

# Commonwealth of Massachusetts



STEVEN J. HOFFMAN  
CHAIRMAN

## CANNABIS CONTROL COMMISSION

101 FEDERAL STREET  
BOSTON, MA 02110

TELEPHONE (617) 701-8400

## CANNABIS CONTROL COMMISSION PUBLIC MEETING MINUTES

*November 28, 2017 10:30 a.m.*

One Ashburton Place  
21st Floor, Rooms 1 and 2  
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
2. Specifications for Seed-to-Sale and Licensing Tracking Systems.

Chairman Hoffman called the meeting to order at 10:30 a.m. He announced that the Commission will discuss today: the first is a modified process and timeline for developing and finalizing the draft regulations with more specific dates than provided last week; the second is key performance indicators, which is another word for dashboard that we'd like to have as a public display of the commitments and a public measurement of the performance verse those commitments; third is a review of specifications for the required technology development for both the seed to sale tracking and the licensing system. There will also be time at the end for public comments and questions if there are any.

The Chairman added that he had his own comments and updates before the Commission got started. The Commission has signed a lease for space for temporary space at 101 Federal, in downtown Boston. This is the same address as the Mass Gaming Commission. One of the reasons for picking a downtown Boston location is the necessary interaction the Commission has to have with legislators, other elected and appointed officials. The other reason is the space was in move-in condition, so no capital required to get in to that space, and given the budgetary constraints and the desire to be very thoughtful in terms of the use of tax payer money, that was a very important consideration. The Commission was also able to access quite cheaply used furniture from the building management. The final consideration was that, because the Commission are adjacent to

the Gaming Commission, the Commission actually have a deal with them that the Commission can use their public meeting facility. It is their facility and the Commission will pay rent when the Commission use it. The Commission can use their technology, but it is their space and the Commission will use it, if and only if, it is available when the Commission needs it. The Chairman thanked the Gaming Commission and particularly Chairman Crosby for their graciousness and willingness to let the Commission use their facilities. The Commission is moving in two phases, there's space available immediately, that will accommodate about 16 plus or minus people. There is space right next door that is now vacant, and the Commission will move in to that space sometime within 90 days of the initial lease, and that will give the Commission enough space between the initial and the second phase to get to the full staffing level of approximately 38. It is a 15-month lease, because that is the amount of time DCAM advised the Commission it will take to find permanent space. The Chairman said the location should reflect that the fact that it is a statewide agency, perhaps with a central office in Boston and a satellite office further west, a discussion the Commission will start having relatively quickly so that the Commission can make that decision and work with DCAM to find permanent space. The Chairman thanked DCAM for the work they've done to support the Commission.

The Chairman opened the discussion of the timeline for the regulatory drafting process. The Chairman thanked the Cannabis Advisory Board Subcommittees for the work they have done on making recommendations to the Commission. On December 5, 2017, representatives from the subcommittees will come to a meeting of the Cannabis Control Commission and present their recommendations. The following week December 11<sup>th</sup> through 15<sup>th</sup> the Commission will have policy discussions, debates, and votes in public meetings. The Commission have scheduled each day 10:30 am to 4:30 pm for a public meeting. The Commission will see how long it takes to go through each of those. The Commission will hold December 21 and 22, 2017 for the final vote and approval of the draft regulations. During the week of February 5, 2017, the Commission will hold public hearings. Commissioner Title asked if the meetings in the Gaming Commission room would be livestreamed. Chairman Hoffman responded that hearings located in the Gaming Commission may be live-streamed, but hearings in other locations may not have that capability. There would be a meeting later that day to discuss what technology would be available to the Commission while using the Gaming Commission room, because the Commission could not use the Gaming Commission technology staff.

