

HOUSE No. 3768

The Commonwealth of Massachusetts

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

An Act to ensure the public health and safety of patient and consumer 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. Sections 76 and 77 of chapter 10 of the General Laws are hereby repealed.

2 SECTION 2. The General Laws are hereby amended by inserting after chapter 10 the
3 following chapter:-

4 CHAPTER 10A.

5 THE MASSACHUSETTS CANNABIS CONTROL COMMISSION

6 Section 1. The General Court finds and declares that:

7 (1) ensuring public confidence in the integrity of the cannabis licensing process and
8 in the strict oversight of all cannabis establishments through a rigorous regulatory scheme is the
9 paramount policy objective of this chapter;

10 (2) establishing the financial stability and integrity of cannabis licensees, as well as
11 the integrity of their sources of financing, is an integral and essential element of the regulation
12 and control of cannabis under this chapter;

13 (3) cannabis licensees shall be held to the highest standards of licensing and shall
14 have a continuing duty to maintain their integrity and financial stability;

15 (4) applicants for cannabis licenses and cannabis licensees shall demonstrate their
16 commitment to efforts to combat substance abuse and a dedication to community mitigation, and
17 shall recognize that the privilege of licensure bears a responsibility to identify, address and
18 minimize any potential negative consequences of cannabis establishments;

19 (5) any license awarded by the commission shall be a revocable privilege and may be
20 conditioned, suspended or revoked upon: (i) a breach of the conditions of licensure, including
21 failure to keep commitments made to the commonwealth in return for receiving a cannabis
22 license; (ii) any civil or criminal violations of the laws of the commonwealth; or (iii) a finding by
23 the commission that a cannabis licensee is unsuitable to operate a cannabis establishment or
24 perform the duties of their licensed position;

25 (6) the power and authority granted to the commission shall be construed as broadly
26 as necessary for the implementation, administration and enforcement of this chapter;

27 (7) there should be no punishment under state law for the acquisition, purchase,
28 possession, cultivation, processing, transfer, transportation, selling, distribution, dispensation or
29 administering of marijuana, marijuana accessories and related supplies and educational materials
30 consistent with the requirements of this chapter; and

31 (8) the commission should promote and encourage full participation in the regulated
32 marijuana industry by people from communities that have previously been disproportionately
33 harmed by marijuana prohibition and enforcement and to positively impact those communities.

34 Section 2. As used in this chapter the following words shall, unless the context clearly
35 requires otherwise, have the following meanings:-

36 “Adult use cannabis”, marijuana or marijuana accessories sold by an adult use cannabis
37 licensee to a consumer.

38 “Adult use cannabis establishment”, the premises approved under an adult use cannabis
39 license.

40 “Adult use cannabis license”, a license issued by the commission that permits the licensee
41 to operate an adult use cannabis establishment.

42 “Adult use cannabis licensee”, a person or entity who holds an adult use cannabis license
43 under this chapter.

44 “Affiliate”, a person who directly or indirectly controls, or is controlled by, or is under
45 common control with, a specified person.

46 “Applicant”, a person who has applied for a license to engage in activity regulated under
47 this chapter.

48 “Application”, a written request for a finding of suitability to receive a license or engage
49 in an activity which is regulated by this chapter.

50 “Bona fide healthcare professional-patient relationship”, a relationship between a
51 registered healthcare professional, acting in the usual course of his or her professional practice,
52 and a patient in which the healthcare professional has conducted a clinical visit, completed and
53 documented a full assessment of the patient’s medical history and current medical condition, has
54 explained the potential benefits and risks of medical use cannabis, and has a role in the ongoing
55 care and treatment of the patient.

56 “Bureau”, the investigations and enforcement bureau in the commission.

57 “Business”, a corporation, sole proprietorship, partnership, limited liability company or
58 any other organization formed for the purpose of carrying on a commercial enterprise.

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

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

64 “Cannabis”, marijuana.

65 “Cannabis employee”, an employee of a cannabis establishment registered pursuant to
66 this chapter.

67 “Cannabis establishment”, the premises approved under a cannabis license, including, but
68 not limited to an adult use cannabis establishment, a medical use cannabis establishment, a
69 marijuana product manufacturer or a marijuana cultivator.

70 “Cannabis license”, a license issued by the commission that permits the licensee to
71 operate an adult use cannabis establishment, a medical use cannabis establishment, a marijuana
72 product manufacturer or a marijuana cultivator.

73 “Cannabis licensee”, a person or entity who holds an adult use cannabis license, a
74 medical use cannabis license, license, a marijuana product manufacturer license or a marijuana
75 cultivator license under this chapter.

76 “Card holder”, a registered qualifying patient, personal caregiver, or agent of a medical
77 use cannabis establishment who has been issued and possesses a valid registration card.

78 “Chair”, the chair of the commission.

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

83 “Commission”, the Massachusetts cannabis control commission.

84 “Commissioner”, a member of the commission.

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

86 “Cultivation batch”, a collection of marijuana plants from the same seed or plant stock
87 that are cultivated and harvested together, and receive an identical propagation and cultivation
88 treatment, including, but not limited to: growing media, ambient conditions, watering and light
89 regimes and agricultural or hydroponic inputs. The cannabis licensee must assign and record a

90 unique, sequential alphanumeric identifier to each cultivation batch for the purposes of
91 production tracking, product labeling and product recalls.

92

93 “Cultivation registration”, a registration issued to a medical use cannabis establishment
94 for growing medical use cannabis under the terms of this chapter, or to a qualified patient or
95 personal caregiver.

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

100 “Division”, the division of cannabis enforcement in the office of the attorney general.

101 “Executive director”, the executive director of the commission.

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

103 “Gross retail cannabis revenue”, the total of all sums actually received by an adult use
104 cannabis licensee from the retail sale of adult use marijuana, adult use marijuana products or
105 adult use marijuana accessories to consumers.

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

108 “Hemp”, the plant of the genus cannabis or any part of the plant, whether growing or not,
109 with a delta-9-tetrahydrocannabinol concentration that does not exceed 0.3 per cent on a dry

110 weight basis of any part of the plant of the genus cannabis, or per volume or weight of marijuana
111 product, or the combined per cent of delta-9-tetrahydrocannabinol and tetrahydrocannabinolic
112 acid in any part of the plant of the genus cannabis regardless of moisture content.

113 “Hemp products”, products made from industrial hemp including, but not limited to,
114 cloth, cordage, fiber, food, fuel, paint, paper, particle board, plastics, seed, seed meal, seed oil
115 and certified seed for cultivation if such seeds originate from industrial hemp varieties.

116 “Holding company”, a corporation, association, firm, partnership, trust or other form of
117 business organization, other than a natural person, which, directly or indirectly, owns, has the
118 power or right to control or has the power to vote any significant part of the outstanding voting
119 securities of a corporation or any other form of business organization which holds or applies for
120 a cannabis license; provided, however, that a “holding company”, in addition to any other
121 reasonable use of the term, shall indirectly have, hold or own any such power, right or security if
122 it does so through an interest in a subsidiary or any successive subsidiaries, notwithstanding how
123 many such subsidiaries may intervene between the holding company and the cannabis licensee or
124 applicant.

125 “Host community”, a municipality in which a cannabis establishment is located or in
126 which an applicant has proposed locating a cannabis establishment.

127 “Independent testing laboratory”, a laboratory that is licensed by the commission and is:
128 (i) accredited to the most current International Organization for Standardization 17025 by a third-
129 party accrediting body that is a signatory to the International Laboratory Accreditation
130 Accrediting Cooperation mutual recognition arrangement or that is otherwise approved by the
131 commission; (ii) independent financially from any medical use cannabis licensee or

132 establishment or any adult use cannabis licensee or establishment for which it conducts a test;
133 and (iii) qualified to test marijuana in compliance regulations promulgated by commission
134 pursuant to this chapter..

135 “Industrial hemp”, hemp used exclusively for industrial purposes, including fiber and
136 seed.

137 “Institutional investor”, any of the following entities having a 5 per cent or greater
138 ownership interest in a cannabis establishment or cannabis licensee: a corporation, bank,
139 insurance company, pension fund or pension fund trust, retirement fund, including funds
140 administered by a public agency, employees’ profit-sharing fund or employees’ profit-sharing
141 trust, an association engaged, as a substantial part of its business or operation, in purchasing or
142 holding securities, or any trust in respect of which a bank is a trustee or co-trustee, investment
143 company registered under the federal Investment Company Act of 1940, collective investment
144 trust organized by banks under part 9 of the federal Rules of the Comptroller of Currency, closed
145 end investment trust, chartered or licensed life insurance company or property and casualty
146 insurance company, investment advisor registered under the federal Investment Advisers Act of
147 1940 and such other persons as the commission may reasonably determine to qualify as an
148 institutional investor for with the purposes of this chapter.

149 “Intermediary company”, a corporation, association, firm, partnership, trust or other form
150 of business organization, other than a natural person, which is a holding company with respect to
151 a corporation or other form of business organization which holds or applies for a cannabis
152 license, and is a subsidiary with respect to a holding company.

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

155 “License”, a cannabis license.

156 “Licensee”, a cannabis licensee.

157 “Locked area”, a closet, room, greenhouse or other indoor or outdoor area equipped with
158 locks or other security devices, accessible only to registered and authorized cannabis
159 establishment employees , registered qualifying patients or registered personal caregivers.

160 “Major policymaking position”, the executive or administrative head of the commission
161 and any person whose salary equals or exceeds that of a state employee classified in step 1 of job
162 group XXV of the general salary schedule in section 46 of chapter 30 and who reports directly to
163 the commission or the administrative head of any bureau or other major administrative unit
164 within the commission and persons exercising similar authority.

165 “Manufacture”, to compound, blend, extract, infuse or otherwise make or prepare a
166 marijuana product, including the production of marijuana-infused products.

167 “Marijuana”, all parts of any plant of the genus cannabis, not excepted below and
168 whether growing or not; the seeds thereof; and resin extracted from any part of the plant; and
169 every marijuana product, compound, manufacture, salt, derivative, mixture or preparation of the
170 plant, its seeds or resin including tetrahydrocannabinol as defined in section 1 of chapter 94C;
171 provided, however, that “marijuana” shall not include: (i) the mature stalks of the plant, fiber
172 produced from the stalks, oil or cake made from the seeds of the plant, any other compound,
173 manufacture, salt, derivative, mixture or preparation of the mature stalks, fiber, oil or cake made

174 from the seeds of the plant or the sterilized seed of the plant that is incapable of germination; (ii)
175 hemp; or (iii) the weight of any other ingredient combined with marijuana to prepare topical or
176 oral administrations, food, drink or other products.

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

182 “Marijuana concentrate”, the resin extracted from any part of the plant of the genus
183 cannabis and every compound, manufacture, salt, derivative, mixture or preparation of that resin,
184 but shall not include the weight of any other ingredient combined with marijuana to prepare
185 marijuana products.

186 “Marijuana cultivator”, an entity licensed by the commission to cultivate, process and
187 package marijuana, to deliver marijuana to cannabis establishments and to transfer marijuana to
188 other cannabis establishments, but not to consumers or card holders.

189 “Marijuana cultivator license”, a license issued by the commission that permits the
190 licensee to cultivate, process and package marijuana, to deliver marijuana to cannabis
191 establishments and to transfer marijuana to other cannabis establishments, but not to consumers
192 or card holders.

193 “Marijuana-infused product”, a product infused with marijuana that is intended for use or
194 consumption, including, but not limited to: edible products, beverages, ointments, aerosols, oils

195 and tinctures; provided, however, that marijuana-infused products created or sold by a cannabis
196 licensee shall not be considered a food or a drug as defined in section 1 of chapter 94C.

197 “Marijuana product manufacturer”, an entity licensed by the commission to obtain,
198 manufacture, process and package marijuana, to deliver marijuana to cannabis establishments
199 and to transfer marijuana to other cannabis establishments, but not to consumers or card holders.

200 “Marijuana product manufacturer license”, a license issued by the commission that
201 permits the licensee to obtain, manufacture, process and package marijuana, to deliver marijuana
202 to cannabis establishments and to transfer marijuana to other cannabis establishments, but not to
203 consumers or card holders.

204 “Marijuana products”, products that have been manufactured and contain marijuana or an
205 extract from marijuana, including concentrated forms of marijuana and products composed of
206 marijuana and other ingredients that are intended for use or consumption, including edible
207 products, marijuana-infused products, beverages, topical products, ointments, oils and tinctures.

208 “Medical use cannabis”, marijuana or marijuana accessories sold by a medical use
209 cannabis licensee to a card holder for medical use.

210 “Medical use cannabis establishment”, the premises approved under a medical use
211 cannabis license.

212 “Medical use cannabis license”, a license issued by the commission that permits the
213 licensee to operate a medical use cannabis establishment.

214 “Medical use cannabis licensee”, a person or entity who holds a medical use cannabis
215 license under this chapter.

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

221 “Municipality”, a city or town.

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

225 “Operation certificate”, a certificate of compliance issued by the commission to a
226 cannabis licensee.

227 “Person”, an individual, corporation, association, operation, firm, partnership, trust or
228 other form of business association.

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

235 “Personal use”, (i) acquiring, possessing, cultivating, processing, transferring,
236 transporting, purchasing, using or manufacturing 1 ounce or less of marijuana, except that not

237 more than 5 grams of marijuana may be in the form of marijuana concentrate; (ii) possessing,
238 within the person’s primary residence, up to 10 ounces of marijuana and any marijuana produced
239 by marijuana plants cultivated on the premises and possessing, cultivating or processing not
240 more than 6 marijuana plants for personal adult use, so long as not more than 12 plants are
241 cultivated on the premises at 1 time; provided, however that said marijuana and marijuana plants
242 are secured by a lock and are not visible from a public place without the use of binoculars,
243 aircraft or other optical aids; and provided further, that said marijuana plants shall not be
244 cultivated or processed outside of an area that is equipped with a lock or other security device
245 pursuant to regulations promulgated by the commission; (iii) assisting another person who is 21
246 years of age or older in any of the acts described in this definition; (iv) transferring without
247 consideration or remuneration up to 1 ounce of marijuana, except that not more than 5 grams of
248 marijuana may be in the form of marijuana concentrate, to a person 21 years of age or older,
249 provided, that the transfer is not marketed, advertised or otherwise promoted to the public; and
250 (v) acquiring, possessing, cultivating, processing, transferring, transporting, purchasing, using or
251 manufacturing of hemp.

252 “Process” or “processing”, to harvest, dry, cure, trim and separate parts of the marijuana
253 plant by manual or mechanical means, except it shall not include manufacture.

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

260 “Qualification” or “qualified”, the process of licensure set forth by the commission to
261 determine that all persons who have a professional interest in a cannabis license, or the business
262 of a cannabis licensee, meet the same standards of suitability to operate or conduct business with
263 a cannabis establishment.

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

266 “Registration card”, a personal identification card issued by the commission to a
267 registered qualifying patient, personal caregiver, laboratory agent or agent of a medical use
268 cannabis establishment. The registration card facilitates verification of an individual registrant’s
269 status, including, but not limited to verification that a registered healthcare professional has
270 provided a written certification to the qualifying patient; that the patient has designated the
271 individual as a personal caregiver; that a laboratory agent has been registered with the
272 commission and is authorized to possess and test marijuana; or that an agent has been registered
273 with the commission and is authorized to work at a medical use cannabis establishment. The
274 registration card shall facilitate identification for the commission and law enforcement of those
275 individuals who are exempt from criminal and civil penalties for conduct pursuant to the medical
276 use of marijuana.

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

279 “Sixty-day supply”, that amount of medical use cannabis that a registered qualifying
280 patient would reasonably be expected to need over a period of 60 calendar days for the

281 qualifying patient’s personal medical use, up to 10 ounces of marijuana or as otherwise defined
282 by the commission.

