



Cannabis Advisory Board

Recommendations of the Cannabis Advisory Board Marijuana Industry Subcommittee to the Cannabis Control Commission

Chairman Christopher Harding
December 5, 2017



Cannabis Advisory Board

Marijuana Industry Subcommittee

G.L. c.10 §77(c) authorizes the chair of the Cannabis Advisory Board to appoint a subcommittee on the cannabis industry to develop recommendations on cultivation, processing, manufacturing, transportation, distribution, seed-to-sale tracking and market stability.



Cannabis Advisory Board

Marijuana Industry Subcommittee

Members of the Subcommittee:

- **Committee Chair:** Chris Harding, Commissioner
- **Committee Members:** Ray Berry, John Lebeaux, Jaime Lewis, Shanel Lindsey, Kim Napoli, Norton Arbeláez, Michael Latulippe, Michael Dundas, Mary Ann Pesce, Horace Small, Lydia Sisson



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Marijuana Industry Subcommittee

The subcommittee met on the following dates:

- October 16
- October 31 (informational only)
- November 3
- November 9
- November 17
- November 21
- November 27



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Marijuana Industry Subcommittee

Please note that all of these recommendations were approved unanimously, except for:

- Recommendation 2 on slide 28: Robert McConnaughey, designee for Commissioner Harding abstained



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Marijuana Industry Subcommittee

Recommendations



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Marijuana Industry Subcommittee: Packaging

Issue: Creating a packaging protocol that ensures safety and properly educates consumers.

Recommendation: Use current DPH regulations as a starting point; Require MIPs to disclose what kind of cannabis material was used to produce.

- Proposed regulations included as an Appendix



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Marijuana Industry Subcommittee: Cultivation

Issue: What measurement should be used for the tiers: Number of plants, canopy, or another measurement?

RELEVANT REGULATION: Chapter 94G(4)(a1/2)(xxvii)

Recommendation: Tier measurement should be based on square feet of cultivation space. “Cultivation” includes all stages of growth and thus will encompass individuals that want to clone and propagate along with facilities that may have multiple spaces that have different stages of growth.



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Marijuana Industry Subcommittee: Cultivation

Issue: Using your recommended system of measurement, what should the dividing line for each tier be?

RELEVANT REGULATION: Chapter 94G(4)(a1/2)(xxvii)

Recommendation 1: Based on square feet of plant cultivation space. Indoor/Outdoor/Greenhouse/Hoop House/ are combined as one. Tiers are as follows:

- (A) Tier I: Up to 1,000 square feet of plant cultivation space
- (B) Tier II: 1,001 to 5,000 square feet of plant cultivation space
- (C) Tier III: 5,001 to 10,000 square feet of cultivation space
- (D) Tier IV: 10,001+ square feet (proportionate fee associated with each additional 5,000 square feet)

Fee structure should be based on a \$1 per square foot. Commission should also include the tier of cultivation when determining fee structure.



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Marijuana Industry Subcommittee: Cultivation

Recommendation 2: Craft cooperatives should be able to apply for any Tier level as long as it allowed within legislation/regulations but may be subject to any additional fees (administrative) if cooperative has multiple growing locations under one license.

The subcommittee recommends that the Commission doesn't create additional barriers for full participation from farmers and small businesses (use language from statute to provide examples).



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Marijuana Industry Subcommittee: Cultivation

Issue: What is the subcommittee's recommendation regarding requirements for record keeping by marijuana establishments and procedures to track marijuana cultivated, processed, manufactured, delivered or sold by marijuana establishments?

RELEVANT REGULATION: Chapter 94G(4)(a1/2)(xiii)

Recommendation 1: Workgroup believes all growers and associated organizations (i.e. labs) need a seed to sale tracking system – system for tracking/technology should be publicly available (non-proprietary technology) to ensure that all growers have access to a tracking application/programming interface (API) seed-to-sale tracking system in order to allow for information sharing. Access to the system should not be prohibitively expensive for all Tiers of producers. Requirements should mimic the current medical regulations for all producers.



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Marijuana Industry Subcommittee: Cultivation

Recommendation 2: The Commonwealth should immediately re-initiate a competitive bidding process to both qualify and select an organization that can provide a comprehensive tracking system.



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Marijuana Industry Subcommittee: Cultivation

Issue: What are the subcommittee's recommendations regarding minimum standards for the requirement that all licensees possess and operate an interoperable publicly available (non-proprietary technology) application programming interface (API) seed-to-sale tracking system sufficient to ensure the appropriate track and trace of all marijuana cultivated, processed or manufactured pursuant to this chapter?

RELEVANT REGULATION: Chapter 94G(4)(a1/2)(xvii)

Recommendation 1: Use existing medical model for all cultivation; insure outdoor standards match medical for product safety; develop best ag practices for indoor and outdoor cultivation.



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Marijuana Industry Subcommittee: Cultivation

Recommendation 2: Testing: The Commonwealth should not lower any testing requirements for any class of cannabis producer. The current medical marijuana testing requirements as implemented by the Department of Public Health are supported by years of research and stakeholder collaboration. They should be applied to adult-use products. The Commission should continue the ongoing collaboration with the Department of Public Health, Department of Agricultural Resources, and other stakeholders.

Recommendation 3: All cannabis product producers shall be subject to the Commission's final testing requirements.



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Marijuana Industry Subcommittee: Cultivation

Recommendation 4: All cannabis producers shall be subject to additional existing agricultural regulations: nutrient management, pesticide regulations, etc.

- <https://www.mass.gov/lists/333-cmr> (Pesticide regulations)
- <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXIX/Chapter132B> (Massachusetts Pesticide Control Act)
- <http://www.mass.gov/eea/docs/agr/pesticides/docs/plant-nutrient-regulations.pdf> (Plant Nutrient Regulations)
- <https://malegislature.gov/Laws/SessionLaws/Acts/2012/Chapter262> (An Act Relative to the Regulation of Plant Nutrients)



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Marijuana Industry Subcommittee: Cultivation

Recommendation 5: MDAR will consult with growers, state agencies, universities, and other stakeholders regarding best management cultivation practices that should be encouraged. These best management practices may include but not be limited to:

- compost any waste materials
- energy usage
- nutrient management
- Etc.



Cannabis Advisory Board

Marijuana Industry Subcommittee: Licensing

The legislation calls for virtual separation of medical and adult use marijuana—how should this be done?

Issue: The method by which Marijuana establishments may serve both patient and adult populations from a single retail location.

Recommendation: Virtual Separation of medical and adult use marijuana should be done at the point of sale. All patrons (adult use or medical) who enter a dispensary that retails both medical and adult use marijuana must either display a valid government ID certifying that they are 21 years of age or older; or a valid Massachusetts Medical Use of Marijuana Program card (patient or caregiver). At the point of sale, all co-located retail medical/adult use marijuana establishments will be required to possess and operate software capable of tracking and distinguishing sales for adult use and medical patients.



Cannabis Advisory Board

Marijuana Industry Subcommittee: Licensing

The legislation prohibits individuals under 21 being allowed on the premises of a Retail Marijuana Establishment, but how will registered qualifying patients over 18 but under 21 have access to medication?

Issue: Does a registered patient 18-20 being onsite of a Retail Marijuana Establishment run afoul of Chapter 55?

Recommendation: There is no necessity for registered qualifying patients under the age of 18 to be on the premises of a Retail Marijuana Establishment that does not also offer Medical Marijuana. Access to medication at a marijuana establishment that retails both adult use and medical cannabis will be facilitated by virtual separation.

The intent is to allow the sale of medical marijuana to patients under 18 to their qualified caregivers. For patients over 18 but under 21, they can use their valid marijuana medical card in a facility that sells both medical and adult use marijuana.



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Marijuana Industry Subcommittee: Licensing

What energy, environmental, and waste disposal standards for licensure and licensure renewal of marijuana establishments licensed as a marijuana cultivator or marijuana product manufacturer does the subcommittee recommend

Issue: Should there be minimum standards for energy, environmental, and waste disposal standards tied to licensure and renewal of marijuana business establishments and, if so, what are they?