Chairman Hoffman opened discussion on the second iteration around key performance indicators. Chairman Hoffman explained that that these are not intended to be the only things that the Commission measure itself by. The Commission will have a significant set of internal metrics that will measure itself. The metrics the Commission are discussing today are intended to be much more of the public facing metrics and key performance indicators. The idea would be on the website, the Commission will have a dashboard, the Commission will have these metrics, the Commission will have the targets for each of these metrics and then the Commission will on a periodic basis update the performance versus these metrics. The Chairman confirmed that he added a new category of metrics, which was employee satisfaction, at Commissioner Title's suggestion.

The Chairman asked the Commission to go through them category by category. The first category is the mandate to make recreational marijuana accessible across the state and there are lots of different ways to measure it. The Chairman proposed that the Commission do two metrics there:

one, is the number of retail establishments the Commission have across the state and then second is, the number and percentage of municipalities and counties that have some kind of marijuana facility. That would include not just retail, but also talking about independent testing labs, cultivation, and processing. Commissioner Flanagan stated that if the metrics were measuring how the Commission does the job, she was concerned that the Commission could not control municipal moratoria or ban, so how could the Commission judge itself on something it can't control. Chairman Hoffman acknowledged the concern but said the Commission could continue working on outreach to the cities and towns, working with them, helping them understand what the upside is, as well as understanding their concerns, so that the Commission can reflect them in the regulations. The Commission has some influence, although not control, and it is a metric that is important to the state. Commissioner Title said she thought Commissioner Flanagan raises a really good point. She asked if the Commission was going measure all of these points, but the red ones were the ones by which the Commission measure the own performance.

Chairman Hoffman said the red ones are what the Commission publish on the website and other public communications, stating what the Commission is committed to try to accomplish. The objectives should be stretch targets, they shouldn't be easy. Commissioner Flanagan said she was more comfortable with the number and percentage rather than just retail numbers, as further west, there may not be as many retail locations as in the eastern part of the state, due to population. Commissioner Title said she thought that the Commission should measure and release to the public all of these, but then discuss by which ones measure its own performance. Chairman Hoffman responded that if the Commission publishes all these metrics, it will have so much data out there that it will be confusing. He preferred eight to ten critical measures that mandate the highest level and reflect how well the Commission has performed against the mandate. The Commission would measure all these things internally, but not overwhelm the public with too many metrics. Commissioner McBride said that's the point of the exercise of picking the ones that the Commission think are important that the Commission want to highlight. Commissioner Title commented that the Commission should measure them and then release them, and people may or may not find them compelling or may or may not want to work through them, but at least it will be public. Chairman Hoffman repeated that he thought it is important for the Commission to actually give some guidance to what are the key things at the end of the day that the Commission feel the Commission should be held accountable for. Although they were all important, the Commission will not be effectively communicating if the Commission has 40 metrics. Commissioner Title said she was fine with the two for accessibility. Commissioner Title said that the Commission has statutory mandates to create reports that will reflect benchmarks that will be made public, so the information will be available in different ways. Chairman Hoffman agreed, but there were key metrics to include in a dashboard. Commissioner Title said she did not think the information would be redundant, just that there will be an abundance of information that will be publicly available.

Chairman Hoffman commented that the next category was revenue generated and that tax collected by type was an important metric, as was committing to be a self-funding agency. The Commission would commit not just to cover the costs, but to generate surplus revenue to support research and other activities that are part of the legislation. The Commission should set a target in terms of when the Commission will be self-funding, once it develops the numbers.

Chairman Hoffman stated the next category would be use of revenue. He commented that part of being a model state agency is to be efficient and how much the Commission cost to generate a level of revenue for the state and municipalities is important. Agency overhead is a percentage of the tax revenue that the Commission generated for the state and for the municipalities. The second issue is how much money the Commission have generated in surplus that allows the Commission to fund research on related topics. Commissioner Doyle commented that during the public listening period the public showed it was very interested in the use of the money generated by the Program, although it is controlled by legislative appropriation. It would be useful to show on the website what has happened once it is appropriated by the legislature. Commissioner Doyle questioned whether it was a performance indicator and should perhaps be reflected elsewhere. Chairman Hoffman said the Commission could talk about that.

