

Advisory Committee on Background of Principal Officers or Managers

Wednesday, April 24, 2019

1:00 PM – 5:00 PM

James C. Kirkpatrick Office Building

Interpretive Center, Room 139

Advisory Committee Members Present

Kim Grinston, Department of Insurance, Financial Institutions & Professional Registration – State of Missouri Executive Branch Member

Clay Goddard – Public Member

Department Staff Present

Lyndall Fraker, Section for Medical Marijuana Regulation, DHSS

Richard Moore, General Counsel, DHSS

Steve Doerhoff, Legal Counsel, DHSS

Lyndall Fraker, the Director of the Section for Medical Marijuana Regulation, Missouri Department of Health and Senior Services (“DHSS”), opened the meeting and introduced the committee members present.

Richard Moore, General Counsel, reported that the questions were previously sent to the committee members and feedback was given by the members. The public was also given the opportunity previously to submit comments on the questions. The questions were revised and presented again to the committee members. Richard Moore reported that he will read the questions today and allow the committee to decide if the questions are appropriate or if the questions should be amended or deleted. Richard Moore reported that once a question has been determined to meet the requirements of the committee, the committee members will be asked to establish what they believe to be the importance level of the question. Richard Moore reported that a scale was provided to committee members to make that determination. The scale is as follows:

1 – Slightly Important

2 – Important

3 – Highly Important

4 – Critically Important

Question 1:

Submit evidence (including but not limited to, letters of recommendation) of the character and veracity (truthfulness) of all principal officers and managers. (Maximum of three documents per officer or manager)

Weight of question: **2 – Important**

Committee consensus on question and on weight of question.

Richard Moore reported that the approval of Question 1 resulted in the Department's recommendation to delete Questions 2, 3, 4, 5, and 6.

Question 2:

Submit evidence of the character of Principal Officer or Manager #2 (Letter of Recommendation).

Question 3:

Submit evidence of the character of Principal Officer or Manager #3 (Letter of Recommendation).

Question 4:

Submit evidence of the veracity (truthfulness) of Principal Officer or Manager #1 (Letter of Recommendation).

Question 5:

Submit evidence of the veracity (truthfulness) of Principal Officer or Manager #2 (Letter of Recommendation).

Question 6:

Submit evidence of the veracity (truthfulness) of Principal Officer or Manager #3 (Letter of Recommendation).

Committee consensus on deletion of the questions.

Question 7:

Submit evidence (including, but not limited to, a resume or curriculum vitae) of the qualifications, background, and relevant experience of all principal officers and managers. (Maximum of 3 documents per officer or manager)

Weight of question: **3 – Highly Important**

Committee consensus on question and on weight of question.

Richard Moore reported that the approval of Question 7 resulted in the Department's recommendation to delete Questions 8 and 9.

Question 8:

Submit evidence of the qualifications and background (including, but not limited to, a resume, or curriculum vitae) of Principal Officer or Manager #2.

Question 9:

Submit evidence of the qualifications and background (including, but not limited to, a resume, or curriculum vitae) of Principal Officer or Manager #3.

Committee consensus on deletion of the questions.

Question 10:

Has any identified principal officer or manager operated and/or managed a business for five or more years?

Richard Moore reported that the Department recommends deleting that language and replacing it.

Question as stricken/replaced:

Describe how your previous business experience will contribute to the success of your medical marijuana business. List the legal business names and addresses of each business you operated or managed.

Weight of question: **4 – Critically Important**

Committee consensus on question as amended and on weight of question.

Question 11:

Describe how the background of the principal officers and managers will positively reflect or align with the community in which your business will be located.

Weight of question: **2 – Important**

Committee consensus on question and on weight of question.

Question 12:

Does any principal officer or manager have any delinquency in the filing or payment of any state income taxes, personal property taxes, municipal taxes, or real property taxes, either individually or for a business of which the principal officer or manager has an ownership interest?

Weight of question: **3 – Highly Important**

Committee consensus on question and on weight of question.

