MAINE STATE LEGISLATURE

The following document is provided by the LAW AND LEGISLATIVE DIGITAL LIBRARY at the Maine State Law and Legislative Reference Library http://legislature.maine.gov/lawlib



Reproduced from electronic originals (may include minor formatting differences from printed original)



132nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2025

Legislative Document

No. 1983

S.P. 783

In Senate, May 22, 2025

An Act to Protect Minors from Intoxicating Hemp-derived Products by Regulating Those Products Under the Adult Use Cannabis Laws

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator INGWERSEN of York. (GOVERNOR'S BILL)

2	PART A
3 4	Sec. A-1. 7 MRSA §2231, sub-§1-A, ¶D, as enacted by PL 2019, c. 528, §1 and amended by PL 2021, c. 669, §5, is further amended to read:
5 6 7 8 9 10 11 12 13 14 15	D. "Hemp" means the plant Cannabis sativa L. and any part of that plant, including the seeds and all derivatives, extracts, cannabinoids, isomers, acids, salts and salts of isomers, whether growing or not, with a delta-9-tetrahydrocannabinol concentration of not more than 0.3% on a dry weight basis, or as otherwise defined in federal law. "Hemp" includes agricultural commodities and products derived from hemp and topical or ingestible consumer products, including food, food additives and food products derived from hemp, which in their final forms contain a delta-9-tetrahydrocannabinol concentration of not more than 0.3% or as otherwise defined in federal law. "Hemp" also includes a hemp product for consumer use. "Hemp" does not include intoxicating hemp-derived products, cannabis for medical use pursuant to Title 22, chapter 558-C or adult use cannabis pursuant to Title 28-B, chapter 1.
16	Sec. A-2. 7 MRSA §2231, sub-§1-A, ¶D-1 is enacted to read:
17 18	D-1. "Hemp product" means a product, including any raw material from hemp that is used for or added to a food or beverage, that:
19 20	(1) Contains hemp and has completed all stages of processing needed for the product; and
21	(2) When offered for retail sale:
22 23	(a) Contains a total tetrahydrocannabinol concentration of no greater than 0.3%; and
24 25 26	(b) Contains either no more than 2 milligrams of total tetrahydrocannabinol per package or an amount of cannabidiol that is no less than 25 times greater than the amount of total tetrahydrocannabinol per package.
27	Sec. A-3. 7 MRSA §2231, sub-§1-A, ¶F is enacted to read:
28 29 30	F. "Intoxicating hemp-derived product" means a product, including any raw material from hemp that is used for or added to a food, beverage, topical or inhalable product that:
31 32	(1) Contains hemp and has completed all stages of processing needed for the product; and
33 34 35	(2) Contains either more than 2 milligrams of total tetrahydrocannabinol per package or an amount of cannabidiol that is less than 25 times greater than the amount of total tetrahydrocannabinol per package.
36 37 38 39	An "intoxicating hemp-derived product" is adult use cannabis as defined in Title 28-B, section 102-A, subsection 1 if it is a raw material from hemp and is an adult use cannabis product as defined in Title 28-B, section 102-A, subsection 2 if it used for or added to a food, beverage, topical or inhalable product.
40	Sec. A-4. 7 MRSA §2231, sub-§1-A, ¶G is enacted to read:

Be it enacted by the People of the State of Maine as follows:

