

Massachusetts Municipal Association

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August 1, 2022

His Excellency Charles Baker Governor of the Commonwealth State House Boston, MA 02133 *(Delivered Electronically)* 

Dear Governor Baker,

On behalf of cities and towns across the Commonwealth, the MMA wants to thank you for your leadership in promoting social equity and the economic empowerment of the cannabis industry in cities and towns across the state.

We are writing to you regarding S. 3096, *An Act Relative to Equity in the Cannabis Industry*, which was enacted by the Legislature early this morning. Recognizing that cities and towns are vital stakeholders in the successful development of the cannabis industry in Massachusetts, the MMA is writing to offer the municipal perspective on this cannabis measure.

We greatly appreciate and support the intent of the legislation to advance social equity as a key priority, while also providing clarity in this emerging and lucrative industry. We are however deeply concerned that the bill has the potential to invalidate existing host community agreements, and ask that you add language to ensure existing contracts are allowed to continue until their expiration.

As you know, cities and towns led the way in deciding whether to open neighborhoods to commercial marijuana enterprises and have negotiated in good faith to execute host community agreements (HCAs), including mutually-agreed-to provisions on community impact fees. More than 1,000 such contracts have been put in place, which has established a platform for growth of the industry. Constitutional tenets protect existing contracts from statutory encroachment, and we believe the process outlined in S. 3096 invites interference in all of these properly executed HCAs, opening municipalities up to extensive litigation and disruption in the long term.

We respectfully ask you to return the bill to the Legislature with an amendment to make it clear that this legislation would not interfere with existing contracts, by inserting in line 186, at the end of subsection 3 of Section 10, the following: "Host community agreements entered into before the enactment of this bill shall be considered valid and in compliance with these regulations until their expiration." This would allow existing agreements to remain in place until their expiration.

If you have any questions, please do not hesitate to have your office contact me or MMA Senior Executive and Legislative Director Dave Koffman at <u>dkoffman@mma.org</u> or 617-426-7272 ext. 122 or Legislative Analyst Ali DiMatteo at <u>adimatteo@mma.org</u> or 617-426-7272 ext. 124 at any time.

Thank you very much.

Sincerely,

Geoffrey C. Beckwith Executive Director & CEO

cc: The Honorable Karyn Polito, Lieutenant Governor of the Commonwealth Secretary Marylou Sudders, Executive Office of Health and Human Services