

CANNABIS CONTROL DIVISION
CANNABIS REGULATORY ADVISORY COMMITTEE

New Mexico Cannabis Regulatory Advisory Committee (C-RAC)
New Mexico Regulation & Licensing Department
Toney Anaya Complex
2550 Cerrillos Rd., Santa Fe, NM 87505
2nd Floor - Hearing Room #1
July 22, 2026 - 1:30 p.m.

DRAFT MINUTES

I. CALL MEETING TO ORDER

Vice Chair Esther Lopez called the New Mexico Cannabis Regulatory Advisory Committee meeting to order at 2:05 p.m.

A. Roll Call

Roll call was taken, and a quorum was determined present.

MEMBERS PRESENT: Esther Lopez
Stephen Jenison
Chris Duvall
Nina Wells
Phillip Sanchez
LuAnn Branch
Kim Stewart
Harold Trujillo

MEMBERS PRESENT VIA VIRTUAL PLATFORM: Esther Lopez

MEMBERS ABSENT: Debbi Moore
Bennett Baur
Christopher Williams
David McDermid
Ginger Baker
Nathaniel Paolinelli

NMRLD STAFF PRESENT: Todd Stevens
Eden Sayers
Amber Becenti

II. APPROVAL OF AGENDA

Motion to Approve: Harold Trujillo
Second: Kim Steward
The motion passed unanimously

III. APPROVAL OF MINUTES FOR NOVE

Motion to Approve: Kim Stewart

Second: Harold Trujillo

The motion passed unanimously.

IV. PUBLIC COMMENT

One public commenter, Matt Kennicott, Executive Director of the Cannabis Association of New Mexico, introduced himself and offered industry assistance. He noted: Work on child-attractive packaging concerns, desire for updates on the track-and-trace (seed-to-sale) system, and a willingness to support the committee's needs.

No additional public comments were made.

ANNOUNCEMENTS

A. Product Packaging

Director Stevens reported that the Cannabis Control Division was working with licensees who were cited during inspections for packaging violations related to products appealing to youth to come into compliance. Dr. Jenison asked about data tracking on pediatric exposures. Lou Ann Branch highlighted incidents involving children bringing edibles to school. Esther Lopez raised concerns about operators' financial investment in packaging.

B. Seed to Sale Updates

Director Stevens reported that the Cannabis Control Division is in the final stages of building a successor state-specific seed-to-sale system with a New Mexico vendor to avoid excessive fees proposed by national vendors, which will include "red-flag" anomaly detection (e.g., unrealistic harvest weights) and provide stronger compliance oversight. Director Stevens noted that the launch of the successor system is anticipated for September 2026 and that training materials would be forthcoming.

C. DEA Rescheduling

Director Stevens outlined that the Cannabis Control Division leadership has been in direct communication with the local New Mexico Drug Enforcement Administration (DEA) related to the ongoing federal rescheduling of medical cannabis. Director Stevens noted that official federal guidance for state regulators remains very limited. However, he noted that DEA inspections have already begun in some states but that New Mexico has not yet been inspected. Director Stevens stated that based on the current federal proposed rules cannabis will split federally into three categories: hemp, medical cannabis (Schedule III), and adult use (still Schedule I).

Committee Member Dr. Jenison asked how DEA rescheduling will interact with New Mexico Board of Pharmacy requirements.

Committee Member Kim Stewart (Sheriff) described recent federal enforcement inconsistencies and challenges with communication from DEA, FBI, and other agencies in her region.

Members discussed how medical-only states appear to be receiving DEA inspections first. Members also raised concerns about confusion between federal rules and state compliant practices.

Committee Member Sheriff Kim Stewart raised concerns about AI data center water consumption and encouraged grower involvement.

Committee Member Lou Ann Branch noted statewide drought stress.

D. C-RAC Chair Replacement

Director Stevens announced the retirement of long-serving Committee Member Chair Debbi Moore and praised her leadership and contributions to the state of New Mexico. Director Stevens stated that the committee will elect a new Chair at the next meeting and that Vice Chair Esther Lopez will serve as acting Chair until election. Director Stevens also noted that vacancies currently exist on the committee for four positions, including:

- Cannabis policy advocacy seat
- District Attorney (appointed by NMDAA)
- Tribal representative
- Non-voting cannabis industry member

Members were encouraged to submit CVs and letters of interest via email to Director Stevens for potential candidates interested in the open positions.

Water Use Concerns: Committee members raised concerns about statewide water strain:

Committee member Sheriff Kim Stewart urged cannabis growers to engage publicly on water use issues, particularly as AI data centers and other industries compete for limited resources. Committee member Lou Ann Branch noted severe drought conditions and the impact of recent Supreme Court water compact rulings. Director Stevens acknowledged cannabis growers generally use less water than traditional crops, citing micro-growers' low consumption.

