



Creating Modern Government to Support Legalization and Industry Innovation

March 18, 2022 | Shawn Collins, Executive Director

Agenda

- Mission
- Meet the Commission and Leadership Team
- Brief History of Legal Cannabis in the Commonwealth
- Creating Modern Government
- Cannabis Regulators Association
- What's Next
- Questions and Answers

Mission

The mission of the Cannabis Control Commission (Commission) is to honor the will of the voters of Massachusetts by safely, equitably, and effectively implementing and administering the laws enabling access to medical and adult-use marijuana in the Commonwealth.

The Commission will foster the creation of a safely regulated industry that will create entrepreneurial and employment opportunities and incremental tax revenues in and to communities across the state and which will be a best practice model for other states. The industry will be characterized by participation by small and larger participants and with full and robust participation by minorities, women, and veterans. We will develop policies and procedures to encourage and enable full participation in the marijuana industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement and positively impact those communities.

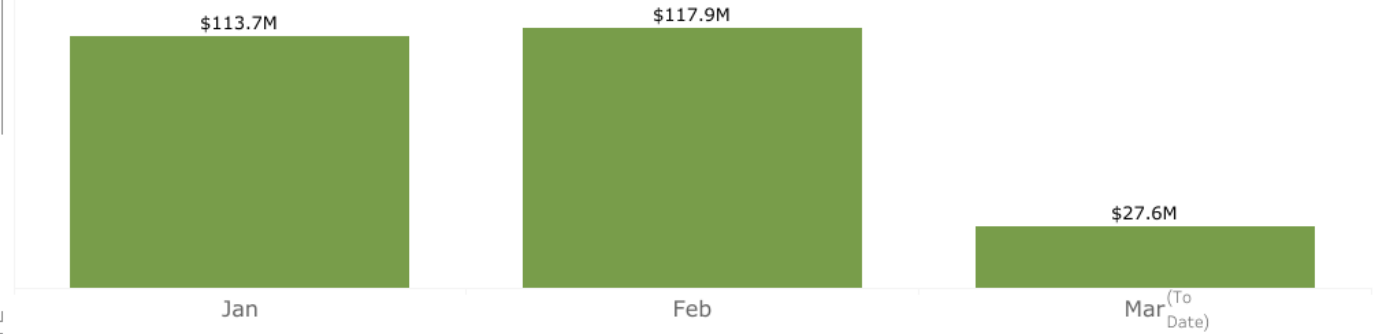
Brief History of Marijuana Legalization in Massachusetts

- **November 4, 2008** Voter initiative decriminalizing the possession of small amounts of marijuana approved (63% - 34%)
- **November 6, 2012** Voter Initiative Legalizing Marijuana for Medical Purposes Approved (63% - 37%)
- **June 25, 2015** First Medical Marijuana Treatment Center Opens under the Department of Public Health (DPH)
- **November 4, 2016** Question 4 (Adult Use) Approved by Voters (53% - 47%)
- **July 28, 2017** Governor signs Chapter 55 of the Acts of 2017
- **September 1, 2017** Appointment of the Inaugural Cannabis Control Commission
- **March 7, 2018** Initial Regulations Approved by the Commission
- **April 2-15, 2018** Economic Empowerment Applicant Certification Process
- **April 17, 2018** First License Applications Accepted
- **June 21, 2018** Commission Approves First Provisional License
- **November 20, 2018** First Adult-use Retail Stores Open
- **December 24, 2018** Oversight of Medical Marijuana Program Transferred from DPH to Commission
- **November 19, 2019** Social Consumption and Home Delivery (Courier Model) Approved
- **January 9, 2021** Home Delivery (Operator Model) Approved
- **May 28, 2021** First adult-use delivery business authorized to open in Massachusetts
- **August 31, 2021** Adult-use Marijuana Retailers Surpass \$2 Billion in Sales



Adult-use Marijuana Retailer
1/1/2022-3/06/2022 (YTD)

