



## CANNABIS CONTROL COMMISSION

### PUBLIC MEETING MINUTES

July 26, 2018 1 p.m.  
Health Policy Commission  
50 Milk St 8<sup>th</sup> Floor  
Boston, MA

#### COMMISSION MEMBERS IN ATTENDANCE:

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

COMMISSION MEMBERS ABSENT: None

#### LIST OF DOCUMENTS

1. [Presentation](#)
2. [DRAFT – Guidance on Host Community Agreements](#)
3. [DRAFT – Guidance on Local Equity](#)
4. [Guidance on Required Positive Impact Plan And Diversity Plan](#)
5. [Meeting Minutes | 7/12/18](#)
6. [Legislative Report – Farmers and Businesses of All Sizes](#)
7. [Executive Summary – Alternative Therapies Group, Inc. – MRN281346](#)
8. [Executive Summary – Alternative Therapies Group, Inc. – MCN281255](#)
9. [Executive Summary – Alternative Therapies, Inc. – MPN281300](#)
10. [Executive Summary – New England Treatment Access – MCN281267](#)
11. [Executive Summary – New England Treatment Access – MRN281240](#)
12. [Executive Summary – New England Treatment Access – MPN281306](#)
13. [Executive Summary – New England Treatment Access – MRN281287](#)

Chairman Hoffman called the Cannabis Control Commission to order at 1:05pm on July 26, 2018. Chairman Hoffman put the public on notice that the meeting is being recorded. Chairman Hoffman reviewed the upcoming meeting agenda.

Chairman Hoffman turned to the meeting minutes from July 12, 2018 for Commission consideration. Commissioner Flanagan made the motion to approve, seconded by Commissioner Doyle. The motion is unanimously approved by the Commission.

Executive Director Shawn Collins introduced Pauline Nguyen, the Associate General Counsel, and discussed her professional background. Mr. Collins noted the Enforcement Counsel position is still posted. The Commission is actively recruiting for Investigators and HR Generalist as well.

Mr. Collins discussed total licensing applications as of July 26, 2018 (slide 5). Next, Mr. Collins discussed the applications who have submitted all four packets (slide 6). Mr. Collins discussed where in the process the licensing applications are (slide 7). Mr. Collins then discussed the breakdown by county of licensing applications (slide 8).

Chairman Hoffman moved to discuss the host community agreement guidance. Commissioner McBride suggested putting out this guidance today, and then having a two-week comment period. The guidance is guided by court cases and the plain language of the statute, M.G.L. c. 94G. There are two categories of money, tax money and community impact fees. The tax money is limited, in that there is a ceiling the legislature set. The community impact fee is optional, and separate and apart from taxes. A community impact fee is simply a fee and are guided by administrative law and court cases. A fee is charged in exchange for a government service which benefits the paying party and must be sufficiently special to that subject, and not the public. A person may choose not to pay the fee and forgo the government benefit. This is different than taxes, which are certain. A fee is not intended to be a revenue generator. With that in mind, examining M.G.L. c.94G to see what is permissible of what can be included in the community impact fee. The directive states the fee is option, reasonably related to the costs imposed on the municipality, capped at 3 percent, and cannot be in place for longer than 5 years. The guidance states fees that are reasonable are those who compensate the municipal for actual and anticipated expenses, results from the operation of the marijuana establishment. Costs associated with planning are okay. However, it is important that municipalities identify the plan specific associated with the fee. Information about the costs included in the host community agreement should be submitted by the licensee during the renewal process.

Chairman Hoffman asked for comments or suggestions for Commissioner McBride.

Commissioner Doyle thanked Commissioner McBride for tackling this topic so well.

Commissioner Doyle wanted to hear from lawyers on the both sides of the issue to submit briefs.

Commissioner Title noted this issue goes to the heart of equity, because the Commission cannot look at an application without a host community agreement. The ability of small business, women, veteran, farmers, and equity applicants to negotiate their reasonably related expenses is a critical factor in creating a just and equitable industry. The legislature put a strict cap on the fees, to build a diverse industry, while compensating the municipalities for costs related.

Commissioner Title thought that a traffic study was an actual fee but would see substance abuse programming would be seen more as a voluntary donation. The term voluntary donation has come up a lot and this is a good example of where a business might say, in addition to the cost, we want to contribute to the substance abuse programming. However, this would be accounted for

in the 3 percent cap. Commissioner Flanagan thanked Commissioner McBride for her work. Commissioner Flanagan said she has found a lot of confusion on the municipal level and we have to remember the process that got us here. Commissioner Flanagan thought additional funding to Substance Abuse tasks force at the municipal level is important. The Commission needs to start thinking more about public health as an anticipated cost.

