

HOUSE No. 4160

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, May 29, 2025.

The committee on Cannabis Policy, to whom were referred the petition (accompanied by bill, House, No. 143) of James C. Arena-DeRosa for legislation to further regulate hemp products, the petition (accompanied by bill, House, No. 146) of Rob Consalvo for legislation to create cannabis testing standards, the petition (accompanied by bill, House, No. 148) of Manny Cruz relative to the cannabis employment process, the petition (accompanied by bill, House, No. 149) of Mark J. Cusack relative to cannabis retail licensees, the petition (accompanied by bill, House, No. 155) of Bradley H. Jones, Jr., and others for an investigation by a special commission relative to the practice of lab shopping in the cannabis industry, the petition (accompanied by bill, House, No. 156) of Hannah Kane and others relative to establishing a minimum age of entry for cannabis related events, the petition (accompanied by bill, House, No. 158) of Meghan K. Kilcoyne and Jacob R. Oliveira relative to modernization of the cannabis market, the petition (accompanied by bill, House, No. 160) of Samantha Montañó for legislation to promote equity joint venture partnerships, the petition (accompanied by bill, House, No. 162) of David M. Rogers relative to research by independent testing laboratories under the marijuana law, the petition (accompanied by bill, House, No. 163) of David M. Rogers relative to the Massachusetts Medical Marijuana Program, the petition (accompanied by bill, House, No. 168) of Dawne Shand relative to requiring the Cannabis Control Commission to regulate intoxicating hemp products, the petition (accompanied by bill, House, No. 169) of Dawne Shand that the Cannabis Control Commission be authorized to study supply and demand for cannabis cultivation, the petition (accompanied by bill, House, No. 170) of Dawne Shand for legislation to address public health risks related of certain cannabis products, the petition (accompanied by bill, House, No. 171) of Dawne Shand relative to the cannabis regulatory environment, the petition (accompanied by bill, House, No. 173) of Michael J. Soter and Bradley H. Jones, Jr., relative to the regulation of Delta-9 THC, the petition (accompanied by bill, House, No. 174) of Michael J. Soter and David M. Rogers relative to raising the standalone cap for marijuana establishments, the petition (accompanied by bill, House, No. 179) of Michael J. Soter relative to the regulation of CBD and hemp products, the petition (accompanied by bill, House, No. 182) of Chynah Tyler that the Cannabis

Control Commission conduct a study on programs and partnerships to encourage the employment of formerly incarcerated individuals in the cannabis industry, the petition (accompanied by bill, House, No. 183) of Chynah Tyler relative to cannabis purchase and possession limits, the petition (accompanied by bill, House, No. 192) of Marcus S. Vaughn relative to increased data collection in research agenda of public health impacts of cannabis, the petition (accompanied by bill, House, No. 194) of Susannah M. Whipps for legislation to establish a department of workplace and consumer safety within the Massachusetts Cannabis Control Commission, reports recommending that the accompanying bill (House, No. 4160) ought to pass.

For the committee,

DANIEL M. DONAHUE.

HOUSE No. 4160

The Commonwealth of Massachusetts

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

An Act modernizing the commonwealth's cannabis laws.

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 6 of the General Laws is hereby amended by adding the following
2 two sections:-

3 Section 223.

4 (a) There shall be a Massachusetts cannabis control commission, which shall consist of 3
5 commissioners, appointed by the governor. The governor shall designate 1 commissioner as
6 chair, who shall devote their full-time duties to their office. The governor shall appoint
7 commissioners based on their experience or expertise in public health, public safety, social
8 justice, the regulation and business of consumer commodities and the production and distribution
9 of marijuana and marijuana products. Prior to appointment to the commission, a background
10 investigation shall be conducted into the financial stability, integrity and responsibility of a
11 candidate, including the candidate's reputation for good character, and honesty. No person who
12 has been convicted of a felony shall be eligible to serve on the commission.

(b) Each commissioner shall be a resident of the commonwealth within 90 days of appointment and, while serving on the commission, shall not: (i) hold, or be a candidate for, federal, state or local elected office; (ii) hold an appointed office in a federal, state or local government; or (iii) serve as an official in a political party. Not more than 2 commissioners shall be from the same political party.

(c) The chair shall serve a term co-terminus with the governor. The remaining commissioners shall serve for a term of 4 years or until a successor is appointed. Each commissioner shall be eligible for reappointment, but no commissioner shall serve more than 8 years. A person appointed to fill a vacancy in the office of a commissioner shall be appointed in a like manner and shall serve for only the unexpired term of that commissioner.

(d) The governor may remove a commissioner for neglect of duty, misconduct or malfeasance in office. Before removal, the commissioner shall be provided with a written statement of the reason for removal and an opportunity to be heard.

(e) Two commissioners shall constitute a quorum and the affirmative vote of 2 commissioners shall be required for an action of the commission. The chair or 2 commissioners of the commission may call a meeting; provided, however, that notice of all meetings shall be given to each commissioner and to other persons who request such notice. The commission shall adopt regulations establishing procedures, which may include electronic communications, by which a request to receive notice shall be made and the method by which timely notice may be given.

(f) The chair shall receive a salary equal to the salary of the secretary of administration and finance. The two remaining commissioners shall receive a stipend in an amount not more

than 10 per cent of the salary of the secretary of administration and finance under section 4 of chapter 7.

(g) The chair shall have and exercise supervision and control over all the affairs of the commission. The chair shall preside at all hearings at which the chair is present and shall designate a commissioner to act as chair in the chair's absence. To promote efficiency in administration, the chair shall make such division or re-division of the work of the commission among the commissioners as the chair deems expedient.

(h) The commissioners shall, if so directed by the chair, participate in the hearing and decision of any matter before the commission; provided, however, that at least 2 commissioners shall participate in the hearing and decision of matters other than those of formal or administrative character coming before the commission; and provided further, that any such matter may be heard, examined and investigated by an employee of the commission designated and assigned by the chair, with the concurrence of 1 other commissioner. Such employee shall make a report in writing relative to the hearing, examination and investigation of every such matter to the commission for its decision. For the purposes of hearing, examining and investigating any such matter, such employee shall have all of the powers conferred upon a commissioner by this section. For each hearing, the concurrence of a majority of the commissioners participating in the decision shall be necessary.

(i) The chair shall appoint an executive director. The executive director shall serve at the pleasure of the chair, shall receive such salary as may be determined by the commission, and shall devote their full-time duties to their office. The executive director shall be a person with skill and experience in management and shall be responsible for administering and enforcing the

law relative to the commission and to each administrative unit thereof. The executive director shall appoint and employ a chief financial and accounting officer and may, subject to the approval of the chair, employ other employees, consultants, agents and advisors, including legal counsel, and shall attend meetings of the commission. The chief financial and accounting officer of the commission shall be in charge of its funds, books of account and accounting records. No funds shall be transferred by the commission without the approval of the chair and the signatures of the chief financial and accounting officer. In the case of an absence or vacancy in the office of the executive director or in the case of disability as determined by the chair, the chair shall designate an acting executive director to serve as executive director until the vacancy is filled or the absence or disability ceases. The acting executive director shall have all of the powers and duties of the executive director and shall have similar qualifications as the executive director.

(j) Chapters 268A and 268B shall apply to the commissioners and to employees of the commission; provided, however, that the commission shall establish a code of ethics for all members and employees that shall be more restrictive than said chapters 268A and 268B. A copy of the code shall be filed with the state ethics commission. The code shall include provisions reasonably necessary to carry out the purposes of this section and any other laws subject to the jurisdiction of the commission including, but not limited to: (i) prohibiting the receipt of gifts by commissioners and employees from any marijuana licensee, applicant, close associate, affiliate or other person or entity subject to the jurisdiction of the commission; (ii) prohibiting the participation by commissioners and employees in a particular matter as defined in section 1 of said chapter 268A that affects the financial interest of a relative within the third degree of consanguinity or a person with whom such commissioner or employee has a significant

relationship as defined in the code; and (iii) providing for recusal of a commissioner in a licensing decision due to a potential conflict of interest.

(k) The Massachusetts cannabis control commission shall be a commission for the purposes of section 3 of chapter 12.

