

Nevada Cannabis Compliance Board Meeting Minutes February 28, 2023

The Nevada Cannabis Compliance Board (CCB) held a public meeting at 555 East Washington Ave, Room 2450, Las Vegas, Nevada beginning at 9:00 a.m. on February 28, 2023. The meeting location at 1919 College Parkway, Meeting Room 100, Carson City, Nevada was not available due to closure of State Offices.

Cannabis Compliance Board Members Present:

Michael Douglas, Chair
Jerrie Merritt
Riana Durrett
Bryan Young
Adriana Guzmán Fralick

Chair Douglas called the meeting to order, and Director Klimas took roll. Chair Michael Douglas and Member Durrett, and Member Merritt were present in Las Vegas. Member Young and Member Fralick were present via video connection. Chair Douglas introduced new Board Member Adriana Fralick replacing Member Neilander who resigned.

I. Public Comment

Jason Greninger provided public comment regarding the need for managing a COA database and in the importance for the medical process. Mr. Greninger provided information regarding the cannabis plant and use as medicine. The COA database will allow variables to be examined, quantified, and compared that could be used for research.

II. Meeting Minutes

- A. Consideration for approval of the January 24, 2023, Cannabis Compliance Board Meeting minutes.**
- B. Consideration for approval of the January 24, 2023, Cannabis Compliance Board Emergency Meeting minutes.**

Chair Douglas introduced the agenda item. Member Fralick made a disclosure that she had reviewed the minutes but would abstain from voting since she was not present at the meetings.

Member Durrett made a motion to approve agenda item II A only as she was not present for the meeting considered under item B. Chair Douglas noted the motion was for agenda item II A. Member Young seconded the motion. Board Members said aye. Motion carried.

Chair Douglas introduced agenda item II B. Member Merritt made a motion to approve the minutes. Chair Douglas seconded the motion. Chief Deputy Attorney General Rosalie Bordelove noted that three Board members were needed for the vote and could vote that those were the official minutes if not attesting their content. Board Members said aye. Motion carried.

III. Consent Agenda

- A. Consideration for Approval to Extend Final Inspection Deadline**
 - 1. Cheyenne Medical RD598 LLC (RD598)
 - 2. MM R & D LLC (RD098, C208, P138)
 - 3. MM R & D LLC (C209, P139)
 - 4. Green Leaf Farms Holdings, LLC (C162, RC162, P105, RP105)
 - 5. ABC NV, LLC (RC120)
 - 6. ETW Management Group LLC (RC023)

7. Strive Wellness of Nevada, LLC (C206, P131)
8. RG Highland Enterprises Inc. (C040, RC040)
9. Dune Operating Holdings, LLC (C175, RC175)
10. International Service & Rebuilding Inc. (C211, P141)

Chair Douglas noted that the matters under agenda item III A were under consent but any item could be heard separately at a Board Member's request. Chair Douglas had a question for Green Leaf Farms Holdings.

Member Durrett made a motion to approve agenda items III A (1-3, and 5-10). Jerrie Merritt seconded the motion. Member Durrett noted that the extension would be through November 5, 2023. Board Members said aye. Motion carried.

Chair Douglas asked for a representative from Green Leaf Farms Holdings to come forward. Mark Bradley appeared on behalf of Green Leaf. Chair Douglas asked for the status on the legal proceedings. Mr. Bradley responded that the legal proceedings may go on for years. There are two different cases going back and forth and appeals. Mr. Bradley thought that it would be resolved this year in their favor and was investing in getting up and running.

Member Durrett made a motion to approve item III A (4) with the extension granted through November 5, 2023. Member Fralick seconded the motion. Board Members said aye. Motion carried.