283 “Subsidiary”, a corporation, a significant part of whose outstanding equity securities are
284 owned, subject to a power or right of control, or held with power to vote, by a holding company
285 or an intermediary company, or a significant interest in a firm, association, partnership, trust or
286 other form of business organization, other than a natural person, which is owned, subject to a
287 power or right of control, or held with power to vote, by a holding company or an intermediary
288 company.

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

292 “Transfer”, the sale or other method, either directly or indirectly, of disposing of or
293 parting with property or an interest therein, or the possession thereof, or of fixing a lien upon
294 property or upon an interest therein, absolutely or conditionally, voluntarily or involuntarily, by
295 or without judicial proceedings, as a conveyance, sale, payment, pledge, mortgage, lien,
296 encumbrance, gift, security or otherwise; provided, however, that the retention of a security
297 interest in property delivered to a corporation shall be deemed a transfer suffered by such
298 corporation.

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

303 “Written certification”, a document signed by a registered healthcare professional, stating
304 that in the professional opinion of the healthcare professional, the potential benefits of the
305 medical use cannabis would likely outweigh the health risks for the qualifying patient. Such
306 certification shall be made only in the course of a bona fide healthcare professional-patient
307 relationship and shall specify the qualifying patient's debilitating medical condition.

308 Section 3. (a) There shall be a Massachusetts cannabis control commission which shall
309 consist of 5 commissioners: 1 of whom shall be appointed by the governor who shall have a
310 background in public health or toxicology; 1 of whom shall be appointed by the attorney general
311 who shall have a background in public safety; 1 of whom shall be appointed by the treasurer and
312 receiver-general who shall have a background in corporate management, finance or securities;
313 and 2 of whom shall be appointed by a majority vote of the governor, attorney general, and
314 treasurer and receiver-general, 1 of whom may have experience in legal and policy issues related
315 to a regulated industry and 1 of whom may have professional experience in oversight or industry
316 management, including commodities, production or distribution in a regulated industry. The
317 treasurer and receiver-general shall designate the chair of the commission. The chair shall serve
318 in that capacity throughout the term of appointment and until a successor shall be appointed.
319 Prior to appointment to the commission, a background investigation shall be conducted into the
320 financial stability, integrity and responsibility of a candidate, including the candidate's reputation
321 for good character, honesty and integrity. No person who has been convicted of a felony shall be
322 eligible to serve on the commission.

323 (b) Each commissioner shall be a resident of the commonwealth within 90 days of
324 appointment and, while serving on the commission, shall not: (i) hold, or be a candidate for,
325 federal, state or local elected office; (ii) hold an appointed office in a federal, state, or local

326 government; or (iii) serve as an official in a political party. Not more than 3 commissioners shall
327 be from the same political party.

328 (c) Each commissioner shall serve for a term of 5 years or until a successor is appointed
329 and shall be eligible for reappointment; provided, however, that no commissioner shall serve
330 more than 10 years. A person appointed to fill a vacancy in the office of a commissioner shall be
331 appointed in a like manner and shall serve for only the unexpired term of such commissioner.
332 The governor may remove a commissioner if the commissioner: (i) is guilty of malfeasance in
333 office; (ii) substantially neglects the duties of a commissioner; (iii) is unable to discharge the
334 powers and duties of the commissioner's office; (iv) commits gross misconduct; or (v) is
335 convicted of a felony.

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

342 (e) Commissioners shall receive salaries not greater than three-quarters of the salary of
343 the commissioner of administration under section 4 of chapter 7; provided, however, that the
344 chair shall receive a salary equal to the salary of the commissioner of administration.
345 Commissioners shall devote their full time and attention to the duties of their office.

346 (f) The commission shall annually elect 1 of its members to serve as secretary and 1 of its
347 members to serve as treasurer. The secretary shall keep a record of the proceedings of the

348 commission and shall be the custodian and keeper of the records of all books, documents and
349 papers filed by the commission and of its minute book. The secretary shall cause copies to be
350 made of all minutes and other records and documents of the commission and shall certify that
351 such copies are true copies, and all persons dealing with the commission may rely upon such
352 certification.

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

358 (h) All of the commissioners shall, if so directed by the chair, participate in the hearing
359 and decision of any matter before the commission; provided, however, that at least 2
360 commissioners shall participate in the hearing and decision of matters other than those of formal
361 or administrative character coming before the commission; and provided further, that any such
362 matter may be heard, examined and investigated by an employee of the commission designated
363 and assigned by the chair, with the concurrence of 1 other commissioner. Such employee shall
364 make a report in writing relative to the hearing, examination and investigation of every such
365 matter to the commission for its decision. For the purposes of hearing, examining and
366 investigating any such matter, such employee shall have all of the powers conferred upon a
367 commissioner by this section. For each hearing, the concurrence of a majority of the
368 commissioners participating in the decision shall be necessary.

369 (i) The commission shall appoint an executive director. The executive director shall serve
370 at the pleasure of the commission, shall receive such salary as may be determined by the
371 commission, and shall devote full time and attention to the duties of the office. The executive
372 director shall be a person with skill and experience in management, shall be the executive and
373 administrative head of the commission and shall be responsible for administering and enforcing
374 the provisions of law relative to the commission and to each administrative unit thereof. The
375 executive director shall appoint and employ a chief financial and accounting officer and may,
376 subject to the approval of the commission, employ other employees, consultants, agents and
377 advisors, including legal counsel, and shall attend meetings of the commission. The chief
378 financial and accounting officer of the commission shall be in charge of its funds, books of
379 account and accounting records. No funds shall be transferred by the commission without the
380 approval of the commission and the signatures of the chief financial and accounting officer and
381 the treasurer of the commission. In the case of an absence or vacancy in the office of the
382 executive director or in the case of disability as determined by the commission, the commission
383 may designate an acting executive director to serve as executive director until the vacancy is
384 filled or the absence or disability ceases. The acting executive director shall have all of the
385 powers and duties of the executive director and shall have similar qualifications as the executive
386 director.

387 (j) The executive director may, subject to the approval of the commission, establish
388 within the commission such administrative units as may be necessary for the efficient and
389 economical administration of the commission and, when necessary for such purpose, may
390 abolish any such administrative unit or may merge any 2 or more units. The executive director
391 shall prepare and keep current a plan of organization of the commission, of the assignment of its

392 functions to its various administrative units, offices and employees and of the places at which
393 and the methods by which the public may receive information or make requests. A current copy
394 of the plan of organization shall be kept on file with the state secretary and in the office of the
395 secretary of administration and finance.

396 (k) The executive director may appoint such persons as the executive director shall
397 consider necessary to perform the functions of the commission.

398 (l) The commission may require a prospective employee to: (i) submit an application and
399 a personal disclosure on a form prescribed by the commission which shall include a complete
400 criminal history, including convictions and current charges for all felonies and misdemeanors;
401 (ii) undergo testing which detects the presence of illegal substances in the body; (iii) provide
402 fingerprints and a photograph consistent with standards adopted by the state police; and (iv)
403 provide authorization for the commission to conduct a credit check. The commission shall verify
404 the identification, employment and education of each prospective employee, including: (i) legal
405 name, including any alias; (ii) all secondary and post-secondary educational institutions attended
406 regardless of graduation status; (iii) place of residence; and (iv) employment history.

407 The commission shall not hire a prospective employee if the prospective employee has:
408 (i) been convicted of a felony; (ii) been convicted of a misdemeanor more than 10 years prior to
409 the prospective employee's application that, in the discretion of the commission, bears a close
410 relationship to the duties and responsibilities of the position for which employment is sought;
411 (iii) been dismissed from prior employment for gross misconduct or incompetence; or (iv)
412 intentionally made a false statement concerning a material fact in connection with the
413 prospective employee's application to the commission. If an employee of the commission is

414 charged with a felony while employed by the commission, the commission shall suspend the
415 employee, with or without pay, and terminate employment with the commission upon
416 conviction. If an employee of the commission is charged with a misdemeanor while employed by
417 the commission, the commission shall suspend the employee, with or without pay, and may
418 terminate employment with the commission upon conviction if, in the discretion of the
419 commission, the offense for which the employee has been convicted bears a close relationship to
420 the duties and responsibilities of the position held with the commission.

421 (m) Chapters 268A and 268B shall apply to the commissioners and to employees of the
422 commission; provided, however, that the commission shall establish a code of ethics for all
423 members and employees that shall be more restrictive than said chapters 268A and 268B. A copy
424 of the code shall be filed with the state ethics commission. The code shall include provisions
425 reasonably necessary to carry out the purposes of this chapter and any other laws subject to the
426 jurisdiction of the commission including, but not limited to: (i) prohibiting the receipt of gifts by
427 commissioners and employees from any cannabis licensee, applicant, close associate, affiliate or
428 other person or entity subject to the jurisdiction of the commission; (ii) prohibiting the
429 participation by commissioners and employees in a particular matter as defined in section 1 of
430 said chapter 268A that affects the financial interest of a relative within the third degree of
431 consanguinity or a person with whom such commissioner or employee has a significant
432 relationship as defined in the code; and (iii) providing for recusal of a commissioner in a
433 licensing decision due to a potential conflict of interest.

434 (n) Immediately upon assuming office, each commissioner and employee of the
435 commission, except for secretarial and clerical personnel, shall swear or affirm that the
436 commissioner or employee possesses no interest in a person licensed under this chapter. No

437 individual shall be employed by the commission if, during the period commencing 3 years prior
438 to employment, that individual held any direct or indirect interest in, or was employed by, a
439 licensee under this chapter.

440 (o) No employee of the commission shall pursue any other business or occupation or
441 other gainful employment outside of the commission without the prior written approval of the
442 commission that such employment will not interfere or be in conflict with the employee's duties
443 to the commission.

444 (p) No commissioner shall hold a direct or indirect interest in, or be employed by, an
445 applicant or by a person licensed by the commission for a period of 3 years after the termination
446 of employment with the commission.

447 (q) No employee of the commission holding a major policymaking position shall acquire
448 an interest in, or accept employment with, an applicant or licensee for a period of 2 years after
449 the termination of employment with the commission.

450 (r) No employee of the commission in a non-major policymaking position shall acquire
451 an interest in, or accept employment with, an applicant or licensee under this chapter for a period
452 of 1 year after termination of employment with the commission.

453 (s) No commissioner or employee of the commission, other than a qualifying patient or in
454 the performance of the commissioner's or employee's official duties, shall make any purchase
455 from a cannabis establishment.

456 (t) The commissioners and those employees holding major policymaking positions shall
457 be sworn to the faithful performance of their official duties. The commissioners and those

458 employees holding major policymaking positions shall: (i) conduct themselves in a manner so as
459 to render decisions that are fair and impartial and in the public interest; (ii) avoid impropriety and
460 the appearance of impropriety in all matters under their jurisdiction; (iii) avoid all prohibited
461 communications; (iv) require staff and personnel subject to their direction and control to observe
462 the same standards of fidelity and diligence; (v) disqualify themselves from proceedings in
463 which their impartiality might reasonably be questioned; and (vi) refrain from financial or
464 business dealings which would tend to reflect adversely on impartiality.

465 (u) The commissioners and employees shall not own, or be in the employ of, or own any
466 stock in, a business which holds a license under this chapter, nor shall they have, directly or
467 indirectly, a pecuniary interest in, or be connected with, any such business or be in the employ of
468 or connected with any person financing any such business; provided, however, that immediate
469 family members of commissioners and employees holding major policymaking positions shall
470 not own, or be in the employ of, or own stock in, any business which holds a license under this
471 chapter. The commissioners and employees shall not personally, or through a partner or agent,
472 render professional services or make or perform any business contract with or for any regulated
473 entity, except contracts made with the commissioners for the furnishing of services, nor shall the
474 commissioners or employees directly or indirectly receive any commission, bonus, discount, gift
475 or reward from a regulated entity.

476 (v) The Massachusetts cannabis control commission shall be a commission for the
477 purposes of section 3 of chapter 12.

478 Section 4. The commission shall have all powers necessary or convenient to carry out and
479 effectuate its purposes including, but not limited to, the power to:

- 480 (1) appoint officers and hire employees;
- 481 (2) establish and amend a plan of organization that it considers expedient;
- 482 (3) execute all instruments necessary or convenient for accomplishing the purposes of
483 this chapter;
- 484 (4) enter into agreements or other transactions with a person, including, but not
485 limited to, a public entity or other governmental instrumentality or authority in connection with
486 its powers and duties under this chapter;
- 487 (5) appear on its own behalf before boards, commissions, departments or other
488 agencies of municipal, state or federal government;
- 489 (6) apply for and accept subventions, grants, loans, advances and contributions of
490 money, property, labor or other things of value from any source, to be held, used and applied for
491 its purposes;
- 492 (7) provide and pay for advisory services and technical assistance as may be
493 necessary in its judgment to carry out this chapter and fix the compensation of persons providing
494 such services or assistance;
- 495 (8) prepare, publish and distribute, with or without charge as the commission may
496 determine, such studies, reports, bulletins and other materials as the commission considers
497 appropriate;
- 498 (9) ensure that cannabis licenses shall not be issued to, or held by unqualified,
499 disqualified or unsuitable persons, and that there shall be no material involvement directly or

500 indirectly with a cannabis establishment or the ownership thereof by unqualified, disqualified or
501 unsuitable persons;

502 (10) require an applicant for a position which requires licensure under this chapter to
503 apply for such licensure and approve or disapprove any such application or other transactions,
504 events and processes as provided in this chapter;

505 (11) require a person who has a business association of any kind with a cannabis
506 licensee or applicant to be qualified for licensure under this chapter;

507 (12) determine which applicants shall be awarded cannabis licenses;

508 (13) deny an application or limit, condition, restrict, revoke or suspend a license,
509 registration, finding of suitability or approval of licensure, or fine a person licensed, registered,
510 found suitable or approved for licensure, for any cause that the commission deems reasonable;

511 (14) monitor the conduct of licensees and other persons having a material involvement,
512 directly or indirectly, including those persons required to be qualified for licensure, with a
513 licensee for the purpose of ensuring that licenses are not issued to or held, and that there is no
514 direct or indirect material involvement with a licensee, by an unqualified or unsuitable person or
515 by a person whose operations are conducted in an unsuitable manner or in unsuitable or
516 prohibited places as provided in this chapter;

517 (15) gather facts and information applicable to the commission's obligation to issue,
518 suspend or revoke licenses, registrations, finding of suitability or approval of licensure for: (i) a
519 violation of this chapter or any regulation adopted by the commission; (ii) willfully violating an
520 order of the commission directed to a licensee or a person required to be registered or qualified

521 for licensure under this chapter; (iii) the conviction of a criminal offense; or (iv) the violation of
522 any other offense which would disqualify such a licensee from holding a license, disqualify such
523 a person required to register under this chapter from registration, or disqualify such a person
524 required to be qualified under this chapter from licensure;

525 (16) conduct investigations into the qualifications of all applicants for employment by
526 the commission and by any regulated entity and all applicants for licensure;

527 (17) receive from the state police, the criminal history systems board or other criminal
528 justice agencies including, but not limited to, the Federal Bureau of Investigation and the Internal
529 Revenue Service, such criminal offender record information relating to criminal and background
530 investigations as necessary for the purpose of evaluating employees of, and applicants for
531 employment by, the commission and any regulated entity, and evaluating licensees and
532 applicants for licensure under this chapter;

533 (18) be present, through its inspectors and agents, at all times, in cannabis
534 establishments for the purposes of: (i) certifying revenue; (ii) receiving complaints from the
535 public relating to the conduct of a cannabis licensee; (iii) examining records of revenues and
536 procedures and inspecting and auditing all books, documents and records of licensees; (iv)
537 conducting periodic reviews of operations and facilities for the purpose of regulations adopted
538 hereunder; and (v) exercising its oversight responsibilities with respect to cannabis control;

539 (19) inspect and have access to all equipment and supplies in a cannabis establishment
540 or on premises where cannabis equipment is manufactured, sold, distributed or tested;

541 (20) seize and remove from the premises of a cannabis licensee and impound any
542 cannabis, equipment, supplies, documents and records obtained or possessed in violation of this
543 chapter for the purpose of examination and inspection;

544 (21) seize and remove from the premises of a cannabis establishment and impound any
545 cannabis, equipment, supplies, documents and records obtained or possessed in violation of this
546 chapter for the purpose of examination and inspection;

547 (22) demand access to and inspect, examine, photocopy and audit all papers, books
548 and records of any affiliate of a cannabis licensee whom the commission suspects is involved in
549 the financing, operation or management of the cannabis licensee; provided, however, that the
550 inspection, examination, photocopying and audit may take place on the affiliate's premises or
551 elsewhere as practicable and in the presence of the affiliate or its agent;

552 (23) require that the books and financial or other records or statements of a cannabis
553 licensee be kept in a manner that the commission considers proper; levy and collect assessments,
554 fees and fines and impose penalties and sanctions for a violation of this chapter or any
555 regulations promulgated by the commission; collect taxes and fees under this chapter;

556 (24) restrict, suspend or revoke licenses issued under this chapter;

557 (25) conduct adjudicatory proceedings and promulgate regulations in accordance with
558 chapter 30A;

559 (26) hear appeals of the bureau's suspension or revocation of a license or registration;

560 (27) refer cases for criminal prosecution to the appropriate federal, state or local
561 authorities;

562 (28) issue subpoenas and compel the attendance of witnesses at any place within the
563 commonwealth, administer oaths and require testimony under oath before the commission in the
564 course of an investigation or hearing conducted under this chapter;

565 ensure that there is no duplication of duties and responsibilities between the commission
566 and bureau; provided, however, that the commission shall not place any restriction upon the
567 bureau's ability to investigate or prosecute violations of this chapter or the regulations adopted
568 by the commission;

569 (29) maintain an official internet website for the commission;

570 (30) monitor any federal activity regarding cannabis; and

571 (31) adopt, amend or repeal regulations for the implementation, administration and
572 enforcement of this chapter.

