

HOUSE No. 3818

The Commonwealth of Massachusetts

The committee of conference on the disagreeing votes of the two branches with reference to the Senate amendment (striking out all after the enacting clause and inserting in place thereof the text contained in Senate document numbered 2097) of the House Bill to ensure the public health and safety of patient and consumer access to medical and adult use of marijuana in the Commonwealth (House, No. 3776), reports recommending passage of the accompanying bill (House, No. 3818) July 17, 2017.

| | |
|----------------|-------------------------|
| Ronald Mariano | Patricia D. Jehlen |
| Mark J. Cusack | William N. Brownsberger |
| Hannah E. Kane | Richard J. Ross |

HOUSE No. 3818

The committee of conference on the disagreeing votes of the two branches with reference to the Senate amendment of the House Bill to ensure the public health and safety of patient and consumer access to medical and adult use of marijuana in the Commonwealth (House, No. 3776), reports recommending passage of the accompanying bill (House, No. 3818).

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act to ensure safe access to medical and adult-use of marijuana in the Commonwealth.

Whereas, The deferred operation of this act would tend to defeat its purpose, which is to regulate forthwith marijuana in the commonwealth, therefore, it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 10 of the General Laws is hereby amended by striking out sections
2 76 and 77, as appearing in the 2016 Official Edition, and inserting in place thereof the following
3 2 sections:-

4 Section 76. (a) There shall be a Massachusetts cannabis control commission which shall
5 consist of 5 commissioners: 1 of whom shall be appointed by the governor and shall have a
6 background in public health, mental health, substance use, or toxicology; 1 of whom shall be
7 appointed by the attorney general and shall have a background in public safety; 1 of whom shall
8 be appointed by the treasurer and receiver-general and shall have experience in corporate
9 management, finance or securities; and 2 of whom shall be appointed by a majority vote of the

10 governor, attorney general, and treasurer and receiver-general, 1 of whom shall have professional
11 experience in oversight or industry management, including commodities, production or
12 distribution in a regulated industry and 1 of whom shall have a background in legal, policy or
13 social justice issues related to a regulated industry. The treasurer and receiver-general shall
14 designate the chair of the commission. The chair shall serve in that capacity throughout the term
15 of appointment and until a successor shall be appointed. Prior to appointment to the commission,
16 a background investigation shall be conducted into the financial stability, integrity and
17 responsibility of a candidate, including the candidate's reputation for good character, and
18 honesty. No person who has been convicted of a felony shall be eligible to serve on the
19 commission.

20 (b) Each commissioner shall be a resident of the commonwealth within 90 days of
21 appointment and, while serving on the commission, shall not: (i) hold, or be a candidate for,
22 federal, state or local elected office; (ii) hold an appointed office in a federal, state, or local
23 government; or (iii) serve as an official in a political party. Not more than 3 commissioners shall
24 be from the same political party.

25 (c) Each commissioner shall serve for a term of 5 years or until a successor is appointed
26 and shall be eligible for reappointment; provided, however, that no commissioner shall serve
27 more than 10 years. A person appointed to fill a vacancy in the office of a commissioner shall be
28 appointed in a like manner and shall serve for only the unexpired term of that commissioner.

29 (d) The treasurer and receiver-general, the governor or the attorney general may remove a
30 commissioner who was appointed by that appointing authority if the commissioner: (i) is guilty
31 of malfeasance in office; (ii) substantially neglects the duties of a commissioner; (iii) is unable to

32 discharge the powers and duties of the office; (iv) commits gross misconduct; or (v) is convicted
33 of a felony. The treasurer and receiver-general, the governor and the attorney general may, by
34 majority vote, remove a commissioner who was appointed by majority vote of the state treasurer,
35 the governor and the attorney general if the commissioner: (i) is guilty of malfeasance in office;
36 (ii) substantially neglects the duties of a commissioner; (iii) is unable to discharge the powers
37 and duties of the commissioner's office; (iv) commits gross misconduct; or (v) is convicted of a
38 felony. Before removal, the commissioner shall be provided with a written statement of the
39 reason for removal and an opportunity to be heard.

40 (e) Three commissioners shall constitute a quorum and the affirmative vote of 3
41 commissioners shall be required for an action of the commission. The chair or 3 members of the
42 commission may call a meeting; provided, however, that notice of all meetings shall be given to
43 each commissioner and to other persons who request such notice. The commission shall adopt
44 regulations establishing procedures, which may include electronic communications, by which a
45 request to receive notice shall be made and the method by which timely notice may be given.

46 (f) Commissioners shall receive salaries not greater than three-quarters of the salary of
47 the secretary of administration and finance under section 4 of chapter 7; provided, however, that
48 the chair shall receive a salary equal to the salary of the secretary of administration and finance.
49 Commissioners shall devote their full time and attention to the duties of their office.

50 (g) The commission shall annually elect 1 of its members to serve as secretary and 1 of
51 its members to serve as treasurer. The secretary shall keep a record of the proceedings of the
52 commission and shall be the custodian and keeper of the records of all books, documents and
53 papers filed by the commission and of its minute book. The secretary shall cause copies to be

54 made of all minutes and other records and documents of the commission and shall certify that
55 such copies are true copies, and all persons dealing with the commission may rely upon such
56 certification.

57 (h) The chair shall have and exercise supervision and control over all the affairs of the
58 commission. The chair shall preside at all hearings at which the chair is present and shall
59 designate a commissioner to act as chair in the chair's absence. To promote efficiency in
60 administration, the chair shall make such division or re-division of the work of the commission
61 among the commissioners as the chair deems expedient.

62 (i) The commissioners shall, if so directed by the chair, participate in the hearing and
63 decision of any matter before the commission; provided, however, that at least 2 commissioners
64 shall participate in the hearing and decision of matters other than those of formal or
65 administrative character coming before the commission; and provided further, that any such
66 matter may be heard, examined and investigated by an employee of the commission designated
67 and assigned by the chair, with the concurrence of 1 other commissioner. Such employee shall
68 make a report in writing relative to the hearing, examination and investigation of every such
69 matter to the commission for its decision. For the purposes of hearing, examining and
70 investigating any such matter, such employee shall have all of the powers conferred upon a
71 commissioner by this section. For each hearing, the concurrence of a majority of the
72 commissioners participating in the decision shall be necessary.

73 (j) The commission shall appoint an executive director. The executive director shall serve
74 at the pleasure of the commission, shall receive such salary as may be determined by the
75 commission, and shall devote full time and attention to the duties of the office. The executive

76 director shall be a person with skill and experience in management, shall be the executive and
77 administrative head of the commission and shall be responsible for administering and enforcing
78 the provisions of law relative to the commission and to each administrative unit thereof. The
79 executive director shall appoint and employ a chief financial and accounting officer and may,
80 subject to the approval of the commission, employ other employees, consultants, agents and
81 advisors, including legal counsel, and shall attend meetings of the commission. The chief
82 financial and accounting officer of the commission shall be in charge of its funds, books of
83 account and accounting records. No funds shall be transferred by the commission without the
84 approval of the commission and the signatures of the chief financial and accounting officer and
85 the treasurer of the commission. In the case of an absence or vacancy in the office of the
86 executive director or in the case of disability as determined by the commission, the commission
87 may designate an acting executive director to serve as executive director until the vacancy is
88 filled or the absence or disability ceases. The acting executive director shall have all of the
89 powers and duties of the executive director and shall have similar qualifications as the executive
90 director.

91 (k) Chapters 268A and 268B shall apply to the commissioners and to employees of the
92 commission; provided, however, that the commission shall establish a code of ethics for all
93 members and employees that shall be more restrictive than said chapters 268A and 268B. A copy
94 of the code shall be filed with the state ethics commission. The code shall include provisions
95 reasonably necessary to carry out the purposes of this section and any other laws subject to the
96 jurisdiction of the commission including, but not limited to: (i) prohibiting the receipt of gifts by
97 commissioners and employees from any marijuana licensee, applicant, close associate, affiliate
98 or other person or entity subject to the jurisdiction of the commission; (ii) prohibiting the

99 participation by commissioners and employees in a particular matter as defined in section 1 of
100 said chapter 268A that affects the financial interest of a relative within the third degree of
101 consanguinity or a person with whom such commissioner or employee has a significant
102 relationship as defined in the code; and (iii) providing for recusal of a commissioner in a
103 licensing decision due to a potential conflict of interest.

104 (l) The Massachusetts cannabis control commission shall be a commission for the
105 purposes of section 3 of chapter 12.

106 (m) The commission shall, for the purposes of compliance with state finance law, operate
107 as a state agency as defined in section 1 of chapter 29 and shall be subject to the laws applicable
108 to agencies under the control of the governor; provided, however, that the comptroller may
109 identify any additional instructions or actions necessary for the department to manage fiscal
110 operations in the state accounting system and meet statewide and other governmental accounting
111 and audit standards. The commission shall properly classify the commission's operating and
112 capital expenditures, and shall not include any salaries of employees in the commission's capital
113 expenditures. Unless otherwise exempted by law or the applicable central service agency, the
114 commission shall participate in any other available commonwealth central services including, but
115 not limited to, the state payroll system pursuant to section 31 of chapter 29, and may purchase
116 other goods and services provided by state agencies in accordance with comptroller provisions.
117 The comptroller may chargeback the commission for the transition and ongoing costs for
118 participation in the state accounting and payroll systems and may retain and expend such costs
119 without further appropriation for the purposes of this section. The commission shall be subject to
120 section 5D of chapter 29 and subsection (f) of section 6B of chapter 29.

121 Section 77. (a) There shall be a cannabis advisory board to study and make
122 recommendations to the cannabis control commission on the regulation and taxation of
123 marijuana. The board shall consist of: the executive director of the cannabis control commission
124 who shall serve as chair; the secretary of the executive office of housing and economic
125 development or a designee; the commissioner of revenue or a designee; the commissioner of
126 public health or a designee; the commissioner of agricultural resources or a designee; the colonel
127 of the state police or a designee; the president of the Massachusetts Municipal Association, Inc.
128 or a designee; the president of the Massachusetts Patient Advocacy Alliance, Inc. or a designee;
129 a registered qualifying patient appointed by the president of the Massachusetts Patient Advocacy
130 Alliance, Inc.; the executive director of the American Civil Liberties Union of Massachusetts,
131 Inc. or a designee; 5 members to be appointed by the treasurer and receiver-general; 1 of whom
132 shall be an expert in marijuana cultivation, 1 of whom shall be an expert in marijuana retailing, 1
133 of whom shall be an expert in marijuana product manufacturing, 1 of whom shall be an expert in
134 laboratory sciences and toxicology and 1 of whom shall be an expert in providing legal services
135 to marijuana businesses; 5 members to be appointed by the governor; 1 of whom shall be an
136 expert in minority business development, 1 of whom shall be an expert in economic development
137 strategies for under-resourced communities, 1 of whom shall be an expert in farming or
138 representing the interests of farmers, 1 of whom shall be an expert representing the interests of
139 employers and 1 of whom shall be an expert in municipal law enforcement with advanced
140 training in impairment detection and evaluation; and 5 members to be appointed by the attorney
141 general: 1 of whom shall be an expert in social welfare or social justice, 1 of whom shall be an
142 expert in criminal justice reform to mitigate the disproportionate impact of drug prosecutions on
143 communities of color, 1 of whom shall be an expert in minority business ownership, 1 of whom

144 shall be an expert in women-owned business ownership and 1 of whom shall be an expert in the
145 prevention and treatment of substance use disorders. Members of the board shall serve for terms
146 of 2 years. Members of the board shall serve without compensation but shall be reimbursed for
147 their expenses actually and necessarily incurred in the discharge of their official duties. Members
148 of the board shall not be state employees for the purposes of chapter 268A by virtue of their
149 service on the board. For the purposes of taking action at a meeting, a majority of the members
150 of the board present and voting shall constitute a quorum.

151 (b) The cannabis advisory board shall: (i) consider all matters submitted to it by the
152 commission; (ii) on its own initiative, recommend to the commission guidelines, rules and
153 regulations and any changes to guidelines, rules and regulations that the advisory board considers
154 important or necessary for the commission's review and consideration; and (iii) advise on the
155 preparation of regulations pursuant to chapter 94G and chapter 369 of the acts of 2012.

156 (c) The chair may appoint subcommittees in order to expedite the work of the board;
157 provided, however, that the chair shall appoint: (i) a subcommittee on public health to develop
158 recommendations on products, labelling, marketing, advertising, related public health issues,
159 potency, which may include a recommended maximum limit for individual servings of marijuana
160 products, and packaging, which may include the development and implementation of a public
161 health warning to appear on marijuana products; (ii) a subcommittee on public safety and
162 community mitigation to develop recommendations on law enforcement, property, business and
163 consumer issues; (iii) a subcommittee on the cannabis industry to develop recommendations on
164 cultivation, processing, manufacturing, transportation, distribution, seed-to-sale tracking and
165 market stability; and (iv) a subcommittee on market participation to develop recommendations
166 on women, minority and veteran-owned businesses, local agriculture and growing cooperatives.

167 SECTION 2. Subsection (b) of said section 77 of said chapter 10, as appearing in section
168 1, is hereby amended by striking out the words “369 of the acts of 2012” and inserting in place
169 thereof the following figure:- 94I.

170 SECTION 3. Section 5I of chapter 18 of the General Laws, as appearing in the 2016
171 Official Edition, is hereby amended by striking out, in lines 41 to 43, inclusive, the words “or for
172 the payment to the commonwealth of or any political subdivision thereof of any fees, fines, bail
173 or bail bonds ordered by a court” and inserting in place thereof the following words:- ; for the
174 payment to the commonwealth or a political subdivision thereof of a fee, fine, bail or bail bond
175 ordered by a court; or marijuana or marijuana products that are sold pursuant to 94G.

