

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 1380

H.P. 935

House of Representatives, April 29, 2015

An Act To Legalize, Tax and Regulate Marijuana

Reference to the Committee on Criminal Justice and Public Safety suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative RUSSELL of Portland.
Cosponsored by Senator VALENTINO of York and
Representatives: BEAVERS of South Berwick, DION of Portland, DUNPHY of Embden,
HAMANN of South Portland, MAREAN of Hollis, McCABE of Skowhegan, Senators:
HASKELL of Cumberland, SAVIELLO of Franklin.

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

2 PART A

3 Sec. A-1. 36 MRSA c. 723 is enacted to read:

4 CHAPTER 723

5 MARIJUANA TAX

6 §4921. Definitions

7 As used in this chapter, unless the context otherwise indicates, the following terms
8 have the following meanings.

9 1. Bureau. "Bureau" means the Department of Administrative and Financial
10 Services, Bureau of Alcoholic Beverages and Lottery Operations.

11 2. Commercial marijuana cultivation facility. "Commercial marijuana cultivation
12 facility" means an entity licensed pursuant to Title 28-A, section 2602, subsection 1 and
13 section 2603 to cultivate, prepare and package marijuana and to sell marijuana to retail
14 marijuana stores, to marijuana product manufacturing facilities and to other commercial
15 marijuana cultivation facilities.

16 3. Marijuana. "Marijuana" means all parts of all species of the plant of the genus
17 cannabis whether growing or not, including the leaves, stems, flowers and seeds, the resin
18 extracted from any part of the plant and every compound, manufacture, salt, derivative,
19 mixture or preparation of the plant, its seeds or its resin, including marijuana concentrate.
20 "Marijuana" does not include industrial hemp, fiber produced from the stalks, oil, cake
21 made from the seeds of the plant, sterilized seeds of the plant that are incapable of
22 germination or the weight of any ingredient combined with marijuana to prepare topical
23 or oral administrations, food, drink or other product.

24 4. Marijuana concentrate. "Marijuana concentrate" means a concentrate of
25 cannabinoids extracted from marijuana through the use of propylene glycol, glycerin,
26 butter, olive oil or other typical cooking fats or other solvents.

27 5. Marijuana establishment. "Marijuana establishment" means a commercial
28 marijuana cultivation facility, marijuana product manufacturing facility or retail
29 marijuana store.

30 6. Marijuana product. "Marijuana product" means marijuana concentrate, a
31 manufactured or produced product that contains marijuana or a marijuana-infused product
32 that consists of marijuana and other ingredients that is intended for use or consumption,
33 including, but not limited to, an edible product, ointment or tincture.

34 7. Marijuana product manufacturing facility. "Marijuana product manufacturing
35 facility" means an entity licensed pursuant to Title 28-A, section 2602, subsection 1 and
36 section 2603 to:

- 1 A. Purchase marijuana from a commercial marijuana cultivation facility;
- 2 B. Manufacture, prepare and package marijuana products; and
- 3 C. Sell marijuana and marijuana products to other marijuana product manufacturing
- 4 facilities and to retail marijuana stores.

5 **8. Retail marijuana store.** "Retail marijuana store" means an entity licensed
6 pursuant to Title 28-A, section 2602, subsection 1 and section 2603 to:

- 7 A. Purchase marijuana from a commercial marijuana cultivation facility;
- 8 B. Purchase marijuana and marijuana products from a marijuana product
- 9 manufacturing facility; and
- 10 C. Sell marijuana and marijuana products to consumers.

11 **9. Underage person.** "Underage person" means a person under 21 years of age.

12 **§4922. Excise tax on marijuana**

13 **1. Rate of excise tax.** An excise tax is imposed on the sale or transfer of marijuana
14 from a commercial marijuana cultivation facility to a retail marijuana store and from a
15 commercial marijuana cultivation facility to a marijuana product manufacturing facility.
16 Each commercial marijuana cultivation facility shall pay an excise tax at the rate of 15%
17 on marijuana that is sold or transferred from the commercial marijuana cultivation facility
18 as authorized by a license issued by the bureau pursuant to Title 28-A, section 2602,
19 subsection 1 and section 2603.

20 **2. Returns; payment of tax; penalty.** A commercial marijuana cultivation facility
21 shall file, on or before the last day of each month, a return on a form prescribed and
22 furnished by the assessor together with payment of the tax due under this chapter. The
23 return must report all marijuana held, purchased, manufactured, shipped or transported to
24 a retail marijuana store or to a marijuana product manufacturing facility within the State
25 during the preceding calendar month. A commercial marijuana cultivation facility shall
26 keep a complete and accurate record at its principal place of business to substantiate all
27 receipts and sales of marijuana.

28 The return must include further information as the assessor may prescribe and must show
29 a credit for any marijuana exempted as provided in subsection 4. Records must be
30 maintained to substantiate the exemption. Tax previously paid on marijuana that is
31 returned to a marijuana establishment because the marijuana has become unfit for use,
32 sale or consumption and for marijuana that is returned to a commercial marijuana
33 cultivation facility that is subsequently destroyed by the commercial marijuana
34 cultivation facility may be taken as a credit on a subsequent return. The assessor may
35 either witness the destruction of the marijuana or may accept another form of proof that
36 the marijuana has been destroyed by the commercial marijuana cultivation facility.

37 **3. Failure to make payments.** The assessor shall notify the bureau when a
38 commercial marijuana cultivation facility fails to make a tax payment required by this
39 section. The bureau may suspend or revoke the license of a commercial marijuana

1 cultivation facility that fails to make a tax payment as required by this section and may
2 impose other penalties as determined by the bureau.

3 **4. Exemption.** The tax on marijuana imposed pursuant to this section may not be
4 levied on marijuana sold by registered dispensaries or registered primary caregivers to
5 qualifying patients and primary caregivers pursuant to Title 22, chapter 558-C.

6 **5. Rate review.** The bureau shall review the tax levels established under this section
7 annually and report its findings and make recommendations to the Legislature as
8 appropriate regarding adjustment to the tax level.

9 **§4923. Sales tax on marijuana and marijuana products**

10 **1. Rate of sales tax.** A tax is imposed on the sale of marijuana and marijuana
11 products sold at retail marijuana stores. The rate of tax is 10%.

12 **2. Exemption.** The tax on marijuana and marijuana products imposed pursuant to
13 this section may not be levied on marijuana sold by registered dispensaries or registered
14 primary caregivers to qualifying patients and primary caregivers pursuant to Title 22,
15 chapter 558-C.

16 **3. Rate review.** The bureau shall review the tax levels established under this section
17 annually and report its findings and make recommendations to the Legislature as
18 appropriate regarding adjustment to the tax level.

19 **§4924. Application of marijuana excise and sales tax revenues**

20 **1. Application of excise tax revenue.** The following provisions govern the
21 application of revenues received from imposition of the excise tax pursuant to section
22 4922. On or before the last day of each month, the State Controller shall transfer the
23 funds to the General Fund except that:

24 A. Five percent of the revenues must be expended to fund drug recognition experts
25 in state agencies as determined by law.

26 This paragraph is repealed January 1, 2018;

27 B. Ten percent of the revenues must be credited to the Marijuana Regulation and
28 Licensing Fund established under Title 28-A, section 2607;

29 C. Five percent of the revenues must be credited to the Marijuana Research Fund
30 established under Title 28-A, section 2608.

31 This paragraph is repealed January 1, 2022;

32 D. Ten percent of the revenues must be credited to the office of substance abuse and
33 mental health services within the Department of Health and Human Services for the
34 purpose of providing addiction treatment services;

35 E. Ten percent of the revenues must be credited to the Department of Health and
36 Human Services, Maine Center for Disease Control and Prevention for the purpose of
37 an ongoing public awareness campaign to reduce youth marijuana, alcohol and
38 tobacco consumption;

1 F. Five percent of the revenues must be credited to a statewide sheriffs association
2 for enforcement activities for deterring sales of marijuana and alcohol to underage
3 persons; and

4 G. Five percent of the revenues must be credited to the Low-income Marijuana
5 Patient Access Program Fund established under Title 28-A, section 2609.

6 **2. Application of sales tax revenue.** The following provisions govern the
7 application of the revenues received from the imposition of sales tax pursuant to section
8 4923. The State Controller shall transfer the revenues to the General Fund except that:

9 A. Each year, the first \$30,000,000 must be allocated to fund public school
10 construction or renovation; and

11 B. After the allocation of revenue in paragraph A, 5% of the revenues must be
12 allocated to the municipalities to be apportioned according to the ratio of tax revenue
13 collected under this chapter within the boundaries of the municipality to the total
14 sales tax receipts and to be apportioned to the county governments according to the
15 ratio of tax revenue collected under this chapter within the boundaries of the
16 unincorporated areas of the county to the total sales tax receipts.

17 **§4925. Rulemaking**

18 The bureau shall adopt rules to implement this chapter. Rules adopted pursuant to
19 this section are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

20 **§4926. Annual report**

21 The assessor shall report annually beginning January 30, 2018 on the amount of tax
22 revenues collected pursuant to sections 4922 and 4923 and the amounts distributed
23 pursuant to section 4924 to the joint standing committee of the Legislature having
24 jurisdiction over appropriations and financial affairs and the joint standing committee of
25 the Legislature having jurisdiction over taxation matters.

26 **Sec. A-2. Review and report recommendations.** The Department of
27 Administrative and Financial Services, Bureau of Revenue Services shall review methods
28 for ensuring that all marijuana and marijuana products that are sold in the State are
29 assessed except for marijuana that is exempt pursuant to the Maine Revised Statutes, Title
30 36, section 4922, subsection 4 and section 4923, subsection 2. The bureau shall report its
31 findings and recommendations, including any necessary legislation, to the joint standing
32 committee of the Legislature having jurisdiction over taxation matters by February 15,
33 2017. The joint standing committee is authorized to submit legislation to the First
34 Regular Session of the 128th Legislature based on the subject matter of the report.

35 **PART B**

36 **Sec. B-1. 22 MRSA §2383, sub-§1,** as repealed and replaced by PL 2009, c. 652,
37 Pt. B, §6, is repealed.

38 **Sec. B-2. 22 MRSA §2383, sub-§3** is enacted to read:

1 **3. Marijuana.** The following provisions apply to the possession of marijuana.

2 A. Except as provided in chapter 558-C, a person under 21 years of age may not
3 possess marijuana. A person under 21 years of age who possesses up to 2 1/2 ounces
4 of marijuana commits a civil violation for which a fine of not more than \$100 may be
5 adjudged and a specified number of hours of community service for the benefit of the
6 State, the municipality or other public entity or a charitable institution may be
7 ordered. If no other violation of this paragraph is committed within one year, the
8 court shall expunge the record of the civil violation.

9 B. Except as provided in this paragraph and chapters 558-C and 558-D, a person 21
10 years of age or older may not possess marijuana. Pursuant to section 2430-F, a
11 person 21 years of age or older may possess up to one ounce of marijuana. A person
12 21 years of age or older who possesses over one ounce but less than 2 1/2 ounces of
13 marijuana commits a civil violation for which a fine of not more than \$100 may be
14 adjudged and a specified number of hours of community service for the benefit of the
15 State, the municipality or other public entity or a charitable institution may be
16 ordered.

17 C. A marijuana establishment or marijuana transportation provider licensed pursuant
18 to Title 28-A, chapter 111 may possess marijuana as authorized by that chapter.

19 **PART C**

20 **Sec. C-1. 22 MRSA c. 558-D** is enacted to read:

21 **CHAPTER 558-D**

22 **PERSONAL USE OF MARIJUANA ACT**

23 **§2430-D. Short title**

24 This chapter may be known and cited as "the Personal Use of Marijuana Act."

25 **§2430-E. Definitions**

26 As used in this chapter, unless the context otherwise indicates, the following terms
27 have the following meanings.

28 **1. Commercial marijuana cultivation facility.** "Commercial marijuana cultivation
29 facility" means an entity licensed under Title 28-A, section 2602, subsection 1 and
30 section 2603 to cultivate, prepare and package marijuana and to sell marijuana to retail
31 marijuana stores, to marijuana product manufacturing facilities and to other commercial
32 marijuana cultivation facilities.

33 **2. Consumer.** "Consumer" means a person 21 years of age or older who purchases
34 marijuana or marijuana products for personal use by a person or persons 21 years of age
35 or older, but not for use by an underage person. "Consumer" does not include a patient or
36 primary caregiver acting pursuant to chapter 558-C.

1 **3. Marijuana.** "Marijuana" means all parts of all species of the plant of the genus
2 cannabis whether growing or not, including the leaves, stems, flowers and seeds, the resin
3 extracted from any part of the plant and every compound, manufacture, salt, derivative,
4 mixture or preparation of the plant, its seeds or its resin, including marijuana concentrate.
5 "Marijuana" does not include industrial hemp, fiber produced from the stalks, oil, cake
6 made from the seeds of the plant, sterilized seeds of the plant that are incapable of
7 germination or the weight of any ingredient combined with marijuana to prepare topical
8 or oral administrations, food, drink or other product.

9 **4. Marijuana accessories.** "Marijuana accessories" means equipment, products or
10 materials of any kind that are used, or intended or designed for use, in planting,
11 propagating, cultivating, growing, harvesting, composting, manufacturing, compounding,
12 converting, producing, processing, preparing, testing, analyzing, packaging, repackaging,
13 storing, vaporizing or containing marijuana or for ingesting, inhaling or otherwise
14 introducing marijuana into the human body.

15 **5. Marijuana concentrate.** "Marijuana concentrate" means a concentrate of
16 cannabinoids extracted from marijuana through the use of propylene glycol, glycerin,
17 butter, olive oil or other typical cooking fats or other solvents.

