# SENATE . . . . . . . . . . . . . . . No.

## The Commonwealth of Massachusetts

#### PRESENTED BY:

#### William J. Driscoll

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 to regulate Hemp-derived beverages like alcohol.

#### PETITION OF:

NAME: *William J. Driscoll*  DISTRICT/ADDRESS: Norfolk, Plymouth and Bristol

## SENATE . . . . . . . . . . . . . . No.

[Pin Slip]

### The Commonwealth of Massachusetts

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

An Act to regulate Hemp-derived beverages like alcohol.

*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	138 of the	General L	Laws is l	hereby	amended	by ir	nserting after

2 section 78 the following sections:-

3 Section 79. Definitions applicable to sections 79 through 84, inclusive

4 As used in this section, the following words shall have the following meanings unless the

5 context clearly requires otherwise:

6 "Artificially-derived cannabinoid", a chemical substance that is created by a chemical 7 reaction that changes the molecular structure of any chemical substance derived from the 8 cannabis plant. "Artificially-derived cannabinoid" does not include: a naturally occurring 9 chemical substance that is separated from the cannabis plant by a chemical or mechanical 10 extraction process; or a cannabinoid that is produced by decarboxylation from a naturally 11 occurring cannabinoid acid without the use of a chemical catalyst.

12	"Cannabinoid", any of several compounds produced by the cannabis plant that have
13	medical and psychotropic effects. This includes but is not limited to cannabidiol (CBD) and
14	tetrahydrocannabinol (THC).
15	"Certificate of analysis", a document produced by an independent testing laboratory
16	listing the quantities of the various analytes for which testing was performed.
17	"Container" means an object that is offered, intended for sale or sold to a consumer and
18	directly contains an infused beverage product, and does not include an object or packaging that
19	indirectly contains, or contains in bulk for transportation purposes, an infused beverage.
20	"Hemp", as defined in section 1 of chapter 94G.
21	"Independent testing laboratory", a laboratory that does not have a direct or indirect
22	interest in the entity whose product is being tested; does not have a direct or indirect interest in a
23	facility that cultivates, processes, distributes, dispenses, or sells infused beverages or infused
24	beverage products in the state and is accredited by a third-party accrediting body as a competent
25	testing laboratory pursuant to ISO/IEC 17025 of the International Organization for
26	Standardization.
27	"Infused beverage", a beverage intended for human consumption that is not an alcoholic
28	beverage, as defined in section 1, that contains, or is advertised, labeled or offered for sale as
29	containing an intoxicating cannabinoid and may contain one or more non-intoxicating
30	cannabinoids. Infused beverage shall not be considered "food" as defined in section 1 of chapter
31	94.

32	"Infused beverage product", an infused beverage in a container intended for retail sale.
33	An infused beverage product shall not be considered "food" as defined in section 1 of chapter 94.
34	"Infused beverage product class", a group of infused beverage products that have all
35	ingredients in common; and are produced by or for the same company.
36	"Intoxicating cannabinoid", a cannabinoid with intoxicating properties that changes the
37	function of the nervous system and results in alterations of perception, cognition, or behavior.
38	"Intoxicating cannabinoid" shall include, but shall not be limited to, delta-6-
39	tetrahydrocannabinol, delta-8-tetrahydrocannabinol, delta-9-tetrahydrocannabinol, delta-10-
40	tetrahydrocannabinol, and delta-9-tetrahydrocannabinolic acid A.
41	"Non-intoxicating cannabinoid", a cannabinoid without intoxicating properties that
42	changes the function of the nervous system and results in alterations of perception, cognition, or
43	behavior. "Non-intoxicating cannabinoid" shall include, but shall not be limited to, cannabidiol,
44	cannabidiolic acid, cannabidivarin, cannabidivarinic acid, cannabichromene, cannabichromenic
45	acid cannabigerolic acid cannabigerol, and cannabinol.
46	"Transportable hemp concentrate", the product of any chemical or physical process
47	applied to naturally occurring biomass that concentrates or isolates the cannabinoids contained in
48	the biomass; is derived from the hemp plant that, based on sampling that was collected no more
49	than 30 days before the day on which the hemp plant was harvested, contains a combined
50	concentration of total THC and any THC analog of less than 0.3% on a dry weight basis; has a
51	THC and THC analog concentration total that is less than 20% when concentrated from the hemp
52	plant to the purified state; and is intended to be processed into an infused beverage product.
53	Section 80. Manufacture of infused beverages

