

Tremaine Wright: Hello and welcome everyone, I am Tremaine Wright the Chair for Cannabis Control Board. Recognizing that we have all members present, with board members Rubin McDaniel and Adam Perry attending remotely. I am pleased to call to order the fourth meeting of the Cannabis Control Board and to welcome all of you who are participating via real time live stream. As we have previously stated, it is our hope that in the near future, we will be able to safely have these meetings in person. For now, we will continue to invite the public to attending remotely to protect the health and safety of all participants. As always, this meeting will be recorded and the recording and transcript will be available to the public on the website of the Office of Cannabis Management; and you can find that at cannabis.ny.gov. Please note, there is a designated section on the website where information on Cannabis Control Board meetings past and present is available. Today's agenda will include some welcoming brief remarks from myself, a review and approval of the meeting minutes from the Cannabis Control Board meeting held on November 3rd, consideration of change of ownership of one of the registered organizations in the medical cannabis program which was previously pending before the Department of Health, consideration of proposed amendments to the Cannabinoid Hemp Regulations, consideration of a resolution authorizing the Office of Cannabis Management to find temporary and long-term space in New York City and the City of Buffalo, consideration of key employment items, a report from the Office of Cannabis Management's Executive Director, Chris Alexander, an announcement about the next Cannabis Control Board meeting, and then we will adjourn. So, let's get started with our fourth Board Meeting and most likely our last meeting of 2021.

The Cannabis Control Board together with the Office of Cannabis Management is committed to making up for lost time caused by the delay in leadership appointments to the CCD. To that end, I'd like to provide you with updates on a few of our priorities; increasing office capacity, implementing the requirements laid out in the Marijuana Regulation and Taxation Act, and continuing our outreach to the public and key stakeholders in the community.

First as it relates to increasing the capacity of the Office of Cannabis Management – we have been working collaboratively with other essential state agencies to recruit staff for the many positions which we must fill in order to do the work of the OCM. Thank you to our partners, our sister state agencies who are assisting with advertising, HR personnel matters, and technical support. As we on board employees, we are eagerly beginning the process of getting them primed and ready to tackle the important work in front of us. In furtherance of our goals, I would like to announce that job opportunities at the Office of Cannabis Management are now being posted to the website at cannabis.ny.gov. Search for the career tabs at the bottom of the page and for more information on recent job postings. This information will be updated on a rolling basis. So, please, remember to check that periodically for updates.

Next, under the umbrella of implementing the law – the Office of Cannabis Management has begun processing licenses for the Cannabinoid Hemp Program. Earlier this month, the office launched an enhanced web based portal which we hope will make it easier to file an update

application for retailers, processors, manufacturers, and distributors seeking to participate in the Cannabinoid Hemp Program. As a reminder, all businesses manufacturing or selling cannabinoid hemp products or CBD are required to obtain a cannabinoid hemp license from the Office of Cannabis Management before they begin. Let me say that again, as a reminder all businesses manufacturing or selling cannabinoid hemp products are required to obtain a cannabinoid hemp license from the Office before manufacturing or selling hemp products to consumers. Businesses who are already manufacturing and selling these products should submit an application immediately. Businesses who have already submitted the required application information do not need to take further action at this time.

Next, I'd like to remind everyone the local opt out deadline of December 31st is quickly approaching. Localities are reminded that we have opened a portal on the OCM website to make it easier for them to submit their local laws opting out of post and licensees for the dispensaries and on-site consumption. Any locality that passes an opt out law must file their law with the Cannabis Control Board and all submissions must be made using the portal on the OCM website. Later in this meeting, Executive Director, Chris Alexander will provide an update on the number of localities that have elected to opt out. We continue to support the growth and expansion of the states medical cannabis program. Our goal is to support responsible growth while maintaining continuity of care and a seamless transition for patients from the Department of Health to the Office of Cannabis Management. We previously implemented programmatic expansions to the medical program including the availability of whole flower medical products. And we are pleased to announce that whole flower medical products are now available in most medical dispensing facilities. And lastly, we continue to engage with stakeholders to observe best practices, take note of lessons learned, and hear firsthand the concerns of New Yorkers. In an effort to glean operational insights, I traveled to Quebec City, Quebec to meet with their Cannabis Regulatory Officials which provided a wealth of knowledge on their experiences, regulating and operating cannabis businesses, as well as protecting public health and safety. To provide some background, Canada was the second country in the world to formally legalize possession and use of cannabis in 2018. The ability to learn lessons from states and countries that have legalized cannabis before us is invaluable and I look forward to meeting the positional regulators and industry experts. I also had opportunity to join Board member Metzger in presenting to and conversing with Black Farmers United and I participated in the On the Revel Conference in New York City alongside Board members Metzger and McDaniel. Additionally, I spoke at the Crane's Business Forum on recreational cannabis. My experience at these events have left me excited; excited about the ingenuity you see in the industry and excited about the possibility of what's to come in New York State.

