MINUTES OF SPECIAL MEETING

PUBLIC BODY: MEDICAL MARIJUANA AUTHORITY FOOD SAFETY STANDARDS BOARD

DATE & TIME: March 1, 2021 1:00 p.m.

ADDRESS: OKLAHOMA STATE DEPARTMENT OF HEALTH—WebEx Video Conference

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Agenda Item 1:
Call to Order, Welcome

Fenton Rood, Chair, called the meeting of the Medical Marijuana Food Safety Standards Board to order on March 1, 2021 at 1:03 p.m. Public notice of the meeting was filed and posted with the Oklahoma Secretary of State and on the Oklahoma Medical Marijuana Authority ("OMMA") website prior to the meeting. The final agenda was posted on the Oklahoma State Department of Health ("OSDH") building entrance on February 26, 2021 at 9:03 a.m. Relevant materials for the Board and other materials for the meeting are posted on the OMMA website.

Board members present: Fenton Rood, Travis Splawn, Bud Scott, Becky Johnson, Scott Yates, Mark Woodward, Troy Skow, Kara Berst, and Joe Neely.

Board members absent: Ray Jennings and Scott Schaeffer.

Staff Present via WebEx: Kelly Williams, Interim Director, OMMA; Cameron Capps, Managing Counsel, OMMA;; Kassy French, Executive Assistant, OMMA; Terri Watkins, Communications Manager, OMMA; Lee Rhoades, Laboratory Program Manager, OMMA; Rebecca Taylor, Laboratory Coordinator, OMMA; Taylor Hart-Bowlan, Compliance Program Manager, OMMA and Kevin McMahon, Assistant General Counsel, OSDH.

Others Present via WebEx: Jennifer Boyle, DEQ; Cristi Andrews, DEQ; Cassi Doolittle; Julie Girocco; Joanna Hamrick; Matt Trott; Mike Ervin; Tyler Powell.

Agenda Item 2:
Consideration of meeting minutes of September 14, 2020 http://OMMA.ok.gov/food-safety-standards-board

a. Review & Board Action

Travis Splawn made a motion to approve the minutes of September 14, 2020.
Joe Neely seconded the motion. All members present voted aye. Motion carried.

Aye: Travis Splawn, Joe Neely, Kara Berst, Scott Yates, Fenton Rood, Mark Woodward, Becky Johnson, Bud Scott, and Troy Skow.

Absent: Ray Jennings, and Scott Schaeffer

Agenda Item 3:
OMMA Program Update - Kelly Williams, Ph.D., OMMA Director

a. Discussion and Questions over OMMA Program Update

OMMA Director Kelly Williams, Ph.D., shared a couple of documents with the Board (attachments A & B). Attachment A presents a visual overview of OMMA that begins with the agencies start in 2018 and then highlights goals for the current year of 2021. Attachment B focuses on the flow of medical marijuana product in following which licensed businesses can sell product to whom.

The current active license totals are as follows:
371,591 - **Patient Licenses**
10,258 - **Active Business Licenses**

The business license renewal rate as of February 1st, 2021 stands at approximately 66%. The document also explains where and how the medical marijuana dispensary 7% excise tax on sales is dispersed. This excise tax if first used to fund the OMMA budget, then, once the agencies budget is funded, the excess collections are split 75/25 with 75% going to general education and 25% going to rehabilitation for drugs and alcohol.

The seed to sale contract was awarded to Metrc in September 2020 and is set to launch March 2021. The Metrc system will allow OMMA to track and trace medical marijuana from inventory data which is supplied by licensed businesses. Once businesses have begun utilizing Metrc, the Metrc software will take the place of monthly reporting.

Dr. Williams shared that the first education facility license has been issued.