573 Section 5. (a) The commission shall promulgate regulations for the implementation,
574 administration and enforcement of this chapter including, without limitation, regulations that:

575 (1) prescribe the method and form of application which an applicant for a cannabis
576 license and a person required to be qualified for licensure shall follow and complete before
577 consideration by the commission;

578 (2) establish standards for the licensure of cannabis establishments and persons
579 required to be qualified for licensure, including, but not limited to updating that licensure;

580 (3) establish standards for the reporting or payment of licensure fees or taxes;

581 (4) prescribe the information to be furnished by an applicant, licensee or person
582 required to be qualified for licensure concerning such applicant, licensee or person's antecedents,
583 habits, character, associates, criminal record, business activities and financial affairs, past or
584 present;

585 (5) prescribe the criteria for evaluation of the application for a cannabis license and
586 the application of a person required to be qualified for licensure;

587 (6) prescribe the information to be furnished by a cannabis licensee relating to the
588 licensee's cannabis employees;

589 (7) require fingerprinting of an applicant for a cannabis license, a cannabis licensee, a
590 person required to be qualified for licensure and employees of a cannabis licensee or other
591 methods of identification;

592 (8) prescribe the manner and method of collection and payment of assessments and
593 fees and issuance of licenses;

594 (9) prescribe grounds and procedures for the revocation or suspension of a license or
595 registration;

596 (10) require quarterly financial reports and an annual audit prepared by a certified
597 public accountant attesting to the financial condition of a cannabis licensee and disclosing
598 whether the accounts, records and control procedures examined are maintained by the cannabis
599 licensee as required by this chapter and the regulations promulgated by the commission;

600 (11) prescribe the minimum procedures for effective control over the internal fiscal
601 affairs of a cannabis licensee, including provisions for the safeguarding of assets and revenues,

602 the recording of cash and evidence of indebtedness and the maintenance of reliable records,
603 accounts and reports of transactions, operations and events, including reports by the commission;

604 (12) provide for a minimum uniform standard of accounting procedures;

605 (13) prescribe requirements for record keeping by cannabis establishments and
606 procedures to track marijuana cultivated, processed, manufactured, delivered or sold by cannabis
607 establishments;

608 (14) establish registration requirements for employees working at the cannabis
609 establishment and minimum training requirements;

610 (15) require that all cannabis establishment employees be properly trained in their
611 respective professions;

612 (16) establish standards for the employment of individuals by cannabis establishments,
613 including, but not limited to, employees' obligations for registration and employers' obligations
614 for verifying an employee's registration;

615 (17) provide for the interim authorization of a cannabis establishment under this
616 chapter;

617 (18) establish security procedures a cannabis establishment;

618 (19) in consultation with the department of public health and the department of
619 agricultural resources, establish health and safety standards for the cultivation, processing,
620 manufacturing and distribution of marijuana, including standards regarding sanitation for the
621 preparation, storage, handling and sale of food products, including compliance with state

622 sanitation requirements found at 105 CMR 500.000, health inspections and reasonable
623 limitations on the use of organic and non-organic pesticides;

624 (20) require the most current consumer product safety commission, found at 16 CFR
625 1700 et seq., certified child-resistant packaging of marijuana; require opaque containers; and
626 issue requirements for dividing each serving within a package containing multiple servings of a
627 marijuana product in a manner that allows consumers and card holders to easily identify a single
628 serving; provided, however, such single servings shall not exceed 10 milligrams of delta-nine-
629 tetrahydrocannabinol(Δ 9-THC);

630 (21) regulate the use of any advertising, marketing, and branding content that the
631 commission deems improper or objectionable in nature; provided, however, that nothing in this
632 chapter shall prevent an adult use cannabis licensee from selling branded merchandise which
633 complies with commission standards for advertising, marketing and branding;

634 (22) establish minimum standards for the requirement that all adult use cannabis
635 licensees possess and operate an interoperable publicly available application programming
636 interface seed-to-sale tracking system sufficient to ensure the appropriate track and trace of all
637 marijuana cultivated, processed or manufactured pursuant to this chapter;

638 (23) establish minimum security requirements for cannabis licensees, which shall
639 include but not be limited to the use of security cameras. Such requirements shall be sufficient to
640 deter and prevent theft and unauthorized entrance into areas containing marijuana;

641 (24) establish requirements for the safe disposal of excess, contaminated, adulterated
642 or deteriorated marijuana. In issuing such requirements, the commission shall consider policies

643 which promote the recycling of such waste, including but not limited to, recycled industrial
644 products;

645 (25) establish the minimum liability insurance requirements or require a certain sum be
646 placed in escrow to expended for coverage liabilities;

647 (26) establish requirements for the potency or dosing limitations of marijuana sold by
648 cannabis licensees, including, but not limited to a maximum amount per single serving;

649 (27) establish requirements sufficient to ensure for the virtual separation of marijuana
650 cultivated, processed, manufactured, delivered or sold by an adult use cannabis licensee that is
651 also licensed as a medical use cannabis establishment pursuant to this chapter. Such requirements
652 shall leverage seed-to-sale tracking technology and may allow for the appropriate transfer or
653 acquisition of marijuana seeds, clones, cuttings, plants or plant tissue between such entities;

654 (28) establish rules and regulations on the unlicensed manufacturing of marijuana
655 within a person's primary residence;

656 (29) prescribe the manner in which the a healthcare professional or a qualifying patient
657 shall register with the commission;

658 (30) prescribe requirements to prevent the sale, delivery or transfer of adult use
659 cannabis to persons under 21 years of age, or the purchase of adult use cannabis on behalf of a
660 person under 21 years of age;

661 (31) establish standards for manufacturing or extracting cannabinoid oils or butane
662 hash oil;

663 (32) prevent parties from interfering with the duties of the bureau, commission,
664 division, or agents thereof; and

665 (33) establish a system of oversight of municipal opt-outs under subsection (b) of
666 section 6, and for ensuring proper enforcement of this chapter at state and municipal levels.

667 (b) The commission may, pursuant to section 2 of chapter 30A, promulgate, amend or
668 repeal any regulation promulgated under this chapter as an emergency regulation if such
669 regulation is necessary to protect the interests of the commonwealth in regulating a cannabis
670 establishment.

671

672 Section 6. (a) The provisions of this chapter shall apply to all municipalities; provided,
673 however, that a municipality may vote to reject the provisions of this chapter relative to adult use
674 cannabis establishments, medical use cannabis establishments, a marijuana product manufacturer
675 or a marijuana cultivator pursuant to subsection (b).

676 (b) A municipality may reject the provisions of this chapter relative to an adult use
677 cannabis establishment, a medical use cannabis establishment, a marijuana product manufacturer
678 or a marijuana cultivator by a vote conducted in the following manner: in a city having a Plan D
679 or Plan E charter, by a majority vote of its city council and approval of the city manager; in any
680 other city, by a majority vote of its city council and approval by the mayor or, in a city without a
681 mayor, the chief executive officer; and in a town, by a majority vote of the board of selectmen
682 and a majority vote of the town at a town meeting.

683 (c) An adult use cannabis establishment, a medical use cannabis establishment, a
684 marijuana product manufacturer or a marijuana cultivator seeking to operate in a municipality
685 which permits such operation shall execute an agreement with the host community setting forth
686 the conditions to have a cannabis establishment located within the host community which shall
687 include, without limitation, all stipulations of responsibilities between the host community and
688 the adult use cannabis establishment or medical use cannabis establishment. An agreement
689 between an adult use cannabis establishment or medical use cannabis establishment and a host
690 municipality shall include a community impact fee for the host community; provided, however,
691 that the community impact fee shall be reasonably related to the costs imposed upon the
692 municipality by the operation of the cannabis establishment. Any cost to a city or town by the
693 operation of cannabis establishment shall be documented and considered a public record as
694 defined by clause Twenty-Sixth of section 7 of chapter 4 of the General Laws.

695 (d) A municipality may adopt ordinances or by-laws that impose reasonable safeguards
696 on the operation of an adult use cannabis establishment, a medical use cannabis establishment,
697 marijuana product manufacturer or a marijuana cultivator consistent with this chapter and
698 regulations promulgated pursuant to this chapter. The ordinances or by-laws may, without
699 limitation:

700 (1) reasonably govern the time, place, manner and business dealings of an adult use
701 cannabis establishment or medical use cannabis establishment, including reasonable restriction
702 of certain marijuana accessories and public signage;

703 (2) reasonably restrict cultivation, processing and manufacturing activities if deemed
704 a public nuisance; and

705 (3) establish a civil penalty for violation of an ordinance or by-law enacted pursuant
706 to this subsection.

707 No ordinances or by-laws may prohibit siting a cannabis establishment in an area in
708 which a medical use cannabis establishment has been previously zoned and licensed.

709 (e) No municipality may prohibit the transportation or delivery of marijuana or otherwise
710 adopt an ordinance or by-law that makes the transportation or delivery of marijuana through said
711 municipality unreasonably impracticable.

712 Section 7. (a) Any person at least 21 years old may acquire, possess, cultivate, process
713 and transport, marijuana, marijuana accessories and related supplies and educational materials
714 for personal use consistent with the requirements of this chapter.

715 (b) A cannabis licensee may acquire, purchase, possess, cultivate, process, transfer,
716 transport, sell, distribute, dispense or administer marijuana, marijuana accessories, related
717 supplies and educational materials consistent with the requirements of this chapter.

718 (c) Except as otherwise provided in this chapter, no person or licensee shall be arrested,
719 detained, prosecuted, penalized, sanctioned or disqualified and no person or licensee shall be
720 subject to seizure or forfeiture of assets under any general or special law for actions taken
721 consistent with chapter and any regulations promulgated pursuant to this chapter, including for
722 cultivating, propagating, breeding, harvesting, processing, manufacturing, packaging, storing,
723 possessing, transferring, delivering or selling marijuana in compliance with this chapter and any
724 regulations promulgated pursuant to this chapter.

725 (d) No person engaged in a profession, trade or occupation subject to licensure by the
726 commonwealth shall be subject to disciplinary action by a professional licensing board for
727 providing professional services to a cannabis licensee, registrant or any person engaging in
728 activity authorized by this chapter.

729 Section 8. (a) The commission shall operate a medical use of marijuana program, which
730 shall permit a qualifying patient with a debilitating medical condition to obtain a written
731 certification from a healthcare professional with whom the patient has a bona fide healthcare
732 professional-patient relationship to purchase medical use cannabis from a medical use cannabis
733 establishment. Upon issuance of a written certification from a healthcare professional, the
734 commission shall issue a registration card to the qualifying patient. A medical use cannabis
735 establishment may sell medical use cannabis to a card holder.

736 (b) (1) A healthcare professional shall not be penalized, in any manner, or denied any
737 right or privilege, for: (i) advising a qualifying patient about the risks and benefits of medical use
738 cannabis within a bona fide healthcare professional-patient relationship; or (ii) providing a
739 qualifying patient with written certification, based upon a full assessment of the qualifying
740 patient's medical history and condition, including a debilitating medical condition, that medical
741 use cannabis may benefit a particular qualifying patient, within a bona fide healthcare
742 professional-patient relationship.

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

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

747 (4) The lawful possession, cultivation, transfer, transport, distribution, or manufacture of
748 medical use cannabis as authorized by this section shall not result in the forfeiture or seizure of
749 any property.

750 (c) A medical use cannabis establishment and its employees registered with the
751 commission shall not be penalized or arrested for acquiring, possessing, cultivating, processing,
752 transferring, transporting, selling, distributing, or dispensing medical use cannabis and related
753 supplies and educational materials, to qualifying patients or their personal caregivers.

754 (d) The commission shall issue a cultivation registration to a qualifying patient applying
755 for such registration whose access to a medical use cannabis establishment is limited by verified
756 financial hardship, a physical incapacity to access reasonable transportation, or the lack of a
757 medical use cannabis establishment within a reasonable distance of the qualifying patient's
758 residence. The commission may deny a registration based on the provision of false information
759 by the applicant. Such registration shall allow the qualifying patient or the qualifying patient's
760 personal caregiver to cultivate a limited number of plants, sufficient to maintain a 60-day supply
761 of marijuana, and shall require cultivation and storage only in an enclosed, locked area.

762 (e) The commission shall maintain a confidential list of registered qualifying patients
763 issued medical use cannabis registration cards. Individual names and other identifying
764 information on the list shall be exempt from the provisions of section 10 of chapter 66, and not
765 subject to disclosure, except to employees of the commission in the course of their official duties
766 and to Massachusetts law enforcement officials when verifying a card holder's registration.

767 (f) No regulation of the commission regarding medical use cannabis shall be more
768 restrictive than any rule or regulation promulgated by the department of public health pursuant to
769 chapter 369 of the acts of 2012 and in effect on July 1, 2017.

770 Section 9. (a) The commission shall maintain a confidential, interoperable database
771 including, at a minimum, the qualifying patients issued a registration card for medical use of
772 marijuana, the healthcare professionals registered to issue written certifications, the name of any
773 medical use cannabis establishment and the quantity of medical use cannabis dispensed to a card
774 holder, and other pertinent information. Individual names and other identifying information shall
775 be exempt from the provisions of section 10 of chapter 66, and not subject to disclosure, except
776 to employees of the commission in the course of their official duties, medical use cannabis
777 establishments to facilitate dispensing of medical use cannabis and to state or local law
778 enforcement officials for the purposes of conducting an investigation pursuant this chapter.

779 (b) Every registered qualifying patient shall have the right to confidentiality of all records
780 and communications related to their care provided by a medical use cannabis licensee or
781 establishment or by a registered healthcare professional to the extent provided by law. Such
782 records shall not be deemed public records as defined by clause twenty-sixth of section 7 of
783 chapter 4. However, no provision of this subsection relating to confidentiality of records shall be
784 construed to prevent access to any such records by the commission or its agents, a healthcare
785 professional who has a bona fide healthcare professional-patient relationship with the patient, a
786 medical use cannabis establishment, or any state or local law enforcement official for the
787 purposes of conducting an investigation pursuant this chapter.

