

Marijuana Legalization in Massachusetts

PJ McCann Deputy General Counsel

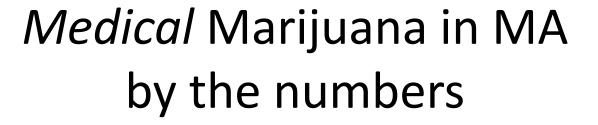
Heather Gasper
Director, Intergovernmental Relations

November 16, 2016



Medical Marijuana Timeline

- November 2012: Medical Marijuana Ballot initiative passes; City interagency working group formed to develop local policy approach
- January 2013: Boston Zoning Commission approves code amendment, making registered marijuana dispensaries (RMDs) a conditional use in commercial districts and forbidden use in residential districts
- November 2013: Board of Health approves regulations
- November 2014: DPH announces provisional certification for first Boston RMD site
- August 2015: Patriot Care receives approval from Zoning Board of Appeal
- November 2015: BPHC receives Patriot Care Corporation application
- November 2015-Spring 2016: Staff conducted a series of internal meetings to review and discuss the Patriot Care Application, seeking feedback from other agencies including the Boston Police Department
- July 2016: BPHC issues permit; facility opens August 2016





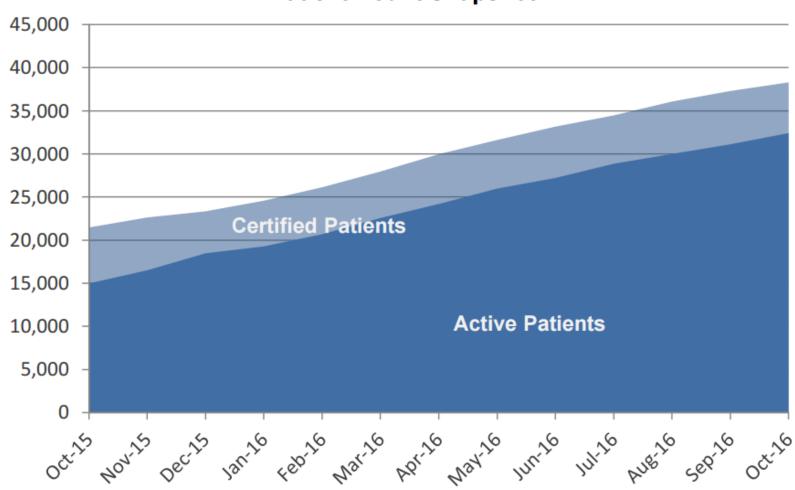
As of October 31, 2016:

- 8 RMDs Open for Sales
- 32,416 Active Patients
- 2,670 Active Caregivers
- 172 Registered Physicians
- 38,302 Active Physician Certifications
- 57 RMDs with provisional certificates



MA *Medical* Marijuana Market

Patient Count Snapshot





Question 4 Summary

- Legalizes possession of up to 1 ounce of marijuana in public for adults 21+
- Legalizes possession of up to 10 ounces in the home
- Allows adults to grow 6 plants in the home, up to 12 plants per household
- Taxes recreational marijuana up to 12%, which includes the 6.25% state sales tax, a 3.75% state excise tax and a 2% local option tax; medical marijuana remains untaxed
- Directs state excise tax revenue to a dedicated Marijuana
 Regulation Fund be used for regulation and enforcement
- Calls for the creation of a three-member Cannabis Control Commission (CCC) under the State Treasurer's Office to promulgate regulations and license marijuana establishments
- Gives preference to existing medical marijuana facilities



Question 4 Summary (Cont.)

- Allows for limited local regulation of marijuana establishments
 - Allows municipalities to ban or restrict the number of retail locations in their jurisdiction, but only after a City Council vote and voter referendum
- Notes that the CCC will not approve an establishment if it receives notice that the establishment is not in compliance with any local ordinance or bylaw
- Prohibits establishments within 500 feet of a school unless the city sets different buffer zone
- Prohibits use in public and prohibits consuming marijuana anywhere smoking tobacco prohibited (presumably including local regulations and ordinances that are stronger than state law)
- Allows landlords to ban smoking but not other use of marijuana products
- Prohibits use in retail establishments unless there is a petition signed by 10% of registered voters and local referendum to allow
- Allows a retail location to operate as both a medical and recreational business.



Implementation Timeline

- December 15, 2016: Law takes effect; possession and growing legal
- March 1, 2017: State Treasurer appoints Cannabis Control Commission
- <u>September 15, 2017</u>: CCC promulgates regulations
- October 1, 2017: CCC begins accepting application from testing facilities and from medical marijuana treatment centers to sell recreational marijuana
- January 1, 2018: CCC accepts all applications if there are fewer than
 75 MMJ provisional registrations by 10/1/17
- January 1, 2018: If CCC has not issued regulations, medical marijuana dispensaries can sell recreational marijuana
- October 1, 2018: CCC accepts applications from all applicants for retailer permits
- November 2018: Possible local referendum on smoking in businesses, local option tax, local limit on number of businesses

Potential State Legislative Issues



- Implementation timeline
- Local authority
 - Address limitations procedural barriers to establishing local ordinances and regulations
 - Clarify local authority to craft host community agreements
- Revenue
 - Revisit the adopted tax rate of 12%, which includes the 6.25 state sales tax, the 3.75% state excise tax, and the 2% local option tax



City Next Steps

- Convene working group of City agencies
- Determine agenda for state legislative and regulatory advocacy
- Determine whether to pursue the 2% local option tax, and identify uses for funds
- Determine response to any potential referendum to allow consumption on premises
- Consider a local policy to prohibit marijuana use in all City buildings
- Determine whether there is a need for any additional zoning code amendment, noting that zoning provisions for recreational establishments cannot be more restrictive than medical marijuana establishments
- Determine process for host community agreements
- Explore collaboration between City agencies to address diversion and youth access
- Address nuisance issues related to home and commercial growing
- Advocate for additional restrictions on edibles

BOSTON PUBLIC HEALTH COMMISSION

Discussion