

HOUSE No.

The Commonwealth of Massachusetts

PRESENTED BY:

Priscila S. Sousa and Aaron L. Saunders

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 regularizing accounts receivable in the cannabis industry.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Priscila S. Sousa</i>	<i>6th Middlesex</i>	<i>1/16/2025</i>
<i>Aaron L. Saunders</i>	<i>7th Hampden</i>	<i>1/16/2025</i>

HOUSE No.

[Pin Slip]

The Commonwealth of Massachusetts

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

An Act regularizing accounts receivable in the cannabis 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. Chapter 94G of the General Laws, as so appearing in the 2022 Official
2 Edition, is hereby amended by inserting after section 24 the following section:-

3 Section 24XXXX. It shall be unlawful for any licensee under this chapter to receive
4 credit, directly or indirectly, for marijuana or marijuana products sold or delivered to any
5 licensee engaged in the sale of marijuana or marijuana products for a period of more than sixty
6 days. Nothing in this chapter shall require any licensee to extend credit to any other licensee. The
7 credit period shall be calculated from the date of the delivery of the marijuana or marijuana
8 products to the purchasing licensee to the date when the purchasing licensee discharges in full
9 the indebtedness for which the credit was extended. If any licensee does not discharge in full any
10 such indebtedness within such sixty day period, the indebtedness shall be overdue and such
11 licensee shall be delinquent within the meaning of this section. Within three days after a licensee
12 becomes delinquent, the licensee who extended the credit shall mail a letter of notice by certified
13 mail to the commission and a copy thereof to the delinquent licensee. The notice shall contain

14 the name of the delinquent licensee, the date of delivery of the marijuana and marijuana
15 products, the amount of the indebtedness remaining undischarged, and all available proof of the
16 indebtedness and delinquency. Within five days after receipt of such a letter of notice, the
17 commission shall post on its website the name and address only of the delinquent licensee in a
18 complete and current delinquent list containing the names and addresses of all delinquent
19 licensees. Such posting shall constitute notice to all licensees of the delinquency of such licensee.

20 If a licensee is seriously damaged in his business by riot, insurrection, civil disturbance,
21 fire, explosion or by an act of God, so-called, the licensee may file an application with the
22 commission requesting that the provisions of the first paragraph of this section be suspended as
23 to him for a reasonable period. The commission shall set down the application for hearing within
24 twenty-one days and shall notify all licensees engaged in selling to said applicant of the hearing
25 and give all interested parties the right to be heard. Pending such hearing, the commission may,
26 after an investigation and determination that the facts as stated by the licensee in his application
27 would constitute reasonable grounds for relief, order that such licensee shall not be posted as
28 delinquent. If the commission finds it is in the public interest to do so, it may suspend the
29 application of said first paragraph with respect to the applicant for such period as it may consider
30 to be reasonable and in the public interest. Such action shall not deprive licensees of all legal
31 rights available to them for the collection of the indebtedness and shall be contingent on such
32 terms and conditions as the commission shall determine.

33 No licensee under this chapter shall sell or deliver, directly or indirectly, marijuana or
34 marijuana products to a licensee whose name is posted on the delinquent list, except for payment
35 in cash on or before delivery, and no licensee who is posted on the delinquent list shall purchase

36 or accept delivery of any marijuana or marijuana products except for payment in cash on or
37 before delivery.

38 The commission shall not authorize a change of ownership or control of a licensee on the
39 delinquent list until all delinquencies are satisfied and the commission has removed the licensee
40 from the delinquent list under this section, except for approval of court-appointed receivers or
41 trustees under a voluntary assignment for the benefit of creditors, provided that prior approval of
42 such assignment is obtained from the commission after notice to all creditors has been given and
43 reasonable time allowed for objections by all creditors.

44 Upon full discharge of the indebtedness for which a licensee was posted, the licensee
45 who filed the letter of notice of delinquency shall, within twenty-four hours thereafter, notify the
46 commission, by mailing a letter by certified mail addressed to the commission of the discharge of
47 the indebtedness. The commission shall immediately strike the name of the delinquent licensee
48 from the list.

49 Notwithstanding and in lieu of any other penalty in any other provision of this chapter,
50 any person who violates any provision of this section shall be punished by a fine of not more
51 than five thousand dollars.

52 The provisions of this section shall apply to all credit extended after April the first, two
53 thousand and twenty.

54 The commission shall promulgate any necessary regulations to implement this section
55 within 90 days of the effective date.