

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 1391

S.P. 558

In Senate, March 28, 2023

An Act to Limit Cannabis Cultivation Licenses to Protect the Cannabis Market

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

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator PIERCE of Cumberland.
Cosponsored by Representative PERRY of Bangor and
Senators: DAUGHTRY of Cumberland, GROHOSKI of Hancock, RENY of Lincoln.

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

2 **Sec. 1. 28-B MRSA §201, last ¶**, as enacted by PL 2017, c. 409, Pt. A, §6, is
3 amended to read:

4 Except as provided in section 205 and section 305, the department may not impose any
5 limitation on the number of each type of license that it issues to a qualified individual
6 applicant or on the total number of each type of license that it issues to qualified applicants
7 pursuant to this chapter.

8 **Sec. 2. 28-B MRSA §305** is enacted to read:

9 **§305. License restrictions**

10 Notwithstanding any provision of this chapter to the contrary, the department may
11 impose a moratorium on conditional cultivation facility licenses and renewal licenses for a
12 tier with a greater area of authorized plant canopy under section 303 when the department
13 determines that:

14 **1. Price decrease.** The average monthly price per gram of cannabis cultivated and sold
15 by all cultivation facilities has decreased by more than 20% in any 2 consecutive fiscal
16 quarters from the average monthly price per gram of cultivated cannabis from the prior
17 year as calculated by the department from data reported pursuant to section 113, subsection
18 2, paragraph F; or

19 **2. Product demand decrease.** The current volume of cannabis cultivated by all
20 cultivation facilities is at least 3 times the volume of cannabis sold by all cannabis stores
21 in any 90-day period.

22 A moratorium imposed under this section must last for 4 consecutive months or until
23 data received by the department indicates the conditions in subsections 1 and 2 no longer
24 exist, whichever is later.

25 **SUMMARY**

26 This bill allows the Department of Administrative and Financial Services to impose a
27 moratorium on issuing a new conditional cultivation license or renewing a cultivation
28 license for a tier with a greater area of authorized plant canopy if the department determines
29 that: the average monthly price per gram of cannabis cultivated and sold by all licensed
30 cultivation facilities has decreased by more than 20% in any 2 consecutive fiscal quarters
31 from the average monthly price per gram of cultivated cannabis from the prior year as
32 calculated by the department from data reported pursuant to the Maine Revised Statutes,
33 Title 28-B, section 113, subsection 2, paragraph F; or the current volume of cannabis
34 cultivated by all licensed cultivation facilities is at least 3 times the volume of cannabis
35 sold by all licensed cannabis stores in any 90-day period. A moratorium must last for 4
36 consecutive months, or until data received by the department indicates the moratorium
37 conditions no longer exist, whichever is later.