

Workforce Issuance

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To: MassHire Workforce Board Chairs

MassHire Workforce Board Directors MassHire Career Center Directors

MassHire Fiscal Officers
MDCS Operations Managers

cc: WIOA State Partners

From: Diane Hurley, Acting Director

MassHire Department of Career Services

Date: February 23, 2024

Subject: Workforce Development Services and the Industrial Hemp and

Marijuana/Cannabis Industries

Purpose: To provide guidance to MassHire Workforce Boards, MassHire Career Center

Operators, and other workforce partners as it relates to the Industrial Hemp and Marijuana/Cannabis Industries in Massachusetts and related services within the

workforce development system.

Background: In 2016, Massachusetts residents voted to legalize the recreational use of

marijuana (cannabis) for people 21 years of age and older. Since then, questions have come up regarding services to job seekers, Migrant Seasonal Farm Workers (MSFWs), and other individuals who either obtain employment, work or have worked in the industrial hemp or marijuana industries. There have also been

questions regarding the provision of services to employers

(growers/dispensaries) that have expressed interest in posting job orders and/or seeking assistance with recruitment efforts from MassHire Career Centers.

To minimize any potential liability associated with provision of services to these emerging industries, it is incumbent on all MCC Operators and staff to familiarize themselves, at a minimum, with the following state and federal regulations:

Applicable Laws/Regulations include, but are not limited to, the following:

- G.L. c. 94G: Regulation of the use and distribution of marijuana not medically prescribed
- G.L. c. 94C: Controlled Substances Act
- Session Laws 2017, c. 55: An act to ensure safe access to marijuana
- <u>21 USC § 801-971</u>: Drug abuse prevention and control
- Any other applicable laws, policy guidelines, or regulations. It is the
 responsibility of MHCC operators to ensure continued compliance with all
 applicable laws and policies.

Although Massachusetts has passed the *Regulation and Taxation of Marijuana Act*, in accordance with federal law (21 U.S.C. 812), marijuana maintains a classification of a Schedule 1 narcotic and is federally illegal. Therefore, in accordance with federal law, WIOA funds, which are federal in nature, cannot be used to directly or indirectly support the marijuana industry.

The <u>Farm Bill</u> (Federal) passed in December of 2018, presented a major change which made cultivation of industrial Hemp legal. Massachusetts legalized hemp in the same 2016 law that legalized recreational marijuana.

Pursuant to **2 CFR §200.331**, the state, as the pass-through entity, must advise subrecipients of requirements imposed by federal and state laws, regulations, and the provisions of contracts or grant agreements, as well as additional requirements that may apply. All grant agreements between USDOL and the state must follow all applicable federal statutes, regulations, policies, and guidelines.

§ 2900.2 Non-Federal entity: Per USDOL, Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), for-profit entity, foreign public entity, foreign organization, or nonprofit organization that carries out a federal award as a recipient or subrecipient (see 2 CFR 200.1).

2 CFR 200.1 "Pass-through entity (PTE)": Pass-through entity (PTE) means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a federal program.

DEFINITIONS:

Marijuana - Refers to any form of a product containing THC, usually at level 3%-30%. Forms include but are not limited to dried marijuana, topicals, concentrates (including hash, THC/marijuana oils, wax, and shatter), and edibles (referring to any form of marijuana that is mixed with food or drinks)

Industrial Hemp: aka Hemp, has required THC of less than 0.3%. It has been used worldwide to produce a variety of industrial and consumer products. Hemp is a source of fiber and oilseed. In the United States, production is controlled under drug enforcement laws. To produce industrial hemp in the United States, the grower must obtain a permit from the Drug Enforcement Agency (DEA).

Policy:

In accordance with federal law, Federal funds cannot be used to directly or indirectly support the marijuana industry including, but not limited to, use, possession, growth, or distribution of marijuana. This applies to the following Programs; WIOA, Wagner-Peyser, Trade Adjustment Assistance, Veterans' Employment and Training Service, WPP Expansion Program, Foreign Labor Certification, Work Opportunity Tax Credit, and National Dislocated Worker Grant programs. It also applies to staffing and services under these programs, including, but not limited to, training, employer outreach, hiring events, career counseling, job orders and referrals. There are no exceptions to this prohibition.

Legislative changes by states, including Massachusetts, do not alter federal law, existing suitable criteria, or Executive Branch policies regarding marijuana. MCCs must either adopt this policy or develop a comparable policy to *ensure staff time, benefits, and the following services are not being supported or provided utilizing Federal funding* in relation to or on behalf of the marijuana industry. Such policies must at a minimum, prohibit the following:

Job Seekers and/or business services such as, but not limited to:

- A customer entering or retaining employment that is related to the growing, selling, producing, handling, or distribution of marijuana in any form.
- 2. Referrals and/or posting of job orders related to the growing, selling, producing, handling, or distribution of marijuana.
- 3. Self-employed or small business goals, or ventures associated with the marijuana industry. This includes:
 - a. Businesses that have related activity that involves marijuana as a component of the business;
 - b. Businesses that include marijuana production, processing, transportation, sales, or other marijuana-related activities as a component of their business;

- c. The purchase of marijuana in any form on behalf of a customer, or assisting a customer in the acquisition or consumption of marijuana; or
- Gardening that results in the establishment of a dispensary or other marijuana-based industry employment;

Training and Career Services must not support:

- 1. Education in fields of study specific to the marijuana industry;
- 2. Training for a job involving growing, selling, producing, handling, or distribution of marijuana; or
- 3. Employer-based training (e.g., On-the-Job Training, Customized Training, Incumbent Worker Training, Apprenticeship Training, Work Experience) at a worksite involving growing, selling, producing, handling, or distributing marijuana.

Supportive Services funding may not be used for marijuana products.

With regard to Industrial Hemp, which is legalized both at the Federal and State levels, the Massachusetts Department of Agricultural Resources (MDAR) Industrial Hemp Program provides oversight and regulation of hemp for commercial purposes in Massachusetts. Licensed growers may post job orders and receive assistance from MCCs to fill vacant positions within their business. Jobseeker referrals can also be made to these employers.

In order to facilitate services to and the identification of licensed industrial hemp growers in the Commonwealth, MCCs must refer to MDARs listing of "Active" hemp licenses issued in the Commonwealth pursuant to M.G.L. c. 128, § 118 and 7 CFR 990. The listing can be found here. MCCs must verify the employer is listed before providing any services. MCCs cannot support or provide services to employers/growers not found on the listing of "Active" hemp licenses until proof of "Active" licensing can be provided and verified by the MCC.

Please refer here for MDAR's FAQs for additional information: <u>Hemp in</u> Massachusetts: FAQs | Mass.gov

Action

Required: Ensure all staff working with employers and/or job seekers are aware of this

Workforce Issuance.

Effective: Immediately

Inquiries: Please forward questions related to this guidance to policyQA@mass.gov and

reference the issuance number and description.