From: Ryan Tunseth
To: CED AMCO REGS (CED sponsored)
Subject: Fine and Fee Schedule Comments
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About the fine and fee schedule & working group.

During the most recent Marijuana Control Board meeting on May 5th, 2021, the Board voted to send the newly created fine and fee schedule out for public comment. This fine and fee schedule has been an industry wide effort that has been in development since early 2019. During the early part of 2019 the director at the time had proposed a fine schedule that went out for public comment drawing severe opposition from the industry. The schedule proposed by then Director Erica McConnell was extremely punitive and did nothing to encourage industry compliance. In fact, it left us feeling scared and vulnerable. That version of the fine and fee schedule was abandoned and the Board decided that the formation of a working group would be a better solution to the development of a fine and fee schedule. The working group was tasked with creating a schedule that had industry buy-in, encouraged compliance, and provided enforcement staff and licensees a reasonable level of expectation and equity.

The currently proposed fine and fee schedule is the work product of this working group. The group met on multiple occasions in 2021 via zoom with attendance often over 30 participants. The work group was able to successfully break up each section of regulation into survey questions that went out to the industry asking them specifically; What fine amounts should be levied for specific violations and how those amounts should escalate with repeated violations. Two separate surveys were sent out to industry members with nearly 150 participants responding. The work group was able to evaluate the results and propose a representation of the data that we believed achieved the mission of our working group.

It should be noted that throughout this survey and working group process there were several comments that rose to the surface and should be highlighted: First, the fine and fee schedule is a framework that can be used and is in no way intended to take decision making out of the hands of enforcement staff. There should always be a place for progressive discipline and industry certainly felt that in minor first-time infractions, a warning may be the most appropriate action.
Secondly, when there are egregious and repetitive infractions of the worst severity, this fine and fee schedule may not go far enough. Again, an understanding that the intent of this is not to ever take away the ultimate responsibility that the Board has in issuing judgement.

I believe that this version of the fine and fee schedule is worthy of your support. I believe that it provides our industry with fair and reasonable enforcement expectations. As AMCO staff continues to develop the process and procedures for regulation infractions, we can expect to see a playing field that ensures we are compliant while protecting our business reputations from unnecessary and often shameful Notices of Violation.

I cannot enough thank all of the members of the Fine and Fee work group. I was very fortunate to be able to participate with such a wide ranging and talented group. I would start naming folks here but it was a long list and I don't want to miss anyone. You know who you are - Thank you! Finally, specific

thanks are needed for the participation of the MCB Board Members, Director Klinkhart, and the Enforcement Staff, who kept us focused and on task.

Ryan Tunseth
Owner, East Rip