(l) The commission shall, for the purposes of compliance with state finance law, operate as a state agency as defined in section 1 of chapter 29 and shall be subject to the laws applicable to agencies under the control of the governor; provided, however, that the comptroller may identify any additional instructions or actions necessary for the commission to manage fiscal operations in the state accounting system and meet statewide and other governmental accounting and audit standards. The commission shall properly classify the commission's operating and capital expenditures, and shall not include any salaries of employees in the commission's capital expenditures. Unless otherwise exempted by law or the applicable central service agency, the commission shall participate in any other available commonwealth central services including, but not limited to, the state payroll system pursuant to section 31 of said chapter 29, and may purchase other goods and services provided by state agencies in accordance with comptroller provisions. The comptroller may chargeback the commission for the transition and ongoing costs for participation in the state accounting and payroll systems and may retain and expend such costs without further appropriation for the purposes of this section. The commission shall be subject to section 5D and subsection (f) of section 6B of said chapter 29.

Section 224.

(a) There shall be a cannabis advisory board to study and make recommendations to the Massachusetts cannabis control commission on the regulation and taxation of marijuana. The

101 board shall consist of: the chair of the Massachusetts cannabis control commission who shall
102 serve as chair; the secretary of economic development or a designee; the commissioner of
103 revenue or a designee; the commissioner of public health or a designee; the commissioner of
104 agricultural resources or a designee; the colonel of the state police or a designee; the president of
105 the Massachusetts Municipal Association, Inc. or a designee; the president of the Massachusetts
106 Patient Advocacy Alliance, Inc. or a designee; a registered qualifying patient appointed by the
107 president of the Massachusetts Patient Advocacy Alliance, Inc.; the executive director of the
108 American Civil Liberties Union of Massachusetts, Inc. or a designee; 15 persons to be appointed
109 by governor, 1 of whom shall be an expert in marijuana cultivation, 1 of whom shall be an expert
110 in marijuana retailing, 1 of whom shall be an expert in marijuana product manufacturing, 1 of
111 whom shall be an expert in laboratory sciences and toxicology, 1 of whom shall be an expert in
112 providing legal services to marijuana businesses, 1 of whom shall be an expert in minority
113 business development, 1 of whom shall be an expert in economic development strategies for
114 under-resourced communities, 1 of whom shall be an expert in farming or representing the
115 interests of farmers, 1 of whom shall be an expert representing the interests of employers, 1 of
116 whom shall be an expert in municipal law enforcement with advanced training in impairment
117 detection and evaluation, 1 of whom shall be an expert in social welfare or social justice, 1 of
118 whom shall be an expert in criminal justice reform to mitigate the disproportionate impact of
119 drug prosecutions on communities of color, 1 of whom shall be an expert in minority business
120 ownership, 1 of whom shall be an expert in women-owned business ownership and 1 of whom
121 shall be an expert in the prevention and treatment of substance use disorders. Members of the
122 board shall serve for terms of 2 years. Members of the board shall meet quarterly and at other
123 times at the discretion of the chair. Members shall serve without compensation but shall be

reimbursed for their expenses actually and necessarily incurred in the discharge of their official duties. Members of the board shall not be state employees under chapter 268A by virtue of their service on the board. To take action at a meeting, a majority of the members of the board present and voting shall constitute a quorum.

(b) The cannabis advisory board shall: (i) consider all matters submitted to it by the commission; (ii) on its own initiative, recommend to the commission guidelines, rules and regulations and any changes to guidelines, rules and regulations that the advisory board considers important or necessary for the commission's review and consideration; and (iii) advise on the preparation of regulations pursuant to chapter 94G and chapter 94I.

(c) The chair may appoint subcommittees in order to expedite the work of the board.

SECTION 2. Sections 76 and 77 of chapter 10 of the General Laws are hereby repealed.

SECTION 3. Paragraph (4) of subsection (d) of section 2 of chapter 62, as so appearing, is hereby amended by striking out, in lines 412 and 413, the words "medical marijuana treatment center" and inserting in place thereof the following words:-

medical marijuana establishment

SECTION 4. Section 66 of chapter 62C, as so appearing, is hereby amended by striking out the first paragraph and inserting in place thereof the following paragraph:-

The commissioner may require a person required to be licensed or registered under chapters 64A to 64C, inclusive, chapters 64E to 64J, inclusive, chapter 64M or chapter 64O or subject to taxation under section 21 of chapter 138 or section 29 of chapter 94G, to file with him a bond, satisfactory to the commissioner, in such amount as the commissioner may determine,

with a surety company authorized to transact business in the commonwealth as surety, to secure the payment of any tax, including any interest and penalties thereon, due or which may become due from such person under said chapters; provided, however, that the amount of such bond required from a vendor under chapter 64H or 64I shall not exceed the amount which the commissioner shall determine to be such vendor's average tax liability for a 6-month period.

SECTION 5. Section 67 of chapter 62C, as so appearing, is hereby amended by striking out, in lines 12 to 14, inclusive, the words “chapter 64J or as a direct broadcast satellite service provider as defined in chapter 64M” and inserting in place thereof the following words:-

chapter 64J, as a direct broadcast satellite service provider as defined in chapter 64M or as a wholesaler or retailer as defined in chapter 64O

SECTION 6. Paragraph (4) of section 30 of chapter 63, as so appearing, is hereby amended by striking out, in line 61, the words “medical marijuana treatment center” and inserting in place thereof the following words:-

medical marijuana establishment

SECTION 7. Section 4 of chapter 64N, as so appearing, is hereby amended by striking out, in lines 2 and 3, the words “medical marijuana treatment center” and inserting in place thereof the following words:-

, medical marijuana establishment,

SECTION 8. The General Laws are hereby amended by inserting after chapter 64N the following chapter:-

Chapter 64O.

166 Section 1.

167 As used in this chapter, the following word shall, unless the context clearly requires
168 otherwise, have the following meaning:

169 “Consumable CBD product,” consumable CBD product as defined in section 1 of chapter
170 94G.

171 “Manufacturer,” any person who holds a consumable CBD product manufacturer
172 endorsement or a certificate of compliance issued by the cannabis control commission pursuant
173 to section 30 of chapter 94G of the General Laws.

174 "Person", a natural person, corporation, association, partnership or other legal entity

175 “Retailer,” any person who operates a store or concession for the purpose of making sales
176 of consumable CBD products at retail and who holds a consumable CBD product retailer
177 endorsement issued by the cannabis control commission pursuant to section 32 of chapter 94G of
178 the General Laws.

179 “Wholesaler,” any person who purchases consumable CBD products from a manufacturer
180 or person so purchasing and selling and licensed as a wholesaler, and who sells consumable CBD
181 products to wholesalers or retailers for resale , and who holds a consumable CBD product
182 wholesaler endorsement issued by the cannabis control commission pursuant to section 31 of
183 chapter 94G of the General Laws.

184 Section 2. No person shall sell consumable CBD products or act as a wholesaler or
185 retailer in the commonwealth unless licensed to do so under section sixty-seven of chapter sixty-

186 two C. Each license so issued or a duplicate copy thereof shall be prominently displayed on the
187 premises covered by the license.

188 Section 3. A tax is hereby imposed upon the sale of consumable CBD products by a
189 retailer licensed pursuant to section 2 of this chapter at a rate of 5.35 per cent of the total sales
190 price received by such retailer as a consideration for the sale of CBD consumable products. The
191 tax shall be levied in addition to state tax imposed upon the sale of property or services as
192 provided in section 2 of chapter 64H of the General Laws and shall be paid by a retailer licensed
193 pursuant to section 2 of this chapter to the commissioner at the time provided for filing the return
194 required by section 16 of chapter 62C of the General Laws.

195 SECTION 9. Chapter 94 of the General Laws is hereby amended by inserting the
196 following sections:-

197 Section 330.

198 As used in this section and sections 331 to 335, inclusive, the following words and
199 phrases shall have the following meanings:-

200 “Cannabinoid,” as defined in section 1 of section 1 of chapter 94G.

201 “Consumable CBD product,” as defined in section 1 of chapter 94G.

202 "Governmental entity", an official body of the commonwealth, or of a county, city or
203 town within the commonwealth.