IV. Consideration the Proposed Settlement Agreements to Resolve Disciplinary Action

A. Cannabis Compliance Board vs. Faith Cosby (Case No. 2022-58)

Senior Deputy Attorney General Emily Bordelove introduced the matter to the Board and provided a background of the case that related to a series of underage sales that occurred through a dispensary's drive-through. The dispensary and employees involved have been disciplined by the Board. The incident involving Ms. Cosby did not result in a sale. The complaint was filed and served on February 28, 2022. The complaint alleged Ms. Cosby failed to verify the age of an individual and allowed an individual under the age of 21 to enter or remain in a cannabis establishment. Ms. Bordelove provided information regarding the category violations and penalties, a summary of contact with Ms. Cosby and appearances before the Board. To resolve the matter the respondent admitted to the following: the facts contained in paragraph 1-23 are true and correct and could be found to constitute violations of Title 56 and NCCR and unintentionally allowed activity that violates the laws of the State under NCCR 4.050(1)(a)(7), a Category III violation. Ms. Cosby agreed to not apply for a new agent card for one year from the date the Board approves the settlement agreement, shall complete online training or course in online age verification and review of Title 56 of NRS and NCCR with opportunity to consult with counsel of her choosing, confirmation of these actions to be confirmed by declaration. The Attorney General recommended and requested approval.

Maggie McLetchie appeared on behalf of Ms. Cosby. Ms. Cosby was available via Zoom. Ms. McLetchie stated it was a fair and appropriate settlement and was available for questions.

Member Durrett was concerned with going after an employee that made a mistake and immediately tried to correct it. Member Durrett thought there needed to be some perspective that this person tricked the establishment and was at fault. Member Durrett supported the settlement since Ms. McLetchie stated it was a fair settlement.

Ms. McLetchie thanked Ms. Bordelove for her work in coordinating with Ms. Cosby after Ms. McLetchie offered to take the case pro bono. Ms. McLetchie stated there was some initial confusion with Ms. Cosby but this settlement allowed her to return to the industry after one year rather than after almost ten years, so long as she complies with all the terms of the settlement agreement. Ms. McLetchie added that employees often don't have the same representation as the licensees. She is working with the Cannabis Law Center to

ensure that those who can't afford an attorney can get assistance. This will help the employee, the Board, and the Attorney General's office work through these matters more efficiently.

Chair Douglas noted that one of the concerns is proper training by management and upholding the rules and regulations. Ms. Cosby wanted to recant when she initially came before the Board which is why the matter was sent back. The Board is concerned with being fair towards persons coming before the Board with alleged violations and with upholding the rules. A fair resolution was signed off by Ms. Cosby.

Member Durrett made a motion to approve the settlement agreement between Ms. Cosby and the CCB. Member Young seconded the motion. All Members said aye. Motion carried.

B. Cannabis Compliance Board vs. NLV Wellness, LLC (Case No. 2022-63)

Senior Deputy Attorney General L. Kristopher Rath introduced new Senior Deputy Attorney General Allison Herr to the Board.

Mr. Rath presented the settlement agreement for Case No. 2022-63. Mr. Rath stated the complaint was filed on October 13, 2022. The Respondent filed an answer generally denying the allegations on November 9, 2022. The parties engaged with the hearing officer. The allegations in the complaint arose from several audits and inspections from May 2021 which resulted in a summary suspension. The summary suspension was lifted in June 2021. There were additional issues in August 2021. A routine inspection of July 2022 revealed untagged plants, building disrepair issues, and an employee with only an expired temporary agent card. The foregoing issues were covered in the disciplinary complaint. During the disciplinary proceedings, the parties engaged in good faith settlement negotiations and come to an agreed upon resolution. Factors were considered pursuant to NCCR 4.030(2) in determining appropriate admissions and penalties. Respondent and counsel were cooperative with CCB staff and counsel. The payment agreement allows for payment in full and accounts for respondent's harvest and receipt of revenues from those harvests. To resolve the matter, respondent admitted to two Category III violations for failing to tag plants as required, two Category IV violations for agents' failure to have valid agent cards in their possession, two Category V violations for multiple building repair issues, payment of \$154,000 civil penalty. Multiple plans of corrections have been provided and approved by CCB staff. Mr. Rath provided an overview of the matters in the plan of correction. The Attorney General requested and recommended approval of the proposed settlement agreement.

