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Date: 4/2/26 Minority L.D. 1365 (Filing No. H-968)

VETERANS AND LEGAL AFFAIRS

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE
HOUSE OF REPRESENTATIVES
132ND LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 888, L.D. 1365, "An Act to Allow Consumption of Adult Use Cannabis in Locally Approved Hospitality Lounges"

Amend the bill by striking out the title and substituting the following:

'An Act to Allow Adult Use Cannabis Stores to Operate Cannabis Consumption Lounges'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 22 MRSA §1542, sub-§2, ¶O is enacted to read:

O. Smoking of adult use cannabis or adult use cannabis products, as defined in Title 28-B, section 102-A, subsections 1 and 2, respectively, is not prohibited in the designated smoking area in a cannabis consumption lounge operated at a cannabis store licensed under Title 28-B, chapter 1 with a cannabis consumption lounge endorsement issued under Title 28-B, chapter 1, subchapter 12 as long as:

- (1) Sales and services are not provided in the designated smoking area;
- (2) Employees do not work in and are not required to pass through the designated smoking area;
- (3) Members of the public, except for those who choose to be present in the designated smoking area, are not required to use or pass through the designated smoking area for any purpose;
- (4) Individuals under 21 years of age are not permitted in the designated smoking area;
- (5) The designated smoking area is located entirely within a separately enclosed area on the premises of the cannabis store authorized to operate a cannabis consumption lounge and proper signs are mounted to the exterior of the designated smoking area indicating that use of that area is for cannabis consumption lounge patrons only;

COMMITTEE AMENDMENT

1 (6) The designated smoking area's ventilation system, at a minimum, meets the
2 requirements for ventilation established in the International Mechanical Code
3 (2021);

4 (7) The municipality in which the licensed cannabis store is located has authorized
5 smoking at cannabis consumption lounges, including authorizing smoking only
6 with the use of an electronic smoking device, within that municipality. For the
7 purposes of this subparagraph, "municipality" has the same meaning as in Title
8 28-B, section 212; and

9 (8) If the cannabis store licensee does not own the premises where the cannabis
10 consumption lounge is located, the cannabis store licensee receives the express
11 written consent of the owner of the premises to authorize smoking on the premises
12 as expressed through a lease, rental agreement or other arrangement for possession
13 of the premises or an addendum to the lease, agreement or arrangement.

14 The on-premises service or preparation of food or drink, if the cannabis store is also
15 licensed for such service or preparation, is prohibited in the designated smoking area.

16 **Sec. 2. 28-B MRSA §102-A, sub-§9-A is enacted to read:**

17 **9-A. Cannabis consumption lounge.** "Cannabis consumption lounge" means an area
18 located on the premises of a licensed cannabis store where the licensee may allow the on-
19 premises consumption of adult use cannabis and adult use cannabis products sold by the
20 licensee.

21 **Sec. 3. 28-B MRSA §102-A, sub-§9-B is enacted to read:**

22 **9-B. Cannabis consumption lounge endorsement.** "Cannabis consumption lounge
23 endorsement" or "endorsement" means the authorization granted by the office to a licensed
24 cannabis store pursuant to section 1201.

25 **Sec. 4. 28-B MRSA §207, as amended by PL 2023, c. 679, Pt. B, §39, is further**
26 **amended by amending the section headnote to read:**

27 **§207. Application fees; license and endorsement fees**

28 **Sec. 5. 28-B MRSA §207, first ¶, as amended by PL 2023, c. 679, Pt. B, §39, is**
29 **further amended to read:**

30 The office, in accordance with the provisions of this section, shall adopt by rule a
31 licensing and endorsement fee schedule establishing fees that are designed to meet, but not
32 to exceed, the estimated licensing or endorsement, enforcement and administrative costs of
33 the office under this chapter.

34 **Sec. 6. 28-B MRSA §207, sub-§2-A is enacted to read:**

35 **2-A. Fees for cannabis consumption lounge endorsement for cannabis stores.** For
36 a cannabis consumption lounge endorsement for a cannabis store license, the office shall
37 require payment of an application fee of \$250 and an endorsement fee of not more than
38 \$2,500.

39 **Sec. 7. 28-B MRSA §207, sub-§4, as amended by PL 2023, c. 679, Pt. B, §39, is**
40 **further amended to read:**

1 **4. Payment of fees; fees to be deposited into Adult Use Cannabis Regulatory**
2 **Coordination Fund.** An applicant shall pay the application fee required by the office at
3 the time that the applicant submits an application for licensure or endorsement, as
4 applicable, to the office for processing. An applicant shall pay the license or endorsement
5 fee, as applicable, required by the office in accordance with section 205, subsection 4. All
6 fees collected by the office pursuant to this section must be deposited into the Adult Use
7 Cannabis Regulatory Coordination Fund established in section 1102.

8 **Sec. 8. 28-B MRSA §207, sub-§5,** as amended by PL 2023, c. 679, Pt. B, §39, is
9 further amended to read:

10 **5. Return of fees prohibited.** The office may not return to an applicant or licensee or
11 reimburse an applicant or licensee for any portion of an application ~~or~~ license or
12 endorsement fee paid by the applicant or licensee, regardless of whether the applicant
13 withdraws its application prior to a final decision of the office on the application, the
14 licensee voluntarily terminates its license pursuant to section 212 ~~or~~, the office suspends or
15 revokes the licensee's license in accordance with the provisions of subchapter 8 or the office
16 suspends or revokes the licensee's endorsement in accordance with section 1204.

17 **Sec. 9. 28-B MRSA §215, first ¶,** as amended by PL 2023, c. 679, Pt. B, §47, is
18 further amended to read:

19 The office shall notify a municipality within 14 days of the date the office approves,
20 renews, denies, suspends or revokes the license of a licensee whose licensed premises are
21 located or proposed to be located in the municipality; imposes a monetary penalty on a
22 licensee located within the municipality; approves relocation of the licensed premises of a
23 cannabis establishment to or from the municipality; ~~or~~ approves a transfer of ownership
24 interest in a license with respect to which the licensed premises are located within the
25 municipality; or approves, renews, denies, suspends or revokes the cannabis consumption
26 lounge endorsement of a cannabis store licensee whose licensed premises are located or
27 proposed to be located in the municipality.

28 **Sec. 10. 28-B MRSA §401,** as amended by PL 2019, c. 676, §10 and PL 2021, c.
29 669, §5, is further amended to read:

30 **§401. Municipal regulation of cannabis establishments generally**

31 In accordance with the applicable provisions of this subchapter and pursuant to the
32 home rule authority granted under the Constitution of Maine, Article VIII, Part Second and
33 Title 30-A, section 3001, a municipality may regulate cannabis establishments and
34 cannabis consumption lounges within the municipality, including, but not limited to,
35 adoption of the following types of regulations and restrictions.

36 **1. Land use regulations.** A municipality may adopt an ordinance providing land use
37 regulations applicable to cannabis establishments and cannabis consumption lounges
38 within the municipality.

39 **2. General authorization or limitation of cannabis establishments.** A municipality
40 may adopt an ordinance generally authorizing the operation of some or all types of cannabis
41 establishments and cannabis consumption lounges within the municipality. A municipality
42 may adopt an ordinance limiting the number of any type of cannabis establishment and
43 cannabis consumption lounges that may be authorized to operate within the municipality.

1 3. **Municipal licensing requirements.** A municipality may adopt an ordinance
2 providing licensing requirements applicable to cannabis establishments within the
3 municipality, which may include, but are not limited to, provisions establishing a municipal
4 licensing fee schedule pursuant to Title 30-A, section 3702.

