

THE CANNABIS CONNECTION

*Your information link to Missouri's
Division of Cannabis Regulation*





MISSOURI DEPARTMENT OF
**HEALTH &
SENIOR SERVICES**

Division of Cannabis Regulation



JANUARY 2024

STRETCHING CONNECTIONS

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INTRODUCTIONS

Interview with the Director and Deputy Director

Author: Tara McKinney



Amy Moore



Andrea Balkenbush

For the first edition of *The Cannabis Connection*, it seems appropriate to kick things off by getting to know our Division of Cannabis Regulation (DCR) Director Amy Moore and DCR Deputy Director Andrea Balkenbush. We sat down with them to talk about DCR: where it's been, where it is now, and where it is going. You can tell pretty quickly that the two of them have been around from the beginning: a lot of history, blood, sweat and successes. In fact, the DCR has met every single constitutional deadline thus far! We asked Amy and Andrea the following questions to learn more about their roles and journey.

“ **First up: Briefly describe how you landed in DCR.** ”

Amy: I was working at the Public Service Commission when the law passed. Shortly after it passed, I heard that the DHSS director was filling key roles: the director and lead counsel. I was thrilled to hear this, and before I knew it, I was interviewing with the DHSS director and started the position as the deputy director/counsel 14 days later--the day after Christmas. It was really fast, but I knew it was a good move for me and I was excited to get started.

Andrea: I started soon after Amy at the beginning of February 2019. I was working at the Department of Natural Resources and was looking for something new when a colleague let me know about this great opportunity. I met with the DHSS Director, interviewed with Lyndall Fraker and was hired on as the Project Director. Shortly after I gave my two weeks notice, I got a call from the DHSS Director asking if I could start earlier. Later that day, two big binders were dropped off for me to begin reviewing. In the summer of 2019, I accepted the role of Facility License and Compliance Director, and when Lyndall retired and Amy was hired as the Director, I was hired as the Deputy Director.

Amy and Andrea had a good laugh about the beginning of their journeys: talking about how when Andrea was hired they didn't even get to meet each other for the first week because Amy was out of state meeting with other marijuana programs, and how they didn't have real office spaces and were basically working in "closets." It was interesting to hear about the many hours, weekends and canceled trips they endured in those early months as they set up the medical marijuana program.

Amy: I remember a particular night when I woke up thinking about one challenge or another, realized there would be no going back to sleep, and decided to just go work. I started sending emails and started getting emails back! Turns out both Andrea and one of the industry attorneys were up working, too. I'm sure

many others were as well. It was an intense time for everyone involved.

“ **The legalization of cannabis evolved quickly in Missouri. Reflecting on those first years, what was the most challenging and what are you most proud of?** ”

Andrea: We really relied on other states for their guidance and previous experience. The big challenge is that we didn't have other state agencies or programs in Missouri that had experience with cannabis regulations. We had such limited time to stand the program up while also needing to meet constitutionally mandated deadlines. Many processes, such as procuring data systems, normally take years and we had to have these in place within months. The teams that came together to meet all these challenges and deadlines are the things I'm most proud of.

Amy: I am most proud of our organizational structure and regulatory framework. The basis of those were established early on, amid the plane flying. Even with the challenges of establishing rules that have never existed before with laws unique to Missouri, building an entire organization from structure to hiring in such a short time, and having all of this still be feasible four years in, is rewarding.

“*The division is growing at a fast rate. What is your current goal or focus for new staff and the structure of the division?*”

Amy: The huge challenge is that we have more than doubled our team in the span of months.

Andrea: On top of that, we just established new rules and are still implementing them. It has always been important to Amy and I that we have wide range of experience in our workforce. We really looked for a variety of expertise to meet all the different needs of the division and of this industry. We understand that even though we are a regulatory program, we will do our jobs better if we understand all aspects of the cannabis industry.

Amy: A lot of people had ideas about what career background we would need to regulate cannabis, but we didn't focus on any one type of background when we hired. The focus is on the people and their expertise in many different arenas. I think the variety of different expertise and experience is one of the things that has made us so successful.

