

**Cannabis Control Authority
Board of Directors Meeting
MINUTES**

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July 6th, 2022

1:30 PM – 4:30 PM

Commissioner's Conference Room (Basement)

Virginia Workers' Compensation Commission

333 E. Franklin St.

Richmond, VA 23219

Richmond, VA

MEMBERS PRESENT: Neil Amin, Chair
Michael Jerome Massie, Vice-Chair
Bette Brand
Rasheeda N. Creighton

LEGAL COUNSEL: James M. Flaherty, Assistant Attorney General, Office of the
Attorney General

PRESENTERS: Jeremy Preiss, Cannabis Control Authority
Bette Brand, Cannabis Control Authority Board of Directors
Jamie Patten, Department of Juvenile Justice
Matthew Prentice, Cannabis Control Authority
Dr. Michelle Peace, Ph.D. Associate Professor, Department of
Forensic Science, Virginia Commonwealth University

1. CALL TO ORDER

Mr. Amin called the meeting to order at 1:37 PM.

2. DETERMINATION OF A QUORUM

Upon motion by Ms. Creighton, and duly seconded, the members unanimously voted to have Ms. Brand participate virtually in the meeting. Mr. Amin determined that with three members present in person, and one member present virtually, the Board had a quorum.

3. APPROVAL OF THE AGENDA

Upon motion by Ms. Creighton, and duly seconded, the members unanimously voted to approve the meeting's agenda.

4. APPROVAL OF PREVIOUS MEETING'S MINUTES

Upon a motion by Ms. Creighton, and duly seconded, the members unanimously voted to approve the draft minutes from the May 12, 2022, board meeting.

5. INTRODUCTIONS – NEW CCA STAFF MEMBERS

Mr. Preiss introduced three new CCA staff: Shawn Casey, Senior Policy Manager; Kayla Soltis, Policy Analyst; and Brianna Bonat, Health Policy Analyst.

6. SOUTHWEST VIRGINIA TOUR

Ms. Brand presented on the CCA's Southwest Virginia Outreach trip that she, Mr. Preiss, and Mr. Prentice took June 21-24, 2022. The "listen and learn" trip featured numerous meetings with Southwest Virginia stakeholders to introduce the CCA, including its mission and its current statutory requirements, and to hear stakeholder views on concerns, opportunities, and challenges regarding cannabis policy and regulation. The meetings engaged a broad range of stakeholders, including law enforcement, state legislators, local officials, medical cannabis providers and patients, and hemp growers, processors, and retailers.

Mr. Preiss also presented, highlighting various themes that emerged on the trip. Mr. Preiss noted that in meetings several participants expressed the view that greater efforts were necessary to include smaller cultivators, processors, and retailers in the existing medical program and any future adult-use retail market should the General Assembly choose to create one. Several stakeholders also raised concerns that current suppliers to the medical program cannot keep up with demand and there are too few medical dispensaries, which creates access challenges. Many stakeholders also advocated that policy and regulation should confer preferential treatment on Virginians seeking to establish businesses in any future adult-use cannabis market. It was noted that such preferences have spurred legal challenges in other states.

Stakeholders regularly expressed concerns that more official information and guidance on cannabis needs to be published, including what is legal and what is not. The CCA is working to address this issue, with various informational resources under development, including statutorily-mandated publications. Plans also are underway for future outreach events, particularly town halls in each of the Commonwealth's five Health Service Areas.

7. FINANCIAL UPDATE

Ms. Patten presented on the CCA's current financial status. As of July 1, 2022, fiscal year 2022 has concluded and fiscal year 2023 has begun. For FY 2022, the CCA had total expenditures of \$300,028. The CCA is following the discretionary reappropriation request process to gain approval for carrying over unused FY 2022 funds into the new fiscal year. Ms. Patten confirmed that by September 30 the CCA will need to perform and certify an assessment of internal controls at the CCA. Ms. Patten offered her support to help guide Mr. Preiss and the CCA through the process.

8. LEGISLATIVE UPDATE

Mr. Prentice gave a legislative update. New legislation adopted by the General Assembly and signed by the Governor targeted industrial hemp extracts intended for human consumption,

including imposing various labeling requirements on the marketing and selling of the products and prohibiting their sale to persons under 21 years of age. Industrial hemp extract products will also have to include child proof packaging, a certificate of analysis by a laboratory, and cannot be in the shape of a human, animal, vehicle, or fruit. The new rules also bar products that closely resemble other already existing trademarks and famous brands.

A Task Force on Hemp was also established. The task force, which is led by the Department of Agriculture and Consumer Services and includes CCA representation, will (i) assess the effectiveness of existing regulations on industrial hemp extracts and other substances containing THC intended for human consumption, and (ii) determine the need, if any, for new legislation and regulations to ensure the “safe and responsible manufacture and sale” of such products. The task force must provide its assessment and recommendations to the Governor and the General Assembly by November 15, 2022.

The budget legislation also created new criminal misdemeanors for the possession of certain amounts of marijuana. It directs the CCA to develop and issues regulations that establish equivalencies between amounts of marijuana flower or plant material and marijuana products (e.g., edibles, tinctures) for purposes of enforcing possession limits. Work on the regulations is underway and the CCA has begun collaboration with other agencies and non-government groups to create the equivalents.

DR. PEACE PRESENTATION

Dr. Michelle Peace, Ph.D., Associate Professor with the Department of Forensic Science at Virginia Commonwealth University, gave a presentation on her research work. Dr. Peace is funded by the National Department of Justice and is CEO of Cardinal Quality Labs, a drug testing laboratory. Dr. Peace delivered a presentation on the origins, ongoing risks and challenges, and need for greater regulation of synthetic cannabinoids such as Delta - 8 products. Her presentation also addressed how independent certified testing laboratories are essential for providing quality assurance to safe, well-functioning, and consumer protection-oriented legal markets for cannabis.

10. PUBLIC COMMENT PERIOD

At 3:25 PM Mr. Amin invited comment from the public. Amari Harris of the Cannabis Equity Reinvestment Board and the Virginia Indigent Defense Commission commented on the need for economically disadvantaged communities to be accounted for in any future adult-use retail market and emphasized the need for CCA to communicate about any potential upcoming legislation regarding an adult-use market. Sheba Williams of Nolef Turns, Inc. and the Cannabis Equity Reinvestment Board encouraged the CCA and policymakers to consider whom marijuana enforcement practices affect most and the potential harm, both economic and non-economic, of incarceration. Elijah Jackson of Humble Root commented on the difficulty of navigating the legislation affecting cannabis and raised concerns about illicit actors in the current cannabis marketplace who may negatively impact business owners who are striving to operate legally. Anthony Mijares of Virginia NORML and Old Manchester Hemp Co. commented it was frustrating to watch the illicit market grow as other businesses attempted to navigate the market legally. Mr. Mijares offered his indoor grow facility as a potential location for CCA to tour. Mr.

Massie commented that it is important to the Board that future action related to cannabis reflect equity concerns. He also encouraged those in attendance to discuss this issue and any other concerns about cannabis policy with their local delegates and senators. Vickie R. Williams-Cullins, Secretary of the Cannabis Equity Reinvestment Board, commented on the need to focus on disadvantaged communities in future legislation and offered her expertise to the CCA.

11. ADJOURNMENT

The Board adjourned at 3:35 PM.