- G. "Total tetrahydrocannabinol" means all of the tetrahydrocannabinol in a product, including delta-8-tetrahydrocannabinol, delta-9-tetrahydrocannabinol and delta-10-tetrahydrocannabinol; delta-8-tetrahydrocannabinolic acid, delta-9-tetrahydrocannabinolic acid and delta-10-tetrahydrocannabinolic acid; and other tetrahydrocannabinol or tetrahydrocannabinolic acid isomers.
- **Sec. A-5. 7 MRSA §2231, sub-§10,** as enacted by PL 2019, c. 528, §1 and amended by PL 2021, c. 669, §5, is further amended to read:
- 10. Hemp and hemp products not tracked as cannabis. Notwithstanding any provision of Title 22, chapter 558-C or Title 28-B, chapter 1 to the contrary, hemp and products derived from hemp Hemp and hemp products may not be tracked as part of the medical use of cannabis program under Title 22, chapter 558-C or the regulation of adult use cannabis under Title 28-B, chapter 1. Intoxicating hemp-derived products must be transferred to an adult use cannabis products manufacturing facility licensed in accordance with Title 28-B, chapter 1 and must be tracked as adult use cannabis or adult use cannabis products, as applicable, upon transfer to the adult use cannabis program.

Sec. A-6. 7 MRSA §2231, sub-§10-A is enacted to read:

10-A. Intoxicating hemp-derived products regulated as adult use cannabis. Any intoxicating hemp-derived product offered for sale to consumers in the State is subject to the requirements applicable to adult use cannabis and adult use cannabis products in accordance with Title 28-B, chapter 1 and the rules adopted pursuant to that chapter, including, but not limited to, requirements applicable to tracking, testing, manufacture, packaging, labeling, transportation or sale of intoxicating hemp-derived products. Intoxicating hemp-derived products sold to consumers are subject to the sales tax on adult use cannabis and adult use cannabis products pursuant to Title 36, section 1811.

PART B

- Sec. B-1. 28-A MRSA §2, sub-§12-E is enacted to read:
- <u>12-E. Intoxicating hemp-derived product.</u> "Intoxicating hemp-derived product" has the same meaning as in Title 7, section 2231, subsection 1-A, paragraph F.
 - Sec. B-2. 28-A MRSA §83-B, sub-§4-A is enacted to read:
- 4-A. Prevent sale of intoxicating hemp-derived products. Prevent the sale of intoxicating hemp-derived products by licensees, except as authorized in Title 28-B, chapter 1, through the seizure and destruction of such products offered for sale to consumers by a licensee;
- **Sec. B-3. 28-A MRSA §601, sub-§2, ¶I,** as amended by PL 1997, c. 373, §51, is further amended to read:
 - I. The bureau determines that the purpose of the application is to circumvent the provisions of this section; or
- **Sec. B-4. 28-A MRSA §601, sub-§2, ¶J,** as amended by PL 2021, c. 658, §84, is further amended to read:
 - J. The applicant is a golf course or a restaurant located on the property of a golf course and the Maine Human Rights Commission has found reasonable grounds to believe that the golf course has denied membership to a person in violation of Title 5, chapter

- 337, subchapter 5 and has determined that conciliation efforts under Title 5, section 1 2 4612, subsection 3 have not succeeded. The Maine Human Rights Commission shall notify the bureau when the golf course has corrected its discriminatory membership 3 practices, after which the applicant ceases to be disqualified under this paragraph-; or 4 5 **Sec. B-5. 28-A MRSA §601, sub-§2, ¶K** is enacted to read: 6 K. The bureau determines that the applicant has sold, furnished or given away, or offered to sell, furnish or give away, an intoxicating hemp-derived product in violation 7 8 of section 2090. Sec. B-6. 28-A MRSA §709, sub-§1, ¶C is enacted to read: 9 10 C. A licensee, employee of a licensee or agent of a licensee may not sell, furnish or give away, or offer to sell, furnish or give away, an intoxicating hemp-derived product, 11 12 except as authorized by Title 28-B, chapter 1. Sec. B-7. 28-A MRSA §2090 is enacted to read: 13 14 §2090. Selling, furnishing or giving away intoxicating hemp-derived products 15 1. **Prohibition.** A person may not sell, furnish or give away, or offer to sell, furnish or give away, an intoxicating hemp-derived product, except as authorized by Title 28-B, 16 17 chapter 1. 18 2. Penalty. The following penalties apply to violations of this section. 19 A. A person that violates subsection 1 commits a civil violation for which a fine of not 20 less than \$500 and not more than \$1,000 must be adjudged. 21 B. A person that violates subsection 1 after having been previously adjudicated as 22 violating subsection 1 commits a civil violation for which a fine of not less than \$500 23 and not more than \$3,000 must be adjudged. PART C 24 Sec. C-1. 28-B MRSA §102-A, sub-§1, as enacted by PL 2023, c. 679, Pt. B, §3, 25 26 is amended to read: 27 Adult use cannabis. "Adult use cannabis" means cannabis cultivated, 28 manufactured, distributed or sold by a cannabis establishment. "Adult use cannabis" 29 includes an intoxicating hemp-derived product that is a raw material from hemp as defined 30 in Title 7, section 2231, subsection 1-A, paragraph D. 31 Sec. C-2. 28-B MRSA §102-A, sub-§2, as enacted by PL 2023, c. 679, Pt. B, §3, 32 is amended to read: 33
 - **2.** Adult use cannabis product. "Adult use cannabis product" means a cannabis product that is manufactured, distributed or sold by a cannabis establishment. "Adult use cannabis product" includes an intoxicating hemp-derived product that is used for or added to a food, beverage, topical or inhalable product.

