



CANNABIS CONTROL APPEALS PANEL

June 8, 2021
PANEL MEETING

STAFF COPY



CANNABIS CONTROL APPEALS PANEL

GOVERNOR GAVIN NEWSOM
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
Secretary Lourdes M. Castro Ramirez



MEMBERS OF THE PANEL

Dr. Diandra Bremond – Chairperson, Los Angeles County
Sharon-Frances Moore, J.D. – Member, San Diego County
Majority Leader Ian Calderon – Member, Orange County

LOCATION	MEETING DATE AND TIME
Cannabis Control Appeals Panel 400 R Street Sacramento, CA 95811 Note: Video Conference Only	Tuesday, June 8, 2021 10:00 a.m. to 11:30 a.m. (or conclusion of business)

NOTICE TO THE PUBLIC

Pursuant to [Executive Order N-29-20](#), certain provisions of the Bagley Keene Open Meeting Act are suspended due to a State of Emergency in response to the COVID-19 pandemic. Consistent with the Executive Order, the Cannabis Control Appeals Panel (CCAP) meeting will occur remotely, with no physical meeting location. CCAP will be using the video conferencing service, Zoom, to host the meeting and allow for remote public participation.

If you have any questions or comments regarding the meeting, or addressing the Panel, or requesting special accommodations during the Public Comment portion of the meeting, contact us by email at info@ccap.ca.gov or by calling (916) 322-6870 one week prior to the Panel meeting.

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MEETING AGENDA

1. Call to Order and Establishment of Quorum

Dr. Diandra Bremond, Chairperson

2. Approval of May 5, 2021 Meeting Minutes

Dr. Diandra Bremond, Chairperson

3. Executive Management Report

Anne Hawley, Executive Director

4. Review and Approve: Values, Goals, and Mission Statement

Anne Hawley, Executive Director

5. Cannabis Control Appeals Panel Member Handbook Revision

Christopher Phillips, Chief Counsel

Sarah Smith, Senior Staff Attorney

Brian Hwang, Staff Attorney

6. Pending Legislation Informational Presentation: Senate Bill 59 (Cabellero), Assembly Bill 29 (Cooper)

Christopher Phillips, Chief Counsel

Sarah Smith, Senior Staff Attorney

Brian Hwang, Staff Attorney

7. Public Comments on Items Not on the Agenda

The Panel may not discuss or act on any matter raised during this public comment section, except to decide whether to place the matter on the agenda of a future meeting.

[Government Code Sections 11125, 11125.7 (a)]

8. Future Agenda Items

9. Adjournment

NOTICE TO THE PUBLIC

The public may provide appropriate comment on any issue before the panel at the time the item is discussed. If public comment is not specifically requested, members of the public should feel free to request an opportunity to comment. Total time allocated for public comment may be limited.

All times are approximate and subject to change. The meeting may be cancelled without notice. Agenda items may be taken out of order to accommodate speakers and to maintain a quorum. Action may be taken on any item on the agenda. Time limitations for discussion and comment will be determined by the Chair.

This panel meeting is open to the public and is accessible to the physically disabled. A person who needs a disability-related accommodation or modification to participate in the meeting may make a request by contacting Christopher Phillips at (916) 322-6870. Providing your request at least five business days before the meeting will help to ensure availability of the requested accommodation.

Interested parties should access the Panel's website for the meeting agenda and more information at <http://www.ccap.ca.gov/>. Requests for further information should be directed to Christopher Phillips at (916) 322-6870 or in writing to: Cannabis Control Appeals Panel, 400 R Street, Suite 320, Sacramento, CA 95811



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AGENDA ITEM 1

**CALL TO ORDER AND
ESTABLISHMENT OF QUORUM**

NO MATERIALS FOR ITEM 1

AGENDA ITEM 2

**APPROVAL OF MAY 5, 2021,
MEETING MINUTES**

Open Session Meeting Minutes

Wednesday, May 5, 2021
10:00 am – 11:20 am

Cannabis Control Appeals Panel
400 R Street
Sacramento, CA 95811

Members present via teleconference:

- Dr. Diandra Bremond, Chairperson (in Los Angeles County)
- Sharon-Frances Moore, J.D. (in San Diego County)
- Majority Leader Ian Calderon (in Orange County)

Staff present via teleconference:

- Anne Hawley, Executive Director, Cannabis Control Appeals Panel
- Christopher Phillips, Chief Counsel, Cannabis Control Appeals Panel
- Sarah M. Smith, Senior Staff Attorney, Cannabis Control Appeals Panel
- Brian Hwang, Staff Attorney, Cannabis Control Appeals Panel
- Melita Deci, Administrative and Business Services Coordinator, Cannabis Control Appeals Panel

Public present via teleconference:

- Kelly Hayes

Others present via teleconference:

- Branden Silva, California Victim Compensation Board
- Nicole Le, Department of Consumer Affairs

Summary:

1. Call to Order and Establishment of Quorum.

Chairperson Diandra Bremond called the teleconference meeting to order at 10:03 am.

Melita Deci took the roll call vote. Panel Members Diandra Bremond, Sharon-Frances Moore, and Ian Calderon were present. A quorum was established.

2. Approval of Friday, February 26, 2021 Meeting Minutes.



Chairperson Bremond asked the Panel if there were any additions or corrections to the minutes of the February 26, 2021 meeting. There were no additions or corrections. No comments from the public.

Motion (Moore): Approve the minutes of the February 26, 2021 meeting as submitted.
Seconded (Calderon). Motion passed 3-0.

3. Executive Management Report.

Executive Director Anne Hawley presented the Executive Staff Report.

Hawley will provide an update on CCAP's upcoming strategic planning process as well as its telework policy as related to COVID-19 and the future of telework for state agencies, including CCAP, generally.

Hawley's report began with a brief history of CCAP's strategic planning process. The process began in summer of 2019. Representatives from the Department of Consumer Affairs (DCA) helped facilitate a missions, visions, and values workshop with CCAP staff. Through that workshop, CCAP staff developed draft concepts for CCAP's strategic plan. Unfortunately, the strategic planning encountered delays due to a lack of quorum and then the onset of the COVID-19 pandemic.

The draft mission statement as developed by CCAP staff is for the Panel to provide fair, accessible, and timely quasi-judicial resolution of appeals from cannabis licensing decisions. The draft vision statement is to cultivate a transparent and respectful forum for cannabis businesses within all California communities. The draft statement of core values includes efficiency, fairness, professionalism, respect, and transparency. As emphasized earlier, these are just early draft ideas that Panel members will review and provide feedback on.