176 SECTION 4. Section 5J of said chapter 18, as so appearing, is hereby amended by
177 striking out, in line 14, the words “or on cruise ships” and inserting in place thereof the following
178 words:- on a cruise ship; or at a marijuana establishment as defined in chapter 94G.

179 SECTION 5. Section 1 of chapter 32 of the General Laws, as so appearing, is hereby
180 amended by inserting after the word “commission”, in line 226, the following words:- ,
181 Massachusetts cannabis control commission.

182 SECTION 6. Section 2 of chapter 32A of the General Laws, as so appearing, is hereby
183 amended by inserting after the word “commission”, in lines 13 and 14, the following words:- ,
184 Massachusetts cannabis control commission.

185 SECTION 7. Section 3 of chapter 40A of the General Laws, as so appearing, is hereby
186 amended by inserting after the word 94G in line 44, the following words:-

187 “provided, further that nothing in this section shall preclude a municipality from
188 establishing zoning by-laws or ordinances which allow commercial marijuana growing and
189 cultivation on land used for commercial agriculture, aquaculture, floriculture, or horticulture.”

190 SECTION 8. Section 38 of chapter 63 of the General Laws, as so appearing, is hereby
191 amended by striking out, in line 211, the word “and”.

192 SECTION 9. Said section 38 of said chapter 63, as so appearing, is hereby further
193 amended inserting after the word “ commonwealth”, in lines 216 and 217, the following words:-
194 ; and (10) in the case of a business deriving receipts from operating a marijuana establishment or
195 otherwise deriving receipts from conducting a marijuana business or activity, income-producing
196 activity shall be considered to be performed in this commonwealth to the extent that the location
197 of marijuana transactions or activities that generated the receipts is in this commonwealth.

198 SECTION 10. Said section 38 of said chapter 63, as so appearing, is hereby further
199 amended by striking out, in line 247, the word “and” the second time it appears.

200 SECTION 11. Said section 38 of said chapter 63, as so appearing, is hereby further
201 amended by inserting after the word “commonwealth”, in line 253, the following words:- ; and
202 (9) in the case of a business deriving receipts from operating a marijuana establishment or
203 otherwise deriving receipts from conducting a marijuana business or activity, income-producing
204 activity shall be considered to be performed in this commonwealth to the extent that the location
205 of marijuana transactions or activities that generated the receipts is in this commonwealth.

206 SECTION 12. Section 2 of chapter 64N, as so appearing, is hereby amended, in lines 4,
207 by striking the figure “3.75” and inserting in place thereof the following:-

208 “10.75”

209 SECTION 13. Said chapter 64N, as so appearing, is hereby further amended by striking
210 out section 3 and inserting in place thereof the following section:-

211 (a) A city or town that accepts this section in the manner provided in section 4 of chapter
212 4 may impose a local sales tax upon sale or transfer of marijuana or marijuana products by a
213 marijuana retailer operating within the city or town to anyone other than a marijuana
214 establishment at a rate not greater than 3 per cent of the total sales price received by the
215 marijuana retailer as a consideration for the sale of marijuana or marijuana products. The
216 marijuana retailer shall pay the local sales tax imposed under this section to the commissioner at
217 the same time and in the same manner as the sales tax due to the commonwealth.

218 (b) All sums received by the commissioner under this section shall, at least quarterly, be
219 distributed, credited and paid by the treasurer and receiver-general upon certification of the
220 commissioner to each city or town that has accepted this section in proportion to the amount of
221 the sums received in that city or town. Any city or town seeking to dispute the commissioner's
222 calculation of its distribution under this subsection shall notify the commissioner, in writing, not
223 later than 1 year from the date the tax was distributed by the commissioner to the city or town.

224 (c) This section shall take effect in a city or town on the first day of the calendar quarter
225 following 30 days after its acceptance by the city or town or on the first day of a later calendar
226 quarter that the city or town may designate.

227 SECTION 14. Section 1 of chapter 94C of the General Laws, as so appearing, is hereby
228 amended by inserting after the word “plant”, in line 225, the following words:- , industrial hemp
229 as defined in section 116 of chapter 128.

230 SECTION 15. Section 32L of said chapter 94C, as so appearing, is hereby amended by
231 striking out, in lines 2, 25, 30, 35, 36 and 45, the words “one ounce” and inserting in place
232 thereof, in each instance, the following words:- 2 ounces.

233 SECTION 16. Said section 32L of said chapter 94C, as so appearing, is hereby further
234 amended by striking out, in lines 3 and 4, the words “eighteen years of age or older to” and
235 inserting in place thereof the following words:- 18 to 21 years of age, inclusive, to.

236 SECTION 17. Said section 32L of said chapter 94C, as so appearing, is hereby further
237 amended by striking out, in lines 19 and 20, the words ““An Act Establishing a Sensible State
238 Marihuana Policy,” neither” and inserting in place thereof the following words:- section 24I of
239 chapter 90, chapter 94G and chapter 387 of the acts of 2008, neither.

240 SECTION 18. Said section 32L of said chapter 94C, as so appearing, is hereby further
241 amended by striking out, in line 23, the words “an ounce” and inserting in place thereof the
242 following words:- 2 ounces.

243 SECTION 19. Section 32M of said chapter 94C, as so appearing, is hereby amended by
244 striking out, in line 3, the words “one ounce” and inserting in place thereof the following words:-
245 2 ounces.

246 SECTION 20. Chapter 94G of the General Laws is hereby amended by striking out
247 section 1 and inserting in place thereof the following section:-

248 Section 1. As used in this chapter, the following words shall, unless the context clearly
249 requires otherwise, have the following meanings:

250 “Cannabinoid”, any of several compounds produced by marijuana plants that have
251 medical and psychotropic effects.

252 “Cannabinoid profile”, amounts, expressed as the dry-weight percentages, of delta-nine-
253 tetrahydrocannabinol, cannabidiol, tetrahydrocannabinolic acid and cannabidiolic acid in a
254 marijuana product. Amounts of other cannabinoids may be required by the commission.

255 “Close associate”, a person who holds a relevant financial interest in, or is entitled to
256 exercise power in, the business of an applicant or licensee and, by virtue of that interest or
257 power, is able to exercise a significant influence over the management or operation of a
258 marijuana establishment licensed under this chapter.

259 “Consumer”, a person who is at least 21 years of age.

260 “Controlling person”, an officer, board member or other individual who has a financial
261 or voting interest of 10 per cent or greater in a marijuana establishment.

262 “Commission”, the Massachusetts cannabis control commission established by section
263 76 of chapter 10.

264 “Craft marijuana cultivator cooperative”, a marijuana cultivator comprised of residents of
265 the commonwealth organized as a limited liability company or limited liability partnership under
266 the laws of the commonwealth, or an appropriate business structure as determined by the
267 commission, and that is licensed to cultivate, obtain, manufacture, process, package and brand
268 marijuana and marijuana products to deliver marijuana to marijuana establishments but not to
269 consumers.

270 “Cultivation batch”, a collection of marijuana plants from the same seed or plant stock
271 that are cultivated and harvested together, and receive an identical propagation and cultivation
272 treatment, including, but not limited to: growing media, ambient conditions, watering and light
273 regimes and agricultural or hydroponic inputs. The marijuana licensee shall assign and record a
274 unique, sequential alphanumeric identifier to each cultivation batch for the purposes of
275 production tracking, product labeling and product recalls.

276 “Experienced marijuana establishment operator”, (i) a medical marijuana treatment
277 center as defined in chapter 369 of the acts of 2012 with a registration in good standing, or (ii) a
278 reorganized marijuana business established by a vote of at least 2/3 of the board of directors of
279 an entity that submitted an application for a registration to operate a medical marijuana treatment
280 center to the department of public health before October 1, 2015 and was issued a provisional
281 registration to operate a medical marijuana treatment center by the department of public health
282 before the effective date of this chapter.

283 “Finished marijuana”, usable marijuana, cannabis resin or cannabis concentrate.

284 “Hemp”, the plant of the genus Cannabis or any part of the plant, whether growing or
285 not, with a delta-9-tetrahydrocannabinol concentration that does not exceed 0.3 per cent on a dry
286 weight basis of any part of the plant of the genus Cannabis, or per volume or weight of marijuana
287 product, or the combined per cent of delta-9-tetrahydrocannabinol and tetrahydrocannabinolic
288 acid in any part of the plant of the genus Cannabis regardless of moisture content.

289 “Host community”, a municipality in which a marijuana establishment is located or in
290 which an applicant has proposed locating a marijuana establishment.

291 “Independent testing laboratory”, a laboratory that is licensed by the commission and is:
292 (i) accredited to the most current International Organization for Standardization 17025 by a
293 third-party accrediting body that is a signatory to the International Laboratory Accreditation
294 Accrediting Cooperation mutual recognition arrangement or that is otherwise approved by the
295 commission; (ii) independent financially from any medical marijuana treatment center or any
296 licensee or marijuana establishment for which it conducts a test; and (iii) qualified to test
297 marijuana in compliance with regulations promulgated by commission pursuant to this chapter.

298 “Laboratory agent”, an employee of an independent testing laboratory who transports,
299 possesses or tests marijuana.

300 “Licensee”, a person or entity licensed by the commission to operate a marijuana
301 establishment under this chapter.

302 “Manufacture”, to compound, blend, extract, infuse or otherwise make or prepare a
303 marijuana product.

304 “Marijuana” or “Marihuana”, all parts of any plant of the genus Cannabis, not excepted
305 below and whether growing or not; the seeds thereof; and resin extracted from any part of the
306 plant; and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its
307 seeds or resin including tetrahydrocannabinol as defined in section 1 of chapter 94C; provided
308 that “Marijuana” shall not include: (1) The mature stalks of the plant, fiber produced from the
309 stalks, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt,
310 derivative, mixture or preparation of the mature stalks, fiber, oil, or cake made from the seeds of
311 the plant or the sterilized seed of the plant that is incapable of germination; (2) Hemp; or (3) The

312 weight of any other ingredient combined with marijuana to prepare topical or oral
313 administrations, food, drink or other products.

314 “Marijuana accessories”, equipment, products, devices or materials of any kind that are
315 intended or designed for use in planting, propagating, cultivating, growing, harvesting,
316 manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing,
317 packaging, repackaging, storing, containing, ingesting, inhaling or otherwise introducing
318 marijuana into the human body.

319 “Marijuana cultivator”, an entity licensed to cultivate, process and package marijuana, to
320 deliver marijuana to marijuana establishments and to transfer marijuana to other marijuana
321 establishments, but not to consumers.

322 “Marijuana establishment”, a marijuana cultivator, independent testing laboratory,
323 marijuana product manufacturer, marijuana retailer or any other type of licensed marijuana-
324 related business.

325 “Marijuana product manufacturer”, an entity licensed to obtain, manufacture, process
326 and package marijuana and marijuana products, to deliver marijuana and marijuana products to
327 marijuana establishments and to transfer marijuana and marijuana products to other marijuana
328 establishments, but not to consumers.

329 “Marijuana products”, products that have been manufactured and contain marijuana or
330 an extract from marijuana, including concentrated forms of marijuana and products composed of
331 marijuana and other ingredients that are intended for use or consumption, including edible
332 products, beverages, topical products, ointments, oils and tinctures.

333 “Marijuana retailer”, an entity licensed to purchase and deliver marijuana and marijuana
334 products from marijuana establishments and to deliver, sell or otherwise transfer marijuana and
335 marijuana products to marijuana establishments and to consumers.

336 “Mycotoxin”, a secondary metabolite of a microfungus that is capable of causing death or
337 illness in humans and other animals. For the purposes of this chapter, mycotoxin shall include
338 alfatoxin B1, alfatoxin B2, alfatoxin G1, alfatoxin G2, and ochratoxin A.

339 “Process” or “processing”, to harvest, dry, cure, trim and separate parts of the marijuana
340 plant by manual or mechanical means, except it shall not include manufacture as defined in this
341 section.

342 “Production batch”, a batch of finished plant material, cannabis resin, cannabis
343 concentrate or marijuana-infused product made at the same time, using the same methods,
344 equipment and ingredients. The licensee shall assign and record a unique, sequential
345 alphanumeric identifier to each production batch for the purposes of production tracking, product
346 labeling and product recalls. All production batches shall be traceable to 1 or more marijuana
347 cultivation batches.

348 “Residual solvent”, a volatile organic chemical used in the manufacture of a marijuana
349 product and that is not completely removed by practical manufacturing techniques.

350 “Terpenoid”, an isoprene that are the aromatic compounds found in cannabis, including,
351 but not limited to: limonene, myrcene, pinene, linalool, eucalyptol, δ -terpinene, β -caryophyllene,
352 caryophyllene oxide, nerolidol and phytol.

353 “Unreasonably impracticable”, that the measures necessary to comply with the
354 regulations, ordinances or by-laws adopted pursuant to this chapter subject licensees to
355 unreasonable risk or require such a high investment of risk, money, time or any other resource or
356 asset that a reasonably prudent businessperson would not operate a marijuana establishment.

357 SECTION 21. Section 2 of said chapter 94G, as so appearing in the 2016 official edition,
358 is hereby amended by striking out clause (3) of subsection (d) and inserting in place thereof the
359 following clause:-

360 (3) authorize the possession or consumption of marijuana or marijuana accessories on the
361 grounds of or within a public or private school where children attend classes in preschool
362 programs, kindergarten programs or grades 1 to 12, inclusive, on a school bus, in any youth
363 center, or on the grounds of or within any correctional facility or detoxification facility.