Recommendation: adopt existing DPH waste disposal standards as identified in 105 CMR 720.105 (J) (p.31). Energy and environmental standards must, at a minimum, be commensurate with Municipal Requirements. See 105 CMR 725.600 (p.50).



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Marijuana Industry Subcommittee: Licensing

What standards for manufacturing or extracting cannabinoid oils or hydrocarbon solvent does the subcommittee recommend?

Issue: Should the regulations specify minimum safety standards for specified types of hydrocarbon solvent extraction systems?

Recommendation: The CCC should adopt an industry standard in line with the National Fire Protection Association’s guidance on extraction and Marijuana Facilities.

- Existing operators should be given a grace period of time of 9 months in order to get current facilities up to the new code.
- See [Colorado Fire Marshals’ Special Task Group Marijuana Facility Guidance](#)
- See [Denver, CO Marijuana Extraction Facility Fire Code](#)



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Marijuana Industry Subcommittee: Licensing

What recommendations do you have regarding the regulations of these ancillary businesses (i.e. transportation, storage, and distribution) and are there other ancillary businesses that should be considered?

Issue: Outside of the 3 primary licenses contemplated in Chapter 55, are there other types of cannabis related businesses that should be licensed and regulated, and if so, how?

Recommendation 1: The CCC should adopt the proposed amendments to 105 CMR 725 as they relate to Independent Testing Labs and Lab Agents (re: required registration).



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Marijuana Industry Subcommittee: Licensing

Recommendation 2: All ancillary businesses that come in direct contact with cannabis should be licensed with the state. These include transportation, storage, and distribution businesses (among others TBD). All employees should be subject to the same registration and training requirements for similarly situated marijuana establishment employees.

Recommendation 3: We recommend adopting a licensing and regulation structure similar to [Colorado's Transporter Licenses](#). The license is valid for 5 years. A licensed transporter provides logistics, distribution, and storage of marijuana and marijuana products. A transporter may contract with multiple businesses and may hold another marijuana license. They must use and have access to seed-to-sale tracking.



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Marijuana Industry Subcommittee: Licensing

Recommendation 4: Ancillary businesses that do not come in direct contact with cannabis (i.e. training organizations, business start-ups, CPAs) may register with the CCC and receive an accreditation so as to protect Massachusetts consumers and businesses from predatory entities as defined by the AG. This accreditation applies to any entity purporting to cater to the cannabis industry.

Recommendation 5: The CCC should maintain a comprehensive list of those registered and accredited with the CCC as well as a list of businesses found to be predatory or unscrupulous so that consumers and businesses may collect reliable information prior to engaging their services.

Recommendation 6: Accreditation/Registration for ancillary businesses that do not come into direct contact with cannabis (i.e. training organizations, business start-ups, CPAs) should be optional.



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Marijuana Industry Subcommittee: Licensing

What training requirements should there be for retail dispensary and cultivation/processing employees?

Issue: The creation of standards performance expectations for the benefit of employees, patients, and consumers.

Recommendation 1: The CCC should adopt a statewide program similar to Colorado's [Responsible Vendor Program](#). The program, or similar programs, must be approved by the CCC. Employee participation in this program is mandatory, but an employee may elect to attend in person, or via internet. Employers may offer their own in-house training in place of the Responsible Vendor Training, as long as it meets minimum program standards as set by the CCC and is reviewed annually by the CCC.



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Marijuana Industry Subcommittee: Licensing

Recommendation 2: New employees must be certified within 90 days of hire. The fee for the test will be paid for by the employer. Each individual certification lasts for 2 years and is portable with the employee; employees must recertify then as a condition of employment.

Recommendation 3: The vendor training applies to all employees involved in the selling or handling of marijuana products. Administrative employees and others who do not come into direct contact with marijuana or marijuana products are not required to take this course (but may do so voluntarily).

Recommendation 4: The program is designed to bolster industry-wide safety, security, integrity, and transparency standards.



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Marijuana Industry Subcommittee: Licensing

Recommendation: We recommend the consideration of adopting the updated 105 CMR 725 with modifications necessary to support the adult use industry as well including:

- 105 CMR 725.100 – Registration of Registered Marijuana Dispensaries
- 105 CMR 725.105 – Operational Requirements for Registered Marijuana Dispensaries
- 105 CMR 725.300 – Inspection of Registered Marijuana Dispensaries
- 105 CMR 725.400 – Grounds for Denial of Initial Application for Registration
- 105 CMR 725.405 – Grounds for Denial of Renewal Application and Revocation
- And other relevant Sections as identified by the Subcommittee.



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Marijuana Industry Subcommittee: Social Consumption

What limits should be placed on consumption per individual?

Issue: We found serving size limitations were the easiest to accomplish through packaging and dosage standards that creates no tracking and confidentiality issues, allows for the largest variety of onsite consumption business models, and ensures maximum revenue for the state and the retailer.

Recommendation 1: The Commission should develop state limits on “Serving Size” as well as the maximum amount of servings allowed per immediate use package.

Proposed Regulation included in Appendix



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Marijuana Industry Subcommittee: Social Consumption

Recommendation 2: The Commission should implement a Daily Maximum Exposure up to 0.35 ounces (or combination equivalent) in onsite retailers based on current Department of Public Health laboratory protocols.

Recommendation 3: The Commission should set how many servings are allowed per immediate use container but allow municipalities to raise or lower that limitation to suit their own public health and safety concerns.



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Marijuana Industry Subcommittee: Social Consumption

Recommendation 4: The Commission should monitor and audit cash transactions through a tamperproof lockbox point of sale.

Recommendation 5: The Commission should require all point of sales systems within an onsite consumption retailer to warn the onsite consumption retail agent when a consumer is approaching their daily maximum exposure limit.



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Marijuana Industry Subcommittee: Social Consumption

Issue: How would such limits be monitored?

Confidentiality is extremely important and the statute does not allow the state to collect any information but the age of the consumer.

Recommendation: Onsite consumption retail agents should be trained in detecting impairment in consumers so that they can cut anyone off who is becoming visibly intoxicated similar to how bar tenders manage alcohol intoxication.



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Marijuana Industry Subcommittee: Social Consumption

Issue: What routes of delivery/ types of consumption should be allowed on-site?

Recommendation: The Commission should develop onsite consumption retailers in tiered licensing for every type of consumption possible (Inhalation, Ingestion, Dermal) as well as one onsite retailer license that encompasses all types of onsite marijuana consumption. This should be done similar to how alcohol licenses are regulated with combinations of wine and beer or hard alcoholic liquors.



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Marijuana Industry Subcommittee: Social Consumption

Issue: Is smoking allowed, how do you protect employees from secondhand smoke?

Recommendation 1: The Commission should develop strong air quality, odor control, and filtration requirements for designated smoking areas within onsite consumption marijuana retailers.

Recommendation 2: The Commission should utilize any relevant language in 105 CMR 661.00: Regulations Implementing M.G.L. c. 270, § 22 as a guide when developing regulations to protect employees from second hand smoke.

Recommendation 3: The Commission should prohibit employees from the handling of machinery or kitchen equipment within an onsite consumption space contained inside an onsite consumption retailer.



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Marijuana Industry Subcommittee: Social Consumption

Issue: What should municipalities' role be in governing social consumption?

Recommendation 1: We recommend municipalities role in governing social consumption should be similar to how municipalities regulate any other marijuana establishment.



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Marijuana Industry Subcommittee: Social Consumption

Should it be narrower, broader, or the same as the ability to regulate time/location/manner of operations that municipalities have over other marijuana establishments?

Issue: Broader municipal control could lead to bottlenecks and municipalities regulating out the possibility of these businesses. Narrower municipal control risks inflaming the municipalities against these businesses coming into their communities. Simplifying this for municipalities by keeping it similar to how they regulate other establishments will prevent confusion and allow a faster roll out.