18 **6. Marijuana product.** "Marijuana product" means marijuana concentrate, a
19 manufactured or produced product that contains marijuana or a marijuana-infused product
20 that consists of marijuana and other ingredients that is intended for use or consumption,
21 including, but not limited to, an edible product, ointment or tincture.

22 **7. Marijuana product manufacturing facility.** "Marijuana product manufacturing
23 facility" means an entity licensed under Title 28-A, section 2602, subsection 1 and
24 section 2603 to:

25 A. Purchase marijuana from a commercial marijuana cultivation facility;

26 B. Manufacture, prepare and package marijuana products; and

27 C. Sell marijuana and marijuana products to other marijuana product manufacturing
28 facilities and to retail marijuana stores.

29 **8. Retail marijuana store.** "Retail marijuana store" means an entity licensed
30 pursuant to Title 28-A, section 2602, subsection 1 and section 2603 to:

31 A. Purchase marijuana from a commercial marijuana cultivation facility;

32 B. Purchase marijuana and marijuana products from a marijuana product
33 manufacturing facility; and

34 C. Sell marijuana and marijuana products to consumers.

35 **9. Seedling.** "Seedling" means a marijuana plant that is not a mature plant.

36 **10. Underage person.** "Underage person" means a person under 21 years of age.

37 **§2430-F. Personal use of marijuana**

38 **1. Personal use of marijuana.** A consumer may:

1 A. Use, purchase from a retail marijuana store or possess up to one ounce of
2 marijuana or marijuana products and marijuana accessories;

3 B. Transfer or furnish, without remuneration, up to one ounce of marijuana and up to
4 6 marijuana seedlings to another consumer;

5 C. Possess, grow, cultivate or process up to 6 mature marijuana plants or seedlings
6 and possess the marijuana and marijuana products produced from the marijuana
7 plants on the premises where the plants were grown; and

8 D. Use marijuana in a nonpublic place, including a private residence.

9 **2. Cultivation.** A consumer may engage in cultivation in the consumer's home of
10 marijuana for personal use pursuant to this subsection.

11 A. A consumer may cultivate up to 6 marijuana plants at that person's place of
12 residence, on property owned by that person or on another person's property with the
13 written permission of the owner of the other property.

14 B. A consumer who elects to cultivate marijuana plants shall take reasonable
15 precautions to ensure that the plants and any marijuana products are secure from
16 unauthorized access or access by an underage person. Reasonable precautions
17 include, but are not limited to, cultivating marijuana in a fully enclosed, locked
18 indoor or outdoor area to which an underage person does not reasonably have access.

19 C. Cultivation of marijuana for medical use pursuant to chapter 558-C is not
20 cultivation of marijuana for personal use under this chapter.

21 **3. Actions and conduct protected and not protected.** This subsection applies to
22 the cultivation, possession, processing, use or furnishing without remuneration and
23 purchase of marijuana and marijuana products by a consumer for personal use.

24 A. Notwithstanding Title 17-A, chapter 45 or any other provision of law, the conduct
25 and actions allowed under this chapter are legal under the laws of this State, do not
26 constitute a civil or criminal offense under state law or the law of any political
27 subdivision of the State and may not serve as the basis for seizure or forfeiture of
28 property or assets under the laws of this State.

29 B. The prohibitions and limitations on smoking tobacco products specified in
30 chapters 262 and 263 apply to marijuana.

31 C. The provisions of this chapter do not authorize a consumer or any other entity to
32 cultivate, possess, process or use, transfer or furnish without remuneration or
33 transport or purchase marijuana on federal property or shield a consumer or other
34 entity from prosecution under federal law.

35 D. The provisions of this chapter do not exempt a person from the laws governing
36 the operation of motor vehicles under Title 29-A, chapter 23 or the laws governing
37 hunting or operating watercraft, snowmobiles or all-terrain vehicles under Title 12,
38 chapter 911 and do not prevent the imposition of any penalty for the consumption of
39 marijuana within a vehicle on a public way.

40 **4. Parental rights.** A person who consumes or uses marijuana or marijuana
41 products in accordance with this section may not be denied parental rights and

1 responsibilities for a minor child because of the person's status as a consumer who uses
2 marijuana or marijuana products in compliance with this section unless the person's
3 behavior creates an unreasonable danger to the health or welfare of the minor child. A
4 person who consumes or uses marijuana or marijuana products in accordance with this
5 section may not be considered to be jeopardizing the health or welfare of a minor child
6 under the provisions of chapter 1071 because of the person's status as a consumer who
7 uses marijuana or marijuana products in compliance with this section unless the person's
8 behavior creates an unreasonable danger to the health or welfare of the minor child.

9 **PART D**

10 **Sec. D-1. 28-A MRSA Pt. 9** is enacted to read:

11 **PART 9**

12 **REGULATION OF MARIJUANA OPERATIONS**

13 **CHAPTER 111**

14 **MARIJUANA OPERATIONS**

15 **§2601. Definitions**

16 As used in this chapter, unless the context otherwise indicates, the following terms
17 have the following meanings.

18 **1. Commercial marijuana cultivation facility.** "Commercial marijuana cultivation
19 facility" means an entity licensed under section 2602, subsection 1 and section 2603 to
20 cultivate, prepare and package marijuana and to sell marijuana to retail marijuana stores,
21 to marijuana product manufacturing facilities and to other commercial marijuana
22 cultivation facilities.

23 **2. Consumer.** "Consumer" means a person 21 years of age or older who purchases
24 marijuana or marijuana products for personal use by a person or persons 21 years of age
25 or older. "Consumer" does not include a patient or primary caregiver pursuant to Title
26 22, chapter 558-C.

27 **3. Edible marijuana product.** "Edible marijuana product" means any product that
28 is infused with marijuana that is intended to be consumed orally, including, but not
29 limited to, any type of food, drink or pill.

30 **4. Marijuana.** "Marijuana" means all parts of all species of the plant of the genus
31 cannabis whether growing or not, including the leaves, stems, flowers and seeds, the resin
32 extracted from any part of the plant and every compound, manufacture, salt, derivative,
33 mixture or preparation of the plant, its seeds or its resin, including marijuana concentrate.
34 "Marijuana" does not include industrial hemp, fiber produced from the stalks, oil, cake
35 made from the seeds of the plant, sterilized seeds of the plant that are incapable of
36 germination or the weight of any ingredient combined with marijuana to prepare topical
37 or oral administrations, food, drink or other product.

1 **5. Marijuana accessories.** "Marijuana accessories" means equipment, products or
2 materials of any kind that are used, or intended or designed for use, in planting,
3 propagating, cultivating, growing, harvesting, composting, manufacturing, compounding,
4 converting, producing, processing, preparing, testing, analyzing, packaging, repackaging,
5 storing, vaporizing or containing marijuana or for ingesting, inhaling or otherwise
6 introducing marijuana into the human body.

7 **6. Marijuana concentrate.** "Marijuana concentrate" means a concentrate of
8 cannabinoids extracted from marijuana through the use of propylene glycol, glycerin,
9 butter, olive oil or other typical cooking fats or other solvents.

10 **7. Marijuana establishment.** "Marijuana establishment" means a commercial
11 marijuana cultivation facility, marijuana testing facility, marijuana product manufacturing
12 facility or retail marijuana store.

13 **8. Marijuana product.** "Marijuana product" means marijuana concentrate, a
14 manufactured or produced product that contains marijuana or a marijuana-infused product
15 that consists of marijuana and other ingredients that is intended for use or consumption,
16 including, but not limited to, an edible marijuana product, ointment or tincture.

17 **9. Marijuana product manufacturing facility.** "Marijuana product manufacturing
18 facility" means an entity licensed pursuant to section 2602, subsection 1 and section 2603
19 to:

20 A. Purchase marijuana from a commercial marijuana cultivation facility;

21 B. Manufacture, prepare and package marijuana products; and

22 C. Sell marijuana and marijuana products to other marijuana product manufacturing
23 facilities and to retail marijuana stores.

24 **10. Retail marijuana store.** "Retail marijuana store" means an entity licensed
25 pursuant to section 2602, subsection 1 and section 2603 to:

26 A. Purchase marijuana from a commercial marijuana cultivation facility;

27 B. Purchase marijuana and marijuana products from a marijuana product
28 manufacturing facility; and

29 C. Sell marijuana and marijuana products to consumers.

30 **11. Marijuana testing facility.** "Marijuana testing facility" means a public or
31 private laboratory licensed under section 2602, subsection 1 and section 2603 to conduct
32 research and analyze marijuana, marijuana products and marijuana concentrate sold at
33 retail marijuana stores for contaminants, potency and safety and to do research and advise
34 the bureau regarding marijuana and marijuana product quality standards.

35 **12. Marijuana transportation provider.** "Marijuana transportation provider"
36 means a person licensed pursuant to section 2602, subsection 1 and section 2603 to
37 transport marijuana and marijuana products from one marijuana establishment to another
38 marijuana establishment.

1 **13. Underage person.** "Underage person" means a person under 21 years of age.

2 **§2602. Marijuana operations; bureau**

3 The bureau shall enforce the laws and rules relating to the manufacturing, processing,
4 labeling, storing, transporting, testing and selling of marijuana and marijuana products by
5 marijuana establishments and marijuana transportation providers and administer the laws
6 relating to licensure, regulation and the collection of taxes from marijuana
7 establishments.

8 **1. Duties; powers.** The bureau shall license and inspect marijuana establishments
9 and marijuana transportation providers established and regulated under this chapter. The
10 bureau shall administer an application, licensing and regulatory process to ensure that
11 applicants and holders of licenses are qualified for licensure and for continuing licensure.
12 The bureau shall monitor marijuana establishments to ensure that marijuana and
13 marijuana products are not sold by marijuana establishments to underage persons. The
14 bureau shall monitor marijuana establishments for compliance with this chapter and rules
15 adopted pursuant to this chapter. The bureau may perform inspections of marijuana
16 establishments and marijuana transportation providers and may cooperate with law
17 enforcement agencies to perform inspections of marijuana establishments and marijuana
18 transportation providers.

19 **2. Records.** A marijuana establishment shall maintain the information required by
20 this subsection and by rule adopted to implement this subsection in a format that is
21 readily understood by a reasonably prudent businessperson. Licensees are required to
22 exercise due diligence in preserving and maintaining all required records. Loss of
23 electronically maintained records may not be considered a mitigating factor for violations
24 of this rule.

25 A. A marijuana establishment shall retain all books and records necessary to fully
26 account for the business transactions conducted under its license for the current year
27 and 3 preceding calendar years.

28 B. A marijuana establishment shall maintain on its licensed premises the originals or
29 complete copies of its books and records for the preceding 6 months. Books and
30 records from time periods prior to the preceding 6 months may be archived on or off
31 the premises.

32 C. A marijuana establishment shall maintain books and records that fully account for
33 the business transactions of the marijuana establishment including, but not limited to,
34 all records normally maintained and retained for taxation purposes and the following:

35 (1) A list of all current employees and nonemployee owners who work at the
36 marijuana establishment, including each person's full name and occupational
37 license category and number if applicable to the person;

38 (2) With regard to the licensed premises of the marijuana establishment and any
39 associated off-premises storage facilities, the business contact information for
40 vendors that maintain video surveillance systems and security alarm systems;

1 (3) With regard to limited-access areas of licensed premises and off-premises
2 storage facilities, diagrams of all limited-access areas; and

3 (4) Visitor logs of all visitors entering and departing from limited-access areas or
4 areas to which access is restricted.

5 D. A marijuana establishment shall maintain adequate records regarding the
6 transport of all marijuana and marijuana products in accordance with section 2603,
7 subsection 18.

8 E. A marijuana establishment shall provide immediate access to on-premises records
9 during normal business hours following a request from the bureau and must provide
10 access to off-premises records within 3 business days following a request from the
11 department.

12 **3. Publish laws and rules.** The bureau shall ensure that marijuana establishments
13 and marijuana transportation providers have access to the provisions of law and the rules
14 governing marijuana establishments and marijuana transportation providers by publishing
15 on a publicly accessible website the text of this chapter as adopted and as it may be
16 amended and all rules adopted under this chapter. The bureau shall publish all changes to
17 the law or rules on the website within 90 days of adjournment of each session of the
18 Legislature and upon adoption of new or amended rules.

19 **4. Certification.** The bureau shall certify monthly to the Treasurer of State a
20 complete statement of revenues and expenses for applications for licenses, licenses
21 issued, revenues collected by the bureau and the amount of funds transferred to
22 municipalities pursuant to section 2603, subsection 4 and shall submit an annual report
23 that includes a complete statement of the revenues and expenses of the bureau related to
24 the duties of the bureau imposed by this chapter to the Governor and the Legislature.

25 **5. Advertising; sales.** A marijuana establishment may not advertise within this State
26 marijuana or marijuana products except in the form specifically authorized by the bureau
27 by rule. A marijuana establishment may not advertise with or produce sales materials
28 that include a picture or representation of the State House. Marijuana may not be sold
29 through an automatic vending machine. The bureau shall regulate the naming of
30 individual species of marijuana and marijuana products for the purposes of advertising,
31 educational materials, promotion and sales. The bureau shall adopt rules to regulate
32 advertising by marijuana establishments.

