



MASSACHUSETTS CANNABIS CONTROL COMMISSION
STEVEN J. HOFFMAN, CHAIRMAN

CANNABIS CONTROL COMMISSION COMMENCES PUBLIC POLICY DISCUSSION

Policies will include: license categories, licensing process requirements, operating requirements and enforcement measures

For Immediate Release

December 11, 2018

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Boston, MA - Today, the Cannabis Control Commission held its first day of public deliberation on policy matters that will inform the implementation of the recreational adult use cannabis industry in Massachusetts.

The decisions today will be incorporated into a working document of regulations that will be subject to an additional vote of the Commission before being formally filed as Draft Regulations.

Policy recommendations determined today:

LICENSE TYPES

Marijuana Cultivator

- Agreed to adopt the *Chapter 55 of the Acts of 2017* language with clarification that each license is specific to a certain address.
- Adopt recommendation of Market Participation subcommittee & Marijuana Industry Subcommittee for tiered levels of cultivation license with the addition of requiring demonstration of consistent sales of 85% of inventory during the past 6 months before licensee can move up a tier

Tiers agreed upon:

- (A) Tier I: Up to 1,000 square feet of plant cultivation space
- (B) Tier II: 1,001 to 5,000 square feet of plant cultivation space
- (C) Tier III: 5,001 to 10,000 square feet of cultivation space
- (D) Tier IV: 10,001+ square feet (proportionate fee associated with each additional 5,000 square feet)

Craft Marijuana Cooperatives

- Agreed to adopt statutory definition: A marijuana cultivator comprised of residents of the commonwealth organized as a limited liability company or limited liability partnership under the laws of the commonwealth, or an appropriate business structure as determined by the commission, and that is licensed to cultivate, obtain, manufacture, process, package and brand marijuana and marijuana products to deliver marijuana to marijuana establishments but not to consumers.
- Agreed to Require residency for 12 months prior to application
- Agreed to allow up to 6 cultivation locations; 3 processing and/or manufacturing locations under 1 Cooperative license
- Cooperatives would be Limited to 1 license
- Required to have separate license for additional activities / Ex. Retail sales

Marijuana Product Manufacture:

- Agreed to adopt definition consistent with statute *Chapter 55 of the Acts of 2017*: an entity licensed to obtain, manufacture, process and package marijuana and marijuana products, to deliver marijuana and marijuana products to marijuana establishments and to transfer marijuana and marijuana products to other marijuana establishments, but not to consumers.
- Agreed to limit of 3 license per entity
- Agreed that each license is specific to an address

Independent Testing Lab

- Adopt definition consistent with statute in *Chapter 55 of the Acts of 2017*: Accredited, independent, and qualified;
- Agreed to add a new level of standards laboratory which will meet the standards of independent testing facility and could be used as resource to verify testing and methodology of independent testing labs.

Marijuana Retailer

- Agreed to adopt definition in statute *Chapter 55 of the Acts of 2017*: entity licensed to purchase and deliver marijuana and marijuana products from marijuana establishments and to deliver, sell or otherwise transfer marijuana and marijuana products to marijuana establishments and to consumers and the license be specific to a certain address.

Transportation License

- Agreed to create a Transportation license to deliver product to the next level, including retailers and be subject to DPH transportation protocol and comply with tracking system requirements.

Social Consumption

- Agreed to Primary Use Social Consumption License for businesses that derive more than 50% of revenue from cannabis

- Mixed Use License which derives less than 50% of their business from cannabis sales and who may only sell cannabis with another service Ex. Restaurants, spas, movie theaters, yoga studios, etc.
- Agreed to not allow for consumers to bring their own product to these establishments

Microbusiness License

- Agreed to define microbusiness as cultivation, manufacturing, and delivery
- Agreed they had to be less than 5,000 sq.ft.
- Agreed this license would be available to anyone who does not have stake in another marijuana establishment and that has been a resident of Massachusetts for 12 months at the time of application.

LICENSING FRAMEWORK

Licensing Process

- Agreed to adopt an application process that allows for more flexibility for completion and review of applications
- Agreed to a “Packet” system which will include 3 parts, reviewed on a rolling basis
 - Application of Intent Ex: where are you planning on siting? What are the names of the people involved in the application?
 - Background Check Ex: fingerprinting (SAFIS), CORI
 - Management and Operations Profile: Detail provided about specific ways the applicant intends to meet the various requirements.

Capitalization Requirement for Applicants

- Agreed to low capitalization requirements and for some license types no capital requirements

Municipal License Requirements

- The Commission agreed to require an applicant-led community outreach hearing to be held within 6 months prior to an application being filed
- Agreed to adopt evidence of an executed Host Community Agreement between the applicant and the municipal contracting authority.

Management and Operations Profile

- Agreed to require license applicants as part of their operations profile submit a timeline that clearly identifies evidence of key policies and procedures necessary for the Marijuana Establishment to operate including obtaining liability insurance.

Specific License Types & Management and Operations Profile requirements

- Agreed to require additional Management and Operations Profile requirements for specific license types. EX: retail license applicants should be prepared to tell the Commission where they intend to acquire Marijuana and Marijuana Products from; cultivator license applicants should be prepared to provide detailed plan that includes

policies and procedures for cultivation; Manufacturers should be prepared to provide a description of the types and forms of Marijuana Products to be produced; methods of production; and samples of any unique identifying marks that will appear on the product.

Existing Medical Marijuana (RMD's) License Process

- Agreed to priority application review for existing Medical Marijuana Operators (RMD's) that have met the requirements of Section 73 of Chapter 55 of the Acts of 2017 which includes existing RMDs that have achieved accreditation per §73(b)
- Agreed that as priority application they are mandated to provide additional information including certification of a Host Community Agreement specific to adult use recreational marijuana and if physically separate from existing RMD, evidence of compliance with local zoning, require they submit fingerprint authorization in accordance with G.L. c. 94G, sec.21; provide background information for C-Suite level, management and close associates not previously associated with the RMD license.

The Cannabis Control Commission will convene again tomorrow at 10:30am, 101 Federal Street, 12th Floor.

The Commission expects to incorporate these policies into a working document which will be subject to a final vote of the Commission expected to occur next week.

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