

SENATE No. 2650

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

SENATE, April 23, 2020.

The committee on Cannabis Policy to whom was referred the petition (accompanied by bill, Senate, No. 1123) of Nick Collins, Daniel J. Hunt, Rebecca L. Rausch, James B. Eldridge and others for legislation to ensure full participation in the marijuana industry; and the petition (accompanied by bill, House, No. 3522) of Daniel J. Hunt, Chynah Tyler and Daniel R. Cullinane for legislation to ensure full participation in the marijuana industry,-- reports the accompanying bill (Senate, No. 2650).

For the committee,
Sonia Chang-Diaz

SENATE No. 2650

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**In the One Hundred and Ninety-First General Court
(2019-2020)**

An Act to ensure full participation in the marijuana industry.

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. Section 1 of chapter 64N of the General Laws, as appearing in the 2018
2 official edition, is hereby amended by adding the following definition:-

3 (c) “Social Equity Business”, a marijuana establishment eligible for the Social Equity
4 Program established in 935 CMR 500.105(17) or the Economic Empowerment Program as
5 defined in 935 CMR 500.101(1)(e) or otherwise determined by the commission.

6 (d) “Social Equity Program” a program administered by the Commission to provide
7 training and technical assistance to eligible applicants, potential applicants, and licensees from
8 communities that have previously been disproportionately harmed by marijuana prohibition and
9 enforcement or to municipalities seeking to initiate or improve social equity programming on the
10 local level. This program includes a Social Equity Fund established and administered by the
11 Commission.

12 SECTION 2. Subsection (a½) of Section 4 of chapter 94G of the General Laws, is hereby
13 amended by striking clause (ii) and by inserting in place thereof the following clauses:-

14 (ii) a schedule of application, license and renewal fees in an amount necessary to pay for
15 all regulation and enforcement costs of the commission including, but not limited to, the Social
16 Equity Program; provided that not less than 2% of the funds generated by said fees shall go
17 directly to funding the Social Equity Program through the Social Equity Fund; provided further
18 however that fees may be relative to the volume of business conducted or to be conducted by the
19 marijuana establishment; provided further that municipalities which create their own social
20 equity program in compliance with the Commission's Social Equity Program will have the
21 ability to apply to the fund.

22 SECTION 3. Section 16G of chapter 6A is hereby amended by inserting, following
23 subsection (n), the following:-

24 (o) There shall be established and set up on the books of the commonwealth a Cannabis
25 Social Equity Loan Trust Fund for the purpose of making no-interest loans to economic
26 empowerment and social equity program participants to encourage the full participation of
27 entrepreneurs from communities that have been disproportionately impacted by previous
28 marijuana prohibition and enforcement. The fund shall be administered by the secretary of
29 housing and economic development. The cannabis control commission shall promulgate
30 guidelines governing the structure of the fund. The fund shall consist of revenues collected by
31 the commonwealth including: (1) up to 10 per cent of revenue generated by the Cannabis Excise
32 Tax; provided that said revenue shall be deposited in the fund on a 1:1 basis relative to private
33 funds received pursuant to (2); and (2) any funds from private sources such as gifts, grants, and
34 donations.