MAINE STATE LEGISLATURE

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Amendment Name: Amendment CA (S-453) (LD 2091 2020)

Date: 7/27/2020

1	L.D. 2091
2	Date: (Filing No. S-)
3	VETERANS AND LEGAL AFFAIRS
4	Reproduced and distributed under the direction of the Secretary of the Senate.
5	STATE OF MAINE
6	SENATE
7	129TH LEGISLATURE
8	SECOND SPECIAL SESSION
9 10	COMMITTEE AMENDMENT " " to S.P. 741, L.D. 2091, Bill, "An Act To Amend the Marijuana Legalization Act and Make Other Implementing Changes"
11	Amend the bill by striking out everything after the title and inserting the following:
12	'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and
14 15 16	Whereas, licenses to authorize the cultivation, manufacturing, testing and sale of adult use marijuana and adult use marijuana products are expected to be issued in the near future; and
17 18	Whereas, the changes to the adult use marijuana laws in this Act must take effect prior to the issuance of such licenses; and
19 20 21 22	Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,
23	Be it enacted by the People of the State of Maine as follows:
24 25	Sec. 1. 28-B MRSA §102, sub-§35, as amended by PL 2019, c. 528, §19, is further amended to read:
26 27 28 29	35. Marijuana trim. "Marijuana trim" means any part of a marijuana plant, whether processed or unprocessed, that is not marijuana flower or a marijuana seed <u>except that "marijuana trim" does not include the stalks or roots of the marijuana plant.</u> "Marijuana trim" does not include any part of a hemp plant as defined in Title 7, section 2231, subsection 1-A, paragraph D.
31	Sec. 2. 28-B MRSA §102, sub-§37, as amended by PL 2019, c. 528, §19, is

further amended to read:

- **37. Mother plant.** "Mother plant" means a mature marijuana plant that is used solely for the taking of seedling cuttings. "Mother plant" does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.
- **Sec. 3. 28-B MRSA §102, sub-§51,** as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:
 - **51. Seedling.** "Seedling" means a marijuana plant that is:
- A. Not flowering;

- B. Less than 6 12 inches in height; and
- 9 C. Less than 6 <u>12</u> inches in width.
- Sec. 4. 28-B MRSA §108, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

§108. Awareness and education on public Public health and safety matters programs

The department shall develop and implement or facilitate the development and implementation by a public or private entity of programs, initiatives and campaigns focused on increasing the awareness and education of the public on health and safety matters and in addressing public and behavioral health needs relating to the use of marijuana and marijuana products, including, but not limited to, programs, initiatives and campaigns focused on preventing and deterring the use of marijuana and marijuana products by persons under 21 years of age and public and behavioral health programs and services, including, but not limited to, evidence-based substance use prevention and treatment programs, early intervention services and grants for schools or community-based organizations that provide programs for youth substance use education and prevention as described under Title 5, chapter 521. Programs, initiatives and campaigns developed and implemented pursuant to this section may be funded with revenue from the Adult Use Marijuana Public Health and Safety Fund established in section 1101. The department may adopt rules to implement this section.

Sec. 5. 28-B MRSA §109, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

§109. Enhanced training for criminal justice agencies and municipalities

The department shall develop and implement or facilitate the development and implementation by a public or private entity of programs or initiatives providing enhanced training for criminal justice agencies and municipal officers and employees in the requirements and enforcement of this chapter and the rules adopted pursuant to this chapter, including, but not limited to, programs providing grants to regional or local criminal justice agencies and municipalities to train law enforcement officers and, when applicable, municipal officers and employees, in inspections, investigations, searches, seizures, forfeitures and personal use and home cultivation allowances under this chapter and chapter 3 and the rules adopted pursuant to this chapter and; in drug recognition procedures and the general enforcement of the State's motor vehicle and criminal laws relating to the use of marijuana; and in restorative justice, jail diversion, marijuana

industry-specific technical assistance and mentoring for economically disadvantaged persons in communities disproportionately affected by high rates of arrest and incarceration for marijuana-related offenses. Training programs or initiatives for eriminal justice agencies developed and implemented pursuant to this section may be funded with revenue from the Adult Use Marijuana Public Health and Safety Fund established in section 1101. The department may adopt rules to implement this section.