Switching gears to a matter of procedure, the first order of business is the review and approval of the meeting minutes from the November 3rd Cannabis Control Board meeting which was held in New York City. However, before we move much further into today's proceedings, I need to make some brief remarks about the Open Meetings Law.

As stated at every Board Meeting, the Cannabis Control Board is subject to the Open Meetings Law which is intended to ensure the greatest level of transparency and public participation in the affairs of the government. Due to the ongoing pandemic, we have requested that members of the

public join us via video conference which we will continue to offer to keep the public and members of this body safe.

Now, I'll read a brief statement on Open Meetings Law into the record. Pursuant to Chapter 417 of the Laws of 2021 enacted on September 2, 2021, Board members may fully participate in meetings via video conference from locations that are not open to the public, provided that the public has the ability to view or listen to such proceedings, and the meetings are recorded and later transcribed. The new law sunsets on January 15, 2022. The public has been provided with information on how to access this meeting within the Public Meeting Notice that was distributed to members of the press and posted on the OCM website. A recording of this meeting, together with the transcript will also be available on the OCM website. Previous recordings, meeting minutes, and transcripts are archived on the OCM website as well. Please note, there is a designed tab on the website entitled Board Meetings which provides access to all of this information. I move to bring the approval of the November 3rd Board meeting minutes to a vote. Is there any discussion? Hearing none. May I have a motion.

Board Member Perry: So moved.

Board Member Metzger: Second.

Tremaine Wright: Okay it has been properly moved and seconded. The meeting minutes from the November 3rd Board Meeting are approved.

The next order of business is consideration of the Medical Cannabis Program Resolution 2021-09 which is a conditional approval of the change in ownership of registered organization MedMen New York Incorporated. Do we have any recusals for this matter?

Board Member Garcia: Madam chair I'm recusing myself from deliberating and voting on this specific matter due to the potential conflict of interest appearance of competent interest and I do so without prejudice for future decisions that involve applicants that legally require labor agreement and any consultation of council. So I will remove myself from the meeting at this point and I will wait to be called in after the vote. Thanks.

Tremaine Wright: Okay. Well pursuant to the Marijuana Regulation and Taxation Act, the Board has the authority to approve pending actions which were before the Department of Health. One of these actions is a change in ownership and registered organization MedMen New York Incorporated. The resolution in front of the Board today serves to conditionally approve the change in ownership pending the review of the proposed transaction by OCM staff for compliance with the Cannabis Law and it's corresponding rules and regulation. Additionally, the Board is directing the Office to make it a condition of approval that the registered organization continue current operations to maintain patient access and supply beyond the change in ownership. I now move to bring resolution number 2021-09 Conditional approval of the change in ownership of registered organization MedMen New York Incorporated to a vote. Is there any discussion? Hearing none may I have a motion to accept the resolution before us?

Board Member McDaniel: I make the motion.

Board Member Metzger: I second

Tremaine Wright: It has been moved and seconded. All in favor?

All: Aye. None opposed and no abstentions. Resolution number 2021-09 the Conditional approval of the change in ownership of registered MedMen New York Incorporated has been passed. So we're just going to have Board Member Garcia return and then we'll go onto the next item before us.

During the November 3rd Board Meeting, we heard from Board Member Metzger about the history and development of the Cannabinoid Hemp Program in New York State and adopted the programs regulations which are now officially effective. At that time, she also described changes to the regulation that the office was working on. I would now like to invite Board Member Metzger to provide an overview of those amendments to the regulations. These amendments will be presented to the Board today for a vote on whether these changes should be issued for public comment. Board Member Metzger.

Board Member Metzger: Thank you madam Chair and good afternoon all. As was mentioned at our last meeting, we are taking up today additional changes to the Cannabinoid Hemp regulations for public review and comment. The proposed changes were the result of feedback from previous public comment periods as well as stakeholder discussion. I outlined those regulatory updates at the last meeting and a number of these are listed on the slide. I just want to highlight a few of the changes which are intended to create new value added opportunities for farmers and also empower New Yorkers to make informed choices in the CBD market place. One of these is the proposed license for cannabinoid hemp farm processor. This new license type would make it easier for the licensed hemp farmers in New York State to manufacture and sell their own flower products to retailers or sell those products themselves if they have a retail license. It is a pared down version of the other process or license types with lower application and license fees. It's also our hope that this license will reduce barriers and make it more affordable for New York State hemp growers to undertake value added activities and make their own product.

