

CANNABIS CONTROL COMMISSION

FIFTH ANNUAL ACTIVITIES REPORT

October 2022

Report as mandated by Chapter 55 of the Acts of 2017,
An Act to Ensure Safe Access to Marijuana



LEGISLATIVE MANDATE

Under Chapter 55 of the Acts of 2017, An Act to Ensure Safe Access to Marijuana (Act), the Cannabis Control Commission (Commission) is charged with implementing the statutory and regulatory schemes governing the adult-use, and now medical-use, marijuana programs. The following report is issued pursuant to Section 31 of the Act, which provides in relevant part:

“The commission shall annually submit a complete and detailed report of the commission’s activities, including a review of the implementation and enforcement of this chapter and the governance structure established in this chapter, not more than 90 days after the end of the fiscal year to the governor, the attorney general, the treasurer and receiver-general, the clerks of the house of representatives and the senate, the chairs of the joint committee on marijuana policy and the chairs of the house and senate committees on ways and means.” St. 2017, c. 55, § 31.

On August 11, 2022, Governor Charlie Baker signed into law S.3096, *An Act relative to equity in the cannabis industry*, which marked the first-time major changes were made to the Commission’s governing legislation. This new law addresses the Commission’s policy recommendations by bringing oversight and clarity to the terms of Host Community Agreements, creating a publicly-administered social equity loan fund, and adopting a technical change to allow municipalities to opt-in to social consumption licenses.

EXECUTIVE SUMMARY

Purpose

This report provides information regarding the implementation under the Act of the adult-use marijuana program pursuant to the aforementioned legislative mandate, and the medical-use program, which the Commission successfully transferred from the Department of Public Health on December 24, 2018.

Findings

The Commission built on its legislative mandate to implement the burgeoning adult-use marijuana industry and Medical Use of Marijuana Program and has matured beyond a startup organization. To that end, the Commission continues to make significant progress in areas the Legislature identified and is well prepared to implement and execute new statutes while continuing to be a national leader in promoting public health and safety in the industry.



INTRODUCTION

On September 1, 2022, the Commission celebrated its fifth anniversary, marking five years since the appointment of the inaugural Commission on September 1, 2017. In that time, the regulatory body built a new independent agency and legal industry from the ground up, with a focus on promoting public health and safety and an equitable industry.

On November 8, 2016, Ballot Question 4 “Legalize Marijuana” passed with 53.6% of the vote in the Commonwealth. At that time, Massachusetts joined seven other states, plus the District of Columbia, that had legalized marijuana for adult use (also known as recreational use). That number has since increased to 18 states as well as some territories. The resulting law in Massachusetts, Chapter 334 of the Acts of 2016, *The Regulation and Taxation of Marijuana Act*, which was amended by Chapter 55 of the Acts of 2017, *An Act to Ensure Safe Access to Marijuana*, delegated to the Commission oversight of the adult-use cannabis program. In August 2022, the Legislature enacted, and the Governor signed Chapter 180 of the Acts of 2022, *An Act relative to equity in the cannabis industry*, giving the Commission new authority and mandates to regulate the licensed cannabis industry in the Commonwealth.

In September 2017, the Governor, Treasurer, and Attorney General first appointed five Commissioners to serve in full-time positions for terms ranging from three to five years in accordance with statute.¹ Executive Director Shawn Collins was unanimously appointed in October 2017 and the agency is currently staffed by 90 employees, including the Commissioners and Executive Director. In January 2021, the Commission welcomed three new Commissioners, Nurys Camargo, Bruce Stebbins, and Ava Callender Concepcion, followed by the addition of another Commissioner, Kimberly Roy, in July as the result of Commission vacancies. In May 2022, following the departure of the former Chair, Steven Hoffman, Treasurer Deborah B. Goldberg, appointed Sarah Kim as Interim Chair of the Commission. In September 2022, Treasurer Goldberg appointed Shannon O’Brien as the Chair of the Commission for a full term.

The Commission honors the will of Massachusetts voters by safely, equitably, and effectively implementing and administering the laws enabling access to medical and adult-use marijuana in the Commonwealth. The Commission continues to facilitate the growth of a safely regulated industry that creates entrepreneurial and employment opportunities and generates tax revenues in and for communities across the Commonwealth—and already serves as a best practice model for other states.

The Commission has developed policies, procedures, and a regulatory structure to encourage and enable full participation in the marijuana industry by people from communities

¹ G. L. c. 10, § 76 (a).



that were previously disproportionately harmed by marijuana prohibition and enforcement and positively impact those communities. The Commission has also built out data collection methods to monitor and measure progress toward statutory goals and objectives, most notably through an [Open Data Platform](https://masscannabiscontrol.com/open-data/), which is available at <https://masscannabiscontrol.com/open-data/>. With these programs and regulations in place, the Commission continues to build an industry that prioritizes the full participation of Economic Empowerment Priority applicants and Social Equity Program participants and of people of color; women; Veterans; persons with disabilities; LGBTQ+ people; and farmers.