204 “Hemp,” hemp as defined in section 116 of chapter 128.

205 “Hemp beverages,” hemp beverages as defined in section 1 of chapter 94G.

206 “Hemp beverage products,” hemp beverage products as defined in section 1 of chapter
207 94G.

208 “Industrial hemp,” industrial hemp as defined in section 116 of chapter 128.

209 "Person", a natural person, corporation, association, partnership or other legal entity.

210 “Topical hemp product”, a final product derived from hemp that is not intended to be
211 ingested, inhaled or otherwise introduced into the human body, other than through topical
212 administration or application, and that does not cause an altered mental state or other intoxicating
213 effect when ingested, inhaled or otherwise introduced into the human body, even if this is not
214 among its stated purposes.

215 Section 331.

216 (a) No topical hemp product shall be sold or otherwise transferred:

217 (i) That is advertised as consumable by ingestion, inhalation or otherwise introducible
218 into the human body other than through topical administration or application;

219 (ii) That is advertised as causing or having the ability to cause an altered mental state or
220 other intoxicating effect when ingested, inhaled or otherwise introduced into the human body;

221 (iii) In packaging that includes any markings or images indicating that it may cause an
222 altered mental state or other intoxicating effect;

223 (iv) In packaging that closely resembles the packaging of candy or other food products
224 marketed towards children; or

(v) That is adulterated, except that hemp included in a topical hemp product under this chapter shall not be considered an adulterant.

(b) Excepting prescription drugs as defined in section 1 of chapter 94C, food ingredients generally recognized as safe by the U.S. Food and Drug Administration, marijuana and marijuana products sold pursuant to chapter 94G, hemp beverages and hemp beverage products sold pursuant to chapter 94G, consumable CBD products sold pursuant to chapter 94G, industrial hemp sold pursuant to chapter 128 and topical hemp products, a product containing any cannabinoid may not be sold or otherwise transferred.

Section 332.

If a local board of health has reason to suspect a product is in violation of sections 330 to 335, inclusive, that board shall conduct examinations and investigations and may take samples of products for analysis to determine compliance with these sections. If that board determines that a violation of these sections has occurred, they shall take enforcement action.

Section 333.

(a) For a first violation of sections 330 to 335, inclusive, enforcement actions shall consist of removal from the premises all products that the department determines violate these sections, as well as a written warning to the violating person that repeated violations may result in revocation of operating permits and licenses. This warning may include a requirement for the violating person to complete an informational course that explains the laws and regulations surrounding the sale of products that contain cannabinoids. If an informational course is required as an enforcement action for a first violation, it shall be administered by the local board of health that made the initial determination of a violation. Failure of the violating person to complete a

required course within 6 months of the reception of this warning may be considered a separate violation of these sections.

(b) For repeated violations of sections 330 to 335, inclusive, either as a result of repeated investigations by a local board of health or the failure to complete an informational course administered following a first violation, enforcement actions shall include, but not be limited to, removal from the premises of all products that the department determines violate these sections, and the destruction of these products. The local board of health that made the determination of these repeated violations may, within 30 days of a determination that a product is in violation of these sections, send written notice of this violation to all governmental entities that have issued a permit or license to any violating person; provided that this may include governmental entities that issue a permit or license to a person after a determination is made but before written notices are sent. Repeated violations of sections these sections may be considered by a governmental entity as grounds for suspension or revocation of any permit or license issued by this entity that relates to the production or sale of food, alcohol, tobacco, cosmetics, consumable CBD products or drugs.

Section 334.

Local boards of health may establish civil administrative fines for repeated violations of sections 330 to 335, inclusive. A person aggrieved by the assessment of a fine under this section may appeal to the full board from which it was assessed not later than 21 days after the receipt of the notice of the fine. Appeals shall be given a speedy hearing before the local board of health from which it was assessed.

Section 335.

(a) Local boards of health may make rules and regulations to carry out the provisions of sections 330 to 335, inclusive.

(b) Whenever changes are made regarding a local board of health's enforcement of these sections, local boards of health shall send written communication of these changes to all persons within their jurisdiction that have active permits or licenses relating to food, alcohol, tobacco, cosmetics or drugs in a timely manner.

(c) Nothing in this section shall be construed to exempt from penalty any person found responsible for a violation of sections 330 to 335, inclusive, as a result of not receiving a written communication described in subsection (b); provided, that the responsible local board of health made a good faith effort to provide this information to those who are entitled to it under subsection (b).

SECTION 10. Section 1 of chapter 94C, as so appearing, is hereby amended by striking out the definition of "Marihuana" and inserting in its place the following definition:-

"Marihuana", all parts of the plant *Cannabis sativa* L., whether growing or not; the seeds thereof; and resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin; provided, this shall not include the mature stalks of the plant, industrial hemp as defined in section 116 of chapter 128, fiber produced from the stalks, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, except the resin extracted therefrom, fiber, oil, or cake or the sterilized seed of the plant which is incapable of germination; hemp as defined by section 116 of chapter 128; topical hemp products as defined

290 by section 330 of chapter 94; and consumable CBD products, hemp beverages, and hemp
291 beverage products as defined by section 1 chapter 94G.

292 SECTION 11. Section 32L of said chapter 94C, as so appearing, is hereby amended by
293 striking out, in lines 2, 23, 30, 35, 36 and 45 the figure “2” and inserting in place thereof, in each
294 instance, the following figure: - “3”.

295

296 SECTION 12. Section 32M of said chapter 94C, as so appearing, is hereby amended by
297 striking out in, in line 3, the figure “2” and inserting in place thereof the following figure:- “3”.

298 SECTION 13. Section 34 of said chapter 94C, as so appearing, is hereby amended by
299 striking the out, in line 18, the words “one ounce of marihuana” and inserting in place thereof the
300 following words:-

301 “two ounces of marijuana”.

302 SECTION 14. Section 1 of chapter 94G, as so appearing, is hereby amended by striking
303 out, in line 25, the words “section 75 of chapter 10” and inserting in place thereof the following
304 words: - “section 223 of chapter 6.”

305 SECTION 15. Said section 1 of said chapter 94G is hereby further amended by striking
306 out the definitions of “Hemp”, “Host community”, “Host community agreement”, “Independent
307 testing laboratory”, “Marijuana” or “Marihuana”, “Medical marijuana treatment center” and
308 “Social equity business”, and inserting the following definitions:-

“Cannabinoid”, any small organic molecule capable of interacting, either as an agonist, antagonist, inhibitor both reversible and irreversible, of either cannabinoid receptor, namely CB1 and CB2 receptors.

“Consumable CBD product”, a product that is to be consumed by humans by eating or sublingual application and that contains, or is advertised, labeled or offered for sale as containing cannabinoids derived from hemp, that at most contains trace amounts of THC, and does not include marijuana products, hemp beverages or hemp beverage products. Consumable CBD products shall not be considered “food” as defined in section 1 of chapter 94.

“Hemp”, hemp as defined in section 116 of chapter 128.

“Hemp beverage”, a beverage intended for human consumption that is not an alcoholic beverage, as defined in section 1 of chapter 138, that contains, or is advertised, labeled or offered for sale as containing cannabinoids derived from hemp as defined chapter 138. Hemp beverages shall not be considered “food” as defined in section 1 of chapter 94.

“Hemp beverage product”, a hemp beverage in a container intended for retail sale. A hemp beverage product shall not be considered “food” as defined in section 1 of chapter 94.

“Host community” a municipality in which a marijuana establishment or a medical marijuana establishment is located or in which an applicant has proposed locating a marijuana establishment or a medical marijuana establishment.

“Host community agreement” an agreement between a marijuana establishment or a medical marijuana establishment and a municipality pursuant to subsection (d) of section 3.

“Independent testing laboratory”, a laboratory that is licensed by the commission and is:

- (i) accredited to the most current International Organization for Standardization 17025 by a third-party accrediting body that is a signatory to the International Laboratory Accreditation Cooperation mutual recognition arrangement or that is otherwise approved by the commission;
- (ii) independent financially from any medical marijuana establishment or any licensee or marijuana establishment for which it conducts a test; and (iii) qualified to test marijuana in compliance with regulations promulgated by the commission pursuant to this chapter.