33 **6. Investigators.** The bureau shall employ investigators to perform law enforcement
34 functions on behalf of the bureau. Bureau investigators shall:

35 A. Investigate suspected violations of this chapter and Title 22, chapter 558-D and
36 any rules adopted under this chapter and Title 22, chapter 558-D;

37 B. Serve warrants, summonses, subpoenas, administrative citations, notices and other
38 processes relating to the enforcement of laws regulating marijuana establishments
39 and marijuana transportation providers;

40 C. Assist or aid a law enforcement officer in the performance of the duties of the
41 officer upon the request of the officer or local officials or law enforcement having
42 jurisdiction over a marijuana establishment or marijuana transportation provider;

1 D. Inspect, examine or investigate the premises of a marijuana establishment or the
2 premises or property of a marijuana transportation provider during the business hours
3 of the establishment or provider and inspect employee records to ensure compliance
4 with the licensure requirements and all books and records required to be maintained
5 by any marijuana establishment or marijuana transportation provider;

6 E. Require a marijuana establishment, upon request, to permit the testing or
7 examination of marijuana, a marijuana product or an edible marijuana product; and

8 F. Exercise any other power or duty authorized by law not under paragraphs A to E.

9 **7. Disciplinary procedures; suspension.** The following provisions apply to
10 disciplinary proceedings and actions by the bureau with regard to a marijuana
11 establishment or marijuana transportation provider.

12 A. An action may be initiated by the bureau on its own initiative or in response to a
13 complaint received by the bureau on the basis of reasonable cause to believe that a
14 marijuana establishment or marijuana transportation provider has violated state law
15 or rules or a lawful order of the bureau or the Department of Health and Human
16 Services. The bureau shall commence an action by serving upon the marijuana
17 establishment or marijuana transportation provider an order to show cause at a
18 hearing why the license of the marijuana establishment or marijuana transportation
19 provider should not be suspended or revoked. The order to show cause must identify
20 the law, rule or order alleged to have been violated and the factual basis for the order
21 to show cause and notify the marijuana establishment or marijuana transportation
22 provider that its license could be suspended or revoked should the charges contained
23 in the notice be sustained upon final hearing. The hearing must be conducted in
24 accordance with paragraph C.

25 B. A summary action may be initiated by the bureau on its own initiative or in
26 response to a complaint received by the bureau on the basis of reasonable cause to
27 believe that a marijuana establishment or marijuana transportation provider has
28 violated state law or rules or a lawful order of the bureau or the Department of Health
29 and Human Services and that the violation is a willful or deliberate violation or that
30 the public health, safety or welfare requires emergency action. The bureau shall
31 commence a summary action by serving upon the marijuana establishment or
32 marijuana transportation provider a summary suspension order that temporarily
33 suspends the license of the marijuana establishment or marijuana transportation
34 provider and an order to show cause at a hearing why the license of the marijuana
35 establishment or marijuana transportation provider should not be permanently
36 suspended or revoked. The summary suspension order must identify the law, rule or
37 order alleged to have been violated and the factual basis for the order and notify the
38 marijuana establishment or marijuana transportation provider that its license has been
39 suspended pending a hearing. The hearing on suspension must be scheduled and
40 held on an expedited basis and must be conducted in accordance with paragraph C.

41 C. The bureau shall conduct hearings on suspensions under this subsection in
42 accordance with the Maine Administrative Procedure Act. The marijuana
43 establishment or marijuana transportation provider may be represented by counsel at
44 the expense of the marijuana establishment or marijuana transportation provider.

1 **8. Signs required during suspension.** Every marijuana establishment or marijuana
2 transportation provider whose license has been suspended shall post 2 notices in
3 conspicuous places, one on the exterior and one on the interior of its premises, for the
4 duration of the suspension. The notices must be at least 17 inches in length and 14 inches
5 in width and contain lettering not less than 1/2 inch in height. An advertisement or posted
6 sign that indicates that the premises have been closed or business suspended for any
7 reason other than as provided in this subsection is prohibited and constitutes a violation of
8 this subsection.

9 A. For suspension following a hearing, the sign must be in the following form:

10 NOTICE OF SUSPENSION

11 MARIJUANA LICENSES ISSUED FOR THESE PREMISES HAVE BEEN
12 SUSPENDED BY ORDER OF THE BUREAU OF ALCOHOLIC BEVERAGES
13 AND LOTTERY OPERATIONS FOR VIOLATION OF MAINE LAW
14 GOVERNING MARIJUANA OPERATIONS

15 B. For a summary suspension pending a hearing, the sign must be in the following
16 form:

17 NOTICE OF SUSPENSION

18 MARIJUANA LICENSES ISSUED FOR THESE PREMISES HAVE BEEN
19 SUSPENDED BY ORDER OF THE BUREAU OF ALCOHOLIC BEVERAGES
20 AND LOTTERY OPERATIONS FOR ALLEGED VIOLATION OF MAINE LAW
21 GOVERNING MARIJUANA OPERATIONS

22 **9. Administrative hold.** To prevent the destruction of evidence, diversion of
23 marijuana or marijuana products or threats to public safety while permitting a marijuana
24 establishment to retain its inventory pending further investigation or a final decision of
25 the bureau, a bureau investigator may order an administrative hold of marijuana or
26 marijuana products pursuant to the following procedure:

27 A. If during an investigation or inspection of a marijuana establishment a bureau
28 investigator develops reasonable grounds to believe that certain marijuana or
29 marijuana products constitute evidence of acts in violation of this chapter or Title 22,
30 chapter 558-D or rules adopted under these chapters or otherwise constitute a threat
31 to the public safety, the bureau investigator may issue a notice of administrative hold
32 of any such marijuana or marijuana products. The notice of administrative hold must
33 describe the marijuana or marijuana product that is subject to the administrative hold
34 sufficiently to enable the identification of the marijuana or marijuana product.

35 B. The marijuana establishment shall completely segregate the marijuana or
36 marijuana products subject to an administrative hold in a limited-access area of the
37 premises under investigation, where the marijuana establishment shall safeguard the
38 marijuana or marijuana products that are subject to the administrative hold. Pending
39 the outcome of the investigation, a final decision by the bureau and any related
40 disciplinary proceedings, the marijuana establishment may not sell, give away,
41 transfer, transport or destroy the marijuana or marijuana products that are subject to
42 the administrative hold. A marijuana establishment that is subject to an
43 administrative hold under this subsection may continue to cultivate and harvest

1 marijuana. Marijuana or marijuana products that are subject to an administrative hold
2 must, when harvested, be put into separate harvest batches.

3 **10. Voluntary surrender of marijuana or marijuana products.** A marijuana
4 establishment, prior to a final agency order and upon mutual agreement with the bureau,
5 may elect to waive a right to a hearing and any associated rights and voluntarily surrender
6 in writing any marijuana or marijuana product to the bureau. The bureau may require
7 destruction of the marijuana or marijuana products in the presence of a bureau
8 investigator. An employee or officer of a marijuana establishment who signs an affidavit
9 of voluntary surrender on behalf of a marijuana establishment shall certify that the
10 employee or officer has authority to represent and bind the marijuana establishment.

11 **11. Activity during period of suspension or after revocation.** A marijuana
12 establishment or a marijuana transportation provider may not sell, serve, give away,
13 distribute, transfer or transport marijuana or a marijuana product during the time period
14 that the marijuana establishment's or marijuana transportation provider's license is
15 suspended or after the license is revoked following a hearing pursuant to subsection 7.
16 Consumers may not enter the premises of a marijuana establishment or the premises or
17 property of a marijuana transportation provider during the time period that the marijuana
18 establishment's or marijuana transportation provider's license is suspended or after the
19 license is revoked following a hearing pursuant to subsection 7. Marijuana must be
20 removed from the premises of a marijuana establishment or the premises or property of a
21 marijuana transportation provider and destroyed except that, at the bureau's discretion, a
22 marijuana establishment that cultivates marijuana may maintain and care for the
23 marijuana on the premises during the suspension of the license and a marijuana product
24 manufacturing facility may manufacture marijuana products or marijuana concentrate
25 during the suspension of a license. The bureau shall adopt rules to implement this
26 subsection.

27 **12. Annual report.** Beginning January 30, 2019 and annually thereafter, the bureau
28 shall report to the joint standing committees of the Legislature having jurisdiction over
29 health and human services matters, taxation matters and alcoholic beverages matters. The
30 report must include, but is not limited to, all rules adopted by the bureau and statistics
31 regarding the number of marijuana establishment applications received and licensed, the
32 licensing fees collected within the prior year and any inspections violations. The report
33 must also include statistical data, gathered by the bureau or other state agencies and law
34 enforcement agencies, regarding youth consumption in the State of and perceptions of
35 safety of marijuana, tobacco, alcohol and controlled substances. The committees to which
36 the report is provided may each submit legislation to address any issues related to the
37 report.

38 **§2603. Licensing of marijuana establishments and marijuana transportation**
39 **providers**

40 **1. Applications.** An applicant for a marijuana establishment license or marijuana
41 transportation provider license shall file an application in the form required by the bureau
42 for the type of marijuana establishment license sought or the marijuana transportation
43 provider license, along with the application fee as set by rule. An applicant may apply for
44 and be granted more than one type of marijuana establishment license, except that a

1 person or entity licensed to operate as a marijuana testing facility may not hold any other
2 marijuana establishment license.

3 **2. License required.** The bureau shall issue or renew a license to operate a
4 marijuana establishment or marijuana transportation provider to an applicant who meets
5 the requirements of Title 22, chapter 558-D, this chapter and rules adopted pursuant to
6 law. The bureau shall obtain, prior to approving an application, criminal history record
7 information on the applicant and any employees or officers of the applicant, including, at
8 a minimum, criminal history record information from the Department of Public Safety,
9 State Bureau of Identification. The applicant shall pay for the criminal history record
10 check required by this subsection pursuant to subsection 3. Prior to approving an
11 application, the bureau shall perform a site inspection, review the financial capacity of the
12 applicant, review the current consumer satisfaction if any consumers are being served
13 while the application is pending and conduct product quality testing. The bureau shall
14 complete the process of approving the application and issuing a decision on the
15 application within 90 days of the date of receipt of the application unless:

16 A. The bureau finds the applicant is not in compliance with this section or rules
17 adopted by the bureau;

18 B. The bureau is notified by the municipality that the applicant has listed in the
19 application as containing the premises of the applicant that the applicant is not in
20 compliance with an ordinance, rule or regulation applicable to the marijuana
21 establishment or marijuana transportation provider that is in effect at the time of
22 application; or

23 C. The number of marijuana establishments allowed in the municipality that the
24 applicant has listed in the application has been limited pursuant to section 2604 or is
25 limited by subsection 8 and the bureau has already licensed the maximum number of
26 marijuana establishments allowed in the municipality for the category of license that
27 is sought.

28 **3. License fees.** The bureau shall determine the revenue needed to establish and
29 maintain the licensing, investigating, regulating and enforcement operations of the bureau
30 and shall adopt rules to set license fees in proportion to the anticipated type and number
31 of applicants.

32 **4. Municipal consultation.** In order to cover the costs of a municipality for
33 consultation with the bureau, upon receiving an application for a marijuana establishment
34 license or marijuana transportation provider license, the bureau shall immediately
35 forward a copy of the application and 25% of the license application fee to the
36 municipality that the applicant identifies as containing the primary premises of the
37 marijuana establishment or marijuana transportation provider.

38 **5. Competing applications.** The following provisions control the consideration of
39 applications through the use of a competitive rating procedure when more than one
40 application is received by the bureau for the same type of marijuana establishment in the
41 same municipality or more than one application is received by the bureau for a marijuana
42 transportation provider in the same region of the State.

1 A. If a greater number of applications is received from qualified applicants to operate
2 a marijuana establishment in a municipality than is allowed under the limits enacted
3 by the municipality pursuant to section 2604 or pursuant to subsection 8, the bureau
4 shall solicit and consider input from the municipality as to the municipality's
5 preference or preferences for licensure. Within 90 days after the date the first
6 application is received, the bureau shall issue the maximum number of applicable
7 licenses for each type of marijuana establishment license application received.

8 B. The application process adopted by the bureau by rule must include scoring
9 preferences as provided in this paragraph.

10 (1) An applicant for a license for a marijuana establishment or a marijuana
11 transportation provider license has preference in the licensure process over other
12 applicants if the applicant does not hold a license under this chapter.

13 (2) An applicant for a license for a marijuana establishment or a marijuana
14 transportation provider license has preference in the licensure process over other
15 applicants if the applicant:

16 (a) Is at the time of application registered as a primary caregiver for patients
17 for the medical use of marijuana under Title 22, section 2425 or is exempt
18 from registration under the provisions of Title 22, section 2425, subsection
19 9-A; or

20 (b) Is at the time of application a registered dispensary for the medical use of
21 marijuana under Title 22, section 2428.

22 **6. Reason for denial.** If the bureau denies an application for a marijuana
23 establishment license or marijuana transportation provider license, the bureau shall notify
24 the applicant in writing of the decision on the application and the specific reason for
25 denial.

26 **7. License term.** A license for a marijuana establishment or marijuana
27 transportation provider issued under this chapter is effective for one year from the date of
28 issuance.

29 **8. Limitation on number of retail marijuana stores.** Unless a municipality has
30 prohibited retail marijuana stores pursuant to section 2604, if at least one qualifying
31 application is received, the bureau shall license:

32 A. A minimum of one and a maximum of 4 retail marijuana stores in a municipality
33 with a population of at least 20,000;

34 B. A minimum of one and a maximum of 2 retail marijuana stores in a municipality
35 with a population of at least 5,000 but less than 20,000; and

36 C. One retail marijuana store in a municipality with a population of at least 2,000 but
37 less than 5,000.

38 The bureau may license one retail marijuana store in a municipality or unorganized
39 territory where the population is less than 2,000 if the municipality or county
40 commissioners for the unorganized territory have not prohibited a retail marijuana store
41 pursuant to section 2604.