34

35

36

37

38 39

- **Sec. C-3. 28-B MRSA §102-A, sub-§8,** as enacted by PL 2023, c. 679, Pt. B, §3, is amended to read:
- **8.** Cannabis. "Cannabis" means the leaves, stems, flowers and seeds of a cannabis plant, whether growing or not. "Cannabis" includes cannabis concentrate and an

<u>intoxicating hemp-derived product</u> but does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D or a cannabis product.

1 2

- **Sec. C-4. 28-B MRSA §102-A, sub-§9,** as enacted by PL 2023, c. 679, Pt. B, §3, is amended to read:
- **9.** Cannabis concentrate. "Cannabis concentrate" means the resin extracted from any part of a cannabis plant and every compound, manufacture, salt, derivative, mixture or preparation from such resin, including, but not limited to, hashish. "Cannabis concentrate" does not include resin extracted from hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D, unless that resin is an intoxicating hemp-derived product. In determining the weight of cannabis concentrate in a cannabis product, the weight of any other ingredient combined with cannabis or cannabis concentrate to prepare the cannabis product may not be included.
- **Sec. C-5. 28-B MRSA §102-A, sub-§15,** as enacted by PL 2023, c. 679, Pt. B, §3, is amended to read:
- **15.** Cannabis product. "Cannabis product" means a product composed of cannabis or cannabis concentrate and other ingredients that is intended for use or consumption. "Cannabis product" includes, but is not limited to, an edible cannabis product, a cannabis ointment and, a cannabis tincture and, as applicable, an intoxicating hemp-derived product. "Cannabis product" does not include cannabis concentrate or a product containing hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.
 - Sec. C-6. 28-B MRSA §102-A, sub-§33-A is enacted to read:
- 33-A. Intoxicating hemp-derived product. "Intoxicating hemp-derived product" has the same meaning as in Title 7, section 2231, subsection 1-A, paragraph F.
- **Sec. C-7. 28-B MRSA §103, sub-§1, ¶B,** as amended by PL 2023, c. 6, §13, is further amended to read:
 - B. Sell or offer for sale cannabis or cannabis products, including intoxicating hemp-derived products;
 - Sec. C-8. 28-B MRSA §103, sub-§3 is enacted to read:
- 3. Enforcement and penalties for unauthorized distribution or sale of intoxicating hemp-derived products. Notwithstanding the authority of any other state or local entity to regulate the distribution or sale of intoxicating hemp-derived products, the office may enter any retail establishment, restaurant or bar where such products are offered for distribution or sale to consumers, whether or not that retail establishment, restaurant or bar has a license to operate a cannabis store in accordance with this chapter. The office may direct any retail establishment, restaurant or bar that is not a cannabis store licensed pursuant to this chapter to remove and destroy any intoxicating hemp-derived products offered for sale to consumers.
- Sec. C-9. 28-B MRSA §105, first \P , as amended by PL 2023, c. 679, Pt. B, §8, is further amended to read:

The office shall implement and administer a system, referred to in this section as "the tracking system," for the tracking of cannabis plants, adult use cannabis and adult use cannabis products from immature cannabis plant to the point of retail sale, return, disposal

- or destruction. Cannabis, cannabis concentrate or cannabis products that are intoxicating hemp-derived products must be tracked using the tracking system from the point the intoxicating hemp-derived product is transferred from outside the adult use cannabis program to a products manufacturing facility to the point of retail sale, return, disposal or destruction. The tracking system must allow for cannabis plants at the stage of cultivation and upon transfer from the stage of cultivation to another licensee to be tracked by group. The office may implement a tracking system that allows adult use cannabis or adult use cannabis products to be tracked by group.
- **Sec. C-10. 28-B MRSA §105, sub-§2, ¶A,** as enacted by PL 2021, c. 628, §1 and amended by c. 669, §5, is further amended to read:
 - A. Record-keeping requirements for the tracking of cannabis plants when tracked individually and when tracked by group; and
- **Sec. C-11. 28-B MRSA §105, sub-§2, ¶B,** as amended by PL 2023, c. 679, Pt. B, §13, is further amended to read:
 - B. Record-keeping requirements necessary to ensure the office's ability to implement a recall for reasons related to health and safety when tracking cannabis plants individually or by group-; and
- **Sec. C-12. 28-B MRSA §105, sub-§2, ¶C** is enacted to read:

- C. Record-keeping requirements for tracking intoxicating hemp-derived products from the point the product is transferred from outside the adult use cannabis program to a products manufacturing facility to the point of retail sale, return, disposal or destruction.
- Sec. C-13. 28-B MRSA §502, sub-§1-B is enacted to read:
- 1-B. Acceptance of intoxicating hemp-derived products. All intoxicating hemp-derived products offered for sale in the State must be transferred into the adult use cannabis program to a products manufacturing facility. A products manufacturing facility that accepts transfers of intoxicating hemp-derived products shall ensure that:
 - A. All intoxicating hemp-derived products are tracked in accordance with section 105;
 - B. All required information regarding the identity of the transferring party is recorded upon receipt of the intoxicating hemp-derived products in accordance with section 511; and
 - C. The intoxicating hemp-derived products are tested in accordance with subchapter 6 prior to being offered for retail sale to consumers.
- **Sec. C-14. 28-B MRSA §504, sub-§1, ¶A,** as amended by PL 2023, c. 6, §16, is further amended to read:
 - A. Adult use cannabis or adult use cannabis products, including intoxicating hempderived products transferred by a products manufacturing facility to the cannabis store pursuant to section 502, subsection 1-B;
- **Sec. C-15. 28-B MRSA §504, sub-§2,** ¶C, as amended by PL 2021, c. 667, §1 and c. 669, §5, is further amended by amending subparagraph (4) to read:
 - (4) A delivery service, except as provided by subsection 9; or

