



## **Open Session Meeting Minutes**

Friday, February 26, 2021  
10:00 am – 10:33 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:**

- Joshua Willter
- Kelly Hayes
- Phillip Neiman
- Gianna Geil
- Lauren Haas
- Taryn Kinney
- Veronica Daniel
- Brenna Cerecedes

### **Summary:**

#### **1. Call to Order and Establishment of Quorum.**

Chairperson Diandra Bremond called the teleconference meeting to order at 10:01 am.



Bremond opened the meeting by introducing and welcoming CCAP's newest Panel Member, Majority Leader Ian Calderon. Elected to the California State Assembly in 2012, he was the first millennial ever elected to the California State Legislature. In 2016, at age 30, he became the youngest Majority Leader in the history of the state. A member of the California State Assembly from 2012 to 2020, he served as the Chair of the Committee on Arts, Entertainment, Sports, Tourism and Internet Media from 2012-2016 and Majority Leader from 2016-2020. He is the longest serving Majority Leader in the term-limited era.

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 June 19, 2019 and August 21, 2019 Meeting Minutes.**

Chairperson Bremond explained since there was no quorum at the August 21, 2019 meeting, the June 19, 2019 minutes still need to be considered and approved. Bremond asked the Panel if there were any additions or corrections to the minutes of the June 19, 2019 meeting. There were no additions or corrections. There were also no comments from the public.

Motion (Moore): Approve the minutes of the June 19, 2019 meeting as submitted. Seconded (Bremond). Motion passed 3-0.

Chairperson Bremond then moved onto the August 21, 2019 minutes. Bremond asked the Panel if there were any additions or corrections to the minutes of the August 21, 2019 meeting. There were no additions or corrections. There were also no comments from the public.

Motion (Calderon): Approve the minutes of the August 21, 2019 meeting as submitted. Seconded (Moore). Motion passed 3-0.

## **3. Executive Summary Report.**

Executive Director Anne Hawley presented the Executive Staff Report. Hawley opened by stating that, at this time, no action was needed. The report is purely for informational purposes.

Hawley first discussed CCAP's audio-visual equipment and support. Hawley reported that the Victim Compensation Board (CalVCB) will be providing technical support for all of CCAP's Panel meetings. This includes Zoom calls, live streams of meetings, and all audio-visual equipment. CalVCB and CCAP will be sharing resources in other ways as well. CalVCB will be using CCAP's hearing room for their own meetings. CCAP will be using CalVCB's security equipment—such as a metal detector and a safe for knife or firearm storage.

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Hawley then moved onto discuss CCAP's budget. Because of the negative effects of COVID-19 on the state's economy, the 2020 Budget Act assumes a permanent 5% reduction in most state operation expenditures. This reduction must be implemented no later than July 1, 2021. CCAP has identified two areas to target in order to meet the 5% reduction. The first is reducing the postage budget from \$12,000 to \$6,000. The second is reducing the in-state travel budget by 44% from \$63,000 to \$28,000.

Hawley believes these two reductions will have only a minimal impact. She further believes the reduced postage budget will only have a minimal impact because the pandemic has already pushed both the public and private sectors to adopt electronic business practices. Hawley anticipates that a larger percentage of appellants will opt for all correspondence to be disseminated by e-mail. Moreover, Adobe's e-signature function will be integrated into CCAP's portal as part of its case management system thus allowing written communications from CCAP staff to appellants to be transmitted through PDFs and Adobe e-signature.

Hawley believes the reduction to CCAP's in-state travel budget can be absorbed because of the COVID-19 travel restrictions, cost savings from staff vacancies, and other budget line items. However, even after the pandemic subsides, a higher percentage of appellants may opt for convenience of attending Panel meetings through teleconference. If Executive Order N-2920 remains in effect, this order would suspend the Bagley-Keene requirement of physical presence of Panel members at specified locations.

CCAP has built in 12 trips budgeted for Panel meetings—around one per month. There would be meetings in Sacramento, Los Angeles, the Central Valley, and Humboldt County. There are also 10 outreach meetings built in for CCAP staff. However, as CCAP's case load is minimal, Hawley believes CCAP can absorb these cost savings. If, in the near future, its workload increases significantly, staff vacancies are filled, and Panel meetings are required to meet in person, these increased costs could be addressed in a Budget Change Proposal (BCP) for Fiscal Year 2023. CCAP operates on three-year limited term on the BCP. CCAP could thus address those larger expenses down the road.

Regarding budget to actuals, CCAP continues to achieve cost savings in several budget categories due to staff and Panel member vacancies, as well as the reduction in travel. CCAP savings for Fiscal Year 2021 is projected to be \$1,047,798.

Hawley next discussed the 9% pay reduction to the state's workforce. The Governor's budget proposal for Fiscal Year 2021-22 proposes that this pay reduction be lifted as of July 1, 2021. The Department of Finance will review updated revenue estimates prior to the May budget revision. However, nothing is final until the budget is signed into law by the Governor.

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Hawley then transitioned to discuss CCAP's strategic planning. At future Panel meetings this year, the Department of Consumer Affairs's (DCA) SOLID planning unit will work with Panel members and CCAP staff to identify CCAP's strategic goals, objectives, missions, and values as an organization. The cost between last and the current fiscal year will be \$3,203.72. CCAP will have more information forthcoming on this topic in future meetings.