Due to the Commission's investments in technology resources as a result of legislative support, the Commission has continued to navigate the COVID-19 pandemic with minimal impact to external or internal operations. The agency successfully pivoted to and has sustained its remote operations to ensure the health and safety of staff and also amended external policies and procedures consistent with public health guidance to ensure the health and safety of industry personnel. The Commission continues to issue, and revise as necessary, bulletins in response to the ongoing health risks posed by COVID-19 and other public health and safety matters.

IMPLEMENTATION OF ADULT- AND MEDICAL-USE MARIJUANA PROGRAMS

Promulgation of Regulations. On March 23, 2018, the first iteration of regulations, 935 Code Mass. Regs. § 500.000: *Adult Use of Marijuana*, were published in the Massachusetts Register. On December 24, 2018, the Medical Use of Marijuana Program successfully transferred from the Department of Public Health to the Commission, as was mandated by Section 64 of the Act. At that time, the Commission then promulgated 935 Code Mass. Regs. § 501.000: *Medical Use of Marijuana* and 935 Code Mass. Regs. § 502.000: *Colocated Adult Use and Medical Use Marijuana Operations*. Most recently, on January 8, 2021, the Commission promulgated amendments to 935 Code Mass. Regs. § 500.000: *Adult Use of Marijuana* and 935 Code Mass. Regs. § 501.000: *Medical Use of Marijuana*; and repealed 935 Code Mass. Regs. § 502.000: *Colocated Adult-use and Medical-use Marijuana Operations*, which was incorporated, as applicable, in 935 Code Mass. Regs. § 500.000 and 501.000.

At the time of this report, the Commission is engaged in a process to identify its new mandates and topics to prioritize in an upcoming regulatory review round as a result of the passage of Chapter 180 of the Acts of 2022. The Commission, as it always has, will continue to engage all relevant and interested stakeholders for feedback and contributions relative to updated regulations. In the Commission's April 2022 public meeting, the Executive Director discussed a process that would result in newly promulgated regulations in or around the second or third quarter of CY2023.

Guidance. In addition to its regulations, the Commission drafts and adopts guidance for



licensing and other administrative processes implicated by its legislative mandate in order to provide additional insight and clarity. To date, the Commission has published more than 30 guidance documents designed to assist consumers, patients, applicants, business owners, and local officials with understanding and navigating the Commission's regulations. Guidance documents are available at <https://mass-cannabis-control.com/guidancedocuments/>. Upon the promulgation of revised regulations in January 2021, the Commission has reviewed and revised or deployed additional public documents to assist the public. The Commission will continue to review and issue guidance documents from time to time as matters arise to aid the public with navigating and complying with the various regulations.

Guidance on Hemp. One guidance document published by the Commission was in response to language included in the FY21 Budget allowing Marijuana Establishments to manufacture, sell, or otherwise transact business with hemp and hemp products cultivated and manufactured under a Massachusetts Department of Agricultural Resources license and in compliance with regulations set forth by federal regulators, including the U.S. Department of Agriculture and the U.S. Food and Drug Administration. After consulting with stakeholders and advocates, the Commission published its final Guidance on Hemp in January 2022 that identifies for the public and licensees the framework for complying with the new statute.

Licensing and Enforcement

Through the adult-use cannabis program, the Legislature required the Commission to certify priority applicants, license Marijuana Establishments, register agents, and approve applicants for a Social Equity Program. To that end, the Commission and its vendors designed and implemented the Massachusetts Cannabis Industry Portal (MassCIP), its electronic registration system, and seed-to-sale tracking system, Metrc. In January 2020, Medical Marijuana Treatment Center (MTC) application and licensing information also transitioned to an electronic-based process through MassCIP, as part of transferring the medical program to the Commission, which was previously administered by the Department of Public Health.

Priority Applicants. Between April 1, 2018 and April 15, 2018, the Commission offered an application process for priority certification in accordance with state law. In total, the Commission received 322 submitted applications, and ultimately granted priority certification to 81 MTC (formerly referred to as RMD) applicants and 122 Economic Empowerment Applicants. As of July 2022, the Commission has issued 15 commence operations approvals to Economic Empowerment Priority Applicants, enabling them to begin various licensing operations in the Commonwealth.



Provisional and Final Licenses. As of July 2022, the Commission had received 1,562 license applications for adult-use Marijuana Establishments. Additionally, the agency had received 42,968 applications for Marijuana Establishment agent registration. Commission staff are presently reviewing 240 adult-use license applications and further reviewing and inspecting 661 provisional licensees. The following is a summary breakdown of the 1,562 Marijuana Establishment license applications fully submitted to the Commission as of July 2022:

- 258 MTC Priority Applicants (which, according to state law, is an MTC previously approved by the Department of Public Health when it administered the Medical Use of Marijuana Program and had at least obtained a MTC provisional license as of April 1, 2018);
- 115 Economic Empowerment Applicants (as certified by the Commission in 2018 in accordance with state-mandated timelines);
- 262 Social Equity Participant Applicants (as approved through the Commission's Social Equity Program), of which 22 have commenced operations;
- 569 Expedited Applicants (as allowed by 935 Code Mass Regs. §500.101(5) as part of a process for certain businesses to receive expedited review. These applicants consist of minority-, women-, and veteran-owned businesses as certified by the Supplier Diversity Office as well as Independent Testing Laboratories, Outdoor Cultivators, Marijuana Microbusinesses, and Craft Marijuana Cooperatives. Social Equity Program Participant Applicants also receive expedited review.); and
- 620 General Applicants which do not meet any of the aforementioned criteria.