364 SECTION 22. Said section 2 of said chapter 94G, as so appearing, is hereby amended by
365 inserting, after the year “2012”, in line 55, the following:-

366 except where otherwise provided for in this chapter

367 SECTION 23. Section 3 of said chapter 94G, as so appearing, is hereby amended by
368 striking, beginning in line 9, “prohibit placing a marijuana establishment which cultivates,
369 manufactures or sells marijuana or marijuana products in any area in which a medical marijuana
370 treatment center is registered to engage in the same type of activity; (2) limit the number of
371 marijuana establishments in the city or town, except that a city or town may only adopt an
372 ordinance or by-law by a vote of the voters of that city or town if the ordinance or by-law: (i)
373 prohibits” and inserting in place thereof the following:-

374 “operate to (1) prevent the conversion of a medical marijuana establishment licensed on
375 or before July 1, 2017 engaged in the cultivation, manufacture or sale of marijuana or marijuana
376 products to a marijuana establishment engaged in the same type of activity under this chapter or
377 (2) limit the number of marijuana establishments below the limits established pursuant to
378 paragraph (2);

379 (2) limit the number of marijuana establishments in the city or town, provided, however,
380 that, in the case of a city or town in which the majority of voters voted in the affirmative for
381 question 4 on the 2016 state election ballot, entitled “Legalization, Regulation, and Taxation of
382 Marijuana, and, after December 31, 2019 in the case of any other city or town, the city or town
383 shall submit any by-law or ordinance for approval to the voters pursuant to the procedure in
384 subsection (e) before adopting the by-law or ordinance if it would:

385 (i) prohibit”.

386 SECTION 24. Said section 3 of said chapter 94G, as so appearing, is hereby amended by
387 striking, in line 20, the word “limits” and inserting in place thereof the following word:-

388 “limit”.

389 SECTION 25. Said section 3 of said chapter 94G, as so appearing, is hereby amended by
390 striking, in line 24, the word “limits” and inserting in place thereof the following word:-

391 “limit”.

392 SECTION 26. Said section 3 of said chapter 94G, as so appearing, is hereby amended by
393 inserting after the word “establishments”, in line 30, the following:-

394 provided that if a city or town enacts an ordinance or by-law above the commission's
395 standard, no such local ordinance or by-law may impose a standard for signage more restrictive
396 than those applicable to retail establishments that sell alcoholic beverages within that city or
397 town.

398 SECTION 27. Said section 3 of said chapter 94G, as so appearing, is hereby amended by
399 striking subsection (d) and inserting in place thereof the following:-

400 (d) A marijuana establishment or a medical marijuana treatment center seeking to
401 operate or continue to operate in a municipality which permits such operation shall execute an
402 agreement with the host community setting forth the conditions to have a marijuana
403 establishment located within the host community which shall include, without limitation, all
404 stipulations of responsibilities between the host community and the marijuana establishment or a
405 medical marijuana treatment center. An agreement between a marijuana establishment or a
406 medical marijuana treatment center and a host community may include a community impact fee
407 for the host community, provided, however that the community impact fee shall be reasonably
408 related to the costs imposed upon the municipality by the operation of the establishment and
409 shall, in no event, amount to more than 3 percent of the gross sales of the establishment or be
410 effective for longer than 5 years. Any cost to a city or town imposed by the operation of a
411 marijuana establishment shall be documented and considered a public record as defined by
412 clause Twenty-sixth of section 7 of chapter 4 of the General Laws.

413 (e) If an ordinance or by-law must be submitted for approval pursuant to subsection
414 (a)(2), the following procedures will be followed:

415 (1) The city solicitor or town counsel shall prepare a fair and concise summary of the
416 proposed ordinance or by-law which will make clear the number and types of marijuana
417 establishments which will be permitted to operate under the proposed ordinance and by-law and
418 shall be included on the ballot.

419 (2) A ballot shall be prepared asking "Shall this [city or town] adopt the following [by-
420 law or ordinance]? [solicitor/counsel summary] [full text of by-law or ordinance]"

421 (3) If the majority of the votes cast in answer to the question are in the affirmative, the
422 city or town may adopt the by-law or ordinance, but if the majority is in the negative, the city or
423 town shall not adopt the by-law or ordinance.

424 A ballot question under this subsection may be placed on the ballot at a regular or special
425 election held by the city or town by a vote of the board of selectmen or city or town council, with
426 the approval of the mayor, and subject to a municipal charter, if applicable.

427 SECTION 28. Section 4 of said chapter 94G, as so appearing, is hereby amended by
428 striking out subsection (a) and inserting in place thereof the following 2 subsections:-

429 (a) The commission shall have all the powers necessary or convenient to carry out and
430 effectuate its purposes including, but not limited to, the power to:

431 (i) appoint officers and hire employees;

432 (ii) establish and amend a plan of organization that it considers expedient;

433 (iii) execute all instruments necessary or convenient for accomplishing the purposes of
434 this chapter;

435 (iv) enter into agreements or other transactions with a person, including, but not limited
436 to, a public entity or other governmental instrumentality or authority in connection with its
437 powers and duties under this chapter;

438 (v) appear on its own behalf before boards, commissions, departments or other agencies
439 of municipal, state or federal government;

440 (vi) apply for and accept subventions, grants, loans, advances and contributions of
441 money, property, labor or other things of value from any source, to be held, used and applied for
442 its purposes;

443 (vii) provide and pay for advisory services and technical assistance as may be necessary
444 in its judgment to carry out this chapter and fix the compensation of persons providing such
445 services or assistance;

446 (viii) prepare, publish and distribute, with or without charge as the commission may
447 determine, such studies, reports, bulletins and other materials as the commission considers
448 appropriate;

449 (ix) require an applicant for licensure under this chapter to apply for such licensure and
450 approve or disapprove any such application or other transactions, events and processes as
451 provided in this chapter;

452 (x) determine which applicants shall be awarded licenses;

453 (xi) deny an application or limit, condition, restrict, revoke or suspend a license;

454 (xii) establish a registration process, based on finding of suitability or approval of
455 licensure;

456 (xiii) fine a person licensed, registered, found suitable or approved for licensure, for any
457 cause that the commission deems reasonable;

458 (xiv) gather facts and information applicable to the commission's obligation to issue,
459 suspend or revoke licenses, registrations, finding of suitability or approval of licensure for: (A) a
460 violation of this chapter or any regulation adopted by the commission; (B) willfully violating an
461 order of the commission directed to a licensee or a person required to be registered; (C) the
462 conviction of a criminal offense; or (D) any other offense which would disqualify such a licensee
463 from holding a license;

464 (xv) conduct investigations into the qualifications of all applicants for employment by the
465 commission and all applicants for licensure;

466 (xvi) receive from the state police, the department of criminal justice information services
467 or other criminal justice agencies including, but not limited to, the Federal Bureau of
468 Investigation and the Internal Revenue Service, such criminal offender record information
469 relating to criminal and background investigations as necessary for the purpose of evaluating
470 licensees, applicants for license, and lab agents as provided in section 21;

471 (xvii) be present, through its inspectors and agents, at any time, in marijuana
472 establishments for the purposes of exercising its oversight responsibilities;

473 (xviii) inspect and have access to all equipment and supplies in a marijuana
474 establishment;

475 (xix) seize and remove from the premises of a marijuana establishment and impound any
476 marijuana, equipment, supplies, documents and records obtained or possessed in violation of this
477 chapter for the purpose of examination and inspection;

478 (xx) For cause, demand access to and inspect all papers, books and records of close
479 associates of a licensee whom the commission suspects is involved in the financing, operation or
480 management of the licensee; provided, however, that the inspection, examination, photocopying
481 and audit may take place on the affiliate's premises or elsewhere as practicable and in the
482 presence of the affiliate or its agent;

483 (xxi) require that the books and financial or other records or statements of a licensee be
484 kept in a manner that the commission considers proper;

485 (xxii) impose fees and fines, as authorized by this chapter and penalties and sanctions for
486 a violation of this chapter or any regulations promulgated by the commission;

487 (xxiii) collect fees under this chapter;

488 (xxiv) conduct adjudicatory proceedings and promulgate regulations in accordance with
489 chapter 30A;

490 (xxv) refer cases for criminal prosecution to the appropriate federal, state or local
491 authorities;

492 (xxvi) maintain an official internet website for the commission;

493 (xxvii) monitor any federal activity regarding marijuana; and

494 (xxviii) adopt, amend or repeal regulations for the implementation, administration and
495 enforcement of this chapter.

496 (a ½) The commission shall, in accordance with chapter 30A of the General Laws, adopt
497 regulations consistent with this chapter for the administration, clarification and enforcement of
498 laws regulating and licensing marijuana establishments. The regulations shall include:

499 (i) methods and forms of application which an applicant for a license shall follow and
500 complete before consideration by the commission;

501 (ii) a schedule of application, license and renewal fees in an amount necessary to pay for
502 all regulation and enforcement costs of the commission; provided however that fees may be
503 relative to the volume of business conducted or to be conducted by the marijuana establishment.

504 (iii) qualifications for licensure and minimum standards for employment that are
505 directly and demonstrably related to the operation of a marijuana establishment and similar to
506 qualifications for licensure and employment standards in connection with alcoholic beverages as
507 regulated under chapter 138 of the General Laws; provided that a prior conviction solely for a
508 marijuana-related offense or for a violation of section 34 of chapter 94C of the General Laws
509 shall not disqualify an individual or otherwise affect eligibility for employment or licensure in
510 connection with a marijuana establishment, unless the offense involved the distribution of a
511 controlled substance, including marijuana, to a minor;

512 (iv) procedures and policies to promote and encourage full participation in the
513 regulated marijuana industry by people from communities that have previously been
514 disproportionately harmed by marijuana prohibition and enforcement and to positively impact

515 those communities; (v) standards for the licensure of marijuana establishments, including, but
516 not limited to updating that licensure;

517 (vi) standards for the reporting or payment of licensure fees or taxes;

518 (vii) requirements for the information to be furnished by an applicant or licensee;

519 (viii) criteria for evaluation of the application for a license;

520 (ix) requirements for the information to be furnished by a licensee relating to the
521 licensee's employees;

522 (x) requirements for fingerprinting or other method of identification of an applicant for a
523 license or a licensee;

524 (xi) procedures and grounds for the revocation or suspension of a license or registration;

525 (xii) minimum uniform standards of accounting procedures;

526 (xiii) requirements for record keeping by marijuana establishments and procedures to
527 track marijuana cultivated, processed, manufactured, delivered or sold by marijuana
528 establishments;

529 (xiv) any necessary registration requirements for employees working at the marijuana
530 establishment;

531 (xv) requirements that all marijuana establishment employees be properly trained in their
532 respective professions as necessary;

533 (xvi) procedures for the interim authorization of a marijuana establishment under this
534 chapter;

535 (xvii) minimum standards for the requirement that all licensees possess and operate an
536 interoperable publicly available application programming interface seed-to-sale tracking system
537 sufficient to ensure the appropriate track and trace of all marijuana cultivated, processed or
538 manufactured pursuant to this chapter;

539 (xviii) minimum security requirements for licensees sufficient to deter and prevent theft
540 and unauthorized entrance into areas containing marijuana, which shall include but not be limited
541 to the use of security cameras, provided that the requirements shall not prohibit the cultivation of
542 marijuana outdoors or in greenhouses;

543 (xix) minimum standards for liability insurance coverage or requirements that a certain
544 sum be placed in escrow to be expended for coverage liabilities;

545 (xx) requirements and standards sufficient to ensure for the virtual separation of
546 marijuana cultivated, processed, manufactured, delivered or sold by a licensee that is also
547 licensed as a medical marijuana treatment center pursuant to chapter 369 of the acts of 2012 or
548 chapter 94I. Such requirements shall leverage seed-to-sale tracking technology and may allow
549 for the appropriate transfer or acquisition of marijuana seeds, clones, cuttings, plants or plant
550 tissue between such entities;

551 (xxi) requirements and procedures to prevent the sale, delivery or transfer of marijuana
552 to persons under 21 years of age, or the purchase of marijuana on behalf of a person under 21
553 years of age, including a prohibition on persons under 21 entering marijuana establishments;

554 (xxii) standards for manufacturing or extracting cannabinoid oils or butane hash oil;
555 (xxiii) health and safety standards, established in consultation with the department of
556 public health and the department of agricultural resources, for the cultivation, processing,
557 manufacturing and distribution of marijuana, including standards regarding sanitation for the
558 preparation, storage, handling and sale of food products, including compliance with state
559 sanitation requirements set forth in 105 CMR 500.000, and health inspections provided however,
560 that the authority to promulgate regulations pertaining to the use of pesticides shall remain with
561 the department of agricultural resources;

562 (xxiv) requirements for the packaging of marijuana and marijuana products that shall, at a
563 minimum: (1) require the most current consumer product safety commission standards, set forth
564 in 16 C.F.R. 1700 et seq.; (2) protect children from accidentally ingesting marijuana or marijuana
565 products, including by making packaging certified child-resistant and resealable; (3) require the
566 division of each serving within a package containing multiple servings in a manner that allows
567 consumers and card holders to easily identify a single serving; (4) prohibit the use of bright
568 colors, cartoon characters and other features designed to appeal to minors; (5) ensure that
569 packaging is opaque or plain in design; (6) limit each serving size to no greater than 10
570 milligrams of delta-nine-tetrahydrocannabinol (Δ 9-THC); and (7) prohibit any packaging that
571 imitates or has a semblance to any existing branded consumer products, including foods and
572 beverages, that do not contain marijuana

573 (xxv) requirements for the potency or dosing limitations of edible marijuana products
574 sold by licensees

575 (xxvi) requirements for the labeling of a package containing marijuana or marijuana
576 products that shall, at a minimum, include: (1) a symbol or easily recognizable mark issued by
577 the commission that indicates the package contains marijuana or a marijuana product; (2) a
578 symbol or other easily recognizable mark issued by the commission on the package indicating to
579 children that the product is harmful to children; (3) the name and contact information of the
580 marijuana cultivator or the marijuana product manufacturer who produced the marijuana or
581 marijuana product; (4) the results of sampling, testing and analysis conducted by a licensed
582 independent testing laboratory; (5) a seal certifying the marijuana meets such testing standards;
583 (6) a unique batch number identifying the production batch associated with manufacturing,
584 processing, and cultivating; (7) a list of ingredients and possible allergens; (8) the amount of
585 delta-nine-tetrahydrocannabinol (Δ 9-THC) in the package and in each serving of a marijuana
586 product as expressed in absolute terms and as a percentage of volume; (9) the number of servings
587 in a package if there are multiple servings; (10) a use-by date, if applicable; and (11) the
588 following statement, including capitalization: “This product has not been analyzed or approved
589 by the FDA. There is limited information on the side effects of using this product, and there may
590 be associated health risks. Marijuana use during pregnancy and breast-feeding may pose
591 potential harms. It is against the law to drive or operate machinery when under the influence of
592 this product. KEEP THIS PRODUCT AWAY FROM CHILDREN.”