788 Section 10. (a) There shall be within the commission an investigations and enforcement
789 bureau which shall be the primary enforcement agent for civil matters under this chapter. The
790 bureau shall perform such functions as the commission may determine in relation to
791 enforcement, including the investigation of all licensees under this chapter. The bureau shall be
792 under the supervision and control of the deputy director of investigations and enforcement. The
793 deputy director shall be the executive and administrative head of the bureau and shall be
794 responsible for administering and enforcing the laws relative to the bureau and to each
795 administrative unit of the bureau. The duties of the deputy director as provided in this chapter
796 and in any other general or special law shall be exercised and discharged subject to the direction,
797 control and supervision of the chair.

798 (b) The bureau shall be a law enforcement agency and its employees shall have such law
799 enforcement powers as necessary to effectuate the purposes of this chapter, including the power
800 to receive intelligence on an applicant for a cannabis license, a cannabis licensee, a person
801 required to be qualified for licensure, or a person required to be registered under this chapter and
802 to investigate any suspected violations of this chapter.

803 (c) The bureau shall notify the division of violations of this chapter, regulations adopted
804 pursuant to this chapter, or any other state law related to cannabis or marijuana by a cannabis
805 licensee. The bureau and the division shall cooperate on the civil and criminal enforcement of the
806 laws and regulations related to cannabis or marijuana and may determine whether to proceed
807 with civil or criminal sanctions, or both, against a cannabis licensee.

808 (d) To further effectuate the purposes of this chapter with respect to the investigation and
809 enforcement of cannabis establishments and licensees, the bureau may obtain or provide

810 pertinent information regarding an applicant for a cannabis license, a cannabis licensee, a person
811 required to be qualified for licensure, or a person required to be registered under this chapter
812 from or to law enforcement entities or cannabis authorities and other domestic or foreign
813 jurisdictions, including the Federal Bureau of Investigation, and may transmit such information
814 to each other electronically.

815 (e) (1) The bureau may: (i) assess civil fees or fines for violations of this chapter,
816 regulations adopted pursuant to this chapter or any other state law related to cannabis or
817 marijuana; (ii) issue orders requiring persons to cease any action that violates this chapter,
818 regulations adopted pursuant to this chapter or any other state law related to cannabis or
819 marijuana; and (iii) condition, suspend or revoke any permit, registration or license issued
820 pursuant to this chapter or regulations adopted pursuant to this chapter.

821 (2) Except as otherwise provided in this chapter a natural person shall not be subject to a
822 penalty of more than: (i) \$300 per violation for a personal use violation involving the cultivation
823 of a permitted number of marijuana plants in an area that is not properly secured by a lock; (ii)
824 \$100 per violation for a personal use violation involving the possession of a permitted weight of
825 marijuana in an area that is not properly secured by a lock; (iii) \$100 per violation for a personal
826 use violation involving the possession or cultivation of a weight of marijuana not permitted by
827 law or regulation; or (iv) \$100 per violation for consuming or smoking marijuana in a public
828 place in a manner that is not authorized by law, regulation or ordinance.

829 (f) The bureau may assess civil fees or fines for violations of this chapter, or the
830 regulations adopted under this chapter, related to the following: (i) violations not described in
831 subsection (e); (ii) the employment of individuals by a cannabis establishment without proper

832 registration; (iii) an individual's employment with a cannabis establishment without proper
833 registration; (iv) the improper or expired licensure of a cannabis establishment; (v) the improper
834 reporting or payment of any licensure fee or tax; (vi) the sale, delivery or transfer of adult use
835 cannabis to any person under 21 years of age; (vii) the improper manufacturing or extraction of
836 cannabinoid oils or butane hash oil; (viii) interference with the duties of the bureau, commission,
837 division, or agents thereof; or (ix) the purchase of adult use cannabis on behalf of a person under
838 the age of 21.

839 (g) Any person aggrieved by an action of the bureau shall have the right to an
840 adjudicatory hearing on the fee, fine, order, licensure action or other action. The adjudicatory
841 hearing shall be conducted pursuant to chapter 30A, except as may be provided in this chapter or
842 any regulation adopted pursuant to this chapter.

843 Section 11. (a) A person under 21 years of age, except a registered qualifying patient who
844 is a card holder, who purchases or attempts to purchase marijuana or marijuana accessories, or
845 makes arrangements with any person to purchase or in any way procure marijuana or marijuana
846 accessories, or who willfully misrepresents such person's age, or in any way alters, defaces or
847 otherwise falsifies identification offered as proof of age with the intent of purchasing marijuana
848 or marijuana accessories shall be punished by a civil penalty of not more than \$100 and shall
849 complete a drug awareness program established pursuant to section 32M of chapter 94C. The
850 parents or legal guardian of any offender under the age of 18 shall be notified in accordance with
851 section 32N of said chapter 94C and the failure of such an offender to complete a drug awareness
852 program within 1 year of the offense may be a basis for delinquency proceedings for persons
853 under the age of 17 at the time of the person's offense.

854 (b) No person shall consume or smoke marijuana in a public place unless otherwise
855 authorized by law or ordinance or consume or smoke marijuana anywhere smoking tobacco is
856 prohibited.

857 (c) Civil penalties imposed pursuant to this chapter may also be enforced by the police
858 department serving a political subdivision of the commonwealth by utilizing the non-criminal
859 disposition procedures provided in section 21D of chapter 40 and any fines imposed shall enure
860 as provided in said section 21D of said chapter 40.

861 (d) Any cannabis possessed, used, manufactured, distributed, or sold in violation of this
862 chapter or any regulation adopted pursuant to this chapter shall be subject to seizure and
863 forfeiture. The commission shall promulgate regulations establishing a process for any such
864 seizure or forfeiture by the bureau.

865 Section 12. No person shall operate a cannabis establishment without a cannabis license.
866 No person shall be granted more than 1 adult use cannabis license, 1 medical use cannabis
867 license, 1 marijuana product manufacturer license or 1 marijuana cultivator license; provided,
868 however, that a person may hold 1 adult use cannabis license, 1 medical use cannabis license, 1
869 marijuana product manufacturer license and 1 marijuana cultivator license.

870 Section 13. (a) The commission shall prescribe the form of the application for cannabis
871 licenses which shall require, but not be limited to:

872 (1) the name of the applicant;

873 (2) the mailing address and, if a corporation, the state under the laws of which it is
874 incorporated, the location of its principal place of business and the names and addresses of its
875 directors and stockholders;

876 (3) the identity of each person having a direct or indirect interest in the business and
877 the nature of such interest; provided, however, that if the disclosed entity is a trust, the
878 application shall disclose the names and addresses of all beneficiaries; provided further, that if
879 the disclosed entity is a partnership, the application shall disclose the names and addresses of all
880 partners, both general and limited; and provided further, that if the disclosed entity is a limited
881 liability company, the application shall disclose the names and addresses of all members;

882 (4) an independent audit report of all financial activities and interests including, but
883 not limited to, the disclosure of all contributions, donations, loans or any other financial
884 transactions to or from a cannabis establishment in the past 5 years;

885 (5) clear and convincing evidence of financial stability including, but not limited to,
886 bank references, business and personal income and disbursement schedules, tax returns and other
887 reports filed by or with government agencies and business and personal accounting check
888 records and ledgers;

889 (6) information and documentation to demonstrate that the applicant has sufficient
890 business ability and experience to create the likelihood of establishing and maintaining a
891 successful cannabis establishment;

892 (7) a full description of the proposed internal controls and security systems for the
893 proposed cannabis establishment and any related facilities;

894 (8) an agreement that the applicant shall mitigate the potential negative public health
895 consequences associated with cannabis and the operation of a cannabis establishment, including:
896 (i) maintaining a smoke-free environment within the cannabis establishment under section 22 of
897 chapter 270; (ii) prominently displaying information on the signs of substance addiction and how
898 to access assistance; and (iii) instituting other public health strategies as determined by the
899 commission;

900 (9) the number of employees to be employed at the proposed cannabis establishment,
901 including detailed information on the pay rate and benefits for employees; and

902 (10) the location of the proposed cannabis establishment, which shall include the
903 address and any other information requested by the commission.

904 (b) Applications for licenses shall be public records under section 10 of chapter 66;
905 provided however, that trade secrets, competitively-sensitive or other proprietary information
906 provided in the course of an application for a cannabis license under this chapter, the disclosure
907 of which would place the applicant at a competitive disadvantage, may be withheld from
908 disclosure under chapter 66.

909 Section 14. (a) Upon receipt of an application for a cannabis license, the commission
910 shall instruct the bureau to commence an investigation into the suitability of the applicant. In
911 evaluating the suitability of the applicant, the commission shall consider the overall reputation of
912 the applicant including, without limitation:

913 (1) the integrity, honesty, character and reputation of the applicant;

914 (2) the financial stability, integrity and background of the applicant;

915 (3) the business practices and the business ability of the applicant to establish and
916 maintain a successful cannabis establishment;

917 (4) whether the applicant has a history of compliance with cannabis licensing
918 requirements in other jurisdictions;

919 (5) whether the applicant, at the time of application, is a defendant in litigation
920 involving its business practices;

921 (6) the suitability of all parties in interest to the cannabis license, including affiliates
922 and close associates and the financial resources of the applicant; and

923 (7) whether the applicant is disqualified from receiving a license under this chapter;
924 provided, however, that in considering the rehabilitation of an applicant for a cannabis license,
925 the commission shall not automatically disqualify an applicant if the applicant affirmatively
926 demonstrates, by clear and convincing evidence, that the applicant has financial responsibility,
927 character, reputation, integrity and general fitness as such to warrant belief by the commission
928 that the applicant will act honestly, fairly, soundly and efficiently as a cannabis licensee.

929 (b) If the bureau determines during its investigation that an applicant has failed to: (i)
930 establish the applicant's integrity or the integrity of any affiliate, close associate, financial source
931 or any person required to be qualified for licensure by the commission; (ii) demonstrate
932 responsible business practices in any jurisdiction; or (iii) overcome any other reason, as
933 determined by the commission, as to why it would be injurious to the interests of the
934 commonwealth in awarding the applicant a cannabis license, the bureau shall cease any further
935 review and recommend that the commission deny the application.

936 (c) If the bureau has determined that an applicant is suitable to receive a cannabis license,
937 the bureau shall recommend that the commission commence a review of the applicant's entire
938 application.

939 Section 15. (a) An applicant for a cannabis license, and any person required by the
940 commission to be qualified for licensure, shall establish its individual qualifications for licensure
941 to the commission by clear and convincing evidence.

942 (b) An applicant, licensee, registrant or a person required to be qualified for licensure
943 shall have the continuing duty to provide any assistance or information required by the
944 commission and to cooperate in any inquiry or investigation conducted by the commission.
945 Refusal to answer or produce information, evidence or testimony by an applicant, licensee,
946 registrant or person required to be qualified for licensure may result in denial of the application
947 or suspension or revocation of the license or registration by the commission.

948 (c) No applicant, licensee, registrant or person required to be qualified for licensure shall
949 willfully withhold information from, or knowingly give false or misleading information to, the
950 commission. If the commission determines that an applicant, or a close associate of an applicant,
951 has willfully provided false or misleading information, such applicant shall not be eligible to
952 receive a license under this chapter. Any licensee or other person required to be qualified for
953 licensure under this chapter who willfully provides false or misleading information shall have its
954 license conditioned, suspended or revoked by the commission.

955 Section 16. (a) The commission shall require any person who is a close associate of a
956 cannabis licensee or an applicant for a cannabis license, to be qualified for licensure by meeting

957 the criteria provided in sections 14 and 17 and to provide any other information that the
958 commission may require.

959 (b) For each business that applies for a cannabis license, the commission shall determine
960 whether each officer and director of a corporation, other than a publicly-traded corporation,
961 general partner and limited partner of a limited partnership, and member, transferee of a
962 member's interest in a limited liability company, director and manager of a limited liability
963 company which holds or applies for a cannabis license meets the standards for qualification of
964 licensure pursuant to sections 14 and 17 and, in the judgment of the commission, any of a
965 business's individual stockholders, lenders, holders of evidence of indebtedness, underwriters,
966 close associates, executives or agents.

967 (c) A person owning more than 5 per cent of the common stock of the applicant
968 company, directly or indirectly, or a holding, intermediary or subsidiary company of an applicant
969 company may be required to meet the qualifications for licensure under sections 14 and 17. The
970 commission may waive the licensing requirements for institutional investors holding up to 15 per
971 cent of the stock of the applicant company or holding, intermediary or subsidiary company of the
972 applicant company upon a showing by the person seeking the waiver that the institutional
973 investor purchased the securities for investment purposes only and does not have any intention to
974 influence or affect the affairs or operations of the applicant company or a holding, intermediary
975 or subsidiary company of the applicant company. An institutional investor granted a waiver
976 which subsequently determines to influence or affect the affairs or operations of the applicant
977 company or a holding, intermediary or subsidiary company of the applicant company shall
978 provide not less than 30 days' notice to the commission of such intent and the commission shall
979 ensure that the institutional investor meets the qualifications for licensure under sections 14 and

980 17 before the institutional investor may take an action that may influence or affect the affairs of
981 the applicant company or a holding, intermediary or subsidiary company of the applicant
982 company. Any company holding over 15 per cent of the applicant company, or a holding,
983 intermediary or subsidiary company of an applicant company, shall be required to meet the
984 qualifications for licensure under sections 14 and 17.

985 (d) A person who is required to be qualified for licensure under this section as a general
986 or limited partner shall not serve as such a partner until that person obtains the required approval
987 or waiver from the commission.

988 (e) The commission shall require any person involved in the financing of a cannabis
989 establishment or an applicant's proposed cannabis establishment to be qualified for licensure
990 pursuant to sections 14 and 17 and may allow such person to seek a waiver pursuant to the
991 standards in subsection (c).

992 (f) A person required to be qualified for licensure shall apply for qualification within 30
993 days after taking a position with the business or otherwise becoming subject to this section. A
994 person who is required to be qualified for licensure based on a decision of the commission
995 pursuant to this section shall apply for qualification within 30 days after that decision.

996 (g) If a corporation or other form of business organization applying for a cannabis license
997 is, or if a corporation or other form of business organization holding a cannabis license is to
998 become, a subsidiary, each holding company, intermediary company and other entity having an
999 interest in the applicant shall be required to be qualified for licensure under sections 14 and 17.

1000 (h) The commission shall require that a company or individual that can exercise control
1001 or provide direction to a cannabis licensee or applicant for a cannabis license or a holding,

1002 intermediary or subsidiary company of a cannabis licensee or applicant for a cannabis license be
1003 qualified for licensure under sections 14 and 17; provided, however, that the commission may
1004 allow such person to seek a waiver under subsection (c).

1005 (i) The bureau shall investigate each person required to be qualified for licensure under
1006 this section and shall: (i) make a recommendation to the commission that the commission shall
1007 approve or deny the application for licensure; or (ii) extend the period for issuing a
1008 recommendation in order to obtain additional information necessary for a complete evaluation of
1009 the application for a license.

1010 Section 17. (a) The commission shall deny an application for a cannabis license or for
1011 licensure for a person required to be qualified for licensure pursuant to section 16, if the
1012 applicant or such person: (i) has been convicted of a felony or other crime involving
1013 embezzlement, theft, fraud or perjury; (ii) submitted an application for a license under this
1014 chapter that contains false or misleading information; (iii) committed prior acts which have not
1015 been prosecuted or in which the applicant was not convicted but form a pattern of misconduct
1016 that makes the applicant unsuitable for a license under this chapter; or (iv) has affiliates or close
1017 associates that would not qualify for a license or whose relationship with the applicant may pose
1018 an injurious threat to the interests of the commonwealth in awarding a cannabis license to the
1019 applicant.