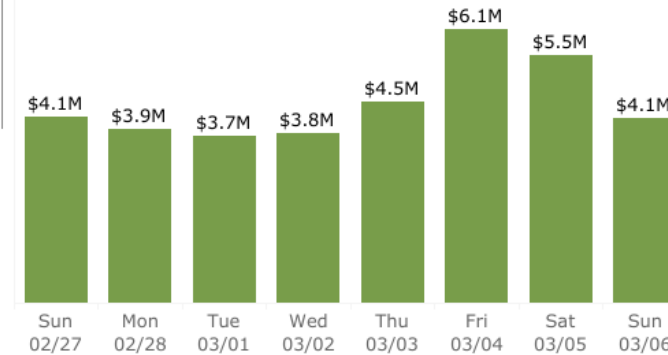
\$259.2M



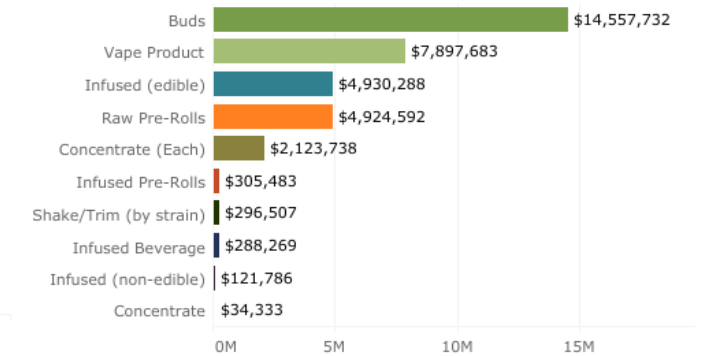
Adult-use Marijuana Retailer Last Week's Sales
2/27/2022-3/06/2022 (YTD)

\$35.6M

Last Week's Sales by Day



Last Week's Sales by Product Categories



Gross Sales Total Since Adult-use Marijuana Retailers Opened
11/5/2018-3/06/2022 (YTD)