5 **4. Municipal licensing requirements; cannabis consumption lounges.** In addition
6 to any licensing requirements under subsection 3 applicable to a cannabis store, a
7 municipality may adopt an ordinance providing endorsement requirements applicable to
8 cannabis consumption lounges within the municipality, which may include, but are not
9 limited to, provisions establishing a municipal endorsement fee schedule pursuant to Title
10 30-A, section 3702; provisions outlining how a licensee with a cannabis consumption
11 lounge endorsement must assist a person who is visibly intoxicated with means of
12 transportation or other services; and provisions related to smoking of adult use cannabis or
13 adult use cannabis products in a cannabis consumption lounge, including authorizing
14 smoking, authorizing smoking only with the use of an electronic smoking device, as
15 defined in Title 22, section 1541, subsection 1-A, or prohibiting smoking within the
16 municipality.

17 Notwithstanding any provision of law to the contrary, a municipal ordinance regulating
18 cannabis establishments within the municipality adopted pursuant to this subchapter is not
19 subject to the requirements or limitations of Title 7, chapter 6 or 8-F. ~~Nothing in this~~ This
20 subchapter may not be construed to require an applicant for a sample collector license or a
21 sample collector licensee to seek local authorization prior to the issuance or renewal of an
22 active license.

23 **Sec. 11. 28-B MRSA §402-A** is enacted to read:

24 **§402-A. Local authorization of cannabis consumption lounges within municipalities**

25 **1. Request for local authorization to operate cannabis consumption lounge in**
26 **municipality prohibited unless authorized by municipal ordinance or warrant article.**
27 A person seeking to operate a cannabis consumption lounge within a municipality may not
28 request local authorization to operate the cannabis consumption lounge pursuant to
29 subsection 2 and a municipality may not accept as complete the person's request for local
30 authorization unless:

31 A. The legislative body of the municipality has voted to adopt a new ordinance, amend
32 an existing ordinance or approve a warrant article allowing the operation of cannabis
33 stores within the municipality;

34 B. The legislative body of the municipality has voted to adopt a new ordinance, amend
35 an existing ordinance or approve a warrant article allowing the operation of cannabis
36 consumption lounges within the municipality; and

37 C. The person has been issued by the office a conditional license to operate a cannabis
38 store pursuant to section 205, subsection 3 or an active license to operate a cannabis
39 store pursuant to section 205, subsection 4.

40 **2. Local authorization required for operation of cannabis consumption lounge**
41 **within municipality.** A person may not operate a cannabis consumption lounge within a
42 municipality unless:

1 A. The legislative body of the municipality has voted to adopt a new ordinance, amend
2 an existing ordinance or approve a warrant article allowing the operation of cannabis
3 stores within the municipality;

4 B. The legislative body of the municipality has voted to adopt a new ordinance, amend
5 an existing ordinance or approve a warrant article allowing cannabis consumption
6 lounges within the municipality;

7 C. The person has obtained all applicable municipal approvals, permits or licenses that
8 are required by the municipality for the operation of a cannabis consumption lounge;

9 D. The person has been issued by the office an active license to operate a cannabis
10 store pursuant to section 205, subsection 4; and

11 E. The person has been issued by the office a cannabis consumption lounge
12 endorsement on that person's active cannabis store license pursuant to section 1201.

13 A municipality may certify to the office a person's compliance with the requirements of
14 paragraph C on the form prepared and furnished by the office pursuant to section 1201,
15 subsection 3.

16 **3. Municipal failure to act on request for local authorization.** If a municipality
17 whose legislative body has voted to adopt a new ordinance, amend an existing ordinance
18 or approve a warrant article allowing cannabis consumption lounges within the
19 municipality fails to act on a person's request for local authorization to operate a cannabis
20 consumption lounge within the municipality, the municipality's failure to act does not
21 satisfy the local authorization requirement of subsection 2, paragraph C.

22 **4. Appeal of municipal failure to act on request for local authorization.** If a
23 municipality whose legislative body has voted to adopt a new ordinance, amend an existing
24 ordinance or approve a warrant article allowing cannabis consumption lounges within the
25 municipality fails to act on a person's request for local authorization to operate a cannabis
26 consumption lounge within the municipality within 120 days after the date the person
27 submitted the request to the municipality, the request is deemed denied and the denial
28 constitutes a final government action that may be appealed to the Superior Court in
29 accordance with Rule 80B of the Maine Rules of Civil Procedure, except that, if the
30 municipality notifies the person in writing prior to the expiration of the 120-day period that
31 the request cannot be processed prior to the expiration of the 120-day period, the request is
32 deemed denied and the denial constitutes a final government action only if the municipality
33 fails to act on the request within 240 days after the date the person submitted the request to
34 the municipality.

35 **Sec. 12. 28-B MRSA §403-A is enacted to read:**

36 **§403-A. Local authorization of cannabis consumption lounges within towns,**
37 **plantations and townships in the unorganized and deorganized areas**

38 **1. Request for local authorization to operate cannabis consumption lounge in**
39 **town, plantation or township in unorganized and deorganized areas prohibited unless**
40 **generally allowed by town or plantation or by county commissioners on behalf of**
41 **township.** A person seeking to operate a cannabis consumption lounge within a town,
42 plantation or township located within the unorganized and deorganized areas may not
43 request local authorization pursuant to subsection 2 to operate the cannabis consumption
44 lounge and the town, plantation or, in the case of a township, the county commissioners of

1 the county in which the township is located may not accept as complete the person's request
2 for local authorization unless:

3 A. In the case of a town or plantation, the legislative body of the town or plantation
4 has voted to allow cannabis stores and cannabis consumption lounges within the town
5 or plantation and the person has been issued by the office a conditional license to
6 operate the cannabis store pursuant to section 205, subsection 3 or an active license to
7 operate the cannabis store pursuant to section 205, subsection 4; or

8 B. In the case of a township, the county commissioners of the county in which the
9 township is located have voted to allow cannabis stores and cannabis consumption
10 lounges within the township and the person has been issued by the office a conditional
11 license to operate the cannabis store pursuant to section 205, subsection 3 or an active
12 license to operate the cannabis store pursuant to section 205, subsection 4.

13 **2. Local authorization required for operation of cannabis consumption lounge in**
14 **town, plantation or township in unorganized and deorganized areas. A person may**
15 **not operate a cannabis consumption lounge within a town, plantation or township located**
16 **within the unorganized and deorganized areas unless:**

17 A. The legislative body of the town or plantation has voted to allow cannabis stores
18 within the town or plantation or, in the case of a township, the county commissioners
19 of the county in which the township is located have voted to allow cannabis stores
20 within the township;

21 B. The legislative body of the town or plantation has voted to allow cannabis
22 consumption lounges within the town or plantation or, in the case of a township, the
23 county commissioners of the county in which the township is located have voted to
24 allow cannabis consumption lounges within the township;

25 C. The person has obtained all applicable local approvals, permits or licenses not
26 relating to land use planning and development that are required for the operation of the
27 cannabis consumption lounge by the town, plantation or, in the case of a township, the
28 county commissioners of the county in which the township is located;

29 D. The person has obtained all applicable approvals, permits or licenses relating to
30 land use planning and development that are required by the Maine Land Use Planning
31 Commission for the development and operation of the cannabis consumption lounge;

32 E. The person has been issued by the office an active license to operate the cannabis
33 store pursuant to section 205, subsection 4; and

34 F. The person has been issued by the office a cannabis consumption lounge
35 endorsement on that person's active cannabis store license pursuant to section 1201.

36 The town, plantation or, in the case of a township, the county commissioners of the county
37 in which the township is located shall certify to the Maine Land Use Planning Commission
38 that the person has obtained all applicable local approvals, permits or licenses not relating
39 to land use planning and development as required under paragraph C. The Maine Land
40 Use Planning Commission may certify to the office a person's compliance with the
41 requirements of paragraphs C and D on the form prepared and furnished by the office
42 pursuant to section 1201, subsection 3.

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3. Failure to act on request for local authorization. This subsection governs a failure to act on a request for local authorization by a town or a plantation or, in the case of a township, by the county commissioners of the county in which the township is located, or by the Maine Land Use Planning Commission.

A. If a town or plantation whose legislative body has voted to allow cannabis consumption lounges within the town or plantation fails to act on a person's request for local authorization under subsection 2, paragraph C, the town or plantation's failure to act does not satisfy the local authorization requirement of subsection 2, paragraph C.