1020 Section 18. (a) The commission may issue licenses based on the applications submitted to
1021 the commission to applicants who are qualified under the criteria set forth in this chapter, as
1022 determined by the commission.

1023 (b) A cannabis license and licensure issued to a person required to be qualified pursuant
1024 to section 16 shall be valid for an initial period of 1 year. The commission shall establish
1025 procedures for the renewal of a cannabis license, including a renewal fee, and for the renewal of
1026 licensure for persons required to be qualified pursuant to said section 16, including a renewal fee.

1027 (c) No cannabis licensee shall transfer a cannabis license or any direct or indirect interest
1028 in the cannabis license or a cannabis establishment without the majority approval of the
1029 commission. A person seeking to acquire a cannabis license through a transfer shall qualify for
1030 licensure under this chapter. The commission shall reject a cannabis license transfer or a transfer
1031 of interest in a cannabis establishment to a person who is not suitable pursuant to this chapter and
1032 may reject a proposed transfer that, in the opinion of the commission, would be disadvantageous
1033 to the interests of the commonwealth.

1034 (d) The commission shall not issue a cannabis license to an applicant if the property
1035 where the proposed cannabis establishment is to be located is within 500 feet of a pre-existing
1036 public or private school providing education in kindergarten or any of grades 1 through 12;
1037 provided, however, that if the city or town in which the cannabis establishment is to be located
1038 has adopted an ordinance or by-law that reduces such distance requirement, the commission shall
1039 not issue a license to an applicant if the proposed cannabis establishment would violate said city
1040 or town's ordinance or by-law.

1041 Section 19. (a) The commission shall prescribe the form of the cannabis license, which
1042 shall include, but not be limited to, the following license conditions for each licensee. The
1043 licensee shall:

1044 (1) have an affirmative obligation to abide by every statement made in its application
1045 to the commission, including all evaluation criteria and eligibility requirements;

1046 (2) comply with all laws of the commonwealth and all rules and regulations
1047 promulgated under this chapter;

1048 (3) pay to the commission of revenue the tax required pursuant to this chapter;

1049 (4) not change its business governing structure without the notification and approval
1050 of the commission;

1051 (5) not operate, invest in or own, in whole or in part, another cannabis licensee's
1052 license or cannabis establishment;

1053 (6) cooperate with the commission and the attorney general in all cannabis-related
1054 investigations. Each cannabis licensee shall make readily available all documents, materials,
1055 equipment, personnel and any other items requested during an investigation; provided, however,
1056 that material that the cannabis licensee considers a trade secret or detrimental to the cannabis
1057 licensee if it were made public may, with the commission's approval, be protected from public
1058 disclosure and the cannabis licensee may require nondisclosure agreements with the commission
1059 before disclosing such material;

1060 (7) cooperate with the commission and the attorney general with respect to the
1061 investigation of any criminal matter; provided, however, that the cannabis licensee shall, upon
1062 receipt of a criminal or civil process compelling testimony or production of documents in
1063 connection with a civil or criminal investigation, immediately disclose such information to the

1064 commission; and provided further, that this clause shall not prohibit private persons or public
1065 entities from seeking any remedy or damages against a cannabis licensee;

1066 (8) allow employees of the commission to conduct warrantless searches of the
1067 licensee's premises;

1068 (9) have a duty to inform the commission of any action which the cannabis licensee
1069 reasonably believes would constitute a violation of this chapter, and shall assist the commission
1070 and any state law enforcement agency in the investigation and prosecution of such violation;
1071 provided, however, that no person who informs the commission of such an action shall be
1072 discriminated against by an applicant or cannabis licensee as a consequence for having supplied
1073 such information;

1074 (10) collect and annually report to the commission a detailed statistical report on the
1075 number, job titles, benefits and salaries of employees hired and retained in employment at the
1076 cannabis establishment;

1077 (11) employ only those persons registered by the commission;

1078 (12) provide to the commission aggregate demographic information with respect to the
1079 cannabis licensee's customers in a manner and under a schedule to be defined by the
1080 commission;

1081 (13) keep conspicuously posted a notice containing the name and a telephone number
1082 for substance addiction and addiction services; provided, however, that the commission may
1083 require the cannabis licensee to provide this information in more than 1 language;

1084 (14) institute additional public health strategies as required by the commission; and

1085 (15) abide by an affirmative action program of equal opportunity by which the
1086 cannabis licensee guarantees to provide equal employment opportunities to all employees
1087 qualified for licensure in all employment categories, including persons with a disabilities, under
1088 the laws of the commonwealth.

1089 (b) No person shall transfer a cannabis license, a direct or indirect real interest, structure,
1090 real property, premises, facility, personal interest or pecuniary interest under a cannabis license
1091 issued under this chapter or enter into an option contract, management contract or other
1092 agreement or contract providing for such transfer in the present or future, without the notification
1093 to, and approval by, the commission. The commission may promulgate rules and regulations that
1094 create exemptions from the approval requirement.

1095 (c) The commission may include any reasonable additional requirements to the license
1096 conditions.

1097 Section 20. (a) No cannabis licensee shall operate a cannabis establishment without an
1098 operations certificate issued by the commission. An operations certificate shall only be issued
1099 upon compliance with the requirements of this chapter including, but not limited to: (i)
1100 implementation of all management controls required by the commission including, without
1101 limitation, controls on accounting and auditing; (ii) implementation of all security precautions
1102 required by the commission; (iii) an up-to-date listing of all employees; and (iv) registering of all
1103 employees. The operations certificate shall be conspicuously posted.

1104 (b) A an adult use cannabis licensee or a medical use cannabis licensee may operate an
1105 adult use cannabis establishment or a medical use cannabis establishment from 8:00 a.m. to
1106 12:59 a.m. subject its agreement with the host community; provided, however, that an adult use

1107 cannabis licensee and a medical use cannabis licensee shall register its hours of operation of the
1108 cannabis establishment with the commission.

1109 (c) Each cannabis licensee shall arrange its cannabis establishment in such a manner as to
1110 promote optimum security for the cannabis establishment operations.

1111 (d) No person under the age of 21 shall be permitted to: (i) purchase adult use cannabis,
1112 (ii) register as an employee of a cannabis establishment or (iii) be in an adult cannabis
1113 establishment. No adult use cannabis licensee, within its cannabis establishment or otherwise,
1114 shall authorize or conduct marketing and promotional communications relative to cannabis to
1115 target persons under the age of 21.

1116 (e) Each cannabis licensee shall file an emergency response plan with the fire department
1117 and police department of the host community which shall include, but not be limited to: (i) a
1118 layout identifying all areas within the facility and grounds, including support systems and the
1119 internal and external access routes; (ii) the location and inventory of emergency response
1120 equipment and the contact information of the emergency response coordinator for the cannabis
1121 establishment; (iii) the location of any hazardous substances and a description of any public
1122 health or safety hazards present on site; (iv) a description of any special equipment needed to
1123 respond to an emergency at the cannabis establishment; (v) an evacuation plan; and (vi) any
1124 other information relating to emergency response as requested by the commission, the fire
1125 department or the police department of the host community.

1126 Section 21. (a) No person shall be employed at a cannabis establishment unless such
1127 person has first registered as a cannabis employee with the commission. Registration as a

1128 cannabis employee shall be valid for 1 year but may be renewed annually thereafter pursuant to
1129 this section and regulations promulgated by the commission.

1130 (b) The commission shall prescribe the form for registering as a cannabis employee
1131 which shall include, but shall not be limited to: (1) the name and address of the person seeking to
1132 register as a cannabis employee; (2) an affidavit in which the person seeking to register shall
1133 verify that he or she has not been convicted of a felony; and (3) any other information the
1134 commission deems appropriate, including, but not limited to: (i) a detailed employment history;
1135 (ii) fingerprints; (iii) a criminal and arrest record; and (iv) any civil judgments pertaining to
1136 antitrust or security regulation against the person seeking to register as a cannabis employee.

1137 (c) Upon receipt of a registration form, the bureau may conduct an investigation of the
1138 person seeking to register as a cannabis employee, which shall include obtaining criminal
1139 offender record information from the department of criminal justice information services and
1140 exchanging fingerprint data and criminal history with the department of state police. If the
1141 bureau discovers that a person seeking registration pursuant to this section, falsely verified that
1142 he or she has not been convicted of a felony, the bureau shall notify the commission and the
1143 commission shall send written notification to the person seeking registration that the registration
1144 has been denied and the person is disqualified from employment at any cannabis establishment.

1145 (d) Within 30 days of receiving a form for registering as a cannabis employee, the
1146 commission shall deny registration if a person seeking to register as a cannabis employee: (1) is
1147 unable to verify that he or she has not been convicted of a felony ; (2) made false statements on
1148 the registration form; (3) is under 21 years old; or (4) does not meet any further qualification for
1149 cannabis employees as required by the commission pursuant to regulations. If registration is

1150 denied pursuant to this subsection, the commission shall make written notification to the person
1151 seeking registration that his or her registration has been denied, including a statement of the
1152 reasons why the registration was denied.

1153 (e) If the commission does not deny registration pursuant to subsection (d), it shall
1154 register the person as a cannabis employee and send the person a written certificate of
1155 registration as a cannabis employee, which shall be valid for 1 year, subject to renewal.

1156 (f) The commission shall prescribe the form for annual renewal of registration as a
1157 cannabis employee, which shall include, but may not be limited to: (1) the name and address of
1158 the person seeking to renew his or her registration as a cannabis employee; (2) an affidavit in
1159 which the person seeking to renew shall verify that he or she has not been convicted of a felony;
1160 and (3) any other information the commission deems appropriate.

1161 (g) If, at any point, the bureau discovers that a person registered as a cannabis employee,
1162 falsely verified that he or she has not been convicted of a felony, the bureau shall notify the
1163 commission and the commission shall send written notification to the cannabis employee that his
1164 or her registration has been revoked and he or she is disqualified from employment at any
1165 cannabis establishment.

1166 (h) No individual who has applied for and holds licensure pursuant to section 16 shall be
1167 required to register pursuant to this section.

1168 Section 22. Any healthcare professional that issues a written certification for medical use
1169 cannabis shall register with the commission pursuant to regulations promulgated by the
1170 commission.

1171 Section 23. Any qualifying patient receiving a written certification for medical use
1172 cannabis shall register with the commission pursuant to regulations promulgated by the
1173 commission.

1174 Section 24. (a) The commission may exempt any establishment registered and operating
1175 as a medical marijuana treatment center pursuant to chapter 369 of the acts of 2012 as of July 1,
1176 2017 from any licensing requirement of this chapter.

1177 (b) For the purposes of reviewing and approving an application for an adult use cannabis
1178 license, the commission shall identify applicants who are holders of a provisional or final
1179 certificate of registration pursuant to chapter 369 of the acts of 2012 and accompanying
1180 regulations. The commission shall consider issuance of a provisional or final certificate of
1181 registration as achieving accreditation status. The commission shall ensure an expedited review
1182 process for applicants for an adult use cannabis license who have achieved accreditation status
1183 and shall only require that such applicants submit specific information not previously required,
1184 analyzed, approved and recognized by the department of public health.

1185 Section 25. (a) Each labor organization, union or affiliate seeking to represent employees
1186 who are employed at a cannabis establishment shall register with the commission.

1187 (b) Neither a labor organization, nor its officers who are not otherwise licensed or
1188 registered under this chapter, may hold any financial interest in a cannabis establishment whose
1189 employees are represented by the organization.

1190 Section 26. No cannabis licensee shall offer to provide any complimentary cannabis,
1191 services, gifts, cash or other items of value to any person.

1192 Section 27. (a) A adult use cannabis licensee shall pay a daily excise of 16.75 per cent on
1193 gross retail cannabis revenue.

1194 All sums collected or received by the commissioner of revenue pursuant to this
1195 subsection shall be deposited in the Cannabis Revenue Fund.

1196 (b) In addition to the daily excise imposed by subsection (a), an adult us cannabis
1197 licensee shall pay a daily excise of 5 per cent on gross retail cannabis revenue.

1198 All sums collected or received by the commissioner of revenue pursuant to this
1199 subsection shall be transferred by the commissioner of revenue to the treasurer of the host
1200 municipality from which the revenue was collected at least monthly.

1201 (c) The excise imposed pursuant to subsection (a) and subsection (b) shall be in addition
1202 to excise imposed upon the sale of property or services as provided in section 2 of chapter 64H
1203 and shall be paid by an adult use cannabis licensee to the commissioner of revenue at the time
1204 provided for filing the return required by section 16 of chapter 62C.

1205 (d) The excise imposed pursuant to subsection (a) and subsection (b) shall not apply to
1206 sales by a medical use cannabis licensee, a marijuana product manufacturer or a marijuana
1207 cultivator.

1208 Section 28. There shall be established and set up on the books of the commonwealth a
1209 fund to be known as the Cannabis Revenue Fund, hereinafter the fund. The fund shall be credited
1210 with any appropriations, bond proceeds or other monies authorized by the general court and
1211 specifically designated to be credited thereto, the proceeds of the assessments levied under this
1212 chapter, application fees for licenses issued under this chapter and such additional funds as are

1213 subject to the direction and control of the commission including, without limitation, all revenue
1214 received under this chapter as excises, fees, penalties, forfeitures, interest, costs of suits and
1215 fines.

1216 Expenditures from the fund shall be subject to appropriation; provided, however, that the
1217 annual operational cost of the commission shall be funded by the fund; and provided, further,
1218 that the annual operational cost of the division of cannabis enforcement in the department of the
1219 attorney general shall be funded by the fund; and provided, further, that after funding the annual
1220 operational cost of the commission and the division not less than \$30,000,000 shall be expended
1221 annually on substance abuse prevention and treatment programs. Any funds remaining in the
1222 fund at the end of the fiscal year shall revert to the General Fund.

1223 Section 29. An adult use cannabis licensee shall be subject to chapters 62 to 62E,
1224 inclusive, and chapters 63 to 63B, inclusive.

1225 Section 30. (a) A cannabis establishment shall not be a certified project within the
1226 meaning of section 3F of chapter 23A. Cannabis establishments shall not be designated as
1227 economic opportunity areas within the meaning of section 3E of said chapter 23A. Cannabis
1228 establishments shall not be eligible for tax increment financing under section 59 of chapter 40 or
1229 special tax assessments set forth in section 3E of said chapter 23A. Cannabis establishments shall
1230 not be classified and taxed as recreational land under chapter 61B. Cannabis establishments shall
1231 not be designated as development districts within the meaning of chapter 40Q.

1232 (b) Unless otherwise provided, a cannabis establishment shall not be eligible for the
1233 following credits or deductions listed in chapter 62 or chapter 63: the investment tax credit under
1234 section 31A of chapter 63, the employment credit under section 31C of said chapter 63, the van

1235 pool credit under section 31E of said chapter 63, the deduction for expenditures for industrial
1236 waste treatment or air pollution control under section 38D of said chapter 63, the deduction for
1237 compensation paid to an eligible business facility's employees domiciled in a section of
1238 substantial poverty under section 38F of said chapter 63, the film tax credit under subsection (l)
1239 of section 6 of chapter 62 and section 38X of said chapter 63, the alternative energy sources
1240 deduction under section 38H of said chapter 63, the research expense credit under section 38M
1241 of said chapter 63, the economic opportunity area credit under subsection (g) of said section 6 of
1242 said chapter 62 and section 38N of said chapter 63, the abandoned building deduction under
1243 subparagraph (10) of subsection (a) of Part B of section 3 of said chapter 62 and section 38O of
1244 said chapter 63, the harbor maintenance tax credit under section 38P of said chapter 63, the
1245 brownfields credit under subsection (j) of said section 6 of said chapter 62 and section 38Q of
1246 said chapter 63, the historic rehabilitation tax credit under section 6J of said chapter 62 and
1247 section 38R of said chapter 63 and the automatic sprinkler system depreciation deduction under
1248 section 38S of said chapter 63.