"Marijuana" or "Marihuana", all parts of any plant of the genus Cannabis, not excepted below and whether growing or not; the seeds thereof; and resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin including tetrahydrocannabinol as defined in section 1 of chapter 94C; provided, however, that "marijuana" shall not include: (i) the mature stalks of the plant, fiber produced from the stalks, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of the mature stalks, fiber, oil or cake made from the seeds of the plant or the sterilized seed of the plant that is incapable of germination; (ii) hemp as defined by section 116 of chapter 128; (iii) topical hemp products as defined by section 330 of chapter 94; (iv) consumable CBD products, hemp beverages, or hemp beverage products as defined by section 1 chapter 94G; or (v) the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink or other products.

“Medical marijuana establishment,” a medical marijuana establishment as defined in section 1 of chapter 94I.

“Qualified out-of-state testing laboratory,” a laboratory that (i) is accredited by a third-party accrediting body as a competent testing laboratory pursuant to ISO/IEC 17025 of the International Organization for Standardization, (ii) does not have a direct or indirect interest in the entity whose product is being tested, (iii) does not have a direct or indirect interest in a facility that cultivates, processes, distributes, dispenses, or sells infused beverages or infused beverage products in the state, (iv) is licensed by a United States jurisdiction other than the commonwealth to test non-industrial hemp or cannabis, and (v) complies with any other regulations promulgated by the commission.

"Social equity business", a marijuana establishment or medical marijuana establishment with not less than 51 per cent majority ownership of individuals who are eligible for the social equity program under section 22 or whose ownership qualifies it as an economic empowerment priority applicant as defined by the commission's regulations promulgated pursuant to section 4.

“Transportable hemp concentrate”, the product of any chemical or physical process applied to naturally occurring biomass that concentrates or isolates the cannabinoids contained in the biomass; is derived from the hemp plant that, based on sampling that was collected no more than 30 days before the day on which the hemp plant was harvested, contains a combined concentration of total THC and any THC analog of less than 0.3% on a dry weight basis; has a THC and THC analog concentration total that is less than 20% when concentrated from the hemp plant to the purified state; and is intended to be processed into a hemp beverage product.

SECTION 16. Clause (iii) of paragraph (2) of subsection (a) of section 3 of said chapter 94G, as so appearing, is hereby amended by striking out, in line 31, the words “medical marijuana treatment centers” and inserting in place thereof the following words:-

372 medical marijuana establishments

373 SECTION 17. Subsection (d) of said section 3 of said chapter 94G, as so appearing, is
374 hereby amended by striking out, in lines 102 and 103, 105 and 106, 111 and 112, 114 and 115,
375 116 and 117, 118 and 119, 120 and 121, 126 and 127, 130 and 131, 135 and 136, 139 and 140,
376 146 and 147, 150 and 151, 155 and 156, 162 and 163, 177 and 178, and 189 and 190, the words
377 “marijuana establishment or medical marijuana treatment center” and inserting in place thereof,
378 in each instance, the following words:- marijuana establishment or medical marijuana
379 establishment

380 SECTION 18. Subsection (f) of said section 3 of said chapter 94G, as so appearing, is
381 hereby amended by striking out, in line 223, the words “medical marijuana treatment centers”
382 and inserting in place thereof the following words:-

383 medical marijuana establishments

384 SECTION 19. Clause (i) of subsection (a) of section 4 of said chapter 94G, as so
385 appearing, is hereby amended by adding by striking out, in line 5, the following words: “appoint
386 officers and”

387 SECTION 20. Subsection (a) of said section 4 of said section 94G is hereby amended by
388 inserting after clause (xxxii) the following clauses:

389 (xxxiii) inspect and test any hemp beverage product being sold at retail pursuant to
390 section 27 of this chapter

391 (xxxix) inspect and test any consumable CBD product being sold at retail pursuant to
392 section 32 of this chapter

(xl) limit the total number of licenses available under this chapter and chapter 94I.

SECTION 21. Clause (xx) of subsection (a $\frac{1}{2}$) of said section 4 of said chapter 94G, as so appearing, is hereby amended by striking out, in lines 169 and 170, the words “medical marijuana treatment center” and inserting in place thereof the following words:-

medical marijuana establishment

SECTION 22. Clause (xxx) of said subsection (a $\frac{1}{2}$) of said section 4 of said chapter 94G, as so appearing, is hereby amended by inserting after the word “commission;” in line 291, the following words:-

“including specific procedures and requirements to enable to the sale of a marijuana establishment or medical marijuana treatment center to a licensee’s employees through an employee stock ownership plan as defined in § 407(D)(6)(A) of the employee retirement income security act of 1974 ((29 U.S.C. § 1107(d)(5)).”

SECTION 23. Clause (xxxv) of said subsection (a $\frac{1}{2}$) of said section 4 of said chapter 94G, as so appearing, is hereby amended by striking out, in lines 313 and 314, the words “medical marijuana treatment centers” and inserting in place thereof the following words:-

medical marijuana establishments

SECTION 24. Paragraph (4) of subsection (c) of said section 4 of said chapter 94G, as so appearing, is hereby amended by striking out, in lines 355 to 357, in both instances, the words “medical marijuana treatment center” and inserting in place thereof the following words:-

medical marijuana establishment

413 SECTION 25. Paragraph (5) of said subsection (c) of said section 4 of said chapter 94G
414 is hereby amended by striking out, in lines 361 and 362, the words “medical marijuana treatment
415 centers” and inserting in place thereof the following words:-

416 medical marijuana establishments

417 SECTION 26. Subsection (h) of said section 4 of said chapter 94G, as so appearing, is
418 hereby amended by inserting after the word “chapter,” in line 384, the following words: - “data
419 on the complaints received through the portal established in this section”.

420 SECTION 27. Said subsection (h) of said section 4 of said chapter 94G is hereby further
421 amended by striking out, in lines 386 and 387, the words: “the attorney general, the treasurer and
422 receiver-general”.

423 SECTION 28. Said section 4 of said chapter 94G is hereby further amended by inserting
424 the following subsection:-

425 (m) The commission shall establish and maintain an online portal for the anonymous
426 submission of complaints concerning the suspected illegal conduct of businesses licensed by the
427 commission, including but not limited to testing practices by independent testing laboratories as
428 defined in section 1 of chapter 94G and license cap limitations established in section 16 of
429 chapter 94G. The commission may in addition maintain a phone line or any other line of
430 communication that it considers appropriate for this purpose.

431 SECTION 29. Subsection (a) of section 7 of said chapter 94G, as so appearing, is hereby
432 amended by striking out paragraph 1 inserting in place thereof the following paragraph:-

(1) possessing, using, purchasing, processing or manufacturing not more than the 2 ounce equivalency of marijuana, marijuana concentrate, edible, beverage, and other ingestible products combined, as determined by the commission

SECTION 30. Said subsection (a) of said section 7 of said chapter 94G is hereby further amended by striking out paragraph (4) and inserting in place thereof the following paragraph:-

(4) giving away or otherwise transferring without remuneration not more than the 2 ounce equivalency of marijuana, marijuana concentrate, edible, beverage, and other ingestible products combined, as determined by the commission, to a person 21 years of age or older, as long as the transfer is not advertised or promoted to the public.

SECTION 31. Subsection (b) of section 13 of said chapter 94G, as so appearing, is hereby amended by striking out, in line 12, the figure “1” and replacing it with the following figure: - “2”.

SECTION 32. Subsection (e) of said section 13 of said chapter 94G, as so appearing, is hereby amended by striking out, in lines 50 and 51, the words “1 ounce but not more than 2 ounces” and inserting in place thereof the following words:-

“2 ounces but not more than 3 ounces.”