- **Sec. 6. 28-B MRSA §501, sub-§6,** as amended by PL 2019, c. 231, Pt. B, §3, is further amended to read:
- 6. Limited authorization for sale of marijuana plants and, marijuana seeds, marijuana flower and marijuana trim by registered caregiver or registered dispensary to cultivation facility licensee. Notwithstanding any other provision of law to the contrary and subject to the requirements and restrictions of this section, for a period starting on the date that the department issues the first active cultivation facility license under section 205, subsection 4 and, except as provided in paragraph A, ending 2 years after that date January 1, 2021, a registered caregiver or a registered dispensary may sell marijuana plants and, marijuana seeds, marijuana flower and marijuana trim to a cultivation facility licensee that is also a registered caregiver or a registered dispensary and a cultivation facility licensee that is also a registered caregiver or a registered dispensary may purchase marijuana plants and, marijuana seeds, marijuana flower and marijuana trim from a registered caregiver or a registered dispensary. The department shall post on its publicly accessible website information regarding the date on which the department issues the first active cultivation facility license and the date that is 2 years after the date the first active cultivation facility license is issued.
 - A. Beginning on the date that the department issues the first active cultivation facility license and, except as provided by the department by rule pursuant to this paragraph, ending 2 years after that date January 1, 2021, in an active cultivation facility license issued to any cultivation facility licensee that has demonstrated to the department's satisfaction that the licensee is also a registered caregiver or a registered dispensary, the department shall include language authorizing the licensee, at any time within the licensee's first year of licensure prior to January 1, 2021 or the expiration of the licensee's license, whichever is earlier, to purchase an unlimited number of marijuana plants and marijuana seeds and an unlimited amount of marijuana flower and marijuana trim from registered caregivers and registered dispensaries. This The department may by rule extend the end date for the general authorization under this subsection beyond January 1, 2021, except that the end date may not be extended by the department beyond January 1, 2022. In the event that the department adopts by rule an end date for the general authorization under this subsection that is later than January 1, 2021, beginning on the effective date of the rule, the department shall use that later end date in providing the specific authorization that may be granted pursuant to this paragraph to a cultivation facility licensee that is also a registered caregiver or a registered dispensary. The authorization under this paragraph may not be included in any cultivation facility license issued upon renewal under section 209.
 - B. A cultivation facility licensee authorized pursuant to paragraph A to purchase marijuana plants and, marijuana seeds, marijuana flower and marijuana trim from registered caregivers and registered dispensaries that transacts such a purchase shall

pay to the State Tax Assessor the excise taxes imposed pursuant to Title 36, chapter 723 on the sale of the marijuana plants and, marijuana seeds, marijuana flower and marijuana trim. In addition to payment of the required excise taxes under this paragraph, the cultivation facility licensee shall provide the department with an accounting of the transaction, which must include information on the registered caregiver or registered dispensary from which the licensee purchased the marijuana plants and, marijuana seeds, marijuana flower and marijuana trim; the number of mature marijuana plants, immature marijuana plants, seedlings and marijuana seeds purchased in the transaction; the amount, by weight, of marijuana flower and marijuana trim purchased in the transaction; and any other information required by the department by rule.

