

Initial Policies and Procedures to Promote Equity in the Cannabis Industry July 11, 2023

As many municipalities are aware, in August, 2022, the state Legislature passed “An Act Relative to Equity in the Cannabis Industry” (the “Act”), effective November 9, 2022, making numerous changes to Massachusetts’ marijuana laws and emphasizing goals for increasing equity in the marijuana industry. Of significant importance to municipalities, the Act requires that host communities establish policies and procedures by [July 1, 2023](#) to encourage and enable full participation in the regulated marijuana industry by people from communities that have been disproportionately harmed by marijuana prohibition and enforcement and to positively impact those communities. The Cannabis Control Commission (“CCC”), which has until November 9, 2023 to promulgate minimum policies and procedures to further this equity goal, issued guidance on Thursday, June 29, 2023 for municipalities, found [here](#), to comply with this requirement.

Among the CCC’s suggestions for initial policies and procedures to promote and encourage such full participation, which may include participation by “Social Equity Businesses”, as defined by the Act, as well as “Social Equity Program Participants” or “Certified Economic Empowerment Priority Applicants”, as defined under CCC regulations, are those that:

- Lower or eliminate fees for equity applications to reduce barriers to entry including, but not limited to, waivers or reduction of fees associated with the host community agreement (i.e., community impact fees), host community approval process and/or zoning review process (i.e., application fees)
- Improve transparency and efficiency in the approval process to reduce barriers to entry and lower costs including, but not limited to:
 - adoption of host community agreement application process and/or clear selection scoring assessments for marijuana applicants
 - adoption of priority review or exclusivity periods for Social Equity Businesses, Social Equity Program Participants and/or Certified Economic Empowerment Priority Applicants
 - improvements to municipal websites to outline steps required to locate in the municipality and/or to link to applicable host community agreement applications, zoning bylaws and maps, general bylaws, and local regulations

Host communities that have not yet adopted initial procedures and policies are encouraged to review prior guidance issued by KP Law on this topic, available [here](#). In addition, since it is not entirely clear what the CCC will promulgate in its amended regulations as minimum policies and procedures, host communities should review local bylaws and regulations that may impact the adoption of such policies and procedures.

There is no “one size fits all” sample policy that could or should be adopted in every municipality, as development of such policies involve local considerations. We will continue to work with municipalities to develop appropriate policies and procedures to promote equity in the industry as required by the Act based on, among other things, each municipality’s unique physical characteristics, demographics, and guidance provided by the CCC. In the meantime, where the Act required that these policies and procedures be adopted by July 1st, but final guidance from the CCC has not yet been provided, municipalities are encouraged to at least consider updating their websites to create a dedicated page with the marijuana related information identified by the CCC, noted above, as an initial step toward adopting a more fully developed policy.

In the meantime, for further information, please call your KP Law attorney at 617.556.0007 or contact Attorney Nicole Costanzo at ncostanzo@k-plaw.com.

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