

Summary of S 0568 — The 2021 "Cannabis Authorization, Regulation and Taxation Act"

In March 2021, Senators Michael McCaffrey and Josh Miller introduced legislation (<u>S 0568</u>) to legalize, regulate, and tax cannabis for adults' use at the request of Senate President Dominick Ruggerio. The legislation would establish a program that closely mirrors Massachusetts' legalization model.

Personal allowances and restrictions

- Adults 21 or older may possess and purchase up to one ounce of cannabis flower, with no more than five grams of cannabis concentrate.
 - Individuals may possess up to 10 ounces in their residence, in addition to any cannabis they cultivate from their own plants.
- Adults may cultivate up to six plants in their residence, with no more than 12 plants in a single residence with multiple adult occupants.

Non-discrimination policies

- The use of cannabis does not constitute grounds for restricting family or child custody rights.
- Employers may not fire or discipline employees for lawful cannabis use outside the workplace.
- The use of cannabis does not disqualify an individual from any medical treatment, including organ transplants.

Regulatory authority and advisory board

- A five-member Cannabis Control Commission (CCC) is established to regulate and oversee the adult-use cannabis market.
 - The CCC is authorized to:
 - hire additional staff to fulfill its responsibilities;
 - determine which applicants are awarded cannabis business licenses; and
 - establish all rules and regulations necessary to implement the law.
- A cannabis advisory board, composed of various state agencies, interest groups, and stakeholders, is created to provide recommendations to the Commission.

Licensing

• A wide range of cannabis business licenses are made available, including tiered "craft cultivation" licenses with modest application fees ranging from \$40 to \$1,620.

• Each municipality shall have a minimum of three cannabis retail establishments (unless the voters of the municipality approve a ban on cannabis sales) with additional retail licenses available for every 10,000 residents.

Local control

- Local cities and towns are permitted to enact zoning and other rules to govern the manner of operation of cannabis businesses within their jurisdictions.
- Municipalities may prohibit cannabis sales within their jurisdictions, provided that such ordinances are approved by a local referendum.

Social equity provisions

- The CCC is directed to establish policies "to promote and encourage full participation in the regulated cannabis industry by people from communities that have previously been disproportionately harmed by cannabis prohibition and enforcement and to positively impact those communities."
- Licensing and application fees are deposited into the "social equity assistance fund" to provide no-interest loans to cannabis businesses owned by people impacted by cannabis prohibition as well as to support social welfare programs.

Expungement

 Any person with a prior criminal record for a misdemeanor or felony offense that involved possession, distribution, or sale of an ounce or less of cannabis is eligible to file a petition to have those records expunged without a court hearing. All fees and fines associated with filing the petition are automatically waived.

Product and industry regulations

- Cannabis products that are considered to be attractive to children are not permitted.
- All cannabis products must be sold in child-proof packaging.
- Edible cannabis products are limited to 10 mg of THC per serving.
- Cannabis businesses are only permitted to advertise to audiences that are 85% or more people 21 and older.

Cannabis taxes

• Cannabis sold by a retailer to a consumer is subject to the normal 7% sales tax in addition to a 10% cannabis excise sales tax.

•	Iunicipalities ma	y establish an	additional :	3% local	tax on	cannabis sales.
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• All cannabis taxes are deposited into the general fund.