Commissioner McBride noted there are concerns about how some cities and towns are acting. However, this is in the absence of information how cities and towns are approaching the host community agreements. Another component of this is to gather information in regard to response to the guidance, but also gather information from municipalities generally. A municipal survey recently went out and is seeking to collect host community agreements.

Chairman Hoffman thought gathering more information would be helpful. Chairman Hoffman asked what type of review or enforcement role the Commission should play in terms of enforcing these host community agreements. Commissioner Flanagan asked what legally the Commission can do as a regulatory body. Commissioner Title liked the idea of a short public comment period on local control and then revisit the discussion. Commissioner Flanagan asked what Commissioner Title means by local control. Commissioner Title suggested a starting point as host community agreements, the local equity guidance, and then the letter from the Legislature. The letter states it was the intent of the legislature for the Commission to ensure compliance with the statute in host community agreements. Commissioner Flanagan noted that legislative intent changes during the process.

Chairman Hoffman suggested getting input on the host community agreement guidance, from the General Counsel, and the legislature. Commissioner Flanagan would like to tackle the host community agreement and equity guidance individually and come back to the Commission next week. Chairman Hoffman said this was only for host community agreements. Commissioner McBride said we should consider comments from anyone regarding host community agreements. Chairman Hoffman said we will take the issue up in two weeks, seeking comments from anyone and guidance from the Commission's General Counsel. Mr. Collins suggested allowing comments until Monday August 6, to compile and circulate. Chairman Hoffman agreed with Mr. Collins' suggestion. Commissioner Title said after the open comment period, each of us would make motions for changes, is that the process we would like to follow. General Counsel said it would not necessary to put a motion but would be okay if that is how the Commission wants to do it.

Commissioner McBride moved to publish the draft guidance for public comments, until August 6th at 5pm EDT for the Commission's consideration at the next public meeting. The motion is seconded by Commissioner Doyle. The motion is unanimously approved.

Chairman Hoffman introduced the positive impact plan and diversity guidance. Commissioner Title spoke on the positive impact plan guidance, the purpose of which is to clarify the elements of the positive impact plan. It also details plans and accountability, along with examples. Positive impact plans are not limited to what is contained in the guidance. Chairman Hoffman thanked Commissioner Title for her leadership. Chairman Hoffman asked for a motion to

approve the positive impact and diversity guidance. Commissioner Title made the motion to approve, subject to staff modifications. Commissioner McBride seconded the motion to approve. The motion is unanimously passed.

Next, Commissioner Title spoke on Equity-focused Municipal Guidance and would like to put it out for public comment. These are only recommendations, compiled with suggestions from the Advisory Board and municipalities. Commissioner Title discussed the contents of the Equity-focused Municipal Guidance. Commissioner Doyle said she had concerns of the use of certain words, such as “package store” and would like to update its use in this guidance and the Municipal Guidance. Commissioner Doyle had concerns with the buffer zone language and would like to rework it. Commissioner Doyle was concerned about the Commission characterizing the state of research on marijuana today, would prefer to pull the references to studies out, but keep the language regarding being responsible about what the actual impacts are to the community. Commissioner Doyle also stated that she was concerned that the section about streamlining the local approval process implied open meeting law bodies should get involved in negotiating contracts, which could slow the process down.

Commissioner Title said those are valuable comments and suggested edits. Commissioner Title suggested delegating to the staff the research paragraphs and represent research in the most accurate way as possible. Commissioner Doyle said she was uncomfortable characterizing research, but she and Commissioner Title may be coming from a different place on the issue. Chairman Hoffman suggested working on the document and revisiting in two weeks. Commissioner Title said the Commission should be comfortable presenting research. Chairman Hoffman said he would put research on the agenda.

Commissioner Flanagan said as a regulatory body, do we need to include research to guide cities and towns. Commissioner Flanagan was concerned about people finding studies to counter what the Commission has cited as research. Chairman Hoffman thought it was a worthy conversation to have. Commissioner Title made a motion to publish the draft municipal equity guidance for public comments, until August 6th at 5pm EDT for the Commission’s consideration at the next public meeting. The motion was seconded by Commissioner Doyle. The motion was unanimously approved by the Commission. Mr. Collins noted this guidance will be circulated to our advisory groups.

Commissioner Doyle discussed the Report to Legislature on Farmer and Businesses of All Sizes, which examines the opportunities to farmers and businesses of all sizes within the adult use industry. Commissioner McBride thanked Commissioner Doyle for all her hard work. Commissioner Title thanked Commissioner Doyle for her support of farmers. Commissioner Title suggested that looking forward to our next report, a month before the report is due, the Commission meet and discuss other recommendations to the Legislature. Mr. Collins said he will circulate the report to the Legislature, along with the Joint Committee for Marijuana Policy and the House and Senate Clerk’s office. Commissioner Flanagan made the motion to approve, seconded by Commissioner Doyle. The motion is unanimously approved by the Commission.