Hawley's report then shifted to the draft statement of strategic goals. The first strategic goal is decision making – ensuring that appeals of decisions from licensing agencies are resolved in a timely and fair manner. The second goal is outreach and education – to provide transparency and education on the appeals process to cannabis stakeholders. Hopefully, as travel restrictions lift, there will be opportunities to engage in in-person outreach and education efforts. In the meanwhile, there are instructive materials available on CCAP's website such as: a guide to filing an appeal, an FAQ section, and a lengthy glossary. These materials are aimed at helping and communicating with a non-legal audience. Finally, the third strategic goal is organizational effectiveness – developing a collaborative and supportive work environment while maximizing resources.



Hawley then outlined a tentative schedule for the strategic planning process and stated she will work with Panel members to make sure there are no scheduling conflicts. It is a goal to have a publicly noticed meeting sometime between June 8 and June 10, 2021. The Panel would review and provide feedback, as well as approve the draft statements as previously shared. The second date to note is the July 12 to July 16 timeframe. During this week, DCA will schedule one-on-one Zoom interviews with CCAP staff and Panel members to conduct an environmental scan to discuss strengths, weaknesses, opportunities, and threats. The third date to note is the July 30 to August 6 timeframe. DCA will compile and analyze data from the environmental scan and will create a document for Panel members and staff to use during the strategic planning process.

The second half of the proposed schedule begins between August 19 to August 20, 2021. DCA will facilitate a strategic planning session for Panel members. This will be a publicly noticed meeting. After this, during the September to October timeframe, the final strategic plan will be reviewed, edited, and adopted by Panel members in another publicly noticed meeting. Later in October, DCA will facilitate a meeting with Panel members and staff to create an action plan to complete the strategic objectives as set forth in the plan. This will serve as a blueprint for CCAP's work moving forward.

Hawley then transitioned to discuss telework. Hawley remarked that CCAP staff has performed at a very high level during the transition period into telework. Hawley noted that CCAP staff's work product has been consistently excellent and that staff members have responded to deadlines quickly and professionally. She praised CCAP staff for doing a great job of transitioning to telework during a difficult time.

Hawley noted there are many benefits to remote work, such as flexibility and reducing real estate footprint. CCAP cannot get out its lease until June 30, 2023, however. Reducing carbon emissions is another benefit of working remotely. As CCAP's staff grows and CCAP starts receiving cases in the future, a wider net can be thrown if telework has been more fully integrated into CCAP's work culture.

Hawley then discussed the state's position on telework policy. Health and safety concerns remain at the forefront. The administration continues to support telework as a long-term strategy to decrease office space, allow more employee flexibility, and provide organizational resiliency in case of emergency. The administration and the California Department of Human Resources (CalHR) have asked each department, including CCAP, to assess its appropriate level of telework and how it will be maintained moving forward. Government Operations Agency, CalHR, and the Department of General Services have formed a working group to develop recommendations on what changes will be needed to sustain a flexible, hybrid telework model for the long term. The administration is in process of negotiating with the state's bargaining units which will likely be ongoing until late spring to early summer.



Hawley discussed potential next steps for CCAP. One suggestion is to provide a brief survey to gauge how CCAP staff feels about telework. Potential questions may include asking staff what they believe are the benefits of teleworking, what are the biggest challenges, and whether they feel more productive. Hawley will work with staff to identify key questions to provide feedback on this topic. CalHR has launched good training opportunities relating to telework. Hawley will look to see if any training opportunities arise that may be worth looking into. Hawley concluded the report by emphasizing the importance on what kind of work culture to establish at CCAP. She underscored that one size does not fit all, especially with COVID-19 likely to persist into the future. There are a lot of moving pieces, but it is important to continue to find ways to help staff and offer flexibility during challenging times.

No comments from the Panel. No comments from the public.

4. Pending Legislation Informational Presentation: Senate Bill 59.

CCAP's legal staff provided an update on pending legislation.

Chief Counsel Christopher Phillips opened by stating this agenda item is informational only. No action will be taken. He explained that one thing that staff does on a regular basis is to keep up with pending legislation. This will be a regular agenda item for any relevant, pending legislation. Phillips then introduced Staff Attorney Brian Hwang to give the presentation.

Staff Attorney Hwang introduced himself and began his presentation. In 2017, the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) established a single regulatory system to govern both medical and adult-use cannabis. MAUCRSA initially authorized the three cannabis licensing authorities to issue or extend temporary licenses until December 31, 2018.

Temporary licensure was intended as a brief measure while the state, local jurisdictions, and the industry came into compliance with the new regulatory framework. It became apparent, however, that many local jurisdictions could not sufficiently process annual license applications prior to December 31, 2018. Temporary licenses were set to expire while the annual licensing process ran into multiple difficulties, such as local jurisdictions struggling to carry out the California Environmental Quality Act (CEQA) review process.

With this potential disruption to the industry looming, the legislature passed Senate Bill 1459 in 2018. It created a path for licensees to move from expiring temporary licenses to provisional licenses. SB 1459 provided additional time to applicants, local jurisdictions, and the state by allowing licensing authorities to issue provisional licenses until January 1, 2020. In 2019, the legislature passed AB 97 to extend this deadline by two years, to January 1, 2022.



SB 59 was introduced by Senator Caballero. Before diving into the bill's details, Staff Attorney Hwang stated that there are new updates and corrections to the original staff report which will be highlighted during his presentation.

Under SB 59, the repeal date of the provisional license program would be extended by six more years, until 2028. SB 59 would require that, beginning on July 1, 2022, provisional licenses be issued only to qualified equity applicants. As an update and correction to the staff report, SB 59 would authorize provisional licenses to be issued to any non-equity applicant for an additional six months until July 1, 2022. The report had previously specified the sunset date as January 1, 2022. SB 59 would also provide that a licensing authority may reinstate a provisional license issued prior to July 1, 2022, at its discretion. The staff report indicated that SB 59 would extend the local exemption from CEQA compliance which is set to expire on July 1, 2021. As an update to the report, SB 59 was recently amended to remove this extension.

Currently, SB 59 is working its way through various senate committees. It began in the Business, Professions, and Economic Development, which voted 12-0 to pass the bill and refer it to Environmental Quality Committee. The Environmental Quality Committee voted 6-0 to pass the bill, as currently amended, and refer it to the Appropriations Committee. The Appropriations Committee is set to hear SB 59 on Monday, May 10.