Amy gave an example of not having the historical staff that other programs have, and sometimes that it is challenging to maintain stability and morale. DCR now has a team specifically focused on creating a culture where people want to work. We also talked about the division's new employee orientation that staff go through within the first week. This is an exceptional opportunity for new staff to learn about the different sections within the division and to meet DCR leadership, team members, and fellow new employees. Amy and Andrea agreed these measures will help us establish and maintain cohesion as a team while we work through the unique challenge of so much



change and novelty all at once.

“*Where would you like to see the division one year from now?*”

Amy: Many of my hopes for the future are so practical right now. I want to be fully-staffed, fully-trained, all processes in place and find that our structure did a good job of keeping everyone busy about 70% of their day so that we all have that mental space to plan for what we can do better.

Andrea: A year from now I would like the division to be a well-established regulatory program where we are being proactive in our work. There is still much work to be done to implement the new law, but we have the staff to help us be strategic in accomplishing it. I would like for Missouri to be considered one of the best run cannabis programs in the nation. It will be important in this next year to support our team and the industry with training and guidance to do that. Fostering good working relationships with the industry so the ones on the front line know

and understand the regulations, and how to be in compliance for safe cannabis products, will be a great goal to meet.

Amy: It's also important to realize that this is not the last change. This industry will continue to evolve. It's important to me that we make sure that our division and staff have the stability to withstand those changes as they come and to do it well.

Tell us something good!

Amy and Andrea love to hear from licensees. Is your business doing something innovative, interesting, or new that you would like to share with them?

Email Tara McKinney, Public Outreach Director at tara.mckinney@health.mo.gov and we may contact you for an in-person meeting to hear more about it!

MICROBUSINESS UPDATE

Author: Abigail Vivas

First Round of Microbusinesses Licensed In October, DCR issued 48 marijuana microbusiness licenses to top applicants drawn in the lottery conducted by the Missouri Lottery on Aug. 28, 2023. Six microbusiness licenses were awarded within each of the eight Missouri congressional districts. Of the six in each district, two are microbusiness dispensary licenses, and four are microbusiness wholesale facility licenses. DCR received more than 1,600 applications during the July 27-Aug. 10 application period.

Prior to issuing the licenses, the Facility Application Services unit reviewed documents that were submitted with each top-drawn microbusiness application to verify that applicants met the requirements and eligibility qualifications they claimed, pursuant to CSR 100-1.190. After licensure, Business License Services conducted the minimum standards and eligibility verification ensure compliance with minimum standards for licensure, and that all licenses are majority owned and operated by eligible individuals.

As required by Article XIV, Section 2.4(13), the chief equity officer reviewed eligibility for the 48 issued microbusiness licenses. The chief equity officer certified eligibility for 30 microbusiness wholesale licenses and seven microbusiness dispensary licenses. The chief equity officer identified indications of ineligibility for two microbusiness wholesale licenses and nine microbusiness dispensary licenses. The results of the Chief Equity Officer Eligibility Review are available at Cannabis.Mo.Gov.



Coming Up Next

Looking forward, we have a minimum of 96 licenses to issue in two future application periods. Tentatively, applications will be accepted for round 2 in March 2024, with licenses issued in July. The Office of Business Opportunity will host education and outreach events leading up to each application period. Events are scheduled to start in January for round 2 of licensing. Be sure to visit the microbusiness section at Cannabis.Mo.Gov for the most current information regarding outreach events and all things microbusiness!

Constitutional deadline requirements for the microbusiness program

Constitutional Requirement	Deadline	Date Completed	# of Days Early
Appointment Chief Equity Officer	Feb. 8, 2023	Feb. 1, 2023	7 days
Application form and instructions available	Jun. 6, 2023	Jun. 1, 2023	5 days
Begin application acceptance	Sept. 1, 2023	Jul. 27, 2023	36 days
Issue the first set of 48 licenses	Oct. 4, 2023	Oct. 2, 2023	2 days
CEO eligibility review completed	Dec. 1, 2023	Dec. 1, 2023	Deadline met
CEO eligibility review results published	No Date	Dec. 15, 2023	No deadline
CEO report of CEO and department activities	Jan. 1, 2024	Dec. 26, 2023	6 days

PACKAGING & LABELING UPDATE

Item Approval Process: How it's Going

Author: Justin Smith

DCR promulgated rules to ensure safe and effective packaging for all Missouri marijuana products on July 30, 2023. To account for the time that the industry would need to implement the new rules, DCR set a date for Sept. 1, 2023, to begin requiring each marijuana product sold in Missouri to go through the item approval process. After listening to early industry concerns, DCR allowed licensees until May 1, 2024, to use their existing packaging, and until July 1, 2024, for dispensaries to dispense the remaining non-compliant packaging.