1249 Section 31. (a) (1) The commission shall promulgate regulations for the licensure and
1250 oversight of independent testing laboratories, and shall establish testing protocols for the
1251 sampling, testing and analysis of marijuana, finished marijuana and marijuana products in
1252 consultation with the department of public health and the department of agricultural resources.
1253 Such regulations shall be based on the most recent standards as issued by the United States
1254 Pharmacopeia Convention and shall address sampling and analysis to characterize the
1255 cannabinoid profile and biological and chemical contaminants, including but not limited to
1256 terpenoids, pesticides, plant growth regulators, metals, microbiological contaminants,

1257 mycotoxins, and residual solvents introduced through cultivation of marijuana plants and post-
1258 harvest processing and handling of marijuana, marijuana products and ingredients.

1259 (2) No marijuana or marijuana product for either medical or adult use shall be sold or
1260 otherwise marketed pursuant to this chapter that has not first been tested by an independent
1261 testing laboratory and meets the commission's testing protocols issued pursuant to subsection
1262 (a)(1).

1263 (3) The following shall be included on the labeling of all marijuana and marijuana
1264 products sold or otherwise marketed within the commonwealth pursuant to this chapter: (i) a
1265 symbol or easily recognizable mark issued by the commission that indicates the package contains
1266 marijuana or a marijuana product; (ii) the name and contact information of the marijuana
1267 cultivator or the marijuana product manufacturer who produced the marijuana or marijuana
1268 product; (iii) the results of sampling, testing and analysis conducted by a licensed independent
1269 testing laboratory; (iv) a seal certifying the marijuana meets such testing standards; (v) a unique
1270 batch number identifying the production batch associated with manufacturing and processing;
1271 (vi) a list of ingredients and possible allergens; (vii) a use-by date, if applicable; and (viii) the
1272 following statement, including capitalization: "This product has not been analyzed or approved
1273 by the FDA. There is limited information on the side effects of using this product, and there may
1274 be associated health risks. Marijuana use during pregnancy and breast-feeding may pose
1275 potential harms. It is against the law to drive or operate machinery when under the influence of
1276 this product. KEEP THIS PRODUCT AWAY FROM CHILDREN."

1277 (4) An independent testing laboratory shall report any results indicating contamination to
1278 the commission within 72 hours of identification.

1279 (5) No laboratory agent or employee of an independent testing laboratory shall receive
1280 direct or indirect financial compensation, other than such reasonable contractual fees to conduct
1281 such testing, from any entity for which it is conducting testing pursuant to this chapter.

1282 (b)(1) An independent testing laboratory shall apply for a certificate of registration from
1283 the commission prior to testing, processing or transporting marijuana.

1284 (2) A laboratory agent shall be registered with the commission prior to volunteering or
1285 working at an independent testing laboratory.

1286 (3) An independent testing laboratory shall apply to the commission for a registration
1287 card for each affiliated laboratory agent by submitting, at a minimum, the name, address, date of
1288 birth of the laboratory agent.

1289 (4) A registered independent testing laboratory shall notify the commission within 1
1290 business day if a laboratory agent ceases to be associated with the laboratory, and the laboratory
1291 agent's registration card shall be immediately revoked.

1292 (5) No one shall be a laboratory agent who has been convicted of a felony drug offense.
1293 The commission may conduct criminal record checks with the department of criminal justice
1294 information services and may set standards and procedures to enforce this provision. Such
1295 standards and procedures may include requiring applicants seeking registration to submit a full
1296 set of fingerprints for the purposes of conducting a state and national criminal history records
1297 check pursuant to sections 167 through 178, inclusive, of chapter 6 and 28 U.S.C. section 534
1298 through the department of criminal justice information services and the Federal Bureau of
1299 Investigation. The commission shall treat such information in accordance with sections 167
1300 through 178, inclusive, of chapter 6 and the regulations thereunder.

1301 (c) A registered laboratory agent shall not be subject to arrest, prosecution, or civil
1302 penalty, sanctions or disqualifications, and shall not be subject to seizure or forfeiture of assets
1303 under Massachusetts law for actions taken under the authority of an independent testing
1304 laboratory, including possessing, processing, storing, transferring or testing marijuana provided
1305 he or she: (1) presents his or her registration card to any law enforcement official who questions
1306 the laboratory agent concerning their marijuana related activities; and (2) is acting in accordance
1307 with all the requirements of this law.

1308 Section 32. This chapter shall not:

1309 (i) prevent a person from prohibiting or otherwise regulating the consumption, display,
1310 production, processing, manufacture or sale of marijuana and marijuana accessories on or in
1311 property the person owns, occupies or manages, except that a lease agreement shall not prohibit a
1312 tenant from consuming marijuana by means other than smoking on or in property in which the
1313 tenant resides unless failing to do so would cause the landlord to violate a federal law or
1314 regulation;

1315 (ii) prevent the commonwealth, a subdivision thereof, or local government agency from
1316 prohibiting or otherwise regulating the possession or consumption of marijuana or marijuana
1317 accessories within a building owned, leased or occupied by the commonwealth, a political
1318 subdivision of the commonwealth or an agency of the commonwealth, or a political subdivision
1319 of the commonwealth; or

1320 (iii) authorize the possession or consumption of marijuana or marijuana accessories on
1321 the grounds of or within a public or private school where children attend classes in preschool

1322 programs, kindergarten programs or grades 1 to 12, inclusive, or on the grounds of, or within,
1323 any correctional or detoxification facility;

1324 (iv) be construed to limit the applicability of other law as it pertains to the rights of
1325 landlords, employers, law enforcement or regulatory agencies;

1326 (v) allow the operation, navigation or otherwise control of a motor vehicle, train, aircraft,
1327 motorboat or other motorized form of transport or machinery while under the influence of
1328 marijuana;

1329 (vi) require any health insurance provider, or any government agency or authority, to
1330 reimburse any person for the expenses of the medical use of marijuana;

1331 (vii) require any healthcare professional to authorize the medical use of marijuana for a
1332 patient;

1333 (viii) require any accommodation of any on-site use of marijuana in any place of
1334 employment, school bus or on school grounds, in any youth center, in any correctional or
1335 detoxification facility or place of public accommodation;

1336 (ix) require the violation of federal law or purport to give immunity under federal law;

1337 (x) pose an obstacle to federal law or to compliance with federal law;

1338 (xi) authorize individuals to transport marijuana legally purchased or acquired within the
1339 commonwealth out of state;

1340 Section 33. The commission shall, for the purposes of compliance with state finance law,
1341 operate as a state agency as defined in section 1 of chapter 29 and shall be subject to the

1342 provisions applicable to agencies under the control of the governor; provided, however, that the
1343 comptroller may identify any additional instructions or actions necessary for the department to
1344 manage fiscal operations in the state accounting system and meet statewide and other
1345 governmental accounting and audit standards. The commission shall properly classify the
1346 commission's operating and capital expenditures, and shall not include any salaries of employees
1347 in the commission's capital expenditures. Unless otherwise exempted by law or the applicable
1348 central service agency, the commission shall participate in any other available commonwealth
1349 central services including, but not limited, to the state payroll system pursuant to section 31 of
1350 chapter 29, and may purchase other goods and services provided by state agencies in accordance
1351 with comptroller provisions. The comptroller may chargeback the commission for the transition
1352 and ongoing costs for participation in the state accounting and payroll systems and may retain
1353 and expend such costs without further appropriation for the purposes of this section. The
1354 commission shall be subject to section 5D of chapter 29 and subsection (f) of section 6B of
1355 chapter 29.

1356 Section 34. Each fiscal year the commission shall submit an annual finance plan to the
1357 secretary of administration and finance, and updates to such plan, in accordance with instructions
1358 issued by said secretary.

1359 Section 35. Marijuana shall be subject to sections 186 to 195, inclusive, of chapter 94,
1360 relating to the adulteration and misbranding of food, drugs and various articles; provided,
1361 however, that marijuana included in a marijuana product manufactured in compliance with the
1362 regulations of the commission shall not be considered an adulterant.

1363 Section 36. Any liability to the commonwealth under this chapter shall constitute a debt
1364 to the commonwealth. Once a statement naming a cannabis licensee is recorded, registered or
1365 filed, any such debt shall constitute a lien on all commercial property owned by a cannabis
1366 licensee in the commonwealth and shall have priority over an encumbrance recorded, registered
1367 or filed with respect to any site.

1368 Section 37. The commission shall establish minimum standards for advertising,
1369 marketing, and branding used in packaging, labeling, signage, merchandise and other materials
1370 sold or distributed by an adult use cannabis licensee. Such standards shall, at a minimum,
1371 include:

1372 (a) a prohibition on advertising, marketing and branding in such a manner that is deemed
1373 to be deceptive, false, or misleading. An adult use cannabis licensee shall not make any
1374 deceptive, false, or misleading assertion or statements on any product, sign, documents or
1375 materials provided to a consumer;

1376 (b) a prohibition on advertising, marketing and branding by means of television, radio,
1377 internet, billboard or print publication unless at least 71.6 per cent of the audience is reasonably
1378 expected to be 21 years of age or older, as determined by reliable, up-to-date audience
1379 composition data;

1380 (c) a prohibition on advertising, marketing and branding which utilize statements,
1381 designs, representations, pictures or illustrations that portray anyone less than 21 years of age;

1382 (d) a prohibition on advertising, marketing and branding that is deemed to appeal to a
1383 person or persons less than 21 years of age;

1384 (e) a prohibition on advertising, marketing and branding, including statements by an adult
1385 use cannabis licensee, that make any false or misleading statements concerning other adult use
1386 cannabis licensees and the conduct and products of such other adult use cannabis licensees;

1387 (f) a prohibition on advertising, marketing and branding through certain identified
1388 promotional items as determined by the commission, including giveaways, coupons or “free” or
1389 “donated” marijuana;

1390 (g) a prohibition on advertising, marketing and branding by an adult use cannabis
1391 licensee that asserts its products are safe, other than labeling required pursuant to this chapter;

1392 (h) a prohibition on illuminated external signage except for a period of 30 minutes before
1393 sundown until closing and that shall comply with all local ordinances and requirements. Neon
1394 signage is prohibited;

1395 (i) a prohibition of the use of vehicles equipped with either radio or loud speakers for the
1396 advertising of marijuana is prohibited. The use of radio or loud speaker equipment in any
1397 cannabis establishment for the purpose of attracting attention to the sale of marijuana therein is
1398 also prohibited;

1399 (j) that an adult use cannabis licensee may sponsor a charitable, sports, or similar event,
1400 but such licensee shall not engage in advertising, marketing, and branding at, or in connection
1401 with, such an event unless at least 71.6 per cent of the audience is reasonably expected to be 21
1402 years of age or older, as determined by reliable, up-to-date audience composition data.

1403 If a city or town enacts an ordinance or by-law above the commission’s standard, no such
1404 local ordinance or by-law may impose a standard for signage more restrictive than those
1405 applicable to retail establishments that sell alcoholic beverages within that city or town.

1406 Section 38. The commission shall audit as often as the commission determines necessary,
1407 but not less than annually, the accounts, programs, activities, and functions of all cannabis
1408 licensees. To conduct the audit, authorized officers and employees of the commission shall have
1409 access to such accounts at reasonable times and the commission may require the production of
1410 books, documents, vouchers and other records relating to any matter within the scope of the
1411 audit, except tax returns. The superior court shall have jurisdiction to enforce the production of
1412 records that the commission requires to be produced under this section and the court shall order
1413 the production of all such records within the scope of any such audit. All audits shall be
1414 conducted in accordance with generally accepted auditing standards established by the American
1415 Institute of Certified Public Accountants. In any audit report of the accounts, funds, programs,
1416 activities and functions of a cannabis licensee issued by the commission containing adverse or
1417 critical audit results, the commission may require a response, in writing, to the audit results. The
1418 response shall be forwarded to the commission within 15 days of notification by the commission.

1419 On or before April 1 of each year, the commission shall submit a report to the clerks of
1420 the house of representatives and the senate who shall forward the report to the house and senate
1421 committees on ways and means which shall include, but not be limited to: (i) the number of
1422 audits performed under this section; (ii) a summary of findings under the audits; and (iii) the cost
1423 of each audit.

1424 Section 39. The commission shall report monthly to the governor, the attorney general,
1425 the senate and house committees on ways and means, the chairs of the joint committee on
1426 revenue and the chairs of the joint committee on marijuana policy on the total cannabis revenues
1427 and shall make an annual report to the same recipients which shall include a full and complete
1428 statement of cannabis revenues. The commission shall report immediately to the governor, the
1429 attorney general, the house and senate committees on ways and means, the chairs of the joint
1430 committee on revenue and the chairs of the joint committee on marijuana policy on any matter
1431 which requires immediate changes in the laws in order to prevent abuses or evasions of the laws,
1432 rules or regulations related to cannabis or to rectify undesirable conditions in connection with the
1433 administration or operation of cannabis in the commonwealth.

1434 Section 40. The commission shall annually submit a complete and detailed report of the
1435 commission's activities, including a review of the implementation and enforcement of this
1436 chapter and the governance structure established in this chapter, within 90 days after the end of
1437 the fiscal year to the governor, the attorney general, the treasurer and receiver general, the clerks
1438 of the house of representatives and the senate, the chairs of the joint committee on economic
1439 development and emerging technologies and the chairs of the house and senate committees on
1440 ways and means.

1441 Section 41. The commission shall annually review the tax rate established by this chapter
1442 and may make recommendations to the general court, as appropriate, regarding any changes to
1443 the tax rate that further the intent of this chapter. The commission may study marijuana
1444 commerce and make recommendations to the general court regarding changes in the laws of the
1445 commonwealth that further the intent of this act by filing those recommendations with the clerks
1446 of the house of representatives and the senate who shall forward the recommendations to the

1447 house and senate committees on marijuana policy, the joint committee on consumer protection
1448 and professional licensure, the joint committee on revenue, the joint committee on public health
1449 and any other committee deemed appropriate by the commission.

1450 Section 42. (a) There shall be a Massachusetts cannabis advisory board to study and
1451 make recommendations to the commission and the department of revenue on the regulation and
1452 taxation of medical and adult use of marijuana. The board shall consist of the executive director
1453 of the commission, who shall serve as chair; the secretary of the executive office of housing and
1454 economic development or his or her designee; the commissioner of the department of revenue or
1455 his or her designee; the commissioner of public health or his or her designee; the superintendent
1456 of the state police or his or her designee; the commissioner of agricultural resources or his or her
1457 designee; the president of the Massachusetts Municipal Association, Inc. or his or her designee;
1458 and 12 members who shall be appointed by the treasurer and receiver-general who shall consist
1459 of: 1 expert in marijuana cultivation, 1 expert in marijuana retailing, 1 expert in marijuana
1460 product manufacturing, 1 expert in laboratory sciences and toxicology, 2 individuals representing
1461 the interests of registered qualifying patients, 1 expert in the prevention and treatment of
1462 substance use disorders, 2 experts in social welfare or social justice, 1 individual representing the
1463 interests of employers, 1 individual representing the interests of property owners, and 1 attorney
1464 with experience providing legal services to marijuana businesses, marijuana consumers or
1465 medical marijuana patients in the commonwealth. Members of the board appointed by the
1466 treasurer and receiver-general shall serve terms of 2 years. Members of the board shall serve
1467 without compensation, but shall be reimbursed for their expenses actually and necessarily
1468 incurred in the discharge of their official duties. Members of the advisory board shall not be state
1469 employees for purposes of chapter 268A by virtue of their service on the advisory board. The

1470 board shall meet at the discretion of the commission. A majority of the members of the board
1471 present and voting shall constitute a quorum.

