

MAINE STATE LEGISLATURE

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L.D. 1672

Date: 6/9/25 Report 'A'

(Filing No. H-583)

VETERANS AND LEGAL AFFAIRS

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
132ND LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 1107, L.D. 1672, "An Act to Allow Participation in the Adult Use Cannabis Tracking System to Be Voluntary"

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

'An Act to Provide for an Alternate Method for Tracking Adult Use Cannabis'

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

'Sec. 1. 28-B MRSA §105, sub-§3 is enacted to read:

3. Rules; alternate tracking method. Notwithstanding subsection 2, the office shall adopt rules regarding an alternate tracking method that may be used by licensees as an alternative to the tracking system implemented and administered by the office pursuant to this section. The rules must provide for an alternate method for tracking adult use cannabis and adult use cannabis products that will ensure the office's ability to implement a recall of the licensee's adult use cannabis or adult use cannabis products. The rules for the alternate tracking method may not include any requirements that would involve the licensee having to purchase tags, labels or similar items for the purpose of tracking adult use cannabis or adult use cannabis products. Rules adopted by the office pursuant to this subsection are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 2. Department of Administrative and Financial Services, Office of Cannabis Policy; alternate tracking method rulemaking. In accordance with the Maine Revised Statutes, Title 28-B, section 105, subsection 3, the Department of Administrative and Financial Services, Office of Cannabis Policy shall, on or before January 9, 2026, provisionally adopt and submit for legislative review rules necessary to implement the alternate tracking method for adult use cannabis and adult use cannabis products to be used by licensees as an alternative to the tracking system implemented and administered by the office in accordance with Title 28-B, section 105. Rules adopted by the office pursuant to this section are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

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Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Adult Use Cannabis Regulatory Coordination Fund Z264

Initiative: Provides one-time funding for the development of a state-run inventory tracking method.

GENERAL FUND	2025-26	2026-27
All Other	\$8,540,000	\$0
GENERAL FUND TOTAL	\$8,540,000	\$0

Adult Use Cannabis Regulatory Coordination Fund Z264

Initiative: Provides funding for one Auditor III position, 2 Field Investigator Supervisor positions, 4 Auditor II positions and 12 OCP Compliance Inspector positions and associated All Other costs.

GENERAL FUND	2025-26	2026-27
POSITIONS - LEGISLATIVE COUNT	19,000	19,000
Personal Services	\$1,010,437	\$2,179,344
All Other	\$134,052	\$268,104
GENERAL FUND TOTAL	\$1,144,489	\$2,447,448

**ADMINISTRATIVE AND FINANCIAL
SERVICES, DEPARTMENT OF
DEPARTMENT TOTALS**

	2025-26	2026-27
GENERAL FUND	\$9,684,489	\$2,447,448
DEPARTMENT TOTAL - ALL FUNDS	\$9,684,489	\$2,447,448

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 requires the Department of Administrative and Financial Services, Office of Cannabis Policy, on or before January 9, 2026, to provisionally adopt and submit for legislative review major substantive rules necessary to adopt an alternate tracking method that may be used by adult use cannabis licensees as an alternative to the tracking system implemented and administered by the office. The rules must provide for an alternate method for tracking adult use cannabis and adult use cannabis products that will ensure the office's ability to implement a recall of the licensee's adult use cannabis or adult use cannabis products and may not include any requirements that would involve the licensee having to purchase tags,

COMMITTEE AMENDMENT "A" to H.P. 1107, L.D. 1672

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labels or similar items for the purpose of tracking adult use cannabis or adult use cannabis products. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)

**132nd MAINE LEGISLATURE****LD 1672****LR 1757(02)****An Act to Allow Participation in the Adult Use Cannabis Tracking System to Be Voluntary****Fiscal Note for Bill as Amended by Committee Amendment "A" (H-583)****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
Net Cost (Savings)				
General Fund	\$9,684,489	\$2,447,448	\$2,532,443	\$2,620,752
Appropriations/Allocations				
General Fund	\$9,684,489	\$2,447,448	\$2,532,443	\$2,620,752

Fiscal Detail and Notes

This bill requires the Office of Cannabis Policy (OCP) within the Department of Administrative and Financial Services to develop and implement an alternate tracking method for adult-use cannabis and cannabis products that licensees may use as an alternative to the existing inventory tracking system. The bill directs the office to provisionally adopt major substantive rules by January 9, 2026, to establish the framework for the alternate method. The rules must ensure that the office can implement product recalls for health and safety purposes and may not require licensees to purchase tags, labels or similar items for tracking purposes. Because OCP retains a statutory responsibility to administer and enforce the adult-use cannabis program, the functionality currently supported by a third-party vendor will need to be replicated or replaced through internal capacity if an alternate tracking method is developed and implemented.

The bill includes a one-time General Fund appropriation of \$8,540,000 in fiscal year 2025-26 to OCP for the information technology costs associated with development of the alternate tracking system. The bill also includes ongoing General Fund appropriations of \$1,144,489 in fiscal year 2025-26 for one Auditor III position, 2 Field Investigator Supervisor positions, 4 Auditor II positions, and 12 OCP Compliance Inspector positions, along with associated All Other costs. The fiscal year 2025-26 estimate assumes that these positions will begin halfway through the fiscal year after the rules are provisionally adopted and that these costs will increase to \$2,447,448 in fiscal year 2026-27.

OCP has indicated that based on the experience of other states that have developed independent tracking systems, additional costs related to data integration and long-term maintenance are anticipated. These costs would depend on the final design of the alternate system and are not included in this fiscal note, but are expected to be substantial.