1 **9. Tiered system of commercial marijuana cultivation facilities.** The bureau shall
2 administer a tiered system of cultivation that affords an opportunity for small, medium
3 and large commercial marijuana cultivation facilities in accordance with the need to
4 ensure an adequate supply of marijuana and marijuana products, to keep supply and
5 demand in balance and to avoid diversion of marijuana and marijuana products because
6 supply far exceeds demand. The bureau shall ensure that at least 60% of all licenses for
7 commercial marijuana cultivation facilities are held by small commercial marijuana
8 cultivation facilities. The bureau may impose limits on the cultivation and processing of
9 marijuana by licensed commercial marijuana cultivation facilities and licensed marijuana
10 product manufacturing facilities on a temporary basis if the bureau determines that the
11 supply of marijuana and marijuana products exceeds demand and that limits are necessary
12 to protect the public health and welfare. An applicant for a commercial marijuana
13 cultivation facility license shall indicate on the application the tier for which the applicant
14 is applying and the amount of actual square footage in the premises that will be
15 designated as plant canopy. A person may hold licenses for more than one tier. In the
16 licensure process for a tier the bureau shall grant preference to a marijuana establishment
17 that does not hold a license for that tier.

18 **10. Licensure requirements for marijuana establishments and marijuana**
19 **transportation providers.** The following requirements apply as qualifications for
20 licensure for an applicant for a license under this section.

21 A. The bureau shall conduct an inspection of the premises identified in the
22 application and shall ensure that the premises, property and physical layout of the
23 marijuana establishment or marijuana transportation provider meet the requirements
24 of this chapter and Title 22, chapter 558-D.

25 B. An applicant for a license must have lived in the State for a minimum of 2 years
26 prior to applying. If a corporation is applying, a majority of the members of the board
27 must have been residents of the State for a minimum of 2 years prior to the date of
28 the application.

29 C. An applicant who has held a license for a marijuana establishment or marijuana
30 transportation provider and whose license has been revoked is ineligible for a license.

31 D. An applicant who has been convicted of a disqualifying drug offense is ineligible
32 for a license. For purposes of this section, "disqualifying drug offense" means a
33 conviction for a violation of a state or federal controlled substance law that is a crime
34 punishable by imprisonment for one year or more. "Disqualifying drug offense" does
35 not include an offense for which the sentence, including any term of probation,
36 incarceration or supervised release, was completed 10 or more years prior to
37 application for licensure or an offense that consisted of conduct that is permitted
38 under this chapter.

39 E. Corporations applying for a license must be incorporated in the State. A
40 corporation is ineligible for a license if any of the principal officers of the corporation
41 is ineligible under paragraph B, C or D.

42 **11. Authorized activities of a marijuana establishment.** A marijuana
43 establishment is limited in its business activities to activities specifically allowed by this
44 chapter for the type of license issued to the marijuana establishment. A marijuana

1 establishment, as authorized by the terms of the license, may engage in the manufacture,
2 possession, purchase or sale of marijuana, marijuana products and marijuana accessories
3 to a consumer for the personal use of marijuana under Title 22, chapter 558-D.

4 A person may lease to a marijuana establishment or marijuana transportation provider or
5 otherwise allow the use by a marijuana establishment or marijuana transportation
6 provider of property owned, occupied or controlled by the person for any of the activities
7 conducted lawfully under this section in accordance with paragraphs A to E. A marijuana
8 establishment may use a marijuana transportation provider to transport marijuana and
9 marijuana products to or from another marijuana establishment.

10 A. A retail marijuana store may:

11 (1) Possess, display and transport marijuana, marijuana products and marijuana
12 accessories;

13 (2) Purchase marijuana from a commercial marijuana cultivation facility;

14 (3) Purchase marijuana and marijuana products from a marijuana product
15 manufacturing facility; and

16 (4) Sell marijuana, marijuana products and marijuana accessories to consumers.

17 B. A commercial marijuana cultivation facility may:

18 (1) Cultivate, harvest, process, package, transport, display and possess
19 marijuana;

20 (2) Deliver or transfer marijuana to a marijuana testing facility;

21 (3) Sell marijuana to another commercial marijuana cultivation facility, a
22 marijuana product manufacturing facility and a retail marijuana store; and

23 (4) Purchase marijuana from another commercial marijuana cultivation facility.

24 C. A marijuana product manufacturing facility may:

25 (1) Package, process, transport, manufacture, display and possess marijuana and
26 marijuana products;

27 (2) Deliver or transfer marijuana and marijuana products to a marijuana testing
28 facility;

29 (3) Sell marijuana and marijuana products to a retail marijuana store and a
30 marijuana product manufacturing facility;

31 (4) Purchase marijuana from a commercial marijuana cultivation facility; and

32 (5) Purchase marijuana and marijuana products from another marijuana product
33 manufacturing facility.

34 D. A marijuana testing facility may possess, process, repackage, store, transport,
35 display, transfer and deliver marijuana and marijuana products in order to perform the
36 functions of the marijuana testing facility, including conducting research and
37 analyzing marijuana, marijuana products and marijuana concentrate sold at retail
38 marijuana stores for contaminants, potency and safety and to advise the bureau
39 regarding marijuana and marijuana product quality standards.

1 E. A marijuana transportation provider may transport marijuana and marijuana
2 products from one marijuana establishment to another marijuana establishment.

3 **12. General licensing requirements for marijuana establishments and**
4 **marijuana transportation providers.** The following requirements apply to marijuana
5 establishments and marijuana transportation providers licensed under this chapter and to
6 applicants for licensure and to their employees and officers.

7 A. Applicants and marijuana establishments and marijuana transportation providers
8 and their officers and employees shall cooperate with the bureau in the performance
9 of duties under this chapter.

10 B. Applicants and marijuana establishments and marijuana transportation providers
11 and their officers and employees may not interfere with, obstruct or impede an
12 employee or investigator of the bureau in exercising the employee's or investigator's
13 duties under the provisions of this chapter, Title 22, chapter 558-D and rules adopted
14 to implement the chapters.

15 **13. General operational requirements for marijuana establishments.** Marijuana
16 establishments must meet the requirements of this subsection.

17 A. A marijuana establishment may not be located within 1,000 feet of a preexisting
18 public or private school. The distance must be measured from the main entrance of
19 the marijuana establishment to the main entrance of the school by the ordinary course
20 of travel.

21 B. A marijuana establishment shall implement appropriate security measures to
22 prevent:

23 (1) Unauthorized entrance into areas containing marijuana or marijuana
24 products;

25 (2) The theft of marijuana or marijuana products located on the premises or in
26 transit to or from the premises;

27 (3) Tampering with or adulteration of marijuana or marijuana products;

28 (4) Unauthorized access to marijuana, marijuana products or marijuana
29 accessories; and

30 (5) Access to marijuana or marijuana products by underage persons or sales of
31 marijuana or marijuana products to underage persons, except that a marijuana
32 establishment that is also a primary caregiver or a dispensary may continue to
33 serve its qualifying patients as permitted under Title 22, chapter 558-C.

34 C. A marijuana establishment shall prepare and maintain documents that include
35 procedures for the oversight of all aspects of operations and procedures to ensure
36 accurate record keeping.

37 D. A marijuana establishment shall make its license available for inspection at the
38 premises to which that license applies.

1 E. A marijuana establishment may not refuse an employee or investigator of the
2 bureau the right at any time to inspect the entire licensed premises or to audit the
3 books and records of the marijuana establishment.

4 F. A marijuana establishment may not employ as a manager or place in a position of
5 management on a temporary or limited basis a person who is ineligible for a license
6 under subsection 10, paragraph B, C or D.

7 **14. Requirements for the operation of a retail marijuana store.** The following
8 requirements apply to the operation of a retail marijuana store.

9 A. Prior to making a sale of marijuana or a marijuana product, a retail marijuana
10 store shall verify the age of every person making the purchase by checking a
11 government-issued photographic identification card.

12 B. A retail marijuana store may not:

13 (1) Sell marijuana to an intoxicated individual as defined in section 2503,
14 subsection 1;

15 (2) Sell marijuana to a person who does not qualify as a consumer except that a
16 marijuana establishment that is also a primary caregiver or a dispensary may
17 serve an underage person who is a qualifying patient under Title 22, chapter
18 558-C;

19 (3) Allow an underage person to enter or remain on the premises of the retail
20 marijuana store unless the underage person is an employee of the bureau, a law
21 enforcement officer, a firefighter, an emergency medical technician or other
22 emergency services worker in the performance of that person's official duties or a
23 contractor performing work on the premises that is not directly related to
24 marijuana, such as installing or maintaining security devices or electrical wiring;

25 (4) Sell marijuana or marijuana products between the hours of 1 a.m. and 6 a.m.;

26 (5) Offer any free merchandise, rebates or gifts to a consumer;

27 (6) Sell marijuana or marijuana products at retail except on the premises that are
28 licensed by the bureau; or

29 (7) Either directly or indirectly, by any agent or employee, travel from
30 municipality or unorganized territory to municipality or unorganized territory, or
31 from place to place within the same municipality or unorganized territory,
32 selling, bartering or carrying for sale or exposing for sale marijuana or a
33 marijuana product.

34 **15. Licensure for the sale of liquor.** The following provisions govern concurrent
35 licensure as a retail marijuana store and for the sale of liquor. A retail marijuana store
36 may also be a licensed liquor store if the retail marijuana store is located in separate space
37 and meets all the requirements for a retail marijuana store. A retail marijuana store may
38 not also be licensed as a supermarket, pharmacy, convenience store or general store.

39 **16. Requirements for the operation of a marijuana product manufacturing**
40 **facility.** A marijuana product manufacturing facility shall operate in compliance with
41 this chapter and any rules adopted by the bureau, the Department of Agriculture,

1 Conservation and Forestry and the Department of Health and Human Services, as
2 applicable to the form of marijuana used in the production process and the type of
3 marijuana product that is produced at the marijuana product manufacturing facility. The
4 bureau shall regulate marijuana product manufacturing facilities, including permitting the
5 production of solvent-based marijuana concentrate as set forth in subsection 19 and
6 prohibiting the use of butane or isomers of butane in the extraction process used in
7 commercial marijuana product manufacturing. A marijuana product manufacturing
8 facility may not sell marijuana or marijuana products to consumers acting pursuant to
9 Title 22, chapter 558-D, to patients acting pursuant to Title 22, chapter 558-C or to
10 primary caregivers or registered dispensaries acting pursuant to Title 22, chapter 558-C.

11 **17. Requirements for the operation of commercial marijuana cultivation**
12 **facilities. A commercial marijuana cultivation facility must comply with the following**
13 **operational requirements. The bureau shall inspect commercial marijuana cultivation**
14 **facilities to ensure compliance with state law and rules. The bureau shall regulate**
15 **commercial marijuana cultivation facilities, including inspecting commercial marijuana**
16 **cultivation facilities, regulating the use of pesticides, protecting marijuana from diversion**
17 **pursuant to paragraph B and ensuring best practices for cultivation and segregation of**
18 **crops pursuant to paragraph A.**

19 A. If a commercial marijuana cultivation facility cultivates marijuana for personal
20 use under Title 22, chapter 558-D and marijuana for medical use as allowed in Title
21 22, chapter 558-C, there must be a clear segregation of all cultivation, tracking and
22 accounting delineating clear boundaries between marijuana cultivated under each
23 provision of law.

24 B. A commercial marijuana cultivation facility shall adopt practices and take all
25 necessary precautions to:

26 (1) Prevent marijuana from being diverted from legal cultivation, manufacture,
27 processing, transport and use in this State to another state; and

28 (2) Prevent marijuana from being diverted to a use or distribution that is not
29 allowed by this chapter or Title 22, chapter 558-D.

30 C. A commercial marijuana cultivation facility may not cultivate or sell marijuana
31 derived from genetically modified seeds or from a female plant kept in a vegetative
32 state and used only to produce cuttings or clones of the female plant.

33 D. A commercial marijuana cultivation facility must be accessible at any time for
34 inspection by the bureau.

35 E. A commercial marijuana cultivation facility may not sell marijuana or marijuana
36 products to consumers acting pursuant to Title 22, chapter 558-D, to patients acting
37 pursuant to Title 22, chapter 558-D or to primary caregivers or registered dispensaries
38 pursuant to Title 22, chapter 558-D.

39 F. The commercial marijuana cultivation facility shall assign a batch number or
40 numbers for cultivated marijuana that identifies the plant or plants from which the
41 marijuana was harvested.

1 **18. Requirements for licensure as a marijuana transportation provider.** The
2 bureau shall issue licenses to marijuana transportation providers to allow the
3 transportation of marijuana and marijuana products as provided in this subsection. A
4 person may not transport marijuana or marijuana products unless the person has been
5 issued a license for transporting marijuana and marijuana products. The bureau shall
6 adopt rules regarding licensure for transporting marijuana and marijuana products and the
7 requirements applicable to transportation.

8 A. A marijuana transportation provider shall ensure the security of shipments;

9 B. A marijuana transportation provider shall ensure the use of a motor vehicle
10 licensed in the State and in compliance with motor vehicle inspection laws, which
11 must be driven by a driver licensed under this subsection and employed by the
12 marijuana transportation provider; and

13 C. A marijuana transportation provider shall keep documentation of details of a
14 shipment in a transport manifest including the name of the marijuana transportation
15 provider, the name and license number of the shipping marijuana establishment, the
16 name of the marijuana product, the type of sealed packaging, the number of packages
17 and weight and volume of each package, the departure address of the shipment, the
18 date and time of departure, the name and license number of the destination marijuana
19 establishment and the destination address and time of arrival.

20 A marijuana transportation provider shall prepare marijuana and marijuana products for
21 shipment in a limited-access area. The marijuana and marijuana products must be
22 packed, labeled and placed in shipping containers. The destination marijuana
23 establishment shall document receipt of the shipment, justify the details of the transport
24 manifest and immediately notify the shipping marijuana establishment and the marijuana
25 transportation provider of any discrepancies between the delivered marijuana and
26 marijuana products and the transport manifest.