\$2.75B



Sales to Date

Meet the Commission



Nurys Camargo,
Social Justice

Appointed 2021



Ava Callender
Concepcion,
Public Safety

Appointed 2021



Steven J. Hoffman
(Chair)
Corporate Management,
Finance, Securities

Appointed 2017



Kimberly Roy,
Public Health

Appointed 2021



Bruce Stebbins,
Regulated Industries

Appointed 2021

Meet the Leadership Team



Shawn Collins,
Executive Director



Christine Baily,
General Counsel



Paul Clark,
Chief Technology and
Innovation Officer



Yaw Gyebi, Jr.,
Chief of Investigations
and Enforcement



Julie K. Johnson,
Director of Research



Adriana Leon,
Chief Financial and
Accounting Officer



Cedric Sinclair,
Chief Communications
Officer



Alisa Stack,
Chief Operating Officer

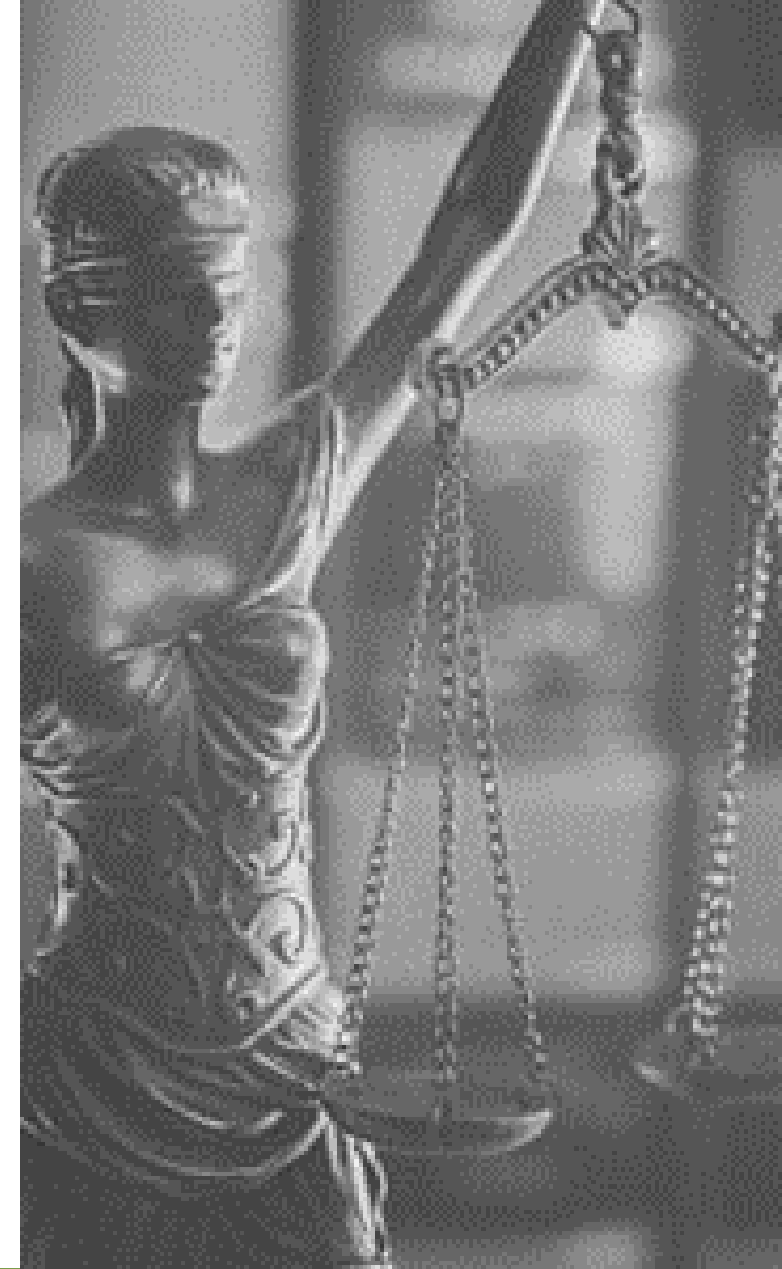


Erika White,
Chief People Officer

Creating Modern Government

Effective Regulation

- 935 CMR 500.000 adult-use regulations; first promulgated in March 2018
 - Microbusiness and Craft Marijuana Cooperative licenses require Massachusetts residency
 - Social Consumption and Delivery licenses are exclusively available to equity applicants
 - Research Marijuana Facility licenses aim at furthering cannabis study absent federal legalization
- 935 CMR 501.000 medical-use regulations; first promulgated by the Commission in December 2018
 - “lift and shift” from previous program administrators before bringing parity to two programs and eliminating the need for colocated regulations (previously 935 CMR 502.000)
 - Eliminated patient fees
 - Reduction of Medical Marijuana Treatment Center (MTC) application fees from \$31,500 to \$3,500
 - Hardship cultivation program
- All archived versions available at [MassCannabisControl.com](https://www.mass.gov/info-details/mass-cannabis-control-commission-archived-versions)



Public Health and Safety

- Facility Security and Agent Safety
 - Multi-step age verification to prevent diversion to youth
 - Limited Access Areas
 - Reporting requirements to the Commission and local public safety officials
 - COVID protocols and curbside operations
 - Mandated whistleblower policy
- Packaging and Labeling
 - Universal symbols
 - Tamper proof packaging that is unappealing to children and do not resemble commercial goods
 - Detailed information for consumers including production history, cannabinoid profile, ingredients, and more
- Testing and Tracking
 - Full implementation when stores opened in 2018, unlike many jurisdictions
 - Policies have adapted in response to industry concerns and crises e.g. EVALI



Public Education

- "More About Marijuana" campaign launched before the first adult-use Marijuana Retailers opened
- Responsible consumption and youth prevention content is informed by focus groups representing demographically diverse stakeholders from regions throughout the state
 - Campaign content includes messaging targeting parents who consume to keep kids safe through safe storage and prevention
- Safety messaging warns against the dangers of home manufacturing and consuming illicit vapes
 - Developed in response to state mandates and EVALI public health emergency
- Campaign materials available at:
 - MoreAboutMJ.org
 - The Commission's YouTube page
 - Massclearinghouse.ehs.state.ma.us/category/CANNABIS.html



