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Representative Kane supports cannabis equity bill to promote industry parity

Rep. Kane's legislation to establish a social equity and technical assistance trust fund and to increase access to public health data to the Cannabis Control Commission included as part of the omnibus bill

BOSTON – State Representative Hannah Kane (R-Shrewsbury) recently supported legislation to promote parity and remove barriers within the state-regulated cannabis industry by providing access to grants and loans.

House Bill 4791, *An Act relative to equity in the cannabis industry*, was engrossed by the House of Representatives by a vote of 153-2 on May 18. A similar bill passed the Senate on April 7.

In addition to creating a new Cannabis Social Equity Trust Fund to help cover licensing and start-up costs, House Bill 4791 also requires the Cannabis Control Commission to prioritize social equity program businesses, economic empowerment priority applicants, and any other class of applicants the commission deems eligible for expedited review. The bill also provides for increased state oversight of cannabis host community agreements and establishes a process for authorizing social consumption sites in Massachusetts.

Representative Kane said the new trust fund proposed under the House bill is designed to help encourage more participation in the state's regulated marijuana industry by residents of communities that have been disproportionately harmed by marijuana prohibition and enforcement and to ensure that these individuals have access to start-up capital. An amendment adopted during floor debate requires that when funds are awarded, the racial, ethnic and gender demographics of the municipality in which the business is located must be taken into consideration.

House Bill 4791 requires 20% of the revenue generated from the Marijuana Regulation Fund to be deposited into the trust fund annually. It also calls for 1% of the tax revenue collected from a social

equity business to be returned to the city or town hosting the business rather than being deposited in the Marijuana Regulation Fund.

House Bill 4791 gives the Cannabis Control Commission the authority to review host community agreements and requires the commission to set minimum acceptable standards for municipal policies. In addition, the House bill clarifies the requirements for community impact fees and stipulates that these fees cannot extend beyond a marijuana establishment's or medical marijuana treatment center's fifth year of operation.

House Bill 4791 also provides a local option for cities and towns to permit on-site cannabis consumption businesses, which are already allowed under state law. The bill gives municipalities the option of approving these types of businesses through a local referendum, ordinance or bylaw. Additional provisions contained in the bill would allow individuals to petition the courts to expunge a prior record for the possession or cultivation of marijuana in cases where the amount of marijuana is now decriminalized as a result of the 2016 voter-approved marijuana law.

During floor debate, the House adopted an amendment, filed by Representative Hannah Kane (R-Shrewsbury), requiring various state agencies to provide the Cannabis Control Commission with public health data on cannabis usage, subject to any applicable confidentiality laws and regulations regarding personally identifying information. Additionally, Representative Kane's Bill, H166, An Act Relative to Social Equity Training and Technical Assistance Fund, was included as part of the omnibus bill.

The House also adopted an amendment to clarify that marijuana products and marijuana accessories are not subject to the state's e-cigarette excise tax, unless they are manufactured to also deliver nicotine, in which case they would be subject to the excise tax.

Representative Kane said the House and Senate will soon appoint a six-member conference committee to work out the differences between the two bills and produce a compromise bill to send to Governor Charlie Baker.

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