

THESE MINUTES HAVE NOT BEEN APPROVED BY THE MEDICAL CANNABIS COMMISSION

NEBRASKA MEDICAL CANNABIS COMMISSION MEETING

September 2, 2025

1:00 p.m. – 4:00 p.m.

301 Centennial Mall South, Commissioner Lower Level, Meadowlark Conference Room
Lincoln NE 68508

Notice of this meeting was posted on the Nebraska Medical Cannabis Commission landing page on the Nebraska Liquor Control Commission's website on August 14, 2025, as well as on the Nebraska.gov Public Meetings Calendar.

DRAFT MINUTES

1. Call to order/Open Meetings Act Notification

The meeting was called to order by the acting Commission Chair, Monica Oldenburg, on September 2, 2025, at 1:00 p.m. Present were Commission members Bruce Bailey, J. Michael Coffey, Kim Lowe, Lorelle Muetting, and Monica Oldenburg, establishing a quorum. A copy of the Open Meetings Act was posted in the meeting room next to the entrance.

2. Roll call

Bruce Bailey – present
J. Michael Coffey – present
Kim Lowe – present
Lorelle Muetting – present
Monica Oldenburg -- present

3. Approval of Meeting Minutes – August 4, 2025

A motion to approve the minutes of the August 4, 2025 meeting was made by Commissioner Bailey and seconded by Commissioner Muetting. The motion was adopted with all members voting in favor.

4. Public Comment Period

Public comments were made by nine individuals. Multiple speakers voiced frustration with the public comment section of the meeting being scheduled at the beginning of each meeting, meaning that the public is not able to comment on anything discussed during the rest of the meeting. Multiple speakers also expressed dissatisfaction with the proposed draft regulations, with limitations being introduced that were not part of the original bill, with perceived interference with the Commission and the regulations process by the Governor's office and the Liquor Commission, and that the Attorney General's office has threatened to sue the Medical Cannabis Commission as soon as it begins to issue licenses. One speaker who is interested in becoming a medical marijuana cultivator stated that when speaking with local government entities and the Nebraska State Patrol, there seemed to be a lot of confusion and he would like to see more coordination between the state and local government officials. Another speaker expressed concern that the limited

number of cultivators will create supply chain issues and might result in patients purchasing cannabis from illegal sources.

5. State Inventory Tracking System Update

Commissioner Mueting described her discussion with Michelle Potts, DAS Division Manager, about creating a state inventory tracking system for medical cannabis. Potts has contacted contemporaries in Montana and South Dakota about the issue and is waiting to hear back from them. Commissioner Mueting stated that she had reached out to the company Metrc, a company which offers tracking system and software products for cannabis compliance, after they submitted a public comment. Commissioner Mueting discussed a self-funding model with Metrc, since the Commission currently does not have funding. Commissioner Mueting stated that the Commission would like to move forward with issuing a Request for Information, or RFI, to seed-to-sale companies willing to assist in developing a self-funding model for a tracking system. For the self-funding model, seed-to-sale companies would pay into the tracking system itself rather than paying application or license fees to the state, since the Commission is currently unable to collect those fees. Commissioner Mueting asked for input from the other commissioners on the RFI. During her discussion with regulators in other states, Commissioner Mueting learned that there are often hidden costs associated with self-funding models and that it can be difficult for businesses to make a profit with such a model. Commissioner Mueting stated that after an RFI has been issued, if multiple companies respond, the next step would be to issue a Request for Proposal, or RFP. Commissioner Bailey proposed that while the inventory tracking system is being developed, the Commission make a request for interim funding to include a seed-to-sale system so that businesses are not duplicating products. Commissioner Mueting asked the rest of the Commission for assistance with the RFI and Commissioner Bailey agreed to assist. A voice vote to approve development of an RFI by Commissioner Bailey and Commissioner Mueting was taken and all commissioners voted in favor.

6. Discussion of the Interlocal Operation Agreement with the Liquor Control Commission

Chair Oldenburg stated that a draft Interlocal Operation Agreement was provided to the Liquor Control Commission, which proposed revisions to the agreement. Chair Oldenburg asked if any commissioners had input on the revised agreement. Commissioner Mueting suggested that some type of confidentiality clause be added to the agreement. Chair Oldenburg asked if the Commission wanted to approve the agreement with the amendment of a confidentiality clause. Commissioner Bailey proposed tabling a vote on the agreement until after discussion of the draft regulations in case changes were needed. Chair Oldenburg also expressed her appreciation to the Liquor Control Commission and their staff for their assistance with the process so far.

