

# Cannabis Control Commission Public Meeting Minutes

August 8, 2019

12:00 P.M.

Massachusetts Dept. of Transportation

10 Park Plaza

Boston, MA 02116

## Commission Members in Attendance:

Chairman Steven Hoffman  
Commissioner Kay Doyle  
Commissioner Britte McBride

## Commission Members Participating Remotely:

Commissioner Jen Flanagan  
Commissioner Shaleen Title

## Commission Members Absent: None

## List of Documents:

1. Executive Director's Presentation for Public Meeting 8/8/19
2. Change of Location – Executive Summary - Canna Provisions, Inc.
3. Final License – Executive Summary – 253 Organic, LLC
4. Final License – Executive Summary – Solar Therapeutics, Inc.
5. Provisional License – Executive Summary – Berkshire Roots, Inc.
6. Provisional License – Executive Summary – Ipswich Pharmaceutical Associates, Inc.
7. Provisional License – Executive Summary – New England Cannabis Corporation, Inc.
8. Marijuana Establishment Renewals – Executive Summary: Pharmacannis Massachusetts, Inc. M3 Ventures, Inc. (3 licenses), I.N.S.A (3 licenses), Alternative Therapies Group, Inc.
9. Guidance on Renewing a Marijuana Establishment License
10. Guidance on Application for Responsible Vendor Training

Chairman Hoffman called the meeting to order at 12:00 PM. Chairman Hoffman put the public on notice that the meeting is being recorded. Chairman Hoffman said that the Commission would be holding its public meetings monthly beginning in September 2019. Chairman Hoffman proposed a change to the order of items in the agenda, to which the commissioners agreed.

Executive Director Shawn Collins introduced the Commission's new Associate General Counsel Alyssa DeAngelis, then presented his report on license, agent and social equity program applications.

Chairman Hoffman turned to the request for change of location of Canna Provisions, Inc. (#MR281778, Retail). Director of Licensing Kyle Potvin discussed the licensee's application, which staff has recommended for approval subject to the conditions set forth in the executive

summary. Chairman Hoffman asked for a motion to approve the staff recommendation. The motion was made by Commissioner McBride, seconded by Commissioner Doyle. The Commission unanimously approved the motion.

Chairman Hoffman turned to consideration of final licenses. Mr. Potvin discussed the application for 253 Organic, LLC (#MR281245), Retail, which staff has recommended for approval of a final license subject to the conditions set forth in the executive summary. Chairman Hoffman asked for a motion to approve the staff recommendation. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission approved the motion with four votes in favor (Doyle, Flanagan, Hoffman, McBride) with Commissioner Title abstaining.

Mr. Potvin discussed the application for Solar Therapeutics, Inc. (#MR281817), Retail, which staff has recommended for approval of a final license subject to the conditions set forth in the executive summary. Commissioner McBride asked if all employees were registered as agents. Mr. Potvin answered that a significant proportion had and that all employees on site during inspection were registered agents. Commissioner Doyle commended the applicant on their attention to energy efficiency. Chairman Hoffman asked for a motion to approve the staff recommendation. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission unanimously approved the motion.

Chairman Hoffman turned to consideration of provisional licenses. Mr. Potvin discussed the application for Berkshire Roots, Inc. (#MRN281845), Retail, 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 that the applicant's Positive Impact Plan identify other Disproportionately Impacted Areas that will be affected by the license. Commissioner McBride asked if the Commission had received any patient complaints about the applicant's existing colocated MTC/adult us facility in Pittsfield. Mr. Collins replied that there have been complaints that have been investigated by Enforcement staff, and that inspections have found that the applicant is in compliance with regulations. Chairman Hoffman asked for a motion to approve the staff recommendation with the addition of the condition proposed by Commissioner Flanagan. The motion was made by Commissioner McBride, seconded by Commissioner Doyle. The Commission unanimously approved the motion.

Mr. Potvin discussed the application for Ipswich Pharmaceutical Associates, Inc. (#MRN281571), Retail, which staff has recommended for approval of a provisional license subject to the conditions set forth in the executive summary. Commissioner Doyle asked how long the applicant had had its MTC license. Commissioner Flanagan asked for clarification on an element of the applicant's Positive Impact Plan and expressed concern that the applicant's plan to advertise on college campus would violate the Commission's marketing regulations. Commissioner Title proposed a condition to revise the Diversity Plan to clarify its definition of "equity recruit." Chairman Hoffman asked for a motion to approve the staff recommendation with the addition of the condition proposed by Commissioners Flanagan and Title. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission unanimously approved the motion.