According to the bill's author, SB 59 is necessary because without it, over 8,000 provisional licensees would be forced to close when the program expires by the end of 2021. The bill resolves this issue by extending the provisional license program until 2028. This would give applicants, local jurisdictions, and the state more time to reach CEQA compliance and process annual license applications.

That said, the recent amendments to SB 59 would alter the scope of the provisional license program. Beginning on July 1, 2022, provisional licenses will be issued only to qualified equity applicants. The licensing authorities, however, would have the discretion to reinstate provisional licenses that were issued before July 1, 2022.

Overall, there is strong support for SB 59 across the cannabis industry. Over 80 organizations and businesses expressed support for SB 59. Support for the bill comes from organizations such as the California Cannabis Industry Association, International Cannabis Farmers Association, and California State Association of Counties.

SB 59 would produce no direct fiscal impact on CCAP. As CCAP cannot accept appeals regarding provisional licenses, the extension of the provisional license program would continue to limit the number of potential appeals filed with CCAP. However, a reduced caseload may result in cost and resource savings. For example, if there are fewer hearings to travel to, it could result in savings to CCAP's budget.

The primary risk of SB 59 is the persisting long-term uncertainty regarding annual licenses. As discussed earlier, SB 1459 and AB 97 were intended as stopgap measures. Yet, SB 59 provides



another extension to the provisional license program. Based on these factors, CCAP's caseload will likely remain low into the foreseeable future. In addition, the unpredictability of its future caseload may complicate CCAP's efforts to engage in long-term planning. However, as mentioned previously, one potential benefit of the low caseload is cost and resource savings to CCAP's budget.

No comments from the Panel. No comments from the public.

5. Cannabis Control Appeals Panel Member Handbook Revision.

Chief Counsel Phillips introduced a proposal to make several revisions to the Panel Handbook. He explained this agenda item is an action item, and CCAP staff will recommend a vote be taken. This agenda item represents more of a wholistic, annual review of the Handbook. This agenda item arose after staff identified various provisions that need an update.

Phillips then introduced Senior Staff Attorney Sarah Smith to give the presentation. She will discuss four recommended revisions and begin with the only one with legal substance.

In 2020, the legislature amended Section 26040 of the Business and Professions Code to change the means by which Panel members are appointed. CCAP staff recommends the Handbook be revised accordingly to reflect this update. The benefit to this is to make it easy for Panel members to know by looking at the Handbook what the appointment process is without having to review the actual law.

There are two additional, material changes. The first of these revisions is to add a "last updated" date to the bottom of the cover page. This would allow any Panel member reviewing the Handbook to know, at a glance, what version of the Handbook they are looking at and to ensure they are in possession of the most recent version. The second of these revisions is to update CCAP's physical address. CCAP recently moved to 400 R Street, but the Handbook does not currently reflect this new address. In order to make sure that Panel members can forward their materials in a timely fashion to CCAP's physical offices, the address needs to be updated in the Handbook.

The final recommended change is neither substantive nor material but is nonetheless important. Staff recommends the Handbook be revised to replace the gendered pronouns she/her/hers and he/him/his with the gender-neutral singular they/them/their. There are two main benefits to this. The first benefit is that this acknowledges that there are increasingly more people who identify outside the gender binary and that one's gender is irrelevant to whether one is litigating before the Panel or not. Finally, this is far simpler language than using he/she, for example.



Panel Member Moore stated she had other suggested edits in mind but wanted to know if this was the appropriate time and place to discuss them. Senior Staff Attorney Smith stated she would answer if she can, but warned that if the question is off topic, then we may need shift to another agenda item. Chairperson Bremond stepped in to ask Chief Counsel Phillips to weigh in because, per Bagley-Keene, this publicly noticed meeting must follow the posted agenda. If Moore's question falls off course, then it may need to be put on the agenda for a future meeting.

Phillips advised Moore that asking the question is a judgment call. If the questions are related enough to the agenda item, then they may be asked. If not, these questions might be more appropriate for a future agenda item. Alternatively, Moore may send questions to staff directly which would not require a quorum or group discussion. Moore answered that she will send her suggested edits to the staff directly, and this can be something to discuss at the next Panel meeting.

No other comments from the Panel. No comments from the public.

Motion (Moore): Approve the proposed revisions to the Member Handbook. Seconded (Calderon). Melita Deci took a roll call vote on the motion. Motion passed 3-0.

6. Public Comments on Items Not on the Agenda.

Chairperson Bremond warned any comment should not involve pending or future appeals, complaints, applications, or any disciplinary actions that may come before the Panel. No comments from the public.

7. Future Agenda Items.

Panel Member Moore again raised the topic of new, additional edits to the Member Handbook to be discussed at the next Panel meeting. No other comments from the Panel. No comments from the public.

8. Closed Session.

Open session suspended at 10:43 am for the Annual Review of the Executive Director in closed session, under the authority of Government Code section 11126(a)(1). Open session resumed at 11:19 am.

9. Adjournment.

Motion (Calderon). Adjourn the meeting. Seconded (Moore). Meeting adjourned at 11:20 am.

AGENDA ITEM 3

**EXECUTIVE MANAGEMENT
REPORT**

**NO MATERIALS FOR ITEM 3
(VERBAL REPORT)**

AGENDA ITEM 4

**REVIEW & APPROVE: VALUES,
GOALS, & MISSION STATEMENT**

CANNABIS CONTROL APPEALS PANEL

STAFF REPORT

REGULAR PANEL MEETING

June 8, 2021

SUBJECT: Review and Approve: Values, Goals, and Mission Statement

BACKGROUND:

Strategic Planning is a long-term, future-oriented process of assessment, goal setting, and strategy building that maps an explicit path between the present and a vision of the future, that relies on careful consideration of an organization's capabilities and environment, and leads to priority-based resource allocation and other decisions. It includes the process of developing a strategic plan. Because strategic planning is a team effort that builds consensus on a future direction for an entity, the process itself is more important than the resulting document.

Three key components of a strategic plan include the mission statement (the reason for the entity's existence), values (the core principles that drive the entity), and goals (the desired outcomes).

During the summer of 2019, CCAP staff worked with the SOLID Training and Planning Solutions Unit from the Department of Consumer Affairs to develop draft Values, Goals, and a Mission Statement for CCAP. Due to the lack of quorum, CCAP was unable to officially adopt the draft statements. Now that CCAP has a quorum of panel members, the strategic planning process can resume. Adoption of these three foundational components is the first step of a comprehensive strategic plan.