7. Updates on Connections with Other States

Chair Oldenburg described a conversation with a Connecticut pharmacist who was concerned that there was not a pharmacist on the Commission; in Connecticut it was mandated by the legislation. This pharmacist said that the Connecticut cannabis market was oversaturated. He recommended that Nebraska start small and build up, have medical oversight due to medication interaction, and was appalled that the Commission is not able to collect fees in order to provide a budget.

Commissioner Mueting stated that she has spoken with regulators in multiple other states and that regulators in Iowa were helpful in providing contact information for that purpose. Commissioner Mueting has connected with regulators in Iowa, Georgia, Utah, Oregon, Washington, Kentucky, and Massachusetts. She said that the director of the Cannabis Regulators Association (CANNRA) has provided her with contact information for multiple seed-to-sale tracking system providers and she will be requesting information from all of them. Commissioner Mueting has researched regulations, testing, and applications processes in other states. She has looked at regulations on testing in New Mexico, Washington, Connecticut, South Dakota, Kentucky, Utah, Michigan, and Iowa. Commissioner Mueting stated that in her discussion with regulators in other states, they were surprised that the Commission does not have staff or funding. All of these contacts in other states recommend starting small to avoid oversaturation of the market. Commissioner Mueting stated that the Commission would prefer to let the cultivators decide how many plants they will grow, whether they will grow indoors or outdoors, and the square footage; the Commission can always add more cultivators if needed. She said that regulators in other states stressed the need for a state agency to be involved in addition to the Commission for inspections, regulations, and audits. In her discussion with other state regulators, Commissioner Mueting also discussed waste disposal, compliance with EPA regulations, pesticides and solvents. Chair Oldenburg thanked Commissioner Mueting for the hours she has spent conducting this research with other states. Commissioner Bailey stated that the problem with only having two cultivators is that there is no competition and the supply and cost of the product would increase if one of them fails. He said that in addition to potential limitations on the supply, only having two cultivators will also result in a black market for illegal product, which happened in Colorado after cannabis was legalized.

8. Rule Updates and Discussion on Rule Making Progress

Commissioner Bailey distributed a list of proposed updates to the regulations, including the following: removing hospitals from the list of covered locations; adding doctors to the list of accepted sampling technicians; increasing the number of days for all notification requirements in order to allow for mail delivery; adding a federal background check requirement for applicants; listing all partners or stockholders of each company regardless of percentage owned; increasing the number of cultivator licenses allowed; allowing vertical licenses; allowing access to security data by the Commission in addition to the Nebraska State Patrol; allowing out-of-state health care practitioners to submit written orders; correcting the allowed quantity allowed for sale from five (5) grams to five (5) ounces; allowing coated tablets and vaping due to the time it takes for oral medication to be absorbed; allowing cannabis products or plants from cultivators outside Nebraska if Nebraska products fail to meet standards when tested; removing the requirement to submit testing results for each product to the Commission, since any lab will have flagged product containing potency exceeding the allowed limit; removing the word "federal" from section 015.12 since there are no federal regulations that apply; removing the standards for foreign matter in section 016.12 as it is very difficult to prevent contamination by foreign matter; removing piperonyl butoxide from the table of allowed pesticides in section 016.15 as it is not allowed by other states and can be deadly; potentially removing ethanol from the table in section 016.16(A) as it is currently found in many products; and reconsidering the educational requirements in section 019.01 or allowing an interim period for practitioners to comply with those requirements, especially since there the Commission currently has no staff or funding for reviewing the information. Chair Oldenburg stated that

completing ten (10) hours of coursework within one year is not unreasonable and is similar to current requirements for opioid coursework. In response to the suggestion that vaping be allowed, Chair Oldenburg stated that vaping or smoking is not considered medicine by any medical organization or entity due to the additives, chemicals and other ingredients which can damage the lungs. She also stated that tinctures can be administered sublingually, which would alleviate the concern about absorption time from taking cannabis in pill form. Commissioner Mueting asked if the Commission has the authority to regulate laboratories and was informed by Chief Legal Officer Botelho that they do not. Commissioner Mueting stated that regulators in other states have the authority to regulate laboratories and some have chemists on staff. Commissioner Mueting addressed the requirements in section 016.15 and stated that they were based on similar requirements in regulations from other states. Commissioner Bailey asked if the Commission could set guidelines for laboratories to follow and was informed that they could. Commissioner Mueting said that she was not in favor of vertical licensing because it can squeeze out smaller businesses. Commissioner Bailey replied that vertical licensing makes sense from a business perspective in terms of funding; Commissioner Mueting said that allowing vertical licensing for smaller businesses might be preferable. Commissioner Mueting agreed with the suggestion for federal background checks. In response to the suggestion for increasing the number of cultivators, Commissioner Mueting discussed the timelines involved, the October 1 deadline for the adoption of regulations, and the amount of time it will take for cultivation to occur. Chair Oldenburg expressed concern that the Commission has no staff able to address any potential problems with cultivation and Commissioner Bailey replied that the Liquor Control Commission has investigators and other staff that can perform those tasks.