Responsible Adult-use Materials

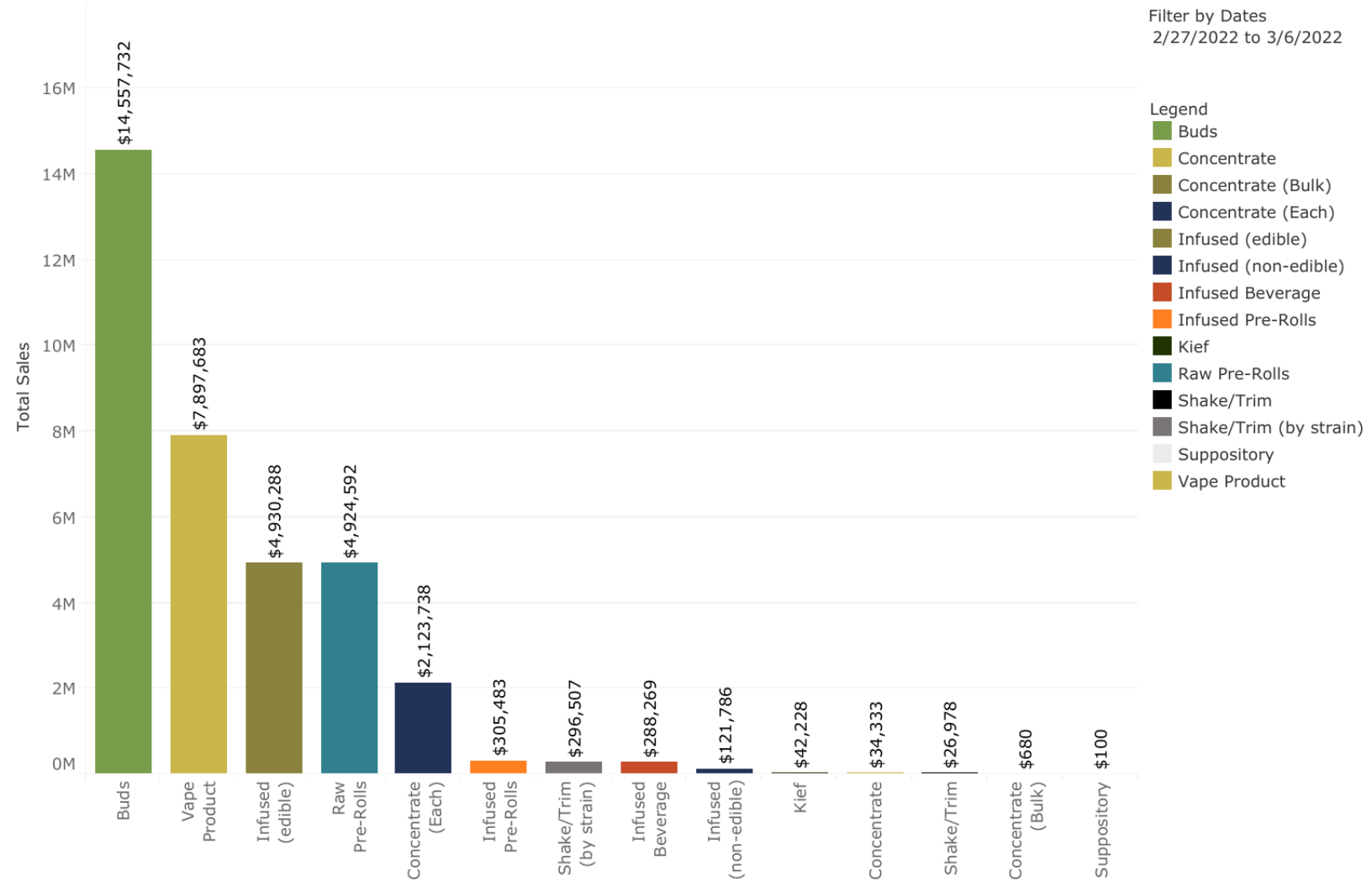


Data Sharing and Transparency

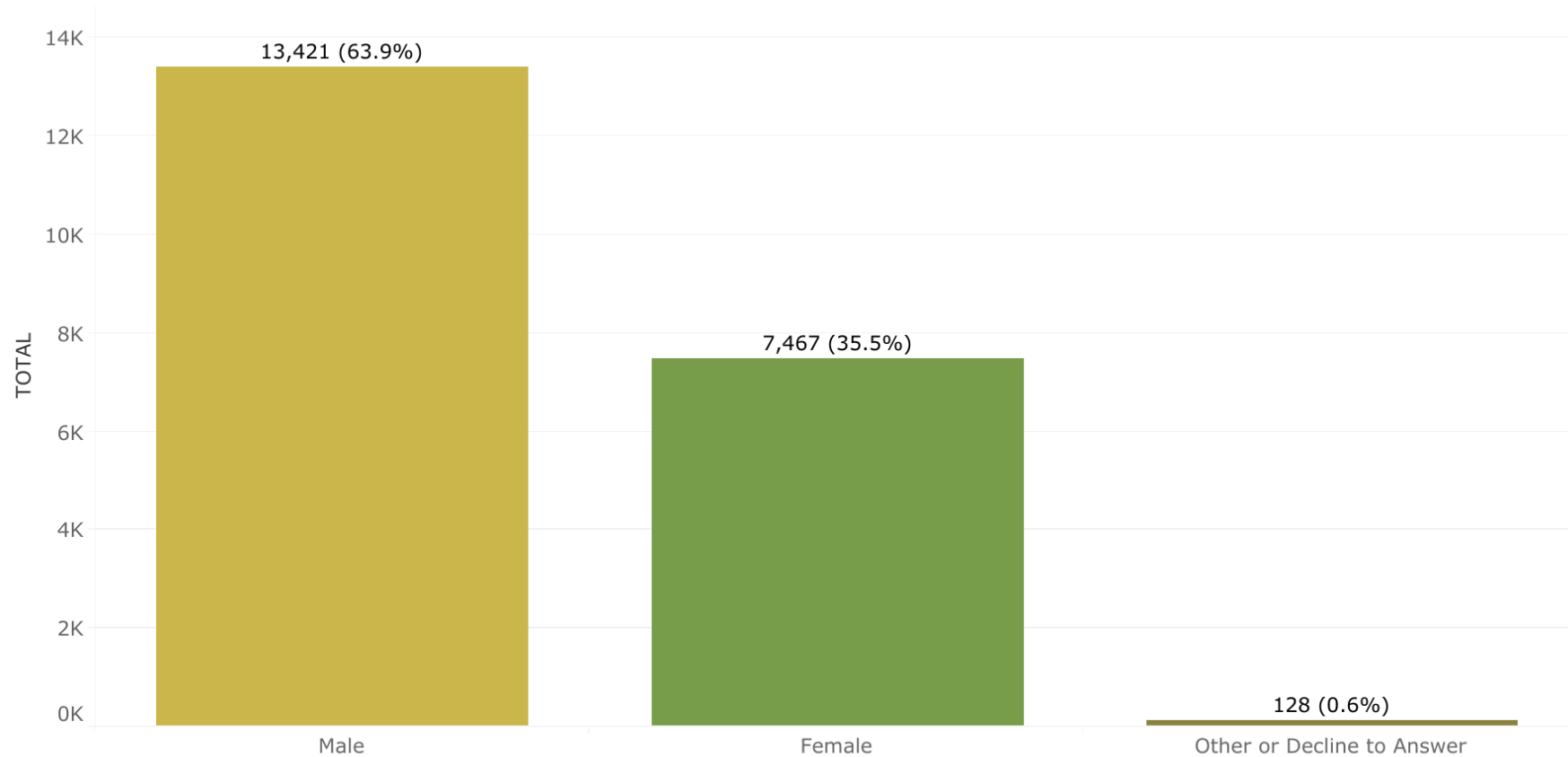
- Commission hosts nation-leading Open Data Platform through Tableau Public, formerly Socrata
- Shares data from the Commission's licensing system, Massachusetts Cannabis Industry Portal, Medical Use of Marijuana Online System, and seed-to-sale tracking system, Metrc
- Making sure the public has free, unfettered access to this information keeps us honest internally about what's happening as the industry develops—and where we need to go—and allows constituents to hold us accountable
 - Hopefully this keeps industry informed about Massachusetts' progress and educates business decisions you are making every day
- The Commission added medical data last year and is looking to expand visualizations in 2022