BUDGET AND FISCAL IMPACTS:

The SOLID Training and Planning Solutions Unit from DCA has been contracted to facilitate the strategic planning process with CCAP. The cost for these services is \$3,080.50.

BENEFITS AND RISKS:

There are no known risks associated with adopting the proposed components of a strategic plan. There are, however, several benefits. The purpose of planning is to improve the chances of reaching desirable outcomes. The benefits of planning enable an organization to: 1) prepare for contingencies that could prevent it from attaining its goals, 2) prepare a framework for the organization's orderly growth and progress, and 3) have a strategy for the allocation of resources in a manner that will allow the organization to meet its goals.

ATTACHMENTS:

1. Overview: Values, Goals & Mission Statement

RECOMMENDATION:

Approve the draft Mission Statement, Vision, Values, and Strategic Goals as identified in Attachment 1.

STAFF CONTACT:

Anne Hawley, Executive Director
Cannabis Control Appeals Panel
916-322-6870



OVERVIEW: VALUES, GOALS & MISSION STATEMENT

ANNE HAWLEY, EXECUTIVE DIRECTOR

JUNE 8, 2021



CANNABIS
CONTROL
APPEALS
PANEL



STRATEGIC PLANNING

2019 - 2021

BACKGROUND

July – August 2019:

Representatives from Department of Consumer Affairs (DCA), SOLID Training and Planning Solutions Unit facilitated a mission, vision and values workshop with CCAP Staff.



MISSION, VISION AND VALUES



Mission (Draft)

The Cannabis Control Appeals Panel provides fair, accessible, and timely quasi-judicial resolution of appeals from cannabis licensing decisions.



MISSION, VISION AND VALUES

Vision (Draft)

Cultivating a transparent and respectful forum for cannabis businesses within all California communities.





Efficiency

Professionalism

Transparency



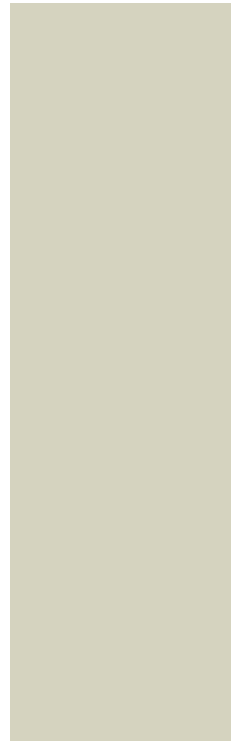
STRATEGIC GOALS



Decision Making (Draft)

Ensuring appeals from licensing agency decisions are resolved in a fair and timely fashion.





STRATEGIC GOALS

Outreach and Education (Draft)

To provide transparency and education on the appeals process for cannabis stakeholders.





STRATEGIC GOALS

Organizational Effectiveness (Draft)

To develop an effective and collaborative work environment while maximizing resources.



June 8 to June 10, 2021: Panel Members will review, provide feedback and approve the mission, vision, values and strategic goals.



June 21 to July 9, 2021: DCA will conduct one-on-one interviews via Zoom. Topic: Views on external environment.



July 30 to August 13, 2021: DCA will compile and analyze data and produce environmental scan document to use during strategic planning.

PROPOSED SCHEDULE



Week of August 30, 2021: DCA will facilitate strategic planning session with Panel Members (Publicly noticed meeting)



October 2021: Final strategic plan is reviewed, edited, and adopted by the Panel Members. (Publicly noticed meeting)



November 2021: DCA will facilitate a meeting with Panel staff to create an action plan to complete strategic objectives.

PROPOSED SCHEDULE



QUESTIONS? STRATEGIC PLANNING

2019 - 2021

AGENDA ITEM 5

**CANNABIS CONTROL APPEALS
PANEL MEMBER HANDBOOK
REVISION**

CANNABIS CONTROL APPEALS PANEL

STAFF REPORT

REGULAR PANEL MEETING

June 8, 2021

SUBJECT: Cannabis Control Appeals Panel Handbook Revision

BACKGROUND:

As a matter of best practices, all government boards and commissions typically adopt a board policy manual. This document is intended to guide members of the Panel under specific procedural circumstances, reiterate relevant statutes and ethical standards, and ensure consistent application of general administrative policies. The current policy manual, known as the “Member Handbook,” was adopted by the Panel at its first meeting on August 13, 2018. The Member Handbook was last updated on May 5, 2021.

ANALYSIS:

After a recent review of the Handbook, CCAP panel members and staff have identified three necessary revisions:

- The first proposed revision is to update the Handbook’s language, where possible, to reflect the consolidation of the three state licensing authorities into a single Department of Cannabis Control (Department). Currently, the Handbook is outdated in two ways. First, it refers to multiple licensing authorities instead of the Department. Second, its history of cannabis regulation is current only up to 2017. The proposed revision would update the Handbook’s language so that it incorporates the major changes associated with the consolidation.
- The second proposed revision is to provide further guidance regarding one of the general rules of conduct on page 10 of the Handbook. Currently, the prohibition against Panel members speaking or acting on behalf of the Panel without proper authorization does not provide any additional details. The proposed revision would direct Panel members to refer to specific written policies if they have questions on the matter.
- The third proposed revision is to clarify the language of the “Honoraria Prohibition” section on page 13 of the Handbook. Currently, its language could potentially be misinterpreted to mean that Panel members should decline honoraria only if it comes from certain sources (e.g. professional associations). The proposed revision would minimize any ambiguity by clarifying the exact nature of the honoraria prohibition.

BUDGET AND FISCAL IMPACTS:

None.

BENEFITS AND RISKS:

There are no known risks associated with the proposed revisions. There are, however, several benefits:

- By updating the Handbook to reflect the creation of the Department, Panel members will be kept current on recent developments in the area of cannabis regulation. This is especially important given the Panel's role in the cannabis space. As cannabis regulation continues to evolve, updating the Handbook will be necessary to reduce any confusion that may arise from reliance on outdated law or information.
- By specifying which written policies Panel members should refer to if they have any questions about speaking or acting on behalf of the Panel, they will be better informed about their general rules of conduct. Rather than being left to their own devices, Panel members will be directed to refer to the specific guidance outlined in CCAP's written policies.
- By clarifying the language of the "Honoraria Prohibition" section, Panel members will have a clearer understanding of their ethical duties and responsibilities. This will reduce any delay or confusion that may otherwise result from unclear or ambiguous guidance.

