



SEC Policy & Governance Committee Meeting

Meeting Minutes

Date: December 18, 2025

Time: 10:07 AM

Location: Virtual (Microsoft Teams)

I. Call to Order

Chair **Ed Shirley** called the meeting of the Policy & Governance Committee to order at **10:07 PM**, noting that a quorum was present.

II. Roll Call

Committee Members Present:

- Ed Shirley, Chair
- Avery Gaddis
- Tina Beamon

Staff / Council Members Present:

- Brandon McGee, Executive Director
- Mariedy Collazo Cruz, Legal Director
- Kristina Diamond, SEC Staff
- Douglas Clemons, Staff Attorney
- Georgette Cicero, Admin Assistant

A quorum was confirmed.

III. Approval of Prior Meeting Minutes

A motion was made to approve the minutes from the prior committee meeting.

- **Motion:** Avery Gaddis
- **Second:** Tina Beamon

- **Vote:** Approved unanimously by voice vote

IV. Agenda Overview

Executive Director **Brandon McGee** stated that the meeting agenda consisted of **updates and discussion items only**. No additional votes were required beyond the approval of the prior meeting minutes.

V. Updates and Discussion

A. Ownership and Control Issues

Legal Director **Mariedy Collazo Cruz** provided updates on ownership and control matters, including:

- Current statutory prohibitions on adding backers prior to final licensure and the disproportionate impact this may have on Social Equity Individuals (SEIs).
- Development of proposed legislative language to create a limited exception allowing SEIs to add backers prior to final licensure.
- Identification of a potential loophole allowing entities to bypass restrictions through business sales or restructuring prior to final licensure.
- Discussion of a specific scenario (without naming entities) involving changes in ownership that were reported to the Department of Consumer Protection (DCP) but not disclosed to the SEC.
- Issuance of a Notice of Intent in mid-October regarding ownership and control regulations, consistent with policies in place since 2022.
- Public comment period open through December 31, 2025, after which the next regulatory phase will proceed.

Chair Shirley emphasized the need for mandatory notification to the SEC for any ownership changes, internal or external. Staff confirmed ongoing coordination with DCP and consideration of statutory amendments to address this issue.

B. Investigator Authority and Enforcement

Ms. Collazo Cruz discussed the Council's statutory authority related to investigations and enforcement, including:

- Concerns regarding SEIs serving as figureheads without actual ownership or operational control.
- Instances where SEIs lack access to financial or operational information.

- The intent to develop formal policies and procedures governing investigations, enforcement actions, and due process protections.
- Coordination with DCP regarding enforcement actions based on SEC investigative findings.
- Commitment to uniform, objective, and non-arbitrary application of enforcement standards.

Committee members discussed the potential for increased pressure on SEIs from backers, particularly in light of possible federal regulatory changes.

C. Staff Capacity and Resources

Chair Shirley inquired about staff capacity to address increasingly complex ownership and enforcement matters.

Executive Director McGee reported:

- The current legal team includes two attorneys, with an additional attorney onboarding.
- Hiring has been intentional and aligned with evolving operational needs.
- Plans are underway to establish partnerships with Connecticut law schools to support legal clinics and expand capacity.
- While additional resources are always beneficial, staff is currently sufficient to meet operational needs.

D. Federal Hemp and Cannabis Regulatory Changes

Staff provided an overview of recent federal actions affecting hemp and cannabis, including:

- Changes reclassifying certain hemp products as cannabis at the federal level.
- Potential impacts on Connecticut hemp farmers, particularly those producing infused beverages.
- Ongoing coordination with the Department of Agriculture, DCP, and other agencies.
- Concerns that allowing hemp farmers a streamlined pathway into cannabis licensure could disadvantage existing cannabis and social equity applicants.
- Discussion of banking, financing, and federal rescheduling implications.

Executive Director McGee emphasized the Council's role in advocacy, education, and stakeholder engagement, noting plans to increase legislative outreach at the start of the new session.

VI. Action Items

- Staff will continue drafting policies and procedures related to investigations and enforcement for committee review prior to submission to the full Council.
- Committee members are encouraged to review forthcoming materials and provide feedback.
- Staff will continue to provide updates via email regarding stakeholder meetings and legislative developments.

No formal votes or additional actions were required at this meeting.

VII. Adjournment

A motion to adjourn was made.

- **Motion:** Avery Gaddis
- **Second:** Tina Beamon
- **Vote:** Approved unanimously

The meeting was adjourned at **approximately 10:41 AM.**