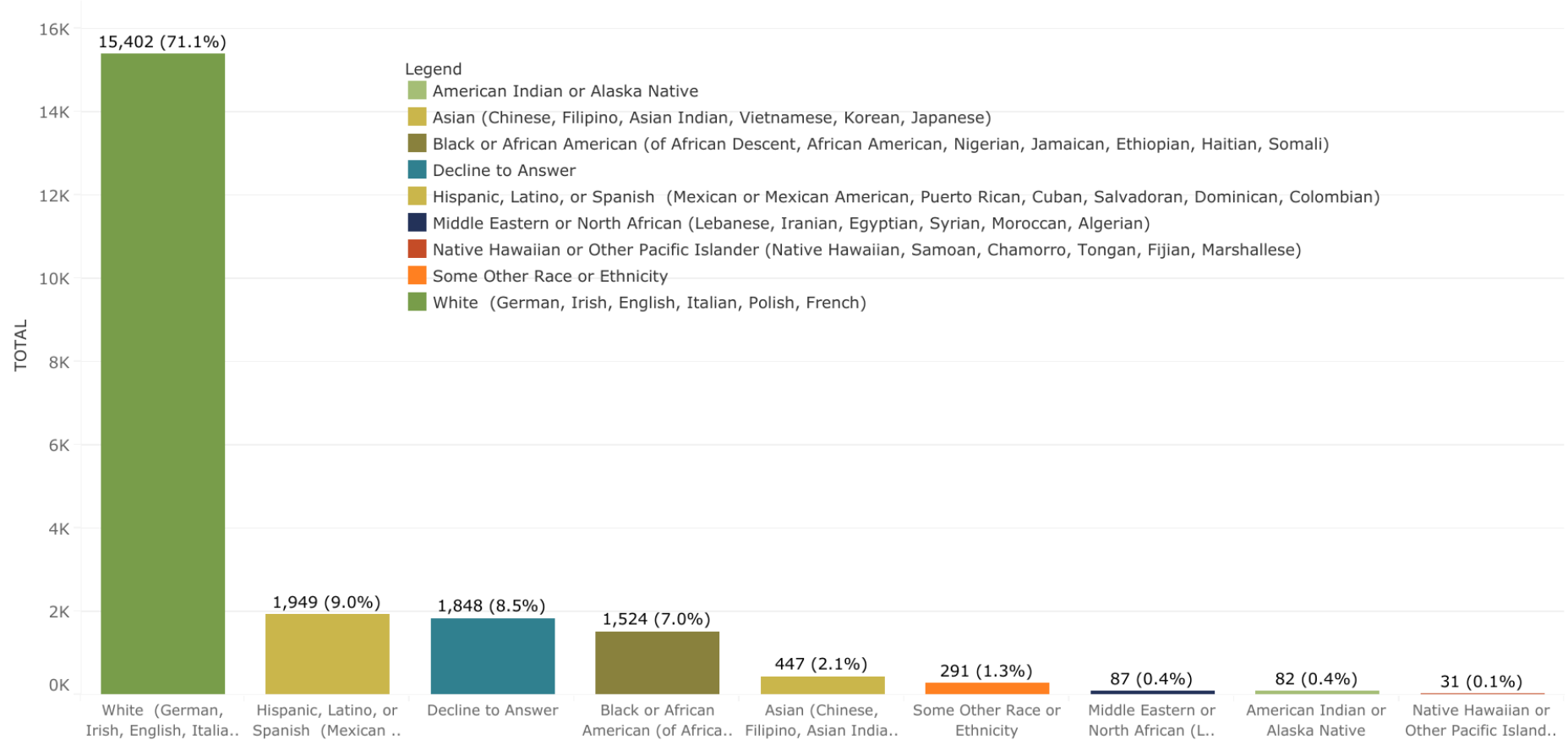
Previous Week Adult-use Marijuana Product Distribution