B. If the county commissioners of the county in which a township is located, who have voted to allow cannabis consumption lounges within the township, fail to act on a person's request for local authorization under subsection 2, paragraph C, the county commissioners' failure to act does not satisfy the local authorization requirement of subsection 2, paragraph C.

C. If the Maine Land Use Planning Commission fails to act on a person's request for local authorization under subsection 2, paragraph D, the commission's failure to act does not satisfy the local authorization requirement of subsection 2, paragraph D.

4. Appeal of failure to act on request for local authorization. This subsection governs the appeal of a failure to act on a request for local authorization by a town or a plantation or, in the case of a township, by the county commissioners of the county in which the township is located, or by the Maine Land Use Planning Commission.

A. If a town or plantation whose legislative body has voted to allow cannabis consumption lounges within the town or plantation fails to act on a person's request for local authorization under subsection 2, paragraph C within 90 days after the date the person submitted the request to the town or plantation, the request is deemed denied and the denial constitutes a final government action that may be appealed to the Superior Court in accordance with Rule 80B of the Maine Rules of Civil Procedure, except that, if the town or plantation notifies the person in writing prior to the expiration of the 90-day period that the request cannot be processed prior to the expiration of the 90-day period, the request is deemed denied and the denial constitutes a final government action only if the town or plantation fails to act on the request within 180 days after the date the person submitted the request to the town or plantation.

B. If the county commissioners of the county in which a township is located, who have voted to allow cannabis consumption lounges within the township, fail to act on a person's request for local authorization under subsection 2, paragraph C within 90 days after the date the person submitted the request to the county commissioners, the request is deemed denied and the denial constitutes a final government action that may be appealed to the Superior Court in accordance with Rule 80B of the Maine Rules of Civil Procedure, except that, if the county commissioners notify the person in writing prior to the expiration of the 90-day period that the request cannot be processed prior to the expiration of the 90-day period, the request is deemed denied and the denial constitutes a final government action only if the county commissioners fail to act on the request within 180 days after the date the person submitted the request to the county commissioners.

C. If the Maine Land Use Planning Commission fails to act on a person's request for local authorization under subsection 2, paragraph D within 90 days after the date the

1 person submitted the request to the commission, the request is deemed denied and the
2 denial constitutes a final agency action that may be appealed to the Superior Court in
3 accordance with Rule 80C of the Maine Rules of Civil Procedure, except that, if the
4 commission notifies the person in writing prior to the expiration of the 90-day period
5 that the request cannot be processed prior to the expiration of the 90-day period, the
6 request is deemed denied and the denial constitutes a final agency action only if the
7 commission fails to act on the request within 180 days after the date the person
8 submitted the request to the commission.

9 **Sec. 13. 28-B MRSA §405, first ¶**, as amended by PL 2023, c. 679, Pt. B, §60, is
10 further amended to read:

11 A municipality may request that the office provide any information obtained by the
12 office pursuant to the provisions of subchapter 2 or 3 that the municipality determines
13 necessary for the administration of its local authorization process for cannabis
14 establishments and cannabis consumption lounges under this subchapter. Unless the
15 information is confidential pursuant to law or rule, the office, in a timely manner, shall
16 provide the information requested pursuant to this section. For the purposes of this section,
17 "municipality" has the same meaning as in section 212.

18 **Sec. 14. 28-B MRSA §406, first ¶**, as enacted by PL 2017, c. 409, Pt. A, §6 and
19 amended by PL 2021, c. 669, §5, is further amended to read:

20 A municipality shall notify the department within 14 days of the date the municipality
21 authorizes the operation of a cannabis establishment or a cannabis consumption lounge
22 within the municipality; issues or renews a license for the operation of a cannabis
23 establishment within the municipality; withdraws authorization or suspends or revokes a
24 license for the operation of a cannabis establishment within the municipality; withdraws,
25 suspends or revokes authorization for the operation of a cannabis consumption lounge
26 within the municipality; approves relocation of the licensed premises of a cannabis
27 establishment to the municipality; or approves a transfer of ownership interests in a license
28 the licensed premises of which are located within the municipality. For the purposes of this
29 section, "municipality" has the same meaning as in section 212.

30 **Sec. 15. 28-B MRSA §502, sub-§5**, as enacted by PL 2017, c. 409, Pt. A, §6 and
31 amended by PL 2021, c. 669, §5, is further amended to read:

32 **5. Sampling by employees.** A products manufacturing facility licensee and its
33 employees may sample adult use cannabis and adult use cannabis products manufactured
34 at the licensed premises of the products manufacturing facility for the purposes of product
35 quality control and product research and development only. The licensee may not otherwise
36 allow the consumption of adult use cannabis or adult use cannabis products within the
37 licensed premises, unless the licensee is also a cannabis store licensee with a cannabis
38 consumption lounge endorsement operating under the provisions of subchapter 12. The
39 sampling of adult use cannabis and adult use cannabis products authorized under this
40 subsection may not involve the consumption of cannabis or cannabis products by means of
41 smoking the cannabis or cannabis products. For the purposes of this subsection, "smoking"
42 has the same meaning as in Title 22, section 1541, subsection 6.

43 **Sec. 16. 28-B MRSA §504, sub-§12**, as enacted by PL 2023, c. 679, Pt. B, §94, is
44 amended by amending the first blocked paragraph to read:

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COMMITTEE AMENDMENT "A" to H.P. 888, L.D. 1365

1 A cannabis store shall package and label samples in accordance with the applicable
2 provisions of this chapter and the rules adopted pursuant to this chapter. A cannabis store
3 may not provide samples to a person who is visibly intoxicated. The total amount of
4 samples, adult use cannabis and adult use cannabis products given or sold to a person in
5 any one 24-hour period, including any amount given or sold to a person for on-premises
6 consumption pursuant to subchapter 12, may not exceed the maximum amount of adult use
7 cannabis or adult use cannabis products allowed under section 1501, subsection 1,
8 paragraph F.

9 **Sec. 17. 28-B MRSA §507, first ¶**, as enacted by PL 2023, c. 679, Pt. B, §105, is
10 amended to read:

11 A minor may not enter the licensed premises of a cannabis store unless accompanied
12 by the minor's parent, legal guardian or custodian, as defined in Title 22, section 4002,
13 subsection 5. A minor may not enter any area designated as a cannabis consumption lounge
14 on the premises of a licensed cannabis store. An individual identification card holder who
15 is the parent, legal guardian or custodian of a minor may bring that minor into the licensed
16 premises of a cultivation facility, products manufacturing facility or cannabis testing
17 facility in an emergency.

18 **Sec. 18. 28-B MRSA §508, sub-§2-B** is enacted to read:

19 **2-B. Cannabis consumption lounge.** A licensee issued a cannabis consumption
20 lounge endorsement by the office may allow a person to consume adult use cannabis or
21 adult use cannabis products within the cannabis consumption lounge on the licensed
22 premises pursuant to the requirements in subchapter 12.

23 **Sec. 19. 28-B MRSA §509**, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to
24 read:

25 **§509. License to be conspicuously displayed; endorsement**

26 A licensee shall ensure that the licensee's license, or a copy of that license, is at all
27 times conspicuously displayed within its licensed premises. If the licensee operates a
28 cannabis consumption lounge, the licensee shall ensure that the licensee's cannabis
29 consumption lounge endorsement, or a copy of that endorsement, is at all times
30 conspicuously displayed within its cannabis consumption lounge.

31 **Sec. 20. 28-B MRSA §512, sub-§1**, as amended by PL 2023, c. 679, Pt. B, §110,
32 is further amended to read:

33 **1. Inspections.** A licensee shall submit to an inspection of its licensed premises,
34 including, but not limited to, any area designated as a cannabis consumption lounge on the
35 premises of a licensed cannabis store under subchapter 12 and any places of storage and
36 any locked areas, upon demand and without notice during the licensee's business hours by
37 the office, a criminal justice agency or an official authorized by the municipality in which
38 the licensed premises are located.