1472 (b) The cannabis advisory board shall: (i) advise the commission on local, property,
1473 business, consumer, patient and public health and safety issues, as well as marijuana cultivation,
1474 processing, manufacturing, transportation, distribution, security, seed-to-sale tracking, testing,
1475 packaging, labelling, advertising and sale; (ii) consider all matters submitted to it by the
1476 commission; (iii) on its own initiative, recommend to the commission guidelines, rules and
1477 regulations and any changes to guidelines, rules and regulations that the advisory board considers
1478 important or necessary for the commission’s review and consideration; and (iv) advise on the
1479 preparation of regulations under this chapter.

1480 SECTION 3. Chapter 12 of the General Laws is hereby amended by inserting after
1481 section 11N the following section:-

1482 Section 11O. (a) As used in this section the following words shall, unless the context
1483 clearly requires otherwise, have the following meanings:-

1484 “Cannabis establishment”, as defined in section 1 of chapter 10A.

1485 “Commission”, the Massachusetts cannabis control commission established in chapter
1486 10A.

1487 “Division”, the division of cannabis enforcement established in subsection (b).

1488 “Particular matter”, as defined in section 1 of chapter 268A.

1489 (b) There shall be in the department of the attorney general a division of cannabis
1490 enforcement. The attorney general shall designate an assistant attorney general as the director of

1491 cannabis enforcement. The director may appoint and remove, subject to the approval of the
1492 attorney general, such expert, clerical or other assistants as the work of the division may require.

1493 (c) The duties of the division may include, but shall not be limited to: (1) receiving and
1494 taking appropriate action on referrals for criminal prosecution from the commission or any other
1495 law enforcement body; (2) providing assistance, upon request, to the commission in the
1496 consideration and promulgation of rules and regulations; (3) ensuring that there shall be no
1497 duplication of duties and responsibilities between the division and the commission; and (4) other
1498 matters relating to the implementation or enforcement of chapter 10A.

1499 (d) No employee of the division and no person engaged by the division in the course of
1500 an investigation, other than a qualifying patient or in the performance of their official duties,
1501 shall patronize a cannabis establishment licensed under chapter 10A during the period of their
1502 employment or assignment with the division. The attorney general shall establish a code of ethics
1503 for all division employees which shall be more restrictive than chapters 268A and 268B. A copy
1504 of the code of ethics shall be filed with the state ethics commission. The code shall include
1505 provisions reasonably necessary to carry out this section, including, but not limited to: (i)
1506 prohibiting the receipt of gifts by a division employee from a cannabis licensee, applicant, close
1507 associate, affiliate or other person or entity subject to the jurisdiction of the commission; and (ii)
1508 prohibiting the participation by a division employee in a particular matter that affects the
1509 financial interest of a relative within the third degree of consanguinity or any other person with
1510 whom such employee has a significant relationship, as may be defined in the code of ethics.

1511 (e) The annual operational cost of the division shall be funded by the Cannabis Revenue
1512 Fund as provided in section 28 of chapter 10A.

1513 SECTION 4. Section 5I of chapter 18 of the General Laws, as appearing in the 2016
1514 Official Edition, is hereby amended by inserting after the word “court” , in line 43, the
1515 following words:-; or any adult use cannabis establishment as defined in section 2 of chapter
1516 10A.

1517 SECTION 5. Section 5J of said chapter 18, as so appearing, is hereby amended by
1518 striking out, in line 14, the words, “or on cruise ships” and inserting in place thereof the
1519 following words:- on cruise ships; or any adult use cannabis establishments as defined in section
1520 2 of chapter 10A.

1521 SECTION 6. Section 2KKKK of chapter 29 of the General Laws is hereby repealed.

1522 SECTION 7. Section 1 of chapter 32 of the General Laws, as so appearing, is hereby
1523 amended by inserting after the word “commission”, in line 226, the following words:- ,
1524 Massachusetts cannabis control commission.

1525 SECTION 8. Section 2 of chapter 32A of the General Laws, as so appearing, is hereby
1526 amended by inserting after the word “commission”, in lines 13 and 14, the following words:- ,
1527 Massachusetts cannabis control commission.

1528 SECTION 9. Section 38 of chapter 63 of the General Laws, as so appearing, is hereby
1529 amended by striking out, in line 211, the word “and”.

1530 SECTION 10. Said section 38 of said chapter 63, as so appearing, is hereby further
1531 amended inserting after the word “ commonwealth”, in lines 216 and 217, the following words:-
1532 ; and (10) in the case of a business deriving receipts from operating a cannabis establishment or
1533 otherwise deriving receipts from conducting a cannabis business or activity, income-producing

1534 activity shall be considered to be performed in this commonwealth to the extent that the location
1535 of cannabis transactions or activities that generated the receipts is in this commonwealth.

1536 SECTION 11. Said section 38 of said chapter 63, as so appearing, is hereby further
1537 amended by striking out, in line 247, the word “and” the second time it appears.

1538 SECTION 12. Said section 38 of said chapter 63, as so appearing, is hereby further
1539 amended by inserting after the word “commonwealth”, in line 253, the following words:- ; and
1540 (9) in the case of a business deriving receipts from operating a cannabis establishment or
1541 otherwise deriving receipts from conducting a cannabis business or activity, income-producing
1542 activity shall be considered to be performed in this commonwealth to the extent that the location
1543 of cannabis transactions or activities that generated the receipts is in this commonwealth.

1544 SECTION 13. Section 1 of chapter 64H of the General Laws, as so appearing, is hereby
1545 amended by inserting after the word “steam”, in line 269, the following words:- , and shall
1546 include marijuana, marijuana concentrate, marijuana-infused products and marijuana products as
1547 defined in section 2 of chapter 10A.

1548 SECTION 14. Chapter 64N of the General Laws is hereby repealed.

1549 SECTION 15. Section 24I of chapter 90 of the General Laws, as appearing in the 2016
1550 Official Edition, is hereby amended by inserting after the word “liquid”, in line 4, the following
1551 words:- or other substances.

1552 SECTION 16. Said section 24I of said chapter 90, as so appearing, is hereby further
1553 amended by inserting after the word “beverage”, in lines 20 and 29, in each instance, the
1554 following words:- , marijuana or any marijuana products.

1555 SECTION 17. Section 1 of chapter 94C of the General Laws, as so appearing, is hereby
1556 amended by inserting after the word “germination”, in line 229, the following words:- ; provided,
1557 however, that the term marihuana shall not include marihuana or marijuana manufactured,
1558 distributed, dispensed, cultivated or possessed in compliance with chapter 10A; and provided
1559 further, that the term marihuana shall not include industrial hemp as defined in section 116 of
1560 chapter 128.

1561 SECTION 18. Chapter 94G of the General Laws is hereby repealed.

1562 SECTION 19. Chapter 128 of the General Laws, as so appearing, is hereby amended by
1563 adding the following 7 sections:-

1564 Section 116. As used in sections 116 through section 121, inclusive, the following words
1565 shall, unless the context clearly requires otherwise, have the following meanings:

1566 “Hemp”, the plant of the genus cannabis and any part of the plant, whether growing or
1567 not, with a delta-9-tetrahydrocannabinol concentration that does not exceed 0.3 per cent on a dry
1568 weight basis, or per volume or weight of marijuana product, or the combined per cent of delta-9-
1569 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant of the genus
1570 cannabis regardless of moisture content.

1571 “Hemp products”, products made from industrial hemp including, but not limited to,
1572 cloth, cordage, fiber, food, fuel, paint, paper, particle board, plastics, seed, seed meal, seed oil
1573 and certified seed for cultivation if such seeds originate from industrial hemp varieties.

1574 “Industrial hemp”, hemp that is used exclusively for industrial purposes, including but
1575 not limited to the fiber and seed.

1576 “Person”, a natural person, corporation, association, partnership or other legal entity.

1577 Section 117. (a) Industrial hemp as an agricultural product may be planted, grown,
1578 harvested, possessed, processed, bought, sold or researched subject to sections 116 to 121,
1579 inclusive. The planting, growing, harvesting, possessing, processing, selling or research of
1580 industrial hemp as an agricultural product shall be subject to the supervision and approval of the
1581 department pursuant to said sections 116 to 121, inclusive.

1582 (b) Any person planting, growing, harvesting, possessing, processing or selling industrial
1583 hemp for commercial purposes shall: (i) be licensed by the department pursuant to section 118;
1584 and

1585 (ii) only acquire hemp seeds imported from a distributor registered with the United States
1586 Drug Enforcement Administration and certified by the United States Department of Agriculture.

1587 (c) Hemp products may be used only for the following: (i) research purposes; and

1588 (ii) commercial purposes deemed reasonable by the commissioner.

1589 Section 118. (a) No person, other than a person utilizing hemp products for commercial
1590 purposes pursuant to subsection (c) or a person utilizing industrial hemp or hemp products for
1591 research pursuant to subsection (d), may plant, grow, harvest, possess, process or sell industrial
1592 hemp without a license issued by the department.

1593 (b) No person may produce or distribute industrial hemp seed without a license issued by
1594 the department.

1595 (c) Any person utilizing hemp products for commercial purposes shall register with the
1596 department.

1597 (d) Any person utilizing industrial hemp or hemp products for research conducted under
1598 an agricultural pilot program or other agricultural or academic research shall register with the
1599 department.

1600 (e) An application for a license issued pursuant to subsection (a) or (b) shall, without
1601 limitation, include the following: (i) the name and address of the applicant or applicants; (ii) the
1602 name and address of the industrial hemp operation of the applicant; (iii) the global positioning
1603 system coordinates and legal description of the property used for the industrial hemp operation;
1604 (iv) the acreage size of the field where the industrial hemp will be grown, if applicable; (v) a
1605 written consent allowing a state and federal criminal history background check to be conducted;
1606 (vi) a written consent allowing the department to conduct both scheduled and random inspections
1607 of and around the premises on which the industrial hemp is being sown, grown, harvested, stored
1608 and processed; (vii) a nonrefundable application fee in an amount established by the
1609 commissioner; (viii) all other information required pursuant to subsection (d); and (ix) any other
1610 information that may be required by the commissioner.

1611 (f) All records related to sections 116 to 121, inclusive, except for the address of a
1612 licensee's cultivation or production facilities and any documents describing, depicting, or
1613 otherwise outlining a licensee's security schematics or global positioning system coordinates,
1614 which are deemed by the department as confidential in nature due to their public safety
1615 implications, shall be considered public records within the meaning of chapter 66 of the general
1616 laws.

1617 Section 119. (a) Upon receipt, review and approval of an application for licensure
1618 pursuant to section 118, the commissioner may grant an annual license upon issuance of written

1619 findings that the requirements of sections 116 to 121, inclusive, and any regulations promulgated
1620 thereunder are satisfied and upon the issuance of written findings that issuing the license will be
1621 in the best interests of the commonwealth.

1622 (b) The commissioner shall deny an application for licensure filed pursuant to section 118
1623 if the applicant: (i) fails to satisfy the minimum qualifications for licensure pursuant to sections
1624 116 to 121, inclusive, and any regulations promulgated thereunder; or (ii) for good cause shown.

1625 Section 120. The commissioner shall suspend, revoke, or refuse to renew the license of
1626 any person who violates sections 116 to 121, inclusive, or any regulations promulgated
1627 thereunder.

1628 Section 121. (a) The department and the commissioner shall promulgate rules and
1629 regulations for the implementation, administration and enforcement of sections 117 to 121,
1630 inclusive.

1631 (b) The department may, pursuant to section 2 of chapter 30A, promulgate, amend or
1632 repeal any regulation promulgated under this chapter as an emergency regulation if such
1633 regulation is necessary to protect the interests of the commonwealth in regulating industrial
1634 hemp.

1635 SECTION 20. Section 1 of chapter 271A of the General Laws, as so appearing, is hereby
1636 amended inserting before the definition of “Criminal enterprise activity” the following
1637 definition:-

1638 “Cannabis establishment”, an establishment licensed under chapter 10A.

1639 “Cannabis licensee”, a person or entity who holds an adult use cannabis license, a
1640 medical use cannabis license, license, a marijuana product manufacturer license or a marijuana
1641 cultivator license under chapter 10A.

1642 SECTION 21. Chapter 271A of the General Laws, as so appearing, is hereby further
1643 amended by striking out section 3 and inserting in place thereof the following 2 sections:-

1644 Section 3. Whoever knowingly: (1) through a pattern of criminal enterprise activity or
1645 through the collection of an unlawful debt acquires or maintains, directly or indirectly, an interest
1646 in or control of an enterprise which is engaged in, or the activities of which affect, a cannabis
1647 licensee or a cannabis establishment or ancillary industries which do business with a cannabis
1648 licensee or a cannabis establishment; (2) having received proceeds derived, directly or indirectly,
1649 from a pattern of criminal enterprise activity or through the collection of an unlawful debt, uses
1650 or invests, directly or indirectly, part of the proceeds, including proceeds derived from the
1651 investment, in the acquisition of an interest in real property to be used in connection with a
1652 cannabis establishment, or in the establishment or operation of an enterprise which is engaged in,
1653 or the activities of which affect, a cannabis licensee or a cannabis establishment or ancillary
1654 industries which do business with a cannabis licensee or a cannabis establishment; (3) is
1655 employed by or associated with an enterprise to conduct or participate, directly or indirectly, in
1656 the conduct of the enterprise's affairs or activities which affect a cannabis licensee or a cannabis
1657 establishment or ancillary industries which do business with a cannabis licensee or a cannabis
1658 establishment by engaging in a pattern of criminal enterprise activity or through the collection of
1659 an unlawful debt; or (4) conspires or attempts to violate clauses (1), (2) or (3) or attempts to so
1660 conspire; shall be guilty of enterprise crime and shall be punished by imprisonment in the state

1661 prison for not more than 15 years or by a fine of not more than \$25,000 or by both such
1662 imprisonment and fine.

1663

1664 Nothing in this chapter shall prohibit the purchase of securities on the open market for
1665 purposes of investment made without the intention of controlling or participating in the control
1666 of the issuer, or of assisting another to do so, if the securities of the issuer held by the: (i)
1667 purchaser; (ii) members of the purchaser's immediate family; or (iii) the purchaser's accomplices
1668 in any pattern of criminal activity for the collection of an unlawful debt after such purchase do
1669 not amount, in the aggregate, to 1 per cent of the outstanding securities of any 1 class and do not
1670 confer, either in law or in fact, the power to elect 1 or more directors of the issuer.

1671 Section 4. All monetary proceeds or other property, real, intellectual or personal, obtained
1672 directly as a result of a violation of this chapter, shall be subject to seizure and forfeiture to the
1673 commonwealth. Forfeiture proceedings shall be conducted as provided in subsections (b) to (j),
1674 inclusive of section 47 of chapter 94C. For the purposes of subsection (d) of said section 47 of
1675 said chapter 94C, the investigation and enforcement bureau of the Massachusetts gaming
1676 commission established in chapter 23K and the investigation and enforcement bureau of the
1677 Massachusetts cannabis control commission established in chapter 10A shall be considered a
1678 police department and shall be entitled to a police department's distribution of forfeiture
1679 proceedings.

1680 SECTION 22. Chapter 369 of the acts of 2012 is hereby repealed.

1681 SECTION 23. Chapter 334 of the acts of 2016 is hereby repealed.

1682 SECTION 24. Notwithstanding any general or special law to the contrary, in making
1683 initial appointments to the Massachusetts cannabis control commission, established in chapter
1684 10A of the General Laws, of the members to be appointed by majority agreement of the
1685 governor, the attorney general and the treasurer and receiver-general, 1 commissioner shall be
1686 appointed for a term of 3 years and 1 shall be appointed for a term of 4 years. The commissioner
1687 to be appointed by the treasurer and receiver-general shall serve for a term of 5 years, the
1688 commissioner to be appointed by the attorney general shall serve for a term of 6 years and the
1689 commissioner appointed by the governor shall serve for a term of 7 years. Commissioners shall
1690 be appointed within 60 days after the effective date of this act; provided, however, that no person
1691 shall be allowed to serve on the commission prior to the completion of a background
1692 investigation pursuant to said chapter 10A. All initial appointments to the commission shall be
1693 made by September 1, 2017.

