



**CANNABIS CONTROL DIVISION  
CANNABIS REGULATORY ADVISORY COMMITTEE**

May 12, 2022  
1:00 PM  
Via Webex

**MEETING MINUTES**

**I. CALL MEETING TO ORDER**

Chair Emily Kaltenbach called the meeting to order at 1:14 p.m.

**II. ROLL CALL**

Members present were Chair Kaltenbach, Ginger Baker, Lou Ann Branch, Andrew Vallejos, Steven Jenison, Debbi Moore, Nathaniel Paolinelli, Harold Trujillo, and Rachael Speegle. Mary Carmack-Altweis joined the meeting after roll call and left before the meeting ended. Absent were Esther Lopez, Gov. Perry Martinez, Bennett Baur, Chief Phil Smith and Sheriff Adan Mendoza.

Also present were Robby Sachs and Carolina Barrera, deputy directors with the Cannabis Control Division. CCD Director Kristen Thomson joined the meeting late and left early. Chris Moander of the Attorney General's Office also joined the meeting while it was in progress. Also in attendance were Andrea Sunberg, health program manager with the New Mexico Department of Health, and Dominick Zurlo, director of DOH's Medical Cannabis Program.

**III. APPROVAL OF AGENDA**

Chair Kaltenbach proposed that item IV, the report on intertribal agreements, be removed from the agenda, as vice-chair Perry Martinez was absent.

Motion to approve as amended: Harold Trujillo

Second: Andrew Vallejos

Motion passed unanimously

**IV. APPROVAL OF MINUTES FOR MARCH 10, 2022, MEETING**

Motion: Debbi Moore

Second: Steven Jennison

Motion passed unanimously



## V. PUBLIC COMMENT

Clint Atwood introduced himself as a private citizen, homeowner and parent of two young children. He said he was concerned about personal grows and the odor emitting from his neighbor's 12 plants, which he said are less than 10 feet from the fence dividing their properties. Mr. Atwood said there are rules about plants grown at private residences being kept out of public view but nothing addressing odors, as some other states do. He said his family has spent countless hours maintaining their backyard for their personal enjoyment but are now forced to stay inside with closed windows due to the odor emitting from next door. Mr. Atwood said the regulatory committee should make rules to address odors as an unintended consequences of cannabis legalization.

Rosalie Flores raised several questions, including the availability of technical assistance and resource guidance for people living in impacted communities, how long the emergency plant limit rule will remain in effect, how statewide cannabis supply is holding up, when the committee will fill the position for an environmental scientist, and if anything is being done to preserve and protect water resources, especially now with wildfires currently burning in New Mexico.

Jason Barker said that according to the law the state's Medical Cannabis Program should not be unimpacted by adult-use sales. As such, he suggested the Medical Cannabis Advisory Board be invited to participate in Cannabis Regulatory Advisory Committee meetings. Mr. Barker alleged that the committee was impersonating licensed pharmacists and physicians by changing rules on dosing that impact medical patients directly.

## VI. UPDATE ON LAUNCH OF ADULT-USE SALES

### **Demographics**

Deputy Director Sachs reported that 788 cannabis establishment licenses have been issued so far. They included 35 "legacy" licensees that previously served the Medical Cannabis Program, 156 producer licenses, 138 microbusiness producer licenses, 123 manufacturer licenses, 285 retail licenses, and 52 licenses for additional premises.

In addition, Deputy Director Sachs said there are a total of 275 applications across all licensing categories that are under initial review.

The deputy director said that based on information applicants provided, approximately 71% of the 1,689 people who are registered as controlling persons of licensed cannabis businesses in the state identify as male, while about 28% identify as female and less than 1% identify as something else.

He said that approximately 73% of controlling persons reported their race as white. He said 61% said they had no Latino, Hispanic or Spanish ethnicity, while 39% indicated they had some Latino, Hispanic or Spanish ethnicity.



### **Sales and Tax Revenues**

Deputy Director Sachs reported that there were nearly \$40 million in cannabis sales in New Mexico in April, the first month of legal adult-use sales in the state. About \$22.1 million, or 56% of total sales, were adult-use sales, while about \$17.3 million in sales, 44%, came from medical patients.

In response to a question from the committee, Deputy Director Sachs said that the state does not keep track of sales from out-of-state customers, but he noted that the sales report shows adult-use sales far exceeded medical sales in cities near the Texas border and were at much higher ratios than elsewhere in the state.

### **Report on Other Pertinent Data**

Deputy Director Sachs invited Dominick Zurlo of the state Department of Health to speak about how adult-use sales have impacted the Medical Cannabis Program. Director Zurlo said an expected dip in enrollment in the medical program prior to the beginning of adult-use sales on April 1 did indeed occur. However, he noted that more than 1,000 people registered for the program in the month of April, bringing the total of medical patients to more than 134,000.

## **VII. UPDATE ON CCD EQUITY PLAN & NEW MEXICO FINANCE AUTHORITY MICROBUSINESS FUND**

### **Social Equity Planning**

Deputy Director Sachs reported that he and Deputy Director Carolina Barrera, who will lead the division's social equity efforts, have begun working on social equity planning. Among the things they have discussed are the process for identifying and preparing program participants, guidelines for prioritizing applicants, implementing a navigator program to assist participants, and training and education materials.

Asked how state funding allocated specifically for the social equity program would be spent, Director Kristen Thomson said that only preliminary discussions have taken place regarding that matter. She mentioned that applicants in rural areas without easy access to internet face particular challenges.

When asked about the Cannabis Regulation Act mandate requiring the division to develop a technical assistance resource guide for rural residents seeking licenses, Deputy Director Sachs said that the division was working to revise an economic development toolbox developed by the state Economic Development Department to make it more cannabis specific.

Deputy Director Sachs said that the division was in the final stages of approving a logo that could be used to identify products made by social equity participants.

### **NMFA Microbusiness Fund**

Deputy Director Sachs said the New Mexico Finance Authority has reported there have so far been 14 applications for its microbusiness loan program and six partially submitted applications. One loan of \$250,000 has been awarded, he said.



A broader discussion ensued regarding eligibility for loans and providing CCD assistance to those microbusinesses that qualify.

**VIII. REPORT FROM CCD ON INTERGOVERNMENTAL AGREEMENTS**

Removed from agenda

**IX. DISCUSSION ON HOW ADVISORY BOARD CAN SUUPPORT THE CCD**

Deputy Director Sachs said the rulemaking process is ongoing and that Cannabis Regulatory Advisory Committee members could assist by providing input on rules from the committee's various subcommittees. He said a part of the rulemaking process involves stakeholder meetings, and members could also connect the division with individuals with interest or expertise in certain areas.

Chair Kaltenbach said the division should provide committee members specifics about when and where stakeholder meetings will be held and how they can participate. She suggested committee members be surveyed for feedback about what matters they feel need attention and their interest in attending subcommittee meetings.

**X. ADJOURNMENT**

Prior to adjourning the meeting at 2:39 p.m., Chair Kaltenbach said that the committee would likely schedule its next meeting in July.

Approved this 14th day of July 2022

*Emily Kaltenbach*

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Emily Kaltenbach, Chair