Gender of Active Marijuana Establishment Agents

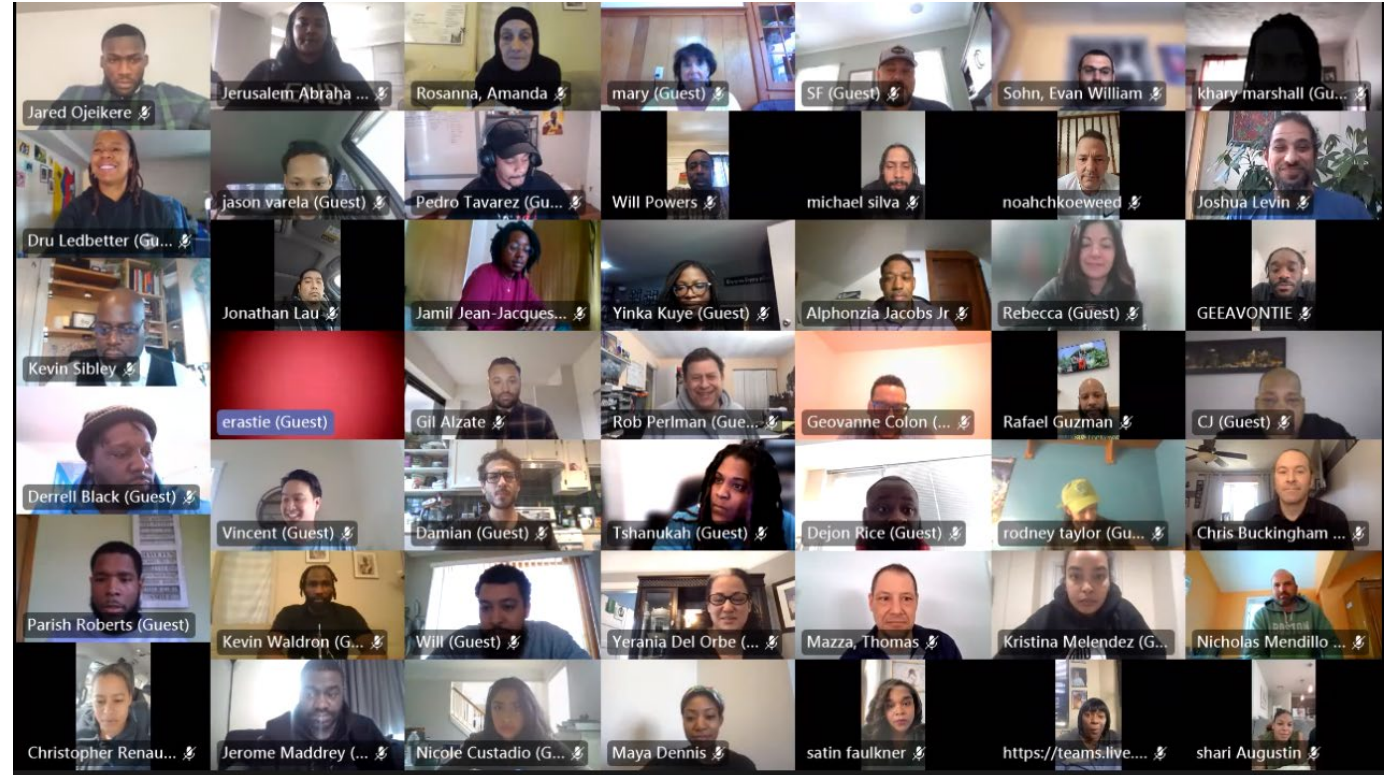


Race and Ethnicity of Active Marijuana Establishment Agents



Industry Equity

- Along with certifying 122 Economic Empowerment Applicants for Priority status, Massachusetts launched the first statewide Social Equity Program in 2018
- Diversity Plans
- Positive Impact Plans
- Guidance on Municipal Equity and HCAs, and new Municipal Resources Page
- Regulations and guidance now available in Spanish and Portuguese, other languages under consideration
- Commissioners adopted unanimous policy statement in support of a state-administered equity loan/trust fund composed of public and private resources



A segment of Cohort 3 participated in orientation March 3

Equity Licenses

Of 1,194 applications approved by the Commission, the following applications have Economic Empowerment Priority Review, Social Equity Program Participant, and/or Disadvantaged Business Enterprise status. Please note, applicants may hold one or more statuses.

Type	Economic Empowerment	Social Equity Program	Disadvantaged Business Enterprise	TOTAL
Pre-Certified/Delivery Endorsed Microbusiness	35	118 (+2)	21	174 (+2)
Provisionally Approved	13 (+4)	17 (+4)	28 (+1)	58 (+9)
Provisional License	26 (-2)	52	95 (-1)	173 (-3)
Final License	2 (+0)	5 (+1)	3 (-1)	10 (+2)
Commence Operations	11	15	36 (+2)	62 (+2)
Total	87 (+4) 7.2%	207 (+7) 17.3%	183 (+1) 14.3%	477 (+12) 39.9%

Agency Equity

- The Commission has been intentional about “practicing what it preaches” regarding equity in the industry
- The Commission leadership team, and staff overall, is ethnically and gender diverse, and brings a broad range of experiences and expertise to their work
- Staff undergo implicit bias training
- Two Diversity, Equity, and Inclusion work groups support the Commission’s efforts to ensure these pillars support all agency operations
 - Commission Voices
 - Access and Equity