SECTION 33. Subsection (c) of section 14A of said chapter 94G, as so appearing, is hereby amended by striking out, in lines 49 and 50, “medical marijuana treatment centers” and inserting in place thereof the following words:-

medical marijuana establishments

SECTION 34. Said chapter 94G, as so appearing, is hereby amended by striking out section 16 and inserting in place thereof the following section:-

Section 16. (a) No licensee shall be granted more than 6 marijuana retailer licenses, 3 fully integrated medical marijuana treatment center licenses, 3 marijuana product manufacturer licenses or 3 marijuana cultivator licenses; provided, however, that (i) a licensee may hold 6 marijuana retailer licenses, 3 fully integrated medical marijuana treatment center licenses, 3 marijuana product manufacturer licenses and 3 marijuana cultivator licenses and (ii) that a licensee holding 3 fully integrated medical marijuana treatment center licenses shall be prohibited from obtaining any additional medical marijuana establishment licenses established by the commission under section 7 of chapter 94I.

(b) The limitations of this section shall not apply to (i) a person functioning solely as a trustee during or after the sale of a marijuana establishment or medical marijuana establishment to a licensee's employees through an employee stock ownership plan as defined in § 407(D)(6)(A) of the employee retirement income security act of 1974 ((29 U.S.C. § 1107(d)(5)), or (ii) a person or entity that possesses a financial interest in the form of equity of less than 35% in a license.

SECTION 35. Said chapter 94G is hereby amended by adding the following sections:

Section 23. It shall be unlawful for any marijuana establishment or medical marijuana establishment under this chapter to receive or extend credit, directly or indirectly, for marijuana or marijuana products sold or delivered to any marijuana establishment or medical marijuana establishment except in the usual course of business and for a period of not more than sixty days. Nothing in this chapter shall require any marijuana establishment or medical marijuana

476 establishment to extend credit to any marijuana establishment or medical marijuana
477 establishment. If any licensee does not discharge in full any such indebtedness within such sixty
478 day period, the indebtedness shall be overdue and such licensee shall be delinquent within the
479 meaning of this section. Within three days after a licensee becomes delinquent, the marijuana
480 establishment or medical marijuana establishment that extended the credit shall notify the
481 commission and the delinquent marijuana establishment or medical marijuana establishment in a
482 manner to be determined by the commission. The notice shall contain the name of the delinquent
483 marijuana establishment or medical marijuana establishment, the date of delivery of the
484 marijuana or marijuana products and the amount of the indebtedness remaining undischarged.
485 Within five days after receipt of such notice, the commission shall post the name and address
486 only of the delinquent licensee in a delinquent list containing the names and addresses of all
487 delinquent licensees. Such posting shall constitute notice to all licensees of the delinquency of
488 such licensee.

489 If a marijuana establishment or medical establishment is seriously damaged in his
490 business by riot, insurrection, civil disturbance, fire, explosion or by an act of God, so-called, the
491 licensee may file an application with the commission requesting that the provisions of the first
492 paragraph of this section be suspended as to him for a reasonable period. The commission shall
493 set down the application for hearing within twenty-one days and shall notify all marijuana
494 establishment or medical marijuana establishment engaged in selling to said applicant of the
495 hearing and give all interested parties the right to be heard. Pending such hearing, the
496 commission may, after an investigation and determination that the facts as stated by the
497 marijuana establishment or medical marijuana establishment in his application would constitute
498 reasonable grounds for relief, order that such marijuana establishment or medical marijuana

499 establishment shall not be posted as delinquent. If the commission finds it is in the public interest
500 to do so, it may suspend the application of said first paragraph with respect to the applicant for
501 such period as it may consider to be reasonable and in the public interest. Such action shall not
502 deprive creditors of all legal rights available to them for the collection of the indebtedness and
503 shall be contingent on such terms and conditions as the commission shall determine.

504 No marijuana establishment or medical marijuana establishment under this chapter shall
505 sell or deliver, directly or indirectly, marijuana or marijuana products to a marijuana
506 establishment or medical marijuana establishment whose name is posted on the delinquent list,
507 except for payment in cash on or before delivery, and no marijuana establishment or medical
508 marijuana establishment that is posted on the delinquent list shall purchase or accept delivery of
509 any marijuana or marijuana product except for payment in cash on or before delivery.

510 Upon full discharge of the indebtedness for which a marijuana establishment or medical
511 marijuana establishment was posted, the marijuana establishment or medical marijuana
512 establishment who filed the letter of notice of delinquency shall, within twenty-four hours
513 thereafter, notify the commission, by mailing a letter by certified mail addressed to the
514 commission of the discharge of the indebtedness. The commission shall immediately strike the
515 name of the delinquent marijuana establishment or medical marijuana establishment from the
516 list. The commission shall by regulations prescribe how marijuana establishments and medical
517 marijuana establishments, other than the two concerned, shall be notified of the filing of the
518 name of a marijuana establishment or medical marijuana establishment on the delinquency list
519 and of the removal of the name of a delinquent from such list.

520 The commission shall not authorize a change of ownership or control of a marijuana
521 establishment or medical marijuana establishment on the delinquent list until all delinquencies
522 are satisfied and the commission has removed the marijuana establishment or medical marijuana
523 establishment from the delinquent list under this section, except for approval of court-appointed
524 receivers or trustees under a voluntary assignment for the benefit of creditors, provided that prior
525 approval of such assignment is obtained from the commission after notice to all creditors has
526 been given and reasonable time allowed for objections by all creditors.

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

530 The posting list shall be available for inspection by any licensee or his duly authorized
531 agent only.

532 SECTION 36. Chapter 94G of the General Laws is hereby amended by adding the
533 following sections:-

534 Section 24. (a) No hemp beverage product or consumable CBD product shall be sold in
535 the commonwealth unless such product is registered with the commission and complies with this
536 section and any regulations promulgated by the commission pursuant to this section. The
537 commission shall publish a publicly available list of registered hemp beverage products and
538 consumable CBD products.

539 (b) The commission shall register a hemp beverage product or a consumable CBD
540 product following submission of an application, in a form and manner prescribed by the

541 commission, that demonstrates compliance with this section. At a minimum, such application
542 shall include:

543 (i) the name and address of the applicant;

544 (ii) the name and address of the brand or company whose name shall appear on the label
545 of the hemp beverage product or consumable CBD product;

546 (iii) the name of the hemp beverage product or consumable CBD product;

547 (iv) the name and address of the manufacturer of the hemp beverage product or
548 consumable CBD product;

549 (v) a complete copy of the front and back of the label that will appear on the hemp
550 beverage product or consumable CBD product; and,

551 (vi) a certificate of analysis compliant with commission regulations from an independent
552 testing laboratory, a laboratory registered with the Drug Enforcement Administration which
553 conducts testing under 7 C.F.R. § 990.25(g)(3), or a qualified out-of-state independent testing
554 laboratory for (1) the batch for each hemp beverage product or consumable CBD product and (2)
555 the transportable hemp concentrate used to manufacture the hemp beverage product or
556 consumable CBD product.

557 Such registration shall be subject to suspension or revocation for cause. Any application
558 for registration under this section shall be accompanied by a registration processing fee in an
559 amount to be determined by the commission.

560 The commission shall approve or deny such an application within thirty days of
561 submission.

(c) The commission may conduct tests to ensure that any claim made by an applicant about a hemp beverage product or a consumable CBD product is accurate.

(d) The commission shall establish an off-the-shelf testing program for hemp beverage products sold at retail pursuant to section 27 of this chapter. The commission shall notify the alcoholic beverages control commission of any products being sold in violation of the commission's regulations or this chapter.

(e) The commission shall establish an off-the-shelf testing program for consumable CBD products sold at retail pursuant to section 32 of this chapter. The commission may revoke or suspend a consumable hemp manufacturer, wholesaler, or retailer endorsement following a determination of a violation of this section or sections 30 through 32, inclusive.

