

MA Cannabis Licensing Process Written Manual

Link to Deliverable: <https://prezi.com/view/xw5NJyYjd4eTxt71gLiD/>

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I. Format

Originally, the final deliverable for the MRCC was going to be an educational board game that explored the barriers and lack of entry points in the MA cannabis industry. Interactive online games allow for play and experimentation and complex problem solving, both of which is needed for success in Boston's cannabis entrepreneur landscape. Inspired by Tory Bullock's "Gentrification Game" that sparked discussion about Boston's housing crisis, we aimed to follow the concept of having the player face the challenges and feel the frustrations an applicant would. After analyzing the accessibility and costs, posed by having to travel and purchase a board game, the group decided to move the game to an online format. Simultaneously, the threat of COVID-19 pushed our courses online, thus reinforcing our choice to create a remote deliverable. We chose the game-creation platform based on the audience. Initially, we designed an online quiz, similar to the style of those on BuzzFeed. However, our research could not be condensed into a quiz short enough to hold the attention of those taking it. We held a team discussion and chose to transfer our research to Prezi, an online flow chart presentation software. Prezi allowed us to extend our deliverable to a wide range of people, which led to our five pathways. In order to accommodate participants of varying knowledge levels, we ensured that the pathways built off each other and encouraged the player to continue learning. For specifics on each pathway, please refer to the sections below.

II. The Basics of MA Cannabis Law

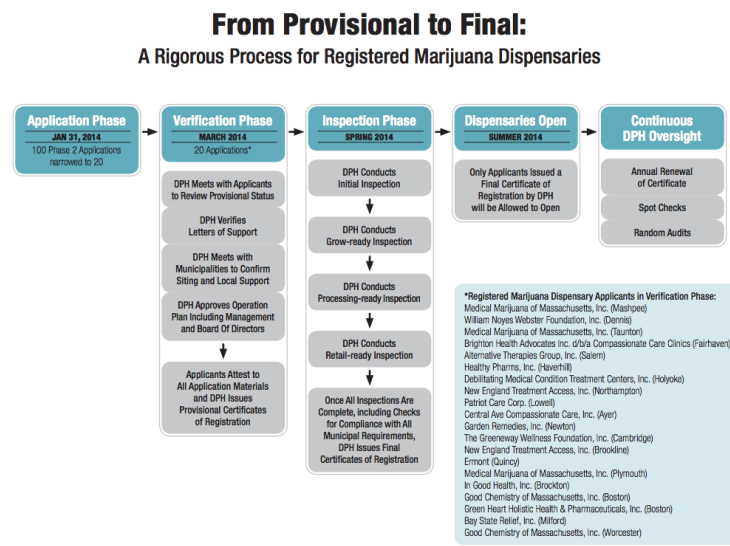
In order to include an audience with different levels of knowledge surrounding the MA cannabis industry, we began the Prezi with regulations surrounding cannabis production and consumption. This pathway focuses less on the licensing process but includes information necessary to succeed in the rest of the game. The information for this section was predominately sourced from the training slides provided to us

by Joseph Gilmore. It is important that Massachusetts residents understand their rights and the regulations surrounding cannabis. In particular, those who have been disproportionately affected by the War on Drugs, such as social equity and economic empowerment candidates.

III. Basics of Licensing

Any applicable Social Equity Applicant and Economic Empowerment Priority Applicant must be informed about the process and be prepared before starting because an application closes after one year of starting the application through the Cannabis Control Commission portal. The application is appropriately split into three sections: Application of Intent, Background Check, and Management and Operations File, which does not include additional specific requirements for cultivators, labs, cooperatives, product manufacturers, microbusiness, or retailers. Certain components that must be submitted with the application include a Host Community Agreement, a copy of the Community Outreach town hall notes, and a Positive Impact Plan. Although there are fee waivers for such candidates, they must still pay the corresponding fees for aspects of the application, such as the background check, and at least half of the annual licensing fee.

The application and licensing process must go through municipal and state approval. The process is not easy and takes a lot of planning and time to complete for success.



IV. Find Out If You Are a Social Equity or Economic Empowerment Candidate

Applicants or licensees are eligible for the SEP if they demonstrate at least one of the following criteria:

- A. Applicant income does not exceed 400% of Area Median Income and residency in an Area of Disproportionate Impact, as defined by the Commission, for at least five of the preceding 10 years.
- B. Applicant residency in Massachusetts for at least the preceding 12 months and a conviction or continuance without a finding for a M.G.L. c. 94C offense under M.G.L. c. 94C or an equivalent conviction in other jurisdictions; or
- C. Applicant residency in Massachusetts for at least the preceding 12 months and proof that the individual was either married to or the child of an individual convicted or continuance without a finding for a M.G.L. c. 94C offense or an equivalent conviction in other jurisdictions.