Mr. Potvin discussed the two applications for New England Cannabis Corporation, Inc.: (#MCN281251), Cultivation – Tier 4/Indoor and (#MPN281466), Product Manufacturing, which staff have recommended for approval of provisional licenses subject to the conditions set forth in the executive summary. Commissioner McBride proposed a condition regarding further clarification on the products the applicant intends to manufacture, including fruit gummies, lollipops and bars. Commissioner McBride asked for further clarification on the applicant’s plan for securing its limited access areas. Commissioner McBride requested that the applicant revise its security plan to conform with the Commission’s regulations for storage of video footage. Commissioner McBride further commented that applicants are responsible for the content of their submissions, even if those submissions were prepared by outside consultants or advisors, and that applicants should not be submitting generic or boilerplate materials. Commissioner Doyle asked how long the applicant had had its MTC license. Commissioner Flanagan requested a condition that the applicant provide a letter from the beneficiary of its Positive Impact Plan donation. Commissioner Title proposed conditions that the applicant revise the definition of “diverse workforce” in its Diversity Plan, rename its “Rice Krispie treat” product to remove the trademarked name and fully redo the Positive Impact Plan to include specific, measurable ways by which the applicant will have a positive impact in its community. Chairman Hoffman noted that the conditions proposed by Commissioner Flanagan and Commissioner Title overlapped and could be combined. Chairman Hoffman asked for a motion to approve the staff recommendation for #MCN281251- Cultivation, with the addition of the conditions proposed by Commissioners Title and Flanagan regarding the Positive Impact Plan and diverse workforce definition and by Commissioner McBride regarding the SOP and Security plans. The motion was made by Commissioner Doyle, seconded by Commissioner Flanagan. The Commission unanimously approved the motion. Chairman Hoffman asked for a motion to approve the staff recommendation for #MPN281466 - Product Manufacturing, with the addition of the conditions proposed by Commissioner Flanagan regarding the product list and Commissioner Title regarding removal of trademark in a product name. The motion was made by Commissioner Doyle, seconded by Commissioner Flanagan. The Commission unanimously approved the motion.

Chairman Hoffman turned to enforcement actions against M3 Ventures, Inc. (“M3”) and Curaleaf Massachusetts, Inc. (“Curaleaf”). Regarding the proposed settlement with M3, Commissioner McBride asked how Enforcement staff arrived at the \$50,000 fine. Enforcement Counsel Paul Payer explained that the licensee had been in compliance with regulations during the pendency of the enforcement proceeding, and combined with mitigating factors put forward during negotiations, including changes the licensee made in its cultivation department in direct response to the violations. Mr. Payer confirmed to Commissioner McBride that the licensee would be in a probationary period through the end of 2019. Chairman Hoffman asked for a motion to approve the staff recommendation for settlement with M3 Ventures, Inc. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission unanimously approved the motion.

Mr. Payer then discussed the final order and stipulated agreement with Curaleaf. Commissioner McBride asked what steps the licensee has taken to correct the violation. Mr. Payer replied that

the licensee had disclosed an additional indirect owner after a request for information from Enforcement, and that lack of disclosure, though incorrect, was not made in bad faith. Commissioner McBride asked if Enforcement believed that the licensee had provided adequate assurance of its understanding of the statutory caps on cultivation area and license types allowable for an owner. Mr. Payer answered that the licensee's statement of license acquisition was made in error and that the licensee did not intend to acquire more than the statutory limit. The canopy cap transaction is still an Enforcement issue. Commissioner McBride asked how the \$250,000 amount of the fine was arrived at. Mr. Payer discussed the criteria considered in the dispute resolution process and how the fine served as a sufficient deterrent to prevent other licensees from avoiding Commission oversight of change of control transactions. Commissioner Title added that the lack of a form to comply with a regulatory requirement does not make that requirement optional. Commissioner McBride asked if any other deficiencies were identified during the investigation. Mr. Payer said that there were no operational deficiencies found, which contributed to the decision not to suspend or revoke Curaleaf's license. Prior to the Commission's vote, Mr. Payer said that the agreement would only take effect if the Commission voted to approve the change of control transaction and that submission of the transaction for the Commission's approval would constitute corrective action to remedy the deficiency. Chairman Hoffman asked for a motion to approve the staff recommendation for final order and stipulated agreement with Curaleaf. The motion was made by Commissioner McBride, seconded by Commissioner Doyle. The Commission unanimously approved the motion. Next, Chairman Hoffman asked for a motion to approve the staff recommendation for change of control. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission unanimously approved the motion.

The Chairman turned to the matter of license renewals. Mr. Potvin discussed the eight renewals, stating that staff recommends renewal of all licenses subject to continued compliance with Commission regulations and applicable law. Discussing the renewal of Pharmacannis Massachusetts license # MRR205523, Retail, Commissioner Flanagan commented that the Commission should review the licensee's Positive Impact Plan more closely. Commissioner Title proposed a condition that the licensee report within 60 days on progress made toward implementing the Positive Impact Plan so that the Commission could compare with other licensees in similar situations. Commissioner McBride asked for clarification on what information would be collected to make the comparisons. Mr. Collins suggested sending a questionnaire to other licensees. Chairman Hoffman suggested that the licensing staff determine a process for gathering that information that would be presented at the Commission's next meeting. Chairman Hoffman asked for a motion to approve the staff recommendation for renewal of Pharmacannis Massachusetts license # MRR205523, subject to the addition of the condition proposed by Commissioner Title. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission unanimously approved the motion.