(f) The commission shall, in accordance with chapter 30A, adopt regulations consistent with section and sections 25 through 33, inclusive, for the administration, clarification and enforcement of laws regulating hemp beverages, hemp beverage products, and consumable CBD products sold in the commonwealth. The regulations shall include, but not be limited to:

(i) a maximum amount of cannabinoids per hemp beverage product container; provided, however, that such maximum amount of total THC per container established by the commission shall be 5 milligrams per container or shall equal the container limit for marijuana beverage products established by the cannabis control commission under chapter 94G, whichever is greater,

(ii) requirements for the size and form of hemp beverage product containers; provided, however, that the minimum size of each hemp beverage product container is not less than 11 ounces

(iii) requirements and standards sufficient to ensure that cannabinoids present in transportable hemp concentrate, hemp beverages, hemp beverage products, and consumable CBD products were naturally produced,

(iv) requirements for the manufacture, packaging, and labeling of hemp beverages, hemp beverage products, and consumable CBD products intended to be sold or offered for sale in the commonwealth, provided that, when applicable, these standards are as strict or stricter than the standards adopted for marijuana product manufacturers adopted by the commission

(v) testing standards for the certificate of analysis required by this section for transportable hemp concentrate and batches of hemp beverage products and consumable CBD products, including, but not limited to analysis to characterize the cannabinoid profile and chemical contaminants,

(vi) standards for qualified out-of-state testing laboratories

(vii) establish procedures for off-the-shelf testing of hemp beverage products

(viii) standards for determining trace amounts of THC in consumable CBD products

Section 25. (a) No person shall manufacture a hemp beverage that is intended to be sold or offered for sale in the commonwealth unless such person holds a hemp beverage manufacturer endorsement or a certificate of compliance issued by the commission pursuant to this section.

The commission may impose a fine of up to \$10,000 on a person that advertises, announces, establishes, maintains or is concerned in establishing or maintaining a hemp beverage manufacturing operation without an endorsement granted by the commission. Each day during

which a violation continues shall constitute a separate offense. The commission may conduct surveys and investigations to enforce compliance with this section.

(b) The commission shall issue for a term of one year, and renew for a like term, an endorsement to manufacture hemp beverages under this section to an entity that submits to the commission, in a form and manner prescribed by the commission, an application that demonstrates eligibility for an endorsement under this section. Such an endorsement shall be subject to suspension, revocation or refusal to renew for cause. Any application for an endorsement under this section, or renewal thereof, shall be accompanied by an application processing fee in the amount of five thousand dollars. The commission shall approve or deny 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 chapter 138 or (ii) manufacture marijuana-infused products issued under this chapter or chapter 94I.

(d) No holder of an endorsement or certificate of compliance under this section shall sell a hemp beverage or hemp beverage product to any person in the commonwealth unless such person holds an endorsement or certificate of compliance from the commission to manufacture hemp beverages under this section or a license to import or sell all alcoholic beverages at wholesale issued under chapter 138.

(e) A holder of an endorsement issued under this section may utilize existing facilities and equipment to manufacture hemp beverages and hemp beverage products in accordance with regulations promulgated by the commission. No hemp beverage manufacturer shall obtain any hemp for the purpose of manufacturing any hemp beverage that is intended to be manufactured,

626 sold or offered for sale in this state unless such hemp is in the form of transportable hemp
627 concentrate, and no such hemp beverage manufacturer shall use any hemp other than
628 transportable hemp concentrate to manufacture any such hemp beverage or hemp beverage
629 product.

630 (f) The commission shall issue a certificate of compliance to an out-of-state entity
631 authorized by its home state to manufacture or distribute alcoholic beverages or products
632 containing cannabinoids derived from hemp if the entity has submitted an application in
633 compliance with regulations made by the commission, the applicant satisfies the requirements
634 established by the commission, the applicant is in compliance with this chapter and the
635 regulations made by the commission, and the applicant has paid the required fee. The certificate
636 shall be issued upon the condition that the holder shall furnish when requested information
637 concerning all shipments or sales of hemp beverage products made by them into the
638 commonwealth. The commission may suspend, cancel or revoke any certificate issued hereunder
639 for a violation of the terms or conditions thereof. All certificates shall be issued to expire
640 December thirty-first of the year of issuance and the fee therefor shall be no less than \$200. The
641 commission shall issue a certificate of compliance within thirty days of application submission.

642 Section 26. (a) No person shall sell a hemp beverage product at wholesale in the
643 commonwealth unless such person holds license to import or sell all alcoholic beverages at
644 wholesale issued under chapter 138. The commission may impose a fine of up to \$10,000 on any
645 person that advertises, announces, establishes, maintains or is concerned in establishing or
646 maintaining a hemp beverage wholesaler operation without a license. Each day during which a
647 violation continues shall constitute a separate offense. The commission may conduct surveys and
648 investigations to enforce compliance with this section.

(b) No holder of a license to import or sell all alcoholic beverages at wholesale issued under chapter 138 shall sell a hemp beverage product to any person unless such person holds a license sell all alcoholic beverages at retail issued under chapter 138.

Section 27. (a) No person shall sell, or offer for sale, at retail a hemp beverage product unless such person holds a license to sell all alcohol at retail under chapter 138. No hemp beverage product shall be sold, or offered for sale, at retail to any individual by way of any indirect means, including, but not limited to, by way of mail or any telephonic or other electronic means. The commission may impose a fine of up to \$10,000 on a person that advertises, announces, establishes, maintains or is concerned in establishing or maintaining a retail establishment that sells, or offers for sale, at retail hemp beverage products in violation of this subsection. Each day during which a violation continues shall constitute a separate offense. The commission may conduct surveys and investigations to enforce compliance with this section.

(b) No holder of a license to sell all alcohol at retail under chapter 138 shall purchase hemp beverage products to be sold at retail from any person unless such person holds a license to import or sell all alcoholic beverages at wholesale issued under chapter 138.

Section 28. No hemp beverage product shall be sold to any individual who is younger than twenty-one years of age. No owner, agent or employee of a business authorized to sell hemp beverage products shall sell any hemp beverage products to an individual without first verifying the individual's age with a valid government-issued driver's license or identity card to establish that such individual is twenty-one years of age or older.

Section 29. (a) A hemp beverage product excise tax will be levied on all hemp beverage products at a rate of \$4.05 per gallon. Manufacturers under section 25 of Chapter 94G must file

671 their tax at a schedule specified by the department of revenue and pay for products manufactured
672 in Massachusetts for sale in Massachusetts. Out of state businesses wholesalers must file at a
673 schedule specified by the department of revenue and pay for hemp beverage products shipped
674 into Massachusetts for sale in Massachusetts. Hemp beverage products shall be exempt from
675 sales tax. Hemp beverage products stored or manufactured in Massachusetts intended for or sold
676 outside Massachusetts shall not be subject to an excise tax.

677 (b) The administration of the tax imposed by this section shall be vested in the
678 commissioner of revenue and governed by the provisions of chapter 62C. All sums received
679 under sections 23 to 28, inclusive, including all sums received as penalties, forfeitures, interest,
680 costs of suits and fines, less all amounts allowed as refunds and abatements under sections 23 to
681 28, inclusive, shall be credited to the General Fund.

682 Section 30. (a) No person shall manufacture a consumable CBD product that is intended
683 to be sold or offered for sale in the commonwealth unless such person holds a consumable CBD
684 manufacturer endorsement or a certificate of compliance issued by the commission pursuant to
685 this section. The commission may impose a fine of up to \$10,000 on a person that advertises,
686 announces, establishes, maintains or is concerned in establishing or maintaining a consumable
687 CBD product manufacturing operation without an endorsement granted by the commission. Each
688 day during which a violation continues shall constitute a separate offense. The commission may
689 conduct surveys and investigations to enforce compliance with this section.

690 (b) The commission shall issue for a term of one year, and renew for a like term, an
691 endorsement to manufacture consumable CBD products under this section to an entity that
692 submits to the commission, in a form and manner prescribed by the commission, an application

693 that demonstrates eligibility for an endorsement under this section. Such an endorsement shall be
694 subject to suspension, revocation or refusal to renew for cause. Any application for an
695 endorsement under this section, or renewal thereof, shall be accompanied by an application
696 processing fee in the amount of five thousand dollars. The commission shall approve or deny
697 such an application within thirty days of submission.

698 (c) The commission shall not issue an endorsement under this section unless the applicant
699 holds an unencumbered license to manufacture marijuana-infused products issued under this
700 chapter or chapter 94I.

701 (d) No holder of an endorsement or certificate of compliance under this section shall sell
702 a consumable CBD product to any person in the commonwealth unless such person holds an
703 endorsement or certificate of compliance from the commission to manufacture consumable CBD
704 products under this section or an endorsement to sell CBD products at wholesale under this
705 chapter.

706 (e) A holder of an endorsement issued under this section may utilize existing facilities
707 and equipment to manufacture consumable CBD products in accordance with regulations
708 promulgated by the commission. No consumable CBD product manufacturer shall obtain any
709 hemp for the purpose of manufacturing any consumable CBD product that is intended to be
710 manufactured, sold or offered for sale in this state unless such hemp is in the form of
711 transportable hemp concentrate, and no such consumable CBD product manufacturer shall use
712 hemp other than in the form of transportable hemp concentrate to manufacture any such CBD
713 consumable product.

(f) The commission shall issue a certificate of compliance to an out-of-state entity authorized by its home state to manufacture or distribute products containing cannabinoids derived from hemp if the entity has submitted an application in compliance with regulations made by the commission, the applicant satisfies the requirements established by the commission, the applicant is in compliance with this chapter and the regulations made by the commission, and the applicant has paid the required fee. The certificate shall be issued upon the condition that the holder shall furnish when requested information concerning all shipments or sales of CBD consumable products made by them into the commonwealth. The commission may suspend, cancel or revoke any certificate issued hereunder for a violation of the terms or conditions thereof. All certificates shall be issued to expire December thirty-first of the year of issuance and the fee therefor shall be no less than \$200. The commission shall issue a certificate of compliance within thirty days of application submission.

Section 31. (a) No person shall sell a consumable CBD product at wholesale in the commonwealth unless such person holds a consumable CBD wholesaler endorsement issued by the commission pursuant to this section. The commission may impose a fine of up to \$10,000 on any person that advertises, announces, establishes, maintains or is concerned in establishing or maintaining a consumable CBD product wholesaler without an endorsement granted by the commission. Each day during which a violation continues shall constitute a separate offense. The commission may conduct surveys and investigations to enforce compliance with this section.

(b) The commission shall issue for a term of one year, and renew for a like term, an endorsement to sell consumable CBD products at wholesale to an entity that submits to the commission, in a form and manner prescribed by the commission, an application that demonstrates eligibility for an endorsement under this section. Such an endorsement shall be

subject to suspension, revocation or refusal to renew for cause. Any application for an endorsement under this section, or renewal thereof, shall be accompanied by an application processing fee in the amount of five thousand dollars. The commission shall approve or deny 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 sell consumable CBD products at wholesale issued under section 67 of chapter 62C.

(d) No holder of an endorsement under this section shall sell a consumable CBD product to any person unless such person holds an endorsement from the commission to sell consumable CBD products at retail or wholesale under this chapter.

Section 32. (a) No person shall sell, or offer for sale, at retail a consumable CBD product unless such person holds a consumable CBD product retailer endorsement issued by the commission pursuant to this section. No consumable CBD product shall be sold, or offered for sale, at retail to any individual by way of any indirect means, including, but not limited to, by way of mail or any telephonic or other electronic means. The commission may impose a fine of up to \$10,000 on a person that advertises, announces, establishes, maintains or is concerned in establishing or maintaining a retail establishment that sells, or offers for sale, at retail consumable CBD products in violation of this subsection. Each day during which a violation continues shall constitute a separate offense. The commission may conduct surveys and investigations to enforce compliance with this section.

(b) The commission shall issue for a term of one year, and renew for a like term, an endorsement to sell consumable CBD products at retail to an entity that submits to the

commission, in a form and manner prescribed by the commission, an application that demonstrates eligibility for an such endorsement under this section. Such an endorsement shall be subject to suspension, revocation or refusal to renew for cause. Any application for an endorsement under this section, or renewal thereof, shall be accompanied by an application processing fee in the amount of five hundred dollars. The commission shall approve or deny 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 sell consumable CBD products at retail under section 67 of chapter 62C.

(d) No holder of an endorsement under this section shall purchase consumable CBD products to be sold at retail from any person unless such person holds an endorsement to wholesale consumable CBD products issued by the commission.

SECTION 37. Section 1 of chapter 94I, as so appearing, is hereby amended by striking out, in line 16, the words “section 75 of chapter 10” and inserting in place thereof the following words:- “section 223 of chapter 6.”

SECTION 38. Said section 1 of said chapter 94I hereby further amended by striking the definitions of “Card holder”, “Cultivation registration”, “Locked area”, “Medical marijuana treatment center”, “Medical use marijuana”, “Medical use marijuana license”, “Medical use marijuana licensee”, “Registration card”, and “Temporary Registration”, and inserting the following definitions:-

“Card holder”, a registered qualifying patient, personal caregiver or agent of a medical marijuana establishment who has been issued and possesses a valid registration card.

“Cultivation registration”, a registration issued to a medical marijuana establishment to grow medical use marijuana under the terms of this chapter, or to a qualified patient or personal caregiver.

“Fully integrated medical marijuana treatment center” an entity licensed by the commission with the ability to cultivate, manufacture, process, and sell medical use marijuana to qualifying patients, personal caregivers, and medical marijuana establishments.

“Locked area”, a closet, room, greenhouse or other indoor or outdoor area equipped with locks or other security devices, accessible only to registered and authorized medical marijuana establishment employees, registered qualifying patients or registered personal caregivers.

"Medical marijuana establishment", a fully integrated medical marijuana treatment center or any other type of licensed medical use of marijuana-related business.

“Medical use marijuana”, marijuana or marijuana accessories sold by a medical marijuana establishment to a card holder for medical use or marijuana or marijuana accessories possessed by a qualifying patient under a cultivation registration.

“Registration card”, a personal identification card issued by the commission to a registered qualifying patient, personal caregiver, laboratory agent or agent of a medical marijuana establishment. The registration card facilitates verification of an individual registrant's status, including, but not limited to, verification that a registered healthcare professional has provided a written or electronic certification to the qualifying patient; that the patient has designated the individual as a personal caregiver; that a laboratory agent has been registered with the commission and is authorized to possess and test marijuana; or that an agent has been

802 registered with the commission and is authorized to work at a medical marijuana establishment.
803 A temporary registration issued to a qualifying patient shall be deemed a registration card.

804 The registration card shall facilitate identification for the commission and law
805 enforcement of those individuals who are exempt from criminal and civil penalties for conduct
806 pursuant to the medical use of marijuana.

807 “Temporary Registration” an interim registration document for patients and their personal
808 caregivers generated automatically upon the commission's receipt of a healthcare professional's
809 electronic certification. The temporary registration document shall constitute a registration card
810 for patients and their personal caregivers to access a medical marijuana establishment.
811 Temporary registration shall expire 14 days after the commission issues the registration card.

812 SECTION 38. Section 2 of said chapter 94I, as so appearing, is hereby amended by
813 striking out subsection (a) and inserting in place thereof the following subsection:-

814 (a) The commission shall operate a medical use of marijuana program, which shall permit
815 a qualifying patient with a debilitating medical condition to obtain a written or electronic
816 certification from a healthcare professional with whom the patient has a bona fide healthcare
817 professional-patient relationship to purchase medical use marijuana from a medical marijuana
818 establishment. Upon issuance of a written certification from a healthcare professional, the
819 commission shall issue a registration card to the qualifying patient. A medical marijuana
820 establishment licensed and authorized by the Commission to deliver, sell, or otherwise transfer
821 medical use marijuana to consumers may sell medical use marijuana to a card holder.

822 SECTION 39. Subsection (c) of said section 2 of said chapter 94I, as so appearing, is
823 hereby amended by striking out, in lines 29 and 30, the words “medical marijuana treatment
824 center” and inserting in place thereof the following words:-

825 medical marijuana establishment

826 SECTION 40. Subsection (d) of said section 2 of said chapter 94I, as so appearing, is
827 hereby amended by striking out, in lines 36 and 39, in both instances, the words “medical
828 marijuana treatment center” and inserting in place thereof the following words:- medical
829 marijuana establishment.

830 SECTION 41. Subsection (a) of section 3 of said chapter 94I, as so appearing, is hereby
831 amended by striking out, in lines 5 and 10 and 11, in both instances, the words “medical
832 marijuana establishment” and inserting in place thereof the following words:-

833 medical marijuana establishment

834 SECTION 42. Subsection (b) of said section 3 of said chapter 94I, as is appearing, is
835 hereby amended by striking out the words, in lines 16 and 17 and 23 and 24, in both instances,
836 the words “medical use marijuana licensee or establishment” and inserting in place thereof the
837 following words:- medical marijuana establishment.