Robert Werbicky appeared on behalf of NLV Wellness with Salman Ali. Mr. Werbicky stated that Mr. Rath provided an accurate representation and they appreciated the work of CCB staff.

Member Durrett asked if it was the State's perspective that this was mismanagement and not an attempt to sell product on the illegal market. Mr. Rath responded that was a fair assessment, corrections were made and there were no intentional violations contained in the settlement. Member Durrett commented on the factors in NCCR 4.030 and noted that it should take into account the effect of the penalty on the business. Member Durrett asked what the effect on the business was. Mr. Ali responded that it was crushing but is what was recommended as opposed to \$400,000. Member Durrett asked if revocation was on the table. Mr. Rath responded that it was and there were probably over 1,000 untagged plants and products, and over 400 untagged products in the latest issue. Mr. Ali objected.

Member Durrett noted that in looking at the factors, a fine was deserved but for a small grow and without the financials, will this put the licensee out of business. Member Durrett asked for additional information on the economic impact. Mr. Werbicky responded that the summary suspension and the requirements associated with that had a devastating impact; they had to destroy all of the existing operations in order to get the suspension lifted and then were unable to make sales over the following year.

Mr. Ali stated that he would not have another 400 untagged plants after getting shut down two years ago. Mr. Rath clarified that the tags were found that same day but were not with the product. Mr. Rath noted that the payment plan was lengthy, over 11 months.

Member Durrett asked if this could put Mr. Ali out of business. Mr. Ali responded that he didn't know how he survived until this point.

Chair Douglas noted that there was a plan of correction which indicated obtaining counsel for various things to make sure they were in compliance. Chair Douglas understood the concerns of the licensee but there is requirement of operating in compliance for health and safety.

There were no further questions from the Board. Chair Douglas made a motion to accept the settlement agreement, noting the reservations. Member Fralick seconded the motion and commented that she trusted the attorneys are advocating to the best for their client taking into consideration the amount and consequences thereof. Board Members said aye. Motion carried.

V. Request for Transfer of Interest

A. Gravitas Nevada LTD (TOI# 22008) (C017, RC017, P013, RP013, T033)

Chief of Investigations David Staley stated the application 22008 was filed by Gravitas Nevada LTD and later amended to request waiver of NCCR 5.110 pursuant to NCCR 5.112 and 5.125. If approved, the requirements for prior Board approval of transfers of less than 5 percent of Gravitas' ownership and agent card requirements for owners less than 5 percent will be waived. Gravitas has adequately addressed the items required to allow the Board to approve such waivers. Staff suggest that if approved, the Board limit the waivers to expire on Gravitas' next agenda date. No areas of concern were identified.

Alicia Ashcraft appeared on behalf of Gravitas. Ms. Ashcraft thanked Chief Staley and Investigator Dana Lauren for their assistance.

There were no questions from the Board. Member Durrett made a motion for approval with the condition that the waivers granted expired on the licensee's next agenda item. Member Merritt seconded the motion. Board Members said aye. Motion carried.

B. Redwood Warehouse, LLC (TOI# 21049 and 2200033) (C029, RC029, T071) and The Placide Group Co.

Chief Staley TOI 21049 and 2200033 were filed requesting a waiver of NCCR 5.110 pursuant to NCCR 5.115 and approval of several internal transfers of interest whereby several individuals personal ownership will transfer into trust for planning purposes. The proposed sale by Leon Kermani of ten percent ownership interest to Placide Group will not occur. Redwood's waiver request pursuant to NCCR 5.125 would exempt members with less than five percent from having to obtain a cannabis agent registration card. Redwood has adequately addressed the items required to allow the Board to approve such waiver. Staff suggest that if approved, the Board limit Redwood's waiver expire on its next agenda date. Staff identified no areas of concern.

Amanda Connor appeared on behalf of Redwood Warehouse. Manager Harris Rittoff was unable to attend due to a medical emergency. Ms. Connor stated the transfers were for estate planning purposes and the proposed transfer to the Placide Group was requested to not be processed.

