

**Cannabis Control Authority
Board of Directors Meeting**

MINUTES

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May 12, 2022

11:30 AM - 2:30 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
Shane Emmett
Rasheeda N. Creighton

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

PRESENTERS:
Jamie Patten, Department of Juvenile Justice
Mitchell Smiley, Virginia Municipal League
Jeremy Preiss, Cannabis Control Authority
Matt Prentice, Cannabis Control Authority

1. CALL TO ORDER

Mr. Amin called the meeting to order at 11:30 AM.

2. DETERMINATION OF A QUORUM

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

3. APPROVAL OF THE AGENDA

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

4. APPROVAL OF PREVIOUS MEETING'S MINUTES

Mr. Amin identified one non-substantive grammatical error in the April 12, 2022, minutes. Upon motion by Ms. Brand with that correction included, and duly seconded, the members unanimously voted to approve the draft minutes from the April 12, 2022, meeting.

5. FINANCIAL UPDATE

Ms. Patten provided an update on the financial status of the CCA. She spoke to the current expenditures and remaining budget in the current fiscal year and highlighted the completion of the transition to the Cardinal payroll system. Mr. Amin asked if there would be a gap in funding following June 30th. Ms. Patten stated that a budget has yet to be finalized for fiscal year 2023 but she has no reason to believe a budget wouldn't be finalized prior to July 1st. Ms. Creighton asked what would happen to any remaining funds from fiscal year 2022. Ms. Patten stated that there is a process to request funds be carried over to the next fiscal year if the Board decided to explore that option.

6. PRESENTATION BY THE VIRGINIA MUNICIPAL LEAGUE

Mr. Smiley provided an overview of the Virginia Municipal League and the organization's interest in cannabis policy and the CCA. Mr. Amin asked about the degree of consensus among the VML's constituency. Mr. Smiley stated that there is a wide range of opinions among cities and counties, but a lot of interest and desire for education about the current state of cannabis in Virginia. Mr. Amin asked if there is anything that the CCA could do to support VML's constituency. Mr. Smiley responded that the organization's constituency is most interested in education and clarity about current and prospective laws addressing cannabis. Mr. Preiss asked whether VML had a position or preference for providing local governments with the ability in a referendum to opt-in to host marijuana businesses in their jurisdictions or to opt out of hosting such businesses. Mr. Smiley stated that VML's position is to provide localities the ability to have a referendum but defer to the General Assembly on whether it should be an opt-in or opt-out referendum.

7. WEBSITE Q + A REVISION

Mr. Prentice explained that www.cannabis.Virginia.gov has been updated by CCA Staff following the 2022 General Assembly. This website is distinguished from the CCA's work in launching a website for the CCA. Ms. Brand asked how the two websites would be connected in the future. Mr. Prentice stated that there were a few options possible with both websites in the future and that the Board would stay updated and have the opportunity to provide direction at the appropriate time.

8. REGULATORY & LEGISLATIVE UPDATE

Mr. Prentice and Mr. Preiss provided a regulatory and legislative update on the outcome of SB 591, Governor's amendments, and recent actions by the FDA on Delta-8 products. Mr. Amin asked if there was an opportunity for cannabis-related legislation to be added as part of the ongoing legislative budget process. Mr. Preiss confirmed that this is a possibility. Mr. Massie expressed concern that the potential creation of new misdemeanors for varying levels of possession is a step backwards from legalization efforts and these penalties will lead to more court cases. Ms. Brand asked what steps the FDA may undertake to enforce their Warning Letters to companies marketing Delta-8 products. Mr. Preiss commented that the FDA has various enforcement tools, including seeking court injunctions to stop the companies from marketing their products and product seizures in the event the companies are unable to comply

with the terms of the Warning Letters. Mr. Emmett stated anecdotally that his experience in the food industry indicates FDA Warning Letters is a very serious matter for these targeted companies.

9. REVISION OF CCA PROCUREMENT POLICIES

Mr. Preiss presented a revised procurement policy for board consideration. The “single quote” policy defines the conditions to obtain a single quote in the procurement of goods and services for the CCA. The proposed revision raises the single quote threshold from \$10,000 to \$50,000. Ms. Brand asked why the current threshold is \$10,000. Mr. Massie and Ms. Creighton stated the goal was to align with the Virginia ABC and serve as a starting point for staff. Mr. Amin added that this change was beneficial to provide the CCA more flexibility and would not undercut the overall goal of ensuring competition for larger contracts. Ms. Patten also noted that the threshold had not been updated for a while and that a \$50,000 threshold was more consistent with the existing market for goods and professional services. Upon motion by Ms. Brand, and duly second, the members unanimously voted to approve the revisions to the Single Quote procurement policy.

10. STAFFING DISCUSSION

Mr. Preiss provided an update on the Policy Analyst, Health Policy Analyst, and Senior Policy Manager positions currently open with the CCA. Mr. Preiss stated that the goal is to complete interviews in the coming weeks and aim to have the new staff start before July. Mr. Massie commented that he is concerned with the lack of diversity of the applicants and emphasized the importance of advertising future positions in non-traditional venues to target diverse applicants. Mr. Preiss emphasized that there was a diverse applicant pool for all three positions, that the specifics of individual candidates should be discussed in the closed session, and that CCA staff would explore the website and job board that Mr. Massie mentioned. Mr. Massie emphasized that finding the best talent is the greatest priority, but it is important to make efforts to ensure pools of candidates are not missed in the hiring process, two overriding objectives with which all board members and CCA staff agreed. Ms. Creighton reiterated the need to not be dependent on traditional HR processes and job sites to reduce barriers to access. Mr. Amin asked if the administration was aware of these three positions and the effort to bring on additional staff to the CCA. Mr. Preiss stated that his conversations with the Secretariat confirm support for these positions being added at this time.

11. OUTREACH TO SOUTHWEST VIRGINIA

Ms. Brand provided an update on the plan for CCA staff and participating board members to travel to Southwest Virginia to meet with stakeholders who have interests in cannabis and the CCA’s work. The start of this visit is tentatively scheduled for June 22nd, 2022, and efforts are underway to ensure a broad spectrum of stakeholders can participate. Mr. Preiss emphasized that since this effort is not a public meeting, it is not a replacement for future town halls, but more of a “listen and learn” trip to hear concerns. Mr. Massie stated that he is aware of a stakeholder group in Virginia Beach that would like a similar discussion. Mr. Preiss commented that CCA staff would be happy to support that meeting.

12. PUBLIC COMMENT PERIOD

At 12:51 PM Mr. Amin invited comment from the public. Representatives from Five Leaves Wellness stated their support for the CCA’s efforts to create an inclusive industry for Virginians.

At 12:56 PM, seeing that no one else from the public wished to speak, the Chair closed the public comment period.

13. CLOSED SESSION

At 1:12 PM, Mr. Amin moved that the Board enter closed session under the Virginia Freedom of Information Act to discuss a matter lawfully exempted from open meeting requirements under the discussion of prospective candidates for employment exemption contained in Virginia Code 2.2-3711(A)(1) and the exemption involving the discussion of the award of a public contract involving the expenditure of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the CCA. The motion was duly seconded and voted unanimously to enter closed session.

14. ADJOURNMENT

The Board adjourned at 2:15 PM.