838 SECTION 43. Section 7 of said chapter 94I is hereby amended by striking out, in lines 3
839 and 4, the words “medical marijuana treatment centers” and inserting in place thereof the
840 following words:-

841 medical marijuana establishments, including any classes of license established under this
842 section.

843 SECTION 44. Section 7 of said chapter 94I, is hereby amended by adding the following
844 paragraphs:-

845 The commission may adopt regulations in accordance with chapter 30A of the General
846 Laws which (i) establish and provide for issuance of additional types or classes of licenses to
847 operate medical use of marijuana-related businesses; and (ii) limit the number of medical
848 marijuana establishment licenses a licensee may be granted;

849 The commission shall have the power to establish procedures and policies for
850 municipalities to promote and encourage full participation in the regulated medical marijuana
851 industry during negotiations of host community agreements with social equity program
852 businesses and economic empowerment priority applicants pursuant to subsection (a)(xxxi) of
853 section 4 of chapter 94G; and

854 The commission shall adopt regulations to promote and encourage full participation in
855 the regulated medical marijuana industry by people from communities that have previously been
856 disproportionately harmed by marijuana prohibition and enforcement and to positively impact
857 those communities pursuant to subsection (a1/2)(iv) of section 4 of chapter 94G.

858 SECTION 45. Section 116 of chapter 128, as so appearing, is hereby amended by striking
859 out the definition of “Hemp” and inserting in place thereof the following definition:-

860 "Hemp", the plant of the genus cannabis and any part of the plant, whether growing or
861 not, with a delta-9-tetrahydrocannabinol concentration that does not exceed 0.3 per cent on a dry
862 weight basis or per volume or weight of marijuana product or the combined per cent of delta-9-
863 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant of the genus
864 cannabis regardless of moisture content that is produced by a in accordance with an approved

865 State and Tribal Hemp Plan under 7 U.S.C. § 1639p or the Department of Agriculture plan under
866 7 U.S.C. § 1639q.

867 SECTION 46. Notwithstanding section 76 of chapter 10 of the General Laws or any
868 other general or special law to the contrary, the terms of all commissioners serving on the
869 Massachusetts Cannabis Control Commission as of May 28, 2025 shall terminate on the effective
870 date of this act. Commissioners shall thereafter be appointed by the governor pursuant to section
871 223 of chapter 6.

872 SECTION 47. All members of the Cannabis Advisory Board shall remain members until
873 the expiration of their terms. The members thereafter shall be appointed by the governor for a
874 term of 2 years.

875 SECTION 48. The Massachusetts cannabis control commission shall prepare a report
876 addressing: (i) patterns of use, methods of consumption, sources of purchase and general
877 perceptions of marijuana among minors, among college and university students, and among
878 adults; (ii) incidents of impaired driving, hospitalization and use of other health care services
879 related to marijuana use, including a report of the state of the science around identifying a
880 quantifiable level of marijuana-induced impairment of motor vehicle operation and a report on
881 the financial impacts on the state healthcare system of hospitalizations related to marijuana; and
882 (iii) prevalence of cannabis use disorder in Massachusetts. The commission shall incorporate
883 available data into the report, including but not limited to data obtained pursuant to subsection
884 (b) of section 17 of chapter 94G. The commission shall submit its final report and any
885 recommendations for legislation to the joint committee on cannabis policy on or before January
886 1, 2027.

887 SECTION 49. The commission, in collaboration with the cannabis advisory board, shall
888 review its rules and regulations to ensure that those rules and regulations are based on the most
889 recent standards in a manner consistent with the stated objectives of paragraph 1 of subsection
890 (a) of section 15 of chapter 94G of the general laws and report the findings from the review to
891 the governor, the joint committee on cannabis policy, and the cannabis advisory board no later
892 than two years after the effective date of this act.

893 SECTION 50. The commission, in collaboration with the cannabis advisory board, shall
894 review its rules and regulations regarding workplace safety, including but not limited to, air
895 quality and first responder access, as well as reviewing its enforcement and investigation
896 protocols of said regulations promulgated pursuant to subsections (a1/2)(xv) and (xxiii) of
897 section 4 of chapter 94G no later than one year after the effective date of this act. The
898 commission shall report the findings from the review to the governor, the joint committee on
899 cannabis policy, and the cannabis advisory board no later than two years after the effective date
900 of this act.

901 SECTION 51. The cannabis control commission shall conduct an audit of all marijuana
902 establishment and marijuana treatment center licensees to ensure compliance with section 16 of
903 chapter 94G not later than twelve months from the effective date of this act.

904 SECTION 52. The cannabis control commission shall amend its regulations and begin
905 accepting applications pursuant to section 1 of this act not later than twelve months from the
906 effective date of this act; provided that the commission shall not grant a licensee more than 4
907 retail licenses until twenty-four months after the effective date of this Act, or more than 5 retail
908 licenses until thirty-six months after the effective date of this Act; and shall give priority

consideration to applications pertaining to the licenses of social equity businesses, or Massachusetts minority business enterprises (MBE), women business enterprises (WBE), or veteran business enterprises (VBE) with valid certification from the supplier diversity office of the Massachusetts Operational Services Division.

SECTION 53. (a) The cannabis control commission shall conduct or retain an outside expert in economic analysis to conduct and publish a study analyzing the businesses licensed under chapter 94G and 94I. The study shall analyze the appropriate number of licenses to be licensed under this chapter, the adequacy of cannabis supply for patients and consumers, or whether an oversupply harms market participants, and the adequacy of the commission's enforcement of its regulations with respect to cultivation tiers. The commission shall publish the results of the study no later than two years after the effective date of this act on its official website and submit a copy to the clerk of the house and senate who shall forward the recommendations to the joint committee on cannabis policy and any other committee deemed appropriate by the commission.

SECTION 54. The cannabis control commission may allow fully integrated medical marijuana treatment centers licensed prior to the enactment of this act the ability to amend their license, subject to the limits established in section 34 of this act and section 16 of chapter 94G.

SECTION 55. All medical marijuana establishment licenses, except for fully integrated medical marijuana treatment centers, shall be limited on an exclusive basis to social equity businesses for a period of 36 months from the date the first such license types receive a notice to commence operations; provided, however, that the commission may vote to extend that period following an evidence-based determination that the goal of the exclusivity period to promote and

931 encourage full participation in the regulated medical marijuana industry by people from
932 communities that have previously been disproportionately harmed by marijuana prohibition and
933 enforcement of the law has not been met.

934 If data collected by the commission demonstrates progress toward the goals and
935 objectives of the exclusivity period as set forth in this section and that demand by registered
936 qualifying patients is likely to exceed the supply that could be provided by businesses that meet
937 the exclusivity requirements during the exclusivity period, the commission may vote during the
938 exclusivity period to allow the following additional businesses to own medical marijuana
939 establishments: craft marijuana cooperatives as defined in 935 CMR 500.002, Massachusetts
940 minority business enterprises (MBE), women business enterprises (WBE), and veteran business
941 enterprises (VBE) with valid certification from the supplier diversity office provided for in
942 section 61 of chapter 7.

943 SECTION 56. Not later than 90 days following the effective date of this act, local boards
944 of health shall communicate in writing information regarding the requirements of sections 330 to
945 335, inclusive, of chapter 94, as inserted by this act, that relate to topical product definitions and
946 sales, as well as the details of violating said sections and the penalties for violations, to persons
947 within their jurisdiction who may be impacted by said sections.

948 SECTION 57. The alcoholic beverages control commission shall promulgate or amend
949 regulations as necessary to be consistent with this act not later than 1 year from the effective date
950 of this act.

951 SECTION 58. The Massachusetts cannabis control commission shall promulgate or
952 amend regulations as necessary to be consistent with this act not later than 1 year from the
953 effective date of this act.

954 SECTION 59. The Massachusetts department of revenue shall promulgate or amend
955 regulations as necessary to be consistent with this act not later than 1 year from the effective date
956 of this act.