Recommendation: The Commission should develop guidance for municipalities on developing short term event permits for offsite consumption similar to an alcohol consumption permit given by a municipality.



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Marijuana Industry Subcommittee: Social Consumption

Issue: What elements should be considered at the state level?

Recommendation 1: Develop a minimum threshold for a business to apply to become an onsite consumption marijuana retailer. We propose that businesses can apply to become an onsite consumption marijuana retailer in cases where at least 51% of the business will be marijuana sales.

Recommendation 2: Recommend the Commission provide framework for special exceptions possible for clubs, hotels, restaurants and any other applicant the Commission feels is appropriate.

Recommendation 3: The Commission should develop parameters for a tamperproof lockbox point of sale system that carefully monitors all retail transactions and can only be audited by the Commission and other state agencies per MA General Laws.



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Marijuana Industry Subcommittee: Social Consumption

Recommendation 4: The Commission should develop reusable packaging standards and cleaning standards for onsite usage.

Recommendation 5: The Commission should develop Strong Air Quality and Ventilation Standards as well as employee protections based on tobacco bars and existing businesses requiring ventilation.

Recommendation 6: The Commission should work with experts and other stakeholders to develop onsite consumption retail agent training standards to detect impairment.

Recommendation 7: The Commission should develop with law enforcement impairment standards for OUI and also require OUI warnings and educational materials within onsite consumption retailers.



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Marijuana Industry Subcommittee: Social Consumption

Issue: What are the minimum essential components of social consumption regulations that need to be addressed initially in order to have a functioning program?

Recommendation: Minimum essential components include the following:

- Onsite consumption marijuana retailer license categories and fees
- As a part of the education of staff, we recommend including Maximum Suggested Daily Exposure in onsite retailers based on standards set in the laboratory protocols
- Security protocols (i.e. ensuring not serving people under 21)
- Employee training to detect impairment
- Zoning guidance for municipalities including what they can request of applicants and also what they can prohibit
- Serving size and amount of servings per onsite use package requirements
- Point of sale system with revenue tracking



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Marijuana Industry Subcommittee: Social Consumption

Recommendation, continued: Minimum essential components include the following:

- Law enforcement and public safety guidance
- Labeling menu and re-usable packaging standards that differ from traditional cannabis package stores
- Public health limitations and inspections
- Air quality and filtration standards as well as odor control requirements
- Equipment safety, cleaning, and inspection requirements including prohibitions on some equipment that maybe dangerous to public safety. i.e. blow torches
- Disposal/Recycling requirements
- Kitchen inspections including local municipal guidance
- Providing guardrails for professionals and licensed businesses so they don't lose their license allowing onsite consumption



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Marijuana Industry Subcommittee: Social Consumption

Issue: What types of existing establishments and businesses should be considered for on-site consumption licenses? (E.g., only marijuana establishments or other businesses, such as yoga, salons, spas, private social clubs?)

Recommendation 1: The Commission should require all cannabis used in any licensed onsite consumption retailer must come from the regulated market including but not limited to licensed adult use cultivation centers, manufacturers, cooperatives, or medical marijuana treatment centers that are co-located.

Recommendation 2: The Commission should require reusable containers for onsite consumption retailers to alleviate any environmental issues, children home access, and state to state drug trafficking concerns.



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Marijuana Industry Subcommittee: Social Consumption

Recommendation 3: The Commission should keep financial barriers to entry low for obtaining an onsite consumption retailer license to ensure local level interest.

Recommendation 4: The Commission should give priority to onsite consumption marijuana retailer license applicants that are proposed for areas of the state heavily impacted by the drug war.

Recommendation 5: The Commission should not require small gatherings of adults within onsite consumption retailers to acquire a special event license. The retailer is already managing state and local compliance so events under the maximum capacity of the retailer should not require special attention from the state.



Cannabis Advisory Board

APPENDIX

Packaging Relevant Sections of Adult Use Statutes

The commission shall, in accordance with chapter 30A, adopt regulations consistent with this chapter for the administration, clarification and enforcement of laws regulating and licensing marijuana establishments. The regulations shall include:

(xxiv) requirements for the packaging of marijuana and marijuana products that shall, at a minimum: (1) require the most current consumer product safety commission standards, set forth in 16 C.F.R. 1700 et seq.; (2) protect children from accidentally ingesting marijuana or marijuana products, including by making packaging certified child-resistant and resealable; (3) require the division of each serving within a package containing multiple servings in a manner that allows consumers and card holders to easily identify a single serving; (4) prohibit the use of bright colors, cartoon characters and other features designed to appeal to minors; (5) ensure that packaging is opaque or plain in design; (6) limit each serving size to no greater than 10 milligrams of delta-nine-tetrahydrocannabinol (Δ 9-THC); and (7) prohibit any packaging that imitates or has a semblance to any existing branded consumer products, including foods and beverages, that do not contain marijuana

...

(xxvi) requirements for the labeling of a package containing marijuana or marijuana products that shall, at a minimum, include: (1) a symbol or easily recognizable mark issued by the commission that indicates the package contains marijuana or a marijuana product; (2) a symbol or other easily recognizable mark issued by the commission on the package indicating to children that the product is harmful to children; (3) the name and contact information of the marijuana cultivator or the marijuana product manufacturer who produced the marijuana or marijuana product; (4) the results of sampling, testing and analysis conducted by a licensed independent testing laboratory; (5) a seal certifying the marijuana meets such testing standards; (6) a unique batch number identifying the production batch associated with manufacturing, processing, and cultivating; (7) a list of ingredients and possible allergens; (8) the amount of delta-nine-tetrahydrocannabinol (Δ 9-THC) in the package and in each serving of a marijuana product as expressed in absolute terms and as a percentage of volume; (9) the number of servings in a package if there are multiple servings; (10) a use-by date, if applicable; and (11) the following statement, including capitalization: "This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN.";

Appendix of Definitions

"Consumer", a person who is at least 21 years of age.

"Licensee" - a person or entity licensed by the commission to operate a marijuana establishment under 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; or (iii) the

weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink or other products.

“Marijuana cultivator”, an entity licensed to cultivate, process and package marijuana, to deliver marijuana to marijuana establishments and to transfer marijuana to other marijuana establishments, but not to consumers.

“Marijuana product manufacturer”, an entity licensed to obtain, manufacture, process and package marijuana and marijuana products, to deliver marijuana and marijuana products to marijuana establishments and to transfer marijuana and marijuana products to other marijuana establishments, but not to consumers.

“Marijuana retailer”, an entity licensed to purchase and deliver marijuana and marijuana products from marijuana establishments and to deliver, sell or otherwise transfer marijuana and marijuana products to marijuana establishments and to consumers.

“Marijuana products”, products that have been manufactured and contain marijuana or an extract from marijuana, including concentrated forms of marijuana and products composed of marijuana and other ingredients that are intended for use or consumption, including edible products, beverages, topical products, ointments, oils and tinctures.

