

# Guidance on Renewing a Marijuana Establishment License

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## **Purpose**

The purpose of this guidance is to assist licensees with the Cannabis Control Commission (“Commission”) requirements to renew a license by providing additional clarity and information. This guidance is not legal advice. If you have questions regarding the legal requirements for licensure and renewal in the Commonwealth, you are encouraged to consult an attorney.

## **Introduction**

All licensees that have been approved by the Commission for a provisional license, final license, or have commenced operation must renew their license annually. The licensee must access the Massachusetts Cannabis Industry Portal (“MassCIP”) using their username and password. A license becomes active once it is provisionally approved by the Commission and the license fee is received and processed. A license expires one (1) year from the date it becomes active. A renewal application will become available to the licensee in the MassCIP 90 days prior to the expiration of their license. Licensees are required to submit an application for renewal at least 60 days prior to the license expiring.

The renewal application will require all licensees to provide the following:

- a. Update the licensee’s contact information, if necessary;
- b. Update the business information for entities currently on the license;
- c. Update the personal information for individuals currently on the license;
- d. Remove individuals and entities that are no longer associated with the license;
- e. Update information pertaining to individual interest in cannabis-related businesses and licenses in Massachusetts and other jurisdictions;
- f. Update the square footage of the licensee’s building and the number of abutters within 300 feet of the property;
- g. Disclosure of the amount of funds that have accrued to the host community as a result of the executed Host Community Agreement, along with documentation;
- h. Update the licensee’s plan to remain compliant with local ordinances or bylaws, if applicable;
- i. Update background information that has occurred for all individuals and entities associated with the license;
- j. Provide an updated certificate of good standing from the Massachusetts Department of Revenue, Massachusetts Secretary of the Commonwealth, and Massachusetts Department of Unemployment Assistance;



- k. Provide updated summaries of plans, policies, and procedures relating to security, transportation, prevention of diversion, quality control and testing, dispensing, inventory, and others that were previously required;
- l. Provide statements and documentation demonstrating the reasonable progress or success of the programs implemented as part of the licensee's Positive Impact Plan submitted as part of its initial application; and
- m. Provide statements and documentation demonstrating the reasonable progress or success of the programs implemented as part of the licensee's Diversity Plan submitted as part of its initial application.

The renewal application will require certain licensees to provide the following:

- a. Cultivators and Craft Marijuana Cooperatives must provide documentation and information that demonstrates that the cultivation operation has sold more than 70% of its product that has been fully harvested within the preceding six months. Cultivators and Craft Marijuana Cooperatives may have their tier level reduced if, based on the dry weight analysis, they have sold less than 70% of the amount of marijuana cultivated and cured to Product Manufacturers or Retailers. When determining whether to reduce a licensee's tier, additional factors may be considered:
  - i. Cultivation and production history and whether the inventory suffered a catastrophic event;
  - ii. Transfer, sales, and excise tax payment history;
  - iii. Existing inventory;
  - iv. Sales contracts; and
  - v. Any other relevant factor to ensure responsible management.
- b. Product Manufacturers, Microbusinesses, and Craft Marijuana Cooperatives must provide detailed information regarding the products they produced, including all types and forms.

Licensees will not be able to update certain information in the renewal application as the Commission has alternative ways to make these changes:

- a. Licensees will not be able to add individuals or entities that will obtain ownership or control over the establishment;
- b. Licensees will not be able to change the location of the establishment; and
- c. Licensees will not be able to change the name of the establishment.

In addition to the items listed above, the licensee must submit the annual license fee. For information on the appropriate license fee, please see the Commission's guidance available here: <https://mass-cannabis-control.com/guidancedocuments/>.

Once the license fee has been paid, and all the required information has been provided and updated, the licensee will be able to submit the renewal application.

The Commission may request additional information to determine whether the renewal application should be granted or denied. The Commission may deny a renewal application for any basis set



forth in 935 CMR 500.450, including but not limited to, failure to provide complete, accurate, or truthful information.

## Questions & Answers

1. How do I know when my license expires?

There are several ways to find out when your license will expire. First, the licensee will receive a notice approximately 90 days prior to the license expiration date. Second, if you received a final license, the expiration date of your license will be on the upper right corner of the license certificate you received. Lastly, if you log into the MassCIP, you can access your license information which will show the expiration date.

2. How is the license expiration date calculated?

Once an applicant is approved by the Commission for a provisional license, they must pay their license fee. The date the Commission approved the license fee payment is when the license starts. It expires one year from the date the fee is approved.

3. Does the renewal application have multiple packets like the initial application?

No. The renewal application is one (1) packet which includes the functionality to pay the license renewal fee.

4. Why can't I add individuals or entities in the renewal application?

The process to add individuals or entities onto a license is a separate process provided for in the regulations. This process requires conducting background checks and fingerprint results by third-party organizations. Additionally, it requires the Commission to review individuals and entities for the purpose of compliance with license limits.

5. Why can't I change the address of the establishment in the renewal application?

The process to change the location of an establishment is a separate process provided for in the regulations. This process requires an in-depth analysis of property interest documentation, conducting a community outreach meeting, executing a host community agreement, and requiring municipal notification and response.

6. Why can't I change the name of the establishment in the renewal application?

The process to change the name of an establishment is a separate process provided for in the regulations. This process requires the submission of proposed articles of incorporation and notification to the Secretary of the Commonwealth once the change is approved by the Commission. This notification will require additional approval by the Secretary of the Commonwealth.