Since the first items were submitted on Sept. 1, there have been approximately 13,500 item submissions. Of those 13,500 submissions, 10,350 have reached their initial 30-day processing point where DCR determines whether applications are complete. Approximately 1,500 of the 10,350 items were denied because the licensee did not complete their application within the first 30 days of submission. Of the remaining 8,800 submissions, 1,950 (22%) items have been deemed compliant with rule and approved while 1,290 (15%) have been noncompliant and denied.

Staff has seen a significant increase in compliant applications in recent weeks and anticipates the percentage of approved items will continue to grow as the industry works through and better understands the approval process.

Takeaways

Since starting item approvals in September, staff has relied heavily on licensee and industry feedback to improve the approval process and to understand what additional guidance is needed. The product compliance team has taken part in conversations with licensees all over Missouri through email, phone calls, video conferencing, industry meetings, JCAR meetings and in-person facility visits to get real-time feedback and suggestions. This information has been invaluable for DCR when developing a process that works both to ensure compliant packaging across Missouri and to allow licensees to operate fluidly while complying with state regulations. Based on that input, DCR continues to streamline the submission process, reducing workload for both licensees and the DCR team.

Since initial rollout in September, the process for item approval has evolved and improved based on robust communication with licensees, as has been the case throughout the life of Missouri's regulatory program. DCR anticipates an even more efficient process and user-friendly experience as we continue to look for efficiencies to address industry needs, while maintaining a focus on safety and compliance with promulgated rules.



METRC TRAINING & CANNRA NETWORKING



Metrc Training: Section for Compliance and Enforcement

Author: Lindsey Rutz

Section for Compliance and Enforcement (SCE) team members attended a four-day Metrc training seminar Jan. 8-11, 2024. Metrc is DCR's statewide track and trace system, and system of record, used to track marijuana product from seed or immature plant stage until the marijuana product is purchased, expended during testing or destroyed.

Metrc provided an in-person seminar that encompassed all levels of system expertise. Training topics included Metrc system use, expectations, auditing and tools. SCE team members attended all levels of training regardless of tenure with DCR or expertise in Metrc. SCE management chose an all-staff seminar because it will provide team members an opportunity to ask questions around each topic, work through scenarios and receive answers directly from the vendor as a team.

CANNRA: 2023 Annual Member Meeting

Author: Lindsey Rutz

In December 2023, DCR team members attended a two-day conference hosted by the Cannabis Regulators Association, CANNRA. CANNRA is a nonpartisan association of government officials in more than 45 states, the District of Columbia, two U.S. territories, Canada and the Netherlands. The agenda was filled with breakout sessions, panels and workshops led by other state cannabis regulatory agencies. DCR Director Amy Moore and Chief Equity Officer Abigail Vivas served on panels as well.



Throughout the year, DCR team members participate in a variety of CANNRA focus groups and discuss emerging trends, regulatory challenges, policy and exchange information on the many aspects of cannabis regulation. The CANNRA Annual Member meeting allows member states a chance to meet face-to-face and participate in multiple cannabis regulation plenary and breakout panel discussions and workshops.

*For additional information on CANNRA, scan to visit their website: cann-ra.org



FUNDS DISTRIBUTION



Fund Distribution of Missouri Marijuana Program

Author: Lisa Cox

On Oct. 31, DHSS transferred \$13 million in funds from Missouri's medical marijuana program to the Missouri Veterans Commission (MVC). This was the fifth transfer to date, for a total of \$39,978,820, since the medical program was formed in late 2018.