39 For the purposes of this subsection, "municipality" has the same meaning as in section 212.

40 **Sec. 21. 28-B MRSA c. 1, sub-c. 12** is enacted to read:

41 **SUBCHAPTER 12**

COMMITTEE AMENDMENT

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CANNABIS CONSUMPTION LOUNGES

§1201. Endorsement requirements

1. Endorsement process. The office, upon receipt of an application in the prescribed form that meets all applicable requirements for endorsement under this chapter and the rules adopted pursuant to this chapter, shall issue to an applicant who has been issued an active cannabis store license an endorsement on that license to operate a cannabis consumption lounge on the premises of the licensed cannabis store. An application for a cannabis consumption lounge endorsement or renewal application may be included with an initial application or renewal application for a cannabis store license, as applicable. To the extent possible, an application for an endorsement under this subchapter that is included with an initial application or renewal application for a cannabis store license may not require duplication of materials included in the cannabis store license application or renewal application.

2. Endorsement criteria. An applicant for an endorsement to operate a cannabis consumption lounge must meet each of the following requirements.

A. The applicant must have an active cannabis store license issued by the office for the facility seeking endorsement under this subchapter or the applicant must have a conditional license issued by the office and be applying for the endorsement at the same time that the applicant is applying for a cannabis store license for that facility. An active cannabis store license is required for the office to issue an endorsement under this subchapter.

B. The applicant must receive certification of local authorization from the municipality in which the facility seeking endorsement is located as required by section 402-A, subsection 2, paragraph C or, in the case of a cannabis store located in the unorganized and deorganized areas, from the Maine Land Use Planning Commission as required by section 403-A, subsection 2, paragraphs C and D.

C. If the applicant does not own the premises where the cannabis consumption lounge will be located, the applicant must submit a lease, rental agreement or other arrangement for possession of the premises, or an addendum to such an agreement, from the owner of the premises granting explicit permission to operate a cannabis consumption lounge at that premises.

D. The applicant must submit copies of properly endorsed general liability and cannabis liability insurance.

E. The applicant must submit a facility plan as required pursuant to section 1205, subsection 5.

F. The applicant must pay the endorsement fee required pursuant to section 207.

3. Forms for local authorization; office to notify applicant. The office shall prepare and furnish to applicants, municipalities and the Maine Land Use Planning Commission a certification form by which the municipality may certify to the office that the applicant has obtained local authorization as required by section 402-A, subsection 2, paragraph C or, in the case of a cannabis consumption lounge to be located in the unorganized and deorganized areas, the Maine Land Use Planning Commission may certify to the office that the applicant has obtained local authorization as required by section 403-A, subsection 2,

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1 paragraphs C and D. The office shall notify the applicant that certification of local
2 authorization has been confirmed within 10 days of receiving certification of local
3 authorization from a municipality or the Maine Land Use Planning Commission, as
4 applicable.

5 **4. Endorsement for cannabis store licensee that is also licensed cultivation facility**
6 **or manufacturing facility.** A cultivation facility or a products manufacturing facility that
7 has obtained from the office a separate license to operate a cannabis store and otherwise
8 complies with all applicable requirements under this chapter and the rules adopted pursuant
9 to this chapter concerning the operation of cannabis stores and the operation of cannabis
10 consumption lounges may apply for a cannabis consumption lounge endorsement on the
11 cannabis store license.

12 **5. Endorsement not transferable to other licensed premises.** An endorsement
13 issued by the office to a cannabis store licensee to operate a cannabis consumption lounge
14 is valid only for the licensed premises of the cannabis store. The endorsement may not be
15 transferred to any other licensed premises.

16 **6. Compliance with application process; no false statement of material fact.** An
17 applicant must complete all application forms required by the office fully and truthfully
18 and comply with all information requests of the office relating to the endorsement
19 application. An endorsement may not be issued to an applicant that has knowingly or
20 recklessly made any false statement of material fact to the office in applying for an
21 endorsement under this subchapter. The office shall revoke the endorsement of a cannabis
22 store licensee pursuant to subchapter 8 if, subsequent to the issuance of the endorsement,
23 the office determines that the licensee knowingly or recklessly made a false statement of
24 material fact to the office in applying for the endorsement.

25 **§1202. Denial of endorsement**

26 **1. Denial for good cause.** The office, for good cause, may deny an application for an
27 initial or renewal cannabis consumption lounge endorsement. Denial of an application by
28 the office pursuant to this section constitutes a final agency action as defined in Title 5,
29 section 8002, subsection 4.

30 **2. Good cause defined.** For the purposes of this section, "good cause" has the same
31 meaning as in section 206, subsection 2 and also includes a finding by the office that an
32 applicant or licensee has failed to comply with any special terms, consent decree or
33 conditions placed upon the previously issued endorsement pursuant to an order of the
34 office; the municipality in which the licensed premises are located; the town or plantation
35 in the unorganized or deorganized areas in which the licensed premises are located; in the
36 case of a township in the unorganized and deorganized areas in which the licensed premises
37 are located, the county commissioners of the county in which the township is located; or,
38 in the case of a cannabis store located in the unorganized and deorganized areas, the Maine
39 Land Use Planning Commission.

40 **3. Notification of denial and right to appeal.** Upon the office's determination to
41 deny an endorsement application, the office shall notify the applicant in writing of the
42 denial, the basis for the denial and the applicant's right to appeal the denial to the Superior
43 Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

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4. Denial of endorsement separate from license. A determination to deny an endorsement application is a separate determination from any determination for an application, including a renewal application, for the applicant's cannabis store.

§1203. Endorsement term; renewal

1. License term. A cannabis consumption lounge endorsement issued pursuant to section 1201 is effective for the license term under section 208 for an active cannabis store license issued by the office pursuant to section 205, subsection 4. Except as otherwise provided in this section, a cannabis store licensee seeking to renew an existing cannabis consumption lounge endorsement must file an application for renewal with the office, on forms prepared and furnished by the office, not less than 30 days prior to the date of expiration of the license. An application for endorsement renewal must be submitted with the applicant's cannabis store license renewal application.

2. Notification of expiration date. The office shall notify a cannabis store licensee who has been issued a cannabis consumption lounge endorsement prior to the expiration of the endorsement in the same manner and at the same time as notification under section 209, subsection 1.

3. Extension for good cause; late application; operation under expired endorsement. The provisions under section 209, subsections 2, 3 and 4 applicable to an application for renewal of an existing cannabis store license for which a cannabis consumption lounge endorsement was issued apply to the application for renewal of an endorsement.

4. Expired endorsement; cessation of activity. Except as provided in subsection 3, a person whose cannabis consumption lounge endorsement has expired shall immediately cease all activity relating to the operation of the cannabis consumption lounge previously authorized under the endorsement. A cannabis store licensee whose cannabis consumption lounge endorsement has expired is not required to cease activity related to the operation of the cannabis store.

5. Renewal application process; fees; rules. An applicant seeking renewal of an endorsement to operate a cannabis consumption lounge shall pay to the office a renewal application fee or, if applicable, a late renewal application fee and shall demonstrate continued compliance with all applicable endorsement criteria under this chapter, including, but not limited to, obtaining local authorization as required by section 402-A, subsection 2, paragraph C or, in the case of a cannabis consumption lounge located in the unorganized and deorganized areas, as required by section 403-A, subsection 2, paragraphs C and D.

A. The office may not issue an endorsement to a cannabis store licensee seeking renewal of an endorsement until the licensee obtains local authorization for a cannabis consumption lounge as required by section 402-A, subsection 2, paragraph C or, in the case of a cannabis store located in the unorganized and deorganized areas, as required by section 403-A, subsection 2, paragraphs C and D, pays the applicable endorsement fee required under section 207 and meets all other applicable requirements for the issuance of an endorsement under section 1201.

B. The office shall by rule establish requirements for the submission, processing and approval of an endorsement renewal application, which must include, but are not

1 limited to, a reasonable renewal application fee and a reasonable late renewal
2 application fee.