Chairman Hoffman said that the next category would be industry participation. The Chairman proposed three categories: employment percentages for specific groups that are targeted by legislation. Equity participation percentages, not just encouraging employment for specific groups, but also creating equity ownership opportunities for specific groups. The Commission would also count the number of co-ops that have been created under the legislation. Commissioner Title asked the Chairman to break down how he pictured calculating equity participation percentages. Chairman Hoffman said he was not sure yet, but his initial hypothesis would be, the Commission take the number of licenses that the Commission have distributed across all categories and look at which of them have significant perhaps majority ownership. Commissioner Title recommended that the Commission break down “minority” so that Black and Latino communities are specifically measured. Chairman Hoffman responded that he did not mean to be dismissive of other groups, he was reflecting the legislation in creating these three groups.

Chairman Hoffman stated that equity would be the next category. The issue would be number of jobs created in disproportionately impact communities, the number of businesses and again, with significant equity ownership, and the Commission need to define what significant means. The Commission need to make sure that not only are the Commission helping people participate in this industry and benefit from this industry, but that when looking forward, that the disproportionate impact has been reduced or eliminated.

Commissioner Title asked if the Commission has decided what the metrics are for the disproportionately impacted communities, because the research was still in process. It will be one of the issues the Commission would be discussing during its policy discussions. Commissioner Title commented that the last point that relative to other communities is key, because it’s more useful to know, for example, the percentage of the workforce it comes from disproportionately impacted communities versus the raw number of jobs. Chairman Hoffman agreed to the suggestion.

Chairman Hoffman announced the next category as public safety and public health and environmental efficiency. He asked Commissioner McBride for suggestions on public safety. Commissioner McBride responded that data would develop, but looking at incidents of crime and whether it goes up or down around the marijuana establishments that the Commission license is going to important and of interest to municipalities in terms of their personnel and how they are staffing. She added that any reports of diversion are going to be also really important to understand

how well the Commission are doing the job as licensing entity. Commissioner McBride said that there was interest among law enforcement in terms of getting trained, as part of the package about the revenue use. Commissioner Flanagan added that an issue is the effect that this program has on the real estate market and that it is a very complicated question. Chairman Hoffman agreed. Commissioner Flanagan said that what Commissioner McBride put together, in terms of that separate sheet is a really good start. The Commission may want to eventually have the question of the impact on the black market answered on a periodic basis. Chairman Hoffman agreed and asked Commissioner Flanagan for suggestions on public health.

Commissioner Flanagan responded that hospitalization from misuse or overuse, is certainly important, starting with the baseline study by the Department of Public Health on what the usage is. Police EMT calls for service is going to be important with regards to public health, not just public safety. She has heard from firefighters right now that they're getting calls to houses from people who are using and don't know what they're doing, and then are feeling the effects of it, and are subsequently calling for help, even though there's really no need for the help. Going to the 30,000 foot level, clinician training, making sure that the public health officials, making sure the doctors, nurses, especially the ERs, are trained in appropriate protocols, because they're going to interact with people who are consuming more often. Measuring the prevention, the education, the public awareness campaigns, whether those are working? What's been used? How effective we're doing? Commissioner Flanagan stated that those are the sort of public health aspects she thought could be used.

Chairman Hoffman asked for comments from Commissioners McBride or Title. Commissioner Title said that she agreed with Commissioner Flanagan and deferred to her expertise on this, but the two that she would want to see added were whether the rates of use among youths were going up or down, and then, the number of people or the percentage of users who self-identify as needing help or having a problematic relationship with cannabis in some way. Commissioner Flanagan commented that she wasn't sure if the Commission needed the opioid addiction data, because it got into the conversation of whether marijuana was a gateway drug, but the Commission could do it. Chairman Hoffman responded that he wanted to generate surplus funds that will allow the Commission to contribute to the research on that topic, but agreed that the issue probably is something that should be researched rather than setting a metric right now, given where the Commission are in terms of the understanding of the topic. Commissioner Title clarified that just because you identify with an opioid addiction does not mean you have a Cannabis use disorder or vice versa. Commissioner Doyle commented that it was such a complicated issue that using it as a performance measure could be problematic. Chairman Hoffman agreed to eliminate it.