9. Closed Executive Session to Discuss Imminent Litigation Regarding Regulations

Chair Oldenburg asked for a motion and second to enter closed Executive Session to discuss imminent litigation. Commissioner Coffey made the motion and Commissioner Lowe seconded. The motion was adopted with Commissioners Coffey, Lowe, Mueting, and Oldenburg voting in favor. The Commission went into Executive Session at approximately 2:23 p.m. and returned to Open Session at approximately 3:43 p.m.

10. Emergency Regulations, and Approval if Applicable

Commissioner Mueting made a motion to approve version A of the emergency regulations with the following changes: increasing the number of approved cultivator licenses from two to four; increasing the time period for required notification of changes from three (3) to five (5) business days; adding a requirement for federal background checks; adding a requirement to disclose minority ownership greater than five (5) percent; adding oral tablets with or without flavored coating to the list of allowed products; and allowing practitioners to obtain the required continuing education hours within one year of enrollment. A motion to approve version A with the proposed changes and to move sections 003.06 and 003.06A from version B to version A of the emergency regulations was made by Commissioner Mueting and seconded by Commissioner Bailey. The motion was adopted with all commissioners voting in favor. Chair Oldenburg stated that the emergency regulations will expire on September 27, 2025 and that they will either need to be extended or new emergency regulations will need to be implemented. Chair Oldenburg asked for a motion to approve the emergency regulations as amended. Commissioner Bailey made a motion to approve and Commissioner Mueting seconded the motion. The motion was adopted with all commissioners voting in favor.

11. Discussion of Formal Rule Making Process and Approval if Applicable

Chair Oldenburg stated that even with the emergency regulations in place, the Commission still needs to promulgate formal regulations to comply with the Nebraska Administrative Procedure Act. The emergency regulations are temporary in nature and the Commission needs to start the formal rulemaking process to ensure that permanent regulations are in place prior to the expiration of the emergency regulations. Oldenburg asked for a motion to use the emergency regulations just adopted as a version of the formal rulemaking process. Commissioner Bailey made the motion and Commissioner Mueting seconded the motion. The motion was adopted with all commissioners voting in favor.

12. Submission of Applications and Review Priority for Licenses

Chair Oldenburg stated that the Commission is working on a form to facilitate the application process and that once the form is available it will be posted on the Commission's website. She stated that the submission of applications must be consistent with the current emergency regulations and that because product manufacturers can only get product from Nebraska licensed cultivators, the Commission will prioritize the review of cultivator licensing to initiate the medical cannabis supply chain.

13. Application Submission Time Period and Designation of Application Evaluators

Chair Oldenburg proposed that the application time period for cultivators begin September 4, 2025, and run through September 23, 2025. Once cultivator licenses are issued, the Commission will establish application time periods for product manufacturers followed by dispensaries. Chair Oldenburg asked for a motion to approve the proposed time period for cultivator applications. Commissioner Lowe made a motion to approve and Commissioner Coffey seconded the motion. The motion was adopted with all commissioners voting in favor. Chair Oldenburg asked if the Commission would like to designate certain members as an evaluation team for application. Commissioner Bailey suggested that a review team be selected to review applications. Commissioner Mueting made a motion to designate Commissioners Bailey, Lowe, and Oldenburg as application reviewers with each commissioner scoring applications independently, with Commissioner Coffey seconding the motion. All commissioners voted in favor and the motion was adopted.

14. Thank Public for Comments Received

Chair Oldenburg thanked the public for the constructive comments that were received on the emergency regulations.

15. Discuss Date for Next Meeting

Chair Oldenburg stated that the next proposed meeting date is September 30th, 2025, at 1:00 p.m. Commissioner Mueting stated that anyone who wishes to submit applications by mail may submit them to PO Box 95046, Lincoln, Nebraska, 68509-5046. Chief Legal Officer Botelho reminded the commission that they had tabled discussion of the Interlocal Operation Agreement with the Liquor Control Commission. Commissioner Mueting made a motion to add a confidentiality clause to the agreement and then send the agreement to

the Liquor Control Commission for review. Commissioner Lowe seconded the motion. All commissioners voted in favor and the motion was adopted.

16. Adjournment.

With no further business to be discussed, Commissioner Coffey made a motion to adjourn, with Commissioner Lowe seconding the motion. The motion to adjourn was adopted with all commissioners voting in favor. The meeting was adjourned at approximately 4:00 p.m.