3 **§1204. Suspension or revocation**

4 The office, by written order, may for good cause as defined in section 1202, subsection
5 2 suspend or revoke a cannabis consumption lounge endorsement issued to a cannabis store.

6 **§1205. Facility requirements**

7 A cannabis store licensee seeking an endorsement to operate a cannabis consumption
8 lounge on the premises of a licensed cannabis store must meet the requirements of this
9 section.

10 **1. Designated area.** A cannabis consumption lounge must be located on the physical
11 premises of the cannabis store licensee in a designated area that is separate from any other
12 area of the facility conducting activity licensed under this chapter or under Title 22, chapter
13 558-C.

14 **2. Separate entry.** The area designated as a cannabis consumption lounge must have
15 a separate entry from the cannabis store retail area.

16 **3. Visually conspicuous delineation.** The delineation between the cannabis store
17 retail space and the area designated as a cannabis consumption lounge must be visually
18 conspicuous.

19 **4. Smoking within cannabis consumption lounge.** Except as otherwise provided in
20 this chapter, a cannabis store operating a cannabis consumption lounge may allow the
21 consumption of adult use cannabis or adult use cannabis products by smoking, as defined
22 in Title 22, section 1541, subsection 6, pursuant to the requirements in section 1206. This
23 subsection does not require a cannabis store licensee operating a cannabis consumption
24 lounge to allow smoking of adult use cannabis and cannabis products.

25 **5. Cannabis consumption lounge facility plan.** An applicant for a cannabis
26 consumption lounge endorsement must include in the initial or renewal application a
27 facility plan that includes a diagram and description of the designated area and that specifies
28 the location, size and layout of the cannabis consumption lounge area on the premises of
29 the cannabis store, the location and a description of points of ingress and egress, the
30 location and a description of the visually conspicuous delineation between the cannabis
31 store retail space and the area designated as a cannabis consumption lounge and any other
32 information as determined by the office by rule.

33 **6. Rules.** The office may adopt rules for cannabis consumption lounge areas located
34 on the premises of a licensed cannabis store, including, but not limited to, rules establishing
35 security and public health and safety requirements. Rules adopted pursuant to this
36 subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

37 **§1206. Operating requirements**

38 In addition to the requirements outlined in section 504 and any rules adopted under this
39 chapter regarding the operation of cannabis stores, a cannabis consumption lounge located
40 on the premises of a licensed cannabis store must be operated in accordance with the
41 provisions of this section and the rules adopted pursuant to this chapter.

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1. Products authorized for consumption. Except as provided in subsection 3, a cannabis store may authorize for consumption only within an area designated as a cannabis consumption lounge on the premises of the licensed cannabis store;

A. Adult use cannabis or adult use cannabis products purchased at retail from the cannabis store;

B. Consumable products not containing cannabis, including, but not limited to, sodas, candies and baked goods. A cannabis store may restrict the consumption of consumable products not containing cannabis to only products sold by the cannabis store at retail; and

C. Consumable products not containing cannabis that are purchased at a location other than the cannabis store, including, but not limited to, products delivered to the cannabis store premises, products provided by a food truck located on or near the cannabis store premises or other products provided by a customer for personal consumption.

2. Products not fully consumed. Adult use cannabis or adult use cannabis products not fully consumed by a person within a cannabis consumption lounge:

A. May be removed by the person who purchased the adult use cannabis or adult use cannabis products at retail if the adult use cannabis or adult use cannabis product being removed is in the original packaging provided at the final point of sale or is repackaged in child-resistant and tamper-evident packaging that includes the labeling information required under section 701, subsection 1 and any other information required by rule by the office; or

B. Must be disposed of or destroyed by an employee of the cannabis store licensee.

3. Total amount sold in 24-hour period. The total amount of adult use cannabis and adult use cannabis products, including samples, given or sold to a person in any one 24-hour period, including adult use cannabis and adult use cannabis products sold at retail for consumption in a cannabis consumption lounge, may not exceed the maximum amount of adult use cannabis or adult use cannabis products allowed under section 1501, subsection 1, paragraph F.

4. Prohibitions. A cannabis store licensee operating a cannabis consumption lounge on the licensed cannabis store premises may not:

A. Permit any person under 21 years of age to enter any area designated as a cannabis consumption lounge on the premises of the licensed cannabis store;

B. Sell adult use cannabis or adult use cannabis products to a person who is visibly intoxicated;

C. Allow a person to consume adult use cannabis or adult use cannabis products not purchased at the time of consumption at retail from the licensed cannabis store;

D. Allow a person to consume cannabis and cannabis products for medical use, except as provided in section 508, subsection 1;

E. Allow a person to consume any alcoholic beverages;

F. Allow a person to consume any tobacco products, as defined in Title 22, section 1551, subsection 3; or

1 G. Except as provided in section 1207, permit smoking of adult use cannabis or adult
2 use cannabis products.

3 **5. Compliance with packaging, labeling and health and safety requirements.** All
4 adult use cannabis and adult use cannabis products sold or offered for sale for consumption
5 by a person in a cannabis consumption lounge located on the premises of the licensed
6 cannabis store must meet all applicable packaging, labeling and health and safety
7 requirements of subchapter 7 and the rules adopted under subchapter 7.

8 **6. Verification of age.** A person must be 21 years of age or older to enter any area
9 designated as a cannabis consumption lounge on the premises of a cannabis store. Prior to
10 allowing a person to enter an area designated as a cannabis consumption lounge, an
11 employee of the cannabis store licensee shall verify that the person has a valid government-
12 issued photographic identification card or other acceptable photographic identification as
13 determined by the department by rule pursuant to section 504, subsection 4, paragraph B
14 demonstrating that the person is 21 years of age or older.

15 **7. Required employee training.** All employees of a licensed cannabis store with an
16 endorsement to operate a cannabis consumption lounge who directly conduct retail sales of
17 adult use cannabis or adult use cannabis products or who are directly involved with the
18 operation of a cannabis consumption lounge must complete an approved cannabis server
19 education course as provided in section 1208.

20 **§1207. Smoking; additional requirements**

21 A licensed cannabis store with a cannabis consumption lounge endorsement operating
22 a cannabis consumption lounge may allow the consumption of adult use cannabis or adult
23 use cannabis products by smoking in accordance with the provisions in Title 22, section
24 1542 and of this section and rules adopted pursuant to this section.

25 **1. Smoking prohibited; exception.** Smoking is prohibited in any area of the facility
26 conducting activity licensed under this chapter or under Title 22, chapter 558-C, including
27 any area on the premises of the licensed cannabis store where retail sales are conducted,
28 except in the designated smoking area of the cannabis consumption lounge.

29 **2. Smoking and nonsmoking areas.** A licensed cannabis store operating a cannabis
30 consumption lounge may designate an area for consumption that does not include smoking
31 and a separate area for consumption including smoking that meets the requirements of this
32 section and the rules adopted pursuant to this section and of Title 22, section 1542. A
33 separate area that includes smoking is not required.

34 **3. Consumption by smoking not required.** A licensed cannabis store operating a
35 cannabis consumption lounge is not required to authorize consumption of adult use
36 cannabis and adult use cannabis products by smoking.

37 **4. Employee access not required; monitoring.** A licensed cannabis store operating
38 a cannabis consumption lounge where smoking is permitted may not require employees of
39 the licensed cannabis store to work in, pass through or enter the designated smoking area.
40 Employees must be able to monitor the designated smoking area without entering it.