Secondly, I'd like to highlight proposed language that would define the meaning of craft when it is used for labeling and marketing purposes. Craft products generally have grown in popularity. The craft beverage industry is a case in point and the term is often used in marketing for that reason. It's important to have a definition for craft cannabis products so the consumers can be assured that they are getting a truly artisanal product. It is also our hope that by establishing the criteria for using this term in labeling and marketing we will encourage participation in the market by small sustainable craft farmers and help these businesses distinguish themselves from the marketplace. We are very eager to get public feedback from the proposed definition. Down the road we'll want to consider a craft cannabis definition for the adult use program which would also be valuable to small legacy businesses.

Other proposed changes for consideration today including freezing the allowable THC concentration and intermediate products from 3 to 5%, increasing the per serving mg caps for dietary supplement products to 100 mg, removing the requirement that cannabinoid hemp products can be shelf stable and several changes to labeling requirement. This full text of the proposed regulation is available for viewing on cannabis.ny.gov website and we look forward to reading your comments. I want to note that we can anticipate additional changes in the future as we develop the adult use program to ensure consistency across cannabis programs in New York State. For instance, where it made sense to do so, we will look to harmonize testing limits for contaminants across cannabis programs. Thank you very much Madam Chair.

Tremaine Wright: Thank you Jen for that comprehensive overview. At this time I move to bring resolution #2021-10 resolution to Authorize the Office of Cannabis Management to file amendment to the cannabinoid hemp regulations for public comment to a vote. Is there any discussion? Hearing none, may I have a motion to accept the resolution before us?

Board Member Garcia: So moved.

Board Member Metzger: Seconded

Tremaine Wright: It's been seconded. All in favor?

All: Aye.

Tremaine Wright: Any opposition? No abstentions? The resolution to direct the Office of Cannabis Management to file amendments to the cannabinoid hemp regulations for public comment passes. Please continue to monitor the OCM website for more updates.

Next order of business is to discuss temporary office space for OCM in New York City. The resolution before the Board would authorize the Office of Cannabis Management to fine temporary office space in New York City following all applicable fiscal and budgetary rules and procedures. Further, the resolution contains language which directs the office to begin negotiations for long-term office space solutions in both New York City and Buffalo. Pursuant to the MRTA, the Cannabis Control Board and OCM must have it's principle office in Albany and maintain branch offices in the cities of New York and Buffalo and any other places that the Board deems necessary. I move to amend resolution #2021-11 to read as follows: Resolution to authorize the Executive Director of the Office of Cannabis Management to enter into a memorandum of understanding or lease agreement for temporary office space in the building located at 250 Broadway in New York City and direct the office to begin negotiations to find a long-term office base solution in both New York City and Buffalo.

Board Member McDaniel: Madam Chair, I just have one quick question just for information purposes. Can you give us kind of a general expectation of how many employees will be in New York City and in Buffalo ultimately?

Tremaine Wright: We do not have a firm count on Buffalo yet do we but 70 in New York City is that correct?

Chris Alexander: That is correct, we will be around Board Member McDaniel it will be around 70 to 80 employees in New York City within coming months and then approximately 40 or so in Buffalo within coming months and working to establish a home base office space is crucial to make sure we can have capacity for those individuals.

Board Member McDaniel: Thank you very much. I move to approve.

Board Member Perry: Madam Chair I'll wait for a second to ask my question.

Tremaine Wright: I'm sorry it was a little muffled. What was the question again Reuben? Oh he moved to pass it.

Board Member Garcia: I'll second.

Tremaine Wright: And it's been seconded. Now I recognize member Perry.

Board Member Perry: Thank you so what we're approving staff to do is to locate space and then bring that to us for approval. We're not authorizing staff to actually enter into new leases, define space and enter into new leases. This is for them to find staff and bring that to us for our approval is that correct?

Tremaine Wright: For the location in New York City we are authorizing them to enter into the short-term lease and/or memorandum of understanding for the space located at 250 Broadway in Manhattan. And for the long-term leases, we are authorizing staff to begin negotiations to identify a potential location and to thereafter bring back any transaction to the Board for approval.

Board Member Perry: Very well thank you.

Tremaine Wright: So I move to bring the amended resolution #2021-11 to a vote and it's already been moved and seconded. All in favor?

