MAINE STATE LEGISLATURE

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LD 1880 Majority Date 6/21/23(Filing No. H-684) 3 VETERANS AND LEGAL AFFAIRS 4 Reproduced and distributed under the direction of the Clerk of the House 5 STATE OF MAINE 6 HOUSE OF REPRESENTATIVES 7 131ST LEGISLATURE 8 FIRST SPECIAL SESSION COMMITTEE AMENDMENT " \mathcal{A} " to H P 1205, L D 1880, "An Act to Amend the Adult Use Cannabis Laws" 9 10 11 Amend the bill by striking out everything after the enacting clause and inserting the 12 following 13 'Sec. 1. 28-B MRSA §105, first ¶, as amended by PL 2021, c 628, §1 and c 669, 14 §5, is further amended to read 15 The department shall implement and administer a system, referred to in this section as 16 "the tracking system," for the tracking of cannabis plants, adult use cannabis and adult use 17 cannabis products from immature cannabis plant to the point of retail sale, return, disposal 18 or destruction. The tracking system must allow for cannabis plants at the stage of 19 cultivation and upon transfer from the stage of cultivation to another licensee to be tracked 20 by group The department may implement a tracking system that allows adult use cannabis 21 or adult use cannabis products to be tracked by group 22 Sec. 2. 28-B MRSA §105, 2nd ¶, as enacted by PL 2021, c 628, §1 and amended 23 by c 669, §5, is further amended to read 24 The department shall ensure that the system implemented and administered under this 25 section, whether tracking individually or by group, maintains a detailed record at every 26 stage from immature cannabis plant to the point of retail sale, return, disposal or 27 destruction 28 Sec. 3. 28-B MRSA §114 is enacted to read 29 §114. Confidentiality 30 The home or business address, telephone number and e-mail address of the applicant, 31 employees of the applicant and all natural persons having a direct or inducet financial 32 interest in the applied-foi license are confidential 33 Sec. 4. 28-B MRSA §501, sub-§3, ¶D, as enacted by PL 2017, c 409, Pt A, §6

Page 1 - 131LR1147(02)

and amended by PL 2021, c 669, §5, is further amended to read

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- D A nursery cultivation facility may sell to consumers only immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis <u>pursuant to subsection 11 or from the nursery cultivation facility under this paragraph</u> Sales to consumers by <u>from</u> a nursery cultivation facility
 - (1) Must be conducted within a portion of the licensed premises of the nursery cultivation facility that is dedicated to consumer sales of immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis. A nursery cultivation facility licensee shall ensure that the portion of the licensed premises of the nursery cultivation facility that is dedicated to consumer sales complies with all applicable requirements of this chapter and the rules adopted pursuant to this chapter concerning the operation of cannabis stores, and
 - (2) Are subject to the sales tax imposed pursuant to Title 36, section 1811 and must be collected and remitted as required by subsection 9
- Sec. 5. 28-B MRSA §501, sub-§10, as enacted by PL 2017, c 409, Pt A, §6 and amended by PL 2021, c 669, §5, is further amended to read
- 10. Tracking. In accordance with the requirements of section 105, a cultivation facility licensee shall track the adult use cannabis it cultivates from immature cannabis plant to the point at which the cannabis plant or the cannabis produced by the cannabis plant is delivered or transferred to a products manufacturing facility, a testing facility, a cannabis store or another cultivation facility or is disposed of or destroyed If a cultivation facility receives a return of a cannabis plant, cannabis flower or cannabis trim from a products manufacturing facility, a cannabis store or another cultivation facility, the cultivation facility licensee receiving the return shall track the returned cannabis plant, cannabis flower or cannabis trim to the point at which the return is transferred to a products manufacturing facility, a testing facility, a cannabis store or a cultivation facility or is disposed of or destroyed

Sec. 6. 28-B MRSA §501, sub-§11 is enacted to read

- 11. Delivery service. A tier 1 cultivation facility under section 301, subsection 1, a tier 2 cultivation facility under section 301, subsection 2 and a nursery cultivation facility may sell to consumers through a delivery service operated under the same requirements as for cannabis stores under section 504, subsection 9, but a nursery cultivation facility may sell under this subsection only those items authorized for sale under subsection 3, paragraph D A cultivation facility authorized to conduct retail sales under this subsection shall ensure that the tax imposed on the sale of adult use cannabis and adult use cannabis products to a consumer pursuant to Title 36, section 1811 is collected and remitted in accordance with the requirements of Title 36, Part 3 and the rules adopted pursuant to Title 36, Part 3
- Sec. 7. 28-B MRSA §502, sub-§13, as enacted by PL 2017, c 409, Pt A, §6 and amended by PL 2021, c 669, §5, is further amended to read
- 13. Tracking. In accordance with the requirements of section 105, a products manufacturing facility licensee shall track the adult use cannabis it uses in its manufacturing processes from the point the cannabis is delivered or transferred to the products manufacturing facility by a cultivation facility to the point the cannabis or cannabis concentrate or an adult use cannabis product produced using the cannabis or