41 **5. Additional information required in application for initial endorsement or**
42 renewal. An applicant for an initial cannabis consumption lounge endorsement or for
43 renewal of an endorsement that intends to permit smoking within a cannabis consumption
44 lounge must include in the application:

- 1 A. If the applicant does not own the premises where the cannabis consumption lounge
- 2 will be located, explicit permission by the owner of the premises granting the applicant
- 3 permission to permit smoking of adult use cannabis or adult use cannabis products at
- 4 that premises and any other requirements related to that permission as expressed in a
- 5 lease, rental agreement or other arrangement for possession of the premises or an
- 6 addendum to such an agreement;
- 7 B. Information regarding the smoking area's ventilation system;
- 8 C. Information detailing the monitoring system that will be used by employees to
- 9 monitor the smoking area; and
- 10 D. Any other information related to the health and safety of employees and lounge
- 11 patrons as determined by the office by rule.
- 12 6. Rules. The office may adopt rules to implement this section. Rules adopted under
- 13 this section are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.
- 14 §1208. Cannabis server education courses
- 15 1. Approval of cannabis server education courses. The director or the director's
- 16 designee shall approve cannabis server education courses for a period of 2 years that meet
- 17 the criteria developed under this section. The director may renew an approval as long as
- 18 the course meets the criteria applicable at the time of renewal.
- 19 Course providers may request a renewal by submitting current course material at least 60
- 20 days prior to the date of expiration.
- 21 2. Advisory committee; appointment. The Cannabis Safe-serve Education Advisory
- 22 Committee, referred to in this section as "the advisory committee," is established and
- 23 consists of 8 members, appointed as follows:
- 24 A. The director, or the director's designee;
- 25 B. The Director of the Maine Criminal Justice Academy, or the director's designee;
- 26 C. The Attorney General, or the Attorney General's designee;
- 27 D. The Commissioner of Health and Human Services, or the commissioner's designee;
- 28 E. A representative of the education community, appointed by the director;
- 29 F. A representative of a statewide adult use cannabis licensee organization, appointed
- 30 by the director;
- 31 G. A representative of a statewide trial lawyers' organization, appointed by the
- 32 director; and
- 33 H. A cannabis establishment inspector, appointed by the director.
- 34 3. Advisory committee; course criteria. The advisory committee shall determine
- 35 specific criteria that a cannabis server education course must contain to receive approval
- 36 under subsection 1. The specific criteria must be based on and include the following.
- 37 A. The instructors of the course or the advisor pursuant to subsection 11 must possess
- 38 the relevant skills to provide instruction.
- 39 B. The course must provide instruction and the development of skills in the following
- 40 subject areas:

COMMITTEE AMENDMENT

- 1 (1) Identification of intoxicated individuals, including minors;
- 2 (2) Intervention to prevent excessive consumption of cannabis and edible cannabis
- 3 products by such methods as serving food and using known antidotes to the effects
- 4 of THC;
- 5 (3) Making consumers aware of their condition and their responsibility for driving
- 6 in an intoxicated condition and providing alternate transportation when available;
- 7 (4) Knowledge of state laws relating to the cultivation, manufacture, distribution
- 8 and sale of cannabis and the legal responsibilities of servers and consumers;
- 9 (5) Knowledge of the effect of THC by potency, method of consumption and
- 10 timing of consumption relative to an individual's weight or other relevant factors;
- 11 (6) Examination of proof of age identification and methods of detecting false or
- 12 altered age identification documents;
- 13 (7) Policies and practices to prevent the sale or service of adult use cannabis and
- 14 edible adult use cannabis products to minors and visibly intoxicated individuals;
- 15 and
- 16 (8) The effects of cannabis on the human body, including the disease concept of
- 17 substance use disorder.

18 C. Participants must be evaluated before taking the course and after completion of the

19 course.

20 D. Participants who successfully complete the course and the final evaluation must be

21 awarded certificates recognizing that they have successfully completed an approved

22 cannabis server education course.

23 4. Instructor training. Each instructor providing instruction as part of an approved

24 cannabis server education course shall biennially attend a seminar on the adult use cannabis

25 laws of the State provided by the office. The instructor shall attend the seminar prior to

26 providing instruction as part of an approved cannabis server education course in this State.

27 If the instructor meets the requirements of subsection 5, the instructor must receive a

28 cannabis server instructor's certificate. There is a \$50 fee for the seminar to offset expenses

29 incurred in carrying out this subsection.

30 5. Instructor qualifications. In order to qualify for a cannabis server instructor's

31 certificate, an instructor shall:

- 32 A. Attend a seminar biennially as provided in subsection 4;
- 33 B. Apply for a certificate for each approved course to be instructed by the instructor;
- 34 and
- 35 C. Provide a letter from the administrator of a course approved by the advisory
- 36 committee to train instructors acknowledging that the instructor is in good standing and
- 37 has completed the approved course.

38 In addition to the requirements of paragraphs A to C, an instructor seeking recertification

39 shall instruct a minimum of 4 courses during the previous certification term for the course

40 for which the instructor is seeking recertification.

COMMITTEE AMENDMENT

1 6. Suspension of certificate. The director or the director's designee may suspend or
2 revoke a cannabis server instructor's or advisor's certificate upon the recommendation of
3 the advisory committee. The following are grounds for an action to suspend or revoke a
4 certificate:

5 A. Repeated instances of failure to provide timely, accurate or legible information
6 required by subsection 9;

7 B. Repeated instances of failure to follow the course outline that was approved by the
8 advisory committee or cover the course criteria that was approved; or

9 C. Receipt of a request to suspend or revoke a certificate from the administrator of the
10 course approved by the advisory committee to train instructors.

11 7. Advisor training. Each advisor, pursuant to subsection 11, must be certified under
12 subsection 8 prior to providing advisory assistance in an approved Internet-based cannabis
13 server education course and shall biennially attend a seminar on the adult use cannabis laws
14 of the State provided by an officer of the office. The fee for the seminar is the same as in
15 subsection 4.

16 8. Advisor qualifications. In order to qualify for an advisor's certificate, an advisor
17 shall:

18 A. Attend a seminar biennially as provided in subsection 4;

19 B. Apply for a certificate for each approved course for which the advisor offers
20 services; and

21 C. Provide a letter from the administrator of a course approved by the advisory
22 committee to train advisors acknowledging that the advisor is in good standing and has
23 completed the approved course.

24 9. Course accountability. The director or the director's designee may appoint an
25 employee of the office to monitor each cannabis server education course to ensure that the
26 course presents proper training and meets the approved criteria. The office shall maintain
27 a record of the participants who have completed an approved course. Each instructor of an
28 approved course shall provide the office with the names, addresses, dates of birth and
29 driver's license numbers, state identification card numbers or social security numbers of
30 individuals who complete the course and the date of completion. The instructors shall
31 forward \$3 to the office for every name submitted. The amounts collected must be retained
32 by the office to cover costs related to cannabis server education training.

33 10. Cannabis server education courses; approval; suspension; revocation. The
34 director or the director's designee may refuse to issue or renew approval for a cannabis
35 server education course. The director or the director's designee may suspend or revoke
36 approval for a cannabis server education course upon the recommendation of the advisory
37 committee after reviewing the report of a monitor appointed under subsection 9. The
38 following are grounds for an action to refuse to issue or renew approval or to suspend or
39 revoke approval:

40 A. The advisory committee finds that a cannabis server education course does not meet
41 the criteria listed in subsection 3 or other specific criteria determined by the committee;

42 B. The course, when presented, does not follow specific criteria determined by the
43 advisory committee before issuance of approval;

1 C. The instructor of the course does not provide information or access to a monitor as
2 required by subsection 9; or

3 D. Fraud or deceit is used to obtain course approval or in providing the course or
4 issuing certificates.

5 A person aggrieved by a decision of the director or the director's designee to refuse to issue
6 or renew approval or to suspend or revoke approval for a cannabis server education course
7 may, within 30 days of receipt of the decision, appeal the decision to the District Court.

8 11. Approval of Internet-based cannabis server education courses. The director
9 or the director's designee may approve an Internet-based cannabis server education course
10 if the course meets the criteria developed under this section. An approved Internet-based
11 cannabis server education course must have an advisor certified under subsection 8
12 available to answer questions for persons using the Internet-based cannabis server
13 education course.