- C. A cultivation facility licensee authorized pursuant to paragraph A to purchase marijuana plants and, marijuana seeds, marijuana flower and marijuana trim from registered caregivers and registered dispensaries may purchase an unlimited number of marijuana plants and marijuana seeds and an unlimited amount of marijuana flower and marijuana trim from more than one registered caregiver or registered dispensary and may transact more than one purchase of marijuana plants and marijuana seeds such items from a registered caregiver or registered dispensary. A registered caregiver or registered dispensary may not sell marijuana plants and, marijuana seeds, marijuana flower or marijuana trim to more than one cultivation facility licensee authorized pursuant to paragraph A to purchase marijuana plants and marijuana seeds such items from registered caregivers and registered dispensaries and may not transact more than one sale of marijuana plants and marijuana seeds such items to a cultivation facility licensee authorized to make such purchases pursuant to paragraph A.
- D. A cultivation facility licensee that violates this subsection or the rules adopted pursuant to this subsection is subject to the imposition by the department of monetary penalties, a license revocation or suspension and an order directing the destruction of unauthorized marijuana plants and, marijuana seeds, marijuana flower and marijuana trim pursuant to subchapter 8 in addition to any criminal or civil penalties that may be imposed pursuant to other applicable laws or rules. A registered caregiver or registered dispensary that violates paragraph C this subsection or the rules adopted pursuant to this subsection is subject to the revocation of its registration or other applicable penalty under the Maine Medical Use of Marijuana Act in addition to any criminal or civil penalties that may be imposed pursuant to other applicable laws or rules.
- For the purposes of this subsection, "a cultivation facility licensee that is also a registered caregiver or a registered dispensary" means a cultivation facility licensee that shares a common officer, director, manager, general partner or direct financial interest with a registered caregiver or a registered dispensary.
- The department shall adopt rules to implement this subsection. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.
- This subsection is repealed January 1, 2022.

amended to read:

3	1. Membership. The commission consists of the following 45 21 members:
4 5 6	A. Two members of the Senate, including members from each of the 2 parties holding the largest number of seats in the Legislature, appointed by the President of the Senate;
7 8 9	B. Two members of the House of Representatives, including members from each of the 2 parties holding the largest number of seats in the Legislature, appointed by the Speaker of the House of Representatives;
10 11	C. The Commissioner of Administrative and Financial Services or the commissioner's designee;
12 13	D. The Commissioner of Agriculture, Conservation and Forestry or the commissioner's designee;
14 15	E. The Commissioner of Health and Human Services or the commissioner's designee;
16	F. The Commissioner of Labor or the commissioner's designee;
17	G. The Commissioner of Public Safety or the commissioner's designee;
18	H. The following 3 6 members, appointed by the President of the Senate:
19	(1) A representative of a statewide association representing prosecutors;
20 21	(2) A representative of a statewide association representing the medical marijuana industry; and
22	(3) A member of the public; and
23 24	(4) A member of the public with demonstrated expertise in the cultivation of marijuana or the manufacturing of marijuana concentrate and marijuana products;
25 26	(5) A representative of a statewide association representing defense attorneys; and
27 28	(6) A representative of a national association ensuring equality of rights for all persons; and
29 30	I. The following $3 \underline{6}$ members, appointed by the Speaker of the House of Representatives:
31 32	(1) A representative of a statewide association representing the adult use marijuana industry;
33 34	(2) A member of the public with demonstrated expertise and credentials in public health policy; and
35	(3) A member of the public-;
36	(4) A qualifying patient;

Sec. 7. 28-B MRSA §902, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6, is

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2 3	(6) A representative of the Maine chapter of a national civil liberties organization.
4 5	Sec. 8. 28-B MRSA §902, sub-§5, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:
6	5. Quorum. A quorum of the commission consists of 8 <u>11</u> members.
7 8	Sec. 9. 28-B MRSA §1101, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:
9 10	2. Uses of fund. Money credited to the fund pursuant to subsection 1 may be used by the department as provided in this subsection.
11 12 13 14 15	A. No more than 50% of all money credited to the fund may be expended by the department to fund public health and safety awareness and education programs; initiatives, campaigns and activities relating to the sale and use of adult use marijuana and adult use marijuana products conducted in accordance with section 108 by the department, another state agency or department or any other public or private entity.
16 17 18 19 20 21 22	B. No more than 50% of all money credited to the fund may be expended by the department to fund enhanced law enforcement training programs relating to the sale and use of adult use marijuana and adult use marijuana products for local, county and state law enforcement officers conducted for criminal justice agencies and municipalities in accordance with section 109 by the department, the Maine Criminal Justice Academy, another state agency or department or any other public or private entity.
23 24	Sec. 10. 36 MRSA §4923, sub-§5, as enacted by PL 2019, c. 231, Pt. B, §7, is amended to read:
25 26 27 28 29 30 31 32 33	5. Excise tax on purchases from registered caregivers and registered dispensaries. A cultivation facility licensee authorized pursuant to Title 28-B, section 501, subsection 6, paragraph A to purchase marijuana plants and, marijuana seeds, marijuana flower and marijuana trim from registered caregivers and registered dispensaries that transacts such a purchase shall pay to the assessor the excise taxes that would have been imposed under subsections 1 to 4 on the sale of the marijuana plants and, marijuana seeds, marijuana flower and marijuana trim if the marijuana plants and, marijuana seeds, marijuana flower and marijuana trim had been sold by a cultivation facility licensee to another licensee.
34 35	Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.'
36	SUMMARY
37 38	This amendment replaces the bill, adds an emergency preamble and emergency clause and amends the adult use marijuana laws as follows.
39	1. It amends the definition of "mother plant" to remove the requirement that a