54 (a) No person shall manufacture an infused beverage that is intended to be sold or offered 55 for sale in the commonwealth unless such person holds an infused beverage manufacturer 56 endorsement or a certificate of compliance issued by the commission pursuant to this section. 57 The commission may impose a fine of up to \$10,000 on a person that advertises, announces, 58 establishes, maintains or is concerned in establishing or maintaining an infused beverage 59 manufacturing operation without an endorsement granted by the commission. Each day during 60 which a violation continues shall constitute a separate offense. The commission may conduct 61 surveys and investigations to enforce compliance with this section.

62 (b) The commission shall issue for a term of one year, and renew for a like term, an 63 endorsement to manufacture infused beverages under this section to an entity that submits to the 64 commission, in a form and manner prescribed by the commission, an application that 65 demonstrates eligibility for an endorsement under this section. Such an endorsement shall be 66 subject to suspension, revocation or refusal to renew for cause. Any application for an 67 endorsement under this section, or renewal thereof, shall be accompanied by an application 68 processing fee in the amount of five thousand dollars. The commission shall approve or deny 69 such an application within thirty days of submission.

(c) The commission shall not issue an endorsement under this section unless the applicant
holds an unencumbered license to: (i) manufacture alcoholic beverages issued under section 19
of this chapter, (ii) manufacture marijuana-infused products issued by the cannabis control
commission under chapter 94G, or (iii) manufacture hemp products issued by the department of
agricultural resources under chapter 128.

(d) No holder of an endorsement or certificate of compliance under this section shall sell
an infused beverage or infused beverage product to any person in the commonwealth unless such
person holds an endorsement or certificate of compliance from the commission to manufacture
infused beverages under this section or to sell infused beverage products at wholesale issued
under section 81.

80 (e) A holder of an endorsement issued under this section may utilize existing facilities 81 and equipment to manufacture infused beverages and infused beverage products in accordance 82 with regulations promulgated by the commission. No infused beverage manufacturer shall obtain 83 any hemp or hemp product for the purpose of manufacturing any infused beverage that is 84 intended to be manufactured, sold or offered for sale in this state unless such hemp product is in 85 the form of transportable hemp concentrate, and no such infused beverage manufacturer shall use 86 any hemp product other than transportable hemp concentrate to manufacture any such infused 87 beverage or infused beverage product.

88 (f) The commission shall issue a certificate of compliance to an out of state entity 89 authorized by its home state to manufacture or distribute alcoholic beverages or hemp products; 90 provided, however, that such certificate shall be issued upon the condition that the holder shall 91 furnish from time to time as the commission may require, but in no event more often than once 92 each month, information concerning all shipments or sales of infused beverage products made by 93 them into the commonwealth, and that they comply with the provisions of this chapter and any 94 rules or regulations promulgated hereunder that pertain to a licensee of the same class, type or 95 character, doing business in this commonwealth under a license issued by the commission. The 96 commission may suspend, cancel or revoke any certificate issued hereunder for a violation of the 97 terms or conditions thereof. All certificates shall be issued to expire December thirty-first of the

98 year of issuance and the fee therefor shall be no less than \$200. The commission shall issue a99 certificate of compliance within thirty days of application submission.

100 Section 81. Wholesale of infused beverage products

101 (a) No person shall sell an infused beverage product at wholesale in the commonwealth 102 unless such person holds an infused beverage product wholesaler and importer endorsement 103 issued by the commission pursuant to this section. The commission may impose a fine of up to 104 \$10,000 on any person that advertises, announces, establishes, maintains or is concerned in 105 establishing or maintaining an infused beverage wholesaler without an endorsement granted by 106 the commission. Each day during which a violation continues shall constitute a separate offense. 107 The commission may conduct surveys and investigations to enforce compliance with this 108 section.

109 (b) The commission shall issue for a term of one year, and renew for a like term, an 110 endorsement to import or sell infused beverage products at wholesale to an entity that submits to 111 the commission, in a form and manner prescribed by the commission, an application that 112 demonstrates eligibility for an endorsement under this section. Such an endorsement shall be 113 subject to suspension, revocation or refusal to renew for cause. Any application for an 114 endorsement under this section, or renewal thereof, shall be accompanied by an application 115 processing fee in the amount of five thousand dollars. The commission shall approve or deny 116 such an application within thirty days of submission.

