



## **Open Session Meeting Minutes**

Thursday, September 16, 2021  
11:08 am – 11:36 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

### **Summary:**

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

Chairperson Diandra Bremond called the teleconference meeting to order at 11:08 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 July 29, 2021, Meeting Minutes.**

Chairperson Bremond asked the Panel if there were any additions or corrections to the minutes of the July 29, 2021, meeting. There were no additions or corrections. No comments from the public.

Motion (Moore): Approve the minutes of the July 29, 2021, meeting as submitted. Seconded (Calderon). Melita Deci took a roll call vote on the motion. Motion passed 3-0.



### 3. Executive Director Report.

Executive Director Anne Hawley presented the Executive Director Report.

Hawley opened by first discussing CCAP's case management system. In August 2021, the legal team worked on the User Acceptance Testing stage, which is the final stage of the development period. Senior Staff Attorney Sarah Smith has been taking lead on this portion of the project. Smith and Staff Attorney Brian Hwang conducted a thorough testing of the system to see if it was able to carry out all the required tasks it was designed to address for CCAP. Smith and Hwang identified issues to be resolved and are working to validate the changes made by the project's consultants. As soon as the case management system is launched, a demo will be made available to any interested panel member to show how staff will use this tool to handle cases, produce reports and other functionality.

Hawley then discussed CCAP's online portal. Chief Counsel Chris Phillips has taken the lead on developing the workflow for the portal. The portal is where appellants and their attorneys can sign via e-signature, upload the necessary forms and other documents to initiate an appeal. September 2021 marked the development phase of the portal project. Staff will validate the production site between October 24 to November 7. Currently, staff is aiming for the portal to go live in late November or early December. In addition to these duties, Phillips has also been assisting the new California Privacy Protection Agency in his capacity as Chief Counsel for their board meetings. Hawley thanked Phillips for his contributions.

Hawley moved onto the topic of legislative updates. In March of 2020, the Governor issued Executive Order N-29-20, which temporarily allowed state bodies to not be required to have an actual physical address for a remote meeting site. The order temporarily allowed state bodies such as CCAP to hold public meetings via teleconference by other electronic means. Currently, this order is set to expire on September 30, 2021. Recently, however, Assembly Bill 361 was introduced by Assembly Member Rivas. The purpose of the bill is to add language amending the Bagley-Keene Open Meeting Act to suspend, until January 31, 2022, the following requirements: (1) identifying, in the notice of each meeting, each teleconference location from which a member will be participating, (2) making each teleconference location accessible to the public, (3) allowing members of the public to address the state body at each teleconference location, (4) posting agendas at all teleconference locations, (5) requiring at least one member of the body to be physically present at each location, and (6) requiring a physical location for the meeting for members of the public to observe the meeting and offer public comment.

AB 361 will still require a state body holding a teleconference meeting under the suspended requirements to comply with the following: (1) allow the public to observe and address the meeting telephonically consistent with notice and access requirements, (2) implement a procedure for quickly receiving and processing requests for reasonable accommodation from



# CANNABIS CONTROL APPEALS PANEL

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



individuals with disabilities, (3) post the agenda for each public meeting 10 days in advance, (4) provide information to the public on how to observe the meeting and offer public comment through a teleconference app (such as Zoom or WebEx), and (5) make reasonable efforts to comply with the Bagley-Keene Act to ensure transparency and provide the public with access to meetings. AB 361 passed by a wide margin in both houses and was enrolled on September 10. The bill is currently awaiting the Governor's signature, and it must either be signed or vetoed by October 10.

Hawley next provided a brief update on the Department of Cannabis Control's (DCC) emergency regulations. On September 8, the DCC issued its notice to the public of its plans to adopt emergency regulations. DCC has stated that the proposed regulations consolidate, clarify, and make consistent the licensing and enforcement criteria for commercial cannabis businesses. According to DCC's Director, the rulemaking action reflects the Department's ongoing effort to streamline requirements for California cannabis businesses and simplify participation in the legal, regulated market. In terms of substantive changes, the proposed regulations now specify a disciplinary review process for provisional licensees that is separate from that of annual licensees. This review process provides for an informal meeting with the Department, but no further appeals are allowed beyond that. In terms of potential impact, because the Panel still cannot accept appeals from provisional licensees, CCAP's caseload will remain low for the foreseeable future.

