

HOUSE No. 174

The Commonwealth of Massachusetts

PRESENTED BY:

Michael J. Soter and David M. Rogers

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to raising the standalone cap for marijuana establishments.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Michael J. Soter</i>	<i>8th Worcester</i>	<i>1/17/2025</i>
<i>David M. Rogers</i>	<i>24th Middlesex</i>	<i>1/17/2025</i>

HOUSE No. 174

By Representatives Soter of Bellingham and Rogers of Cambridge, a petition (accompanied by bill, House, No. 174) of Michael J. Soter and David M. Rogers relative to raising the standalone cap for marijuana establishments. Cannabis Policy.

The Commonwealth of Massachusetts

**In the One Hundred and Ninety-Fourth General Court
(2025-2026)**

An Act relative to raising the standalone cap for marijuana establishments.

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 94G of the General Laws, as so appearing, is hereby
2 amended by inserting after the definition of “Mycotoxin” the following definitions:-

3 “Person or Entity Having Direct Control”, any person or entity having direct control over
4 the operations of a marijuana establishment, which satisfies one or more of the following criteria:

5 (a) An owner;

6 (b) A person or entity that possesses a voting interest of 10 percent or greater in a
7 marijuana establishment;

8 (c) A close associate;

9 (d) A person or entity that has the right to control or authority, through contract or
10 otherwise including, but not limited to: (1) To appoint more than 50% of the directors or their

11 equivalent; (2) To appoint or remove corporate-level officers or their equivalent; or (3) To earn
12 10 percent or more of the profits or collect more than 10 percent of the dividends.

13 (e) A court appointee or assignee pursuant to an agreement for a general assignment or
14 assignment for the benefit of creditors; or

15 (f) A third-party technology platform provider that possesses any financial interest in a
16 marijuana delivery licensee including, but not limited to, a delivery agreement or other
17 agreement for services.

18 “Person or Entity Having Indirect Control”, any person or entity having indirect control
19 over operations of a marijuana establishment. It specifically includes any person or entity having
20 direct control over an indirect holding or parent company of the applicant, and the chief
21 executive officer and executive director of those companies, or any person or entity in a position
22 indirectly to control the decision-making of a marijuana establishment.

23 SECTION 2. Section 1 of chapter 94G of the General Laws, as so appearing, is hereby
24 amended by inserting after the definition of “Production batch” the following definition:-

25 “Owner”, any person or entity owning directly or indirectly through parent or holding
26 company, or otherwise, 10 percent or more of the interest in a licensee,

27 SECTION 3. Section 16 of chapter 94G of the General Laws is hereby amended by
28 striking out the existing language in its entirety and inserting in place thereof the following
29 section:-

30 Section 16. (a) No Person or Entity having Direct or Indirect Control may become a
31 licensee or Person or Entity having Direct or Indirect Control of more than 6 marijuana retailers,

32 3 medical marijuana treatment center licenses, 3 marijuana product manufacturer licenses and 3
33 marijuana cultivator licenses; provided however that until 1-year from the passage of this Act, no
34 Person or Entity having Direct or Indirect Control may become a Person or Entity having Direct
35 or Indirect Control of more than 4 marijuana retailers, and until 2-years from the passage of this
36 Act, no Person or Entity having Direct or Indirect Control may become a Person or Entity having
37 Direct or Indirect Control of more than 5 marijuana retailers, and provided further that the
38 commission shall not grant any license where such licensee or Person or Entity having Direct or
39 Indirect Control would become a licensee or Person or Entity having Direct or Indirect Control
40 of four or more marijuana retailers through the application for a new license. A licensee or
41 Person or Entity having Direct or Indirect Control may only become a licensee or Person or
42 Entity having Direct or Indirect Control of four or more marijuana retailers through a change of
43 ownership or control request of a marijuana retailer license in good standing with the
44 commission on the effective date of this section.

45 (b) The commission shall adopt regulations to establish requirements that a Person or
46 Entity seeking to have Direct or Indirect Control of more than 3 marijuana retailers must
47 purchase a marijuana establishment or medical marijuana treatment center license authorized to
48 commence operations by the commission; provided that priority consideration is given to the
49 purchase of such marijuana retailer licenses that are majority owned by a social equity business,
50 economic empowerment business, a Massachusetts Minority Business Enterprises (MBE),
51 Women Business Enterprises (WBE), or Veteran Business Enterprises (VBE) with valid
52 certification from the Supplier Diversity Office of the Massachusetts Operational Services
53 Division.