Chair Douglas noted that all of the parties have previously been before the Board and noted the brands. Member Durrett made a motion to approve the transfer of interest requested by Redwood Warehouse LLC with the condition that their waiver expire on their next agenda date. Member Young seconded the motion. Board Members said aye. Motion carried.

C. Blossum Group, LLC (TOI# 22009) (C059, RC059, P033, RP033)

Chief Staley stated TOI 22009 was filed for Hamid Rowshan to acquire 45 percent of Blossum through his domestic corporation, U.S. Housing and Land Improvement from existing member Kaivan Kermani. No areas of concern were identified.

Adam Fulton appeared on behalf of U.S. Housing and Land Improvement. Mr. Rowshan was available via Zoom. Mr. Fulton thanked the staff for their assistance and was available for questions.

Chair Douglas asked if everything was working well under the previously agreed to management service agreement. Mr. Fulton responded that was correct.

Member Fralick asked for an explanation on the loan that was being forgiven. Mr. Fulton replied that Mr. Rowshan had loaned the money previously. For the complete forgiveness of loan including any interest default and to avoid litigation, they agreed to transfer the interest to Mr. Rowshan in its entirety.

Member Durrett made a motion to approve the request for the transfer of interest submitted by Blossum Group. Member Merritt seconded the motion. Board Members said aye. Motion carried.

D. NLV Organics, Inc. (TOI# 18104) (C090, RC090, P066, RP066, T061) and Cana Nevada Corp.

Chief Staley stated TOI 18104 for NLV Organics Inc. was filed in December 2018 to request approval for NLV Organics to be sold to a subsidiary of Flower One, CN Licenseco III, Inc. TOI 18104 was subsequently amended to request approval for the unapproved acquisition of 50,000,000 shares by Harry Ayvazian on September 27, 2021 through a private offering, and approval of the privatization of Flower One which will result in Ayvazian owning 100% of Cana Nevada Corp. and all of Flower One's Nevada cannabis licenses. The TOI has been in process since August 2021 after being placed on hold by the extended review period. Various amendments to the original TOI, lack of current financial statements and complaint against CN Licenseco have led to delays in processing the TOI. There are numerous areas of concern including acquisition without required approval, issuance of shares without prior approval, and bad check payments for taxes.

Charles Gianelloni appeared on behalf of Cana Nevada. Salpy Boyajian (President), Kellen O'Keefe (CEO), Araxie Grant (CFO), Fatelia Boyajian (general counsel and director of compliance) and Mr. Ayvazian were present. Mr. Gianelloni added there were two sets of licenses in 2018 that were subject to transfers; one was approved before the moratorium, and one was delayed until this time. What happened during those five years relate to the areas of concern. There was a 2021 conversion of debt to equity to help with financial challenges; the shares were put in escrow awaiting decision. The original 2018 transfer is also in escrow. Mr. Gianelloni stated there were challenges with tax and they have been in conversation with Taxation as to the money that is due and owing. Mr. Gianelloni added that there was confusion with the different transfers. There will be one owner, Mr. Ayvazian, who will take 100 percent in a new company. In the middle of all this was a public company that did not work out so well. Mr. Gianelloni summarized that this was a person who has been previously approved, and his interest will increase through a different entity.

Chair Douglas commented that the most recent transfer seemed to be correct; the problem is some of the past history. Chair Douglas asked to hear from the Board Members as to concerns or questions, conditional approval of the TOI and referring back to staff to look at providing more information or wait until the complaint is resolved.

Member Durrett commented that she needed additional information and asked if there was a concern with the transfer itself or Mr. Ayvazian becoming 100 percent owner. Chief Staley responded that there were

not concerns with Mr. Ayvazian. Chief Staley added that there may have been a misunderstanding as to the previous amounts also being put in escrow; the transfer of shares related to the privatization of Flower One placed in escrow were not identified as an area of concern. The tax issues, non-sufficient fund checks, and secondary offering can be addressed as the Board directs. The ultimate transfer of ownership to Mr. Ayvazian did not appear to be an area of concern.