27 **19. Requirements regarding solvent-based marijuana concentrate.** A marijuana
28 product manufacturing facility shall operate in strict compliance with rules adopted by the
29 bureau regarding the production of solvent-based marijuana concentrate. A marijuana
30 product manufacturing facility shall:

31 A. Obtain certification by a licensed industrial hygienist or professional engineer that
32 the equipment, premises and operating procedures of the marijuana product
33 manufacturing facility are in compliance with all applicable laws, rules, fire and
34 safety codes and electrical codes and with all codes and standards applicable to the
35 industry;

36 B. Obtain a determination by a licensed industrial hygienist or professional engineer,
37 as applied to the particular premises and manufacturing process to be used, of the
38 maximum amount of flammable solvents that may be stored on the premises, the type
39 of electrical equipment, gas monitoring equipment and fire suppression system that
40 are required and whether a carbon dioxide monitoring system and a fume vent hood
41 or exhaust system is required;

1 C. Retain on the premises all reports and information provided to the marijuana
2 product manufacturing facility by the industrial hygienist or professional engineer
3 under paragraphs A and B;

4 D. Use for the production of solvent-based marijuana concentrate food-grade
5 equipment, counters and surfaces that are constructed in a manner that reduces the
6 potential development of microbes, molds and fungi and that can be easily cleaned;

7 E. Provide appropriate safety and sanitary equipment and personal protective
8 equipment to employees and, in the production room, an emergency eye-wash
9 station;

10 F. Provide a professional-grade, closed-loop extraction system capable of recovering
11 the solvent used in production;

12 G. Use in the extraction system food-grade or at least 99%-pure solvents;

13 H. Store all flammable solvents, which may not exceed the maximum amounts
14 determined in paragraph B, and other flammable materials, chemicals and waste in
15 accordance with all applicable laws, rules and regulations; and

16 I. Ensure the presence of trained personnel at all times during the production of
17 solvent-based marijuana concentrate when pressurized equipment is required.

18 The bureau shall adopt rules to govern the production of solvent-based marijuana
19 concentrate by a marijuana product manufacturing facility. The board shall modify its
20 rules, as appropriate for safety, for a manufacturing facility that uses ethanol or
21 isopropanol that is food grade and at least 99% pure in the production of solvent-based
22 marijuana concentrate.

23 **20. Requirements for licensure as a marijuana testing facility.** The following
24 requirements apply to the licensure of a marijuana testing facility.

25 A. A marijuana testing facility shall meet the standards adopted by rule by the
26 bureau. The standards must be consistent with standards established by the
27 International Organization for Standardization or a successor organization; and

28 B. A marijuana testing facility shall comply with requirements established by the
29 bureau by rule regarding accepting, testing and disposing of marijuana from
30 marijuana establishments and record-keeping management, employment practices,
31 environmental impact and safety.

32 **21. Notification of license expiration.** At least 30 days prior to the expiration of a
33 license issued pursuant to this chapter, the bureau shall notify the holder of the license of
34 the expiration date and that, unless the license is renewed prior to expiration, all sales of
35 marijuana must be terminated. Failure by the bureau to notify a licensee pursuant to this
36 subsection does not excuse the holder of a license from being charged with operating
37 without a license or with any other violation of this chapter.

38 **§2604. Local control**

39 Local options regarding the personal use of marijuana include the following:

1 **1. Municipal options.** A municipality may prohibit the operation of marijuana
2 establishments, impose, levy and collect a tax on sales by a retail marijuana store and
3 allow on-site consumption or use of marijuana and marijuana products in a retail
4 marijuana store as provided in this subsection.

5 A. A municipality may prohibit the operation of one or more of the types of
6 marijuana establishments or limit the number of marijuana establishments in the
7 municipality through a vote of the residents of the municipality in compliance with
8 the requirements of Title 30-A, chapter 121. A municipality that has voted to prohibit
9 or limit the operation of any of the types of marijuana establishments shall promptly
10 notify the bureau in writing of the prohibition or limitation and shall provide the
11 effective date of the prohibition or limitation and a copy of the wording of the
12 prohibition or limitation.

13 B. A municipality may impose, levy and collect a tax of up to 2% on the sale by a
14 retail marijuana store of marijuana or marijuana products.

15 C. A municipality may allow on-site consumption or use of marijuana and marijuana
16 products in a retail marijuana store notwithstanding Title 22, chapters 262 and 263.

17 **2. County options.** The county commissioners may prohibit the operation of one or
18 more of the types of marijuana establishments in an unorganized territory through a vote
19 of the county commissioners. Boards of county commissioners that have voted to
20 prohibit the operation of any of the types of marijuana establishments shall promptly
21 notify the bureau in writing of the prohibition and shall provide the effective date of the
22 prohibition and a copy of the wording of the prohibition.

23 **§2605. Default licensure of marijuana establishment**

24 Under the following circumstances the municipality in which a marijuana
25 establishment has applied to establish premises may act in the place of the bureau,
26 consider an application and issue or renew a license or deny an application. If an
27 application is submitted to a municipality under this section and the applicant has paid an
28 application fee to the bureau, the bureau shall forward to the municipality the application
29 fee.

30 **1. Failure to issue licenses.** If the bureau has not begun issuing licenses pursuant to
31 section 2603 by January 30, 2018, an applicant may submit an application directly to the
32 municipality in which it has applied to establish premises. If a municipality receives a
33 complete application that complies with all of the requirements of this chapter, Title 22,
34 chapter 558-D and rules adopted pursuant to law, the municipality shall issue a license to
35 the applicant within 90 days of receipt of the application and notify the bureau of the
36 issuance of the license.

37 **2. Delay in issuing licenses.** If the bureau does not issue a license to an applicant
38 within 90 days of receipt of a complete application filed in accordance with section 2603,
39 subsection 1 or does not notify the applicant in writing of the specific reason under law or
40 rule for the denial within 90 days of receipt of the application, the applicant may resubmit
41 the application directly to the municipality and the municipality may issue a license to the
42 applicant. If a municipality receives a complete application that complies with all of the

1 requirements of this chapter, Title 22, chapter 558-D and rules adopted pursuant to law,
2 the municipality shall issue a license to an applicant within 90 days of receipt of the
3 application and notify the bureau of the issuance of the license.

4 **3. Effect.** A license issued by a municipality under this section has the same effect
5 as a license issued by the bureau in accordance with section 2602, subsection 1 and
6 section 2603, and the licensee is not subject to regulation or enforcement by the bureau
7 during the term of the license.

8 **§2606. Research authorized**

9 Notwithstanding the provisions of this chapter regulating marijuana, a scientific or
10 medical researcher who has previously published peer-reviewed research may purchase,
11 possess and securely store marijuana and marijuana products for the purposes of
12 conducting research. A scientific or medical researcher may administer and distribute
13 marijuana and marijuana products to a participant in research who is at least 21 years of
14 age and who has signed and provided to the researcher a written form indicating that the
15 participant has been fully informed of the possible results of participating in the research
16 project and freely consents to participate.

17 **§2607. Marijuana Regulation and Licensing Fund established**

18 **1. Fund established.** The Marijuana Regulation and Licensing Fund, referred to in
19 this section as "the fund," is established as an Other Special Revenue Funds account in
20 the bureau for the purposes specified in this section.

21 **2. Sources of fund.** The State Controller shall credit to the fund:

22 A. All money received as a result of applications for and renewals of licensure under
23 section 2603, subsection 1 and rules adopted by the bureau to implement this chapter;

24 B. Any penalties and fines established pursuant to rule and assessed for violations of
25 this chapter;

26 C. All money from any other source, whether public or private, designated for
27 deposit into or credited to the fund;

28 D. Revenue transferred pursuant to Title 36, section 4924, subsection 1, paragraph B;
29 and

30 E. Interest earned or other investment income on balances in the fund.

31 **3. Uses of the fund.** The fund must be used for expenses of the bureau to regulate,
32 license and inspect marijuana establishments and marijuana transportation providers and
33 for enforcement of this chapter and the remainder must be deposited to the General Fund.

34 **§2608. Marijuana Research Fund established**

35 The Marijuana Research Fund, referred to in this section as "the fund," is established
36 in and administered by the Department of Administrative and Financial Services as an
37 Other Special Revenue Funds account. Balances in the fund may not lapse and must be
38 carried forward to the next fiscal year.

1 **1. Sources of fund.** The State Controller shall credit to the fund:

2 A. Revenue transferred pursuant to Title 36, section 4924, subsection 1, paragraph C
3 until January 1, 2022;

4 B. Any other money contributed voluntarily to the fund; and

5 C. Interest earned or other investment income on balances in the fund.

6 **2. Uses of the fund.** All money deposited in the fund and the earnings on that
7 money remain in the fund to be used to provide grants for the purpose of producing peer-
8 reviewed research on marijuana's beneficial uses and safety. Money in the fund may also
9 be used for the necessary administrative and personnel costs associated with the
10 management of the fund but may not be deposited in the General Fund or any other fund
11 except as specifically provided by law.

12 **§2609. Low-income Marijuana Patient Access Program Fund**

13 The Low-income Marijuana Patient Access Program Fund, referred to in this section
14 as "the fund," is established in and administered by the Department of Administrative and
15 Financial Services as an Other Special Revenue Funds account. Balances in the fund may
16 not lapse and must be carried forward to the next fiscal year.

17 **1. Sources of fund.** The State Controller shall credit to the fund:

18 A. Revenue transferred pursuant to Title 36, section 4924, subsection 1, paragraph
19 G;

20 B. Any other money contributed voluntarily to the fund; and

21 C. Interest earned or other investment income on balances in the fund.

22 **2. Uses of the fund.** All money deposited in the fund and the earnings on that
23 money remain in the fund to be used to provide grants for the purpose of reimbursing
24 primary caregivers and dispensaries that apply for reimbursement for the costs of
25 providing marijuana for medical purposes to low-income persons who were registered as
26 patients pursuant to Title 22, chapter 558-C when the marijuana was provided to them.
27 Money in the fund may also be used for the necessary administrative and personnel costs
28 associated with the management of the fund but may not be deposited in the General
29 Fund or any other fund except as specifically provided by law.

30 **§2610. Contracts; professional services**

31 A contract entered into, related to or arising out of the operation of a marijuana
32 establishment or marijuana transportation provider licensed pursuant to this chapter for a
33 purpose that is lawful under this chapter or under Title 22, chapter 558-D is fully
34 enforceable in the courts of this State.

35 A person who is licensed in a professional occupation by this State is not subject to
36 disciplinary action by a licensing board or authority for providing professional assistance
37 to a marijuana establishment or marijuana transportation provider or to a person acting as

1 an agent of a holder of a license under this chapter for an activity or conduct that is
2 authorized by this chapter or by rules adopted to implement this chapter.

3 **§2611. Penalties**

4 The bureau shall adopt rules providing penalties for violations of this chapter. In
5 adopting rules pursuant to this section the bureau shall distinguish license violations
6 affecting public safety, license violations and license infractions and shall establish fines
7 that vary according to the size of the marijuana establishment.

8 **1. License violations affecting public safety.** The rules must provide penalties for
9 license violations affecting public safety that include, as appropriate to the violation,
10 license suspension, a fine per individual violation, a fine in lieu of suspension of up to
11 \$100,000, license revocation or license restrictions.

12 **2. License violations.** The rules must provide penalties for license violations that
13 include, as appropriate to the violation, a written warning, license suspension, a fine per
14 individual violation, a fine in lieu of suspension of up to \$50,000, license revocation or
15 license restrictions.

16 **3. License infractions.** The rules must provide penalties for license infractions that
17 include, as appropriate to the infraction, a verbal or written warning, license suspension, a
18 fine per individual violation, a fine in lieu of suspension of up to \$10,000 or license
19 restrictions.

20 **4. Aggravating or mitigating factors.** The rules must take into consideration any
21 aggravating or mitigating factors surrounding the violation.

22 **5. Petition.** The rules must provide, for all administrative offenses involving a
23 proposed suspension, a process for the marijuana establishment to petition the bureau for
24 permission to pay a monetary fine in lieu of or in partial satisfaction of license suspension
25 and the criteria for the bureau to apply when evaluating the petition and determining the
26 appropriate penalty.