Additionally, DHSS transferred \$3,836,919 in funds generated by Missouri's adult-use marijuana program to agencies as outlined in Article XIV, Section 2, of the Missouri Constitution. Recipient agencies of adult use program funds include the following:

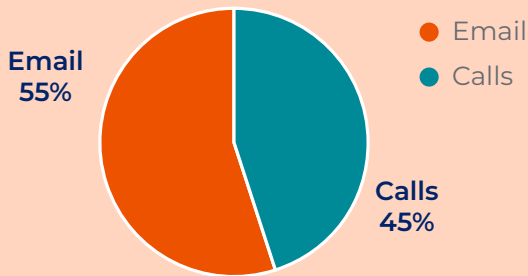
- MVC (\$1,278,973): for use exclusively for health care and other services for military veterans and their dependent families;
- Missouri State Public Defender (\$1,278,973): to be used only for legal assistance for low-income Missourians;
- DHSS (\$1,278,973): to operate a grant program for subrecipients to increase access to evidence-based, low-barrier drug addiction treatment prioritizing medically proven treatment and overdose prevention and reversal methods and public or private treatment options with an emphasis on reintegrating recipients into their local communities, to support overdose prevention education, and to support job placement, housing, and counseling for those with substance use disorders.

This transfer was perfect timing as it was just before Veterans Day on November 11. DCR celebrated Veterans Day by recognizing team members who served in the military. Their pictures were showcased in our office throughout November. We are so grateful for the service of all military men and women in Missouri and consider DCR lucky to have some of the finest among us!

YEAR-END REVIEW

The DCR information call center and email account receives questions from patients, consumers, industry agents and the public.

2023 Total Helpline and Email Stats



Call Center Inquiries: Staff Calls Vs. IVR



Helpline Stats:

Call Center Inquiry Statistics

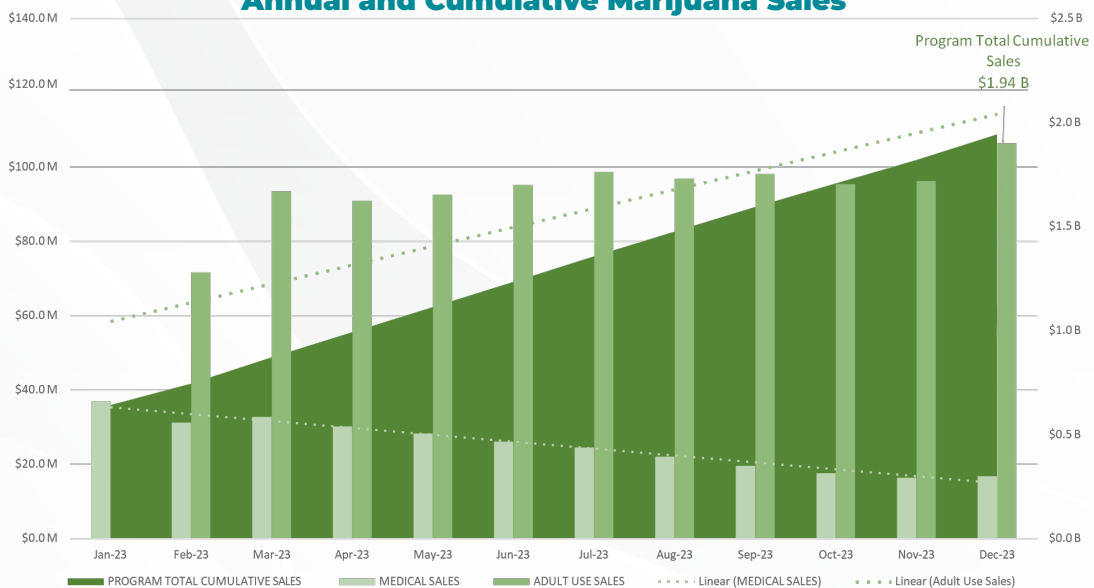
- Interactive Voice Recognition (IVR Menu) - 16,275
- Staff Calls - 16,383
- Total - 32,658

Email Stats:

Email Inquiry Responses

- CannabisInfo@Health.Mo.Gov email account - 39,149

Annual and Cumulative Marijuana Sales



2023 REFLECTIONS!

Accomplishments from the Executive Team

Author: Executive Team

As 2023 drew to an end, we asked the section directors to reflect on the successes or accomplishments of their teams over the year. This is not an all-inclusive list of all the hard work that DCR team members do every day, but it does encompass a few highlights of what they had to say.