As of July 2022, 431 licensees have received notices from the Commission that authorize them to commence business operations in the Commonwealth; another 50 entities currently possess final licenses, and 661 have been approved for provisional licenses. On May 14, 2022, adult use Marijuana Establishments surpassed \$3 billion in retail and delivery sales since the first two adult-use retail stores opened in Massachusetts on November 20, 2018.

In addition to regulating the adult-use cannabis industry in Massachusetts, the Commission has overseen the Medical Use of Marijuana Program since it was transferred from the Department of Public Health in December of 2018 as required under Chapter 55 of the Acts of 2017. As of September 1, 2022, the medical-use cannabis industry currently is comprised of the following: 38 provisional licensees, 3 final licensees, and 98 additional licensees that have commenced full operations to serve registered qualifying patients and caregivers through vertically integrated MTCs. The Commission is currently reviewing eight (8) MTC license applicants. Since the transfer of the Program under the Commission's stewardship, patient registrations have grown exponentially; to a total of 97,003 Certified Active Patients as of September 1, 2022.



Changes of Ownership

Between July 2021 and July 2022 Enforcement staff received and processed 143 change of ownership and control applications involving entities and/or individuals with direct and indirect control.

Based on the number of applications received for the same period between 2020 and 2021, there was a 62.5% increase. Additionally, there was a 142.4% increase in applications based on the same period between 2019 and 2020. The Commission forecasts the number of change of ownership and control applications will continue to increase in the following years due to fluctuations in the licensed marijuana market and historical data.

Enforcement Actions

Since July 2021, Enforcement staff has issued approximately 100 Notices of Deficiencies to licensees for violations observed during announced and unannounced inspections. The department has initiated two emergency enforcement actions involving the immediate suspension of licensee product and/or operations and the imposition of interim safeguards to protect the public health, safety, and welfare. In July 2022, Enforcement negotiated the terms and conditions of relief with one of the licensee's subject to the emergency action which led to the formation of a Stipulated Agreement. In September 2022, the Stipulated Agreement was ratified by the full Commission and executed by the Executive Director.

Communications

The Commission is in regular contact with members of the public through various media and platforms. Beyond their monthly public meeting schedule, Commissioners regularly attend and present at public events, which has continued remotely and in-person during COVID-19 pandemic as appropriate. Outgoing and incoming Commissioners and the Executive Director have made or participated in numerous presentations, speeches, panel discussions, and other forums before stakeholder groups such as community organizations, senior citizen groups, municipal officials, industry organizations, and law enforcement.

After launching a rebranded MassCannabisControl.com in April of 2021, the agency then transferred its [Open Data Platform](#) from Socrata to Tableau and embedded these data visualizations directly into the main website as of December 23, 2021. From July 1, 2021 through June 30, 2022, the Commission's main website received more than 2,530,000 page views and 1,380,000 unique visits, while the new Open Data section received 20,900 page views and 8,800 unique visits during its first six months of public accessibility from December 23, 2021 to June 30, 2022.



From July 1, 2021 through June 30, 2022, the Commission sent, on average, 7 email campaigns to subscribers per month with an open rate of 36.5% (21.33% being the average email open rate across all industries). The Commission’s social media presence includes Instagram (@CannabisControlCommission, 3,100 followers) and LinkedIn (@CannabisControlCommission, 5,925) in addition to Twitter (@MA_Cannabis, 9,100 followers) and Facebook (@MassCCC, 2,840 followers). Through these various channels, the Commission continues to communicate with the public regarding the work of the agency and its regulation of the developing industry.

Public Awareness Campaign

The Commission utilized organic promotion in FY22 to highlight evergreen content from its state-mandated public awareness campaign, More About Marijuana (www.MoreAboutMJ.Org). Previously, the campaign’s educational messaging was developed in partnership with MORE Advertising, and utilized third-party research, surveys, and focus groups of Massachusetts residents to implement content. Although More About Marijuana was not funded for FY22 or FY23, Communications utilized this past April 20—a date often recognized by cannabis consumers—as an opportunity to return the public’s attention to the various messaging around the need for responsible consumption, youth prevention, safe home manufacturing and cultivation practices, and the risks of consuming unregulated vaping products. A 20-day social campaign starting April 1 repurposed campaign messaging on all Commission platforms leading up to April 20, 2022.

Related print collateral and branded outreach materials remain accessible to the public through the Massachusetts Health Promotion Clearinghouse (<https://massclearinghouse.ehs.state.ma.us/category/Cannabis.html>).

