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**Maryland Medical Cannabis Commission  
Policy Committee Meeting  
December 1, 2020  
Conducted Online**

**MINUTES**

**Commissioners Present**

Brian Lopez, Commission Chairman  
Megan Dingus  
Charles LoDico  
Liz Hines  
Tiffany Randolph  
Scott Welsh

**Commissioners Absent**

None

**MMCC Staff Present**

Will Tilburg, Executive Director  
Lori Dodson, Deputy Director  
Heather Nelson, Assistant Attorney General  
Matthew McCarthy, Assistant Attorney General  
Jamie Tansey, Assistant Attorney General  
Mary-jo Mather, Director of Administration  
Christi Megna, Senior Regulatory Analyst  
Rebecca Jackson, Education and Research Analyst  
Marla Rosado, Policy Analyst  
Katie Callahan, Policy Analyst

**Call to Order**

Tiffany Randolph, Chairwoman of the Policy Committee, called the meeting to order at 2:00 pm. A roll call was conducted, and there was a quorum, as all Committee members were present. Ms. Randolph asked for a motion to approve the Minutes of the October 27, 2020 Policy Committee meeting. Commissioner LoDico introduced

the motion, and it was seconded by Commissioner Welsh. The vote was unanimous, with no nays or abstentions.

## **Regulatory Summary-Taylor Kasky, Director of Policy and Government Affairs**

Ms. Kasky noted that the draft edibles proposal was published in the *Maryland Register* on October 23, 2020, with the public comment deadline ending November 23, 2020. After the Notice of Final Action is published in the *Maryland Register*, Ms. Kasky informed the Committee that she expected the edibles regulations would be effective in late December 2020, or in January 2021.

## **Review and Consideration of New Regulatory Proposals**

### **Sale or Transfer of a Medical Cannabis License**

Ms. Kasky referred to the relevant statutory regulatory provisions which authorize the sale or transfer of a license, as long as the license holder has been actively engaged in the operations of the licensed entity for the three years immediately preceding the request to sell or transfer the license; may control an interest prior to the three-year mark, and submits a request to MMCC to transfer or control any interest or sale of the entity demonstrating these conditions. Ms. Kasky noted that no public comments were received on this topic. Executive Director Will Tilburg noted that these provisions have been applied since May 2018, and are consistent with the legislative intent. A motion to apply the staff's recommendation consistent with prior practices was offered by Commissioner LoDico, and seconded by Commissioner Welsh. The motion passed unanimously.

### **Discussion: Proposed Changes to the Technical Authority for Independent Testing Laboratories**

Ms. Randolph invited Lori Dodson, Deputy Director, to describe the reviews and edits to the Authority. Ms. Dodson noted that it has been extensively reviewed over the past summer, and thanked staff and stakeholders who provided valuable input. She also noted that the proposed changes had been discussed at two previous Policy Committee meetings. The two revisions made included the batch size requirement of 10 pounds, with a presumption that pathogen testing would be performed. Additionally she discussed prior comments received on revisions to the collection procedure for laboratory samples on page 5 of the draft, and also to the list of microbiological impurities appearing on page 9. Commissioner LoDico offered a motion to approve the final revisions to the Technical Authority, as presented. Commissioner Dingus seconded the motion. The motion passed unanimously, with no abstentions.

### **Discussion: Using a Medical Cannabis License as Collateral for a Loan**

After a summary of the current regulations, Ms. Kasky invited discussion on using a medical cannabis license as collateral for a loan. She noted that licenses lack the ability to acquire traditional bank loans, which effectively stalls participation and growth in the medical cannabis industry. One topic MMCC staff reviewed was how a secured creditor would be able to recover a licensee's assets if the licensee defaulted on the loan. Ms. Kasky noted that several comments were received from stakeholders, and that at present, only small banks are supplying some bank services to account holders, but not loans. Mr. Tilburg noted that details as to how any default would be handled would be developed to address such question, such as the type of bank institution; the actual process for taking back the license in the event of a default; and which parties would be able to take back the license using the due diligence currently performed by staff for any request to transfer or sale of a licensed entity. A regulatory framework would be set up to provide capital to licensees who traditionally do not have easy access to capital, specifically to support small, minority, and women-owned businesses. Ms. Randolph asked if any other medical cannabis states authorize using a license as a form of collateral. Mr. Tilburg noted that there are other states, but these provisions are only successful if there are banks willing to make these loans.

Public comment on this topic was presented by (Tracy Lancaster-Miller, MDMDA); Jeff Jacobson, (Owner, Storehouse Dispensary, Baltimore City), and Steven Hyatt, representing Maryland members of a business group. Mr. Hyatt noted that he developed a survey among members, including Growers, Processors and Dispensaries licensees, and that all loans obtained have extremely high interest rates. He further noted that the State of Oklahoma has a model program, but it is unknown if any loans had actually been made. Ms. Randolph suggested that the Policy Committee form a workgroup to discuss this topic further, and Mr. Tilburg noted that he would welcome further comments from the legislature.

### **Discussion: On-Site Delivery**

Ms. Kasky informed attendees that regulatory proposals would codify onsite/curbside pickup authorized by the Commission in response to a Bulletin issued in early 2020 to accommodate patients during the pandemic. The new regulations would require licensees to provide written safety and security measures, video surveillance, and that an inspection finds that the location is safe, and all measures are being followed. In sum, the Commission would like to continue these practices after the State of Emergency is lifted, given that no problems or complaints were noted during the temporary requirements noted in the Bulletin. Tracy

Lancaster-Miller thanked MMCC for its quick actions at the start of the pandemic, noting that the procedures were safe, and provided much needed assistance to patients with mobility issues. A motion to authorize the permanent use of Onsite/Curb delivery was offered by Commissioner LoDico, and seconded by Commissioner Dingus. The motion passed unanimously, with no abstentions.

### **Adjournment**

Ms. Randolph thanked Commissioners, and then thanked MMCC staff for setting up Zoom/GoToMeeting sessions, and asked if there was any further business. As there was none reported, a motion to adjourn was offered by Commissioner LoDico, and seconded by Commissioner Welsh. The vote to adjourn was unanimous, and the meeting adjourned at 1:59 pm.