Conveying to the board the importance of licensed business compliance, Dr. Williams shared OMMA's compliance goals for 2021. These goals include at least one inspection for all licensees by the end of the year. Inspection checklists will be posted on the OMMA website for licensee reference to allow businesses the ability to self-audit before an inspection occurs. A new inspection software for compliance staff is on the horizon. The hiring of at least 11 new compliance inspectors is currently underway.

b. Review of Current Rule Language, Which Incorporated the September 14, 2020 FSSB Recommendations into OMMA Regulation

Director Williams briefly reviews board rule recommendations from past meetings in August and September, 2020. She informed the board of advice which was incorporated into rulemaking and why. She then detailed the reasoning and decision-making process as to why other aspects of the boards advice was not incorporated. Board member and co-chair, Travis Splawn, asked whether the rule recommendations have gone through public comment. Director Williams answered the recommendations had gone through public comments just before the holidays.

c. Discussion and Questions over OMMA Program Update

Board member Becky Johnson asked Dr. Williams about the newly licensed educational facility. Lee Rhoades, OMMA Laboratory manger, answered the educational licensee is to give educational classes to the industry on how to optimize the growing process and minimize contaminates, etc. Becky Johnson then followed with a question concerning tax revenue that goes to education, she inquired if Dr. Williams could elaborate on where the money was being utilized. Dr. Williams explained that per SQ 788, the money goes to the general education fund. Board member Bud Scott asked for a timeline for the posting of the inspection checklists. Dr. Williams answered they would be available to download and view on the OMMA website in the next few weeks.

Agenda Item 4:
Review of 2021 Proposed Legislation Impacting OMMA - OSDH Legal Counsel

Cameron Capps, J.D., Managing Counsel for OMMA, reminded the board that last session, Governor Stitt had vetoed HB 3228, which encompassed OMMA's legislative asks. HB 2646 is the agencies statute request bill during this year's legislative session. Cameron mentioned there are a lot of similarities between the two bills and discussed the additions to the current bill. Examples are an expanded definition of "remediation", a revised and more defined definition of "strain", and the addition of a 20.00 reprint fee for patient licenses.

HB 2646 also allows the sale of prerolls. The bills also contains the addition of emergency action and cease and desist authority as well as the ability to issue a final order if a hearing is not requested after 30 days. Addition of "Bad Actor" prohibition, which would allow OMMA to deny a license to a business or individual who has had a previous license revocation and was found to previously commit serious violations. OMMA is also requesting additional transportation license fees that are tied to a business to be decreased from $100.00 to $25.00 and that transporter agents do not need to meet current residency requirements. A request that a laboratory owner cannot test medical marijuana if the owner has financial interest in the business that is testing the product. Also included is an ask that labs be accredited prior to licensure. Addition of recall language and increasing OMMA's authority over recalls. This bill would also allow for process of decontamination and remediation

a. Discussion and Questions over 2021 Legislation

Board member Bud Scott asked how OMMA handles businesses who are acting as third party providers who handle remediation for licensed businesses. These particular entities do not sell or produce medical marijuana products but they do obtain possession of these products during the course of treatment for contamination or remediation. Mr. Scott said that he has knowledge of that a few of these types of businesses have obtained Processor licenses. He asked if anyone felt there is a need for statutory changes on this matter. Director Williams said she felt a Processor license would be the correct and most proper license for the business to have and that she would look into the subject. She was able to add that Metrc, the contracted seed to sale vendor, will be able to reflect reporting the handling of medical marijuana for these types of businesses.

Co-chair Travis Splawn asked if anyone within OMMA knew of the reasoning behind Governor Stitt's veto of HB 3228. Director Williams answered that she believed it was due to last year's

session being disrupted by Covid-19, a few other bills were wrapped into HB 3228. One of the additions was a medical marijuana delivery element, of which was not an OMMA request.

Mr. Splawn followed with a question on the allowance of prerolls. He asked which licensee would have the ability to sell prerolls. Director Williams explained that growers could sells a package of prerolls to a dispensary or processor but growers would not be able to sell directly to a patient. Bud Scott asked for clarification that this would not allow growers of dispensaries to ass anything such as flavors or infusions to the preroll, that if there are any additives, it would need to go through a processor. Dr. Williams answered that he is correct.