G. L. c. 94G, § 1, as amended by Stat. 2017 c. 55 § 20(1).

DRAFT Cannabis Control Commission Packaging Regulations

xxx CMR xxx

(A) Packaging and Labeling

~~(1) Marijuana shall be packaged in plain, opaque, tamper proof, and child proof containers without depictions of the product, cartoons, or images other than the RMD's logo. Edible MIPs shall not bear a reasonable resemblance to any product available for consumption as a commercially available candy.~~

~~(12) Labeling of Marijuana (Excluding ~~MIPs~~ Marijuana Products).~~ The marijuana retailer~~RMD~~ shall place a legible, firmly affixed label on which the wording is no less than 1/16 inch in size on each package of marijuana that it prepares for ~~dispensing~~retail sale, containing at a minimum the following information:

~~1. The registered qualifying patient's name;~~

- (a) The name and registration number of the marijuana cultivator~~RMD~~ that produced the marijuana, together with the marijuana cultivator's RMD's telephone number and mailing address, and website information, if any;
- (b) The quantity of usable marijuana contained within the package;

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(c) The date that the marijuana retailer or marijuana cultivator~~RMD~~ packaged the contents and a statement of which licensee performed the packaging;

(d) A batch number, sequential serial number, and bar code when used, to identify the batch associated with manufacturing and processing;

(e) The full cannabinoid profile of the marijuana contained within the package, including THC and other cannabinoid level;

(f) A statement and a seal certifying that the product has been tested for contaminants, that there were no adverse findings, and the date of testing in accordance with G. L. c. 94G, § 15-105-CMR 725.105(C)(2); and

(g) This statement, including capitalization: "This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms. It is against the law to drive or operate machinery when under the influence of this product. Do not drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN:" and

(h) A symbol or easily recognizable mark issued by the commission not later than March 15, 2018 that indicates the package contains marijuana or a marijuana product; and

(i) A symbol or other easily recognizable mark issued by the commission not later than March 15, 2018 on the package indicating to children that the product is harmful to children

~~2. This section shall not apply to marijuana packaged by a marijuana cultivator for transport to a marijuana retailer in compliance with xxx CMR xxx, provided however that the marijuana retailer is responsible for compliance with this subsection for all marijuana and MIPs sold or displayed for consumers.~~

(3) Labeling of Marijuana Product~~MIPs~~. The product manufacturer~~RMD~~ shall place a legible, firmly affixed label on which the wording is no less than 1/16 inch in size on each MIP that it prepares for dispensing retail sale or wholesale, containing at a minimum the following information:

~~1. The registered qualifying patient's name;~~

(a) The name and registration number of the product manufacturer~~RMD~~ that produced the marijuana product~~MIP~~, together with the product manufacturer~~RMD~~'s telephone number and mailing address, and website information, if any;

Comment [AJ1]: Conforming to statute.

Comment [AJ2]: Note that the CCC must promulgate testing regulations before May 1, 2018, and "shall temporarily adopt the independent testing regulations currently adopted by the department of public health in 105 CMR 725.105 until the commission has promulgated the regulations, guidelines and protocols for independent testing of marijuana in section 15 of chapter 94G of the General Laws on or before May 1, 2018." *G. L. c. 94G, § 15 & Stat. 2017 c. 55 § 54.*

Comment [AJ3]: Conforming to language of the statute.

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Comment [AJ4]: Cross reference wholesaling regulation. Does this formulation make sense?

Comment [AJ5]: Does this formulation make sense? The idea is that the retailer is ultimately responsible for packaging marijuana, while the product manufacturer is responsible for packaging MIPs.

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~~(b)~~ The name of the marijuana product;

~~(b)~~

~~(c)~~ The quantity of usable marijuana contained within the product as measured in ounces;

~~(e)~~~~(d)~~ The type of marijuana used to produce the product, including what, if any, processing technique or solvents were used.

~~(d)~~~~(e)~~ A list of ingredients, including the full cannabinoid profile of the marijuana contained within the marijuana product, including the amount of delta-nine-tetrahydrocannabinol (Δ9-THC) and other cannabinoids in the package and in each serving of a marijuana product as expressed in absolute terms and as a percentage of volume ~~THC level~~;

~~(e)~~~~(f)~~ The date of product creation and the recommended “use by” or expiration date;

~~(f)~~~~(g)~~ A batch number, sequential serial number, and bar code when used, to identify the batch associated with manufacturing and processing;

~~(g)~~~~(h)~~ Directions for use of the marijuana product if relevant;

~~(h)~~~~(i)~~ A statement and a seal that the product has been tested for contaminants, that there were no adverse findings, and the date of testing in accordance with G. L. c. 94G, § 15+05 CMR 725.105(C)(2);

~~(i)~~~~(j)~~ A warning if nuts or other known allergens are contained in the product;
and

~~(k)~~ This statement, including capitalization: “This product has not been analyzed or approved by the FDA. There is limited information on the side effects of using this product, and there may be associated health risks. Marijuana use during pregnancy and breast-feeding may pose potential harms It is against the law to drive or operate machinery when under the influence of this product. Do not drive or operate machinery when under the influence of this product. KEEP THIS PRODUCT AWAY FROM CHILDREN.”

~~(l)~~ A statement of the number of serving sizes within the marijuana product based on the limits provided in ~~xxx~~ CMR ~~xxx~~(5).

~~(m)~~ A symbol or easily recognizable mark issued by the commission not later than March 15, 2018 that indicates the package contains marijuana or a marijuana product; and

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Comment [SL6]: May need to tailor this language to include the correct terms of art or statutory definitions for approved processing i.e., CO2, distillate, etc.

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Comment [AJ7]: Cross referencing subsection 5 below. These restrictions are required by statute but seem onerous. Is there any way to cushion the blow here?

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(n) A symbol or other easily recognizable mark issued by the commission not later than March 15, 2018 on the package indicating to children that the product is harmful to children.

This section shall apply to marijuana products packaged by a marijuana product manufacturer for transport to a marijuana retailer in compliance with xxx CMR xxx.

(4) Childproof Packaging and Labeling. The licensee responsible for packaging pursuant to xxx CMR xxx(3) & (4) shall place all marijuana and marijuana products sold or displayed for consumers in packaging that is designed or constructed to be significantly difficult for children under five years of age to open and not difficult for normal adults to use properly. Such packaging shall be:

- a. Certified by the packaging manufacturer or by a qualified third party child-resistant package testing firm that the packaging is in compliance with the most recent poison prevention packaging regulations of the U.S. Consumer Product Safety Commission at 16 C.F.R. 1700.20; and
- b. Opaque or plain in design; and
- c. Re-sealable for any marijuana product intended for more than a single use or containing multiple servings;

This subsection does not apply to paper and plastic bags or other packages in which the child resistant package is placed prior to the consumer existing the licensee's establishment nor to the packaging of marijuana for wholesale by a marijuana cultivator.

(5) Serving Sizes. Packaging for marijuana products sold or displayed for consumers must provide for or allow the consumer to perform the division of each serving within a package containing multiple servings in a manner that allows consumers to easily identify a single serving. No individual serving size of any MIP may contain greater than 10 milligrams of delta-nine-tetrahydrocannabinol (Δ9-THC).

(6) Limits on Packaging Design. Packaging for marijuana or MIPs sold or displayed for consumers, including any label or imprint affixed to any packaging containing marijuana and MIPs or any paper and plastic bags or other packages in which any marijuana or MIPs are placed prior to the consumer ~~existing~~ exiting the licensee's establishment, shall not be attractive minors. Attractive to minors means packaging, labels, imprints or any other design or illustration that:

- a. Uses bright colors, which are defined as colors that are "neon" in appearance;
- b. Imitates or has a semblance to any existing branded consumer products, including foods and beverages, that do not contain marijuana;
- c. Features cartoons;

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Comment [AJ8]: Cross reference wholesaling regulation. Does this formulation make sense?

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Comment [AJ9]: Cross referencing the sections above making cultivators OR retailers responsible for marijuana packaging and product manufacturers responsible for MIP packaging.

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Comment [AJ10]: Yes?

Comment [AJ11]: See comment above.

Comment [AJ12]: I'm at a bit of a loss how to define the term "bright colors." Subsection (a) and (b) are drawn directly from the statute; The rest of this section is copied verbatim from the Oregon regulations.

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d. Features a design, brand or name that resembles a non-cannabis consumer product of the type that is typically marketed to minors;

e. Features symbols or celebrities that are commonly used to market products to minors;

f. Features images of minors; or

g. Features words that refer to products that are commonly associated with minors or marketed by minors.