593 (xxvii) procedures and policies, in cooperation with the department of agricultural
594 resources, to promote and encourage full participation in the regulated marijuana industry by
595 farmers and businesses of all sizes, which shall include creating a schedule of cultivator license
596 fees commensurate with cultivation size and regulations to create a craft marijuana cultivator
597 cooperative system, including but not limited to, the following: (1) a limitation on ownership

598 interests in a marijuana cultivator cooperative; (2) a limit on the total marijuana produced by a
599 craft marijuana cultivator by the number of plants, surface area used for cultivation or output by
600 weight; and (3) a reasonable fee for licensure as a craft marijuana cultivator cooperative;

601 (xxviii) requirements for the safe disposal of excess, contaminated, adulterated or
602 deteriorated marijuana, which shall consider policies which promote the recycling of such waste,
603 including, but not limited to, recycled industrial products.

604 (xxix) requirements for advertising, marketing and branding of marijuana and marijuana
605 products that shall, at a minimum, include: (1) a prohibition on advertising, marketing and
606 branding in such a manner that is deemed to be deceptive, false, or misleading (2) a prohibition
607 on advertising, marketing and branding by means of television, radio, internet, billboard or print
608 publication unless at least 85 per cent of the audience is reasonably expected to be 21 years of
609 age or older, as determined by reliable, up-to-date audience composition data; (3) a prohibition
610 on advertising, marketing and branding which utilize statements, designs, representations,
611 pictures or illustrations that portray anyone less than 21 years of age; (4) a prohibition on
612 advertising, marketing and branding, including but not limited to mascots, cartoons, brand
613 sponsorships and celebrity endorsements that is deemed to appeal to a person or persons less
614 than 21 years of age; (5) a prohibition on advertising, marketing and branding, including
615 statements by a licensee, that make any false or misleading statements concerning other licensees
616 and the conduct and products of such other licensees; (6) a prohibition on advertising, marketing
617 and branding through certain identified promotional items as determined by the commission,
618 including giveaways, coupons or “free” or “donated” marijuana; (7) a prohibition on advertising,
619 marketing and branding by a licensee that asserts its products are safe, other than labeling
620 required pursuant to this chapter; (8) a reasonable prohibition on timing and use of illuminated

621 external signage that shall comply with all local ordinances and requirements and a prohibition
622 on neon signage; (9) a prohibition of the use of vehicles equipped with either radio or loud
623 speakers for the advertising of marijuana; (10) a prohibition on the use of radio or loud speaker
624 equipment in any marijuana establishment for the purpose of attracting attention to the sale of
625 marijuana; (11) an allowance that a licensee may sponsor a charitable, sports, or similar event,
626 but a prohibition of advertising, marketing, and branding at, or in connection with, such an event
627 unless at least 85 per cent of the audience is reasonably expected to be 21 years of age or older,
628 as determined by reliable, up-to-date audience composition data; (12) a requirement that the
629 website of a marijuana establishment shall verify that the entrant is at least 21 years of age; (13)
630 a prohibition on the use of unsolicited pop-up advertisements on the internet; and (14) a
631 requirement that all advertising, marketing, or branding materials for marijuana and marijuana
632 products contain a standard health warning developed by the department of public health.

633 (xxx) procedures and requirements to enable the transfer of a license for a marijuana
634 establishment to another qualified person or to another suitable location with notification and
635 approval by the commission.

636 (xxxii) requirements to establish a process allowing the commission to order a prohibition
637 on the sale of a marijuana product found especially appealing to persons under 21;

638 (xxxiii) requirements to establish a process allowing a marijuana product manufacturer to
639 voluntarily submit a product, its packaging and intended marketing to the commission for review
640 of whether the product is especially appealing to persons under 21;

641 (xxxiiii) requirements that prohibit marijuana product manufacturers from altering or
642 utilizing commercially-manufactured food products when manufacturing marijuana products

643 unless the food product was commercially manufactured specifically for use by the marijuana
644 product manufacturer to infuse with marijuana; provided, however, that a commercially-
645 manufactured food product may be used as an ingredient in a marijuana product if: (i) it is used
646 in a way that renders it unrecognizable as the commercial food product in the marijuana product;
647 and (ii) there is no statement or advertisement indicating that the marijuana product contains the
648 commercially-manufactured food product; and

649 (xxxix) energy and environmental standards for licensure and licensure renewal of
650 marijuana establishments licensed as a marijuana cultivator or marijuana product manufacturer

651 SECTION 29. Clause (xx) of subsection (a^{1/2}) of section 4 of said chapter 94G, as
652 appearing in section 28, is hereby amended by striking out the words “369 of the acts of 2012”
653 and inserting in place thereof the following figure:- 94I

654 SECTION 30. Said section 4 of said chapter 94G, as so appearing, is hereby amended by
655 striking subsections (b)(2) and (b)(3).

656 SECTION 31. Said section 4 of said chapter 94G, as so appearing, is hereby amended by
657 striking subsection (c)(2).

658 SECTION 32 . Said section 4 of said chapter 94G is hereby further amended by striking
659 subsections (e) and (f) and inserting in place thereof the following subsections:-

660 (e) Each fiscal year the commission shall submit an annual finance plan to the secretary
661 of administration and finance, and updates to such plan, in accordance with instructions issued
662 by said secretary.

663 (f) The commission shall investigate, in conjunction with the department of public
664 health, the effects of marijuana and marijuana products with a high potency of
665 tetrahydrocannabinol on the human body and recommend whether there should be restrictions on
666 the potency of tetrahydrocannabinol in marijuana and marijuana products.

667 SECTION 33. Said section 4 of said chapter 94G, as so appearing, is hereby further
668 amended by striking out subsections (h) and (i) and inserting in place thereof the following 2
669 subsections:-

670 (h) The commission shall annually submit a complete and detailed report of the
671 commission's activities, including a review of the implementation and enforcement of this
672 chapter and the governance structure established in this chapter, not more than 90 days after the
673 end of the fiscal year to the governor, the attorney general, the treasurer and receiver-general, the
674 clerks of the house of representatives and the senate, the chairs of the joint committee on
675 marijuana policy and the chairs of the house and senate committees on ways and means.

676 (i) The commission shall annually review the tax rate established by chapter 64N and
677 may make recommendations to the general court, as appropriate, regarding any changes to the
678 tax rate that further the intent of this chapter. The commission may study marijuana commerce
679 and make recommendations to the general court regarding changes in the laws that further the
680 intent of this chapter by filing those recommendations with the clerks of the house of
681 representatives and the senate who shall forward the recommendations to the joint committee on
682 marijuana policy, the joint committee on consumer protection and professional licensure, the
683 joint committee on revenue, the joint committee on mental health, substance use and recovery,

684 the joint committee on public health and any other committee deemed appropriate by the
685 commission.

686 SECTION 34. Said section 4 of said chapter 94G, as so appearing, is hereby further
687 amended by striking out, in line 187, the figure “15” and inserting in place thereof the following
688 figure:-

689 14

690 SECTION 35. Said section 4 of said chapter 94G is hereby amended by inserting the
691 following subsection:-

692 (l) The commission shall promulgate advisory guidelines and best practices on the
693 cultivating of marijuana within a person’s primary residence;

694 SECTION 36. Section 5 of said chapter 94G, as so appearing, is hereby amended by
695 striking out, in line 11, the words “Except as provided in subsection (c) of this section, the” and
696 inserting in place thereof the following word:-

697 The.

698 SECTION 37. Said section 5 of said chapter 94G, as so appearing, is hereby further
699 amended by striking out subsection (c).

700 SECTION 38. Section 9 of said chapter 94G, as so appearing, is hereby amended by
701 striking out subsection (b) and inserting in place thereof the following subsection:-

702 (b) Any licensee, or agent or employee thereof, under this chapter who reasonably relies
703 on a liquor purchase identification card issued pursuant to section 34B of chapter 138 or motor

704 vehicle license issued pursuant to section eight of chapter ninety, or on an identification card
705 issued under section 8E of chapter 90, or on a valid passport issued by the United States
706 government, or by the government, recognized by the United States government, of a foreign
707 country, or a valid United States issued military identification card, for proof of a person's
708 identity and age shall not suffer any modification, suspension, revocation or cancellation of such
709 license, nor shall he suffer any criminal liability, for delivering or selling marijuana or marijuana
710 products to a person under 21 years of age. Any licensee, or agent or employee thereof, under
711 this chapter, who reasonably relies on a liquor purchase identification card issued pursuant to
712 said section 34B of said chapter 138, or an identification card issued under said section 8E of
713 said chapter 90, or motor vehicle license issued pursuant to said section 8, for proof of a person's
714 identity and age shall be presumed to have exercised due care in making such delivery or sale of
715 marijuana or marijuana products to a person under 21 years of age. Such presumption shall be
716 rebuttable.

717 SECTION 39. Section 12 of said chapter 94G, as so appearing, is hereby amended by
718 adding the following subsection:-

719 (g) No licensee shall operate a marijuana establishment without an operations certificate
720 issued by the commission.

721 (h) Each licensee shall file an emergency response plan with the fire department and
722 police department of the host community

723 SECTION 40. Section 13 of said chapter 94G, as so appearing, is hereby
724 amended by adding the following 2 subsections:-

725 (h) Notwithstanding chapter 94C, a person less than 21 years of age, except a qualifying
726 patient holding a valid registration card for the medical use of marijuana, who cultivates not
727 more than 12 marijuana plants shall be punished by a civil penalty of not more than \$100 and
728 shall complete a drug awareness program established pursuant to section 32M of chapter 94C. If
729 that person is less than 18 years of age, the parent or legal guardian of that person shall be
730 notified in accordance with section 32N of said chapter 94C. If a person is less than 17 years of
731 age at the time of the offense and fails to complete a drug awareness program not later than 1
732 year after the offense, that person may be subject to delinquency proceedings.

733 (i) Whoever furnishes marijuana, marijuana products or marijuana
734 accessories to a person less than 21 years of age, either for the person's own use or for
735 the use of the person's parent or another person shall be punished by a fine of not more than
736 \$2,000 or by imprisonment for not more than 1 year or both such fine and imprisonment.

737 For the purposes of this subsection, "furnish" shall mean to knowingly or intentionally
738 supply, give or provide to or allow a person less than 21 years of age, except for the
739 children and grandchildren of the person being charged, to possess marijuana, marijuana
740 products or marijuana accessories on premises or property owned or controlled by the person
741 charged.

742 This subsection shall not apply to the sale, delivery or furnishing of medical marijuana
743 pursuant to chapter 369 of the acts of 2012 .

744 SECTION 41. The second paragraph of subsection (i) of said chapter 94G, as appearing
745 in section 40, is hereby amended by striking out the words “369 of the acts of 2012” and
746 inserting in place thereof the following figure:- 94I.

747 SECTION 42. Section 14 of said chapter 94G, as so appearing, is hereby amended by
748 striking out subsection (b) and inserting in place thereof the following subsection:-

749 (b) Money in the fund shall be subject to appropriation. Money in the fund shall be
750 expended for the implementation, administration and enforcement of this chapter by the
751 commission and by the department of agricultural resources for the implementation,
752 administration and enforcement of sections 116-123, inclusive, of chapter 128 and the provision
753 of pesticide control pursuant to chapter 132B. Thereafter, money in the fund shall be expended
754 for: (i) public and behavioral health including but not limited to, evidence-based and evidence-
755 informed substance use prevention and treatment and substance use early intervention services in
756 a recurring grant for school districts or community coalitions who operate on the strategic
757 prevention framework or similar structure for youth substance use education and prevention; (ii)
758 public safety; (iii) municipal police training; (iv) the Prevention and Wellness Trust Fund
759 established in section 2G of chapter 111; and (v) programming for restorative justice, jail
760 diversion, workforce development, industry specific technical assistance, and mentoring services
761 for economically-disadvantaged persons in communities disproportionately impacted by high
762 rates of arrest and incarceration for marijuana offenses pursuant to chapter 94C.

763 SECTION 43. Said chapter 94G is hereby further amended by adding the following
764 sections:-

765 Section 15. (a) (1) The commission shall promulgate regulations for the licensure and
766 oversight of independent testing laboratories, and shall establish testing protocols for the
767 sampling, testing and analysis of marijuana, finished marijuana and marijuana products in
768 consultation with the department of public health and the department of agricultural resources.
769 Such regulations shall be based on the most recent standards as issued by the United States
770 Pharmacopeia Convention and shall address sampling and analysis to characterize the
771 cannabinoid profile and biological and chemical contaminants, including but not limited to
772 terpenoids, pesticides, plant growth regulators, metals, microbiological contaminants,
773 mycotoxins, and residual solvents introduced through cultivation of marijuana plants and post-
774 harvest processing and handling of marijuana, marijuana products and ingredients.