Member Durrett asked what the recourse was for a request for a transfer of interest that hasn't been approved since 2018; what could somebody have done to make that transfer happen throughout those years. Chief Staley responded that the extended review period was difficult for the entire industry, but multiple things could have been done, including the use of management services agreements. If referred back to staff, they would look more closely at the escrow agreement. Member Durrett noted she would be supportive of going forward.

Member Fralick noted that she was not concerned with Mr. Ayvazian's current transfer but hoped that some of the alleged violations could be addressed.

There were no additional questions from the Board. Chair Douglas made a motion for approval of TOI 18104 and referred it to staff to come back to the Board as appropriate and understanding that there is a matter of the complaint with staff. Member Durrett commented that she wanted to see Flower Once succeed and would like everyone to work together. Chief Staley asked for clarification on the direction the Board would like staff to take. Chair Douglas stated it would be referred back to staff to see if there are other additional items that should come back for clarification with a recommendation, and also waiting on the outcome of the discipline; if there are matters outside of the complaint, those should be reported back as to whether they are a new complaint or an alternative. Chief Staley suggested conditioning the approval of 18104 to specifically address the ultimate acquisition of control by Mr. Ayvazian and refer the original application and amendments back to staff for further review. Chair Douglas was agreeable to that verbiage. Mr. Rath noted the complaint was a matter of public record and did not involve TOI issues at this point.

Member Durrett seconded the motion. Member Durrett commented that her understanding was that TOI 18104 was approved to the extent Mr. Ayvazian would be the 100 percent owner; any amendments or other potential transfers will be looked at by staff potentially for a status update that it is good or recommendation on discipline. All Board Members said aye. Motion carried.

E. Waveseer of Nevada, LLC (TOI# 2100001, 2100002, 2100004, 2100005) (D091, RD091), Waveseer of Las Vegas, LLC (C079, RC0979, P053, RP053, D132, RD132, T088)

Chief Staley stated TOI 210001, 210002, 210004, and 210005 were filed to request approval of two new investors and removal of a third. Waveseer requested waivers of NCCR 5.110 pursuant to NCCR 5.112 and 5.125. If approved, the requirements for prior Board approval of transfers of less than 5 percent of Waveseer's ownership and agent card requirements for owners less than 5 percent will be waived. Waveseer adequately addressed the items required to approve such waivers. Staff suggest that if approved, the Board limit the waivers to expire on its next agenda date. Chief Staley added that Waveseer owed \$166,000 in delinquent taxes as of the date of the report. On February 24, 2023, Taxation provided notice that Waveseer paid all amounts outstanding and was in good standing.

Alicia Ashcraft appeared on behalf of Waveseer with David Rosen. Ms. McCormack and Ms. Tsirlin, the new investors, were available via Zoom. Ms. Ashcraft acknowledged the issue with the taxes and apologized for the oversight.

Member Durrett noted that Mr. Rosen has been here since the beginning and that Patricia McCormack was gifted a percentage for her hard work and loyalty. Mr. Rosen added that they planned to do more of that.

Member Fralick echoed Member Durrett's sentiments about recognizing employees. Member Fralick asked what processes were put in place to make sure that taxes are paid on time. Mr. Rosen responded that it was an oversight. The same team has been in place since 2014 and a mistake was made. Mr. Rosen apologized and took the responsibility seriously.

Member Durrett made a disclosure that she had previously been retained by Waveseer prior to being a Board member to serve as an expert witness. Member Durrett did not obtain any confidential information that would impair her judgment.

Member Durrett made a motion to approve the requested transfers of interest for Waveseer with the condition that the waivers be set to expire on their next agenda items. Member Merritt seconded the motion. Board Members said aye. Motion carried.

VI. Request for Consideration of Approval of Management Service Agreements

Chair Douglas noted that item B for Premium Produce was being held.

A. Congeriem 3, LLC (RD594) and GRNBAX, LLC

Chief Staley stated agenda item A was an agreement between Congeriem 3 and GRNBAX to provided for the funding and build-out of Congeriem's proposed dispensary in Tonopah. Judah Zakalik has common ownership of both Congeriem 3 and GRNBAX. Staff have reviewed the agreement and found the relationship between the parties appropriate.

