

Cannabis Control Commission Public Meeting Minutes

June 13, 2019

1:00 P.M.

State House Room 222

Boston, MA 02110

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 from 06/13/19 Commission Meeting](#)
2. [Meeting Minutes | 04/25/19-04/26/19](#)
3. [Final Order and Stipulated Agreement – Cultivate Holdings, LLC](#)
4. [Provisional License – Executive Summary – Sira Naturals, Inc. – MCN282015](#)
5. [Provisional License – Executive Summary – LC Square, LLC – MCN281717](#)
6. [Provisional License – Executive Summary – I.N.S.A., Inc. – MRN281892](#)
7. [Medical Provisional License – Executive Summary – KT Capital Group, LLC](#)
8. [Medical Final License – Executive Summary – Sanctuary Medicinals, Inc. – RMD1127](#)
9. [Final License – Executive Summary – Late Spring, Inc. D/B/A Gage Cannabis Company – MR281248](#)
10. [Change in Ownership – Executive Summary – New England Treatment Access, LLC – MC281267-MP281306-MR281240-MR281287-RMD185-RMD125](#)

Chairman Hoffman called the Cannabis Control Commission to order at 1:00 PM. Chairman Hoffman put the public on notice that the meeting is being recorded. Chairman Hoffman reviewed the meeting agenda.

Chairman Hoffman turned to the minutes from April 25-26, 2019. Commissioner Doyle suggested an edit. Commissioner Flanagan made the motion to approve the minutes, seconded by Commissioner McBride. The Commission unanimously approved the motion.

Chairman Hoffman turned to Executive Director Shawn Collins for his report. Mr. Collins first discussed a proposal to add a job position for Associate Enforcement Counsel. This position has been budgeted for. Commissioner McBride made the motion to approve posting the position,



seconded by Commissioner Flanagan. The committee unanimously approved the motion. Mr. Collins continued his report, which was briefly interrupted by a school field trip. Mr. Collins discussed licensing applications and social equity program applications. Commissioner McBride asked for additional data on aspects of the social equity program. Commissioner Title asked for feedback from social equity program participants to be included in future presentations of data.

Chairman Hoffman turned to Director of Licensing Kyle Potvin for discussion of the proposed Change of Ownership application for New England Treatment Associates, Inc. (NETA), which staff has recommended for approval subject to the conditions set forth in the executive summary. Commissioner Doyle proposed two additional conditions: within 30 days of license transfer, the applicant shall produce a plan to comply with sanitary requirements for production and sale of MIP, and also a plan to comply with advertising and marketing requirement of 935 CMR 500. Commissioner Title expressed concern about the acquirer's regulatory compliance issues for its Florida facilities and asked for further information on an employment-related lawsuit. Commissioner Doyle made a motion to approve the staff recommendation, seconded by Commissioner McBride. The motion was unanimously approved by the Commission, subject to the additional conditions proposed by Commissioner Doyle.

Mr. Potvin discussed the application for Late Spring, Inc. D/B/A Gage Cannabis Company (#MR281248), Retail, which staff has recommended for approval of a final license subject to the conditions set forth in the executive summary. Commissioner McBride made a motion to approve the staff recommendation, seconded by Commissioner Doyle. The motion was approved by the Commission (Commissioners Hoffman, Doyle, McBride and Flanagan in favor) with Commissioner Title abstaining.

Mr. Potvin discussed the application for Sanctuary Medicinals, Inc. (#RMD 1127), Vertically Integrated Medical Marijuana Treatment Center/RMD, which staff has recommended for approval of a final license subject to the conditions set forth in the executive summary. Commissioner Doyle made a motion to approve the staff recommendation, seconded by Commissioner McBride. The motion was unanimously approved by the Commission.

Mr. Potvin discussed the application for I.N.S.A., Incorporated (#MRN281892), Retail, which staff has recommended for approval of a provisional license subject to the conditions set forth in the executive summary. Commissioner Flanagan proposed conditions regarding the time frame for implementation of the applicant's Positive Impact Plan and possible site improvements. Commissioner Title stated that in the absence of a specific date, her assumption in reviewing the plans has been that the timeframe for implementation is one year, corresponding to the license renewal time frame. Commissioner Doyle made a motion to approve the staff recommendation, seconded by Commissioner McBride, subject to the conditions of Commissioner Flanagan. The motion was unanimously approved by the Commission.