775 (2) No marijuana or marijuana product shall be sold or otherwise marketed pursuant to
776 this chapter or chapter 369 of the acts of 2012 that has not first been tested by an independent
777 testing laboratory and determined to meet the commission's testing protocols issued pursuant to
778 subsection (a)(1).

779 (3) An independent testing laboratory shall report any results indicating contamination to
780 the commission within 72 hours of identification.

781 (4) No laboratory agent or employee of an independent testing laboratory shall receive
782 direct or indirect financial compensation, other than such reasonable contractual fees to conduct
783 such testing, from any entity for which it is conducting testing pursuant to this chapter.

784 (5) No individual who possesses an interest in or is a laboratory agent employed by an
785 independent testing laboratory, and no immediate family member of that individual, shall possess
786 an interest in or be employed by a marijuana establishment.

787 (b)(1) An independent testing laboratory shall apply for a certificate of registration from
788 the commission prior to testing, processing or transporting marijuana.

789 (2) A laboratory agent shall be registered with the commission prior to volunteering or
790 working at an independent testing laboratory.

791 (3) An independent testing laboratory shall apply to the commission for a registration
792 card for each affiliated laboratory agent by submitting, at a minimum, the name, address, and
793 date of birth of the laboratory agent.

794 (4) An independent testing laboratory shall notify the commission within 1 business day
795 if a laboratory agent ceases to be associated with the laboratory, and the laboratory agent's
796 registration card shall be immediately revoked.

797 (5) No one shall be a laboratory agent who has been convicted of a felony drug offense.
798 The commission may conduct criminal record checks with the department of criminal justice
799 information services as provided in section 21 and may set standards and procedures to enforce
800 this provision. Such standards and procedures may include requiring applicants seeking
801 registration to submit a full set of fingerprints for the purposes of conducting a state and national
802 criminal history records check pursuant to sections 167 to 178, inclusive, of chapter 6 and 28
803 U.S.C. section 534 through the department of criminal justice information services and the
804 Federal Bureau of Investigation. The commission shall treat such information in accordance with
805 said sections 167 to 178, inclusive, of said chapter 6 and the regulations thereunder.

806 (c) A registered laboratory agent shall not be subject to arrest, prosecution, civil penalty,
807 sanctions or disqualifications, and shall not be subject to seizure or forfeiture of assets under
808 Massachusetts law for actions taken under the authority of an independent testing laboratory,

809 including possessing, processing, storing, transferring or testing marijuana provided the agent:
810 (1) presents his or her registration card to any law enforcement official who questions the
811 laboratory agent concerning their marijuana related activities; and (2) is acting in accordance
812 with all the requirements of chapters 94G and 94I of the General Laws.

813 Section 16. No licensee shall be granted more than 3 marijuana retailer licenses, 3
814 medical marijuana treatment center licenses, 3 marijuana product manufacturer licenses or 3
815 marijuana cultivator licenses; provided, however, that a licensee may hold 3 marijuana retailer
816 licenses, 3 medical marijuana treatment center licenses, 3 marijuana product manufacturer
817 licenses and 3 marijuana cultivator licenses.

818 Section 17. (a) The commission shall develop a research agenda in order to understand
819 the social and economic trends of marijuana in the commonwealth, to inform future decisions
820 that would aid in the closure of the illicit marketplace and to inform the commission on the
821 public health impacts of marijuana. The research agenda shall include, but not be limited to: (i)
822 patterns of use, methods of consumption, sources of purchase and general perceptions of
823 marijuana among minors, among college and university students and among adults; (ii) incidents
824 of impaired driving, hospitalization and use of other health care services related to marijuana use,
825 including a report of the state of the science around identifying a quantifiable level of marijuana-
826 induced impairment of motor vehicle operation and a report on the financial impacts on the state
827 healthcare system of hospitalizations related to marijuana ; (iii) economic and fiscal impacts for
828 state and local governments including the impact of legalization on the production and
829 distribution of marijuana in the illicit market and the costs and benefits to state and local
830 revenue; (iv) ownership and employment trends in the marijuana industry examining
831 participation by racial, ethnic and socioeconomic subgroups, including identification of barriers

832 to participation in the industry; (v) a market analysis examining the expansion or contraction of
833 the illicit marketplace and the expansion or contraction of the legal marketplace including
834 estimates and comparisons of pricing and product availability in both markets; and; (vi) a
835 compilation of data on the number of incidents of discipline in schools, including suspensions or
836 expulsions, resulting from marijuana use or possession of marijuana or marijuana products; and
837 (vii) a compilation of data on the number of civil penalties, arrests, prosecutions, incarcerations
838 and sanctions imposed for violations of chapter 94C for possession, distribution or trafficking of
839 marijuana or marijuana products, including the age, race, gender, country of origin, state
840 geographic region and average sanctions of the persons charged.

841 (b) The commission shall incorporate available data into its research agenda, including
842 the baseline study conducted pursuant to chapter 351 of the acts of 2016, and coordinate and
843 form partnerships with the department of public health, the department of elementary and
844 secondary education, the department of higher education, the executive office of public safety
845 and security and the executive office of labor and workforce development. The commission shall
846 annually report on the results of its research agenda and, when appropriate, make
847 recommendations for further research or policy changes. The annual reports shall be posted
848 online in a machine-readable format. The commission shall publish the first such report not later
849 than July 1, 2019.

850 Section 18. The commission shall audit as often as the commission determines necessary
851 the accounts, programs, activities, and functions of all licensees. To conduct the audit, authorized
852 officers and employees of the commission shall have access to such accounts at reasonable times
853 and the commission may require the production of books, documents, vouchers and other records
854 relating to any matter within the scope of the audit, except tax returns. The superior court shall

855 have jurisdiction to enforce the production of records that the commission requires to be
856 produced under this section and the court shall order the production of all such records within the
857 scope of any such audit. All audits shall be conducted in accordance with generally accepted
858 auditing standards established by the American Institute of Certified Public Accountants. In any
859 audit report of the accounts, funds, programs, activities and functions of a licensee issued by the
860 commission containing adverse or critical audit results, the commission may require a response,
861 in writing, to the audit results. The response shall be forwarded to the commission within 15 days
862 of notification by the commission.

863 On or before April 1 of each year, the commission shall submit a report to the clerks of
864 the house of representatives and the senate who shall forward the report to the house and senate
865 committees on ways and means which shall include, but not be limited to: (i) the number of
866 audits performed under this section; (ii) a summary of findings under the audits; and (iii) the cost
867 of each audit.

868 Section 19. Any liability to the commonwealth under this chapter shall constitute a debt
869 to the commonwealth. Once a statement naming a licensee is recorded, registered or filed, any
870 such debt shall constitute a lien on all commercial property owned by a licensee in the
871 commonwealth and shall have priority over an encumbrance recorded, registered or filed with
872 respect to any site.

873 Section 20. A licensee shall be subject to chapters 62 to 62E, inclusive, and chapters 63
874 and 63B.

875 Section 21. (a) The commission shall conduct fingerprint-based checks of state and
876 national criminal history databases, as authorized by Public Law 92-544, for the following

877 purposes: (i) prior to issuing a license as provided in M.G.L. c. 94G, § 4 and (ii) to determine
878 the suitability of lab agents as provided in M.G.L. c. 94G, § 15 . Authorized department staff
879 may receive criminal offender record information and the results of checks of state and national
880 criminal history databases under said Public Law 92-544 but they shall not receive juvenile
881 adjudications and delinquency matters or sealed records. When the department obtains the
882 results of checks of state and national criminal history databases, it shall treat the information
883 according to section 167 to 178, inclusive, of chapter 6 and the regulations thereunder regarding
884 criminal offender record information.

885 (b) Fingerprint submissions shall be submitted by the commission to the identification
886 unit within the department of state police through the department of criminal justice information
887 services, or its successor, for a state criminal records check and to the Federal Bureau of
888 Investigation for a national criminal records check according to the policies and procedures
889 established by the identification unit and the department of criminal justice information services.
890 The department of state police and Federal Bureau of Investigation are expressly authorized to
891 search criminal justice databases including all latent fingerprint submissions. Fingerprint
892 submissions may be retained by the Federal Bureau of Investigation, the state identification
893 section and the department of criminal justice information services to assist the commission.
894 The department of criminal justice information services may disseminate the results of a state
895 and national criminal history check to the commission as provided in this section.

896 (c) Notwithstanding subsections 9 and 9 1/2 of section 4 of chapter 151B, if the
897 commission receives criminal history record information from the state or national fingerprint-
898 based criminal background checks that includes no disposition or is otherwise incomplete, the
899 commission may request that an individual provide additional information regarding the results

900 of the criminal background checks to assist the commission in determining the applicant's
901 suitability for employment, licensure, registration or approval.

902 (d) The department of criminal justice information services shall disseminate the results
903 of the criminal background check to the commission. The department of criminal justice
904 information services shall only disseminate information under this section that would otherwise
905 be available to the commission as provided in this section.

906 (e) All persons required to submit fingerprints under this section shall pay a fee to be
907 established by the secretary of administration and finance, in consultation with the secretary of
908 public safety and the commission, to offset the costs of operating and administering a
909 fingerprint-based criminal background check system. The secretary of administration and
910 finance, in consultation with the secretary of public safety and the commission, may increase the
911 fee accordingly if the Federal Bureau of Investigation increases its fingerprint background check
912 service fee. The commission may pay the fee on behalf of applicants or reimburse applicants for
913 all or part of the fee on the grounds of financial hardship. Any fees collected from fingerprinting
914 activity under this chapter shall be deposited into the Fingerprint-Based Background Check Trust
915 Fund, established in section 2HHHH of chapter 29.

916 SECTION 44. Paragraph (2) of subsection (a) of section 15 of said chapter 94G, as
917 appearing in section 44, is hereby amended by striking out the words “369 of the acts of 2012”
918 and inserting in place thereof the following figure:- 94I.

919 SECTION 45. The General Laws are hereby amended by inserting the following
920 chapter:-

921 Chapter 94I

922 Medical Use of Marijuana

923 Section 1. As used in this chapter the following words shall, unless the context clearly
924 requires otherwise, have the following meanings:-

925 “Bona fide healthcare professional-patient relationship”, a relationship between a
926 registered healthcare professional, acting in the usual course of his or her professional practice,
927 and a patient in which the healthcare professional has conducted a clinical visit, completed and
928 documented a full assessment of the patient’s medical history and current medical condition, has
929 explained the potential benefits and risks of medical use of marijuana, and has a role in the
930 ongoing care and treatment of the patient.

931 “Card holder”, a registered qualifying patient, personal caregiver, or agent of a medical
932 marijuana treatment center who has been issued and possesses a valid registration card.

933 “Commission”, the Massachusetts cannabis control commission established pursuant to
934 chapter 10 of the General Laws

935 “Cultivation registration”, a registration issued to a medical marijuana treatment center
936 for growing medical use marijuana under the terms of this chapter, or to a qualified patient or
937 personal caregiver.

938 “Debilitating medical condition”, cancer, glaucoma, positive status for human
939 immunodeficiency virus, acquired immune deficiency syndrome, hepatitis C, amyotrophic lateral
940 sclerosis, Crohn's disease, Parkinson's disease, multiple sclerosis and other conditions as
941 determined in writing by a registered qualifying patient's registered healthcare professional.

942 “Electronic certification” a document signed or executed electronically by a registered
943 healthcare professional, stating that in the healthcare professional's professional opinion, the
944 potential benefits of marijuana for medical use would likely outweigh the health risks for the
945 qualifying patient. Such certification shall be made only in the course of a bona fide healthcare
946 professional-patient relationship and shall specify the qualifying patient's debilitating medical
947 condition(s). Electronic certifications upon submission by a healthcare professional to the
948 commission shall automatically generate a temporary registration.

949 “Healthcare professional”, a duly Massachusetts licensed physician, physician assistant,
950 or certified nurse practitioner authorized by the commission to issue written certifications.

951 “Locked area”, a closet, room, greenhouse or other indoor or outdoor area equipped with
952 locks or other security devices, accessible only to registered and authorized medical marijuana
953 treatment center employees, registered qualifying patients or registered personal caregivers.

954 “Marijuana”, all parts of any plant of the genus cannabis, not excepted below and
955 whether growing or not; the seeds thereof; and resin extracted from any part of the plant; and
956 every marijuana product, compound, manufacture, salt, derivative, mixture or preparation of the
957 plant, its seeds or resin including tetrahydrocannabinol as defined in section 1 of chapter 94C;
958 provided, however, that “marijuana” shall not include: (i) the mature stalks of the plant, fiber
959 produced from the stalks, oil or cake made from the seeds of the plant, any other compound,
960 manufacture, salt, derivative, mixture or preparation of the mature stalks, fiber, oil or cake made
961 from the seeds of the plant or the sterilized seed of the plant that is incapable of germination; (ii)
962 hemp; or (iii) the weight of any other ingredient combined with marijuana to prepare topical or
963 oral administrations, food, drink or other products.

964 “Medical use marijuana”, marijuana or marijuana accessories sold by a medical
965 marijuana treatment center licensee to a card holder for medical use or marijuana or marijuana
966 accessories possessed by a qualifying patient under a cultivation registration.

967 “Medical marijuana treatment center”, the premises approved under a medical use
968 marijuana license.