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On-Site Consumption Relevant Sections of Adult Use Statutes

Chapter 55 Section 26 (a 1/2) (iv): procedures and policies to promote and encourage full participation in the regulated marijuana industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement and to positively impact those communities;

Chapter 94G Section 4(b) In furtherance of the intent of this act, the commission may also adopt regulations in accordance with chapter 30A of the General Laws which:

(1) establish and provide for issuance of additional types or classes of licenses to operate marijuana-related businesses, including licenses that authorize only limited cultivation, processing, manufacture, possession or storage of marijuana or marijuana products, limited delivery of marijuana or marijuana products to consumers, licenses that authorize the consumption of marijuana or marijuana products on the premises where sold, licenses that authorize the consumption of marijuana at special events in limited areas and for a limited time and licenses intended to facilitate scientific research or education;

Chapter 94G Section 4(c) Regulations made pursuant to this section shall not:

(1) prohibit the operation of a marijuana establishment either expressly or through regulations that make operation of a marijuana establishment unreasonably impracticable;

(3) require a customer to provide a marijuana retailer with identifying information other than identification to determine the customer's age and shall not require the marijuana retailer to acquire or record personal information about customers other than information typically required in a retail transaction;

Appendix of Definitions

“Club”, a corporation chartered for any purpose described in section two of chapter one hundred and eighty, whether under federal or state law, including any body or association lawfully operating under a charter granted by a parent body so chartered, and including also any organization or unit mentioned in clause twelfth of section five of chapter forty, owning, hiring, or leasing a building, or space in a building, of such extent and character as may be suitable and adequate for the reasonable and comfortable use and accommodation of its members; provided, that its affairs and management are conducted by a board of directors, executive committee, or similar body chosen by the members at its annual meeting, and that no member or any officer, agent or employee of the club is paid, or directly or indirectly receives in the form of salary or other compensation, any profits from the disposition or sale of marijuana products beyond the amount of such salary as may be fixed and voted annually within two months after January first in each year by the members or by its directors or other governing body and as shall in the

judgment of the local licensing authorities and the commission be reasonable and proper compensation for the services of such member, officer, agent or employee. Such club shall file with the local licensing authorities and the commission annually within three months after January first in each year a list of the names and residences of its officers, together with the amount of salary or compensation received by each employee engaged in the handling or selling of marijuana products.

“Commission”, The Cannabis Control Commission.

“Consumer”, a person who is at least 21 years of age.

“Continuing care retirement community”, a facility providing continuing care to residents as defined by section 76 of chapter 93; provided, however, that such facility shall include a certified assisted living residence pursuant to chapter 19D.

“Daily Purchase Limit”, the amount of cannabis a consumer can purchase from an onsite consumption marijuana retailer in a twenty four hour period equivalent to 0.35 ounces of finished marijuana product or the equivalent in concentrates.

“Dermal Marijuana Infused Products”, marijuana products infused with a neutral substance and applied to the consumer topically on the skin with no intoxicating effects.

“Hotel”, a building or part of a building owned or leased and operated by a person holding a duly issued and valid license as an innholder, under the provisions of chapter one hundred and forty and provided with adequate and sanitary kitchen and dining room equipment and capacity for preparing, cooking and serving suitable food for its guests, including travelers and strangers and its other patrons and customers, and in addition meeting and complying with all the requirements imposed upon innholders under said chapter one hundred and forty.

“Licensee” - a person or entity licensed by the commission to operate a marijuana establishment under this chapter.

“Licensing authorities”, the commission or the local licensing authorities, or both, as the case may be.

“Lockbox Point of Sale”, Commission issued, locked and secured computer Point of Sale system that tracking all marijuana sales to consumers that is only accessible by the Commission through inspection and audit.

“Mantrap”, a lobby or antechamber used for security, identifying the age of the consumer, odor control and air purification where needed before a consumer is allowed to enter a marijuana retailer.

“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; or (iii) the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink or other products.

“Marijuana retailer”, an entity licensed to purchase and deliver marijuana and marijuana products from marijuana establishments and to deliver, sell or otherwise transfer marijuana and marijuana products to marijuana establishments and to consumers.

“Marijuana infusion”, all cannabis food or beverages manufactured or produced by an on-site consumption marijuana retailer by mixing or infusing neutral food, beverages, or other marijuana products with or over fruits, flowers, plants or pure juices therefrom, or other natural flavoring materials, food, or with extracts derived from non-marijuana infusions, percolations, or maceration of such materials.

“Marijuana products”, products that have been manufactured and contain marijuana or an extract from marijuana, including concentrated forms of marijuana and products composed of marijuana and other ingredients that are intended for use or consumption, including edible products, beverages, topical products, ointments, oils and tinctures.

“On-site consumption marijuana retailer”, a marijuana retailer where marijuana products may be sold, as authorized by this chapter, with or without food, to be served to and consumed by patrons in plain view of other patrons that exclusively occupies an enclosed indoor space or outdoor space that is primarily engaged in the retail sale of marijuana products for consumption by consumers on the premises; derives revenues from the sale of food, beverages, and other services that are combined with the sale of the marijuana products; prohibits entry to a person under twenty one years of age during the time when the establishment is open for business; prohibits any food, beverage, or marijuana product not sold directly by the business to be consumed on the premises; and has received municipal approval for the retail sale of marijuana products to be consumed on premises as required to be issued by the appropriate authority in the city or town where the onsite consumption retailer is located; licensed to purchase marijuana and marijuana products from marijuana establishments and sell marijuana and marijuana products to consumers.

“On-site consumption license”, A license issued by the Commission pursuant to G.L. c. 94G § 4 (b) to operate an onsite consumption retail facility for a period of one year from date of issuance.

“On-site retailer agent”, an authorized employee of the licensee who distributes marijuana and/or marijuana products/infusions to consumers.

“Restaurant”, space, in a suitable building, leased or rented or owned by a person holding a duly issued and valid license as a onsite consumption marijuana retailer under the provisions of said chapter fifty five, and provided with adequate and sanitary kitchen and dining room equipment and capacity for preparing, cooking and serving suitable marijuana infused and also non-infused food for strangers, travelers and other patrons and customers over the age of 21, and in addition meeting and complying with all the requirements imposed upon on-site consumption marijuana retailers under said chapter fifty five.

“Reusable packaging”, packaging that can used by a consumer, returned, and then cleaned according to specific standards provided by the Commission before being ready to use by the next consumer.

“Revenues”, For the purpose of this regulation only, all gross proceeds from the sale of marijuana products, food, beverages, and services offered by an onsite consumption retailer licensee. The Commission reserves the right to include any other revenues from other closely located, affiliated or otherwise related businesses that are owned or controlled by an owner.

“Unused Marijuana”, any marijuana, marijuana product, or marijuana infusion not consumed and leftover by an adult consumer in an onsite consumption marijuana retail establishment.

“Ventilation”, any air purification requirements of licensing authorities for onsite consumption marijuana retailers that allow smoking or vaporizing of marijuana products.

“Vestibule”, an enclosed portion of the onsite consumption marijuana retailer that complies with smoke free workplace laws for those employees who do not waive their protections to exposure to smoke and vapor.

DRAFT Cannabis Control Commission Provisions Concerning Onsite Consumption Marijuana Retailers

xxx CMR xxx

(A) Onsite Consumption Marijuana Retailers

(1) General Rules for the Licensing of an Onsite Consumption Marijuana Retailer

(a) A on-site consumption marijuana retailer operating in the Commonwealth shall obtain a onsite consumption license ("License") from the Commission. The License issued shall be valid for a period of one years from date of issuance, unless otherwise suspended or revoked. A

valid License that is not suspended at the time of its expiration may be renewed consecutively for 1-year periods.

(b) The application for the License must include a declaration signed by the licensee under the pains and penalties of perjury demonstrating that the on-site consumption marijuana retailers revenues generated from the sale of marijuana products are equal to or greater than 51 per cent of the total combined revenues generated by the sale of marijuana products, food, beverages and services. The declaration received by the Commission shall be confidential and the financial information contained therein shall not be disclosed to the public or any other state governmental agency or department unless otherwise permitted under M.G.L. c. 55.