1694 SECTION 25. (a) As used in sections 25 through 32, the following terms shall, unless the
1695 context clearly requires otherwise, have the following meanings:-

1696 “Commission”, the Massachusetts cannabis control commission established pursuant to
1697 chapter 10A of the General Laws.

1698 “Department”, the department of public health.

1699 “Program”, the department’s medical use of marijuana program.

1700 (b) Notwithstanding any general or special law to the contrary, the department and the
1701 commission shall develop and implement a transfer agreement providing for the orderly transfer
1702 of the program, including personnel, from the department to the commission pursuant to sections
1703 25 through 32. Upon the assumption of the outstanding liabilities, obligations and debt of the

1704 program by the commission, the program shall be dissolved and, without further conveyance or
1705 other act, all the assets, liabilities, obligations and debt, as well as all rights, powers and duties of
1706 the program shall be transferred to, and assumed by, the commission.

1707 (c) On the date the transfer required by subsection (b) takes effect: (i) ownership,
1708 possession and control of all property, including, but without limitation, all buildings, facilities,
1709 cash, equipment, books, papers, memorandums, files, maps, plans, records, documents, property
1710 held in trust and other property, both personal and real, of whatever description pertaining to the
1711 operation of the program which are in the possession of the program or department or employee
1712 thereof shall pass to, and be vested in, the commission without consideration or further evidence
1713 of transfer; and, (ii) all duly existing contracts, leases or obligations of the program which remain
1714 in force immediately before the effective date of the transfer pursuant to subsection (b) shall be
1715 deemed to be the obligations of the commission. The commission shall have authority to exercise
1716 all rights and enjoy all interests conferred upon the program or department by such contracts or
1717 obligations. No existing right or remedy of any character shall be lost impaired or affected by
1718 this act. In the case of collective bargaining agreements, any obligations under the agreements
1719 shall expire on the stated date of expiration of such agreements.

1720 (d) The department shall transfer the program to the commission upon receipt of written
1721 certification from the commission that the commission has in place the legal and regulatory
1722 framework to regulate and oversee medical marijuana without disruption to the medical
1723 marijuana industry or patient access to medical marijuana or on December 31, 2018, whichever
1724 occurs first.

1725 The transfer of the assets, liabilities, obligations and debt of the program to the
1726 commission shall be effective upon execution of the transfer agreement authorized herein and
1727 shall bind all persons with or without notice and without any further action or documentation.

1728 (e) Each employee of the program whose salary is paid out partially or in full by revenues
1729 generated by the program and whose salary is accounted for on the books of the program as
1730 arising from revenue generated by the program as of June 1, 2017 shall become an employee of
1731 the commission upon execution of the transfer agreement authorized herein or on December 31,
1732 2018, whichever occurs first.

1733 (f) All applications submitted, requests, investigations and other proceedings
1734 appropriately and duly brought before the program before the effective date of this act shall
1735 continue unabated and remain in force, but shall be assumed and completed by the commission.

1736 SECTION 26. (a) Notwithstanding any general or special law to the contrary, each
1737 employee of the program shall become an employee of the commission upon the execution of the
1738 transfer agreement required pursuant to section 25 or on January 1, 2019.

1739 (b) All officers and employees of the department's program transferred to the service of
1740 the commission shall be transferred without impairment of seniority, retirement or other statutory
1741 rights of employees, without loss of accrued rights to holidays, sick leave, vacation and other
1742 benefits, except as otherwise provided in this act. Terms of service of employees of the
1743 department's program shall not be deemed to be interrupted by virtue of transfer to the
1744 commission.

1745 (c) Nothing in this section shall be construed to confer upon any employee of the
1746 program any right not held immediately before the date of said transfer to the commission, or to

1747 prohibit any reduction of salary grade, transfer, reassignment, suspension, discharge, layoff or
1748 abolition of position not prohibited before such date.

1749 SECTION 27. Notwithstanding any general or special law to the contrary, the terms and
1750 conditions of any collective bargaining agreement that is in effect upon transfer of the
1751 department's program with respect to employees of said program shall continue in effect until
1752 the stated expiration date of such agreement, at which point the agreement shall expire;
1753 provided, however, that all such employees shall continue to retain their right to collectively
1754 bargain under chapter 150E of the General Laws and shall be considered employees of the
1755 Massachusetts cannabis control commission established pursuant to chapter 10A for the purposes
1756 of said chapter 150E. Upon the effective date of this act, the department's program shall not
1757 engage in negotiations for future collective bargaining agreements with employees of the
1758 program.

1759 The personnel administrator of the commonwealth, in consultation with the commission,
1760 shall complete a study of job titles in the department's program. The personnel administrator, in
1761 consultation with the commission, shall determine the appropriate job titles for former
1762 employees of the department's program transferred to the commission. Employees transferred to
1763 the commission shall be placed in job titles as determined by the personnel administrator, and
1764 shall be paid wages and receive benefits consistent with the commonwealth bargaining unit
1765 contract governing such job titles. Employees not transferred to the commission shall be released
1766 pursuant to the provisions of any applicable collective bargaining agreement or authority policy
1767 in place upon the effective date of this act.

1768 SECTION 28. Notwithstanding any general or special law to the contrary, on and after
1769 the effective date of this act, the department's program shall not enter into any contract to
1770 employ a person as an employee or officer beyond December 31, 2018.

1771 SECTION 29. Notwithstanding any general or special law to the contrary, any order,
1772 rule, or regulation duly promulgated, or any license, permit, certificate or approval duly granted,
1773 by or on behalf of the department's program, shall continue in effect and shall be enforced by the
1774 commission until its expiration or until superseded, revised, rescinded or cancelled by the
1775 commission.

1776 SECTION 30. (a) Notwithstanding any general or special law to the contrary, upon
1777 execution of the agreement between the department and the commission pursuant to section 25,
1778 or December 31, 2018, whichever occurs first, the comptroller shall transfer the unexpended
1779 balances of the Medical Marijuana Trust Fund established in section 2KKKK of chapter 29 of
1780 the General Laws to the Cannabis Revenue Fund, established pursuant to chapter 10A of the
1781 General Laws.

1782 (b) The comptroller shall take the overall cash flow needs of the commonwealth into
1783 consideration in determining the timing of any transfer of funds provided for in subsection (a).
1784 The comptroller shall provide a schedule of transfers to the secretary of administration and
1785 finance and to the house and senate committees on ways and means.

1786 SECTION 31. The commission shall submit a report to the joint committee on marijuana
1787 policy on or before June 1, 2018 detailing the progress of the transfer of the program as set forth
1788 in sections 25 to 32, inclusive.

1789 SECTION 32. Notwithstanding any general or special law to the contrary, marijuana may
1790 be used for medical purposes pursuant to chapter 369 of the acts of 2012 and any rule or
1791 regulation promulgated by the department pursuant to said chapter 369 of the acts of 2012
1792 including, without limitation, 105 CMR 725 until the department transfers the oversight and
1793 regulation of the program to the commission as provided by section 25.

1794 SECTION 33. Notwithstanding any general or special law to the contrary, any person
1795 licensed as of July 1, 2017 to dispense medical use cannabis, or any application pending before
1796 the department of public health which have not received provisional or final certification of
1797 registration, shall be entitled to convert from a non-profit corporation organized under chapter
1798 180 of the General Laws into a domestic business corporation or a domestic other entity pursuant
1799 to chapter 156 of the General Laws, or any other such domestic business entity as permitted by
1800 the General Laws, by adopting a plan of entity conversion in accordance with section 9.51 of
1801 chapter 156D of the General Laws approved by a vote of two-thirds of the members of its board
1802 of directors at a meeting duly called for the purpose or by unanimous written consent; provided,
1803 however, notwithstanding any law to the contrary, any plan of entity conversion adopted by an
1804 any medical use cannabis licensee or any application for a medical use cannabis license pending
1805 before the Massachusetts cannabis control commission which have not received provisional or
1806 final certification of registration shall not be required to be approved in accordance with the
1807 organic law of the non-profit corporation organized under said chapter 180. Articles of entity
1808 conversion shall be signed and submitted to the secretary of the commonwealth in the manner
1809 prescribed in and subject to section 9.53 and section 9.55 of said chapter 156D on a form
1810 prescribed by the secretary of the commonwealth, and the secretary of the commonwealth shall
1811 approve all such filings submitted pursuant to this section. For the purposes of converting from a

1812 non-profit corporation organized under said chapter 180 into a domestic business corporation or
1813 a domestic other entity pursuant to said chapter 156, notwithstanding any provision in the articles
1814 of organization applications pending before the Massachusetts cannabis control commission
1815 which have not received provisional or final certification of registration to the contrary, the
1816 members of its board of directors may determine that such plan of entity conversion is consistent
1817 with its purpose and such non-profit corporation shall be entitled to surrender its articles of
1818 organization in connection with the plan of entity conversion. Notwithstanding any law to the
1819 contrary, neither the entity conversion nor the issuance of any shares, interests, or other
1820 securities, obligations, rights to acquire interests or other securities, cash, other property, or any
1821 combination of the foregoing, set forth in or resulting from the plan of entity conversion shall be
1822 subject to taxation or result in the imposition of any tax by the commonwealth.

1823 SECTION 34. Notwithstanding any general or special law to the contrary, the
1824 Massachusetts cannabis control commission established pursuant to chapter 10A of the General
1825 Laws shall promulgate regulations, guidelines and protocols necessary for the issuance of adult
1826 use cannabis licenses pursuant to said chapter 10A no later than March 15, 2018. The
1827 commission shall begin to accept applications for adult use cannabis licenses pursuant to said
1828 chapter 10A no later than April 1, 2018; provided, however, that the commission shall not issue
1829 an adult use cannabis license pursuant to said chapter 10A until July 1, 2018.

1830 SECTION 35. Notwithstanding any general or special law to the contrary, the
1831 Massachusetts cannabis control commission established pursuant to chapter 10A of the General
1832 Laws shall promulgate regulations, guidelines and protocols necessary for the purposes of
1833 authorizing the independent testing of marijuana no later than June 1, 2018.

1834 SECTION 36. Notwithstanding any general or special law to the contrary, it shall be the
1835 public policy of the commonwealth that contracts related to the operation of a cannabis
1836 establishment under chapter 10A of the General Laws shall not be considered contracts in
1837 violation of public policy and may be enforceable.

1838 SECTION 37. Notwithstanding any general or special law to the contrary, no provision
1839 of chapter 10A of the General Laws shall be construed or interpreted to require an employer to
1840 permit or accommodate conduct otherwise allowed under said chapter 10A in the workplace and
1841 shall not affect the authority of employers to enact and enforce workplace policies restricting the
1842 consumption of marijuana by employees.

1843 SECTION 38. Notwithstanding any general or special law to the contrary, the use of
1844 marijuana shall not disqualify a person from any needed medical procedure or treatment,
1845 including organ and tissue transplants.

1846 SECTION 39. The Massachusetts cannabis control commission and the attorney general
1847 shall conduct an investigation and study of the advisability of establishing criminal penalties for
1848 violations of this act, and shall report their recommendations for amendments to the General
1849 Laws to establish such criminal penalties, if any, on or before January 1, 2020. The investigation
1850 and study shall include, but shall not be limited to, potential criminal penalties on the following
1851 matters: (i) the employment of individuals by cannabis establishments without proper licensure
1852 or registration; (ii) the improper or expired licensure of a cannabis establishment; (iii) the
1853 improper reporting or payment of any licensure fee or tax required by this act; (iv) the sale,
1854 delivery or transfer of marijuana or marijuana products to any person under 21 years of age; (v)
1855 the improper manufacturing or extraction of cannabinoid oils or butane hash oil; (vi) interference

1856 with the duties of the bureau, commission, division, or agents thereof; and (vii) the purchase of
1857 marijuana or marijuana products on behalf of a person under the age of 21.

1858 SECTION 40. Notwithstanding any general or special law to the contrary, a state,
1859 municipal or county employee whose official duties or responsibilities require them to take any
1860 action related to the enactment, administration or enforcement of chapter 10A of the General
1861 Laws, this act or any rule or regulation promulgated pursuant to said chapter 10A or this act shall
1862 be indemnified by their employer for all costs associated with any legal proceedings brought
1863 against said state, municipal or county employee by the federal government as a result of any
1864 such official action taken by said state, municipal or county employee; provided, however, that
1865 no state, municipal or county employee shall be indemnified for a violations of chapter 10A of
1866 the General Laws, this act or any rule or regulation promulgated pursuant to said chapter 10A or
1867 this act for any actions taken in their personal capacity.

1868

1869 SECTION 41. Notwithstanding any general or special law to the contrary, any
1870 restrictions or limitations on the operation of medical use cannabis establishments, adult use
1871 cannabis establishments or both imposed by a municipality pursuant to chapter 369 of the acts of
1872 2012 or chapter 334 of the acts of 2016 as of July 1, 2017 shall remain in effect.

1873 SECTION 42. Notwithstanding any general or special law to the contrary, if a majority of
1874 a board of selectmen in a town vote to reject any provision of chapter 10A of the General Laws
1875 pursuant to section 6 of said chapter 10A said vote shall be sufficient for the town to have
1876 rejected said provision of said chapter 10A until the town meeting votes pursuant to said section

1877 6 of said chapter 10A at its next regularly scheduled meeting, or for a period of no longer than 12
1878 months.

1879 SECTION 43. Notwithstanding section 12 of chapter 10A of the General Laws or any
1880 general or special law to the contrary, any medical marijuana treatment center registered under
1881 chapter 369 of the acts of 2012 as of July 1, 2017 may be issued 1 adult use cannabis license, 1
1882 product manufacturer license and 1 cultivator license pursuant to said chapter 10A.

1883 SECTION 44. (a) There shall be a special commission on operating under the influence
1884 to conduct a comprehensive study relative to the regulation and testing of operating under the
1885 influence of marijuana, narcotic drugs, depressants or stimulant substances, all as defined in
1886 section 1 of chapter 94C of the General Laws. The special commission shall review all aspects of
1887 law enforcement personnel being able to properly test impaired operators and prevent impaired
1888 operation of motor vehicles. At a minimum, the group shall take into account the following:
1889 scientific types of testing and data, medical types of testing and data, possible new technological
1890 forms of testing, civil liberties of the operator, social economic aspects of the testing, burden on
1891 law enforcement, current status of law within the commonwealth, training of law enforcement,
1892 intrusiveness of tests, cost analysis of testing, the current threshold for impairment and the rate of
1893 success in finding impaired operators.

1894 (b) The special commission shall consist of: the executive director of the Massachusetts
1895 cannabis control commission, who will chair the special commission; the attorney general or a
1896 designee; the secretary of the executive office of public safety or a designee; the superintendent
1897 of the Massachusetts state police or a designee; the president of the Massachusetts Chiefs of
1898 Police Association or a designee; the president of the Massachusetts District Attorney's

1899 Association or a designee; the president of the Massachusetts State Bar Association or a
1900 designee; the president of the ACLU of Massachusetts or a designee; the president of the
1901 Massachusetts Medical Society or a designee; 1 person appointed by the secretary of the office
1902 of health and human services who shall have medical and physiological expertise; 1 public
1903 member appointed by the governor with expertise in scientific research on or technological
1904 development in testing capabilities of these substances. A majority of the members of the board
1905 present and voting shall constitute a quorum.

1906 (c) The special commission shall submit its final report and any recommendations for
1907 legislation by filing a report with the clerks of the house of representatives and the senate not
1908 later than July 1, 2019.

1909 SECTION 45. The treasurer and receiver-general shall make initial appointments to the
1910 Massachusetts cannabis advisory board pursuant to section 42 of chapter 10A of the General
1911 Laws on or before August 1, 2017.

1912 SECTION 46. Sections 6 and 22 shall take effect upon the execution of the transfer
1913 agreement between the department of public health and the Massachusetts cannabis control
1914 commission required pursuant to section 25 or on December 31, 2018.