E. NMAC Definitions

Director Stevens noted that the Cannabis Control Division was moving forward with amendments to Parts 1 and 7 of Chapter 8, Title 16 of the New Mexico Administrative Code, for which the Division held a rule hearing on September 3, 2025. Director Stevens explained that the amendments add greater specificity to

cannabis product definitions, allowing for more accurate tracking and testing practices. The amendments also authorize members of the Cannabis Regulatory Advisory Committee to participate in meetings virtually.

VI. DIVISION REPORT

A. Licensing & Compliance Update

Director Todd Stevens reported that

Between April 1, 2022, and July 1, 2026, New Mexico cannabis retailers sold over \$2,363,839,480 in adult-use and medical cannabis combined.

- Medical Sales \$645,611,158.2
- Recreational Sales \$1,718,228,321
- Total \$ 2,363,839,480

Top Cities for Market Sales – April 1, 2022 – July 1, 2025

<u>City</u>	<u>Medical</u>	<u>Recreational</u>	<u>Total</u>
ALBUQUERQUE	\$263,998,679.80	\$480,852,210.70	\$744,850,890.50
SUNLAND PARK	\$9,893,879.75	\$195,369,313.49	\$205,263,193.25
SANTA FE	\$52,072,163.93	\$100,173,571.28	\$152,245,735.21
LAS CRUCES	\$49,525,171.17	\$98,950,380.12	\$148,475,551.29
HOBBS	\$18,112,138.68	\$112,245,489.93	\$130,357,628.61
FARMINGTON	\$15,789,759.15	\$57,907,215.86	\$73,696,975.01
CLOVIS	\$16,939,012.34	\$50,353,183.31	\$67,292,195.65
CARLSBAD	\$16,941,204.47	\$49,657,399.62	\$66,598,604.09
RIO RANCHO	\$25,660,373.79	\$37,939,212.89	\$63,599,586.69

Between July 1, 2025, and July 1, 2026, New Mexico cannabis retailers sold over \$567,490,796.30 in adult-use and medical cannabis combined.

- Medical Sales \$123,231,242.5
- Recreational Sales \$444,259,553.9
- Total \$ 567,490,796.30

Top Cities for Market Sales – July 1, 2025- July 1, 2026

<u>City</u>	<u>Medical</u>	<u>Recreational</u>	<u>Total</u>
ALBUQUERQUE	\$51,602,868.46	\$116,684,989.20	\$168,287,857.60
SUNLAND PARK	\$2,515,067.17	\$62,606,835.72	\$65,121,902.89
HOBBS	\$4,192,461.73	\$30,791,561.29	\$34,984,023.02
LAS CRUCES	\$9,287,169.30	\$23,618,404.07	\$32,905,573.36
SANTA FE	\$8,391,974.03	\$23,468,667.73	\$31,860,641.77
FARMINGTON	\$3,158,867.56	\$14,469,438.28	\$17,628,305.84
CLOVIS	\$2,854,845.74	\$13,702,173.06	\$16,557,018.80
CARLSBAD	\$3,539,167.61	\$10,992,908.39	\$14,532,076.00
CHAPARRAL	\$634,638.93	\$11,735,004.32	\$12,369,643.25

Pending Applications:

Vertically Integrated (primary): 32 Micro Integrated (primary): 21

Retail: 24	Retail: 7
Manufacturer: 28	Manufacturer: 10
Producer: 3	Producer: 7
Premises: 18	Premises: 50

Individual Licenses: 91

Retailer: 10	Consumption Area: 1
Manufacturer: 37	Courier: 3
Producer: 28	Testing Laboratory: 2
Producer Microbusiness: 10	Research Laboratory: 0

Active Licenses:

Vertically Integrated (primary): 117 Micro Integrated (primary): 186

Retail: 299	Retail: 144
Manufacturer: 245	Manufacturer: 184
Producer: 113	Producer: 122
Premises: 397	Premises: 223

Independent Premise License: 680

Retailer: 270	Consumption Area: 27
Manufacturer: 272	Courier: 10
Producer: 196	Testing Laboratory: 7
Producer Microbusiness: 92	Research Laboratory: 0
Premises: 832	

Compliance Actions Taken by the Division

Total Inspections Conducted Between July 2025 and July 2026:

Retail Inspections: 1,865

Producer Inspections: 1,228

Manufacturer Inspections: 1,729

Committee members praised CCD staff for high inspection volume and professionalism. Dr. Jenison specifically commended the inspections team.

Total Notices of Contemplated Action Issued in July 2025 and July 2026:

Settlements Entered: 2

Final Decision and Order: 1

Pending Settlement Negotiation: 0

Revoked Licenses: 4

Preliminary Injunctions Filed: 0

Other Litigation (appeal): 4

VII. OLD BUSINESS

No old business was discussed

VIII. NEW BUSINESS

No additional new business was discussed

IX. ADJOURNMENT

Motion to Adjourn the Meeting: Chris Duvall

Second: Dr. Steven Jenison

The motion passed with unanimous approval.

The meeting was adjourned at 3:57 p.m.

Approved this day of 2026

Esther Lopez Vice Chair

Date