1 2	Sec. C-16. 28-B MRSA §504, sub-§2, ¶D, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:
3 4	D. Sell adult use cannabis or adult use cannabis products to a person who is visibly intoxicated.; or
5	Sec. C-17. 28-B MRSA §504, sub-§2, ¶E is enacted to read:
6 7	E. Sell or give away intoxicating hemp-derived products that were not received from a products manufacturing facility pursuant to section 502, subsection 1-B.
8	Sec. C-18. 28-B MRSA §511, sub-§1-A is enacted to read:
9 10 11 12 13 14	1-A. Records of intoxicating hemp-derived products transferred into adult use cannabis program. A products manufacturing facility licensee that accepts a transfer of an intoxicating hemp-derived product from outside the adult use cannabis program shall keep a record of the information regarding the origin of the intoxicating hemp-derived product. The record must be accessible by the office in accordance with subsection 1. The information must include the following:
15 16 17 18 19 20	A. The name, address and telephone number of the person that transferred the intoxicating hemp-derived product to the products manufacturing facility, including the name and telephone number of a natural person who is responsible for transporting the intoxicating hemp-derived product to the products manufacturing facility and the name and telephone number of a natural person who would be considered a principal of the transferor if that transferor were a licensee;
21	B. The form and quantity of the intoxicating hemp-derived product received;
22 23 24	C. Whether any portion of the shipment of intoxicating hemp-derived product was rejected by the licensee and the reason for rejecting the intoxicating hemp-derived product;
25 26	D. Information regarding any pesticides used in the cultivation of the hemp from which the intoxicating hemp-derived product is derived;
27 28 29	E. Information regarding any treatment or remediation of the hemp from which the intoxicating hemp-derived product is derived using ozone, radiation or carcinogenic gases, including the kind of treatment or remediation taken; and
30 31	F. Information regarding any gases, solvents or chemicals used to extract cannabinoids from the hemp from which the intoxicating hemp-derived product is derived.
32 33	Sec. C-19. 28-B MRSA §701, sub-§1, ¶H, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:
34 35	H. Information on gases, solvents and chemicals used in cannabis extraction <u>or used</u> to extract cannabinoids from hemp to create intoxicating hemp-derived products;
36 37	Sec. C-20. 28-B MRSA §802-A, sub-§2, ¶ A, as enacted by PL 2023, c. 679, Pt. B, §134, is amended by enacting a new subparagraph (1-A) to read:
38 39 40	(1-A) Intentionally or recklessly selling or giving away an intoxicating hemp- derived product that has not been tracked and tested in accordance with this chapter;
41	PART D

1	Sec. D-1. 36 MRSA c. 724 is enacted to read:
2	CHAPTER 724
3	INTOXICATING HEMP-DERIVED PRODUCTS TAX
4	§4931. Definitions
5 6	As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.
7 8	1. Adult use cannabis establishment. "Adult use cannabis establishment" has the same meaning as "cannabis establishment" in Title 28-B, section 102-A, subsection 10.
9 10 11	2. Business. "Business" means any trade, occupation, activity or enterprise engaged in the selling or distributing of intoxicating hemp-derived products in this State, except an adult use cannabis establishment.
12 13	3. Consumer. "Consumer" means an individual who purchases, receives or possesses intoxicating hemp-derived products for personal consumption and not for resale.
14	4. Cost price. "Cost price" means:
15 16	A. In the case of a manufacturer, the price set for intoxicating hemp-derived products or, if a price has not been set, the wholesale value of those products; or
17 18 19	B. In the case of a distributor or consumer, the price at which the distributor or consumer purchases intoxicating hemp-derived products before the allowance of any discount, trade allowance, rebate or other reduction.
20	5. Distributor. "Distributor" means:
21 22 23	A. A person, that is not an adult use cannabis establishment, engaged in the business of producing or manufacturing intoxicating hemp-derived products in this State for sale in this State;
24 25 26 27	B. A person, that is not an adult use cannabis establishment, engaged in the business of selling intoxicating hemp-derived products in this State that brings, or causes to be brought, into this State intoxicating hemp-derived products for sale to an adult use cannabis establishment;
28 29 30 31	C. A person, that is not an adult use cannabis establishment, with a place of business in this State engaged in the business of selling intoxicating hemp-derived products in this State that brings, or causes to be brought, into this State intoxicating hemp-derived products for sale to a consumer;
32 33 34	D. A person, that is not an adult use cannabis establishment, engaged in the business of selling intoxicating hemp-derived products that ships or transports intoxicating hemp-derived products to an adult use cannabis establishment for sale in this State; or
35 36	E. An adult use cannabis establishment that imports, receives or acquires intoxicating hemp-derived products for sale within the State.
37	A distributor may be located within or without the State.