Equity Programming and Community Outreach

The Commission continues to assess and build upon the nation’s first statewide Social Equity Program (SEP). The Equity Programming and Community Outreach team is led by the Director of Equity Programming and Community Outreach, a redesigned role that will ensure a lens of equity is placed on the entirety of the Commission’s work. The department has also expanded to include additional staff to support the agency’s robust community outreach needs to Disproportionately Impacted Areas (DIA), the medical community, municipalities and government officials, academia, and other priority constituents.

The SEP is designed to build a pathway into the legal cannabis industry for individuals disproportionately impacted by previous prohibition. The SEP focuses on those most impacted



by the War on Drugs, marijuana prohibition, disproportionate arrest and incarceration, and provides training, technical assistance, and mentorship for entry into the regulated marketplace across four areas: entrepreneurship, entry- and managerial-level workforce and professional development, and ancillary business support. Its overall mission is to decrease the disparities in life outcomes for impacted individuals and improve the quality of life for those from DIAs. Commission staff have initiated a three-year strategic planning process to ensure the SEP continues to effectively meet its intended goals.

Both SEP Participants and Certified Economic Empowerment Applicants are eligible to jump the Commission's licensing queue when they submit a licensing application, receive certain fee waivers, and have exclusive access to Commission pre-certification and delivery licenses, as well as to future social consumption licenses. As part of its most recent regulatory review process, the Commission extended this exclusivity period from two years to three years. The agency also added new SEP criteria to expand participation to any individual listed as an owner on the original certification of a Certified Economic Empowerment Priority Applicant who satisfies certain criteria.

SEP Program goals are to:

- Reduce barriers to entry in the commercial marijuana industry, regardless of desired specialty within the industry;
- Provide professional and technical services as well as mentoring for individuals and businesses facing systemic barriers; and
- Promote sustainable, socially, and economically reparative practices in the commercial marijuana industry in Massachusetts.

To qualify for the Program, an applicant must meet one of the following criteria:

- Residency in an area of disproportionate impact for at least 5 of the past 10 years and income may not exceed 400% of the Area Median Income in the applicant's respective town/city;
- A past drug conviction, continuance without a finding, or an equivalent conviction in other jurisdictions, and residency in Massachusetts for at least the preceding 12 months;
- Marriage to, or the child of, a person with a drug conviction, a continuance without a finding, or an equivalent conviction in other jurisdictions, and residency in Massachusetts for at least the preceding 12 months;
- Any individual listed as an owner on the original certification of an Economic Empowerment Priority Applicant who satisfies one or more the following criteria:
 - Lived for five of the preceding ten years in an Area of Disproportionate Impact, as determined by the Commission;



- Experience in one or more previous positions where the primary population served were disproportionately impacted, or where primary responsibilities included economic education, resource provision or empowerment to disproportionately impacted individuals or communities;
- Black, African American, Hispanic, or Latino descent; or
- Other significant articulable demonstration of past experience in or business practices that promote economic empowerment in Areas of Disproportionate Impact.

The Commission remains fully committed to its mission of encouraging and enabling full participation within the marijuana industry from individuals and communities that have previously been disproportionately harmed by marijuana prohibition and enforcement. With our strategic, intentional, and supportive programming aiming to positively impact those communities. As of October 1, 2022, the Commission has approved 369 for Provisional Licenses, 97 Final Licenses, and 86 licensees to commence operations for Social Equity, Economic Empowerment or Disadvantaged Business Enterprises (DBE) within the Commonwealth. Since inception, the agency’s equity programs have accepted 872 participants into our free technical assistance and training program across all cohorts. The latest class, Cohort III, has been the largest to date with 446 participants, of which approximately 65 percent of participants identify as Black, African American, or of Hispanic or Latino descent. The agency collaborates with learning vendors to provide relevant course materials to program participants, with a recently added course on predatory lending.

Our delivery license types, including Marijuana Delivery Courier, Marijuana Delivery Operator, and Microbusiness with Delivery Endorsements, are exclusively available to Social Equity Program Participants and Certified Economic Empowerment Applicants – with the exclusivity period that began on April 1, 2022, when the first Marijuana Delivery Operator received their notice to commence operations in the Commonwealth and will span a minimum of 36 months.

The Commission continues to engage communities across the Commonwealth through different events. In September 2022, the agency partnered with the Greater Boston Chamber of Commerce – City Awake (City Awake) to host a virtual event titled Intersection of Cannabis and Equity designed to inspire the diverse group of Millennials from the Greater Boston area through programming, presentations, and workshops, hearing from numerous experts and voices from the region’s business, civic, and local communities.

Areas of Disproportionate Impact



Consistent with our statutory and regulatory mandate, the Commission has been studying its initial 2018 list of Areas of Disproportionate Impact, defined as a geographic area identified by the Commission for the purposes identified in M.G.L. c. 94G, § 4(a½)(iv), and which has had historically high rates of arrest, conviction, and incarceration related to Marijuana crimes.