ATTACHMENTS:

1. Marked-up version of proposed revisions (see highlights in attachment)
2. Clean version of Member Handbook with proposed revisions included

RECOMMENDATION:

Approve the Proposed Revisions of the Member Handbook (Attachment 2).

STAFF CONTACT:

Christopher Phillips, Chief Counsel
Cannabis Control Appeals Panel
(916) 322-6874



CANNABIS CONTROL APPEALS PANEL

MEMBER HANDBOOK

Gavin Newsom, Governor
State of California

Lourdes M. Castro Ramirez, Secretary
Business, Consumer Services and Housing Agency

Cannabis Control Appeals Panel
400 R St. Ste. 320
Sacramento, CA 95811
www.ccap.ca.gov

Adopted August 13, 2018
Last Updated May 5, 2021

INTRODUCTION

Brief History

In 1996, voters approved Proposition 215, which legalized the use of Medicinal cannabis in California. After the proposition was passed, most regulation was done by local governments. In 2015, the Legislature passed, and Governor Edmund G. Brown Jr. signed into law three bills (Assembly Bills 243 and 266, and Senate Bill 643) that create a licensing and regulatory framework for Medicinal cannabis through the Medical Cannabis Regulation and Safety Act. This legislation divided the responsibility for state licensing between three state entities – the California Department of Food and Agriculture, the California Department of Public Health and the Bureau of Cannabis Control – with the Bureau of Cannabis Control designated as the lead agency in regulating the cannabis industry in California.

In 2016, voters approved Proposition 64, the Adult-Use of Marijuana Act (AUMA). Under Proposition 64, adults 21 years of age or older, can legally grow, possess, and use cannabis for non-medicinal purposes, with certain restrictions. In addition, beginning on January 1, 2018, AUMA makes it legal to sell and distribute commercial cannabis through a regulated business. In June 2017, the California State Legislature passed a budget trailer bill, Senate Bill 94, that merged MCRSA and AUMA to create the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). Under MAUCRSA, a single regulatory system governs the medicinal and adult-use cannabis industry in California.

In 2021, Governor Gavin Newsom announced the consolidation of the three state licensing entities into a single Department of Cannabis Control (Department). After the Legislature approved the consolidation, the new Department went into operation beginning on July 1, 2021. The Department is responsible for overseeing all cannabis licensing and regulatory functions which had previously been handled separately by the three licensing entities.

Function of the Panel

The Cannabis Control Appeals Panel is responsible for appeals from any decision by the Department ~~state cannabis licensing authorities~~ relating to the order of any penalty assessment, issuing, denying, transferring, conditioning, suspending or revoking any license provided under MAUCRSA.

PANEL MEMBERS

Authority

The Cannabis Control Appeals Panel was established by Business and Professions Code 26040 – 26047.

Membership

The Cannabis Control Appeals Panel shall consist of the following members:

- (A) One member appointed by the Senate Committee on Rules.
- (B) One member appointed by the Speaker of the Assembly.
- (C) Three members appointed by the Governor and subject to confirmation by a majority vote of all members elected to the Senate.

Each member appointed by the Governor, at the time of their initial appointment, shall be a resident of a different county from the one in which either of the other members appointed by the Governor resides.

Compensation

Members of the Panel shall receive an annual salary as provided for by Chapter 6 (commencing with [Section 11550](#)) of Part 1 of Division 3 of Title 2 of the Government Code.

Term

None. Each appointee serves at the pleasure of its appointing authority.

Removal

(B & P Code §26040(b))

The Governor can remove Governor's appointees without cause, while the Legislature can remove *any* appointee for dereliction of duty, corruption, or incompetency.

Resignation

(Government Code Section §1750(b))

If it becomes necessary for a Panel Member to resign, a letter shall be sent to the appropriate appointing authority (Governor's Office, Senate Rules Committee, or the Speaker of the Assembly) with the effective date of the resignation. Written notification is required by state law. A copy of this letter shall also be sent to the Panel Chair and the Executive Director.

Conflict of Interest

(Government Code Section §87100)

No Panel Member may make, participate in making, or in any way attempt to use their official position to influence a governmental decision in which they know or have reason to know they have a financial interest.

Any Panel Member who has a financial interest shall disqualify themselves from making or attempting to use their official position to influence the decision.

Any Panel Member who feels they are entering a situation where there is a potential for a conflict of interest should immediately consult the Executive Director or the Panel's legal counsel.

Incompatible Activities

(Government Code §19990)

All Panel Members shall sign an incompatible activities statement. Governor's appointees will likely have already signed the Governor's incompatible activities statement and Agency's statement. and will be expected to adhere to the terms therein.

Within the first several months of being hired, the Assistant Chief Counsel for the Panel, or another staff attorney, should review the two incompatibility statements already signed by the Governor's appointees, and seek to develop a specific one for the Panel, to be executed by all members.

Social Media Presence

All Panel Members and Panel employees should become familiar with the Social Media Standard (SIMM 66B) put forth by the California Department of Technology at https://cdt.ca.gov/wp-content/uploads/2017/02/SIMM_66B.pdf. In general, Panel Members shall not speak on behalf of the Panel or state government unless otherwise authorized, and shall not share to the public or others on social media confidential or proprietary information held by the Panel or its Members or employees.

MEMBER ON-BOARDING & TRAINING

On-boarding

Panel members must submit the following no later than 30 days after their swearing-in:

1. Oath of Office – signed and dated
2. Form 700 – Statement of Economic Interest
3. Sexual Harassment Prevention Policy Memo and Acknowledgement Form
4. Non-Discrimination Policy and Complaint Procedures Policy Memo and Acknowledgement Form
5. Emergency Contact Information
6. Authorization to Use Privately Owned Vehicles on State Business (STD.261)
7. Payee Data Record (STD.204)

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Sacramento, CA 95811

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Panel members must complete the required trainings within 30 days of their swearing-in:

- Bagley-Keene Open Meeting Act Training
- Ethics Training
 - Note: the certificate of completion should be provided to the Executive Director.
- Sexual Harassment Prevention Training
 - To ensure compliance with Assembly Bill 1825 (Chapter 933, Statutes of 2004), Panel members are required to complete Sexual Harassment Prevention Training every two years.
- Defensive Driver Training

MEETING PROCEDURES

Panel Meetings

(Government Code § 11120 et seq.)