Energy and the Environment

- Massachusetts regulations around energy efficiency and sustainability are some of the strictest in the nation
 - The Executive Office of Energy and Environmental Affairs and the Department of Energy Resources worked closely with our agency to ensure industry was aligned with the Commonwealth's aggressive climate and energy goals
 - Regulations include a lighting power density requirement to target the most intensive load of cultivation facilities
 - Cultivators must limit lighting power to 36 watts per square foot for cultivation facilities over 10,000 square feet designed to ensure use of more efficient LEDs instead of High-Pressure Sodium lamps
 - Reduced fees and expedited review are available to Outdoor Cultivators and Craft Marijuana Cooperatives
- Similarly, licensees are prohibited from using most pesticides to grow cannabis
 - The Commission offers Integrated Pest Management guidance to businesses
 - We have heard concerns about microbials through an agency and industry working group

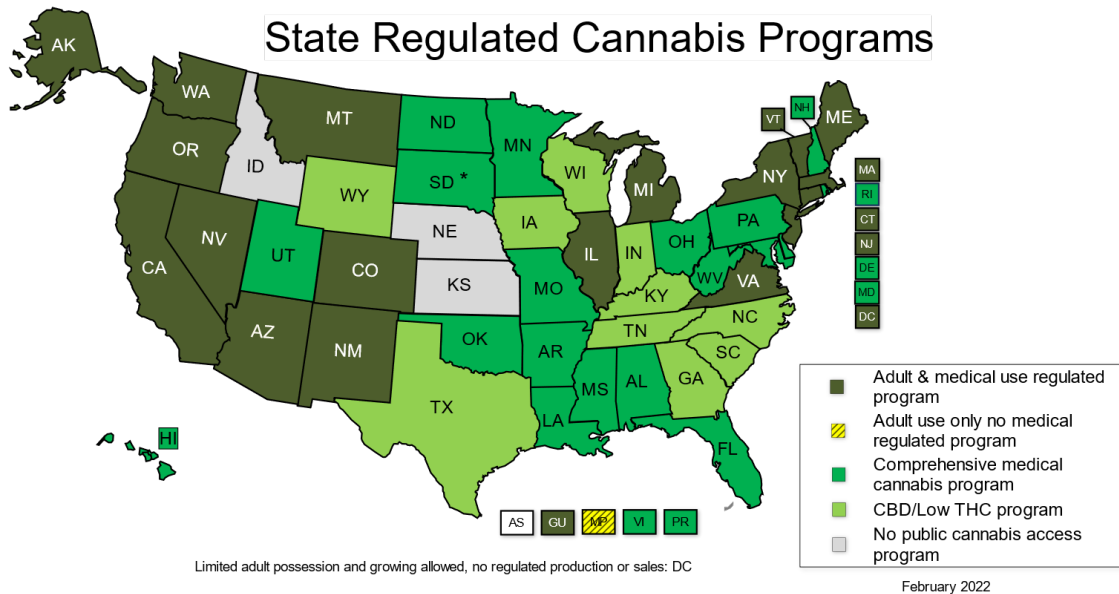


Stakeholder Engagement

- The Commission strives to engage impacted stakeholders when it makes major policy decisions
 - Changes to the regulations require a public comment period
- Agency opts to open up comment to hear from constituents on the ground on other policy decisions
 - Examples:
 - Equity programming strategic planning
 - Seed-to-sale tracking guidance
 - Disproportionately Impacted Area designation
 - Incorporating hemp into the manufacture and sale of cannabis products
 - Telehealth and Curbside
- Listening to feedback leads to results and tangible changes
 - Licensing/patient registration turnaround times



Cannabis Regulators Association



- National organization of cannabis regulators
- Among CANNRA's cofounders, I currently serve on the Executive Committee
- States share institutional knowledge and regulatory best practices throughout the United States
- Not an advocacy group; takes no formal position for or against cannabis legalization
- Seeks to provide government with unbiased information to make informed decisions when considering whether or how to legalize or expand regulated cannabis
- Massachusetts hosted a CANNRA Research Conference in December, regularly leads on panel discussions about equity and other critical topics

Source: National Conference of State Legislatures

What's Next

- Omnibus Cannabis Reform Bill in Massachusetts
 - Equity Loan/Trust Fund
 - Social Consumption
 - Local Control
- Medical Vertical De-Integration
- Delivery Exclusivity
- Research
- Federal Legalization



Questions and Answers

Thank You