Economic Empowerment Applicants needed to demonstrate they met three out of six of the following criteria:

- A. Majority of ownership belongs to people who have lived in areas of disproportionate impact for 5 of the last 10 years.
- B. Majority of ownership has held one or more previous positions where the primary population served were disproportionately impacted, or where primary responsibilities included economic education, resource provision or empowerment to disproportionately impacted individuals or communities.
- C. At least 51% of current employees/subcontractors reside in areas of disproportionate impact and will increase to 75% by first day of business.
- D. At least 51% of employees or subcontractors have drug-related CORI, but are otherwise legally employable in a cannabis-related enterprise.
- E. A majority of the ownership is made up of individuals from Black, African American, Hispanic or Latino descent.
- F. Owners can demonstrate significant past experience in or business practices that promote economic empowerment in areas of disproportionate impact.

V. Find Out Which License(s) You Need

This section of the virtual experience allows users to find out specific license(s) information that applies to their business idea(s). Each license has a breakdown of: what the license is, the limitations it has, application fees and annual license fees. The license(s) are separated by three different categories: Catering to Businesses, Directly Interacting with Customers and Research-Based.

A. Catering to Businesses

1. These licenses apply to companies that are B2B (Business to Business), therefore they would not interact directly with consumers. They cover a variety of the

groundwork for the industry including: Cultivating, Manufacturing and Transportation.

- a) Cultivating license(s) applies to companies that obtain, manufacture, process, package, and brand marijuana and marijuana products to transport marijuana to other businesses.
- b) Manufacturing license(s) applies to companies authorized to obtain, manufacture, process, and package marijuana and marijuana products, to transport marijuana and marijuana products to marijuana entities, but not to consumers.
- c) Transportation license(s) applies to companies that may only transport marijuana or marijuana products and does not hold another marijuana entity license and is not licensed as a marijuana company serving consumers.

B. Directly Interacting with Customers

1. These licenses apply to companies that are B2C (Business to Consumer), therefore they would interact directly with consumers. They cover a variety of businesses including: Retail, Social Consumption, and Delivery.
 - a) Retail license(s) applies to companies that are authorized to purchase and transport marijuana and marijuana products from other establishments to sell to other businesses and consumers.
 - b) Social Consumption license(s) applies to companies licensed to sell marijuana or marijuana products and allow consumers to consume marijuana or marijuana products solely on its grounds.
 - c) Delivery license(s) applies to companies that may deliver marijuana or marijuana products directly to consumers at a residential address from a licensed Marijuana Retailer with which the Delivery-Only Licensee has a delivery agreement.

C. Research-Based

1. These licenses apply to companies that collect and analyze information related to the industry as well as test the products being created and sold. They cover a variety of businesses including: Research Facility, Standards Testing and Independent Testing.
 - a) Research Facility license(s) applies to academic institutions, non-profit corporations, domestic corporations, or entities authorized to do business in the Commonwealth of Massachusetts. They may cultivate, purchase, or otherwise acquire marijuana for the purpose of conducting research regarding marijuana and marijuana products.
 - b) Independent Testing license(s) applies to companies that do not hold any other type of marijuana establishment license and is properly accredited to perform tests in compliance with the stringent requirements of the Commission's protocols for testing marijuana and marijuana products. They may test marijuana and marijuana products in the adult- and medical-use markets.

- c) Standards Testing license(s) applies to companies that would otherwise qualify to be an Independent Testing Laboratory, but instead performs blind tests to verify the results of an Independent Testing Laboratory at the request of the Commission.

VI. Barriers and Resources

In this section, players are exposed to the biggest barriers they may face while going through the licensing process. The biggest barrier applicants face during the licensing process is money/capital. Opening your own cannabis business is very costly, so unless you are previously wealthy or have a wealthy family, it is unlikely that money will not be a barrier. To simply apply for a license, it can cost up to \$5,000. Adding together all of the fees one may face such as property costs and inventory, it can cost anywhere from \$150,000 to \$2,000,000 to start a cannabis business.

- A. Those hopeful to start their own business may look at these numbers and become discouraged as a result. Our intention is to let them know there are resources for them present, and they should take advantage of them. We want those people to contact the MRCC and find out what they can do in their situation to help them best, whether it be to file as a social equity candidate, or seek out different routes that they may have not known prior.

This is an important section for our game because we understand that many individuals trying to enter this industry are disproportionately affected by the War on Drugs. Some may even have had prior misdemeanor marijuana charges that do not allow them to start their own business in this industry, even though marijuana is legal in Massachusetts now. We hope that throughout their licensing process, they are able to get the help they need to succeed, and our intention is to guide them in the right direction for success.

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