(c) The commission shall not issue an endorsement under this section unless the applicant
holds an unencumbered license to import or sell alcoholic beverages at wholesale issued under
section 18 of this chapter.

(d) No holder of an endorsement under this section shall sell an or infused beverage
product to any person unless such person holds an endorsement from the commission to retail
infused beverages under section 82.

123 Section 82. Retail of infused beverage products

124 (a) No person shall sell, or offer for sale, at retail an infused beverage product unless such 125 person holds an infused beverage product retailer endorsement issued by the commission 126 pursuant to this section. No infused beverage product shall be sold, or offered for sale, at retail to 127 any individual by way of any indirect means, including, but not limited to, by way of mail or any 128 telephonic or other electronic means. The commission may impose a fine of up to \$10,000 on a 129 person that advertises, announces, establishes, maintains or is concerned in establishing or 130 maintaining a retail establishment that sells, or offers for sale, at retail infused beverage products 131 in violation of this subsection. Each day during which a violation continues shall constitute a 132 separate offense. The commission may conduct surveys and investigations to enforce compliance 133 with this section.

134 (b) The commission shall issue for a term of one year, and renew for a like term, an 135 endorsement to sell infused beverage products at retail to an entity that submits to the 136 commission, in a form and manner prescribed by the commission, an application that 137 demonstrates eligibility for an such endorsement under this section. Such an endorsement shall 138 be subject to suspension, revocation or refusal to renew for cause. Any application for an 139 endorsement under this section, or renewal thereof, shall be accompanied by an application 140 processing fee in the amount of five hundred dollars. The commission shall approve or deny such 141 an application within thirty days of submission.

142 (c) The commission shall not issue an endorsement under this section unless the applicant 143 holds an unencumbered license to: (i) sell all alcoholic beverages or beer and wine at retail under 144 this chapter, (ii) operate a medical marijuana treatment center issued by the cannabis control 145 commission under chapter 94I, or (iii) operate a retail adult-use marijuana establishment issued 146 by the cannabis control commission under chapter 94G. 147 (d) No holder of an endorsement under this section shall purchase infused beverage 148 products to be sold at retail from any person unless such person holds an endorsement to 149 wholesale infused beverage products issued by the commission under section 81. 150 Section 83. Age restriction 151 No infused beverage product shall be sold to any individual who is younger than twenty-152 one years of age. No owner, agent or employee of a business authorized to sell infused beverage 153 products shall sell any infused beverage products to an individual without first verifying the 154 individual's age with a valid government-issued driver's license or identity card to establish that 155 such individual is twenty-one years of age or older. 156 Section 84. Infused beverage product registration; standards for infused beverage 157 products 158 (a) No infused beverage product shall be sold in the commonwealth unless such product 159 is registered with the commission and complies with this section. The commission shall publish a 160 publicly available list of registered infused beverage products. 161 (b) The commission shall register an infused beverage product following submission of 162 an application, in a form and manner prescribed by the commission, that demonstrates

163 compliance with this section. At a minimum, such application shall include: (i) the name and 164 address of the applicant; (ii) the name and address of the brand or company whose name shall 165 appear on the label of the infused beverage product; (iii) the name of the infused beverage 166 product; (iv) the name and address of the origin of the infused beverage product with which the 167 final product was manufactured; (v) a complete copy of the front and back of the label that will 168 appear on the infused beverage product; and, (iv) a certificate of analysis from an accredited 169 third-party laboratory for the lot for each product. Such registration shall be subject to 170 suspension or revocation for cause. Any initial application for registration under this section shall 171 be accompanied by a registration processing fee in the amount of two hundred dollars. The 172 commission shall approve or deny such an application within thirty days of submission. Any of 173 the following shall require a new product registration and fee: (i) a change in the chemical 174 composition or formula of an infused beverage product; (ii) a change to the serving size or 175 directions for use of an infused beverage product; or, (iii) any change to the label of an infused 176 beverage product.