(c) Applicants must file a Certificate of Good Standing and/or Tax Compliance or a request for a Certificate with the onsite consumption marijuana retailer application. The Commission shall not issue or renew a License to any business that has not filed all applicable tax returns and paid all taxes due the Commonwealth or is delinquent in filing declaration statements in connection with a License.

(d) The Commission shall notify the local board of health or municipal health department in the city or town where a onsite consumption marijuana retailer is located of any Licenses issued or renewed.

(e) A non-refundable fee may be required with each application. Each License issued by the Commission shall be non-transferable and for a specific location and business. An applicant must apply for a separate License for each business location.

(f) The Commission shall have the ability to make special exceptions for onsite consumption marijuana retailer applicants 51% sales from marijuana and/or marijuana products/ infusions requirement in cases where the license applicant is a hotel, restaurant, club, continuing care retirement community, or has presented a revenue plan approved by the Commission.

(2) Quarterly Declaration Statement

Every onsite consumption marijuana retailer must file a quarterly declaration with the Commission on such form, as they may prescribe, no later than twenty days following the end of the preceding quarter, with the following information:

(a) The quarterly declaration shall demonstrate that the revenues generated from the sale of marijuana products is equal to or greater than fifty-one per cent of the total combined revenues generated by the sale of marijuana products, food, beverages or services.

(b) The declaration must be signed by the owner under the pains and penalties of perjury.

(c.) Exceptions to the fifty-one per cent revenue requirements can only be approved by the Commission.

(3) Revocation or Suspension of a License

(a) If a onsite consumption marijuana retailer has not filed a required declaration, the Commission shall give written notice to the onsite consumption marijuana retailer that the declaration is delinquent and shall suspend the License if the onsite consumption marijuana retailer does not submit the required declaration after twenty-one days of the date of notice.

(b) If a onsite consumption marijuana retailer does not demonstrate at the end of a quarter and at year end that the revenues generated from the sale of marijuana products are equal to or greater than fifty-one per cent of the total combined revenues generated by the sale of marijuana products, food, beverages, and services the Commission may suspend or revoke the License for non-compliance with M.G.L. c. 55.

(c) The Commission shall require a new License applicant or Licensee whose License has been suspended or revoked to submit information of its ability to meet the fifty-one percent rule in XXX CMR XXX(1)(b) with an application for a new License or for reinstatement of a suspended or revoked License.

(d) The Commission shall notify the local board of health or municipal health department in the city or town where the onsite consumption marijuana retailer is located of the suspension, revocation or reinstatement of a License.

(e) A licensee may, with the prior approval of the Commission, file its quarterly reports based upon its calendar or fiscal year tax year.

(4) Conference with the Commission

(a) Licensee's request for a conference

1. A licensee notified of the proposed suspension or revocation of a License must request a conference with the Commission within ten days after the date of the issuance of the notification of the proposed revocation or suspension. If the Commission does not receive a request for a conference within the ten day period, the License will be suspended or revoked.

2. A written request for a conference must be sent to the Office of Appeals, Massachusetts Cannabis Control Commission, at the address shown on the notification of revocation or suspension.

3. To expedite processing, a request for a conference should include telephone numbers for the licensee and/or its representative. All requests must include a current address for the

licensee and/or its representative; requests without a full return address will be considered incomplete and without effect.

(b) Conduct of the conference. The conference with the Commissioner is an informal proceeding.

(5) Reinstatement

When an onsite consumption marijuana retailer whose License has been suspended or revoked at the request of the Commission satisfies the Commission that it has filed the required declaration or is otherwise in compliance, the Commission shall reinstate the suspended or revoked License within 5 days after receiving the delinquent report or information.

(6) Enforcement

Remedies the Commission may exercise, without limitation, include the Commission's authority to compel the production of the lockbox point of sale records and to take testimony and proofs under M.G.L. c. 55.

(7) Record Retention

Every on-site consumption marijuana retailer is required to maintain a complete and accurate record of all marijuana products, food, beverages, or services purchased or otherwise acquired and sold through a lockbox point of sales system issued by the Commission. Such record must include copies of statements or invoices containing: the name and address of the original marijuana establishment seller, the name and address of the purchaser, the date of delivery and the quantity purchased and anything else the Commission requires. All records should be maintained in the manner and for the period specified in XXX CMR XXX.

(B) On-site Consumption Marijuana Retailer License Categories

(1) **All Consumption Retail License**, On-site consumption marijuana retailers that allow the smoking and/or vaporizing of marijuana products, marijuana infusions, and the ingestion or topical application of marijuana products.

(a) All Consumption Retail Licenses must abide by all relevant security, air ventilation requirements and safe handling requirements issued by licensing authorities.

(2) **Inhalation Only Retail License**, On-site consumption marijuana retailers that allow for smoking and vaporizing of marijuana products only.

(a) Inhalation Only Retail Licenses must abide by all relevant security and air ventilation requirements issued by licensing authorities.

(3) **Infused Product Retail License**, On-site consumption marijuana retailers that only allows for marijuana infusions and the ingestion of marijuana infused products.

(a) Infused Product Retail Licenses must abide by all relevant security and safe handling requirements issued by licensing authorities.

(4) **Dermal Product Retail License**, On-site consumption marijuana retailers that only allow for application of dermal marijuana infused products.

(a) Dermal Product Retail Licenses must abide by all relevant security and safe handling requirements issued by licensing authorities.

(C) Licenses authorizing sale of marijuana and marijuana products to be consumed on premises; veterans' organizations, corporations, etc.; suspension or revocation; hours of sale; marijuana infusions; legal liability insurance requirement

(1) A on-site consumption marijuana retailer duly licensed under chapter one hundred and forty to conduct a restaurant, an innholder duly licensed under said chapter to conduct a hotel, a club, a continuing care retirement community and a Licensee of a on-site consumption marijuana retailer as defined by this chapter, in any city or town wherein the granting of licenses under this section to sell marijuana and/or marijuana products or any combination thereof, as the case may be, is authorized by this chapter, subject however, in the case of a on-site consumption marijuana retailer, to the provisions of section X, may be licensed by licensing authorities, subject to the prior approval of the commission, to sell to travelers, strangers and other patrons and customers not under twenty-one years of age, such marijuana and/or marijuana products to be consumed, in case of a hotel or restaurant or continuing care retirement community licensee, only in areas of a hotel that the licensing authorities may deem reasonable and proper, and approve in writing; and provided further, that the limitations relative to service and consumption in a restaurant or hotel or continuing care retirement community in only rooms or areas deemed reasonable and proper by the licensing authorities shall not be deemed to preclude the restaurant or hotel from allowing a patron to take home remains of a meal and not totally consumed by the patron during such meal as long as it does not contain any marijuana; on-site consumption marijuana retailers sales may also be made, by an innholder licensed hereunder, to registered guests occupying private rooms in his hotel, and in such other rooms or areas of buildings on the same premises as the hotel and operated as appurtenant and contiguous to and in conjunction with such hotel, and to registered guests occupying private rooms in such buildings and in the case of condominium accommodations that are located appurtenant and contiguous to and also upon the same premises as a hotel, sales may be made by the hotel licensee as the licensing authorities may deem reasonable and proper, and approve in writing. Such sales may also be made by a continuing care retirement community licensed hereunder, to residents or guests of residents in rooms in a continuing care retirement community, and in Commission approved rooms or areas of buildings on the same premises as the continuing care retirement community and operated as appurtenant and contiguous to and in conjunction with such continuing care retirement community, and to

guests of residents in such buildings; provided, however, that such sales may be made by the continuing care retirement community licensee as the licensing authorities may deem reasonable and proper and approve in writing. Licensing authorities may grant a license for the sale of all marijuana and marijuana products or a license for the sale of only inhaled or on ingested marijuana products or any combination thereof at any location on the grounds of a golf course as it deems reasonable and proper. Upon an application for a restaurant license, the local licensing authorities may in their discretion grant such a license authorizing the sale of marijuana and/or marijuana products on all days of the week or one authorizing such sale on secular days only, and the decision of such authorities as to which of the two types may be granted upon any particular application shall be final. During such time as the sale of such marijuana and/or marijuana products is authorized in any city or town under this chapter, the authority to grant on-site consumption marijuana retailer' licenses therein shall be vested in the licensing authorities; provided, that if a person applies for the renewal of both a on-site consumption marijuana retailer's license under said chapter and a hotel or a restaurant license, as the case may be, under this section and the local licensing authorities refuse to grant said on-site consumption marijuana retailer's or fail to act on the applications therefor within a period of thirty days, such applicant may appeal therefrom to the commission in the same manner as provided in section XX and all the provisions of said section relative to licenses authorized to be issued by licensing authorities under this chapter shall apply in the case of such on-site consumption marijuana retailer's license.