Being a member of the Panel is a serious commitment to the people of the State of California. Panel members are expected to attend all scheduled panel meetings. If a member is unable to attend, they must contact the Panel Chair or the Executive Director and provide a written explanation of their absence.

Meetings are subject to all provisions of the Bagley-Keene Open Meeting Act (Act). This Act governs meetings of the state regulatory bodies and meetings of committees of those bodies where committee consists of more than two members. It specifies notice of meetings, agenda requirements, and prohibits discussing or acting on matters not included on the agenda. If the agenda contains matters which are appropriate for closed session, the agenda shall cite the statutory section and subdivision authorizing the closed session.

Through training given to the Panel, and on Panel Member's own initiative, Panel Members should become familiar with the general Bagley-Keene Act requirements, and they are required by law to receive a copy of the law, which will be done at the Panel's first public meeting. If Panel Members have questions about the law, they should contact the Panel's Assistant Chief Counsel or Agency Counsel for advice.

Agenda Items

Panel Members may submit agenda items for a future Panel meeting during the "Future Agenda Items" section of a Panel meeting or directly to the Panel Chair. To the extent possible, the Panel Chair will calendar each Panel Member's request on a future Panel meeting.

In the event of a conflict, the Panel Chair shall make the final decision. The Panel Chair will work with the Executive Director to finalize the agenda.

Notice of Meetings

(Government Code §11120 et seq,)

Meeting notices, including agendas, for Panel meetings will be sent to persons on the Panel's mailing list at least 10 calendar days in advance, as specified in the Bagley-Keene Open Meeting Act. The notice shall include name, work address, and work telephone number of a staff person who can provide further information prior to the meeting. Notices will also be posted online at www.ccap.ca.gov.

Record of Meetings

The business conducted in open session by the Panel can be recorded by a registered court reporter or audio recorded at the Panel's discretion.

In the alternative, minutes or a summary of the open session can be taken. They shall be prepared by Panel staff and submitted for review by Panel Members. Panel minutes or the summary will be considered and approved or disapproved at the next scheduled meeting of the Panel. When approved, the minutes shall serve as the official record of the meeting. The recordings of each Panel meeting shall be maintained and not destroyed.

Properly convened closed meetings also require by law to have minutes taken of the closed session.

Robert's Rules of Order

The Panel will use Robert's Rules of Order, to the extent that it does not conflict with state law (e.g., Bagley-Keene Open Meeting Act or other state laws or regulations), as a guide when conducting the meetings. Questions of order can be clarified by the Panel's legal counsel.

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Officers of the Panel

The Panel shall elect a Chair at the first meeting of each calendar year. However, the first Chair elected through the process set forth below shall serve until the first meeting in the calendar year 2020.

Election of Chair

Election of the Chair shall occur annually at the first meeting of each calendar year. The election can only occur with a quorum present.

A member must first announce their willingness to be Chair and then may give a short statement why they should be elected.

Each Panel member may cast one vote for the Chair position. Votes will be made publicly. The candidate with the most votes will be elected Chair and will assume the duties of that position at the end of the public meeting.

In the event of a tie, the Secretary of the Business, Consumer Services and Housing, or their delegate, shall publicly cast a single vote to break the tie either at the meeting, or at the next publicly noticed meeting. In the latter situation, the prior Chair shall retain their duties until the tie is broken.

Responsibilities of the Chair

The responsibilities of the Chair include but are not limited to:

- Coordinate regularly with the Executive Director to be abreast of day-to-day operations.
- Manage each meeting of the Panel to ensure orderly and efficient review of each agenda item.
- Coordinate the annual review of the Executive Director.
- Represent the Panel before external entities, at the request of the Executive Director, as necessary.

Office Vacancies

If the office of the Chair becomes vacant, the Panel shall elect a new Chair at its first meeting after the vacancy occurs, if reasonably feasible.

PANEL ADMINISTRATION

Executive Director

(B & P Code §26041)

The Panel shall appoint an Executive Director. The Executive Director is responsible for the financial operations and integrity of the Panel and is the official custodian of records. The Executive Director is an at-will employee, who serves at the pleasure of the Panel, and may be terminated, with or without cause, in accordance with all applicable laws and certain provisions of the Bagley-Keene Open Meeting Act.

Executive Director Evaluation

On an annual basis, the Executive Director shall be evaluated by the Panel during a closed session. Panel members provide information to the Chair on the Executive Director's performance in advance of this meeting.

Panel Staff

(B & P Code §26041)

Employees of the Panel are civil service employees. Their employment, pay, benefits, discipline, termination, and conditions of employment are governed by a myriad of civil service laws and regulations and often by collective bargaining agreements. The Executive Director hired by the Panel is an exempt position, which serves under different rules than a standard civil servant. Because of this complexity, the Panel delegates this authority and responsibility for management of the civil service staff to the Executive Director and legal staff as an instrument of the Panel.

Panel Members may express any staff concerns to the Executive Director but shall refrain from involvement in any civil service matters. Panel Members shall not become involved in the personnel issues of any state employee.

REPRESENTATION ON BEHALF OF CCAP

General Rules of Conduct

All Panel Members shall act in accordance with their oath of office, and shall conduct themselves in a courteous, professional and ethical manner at all times. The Panel serves at the pleasure of the Governor and the Legislature, and shall conduct their business in an open manner, so that the public shall be both informed and involved, consistent with the provisions of the Bagley-Keene Open Meeting Act and all other governmental and civil codes applicable to similar boards within the State of California.

- Panel Members shall comply with all provisions of the Bagley-Keene Open Meeting Act.
- Panel Members shall not speak or act for the Panel without proper authorization. For further guidance, please refer to CCAP's written policies on "Media Relations" and "Statement of Incompatible Activities."
- Panel Members shall not privately or publicly lobby for, publicly endorse, or otherwise engage in any personal efforts that would tend to promote their own personal or political views or goals, when those are in direct opposition to an official position adopted by the Panel.
- Panel Members shall not discuss personnel or Panel business matters outside their official capacity or outside a properly noticed and agendized meeting.
- Panel Members shall never accept gifts from appellants, commercial cannabis licensees, or related members of the cannabis industry while serving on the Panel.
- Panel Members shall maintain the confidentiality of confidential documents and information related to Panel business.
- Panel Member shall comply with all applicable incompatible activities statements they serve under.
- Panel Members shall recognize the equal role and responsibilities of all Panel Members.
- Panel Members shall act fairly, be nonpartisan, impartial, and unbiased in their roles of protecting the public and enforcing MAUCRSA.
- Panel Members shall treat all individuals in a fair, professional, courteous and impartial manner.
- Panel Members' actions shall serve to uphold the principle that the Panel's primary mission is to protect the public.
- Panel Members shall not use their positions on the Panel for personal, familial, or financial gain.