A Study Identifying Disproportionately Impacted Areas by Cannabis Prohibition in Massachusetts was completed by the University of Massachusetts Amherst Donohue Institute and presented to the Commission in March 2021. This study was referred to the Commission's Access and Equity workgroup, comprised of diverse staff with expertise in licensing, law, equity, and operations to evaluate its findings. The workgroup met with internal stakeholders, including Commissioners, agency leadership, and those who participate in study development and equity programming. The workgroup also met with external stakeholders, including: licensees, SEP Participants, and community leaders. The workgroup presented a history of the list of Areas of Disproportionate Impact at its August 2022 meeting and will make additional recommendations before the end of the calendar year.

Constituent Services

The Commission ensures timely responses to all inquiries from the public. Constituents may email, call, or write the agency with their opinions, questions, comments, and concerns. The Commission receives more than 100 inquiries per day directed to its Constituent Services phone line; not including inquiries to other departments. The Director of Constituent Services liaises with other departments and staff to resolve constituent cases. Similarly, staff members under the Chief of Investigations and Enforcement regularly respond to questions about licenses and applications, compliance, ownership, suitability, and other matters related to operating businesses. Staff also attend virtual community meetings and other public events to ensure constituents could speak directly with Commission representatives. Most of the questions and comments the agency receives through its Constituent Services line pertain to the Medical Use of Marijuana Program, compliance, marijuana policy, the legal industry, Marijuana Establishments, social equity, and related state laws.

To underscore the importance of accessible and responsive government, Commissioners previously assigned the Executive Director a goal of staff achieving an initial response time of 24 hours for all inquiries.

Patient Support for Medical Use of Marijuana Program

On December 24, 2018, the Medical Use of Marijuana Program transferred from the Department of Public Health and fully integrated into the Commission. Commission staff routinely respond to patient inquiries in addition to processing patient, caregiver, and provider



registrations. In 2022, the Commission streamlined the process for healthcare provider applications. The Commission also increased the number of Constituent Service Associates to improve responsiveness to patients and caregivers who use the patient support phone line.

As of September 2022, the Medical Use of Marijuana Program is comprised of 97,003 Certified Active Patients, 7,815 Active Caregivers and 358 Certifying Healthcare Providers. Staff in Constituent Services assist patients, caregivers, and providers with registration and troubleshoot technical issues.

Government Affairs and Policy

The Commission is also in regular communication with the Legislature and Executive Branch departments on a variety of topics. Most often, legislative offices are in contact with the Commission on behalf of their constituents. From time to time, however, the Commission will reach out to the Legislature to request insight and/or consideration of matters within the Legislature's purview (e.g. [Report on Host Community Agreements](#) and [Social Consumption](#)).

In August 2021, the Commission voted to approve an Executive and Legislative Branch Outreach Policy to make official recommendations to policymakers on behalf of the agency. The following recommendations were approved by the Commission:

Statements of Commission Policy

1. The Commission supports the adoption of a state-administered fund for Economic Empowerment and Social Equity Program participant applicants and licensees to receive low- or zero-interest loans, or grants for the purpose of obtaining licensure and operating their Establishment. [*Approved November 2021, Commission Voted 5-0*]
2. The Commission supports legislation that strengthens laws against the operation of motor vehicles while under the influence of alcohol, cannabis and other drugs. The Commission further supports legislation that protects civil rights, racial justice, data collection on gender and race that ensures equitable enforcement of the law, and advances in science-based technology needed to accurately assess cannabis impairment. [*Approved January 2022, Commission Voted 5-0*]
3. The Commission supports the adoption of a technical amendment to MGL Chapter 94G that will allow for a process for the municipal adoption of social consumption licensing. [*Approved January 2022, Commission Voted 4-1*]

In 2022, the agency's Commissioners and staff met with legislators to discuss pending



legislation regarding social equity, host community agreements, social consumption, and other cannabis-related policy matters. The Commission collaborated with Senate and House leaders to ensure policymakers had up-to-date information regarding the state of the industry. As a result, S.3096 was signed into law by Governor Baker on August 11, 2022. The Commission looks forward to continued collaboration with the Legislature as it implements regulations based on the new law.

The Commission is in regular communication with municipalities throughout the Commonwealth. Staff respond to questions, feedback, and referrals from local officials to offer assistance and guidance regarding the licensing process, policy, operational businesses, and best practices where appropriate. City and town officials receive the Commission's Notice to Commence Operations whenever licensees within the municipality are given the approval to begin business operations. Licensees must wait three days before commencing operations to give local authorities sufficient notice to prepare. Staff will continue to collaborate and serve as a resource to their municipal partners as the agency implements new provisions found in Chapter 180 of the Acts of 2022.

Legal

The Legal Department advises the Commission and its staff on the interpretation and implementation of its governing laws and on applicable areas of state and federal law. In addition, Legal coordinates as needed on responding to external inquiries from members of the public and from federal and state agencies and officials, including agency counsel. Staff also supports professional groups and academic institutions focused on the developing area of cannabis law. In 2022, the Legal Department participated in the Massachusetts Continuing Legal Education, Inc. Annual Cannabis Conference.