27 **§2612. Rulemaking**

28 The bureau shall adopt rules to implement the provisions of this chapter. Rules
29 adopted pursuant to this section are major substantive rules as defined by Title 5, chapter
30 375, subchapter 2-A. The rules must address regulation of marijuana establishments
31 pursuant to this chapter as determined to be appropriate by the bureau through the
32 rule-making process. The rules must address at a minimum:

33 **1. Oversight.** Oversight of licensed marijuana establishments, civil penalties for
34 violations, procedures for suspending or terminating a license for violation of this chapter
35 or a rule adopted pursuant to this chapter and procedures for appeals of penalties or
36 licensing actions;

37 **2. Application and renewal.** The form and content of applications and renewal
38 forms and associated licensing and licensing and renewal fees;

1 **3. Preferences in licensing.** The preferences in the licensure process required by
2 section 2603, subsection 5;

3 **4. Correction.** Procedures allowing an applicant who has been denied a license to
4 correct the reason for the denial;

5 **5. Background checks.** Procedures and timelines for background checks and
6 appeals;

7 **6. Transfers.** Procedures for the transfer of a license, which must be substantially
8 similar to the rules governing the transfer of a license for the sale of liquor under section
9 605;

10 **7. Standards for employment.** Minimum standards for employment, including
11 requirements for background checks, restrictions against hiring underage persons and
12 safeguards to protect against unauthorized employee access to marijuana and marijuana
13 products;

14 **8. Record keeping.** Minimum record-keeping requirements, including the
15 following:

16 A. Recording of the disposal of marijuana that is not sold;

17 B. For a marijuana establishment that is also a registered dispensary or a primary
18 caregiver under Title 22, chapter 558-C, a requirement that the accounting system
19 used by the marijuana establishment separate all funds received from the sale of
20 marijuana for medical use pursuant to Title 22, chapter 558-C from all funds received
21 from the sale of marijuana pursuant to Title 22, chapter 558-D; and

22 C. Verification of the age of a consumer. Rules developed pursuant to this paragraph
23 may not require a consumer to provide a retail marijuana store with personal
24 information other than government-issued photographic identification to determine
25 the consumer's age or require the retail marijuana store to acquire and record personal
26 information about its consumers;

27 **9. Health and safety.** Health and safety rules and standards for the manufacture of
28 marijuana products and the cultivation of marijuana;

29 **10. Labeling requirements.** Labeling requirements for marijuana and marijuana
30 products sold or distributed by a marijuana establishment;

31 **11. Advertising.** Restrictions on signs and the advertising and display of marijuana
32 and marijuana products, including a prohibition on advertising reasonably considered to
33 be aimed at underage persons; and

34 **12. Security.** Minimum security requirements, including standards to reasonably
35 protect against unauthorized access to marijuana and marijuana products at all stages of
36 the licensee's possession, transportation, storage and cultivation of marijuana. The
37 security requirements may not prohibit outdoor cultivation of marijuana in an enclosed,
38 secured space.

1 **§2613. Construction**

2 This chapter may not be construed to limit any privileges or rights of a qualifying
3 patient, primary caregiver or registered dispensary under chapter 558-C; to require an
4 employer to permit or accommodate the use, consumption, possession, transfer, display,
5 transportation, sale or growing of marijuana in the workplace; to exempt a person from
6 the laws prohibiting operating under the influence of intoxicants under Title 29-A,
7 chapter 23; to permit the transfer of marijuana or marijuana products, with or without
8 remuneration, to a person under 21 years of age or to allow a person under 21 years of
9 age to purchase, possess, use, transport, grow or consume marijuana or marijuana
10 products; or to shield a person from federal prosecution.

11 **Sec. D-2. Rulemaking.** By January 31, 2018, the Department of Administrative
12 and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations shall
13 adopt major substantive rules, as defined in the Maine Revised Statutes, Title 5, chapter
14 375, subchapter 2-A, for the administration and the enforcement of laws regulating and
15 licensing marijuana establishments and marijuana transportation providers pursuant to
16 Title 28-A, chapter 111. The rules must be developed by the bureau and may not be
17 contracted out to an entity outside the bureau. The rules may not prohibit the operation of
18 marijuana establishments and marijuana transportation providers, either expressly or
19 through restrictions that make the operation of marijuana establishments and marijuana
20 transportation providers unreasonably impracticable. As used in this section,
21 "unreasonably impracticable" means that the measures necessary to comply with the rules
22 require such a high investment of risk, money, time or other resource or asset that the
23 operation of a marijuana establishment or a marijuana transportation provider is not
24 worthy of being carried out in practice by a reasonably prudent businessperson.
25 Notwithstanding the limits on retail marijuana stores specified in Title 28-A, section
26 2603, subsection 8, until the initial rules of the bureau have been reviewed by the
27 Legislature, the bureau may issue one license per municipality, but must issue one per
28 municipality if a qualified application is received. Rules adopted pursuant to this section
29 may not prohibit a municipality from limiting the number of each type of licensee that
30 may operate in the municipality or from enacting reasonable regulations applicable to
31 licensees.

32 **Sec. D-3. Marijuana Research Fund rulemaking.** By January 1, 2018, the
33 Department of Administrative and Financial Services shall adopt major substantive rules,
34 as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A, to
35 implement the provisions of Title 28-A, section 2608 regarding administration and uses
36 of the Marijuana Research Fund. Rules adopted pursuant to this section must include:

- 37 1. Application procedures, forms, deadlines and eligibility criteria for grants;
- 38 2. Selection criteria and composition of a grant review committee, which must
39 include researchers with expertise in medical or scientific research;
- 40 3. Criteria for awarding grants, dates for decisions of grant awards and methods for
41 disbursement of funds;

1 4. Minimum record-keeping, reporting and publication requirements for persons
2 awarded grants; and

3 5. Any other oversight requirements that the department determines necessary to
4 administer the grants.

5 **Sec. D-4. Department of Administrative and Financial Services, Bureau**
6 **of Alcoholic Beverages and Lottery Operations processing of applications.**
7 The Department of Administrative and Financial Services, Bureau of Alcoholic
8 Beverages and Lottery Operations shall begin accepting and processing applications for
9 licenses for marijuana establishments and marijuana transportation providers under
10 authority granted by the Maine Revised Statutes, Title 28-A, chapter 111 by January 1,
11 2018.

12 **PART E**

13 **Sec. E-1. 15 MRSA §5821-A**, as amended by IB 2009, c. 1, §1, is further
14 amended to read:

15 **§5821-A. Property not subject to forfeiture based on use of marijuana**

16 Property is not subject to forfeiture under this chapter if the activity that subjects the
17 person's property to forfeiture is medical use of marijuana and the person meets the
18 requirements for medical use of marijuana under Title 22, chapter 558-C or is related to
19 personal use of marijuana under Title 22, chapter 558-D. Property is not subject to
20 forfeiture under this chapter if the activity that subjects the person's property to forfeiture
21 is related to personal use of marijuana and the person, marijuana establishment or
22 marijuana transportation provider is licensed by the Department of Administrative and
23 Financial Services, Bureau of Alcoholic Beverages and Lottery Operations under Title
24 28-A, chapter 111.

25 **Sec. E-2. 17-A MRSA §1111-A, sub-§1**, as amended by IB 2009, c. 1, §2, is
26 further amended to read:

27 **1.** As used in this section the term "drug paraphernalia" means all equipment,
28 products and materials of any kind that are used or intended for use in planting,
29 propagating, cultivating, growing, harvesting, manufacturing, compounding, converting,
30 producing, processing, preparing, testing, analyzing, packaging, repackaging, storing,
31 containing, concealing, injecting, ingesting, inhaling or otherwise introducing into the
32 human body a scheduled drug in violation of this chapter or Title 22, section 2383, except
33 that this section does not apply to a person who is authorized to possess marijuana for
34 medical use pursuant to Title 22, chapter 558-C or marijuana for personal use pursuant to
35 Title 22, chapter 558-D or activities by a marijuana establishment or marijuana
36 transportation provider licensed under Title 28-A, chapter 111 and authorized by that
37 chapter, to the extent the drug paraphernalia is used for that person's medical use of
38 marijuana or personal use of marijuana or as allowed under Title 22, chapter 558-D or
39 activities by a marijuana establishment or marijuana transportation provider licensed
40 under Title 28-A, chapter 111 and authorized by that chapter. It includes, but is not
41 limited to:

- 1 A. Kits used or intended for use in planting, propagating, cultivating, growing or
2 harvesting of any species of plant which is a scheduled drug or from which a
3 scheduled drug can be derived;
- 4 B. Kits used or intended for use in manufacturing, compounding, converting,
5 producing, processing or preparing scheduled drugs;
- 6 C. Isomerization devices used or intended for use in increasing the potency of any
7 species of plant that is a scheduled drug;
- 8 D. Testing equipment used or intended for use in identifying or in analyzing the
9 strength, effectiveness or purity of scheduled drugs;
- 10 E. Scales and balances used or intended for use in weighing or measuring scheduled
11 drugs;
- 12 F. ~~Dilutents~~ Dilutants and adulterants, such as quinine hydrochloride, mannitol,
13 mannite, dextrose and lactose, used or intended for use in cutting scheduled drugs;
- 14 G. Separation gins and sifters, used or intended for use in removing twigs and seeds
15 from, or in otherwise cleaning or refining, marijuana;
- 16 H. Blenders, bowls, containers, spoons and mixing devices used or intended for use
17 in compounding scheduled drugs;
- 18 I. Capsules, balloons, envelopes and other containers used or intended for use in
19 packaging small quantities of scheduled drugs;
- 20 J. Containers and other objects used or intended for use in storing or concealing
21 scheduled drugs; and
- 22 K. Objects used or intended for use in ingesting, inhaling or otherwise introducing
23 marijuana, cocaine, hashish or hashish oil into the human body, such as:
- 24 (1) Metal, wooden, acrylic, glass, stone, plastic or ceramic pipes with or without
25 screens, permanent screens, hashish heads or punctured metal bowls;
- 26 (2) Water pipes;
- 27 (3) Carburetion tubes and devices;
- 28 (4) Smoking and carburetion masks;
- 29 (5) Roach clips, meaning objects used to hold burning material, such as a
30 marijuana cigarette that has become too small or too short to be held in the hand;
- 31 (6) Miniature cocaine spoons and cocaine vials;
- 32 (7) Chamber pipes;
- 33 (8) Carburetor pipes;
- 34 (9) Electric pipes;
- 35 (10) Air-driven pipes;
- 36 (11) Chillums;
- 37 (12) Bongs; or

1 (13) Ice pipes or chillers.

2 **Sec. E-3. 17-A MRSA §1111-A, sub-§§4-A and 4-B**, as enacted by PL 2011,
3 c. 464, §20, are amended to read:

4 **4-A.** Except as provided in Title 22, ~~chapter~~ chapters 558-C and 558-D and Title
5 28-A, chapter 111, a person is guilty of use of drug paraphernalia if:

6 A. The person trafficks in or furnishes drug paraphernalia knowing, or under
7 circumstances when that person reasonably should know, that it will be used to plant,
8 propagate, cultivate, grow, harvest, manufacture, compound, convert, produce,
9 process, prepare, test, analyze, pack, repack, store, contain, conceal, inject, ingest,
10 inhale or otherwise introduce into the human body a scheduled drug in violation of
11 this chapter or Title 22, section 2383, and the person to whom that person is
12 trafficking or furnishing drug paraphernalia is:

13 (1) At least 16 years of age. Violation of this subparagraph is a Class E crime;
14 or

15 (2) Less than 16 years of age. Violation of this subparagraph is a Class D crime;
16 or

17 B. The person places in a newspaper, magazine, handbill or other publication an
18 advertisement knowing, or under circumstances when that person reasonably should
19 know, that the purpose of the advertisement, in whole or in part, is to promote the
20 sale of objects intended for use as drug paraphernalia. Violation of this paragraph is
21 a Class E crime.

22 **4-B.** Except as provided in Title 22, ~~chapter~~ chapters 558-C and 558-D and Title
23 28-A, chapter 111, a person commits a civil violation if:

24 A. The person in fact uses drug paraphernalia to plant, propagate, cultivate, grow,
25 harvest, manufacture, compound, convert, produce, process, prepare, test, analyze,
26 pack, repack, store, contain, conceal, inject, ingest, inhale or otherwise introduce into
27 the human body a scheduled drug in violation of this chapter or Title 22, section
28 2383. Violation of this paragraph is a civil violation for which a fine of \$300 must be
29 adjudged, none of which may be suspended; or

30 B. The person possesses with intent to use drug paraphernalia to plant, propagate,
31 cultivate, grow, harvest, manufacture, compound, convert, produce, process, prepare,
32 test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale or otherwise
33 introduce into the human body a scheduled drug in violation of this chapter or Title
34 22, section 2383. Violation of this paragraph is a civil violation for which a fine of
35 \$300 must be adjudged, none of which may be suspended.

36 **Sec. E-4. 17-A MRSA §1117, sub-§4**, as enacted by PL 2009, c. 631, §3 and
37 affected by §51, is amended to read:

38 **4.** A person is not guilty of cultivating marijuana if the conduct is expressly
39 authorized by Title 22, chapter 558-C or 558-D or Title 28-A, chapter 111.

40 **Sec. E-5. 17-A MRSA §1124** is enacted to read:

1 **§1124. Marijuana odor**

2 The odor of marijuana in and of itself is not a specific and articulable fact for the
3 purpose of establishing probable cause of criminal activity and justifying a search of a
4 person or the property of a person.

5 **PART F**

6 **Sec. F-1. 7 MRSA §483, first ¶**, as amended by PL 2011, c. 407, Pt. A, §1, is
7 further amended to read:

8 For the purpose of this chapter and chapter 103, unless the term is more specifically
9 defined, "adulterated" means made impure or inferior by adding extraneous ingredients.
10 Goods that are prepared in ~~a food establishments~~ an establishment that ~~are~~ is a licensed
11 ~~facilities~~ facility under Title 22, section 2167 and that contain marijuana for medical use
12 by a qualifying patient, pursuant to Title 22, chapter 558-C, or that are prepared in a
13 marijuana establishment that prepares or sells edible marijuana or edible marijuana
14 products that is licensed under Title 28-A, chapter 111 are not considered to be
15 adulterated under this subchapter.

