Hoffman said the only thing they need to vote on is delaying the implementation of this requirement until July 1, 2019. Commissioner Doyle made the motion to approve, Commissioner Title seconded it. The Commission voted unanimously to approve the motion.

Chairman Hoffman said the only other topics they have not yet covered are requests that came from the Department of Revenue from the letter they received from General Counsel of ANF. There were four specific requests he wanted to get on the table to discuss and vote on if necessary. One is that a marijuana retailer will sell products that are taxed under our law they are regulating, as well as non-marijuana products or paraphernalia that are not subject to the 20% tax. The request of DOR was to require marijuana retailers at POS to be able to track separately sales that were subject to the tax under their legislation, versus products that are just under the sales tax. He asked the Executive Director to comment, since he is working on the seed-to-sale tracking as part of this. Executive Director Collins said from the actual software itself, the seed-to-sale tracking, it serves a seed-to-sale function but nominally each retailer will maintain POS software that will integrate into their system. Other jurisdictions do have this distinction, different tax rates for different products, so it should be possible. Chairman Hoffman said his experience in the private sector with POS is that it is a pretty simple thing to do. Executive Director Collins agreed. Chairman Hoffman asked for a motion to approve, requiring retailers for the POS system to separately track products that are subject to the taxes in their law and other products. Commissioner Doyle made the motion to approve, seconded by Commissioner McBride. That was approved unanimously by the Commission.

Chairman Hoffman said second was the ability of DOR to seize assets for tax nonpayment. He thought they already had that authority. Commissioner Doyle agreed. Chairman Hoffman said the General Counsel agrees, so he does not think they need to take any action on this. Commissioner Doyle said she would just say she followed up with DOR to say exactly what the Chairman said, and they did request that it be added to the regulations to bolster the authority they already have, and to put the people regulated on notice that that could possible happen. She

thinks most people are aware of that, but she does not think it ever hurts to be more informative. Chairman Hoffman asked for other thoughts. There were none. He said it does not change anything, it is redundant, and if it is their request, he does not have a problem with that. He asked for a motion to add the language about the Department of Revenue's current authority. Commissioner Flanagan made the motion, seconded by Commissioner Doyle. The Commission unanimously approved the motion.

Chairman Hoffman said the third issue is similar: the rights of the Department of Revenue to audit the books of marijuana establishments. Again, he believes it is the same thing as the prior issue. Commissioner Doyle agreed. He asked for a motion to approve, adding the language authorizing DOR to audit the books of marijuana establishments. Commissioner Doyle made the motion, seconded by Commissioner Flanagan. The Commission unanimously approved the motion.

Chairman Hoffman said the fourth thing is there was some technical language on tax issues requested, and he asked to defer that until next week, since it is technical language. Commissioner Doyle commented that there are a lot of little technical things, some of which are actually beneficial to applicants such as giving licensees who by the form of their business structure already get a tax compliance form, for their business, they would be able to provide that instead of a Certificate of Good Standing the Commission is requesting. The other that is closer to substantive she thinks is the requirement that licensees not only show they actually filed their tax returns, but they have demonstrated that they have paid any tax due. Chairman Hoffman asked if that is in the application process. Commissioner Doyle said she was not sure. It is the renewal, rather than the application. She had asked if other professions have to do that, not just marijuana businesses, and in fact this is required in other professions, trades or businesses pursuant to a certain statute, and some other businesses are required to show it up front. Chairman Hoffman said the proposal would be to add to their requirements that there is a certification that taxes due have been paid. He asked for any objections. Commissioner Title said she had no objection, but asked what documentation they are looking for. Commissioner Doyle said that went beyond her level of knowledge. That is something they will have to clarify as they are building out the application process, but perhaps a form. Chairman Hoffman said they can leave that clarification until next week. Commissioner McBride said she has a question about how this is different than a Certificate of Good Standing that they are already requiring upon renewal. Commissioner Doyle said this is a good question for DOR, since they requested it be added. Chairman Hoffman said they should take a vote and review this and determine what the language looks like in their vote next week. Commissioner Title said she has sorry but she has uncomfortable taking a vote until she sees the details. Commissioner Doyle asked if they can treat it similar to the one other issue, where they still need a particular dollar amount. Chairman Hoffman said they are separate issues, one is analysis methodology that they have already approved, he does not think this falls in the same category. Commissioner Doyle said if people aren't comfortable voting one way or the other, it is worth it if it is one additional issue to weigh into next week. Chairman Hoffman asked the General Counsel her thoughts. General Counsel Baily said it is up to the Commission whether to vote now or next week. Commissioner Title said to clarify what she was waiting for information on, precisely when they ask for proof that people

paid their taxes, what that would require, that is the only thing she had a question on. General Counsel said as Commissioner McBride suggested, either she or Commissioner McBride could reach out to their General Counsel and ask about the scope of the certification, to see what it covers, but that is not information she has right now. Commissioner McBride said it is totally fine to wait until next week. Chairman Hoffman asked if there are any other issues they have not discussed with regard to policies that need to be decided to inform or be embedded into the final regulations. Executive Director Collins said there may be if they could take two minutes. Chairman Hoffman said they will break and reconvene at 3 p.m.

Chairman Hoffman said they are back in session and they believe they are done. He thanked his fellow Commissioners for their stamina and the way the conversation went in terms of thoughtfulness everyone put behind these issues, the mutual respect shown. He said he would repeat himself in saying the Governor, the Attorney General and the Treasurer selected a diverse commission with different backgrounds and different experiences and therefore they come at these issues from different points of view and he thinks they saw that today. They are all trying to do the right thing. He just wanted to thank everybody for the way they participated and for what they did and what they accomplished over the last three days. The Commission needs to back and, driven primarily by the General Counsel and with input from the Commissioners, they are going to take the draft regulations and modify them based on decisions made over the last three days, circulate a draft of the final regulations and come back on Tuesday and Wednesday next week and review and vote on the final regulations. Once they are done with that, the regulations will be filed with the Secretary of State by March 9, and they will be promulgated on the 15th of March. Commissioner Doyle said they will be promulgated on the 9th, for technical language. Promulgated, her understanding is when they approve it, but it won't be effective until it is published by the Secretary of State. The publishing deadline to get it published is March 9. The General Counsel said that sounds right. Chairman Hoffman thanked them. He said that being said, therefore the next meeting will be this coming Tuesday, March 6 at the meeting room in the Gaming Commission's offices and the primary topic will be to review and vote on the draft regulations. He thanked the audience again and adjourned the meeting at 3:15 p.m.