Regulations & Guidance

At its April 2022 public meeting, the Commission discussed a policy and regulatory review process, which will be a basis for drafting regulations in response to the recently passed equity legislation. On an ongoing basis, the Legal Department advises the Commission and its staff on the development of guidance documents and other advisory communications.

Litigation

The Legal Department works closely with the Office of the Attorney General on litigation and other matters implicating the interpretation and implementation of the Commission's laws and associated areas of the law. As of the date of this report, the Commission is not a party to any pending litigation matters. Legal staff also monitors and alerts Commissioners and staff to important decisions made by federal and state courts.



Open Meeting Law Compliance

The Commission conducts its public meetings in compliance with the Open Meeting Law, G. L. c. 30A, §§ 18-25, which includes posting notice and materials at least 48 hours in advance of its meetings. The Commission's public meetings throughout CY2022 have been held virtually, consistent with the Open Meeting Law and the Legislature's enactment of Chapter 107 of the Acts of 2022. In addition to live-streaming its public meetings, the Commission posts recordings of its public meetings on its YouTube channel and its minutes on its website. On a biannual basis, the Commission reviews its executive session minutes for release to the public. Relatedly, Legal staff also advises on compliance with Robert's Rules of Order, previously adopted by the Commission.

Ethics Compliance

As required by G. L. c. 10, § 76 (k), the Commission has developed its own Enhanced Code of Ethics. The Legal Department supports Commissioners and staff in ensuring compliance with state ethics laws and its code of ethics. In March 2022, Legal staff verified that all staff acknowledged receipt of the conflict-of-interest law and completed the required ethics training. As part of its onboarding process, Legal staff ensures that new employees satisfy applicable ethics requirements.

Public Record Compliance

During CY21, the Commission's Records Access Officer received and responded to approximately 189 requests for public records. When necessary, the Commission has withheld exempt records under G. L. c. 4, § 7 (26), including to safeguard records considered to be confidential under its statutes and regulations. In January 2022, the Commission filed its annual report with the Secretary of State's Public Records Division. As needed, it consults with the division to ensure compliance. As of date of this report, the Commission is not a party to any pending appeals concerning its response to public record requests.

The Commission's mission includes among its operating principles a focus on conducting all of its processes openly and transparently. To that end, staff regularly post the following:

- Applications granted provisional and final licensure,, found at: <https://masscannabiscontrol.com/public-documents/licensing-decisions/>
- Executive summaries, public meeting minutes, and other materials presented during Commission public meetings, found at: <https://masscannabiscontrol.com/public-documents/>.

Finance



Commission operations are supported through the Marijuana Regulation Fund, which is subject to appropriation. In FY22, the Legislature appropriated \$15.7 million in total for the Commission:

\$12.9 million for the Commission's Operations and \$2.8 million for the Medical Use of Marijuana Program. Through August 2022, the Commission spent \$13.7 million in FY22 funds. The Commission continues to grow, hire additional staff, and implement legislative mandates as the industry matures while generating surplus revenue for the Commonwealth.

For FY23, the Legislature appropriated a total of \$19.2 million for the Commission: \$15.8 million for the Commission's Operations and \$3.4 million for the Medical Use of Marijuana Program. These funding levels will support the Commission's plans for hiring across departments. This includes continued hiring in Investigations, Licensing and Enforcement, as well as new hires to reinforce the agency's Operations, Research, Legal, and Communications functions. These investments in human resources will help the Commission continue fulfilling mission-critical objectives. The FY23 spending plan also encompasses investments in procurements to enhance our IT infrastructure, research projects, and Social Equity Program.

Revenue

The Commission's revenue from application, licensing, fines, and other fees, along with adult-use marijuana sales and excise tax revenue, is deposited into the Marijuana Regulation Fund. In FY22, the Commission collected \$27.2 million in revenue. Through May 2022, the Massachusetts Department of Revenue reported a total of \$88.3 million in marijuana sales tax revenue and \$137.5 million in marijuana excise tax revenue for FY22. In total, the Commission has generated a \$164.7 million contribution to the Marijuana Regulation Fund through fees and excise tax revenues.

Personnel

The Commission's Human Resources Department is responsible for creating and implementing policies, processes, and programs to support the Commission's mission, strategic vision, and efforts to create a great place to work. The Commission has a strong commitment to attracting, rewarding, developing, and retaining an inclusive, diverse, and talented workforce. At the time of this report, the Commission employs 90 staff of which 65 percent are female and 35 percent are persons of color. The agency's management team is 65 percent female and 47 percent persons of color. Human Resources has rolled out various employee programs to support staff and foster a community of engagement while working in a remote environment.



Research

The Commission has become a trusted resource for cannabis policy research, data, and guidance—bringing diverse stakeholders together to comprehensively conduct and disseminate research to inform safe and equitable cannabis policy. To satisfy the Commission’s legislative research mandate and add to the collective knowledge of cannabis policy research, the Commission has published 12 research reports and 14 scientific manuscripts during its five year history. The research team has also given 16 presentations at national scientific meetings as well as another 15 guest lectures. Results from the most current research report, entitled, Cannabis Use Trends in Massachusetts, Findings from the International Cannabis Policy Study (ICPS), 2019-2020 indicate that illicit market activity has decreased as the legal market continues to saturate across the Commonwealth. ICPS is ongoing, and the Commission will continue to analyze and publish new studies on this data.

The Commission’s Research Department currently consists of a Director of Research, a Project Coordinator, and a Research Analyst. The department plans to hire two additional staff members in Fall 2022.

Section 17(a) of G.L. c.94G and St. 2017, c.55 requires the Commission to develop a research agenda to better understand the social and economic trends of cannabis in the Commonwealth. The law identifies at least seven categories of study and authorizes an expansion of that scope with the aim of informing future decisions that would aid in the closure of the illicit marketplace and monitoring the public health impacts of cannabis and cannabis legalization.

Research staff stratify categories of study into separate reports. Between July 1, 2021- July 1, 2022, the Commission released one comprehensive research report (Table 1 below) entitled, *High Tetrahydrocannabinol (THC) Cannabis and Effects on the Human Body—More Research Needed, A Legislative Report and Considerations for Research and Policy*, in pursuant of St. 2017, c. 55, § 30 (f). It is important to note that all one-time (i.e., non-ongoing) research agenda items enumerated in St. 2017, c.55 are now complete, including the final two reports in response to St. 2017, c.55 § 62 (“[Tax Study](#)”) and St. 2017, c.55 § 30(f) (“[Potency Study](#)”).

The aims of each research report to date are fourfold: (1) establish a baseline prior to adult-use cannabis legalization to provide a point of reference for future years; (2) assess gaps in systematic data collection in the Commonwealth that is needed to fulfill the statutorily required annual research mandate; (3) discuss strategic plans for upcoming reports, and (4) present considerations for the Commonwealth based on a comprehensive assessment of items included in each report and as outlined. Work is underway to disseminate a second comprehensive research report in September 2022 pursuant to G.L. c.94G § 17(a). This study, using the International Cannabis Policy Study survey, will pivot from the previous baseline-focused studies assessing 1-2 metrics comprehensively, to assess multiple research metrics to provide ongoing surveillance



of items in one report.

The Research Department continues to work internally, as well as collaborate with various state agencies, academic researchers, and other stakeholders to employ primary and secondary data collection methods to examine a spectrum of items. As cannabis policy research gains interest nationwide, the Commission set both long- and short-term goals to ensure its research is high-quality, impactful, comprehensive, and collaborative. Thus, in addition to research reports, the Department has also published four peer-review scientific articles and invited commentaries and presented research findings at national scientific conferences and academic institutions to advance the study of effects on cannabis laws.

Important to note is the “Research Day” conference the Department hosted in December 2021. This virtual conference, a collaboration with and for the Cannabis Regulators Association (CANNRA), highlighted brought together key research stakeholders across the U.S., and featured topics such as cannabis policy research, establishing research infrastructure in a state agency, IT and novel data sources to facilitate research. [See Table 2 below for Commission research scientific publications and Table 3 for Commission research presentations].

Commission Research Products from July 1, 2021- July 1, 2022

Table 1. Cannabis Control Commission Research Reports, July 1, 2021- July 1, 2022

<p>1. High Tetrahydrocannabinol (THC) Cannabis and Effects on the Human Body—More Research Needed. <i>A Legislative Report and Considerations for Research and Policy</i>. Worcester, MA: <i>Massachusetts Cannabis Control Commission</i>. [St. 2017, c. 55, § 30 (f)]</p>	<p>The Department assessed effects of high potency tetrahydrocannabinol cannabis on the human body and made a series of recommendations based on the current state of science.</p>
<p>2. <i>Cannabis Use Trends in Massachusetts, Findings from the International Cannabis Policy Study, 2019-2020</i>. Worcester, MA: <i>Massachusetts Cannabis Control Commission</i>. [G. L. c. 94G, § 17 (a) (b)]</p>	<p>To be publicly disseminated September 2022</p>

Table 2. Commission Scientific Publications and Invited Commentaries, July 1, 2021- July 1, 2022

<p>1. Hard G, Johnson JK, Jones AA, Das A, Johnson RM. Working Title: Impact of Medical Marijuana Laws (MMLs) on Adolescent Alcohol Use. <i>Cannabis (RSMj)</i>. September 2021. https://publications.sciences.ucf.edu/cannabis/index.php/Cannabis/article/view/90</p>
<p>2. Geissler KH, Evans E., Johnson JK, Whitehill JM. A scoping review of data sources for the conduct of policy-relevant substance use research. <i>Public Health Reports</i>. October 2021. https://journals.sagepub.com/doi/10.1177/00333549211038323</p>
<p>3. Johnson JK, Doonan SM. Contextualizing Cannabis Outcomes. Published November 2021. <i>Journal of Adolescent Health</i>. December 2021. https://www.sciencedirect.com/science/article/pii/S1054139X2100433X?dgcid=author</p>



4. Doonan SM., **Johnson JK**, Firth C., Flores A., Joshi S. Racial Equity in Cannabis Policy: Diversity in the Massachusetts Adult-Use Industry at 18-Months. Cannabis. December 2021. DOI: 10.26828/cannabis/2022.01.004
<https://publications.sciences.ucf.edu/cannabis/index.php/Cannabis/article/view/103/61>

Table 3. Commission Research Presented at National Scientific Meetings and Guest Lectures, July 1, 2021- July 1, 2022

1. Doonan SM., Laramie O., Liu J., Sarkis M., Johnson JK. Unexpected Public Health Emergencies—A Descriptive Analysis of Trends in the Massachusetts Medical-Use and Adult-Use Cannabis Markets. Research Society on Marijuana (RSMj) July 2021. Poster Presentation
2. 9/23/21, Invited Speaker, Vermont Youth Cannabis Use Prevention Conference. Vermont Department of Health, Alcohol, and Drug Programs
3. 12/10/21, Keynote Presentation, <i>Cannabis Policy Research Priorities: Infrastructure and Priorities</i>
4. 4/21/22, Invited Lecturer, Tufts University, Introduction to Community Health

Responsible Vendor Training (RVT)

Commission regulations 935 Code Mass Regs. § 500.105(2)(b) and 935 Code Mass Regs. § 500.105(2)(b) outline the Responsible Vendor Training Requirement (“training program”) for all current Marijuana Establishment and Medical Marijuana Treatment Center agents. This year, the Research Department transferred management of the RVT Program to Enforcement to oversee the application process, communication with applicants and current vendors, and any regulatory updates regarding RVT. Enforcement staff are in the process of building out the training program to include the Advanced Core and Delivery Core curriculums.

To date, the Commission has approved 27 applicants to be Certified RVT Vendors. Of the Certified Vendors, 13 run their operations in Massachusetts while the remaining 14 vendors operate outside of the state using either synchronous or asynchronous learning methods.

In 2021, the Research Department finalized [RVT Guidance](#) and [FAQ](#) documents to guide applicants through the RVT certification process. Additionally, an updated [RVT Checklist](#) was uploaded to the public documents section of the Commission’s website.

COVID-19 Response



On March 12, 2020, the Executive Director closed the Commission's offices to staff and the public and directed all staff to work from home. Thanks to the aforementioned investments in IT and equipment, Commissioners and staff have been working remotely since March 13, 2020. During this time, the Commission continued to implement its spending and hiring plans. At the time of this report, the Commission's offices remain closed to the public; however, staff may access the offices as needed. The Executive Director, in consultation with Commissioners and staff members, reevaluates the office status regularly. Staff remain dedicated to the Commission's mandate and the number of licensing activities, investigations, and outreach and social activities continue to grow with appropriate public health precautions.

For licensees, patients, and other constituents, the Executive Director issued updated administrative orders to extend virtual community outreach meetings, curbside pick-up for medical patients, and telehealth visits with certifying providers. The Commission continues to monitor COVID and other public health reports and requests from constituents to reassess these administrative orders on a regular basis. The order permitting virtual community outreach meetings was extended to December 31, 2022, or the date the Commission rescinds or amends this order, whichever occurs first. The Commission also voted to extend MTC curbside operations and waivers authorizing patient telehealth visits with Certifying Healthcare Providers to December 31, 2022.

Investigations and compliance staff conducted virtual inspections as well as in-person visits to continue carrying out the Commission's licensing and compliance responsibilities. The Commission requires licensees to report COVID-19 cases at their facilities and document them using initial and subsequent incident reporting. For inspections that require onsite visits, licensees are required to complete a questionnaire to notify the Commission of confirmed cases within 24 hours of a visit.

Commission public meetings continue virtually, consistent and compliant with the Legislature's enactment of Chapter 107 of the Acts of 2022. The Commission also created a [webpage specific to COVID-19 updates](#) and actions taken by the Commission in order to keep the public informed. The Commission continues to receive, review, and process all license applications.

CONCLUSION

This fifth annual report identifies the Commission's ongoing operations since its establishment as well as needs implicated by the continued growth of the regulated medical- and adult-use cannabis industry in Massachusetts. As this report demonstrates, the Commission has



anticipated needs, created significant efficiencies, and continued to meet requirements outlined in statute.

Through FY22, the Commission has returned more than \$78 million in non-tax revenue to the Commonwealth, through sources such as application, license, and agent fees, including \$2.3 million as the result of penalties and fines. Notably, UMass Amherst published the results of a poll in November 2021 that further demonstrates the maturation of the Commonwealth's legal adult-use marketplace: 61% of Massachusetts residents said they feel legalization has had a positive impact on the state.

The Cannabis Control Commission will continue to promote public health and safety, foster an equitable industry, and collaborate with stakeholders and policymakers to ensure a successful and safe licensed industry.