Question 13:

Has any principal officer or manager been the subject of an action resulting in sanctions, disciplinary actions, civil monetary penalties, or fines being imposed relating to a registration, license, provisional license or any other authorization to cultivate, process, or dispense medical marijuana in any state? If yes, provide the following: Respondent/Defendant, Name of Case and Docket Number, Nature of Charge or Complaint, Date of Charge or Complaint, Disposition, and Name and Address of the Administrative Agency or Court (Specify Federal, State, and/or Local Jurisdictions).

Weight of question: **4 – Critically Important**

Committee consensus on question and on weight of question.

Question 14:

Has any principal officer or manager ever been convicted of, or plead guilty or nolo contendere to, any felony offense under state or federal law, whether or not a sentence has been imposed, relating to the principal officer's or manager's practice of any profession or occupation? If yes, provide the following: Respondent/Defendant, Name of Case and Docket Number, Nature of Charge or Complaint, Date of Charge or Complaint, Disposition, and Jurisdictional Court (Specify Federal, State and/or Local Jurisdictions).

Weight of question: **3 – Highly Important**

Committee consensus on question and on weight of question.

Question 15:

Has any principal officer or manager ever been convicted of, or plead guilty or nolo contendere to, any felony offense (not including any offense related to the practice of their profession or occupation) under state or federal law, whether or not a sentence has been imposed? If yes, please provide the following: Respondent/Defendant, Name of Case and Docket Number, Nature of Charge or Complaint, Date of Charge or Complaint, Disposition, and Jurisdictional Court (Specify Federal, State and/or Local Jurisdictions).

Weight of question: **2 – Important**

Committee consensus on question and on weight of question.

Question 16:

Has any principal officer or manager, either individually or as a principal officer or manager of a business, ever been denied a license or registration by the Drug Enforcement Administration, the Missouri Bureau of Narcotics and Dangerous Drugs, or other appropriate controlled substance licensing/registration body of any state? If yes, provide the name of the controlled substance licensing/registration body and the reason for the denial.

Weight of question: **4 – Critically Important**

Committee consensus on question and on weight of question.

Question 17:

Has any principal officer or manager, either individually or as a principal officer or manager of a business, ever been the subject of an investigation or a disciplinary action by the Drug Enforcement Administration, the Missouri Bureau of Narcotics and Dangerous Drugs, or other appropriate controlled substance licensing/registration body of any state that resulted in the surrender, suspension, revocation, or probation of the individual's license or registration? If yes, provide the name of the controlled substance licensing/registration body and the reason for the disciplinary action.

Weight of question: **2 – Important**

Committee consensus on question and on weight of question.

Richard Moore reported that the Department recommends deleting Question 18.

Question 18:

Has any principal officer or manager ever been the subject of a disciplinary action by the Drug Enforcement Administration or appropriate issuing body of any state jurisdiction that was based in whole, or in part, on the Applicant's prescribing, dispensing, diverting, administering, storing, personally furnishing, compounding, supplying, or selling a controlled substance or other dangerous drug (i.e., Prescription drug)? If yes, please provide the name of the issuing body and the reason.

Committee consensus on deletion of the question.

Richard Moore reported that there are three new questions for the committee to discuss.

New Question 1:

Has any principal officer or manager, either individually or as a principal officer or manager of a business, ever had a license, permit, or registration to practice any profession or occupation, disciplined or denied by any state or federal licensing body? If yes, state the date, the name of the licensing body and the reason for the action taken.

Weight of question: **1 – Slightly Important**

Committee consensus on the addition of question and on weight of question.

New Question 2:

Has any principal officer or manager, either individually or as a principal officer or manager of a business, any final adverse or disciplinary action taken against them by the United States Food and Drug Administration in relation to the production or distribution of any food, drug, medication or dietary/herbal supplement? If yes, state the date and the reasons for the adverse or disciplinary action.

Weight of question: **2 – Important**

Committee consensus on the addition of question and on weight of question.

New Question 3:

Has any principal officer or manager, either individually or as a principal officer or manager of a business, ever been excluded from participation in any state or federally funded health care program such as Medicare, Medicaid, or MO HealthNet for fraud, abuse, or submission of any false or fraudulent claim, payment, or reimbursement request? If yes, state the date and the reasons for the exclusion.

Weight of question: **1 – Slightly Important**

Committee consensus on the addition of question and on weight of question.

The Advisory Committee voted unanimously in favor of accepting the questions as amended.
The meeting was concluded.