14 **§1209. Rules**

15 The office may adopt rules necessary to implement, administer and enforce this
16 subchapter. Rules adopted pursuant to this subchapter are routine technical rules as defined
17 in Title 5, chapter 375, subchapter 2-A.

18 **Sec. 22. 28-B MRSA c. 1, sub-c. 13 is enacted to read:**

19 **SUBCHAPTER 13**

20 **MAINE CANNABIS LIABILITY ACT**

21 **§1301. Short title**

22 This subchapter may be known and cited as "the Maine Cannabis Liability Act."

23 **§1302. Definitions**

24 As used in this subchapter, unless the context indicates otherwise, the following terms
25 have the following meanings.

26 1. Intoxicated individual. "Intoxicated individual" means an individual who is in a
27 state of intoxication.

28 2. Intoxication. "Intoxication" means a substantial impairment of an individual's
29 mental or physical faculties as a result of liquor, cannabis or drug use.

30 3. Licensee. "Licensee" means a person licensed pursuant to this chapter to operate a
31 cannabis establishment.

32 4. Nonlicensee. "Nonlicensee" means a person who is neither a licensee nor an
33 employee or agent of a licensee and is not required to be licensed under this Title.

34 5. Server. "Server" means a person who sells, gives or otherwise provides adult use
35 cannabis or edible adult use cannabis products to an individual.

36 6. Service of adult use cannabis or edible adult use cannabis products. "Service
37 of adult use cannabis or edible adult use cannabis products" means any sale, gift or other
38 furnishing of adult use cannabis or edible adult use cannabis products.

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7. Visibly intoxicated. "Visibly intoxicated" means a state of intoxication accompanied by a perceptible act, a series of acts or the appearance of an individual that clearly demonstrates a state of intoxication.

§1303. Plaintiffs

1. Persons who may bring suit. Except as provided in subsection 2, a person who suffers damage, as provided in section 1307, may bring an action under this Act against a server for negligently or recklessly serving adult use cannabis or edible adult use cannabis products to an individual.

2. Persons who may not bring suit. The following may not bring an action under this Act against a server for negligently serving adult use cannabis or edible adult use cannabis products to an individual:

- A. The intoxicated individual if the intoxicated individual is at least 18 years of age when served by the server;
- B. The estate of the intoxicated individual if the intoxicated individual was at least 18 years of age when served by the server; and
- C. A person asserting claims arising out of the personal injury or death of the intoxicated individual if the intoxicated individual was at least 18 years of age when served by the server.

§1304. Defendants

1. Licensee as defendant. A server who is a licensee or employee or agent of a licensee who commits an act giving rise to liability, as provided in sections 1305 and 1306, may be made a defendant to a claim under this Act.

2. Nonlicensee as defendant. A server who is a nonlicensee who commits an act giving rise to liability, as provided in section 1305, subsection 1 and section 1306, may be made a defendant to a claim under this Act.

§1305. Negligent service of adult use cannabis or edible adult use cannabis products; liability

1. Negligent service to minor. A server who negligently serves adult use cannabis or edible adult use cannabis products to a minor is liable for damages proximately caused by that minor's consumption of the adult use cannabis or edible adult use cannabis products.

2. Negligent service to visibly intoxicated individual. A server who negligently serves adult use cannabis or edible adult use cannabis products to a visibly intoxicated individual is liable for damages proximately caused by that individual's consumption of the adult use cannabis or edible adult use cannabis products.

3. Negligent conduct. Service of adult use cannabis or edible adult use cannabis products to a minor or to an intoxicated individual is negligent if the server knows or if a reasonable and prudent person in similar circumstances would know that the individual being served is a minor or is visibly intoxicated.

4. Server's knowledge of individual's consumption. A server is not chargeable with knowledge of an individual's consumption of adult use cannabis or edible adult use cannabis products, liquor or other drugs off the server's premises, unless the individual's

1 appearance and behavior or other facts known to the server would put a reasonable and
2 prudent person on notice of such consumption.

3 **§1306. Reckless service of adult use cannabis or edible adult use cannabis products;**
4 **liability**

5 1. Reckless service to minor. A server who recklessly provides adult use cannabis or
6 edible adult use cannabis products to a minor is liable for damages proximately caused by
7 that minor's consumption of the adult use cannabis or adult use cannabis products.

8 2. Reckless service to visibly intoxicated individual. A server who recklessly serves
9 adult use cannabis or edible adult use cannabis products to a visibly intoxicated individual
10 is liable for damages proximately caused by that individual's consumption of the adult use
11 cannabis or edible adult use cannabis products.

12 3. Reckless conduct. Service of adult use cannabis or edible adult use cannabis
13 products is reckless if a server intentionally serves adult use cannabis or edible adult use
14 cannabis products to an individual when the server knows that the individual being served
15 is a minor or is visibly intoxicated and the server consciously disregards an obvious and
16 substantial risk that serving adult use cannabis or edible adult use cannabis products to that
17 individual will cause physical harm to the user or to others.

18 For purposes of this Act, the disregard of the risk, when viewed in light of the nature and
19 purpose of the server's conduct and the circumstances known to the server, must involve a
20 gross deviation from the standard of conduct that a reasonable and prudent person would
21 observe in the same situation.

22 4. Evidence of reckless conduct. Specific serving practices that are admissible as
23 evidence of reckless conduct include, but are not limited to, the following:

24 A. Active encouragement of intoxicated individuals to consume substantial amounts
25 of adult use cannabis or edible adult use cannabis products; and

26 B. Service of adult use cannabis or edible adult use cannabis products to an individual
27 who is under 18 years of age when the server has actual or constructive knowledge of
28 the individual's age.

29 **§1307. Damages**

30 1. Damages. Damages may be awarded for property damage, bodily injury or death
31 proximately caused by the consumption of the adult use cannabis or edible adult use
32 cannabis products served by the server.

33 2. Damages under wrongful death and survival laws. Except as otherwise provided
34 in this Act, damages may be recovered under Title 18-C, sections 2-807 and 3-817, as in
35 other tort actions, subject to the damage limit of section 1308.

36 **§1308. Limit on awards**

37 1. Limitation on damages for losses other than expenses for medical care and
38 treatment. In actions for damages permitted by this Act, the claim for and award of
39 damages for all losses, except expenses for medical care and treatment, including devices
40 or aids, against both a server and the server's employees and agents, may not exceed
41 \$350,000 for all claims arising out of a single accident or occurrence.

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2. Multiple claimants. When the amount for all losses, except expenses for medical care and treatment, including devices and aids, awarded to or settled for multiple claimants, exceeds the limit imposed by this section, any party may apply to the Superior Court for the county where the server is located to allocate each claimant an equitable share of the total, limited as required by this section. Any award by the court in excess of the maximum liability limit specified by subsection 1 must be automatically abated by operation of this section to the maximum limit of liability.

§1309. Common law defenses

Defenses applicable to tort actions based on negligence and recklessness in this State may be asserted in defending actions brought under this Act.

§1310. Exclusive remedy

This Act is the exclusive remedy against servers who may be made defendants under section 1304, for claims by those suffering damages based on the servers' service of adult use cannabis or edible adult use cannabis products.

§1311. Named and retained; several liability

1. Named and retained. An action against a server may not be maintained unless the minor, the intoxicated individual or the estate of the minor or intoxicated individual is named as a defendant in the action and is retained in the action until the litigation is concluded by trial or settlement.

2. Several but not joint liability. The intoxicated individual and any server, as described in section 1304, are each severally liable and not jointly liable for that percentage of the plaintiff's damages that corresponds to each defendant's percentage of fault as determined by the court or a jury.

§1312. Notice required

Every plaintiff seeking damages under this Act must give written notice to all defendants within 180 days of the date of the server's conduct creating liability under this Act. The notice must specify the time, place and circumstances of the server's conduct creating liability under this Act and the time, place and circumstances of any resulting damages. An error or omission in the notice does not void the effect of the notice, if otherwise valid, unless the error or omission is substantially material. Failure to give written notice within the time specified is grounds for dismissal of a claim, unless the plaintiff provides written notice within the limits of section 1313 and shows good cause why notice could not have reasonably been filed within the 180-day limit. For purposes of this section, "good cause" includes but is not limited to the inability of the plaintiff to obtain investigative records from a law enforcement officer or law enforcement agency.