Chairman Hoffman discussed the survey that was sent to Economic Empowerment Applicants. Chairman Hoffman cautioned from drawing too many conclusions based on limited data. Commissioner Title discussed the Economic Empowerment Application Survey data (slide 10). Chairman Hoffman suggested having a closing date and then discussing the data further. Commissioner Title discussed the reasons applicants did not apply (slide 11). Commissioner Flanagan is concerned that over 300 were sent out and have only gotten 60 back, the data is very preliminary. When it comes to funding, business plans, and the municipalities, all are trying to get their ducks in the row. The Commission's community outreach will help have a more substantive conversation. Commissioner Flanagan said we need to have this conversation further down the road, this may spark fear and we want an inclusive process. Commissioner McBride suggested adding the question what municipalities these applicants have been talking to. Commissioner McBride said it would be very helpful to have positive conversations with municipalities about where there are opportunities. Commissioner Doyle supported a breakdown of the cities or town. Chairman Hoffman said difficulty in raising funds is not surprising. Chairman Hoffman thought focus groups would be more helpful and listen to these applicants. Commissioner Title noted focus groups were already in the works.

Chairman Hoffman asked Mr. Collins about a timeline on closing the survey. Mr. Collins said he will talk with staff to see what percentage of completion would be scientific. Commissioner Title said that the law is clear that the priority status is the benefit, and the longer it goes on, the less of a benefit. Commissioner Title suggested doing events for Economic Empowerment applications where they walk through the regulations. Commissioner Title thought it was important all five members hear from EEAs and organizing hearings in cities and towns.

Chairman Hoffman shares Commissioner Title's urgency, priority loses its benefit the longer it goes on. Chairman Hoffman turned to Mr. Collin's request for delegation of the Suitability Review Committee. Mr. Collins said the regulations allow the Commission to make a suitability determination, which can be delegated to the Executive Director. Mr. Collins asked for the delegation of that power, and then create a suitability review committee. Commissioner Flanagan made a motion to approve, seconded by Commissioner McBride. The motion is unanimously approved.

Next, Chairman Hoffman turned to the staff's recommendations on completed license applications. Mr. Collins reviewed the executive summary of the application for Alternative Therapies Group, Inc (MCN281255) for Tier 5 cultivation license. Mr. Collins said the staff recommendation for provisional licensure will be subject to the following conditions: all required individuals be finger printed, applicant will document compliance with Department of Public Health (DPH) regulations, be subject to inspection and audit for compliance with CCC regulations, be subject to inspection and audit for compliance with state and local codes, cooperate with Commission investigators and employees, pay license fee, demonstrate compliance with statutory and regulatory requirements for final licensure. Mr. Collins noted the Commission certifies a due diligence review of the applicant was performed, and as of this date the applicant has demonstrated compliance with the laws of the Commonwealth, and suitability for licensure.

Chairman Hoffman asked for a motion to approve the staff's recommendation to approve the issuance of a provisional license. Commissioner McBride made the motion to approve, seconded by Commissioner Flanagan. The motion is unanimously passed.

Next, Mr. Collins reviewed the executive summary of the application of Alternative Therapies Group Inc. for a Retailer license, (MRN281346). Mr. Collins said the staff recommendation for the issuance of provisional licensure will be subject to the following conditions: all required individuals be finger printed, applicant will document compliance with Department of Public Health (DPH) regulations, be subject to inspection and audit for compliance with CCC regulations, be subject to inspection and audit for compliance with state and local codes, cooperate with Commission investigators and employees, pay license fee, demonstrate compliance with statutory and regulatory requirements for final licensure. Mr. Collins noted the Commission certifies a due diligence review of the applicant was performed, and as of this date the applicant has demonstrated compliance with the laws of the Commonwealth, and suitability for licensure.

Chairman Hoffman asked for a motion to approve the staff's recommendation to approve the issuance of a provisional license. Commissioner McBride made the motion to approve, seconded by Commissioner Doyle. The motion is unanimously passed.

Next, Mr. Collins reviewed the executive summary of the application of Alternative Therapies Group Inc (MPN281300) for a Product Manufacturer license. Mr. Collins said the staff recommendation for provisional licensure will be subject to the following conditions: all required individuals be finger printed, applicant will document compliance with Department of Public Health (DPH) regulations, be subject to inspection and audit for compliance with CCC regulations, be subject to inspection and audit for compliance with state and local codes, cooperate with Commission investigators and employees, pay license fee, demonstrate compliance with statutory and regulatory requirements for final licensure. Mr. Collins noted the Commission certifies the due diligence review of the applicant was performed, and the applicant has demonstrated compliance with the laws of the Commonwealth, and suitability for licensure.