969 “Medical use marijuana license”, a license issued by the commission that permits the
970 licensee to operate a medical marijuana treatment center.

971 “Medical use marijuana licensee”, a person or entity who holds a medical use marijuana
972 license under this chapter.

973 “Medical use of marijuana”, the acquisition, cultivation, possession, processing,
974 including development of related products such as food, tinctures, aerosols, oils or ointments,
975 transfer, transportation, sale, distribution, dispensing or administration of marijuana for the
976 benefit of registered qualifying patients in the treatment of debilitating medical conditions, or the
977 symptoms thereof.

978 “Personal caregiver”, a person who is at least 21 years old who has registered with the
979 commission and agreed to assist with a qualifying patient's medical use of marijuana, and is not
980 the registered qualifying patient’s certifying healthcare provider. Personal caregivers are
981 prohibited from consuming medical use marijuana obtained for the personal, medical use of the
982 registered qualifying patient. An employee of a hospice provider, nursing or medical facility
983 providing care to a qualifying patient may also serve as a personal caregiver.

984 “Qualifying patient”, a person who has been diagnosed by a registered healthcare
985 professional as having a debilitating medical condition.

986 “Registration card”, a personal identification card issued by the commission to a
987 registered qualifying patient, personal caregiver, laboratory agent or agent of a medical
988 marijuana treatment center. The registration card facilitates verification of an individual
989 registrant’s status, including, but not limited to, verification that a registered healthcare
990 professional has provided a written certification to the qualifying patient; that the patient has
991 designated the individual as a personal caregiver; that a laboratory agent has been registered with
992 the commission and is authorized to possess and test marijuana; or that an agent has been
993 registered with the commission and is authorized to work at a medical marijuana treatment
994 center. A temporary registration issued to a qualifying patient shall be deemed a registration
995 card.

996 The registration card shall facilitate identification for the commission and law
997 enforcement of those individuals who are exempt from criminal and civil penalties for conduct
998 pursuant to the medical use of marijuana.

999 “Sixty-day supply”, that amount of medical use marijuana that a registered qualifying
1000 patient would reasonably be expected to need over a period of 60 calendar days for the
1001 qualifying patient’s personal medical use, up to 10 ounces of marijuana or as otherwise defined
1002 by the commission.

1003 “Temporary Registration” an interim registration document for patients and their personal
1004 caregivers generated automatically upon the commission's receipt of a healthcare professional's
1005 electronic certification. The temporary registration document shall constitute a registration card

1006 for patients and their personal caregivers to access medical marijuana treatment center.

1007 Temporary registration shall expire 14 days after the commission issues the registration card.

1008 “Written certification”, a document signed by a registered healthcare professional, stating
1009 that in the professional opinion of the healthcare professional, the potential benefits of the
1010 medical use of marijuana would likely outweigh the health risks for the qualifying patient. Such
1011 certification shall be made only in the course of a bona fide healthcare professional-patient
1012 relationship and shall specify the qualifying patient's debilitating medical condition.

1013 Section 2. (a) The commission shall operate a medical use of marijuana program, which
1014 shall permit a qualifying patient with a debilitating medical condition to obtain a written or
1015 electronic certification from a healthcare professional with whom the patient has a bona fide
1016 healthcare professional-patient relationship to purchase medical use marijuana from a medical
1017 marijuana treatment center. Upon issuance of a written certification from a healthcare
1018 professional, the commission shall issue a registration card to the qualifying patient. A medical
1019 marijuana treatment center may sell medical use marijuana to a card holder.

1020 (b) (1) A healthcare professional shall not be penalized, in any manner, or denied any
1021 right or privilege, for: (i) advising a qualifying patient about the risks and benefits of the medical
1022 use of marijuana within a bona fide healthcare professional-patient relationship; or (ii) providing
1023 a qualifying patient with written or electronic certification, based upon a full assessment of the
1024 qualifying patient's medical history and condition, including a debilitating medical condition,
1025 that the medical use of marijuana may benefit a particular qualifying patient, within a bona fide
1026 healthcare professional-patient relationship.

1027 (2) A qualifying patient or a personal caregiver shall not be subject to arrest or
1028 prosecution, or civil penalty, for medical use marijuana.

1029 (3) No person shall be arrested or prosecuted for any criminal offense solely for being in
1030 the presence of medical use marijuana or its use as authorized by this law.

1031 (4) The lawful possession, cultivation, transfer, transport, distribution, or manufacture of
1032 medical use marijuana as authorized by this section shall not result in the forfeiture or seizure of
1033 any property.

1034 (c) A medical marijuana treatment center and its employees registered with the
1035 commission shall not be penalized or arrested for acquiring, possessing, cultivating, processing,
1036 transferring, transporting, selling, distributing, or dispensing medical use marijuana and related
1037 supplies and educational materials, to qualifying patients or their personal caregivers.

1038 (d) The commission shall issue a cultivation registration to a qualifying patient applying
1039 for such registration whose access to a medical marijuana treatment center is limited by verified
1040 financial hardship, a physical incapacity to access reasonable transportation, or the lack of a
1041 medical marijuana treatment center within a reasonable distance of the qualifying patient's
1042 residence. The commission may deny a registration based on the provision of false information
1043 by the applicant. Such registration shall allow the qualifying patient or the qualifying patient's
1044 personal caregiver to cultivate a limited number of plants, sufficient to maintain a 60-day supply
1045 of marijuana, and shall require cultivation and storage only in an enclosed, locked area.

1046 (e) The commission shall maintain a confidential list of registered qualifying patients
1047 issued medical use marijuana registration cards. Individual names and other identifying
1048 information on the list shall be exempt from the provisions of section 10 of chapter 66, and not

1049 subject to disclosure, except to employees of the commission in the course of their official duties
1050 and to law enforcement officials of the commonwealth when verifying a card holder's
1051 registration.

1052 Section 3. (a) The commission shall maintain a confidential, interoperable database
1053 including, but not limited to: (i) the qualifying patients issued a registration card for medical use
1054 of marijuana; (ii) the healthcare professionals registered to issue written certifications; (iii) the
1055 name of any medical marijuana treatment center; (iv) the quantity of medical use marijuana
1056 dispensed to a card holder; and (v) any other pertinent information. Individual names and other
1057 identifying information shall be exempt from section 10 of chapter 66, and not subject to
1058 disclosure, except to employees of the commission in the course of their official duties, medical
1059 marijuana treatment centers to facilitate dispensing of medical use marijuana and to state or local
1060 law enforcement officials for the purposes of conducting an investigation pursuant this chapter.

1061 (b) Every registered qualifying patient shall have the right to confidentiality of all records
1062 and communications related to their care provided by a medical use marijuana licensee or
1063 establishment or by a registered healthcare professional to the extent provided by law. Such
1064 records shall not be deemed public records as defined by clause Twenty-sixth of section 7 of
1065 chapter 4. No provision of this subsection relating to confidentiality of records shall be construed
1066 to prevent access to any such records by the commission or its agents, a healthcare professional
1067 who has a bona fide healthcare professional-patient relationship with the patient, a medical
1068 marijuana treatment center, or any state or local law enforcement official for the purposes of
1069 conducting an investigation pursuant this chapter.

1070 Section 4. Any healthcare professional that issues a written certification for the medical
1071 use of marijuana shall register with the commission pursuant to regulations promulgated by the
1072 commission.

1073 Section 5. Any qualifying patient receiving a written or electronic certification for
1074 medical use marijuana shall register with the commission pursuant to regulations promulgated by
1075 the commission.

1076 Section 6. This chapter shall not:

1077 (i) require any health insurance provider, or any government agency or authority, to
1078 reimburse any person for the expenses of the medical use of marijuana;

1079 (ii) require any healthcare professional to authorize the medical use of marijuana for a
1080 patient;

1081 (iii) amend existing penalties for operating, navigating or being in actual physical control
1082 of any motor vehicle, train, aircraft, motorboat or other motorized form of transport or machinery
1083 while impaired by marijuana or a marijuana product;

1084 Section 7. The commission shall promulgate rules and regulations for the implementation
1085 of this chapter under the procedures of chapter 30A. The commission shall set application fees
1086 for medical marijuana treatment centers so as to defray the administrative costs of the medical
1087 marijuana program and ensure the medical marijuana program is revenue neutral.

1088 No regulation of the commission regarding the medical use of marijuana shall be more
1089 restrictive than any rule or regulation promulgated by the department of public health pursuant to
1090 chapter 369 of the acts of 2012 and in effect on July 1, 2017.

1091 Section 8. Marijuana sold pursuant to this chapter shall not be taxed under chapters 64H,
1092 64I, 64K, or 64N of the General Laws.

1093 SECTION 46. Chapter 128 of the General Laws is hereby amended by adding the
1094 following 8 sections:-

1095 Section 116. As used in this section and sections 117 to section 123, inclusive, the
1096 following words shall have the following meanings unless the context clearly requires otherwise:

1097 “Hemp”, the plant of the genus cannabis and any part of the plant, whether growing or
1098 not, with a delta-9-tetrahydrocannabinol concentration that does not exceed 0.3 per cent on a dry
1099 weight basis or per volume or weight of marijuana product or the combined per cent of delta-9-
1100 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant of the genus
1101 cannabis regardless of moisture content.

1102 “Industrial hemp”, hemp that is used exclusively for industrial purposes including, but
1103 not limited to, the fiber and seed.

1104 “Person”, a natural person, corporation, association, partnership or other legal entity.

1105 Section 117. (a) Industrial hemp may be planted, grown, harvested, possessed, processed,
1106 bought, sold or researched subject to sections 116 to 123. The planting, growing, harvesting,
1107 possessing, processing, selling or research of industrial hemp as an agricultural product shall be
1108 subject to the supervision and approval of the department pursuant to sections 116 to 123,
1109 inclusive.

1110 (b) A person planting, growing, harvesting, possessing, processing or selling industrial
1111 hemp for commercial purposes shall: (i) be licensed by the department pursuant to section 118;
1112 and (ii) only acquire hemp seeds from a distributor approved by the department.

1113 (c) Hemp shall only be used for the following: (i) research purposes; and (ii) commercial
1114 purposes considered reasonable by the commissioner.

1115 Section 118. (a) No person, other than a person utilizing hemp for commercial purposes
1116 pursuant to subsection (c) or a person utilizing industrial hemp for research pursuant to
1117 subsection (d), shall plant, grow, harvest, possess, process or sell industrial hemp without a
1118 license issued by the department.

1119 (b) No person shall produce or distribute industrial hemp seed without a license issued by
1120 the department.

1121 (c) A person utilizing hemp for commercial purposes shall register with the department.

1122 (d) A person utilizing industrial hemp for research conducted under an agricultural pilot
1123 program or other agricultural or academic research shall register with the department.

1124 (e) An application for a license issued pursuant to subsection (a) or (b) shall include, but
1125 not be limited to: (i) the name and address of any applicants; (ii) the name and address of the
1126 industrial hemp operation of the applicant; (iii) the global positioning system coordinates and
1127 legal description of the property used for the industrial hemp operation; (iv) the acreage size of
1128 the field where the industrial hemp will be grown, if applicable; (v) a written consent allowing
1129 the department to conduct both scheduled and random inspections of and around the premises on
1130 which the industrial hemp is being sown, grown, harvested, stored and processed; (vi) a

1131 nonrefundable application fee in an amount which shall be established by the commissioner; (vii)
1132 any other information as may be required pursuant to subsection (d); and (vii) any other
1133 information as may be required by the commissioner.

1134 (f) All documents included in an application for licensure submitted under subsection (e)
1135 of section 118 except for the address of a licensee's cultivation or production facilities and any
1136 documents describing, depicting or otherwise outlining a licensee's security schematics or global
1137 positioning system coordinates, which are considered by the department to be confidential in
1138 nature due to their public safety implications, shall be considered public records for the purposes
1139 of chapter 66 of the General Laws.

1140 Section 119. (a) After receipt, review and approval of an application for licensure
1141 pursuant to section 118, the commissioner may grant an annual license upon issuance of written
1142 findings that the requirements of sections 116 to 123, inclusive, have been satisfied and upon the
1143 issuance of written findings that issuing the license will be in the best interest of the
1144 commonwealth.

1145 (b) The commissioner shall deny an application for a license filed pursuant to section 118
1146 if the applicant: (i) fails to satisfy the minimum qualifications for licensure pursuant to sections
1147 116 to 123, inclusive,; or (ii) for good cause shown.

1148 Section 120. The commissioner shall suspend, revoke or refuse to renew the license of a
1149 person who violates sections 116 to 123, inclusive, following appropriate process in accordance
1150 with chapter 30A.

1151 Section 121. (a) The department and the commissioner shall promulgate rules and
1152 regulations for the implementation, administration and enforcement of sections 117 to 123,
1153 inclusive.

1154 (b) Pursuant to section 2 of chapter 30A, the department may promulgate, amend or
1155 repeal any regulation promulgated under this chapter as an emergency regulation if the
1156 regulation is necessary to protect the interests of the commonwealth in regulating industrial
1157 hemp.

1158 Section 122. The department may inspect and have access to the equipment, supplies,
1159 records, real property and other information deemed necessary to carry out the department's
1160 duties under sections 116 to 123, inclusive, from a person participating in the planting, growing,
1161 harvesting, possessing, processing, purchasing, selling or researching of hemp, industrial hemp.
1162 The department may establish an inspection and testing program to determine delta-9
1163 tetrahydrocannabinol levels and ensure compliance with the limits on delta-9
1164 tetrahydrocannabinol concentration.

1165 Section 123. The department may establish civil administrative fines for violations of
1166 sections 116 to 123, inclusive. A person aggrieved by the assessment of a fine under this section
1167 or a licensure action under section 120 may appeal by filing a notice of appeal with the
1168 department not later than 21 days after the receipt of the notice of the fine or licensure action.
1169 The adjudicatory hearing shall be conducted in accordance with chapter 30A.