Hawley provided an update on pending legislation. Recently, SB 59 was introduced by Senator Caballero. SB 59 seeks to amend sections 26050.2 and 26055 of the Business and Professions Code. Under section 26050.2, a licensing authority may issue a provisional license to an applicant if the applicant has submitted a complete application. This provision remains in effect until January 1, 2022. If signed into law, SB 59 would extend that date to January 1, 2028. This bill is currently referred to a committee. CCAP will continue to monitor SB 59 closely. If enacted, this bill would potentially lower the number of annual licenses issued, and only annual license holders have appeal rights before CCAP.

Hawley then discussed the new Department of Cannabis Control. The Governor's Fiscal Year 2021-22 budget contains a proposal to consolidate the three state licensing authorities into a single Department. If approved by the legislature and signed by the Governor, the new Department would be created on July 1, 2021. The Budget Change Proposal establishes the Department within the Business, Consumer Services and Housing Agency (BCSH). It also creates the infrastructure for the new Department by moving over all existing positions that are currently funded in the three licensing authorities. The new Department would have a budget of around \$153,834,000 for Fiscal Year 2021-22, and 621 positions.

Hawley also reported on the current status of CCAP appeals. As of now, no appeal has been filed by an annual license holder with the Office of Administrative Hearings. CCAP staff has and will continue to monitor the situation closely. However, Hawley stated CCAP does not expect to receive its first case until the first quarter of 2022 at the earliest.

Finally, Hawley gave an overview of the special assignments that CCAP legal staff has been working on. Chief Counsel Christopher Phillips has been working with BCSH and the Homeless Coordinating and Financing Council (HCFC) to develop a privacy program for a homeless data integration system. The privacy program will consist of policies designed to help HCFC staff to comply with applicable state and federal laws. Senior Staff Attorney Sarah Smith has been filling in as interim staff counsel at the California Horse Racing Board, where she has completed a variety of projects both regulatory and adjudicatory. Staff Attorney Brian Hwang has been assisting the Alcoholic Beverage Control Appeals Board. In that capacity, he has handled numerous appeals of decisions by the Department of Alcoholic Beverage Control. He is currently focused on helping the Board update and modernize its administrative regulations with the Office of Administrative Law.



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

#### **4. Information Presentation: Executive Director Appraisal Process.**

Chairperson Bremond presented a report on the Executive Director Appraisal Process.

The last appraisal took place during the Panel's August 2019 meeting and was facilitated by the DCA SOLID team. The facilitators used a 360-degree feedback as the primary guide. DCA collected and compiled results from the 360 questionnaire. Panel members were then able to review these results.

While this was a good start, there is an identified need for a better process that can be used annually. Accordingly, development of a custom review process for CCAP began in Fall 2020. Bremond worked with Chief Counsel Phillips and Administrative and Business Services Coordinator, Melita Deci. This effort focused on ensuring administrative duties were covered in the process. The appraisal was then sent to Executive Director Hawley for review to confirm that the process is fair, and that everything is covered. DCA was then consulted regarding the costs to facilitate the process. Staff believes having DCA facilitate the appraisal process eliminates any potential internal conflicts or biases in the process.

Overall, the final process should be a mix of the 360-degree feedback and questions specifically tailored for CCAP. There will be one set of questions for CCAP staff and BCSH staff, and another set for Panel members. Moving forward, the Executive Director appraisal will take place at the next meeting and annually henceforth. Phased evaluation questionnaires will be disseminated in the coming weeks. CCAP staff and BCSH staff will receive their questionnaires first. The results will then be compiled and provided to the Panel. Panel members will review the results and complete their evaluations privately.

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

#### **5. Self-Nominating Procedure for Chair Election: Handbook Revision.**

Chief Counsel Phillips presented a proposed, minor revision to the Panel Handbook regarding the nomination process for the annual Chair election.

Under the current process, a Panel member announces their willingness to serve as Chair. A second Panel member must then nominate this Panel member in order for them to be eligible for consideration as Chair. The current process, in short, does not allow for self-nomination.

CCAP staff proposes to revise the process to allow for self-nomination. In reviewing its proposal, CCAP staff could not identify any risk of making this revision. The benefits of making



the revision include streamlining the process and allowing all Panel members who want to be considered to actually be considered for the Panel Chair position. The revision can be achieved by a simple majority vote.

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

Melita Deci then took a roll call vote on approving the proposed revision to the Chair election procedures. The Panel voted 3-0 in favor of accepting the proposed revision to allow for self-nominations.

#### **6. Election of the Chair.**

In light of the approved revision, Phillips instructed that the first step is to determine any and all candidates. Once the candidates are determined, Melita Deci will take a roll call vote in which each Panel member may vote for only one candidate.

Phillips asked for interested candidates to identify themselves and to provide a speech, if desired. Bremond self-nominated and emphasized how CCAP had remained up and running through the crisis of the past year under Bremond's leadership. Phillips asked if anyone else was interested as a candidate. There were no other candidates.

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

Melita Deci then took a roll call vote on Bremond being re-elected as Chairperson. The Panel voted 3-0 in favor of Bremond's re-election. Bremond thanked the Panel members and expressed excitement about working with everyone moving forward.

#### **7. Public Comments on Items Not on the Agenda.**

Chairperson Bremond warned any comment should not involve pending or future appeals. No comments from the public.

#### **8. Future Agenda Items.**

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

#### **9. Adjournment.**

Motion (Moore). Adjourn the meeting. Seconded (Calderon). Meeting adjourned at 10:33 am.