All: Aye.

Tremaine Wright: No opposition and no abstentions, therefore resolution #2021-11 as amended has been passed. Moving onto employment matters, during each of our Board meetings we have appointed staff to the Office of Cannabis Management. The rolling appointments are part of our effort to ensure we maintain momentum and hire staff who can do this important work. New today the Office of Cannabis Management has added employment and recruitment information to the Cannabis.ny.gov site. It is pictured here, I believe it is pictured for those of you who are following at home. On the slide, if you look to the bottom of the page, additionally Board members before you today is a packet of potential hires for key position in the Office of

Cannabis Management. These candidates have been recommended by the Executive Director and their résumés and bios have been shared with you ahead of this meeting. I move to bring resolution #2021-12 approval of Office of Cannabis Management Executive Director staffing recommendations to a vote. Any discussion?

Board Member McDaniel: Madam Chair I know I sound like a broken record that gets played over and over again. I've had a chance to meet some of our current hires that we brought on since the last time, they've all been excellent and I just want to congratulate you and Chris and the staff on the great recruitments. It's fantastic.

Tremaine Wright: Thank you that's quite a testament to the staff here. The wonderful group that has assembled here for OCM and to do the work of Cannabis in New York State, they're very much committed so thank you for those comments. So, I guess without further ado I bring the motion before us. May I have a motion to accept the resolution before us?

Board Member Perry: So moved.

Tremaine Wright: Moved and seconded. All in favor?

All: Aye.

Tremaine Wright: No opposition and no abstentions. Therefore resolution #2021-12 approval of the Office of Cannabis Management Executive Director staff recommendation passes.

Now we will hear from our Executive Director Chris Alexander with key updates and his executive director report. Chris.

Chris Alexander: Thank you Madam Chair and good afternoon all and to all you tuning in from home. We thank you for joining us again. My first update today is to check in with respect to the municipal opt out. As you all know, the deadline as the Chair stated the deadline is on December 31st. This is set in the MRTA and I would like to provide some context as to why legislation included a deadline. This was done to help set the stage for where adult use dispensaries and on-site consumption licenses can locate. If a municipality could opt out at any time it could have created instances where businesses receive a license and set up operations in a municipality only to find out that the municipality later voted to prohibit this activity. And so that was the justification for this order of operations.

Additionally, it should be noted that municipalities who opt out may opt back in at any time. As of December 15, 2021, the Office of Cannabis Management has received opt out requests from 365 municipalities in New York State representing approximately 24% of all municipalities. This includes 10% of all cities, 28% of all towns, and 19% of all villages. These numbers are relatively consistent with the experience of other states and we expect them to increase a bit as we get to December 31st. To support the expedition implementation of adult use licensing OCM has requested towns, villages and cities submit their municipal opt out statute at [Cannabis.ny.gov/local-government](https://cannabis.ny.gov/local-government). Thank you to those who have already done so. Following

December 31st, 2021 deadline OCM will make a list available of all municipalities who have opted out of one or more adult use license types.

Moving on. The Office is working expeditiously to implement changes directed in the MRTA to expand the medical program. These changes require systems updates to the patient registration and certification system and we are working on making them currently. We are using this as an opportunity to notify patients and practitioners that you should expect to see these changes in the program and we will keep you notified throughout the process. Remainder, all current patient caregiver and practitioner registrations issued via the Department of Health will remain valid and in effect under the Office of Cannabis Management. In addition, requirements part 1004 of the Medical Marijuana Regulations remain in effect and enforceable even now with OCM taking control of the program. A notice to patients when the new system is implemented. If your certification expires your new patient ID card will have OCM branding.

Lastly, I would like to make one more update from the Office. We have recently issued an RFP for a new Cannabis Tracking and Seed to Sale system. This system will track cannabis from every licensee providing oversight from batch to batch and from seedling to finished product. Seed to Sale systems helps mitigate diversion or inversion of cannabis products, assist with product recalls, and more targeted inspections. More information about the RFP proposals on New York State's procurement website under RFP 2474 Cannabis Seed to Sell Tracking System. Thank you Madam Chair, I'll hand it back to you.

Tremaine Wright: Thank you Chris for that great update and to the medical program staff for their work to insure a seamless transition and a purposeful expansion of the medical program here in New York State. Thank you. Please note, the time, location and the live stream link will be shared on cannabis.ny.gov in advance of the next Cannabis Control Board Meeting. a recording of today's meeting, meeting minutes and a transcription will be posted as well. And that concludes today's agenda items, I want to thank everyone for their participation we may now adjourn.