Panel Member Written Correspondence and Mailings

All correspondence, press releases, articles, memoranda or any other communication written by any Panel Member in their official capacity, and regarding matters under the jurisdiction or responsibility of the Panel, must be provided to the Executive Director in advance of publication. The Executive Director will retain a copy in a chronological file.

Contact with Licensees and Appellants

Panel Members shall not intervene on behalf of a licensee or appellant for licensure for any reason. They should forward all contacts or inquiries to the Executive Director.

Communications with Other Organizations, Individuals & Media

All communications relating to any Panel action or policy to any individual, organization or media shall be made only by the Panel Chair, the Chair's designee, or the Executive Director.

Any Panel Member who is contacted by any of the above should inform the Panel Chair or Executive Director of the contact immediately.

All correspondence shall be issued on the Panel's standard letterhead and will be disseminated by the Executive Director's office.

Business Cards

Business cards will be provided to each Panel Member with the Panel's name, address, telephone numbers, and website address.

OTHER POLICIES & PROCEDURES

Ex Parte Communication

(Government Code Section 11430.10 et seq.)

The Government Code contains provisions prohibiting ex parte communications. An “ex parte” communication is a communication to the decision-maker made by one party to an enforcement action without participation by the other party. While there are specified exceptions to the general prohibition, the key provision is found in subdivision (a) of section 11430.10, which states:

“While the proceeding is pending, there shall be no communication, direct or indirect, regarding any issue in the proceeding to the presiding officer from an employee or representative of an agency that is a party or from an interested person outside the agency, without notice and an opportunity for all parties to participate in the communication.”

Occasionally, an applicant who is being formally denied licensure, or a licensee against whom disciplinary action is being taken, will attempt to directly contact Panel Members. If the communication is written, the person should read only far enough to determine the nature of the communication. Once they realize it is from a person against whom an action is pending, they should reseal the documents and send them to the Executive Director.

If a Panel Member receives a telephone call from an applicant under any circumstances or licensee against whom an action is pending, they should immediately tell the person they cannot speak to them about the matter and inform the Executive Director and the Panel’s legal counsel.

If the person insists on discussing the case, they should be told that the Panel Member will be required to recuse themselves from any participation in the matter. Therefore, continued discussion is of no benefit to the applicant or licensee.

If a Panel Member believes that they have received an unlawful ex parte communication, they should contact the Executive Director and the Panel’s legal counsel.

Service of Legal Documents

If a Panel Member is personally served as a party in any legal proceeding related to their capacity as Panel Member, they must contact the Executive Director immediately.

Honoraria Prohibition

(Government Code Sections [89501](#)-[89503.2](#) and FPPC Regulations, Title 2, Division 6)

Panel members may not accept honoraria from any source. Since Panel members are required to report all income, and Panel members are precluded from accepting an honorarium from any source if the income is required to be reported, no honoraria is permitted.

As a rule, members of the Panel should decline honoraria for speaking at, or otherwise participating in, professional association conferences and meetings. A member of a state panel is precluded from accepting an honorarium from any source, if the member would be required to report the receipt of income or gifts from that source on their statement of economic interest.

Panel Members are required to report income from, among other entities, professional associations and continuing education providers. Therefore, a Panel Member should decline all offers for honoraria for speaking or appearing before such entities.

Honorarium means any payment made in consideration for any speech given, article published, or attendance at any public or private conference, convention, meeting, social event, meal, or like gathering. Potential situations may include, but are not limited to, professional association conferences and meetings.

There are limited exceptions to the honoraria prohibition. The acceptance of an honorarium is not prohibited under the following circumstances:

- (1) An honorarium is returned to the donor (unused) within 30 days;
- (2) an honorarium is delivered to the State Controller within 30 days for donation to the General Fund (for which a tax deduction is not claimed); and
- (3) an honorarium is not delivered to the Panel Member, but is donated directly to a bona fide charitable, educational, civic, religious, or similar tax exempt, non-profit organization.

Considering this prohibition, members should report all offers of honoraria to the Panel Chair so that they, in consultation with the Executive Director and staff counsel, may determine whether the potential for conflict of interest exists.



CANNABIS CONTROL APPEALS PANEL

MEMBER HANDBOOK

Gavin Newsom, Governor
State of California

Lourdes M. Castro Ramirez, Secretary
Business, Consumer Services and Housing Agency

Cannabis Control Appeals Panel
400 R St. Ste. 320
Sacramento, CA 95811
www.ccap.ca.gov

Adopted August 13, 2018
Last Updated May 5, 2021

INTRODUCTION

Brief History

In 1996, voters approved Proposition 215, which legalized the use of Medicinal cannabis in California. After the proposition was passed, most regulation was done by local governments. In 2015, the Legislature passed, and Governor Edmund G. Brown Jr. signed into law three bills (Assembly Bills 243 and 266, and Senate Bill 643) that create a licensing and regulatory framework for Medicinal cannabis through the Medical Cannabis Regulation and Safety Act. This legislation divided the responsibility for state licensing between three state entities – the California Department of Food and Agriculture, the California Department of Public Health and the Bureau of Cannabis Control – with the Bureau of Cannabis Control designated as the lead agency in regulating the cannabis industry in California.

In 2016, voters approved Proposition 64, the Adult-Use of Marijuana Act (AUMA). Under Proposition 64, adults 21 years of age or older, can legally grow, possess, and use cannabis for non-medicinal purposes, with certain restrictions. In addition, beginning on January 1, 2018, AUMA makes it legal to sell and distribute commercial cannabis through a regulated business. In June 2017, the California State Legislature passed a budget trailer bill, Senate Bill 94, that merged MCRSA and AUMA to create the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA). Under MAUCRSA, a single regulatory system governs the medicinal and adult-use cannabis industry in California.

In 2021, Governor Gavin Newsom announced the consolidation of the three state licensing entities into a single Department of Cannabis Control (Department). After the Legislature approved the consolidation, the new Department went into operation beginning on July 1, 2021. The Department is responsible for overseeing all cannabis licensing and regulatory functions which had previously been handled separately by the three licensing entities.