1170 SECTION 47. Section 22 of chapter 270 of the General Laws, as so appearing in the
1171 2016 Official Edition , is hereby amended by inserting after the word "inhaled", in line 97, the
1172 following words:- , including marijuana as defined in section 1 of chapter 94G.

1173 SECTION 48. Chapter 369 of the acts of 2012 is hereby repealed.

1174 SECTION 49. (a) There shall be a special commission on operating under the influence
1175 and impaired driving, hereinafter the commission, to conduct a comprehensive study relative to
1176 the regulation and testing of operating under the influence of marijuana, narcotic drugs,
1177 depressants or stimulant substances, all as defined in section 1 of chapter 94C of the General
1178 Laws. The special commission shall review all aspects of law enforcement personnel ability to
1179 properly test impaired operators and prevent impaired operation of motor vehicles. The
1180 commission shall study : (i) scientific types of testing and data, (ii) medical types of testing and
1181 data, (iii) possible new technological forms of testing, (iv) civil liberties of the operator, (v)
1182 social economic aspects of the testing, (vi) admissibility of evidence of impaired driving in court
1183 proceedings, (vii) burden on law enforcement, (viii) the current status of law within the
1184 commonwealth, (ix) training of law enforcement, (x) intrusiveness of tests, (xi) cost analysis of
1185 testing, (xii) the current threshold for determining impairment, (xiii) the rate of success in
1186 stopping impaired operators and (xiv) anything else the commission deems necessary or
1187 significant.

1188 (b) The special commission shall consist of 13 members as follows: the executive
1189 director of the Massachusetts cannabis control commission, who shall serve as chair of the
1190 commission; the attorney general or a designee; the secretary of public safety and security or a
1191 designee; the colonel of the Massachusetts state police or a designee; the president of
1192 Massachusetts Chiefs of Police Association Incorporated or a designee; the president of the
1193 Massachusetts District Attorney's Association or a designee; the president of the Massachusetts
1194 Bar Association or a designee; the president of the American Civil Liberties Union of
1195 Massachusetts, Inc. or a designee; the chief executive officer and president of the AAA Southern

1196 New England or a designee, the president of the NAACP New England Area Conference or a
1197 designee, the president of the Massachusetts Medical Society or a designee; 1 person appointed
1198 by the secretary of health and human services who shall have medical and physiological
1199 expertise; 1 person appointed by the governor who shall be a member of the public with
1200 expertise in scientific research on or technological development in testing capabilities of these
1201 substances. A majority of the members of the board present and voting shall constitute a quorum.

1202 (c) The special commission shall submit its final report and any recommendations for
1203 legislation by filing a report with the clerks of the house of representatives and the senate on or
1204 before January 1, 2019.

1205 SECTION 50. The department of public health, in consultation with the Massachusetts
1206 cannabis control commission, shall establish the following science-based public awareness
1207 campaigns: (i) a campaign to inform the public about responsible use of marijuana, including
1208 information on edibles and warnings about the dangers of manufacturing marijuana products at
1209 home; and (ii) a campaign to educate youth about marijuana use with a goal of decreasing the
1210 youth usage rate. The public awareness campaigns shall be funded from revenues received from
1211 the Marijuana Regulation Fund established in section 14 of chapter 94G of the General Laws.

1212 SECTION 51. The executive office of public safety and security shall establish public
1213 awareness campaigns to: (i) educate the public about impaired driving including, but not limited
1214 to, impairment by the use of marijuana; (ii) inform the public that a gift of marijuana given in
1215 conjunction with the sale of another item in order to evade laws governing the sale of marijuana
1216 is illegal and that a person who grants such a gift is subject to prosecution; and (iii) inform
1217 people eligible to have their records sealed as a result of changes to criminal laws resulting from

1218 marijuana decriminalization and legalization. The public awareness campaigns shall be funded
1219 from revenues received from the Marijuana Regulation Fund established in section 14 of chapter
1220 94G of the General Laws.

1221 SECTION 52. Notwithstanding subsections (c) and (d) of section 76 of chapter 10 of the
1222 General Laws, the initial appointments to the cannabis control commission by the governor and
1223 the attorney general shall serve for a term of 4 years and the initial appointments by majority
1224 vote of the treasurer, and receiver-general, governor and attorney general shall serve for a term
1225 of 3 years.

1226 SECTION 53. Notwithstanding any general or special law to the contrary, the
1227 Massachusetts cannabis control commission established pursuant to section 76 of chapter 10 of
1228 the General Laws shall promulgate regulations, guidelines and protocols necessary for the
1229 purposes of authorizing the independent testing of marijuana on or before May 1, 2018. The
1230 Massachusetts cannabis control commission shall temporarily adopt the independent testing
1231 regulations currently adopted by the department of public health in 105 CMR 725.105 up until
1232 the commission has promulgated the regulations, guidelines and protocols for independent
1233 testing of marijuana in section 15 of Chapter 94G of the General Laws, on or before May 1,
1234 2018.

1235 SECTION 54: Chapter 334 of the acts of 2016 is hereby amended by striking out section
1236 7 in its entirety and replacing with the following section:-

1237 “The initial appointments to the cannabis control commission under section 76 of chapter
1238 10 of the General Laws shall be no later than September 1, 2017.”

1239 SECTION 55: Chapter 334 of the acts of 2016 is hereby amended by striking out section
1240 8 in its entirety and replacing with the following section:-

1241 “The initial appointments to the cannabis advisory board under section 77 of chapter 10
1242 of the General Laws shall be no later than August 1, 2017.”

1243 SECTION 56. Chapter 334 of the acts of 2016 is hereby amended by striking out sections
1244 10 and 11.

1245 SECTION 57. Notwithstanding any general or special law to the contrary, the
1246 Massachusetts cannabis control commission established pursuant to section 76 chapter 10 of the
1247 General Laws shall promulgate regulations, guidelines and protocols necessary for the issuance
1248 of licenses pursuant to said chapter 94G no later than March 15, 2018. The commission shall
1249 begin to accept applications for licenses pursuant to said chapter 94G no later than April 1, 2018.

1250 SECTION 58. (a) The Massachusetts cannabis control commission shall prioritize review
1251 and licensing decisions for applicants for retail, manufacture or cultivation licenses who:

1252 (1) are registered marijuana dispensaries with a final or a provisional certificate of
1253 registration in good standing with the department of public health pursuant to 105 CMR 725.000
1254 that are operational and dispensing to qualifying patients; or

1255 (2) demonstrate experience in or business practices that promote economic empowerment
1256 in communities disproportionately impacted by high rates of arrest and incarceration for offenses
1257 under chapter 94C.

1258 (b) The commission shall identify all applications subject to prioritization under
1259 subsection (a) submitted between April 1, 2018 and April 15, 2018 and grant or deny such
1260 applications prior to reviewing any other applications for licenses.

1261 (c) The commission shall not issue a license pursuant to chapter 94G until June 1, 2018.

1262 (d) The commission shall not approve any application for a license submitted by such a
1263 registered marijuana dispensary if, pursuant to chapter 94G, a host community, as defined in
1264 chapter 94G, has prohibited marijuana establishments under 94G.

1265 SECTION 59. The cannabis control commission, in consultation with the department of
1266 agricultural resources, shall report to the joint committee on marijuana policy and the house and
1267 senate committees on ways and means on participation in the regulated marijuana industry by
1268 farmers and businesses of all sizes. The first report shall provide recommendations to ensure
1269 farmers' access to marijuana licenses and to allow for the growth, cultivation, production and
1270 harvest of marijuana on farm or agricultural lands, including, to the extent permitted by state and
1271 federal law, lands protected under an agricultural preservation restriction and the possibility of
1272 including marijuana and industrial hemp as land in horticultural use for the purposes of
1273 assessment and taxation pursuant to the provisions of chapter 61A. These recommendations,
1274 including drafts of legislation necessary to carry its recommendations into effect shall be
1275 reported within 12 months of the effective date of this act. The second report shall update the
1276 legislature on progress made to promote and encourage full participation in the regulated
1277 marijuana industry by farmers and businesses of all sizes and shall be filed not later than
1278 December 31, 2018.

1279 SECTION 60. The Massachusetts cannabis control commission shall make necessary
1280 accommodations and promulgate special regulations for the counties of Dukes and Nantucket.
1281 Such regulations shall be promulgated on or before May 1, 2018.

1282 SECTION 61. Notwithstanding any general or special law to the contrary, a person
1283 having a record of criminal court appearance or disposition on file with the office of the
1284 commissioner of probation for a charge of unlawful possession of a controlled substance under
1285 section 34 of chapter 94C of the General Laws shall be eligible to have the record and related
1286 records, if any, sealed immediately under section 100A of chapter 276 of the General Laws if the
1287 controlled substance specified in the complaint related to the court appearance or disposition was
1288 marihuana under clause (1) of subsection (b) of Class D of section 31 of said chapter 94C.

1289 SECTION 62. The cannabis advisory board shall provide recommendations related to the
1290 costs associated with the purchase of medicinal marijuana by veterans of the United States
1291 military and individuals receiving health insurance benefits through the United States
1292 Department of Veterans Affairs. The cannabis advisory board shall make recommendations
1293 relative to improving cost-effective access to medicinal marijuana and individuals receiving
1294 health insurance benefits through the United States Department of Veterans Affairs to the
1295 cannabis control commission not later than September 1, 2018.

1296 SECTION 63. The secretary of public safety and security shall make a recommendation
1297 to the legislature not later than July 1, 2018, regarding a statewide system and procedures for
1298 civil citations.

1299 SECTION 64. The Massachusetts cannabis control commission, in collaboration with the
1300 department of revenue, shall study the feasibility of alternative tax bases for calculating taxes on

1301 marijuana and marijuana products, including by weight, volume, or tetrahydrocannabinol
1302 potency. The commission shall file the results of this study together with any recommendations
1303 for changes to marijuana tax policy with the clerks of the senate and the house of representatives,
1304 who shall forward the recommendations to the senate and house chairs of the joint committee on
1305 marijuana policy and the senate and house chairs of the joint committee on revenue not later than
1306 July 1, 2020.

1307 SECTION 65. (a) Notwithstanding any general or special law to the contrary, the
1308 cannabis control commission shall report on the incoming receipts and expenditures and any
1309 other activities of the Marijuana Regulation Fund, established in section 14 of chapter 94G of the
1310 General Laws, every 6 months. The report shall be submitted to the clerks of the senate and the
1311 house of representatives and the senate and house committees on ways and means.

1312 SECTION 66. (a) As used in sections 66 to 71, inclusive, the following terms shall,
1313 unless the context clearly requires otherwise, have the following meanings:-

1314 “Commission”, the Massachusetts cannabis control commission established pursuant to
1315 section 76 of chapter 10 of the General Laws.

1316 “Department”, the department of public health.

1317 “Program”, the department’s medical use of marijuana program.

1318 (b) Notwithstanding any general or special law to the contrary, the department and the
1319 commission shall develop and implement a transfer agreement providing for the orderly transfer
1320 of the program, including personnel, from the department to the commission pursuant to sections
1321 66 to 71, inclusive. Upon the assumption of the outstanding liabilities, obligations and debt of the

1322 program by the commission, the program shall be dissolved and, without further conveyance or
1323 other act, all the assets, liabilities, obligations and debt, as well as all rights, powers and duties of
1324 the program shall be transferred to, and assumed by, the commission.

1325 (c) On the date the transfer required by subsection (b) takes effect: (i) ownership,
1326 possession and control of all property, including, but without limitation, all buildings, facilities,
1327 cash, equipment, books, papers, memorandums, files, maps, plans, records, documents, property
1328 held in trust and other property, both personal and real, of whatever description pertaining to the
1329 operation of the program which are in the possession of the program or department or employee
1330 thereof shall pass to, and be vested in, the commission without consideration or further evidence
1331 of transfer; and, (ii) all duly existing contracts, leases or obligations of the program which remain
1332 in force immediately before the effective date of the transfer pursuant to subsection (b) shall be
1333 deemed to be the obligations of the commission. The commission shall have authority to exercise
1334 all rights and enjoy all interests conferred upon the program or department by such contracts or
1335 obligations. No existing right or remedy of any character shall be lost impaired or affected by
1336 this act. In the case of collective bargaining agreements, any obligations under the agreements
1337 shall expire on the stated date of expiration of such agreements.

1338 (d) The department shall transfer the program to the commission upon receipt of written
1339 certification from the commission that the commission has in place the legal and regulatory
1340 framework to regulate and oversee medical marijuana without disruption to the medical
1341 marijuana industry or patient access to medical marijuana or on December 31, 2018, whichever
1342 occurs first.

1343 The transfer of the assets, liabilities, obligations and debt of the program to the
1344 commission shall be effective upon execution of the transfer agreement authorized herein and
1345 shall bind all persons with or without notice and without any further action or documentation.

1346 (e) Each employee of the program whose salary is paid out partially or in full by revenues
1347 generated by the program and whose salary is accounted for on the books of the program as
1348 arising from revenue generated by the program as of June 1, 2017 shall become an employee of
1349 the commission upon execution of the transfer agreement authorized herein or on December 31,
1350 2018, whichever occurs first.

1351 (f) All applications submitted, requests, investigations and other proceedings
1352 appropriately and duly brought before the program before the effective date of this act shall
1353 continue unabated and remain in force, but shall be assumed and completed by the commission.

1354 SECTION 67. (a) Notwithstanding any general or special law to the contrary, each
1355 employee of the program shall become an employee of the commission upon the execution of the
1356 transfer agreement required pursuant to section 66 or on January 1, 2019.