Sharlet Kroll

Office of Operational Support

- Established a fully-functioning fiscal unit for DCR within 100 days of hiring the financial services unit.
- Developed and implemented administrative processes to provide clear direction and expectations to support the new division.
- Implemented the hiring plan and process that resulted in the onboarding of 65 full-time employees since Aug. 1, 2023.

Abby Vivas

Office of Business Opportunity

- The Office of Business Opportunity had an exciting and productive inaugural year implementing the microbusiness program in a collaborative department-wide effort that culminated in the issuance of the first set of 48 licenses in October.
- Launched the microbusiness section within Cannabis.Mo.Gov, developed application guidance and tools, provided tutorials, example documents, and conducted outreach events. We are proud of what we accomplished in a short amount of time!

Erica Ziegler

Section for Patient and Application Services

- Reorganized from Patient Services Unit to Section for Patient and Application Services, comprised of Individual Licensing Unit (ILU) and new Facility Application Services (FAS): added 11 new FTE positions, a deputy director and unit supervisory positions within this new structure.
 - Promoted 7 existing patient services team members to the newly created positions. Welcomed 12 new team members with 3 transferring to new positions in Section for Compliance and Enforcement.
- ILU implemented new constitutional requirements for changes to patient and caregiver licensing by Dec. 8, 2022, and for the issuance of consumer cultivation authorizations, by Feb. 3, 2023, thereby successfully meeting all constitutional deadlines in the new law.
- FAS approved all initial conversion requests from medical facilities to comprehensive licenses on Feb. 3, 2023, resulting in the first adult-use sales, ahead of the Feb.6 constitutional deadline.
- Successfully met all constitutional deadlines for microbusinesses, and issued the first 48 microbusiness licenses on Oct. 2, ahead of the Oct. 4 deadline.

Jennifer Zamkus

Section for Compliance and Enforcement

- Expanded from approximately 30 FTEs to 101 FTEs, with five additional positions to be filled at the beginning of 2024.
- Implemented the item approval process with continual updates to improve this process based on collaborative discussions with industry representatives.
- 186 total Commencement Inspection approvals sent since February 2023.
- Completed Minimum Standards and Eligibility Review for microbusiness applications.



What are some team successes or accomplishments that you are most proud of in 2023?

STAFF HIGHLIGHTS



Jennifer Zamkus

Director, Section for Compliance and Enforcement

I joined the United States Air Force after high school and received an Honorable Discharge after 4 years. When I returned home, I joined the Missouri Air National Guard where I completed 6 years while working full time for the State of Missouri and attending college. I hold a bachelor's degree in criminal justice and a master's degree in sociology/criminal justice.

In 1999, I began professional employment as a probation and parole officer both in the correctional setting and in the community with correctional case work at the Missouri Department of Corrections, and also in corrections investigations at the Missouri State Penitentiary. In 2005, I left DOC for approximately 10 years to conduct employment investigations and became the civil rights director for the Missouri Department of Social Services. In 2014, I returned to DOC as the human resources director, and in 2015, the Governor appointed me to the Missouri Parole Board where I served as vice chair until October 2023. In my free time, I enjoy spending time with my three kiddos, Tyler (14) and identical twins Ava and Bella (12).

Geoff Jones

Chief, Bureau of Regulatory Compliance

I am a long-time Missouri resident who recently retired from 27 years in law enforcement. A graduate of the University of Central Missouri and Lincoln University, I hold a bachelor's degree in criminal justice and a master's degree in criminal justice/sociology. I began work with DCR in August 2023, managing the Bureau of Facility Compliance. I am excited to work with industry licensees and DCR staff to maintain standards of safety, and an environment where consumers have access to safe products while businesses prosper.