The Commission turned to the three license renewals for M3 Ventures, Inc. Commissioner Title proposed that the licensee revise its goals in the Diversity Plan. Commissioner Doyle asked what progress the licensee had made toward its final license. Mr. Potvin explained that the enforcement action undertaken against M3 was an obstacle to final licensure and with the

settlement approved, M3 would move forward with final licensure. Mr. Payer added that no deficiencies were found upon re-inspection. Chairman Hoffman asked for a motion to approve the staff recommendation for renewal of M3 Ventures, Inc.'s, license #MCR139824-Cultivation, subject to the addition of the condition proposed by Commissioner Title. The motion was made by Commissioner McBride, seconded by Commissioner Doyle. The Commission unanimously approved the motion. Chairman Hoffman asked for a motion to approve the staff recommendation for renewal of M3 Ventures, Inc.'s, license #MPR243481-Product Manufacturing, subject to the addition of the condition proposed by Commissioner Title. The motion was made by Commissioner Doyle, seconded by Commissioner Flanagan. The Commission unanimously approved the motion. Chairman Hoffman asked for a motion to approve the staff recommendation for renewal of M3 Ventures, Inc.'s, license #MRR205527-Retail, subject to the addition of the condition proposed by Commissioner Title. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission unanimously approved the motion.

The Commission turned to the three license renewals for I.N.S.A, Inc. Commissioner Title proposed a condition that the licensee provide an update to its Diversity Plan to address items not covered in the renewal materials. Chairman Hoffman asked for a motion to approve the staff recommendation for renewal of I.N.S.A, Inc.'s, license #MCR139827-Cultivation, subject to the addition of the condition proposed by Commissioner Title. The motion was made by Commissioner McBride, seconded by Commissioner Doyle. The Commission unanimously approved the motion. Chairman Hoffman asked for a motion to approve the staff recommendation for renewal of I.N.S.A, Inc.'s, license #MRR205535-Retail, subject to the addition of the condition proposed by Commissioner Title. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission unanimously approved the motion. Chairman Hoffman asked for a motion to approve the staff recommendation for renewal of I.N.S.A, Inc.'s, license #MPR243482-Product Manufacturing, subject to the addition of the condition proposed by Commissioner Title. The motion was made by Commissioner Doyle, seconded by Commissioner Flanagan. The Commission unanimously approved the motion.

The Commission turned to the license renewal for Alternative Therapies Group, Inc. Commissioner Title proposed a condition that the licensee provide an update on its progress toward measuring staff diversity. Chairman Hoffman asked for a motion to approve the staff recommendation for renewal of Alternative Therapies Group, Inc.'s, license #MRR205528-Retail, subject to the addition of the condition proposed by Commissioner Title. The motion was made by Commissioner McBride, seconded by Commissioner Doyle. The Commission unanimously approved the motion.

The Commission turned to a discussion of proposed guidance documents. Commissioner Doyle spoke about the newly launched Responsible Vendor Training application process. Commissioner Doyle said that trainers should be independent from marijuana establishments, but the guidance allows for participation of marijuana establishment employees as well. The guidance is intended to provide ethical guardrails for participation of industry entities and

employees to provide their expertise in training programs. Chairman Hoffman requested clarification on what activities might be considered exploitative marketing in the context of a training program. Chairman Hoffman asked for a motion to approve the Responsible Vendor Training guidance document, subject to ministerial changes. The motion was made by Commissioner McBride, seconded by Commissioner Flanagan. The Commission unanimously approved the motion. Chairman Hoffman then turned to updates on guidance for license renewals. Commissioner McBride discussed the first update, a request that on renewal colocated marijuana retailers provide information on what constitutes a sufficient quantity and variety of marijuana and marijuana products consistent with regulations and its policies and procedures regarding a reasonable substitution for medical marijuana products. Commissioner Doyle discussed the second update, regarding compliance with local ordinances or bylaws such as zoning districts and permitting. Commissioner Title proposed a condition that guidance include retailers provide pictures of product labels when applying for renewal. Commissioner Title commented that licensee seeking renewal could provide an updated Diversity Plan as an option. Commissioner Title asked for a different way of measuring costs imposed on municipalities by marijuana retailers, but that discussion was tabled until the upcoming meeting addressing revised regulations. Chairman Hoffman asked for a motion to approve the updated License Renewal guidance document, subject to the revisions from Commissioner McBride and Commissioner Doyle, the condition proposed by Commissioner Title and any ministerial changes. The motion was made by Commissioner McBride, seconded by Commissioner Doyle. The Commission unanimously approved the motion.

With no additional items on the agenda, Chairman Hoffman discussed the upcoming Commission public meeting scheduled for September 5, the public hearings for August 14 and 15 and the conclusion of the public comment period at 5 P.M. on August 15. Chairman Hoffman asked for a motion to adjourn the meeting. The motion was made by Commissioner Doyle, seconded by Commissioner McBride. The Commission unanimously approved the motion and the meeting was adjourned at 1:45 P.M.