Function of the Panel

The Cannabis Control Appeals Panel is responsible for appeals from any decision by the Department relating to the order of any penalty assessment, issuing, denying, transferring, conditioning, suspending or revoking any license provided under MAUCRSA.

PANEL MEMBERS

Authority

The Cannabis Control Appeals Panel was established by Business and Professions Code 26040 – 26047.

Membership

The Cannabis Control Appeals Panel shall consist of the following members:

- (A) One member appointed by the Senate Committee on Rules.
- (B) One member appointed by the Speaker of the Assembly.
- (C) Three members appointed by the Governor and subject to confirmation by a majority vote of all members elected to the Senate.

Each member appointed by the Governor, at the time of their initial appointment, shall be a resident of a different county from the one in which either of the other members appointed by the Governor resides.

Compensation

Members of the Panel shall receive an annual salary as provided for by Chapter 6 (commencing with [Section 11550](#)) of Part 1 of Division 3 of Title 2 of the Government Code.

Term

None. Each appointee serves at the pleasure of its appointing authority.

Removal

(B & P Code §26040(b))

The Governor can remove Governor's appointees without cause, while the Legislature can remove *any* appointee for dereliction of duty, corruption, or incompetency.

Resignation

(Government Code Section §1750(b))

If it becomes necessary for a Panel Member to resign, a letter shall be sent to the appropriate appointing authority (Governor's Office, Senate Rules Committee, or the Speaker of the Assembly) with the effective date of the resignation. Written notification is required by state law. A copy of this letter shall also be sent to the Panel Chair and the Executive Director.

Conflict of Interest

(Government Code Section §87100)

No Panel Member may make, participate in making, or in any way attempt to use their official position to influence a governmental decision in which they know or have reason to know they have a financial interest.

Any Panel Member who has a financial interest shall disqualify themselves from making or attempting to use their official position to influence the decision.

Any Panel Member who feels they are entering a situation where there is a potential for a conflict of interest should immediately consult the Executive Director or the Panel's legal counsel.

Incompatible Activities

(Government Code §19990)

All Panel Members shall sign an incompatible activities statement. Governor's appointees will likely have already signed the Governor's incompatible activities statement and Agency's statement. and will be expected to adhere to the terms therein.

Within the first several months of being hired, the Assistant Chief Counsel for the Panel, or another staff attorney, should review the two incompatibility statements already signed by the Governor's appointees, and seek to develop a specific one for the Panel, to be executed by all members.

Social Media Presence

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Panel members must complete the required trainings within 30 days of their swearing-in:

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MEETING PROCEDURES

Panel Meetings

(Government Code § 11120 et seq.)

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Agenda Items

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The Panel shall elect a Chair at the first meeting of each calendar year. However, the first Chair elected through the process set forth below shall serve until the first meeting in the calendar year 2020.

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The responsibilities of the Chair include but are not limited to:

- Coordinate regularly with the Executive Director to be abreast of day-to-day operations.
- Manage each meeting of the Panel to ensure orderly and efficient review of each agenda item.
- Coordinate the annual review of the Executive Director.
- Represent the Panel before external entities, at the request of the Executive Director, as necessary.

Office Vacancies

If the office of the Chair becomes vacant, the Panel shall elect a new Chair at its first meeting after the vacancy occurs, if reasonably feasible.

PANEL ADMINISTRATION

Executive Director

(B & P Code §26041)

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If the person insists on discussing the case, they should be told that the Panel Member will be required to recuse themselves from any participation in the matter. Therefore, continued discussion is of no benefit to the applicant or licensee.

If a Panel Member believes that they have received an unlawful ex parte communication, they should contact the Executive Director and the Panel’s legal counsel.

Service of Legal Documents

If a Panel Member is personally served as a party in any legal proceeding related to their capacity as Panel Member, they must contact the Executive Director immediately.

Honoraria Prohibition

(Government Code Sections 89501-89502 and FPPC Regulations, Title 2, Division 6)

Panel members may not accept honoraria from any source. Since Panel members are required to report all income, and Panel members are precluded from accepting an honorarium from any source if the income is required to be reported, no honoraria is permitted.

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Considering this prohibition, members should report all offers of honoraria to the Panel Chair so that they, in consultation with the Executive Director and staff counsel, may determine whether the potential for conflict of interest exists.

AGENDA ITEM 6

**PENDING LEGISLATION
INFORMATION PRESENTATION:
SB-59, AB-29**

CANNABIS CONTROL APPEALS PANEL

STAFF REPORT

REGULAR PANEL MEETING

June 8, 2021

SUBJECT: Pending Legislation Informational Presentation: Senate Bill 59 and Assembly Bill 29

BACKGROUND:

SB 59

SB 59 would have further extended the repeal date of the provisional licensing program from January 1, 2022 to January 1, 2028. This extension would have given applicants, local jurisdictions, and the state additional time to comply with California Environmental Quality Act requirements as well as process pending annual license applications.

AB 29

AB 29 would have modified the Bagley-Keene Open Meeting Act to require that a state body post online all writings and materials on the same day as they are disseminated to members of the body, or at least 72 hours in before the meeting, whichever is earlier. While Bagley-Keene requires state bodies to publicly post meeting agendas, there is no similar notice requirement for supporting documents that a state body will consider relating to an agenda item.

UPDATES:

SB 59

As of May 24, 2021, SB 59 has been ordered to the inactive file at the request of Senator Caballero, the bill's author, due to language that was added to the Governor's May revise budget bill. Bills in the inactive file are considered dormant for a variety of reasons. However, an author may subsequently remove their bill from the inactive file to be placed back on the agenda at a later date.

AB 29

As of May 20, 2021, AB 29 has been held under submission. This is an action taken by a committee when there is indication that the bill's author and committee members want to continue to discuss or work on the bill, but there is no motion for the bill to progress out of the committee.

ATTACHMENTS:

None.

RECOMMENDATION:

No action is requested. This agenda item is only for informational purposes.

STAFF CONTACT:

Christopher Phillips, Chief Counsel
Cannabis Control Appeals Panel
(916) 322-6874

AGENDA ITEM 7

**PUBLIC COMMENTS ON ITEMS
NOT ON THE AGENDA**

NO MATERIALS FOR ITEM 7

AGENDA ITEM 8

FUTURE AGENDA ITEMS

NO MATERIALS FOR ITEM 8

AGENDA ITEM 9

ADJOURNMENT

NO MATERIALS FOR ITEM 9