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For Immediate Release

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**Representative Kane supports changes to recreational
marijuana law to protect communities**

*Kane served as one of three House Conferees who negotiated
the accepted Conference Committee Report*

BOSTON –State Representative Hannah Kane, (R-Shrewsbury), having served as one of the three House Conferee members, who along with three Senate Conferee members negotiated the Marijuana Conference Committee Report, is backing changes to the state’s recreational marijuana law to provide cities and towns with more flexibility to limit the number of local marijuana dispensaries.

House Bill 3818, *An Act to ensure safe access to medical and adult-use of marijuana in the Commonwealth*, gives cities and towns the option of implementing reasonable safeguards for the operation of marijuana establishments through local bylaws and ordinances, or banning these types of facilities outright. It also guarantees strong regulatory oversight of the industry, while ensuring that marijuana and marijuana-infused edibles are not marketed or sold to minors.

As the Republican House appointee to the Legislature’s six member Marijuana Conference Committee, Representative Kane held a leadership role in crafting this bill, which represents a compromise between earlier versions that passed the House and Senate in June, and was approved on July 19 by the House of Representatives on a vote of 136-11.

“I am grateful to have worked with my fellow conferees to ensure that the necessary structure and safeguards are in place to safely and effectively regulate this new, legal marketplace. While our marijuana excise tax is the 2nd lowest in the nation, it still provides sufficient revenue to cover our direct and indirect regulatory costs, with additional funding available to cover substance abuse prevention and treatment, and public safety and public health campaigns relative to legalization”, stated Representative Hannah Kane (R- Shrewsbury).

Massachusetts voters approved the legalization of recreational marijuana by a margin of 53.6%-46.4% in November of 2016. Locally, voters in Shrewsbury opposed legalization by a margin of 54.7%-43.3%, as did Westborough voters, by a margin of 51.5%-46.6%.

Under the compromise proposal, communities that opposed the November 2016 ballot question can unilaterally ban marijuana establishments within their borders, or impose other restrictions, through a

simple majority vote of the local governing authority. The law specifically allows cities and towns to limit the number of marijuana retailers to fewer than 20% of the number of local liquor licenses issued for the retail sale of alcoholic beverages not to be drunk on the premises, or to fewer than the number of medical marijuana treatment centers registered in the municipality.

Communities that approved the 2016 ballot question can also impose a ban or other restrictions on recreational marijuana facilities, but only through a community-wide referendum. After December 31, 2019, any community that wants to pursue similar changes would be required to do so through a local ballot question.

To address regulatory concerns surrounding the new marijuana law, House Bill 3818 expands the Cannabis Control Commission charged with overseeing the implementation and regulation of the cannabis industry in Massachusetts from 3 to 5 members. In addition to establishing licensing procedures for the state's recreational marijuana dispensaries that are scheduled to begin operating as early as July of 2018, the commission will have full regulatory authority over the state's medical marijuana industry, which is currently overseen by the Department of Public Health. The bill includes an earlier adopted amendment offered by Representative Kane, which charges the Cannabis Control Commission with developing a research agenda in order to better understand the social and economic trends of marijuana in the Commonwealth, to inform better decisions that would aid in the closure of the illicit marketplace and inform the commission on public health impacts of marijuana.

While House Bill 3818 continues to prohibit the sale of marijuana to persons under the age of 21, it also contains strict guidelines governing the advertising, marketing, branding and packaging of marijuana and marijuana products to help keep them out of the hands of minors. Offered Representative Kane, "our first in the nation requirement to prohibit TV, radio, billboard, print or internet advertising and marketing for marijuana unless proven that at least 85% of the audience is over 21 years of age, based on reliable, up to date audience composition data, will make a real and substantive impact on what our youth see and hear in terms of marketing marijuana, and we know that less exposure for youth to marijuana messaging means less youth use". House Bill 3818 also includes an amendment offered by Representative Kane in an earlier House bill to limit the use of mascots and cartoons.

The marijuana compromise also includes changes to the tax structure imposed by the 2016 ballot question. The original proposal called for all recreational marijuana purchases to be subject to a 3.75% excise tax, the 6.25% state sales tax, and a 2% local sales tax at the point of purchase, for a total tax of up to 12%. The compromise bill raises the excise tax to 10.75%, while allowing for a local sales tax of up to 3%, creating an effective tax rate of 20% after factoring in the state sales tax. Medical marijuana will remain untaxed.

Revenues raised through the recreational marijuana excise tax will be deposited in a new Marijuana Regulation Fund to help support the operation of the Cannabis Control Commission. The fund will also be used to pay for substance use prevention and treatment services, public safety, and municipal police training.

Cities and towns that host a recreational marijuana facility can impose a community impact fee of up to 3% of the gross sales of the establishment. The community impact fee is designed to cover the costs imposed upon the municipality by the operation of a cannabis establishment within its borders.

The marijuana compromise must still be approved by the Senate. Governor Charlie Baker will have 10 days to review and sign the bill once it reaches his desk.

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