Mr. Potvin discussed the application for LC Square, LLC (#MCN281717), Cultivation – Tier 3/Indoor, which staff has recommended for approval of a provisional license subject to the conditions set forth in the executive summary. Commissioner Flanagan proposed conditions regarding revisions to the applicant's Positive Impact Plan. Commissioner McBride made a



motion to approve the staff recommendation, seconded by Commissioner Flanagan, subject to the conditions of Commissioner Flanagan. The motion was unanimously approved by the Commission.

Mr. Potvin discussed the application for Sira Natural, Inc. (#MCN282015), Cultivation – Tier 3/Indoor, which staff has recommended for approval of a provisional license subject to the conditions set forth in the executive summary. Commissioner Flanagan proposed a condition regarding revision of the applicant’s advertising flyer. Commissioner Title noted that the applicant’s Positive Impact Plan was improved from a previous license application. Commissioner Doyle made a motion to approve the staff recommendation, seconded by Commissioner Flanagan, subject to the additional condition of Commissioner Flanagan. The motion was unanimously approved by the Commission.

Mr. Potvin discussed the application for KT Capital Group, LLC, Vertically Integrated Medical Marijuana Treatment Center/RMD, which staff has recommended for approval of a provisional license subject to the conditions set forth in the executive summary. Commissioner Doyle made a motion to approve the staff recommendation, seconded by Commissioner Flanagan. The motion was unanimously approved by the Commission.

Chairman Hoffman turned to Executive Director Collins to discuss delegation of procurement thresholds to the Executive Director. Mr. Collins recommended that Commission approval be requested for all procurement and contract awards in excess of \$492,000 and any open bid contracts in excess of \$150,000. Chairman Hoffman requested that the Commission be informed in regular reports from the Executive Director of procurements below those thresholds. Commissioner Flanagan made a motion to approve the recommendation, seconded by Commissioner Title. The motion was unanimously approved by the Commission.

Chairman Hoffman described the proposed Request for Response (RFR) for the Commission to solicit proposals for assistance in financial investigations into corporate structures related to control of Marijuana Establishments. Commissioner Title asked if it the RFR would be for one larger firm or if multiple smaller vendors could bid. Commissioner McBride expressed a concern about the Commission’s ability to manage the vendor and how quickly the investigative capability could be moved in-house. Commissioner Doyle made a motion to approve issuance of the RFR, seconded by Commissioner Flanagan. The motion was unanimously approved by the Commission.

Chairman Hoffman turned to Enforcement Counsel Paul Payer for discussion of the enforcement agreement negotiated between the Commission and licensee Cultivate Holdings regarding incorrectly labeled marijuana products sold at Cultivate’s retail store. Commissioner Flanagan expressed appreciation for the Enforcement team’s work on this matter because the labeling regulations serve an important purpose in protecting public health. Mr. Payer informed the Commission that all of the products have now been properly labeled. Mr. Payer also explained the reasoning behind the \$75,000 fine amount. Commissioner McBride asked what role the fact that Cultivate did not post correct notice of the problem at the store played in the fine. Commissioner Title requested that the order and violations be available as a public record. Mr.



Collins said that the Commission's investigative staff acted quickly and effectively to resolve the situation, with the cooperation of the licensee, who stipulated to the facts included in the order. Commissioner Title said that if any member of the public saw a possible violation, they could report it to the Commission, and expressed her concern that the licensee did not properly post notice of their violations until a second warning. Commissioner Flanagan made a motion to approve the enforcement agreement, seconded by Commissioner McBride. The motion was unanimously approved by the Commission.

Commissioner Title noted that, as shown in the Executive Director's presentation, diversity in licenses was lacking. Commissioner Title made a motion that the Commission request authority from the Legislature to use revenue from fines imposed upon licensees to promote diversity efforts. The motion was seconded by Commissioner Doyle. The Commission did not approve the motion, with one in favor (Title) and four opposed (Hoffman, Doyle, McBride and Flanagan).

With no unknown business before the Commission, Chairman Hoffman noted the next public meeting will be June 25, 2019 to discuss policy issues related to draft regulations, then a meeting on June 27, 2019 to review and vote on the draft regulations. Commissioner Title requested that a list of the policy issues to be discussed at the June 25 meeting be released to the public in advance. Chairman Hoffman asked for a motion to adjourn. Commissioner Flanagan made the motion to adjourn seconded by Commissioner Doyle. The motion was unanimously approved by the Commission. The meeting was adjourned as of 2:27 pm.

