

## Recent Updates from the Cannabis Control Commission *Draft Social Consumption Establishment Regulations* (Prepared for 2025 MMA Connect 351 Conference)

On December 17, 2024, the Cannabis Control Commission (“CCC”) issued [proposed draft on-site Social Consumption regulations](#), amending the current version of [935 CMR 500.00](#). The policy framework for the amendments includes three types of on-site licenses, Supplemental, Hospitality, and Event Organizer. While the CCC indicated it would accept initial input on these drafts through January 23, 2025, they will soon begin a formal regulation promulgation process with additional opportunities to provide comments. Below for your information, find a summary of the three new proposed categories for Social Consumption Establishments, and key takeaways for municipalities. The capitalized terms used in this eUpdate have the meanings set forth in [935 CMR 500.00](#), [935 CMR 501.00](#) and the proposed amendments.

### PROPOSED LICENSES

In accordance with the draft regulations, the following Social Consumption Establishments, as proposed, would be exclusively available, for an expanded initial period of 60 months, to Social Equity Businesses, Social Equity Program Participants, Certified Economic Empowerment Priority Applicants, Microbusinesses, and Craft Marijuana Cooperatives.

#### 1) Supplemental On-site Consumption License

The Supplemental On-site Consumption License would be available to qualifying Marijuana Establishments, including Cultivators, Product Manufacturers, Retailers, Microbusinesses, Craft Marijuana Cooperatives or Delivery Operators. These licenses would allow: on-site consumption in designated consumption areas within or attached to an existing establishment; events within an existing or adjoining facility; and consumption of product purchased on site. Indoor smoking would be prohibited in the same space where retail sales are permitted during operating hours. Indoor smoking consumption areas would be separated from the existing Marijuana Establishment’s operations by either walls or other barriers.

#### 2) Hospitality On-site Consumption License

The Hospitality On-site Consumption License would be available for new or existing non-cannabis businesses to host on-site consumption events in partnership with qualifying Marijuana Establishments in designated consumption areas. Consumption would be prohibited in the same locations and at the same times as a non-cannabis business serves tobacco or alcohol. Indoor smoking consumption areas would be separated from the existing non-cannabis business’ operations by either walls or other barriers.

### 3) Event Organizer On-site Consumption License

The Event Organizer On-site Consumption License would be available for qualifying Marijuana Establishments to organize and host temporary consumption events at designated consumption areas on specified dates and times, not to exceed five consecutive days or twenty-four events annually. Licensees would be required to receive from the CCC a Temporary On-site Consumption Permit for each Temporary Consumption Event. The CCC would reject a Temporary Consumption Event permit if the event were also licensed for the sale or consumption of alcohol or tobacco during the same time and within the same premises. Only Marijuana Establishments licensed to conduct retail sales would be eligible to participate at Temporary Consumption Events.

A Marijuana Event Organizer would also be required to submit to the CCC for approval documentary evidence that it was in compliance with a wide range of matters ranging from provision of a diagram of the Temporary Consumption Event premises, including creation of compliant designated areas for retail sales and consumption areas, to mandatory signage and security. A Marijuana Event Organizer would also have the option to warehouse marijuana and marijuana products at its principal place of business and, in that case, would be responsible for all security, age verification, and “other activities” at a Temporary Consumption Event. Importantly, Marijuana Event Organizers would be required to obtain a Host Community Agreement with the municipality within which its principal place of business is located, however, the draft regulations do not expressly specify that Host Community Agreements would be required for the other Social Consumption Establishments license categories.

#### **HIGHLIGHTS**

Under the draft regulations, all Social Consumption Establishments may:

- White label, repackage, transfer, waste, wholesale and warehouse finished marijuana or marijuana products acquired from a Marijuana Establishment; and
- Allow a Registered Qualifying Patient aged 21 or older to bring their own Medical-use Marijuana from a Medical Marijuana Treatment Center, or allow the Qualifying Patient to order delivery of Medical-use Marijuana from a Medical Marijuana Treatment Center, after presenting a valid Registration Card.

The draft regulations provide further that all social consumption establishments must:

- Provide Consumers access to non-infused food and water; provided, however that the sale and consumption of alcohol and tobacco would be prohibited;
- Separately obtain all licenses, permits, and approvals for food handling and register with the state Department of Revenue to remit cannabis related taxes; and
- Have its Agents complete a “Social Consumption Core Curriculum” prior to working, which training shall include, among other requirements, strategies for de-escalating potentially dangerous situations,

procedures for attending to medical or public safety emergencies, procedures for checking identification, and recognizing signs of impairment from alcohol or cannabis use.

The draft regulations would remove the existing prohibition on indoor smoking and the existing waiver requirement for outdoor smoking. Currently, upon receipt of a waiver request, the CCC is required to submit the request to the municipal board of health or health commissioner in the municipality where the Social Consumption Establishment is located. The CCC must then request that the local health authority examine the waiver and documentation and provide a determination as to whether the proposed outdoor smoking activity would, among other things: 1) comply with the municipality's applicable local rules and regulations pertaining to smoking; 2) be compatible with uses in the surrounding community; 3) not pose an unacceptable risk to public, health, safety or welfare greater than if consumption were to occur indoors; 4) would not be in view of the general public; and 5) be physically separated from an enclosed workspace and there is no migration of smoke into the workplace. The draft regulations do expressly include similar requirements for municipal review.

Of note, the draft regulations do not seek to alter the existing requirement that Social Consumption Establishment applicants provide notice to the CCC that the host community has accepted the applicants' plans to: 1) mitigate noise; 2) mitigate odor; and 3) comply with applicable laws, ordinances, or bylaws. Nor do the draft regulations propose revisions to the requirement that applicants submit to the CCC a description of plans to ensure that it is or will be compliant with local codes, ordinances, or bylaws for the physical address of the Marijuana Establishment, including, but not be limited to, identification of any local licensing requirements for social consumption of the adult use of marijuana.

Regardless of whether a municipality submits comments prior to January 23, 2025, a formal public comment period will be provided for the draft regulations. As such, it is appropriate for municipalities to start reviewing their existing bylaws and ordinances to determine whether they sufficiently address the placement and treatment of Social Consumption Establishments. Municipalities that have chosen to "opt in" to allow Social Consumption Establishments will also want to follow closely in the next few months as the rules and regulations governing local oversight of Social Consumption Establishment develop. Additional guidance on Social Consumption Establishment can be found in our prior eUpdates, found [here](#) and [here](#).

For further information, please contact Attorney [Nicole Costanzo](#) or your KP Law attorney at 617.556.0007.

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