Hawley then discussed CCAP's revised strategic planning schedule. The Department of Consumer Affairs (DCA) has offered a time frame of December 2021 until March 2022 to wrap up the process. During the last panel meeting, on July 29, the Panel approved CCAP's mission, vision, values, and strategic goals. Hawley summarized the remaining dates and tasks in the process. Between December 13-23, DCA will schedule one-on-one interviews with panel members and staff. They will be 45-to-60 minutes in length and will cover strengths, weaknesses, opportunities, and threats for CCAP. Between January 14-21, DCA will compile and analyze data, and produce findings for panel members and staff to use during strategic planning. During the week of February 7, DCA will facilitate a strategic planning session with the Panel in a publicly noticed meeting. On March 4, the final strategic plan will be reviewed, edited, and adopted by the Panel in another publicly noticed meeting. The following week, on March 11, DCA will facilitate a meeting with CCAP staff to create an action plan to complete strategic objectives, strategies, and tactics. Hawley will send the Panel and staff email invites for those relevant dates. Even though CCAP is a small entity, Hawley emphasized the importance of pursuing and completing this process for CCAP's future health and well-being. In Spring 2022, staff will use what is called the G.O.S.T. process (Goal, Objective, Strategy, Tactic). The idea is to start from a big "goal" and drill it down into a specific "tactic" to make CCAP's goal operational.



Finally, Hawley provided a brief financial report. The Department of General Services' Budget and Accounting group closed the books for Fiscal Year 2020-21. CCAP ended the year with a budget authority of \$3,058,000. CCAP's actual expenditures (from July 2020 to June 2021) was \$2,004,701. The difference – \$1,053,299 – will be refunded back to the general cannabis fund in three years.

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

#### **4. Discussion and Action Regarding Proposed Revisions to Regulation Text.**

CCAP's legal team provided an update regarding proposed revisions to CCAP's administrative rules and regulations.

Chief Counsel Phillips opened by stating it is time to update CCAP's regulations because recent events have made them outdated. Phillips then explained the reasons for the proposed revisions. The major reason is the recent consolidation of the three licensing entities into a single Department of Cannabis Control (DCC). Currently, CCAP's regulations reflect the existence of multiple licensing agencies. Therefore, the regulations need a non-substantive update to make clear that there is only one licensing authority, the DCC. The next reason is that CCAP has changed its office locations. The address that is currently in the regulations is outdated. Therefore, the regulations need a non-substantive update to reflect CCAP's current address. Next, the creation of the online portal – where appellants and their attorneys can initiate appeals – expands the methods by which appellants may initiate an appeal. CCAP's regulations should be updated to reflect this new and additional option. Lastly, Phillips clarified there is a non-substantive change that was not mentioned in the staff report. There is one spot in the regulations where the phrase "himself or herself" has been changed to "themselves" to shift to gender-neutral language.

Phillips and CCAP staff presented the Panel with a two-part recommendation: (1) approve the proposed language and authorize CCAP staff to submit the rulemaking package to the Office of Administrative Law, and (2) allow CCAP staff, from this point forward, to make any non-substantive changes that are necessary or may later arise without having to request the Panel's approval for such changes in a publicly noticed meeting each time.

Panel Member Moore asked for clarification whether the Notice of Appeal is only allowed to be mailed physically and, if so, if that only includes the U.S. Postal Service. Phillips clarified that CCAP's regulations allow for emailing in addition to physical mailing. Moreover, physical mailing is not limited to the post office; it includes services such as FedEx and UPS.

Moore then asked about CCAP's Notice of Appeal form (Form 6003). Phillips explained that in addition to language in the regulations, there are also the two forms (Forms 6003 and 6005)



incorporated by reference. The revisions to the forms are all non-substantive. All references to “licensing authority” have been changed to refer to the Department of Cannabis Control. The revisions also strike out superfluous requests for information (e.g., asking which licensing authority issued the decision against appellant).

Moore’s final question was regarding the grounds for appealing to CCAP. Phillips clarified that the four grounds listed on Form 6003 are the only grounds. There are no exceptions and no catch-all provision. CCAP’s jurisdiction is strictly limited by statute. Phillips confirmed with Moore that the only changes to the form are the strikeouts and other non-substantive changes. He also added that when these forms were recently updated, the version date was changed. These forms were originally created in April 2018 but recently revised in July 2021. Therefore, “New 04/18” was struck out and replaced with “Rev. 07/21”. This date will be updated again to “Rev. 10/21” or “Rev. 11/21” when CCAP officially submits its rulemaking package with the Office of Administrative Law later this fall. Phillips remarked this is the situation that staff had in mind when making the second part of their recommendation to the Panel. This is an example of a necessary, non-substantive change that CCAP staff wishes to have the authority to make on its own without having to wait for the Panel’s approval at a publicly noticed meeting.

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

Motion (Moore): Approve the two-part recommendation as presented by Chief Counsel Phillips and CCAP staff. Seconded (Calderon). Melita Deci took a roll call vote on the motion. Motion passed 3-0.

#### **5. 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.

#### **6. Future Agenda Items.**

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

#### **7. Adjournment.**

Motion (Calderon). Adjourn the meeting. Seconded (Moore). Meeting adjourned at 11:36 am.