Page 2 - 131LR1147(02)

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cannabis concentrate is delivered or transferred to another products manufacturing facility, a testing facility or a cannabis store or is disposed of or destroyed <u>If a products manufacturing facility licensee receives a return of cannabis, cannabis concentrate or an adult use cannabis product from another products manufacturing facility or a cannabis store, the products manufacturing facility licensee shall track the cannabis, cannabis concentrate or adult use cannabis product until transferred, whether in its original form or as a cannabis product, to another products manufacturing facility or a cannabis store or disposed of or destroyed</u>

Sec. 8. 28-B MRSA §502, sub-§14 is enacted to read

- 14. Return of cannabis plant, flower or trim. Notwithstanding any provision of law to the contrary, a products manufacturing facility licensee may return a cannabis plant, cannabis flower or cannabis trim to a cultivation facility from which the cannabis plant, cannabis flower or cannabis trim was received, as long as the products manufacturing facility licensee tracks the cannabis plant, cannabis flower or cannabis trim until transferred to the cultivation facility and as long as the cultivation facility accepts returns
- Sec. 9. 28-B MRSA §504, sub-§8, as enacted by PL 2017, c 409, Pt A, §6 and amended by PL 2021, c. 669, §5, is further amended to read
- 8. Tracking. In accordance with the requirements of section 105, a cannabis store licensee shall track all adult use cannabis and adult use cannabis products from the point at which the cannabis or cannabis products are delivered or transferred to the cannabis store by a cultivation facility or a products manufacturing facility to the point at which the cannabis or cannabis products are sold to a consumer, are delivered or transferred to a testing facility, are returned to a cultivation facility or a products manufacturing facility from which the cannabis or cannabis products were received or are disposed of or destroyed
- Sec. 10. 28-B MRSA §504, sub-§9, as enacted by PL 2021, c 667, §3 and amended by c 669, §5, is further amended to read
- 9. Limited delivery service. A cannabis store, cultivation facility or products manufacturing facility may operate a limited delivery service for the delivery of immature cannabis plants, seedlings, adult use cannabis and adult use cannabis products in accordance with the requirements of this subsection. A cannabis store may not deliver adult use cannabis or an immature cannabis plant, seedling or adult use cannabis product to a person under 21 years of age. A municipality may not prohibit delivery of adult use cannabis and adult use cannabis products authorized under this subsection.
 - A A cannabis store, <u>cultivation facility</u> or <u>products manufacturing facility</u> operating a limited delivery service shall ensure that cannabis store employees engaging in delivery have received training, prescribed by the department by rule, on how to properly verify the age of a person making a purchase for delivery and how to ensure that no deliveries are made to a person under 21 years of age
 - B A cannabis store, cultivation facility or products manufacturing facility operating a limited delivery service may deliver only to a residential dwelling and may not deliver to any residential dwelling located to any location in a municipality, except locations within a safe zone designated by a municipality under Title 30-A, section 3253 A cannabis store operating a limited delivery service may deliver to a residential dwelling

Page 3 - 131LR1147(02)

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1 2	in any municipality in the State regardless of whether the municipality has approved the operation of cannabis stores
3 4 5 6 7 8 9	C A cannabis store, cultivation facility or products manufacturing facility operating a limited delivery service may deliver to a hotel or business as long as the cannabis store, cultivation facility or products manufacturing facility has received written consent for delivery to the hotel or business from an authorized employee of the hotel or business and the cannabis store, cultivation facility or products manufacturing facility retains a copy of the written consent. The written consent must be maintained and open to inspection by the department in accordance with section 511
10 11 12	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
13	Sec. 11. 28-B MRSA §504, sub-§11 is enacted to read
14 15 16 17 18 19 20 21	11. Return of adult use cannabis. Notwithstanding any provision of law to the contrary, a cannabis store licensee may return a cannabis plant, cannabis flower and cannabis trim to a cultivation facility from which the cannabis plant, cannabis flower or cannabis trim was received, or return cannabis or cannabis products to the products manufacturing facility from which the cannabis or cannabis product was received, as long as the cannabis store licensee tracks the return as required in subsection 8 until transferred to the cultivation facility or products manufacturing facility and as long as the cultivation facility or products manufacturing facility accepts returns.
22 23	Sec. 12. 28-B MRSA §602, sub-§1, ¶C, as enacted by PL 2017, c 409, Pt A, §6, is amended to read
24 25	C Dangerous <u>yeasts</u> , molds and mildew <u>as specified in rules adopted by the department</u> ,
26	Sec. 13. 28-B MRSA §602, sub-§1-A is enacted to read
27 28 29 30 31	1-A. Testing of returns. Cannabis and cannabis products returned pursuant to section 502, subsection 14 or section 504, subsection 11 must be tested prior to being resold or redistributed. The department may limit the mandatory testing required for returned cannabis and cannabis products by rule. Rules adopted pursuant to this subsection are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.
32 33	Sec. 14. 28-B MRSA §702, sub-§1, ¶B, as enacted by PL 2017, c 409, Pt A, §6, is repealed
34 35	Sec. 15. 28-B MRSA §702, sub-§2, ¶C, as enacted by PL 2017, c 409, Pt A, §6, is amended to read
36	C A prohibition on opt-in advertising or marketing that does not permit an easy and

