

# **An Act to Ensure the Public Health and Safety of Patient and Consumer Access to Medical and Adult Use of Marijuana in the Commonwealth**

- ***Ensuring a Balanced Approach to Governance:*** Cannabis Control Commission shall sit under the Treasury but remain independent and shall be diversified to capture more areas of expertise.
  - Five (5) member Cannabis Control Commission (CCC)
    - 1 appointed by the Governor with a background in public health
    - 1 appointed by the AG with a background in public safety
    - 1 appointed by the Treasurer with a background in corporate finance & securities
    - 1 appointed by a majority vote of the 3 constitutional officers with a background in industry management or oversight of a regulated industry
    - 1 appointed by a majority vote of the 3 constitutional officers with a background in legal/policy issues related to a regulated industry
    - Commission chair to be appointed by the Treasurer
    - Executive Director to be appointed by a majority vote of the 5 Commissioners
  - CCC operates as a state agency
    - Report budget to Executive Office of Administration & Finance
    - Budget then has to be approved by the legislature
  - Seventeen (17) member Cannabis Advisory Board and is strictly advisory to CCC
    - CCC Executive Director will serve as the chair
    - Secretary of Housing & Economic Development or designee
    - Commissioner of Dept. of Revenue or designee
    - Commissioner of Dept. of Public Health or designee
    - Commissioner of Agricultural Resources or designee
    - Superintendent of MA State Police or designee
    - President of MA Municipal Association or designee
    - Remaining 10 members to be appointed by the Treasurer with backgrounds in:
      - cultivation
      - retailing
      - product manufacturing
      - toxicology
      - substance abuse prevention & treatment
      - social welfare/justice
      - the provision of legal services to marijuana businesses/consumers
      - representing the interests of employers
      - representing the interests of medical marijuana patients
      - representing the interests of property owners.

- ***Setting a tax rate that balances state and local revenue while impeding the blackmarket:*** Incentivizes local adoption of retail licensees, allows state investments in public health education, substance abuse prevention and treatment, and law enforcement while not driving consumers back to the blackmarket.
  - 28% -all in tax rate
  - 16.75% State Excise Tax
  - 6.25% State Sales Tax
  - 5% Local Excise Tax
  - All capped and required
  - Maintain that medical use of marijuana is not taxed
  - Not less than \$10 million to substance abuse prevention and treatment programs
  
- ***Ensuring a timely launch of adult use through streamlining state oversight and leveraging existing experience:*** Consolidation of DPH MMJ Program and CCC enables for ~25 competent and educated staff to immediately start at the CCC towards implementation of adult use marijuana, allows for economies of scale through elimination of duplication, and allows for “lessons-learned” from MMJ roll-out to be baked into the CCC’s oversight.
  - Move DPH Medical Use of Marijuana Program to the CCC
    - ~25 competent staff who are educated in marijuana policy and supported by the industry
    - \$7.25M transferred from existing MMJ Trust Fund to CCC to support ongoing operations
  
- ***Codify and Update Medical Use of Marijuana Statute:*** Codify ballot into General Law, update terminology and processes to match current MMJ Program and regulations, add critical transparency, and ensure patient confidentiality.
  - Align and modernize terminology and definition to reflect current regulations and statutes
  - Allow Registered Cannabis Establishment (RCE) to be for profit, as it will add transparency and bring down patient costs
  - Extend patient bill of rights to MMJ patients, ensuring patient confidentiality
  
- ***Responsibly eliminate industry-backed “head start” while ensuring timely launch of the program:*** Eliminate the industry-backed two-year head-start and allow for all interested parties to apply on Day 1; however, leverage healthcare industry concept of “Deemed Accreditation” by recognizing those medical RCEs which have received provisional certificates of approval as having achieved substantial compliance, creating an expedited review process for their approval.
  - “Deemed Accreditation”
    - RCE s have passed the MA standard and requirements already, so that they do not have to go through the full process multiple times
  - Virtual Separation through seed-to-sale tracking technology
    - Allows co-location of medical and adult use RCEs, reducing footprint within communities

