

MAINE STATE LEGISLATURE

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131st MAINE LEGISLATURE

FIRST SPECIAL SESSION-2023

Legislative Document

No. 1517

H.P. 972

House of Representatives, April 5, 2023

An Act to Create Equity in the State's Cannabis Industry

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

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

ROBERT B. HUNT
Clerk

Presented by Speaker TALBOT ROSS of Portland.
Cosponsored by Senator HICKMAN of Kennebec and
Representative: PLUECKER of Warren.

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

2 **Sec. 1. 10 MRSA §964, sub-§1, ¶G-1** is enacted to read:

3 G-1. Cannabis business equity program under section 1020-E;

4 **Sec. 2. 10 MRSA c. 110, sub-c. 1-G** is enacted to read:

5 **SUBCHAPTER 1-G**

6 **CANNABIS BUSINESS EQUITY PROGRAM**

7 **§1020-E. Program established**

8 In accordance with the provisions of this subchapter, the authority shall establish and
9 administer a cannabis business equity program, referred to in this subchapter as "the
10 program," to encourage eligible individuals to apply for registration under the Maine
11 Medical Use of Cannabis Act or for licensure under the Cannabis Legalization Act and to
12 provide related direct support services to those individuals and to other eligible individuals
13 already registered or licensed under those programs. The authority may employ
14 consultants, contract for services and enter into agreements with public and private entities
15 as necessary for the establishment and administration of the program.

16 **§1020-F. Eligibility criteria**

17 The authority shall accept as a participant in the program any applicant that meets one
18 of the following eligibility criteria:

19 **1. Persons with prior cannabis-related convictions.** The applicant was previously
20 convicted of and incarcerated for a cannabis-related crime in this State or in another
21 jurisdiction, as long as the conviction was not for a disqualifying drug offense under Title
22 22, section 2422, subsection 4 or under Title 28-B, section 102, subsection 15;

23 **2. Persons from historically disinvested communities.** The applicant is a member
24 of a historically disinvested community, as determined based on criteria established by the
25 authority; or

26 **3. Legacy cannabis cultivators.** The applicant has at least 4 years of prior experience
27 operating a cannabis cultivation business in the State pursuant to a registration issued under
28 the Maine Medical Use of Cannabis Act or a license issued under the Cannabis Legalization
29 Act and realized less than \$300,000 of total gross revenue from that business during the
30 prior calendar year.

31 **§1020-G. Services offered**

32 The authority shall design the program to offer to participants satisfying the eligibility
33 criteria in section 1020-F the following direct services:

34 **1. Regulatory assistance.** Assistance in applying for and successfully obtaining
35 registration under the Maine Medical Use of Cannabis Act or licensure under the Cannabis
36 Legalization Act and in maintaining compliance with applicable requirements of those
37 programs for the cannabis business the participant seeks to operate or is operating,
38 including, but not limited to, assistance with community engagement activities in the

1 community in which the cannabis business is located or to be located if community
2 approval is required for the registration or licensure of the business;

3 **2. Real estate and other contracting.** Assistance in identifying, negotiating and
4 obtaining real estate and other contracts and related services necessary to the establishment
5 and operation of the cannabis business the participant seeks to operate or is operating;

6 **3. Safety and security consulting.** Assistance in connecting and consulting with
7 cannabis safety and security consultants familiar with the Maine Medical Use of Cannabis
8 Act and the Cannabis Legalization Act as necessary for the establishment and operation of
9 the cannabis business the participant seeks to operate or is operating;

10 **4. Business and financial planning.** Assistance with the development of business or
11 financial plans for the establishment and operation of the cannabis business the participant
12 seeks to operate or is operating, including, but not limited to, assistance with applying for
13 and obtaining low-interest business loans and in connecting with and securing financing
14 from accredited investors; and

15 **5. Other services.** Any other necessary services as determined by the authority.

16 **§1020-H. Cannabis Business Equity Fund**

17 The Cannabis Business Equity Fund, referred to in this chapter as "the fund," is created
18 under the jurisdiction and control of the authority. The fund, which is nonlapsing, must
19 receive all money appropriated or allocated for inclusion in the fund and any other money
20 received by the authority to support the establishment and administration of the program.
21 The authority may expend money in the fund to support the program, including, but not
22 limited to, to employ consultants, contract for services and enter into agreements with
23 public and private entities as necessary for the establishment and administration of the
24 program and to support the provision to program participants of the direct services
25 described in section 1020-G.

26 **Sec. 3. Transfer funds.** Notwithstanding any provision of law to the contrary, the
27 State Controller shall transfer \$2,000,000 by June 30, 2024 from the Adult Use Cannabis
28 Public Health and Safety and Municipal Opt-in Fund, Other Special Revenue Funds
29 account in the Department of Administrative and Financial Services to the Cannabis
30 Business Equity Fund established in the Maine Revised Statutes, Title 10, section 1020-H.

31 **Sec. 4. Appropriations and allocations.** The following appropriations and
32 allocations are made.

33 **FINANCE AUTHORITY OF MAINE**

34 **Cannabis Business Equity Fund N429**

35 Initiative: Allocates one-time funds to support the establishment and administration of a
36 cannabis business equity program to encourage eligible individuals to apply for registration
37 under the Maine Medical Use of Cannabis Act or for licensure under the Cannabis
38 Legalization Act and to provide related direct support services to such individuals and to
39 other eligible individuals already registered or licensed under those programs.

40 OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
41 All Other	\$2,000,000	\$0
42		
43 OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$2,000,000</u>	<u>\$0</u>

SUMMARY

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This bill directs the Finance Authority of Maine to establish and administer a cannabis business equity program designed to encourage eligible individuals to apply for registration under the Maine Medical Use of Cannabis Act or for licensure under the Cannabis Legalization Act and to provide related direct support services to such individuals. Applicants to the program must have been previously convicted of and incarcerated for a cannabis-related crime, be a member of a historically disinvested community or have at least 4 years of prior experience operating a cannabis cultivation business in the State that realized less than \$300,000 in total gross revenue in the prior calendar year. Services provided under the program include assistance with regulatory compliance, real estate and other contracting, safety and security consulting and business and financial planning. The bill directs the State Controller to transfer \$2,000,000 by June 30, 2024 from the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund, Other Special Revenue Funds account in the Department of Administrative and Financial Services to the Cannabis Business Equity Fund, which is established in the bill as part of the cannabis business equity program.