Agenda Item 5:
OMMA Laboratory Update - Lee Rhoades, MBA, MIT(ASCP), OMMA Laboratory Program Manager

a. Discussion and Questions over Laboratory Update

Lee Rhoades began his update with the current number of licensed OMMA laboratories, which stands at 23. 11 of which are fully accredited. Nine labs are in the renewal process, of those labs, eight have either had their ISO assessments but have not received accreditation, or they will have their assessments within the next two weeks.

The licensed labs are now reporting their total volume and failure rates per month to OMMA. In the month of December 2020, there were a total of 8,340 compliance test panels performed across Oklahoma. Mr. Rhoades broke down the test failures by four main contaminates and their average failure rate.

Residual Solvents: 3.14 % failure rate
Microbials: 8.85% failure rate
Pesticides: 2.83% failure rate
Heavy Metals: 1.84% failure rate

Lee shared that Metis, the contracted quality assurance laboratory, has been active since being awarded the contract in September 2020. He states the QA lab has been helping with testing products under investigation, following up to make sure testing is complete and accurate, along with other duties. Metis has accompanied OMMA on several site visits to lend their technical expertise to licensed labs across the state. Lee shared an example with the board, on an investigation concerning a lab's possibly discrepancy of the potency of an edible. The QA results, along with a third party lab's results, were reported to the lab in question, who then reviewed their own internal sampling processes and were then able to achieve results comparable to the QA and third party lab.

Mr. Rhoades explained that around the beginning of October 2020, Metis obtained certified reference materials. These reference materials were for every test in which OMMA requires testing. In these samples, were known amounts of each type of panel. These materials were then distributed to all of the licensed labs, who each received the same material. As the results came back to Metis, it has provided essential information on where to focus on laboratory compliance and best find why there may be such variability in results. These types of reference materials will

be sent to licensed labs regularly, generally focusing on a particular area of testing. Lee stated that the next round will focus on potency.

In March, Metis will start parallel testing, this is where the QA lab will go to a licensed lab and pick up reserve samples. Those samples will be tested by the QA lab and compare results with the lab's certificate of analysis. The QA lab's result will be shared with the laboratory and will be consultative in nature. Mr. Rhoades explained that this will give OMMA a better feel for "real world testing". This type of parallel testing is to be conducted each month with all of OMMA's licensed laboratories. Mr. Rhoades wished to convey the fact the, by and large, the labs have been very receptive and have welcomed the quality assurance procedures that are being put into place.

a. Discussion and Questions over Laboratory Update

Board member Bud Scott asked if there have been any enforcement issues in laboratory licensing. Mr. Rhoades answered yes, that has been a matter that OMMA and the QA lab have been dealing with since the board last met. Director Williams added that having the QA lab has been extremely beneficial in ensuring compliance with laboratories.

Bud Scott remarked that he has a couple of Lab Directors on his Board of Directors and they have echoed how appreciative they are for the interaction and dialogue that has recently taken place between OMMA, the QA lab and licensed labs.

Travis Splawn asked if OMMA is aware of any significant pending legislation. Director Williams answered that there are over 40 pieces of legislation filed at the beginning of session that would impact medical marijuana. Of note, there is a bill that would move OMMA out of the Oklahoma State Department of Health and under the ABLE Commission. There is also a bill that would place a cap on the amount of business licenses, which would impact businesses.

Agenda Item 6:
New Business

No new business.

Item 7:
Adjournment

Scott Yates made a motion to adjourn. Troy Skow seconded the motion. Motion carried.

Aye: All members present. No members present opposed.

Absent: Ray Jennings and Scott Schaeffer.

The meeting adjourned at 2:53 p.m.

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Authorized Representative of the Board