§1313. Statute of limitations

Any action under this Act against a server alleging negligent or reckless conduct must be brought within 2 years after the cause of action accrues.

§1314. Evidence of responsible serving practices

1. Responsible practices. Proof of the server's responsible serving practices is admissible as evidence that the server was not negligent or reckless. Responsible serving practices include, but are not limited to:

1 A. The server's and server's employees' attendance at an approved server education
2 training course; and

3 B. The server's implementation, at the time of service, of responsible management
4 policies, procedures and actions.

5 2. Neither proof nor disproof of negligence or recklessness. Proof or disproof that
6 the server was adhering to responsible serving practices is not by itself proof or disproof of
7 negligence or recklessness.

8 **§1315. Privileges**

9 1. Refusal to serve. A licensee is not liable for damages resulting from a good faith
10 refusal to serve adult use cannabis or edible adult use cannabis products to any individual
11 who:

12 A. Fails to show proper identification of age;

13 B. Reasonably appears to be a minor; or

14 C. Is refused service in a good faith effort to prevent the individual from becoming
15 visibly intoxicated.

16 2. Holding identification documents. A licensee is not liable for retaining
17 identification documents presented to the licensee as proof of the individual's age for the
18 purpose of receiving adult use cannabis or edible adult use cannabis products, as long as:

19 A. Retention is for a reasonable length of time in a good faith effort to determine
20 whether the individual is of legal age; and

21 B. The licensee informs the individual why the licensee is retaining the identification
22 documents.

23 3. Other defenses not limited. This section does not limit a licensee's right to assert
24 any other defense provided by law.

25 4. Failure to exercise privileges. A licensee may not be held liable under this Act for
26 failing to exercise any privilege provided in this section. This section does not provide
27 immunity from liability under sections 1305 and 1306.

28 **§1316. Insurance records**

29 1. Superintendent shall keep records. The Superintendent of Insurance shall collect
30 and maintain records on the following statistics concerning cannabis liability insurance in
31 this State:

32 A. The number and names of companies writing cannabis liability insurance, either as
33 a separate line or in a large policy;

34 B. The number and dollar amount of premiums collected for cannabis liability
35 insurance policies; and

36 C. The number and dollar amount of claims incurred under cannabis liability
37 insurance.

38 2. Superintendent shall make records available. The Superintendent of Insurance
39 shall make available to the Legislature the information collected and maintained under
40 subsection 1.

1 **Sec. 23. 28-B MRSA §1501, sub-§2, ¶A**, as enacted by PL 2017, c. 409, Pt. A, §6
 2 and amended by PL 2021, c. 669, §5, is further amended to read:

3 A. A person 21 years of age or older may consume cannabis or cannabis products only
 4 if that person is:

- 5 (1) In a private residence, including curtilage; ~~or~~
- 6 (2) On private property, not generally accessible by the public, and the person is
 7 explicitly permitted to consume cannabis or cannabis products on the property by
 8 the owner of the property; or
- 9 (3) Within the area designated for use as a cannabis consumption lounge on the
 10 premises of a licensed cannabis store issued a cannabis consumption lounge
 11 endorsement under section 1201 and operating pursuant to the provisions for
 12 cannabis consumption lounges in chapter 1.

13 **Sec. 24. Office of Cannabis Policy to develop and implement public service**
 14 **campaign related to on-premises consumption of cannabis.** The Department of
 15 Administrative and Financial Services, Office of Cannabis Policy shall develop and
 16 implement a public service campaign related to on-premises consumption of cannabis. The
 17 office may work with relevant stakeholders, including the Cannabis Safe-serve Education
 18 Advisory Committee under the Maine Revised Statutes, Title 28-B, section 1208, members
 19 of law enforcement, public health officials and those familiar with similar campaigns
 20 related to on-premises alcohol consumption.

21 **Sec. 25. Appropriations and allocations.** The following appropriations and
 22 allocations are made.

23 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**
 24 **Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund Z263**

25 Initiative: Provides a one-time allocation for a public service campaign related to on-
 26 premises consumption of cannabis.

27	OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
28	All Other	\$0	\$250,000
29			
30	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$250,000

31 **Adult Use Cannabis Regulatory Coordination Fund Z264**
 32 Initiative: Provides a one-time allocation for the development costs of adding consumption
 33 lounge endorsement to the licensing system.

34	OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
35	All Other	\$0	\$12,400
36			
37	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$12,400

38			
39	ADMINISTRATIVE AND FINANCIAL		
40	SERVICES, DEPARTMENT OF		
41	DEPARTMENT TOTALS	2025-26	2026-27

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OTHER SPECIAL REVENUE FUNDS	\$0	\$262,400
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$262,400

Sec. 26. Effective date. Except for that section of this Act that makes appropriations and allocations, this Act takes effect January 1, 2028.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment replaces the bill and changes the title. The amendment authorizes, beginning January 1, 2028, the operation of cannabis consumption lounges on the premises of a licensed cannabis store that has received an endorsement to operate a cannabis consumption lounge from the Office of Cannabis Policy within the Department of Administrative and Financial Services. The amendment does the following.

1. It defines "cannabis consumption lounge" and "cannabis consumption lounge endorsement" within the Cannabis Legalization Act.
2. It authorizes a municipality to adopt an ordinance providing endorsement requirements applicable to cannabis consumption lounges, in the same manner as for cannabis establishments.
3. It establishes a process for local authorization of cannabis consumption lounges within municipalities or within towns, plantations and townships in the unorganized and deorganized areas in the same manner as for cannabis establishments.
4. It establishes the requirements for the operation of a cannabis consumption lounge, including certain prohibited activities and additional requirements if smoking is permitted at the cannabis consumption lounge.
5. It establishes the requirements for endorsement from the office.
6. It establishes a required cannabis server education course for employees directly involved in retail sales for and management of cannabis consumption lounges.
7. It establishes the Maine Cannabis Liability Act modeled on the Maine Liquor Liability Act.
8. It directs the office to design and implement a public service campaign related to on-premises consumption of cannabis.
9. It makes other necessary changes to the Cannabis Legalization Act and smoking provisions in law.

FISCAL NOTE REQUIRED
(See attached)



132nd MAINE LEGISLATURE

LD 1365

LR 1634(02)

An Act to Allow Consumption of Adult Use Cannabis in Locally Approved Hospitality Lounges

Fiscal Note for Bill as Amended by Committee Amendment "A(H-968)"

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Appropriations/Allocations				
Other Special Revenue Funds	\$0	\$262,400	\$0	\$0

Fiscal Detail and Notes

This bill, effective January 1, 2028, authorizes the Office of Cannabis Policy (OCP) within the Department of Administrative and Financial Services to issue an endorsement allowing licensed cannabis stores meeting certain criteria to operate a cannabis consumption lounge. The bill establishes an application fee of \$250 and an endorsement fee not to exceed \$2,500 for a cannabis consumption lounge endorsement. These fees are deposited into the Adult Use Cannabis Regulatory Coordination Fund (AUCRCF).

The bill includes a one-time Other Special Revenue Funds allocation of \$12,400 to OCP in fiscal year 2026-27 for the cost of updating the licensing system to accommodate the new endorsement. The bill also includes a one-time Other Special Revenue Funds allocation of \$250,000 in fiscal year 2026-27 for the development and implementation of a public service campaign regarding on-premises cannabis consumption.

Application, endorsement and training fees associated with the issuance of cannabis consumption lounge endorsements and cannabis server education courses will result in increased Other Special Revenue Funds revenue to the Office of Cannabis Policy. Because the number of licensed cannabis stores that will seek the endorsement and meet the qualifying criteria, as well as the number of individuals required to obtain a cannabis server education certificate, cannot be determined at this time, the amount of additional revenue cannot be estimated.