STAFF SPOTLIGHT

Original Employees of Patient and Application Services

Author: Erica Ziegler

When joining the DHSS Section for Medical Marijuana Regulation (SMMR) in late April 2019 as the fifth team member, one vivid memory during my first week on the job was reviewing roughly 200 applications submitted for positions in the SMMR Patient Services Unit. This team would serve as SMMR's front line with the main function of issuing licenses to Missouri qualified patients in accordance with Article XIV, Section 1. The numerous constitutional deadlines outlined in Article XIV guided our implementation strategy; the quickest approaching on July 4 was a requirement for DHSS to begin licensing Missouri's qualified patients. Therefore, the Patient Services Unit team members would be some of the first to join the journey in building our program from the ground up. With this in mind, my priority was finding candidates with the talents and skills to do work that no one in Missouri had ever done before.

The first team members joined in May. They were handed a copy of the rules and law, and then tasked with developing standard responses to questions based on law and, at the time, our draft rules, while I continued interviewing and hiring efforts. Providing direction along the way, the trust was mutual and we kept moving forward. This process repeated as new team members joined throughout the months until December when our Patient Services Team was fully staffed at 13.

Together over those first 8 months, this team's groundwork included notables of opening a call center on May 31, and licensing Missouri's first patients in our online registry system by June 28, six days ahead of the July 4 constitutional deadline. Throughout, the team developed into a cohesive, highly-collaborative group of dedicated individuals with diverse strengths and talents. This was instrumental in creating benchmarks that have set forth a consistent framework starting in Patient Services, and now expanding to all processes utilized across both units in the current Section for Patient and Application Services (PAAS). Of these initial team members, 12 remain, some contributing to DCR in different capacities outside of PAAS. However, all continue to demonstrate a dedication to our responsibilities set forth in Article XIV and share in DCR's mission to create safe, secure access to marijuana to Missourians.

Below are 10 of our initial Patient Services Unit team members who remain within the Section for Patient and Application Services. As DCR continues to add many talented new team members, we appreciate this opportunity to recognize these program "pioneers" as a group of professionals who remain dedicated to contributing towards our shared goals and continuing to make DCR a great place to work!



Team members are highlighted on next page

MEET THE PIONEERS

May 2019



Becca Johnson



Robyn May



Terrie Ann Black

June 2019



Sabrina Best



Matt Finton



Laura Propst

September 2019



Kori LePage

October 2019



Zach Jones

December 2019



Amber Sims



Shayna Arndt

THE FIRST DCR NEWSLETTER

Newsletter Naming Contest

There are a lot of firsts when working in DCR. For example, this is the first newsletter.

To get started we had to have a name for it. We tapped into our very own team members to help us find the perfect name. We received more than 80 submission ideas. Amy Moore and Andrea Balkenbush were the judges and the name, *The Cannabis Connection*, was deemed the winner.

“This name related well to what we’re trying to accomplish with the newsletter – building a better connection between us and all the segments of the public that are interested in what we’re doing in DCR,” said Amy Moore. The name was submitted by two team members. They are Kristy Engelbrecht and Heather Blankenship.



Heather Blankenship Senior Program Specialist, Program Development Unit and Kristy Engelbrecht, Regulatory Auditor, Section for Patient and Application Services.

CONGRATULATIONS KRISTY AND HEATHER!

Thank you for your help in naming
the DCR newsletter

ADDITIONAL RESOURCES AND CONTACT INFORMATION

For more
information,
visit us at
Cannabis.Mo.Gov



Microbusiness Outreach Events

Feb. 1 from 6-8 p.m.
Chesterfield, Mo.

Feb. 6 from 6-8 p.m.
Hannibal, Mo.

Feb. 15 from 5:30-7:30 p.m.
Cape Girardeau, Mo.

Feb. 22 from 6-8 p.m.
Rolla, Mo.

March 5 from 6-8 p.m.
St. Louis, Mo.

March 11 from 6-8 p.m.
Kansas City, Mo.

Click [here](#) to learn more about these events.

FIND OUR TEAM'S ORGANIZATIONAL CHART AT
Cannabis.Mo.Gov