Judah Zakalik stated he is the Chairperson for Congeriem 3, LLC and one of the managing members of GRNBAX, LLC, and was available for any questions.

Member Durrett noted that Mr. Zakalik has been here since the beginning, owns a law firm and has done great work. Mr. Zakalik noted that both entities are minority or majority minority owned companies.

Member Durrett made a motion to approve the relationship between the parties relating to the management services agreement between Congeriem and GRNBAX. Member Young seconded the motion. Board Members said aye. Motion carried.

B. Premium Produce LLC (C033, RC033, P038, RP038) and Albert Einstone's LLC

Chair Douglas noted again that item B was moved to a later meeting.

A recess was called at 10:25 a.m. to fix audio issues. The Board came back on the record at 11:38 a.m.

C. Exhale Brands Nevada III, LLC (D145, RD145) and Natural Medicine, LLC

Chief Staley stated agenda item C was a management services agreement (MSA) that provides for Natural Medicine to provide management services and complete the build-out of Exhale Brands dispensary licenses. It also includes the purchase of the dispensary by Natural Medicine at a future time. The appropriate TOI application was filed at the same time the MSA was submitted. An MSA approval will allow Natural Medicine to start the build-out of the dispensary before completing its purchase. Staff reviewed the agreement and found the relationship between the parties appropriate.

Stephanie Smith, Lindsey Klinitz, and Ms. Naitoh appeared on behalf of Natural Medicine. Adam Fulton and Pete Findley appeared on behalf of Exhale.

Chair Douglas asked how long the build-out was calculated to take. Ms. Klinitz responded that the build-out will be ready. They were prepped and ready to go for April.

Member Durrett commented that she had known and worked with the parties. Member Durrett made a motion to approve the management agreement submitted by Exhale Brands and Natural Medicines as to

the relationship and not the contents of the agreement. Member Merritt seconded the motion. Board Members said aye. Motion carried.

D. MJ Distributing C201, LLC (C201, RC201), MJ Distributing P132, LLC (P132, RP132), and Caliente Partners Group, LLC

Chief Staley stated the MSA between Vireo Health Inc. and Caliente Partners Group, LLC provides for Caliente to provide management services for various cultivation and production licenses and includes the proposed purchase of the licenses by Caliente. The TOI application was filed at the same time as the MSA. Approval of the MSA will allow Caliente to be involved in operations before completing its purchase. Michael Cook of Caliente has cannabis operations in Oregon and Washington. CCB staff reviewed the agreement and found the relationship between the parties to be appropriate.

Jared Kahn appeared on behalf of Caliente Partners Group along with Mr. Cook. Mr. Kahn noted that Mr. Cook also was licensed in California. Mr. Kahn added that the MSA self-terminated upon the approval of the TOI.

Member Fralick asked as to whether the STO Industries, Inc. judgment was satisfied. Chief Staley responded that it was satisfied.

Mr. Kahn noted that the operations in other states have been operating for several years without issues.

Member Durrett made a motion to approve the request to enter into the management services agreement, and that it's an approval of the relationship and not the contents of the agreement. Member Young seconded the motion. Board Members said aye. Motion carried.

E. GreenScape Productions, LLC (C136, RC136, P080, RP080), and Mojo II, LLC, and Presidential RX Holding, LLC

Chief Staley stated the MSA between GreenScape and Mojo II provides for GreenScape to manufacture, label, package, store, and ship Mojo cannabis products. CCB staff have reviewed the agreement and found the relationship between the parties appropriate. The MSA between GreenScape and Presidential RX Holding provides for GreenScape to manufacture, label, package, store, and ship Presidential cannabis products. CCB staff have reviewed the agreement and found the relationship between the parties appropriate.

Paul Nimsuwan, Lou Nguyen, and Rachel Shidaki appeared on behalf of GreenScape. James Hammer, Sean Kennedy, and Chad Wallace appeared on behalf of Mojo. Everette Smith appeared on behalf of Presidential Holdings.