Chairman Hoffman said the next category was environmental efficiency and asked Commissioner Doyle for suggested metrics. Commissioner Doyle said she could work on it, but the more she learned about it, the more complicated the issue became. The Commission was going to convene a workgroup on environmental issues as required under the statute and it may make sense to really get some experts in the room to contribute to this question. Chairman Hoffman said that regarding a timeline, the Commission should agree to metrics long before July 1, 2018. The Commission needs baseline data for some of these things and the decisions on metrics should be done by the early part to calendar 2018.

Chairman Hoffman stated that employee satisfaction should be measured by retention rate. The Commission could talk about this, 100 percent retention or at least, no unplanned departures. Commissioner Doyle commented that she was concerned that due to the difference between public sector and private sector salaries, there would always going be flight to the private sector. Chairman Hoffman responded that the Commission should set a retention target, and hold itself accountable to it.

Chairman Hoffman commented that once the Commission have an agreement on what the metrics are, some are straightforward and some are complicated. The Commission have some work ahead of it on specific issues, with a goal of early 2018 to have this resolved.

Chairman Hoffman announced that the next and last specific agenda item would be specs for technology development. He thanked Luella Wong, the Technology Program Manager, and Shawn Collins, Executive Director for their work on the issue. He also stated that the objective here is to review and hopefully approve the specs for two pieces of technology: the seed to sale tracking and then licensing. The Commission talked last week about the procurement process, the Commission approved the procurement process, subject to review by Comptrollers' legal counsel.

Mr. Collins agreed that the Commission did approve last week the kind of parameters for procurement. The Commission has been in ongoing discussions and conversation relative to kind of specifics and dates and things. The Commission can publish a procurement as early as this week, and as the Commission discussed at the last meeting, it is an aggressive timeframe that is delivered, it is required in order to accomplish the objectives here. He expected more within the next day or so to finalize that process. The functional requirements, the business and functional requirements is the last remaining piece to be approved in order to accommodate that aggressive timeframe. Ms. Wong commented that the document was sourced from the legislation, with references to specific cites. She also met with the Department of Public Health and looked at their regulations, did some interviews internally with the department, as well as sat in on some subcommittee meetings to just hear the flavor of the requirements that were anticipated to come from those recommendations. She also sat with the Comptroller's office to get their input and others. After the document that the Commission circulated last week, she also either met with Commissioners or had phone conversation or email to get their feedback on changes to the document. Those changes have been highlighted with yellow highlighting here so that the Commission can speak to those. Commissioner Doyle commented that this is still a document that is flexible and it must flex with the regulations that they finalize. So, even though there are things in here that sort of provide a baseline for where this will ultimately go, we're obviously going have to adjust once the regulations are drafted. She said that Ms. Wong has done an incredible job considering the incredible volume of information that's gotten thrown at you over the very short period of time. The other Commissioners had no further comment. Commissioner McBride moved to approve the document and Commissioner Flanagan seconded. Chairman Hoffman thanked Ms. Wong and stated that he thought she had done a phenomenal job for the Commission. The Commission really appreciated it as it is incredibly complex.

The Chairman announced that he was not aware of any new business that was not anticipated at the time of posting of this agenda. He asked if there were any questions or comments from the public. There were none. He announced the next meeting would be on December 5, 2017 in the

Hurley Building in the Minihan meeting room on the 6<sup>th</sup> floor. He anticipated almost all of the agenda would be reports from the Cannabis Advisory Board subcommittees. He adjourned the meeting as of 11: 18 a.m.