(2) The licensing authorities of any city or town wherein the granting of licenses under this section to sell marijuana and/or marijuana products, as the case may be, is authorized by this chapter, may, subject to the approval of the commission, issue a license to any corporation the members of which are war veterans and which owns, hires or leases in such city or town a building, or space in a building, for the use and accommodation of a post of any war veterans' organization incorporated by the Commonwealth, to sell such marijuana and/or marijuana products to the members of such post only, and also, subject to regulations made by the licensing authorities, to guests introduced by such members and to no others.

(3) The licensing authorities may accept the surrender of a license issued under this section and may issue in place thereof to the same licensee any other form of license authorized under this section, and may allow as a credit on the fee for the new license the license fee paid for the license surrendered but no refund shall be authorized. Different licenses categories issued as aforesaid for any portion of the same license year to the same licensee shall count as one license.

(4) The hours during which sales of such marijuana and/or marijuana products may be made by any licensee as aforesaid shall be fixed by the licensing authorities either generally or specially for each licensee; provided, further, that any such licensee or his manager shall not be prohibited from being on the licensed premises at any time; provided, further, that the employees, contractors or subcontractors shall not be prohibited from being upon such premises at any time for the purpose of cleaning, making renovations, making emergency repairs to or providing security for, such premises or preparing food for the day's business or opening or closing the business in an orderly manner. The licensing authority shall not decrease the hours

during which sales of such alcohol beverages may be made by a licensee until after a public hearing concerning the public need for such decrease; provided, however, that a licensee affected by any such change shall be given 2 weeks notice of the public hearing.

(5) No license issued under this section shall be subject to any condition or requirement varying the occupancy of the licensed premises as certified by any person or state or local agency charged with the administration or enforcement of the state building code or any of its rules or regulations.

(6) In cities and towns which vote to authorize the granting of licenses for the sale of marijuana and/or marijuana products, specific licenses may nevertheless be granted under this section for the sale of inhaled, ingested, or dermal only marijuana and/or marijuana products, or any combination thereof.

(7) No cannabis or cannabis product shall be sold unless there shall plainly appear on a menu or attached to the product, in legible letters, the brand or trade name of the cannabis and/or cannabis product so sold therefrom and any other labeling requirements of the Commission.

(8) In any city or town wherein the granting of licenses under this section to sell marijuana and/or marijuana products is authorized, a person may be granted a general on-premise license by the licensing authorities, subject to the prior approval of the commission, authorizing him/her to sell marijuana and/or marijuana products without food to patrons and customers subject to all other relevant provisions of this chapter, provided that such marijuana and/or marijuana products shall be sold and consumed in such rooms as the licensing authorities may approve in writing. The annual license fee for such general on-premise license shall be determined by the licensing authorities. For the purposes of this section, a letter of non-opposition shall be considered an authorization for the granting of an on-site consumption marijuana retailer license in a city or town.

(9) On-site consumption marijuana retailers who holds a license pursuant to this section may not provide on premises sample marijuana and/or marijuana product tasting.

(10) In any city or town which votes by ballot to accept the provisions of this paragraph, on-site consumption marijuana retailers, who holds a license under this section to marijuana and/or marijuana products may, upon written approval, also sell marijuana infusions pursuant to said license, subject, however, to all other licensing provisions of this chapter.

(11) A on-site consumption marijuana retailer who holds a license for the sale of all marijuana and marijuana products or any combination thereof and who also holds pursuant to this section written approval to sell marijuana infusions pursuant to his license may not provide on-premises sample marijuana infusions.

(12) A on-site consumption marijuana retailer who holds a license for the sale of all cannabis and cannabis products or any combination thereof may not provide on premises sample marijuana and/or marijuana products.

(D) Special licenses to managers of indoor or outdoor activities; fees

(1) In a city or town wherein the granting of licenses to sell all marijuana and/or marijuana products or any combination thereof is authorized under this chapter, special licenses for the sale of marijuana and/or marijuana products and immediate use on-site, may be issued by the licensing authorities, to the responsible manager of any indoor or outdoor activity or enterprise; provided, however, in any city or town wherein the granting of licenses to sell all marijuana and/or marijuana products is authorized under this chapter, special licenses for the sale of marijuana and/or marijuana products, may be issued by licensing authorities to the responsible manager of any corporation conducting any indoor or outdoor activity or enterprise so long as the marijuana and/or marijuana products come from other licensed marijuana establishments and all taxes are accounted for and paid by the licensee. Temporary marijuana retailer identification cards shall be issued in cases of short term event licenses. The fees for licenses granted under this section shall be fixed from time to time by the licensing authorities and need not be uniform.

(2) A license under this section shall not be granted to any person while his application for a license is pending before the licensing authorities.

(E) Dilution, changing or tampering with marijuana, marijuana products, marijuana infusions; suspension of license; prima facie evidence

(1) Any person holding a license under this section who, directly or through any agent, employee or other person, dilutes or changes or in any manner tampers with any marijuana, marijuana product, or marijuana infusion authorized to be sold under such license so as to change its composition or cannabinoid content shall be punished by a fine of not less than two hundred nor more than five hundred dollars, and if any holder of such a license is convicted of a violation of the foregoing, his license shall forthwith be suspended, for a period of not less than six months, by the licensing authorities which issued the same.

(2) Possession on the licensed premises by any licensee referred to in this section of any marijuana, marijuana product, differing in composition or cannabinoid content from such product when received from the marijuana manufacturer or other marijuana establishment from whom it was purchased, marijuana product cannabinoid content different than what is displayed to the consumer on the menu and labels, except in the case of marijuana infusions as hereinbefore authorized, shall be prima facie evidence that the said marijuana or marijuana product has been diluted, changed or tampered with in violation of this section.

(F) Marijuana Retailer Purchase Identification Cards

(1) Any person who shall have attained age twenty-one and does not hold a valid operator's license issued by the registry of motor vehicles, who also holds a valid onsite consumption marijuana retailer license may apply for a marijuana retailer purchase identification card. Such cards shall be valid for five years and shall be issued by the Commission pursuant to regulations prescribed by the Commission with the advice of the commission and shall bear the name, signature, date of birth, address and photograph of such person. The Commission shall require payment of a twenty-five dollar fee for any card issued pursuant to this section. A marijuana retailer identification card issued by the Commission shall be labeled as "Not for Federal Identification.

(2) Any licensee, or agent or employee thereof, under this chapter who reasonably relies on such a marijuana retailer purchase identification card and motor vehicle license issued, or on an identification card issued under section 8E of chapter 90, or on a valid passport issued by the United States government, or by the government, recognized by the United States government, of a foreign country, or a valid United States issued military identification card, for proof of a person's identity and age shall not suffer any modification, suspension, revocation or cancellation of such license, nor shall he suffer any criminal liability, for selling marijuana and/or marijuana to a person under twenty-one years of age. Any licensee, or agent or employee thereof, under this chapter, who reasonably relies on such a marijuana retailer purchase identification card, or an identification card issued under section 8E of chapter 90, or motor vehicle license issued, for proof of a person's identity and age shall be presumed to have exercised due care in making such delivery or sale of marijuana and/or marijuana products to a person under twenty-one years of age. Such presumption shall be rebuttable.