Member Durrett commented that James Hammer has been through the highs and lows of the industry. Member Durrett made a motion to approve management services agreements between GreenScape and Mojo. Member Young asked if Presidential needed to be included as well. Member Durrett corrected her motion to include the management services agreement between GreenScape and Presidential. Member Young seconded the motion. Board Members said aye. Motion carried.

VII. Consideration for Approval to Extend Final Inspection Deadline

A. Wendovera, LLC (C191, RC191, P126, RP126)

Chief of Administration Steve Gilbert presented the request for a second extension of the final inspection deadline. Wendovera was granted an extension at the February 14, 2021 meeting to February 5, 2023. Wendovera reports that it has recently identified a contractor. Chief Gilbert noted there were areas of concern including very limited progress since receiving its extension other than identifying a contractor. In addition, the adult-use cultivation and production licenses expired on December 31, 2022 and renewal fees or applications have not been submitted. Notifications were sent 60 and 30 days prior to expiration

and correspondence via mail was returned as not deliverable. The expired licenses and action needed were discussed with the licensee and counsel on February 14th but no action has been taken. Supplemental information was submitted the day before the Board meeting.

Alicia Ashcraft appeared on behalf of the Wendovera, LLC along with Rebecca Gasca via video conference. Ms. Ashcraft noted that there had not been progress towards operational status. Ms. Ashcraft stated Ms. Gasca was the sole woman owner of the business and it was more challenging in the rural areas. The original identified property was sold to another party and a change of location will need to be submitted. Ms. Gasca was also involved in a personal injury case that involved confidential settlement negotiations, emotional and financial trauma. The settlement was approved and Ms. Gasca is awaiting the payment. Ms. Ashcraft added that Ms. Gasca has also been involved in the industry since the beginning.

Chair Douglas asked if Ms. Gasca was ready to pay the outstanding fees necessary and move forward. Ms. Ashcraft responded affirmatively and that it would be paid with the settlement check and asked for 30 or 45 days to get the check processed and fees paid.

Chair Douglas stated that the recommendation presented was that Ms. Gasca submit the renewal application and all past due renewal fees before an extension is granted. Chair Douglas asked if that would happen in the next 45 days. Ms. Ashcraft responded affirmatively.

Member Durrett commented that she would like to see a flushing out of the regulations relating to extensions and parameters for extensions such as the finding of extenuating circumstances. Member Durrett requested to have a proposal on language from staff. Member Durrett would support a motion.

Chair Douglas made a motion to approve the extension to the same period of time that was granted to the others [November 5, 2023] with the condition that the renewal application is submitted and past due fees paid before the extension goes into place. Member Durrett seconded the motion. Member Young asked if there was a time frame set on paying the fees. Chair Douglas responded that if the renewal isn't filed, no extension can be granted. Board Members said aye. Motion carried.

VIII. Briefing from the Chair and the Executive Director

Chair Douglas stated the Executive Director may have some comments in terms of the regulations per the Governor's order and the legislative session.

Director Klimas stated that staff identified a number of regulations that the Board will review and then send to the Governor's office for an exemption to move forward. One is ready for adoption and the others, if approved, will be on the next workshop.

Director Klimas added that per the instructions of the executive order, the CCB is undergoing a comprehensive review of all regulations that might be removed, streamlined, or changed. Those will be in an upcoming workshop where the CCB will solicit feedback from stakeholders. This will be sent in report to the Governor's office per the requirements and instructions of the executive order.

Chair Douglas noted the request to get that done and moving appropriately.

IX. Next Meeting Date

The next Board meeting is scheduled for March 28, 2023.

X. Items for Future Agendas

Member Durrett renewed a request to have an Advisory Commission meeting on the illegal market with the purpose of the industry providing information. Member Durrett would like to see the industry and Board come together to share information and come up with potential resolutions.

Director Klimas added that an Advisory Commission subcommittee on the illicit market was created. There will be a subcommittee meeting on the illicit market.

XI. Public Comment

There was no public comment.

XII. Adjournment

Meeting adjourned at 11:09 a.m.

DRAFT