177 (c) No Infused beverage product may be distributed or sold in the commonwealth unless178 such product:

(1) has a certificate of analysis prepared by an independent testing laboratory that states
the infused beverage or infused beverage product is from a batch that has been tested for, and
does not contain more than trace amounts of, pesticides, residual solvents, metals, harmful
pathogens, and toxicants;

(2) accurately reflects testing results and contains less than a ten percent variance of theconcentration of total cannabinoid content as listed on the product label;

185	(3) is distributed or sold in a container that is: (i) suitable to contain products for human
186	consumption; (ii) is not attractive to children; and, (iii) is tamper evident; and,
187	(4) complies with the labeling and warning requirements specified in subsection (d).
188	(d) No Infused beverage product may be distributed or sold in the commonwealth unless
189	the label of such product:
190	(1) is plainly identifiable to a reasonable consumer that the product is an infused
191	beverage product;
192	(2) includes a scannable barcode or quick response code linked to the certificate of
193	analysis of the infused beverage from an independent testing laboratory;
194	(3) includes the expiration date, brand name, list of ingredients and the name, telephone
195	number and email address of the product manufacturer;
196	(4) specifies the number of milligrams of each cannabinoid per serving and serving size,
197	if specific cannabinoids are contained within or marketed for the product;
198	(5) does not include any claim that the product may be used or is effective for the
199	prevention, treatment, or cure of a disease or that it may be used to alter the structure or function
200	of human or animal bodies unless such claim has been approved by the federal Food and Drug
201	Administration; and,
202	(6) includes a warning label containing the following or substantially similar language: (i)
203	a statement that the product has not been evaluated or approved by the United States Food and
204	Drug Administration (unless such approval has been secured); (ii) the potential for the product to
205	cause the consumer to fail a drug test for THC; (iii) a statement that products containing THC
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206 may cause impairment and impact a consumer's ability to operate a vehicle; (iv) a statement that 207 the product is not recommended for use by pregnant or breastfeeding women; (v) a statement 208 that product use may result in health risks and medication interactions; (vi) a statement in capital 209 letters to KEEP THIS PRODUCT OUT OF REACH OF CHILDREN; and (vii) a statement or 210 infographic that the product is intended only for individuals age 21+.

(e) The commission shall establish by regulation a maximum amount of intoxicating
cannabinoids per infused beverage product container; provided, however, that such maximum
amount per container established by the commission shall be 5 milligrams per container or shall
equal the container limit for marijuana-infused beverage products established by the cannabis
control commission under chapter 94G, whichever is greater.

216 Section 85. Taxation of infused beverages

217 (a) An infused beverage product excise tax will be levied on all infused beverage 218 products at a rate of \$2.20 per gallon. Manufacturers must file their tax at a schedule specified by 219 the department of revenue and pay for products manufactured in Massachusetts for sale in 220 Massachusetts. Out of state businesses wholesalers must file at a schedule specified by the 221 department of revenue and pay for infused beverage products shipped into Massachusetts for sale 222 in Massachusetts. Infused beverage products shall be exempt from sales tax. Infused beverage 223 products stored or manufactured in Massachusetts intended for or sold outside Massachusetts 224 shall not be subject to an excise tax.

(b) The administration of the tax imposed by this section shall be vested in the
commissioner of revenue and governed by the provisions of chapter 62C. All sums received
under sections 80 to 85, inclusive, including all sums received as penalties, forfeitures, interest,

costs of suits and fines, less all amounts allowed as refunds and abatements under sections 79 to
85, inclusive, shall be credited as follows:

(1) 20 per cent shall be credited to the commission for implementation and enforcement
of sections 79 to 85, inclusive, including, but not limited to, infused beverage product licensing,
oversight and enforcement.

(2) 20 per cent shall be credited to the department of public health for the purposes of
public education regarding illicit hemp products and for the purposes of funding enforcement
efforts by local boards of health regarding illicit hemp products.

236 (3) The balance shall be credited to the General Fund.

237 Section 86. Regulations for the implementation of sections 70 to 86, inclusive

The commission shall promulgate regulations for the implementation sections 79 to 86, inclusive. The commission may, in its discretion, promulgate regulations regarding the advertisement, manufacture, distribution, importation, retail, and labelling of infused beverage products; provided however, such regulations shall not conflict with sections 79 to 85, inclusive, and otherwise shall not be more restrictive than regulations promulgated by the commission under this chapter governing the advertisement, manufacture, distribution, importation, retail, and labelling of alcoholic beverages.

SECTION 2. The alcoholic beverages control commission, established under section 70
of chapter 10, shall promulgate regulations to implement section 1 not later than 180 days
following the effective date of this Act.