- ***Responsibly reinstate local control, ensuring critical support of our Commonwealth's municipalities:*** Eliminate local referendum, allow for local bylaws and ordinances, and ensure that if an area is zoned for medical use, it can also allow for recreational.
  - Do away with the referendum (grandfather in cities/towns who have passed it)
  - Allow for local bylaws and ordinances
  - Cannot overly restrict more than have done for a medical marijuana zoning bylaw or ordinance (if applicable)
  - Eliminates requirement for number of marijuana establishments to be 20% of package stores
  
- ***Establish nation-leading independent testing standards:*** Ensure nation-leading minimum testing standards and labeling requirements across both adult use and medical, allowing consumers and patients the ability to have confidence in the safety of all marijuana products sold in Massachusetts.
  - Establish oversight of independent testing laboratories, requiring all labs to be 100% independent from RMDs and licensed through CCC
  - Require compliance with United States Pharmacopeia, aligning with pharmacy standards for purity
  - Use for both medical and adult-use
  - Build on existing DPH standards
  - Require detailed standards for testing and labeling CCC
  
- ***Ensure clear instructions to CCC and align where possible between medical and adult use:*** Ensure clear standards for adult use that align with existing medical standards.
  - Ensure CCC minimum standards on edibles, packaging, seed-to-sale technology, security, health and safety guidelines, serving sizes (10 milligrams)
    - Opaque and childproof packaging
    - Limit 10mg THC serving size of edibles
    - Identify if package contains more than one serving size
  - Ensures regular inspections by CCC
  - Allows for CCC to set fines for non-compliance
  
- ***Creates minimum standard for advertising, marketing, and branding for registered adult-use marijuana dispensaries.*** Extracts regulations from the medical marijuana regulations, other states that have already enacted adult-use marijuana and alcohol and tobacco federal regulations.
  - No false, misleading or deceptive statements
  - No TV, radio, billboard, print or internet unless at least 71.6% of audience is over 21
  - Cannot appeal to anyone less than 21 or depict anyone less than 21
  - Prohibit certain promotional items as determined by the CCC
  - Cannot say products are safe, other than using labeling as regulated by the bill and CCC
  - Illuminated external signs only 30 minutes before sundown until closing
  - No use of vehicles with radio or loud speaker or a radio or loud speaker themselves
  - Can sponsor charitable, sports or similar event, but must still appease the 71.6% threshold

- ***Maintains personal use provisions, but adds liquor license penalties for U-21 sales:*** Does not amend adult use personal use provisions, but aligns with liquor license penalties for U-21 sales.
  - 21+
  - Poss 1oz and gift up to 1oz; 10oz in home
  - 6 plants per person, but capped at 12 plants/10oz per residence
  - CCC shall issue rules and regulations on manufacturing from home grow
  - Open container prohibition
  - Adds ABCC statutory penalties for serving U-21
  
- ***Allows for the growing and production of industrial hemp:*** Industrial hemp would be statutorily recognized as an agricultural product and may be planted, grown, harvested, possessed, processed, bought, sold and/or researched.
  - The Department of Agricultural Resources shall oversee industrial hemp as an agricultural product
  - Any person growing industrial hemp shall be licensed by the department
  - Industrial hemp may be used for research and commercial purposes
  - Industrial hemp shall be tested to ensure that THC levels do not exceed 0.3 per cent
  
- ***Establishes a special commission on driving under the influence of substances:*** The commission shall conduct a comprehensive study relative to the regulation and testing of drivers operating under the influence of marijuana, narcotic drugs, depressants or stimulant substances and make recommendations on enforcement.
  - Eleven member Driving Under the Influence commission
    - The Executive Director of the Cannabis Control Commission, who will chair the special commission.
    - The Attorney General or his or her designee.
    - The Secretary of the Executive Office of Public Safety or his or her designee.
    - The Superintendent of the Massachusetts State Police or his or her designee.
    - The president of the Massachusetts Chiefs of Police Association or his or her designee.
    - The president of the Massachusetts District Attorney's Association or his or her designee.
    - The president of the Massachusetts State Bar Association or his or her designee.
    - The president of the ACLU of Massachusetts or his or her designee.
    - The president of the Massachusetts Medical Society or his or her designee.
    - 1 person appointed by the Secretary of Health and Human Services with medical and physiological expertise.
    - 1 public member appointed by the Governor with expertise in scientific research on or technological development in testing capabilities of these substances.
  - The special commission shall submit its final report and any recommendations for legislation by July 1, 2019 with the House of Representatives and Senate