Chairman Hoffman asked if we want to know where a manufacturer is getting their raw material. Mr. Collins said that is something inquired about, through the inspections process.

Chairman Hoffman asked for a motion to approve the staff's recommendation to approve the issuance of a provisional license. Commissioner Flanagan made the motion to approve, seconded by Commissioner Doyle. The motion is unanimously passed.

Next, Mr. Collins reviewed the executive summary of the application of New England Treatment Access (MCN281267) for a Tier 6 Cultivation license. Mr. Collins said the staff recommendation for provisional licensure will be subject to the following conditions: all required individuals be finger printed, applicant will document compliance with Department of Public Health (DPH) regulations, be subject to inspection and audit for compliance with CCC regulations, be subject to inspection and audit for compliance with state and local codes, cooperate with Commission investigators and employees, pay license fee, demonstrate compliance with statutory and regulatory requirements for final licensure. Mr. Collins noted the

Commission certifies the due diligence review of the applicant was performed, and the applicant has demonstrated compliance with the laws of the Commonwealth, and suitability for licensure.

Commissioner Title asked about disclosures made in the application. Mr. Collins said the disclosures are reviewed against our regulations and found no suitability issues. Chairman Hoffman asked for a motion to approve the staff's recommendation to approve the issuance of a provisional license. Commissioner Flanagan made the motion to approve, seconded by Commissioner Doyle. The motion is unanimously passed.

Next, Mr. Collins reviewed the executive summary of the application of New England Treatment Access (MRN281240) for a Retailer license. Mr. Collins said the staff recommendation for provisional licensure will be subject to the following conditions: all required individuals be finger printed, applicant will document compliance with Department of Public Health (DPH) regulations, be subject to inspection and audit for compliance with CCC regulations, be subject to inspection and audit for compliance with state and local codes, cooperate with Commission investigators and employees, pay license fee, demonstrate compliance with statutory and regulatory requirements for final licensure. Mr. Collins noted the Commission certifies the due diligence review of the applicant was performed, and the applicant has demonstrated compliance with the laws of the Commonwealth, and suitability for licensure.

Commissioner Title asked that the retailer is based in Northampton but partnering with Roxbury Community College. Mr. Collins said yes. Commissioner Title asked if the Commission would review licensees' actions taken relative to their submitted positive impact plans during the renewal process. Mr. Collins said yes. Chairman Hoffman asked for a motion to approve the staff's recommendation to approve the issuance of a provisional license. Commissioner Doyle made the motion to approve, seconded by Commissioner McBride. The motion is unanimously passed.

Next, Mr. Collins reviewed the executive summary of the application of New England Treatment Access (MRN281287) for a Retailer license. Mr. Collins said the staff recommendation for provisional licensure will be subject to the following conditions: all required individuals be finger printed, applicant will document compliance with Department of Public Health (DPH) regulations, be subject to inspection and audit for compliance with CCC regulations, be subject to inspection and audit for compliance with state and local codes, cooperate with Commission investigators and employees, pay license fee, demonstrate compliance with statutory and regulatory requirements for final licensure. Mr. Collins noted the Commission certifies the due diligence review of the applicant was performed, and the applicant has demonstrated compliance with the laws of the Commonwealth, and suitability for licensure.

Chairman Hoffman asked for a motion to approve the staff's recommendation to approve the issuance of a provisional license. Commissioner McBride made the motion to approve, seconded by Commissioner Doyle. The motion is unanimously passed.

Next, Mr. Collins reviewed the executive summary of the application of New England Treatment Access (MPN281306) for a Product Manufacturer license. Mr. Collins said the staff recommendation for provisional licensure will be subject to the following conditions: all required

individuals be finger printed, applicant will document compliance with Department of Public Health (DPH) regulations, be subject to inspection and audit for compliance with CCC regulations, be subject to inspection and audit for compliance with state and local codes, cooperate with Commission investigators and employees, pay license fee, demonstrate compliance with statutory and regulatory requirements for final licensure. Mr. Collins noted the Commission certifies the due diligence review of the applicant was performed, and the applicant has demonstrated compliance with the laws of the Commonwealth, and suitability for licensure.

Chairman Hoffman asked for a motion to approve the staff's recommendation to approve the issuance of a provisional license. Commissioner Doyle made the motion to approve, seconded by Commissioner McBride. The motion is unanimously passed.

Mr. Collins said the finger print background check is operational, so that condition can be removed in the future. Each of the applications were reviewed individually. Chairman Hoffman thanked Director of Licensing Kyle Potvin for his hard work.

With no unknown business before the Commission, Chairman Hoffman noted the next public meeting is August 9 at 1pm at the Gaming Commission. Chairman Hoffman asked for a motion to adjourn. The motion is passed unanimously. The Commission is adjourned as of 3:20pm.