(5) A member of a federally recognized Indian tribe in the State; and

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marijuana plant that is a mother plant must be a mature marijuana plant.

- 2. Like the bill, it amends the definition of "marijuana trim" to exclude the stalks and roots of a marijuana plant.
- 3. Like the bill, it amends the definition of "seedling" to increase the size of what is considered a seedling from less than 6 inches in height and width to less than 12 inches in height and width.
- 4. It clarifies the scope of public health and safety programs to be implemented or facilitated by the Department of Administrative and Financial Services by including programs and services focused on public and behavioral health, to be funded through the Adult Use Marijuana Public Health and Safety Fund established under the Maine Revised Statutes, Title 28-B, section 1101. It also clarifies the scope of enhanced training for criminal justice agencies to be implemented or facilitated by the department by making eligible for that training municipal officials and employees and by including within that scope training regarding restorative justice, jail diversion, marijuana industry-specific technical assistance and mentoring for economically disadvantaged persons in communities disproportionately affected by high rates of arrest and incarceration for marijuana-related offenses, also to be funded through the Adult Use Marijuana Public Health and Safety Fund.
- 5. It amends the provision in the law that provides a limited authorization for the sale of marijuana plants and marijuana seeds by a registered caregiver or registered dispensary to a cultivation facility licensee as follows.
 - A. It expands this provision to authorize the sale of marijuana flower and marijuana trim in addition to marijuana plants and seeds, all of which are subject to payment of the adult use marijuana excise tax.
 - B. It removes the prohibition on a registered caregiver's or registered dispensary's conducting more than one sales transaction with a cultivation facility licensee under this provision.
 - C. It clarifies the end date of the period in which the authorization to make such purchases may be granted to a cultivation facility licensee by specifying that the end date is January 1, 2021; however, it provides that the Department of Administrative and Financial Services may by rule extend that end date beyond January 1, 2021 but not beyond January 1, 2022. It does not change the limitation that this authorization may be provided to a cultivation facility licensee only in an initial license and may not be provided in a license issued upon renewal.
 - D. It clarifies that the requirement that a cultivation facility licensee eligible for this authorization also be a registered caregiver or a registered dispensary means that the licensee must share a common officer, director, manager, general partner or direct financial interest with a registered caregiver or a registered dispensary.
 - E. It changes the department's rule-making authority relating to this provision from major substantive rulemaking to routine technical rulemaking.
 - F. It repeals the provision authorizing such purchases on January 1, 2022.
- It also amends the tax laws relating to the adult use marijuana excise tax to incorporate the changes made to this limited authorization provision.

6. It amends the membership of the Marijuana Advisory Commission established under Title 28-B, section 901, increasing the number of members from 15 to 21.

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129th MAINE LEGISLATURE

LD 2091

LR 2999(02)

An Act To Amend the Marijuana Legalization Act and Make Other Implementing Changes

Fiscal Note for Bill as Amended by Committee Amendment " "
Committee: Veterans and Legal Affairs
Fiscal Note Required: Yes

Fiscal Note

Potential current biennium revenue increase - General Fund

Fiscal Detail and Notes

The bill adds to the excise tax marijuana flower and trim purchased from registered caregivers and registered dispensaries. This provision could increase General Fund revenues. No estimate is made at this time.