16 **Sec. F-2. 22 MRSA §2152, sub-§4-A**, as amended by PL 2011, c. 407, Pt. A, §2,
17 is further amended to read:

18 **4-A. Food establishment.** "Food establishment" means a factory, plant, warehouse
19 or store in which food and food products are manufactured, processed, packed, held for
20 introduction into commerce or sold. "Food establishment" includes a primary caregiver,
21 as defined in section 2422, subsection 8-A, and a registered dispensary, as defined in
22 section 2422, subsection 6, that prepare food containing marijuana for medical use by a
23 qualifying patient pursuant to chapter 558-C and a marijuana establishment that prepares
24 or sells edible marijuana or edible marijuana products that is licensed under Title 28-A,
25 chapter 111. The following establishments are not considered food establishments
26 required to be licensed under section 2167:

- 27 A. Eating establishments, as defined in section 2491, subsection 7;
- 28 B. Fish and shellfish processing establishments inspected under Title 12, section
29 6101, 6102 or 6856;
- 30 C. Storage facilities for native produce;
- 31 D. Establishments such as farm stands and farmers' markets primarily selling fresh
32 produce not including dairy and meat products;
- 33 E. Establishments engaged in the washing, cleaning or sorting of whole produce,
34 provided the produce remains in essentially the same condition as when harvested.
35 The whole produce may be packaged for sale, provided that packaging is not by a
36 vacuum packaging process or a modified atmosphere packaging process;
- 37 F. Establishments that are engaged in the drying of single herbs that are generally
38 recognized as safe under 21 Code of Federal Regulations, Sections 182 to 189. The
39 single herbs may be packaged for sale, provided that packaging is not by a vacuum
40 packaging process or a modified atmosphere packaging process; and

1 G. A primary caregiver, as defined in section 2422, subsection 8-A, conducting an
2 activity allowed in section 2423-A for a qualifying patient who is a member of the
3 family, as defined in section 2422, subsection 5-A, or member of the household, as
4 defined in section 2422, subsection 5-B, of the primary caregiver.

5 **Sec. F-3. 22 MRSA §2158**, as amended by PL 2011, c. 407, Pt. A, §3 and c. 657,
6 Pt. W, §6, is further amended to read:

7 **§2158. Addition of certain substances limited**

8 Any poisonous or deleterious substance added to any food, except where such
9 substance is required in the production thereof or cannot be avoided by good
10 manufacturing practice, must be deemed to be unsafe for purposes of the application of
11 section 2156, subsection 1, paragraph B; but when such substance is so required or cannot
12 be avoided, the Commissioner of Agriculture, Conservation and Forestry shall adopt rules
13 limiting the quantity therein or thereon to such extent as the commissioner finds
14 necessary for the protection of public health, and any quantity exceeding the limits so
15 fixed must be deemed to be unsafe for purposes of the application of section 2156,
16 subsection 1, paragraph B. While such a rule is in effect limiting the quantity of any such
17 substance in the case of any food, such food may not, by reason of bearing or containing
18 any added amount of such substance, be considered to be adulterated within the meaning
19 of section 2156, subsection 1, paragraph A. In determining the quantity of such added
20 substance to be tolerated in or on different articles of food, the commissioner shall take
21 into account the extent to which the use of such substance is required or cannot be
22 avoided in the production of each such article and the other ways in which the consumer
23 may be affected by the same or other poisonous or deleterious substances. Goods that are
24 prepared by a primary caregiver under section 2152, subsection 4-A, paragraph G or in a
25 food establishment that is a licensed facility under section 2167 and that contain
26 marijuana for medical use by a qualifying patient, pursuant to chapter 558-C, or that
27 contain edible marijuana or edible marijuana products that are prepared or sold by a
28 marijuana establishment licensed under Title 28-A, chapter 111 are not considered to be
29 adulterated under this subchapter.

30 **Sec. F-4. 22 MRSA §2176** is enacted to read:

31 **§2176. Packaging and labeling of marijuana**

32 A marijuana establishment may not sell edible marijuana products that are not
33 properly packaged and labeled in compliance with this section.

34 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
35 following terms have the following meanings.

36 A. "Child-resistant," with regard to a package or container, means:

37 (1) Specially designed or constructed to be significantly difficult for a child
38 under 5 years of age to open or obtain a toxic or harmful amount of the marijuana
39 or marijuana product contained therein within a reasonable time and not difficult
40 for normal adults to use properly, but does not mean packaging that a child under

- 1 5 years of age cannot open or from which a child under 5 years of age cannot
2 obtain a toxic or harmful amount within a reasonable time;
- 3 (2) Opaque so that the packaging does not allow the marijuana or marijuana
4 product to be seen without opening the packaging; and
- 5 (3) Resealable for any marijuana or marijuana product intended for more than a
6 single use or containing multiple servings.
- 7 B. "Commercial marijuana cultivation facility" means an entity licensed pursuant to
8 Title 28-A, section 2602, subsection 1 and section 2603 to cultivate, prepare and
9 package marijuana and to sell marijuana to retail marijuana stores, to marijuana
10 product manufacturing facilities and to other commercial marijuana cultivation
11 facilities.
- 12 C. "Consumer" means a person 21 years of age or older who purchases marijuana or
13 marijuana products for personal use by persons 21 years of age or older. "Consumer"
14 does not include a patient or primary caregiver acting pursuant to Title 22, chapter
15 558-C.
- 16 D. "Container" means a sealed package in which marijuana or a marijuana product is
17 placed for sale to a consumer and that has been labeled according to the requirements
18 of law.
- 19 E. "Edible marijuana product" means a product that is infused with marijuana that is
20 intended to be consumed orally, including, but not limited to, any type of food, drink
21 or pill.
- 22 F. "Exit package" means a sealed container or package provided at the retail point of
23 sale in which marijuana or a marijuana product already in a container is placed.
- 24 G. "Marijuana" means all parts of the plant of the genus cannabis whether growing
25 or not, the seeds thereof, the resin extracted from any part of the plant and every
26 compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds
27 or its resin including marijuana concentrate. "Marijuana" does not include industrial
28 hemp, fiber produced from the stalks, oil, cake made from the seeds of the plant,
29 sterilized seeds of the plant that are incapable of germination or the weight of any
30 ingredient combined with marijuana to prepare topical or oral administrations, food,
31 drink or any other product.
- 32 H. "Marijuana concentrate" means a concentrate of cannabinoids extracted from
33 marijuana through the use of propylene glycol, glycerin, butter, olive oil or other
34 typical cooking fats or other solvents.
- 35 I. "Marijuana establishment" means a marijuana product manufacturing facility or
36 retail marijuana store.
- 37 J. "Marijuana product" means marijuana concentrate, a manufactured or produced
38 product that contains marijuana or a marijuana-infused product that consists of
39 marijuana and other ingredients that is intended for use or consumption, including,
40 but not limited to, an edible marijuana product, ointment or tincture.
- 41 K. "Marijuana product manufacturing facility" means an entity licensed pursuant to
42 Title 28-A, section 2602, subsection 1 and section 2603 to:

- 1 (1) Purchase marijuana from a commercial marijuana cultivation facility;
2 (2) Manufacture, prepare and package marijuana products; and
3 (3) Sell marijuana and marijuana products to other marijuana product
4 manufacturing facilities and to retail marijuana stores.

5 L. "Retail marijuana store" means an entity licensed pursuant to Title 28-A, section
6 2602, subsection 1 and section 2603 to:

- 7 (1) Purchase marijuana from a commercial marijuana cultivation facility;
8 (2) Purchase marijuana and marijuana products from a marijuana product
9 manufacturing facility; and
10 (3) Sell marijuana and marijuana products to consumers.

11 M. "THC" means tetrahydrocannabinol.

12 **2. General requirements.** The general requirements in this subsection apply to all
13 marijuana and marijuana products sold by marijuana establishments in this State.

14 A. A marijuana establishment may not sell edible marijuana products that are not
15 properly packaged and labeled according to subsection 3.

16 B. Each individually packaged edible marijuana product, even if made up of multiple
17 servings, may not include more than a total of 100 milligrams of active THC.

18 C. A marijuana product manufacturing facility shall provide adequate refrigeration
19 for perishable retail marijuana products that will be consumed and shall use adequate
20 storage facilities and transport methods.

21 D. A marijuana product manufacturing facility shall ensure that the cannabinoid
22 content of any edible marijuana product is homogenous.

23 E. An edible marijuana product must be contained in a resealable exit package before
24 it is removed from the retail marijuana store by a consumer. The exit package must
25 meet the requirements established by the department for the purpose of restricting
26 consumption by minors.

27 F. An edible marijuana product must be clearly labeled with required information
28 required by the department for the purposes of educating consumers about potential
29 effects and restricting access by minors.

30 G. A marijuana establishment shall ensure that all marijuana and marijuana products
31 to be sold are placed within a container prior to sale to a consumer. If the container is
32 not child-resistant, the retail marijuana store must place the container within a child-
33 resistant exit package.

34 **3. Labeling requirements.** All marijuana and marijuana products sold, transferred
35 or otherwise provided to a consumer must be in a container that is labeled with all
36 required information.

37 A. Labeling text on a container may not make any false or misleading statements
38 regarding health or physical benefits to the consumer, must be no smaller than 1/16

1 inch, must be unobstructed and conspicuous and must be clearly written or printed in
2 the English language.

3 B. A marijuana establishment may affix multiple labels to a container if the
4 information required by these rules is not obstructed.

5 C. The minimum print size is 1/16 inch. The size of the characters in the net weight
6 statement is determined by the area of the principal display panel and may be greater
7 than 1/16 inch.

8 D. The label must list the cannabidiol and THC content of the marijuana or
9 marijuana product.

10 E. The label must contain a list of all ingredients, including all chemical additives,
11 including but not limited to nonorganic pesticides, herbicides and fertilizers, that
12 were used in the cultivation and production of the marijuana or marijuana product.

13 F. The label must list the batch number or numbers assigned by the commercial
14 marijuana cultivation facility to the marijuana plant or plants from which the
15 marijuana within the container was harvested and a complete list of solvents and
16 chemicals used in the creation of any marijuana concentrate.

17 G. The label must list the license number of the commercial marijuana cultivation
18 facility where the marijuana was grown, the license number of the marijuana product
19 manufacturing facility, conspicuously the name and license number of the retail
20 marijuana store where the marijuana was sold, the name of the person for whom the
21 marijuana product was produced, if any, and the date of sale. If a marijuana product
22 was produced for an individual pursuant to chapter 558-C, the label must list the
23 name of that individual and that individual's registry identification card number
24 pursuant to section 2425.

25 H. The label must include the following statement: "This product contains marijuana
26 and was produced without regulatory oversight for health, safety or efficacy. There
27 may be health risks associated with the consumption of the product."

28 I. For a marijuana product, the label must include a list of ingredients, the product
29 identity and a net weight statement.

30 J. If nutritional claims are made on the label of any marijuana product, the label must
31 contain a nutrition facts panel.

32 **4. False and misleading statements prohibited.** A marijuana establishment may
33 not display upon or in proximity to the licensed premises, or in referring to the licensed
34 premises, use, publish or exhibit, or permit to be displayed, used, published or exhibited,
35 any sign, advertisement, display, notice, symbol or other device that is misleading or
36 deceptive or is false advertising or inconsistent with ordinances of the municipality in
37 which the licensee operates.

38 **Sec. F-5. 26 MRSA §772, sub-§2,** as amended by PL 2009, c. 631, §47 and
39 affected by §51, is further amended to read:

40 **2. Rules; list of occupations.** The director shall adopt rules to develop and maintain
41 a list of occupations not suitable for employment of a minor. The rules must conform as

1 far as practicable to the child labor provisions of the federal Fair Labor Standards Act of
2 1938, 29 United States Code, Section 212 and any associated regulations. The rules must
3 also contain provisions prohibiting the employment of minors in places having nude
4 entertainment and in registered dispensaries of marijuana for medical use authorized
5 under Title 22, chapter 558-C and in marijuana establishments licensed under Title 28-A,
6 chapter 111.

7 **Sec. F-6. Planning for workforce development in the marijuana industry.**

8 The Department of Labor, in consultation with the State Workforce Investment Board,
9 shall review the workforce development needs of the marijuana industry established in
10 response to the legalization of the personal use of marijuana for adults 21 years of age
11 and older pursuant to the Maine Revised Statutes, Title 22, chapter 558-D. The
12 department and State Workforce Investment Board shall review and make
13 recommendations on workforce development needs within the marijuana industry as
14 licensed under Title 28-A, chapter 111, including, but not limited to, training and
15 certification of workers in self-employment, microenterprise, small business and large
16 business that meet the definition of marijuana establishments as defined in Title 28-A,
17 section 2601, subsection 7. The department shall report its findings and
18 recommendations to the joint standing committee of the Legislature having jurisdiction
19 over labor, commerce, research and economic development matters by April 1, 2017.

20 **PART G**

21 **Sec. G-1. 25 MRSA §2003, sub-§4,** as amended by PL 1995, c. 694, Pt. D, §51
22 and affected by Pt. E, §2, is further amended to read:

23 **4. Good moral character.** The issuing authority in judging good moral character
24 shall make its determination in writing based solely upon information recorded by
25 governmental entities within 5 years of receipt of the application, including, but not
26 limited to, the following matters:

27 A. Information of record relative to incidents of abuse by the applicant of family or
28 household members, provided pursuant to Title 19-A, section 4012, subsection 1;

29 B. Information of record relative to 3 or more convictions of the applicant for crimes
30 punishable by less than one year imprisonment or one or more adjudications of the
31 applicant for juvenile offenses involving conduct that, if committed by an adult, is
32 punishable by less than one year imprisonment;

33 C. Information of record indicating that the applicant has engaged in reckless or
34 negligent conduct; or

35 D. Information of record indicating that the applicant has been convicted of or
36 adjudicated as having committed a violation of Title 17-A, chapter 45 or Title 22,
37 section 2383, or adjudicated as having committed a juvenile crime that is a violation
38 of Title 22, section 2383 or a juvenile crime that would be defined as a criminal
39 violation under Title 17-A, chapter 45 if committed by an adult.

40 Conduct allowed by Title 22, chapter 558-C or 558-D may not be the basis for a finding
41 of a lack of good moral character.