(3) Any person in a licensed premises shall, upon request of an agent of the commission or the licensing authorities, state his name, age, and address. Whoever, upon such request, refuses to state his name, age or address, or states a false name, age, or address, including a name or address which is not his name or address in ordinary use, shall be guilty of a misdemeanor and shall be punished by a fine of not more than five hundred dollars.

(4) Any person who transfers, alters or defaces any such card or license, or who makes, uses, carries, sells or distributes a false identification card or license, or uses the identification card or motor vehicle license of another, or furnishes false information in obtaining such card or license, shall be guilty of a misdemeanor and shall be punished by a fine of not more than two hundred dollars or by imprisonment for not more than three months.

(5) Any person who is discovered by a police officer or special police officer in the act of violating the provisions of this section may be arrested without a warrant by such police officer or special police officer and held in custody, in jail or otherwise, until a complaint is made against him for such offense, which complaint shall be made as soon as practicable and in any case within twenty-four hours, Sundays and legal holidays excepted.

(E) On-site Consumption Consumer Daily Purchase Limitations

Daily consumer purchase limits are based on marijuana and/or marijuana products not being evaluated by laboratory testing for environmental contamination (impurities) assuming that no more than 10 grams (0.35 ounces) of finished plant material (or the equivalent amount of concentrates) will be consumed per day.

(1) On-site Consumption Consumer Daily Purchase Limit equivalent to 0.35 ounces

- (a) 10 grams of marijuana flower - **0.25 gram serving size / max servings* 8**
- (b) 2 grams of marijuana concentrate - **0.10 gram serving size / max servings 5**
- (c) 1400mg of edible marijuana infused products - **10mg serving size / max servings 5**
- (d) 1400mg of dermal marijuana infused products - **50mg serving size / max servings 28**
- (e) Any combination equivalent to 0.35 ounces

** max servings = maximum servings allowed per re-usable package for purchase by the consumer.*

(2) Consumer daily on-site consumption purchase tracking

(a) Consumers daily marijuana and/or marijuana product/infusion purchases shall be tracked through non-identifiable information similar to a common retail transaction in a lockbox point of sale system that can only be audited by the Commission.

(b) Lockbox point of sale systems shall be required to warn on-site retailer agents that a particular consumer they are serving is approaching their daily limit and also prevent the on-site retailer agent from allowing consumers to purchase more than their daily purchase limit.

(3) Municipal Discretion over daily purchase limits at on-site retailers

(a) Municipalities considering on-site consumption marijuana retailers shall be able to restrict the category of on-site consumption marijuana retailer and further restrict daily purchase limits set by the state at such a retailer to suit the sensibilities of their city/town providing that such restrictions are not unreasonably impracticable as defined by c. 55.

(F) Posting notices of penalties for driving while under influence and driving while consuming marijuana and/or marijuana products as well as what constitutes an open container of marijuana.

Any establishment which sells marijuana and/or marijuana products/infusions on the premises, shall post a copy of the penalties set forth by the Commission for driving under the influence. Any establishment which sells marijuana and/or marijuana products/infusions not to be consumed on the premises shall post a copy of the penalties set forth by the Commission for

operating a motor vehicle while consuming marijuana from an open container. Said copies shall be posted conspicuously by the licensee of the respective establishment, and whoever violates this provision shall be punished by a fine of not more than fifty dollars. Any person unlawfully removing a copy so posted shall be punished by a fine of fifty dollars. Said copies, printed in letters not less in size than eighteen point capitals, boldface, shall be prepared by the commission and distributed to onsite consumption marijuana retail establishments which sell, serve or otherwise dispense marijuana and/or marijuana product/infusions to adults twenty one years of age.

(G) Sale of marijuana and/or marijuana products/infusions to person under 21 or intoxicated person; sanctions; liability insurance

In any hearing by Commission where a licensing authorities found that a licensee has served or sold marijuana and/or marijuana products/infusions either to a person under 21 years of age or to an intoxicated person in violation of the Commission's rules within the 24 months immediately preceding the date of the alleged violation that is the subject of the hearing, the commission may require, in addition to imposing any other sanctions, as a condition precedent to any modification, reinstatement or renewal of the license that the licensee provide a certificate of insurance for liability providing security for the liability of the licensee to a limit of not less than \$100,000 to any 1 person and \$200,000 to all persons; provided, however, if the licensee is required to obtain insurance coverage, then the licensing authority may increase the limits set. Limits imposed or increased under this section shall be set at the discretion of the licensing authorities.

(H) Insurance policy required by licensing authority; disclosure to insurer; proof of new insurance

In any case in which a liability insurance policy has been required or the limits of any such policy have been increased as a condition precedent to the modification, reinstatement or renewal of a license as provided in section G, a licensee shall disclose to the insurer that such policy has been required or such policy limits have been increased, shall provide to the liability insurer the mailing address of the licensing authority and shall direct the insurer to include the licensing authority as a recipient of any notice which the insurer is required to issue to the licensee. In any case in which the insurer notifies the licensee and the licensing authorities that it intends to terminate the contract upon expiration of the requisite notice period, the licensee shall provide proof of reinstatement or new insurance to the licensing authorities within such period. If the licensee fails to provide such proof prior to receipt by the licensing authorities of a notice of cancellation from the insurer, the licensing authorities shall suspend such license until proof of insurance is delivered, or revoke such license, at their discretion.

(I) Sale of Marijuana and/or Marijuana Products/Infusions to intoxicated persons

(1) No marijuana and/or marijuana product shall be sold or delivered on any premises licensed under this chapter to an intoxicated person.

(a) The commission shall develop in coordination with law enforcement and other state agencies a required educational course for all on-site retailer agents to spot impairment and understand when to stop serving a consumer.

(J) Cancellation of license upon cessation of licensed business

The licensing authorities may, after hearing or reasonable opportunity therefor, cancel any license issued under this chapter if the licensee ceases to conduct the licensed business. If the licensing authorities determines that a license should be cancelled as aforesaid the licensee may appeal to the commission as if such authorities had refused to grant the license upon an original application therefor, and the decision of the commission upon such appeal shall be final.

(K) Lockbox Point of Sales entries at time of sale of marijuana and/or marijuana products infusions; form

Every licensee shall keep a lockbox point of sales system in which he/she shall enter, at the time of every sale of marijuana and/or marijuana product/infusion, the date thereof, the quantity and price of the marijuana sold, the tax paid by the consumer, and any additional information required by the Commission. Said lockbox point of sale shall be in form set by the Commission.

(L) Re-usable packaging requirements

- (1) Must be cleanable in a manner required by the Commission before every use.
- (2) Must be packaged for sale according to serving size limitations set by licensing authorities.
- (3) Must not be removed from the onsite consumption marijuana retailer unless to be refilled by marijuana packaging facilities.
- (4) Onsite consumption marijuana retailers can choose to purchase product to fill their re-usable packaging from licensed marijuana establishments.
- (5) Onsite consumption marijuana retailers can choose to submit their proposed re-usable packaging for review and approval from the Commission.
- (6) Unused marijuana must be tracked and removed from any re-usable packaging and immediately destroyed and disposed of in a manner required by the Commission by an on-site retail agent.

(M) Employee Vestibule and Waiver

(1) Employees involved in the use of any heavy machinery including but not limited to disposal equipment, transportation, and any kitchen equipment of an onsite consumption marijuana retailer where smoking or vaporizing is allowed must be provided with a vestibule that

complies with all smoke free workplace laws in order to prevent impairment of those employees and the creation of an unsafe workplace.

(2) Employees of an onsite consumption marijuana retailer in which smoking or vaporizing takes place that are not involved in the use of heavy machinery may sign a document provided by the licensee that waives their rights to a smoke free workplace after explaining the potential health hazards from second hand marijuana smoke in the workplace.

(3) Employees of an onsite consumption marijuana retailer are not allowed to consume cannabis at the marijuana establishment they're employed by unless they are a paying consumer after their working hours have ended with no further access to limited access areas.

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