- 6. Intoxicating hemp-derived product. "Intoxicating hemp-derived product" has the same meaning as in Title 7, section 2231, subsection 1-A, paragraph F.
 - 7. Manufacturer "Manufacturer" means a person, that is not an adult use cannabis establishment, that manufactures and sells intoxicating hemp-derived products.
 - 8. Place of business. "Place of business" means any place where intoxicating hemp-derived products are sold or where intoxicating hemp-derived products are manufactured, stored or kept for the purpose of sale or consumption, including any vessel, vehicle, airplane or train.
 - 9. Sale. "Sale" means any transfer, exchange, barter or gift in any manner or by any means whatsoever, for a consideration.

§4932. Registration

- 1. Generally. A distributor shall register with the assessor and collect and remit taxes in accordance with the provisions of this chapter. A registration issued pursuant to this section is not a license within the meaning of that term in the Maine Administrative Procedure Act.
- 2. Applications; forms. A registration application under this section must be made on a form prescribed by the assessor and must state the name and address of the applicant, the address of the applicant's business and such other information as the assessor may require for the proper administration of this chapter.
 - 3. Penalties. The following penalties apply to violations of this section.
 - A. A distributor that sells at wholesale, offers for sale at wholesale, possesses with intent to sell at wholesale or sells to consumers any intoxicating hemp-derived products without being registered with the assessor pursuant to this section commits a civil violation for which a fine of not less than \$250 and not more than \$500 must be adjudged.
 - B. A distributor that violates paragraph A after having been previously adjudicated as violating paragraph A commits a civil violation for which a fine of not less than \$500 and not more than \$1,000 must be adjudged for each subsequent violation.
- 4. Suspension and revocation. A registration pursuant to this section is nontransferable. The assessor may suspend or revoke the registration of any registered distributor for failure to comply with any provision of this chapter. A person aggrieved by a suspension or revocation may request reconsideration as provided in section 151.
- 5. Notification. A distributor that has its registration under this section suspended or revoked shall, within 10 business days of the suspension or revocation, inform in writing all its accounts in this State that it no longer holds a valid registration under this section. The assessor may publish the name of a distributor that has had its registration suspended or revoked.

§4933. Tax on intoxicating hemp-derived products

- 1. Intoxicating hemp-derived products. Beginning January 1, 2026, a tax is imposed on all intoxicating hemp-derived products at the rate of 20% of the cost price.
- **2. Imposition.** The tax is imposed at the time the distributor brings or causes to be brought into this State intoxicating hemp-derived products that are for sale or for use or at

the time intoxicating hemp-derived products are manufactured or fabricated in this State
for sale in this State.

An intoxicating hemp-derived product may be taxed only once by the State in accordance with this section.

SUMMARY

This bill makes the following changes to the cannabis laws regarding the regulation of intoxicating hemp-derived products.

- 1. It amends the definition of "hemp" in the Maine Revised Statutes, Title 7, section 2231 to exclude intoxicating hemp-derived products.
- 2. It defines in Title 7, section 2231 "hemp product," "intoxicating hemp-derived product" and "total tetrahydrocannabinol" and distinguishes hemp products from intoxicating hemp-derived products for the purposes of tracking and regulating intoxicating hemp-derived products as adult use cannabis under Title 28-B, chapter 1.
- 3. It amends Title 28-A to prohibit the sale of intoxicating hemp-derived products by liquor licensees and creates a penalty for liquor licensees found to be in violation of that prohibition.
- 4. It amends the definitions of "cannabis," "cannabis concentrate" and "cannabis product" to include intoxicating hemp-derived products and defines "intoxicating hemp-derived product" in Title 28-B, chapter 1.
- 5. It permits a products manufacturing facility licensee to accept transfers of intoxicating hemp-derived products from outside the adult use cannabis program for testing, tracking, packaging, labeling and sale within the adult use cannabis program.
- 6. It provides for the taxation of intoxicating hemp-derived products and applies a tax of 20% of the cost price of any intoxicating hemp-derived products sold wholesale to adult use cannabis establishments or sold to a consumer.