1357 (b) All officers and employees of the program transferred to the service of the
1358 commission shall be transferred without impairment of seniority, retirement or other statutory
1359 rights of employees, without loss of accrued rights to holidays, sick leave, vacation and other
1360 benefits, and without change in union representation or certified collective bargaining unit as
1361 certified by the state labor relations commission or in local union representation or affiliation,
1362 except as otherwise provided in this act. Terms of service of employees of the department's
1363 program shall not be deemed to be interrupted by virtue of transfer to the commission.

1364 (c) Nothing in this section shall be construed to confer upon any employee of the
1365 program any right not held immediately before the date of said transfer to the commission, or to
1366 prohibit any reduction of salary grade, transfer, reassignment, suspension, discharge, layoff or
1367 abolition of position not prohibited before such date.

1368 SECTION 68. Notwithstanding any general or special law to the contrary, the terms and
1369 conditions of any collective bargaining agreement that is in effect upon transfer of the
1370 department's program with respect to employees of said program shall continue in effect until
1371 the stated expiration date of such agreement, at which point the agreement shall expire;
1372 provided, however, that all such employees shall continue to retain their right to collectively
1373 bargain under chapter 150E of the General Laws and shall be considered employees of the
1374 Massachusetts cannabis control commission established pursuant to chapter 10 for the purposes
1375 of said chapter 150E. Upon the effective date of this act, the department's program shall not
1376 engage in negotiations for future collective bargaining agreements with employees of the
1377 program.

1378 The personnel administrator of the commonwealth, in consultation with the commission,
1379 shall complete a study of job titles in the program. The personnel administrator, in consultation
1380 with the commission, shall determine the appropriate job titles for former employees of the
1381 program transferred to the commission. Employees transferred to the commission shall be placed
1382 in job titles as determined by the personnel administrator, and shall be paid wages and receive
1383 benefits consistent with the commonwealth bargaining unit contract governing such job titles.
1384 Employees not transferred to the commission shall be released pursuant to any applicable
1385 collective bargaining agreement or authority policy in place upon the effective date of this act.

1386 SECTION 69. Notwithstanding any general or special law to the contrary, on and after
1387 the effective date of this act, the department's program shall not enter into any contract to
1388 employ a person as an employee or officer beyond December 31, 2018.

1389 SECTION 70. Notwithstanding any general or special law to the contrary, any order,
1390 rule, or regulation duly promulgated, or any license, permit, certificate or approval duly granted,
1391 by or on behalf of the department's program, shall continue in effect and shall be enforced by the
1392 commission until its expiration or until superseded, revised, rescinded or cancelled by the
1393 commission.

1394 SECTION 71. (a) Notwithstanding any general or special law to the contrary, upon
1395 execution of the agreement between the department and the commission pursuant to section 66,
1396 or December 31, 2018, whichever occurs first, the comptroller shall transfer the unexpended
1397 balances of the Medical Marijuana Trust Fund established in section 2KKKK of chapter 29 of
1398 the General Laws to the Marijuana Regulation Fund established in section 14 of chapter 94G of
1399 the General Laws.

1400 (b) The comptroller shall take the overall cash flow needs of the commonwealth into
1401 consideration in determining the timing of any transfer of funds provided for in subsection (a).
1402 The comptroller shall provide a schedule of transfers to the secretary of administration and
1403 finance and to the chairs of the house and senate committees on ways and means.

1404 SECTION 72. The commission shall submit a report to the joint committee on marijuana
1405 policy not later than July 15, 2018 detailing the progress of the transfer of the program as set
1406 forth in sections 66 to 71, inclusive.

1407 SECTION 73. Notwithstanding any general or special law to the contrary, marijuana may
1408 be used for medical purposes pursuant to chapter 369 of the acts of 2012 and any rule or
1409 regulation promulgated by the department pursuant to said chapter 369 including, but not limited
1410 to, 105 CMR 725 until the department transfers the oversight and regulation of the program to
1411 the commission as provided by section 66.

1412 SECTION 74. Notwithstanding any general or special law to the contrary, any person
1413 with a provisional or final certification of registration as of July 1, 2017 to dispense medical use
1414 marijuana, or any application pending before the department of public health which have not
1415 received provisional or final certification of registration, shall be entitled to convert from a non-
1416 profit corporation organized under chapter 180 of the General Laws into a domestic business
1417 corporation or a domestic other entity pursuant to chapter 156 of the General Laws, or any other
1418 such domestic business entity as permitted by the General Laws, by adopting a plan of entity
1419 conversion in accordance with section 9.51 of chapter 156D of the General Laws approved by a
1420 vote of 2/3 of the members of its board of directors at a meeting duly called for the purpose or by
1421 unanimous written consent; provided, however, notwithstanding any law to the contrary, any
1422 plan of entity conversion adopted by an any medical use marijuana licensee or any application
1423 for a medical use marijuana license pending before the Massachusetts cannabis control
1424 commission which have not received provisional or final certification of registration shall not be
1425 required to be approved in accordance with the organic law of the non-profit corporation
1426 organized under said chapter 180. Articles of entity conversion shall be signed and submitted to
1427 the secretary of the commonwealth in the manner prescribed in and subject to section 9.53 and
1428 section 9.55 of said chapter 156D on a form prescribed by the secretary of the commonwealth,
1429 and the secretary of the commonwealth shall approve all such filings submitted pursuant to this

1430 section. For the purposes of converting from a non-profit corporation organized under said
1431 chapter 180 into a domestic business corporation or a domestic other entity pursuant to said
1432 chapter 156, notwithstanding any provision in the articles of organization applications pending
1433 before the Massachusetts cannabis control commission which have not received provisional or
1434 final certification of registration to the contrary, the members of its board of directors may
1435 determine that such plan of entity conversion is consistent with its purpose and such non-profit
1436 corporation shall be entitled to surrender its articles of organization in connection with the plan
1437 of entity conversion. Notwithstanding any law to the contrary, neither the entity conversion nor
1438 the issuance of any shares, interests, or other securities, obligations, rights to acquire interests or
1439 other securities, cash, other property, or any combination of the foregoing, set forth in or
1440 resulting from the plan of entity conversion shall be subject to taxation or result in the imposition
1441 of any tax by the commonwealth.

1442 SECTION 75. (a) The Massachusetts cannabis control commission may exempt any
1443 establishment registered and operating as a medical marijuana treatment center pursuant to
1444 chapter 369 of the acts of 2012 as of July 1, 2017 from any licensing requirement of this chapter
1445 to continue as a medical marijuana treatment center. Upon renewal of the license for a medical
1446 marijuana treatment center, all regulations promulgated by the commission needed for such
1447 licensing requirement, shall be met and approved by the commission.

1448 (b) Notwithstanding any general or special law to the contrary, for the purposes of
1449 reviewing and approving an application for a license to operate a marijuana establishment, the
1450 Massachusetts cannabis control commission shall identify applicants who are holders of a
1451 provisional or final certificate of registration pursuant to chapter 369 of the acts of 2012 and
1452 accompanying regulations. The commission shall consider issuance of a provisional or final

1453 certificate of registration as achievement of accreditation status. The commission shall ensure an
1454 expedited review process for applicants for a license to operate a marijuana establishment who
1455 have achieved accreditation status and shall only require that such applicants submit specific
1456 information not previously required, analyzed, approved and recognized by the department of
1457 public health.

1458 SECTION 76. The Massachusetts cannabis control commission and the attorney general
1459 shall conduct an investigation and study of the advisability of establishing criminal penalties for
1460 violations of this act, and shall report their recommendations for amendments to the General
1461 Laws to establish such criminal penalties, if any, not later than January 1, 2020.

1462 SECTION 77. Notwithstanding any general or special law to the contrary, a state,
1463 municipal or county employee whose official duties or responsibilities require them to take any
1464 action related to the enactment, administration or enforcement of chapter 94G of the General
1465 Laws or chapter 369 of the acts of 2012, this act or any rule or regulation promulgated pursuant
1466 to said chapter 94G or chapter 369 of the acts 2012 or this act shall be indemnified by their
1467 employer for all costs associated with any legal proceedings brought against said state, municipal
1468 or county employee by the federal government as a result of any such official action taken by
1469 said state, municipal or county employee; provided, however, that no state, municipal or county
1470 employee shall be indemnified for a violations of chapter 94G or chapter 369 of the acts of 2012
1471 of the General Laws, this act or any rule or regulation promulgated pursuant to said chapter 94G
1472 or chapter 369 of the acts of 2012 or this act for any actions taken in their personal capacity.

1473 SECTION 78. Section 77 is hereby amended by striking out, in each instance, the words
1474 “chapter 369 of the acts of 2012” and inserting in place thereof, each time they appear, the
1475 following figure:- 94I.

1476 SECTION 79: (a) For the purposes of this section, the terms “minority business
1477 enterprise”, “women business enterprise”, and “veteran business enterprise” shall have the same
1478 meanings as defined in section 58 of chapter 7.

1479 (b) The cannabis control commission shall conduct a study on participation in the
1480 regulated marijuana industry, including participation by minority business enterprises, women
1481 business enterprises and veteran business enterprises. The study shall include, but shall not be
1482 limited to: (i) a review of the participation in activities related to the regulation, licensing and
1483 promotion of marijuana establishments; (ii) a compilation of data on the individuals and entities
1484 that apply for and are issued licenses under chapter 94G of the General Laws, including the
1485 individual’s or members of an entity’s race, gender, country of origin and state geographic
1486 region; and (iii) any evidence of discrimination or barriers to entry in the regulated marijuana
1487 industry.

1488 (c) If, upon completion of the study, the commission determines that there is evidence of
1489 discrimination or barriers to entry in the regulated marijuana industry, the commission shall
1490 adopt diversity licensing goals that provide meaningful participation of communities
1491 disproportionately affected by cannabis prohibition and enforcement, including minority
1492 business enterprises, women business enterprises and veteran business enterprises. The
1493 commission shall, in consultation with the supplier diversity office under the executive office of
1494 administration and finance, develop training programs designed and implemented to achieve

1495 meaningful participation by minority persons, women, and veterans. These programs shall
1496 include, but shall not be limited to: (i) recruitment of minority, women, and veteran owned
1497 business enterprises to become licensed in marijuana related businesses; (ii) development of
1498 workforce training for minorities, women, and veterans to enter into marijuana related
1499 businesses; (iii) creation of employer training to attract minorities, women, and veterans into the
1500 workforce; and (iv) outreach to disadvantaged groups, including consultations with state
1501 agencies and providing education and training opportunities .

1502 In implementation of licensing of marijuana retailers, the commission shall prepare
1503 annual reports that shall include, but shall not be limited to: (i) the total number of licensed
1504 marijuana retailers; (ii) the number and percentage of licenses provided to minority, women, and
1505 veteran owned business; (iii) the total number and percentage of minority, women, and veteran
1506 employees in the marijuana industry, and (iv) recommendations on reducing or eliminating any
1507 identified barriers to entry, including access to capital, in the marijuana industry. The reports
1508 shall be submitted to the treasurer and receiver general, the house and senate chairs of the joint
1509 committee on marijuana policy, the clerks of the house and senate, and the governor. The
1510 commission shall post each annual report on its website.

1511 (d) The commission shall file its findings and recommendations with the clerks of the
1512 senate and the house of representatives, the chairs of the joint committee on marijuana policy and
1513 the senate and house committees on ways and means.

1514 SECTION 80. (a) The Massachusetts cannabis control commission shall establish energy
1515 and environmental standards pursuant to paragraph (xxxix) of section 4(a ½) of chapter of 94G
1516 of the General Laws, provided, that such standards shall be promulgated in consultation with the

1517 department of energy resources, the department of environmental protection and the department
1518 of agricultural resources; and provided further, that such standards shall require, at a minimum,
1519 that any marijuana establishment licensed as a marijuana cultivator or marijuana product
1520 manufacturer demonstrate, as a condition of licensure, or as a condition for licensure renewal if
1521 such standards are not established prior to initial licensure, compliance with such energy and
1522 environmental standards

1523 (b) the Massachusetts cannabis control commission shall establish a working group that
1524 shall include, but not be limited to: the executive director of the cannabis control commission or
1525 a designee, the commissioner of energy resources or a designee, the commissioner of
1526 environmental protection or a designee and the commissioner of agricultural resources or a
1527 designee. The working group shall provide recommendations to the commission on: (i) ways to
1528 reduce energy and water usage in the marijuana industry; (ii) mitigating other environmental
1529 impacts; (iii) annual energy audits, energy efficiency measures, energy conservation measures
1530 and energy conservation projects as defined in section 1 of chapter 164 of General Laws; (iv)
1531 additional best practices that would ensure marijuana establishment compliance with standards
1532 promulgated under paragraph (a).

1533 SECTION 81. Notwithstanding any general or special law to the contrary, nothing in this
1534 act shall affect any restrictions or limitations on the operation of medical marijuana treatment
1535 centers, marijuana establishments or both imposed by a municipality pursuant to chapter 369 of
1536 the acts of 2012 or chapter 334 of the acts of 2016 as of July 1, 2017.

1537 SECTION 82. Notwithstanding any general or special law to the contrary, the treasurer
1538 and receiver-general, working in cooperation with the department of capital asset management

1539 and maintenance, may determine where to locate temporary office space for the establishment
1540 and operation of the Massachusetts cannabis control commission.

1541 SECTION 83. Sections 2, 29, 41, 44, 45, 48, 71, and 78 shall take effect upon the
1542 execution of the transfer agreement between the department of public health and the
1543 Massachusetts cannabis control commission required pursuant to section 66 or on December 31,
1544 2018, whichever occurs first.