7. What information will I need to show the financial benefits accruing to the city or town stemming from the Host Community Agreement?

All licensees are required to have executed host community agreements with the city or town in which the establishment is located. The Commission's regulations require licensees to disclose the financial benefits accruing to the municipality.

The licensee must disclose the gross revenue of financial benefits accruing to the municipality. In addition to the disclosure, licensees must provide documentation that equates to the gross revenue. Some documents that are permissible include the following: the licensee's financial reports, bank statements showing the beneficiary as the city or town, or a letter from the city's or town's financial officer or chief executive officer.

8. What will I need to show for documentation to demonstrate the reasonable progress or success of my Positive Impact Plan?

Licensees are required to have a positive impact on disproportionately affected areas. All licensees submit a Positive Impact Plan in their initial application that outline the goals, programs, and measurements they plan to implement. Licensees are then required to demonstrate the progress or success of those programs.

Licensees should utilize the measurements, and overall metrics, to demonstrate progress or success of each component of their plan. Documentation that may be submitted to demonstrate the progress or success include the following:

- i. Internal reports with data that can be corroborated;
- ii. Service and vendor agreements;
- iii. Employment reports;
- iv. News articles;
- v. Third-Party documentation;
- vi. Documentation of donations provided;
- vii. Other documentation.

For more information on this requirement, please review the Commission's guidance located here: <https://mass-cannabis-control.com/guidancedocuments/>.

9. What will I need to show for documentation to demonstrate the reasonable progress or success of my Diversity Plan?

Licensees are required to promote equity among women, minorities, veterans, people with disabilities, people of all gender identities, and sexual orientation. All licensees submit a Diversity Plan in their initial application that outline the goals, programs, and measurements they plan to implement or have implemented. Licensees are then required to demonstrate the progress or success of those programs.



Licensees should utilize the measurements, and overall metrics, to demonstrate progress or success of each component of their plan. Documentation that may be submitted to demonstrate the progress or success include the following:

- i. Internal reports with data that can be corroborated;
- ii. Service and vendor agreements;
- iii. Employment reports;
- iv. News articles;
- v. Third-Party documentation;
- vi. Other documentation.

For more information on this requirement, please review the Commission's guidance located here: <https://mass-cannabis-control.com/guidancedocuments/>.

10. Why do I need to update the summaries of plan, policies, and procedures of the establishment?

All licensees are required to update the information contained within its original application for licensure. Licensees must also keep and maintain standard operating procedures pursuant to the Commission's regulations. These standard operating procedures may be used to update these plans as long as the relevant sections are uploaded separately.

11. Do I need to have background checks and fingerprints completed for individuals and entities for the renewal application?

No. However, all individuals associated with the establishment must be registered as agents. The licensee is required to perform annual background checks on all agents.

12. What background information must I disclose for individuals and entities?

All background information required under 935 CMR 500.101(1)(b)(3) and any other information that may have direct correlation to the suitability of individuals and entities must be disclosed.

13. What documentation must I provide to show that I sold more than 70% of our product during the past six months for my cultivation or craft marijuana cooperative license?

The Commission's regulations require documentation to demonstrate the amount of marijuana cultivated and sold. Documentation that should be provided include the following:

- i. Metric report showing cultivation and production history including a statement of whether the plants or inventory suffered a catastrophic event since the issuance or last renewal of the license;
- ii. Transfer, sales, and tax payment history;
- iii. Existing inventory and inventory history;
- iv. Sales contracts; and



- v. Any other factors or documentation relevant to ensuring responsible cultivation, production, and inventory management.

14. What if, under my cultivation license, I did not sell more than 70% of our product during the past six months?

The Commission may relegate, or reduce, your tier level.

15. Do I need to provide a full list of all products that we produce under a product manufacturer license?

Yes. You must disclose a full list of the names, types, forms, descriptions, and item pictures for all products produced.

16. How long are certificates of good standing valid for the renewal application?

Certificates of good standing are valid for 60 days. The Commission will consider the certificate valid as long as it is not older than 60 days from the date the renewal application is submitted.

17. What if my license expires and I don't renew?

**The license is no longer valid, and the licensee must cease operations immediately.**

18. Can I renew multiple licenses at once?

You may renew multiple licenses at once if they expire during the same time frame. Renewal applications become available 90 days prior to the expiration date and must be submitted no later than 60 days from the date the license expires. Regardless, each license must be renewed using a separate renewal application within the MassCIP.

19. What if I need to request a change in ownership or control, location, or name of the establishment when it is time to renew?

You may submit the change request at the same time. However, the renewal of the license will take precedence.

20. Will I need an inspection prior to the renewal of my license?

Commission Investigators conduct announced and unannounced inspections periodically. The Commission may conduct an inspection, request documentation, or take other investigative action, as necessary.

21. What are my appeal rights if my license renewal is denied?



You will receive written notice from the Commission if your renewal application is denied. You may request a hearing on the denial of your renewal application by submitting a request for hearing in writing within twenty-one (21) days after the effective date stated in the notice. Failing to timely request a hearing shall constitute a waiver of the right to a hearing before the Commission and final agency action of the Commission.

If you have questions regarding your renewal or any of the requirements of the renewal application, please contact the Commission via email at [cannabislicensing@mass.gov](mailto:cannabislicensing@mass.gov).