1 **PART H**

2 **Sec. H-1. 5 MRSA §12004-I, sub-§36-F** is enacted to read:

3 **36-F.**

4 <u>Human Services</u>	<u>Youth Marijuana</u>	<u>Expenses/Legislative</u>	<u>22 MRSA §282</u>
5	<u>Prevention and</u>	<u>Per Diem for</u>	
6	<u>Control Advisory</u>	<u>Nonsalaried</u>	
7	<u>Council</u>	<u>Employee Members</u>	

8 **Sec. H-2. 22 MRSA c. 102-A** is enacted to read:

9 **CHAPTER 102-A**

10 **YOUTH MARIJUANA PREVENTION AND CONTROL**

11 **§281. Definitions**

12 As used in this chapter, unless the context otherwise indicates, the following terms
13 have the following meanings.

14 **1. Advisory council.** "Advisory council" means the Youth Marijuana Prevention
15 and Control Advisory Council.

16 **2. Marijuana.** "Marijuana" means all parts of all species of the plant of the genus
17 cannabis whether growing or not, including the leaves, stems, flowers and seeds, the resin
18 extracted from any part of the plant and every compound, manufacture, salt, derivative,
19 mixture or preparation of the plant, its seeds or its resin, including marijuana concentrate.
20 "Marijuana" does not include industrial hemp, fiber produced from the stalks, oil, cake
21 made from the seeds of the plant, sterilized seeds of the plant that are incapable of
22 germination or the weight of any ingredient combined with marijuana to prepare topical
23 or oral administrations, food, drink or other product.

24 **3. Marijuana product.** "Marijuana product" means marijuana in any form and any
25 material or device used in the smoking, chewing, eating, vaporizing or other method of
26 marijuana consumption, including cigarette papers and pipes.

27 **4. Program.** "Program" means the Youth Marijuana Prevention and Control
28 Program.

29 **§282. Youth Marijuana Prevention and Control Program**

30 **1. Program established.** The Youth Marijuana Prevention and Control Program is
31 established in the department. The purpose of the program is to prevent persons under 21
32 years of age from using marijuana products except in accordance with chapter 558-C. The
33 department shall administer the program with the review and advice provided by the
34 council and may contract for professional services to carry out the program.

35 The program includes the following components:

- 1 A. An ongoing, major media campaign to:
2 (1) Discourage persons under 21 years of age from using marijuana products;
3 (2) Encourage public acceptance of smoke-free environments; and
4 (3) Reduce youth consumption of marijuana products;
5 B. Grants for funding community-based programs aimed at youth marijuana
6 prevention and control, including funding marijuana prevention and control education
7 for those school administrative units that choose to offer such programs to
8 kindergarten to grade 12 students, and for community-based enforcement of state
9 marijuana control laws, including the law prohibiting sales to persons under 21 years
10 of age, and for cessation services;
11 C. Procedures for monitoring and evaluating the program, including:
12 (1) Monitoring and maintaining the program's effectiveness through an
13 evaluation of each component;
14 (2) Assessing the prevalence of the use of marijuana products and knowledge
15 about and attitudes towards such use on a statewide and community basis; and
16 (3) Recommending changes to eliminate programs that are not effective and
17 focus on initiatives that are having a measurable effect on youth consumption of
18 marijuana products; and
19 D. In conjunction with law enforcement and other state and federal agencies,
20 increased law enforcement efforts to increase compliance with laws regarding the
21 transportation, distribution and sale of marijuana products.

22 **2. Youth Marijuana Prevention and Control Advisory Council.** The Youth
23 Marijuana Prevention and Control Advisory Council is established under Title 5, section
24 12004-I, subsection 36-F to review the program.

- 25 A. The advisory council shall provide advice to the department and shall work to
26 ensure coordination of the program with relevant nonprofit and community agencies,
27 the department, the Department of Education and other state agencies. The advisory
28 council consists of 9 members, appointed as follows:
29 (1) Two members who are public health officials, appointed by the Governor;
30 (2) Two representatives of nonprofit organizations involved in seeking to reduce
31 youth consumption of marijuana products in the State. One member must be
32 appointed by the President of the Senate, and one member must be appointed by
33 the Speaker of the House of Representatives;
34 (3) One member who has experience designing and implementing issue-oriented
35 public health media campaigns, appointed by the Governor;
36 (4) Two members who have experience designing and implementing
37 community-based education or cessation programs for the prevention of youth
38 consumption of marijuana products. One member must be appointed by the
39 President of the Senate, and one member must be appointed by the Speaker of the
40 House of Representatives; and

1 The Secretary of State shall prepare and furnish to each city, town and plantation all
2 ballots, returns and copies of this Act necessary to carry out the purposes of this
3 referendum.

4 **SUMMARY**

5 This bill addresses the use, possession, cultivation, manufacturing, testing,
6 transportation and sale of marijuana and marijuana products.

7 The bill legalizes the possession of up to an ounce of marijuana for a person 21 years
8 of age and older, taxes sales of marijuana and regulates the marijuana industry, which in
9 the language of the bill is conducted by marijuana establishments.

10 In Part A the bill imposes the marijuana excise tax of 15% on the sale or transfer of
11 marijuana from a licensed commercial marijuana cultivation facility to a licensed retail
12 marijuana store and to a licensed marijuana product manufacturing facility. The bill
13 imposes a sales tax of 10% on marijuana and marijuana products sold at retail marijuana
14 stores. The bill provides for the distribution of marijuana excise and sales tax revenues.
15 The bill requires an annual report to the joint standing committees of the Legislature
16 having jurisdiction over appropriations and financial affairs and taxation matters on
17 excise and sales tax receipts and the distribution of the revenues. The bill directs the
18 Department of Administrative and Financial Affairs, Bureau of Revenue Services to
19 review methods for ensuring that all nonexempt marijuana sold in the State is assessed
20 and to report its findings and recommendations to the joint standing committee of the
21 Legislature having jurisdiction over taxation matters and authorizes the committee to
22 submit legislation to the First Regular Session of the 128th Legislature.

23 In Part B the bill updates the law relating to marijuana that generally prohibits
24 possession of marijuana to exempt possession by certain people and of certain amounts
25 from prosecution as a crime. The bill makes possession of up to 2 1/2 ounces of
26 marijuana a civil violation for persons less than 21 years of age, punishable by a fine of
27 up to \$100, with an option of court-ordered community service and possible
28 expungement after one year. The bill legalizes possession of up to one ounce of
29 marijuana by a person 21 years of age or older. The bill makes possession of over one
30 ounce but under 2 1/2 ounces of marijuana by a person 21 years of age or older a civil
31 violation, punishable by a fine of up to \$100, with an option of court-ordered community
32 service and possible expungement after one year.

33 In Part C the bill enacts the Personal Use of Marijuana Act, allowing a person 21
34 years of age or older to use, purchase from a retail marijuana store or possess up to one
35 ounce of marijuana or marijuana products and marijuana accessories. The bill allows a
36 person 21 years of age or older to transfer or furnish, without remuneration, up to one
37 ounce of marijuana and up to 6 marijuana seedlings to another person 21 years of age or
38 older. The bill allows a person 21 years of age or older to possess, grow, cultivate or
39 process up to 6 marijuana plants and to possess the marijuana products produced from the
40 marijuana plants on the premises where the plants were grown. The bill allows a person
41 21 years of age or older to use marijuana in a nonpublic place, including a private
42 residence. The bill allows a person 21 years of age or older to cultivate marijuana at

1 home. The bill addresses the relationship of the provisions in the bill to state laws
2 regarding marijuana, smoking tobacco products, operation of motor vehicles, watercraft,
3 snowmobiles and all-terrain vehicles and hunting. The bill addresses marijuana under
4 federal law and on federal property. The bill directs that a person who consumes or uses
5 marijuana or marijuana products in accordance with the law may not be denied parental
6 rights and responsibilities for a minor child because of that use unless the person's
7 behavior creates an unreasonable danger to the health or welfare of the minor child. The
8 bill provides similar protections with regard to the Child and Family Services and Child
9 Protection Act.

10 In Part D the bill requires the Bureau of Alcoholic Beverages and Lottery Operations
11 within the Department of Administrative and Financial Services to enforce the laws and
12 rules relating to the manufacturing, processing, labeling, storing, transporting, testing and
13 selling of marijuana and marijuana products by marijuana establishments and marijuana
14 transportation providers and to administer the laws relating to licensure, regulation and
15 collection of taxes from marijuana establishments. The bill specifies authorized activities
16 for marijuana establishments, requirements for record keeping, restrictions on access for
17 persons under 21 years of age, procedures for investigations, disciplinary procedures and
18 procedures for license suspension. The bill establishes procedures for licensing
19 marijuana establishments, which include commercial marijuana cultivation facilities,
20 marijuana testing facilities, marijuana product manufacturing facilities and retail
21 marijuana stores, and marijuana transportation providers. The bill specifies general
22 licensing requirements for marijuana establishments and marijuana transportation
23 providers and general operational requirements. The bill includes specific requirements
24 for the manufacturing of solvent-based marijuana concentrate by marijuana product
25 manufacturing facilities. The bill requires the bureau to adopt rules required for
26 implementation and designates the rules as major substantive rules. The bill requires the
27 bureau to issue an annual report that contains information on rulemaking, licensing and
28 inspections and statistical data on youth consumption and perceptions of safety of
29 marijuana, tobacco, alcohol and controlled substances. The bill authorizes the joint
30 standing committees of the Legislature having jurisdiction over health and human
31 services matters, taxation matters and alcoholic beverages matters to submit legislation to
32 address issues related to the report. The bill contains provisions allowing for local
33 control with regard to marijuana establishments, including allowing a sales tax of up to
34 2% on sales by retail marijuana stores of marijuana and marijuana products. The bill
35 provides for licensure by default by a municipality if the bureau delays issuing licenses
36 beyond January 30, 2018. The bill establishes the Marijuana Regulation and Licensing
37 Fund to pay the bureau's expenses, allows researchers access to marijuana and provides
38 for access to marijuana for participants in research. The bill provides rules of construction
39 for the provisions regarding marijuana establishments and marijuana transportation
40 providers, provides for the validity and enforceability of contracts and addresses
41 professional licensure for professional occupations. The bill establishes the Marijuana
42 Research Fund to provide research grants and the Low-income Marijuana Patient Access
43 Program Fund to reimburse caregivers and dispensaries for the costs of providing medical
44 marijuana to low-income persons. The bill requires the bureau to adopt major substantive
45 rules by January 31, 2018. The bill requires the bureau to begin accepting and processing
46 applications for marijuana establishments and marijuana transportation providers by
47 January 1, 2018.

1 In Part E the bill protects property from forfeiture based on the personal use of
2 marijuana law. The bill provides that the odor of marijuana alone does not create
3 probable cause of criminal activity.

4 In Part F the bill amends the laws on the preparation of foods to allow for food
5 containing marijuana and marijuana products to be prepared by marijuana establishments.
6 The bill amends the Maine Food Law to include in the definition of "food establishment"
7 a marijuana establishment that prepares edible marijuana or an edible marijuana product
8 and provides that food containing marijuana produced by a marijuana establishment is not
9 considered adulterated. The bill amends the law on adulterated food to specify that goods
10 that contain marijuana and are prepared for sale in a retail marijuana establishment
11 pursuant to Title 28-A, chapter 111 are not to be considered adulterated food. The bill
12 enacts a new section in the Maine Food Law that imposes requirements on marijuana
13 establishments that sell edible marijuana products with regard to the packaging and
14 labeling of marijuana and marijuana products and prohibits misleading, false or deceptive
15 advertising or advertising that is inconsistent with local laws and regulations in the
16 municipality in which the marijuana establishment operates. The bill amends the law on
17 employment of minors to require the director of the Bureau of Labor Standards in the
18 Department of Labor to adopt rules prohibiting the employment of minors in marijuana
19 establishments licensed pursuant to Title 28-A, chapter 111. The bill directs the
20 Department of Labor, in consultation with the State Workforce Investment Board, to
21 review and make recommendations on workforce development needs, including training
22 and certification, and to report to the joint standing committee of the Legislature having
23 jurisdiction over labor, commerce, research and economic development matters by April
24 1, 2017.

25 In Part G the bill amends the law on the criteria for issuing a permit to carry
26 concealed handguns to provide that conduct allowed under the law on medical use of
27 marijuana under Title 22, chapter 558-C and conduct allowed under the law on personal
28 use of marijuana under Title 22, chapter 558-D may not be the basis for a finding of a
29 lack of good moral character.

30 In Part H the bill establishes in Title 5, chapter 379 the Youth Marijuana Prevention
31 and Control Advisory Council. The bill establishes the Youth Marijuana Prevention and
32 Control Program to prevent youth from using marijuana and marijuana products except
33 for the medical use of marijuana in accordance with Title 22, chapter 558-C. The
34 program consists of a major media campaign, grants for community-based programs,
35 procedures for monitoring and evaluating the program and, in conjunction with law
36 enforcement and other state and federal agencies, increased law enforcement efforts to
37 increase compliance with laws regarding the transportation, distribution and sale of
38 marijuana and marijuana products. The bill provides for the duties of the Youth
39 Marijuana Prevention and Control Advisory Council, which include advising the
40 Department of Health and Human Services and working to ensure coordination of the
41 program with nonprofit and community agencies, the department, the Department of
42 Education and other state agencies. The bill specifies that the members of the advisory
43 council are appointed by the Governor, the President of the Senate and the Speaker of the
44 House of Representatives. The bill requires that the initial appointments to the advisory

1 council must be made by March 15, 2017 and that the first meeting of the advisory
2 council must be held by April 15, 2017.

3 In Part I the bill provides for a referendum to approve the legislation. This procedure
4 requires that the bill, if passed into law and enacted, must be submitted to the voters of
5 the State in a statewide election in November 2016.