Sec. 16. 28-B MRSA 9702, sub-92, 10, as enacted by PL 2017, c 409, Pt A, 6, is amended to read

permanent opt-out feature; and

D A prohibition on advertising or marketing directed toward location-based devices, including, but not limited to, cellular telephones, unless the marketing is a mobile

Page 4 - 131LR1147(02)

COMMITTEE AMENDMENT

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1 2	device application installed on the device by the owner of the device who is 21 years of age or older and includes a permanent and easy opt-out feature, and
3	Sec. 17. 28-B MRSA §702, sub-§2, ¶E is enacted to read
4 5	E Specific limitations on signs, advertising and marketing to minimize the appeal of adult use cannabis and adult use cannabis products to persons under 21 years of age
6	Sec. 18. 28-B MRSA §702, sub-§3 is enacted to read
7 8 9 10 11	3. Restrictions on signs, advertising and marketing. A licensee may advertise or market the promotion of the licensee's business and adult use cannabis and adult use cannabis products sold by the licensee, including the display of a sign on the licensed premises and off the licensed premises on the exterior of a motor vehicle in accordance with this section
12 13	Sec. 19. 28-B MRSA §703, sub-§1, ¶F, as amended by PL 2021, c 558, §4, is further amended to read
14 15 16 17 18 19 20	F May not contain more than 10 milligrams of THC per serving of the product and may not contain more than 100 200 milligrams of THC per package of the product, with an allowable variance rate of 10%, except that the allowable variance may not be less than 0 6 milligrams or greater than 5 milligrams. In the calculation of the amount of THC allowed under this paragraph, the allowable variance rate must be in addition to the allowable variance rate applicable to a testing facility pursuant to section 602, subsection 3,
21 22	Sec. 20. 28-B MRSA §1501, sub-§1, ¶B, as enacted by PL 2017, c 409, Pt A, §6 and amended by PL 2021, c 669, §5, is further amended to read
23 24 25	B Use, possess or transport at any one time up to 2 $1/2$ ounces of cannabis or 2 $1/2$ ounces of a combination of cannabis and cannabis concentrate that includes no more than $5 \underline{10}$ grams of cannabis concentrate,
26 27	Sec. 21. 28-B MRSA §1501, sub-§1, ¶C, as enacted by PL 2017, c 409, Pt A, §6 and amended by PL 2021, c 669, §5, is further amended to read
28 29 30	C Transfer or furnish, without remuneration, to a person 21 years of age of older up to 2 $1/2$ ounces of cannabis or 2 $1/2$ ounces of a combination of cannabis and cannabis concentrate that includes no more than $5 \underline{10}$ grams of cannabis concentrate,
31 32	Sec. 22. 28-B MRSA §1501, sub-\$1, ¶F, as enacted by PL 2017, c 409, Pt A, §6 and amended by PL 2021, c 669, §5, is further amended to read
33 34 35 36	F Subject to the limitations imposed under paragraph B, purchase up to 2 1/2 ounces of adult use cannabis or 2 1/2 ounces of a combination of adult use cannabis and cannabis concentrate that includes no more than 5 10 grams of cannabis concentrate from a cannabis store; and'
37 38	Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively

Page 5 - 131LR1147(02)

COMMITTEE AMENDMENT

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SUMMARY

This amendment, which is the majority report of the committee, replaces the bill It clarifies that adult use cannabis and adult use cannabis products may be returned by a licensee to the licensee from which the cannabis or cannabis product was received It allows a cannabis store to deliver in municipalities that have not approved the operation of cannabis stores and to deliver to businesses or hotels if written consent is given by an authorized employee of the business or hotel It replaces the advertising and marketing restrictions on advertising and marketing designed or likely to reach persons under 21 years of age with a requirement that the Department of Administrative and Financial Services adopt rules that identify specific limitations on signs, advertising and marketing to minimize the appeal of adult use cannabis and adult use cannabis products to persons under 21 years of age It removes or increases certain limitations on the amount of tetrahydrocannabinol, or THC, cannabis and cannabis concentrate that may be used, possessed, transported or furnished It makes the personal information of a licensee and the licensee's employees included on an application confidential The amendment allows cultivation facilities, nursery cultivation facilities and products manufacturing facilities to operate a limited delivery service. It allows advertising and marketing of the business and products with signs on the premises and on the exterior of a motor vehicle

FISCAL NOTE REQUIRED

(See attached)

Page 6 - 131LR1147(02)



131st MAINE LEGISLATURE

LD 1880

LR 1147(02)

An Act to Amend the Adult Use Cannabis Laws

Fiscal Note for Bill as Amended by Committee Amendment "\" (H-684)

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund

Fiscal Detail and Notes

Any additional costs to the Office of Cannabis Policy to implement the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources