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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND THIRTY-FIRST LEGISLATURE

SECOND REGULAR SESSION
January 3, 2024 to May 10, 2024

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
AUGUST 9, 2024

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH THE MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Augusta, Maine
2024

(b) An antique firearm, as defined in 18 United States Code, Section 921(a)(16);
or

(3) A background check is not required under federal or state law.

See title page for effective date.

CHAPTER 679
S.P. 32 - L.D. 40

**An Act to Protect Liberty and
Advance Justice in the
Administration and
Enforcement of the Cannabis
Legalization Act and the Maine
Medical Use of Cannabis Act**

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

PART A

Sec. A-1. 3 MRSA §959, sub-§1, ¶J, as amended by PL 2021, c. 617, §1, is further amended to read:

J. The joint standing committee of the Legislature having jurisdiction over veterans and legal affairs shall use the following list as a guideline for scheduling reviews:

- (2) State Liquor and Lottery Commission in 2023;
- (3) ~~The~~ Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations with regard to the enforcement of the law relating to the manufacture, importation, storage, transportation and sale of all liquor and the laws relating to licensing and the collection of taxes on malt liquor and wine in 2023; ~~and~~
- (4) Department of Defense, Veterans and Emergency Management in 2027, except for the Maine Emergency Management Agency within the department; ~~and~~
- (5) Department of Administrative and Financial Services, Office of Cannabis Policy with regard to the administration and enforcement of the laws relating to the Cannabis Legalization Act and the Maine Medical Use of Cannabis Act in 2031.

Sec. A-2. 3 MRSA §959, sub-§1, ¶S, as enacted by PL 2021, c. 617, §1 and amended by c. 669, §5, is repealed.

Sec. A-3. 22 MRSA §2421-A is enacted to read:

§2421-A. Definitions

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

1. Assistant. "Assistant" means an individual who is paid to perform a service for a registrant, whether as an employee or independent contractor, in accordance with this chapter.

2. Cannabis concentrate. "Cannabis concentrate" means the resin extracted from any part of a cannabis plant and every compound, manufacture, salt, derivative, mixture or preparation from such resin, including, but not limited to, hashish. "Cannabis concentrate" does not include resin extracted from hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

3. Cannabis extraction. "Cannabis extraction" means the process of extracting cannabis concentrate from harvested cannabis using water, lipids, gases, solvents or other chemicals or chemical processes. "Cannabis extraction" does not include the process of extracting concentrate from hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

4. Cannabis Legalization Act. "Cannabis Legalization Act" means the laws governing adult use of cannabis under Title 28-B, chapter 1.

5. Cannabis paraphernalia. "Cannabis paraphernalia" means equipment, products, devices and materials that are used for planting, propagating, cultivating, harvesting, processing, preparing, testing, packaging or storing cannabis for medical use or used for ingesting, inhaling or otherwise consuming cannabis for medical use. "Cannabis paraphernalia" includes, but is not limited to:

- A. Kits used for planting, propagating, cultivating or harvesting a cannabis plant;
- B. Isomerization devices used for adjusting the potency of a cannabis plant;
- C. Testing equipment used for identifying or analyzing the potency, effectiveness or purity of a cannabis plant or harvested cannabis;
- D. Scales and balances used for weighing or measuring harvested cannabis;
- E. Separation gins and sifters used for removing twigs and seeds from, or in otherwise cleaning or refining, harvested cannabis;
- F. Envelopes and other containers used for packaging small quantities of harvested cannabis for medical use;
- G. Containers and other objects used for storing harvested cannabis;
- H. Rolling papers, cigarette papers or wraps used for rolling harvested cannabis for smoking;

I. Metal, wooden, acrylic, glass, stone, plastic or ceramic pipes, with or without screens, chillums or punctured metal bowls used for smoking harvested cannabis; and

J. Electronic smoking devices used for simulating the smoking of harvested cannabis or cannabis products through the inhalation of vapor or aerosol from the device.

6. Cannabis plant. "Cannabis plant" means a plant of the genus *Cannabis sativa* L. "Cannabis plant" does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

7. Cannabis product. "Cannabis product" means a product composed of harvested cannabis and other ingredients that is intended for medical use. "Cannabis product" includes, but is not limited to, an edible cannabis product, a cannabis ointment and a cannabis tincture. "Cannabis product" does not include cannabis concentrate or a product containing hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

8. Cannabis testing facility. "Cannabis testing facility" means a public or private laboratory that is:

A. Authorized in accordance with section 2423-A, subsection 10 to analyze contaminants in and the potency and cannabinoid profile of samples; and

B. Accredited pursuant to standard ISO/IEC 17025 of the International Organization for Standardization by a 3rd-party accrediting body or is certified, registered or accredited by an organization approved by the office.

9. Cannabis tincture. "Cannabis tincture" means a solution that is intended to be consumed orally and is prepared from harvested cannabis blended with an edible solvent.

10. Cardholder. "Cardholder" means an individual who has been issued and possesses a valid registry identification card.

11. Caregiver. "Caregiver" means an individual who provides care for a qualifying patient in accordance with this chapter.

12. Caregiver retail store. "Caregiver retail store" means a store authorized in accordance with this chapter and used by a registered caregiver to sell cannabis paraphernalia, cannabis plants, harvested cannabis, related supplies or educational materials to qualifying patients and other items to the general public at a fixed location.

13. Certified nurse practitioner. "Certified nurse practitioner" means a registered professional nurse licensed under Title 32, chapter 31 who has received postgraduate education designed to prepare the nurse for advanced practice registered nursing in a clinical specialty in nursing that has a defined scope of practice and who has been certified in the clinical specialty by a

national certifying organization acceptable to the State Board of Nursing.

14. Child-resistant. "Child-resistant" means, with respect to packaging or a container:

A. Specially designed or constructed to be significantly difficult for a typical child under 5-years of age to open and not to be significantly difficult for a typical adult to open and reseal; and

B. With respect to any product intended for more than a single use or that contains multiple servings, resealable.

15. Commissioner. "Commissioner" means the Commissioner of Administrative and Financial Services.

16. Complete application. "Complete application" means, with respect to an application for a registry identification card or a registration certificate, that:

A. The applicant has completed and submitted to the office all application forms required and provided by the office;

B. If required by the office pursuant to this chapter, the applicant has submitted to a criminal history record check;

C. If applying for a registry identification card for a caregiver or a registration certificate for a dispensary, the applicant has registered with the State Tax Assessor pursuant to Title 36, section 1754-B to collect and remit the sales tax on the sale of harvested cannabis imposed under Title 36, section 1811 and has provided to the office documentation of the registration; and

D. If applying for a registration certificate for a dispensary, the applicant has submitted to the office documentation sufficient to show that the applicant has fulfilled any applicable municipal authorization requirements for the municipality in which the applicant intends to operate the dispensary.

17. Cultivation area. "Cultivation area" means an indoor or outdoor area used for cultivation of mature cannabis plants, immature cannabis plants or seedlings in accordance with this chapter. A cultivation area may include multiple indoor or outdoor areas, whether contiguous or noncontiguous, on the same parcel or tract of land.

18. Department. "Department" means the Department of Administrative and Financial Services.

19. Disqualifying drug offense. "Disqualifying drug offense" means a conviction for a violation of a state or federal controlled substance law that is a crime punishable by imprisonment for one year or more. It does not include:

A. An offense for which the sentence, including any term of probation, incarceration or supervised release, was completed 5 or more years earlier;

B. An offense that consisted of conduct that would have been permitted under this chapter; or

C. An offense that consisted of conduct that would be authorized under Title 28-B or that, if the person convicted of the offense had been acting under the authority of a license pursuant to Title 28-B, would have been authorized under Title 28-B.

20. Edible cannabis product. "Edible cannabis product" means a cannabis product intended to be consumed orally, including, but not limited to, any type of food, drink or pill containing harvested cannabis. "Edible cannabis product" does not include an edible product containing hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

21. Harvested cannabis. "Harvested cannabis" means the plant material harvested from a mature cannabis plant, except the stalks, leaves and roots of the plant that are not used for a qualifying patient's medical use. "Harvested cannabis" includes cannabis concentrate and cannabis products. "Harvested cannabis" does not include plant material harvested from hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

22. Immature cannabis plant. "Immature cannabis plant" means a cannabis plant that is not a mature cannabis plant or seedling. "Immature cannabis plant" does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

23. Immature plant canopy. "Immature plant canopy" means the total surface area within a cultivation area where immature cannabis plants are growing. The surface area of the immature plant canopy must be calculated in square feet and measured using the outside boundaries of the area and must include all of the area within the boundaries. If the surface area of the immature plant canopy consists of noncontiguous areas, each component area must be separated by identifiable boundaries. If a tiered or shelving system is used in the cultivation area, the surface area of each tier or shelf must be included in calculating the area of the immature plant canopy. Calculation of the surface area of the immature plant canopy may not include the areas within the cultivation area that are not used at any time to cultivate immature cannabis plants.

24. Inherently hazardous substance. "Inherently hazardous substance" means a liquid chemical; a compressed gas; carbon dioxide; or a commercial product that has a flash point at or lower than 100 degrees Fahrenheit, including, but not limited to, butane, propane and diethyl ether. "Inherently hazardous substance" does not include any form of alcohol or ethanol.

25. Long-term care facility. "Long-term care facility" means a hospice provider facility licensed under chapter 1681; a nursing facility licensed under chapter 405; an assisted living facility licensed under chapter 1663 or 1664; or a facility or program licensed under chapter 1663 that provides care for a qualifying patient in accordance with this chapter.

26. Manufacture or manufacturing. "Manufacture" or "manufacturing" means the production, blending, infusing, compounding or other preparation of cannabis concentrate and cannabis products, including, but not limited to, cannabis extraction or preparation by means of chemical synthesis.

27. Manufacturing facility. "Manufacturing facility" means a registered tier 1 or tier 2 manufacturing facility or a person authorized to engage in cannabis extraction in accordance with this chapter.

28. Mature cannabis plant. "Mature cannabis plant" means a flowering female cannabis plant. "Mature cannabis plant" does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

29. Mature plant canopy. "Mature plant canopy" means the total surface area within a cultivation area where mature cannabis plants are growing. The surface area of the mature plant canopy must be calculated in square feet and measured using the outside boundaries of the area and must include all of the area within the boundaries. If the surface area of the mature plant canopy consists of noncontiguous areas, each component area must be separated by identifiable boundaries. If a tiered or shelving system is used in the cultivation area, the surface area of each tier or shelf must be included in calculating the area of the mature plant canopy. Calculation of the surface area of the mature plant canopy may not include the areas within the cultivation area that are not used at any time to cultivate mature cannabis plants.

30. Medical provider. "Medical provider" means a physician, a certified nurse practitioner or a physician assistant.

31. Medical use. "Medical use" means the acquisition, possession, cultivation, manufacture, use, delivery, transfer or transportation of cannabis or cannabis paraphernalia relating to the administration of cannabis to treat or alleviate a qualifying patient's medical diagnosis or symptoms for which a medical provider has provided the qualifying patient a written certification under this chapter.

32. Member of the family. "Member of the family" means an individual who is a resident of the State and who is a spouse, domestic partner, child, sibling, sibling of a parent, child of a sibling, parent, stepparent, grandparent or grandchild of another individual.

33. Members of the same household. "Members of the same household" means 2 or more individuals

who are residents of the State and who reside in a shared dwelling unit.

34. Minor. "Minor" means a person who has not attained 21 years of age.

35. Office. "Office" means the Office of Cannabis Policy established in Title 28-B, section 104-A within the department.

36. Officer or director. "Officer or director" means, when used with respect to any nonprofit, for-profit or other organization governed by this chapter, a director, manager, shareholder, board member, partner or other individual holding a management position or ownership interest in the organization.

37. Physician. "Physician" means an individual licensed as an osteopathic physician by the Board of Osteopathic Licensure pursuant to Title 32, chapter 36 or an individual licensed as a physician or surgeon by the Board of Licensure in Medicine pursuant to Title 32, chapter 48 who is in good standing and who holds a valid federal Drug Enforcement Administration license to prescribe drugs.

38. Physician assistant. "Physician assistant" means an individual licensed as a physician assistant by the Board of Osteopathic Licensure pursuant to Title 32, chapter 36 or an individual licensed as a physician assistant by the Board of Licensure in Medicine pursuant to Title 32, chapter 48 who is in good standing and who holds a valid federal Drug Enforcement Administration license to prescribe drugs.

39. Qualifying patient. "Qualifying patient" means an individual who has been a resident of the State for at least 30 days and who possesses a valid written certification regarding medical use of cannabis in accordance with this chapter.

40. Registered caregiver. "Registered caregiver" means a caregiver who is registered by the office pursuant to this chapter.

41. Registered dispensary. "Registered dispensary" means an entity registered in accordance with this chapter that acquires, possesses, cultivates, manufactures, delivers, transfers, transports, sells, supplies or dispenses cannabis paraphernalia, cannabis plants, harvested cannabis, related supplies or educational materials to qualifying patients and the caregivers of those patients.

42. Registrant. "Registrant" means a registered caregiver, dispensary, cannabis testing facility, manufacturing facility or person authorized to engage in cannabis extraction using inherently hazardous substances under this chapter.

43. Registrant agent. "Registrant agent" means an assistant, employee, officer, director or other authorized agent of a registered caregiver, dispensary, cannabis testing facility, manufacturing facility or person autho-

ized to engage in cannabis extraction using inherently hazardous substances under this chapter.

44. Registration certificate. "Registration certificate" means a document issued by the office that identifies a person who has registered with the office in accordance with this chapter.

45. Registry identification card. "Registry identification card" means a document issued by the office that identifies an individual who has registered with the office in accordance with this chapter.

46. Remuneration. "Remuneration" means a donation or any other monetary payment received directly or indirectly by a person in exchange for goods or services as part of a transaction in which cannabis for medical use is transferred or furnished by that person to another person.

47. Sample. "Sample" means a cannabis plant or harvested cannabis that is provided for testing or research purposes to a cannabis testing facility.

48. Seedling. "Seedling" means a cannabis plant or rooted cutting that is:

- A. Not flowering;
- B. Less than 24 inches in height; and
- C. Less than 24 inches in width.

49. Tamper-evident. "Tamper-evident" means, with respect to a device or process, bearing a seal, a label or a marking that makes unauthorized access to or tampering with a package, product or container easily detectable.

50. Tamper-resistant paper. "Tamper-resistant paper" means paper that possesses an industry-recognized feature that prevents copying of the paper, erasure or modification of information on the paper and the use of counterfeit documentation.

51. Telehealth services. "Telehealth services" means health care services delivered through the use of information technology. "Telehealth services" includes synchronous encounters, store and forward transfers, telemonitoring and asynchronous encounters.

As used in this subsection, the following terms have the following meanings.

A. "Asynchronous encounter" means an interaction between an individual and a medical provider through a system that has the ability to store digital information, including, but not limited to, still images, video files, audio files, text files and other relevant data, and to transmit such information without requiring the simultaneous presence of the individual and the medical provider.

B. "Store and forward transfer" means the transmission of an individual's records through a secure electronic system to a medical provider.

C. "Synchronous encounter" means a real-time interaction conducted with an interactive audio or video connection between an individual and a medical provider or between a medical provider and another medical provider.

D. "Telemonitoring" means the use of information technology to remotely monitor an individual's health status via electronic means, allowing the medical provider to track the individual's health data over time.

52. Timely filed. "Timely filed" means, with respect to an application submitted for renewal of a registry identification card or an application submitted for renewal of a registration certificate, that the applicant submits a complete application to the office no sooner than 60 days and no later than 30 days prior to the expiration date of the current registry identification card or the current registration certificate.

53. Visiting qualifying patient. "Visiting qualifying patient" means a patient who is authorized for the medical use of cannabis in this State and who is not a resident of the State or who has been a resident of the State less than 30 days.

54. Written certification. "Written certification" means a document signed by a medical provider and issued to a qualifying patient, or a digital image of that document issued by the medical provider that states that, in the medical provider's professional opinion, the patient is likely to receive therapeutic or palliative benefit from the medical use of cannabis to treat or alleviate the patient's medical diagnosis or symptoms associated with the medical diagnosis.

Sec. A-4. 22 MRSA §2422, as amended by PL 2023, c. 6, §1, is repealed.

Sec. A-5. 22 MRSA §2423-A, sub-§2, as amended by PL 2023, c. 6, §§2 to 4, is further amended to read:

2. Caregiver. Except as provided in section 2426, a caregiver, for the purpose of assisting a qualifying patient with the patient's medical use of cannabis, may engage in the following authorized conduct if the caregiver is a resident of the State, is 21 years of age or older and has not been convicted of a disqualifying drug offense:

A. Possess all harvested cannabis produced by the caregiver's cultivation of cannabis plants under paragraph B;

A-1. Transfer up to 2 1/2 ounces of harvested cannabis to a qualifying patient in one transaction, except that a caregiver may not dispense more than 2 1/2 ounces of harvested cannabis to a visiting qualifying patient during a 15-day period;

B. Cultivate up to 30 mature cannabis plants, up to 60 immature cannabis plants and unlimited seedlings or cultivate up to 500 square feet of mature plant canopy, up to 1,000 square feet of immature plant canopy and unlimited seedlings. A caregiver may not cultivate immature plants by canopy if cultivating mature plants by plant count and may not cultivate immature plants by plant count if cultivating mature plants by canopy;

C-1. Assist a qualifying patient with the patient's medical use of cannabis;

E. Receive reasonable monetary compensation for costs associated with cultivating cannabis plants or assisting a qualifying patient with that patient's medical use of cannabis;

F. Be in the presence or vicinity of the medical use of cannabis and assist any patient with the medical use, administration or preparation of cannabis;

G. Manufacture cannabis products and cannabis concentrate for medical use, except that a caregiver may not manufacture food, as defined in section 2152, subsection 4, unless the caregiver is licensed pursuant to section 2167 and except that a caregiver may not produce cannabis concentrate using inherently hazardous substances unless authorized pursuant to section 2423-F, subsection 3;

I. Hire any number of assistants who are 21 years of age or older to assist in performing the duties of the caregiver;

I-1. Hire any number of assistants who are 18 years of age or older and under 21 years of age if they are also a member of the family of the caregiver to assist in performing the duties of the caregiver;

J. Use a pesticide in the cultivation of cannabis plants if the pesticide is used consistent with federal labeling requirements, is registered with the Department of Agriculture, Conservation and Forestry, Board of Pesticides Control pursuant to Title 7, section 607 and is used consistent with best management practices for pest management approved by the Commissioner of Agriculture, Conservation and Forestry. A registered caregiver may not in the cultivation of cannabis plants use a pesticide unless the registered caregiver or the registered caregiver's assistant is certified in the application of the pesticide pursuant to section 1471-D and any assistant who has direct contact with treated plants has completed safety training pursuant to 40 Code of Federal Regulations, Section 170.130. An assistant of the registered caregiver who is not certified pursuant to section 1471-D and who is involved in the application of the pesticide or handling of the pesticide or equipment must first complete safety training described in 40 Code of Federal Regulations, Section 170.230;

K. Transfer immature cannabis plants, seedlings, seeds and harvested cannabis to a qualifying patient, another caregiver or a registered dispensary for reasonable compensation or for no remuneration;

K-1. Transfer to and accept from another registered caregiver or a dispensary cannabis plants and harvested cannabis in a wholesale transaction in accordance with this paragraph. A registered caregiver may transfer in wholesale transactions for reasonable compensation or for no remuneration an unlimited amount of the mature cannabis plants grown by the caregiver over the course of a calendar year, including any cannabis products or cannabis concentrate manufactured from mature cannabis plants grown by the caregiver. A registered caregiver may transfer to or accept from other registered caregivers and dispensaries in wholesale transactions an unlimited amount of immature cannabis plants and seedlings. A registered caregiver that acquires mature cannabis plants, cannabis products or cannabis concentrate in a wholesale transaction under this paragraph may not resell the mature cannabis plants, cannabis products or cannabis concentrate except to a qualifying patient or to another registered caregiver or dispensary to assist a qualifying patient;

L. Provide samples to a cannabis testing facility for testing and research purposes;

M. Conduct cannabis testing at the request of anyone authorized to possess cannabis under this chapter for research and development purposes only;

N. Provide harvested cannabis to a manufacturing facility and obtain cannabis products and cannabis concentrate from the manufacturing facility that are produced from the harvested cannabis the caregiver provided to the manufacturing facility;

O. Transport cannabis plants or harvested cannabis for authorized conduct in accordance with this chapter;

P. Operate one caregiver retail store to sell harvested cannabis to qualifying patients for the patients' medical use in accordance with this chapter;

Q. Be organized as any type of legal business entity recognized under the laws of the State, including, but not limited to, a limited liability company, partnership or limited liability partnership; and

S. Notwithstanding chapter 262-A, sell, offer to sell or furnish cannabis paraphernalia to a qualifying patient, caregiver or registered dispensary for a qualifying patient's medical use of cannabis.

Sec. A-6. 22 MRSA §2423-A, sub-§3, ¶B, as amended by PL 2021, c. 662, §15 and c. 669, §5, is further amended to read:

B. A caregiver cultivating cannabis plants for a patient's medical use must keep all plants in a cultivation area unless the plants are being transported pursuant to subsection 2, paragraph O. The cultivation area must be enclosed and equipped with locks or other security devices that permit access only by a person authorized to have access to the area under this chapter.

(1) The caregiver shall ensure that the mature cannabis plants, immature cannabis plants and seedlings cultivated by the caregiver are kept in separate cultivation areas. The cultivation area for mature cannabis plants and the cultivation area for immature cannabis plants and seedlings may be located on separate parcels or tracts of land, whether the parcels or tracts of land are contiguous or noncontiguous, as long as the caregiver discloses the locations of all cultivation areas to the department. The caregiver may not maintain more than 2 cultivation areas. The caregiver shall ensure that the cultivation area for mature cannabis plants and the cultivation area for immature cannabis plants comply with the plant count or plant canopy limitations of subsection 2, paragraph B.

(2) Access to cultivation areas is limited to the caregiver, except that an elected official invited by the caregiver for the purpose of providing education to the elected official on cultivation by the caregiver, emergency services personnel, an assistant of a caregiver or a cannabis testing facility or a person who needs to gain access to a cultivation area in order to perform repairs or maintenance or to do construction may access a cultivation area to provide those professional services while under the direct supervision of the caregiver.

Sec. A-7. 22 MRSA §2423-A, sub-§10, ¶E, as repealed and replaced by PL 2023, c. 365, §2 and c. 405, Pt. A, §57, is repealed and the following enacted in its place:

E. A cannabis testing facility shall obtain and must be able to produce, upon demand of the office or a municipal code enforcement officer, documentation of the facility's accreditation pursuant to standard ISO/IEC 17025 of the International Organization for Standardization by a 3rd-party accrediting body.

Sec. A-8. 22 MRSA §2423-F, sub-§12, as repealed and replaced by PL 2019, c. 331, §17 and amended by PL 2021, c. 669, §5, is further amended to read:

12. Record keeping. A registered manufacturing facility or person authorized to engage in cannabis extraction using inherently hazardous substances under

subsection 3 shall maintain records of all transactions in accordance with section ~~2430-G~~ 2430-J.

Sec. A-9. 22 MRSA §2425-A, sub-§1, as enacted by PL 2017, c. 452, §12, is repealed.

Sec. A-10. 22 MRSA §2425-A, sub-§3, as amended by PL 2021, c. 367, §11 and c. 669, §5, is further amended by amending the first blocked paragraph to read:

The department shall conduct a criminal history record check for any applicant for a registry identification card, except that an assistant is not required to submit to a criminal history record check. The criminal history record check is valid for ~~one year~~ 2 years from the date it was conducted, regardless of the person's employment status. Except as provided in subsection 3-A, the department may not issue a registry identification card to an applicant who is not permitted under this chapter to have a disqualifying drug offense.

Sec. A-11. 22 MRSA §2425-A, sub-§3, ¶A, as enacted by PL 2017, c. 452, §12, is amended to read:

A. The ~~annual~~ fee required pursuant to subsection 10; and

Sec. A-12. 22 MRSA §2425-A, sub-§5, ¶A, as amended by PL 2023, c. 365, §§4 to 6, is further amended to read:

A. A registry identification card expires ~~one year~~ 2 years after the date of issuance, regardless of the person's employment status, except that a caregiver's registry identification card expires one year after the date of issuance. The card must contain:

- (1) The name of the cardholder;
- (2) The date of issuance and expiration date;
- (3) A ~~random~~ randomly generated unique identification number ~~that is unique~~ to the cardholder;
- (4) A clear designation showing whether the cardholder is allowed under this chapter to cultivate cannabis plants; and
- (5) A photograph of the cardholder, if required by the department.

Sec. A-13. 22 MRSA §2425-A, sub-§10, ¶J, as enacted by PL 2017, c. 452, §12 and amended by PL 2021, c. 669, §5, is further amended to read:

J. There is ~~an annual~~ a fee for a criminal history record check for a caregiver or an officer or director ~~or assistant~~ of a registered dispensary, cannabis testing facility or manufacturing facility, which may not be less than \$31 or more than \$60. The fee must be paid by the caregiver or by the registered dispensary, cannabis testing facility or manufacturing facility for an officer or director ~~or assistant~~ of

the registered dispensary, cannabis testing facility or manufacturing facility.

Sec. A-14. 22 MRSA §2425-A, sub-§11-A is enacted to read:

11-A. Temporary appointee. Notwithstanding any provision of this chapter to the contrary, in cases of death, disability, bankruptcy, judicial dissolution or other exceptional circumstances, unless a court appoints a temporary appointee, the office may approve a temporary appointee to take possession of, operate, manage, control or wind down a registrant's operations. Under such circumstances:

A. A temporary appointee must be otherwise qualified under the provisions of this chapter to be a registered caregiver or an officer or director;

B. A temporary appointee may not transfer cannabis or cannabis products for medical use without a valid registry identification card; and

C. The registrant shall submit a plan of temporary appointment, on forms made available by the office, as soon as practicable but no later than 60 days after a qualifying event.

For purposes of this subsection, "temporary appointee" means a court-appointed receiver, personal representative, executor, administrator, guardian, conservator, trustee or similarly situated person or person approved by the office pursuant to this section.

Sec. A-15. 22 MRSA §2428, sub-§6, ¶H, as amended by PL 2017, c. 452, §16, is repealed.

Sec. A-16. 22 MRSA §2428, sub-§6, ¶O is enacted to read:

O. A dispensary may not be required to have designated parking spaces in order to be issued or re-issued a registration certificate by the office.

Sec. A-17. 22 MRSA §2428, sub-§9, ¶D, as amended by PL 2017, c. 452, §16, is further amended to read:

D. A person who has been convicted of a disqualifying drug offense may not be an officer or director ~~or assistant~~ of a dispensary.

(1) A person who is an officer or director ~~or assistant~~ of a dispensary in violation of this paragraph commits a civil violation for which a fine of not more than \$1,000 may be adjudged.

(2) A person who is an officer or director ~~or assistant~~ of a dispensary in violation of this paragraph and who at the time of the violation has been previously found to have violated this paragraph ~~commits a Class D crime~~ may be subject to additional enforcement action as established by the office in rule.

Sec. A-18. 22 MRSA §2429-B, sub-§2, ¶A, as enacted by PL 2017, c. 452, §18 and amended by PL 2021, c. 669, §5, is further amended to read:

A. A prohibition on health or physical benefit claims in advertising or marketing, including, but not limited to, health or physical benefit claims on the label or packaging of harvested cannabis, except that advertising, marketing, labeling or packaging may contain qualifying patients' testimonials of how cannabis for medical use has provided palliative or therapeutic effects for the patients' conditions. All testimonials must contain the following disclaimer: "This statement has not been evaluated by the United States Food and Drug Administration. This product is not intended to diagnose, treat, cure or prevent any disease";

Sec. A-19. 22 MRSA §2429-C, sub-§4, as enacted by PL 2017, c. 452, §18, is repealed and the following enacted in its place:

4. Adulterated or misbranded. May not be adulterated or misbranded as prohibited in sections 2156 and 2157, respectively, or contain additives specifically formulated to increase the addictiveness of the edible cannabis product; and

Sec. A-20. 22 MRSA §2430-D, first ¶, as enacted by PL 2017, c. 452, §24, is amended to read:

Collectives are prohibited under this chapter. A person may not form or participate in a collective. For purposes of this section, "collective" means an association, cooperative, affiliation or group of caregivers who physically assist each other in the act of cultivation, processing or distribution of cannabis for medical use for the benefit of the members of the collective. The following relationships are not collectives and are not prohibited:

Sec. A-21. 22 MRSA §2430-D, sub-§2, as enacted by PL 2017, c. 452, §24, is amended to read:

2. Employer and assistant relationship, family members or members of the same household. Two caregivers to the extent the relationship is as employer and assistant, members of the same family or members of the same household; or

Sec. A-22. 22 MRSA §2430-D, sub-§3, as enacted by PL 2017, c. 452, §24 and amended by PL 2021, c. 669, §5, is further amended to read:

3. Caregivers sharing common areas. Any number of caregivers who are operating separately and occupying separate spaces within a common facility to engage in activities authorized under section 2423-A, subsection 2 pursuant to the provisions of this chapter, even if they also share utilities or common areas, including but not limited to storage areas and building facilities, and who do not share cannabis plants or harvested cannabis resulting from the cultivation of those plants; or

Sec. A-23. 22 MRSA §2430-D, sub-§4 is enacted to read:

4. Caregivers providing short-term assistance.

A caregiver assisting up to 2 other caregivers at any one time with activities authorized under this chapter, as long as the caregiver has given prior notice to the office. Notice required by this subsection must include the name of each caregiver needing assistance and the duration of the assistance to be provided. Assistance may not exceed 90 days within a calendar year unless approved in advance by the office.

Sec. A-24. 22 MRSA §2430-G, as repealed by PL 2023, c. 365, §18 and amended by c. 405, Pt. A, §58, is repealed.

Sec. A-25. 22 MRSA §2430-I, sub-§1, as enacted by PL 2023, c. 365, §20, is repealed.

Sec. A-26. 22 MRSA §2430-I, sub-§1-A is enacted to read:

1-A. Registration violation types. The following registration violation types are established.

A. "Major registration violation affecting public safety" means an intentional or knowing violation that imminently jeopardizes public health and safety or conduct that indicates a willful or reckless disregard for public health and safety. "Major registration violation affecting public safety" is limited to:

(1) Intentionally or knowingly selling harvested cannabis or cannabis products for medical use containing any scheduled drug as defined in Title 17-A, section 1101, subsection 11, except for any compounds naturally occurring in the cannabis plant;

(2) Intentionally or knowingly using prohibited agricultural chemicals that pose a threat to public health and concealing their use from the office, other registrants or consumers;

(3) Intentionally or knowingly treating or otherwise adulterating harvested cannabis with a scheduled drug as defined in Title 17-A, section 1101, subsection 11, except for compounds naturally occurring in the cannabis plant;

(4) Intentionally or knowingly purchasing or transferring from the illicit market cannabis or cannabis products that are offered for sale or transfer to qualifying patients or combined with harvested cannabis or cannabis products for medical use;

(5) Intentionally or knowingly destroying, damaging, altering, removing or concealing potential evidence of a violation under this paragraph or asking or encouraging another person to do so; or

(6) Other intentional or knowing egregious conduct that imminently threatens public health and safety or conduct that shows a willful or reckless disregard for public health and safety that poses an imminent risk to public health and safety.

B. "Major registration violation" means a serious violation that does not imminently jeopardize public safety. "Major registration violation" is limited to:

(1) Misleading the office for the purposes of involving a person with a disqualifying drug offense in the operation of a registrant;

(2) Intentionally or knowingly diverting harvested cannabis or cannabis products for medical use to the illicit market or to a cannabis establishment under the Cannabis Legalization Act;

(3) Except as provided in paragraph A, subparagraphs (2) and (3), treating or otherwise adulterating harvested cannabis with any chemical that alters the color, appearance, weight or smell of the cannabis or that increases its potency, toxicity or addictiveness in a manner not authorized under this chapter;

(4) Selling or transferring cannabis plants, harvested cannabis or cannabis products for medical use to a person under 21 years of age who is not a minor qualifying patient;

(5) Intentionally or knowingly making deliveries of harvested cannabis to a safe zone designated by a municipality pursuant to Title 30-A, section 3253 unless otherwise authorized under this chapter;

(6) Allowing a minor to be an assistant of the registrant unless otherwise authorized under this chapter;

(7) Cultivating cannabis plants in an amount that is equal to or greater than 150% of the total number of cannabis plants or plant canopy the registrant is authorized to cultivate under this chapter;

(8) Intentionally or knowingly misrepresenting any cannabis product to a qualifying patient, registrant or the public, including:

(a) Its contents;

(b) Its testing results; or

(c) Its potency;

(9) Refusing, 2 or more times, to permit the office to inspect locations where the registrant conducts authorized activities;

(10) Intentionally or knowingly destroying, damaging, altering, removing or concealing potential evidence of a violation under this paragraph or asking or encouraging another person to do so; or

(11) Any violation in paragraph C that is a knowing violation or that the registrant has committed 3 or more times.

C. "Minor registration violation" means a negligent violation. "Minor registration violation" is limited to:

(1) Procuring or in any way aiding or assisting in procuring, furnishing, selling or delivering cannabis or cannabis products for or to a minor who is not a qualifying patient;

(2) Cultivating more cannabis plants than the registrant is authorized to cultivate under this chapter, but less than 150% of the total number of cannabis plants or plant canopy authorized;

(3) Supplying adulterated or misbranded harvested cannabis or cannabis products;

(4) Failing to obtain or maintain any required licenses, permits or certificates from another state agency or a municipality, as applicable, for the conduct of activities authorized by this chapter; or

(5) A 2nd violation of any other requirement of this chapter or the rules adopted pursuant to this chapter that is not expressly listed in this subsection.

Sec. A-27. 22 MRSA §2430-I, sub-§2, as enacted by PL 2023, c. 365, §20, is amended to read:

2. Penalties. ~~The~~ For a registration violation, the department, in accordance with this section, on its own initiative or on complaint and after investigation, may, by written order:

A. Impose an administrative penalty in accordance with this section ~~for a violation~~. Penalties collected pursuant to this paragraph must be credited to the Medical Use of Cannabis Fund established under section 2430;

B. Seize and destroy cannabis or cannabis products under ~~subsection 5~~ subsections 5 and 6; and

C. Suspend or revoke a registry identification card or registration certificate issued under this chapter ~~for a violation~~.

For a first violation of this chapter or rules adopted pursuant to this chapter, other than a registration violation under subsection 1-A or a violation under subsection 4, the office may only provide technical assistance to the registrant and may not impose a penalty or suspend or revoke a registration.

Sec. A-28. 22 MRSA §2430-I, sub-§3, as enacted by PL 2023, c. 365, §20, is amended to read:

3. Administrative penalties, generally. The department may impose administrative penalties for a violation of this chapter or rules adopted under this chapter as follows:

A. For a registered caregiver who does not operate a retail store and a ~~covered entity~~ registrant agent:

- (1) Not more than \$200 for each minor registration violation;
- (2) Not more than \$600 for each major registration violation; or
- (3) Not more than \$1,500 for each major registration violation affecting public safety; and

B. For a ~~covered entity~~ registrant, except a registered caregiver who does not operate a retail store:

- (1) Not more than \$1,000 for each minor registration violation;
- (2) Not more than \$3,000 for each major registration violation; or
- (3) Not more than \$7,500 for each major registration violation affecting public safety.

Sec. A-29. 22 MRSA §2430-I, sub-§4, as enacted by PL 2023, c. 365, §20, is amended to read:

4. Administrative penalty for sale or transfer to nonpatient. The department shall notify a ~~covered entity~~ registrant within one business day after the department discovers that a ~~covered entity~~ registrant or ~~covered entity~~ registrant agent sold, furnished or gave cannabis for medical use to a person who is not authorized to possess cannabis for medical use under this chapter. Both the ~~covered entity~~ registrant and ~~covered entity~~ registrant agent that sold, furnished or gave cannabis for medical use to a person who is not authorized to possess cannabis for medical use may be held responsible as follows.

A. The first time a ~~covered entity~~ registrant or ~~covered entity~~ registrant agent sells, furnishes or gives cannabis for medical use to a person who is not authorized to possess cannabis for medical use under this chapter, the ~~covered entity~~ registrant or ~~covered entity~~ registrant agent that sold, furnished or gave cannabis for medical use to a person not authorized to possess cannabis for medical use may be subject to an administrative penalty for a minor registration violation.

B. The 2nd time a ~~covered entity~~ registrant or ~~covered entity~~ registrant agent sells, furnishes or gives cannabis for medical use to a person who is not authorized to possess cannabis for medical use under this chapter, the ~~covered entity~~ registrant or ~~covered entity~~ registrant agent that sold, furnished or gave cannabis for medical use to a person not

authorized to possess cannabis for medical use may be subject to an administrative penalty for a major registration violation.

C. The 3rd time a ~~covered entity~~ registrant or ~~covered entity~~ registrant agent sells, furnishes or gives cannabis for medical use to a person who is not authorized to possess cannabis for medical use under this chapter and for any subsequent violations of this subsection thereafter, the ~~covered entity~~ registrant or ~~covered entity~~ registrant agent that sold, furnished or gave cannabis for medical use to a person not authorized to possess cannabis for medical use may be subject to suspension or revocation of the ~~covered entity's~~ registrant's or ~~covered entity~~ registrant agent's registry identification card or registration certificate or an administrative penalty for a major registration violation.

A ~~covered entity~~ registrant is subject to the penalties in this section whether the ~~covered entity~~ registrant violated this subsection or the ~~covered entity~~ registrant agent violated this subsection. Violations of this section by a ~~covered entity~~ registrant are cumulative whether the same or a different ~~covered entity~~ registrant agent violated this subsection.

Sec. A-30. 22 MRSA §2430-I, sub-§5, as enacted by PL 2023, c. 365, §20, is amended to read:

5. Forfeit and destruction under final order. This subsection governs the forfeiture and destruction of cannabis plants, cannabis or cannabis products when a final order is issued.

A. If the department issues a final order imposing an administrative penalty under this section, the department may require, in the final order, that all or a portion of the cannabis plants, cannabis or cannabis products in the possession of the ~~covered entity~~ registrant subject to the final order be destroyed.

B. The ~~covered entity~~ registrant subject to the final order shall forfeit the cannabis plants, cannabis or cannabis products to the department or destroy the cannabis plants, cannabis and cannabis products at the time and place and in the manner required by the department in writing.

Sec. A-31. 22 MRSA §2430-I, sub-§6, as enacted by PL 2023, c. 365, §20, is amended to read:

6. Destruction prohibition. If the department is notified by a criminal justice agency that there is a pending investigation of a ~~covered entity~~ registrant subject to a final order under this section, the department may not destroy, or allow the ~~covered entity~~ registrant to destroy, any cannabis plants, cannabis or cannabis products of that ~~covered entity~~ registrant until the destruction is approved by the criminal justice agency.

Sec. A-32. 22 MRSA §2430-I, sub-§8, as enacted by PL 2023, c. 365, §20, is repealed and the following enacted in its place:

8. Suspension. The office may suspend a registration in accordance with this subsection.

A. The office may suspend a registration, for a period of up to one year, upon a finding of:

- (1) A major registration violation affecting public safety;
- (2) A pattern of major registration violations in a 60-month period; or
- (3) A violation of subsection 1-A, paragraph B, subparagraph (7).

B. A registrant whose registration has been suspended pursuant to this subsection may not, for the duration of the suspension period, engage in any activities otherwise authorized under this chapter, except that the registrant may do what is reasonably necessary to wind down processes and may harvest any cannabis plants currently growing but may not start any new plants or make any transfers or sales.

C. The office may permit the transfer of a suspended registry identification card or registration certificate to another person in order for the person to undertake some or all of the registrant's operations during the period of suspension. A registry identification card or registration certificate may not be transferred to any person that is not qualified to be a registrant under this chapter. A suspended registry identification card or registration certificate may not be transferred pursuant to this paragraph if such a transfer would result in the receiving registrant exceeding the amount of plant canopy or mature cannabis plants the receiving registrant is authorized to cultivate or in any other violation of this chapter.

Sec. A-33. 22 MRSA §2430-I, sub-§8-A is enacted to read:

8-A. Revocation. The office may revoke a registration in accordance with this subsection.

A. The office may revoke a registration for a period of up to one year, upon a finding of:

- (1) A major registration violation affecting public safety; or
- (2) A pattern of major registration violations in a 60-month period.

B. A registrant whose registration has been revoked pursuant to this subsection shall cease all activities otherwise authorized under this chapter until the revocation period ends and the registration is reauthorized.

Sec. A-34. 22 MRSA §2430-I, sub-§9, as enacted by PL 2023, c. 365, §20, is repealed and the following enacted in its place:

9. Maine Administrative Procedure Act; final agency action; appeals. Except as otherwise provided in this chapter or the rules adopted pursuant to this chapter, the imposition of an administrative penalty on a registrant by the office, including, but not limited to, the provision of notice and the conduct of hearings, is governed by the Maine Administrative Procedure Act. A final order of the office imposing an administrative penalty is a final agency action, as defined in Title 5, section 8002, subsection 4, and the registrant may appeal that final order to the Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

Sec. A-35. 22 MRSA §2430-I, sub-§10 is enacted to read:

10. Notification. Except as otherwise provided in subsection 4, if, after an inspection or investigation by the office or a criminal justice agency, the office identifies a violation of this chapter or the rules adopted pursuant to this chapter, the office shall, within 5 business days of identifying the violation, provide written notification of the violation to the registrant. The registrant, within 5 days of receiving notification, shall provide the office with a plan of correction, if applicable, for the identified violation, including a time frame for the correction. If, after a follow-up inspection, the office decides to impose a monetary penalty on the registrant, the office shall notify the registrant of the monetary penalty in a timely manner after the follow-up inspection. Notice under this subsection does not constitute final agency action.

PART B

Sec. B-1. 28-B MRSA, headnote is amended to read:

**TITLE 28-B
ADULT USE CANNABIS**

Sec. B-2. 28-B MRSA §102, as amended by PL 2023, c. 6, §12 and c. 408, §§1 to 3, is repealed.

Sec. B-3. 28-B MRSA §102-A is enacted to read:

§102-A. Definitions

As used in this chapter and chapter 3, unless the context otherwise indicates, the following terms have the following meanings.

1. Adult use cannabis. "Adult use cannabis" means cannabis cultivated, manufactured, distributed or sold by a cannabis establishment.

2. Adult use cannabis product. "Adult use cannabis product" means a cannabis product that is manufactured, distributed or sold by a cannabis establishment.

3. Another jurisdiction. "Another jurisdiction" means the Federal Government, the United States military, the District of Columbia, the Commonwealth of

Puerto Rico, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, Guam, American Samoa and each of the several states of the United States except Maine.

4. Applicant. "Applicant" means a person that submits an application for a license under this chapter to the office for review that the department has not yet approved or denied.

5. Batch. "Batch" means:

A. A specific quantity of adult use cannabis harvested during a specified period of time from a specified cultivation area within a cultivation facility; or

B. A specific quantity of adult use cannabis or adult use cannabis products produced during a specified period of time in a specified manufacturing area within a products manufacturing facility.

6. Batch number. "Batch number" means a distinct group of numbers, letters or symbols, or any combination thereof, assigned to a specific batch of adult use cannabis by a cultivation facility or to a specific batch of adult use cannabis or adult use cannabis products by a products manufacturing facility.

7. Business entity. "Business entity" means a partnership, association, company, corporation, limited liability company or other entity incorporated or otherwise formed or organized by law. "Business entity" does not include a federal, state or municipal government organization.

8. Cannabis. "Cannabis" means the leaves, stems, flowers and seeds of a cannabis plant, whether growing or not. "Cannabis" includes cannabis concentrate but does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D or a cannabis product.

9. Cannabis concentrate. "Cannabis concentrate" means the resin extracted from any part of a cannabis plant and every compound, manufacture, salt, derivative, mixture or preparation from such resin, including, but not limited to, hashish. "Cannabis concentrate" does not include resin extracted from hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D. In determining the weight of cannabis concentrate in a cannabis product, the weight of any other ingredient combined with cannabis or cannabis concentrate to prepare the cannabis product may not be included.

10. Cannabis establishment. "Cannabis establishment" means a cultivation facility, a products manufacturing facility, a testing facility, a cannabis store or a sample collector licensed under this chapter.

11. Cannabis extraction. "Cannabis extraction" means the process of extracting cannabis concentrate from cannabis using water, lipids, gases, solvents or

other chemicals or chemical processes. "Cannabis extraction" does not include the process of extracting concentrate from hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

12. Cannabis flower. "Cannabis flower" means the pistillate reproductive organs of a mature cannabis plant, whether processed or unprocessed, including the flowers and buds of the plant. "Cannabis flower" does not include cannabis trim or whole mature cannabis plants or the flower of hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

13. Cannabis paraphernalia. "Cannabis paraphernalia" means equipment, products, devices and materials that are used for planting, propagating, cultivating, harvesting, processing, preparing, testing, packaging or storing adult use cannabis or used for ingesting, inhaling or otherwise consuming adult use cannabis. "Cannabis paraphernalia" includes, but is not limited to:

A. Kits used for planting, propagating, cultivating or harvesting a cannabis plant;

B. Isomerization devices used for adjusting the potency of a cannabis plant;

C. Testing equipment used for identifying or analyzing the potency, effectiveness or purity of a cannabis plant or cannabis;

D. Scales and balances used for weighing or measuring cannabis;

E. Separation gins and sifters used for removing twigs and seeds from, or in otherwise cleaning or refining, cannabis;

F. Envelopes and other containers used for packaging small quantities of cannabis for adult use;

G. Containers and other objects used for storing cannabis;

H. Rolling papers, cigarette papers or wraps used for rolling cannabis for smoking;

I. Metal, wooden, acrylic, glass, stone, plastic or ceramic pipes, with or without screens, chillums or punctured metal bowls used for smoking cannabis; and

J. Electronic smoking devices used for simulating the smoking of cannabis or cannabis products through the inhalation of vapor or aerosol from the device.

14. Cannabis plant. "Cannabis plant" means all species of the plant genus *Cannabis sativa* L., including, but not limited to, a mother plant, a mature cannabis plant, an immature cannabis plant or a seedling. "Cannabis plant" does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

15. Cannabis product. "Cannabis product" means a product composed of cannabis or cannabis concentrate and other ingredients that is intended for use or consumption. "Cannabis product" includes, but is not limited to, an edible cannabis product, a cannabis ointment and a cannabis tincture. "Cannabis product" does not include cannabis concentrate or a product containing hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

16. Cannabis store. "Cannabis store" means a facility licensed under this chapter to purchase adult use cannabis, immature cannabis plants and seedlings from a cultivation facility, to purchase adult use cannabis and adult use cannabis products from a products manufacturing facility and to sell adult use cannabis, adult use cannabis products, immature cannabis plants, seedlings and other products to consumers.

17. Cannabis trim. "Cannabis trim" means any part of a cannabis plant, whether processed or unprocessed, that is not cannabis flower or a cannabis seed except that "cannabis trim" does not include the stalks or roots of the cannabis plant. "Cannabis trim" does not include any part of a hemp plant as defined in Title 7, section 2231, subsection 1-A, paragraph D.

18. Caregiver. "Caregiver" has the same meaning as in Title 22, section 2421-A, subsection 11.

19. Child-resistant. "Child-resistant" means, with respect to packaging or a container:

A. Specially designed or constructed to be significantly difficult for a typical child under 5 years of age to open and not to be significantly difficult for a typical adult to open and reseal; and

B. With respect to any product intended for more than a single use or that contains multiple servings, resealable.

20. Colocation. "Colocation" means the siting of multiple licensees or the siting of a licensee with a registered caregiver or registered dispensary within a licensed premises.

21. Commissioner. "Commissioner" means the Commissioner of Administrative and Financial Services.

22. Container. "Container" means a sealed package in which adult use cannabis or an adult use cannabis product is placed by a licensee prior to sale to a consumer and that meets all applicable packaging, labeling and health and safety requirements of this chapter and the rules adopted pursuant to this chapter.

23. Criminal justice agency. "Criminal justice agency" has the same meaning as in Title 16, section 803, subsection 4.

24. Cultivation or cultivate. "Cultivation" or "cultivate" means the planting, propagation, growing, harvesting, drying, curing, grading, trimming or other

processing of cannabis for use or sale. "Cultivation" or "cultivate" does not include manufacturing, testing or cannabis extraction.

25. Cultivation facility. "Cultivation facility" means a facility licensed under this chapter to purchase cannabis plants and seeds from other cultivation facilities; to cultivate, prepare and package adult use cannabis; to sell adult use cannabis to products manufacturing facilities, to cannabis stores and to other cultivation facilities; and to sell cannabis plants and seeds to other cultivation facilities and immature cannabis plants and seedlings to cannabis stores or adults.

26. Department. "Department" means the Department of Administrative and Financial Services.

27. Direct or indirect financial interest. "Direct or indirect financial interest" means any interest in a sole proprietorship or business entity that is applying for or holds a cannabis establishment license, including:

A. Proprietors, partners, shareholders, persons with membership interests and persons with any other equity ownership interests, such as purchase warrants or options, whether whole or partial. If the equity owner is a business entity, all business entities and natural persons that have an aggregate ownership interest in that equity owner business entity of 5% or more are deemed to be indirect financial interests of the applicant or licensee;

B. Any employee, independent contractor, professional or other person who has an agreement with the applicant or licensee that provides for the person's attaining any form of equity ownership, except that employee equity ownership vested pursuant to an employee stock ownership program is governed by paragraph E. If the other equity owner is a business entity, all business entities and natural persons that have an aggregate ownership interest in that other equity owner business entity of 5% or more are deemed to be indirect financial interests of the applicant or licensee;

C. All persons who expect to receive financial payment in the form of royalty payments, profit sharing, revenue sharing or similar payment, such as, but not limited to, royalty license partners, parties to a profit-sharing agreement, capital investors and management contractors or consultants. If the non-owner interest is a business entity, all business entities and natural persons that have an aggregate ownership interest in that non-owner interest business entity of 5% or more are deemed to be indirect financial interest holders of the applicant or licensee; and

E. Any shares designated solely for inclusion in a portion of shares reserved for employees of the applicant or licensee for the purpose of vesting an equity ownership interest in an employee or employees of the licensee. A licensee offering an employee

stock ownership program must designate a percentage of equity ownership interests for the employee stock ownership program and must report annually the identity of any person holding an equity interest in the licensee through the employee stock ownership program.

28. Disqualifying drug offense. "Disqualifying drug offense" means a conviction for a violation of a state or federal controlled substance law that is a crime punishable by imprisonment for one year or more, except that "disqualifying drug offense" does not include:

A. An offense for which the sentence, including any term of probation, incarceration or supervised release, was completed 5 or more years prior to the submission of an application for a license under this chapter; or

B. An offense that consisted of conduct that would be authorized under this Title or that, if the person convicted of the offense had been acting under the authority of a license pursuant to this Title, would have been authorized under this Title.

29. Edible cannabis product. "Edible cannabis product" means a cannabis product intended to be consumed orally, including, but not limited to, any type of food, drink or pill containing cannabis or cannabis concentrate. "Edible cannabis product" does not include an edible product containing hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

30. Flowering. "Flowering" means, with respect to a cannabis plant, the gametophytic or reproductive state of a female cannabis plant during which the plant is in a light cycle intended to produce flowers, trichomes and cannabinoids characteristic of cannabis.

31. Identity statement. "Identity statement" means the name of a business entity as it is commonly known and used in any advertising or marketing by the business entity.

32. Immature cannabis plant. "Immature cannabis plant" means a cannabis plant that is not a mature cannabis plant or a seedling. "Immature cannabis plant" does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

33. Inherently hazardous substance. "Inherently hazardous substance" means a liquid chemical, compressed gas or commercial product that has a flash point at or lower than 38 degrees Celsius or 100 degrees Fahrenheit, including, but not limited to, butane, propane and diethyl ether. "Inherently hazardous substance" does not include any form of alcohol or ethanol.

34. Intoxication. "Intoxication" means a substantial impairment of an individual's mental or physical faculties as a result of drug or alcohol use.

35. Law enforcement officer. "Law enforcement officer" has the same meaning as in Title 17-A, section 2, subsection 17.

36. Licensed premises. "Licensed premises" means the premises specified in a license to operate a cannabis establishment within which the licensee is authorized under this chapter and the rules adopted pursuant to this chapter to cultivate, manufacture, distribute, test or sell adult use cannabis or adult use cannabis products.

37. Licensee. "Licensee" means a person licensed pursuant to this chapter to operate a cannabis establishment.

38. Limited access area. "Limited access area" means a building, room or other area within the licensed premises of a cannabis establishment where a licensee is authorized to cultivate, store, weigh, manufacture, package or otherwise prepare for sale adult use cannabis and adult use cannabis products in accordance with the provisions of this chapter and the rules adopted pursuant to this chapter.

39. Maine Medical Use of Cannabis Act. "Maine Medical Use of Cannabis Act" means the program established in Title 22, chapter 558-C.

40. Manufacturing or manufacture. "Manufacturing" or "manufacture" means the production, blending, infusing, compounding or other preparation of cannabis and cannabis products, including, but not limited to, cannabis extraction or preparation by means of chemical synthesis. "Manufacturing" or "manufacture" does not include cultivation or testing.

41. Mature cannabis plant. "Mature cannabis plant" means a cannabis plant that is flowering. "Mature cannabis plant" does not include hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D.

42. Minor. "Minor" means a person who has not attained 21 years of age.

43. Mother plant. "Mother plant" means a cannabis 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.

44. Municipality. "Municipality" means a city, town or plantation in this State that is not located within the unorganized and deorganized areas.

45. Office. "Office" means the Office of Cannabis Policy established in section 104-A within the department.

46. Permitted premises for a specified event. "Permitted premises for a specified event" means the premises described in a specified event permit issued to a cannabis store pursuant to section 504-A where a cannabis store is authorized to sell adult use cannabis and adult use cannabis products.

47. Person. "Person" means a natural person or a business entity.

48. Plan of record. "Plan of record" means, as applicable, a licensee's current facility plan and the operating, cultivation and security information listed in the licensee's application for a conditional or active license on file with and approved by the office.

49. Plant canopy. "Plant canopy" means the total surface area within the licensed premises of a cultivation facility that is authorized by the office for use at any time by the cultivation facility licensee to cultivate mature cannabis plants. The surface area of the plant canopy must be calculated in square feet and measured using the outside boundaries of the area and must include all of the area within the boundaries. If the surface area of the plant canopy consists of noncontiguous areas, each component area must be separated by identifiable boundaries. If a tiered or shelving system is used by the cultivation facility licensee, the surface area of each tier or shelf must be included in calculating the area of the plant canopy. Calculation of the area of the plant canopy may not include the areas within the licensed premises of a cultivation facility that are used by the licensee to cultivate immature cannabis plants and seedlings and that are not used by the licensee at any time to cultivate mature cannabis plants.

50. Principal. "Principal" means:

- A. A natural person operating as a sole proprietor;
- B. The officers of a corporation organized pursuant to Title 13-C who have authority to manage, direct or oversee the applicant's or licensee's operations, if the applicant or licensee is a corporation;
- C. The directors of a corporation organized pursuant to Title 13-C, if the applicant or licensee is a corporation;
- D. The shareholders of a corporation organized pursuant to Title 13-C, if no officers or directors are appointed and the applicant or licensee is a corporation;
- E. The general or limited partners of a partnership organized under Title 31, chapter 19, if the applicant or licensee is a partnership;
- F. The nonmember managers or managing members of a limited liability company organized under Title 31, chapter 21, if the applicant or licensee is organized as a limited liability company; and
- G. Any other natural person to whom the applicant or licensee has given authority to manage, direct or oversee the applicant's or licensee's operations.

If an officer, director, shareholder, partner, manager or member under paragraph B, C, D, E or F is a business entity, "principal" means any natural person to whom the business entity has given authority to manage, direct or oversee the applicant's or licensee's operations.

"Principal" does not include those persons whose managerial responsibilities are limited to staff supervision and who are not authorized to act on behalf of the applicant or licensee.

For purposes of this subsection, "operations" does not include human resources, information technology, marketing or accounting and finance.

51. Products manufacturing facility. "Products manufacturing facility" means a facility licensed under this chapter to purchase adult use cannabis from a cultivation facility or another products manufacturing facility; to manufacture, label and package adult use cannabis and adult use cannabis products; and to sell adult use cannabis and adult use cannabis products to cannabis stores and to other products manufacturing facilities.

52. Propagation. "Propagation" means the process of reproducing cannabis plants through the use of cannabis seeds, cuttings or grafting.

53. Qualifying patient. "Qualifying patient" means a person who possesses a valid certification for the medical use of cannabis pursuant to Title 22, section 2423-B.

54. Registered caregiver. "Registered caregiver" has the same meaning as in Title 22, section 2421-A, subsection 40.

55. Registered dispensary. "Registered dispensary" has the same meaning as in Title 22, section 2421-A, subsection 41.

56. Sale or sell. "Sale" or "sell" means a transfer or delivery of cannabis or cannabis products for consideration.

57. Sample. "Sample" means:

- A. An amount of adult use cannabis or an amount of an adult use cannabis product provided to a testing facility by a cannabis establishment or other person for testing or research and development purposes pursuant to subchapter 6;
- B. An amount of adult use cannabis or an amount of an adult use cannabis product collected from a licensee by the office for the purposes of testing the cannabis or cannabis product for product quality control purposes pursuant to section 512, subsection 2;
- C. An amount of adult use cannabis provided by a cultivation facility to another licensee for business or marketing purposes pursuant to section 501, subsection 8;
- D. An amount of adult use cannabis or an amount of an adult use cannabis product provided to another licensee by a products manufacturing facility for business or marketing purposes pursuant to section 502, subsection 6;

E. An amount of adult use cannabis or an amount of an adult use cannabis product collected by a sample collector licensee and provided to a testing facility for testing pursuant to section 503-A; or

F. An amount of adult use cannabis or an amount of an adult use cannabis product provided to a consumer pursuant to section 504, subsection 12.

58. Sample collector. "Sample collector" means a person licensed under this chapter to collect samples of cannabis and cannabis products for testing and to transport and deliver those samples to a testing facility for testing.

59. Seedling. "Seedling" means a cannabis plant or rooted cutting that is:

- A. Not flowering;
- B. Less than 24 inches in height; and
- C. Less than 24 inches in width.

60. Specified event. "Specified event" means an event that occurs outside the licensed premises of a cannabis store that is not conducted primarily for the benefit or enjoyment of individuals under 21 years of age and that is not more than 10 consecutive days in duration or 10 occurrences in duration. For purposes of this subsection, "occurrence" means an event that is less than 24 hours in duration and that occurs during the same calendar year as another occurrence.

61. Specified event permit. "Specified event permit" means a temporary authorization for a cannabis store to conduct sales of adult use cannabis and adult use cannabis products on the permitted premises for a specified event in accordance with section 504-A.

62. Tamper-evident. "Tamper-evident" means, with respect to a device or process, bearing a seal, a label or a marking that makes unauthorized access to or tampering with a package, product or container easily detectable.

63. Testing or test. "Testing" or "test" means the research and analysis of cannabis, cannabis products or other substances for contaminants, safety or potency. "Testing" or "test" includes the collection of samples of cannabis and cannabis products for testing purposes, but does not include cultivation or manufacturing.

64. Testing facility. "Testing facility" means a facility licensed under this chapter to develop, research and test cannabis, cannabis products and other substances.

65. THC. "THC" means tetrahydrocannabinol.

66. Universal symbol. "Universal symbol" means an image developed by the office, and made available to licensees, that indicates that a container, package or product contains cannabis or contains or is a cannabis product.

67. Unorganized and deorganized areas. "Unorganized and deorganized areas" has the same meaning as in Title 12, section 682, subsection 1.

68. Visibly intoxicated. "Visibly intoxicated" means in a state of intoxication accompanied by a perceptible act, a series of acts or the appearance of an individual that clearly demonstrates the state of intoxication.

Sec. B-4. 28-B MRSA §104, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is repealed.

Sec. B-5. 28-B MRSA §104-A is enacted to read:

§104-A. Office of Cannabis Policy

The Legislature finds cannabis to be an emerging agricultural and manufacturing industry in the State contributing to the State's overall economy.

The Legislature further finds that a well-regulated cannabis industry remains the most effective tool in diminishing the impact of illicit-market cannabis activity within the State.

For these purposes, the Office of Cannabis Policy is established within the Department of Administrative and Financial Services and is maintained for the administration and enforcement of this Act and the Maine Medical Use of Cannabis Act.

Sec. B-6. 28-B MRSA §104-B is enacted to read:

§104-B. Director of the Office of Cannabis Policy

The Director of the Office of Cannabis Policy, referred to in this chapter as "the director," may employ personnel as necessary to implement, administer and enforce this chapter and the rules adopted pursuant to this chapter and the Maine Medical Use of Cannabis Act and the rules adopted pursuant to that Act.

1. Duties. The director shall:

A. Promote the health and well-being of the people of the State and advance policies that protect public health and safety, emphasizing the health and well-being of minors, as priority considerations in performing all duties, including those listed in this subsection;

B. Ensure that the administration of the laws of and the rules adopted pursuant to this Act and the Maine Medical Use of Cannabis Act is consistent, predictable and equitable;

C. Ensure that qualifying patients maintain access to high-quality, effective and affordable cannabis for medical use under the Maine Medical Use of Cannabis Act; and

D. Develop good faith partnerships between the office and licensees.

Sec. B-7. 28-B MRSA §104-C is enacted to read:

§104-C. Rulemaking; consultation

The office may adopt rules necessary to implement, administer and enforce this chapter. Except as otherwise provided in this chapter, all rules adopted pursuant to this chapter are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A. Notwithstanding Title 5, section 8072, subsection 11, rules provisionally adopted by the office pursuant to this chapter and submitted for legislative review may not be finally adopted by the office unless legislation authorizing final adoption is enacted into law.

The office shall consult with the Department of Agriculture, Conservation and Forestry prior to the adoption of rules concerning the regulation of the cultivation, manufacture and testing of adult use cannabis and adult use cannabis products at cultivation facilities, products manufacturing facilities and testing facilities; the regulation of cannabis clones and cannabis plants; the use of pesticides, fungicides and herbicides in cultivation; the imposition of limits on the concentration of THC and other cannabinoids per serving in adult use cannabis products; odor control standards, sanitary standards, refrigeration requirements and storage and warehousing standards for licensees; and the regulation of the preparation, manufacture, testing, labeling and packaging of adult use cannabis and adult use cannabis products.

The office shall consult with the Department of Labor prior to the adoption of rules concerning workplace, employment or other labor matters involved in the regulation of adult use cannabis and adult use cannabis products under this chapter.

The office shall consult with the Department of Public Safety prior to the adoption of rules concerning public safety or law enforcement matters involved in the regulation of adult use cannabis and adult use cannabis products under this chapter.

The office shall consult with the Department of Health and Human Services prior to the adoption of rules concerning public health matters involved in the regulation of adult use cannabis and adult use cannabis products under this chapter, including rules regarding testing, labeling and packaging adult use cannabis and adult use cannabis products.

Sec. B-8. 28-B MRSA §105, first ¶, as amended by PL 2023, c. 396, §1, is further amended to read:

The ~~department~~ office shall implement and administer a system, referred to in this section as "the tracking system," for the tracking of cannabis plants, adult use cannabis and adult use cannabis products from immature cannabis plant to the point of retail sale, return, disposal or destruction. The tracking system must allow for

cannabis plants at the stage of cultivation and upon transfer from the stage of cultivation to another licensee to be tracked by group. The ~~department~~ office may implement a tracking system that allows adult use cannabis or adult use cannabis products to be tracked by group.

Sec. B-9. 28-B MRSA §105, 2nd ¶, as amended by PL 2023, c. 396, §2, is further amended to read:

The ~~department~~ office shall ensure that the system implemented and administered under this section, whether tracking individually or by group, maintains a detailed record at every stage from immature cannabis plant to the point of retail sale, return, disposal or destruction.

Sec. B-10. 28-B MRSA §105, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is repealed and the following enacted in its place:

1. Data submission requirements. The tracking system must allow licensees to submit tracking data for adult use cannabis or adult use cannabis products to the office. The tracking system must permit licensees to submit all required tracking data through manual data entry or through the use of software that connects to the tracking system maintained by the office through an application program interface, including without limitation point-of-sale system software. Nothing in this subsection may be construed to permit the submission of required tracking data using an application program interface that cannot transmit all required data to the tracking system required by the office.

Sec. B-11. 28-B MRSA §105, sub-§1-B, as enacted by PL 2021, c. 628, §1 and amended by c. 669, §5, is further amended to read:

1-B. Tagging. A licensee shall affix a tag containing the identifying information required by the ~~department~~ office under this chapter or rule adopted pursuant to this chapter to each group of cannabis plants tracked under this section. The ~~department~~ office may not require cannabis plants that are being tracked as a group to be individually affixed with a tag during cultivation or transfer to another licensee.

Sec. B-12. 28-B MRSA §105, sub-§1-C, as enacted by PL 2021, c. 628, §1 and amended by c. 669, §5, is further amended to read:

1-C. Group transfers. When a group of cannabis plants tracked under this section is transferred to another licensee, the licensee transferring the group of cannabis plants must provide a manifest that lists every cannabis plant within the group and any other relevant information required by the ~~department~~ office by rule.

Sec. B-13. 28-B MRSA §105, sub-§2, as amended by PL 2021, c. 628, §1 and amended by c. 669, §5, is further amended to read:

2. Rules. The ~~department~~ office shall adopt rules regarding the implementation and administration of the tracking system and tracking requirements for licensees. Rules adopted under this section must include, but are not limited to, the following:

- A. Record-keeping requirements for the tracking of cannabis plants when tracked individually and when tracked by group; and
- B. Record-keeping requirements necessary to ensure the ~~department's~~ office's ability to implement a recall for reasons related to health and safety when tracking cannabis plants individually or by group.

Sec. B-14. 28-B MRSA §106, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

§106. Individual identification cards

The ~~department~~ office shall issue individual identification cards to natural persons licensed under this chapter and, upon the request of a licensee, shall issue individual identification cards to ~~owners, officers, managers~~ principals, contractors, employees or other support staff of the licensee who meet the requirements of this section for the issuance of an individual identification card.

1. Rules. The ~~department~~ office may adopt rules regarding the issuance and format of and the information to be included on individual identification cards issued pursuant to this section.

1-A. Information and format; validity. An individual identification card issued pursuant to this section must include:

- A. The full name and date of birth of the licensee;
- B. A photograph of the licensee;
- C. The date of issuance and expiration date of the identification card; and
- D. A randomly generated unique identification number.

An individual identification card is valid for 2 years from the issue date, remains the property of the office and must be returned to the office upon demand. A person may not alter, obscure, damage or deface an individual identification card. To be valid, an individual identification card must be in good condition with all original markings and information clearly legible.

2. Criminal history record check for principals. Prior to issuing or renewing an individual identification card to a natural person pursuant to this section who is a principal, the ~~department~~ office shall require the person to submit to a criminal history record check in accordance with section 204 every 2 years. A principal who has been convicted of a disqualifying drug offense at any time within the 2-year period must report the con-

viction to the office within 2 business days of the conviction. The licensee must be provided an opportunity to remove the principal or transfer the principal's ownership interests pursuant to section 210.

3. Criminal history record check for employees not required. A contractor, employee or other support staff of the licensee is not required to submit to a criminal history record check pursuant to section 204 prior to the issuance of an individual identification card by the office.

Sec. B-15. 28-B MRSA §107, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§107. Collection and analysis of public health and safety data

The ~~department~~ office shall develop programs or initiatives to facilitate the collection and analysis of data regarding the effects of the use of cannabis in the State, including, but not limited to, youth and adult cannabis use; school suspension and discipline relating to the use of cannabis; poison center calls, emergency department visits and hospitalizations relating to the use of or exposure to cannabis; operating under the influence citations or arrests relating to the use of cannabis; motor vehicle accidents, including information on fatalities, relating to the use of cannabis; ~~violent crime relating to the use of cannabis generally; violent crime and~~ property crime relating to the regulated and unregulated adult use cannabis markets; and cannabis-related citations or arrests. The ~~department~~ office may adopt rules to implement this section.

Sec. B-16. 28-B MRSA §108, as amended by PL 2021, c. 645, §1 and c. 669, §5, is further amended to read:

§108. Public health and safety programs

The ~~department~~ office 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 focused on addressing public and behavioral health needs relating to the use of cannabis and cannabis products, including, but not limited to, programs, initiatives and campaigns focused on preventing and deterring the use of cannabis and cannabis products by ~~persons under 21 years of age~~ minors; and public and behavioral health programs and services related to the use of cannabis and cannabis products, including, but not limited to, evidence-based substance use disorder prevention and treatment programs, early intervention services and grants for schools or community-based organizations that provide programs for youth substance use disorder 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 Cannabis

Public Health and Safety and Municipal Opt-in Fund established in section 1101. The department office may adopt rules to implement this section.

Sec. B-17. 28-B MRSA §109, as amended by PL 2021, c. 645, §2 and c. 669, §5, is further amended to read:

§109. Enhanced training for criminal justice agencies and municipalities

The department office 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 or municipalities to train law enforcement officers and, if 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; in drug recognition procedures and the general enforcement of the State's motor vehicle laws relating to the use of cannabis; and in restorative justice, jail diversion, cannabis industry-specific technical assistance and mentoring for economically disadvantaged persons in communities disproportionately affected by high rates of arrest and incarceration for cannabis-related offenses. Training programs or initiatives developed and implemented pursuant to this section may be funded with revenue from the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund established in section 1101. The department office may adopt rules to implement this section.

Sec. B-18. 28-B MRSA §111, first ¶, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

A state, county or local agency or department, including, but not limited to, the department office and a criminal justice agency, may not:

Sec. B-19. 28-B MRSA §113, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

1. Report required. By February 15, ~~2020~~ 2025, and annually thereafter, the department office shall submit a report to the joint standing committee of the Legislature having jurisdiction over adult use cannabis matters as provided in this section.

Sec. B-20. 28-B MRSA §113, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

2. Report contents. The report required under subsection 1 must, at a minimum, include the following information:

A. The number of applications for each type of license submitted to the department office pursuant to this chapter during the prior calendar year, including, if applicable, the number of applications for license renewals, and the number of each type of license conditionally approved by the department office during the prior calendar year;

B. The total number of each type of active license issued by the department office pursuant to this chapter in the prior calendar year following local authorization of a conditionally approved licensee;

C. The total square footage of plant canopy approved by the department office for active cultivation facilities licensed in the prior calendar year, the percentage of active cultivation facility licenses by cultivation tier and, if applicable, the number of approved increases in the maximum plant canopy allowed under a tier 4 cultivation facility license in the prior calendar year pursuant to section 304;

D. The total amount of application fees and license fees collected pursuant to this chapter and the total amount of the excise and sales tax revenue collected on the sale of adult use cannabis and adult use cannabis products during the prior calendar year;

E. An overview of current adult use cannabis-related staffing at the department office and the cost to the department office to regulate the adult use cannabis industry in the State during the prior fiscal year and cost projections for the upcoming fiscal year;

F. The total reported volume and value of adult use cannabis cultivated and sold by all cultivation facilities in the prior calendar year, when available;

G. The total reported volume and value of adult use cannabis and adult use cannabis products sold by all cannabis stores in the prior calendar year, when available;

H. The number of inspections of the licensed premises of licensees performed by the department office during the prior calendar year and the results of those inspections, including, but not limited to, the number of inspections resulting in license violations and the percentage of all licensees inspected during the prior calendar year;

I. The number of license violations committed by licensees during the prior calendar year and a breakdown of those violations into specific categories based on the type of violation and the outcome of the violation, including, but not limited to, the total amount of monetary penalties imposed and collected by the department office and the percentage of total license violations resulting in the imposition of a monetary penalty, license suspension or license revocation;

J. Public health and safety data collected, received or analyzed by the department office pursuant to section 107 in the prior calendar year; ~~and~~

K. Recommendations, including any suggested legislation, to address any issues with the regulation of the adult use cannabis industry in the State encountered by the department office in the prior calendar year; ~~and~~

L. A detailed account of income and expenditures for the Adult Use Cannabis Regulatory Coordination Fund established in section 1102 and the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund established in section 1101.

Sec. B-21. 28-B MRSA §201, as amended by PL 2019, c. 676, §5 and PL 2021, c. 669, §5, is further amended to read:

§201. License process; license types

The department office, upon receipt of an application in the prescribed form that meets all applicable requirements for licensure under this chapter and the rules adopted pursuant to this chapter, shall issue to the applicant a conditional license to operate one or more of the following types of cannabis establishments or shall deny the application in accordance with section 206:

1. Cultivation facility. Consistent with the requirements and restrictions of section 205, subsection 2, paragraph A and subchapter 3, a cultivation facility license;

2. Testing facility. Consistent with the requirements and restrictions of section 205, subsection 2, paragraph B and section 503, subsection 2, a testing facility license;

3. Products manufacturing facility. A products manufacturing facility license;

4. Cannabis store. Consistent with the restrictions of section 205, subsection 2, paragraph C, a cannabis store license; or

5. Sample collector. Consistent with the requirements and restrictions of section 205, subsection 2, paragraph B and section 503-A, a sample collector license.

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

Sec. B-22. 28-B MRSA §202, first ¶, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

An applicant for a license to operate a cannabis establishment must meet each of the following requirements, if applicable. Except as otherwise provided in this section, if the applicant is a business entity, every

~~officer, director, manager and general partner principal~~ of the business entity must meet each of the requirements of this section. An applicant shall disclose in or include with its application the names and addresses of the applicant and all natural persons and business entities having a direct or indirect financial interest in the applied-for license and the nature and extent of the financial interest held by each person or entity and, if applicable, the nature and extent of any financial interest the person or entity has in any other license applied for or issued under this chapter.

Sec. B-23. 28-B MRSA §202, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

1. Age. The applicant must be at least 21 years of age. If the applicant is a business entity, every ~~officer, director, manager and general partner principal~~ of the business entity must be at least 21 years of age.

Sec. B-24. 28-B MRSA §202, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6, is repealed.

Sec. B-25. 28-B MRSA §202, sub-§12, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

12. Compliance with application process; no false statement of material fact. The applicant must have completed all application forms required by the department office fully and truthfully and complied with all information requests of the department office relating to the license application. A license may not be issued to an applicant that has knowingly or recklessly made any false statement of material fact to the ~~department office~~ in applying for a license under this chapter. The department office shall revoke the license of a licensee pursuant to subchapter 8 if, subsequent to the issuance of the license, the department office determines that the licensee knowingly or recklessly made a false statement of material fact to the department office in applying for the license.

Sec. B-26. 28-B MRSA §203, first ¶, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

An applicant for a license to operate a cannabis establishment shall submit, and the department office shall consider in determining whether to grant the license, the following additional information. If the applicant is a business entity, the applicant must submit the information required by this section for every ~~officer, director, manager and general partner principal~~ of the business entity.

Sec. B-27. 28-B MRSA §203, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6, is repealed.

Sec. B-28. 28-B MRSA §204, first ¶, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

The department office shall request a criminal history record check for each applicant for a an initial license under this chapter ~~and may at any time require a~~

licensee to submit to a criminal history record check in accordance with this section and for each licensee every 2 years thereafter. If the applicant or licensee is a business entity, every officer, director, manager and general partner principal of the business entity is required to submit to a criminal history record check in accordance with this section. A criminal history record check conducted pursuant to this section must include criminal history record information obtained from the Maine Criminal Justice Information System established in Title 16, section 631 and the Federal Bureau of Investigation.

Sec. B-29. 28-B MRSA §204, sub-§4, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

4. Fees. The department office shall by rule set the amount of the fee to be paid by an individual under subsection 3 for each criminal history record check required to be performed under this section.

Sec. B-30. 28-B MRSA §204, sub-§6, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

6. Use of criminal history record information. State and national criminal history record information obtained by the department office under this section may be used only for the purpose of screening an applicant for a license or a licensee under this chapter or as necessary for the issuance of an individual identification card under section 106.

Sec. B-31. 28-B MRSA §204, sub-§7, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

7. Confidentiality. All criminal history record information obtained by the department office pursuant to this section is confidential, is for the official use of the department office only and may not be disseminated outside of the department office or disclosed to any other person or entity except as provided in subsection 5.

Sec. B-32. 28-B MRSA §204, sub-§8, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

8. Rules. The department office, after consultation with the Department of Public Safety, Bureau of State Police, State Bureau of Identification, shall adopt rules to implement this section.

Sec. B-33. 28-B MRSA §205, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

1. Forms; payment of fees. An applicant shall file an application on forms prepared and furnished by the department office for the type of license sought along with the appropriate application fee as determined by the department office pursuant to section 207. The office may implement and maintain an online portal to receive applications and accept application fees electronically.

Sec. B-34. 28-B MRSA §205, sub-§3, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

3. Issuance of conditional license. Within 90 days of receipt of an application for a license to operate a cannabis establishment or for renewal of an existing license to operate a cannabis establishment, the department office either shall issue to the applicant a conditional license to operate the cannabis establishment if the applicant meets all applicable requirements for licensure under this chapter and the rules adopted pursuant to this chapter or shall deny the application in accordance with section 206.

A. A licensee that has been issued a conditional license by the department office may not engage in the cultivation, manufacture, testing or sale of adult use cannabis or adult use cannabis products until the department office has issued an active license to the licensee pursuant to subsection 4.

B. A conditional license issued by the department office pursuant to this subsection is effective for a period of one year from the date of issuance and may not be renewed. If a licensee issued a conditional license by the department office fails to obtain an active license from the department office pursuant to subsection 4 within one year from the date of issuance of the conditional license, the conditional license expires.

Sec. B-35. 28-B MRSA §205, sub-§4, as amended by PL 2021, c. 226, §5 and c. 669, §5, is further amended to read:

4. Issuance of active license upon certification of local authorization and payment of applicable license fee. Except as otherwise provided in this subsection, the department office shall issue an active license to an applicant that has been issued a conditional license pursuant to subsection 3 and that meets all applicable requirements of this subsection. Prior to issuance of an active license pursuant to this subsection, the department office shall require an applicant that has been issued a conditional license to submit information necessary for the department office to determine that the applicant continues to meet all applicable requirements for conditional licensure under this subchapter. The department office may refuse to issue an active license to an applicant if the department office determines that the applicant no longer meets all applicable requirements for conditional licensure under this subchapter.

A. Within 10 days of receiving certification of local authorization from a municipality as required by section 402, subsection 3, paragraph B or, in the case of a cannabis establishment to be located in the unorganized and deorganized areas, from the Maine Land Use Planning Commission as required by section 403, subsection 3, paragraphs B and C, the department office shall notify the applicant that

certification of local authorization has been confirmed and that, in order for the department office to issue an active license, the applicant must:

- (1) Pay the applicable license fee required pursuant to section 207;
- (2) Submit a facility plan that specifies the location, size and layout of the cannabis establishment within the municipality or, in the case of a cannabis establishment to be located in the unorganized and deorganized areas, within the town, plantation or township in which the cannabis establishment will be located;
- (3) If the application is for a license to operate a cultivation facility, submit updated operating and cultivation plans as required under section 302 based upon the actual premises to be licensed, except that, if no changes to the original operating and cultivation plans submitted by the applicant are necessary based upon the actual premises to be licensed, then the applicant may satisfy this requirement by resubmitting the original operating and cultivation plans and noting on those plans that no changes are necessary;
- (4) If the application is for any license except a sample collector license or a license to operate a testing facility, register with the State Tax Assessor pursuant to Title 36, section 1754-B to collect and remit the sales tax on the sale of adult use cannabis and adult use cannabis products imposed under Title 36, section 1811; and
- (5) If the application is for a license to operate a cultivation facility, register with the State Tax Assessor pursuant to Title 36, section 4922 to collect and remit the excise tax on the sale of adult use cannabis imposed under Title 36, chapter 723.

B. The department office shall prepare and furnish to applicants, municipalities and the Maine Land Use Planning Commission a certification form by which the municipality may certify to the department office that the applicant has obtained local authorization as required by section 402, subsection 3, paragraph B or, in the case of a cannabis establishment to be located in the unorganized and deorganized areas, the Maine Land Use Planning Commission may certify to the department office that the applicant has obtained local authorization as required by section 403, subsection 3, paragraphs B and C. Notwithstanding any provision of this chapter to the contrary, applicants for a sample collector license are not required to seek local authorization prior to issuance of an active license by the department office but must submit all other information

required by the department office under this chapter and the rules adopted pursuant to this chapter.

C. Upon receipt of payment of the applicable license fee and any other documentation required under paragraph A, the department office shall issue an active license to the applicant. The license must specify the date of issuance of the license, the period of licensure, the date of expiration of the license, the name of the licensee and the address of the licensed premises.

Sec. B-36. 28-B MRSA §205, sub-§5, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

5. Each license separate. Each license issued by the department office to an applicant under this chapter is separate and distinct from any other license issued by the department office to that same applicant under this chapter. A person must obtain a separate license under this chapter for each proposed geographical location of any type of cannabis establishment.

Sec. B-37. 28-B MRSA §205, sub-§6, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

6. Licensee must maintain possession of premises. As a condition of licensure, a licensee must at all times maintain possession of the licensed premises of the cannabis establishment that the licensee is licensed to operate, whether pursuant to a lease, rental agreement or other arrangement for possession of the premises or by virtue of ownership of the premises. If a licensee fails to maintain possession of the licensed premises, the licensee shall immediately cease all activities relating to the operation of the cannabis establishment and may apply to the department office for relocation of the licensed premises pursuant to section 211 or may terminate its license pursuant to section 212.

Sec. B-38. 28-B MRSA §206, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§206. Denial of license

1. Denial for good cause. The department office, for good cause, may deny an application for an initial license, a license renewal, a transfer of ownership interests or a relocation of licensed premises. Denial of an application by the department office pursuant to this section constitutes a final agency action as defined in Title 5, section 8002, subsection 4.

2. Good cause defined. As used in this section, "good cause" means a finding by the department office that:

- A. An applicant or licensee has violated, does not meet or has failed to comply with any of the ~~terms, conditions or~~ provisions of this chapter, the rules

adopted pursuant to this chapter or any other applicable state or local law, rule or regulation; or

B. An applicant or licensee has failed to comply with any special terms, consent decree or conditions placed upon the previously issued license pursuant to an order of the department office; the municipality in which the licensed premises are located; the town or plantation in the unorganized and deorganized areas in which the licensed premises are located; in the case of a township in the unorganized and deorganized areas in which the licensed premises are located, the county commissioners of the county in which the township is located; or, in the case of a cannabis establishment located in the unorganized and deorganized areas, the Maine Land Use Planning Commission.

3. Notification of denial and right to appeal.

Upon the department's office's determination to deny a license application, the department office shall notify the applicant in writing of the denial, the basis for the denial and the applicant's right to appeal the denial to the Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

Sec. B-39. 28-B MRSA §207, as amended by PL 2019, c. 676, §8 and PL 2021, c. 669, §5, is further amended to read:

§207. Application fees; license fees

The department office, in accordance with the provisions of this section, shall adopt by rule a licensing fee schedule establishing fees that are designed to meet, but not to exceed, the estimated licensing, enforcement and administrative costs of the department office under this chapter.

1. Fees for cultivation facilities. For a cultivation facility license, the department office shall require payment of an application fee and a license fee as follows:

A. For a tier 1 cultivation facility license, as described in section 301, subsection 1, an application fee of \$100 and a license fee as follows:

(1) If the applicant has applied for a plant-count-based tier 1 cultivation facility license as described in section 301, subsection 1, paragraph A, a license fee of not more than \$9 per mature cannabis plant for an outdoor cultivation facility and not more than \$17 per mature cannabis plant for an indoor cultivation facility or a cultivation facility with both indoor and outdoor cultivation areas; or

(2) If the applicant has applied for a plant-canopy-based tier 1 cultivation facility license as described in section 301, subsection 1, paragraph B, a license fee of not more than \$250 for an outdoor cultivation facility and not more than \$500 for an indoor cultivation facility or

a cultivation facility with both indoor and outdoor cultivation areas;

B. For a tier 2 cultivation facility license, as described in section 301, subsection 2, an application fee of \$500 and a license fee of not more than \$1,500 for an outdoor cultivation facility and not more than \$3,000 for an indoor cultivation facility or a cultivation facility with both indoor and outdoor cultivation areas;

C. For a tier 3 cultivation facility license, as described in section 301, subsection 3, an application fee of \$500 and a license fee of not more than \$5,000 for an outdoor cultivation facility and not more than \$10,000 for an indoor cultivation facility or a cultivation facility with both indoor and outdoor cultivation areas;

D. For a tier 4 cultivation facility license, as described in section 301, subsection 4, an application fee of \$500 and a license fee of not more than \$15,000 for an outdoor cultivation facility and not more than \$30,000 for an indoor cultivation facility or a cultivation facility with both indoor and outdoor cultivation areas, except that, for a tier 4 cultivation facility license for which an increased amount of licensed plant canopy has been approved by the department office pursuant to section 304, for each approved increase in the amount of licensed plant canopy, the department office may increase the maximum license fee by not more than \$5,000 for an outdoor cultivation facility and by not more than \$10,000 for an indoor cultivation facility or a cultivation facility with both indoor and outdoor cultivation areas; and

E. For a nursery cultivation facility license, as described in section 301, subsection 5, an application fee of \$60 and a license fee of \$350.

2. Fees for products manufacturing facilities and cannabis stores. For a products manufacturing facility license or a cannabis store license, the department office shall require payment of an application fee of \$250 and a license fee of not more than \$2,500.

3. Fees for testing facilities. For a testing facility license, the department office shall require payment of an application fee of \$250 and a license fee of not more than \$1,000.

3-A. Fees for sample collectors. For a sample collector license, the department office shall require payment of an application fee of \$100 and a license fee of not more than \$250.

4. Payment of fees; fees to be deposited into Adult Use Cannabis Regulatory Coordination Fund. An applicant shall pay the application fee required by the department office at the time that the applicant submits an application for licensure to the department office for processing. An applicant shall pay the license

fee required by the department office in accordance with section 205, subsection 4. All fees collected by the department office pursuant to this section must be deposited into the Adult Use Cannabis Regulatory Coordination Fund established in section 1102.

5. Return of fees prohibited. The department office may not return to an applicant or licensee or reimburse an applicant or licensee for any portion of an application or license fee paid by the applicant or licensee, regardless of whether the applicant withdraws its application prior to a final decision of the department office on the application, the licensee voluntarily terminates its license pursuant to section 212 or the department office suspends or revokes the licensee's license in accordance with the provisions of subchapter 8.

Sec. B-40. 28-B MRSA §208, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

§208. License term

An active license issued by the department office pursuant to section 205, subsection 4 is effective for a period of one year from the date of issuance and may be renewed pursuant to section 209.

Sec. B-41. 28-B MRSA §209, as amended by PL 2019, c. 676, §9 and PL 2021, c. 669, §5, is further amended to read:

§209. License renewal

1. Notification of expiration date. Ninety days prior to the expiration of an existing license issued under section 205, subsection 4, the department office shall notify the licensee of the expiration date and the opportunity for renewal. Except as otherwise provided in this section, a licensee seeking to renew an existing license must file an application for renewal with the department office, on forms prepared and furnished by the department office, not less than 30 days prior to the date of expiration of the license.

2. Extension for good cause shown; late applications. Notwithstanding subsection 1, the department office may for good cause shown accept an application for renewal of an existing license less than 30 days prior to the date of expiration of the license upon the payment of a late application fee to the department office. The department office may not accept an application for renewal of a license after the date of expiration of that license.

3. Operation under expired license. A licensee that files an application for renewal of its existing license and pays all required fees under this section prior to the expiration of the license may continue to operate the cannabis establishment under that license notwithstanding its expiration until such time as the department office takes final action on the renewal application, except when the department office suspends or revokes

the license in accordance with the provisions of subchapter 8 prior to taking final action on the renewal application.

4. Expired license; cessation of activity and forfeiture of cannabis and cannabis products. Except as provided in subsection 3, a person whose license has expired shall immediately cease all activities relating to the operation of the cannabis establishment previously authorized under that license and ensure that all adult use cannabis and adult use cannabis products cultivated, manufactured or otherwise in the possession of the person pursuant to that license are forfeited to the department office for destruction in accordance with section 803.

5. Renewal application process; fees; rules. An applicant seeking renewal of a license to operate a cannabis establishment ~~must~~ shall pay to the department office a renewal application fee or, if applicable, a late renewal application fee, and ~~must~~ shall demonstrate continued compliance with all applicable licensing criteria under this chapter, including, but not limited to, obtaining local authorization as required by section 402, subsection 3, paragraph B or, in the case of a cannabis establishment located in the unorganized and deorganized areas, as required by section 403, subsection 3, paragraphs B and C, except that an applicant seeking renewal of a license is not required to submit to a criminal history record check under section 204 unless specifically required to do so by the department office.

A. The department office may not issue an active license to a licensee seeking renewal of a license until the licensee obtains local authorization as required by section 402, subsection 3, paragraph B or, in the case of a cannabis establishment located in the unorganized and deorganized areas, as required by section 403, subsection 3, paragraphs B and C, pays the applicable license fee required under section 207 and meets all other applicable requirements for the issuance of an active license under section 205, subsection 4. Notwithstanding any provision of this chapter to the contrary, a sample collector licensee is not required to seek local authorization as a condition for renewal of that license by the department office but must submit all other information required by the department office under this chapter and the rules adopted pursuant to this chapter.

B. The department office shall by rule set forth requirements for the submission, processing and approval of a renewal application, which must include, but are not limited to, setting of a reasonable renewal application fee and a reasonable late renewal application fee.

Sec. B-42. 28-B MRSA §210, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

§210. Transfer of ownership interests

1. Transfer application. A licensee may apply to the department office, on forms prepared and furnished by the department office, for approval to transfer ownership interests in the license, including, but not limited to, a transfer of only a portion of the ownership interests in the license.

1-A. Prior notice and approval not required. If a transfer of ownership interest in a license does not result in a new person obtaining, or an existing person increasing an ownership interest in the license equal to or greater than 5%, the licensee is not required to obtain prior approval for the transfer from the office and the licensee may report the transfer of ownership interest at the time the license is renewed. Nothing in this subsection may be construed to allow a licensee to add an owner or increase ownership interest in violation of this chapter.

2. Compliance with licensure requirements; rules. A person seeking to assume an ownership interest in a license pursuant to this section must demonstrate to the department office compliance with all applicable requirements for licensure under this chapter and the rules adopted under this chapter. The department office shall by rule adopt requirements for the submission of a license transfer application and standards for the approval of a license transfer application, including, but not limited to, provisions relating to local authorization of a transfer of ownership interests in a license.

3. Temporary appointee. Notwithstanding any other provision of this chapter to the contrary, in cases of death, disability, bankruptcy, judicial dissolution or other exceptional circumstances, unless a court appoints a temporary appointee, the office may approve a temporary appointee to take possession of, operate, manage, control or wind down a licensee's operations. Under such circumstances:

A. A temporary appointee must be otherwise qualified under the provisions of this chapter to be a licensee;

B. A temporary appointee may not transfer adult use cannabis or adult use cannabis products unless authorized as a licensee under this chapter; and

C. The licensee shall submit a plan of temporary appointment, on forms made available by the office, as soon as practicable but no later than 60 days after a qualifying event.

For purposes of this subsection, "temporary appointee" means a court-appointed receiver, personal representative, executor, administrator, guardian, conservator, trustee or similarly situated person or person approved by the office pursuant to this section.

Sec. B-43. 28-B MRSA §211, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§211. Relocation of licensed premises

1. Relocation application. A licensee may apply to the department office, on forms prepared and furnished by the department office, for approval to relocate the licensed premises of the cannabis establishment that the licensee is licensed to operate.

2. Local authorization required. The department office shall, within 10 days of receiving certification of local authorization pursuant to section 402, subsection 3, paragraph B from the municipality in which the relocated licensed premises are to be located or pursuant to section 403, subsection 3, paragraphs B and C from the Maine Land Use Planning Commission if the relocated licensed premises are to be located in the unorganized and deorganized areas, notify the licensee that local authorization has been confirmed for the relocation and that the licensee may proceed with relocation, and the department office shall issue to the licensee an updated license specifying the address of the new premises.

3. Effect on license term. A relocation of licensed premises pursuant to this section does not extend or otherwise modify the license term of the license subject to relocation.

4. Rules. The department office shall by rule adopt requirements for the submission of a license relocation application and standards for the approval of a relocation application.

Sec. B-44. 28-B MRSA §212, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§212. Termination Abandonment or cessation of license

1. Notification of termination abandonment or cessation required. ~~A licensee may not permanently abandon the licensed premises of the licensee or otherwise permanently cease all activities relating to the operation of the cannabis establishment under its license, whether voluntarily or pursuant to a license revocation in accordance with subchapter 8, without notifying the department and the municipality in which the licensed premises are located that voluntarily abandons the licensed premises or otherwise permanently ceases all activities relating to the operation of a cannabis establishment under its license shall notify the office and the municipality in which the licensed premises are located at least 48 hours in advance of the abandonment or termination cessation.~~

2. Forfeiture and destruction of cannabis and cannabis products. Prior to abandoning the licensed premises of the licensee or ~~terminating~~ ceasing operations, a licensee shall provide the department office and the municipality in which the licensed premises are located with a full accounting of all adult use cannabis and adult use cannabis products located within the licensed premises and forfeit the cannabis and cannabis

products to the department office for destruction in accordance with section 803.

For the purposes of this section, "municipality" means, in the case of a cannabis establishment not located in the unorganized and deorganized areas, the city, town or plantation in which the cannabis establishment is located; or, in the case of a cannabis establishment located in the unorganized and deorganized areas, the Maine Land Use Planning Commission and the town or plantation in which the cannabis establishment is located or, in the case of a cannabis establishment located in a township, the county commissioners of the county in which the township is located.

Sec. B-45. 28-B MRSA §213, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

§213. Notice of new ~~owner, officer, manager or employee~~ principal

Before any proposed new ~~owner, officer, manager or employee~~ principal may own, manage, work for or otherwise associate with a licensee, the licensee shall notify the department office in writing of the name, address and date of birth of the proposed new ~~owner, officer, manager or employee~~ and the principal. The proposed new ~~owner, officer, manager or employee~~ principal shall submit to a criminal history record check pursuant to section 204, obtain an individual identification card pursuant to section 106 and, in the case of a new ~~owner~~ principal or other person assuming an equity ownership interest or a partial equity ownership interest in the license, obtain approval for the transfer of ownership interests pursuant to section 210, unless the transfer of ownership interests is otherwise exempt from prior approval under section 210, subsection 1-A.

Sec. B-46. 28-B MRSA §214, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

§214. Inactive licenses

The department office may revoke or refuse to renew any license if it determines that the licensed premises have been inactive without reasonable justification for a period of one year or more.

Sec. B-47. 28-B MRSA §215, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§215. Notification to municipality; sharing of information with Bureau of Revenue Services

The department office shall notify a municipality within 14 days of the date the department office approves, renews, denies, suspends or revokes the license of a licensee whose licensed premises are located or proposed to be located in the municipality; imposes a monetary penalty on a licensee located within the municipality; approves relocation of the licensed premises of a cannabis establishment to or from the municipality; or approves a transfer of ownership interest in a license

with respect to which the licensed premises are located within the municipality.

The department office shall provide the department's Bureau of Revenue Services with the same information provided to a municipality under this section at the time that the department office notifies the municipality.

For the purposes of this section, "municipality" has the same meaning as in section 212.

Sec. B-48. 28-B MRSA §301, first ¶, as enacted by PL 2017, c. 409, Pt. A, §6, is further amended to read:

Subject to the requirements and restrictions of this subchapter and the requirements of subchapter 2, the department office may issue to an applicant any of the following types of cultivation facility licenses:

Sec. B-49. 28-B MRSA §302, first ¶, as enacted by PL 2017, c. 409, Pt. A, §6, is further amended to read:

In addition to the information required to be submitted to the department office pursuant to subchapter 2 and the rules relating to licensure of a cultivation facility adopted pursuant to this chapter, an applicant for a cultivation facility license shall submit to the department office the following information.

Sec. B-50. 28-B MRSA §303, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§303. Increase in cultivation tier upon renewal

A licensee seeking renewal of a cultivation facility license may, if applicable and in accordance with this section, apply for a tier of cultivation facility license with a greater area of authorized plant canopy than is authorized under the licensee's current cultivation facility license.

1. Approval criteria. The department office may issue the applied-for tier of cultivation facility license if the licensee otherwise meets all applicable requirements for continued licensure under this chapter and the rules adopted pursuant to this chapter and the licensee has demonstrated to the department's office's satisfaction that:

- A. The licensee has over the current period of licensure sold at least 85% of the adult use cannabis cultivated by the licensee at its cultivation facility; and
- B. The approval of the applied-for tier of cultivation facility license will not cause the licensee to exceed the combined plant canopy limitation in section 205, subsection 2, paragraph A.

2. Consideration of renewal of current license tier if approval criteria not met. If the department office determines that the licensee has failed to satisfy the

requirements of this section for the applied-for tier of cultivation facility license, the department office shall consider renewing the licensee's license at the current tier.

This section does not apply to a nursery cultivation facility licensee.

Sec. B-51. 28-B MRSA §304, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

1. Approval criteria. The department office may approve the requested increase if the licensee otherwise meets all applicable requirements for continued licensure under this chapter and the rules adopted pursuant to this chapter and the licensee has demonstrated to the department's office's satisfaction that the licensee has over the past 2-year period of licensure sold at least 85% of the adult use cannabis cultivated by the licensee at its cultivation facility.

Sec. B-52. 28-B MRSA §304, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6, is further amended to read:

2. Consideration of renewal of current licensed amount of plant canopy if approval criteria not met. If the department office determines that the licensee has failed to satisfy the requirements of this section for the requested increase, the department office shall consider renewing the licensee's license at the current tier and currently authorized maximum area of plant canopy.

Sec. B-53. 28-B MRSA §402, 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:

B. The person has been issued by the department office a conditional license to operate the cannabis establishment pursuant to section 205, subsection 3.

Sec. B-54. 28-B MRSA §402, sub-§3, ¶C, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

C. The person has been issued by the department office an active license to operate the cannabis establishment pursuant to section 205, subsection 4.

Sec. B-55. 28-B MRSA §402, sub-§3, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended by amending the first blocked paragraph to read:

A municipality may certify to the department office a person's compliance with the requirements of paragraph B on the form prepared and furnished by the department office pursuant to section 205, subsection 4, paragraph B.

Sec. B-56. 28-B MRSA §403, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

1. Request for local authorization to operate cannabis establishment in town, plantation or township in unorganized and deorganized areas prohibited unless generally allowed by town or plantation or by county commissioners on behalf of township.

A person seeking to operate a cannabis establishment within a town, plantation or township located within the unorganized and deorganized areas may not request local authorization pursuant to subsection 3 to operate the cannabis establishment and the town, plantation or, in the case of a township, the county commissioners of the county in which the township is located may not accept as complete the person's request for local authorization unless:

A. In the case of a town or plantation, the legislative body of the town or plantation has voted to allow some or all types of cannabis establishments within the town or plantation, including the type of cannabis establishment the person seeks to operate and the person has been issued by the department office a conditional license to operate the cannabis establishment pursuant to section 205, subsection 3; or

B. In the case of a township, the county commissioners of the county in which the township is located have voted to allow some or all types of cannabis establishments within the township, including the type of cannabis establishment the person seeks to operate and the person has been issued by the department office a conditional license to operate the cannabis establishment pursuant to section 205, subsection 3.

Sec. B-57. 28-B MRSA §403, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

2. Minimum authorization criteria. The Maine Land Use Planning Commission may not certify to the department office local authorization of a cannabis establishment within a town, plantation or township located within the unorganized and deorganized areas pursuant to subsection 3 if:

A. The cannabis establishment is proposed to be located within 1,000 feet of the property line of a preexisting public or private school, except that, if the Maine Land Use Planning Commission prohibits the location of cannabis establishments within a town, plantation or township at distances less than 1,000 feet but not less than 500 feet from the property line of a preexisting public or private school, that lesser distance applies. For the purposes of this paragraph, "school" has the same meaning as in section 402, subsection 2, paragraph A; or

B. The person requesting local authorization to operate the cannabis establishment fails to demonstrate possession or entitlement to possession of the

proposed licensed premises of the cannabis establishment pursuant to a lease, rental agreement or other arrangement for possession of the premises or by virtue of ownership of the premises.

Sec. B-58. 28-B MRSA §403, sub-§3, ¶D, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

D. The person has been issued by the ~~department~~ office an active license to operate the cannabis establishment pursuant to section 205, subsection 4.

Sec. B-59. 28-B MRSA §403, sub-§3, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended by amending the first blocked paragraph to read:

The town, plantation or, in the case of a township, the county commissioners of the county in which the township is located, shall certify to the Maine Land Use Planning Commission that the person has obtained all applicable local approvals, permits or licenses not relating to land use planning and development as required under paragraph B. The Maine Land Use Planning Commission may certify to the ~~department~~ office a person's compliance with the requirements of paragraphs B and C on the form prepared and furnished by the ~~department~~ office pursuant to section 205, subsection 4, paragraph B.

Sec. B-60. 28-B MRSA §405, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§405. Information requests

A municipality may request that the ~~department~~ office provide any information obtained by the ~~department~~ office pursuant to the provisions of subchapter 2 or 3 that the municipality determines necessary for the administration of its local authorization process for cannabis establishments under this subchapter. Unless the information is confidential pursuant to law or rule, the ~~department~~ office, in a timely manner, shall provide the information requested pursuant to this section. For the purposes of this section, "municipality" has the same meaning as in section 212.

Sec. B-61. 28-B MRSA §501, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

2. Retail sale of adult use cannabis without separate cannabis store license prohibited. Except as provided in subsection 3, a cultivation facility may not sell or offer to sell adult use cannabis, immature cannabis plants or seedlings to consumers unless the cultivation facility licensee obtains from the ~~department~~ office a separate license to operate a cannabis store and otherwise complies with all applicable requirements under this chapter and the rules adopted pursuant to this chapter concerning the operation of cannabis stores. A cultivation facility may not give away adult use cannabis,

adult use cannabis products or cannabis plants to a consumer.

Sec. B-62. 28-B MRSA §501, sub-§3, ¶E, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

E. The ~~department~~ shall office may adopt rules regulating the operation of nursery cultivation facilities.

Sec. B-63. 28-B MRSA §501, sub-§4, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

4. Cannabis extraction without separate products manufacturing facility license prohibited. A cultivation facility may not engage in the manufacture of cannabis concentrate by cannabis extraction unless the cultivation facility licensee has obtained from the ~~department~~ office a separate license to operate a products manufacturing facility and otherwise meets the requirements under this chapter and the rules adopted pursuant to this chapter concerning the operation of a products manufacturing facility and concerning cannabis extraction. A cultivation facility licensee with a separate license to operate a products manufacturing facility may share hallways or other common areas with the products manufacturing facility.

Sec. B-64. 28-B MRSA §501, sub-§5, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by c. 452, §37 and PL 2021, c. 669, §5, is further amended to read:

5. Use of shared facility for cultivation of adult use cannabis and cannabis for medical use. Subject to the requirements of this subsection and the rules adopted pursuant to this subsection, a cultivation facility licensee that is also a registered caregiver or a registered dispensary may cultivate adult use cannabis pursuant to this chapter within the same facility in which the licensee also cultivates cannabis for medical use pursuant to the Maine Medical Use of Cannabis Act. A cultivation facility licensee may share a facility for cultivation with a registered caregiver or registered dispensary pursuant to this subsection as long as at least one owner of the cultivation facility is also the registered caregiver or an owner of the registered dispensary but is not required to have identical ownership.

A. A cultivation facility licensee that cultivates cannabis under this subsection must comply with all applicable requirements of this chapter and the rules adopted pursuant to this chapter concerning the operation of cultivation facilities.

B. Except as provided in paragraph C, the areas of the shared facility in which adult use cannabis is cultivated must be separated from the areas of the shared facility in which cannabis for medical use is cultivated in a manner that provides for a visually

conspicuous delineation of the physical space between the cultivation area for adult use cannabis and the cultivation area for cannabis for medical use. For the purposes of this paragraph, "visually conspicuous delineation" means a permanently constructed physical barrier including, but not limited to, a wall or fencing.

C. The following items or areas within the shared facility may be shared for both the cultivation of adult use cannabis and the cultivation of cannabis for medical use:

- (1) Cultivation-related and noncultivation-related equipment, except that cultivation-related equipment may not be simultaneously used for the cultivation of adult use cannabis and the cultivation of cannabis for medical use;
- (2) Cultivation-related and noncultivation-related supplies or products not containing cannabis or cannabis products and the storage areas for those supplies or products; and
- (3) General office space, bathrooms, entryways and walkways.

D. Each cannabis plant within the shared facility must be tagged or otherwise identified as an adult use cannabis plant or a cannabis plant for medical use.

~~E. The department shall adopt rules governing the use of a shared facility by a cultivation facility licensee that is also a registered caregiver or a registered dispensary, which must include, but are not limited to, requirements for the maintenance of a log or other record relating to the use of the shared facility space, shared equipment and shared supplies or products to ensure compliance with the requirements of this chapter and the rules adopted pursuant to this chapter and the requirements of the Maine Medical Use of Cannabis Act.~~

F. The office may require a cultivation facility licensee to provide a colocation plan describing how the licensee will ensure that cultivation-related equipment will not be simultaneously used for the cultivation of adult use cannabis and cannabis for medical use and how the licensee will ensure that adult use cannabis will be kept separate from cannabis for medical use pursuant to the requirements of this chapter and the rules adopted pursuant to this chapter and the Maine Medical Use of Cannabis Act.

Sec. B-65. 28-B MRSA §501, sub-§6, as amended by PL 2019, c. 231, Pt. B, §3 and PL 2021, c. 669, §5, is repealed.

Sec. B-66. 28-B MRSA §501, sub-§7, ¶C, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

C. ~~The department shall~~ office may adopt rules regarding the outdoor cultivation of adult use cannabis by a cultivation facility licensee, including, but not limited to, security requirements specific to outdoor cultivation operations and requirements for shielding outdoor cultivation operations from public view.

Sec. B-67. 28-B MRSA §501, sub-§12 is enacted to read:

12. Acquisition of seeds and seedlings. Notwithstanding any provision of law to the contrary, a cultivation facility licensee or nursery cultivation facility licensee may acquire seeds or seedlings as follows:

A. By lawful purchase from another cultivation facility licensee, including a nursery cultivation facility licensee; or

B. By gift from an individual, who must be at least 21 years of age and a resident of the State:

(1) A licensee may not accept, during a 90-day period, more than one transfer of 2 1/2 ounces of seeds or more than one transfer of 12 seedlings from each individual gifting seeds or seedlings to that licensee during that 90-day period;

(2) Before accepting a gift of seeds or seedlings from an individual, the licensee must receive approval from the office, in writing, to accept the gift of seeds or seedlings. A licensee that receives seeds or seedlings as a gift from an individual shall record on forms made available by the office the full name, contact telephone number and the identification number of a valid state identification belonging to each individual;

(3) The individual gifting the seeds or seedlings to the licensee may not receive remuneration of any kind in return; and

(4) The gift of the seeds or seedlings must not be conditional or contingent upon any other terms or requirements of the licensee.

Any seeds or seedlings acquired pursuant to this subsection must be tracked pursuant to section 105.

Sec. B-68. 28-B MRSA §502, sub-§1-A is enacted to read:

1-A. Manufacture of products not containing cannabis. Notwithstanding subsection 1, a products manufacturing facility licensee that also has a license issued from the Department of Agriculture, Conservation and Forestry pursuant to subsection 10 may manufacture for sale or distribution any products that the facility is authorized to manufacture or distribute pursuant to the provisions of that license, including products that do not contain cannabis, except that a products manufacturing facility licensee is prohibited from extracting

hemp as defined in Title 7, section 2231, subsection 1-A, paragraph D or manufacturing products that contain hemp or ingredients derived from hemp that do not also contain cannabis. Nothing in this subsection may be construed to prohibit a products manufacturing facility licensee from using ingredients derived from hemp in the manufacture of cannabis products.

A. A products manufacturing facility licensee that manufactures adult use cannabis and adult use cannabis products within the same facility in which the licensee also manufactures products that do not contain cannabis must comply with all applicable requirements of this chapter and the rules adopted pursuant to this chapter concerning the operation of products manufacturing facilities.

B. The following items or areas within the facility may be shared for both the manufacturing of adult use cannabis and adult use cannabis products and the manufacturing of products that do not contain cannabis:

- (1) Manufacturing-related and nonmanufacturing-related equipment and supplies, except that manufacturing-related equipment and supplies may not be simultaneously used for the manufacturing of adult use cannabis and adult use cannabis products and the manufacturing of products that do not contain cannabis;
- (2) Manufacturing-related and nonmanufacturing-related supplies or products that do not contain cannabis or cannabis products and the storage areas for those supplies or products; and
- (3) General office space, bathrooms, entryways and walkways.

C. A products manufacturing facility licensee must ensure that:

- (1) Manufacturing-related equipment and supplies are not simultaneously used for the manufacturing of cannabis and cannabis products and the manufacturing of products that do not contain cannabis;
- (2) Manufacturing-related equipment is sanitized between the manufacturing of cannabis and cannabis products and the manufacturing of products that do not contain cannabis;
- (3) Cannabis and cannabis products are kept separate from products that do not contain cannabis;
- (4) Cannabis and cannabis products are packaged and labeled accurately pursuant to the requirements of this chapter and the rules adopted pursuant to this chapter;

(5) Products that do not contain cannabis are packaged and labeled accurately pursuant to the provisions of the license issued by another department to manufacture products that do not contain cannabis; and

(6) Any person manufacturing products that do not contain cannabis in a licensed manufacturing facility obtains an individual identification card from the office pursuant to section 106, except that the person is not required to submit to a criminal history record check.

Sec. B-69. 28-B MRSA §502, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

2. Retail sale of adult use cannabis or adult use cannabis products without separate cannabis store license prohibited. A products manufacturing facility may not sell or offer to sell adult use cannabis or adult use cannabis products to consumers unless the products manufacturing facility licensee obtains from the ~~department~~ office a separate license to operate a cannabis store and otherwise complies with all applicable requirements under this chapter and the rules adopted pursuant to this chapter concerning the operation of cannabis stores. A products manufacturing facility may not give away adult use cannabis, adult use cannabis products or cannabis plants to a consumer.

Sec. B-70. 28-B MRSA §502, sub-§3, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

3. Cultivation of cannabis without separate cultivation facility license prohibited. A products manufacturing facility shall purchase all cannabis necessary for its manufacturing processes from a cultivation facility and may not engage in the cultivation of cannabis unless the products manufacturing facility licensee obtains from the ~~department~~ office a separate license to operate a cultivation facility and otherwise meets all applicable requirements under this chapter and under the rules adopted pursuant to this chapter concerning the operation of cultivation facilities. A products manufacturing facility licensee with a separate license to operate a cultivation facility may share hallways or other common areas with the cultivation facility.

Sec. B-71. 28-B MRSA §502, sub-§4, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by c. 452, §37 and PL 2021, c. 669, §5, is further amended to read:

4. Use of shared facility for manufacture of adult use cannabis products and cannabis products for medical use. Subject to the requirements of this subsection and the rules adopted pursuant to this subsection, a products manufacturing facility licensee that is also a registered caregiver or a registered dispensary may manufacture adult use cannabis and adult use cannabis products pursuant to this chapter within the same

facility in which the licensee also manufactures cannabis concentrate and cannabis products for medical use pursuant to the Maine Medical Use of Cannabis Act. A products manufacturing facility licensee that shares a facility for products manufacturing with a registered caregiver or registered dispensary pursuant to this subsection must have at least one owner that is the registered caregiver or an owner of the registered dispensary but is not required to have identical ownership.

A. A products manufacturing facility licensee that manufactures adult use cannabis and adult use cannabis products within the same facility in which the licensee also manufactures cannabis concentrate and cannabis products for medical use must comply with all applicable requirements of this chapter and the rules adopted pursuant to this chapter concerning the operation of products manufacturing facilities.

B. The following items or areas within the shared facility may be shared for both the manufacturing of adult use cannabis and adult use cannabis products and the manufacturing of cannabis concentrate and cannabis products for medical use:

- (1) Manufacturing-related and nonmanufacturing-related equipment, except that manufacturing-related equipment may not be simultaneously used for the manufacturing of adult use cannabis and adult use cannabis products and the manufacturing of cannabis concentrate and cannabis products for medical use;
- (2) Manufacturing-related and nonmanufacturing-related supplies or products not containing cannabis or cannabis products and the storage areas for those supplies or products; and
- (3) General office space, bathrooms, entryways and walkways.

~~C. The department shall adopt rules governing the use of a shared facility by a products manufacturing facility licensee that is also a registered caregiver or a registered dispensary, including, but not limited to, requirements for the maintenance of a log or other record relating to the use of the shared facility space, shared equipment and shared supplies or products to ensure compliance with the requirements of this chapter and the rules adopted pursuant to this chapter and the requirements of the Maine Medical Use of Cannabis Act.~~

D. A manufacturing facility licensee must ensure that:

- (1) Manufacturing-related equipment is not simultaneously used for the manufacturing of adult use cannabis and adult use cannabis products and the manufacturing of cannabis

concentrate and cannabis products for medical use;

(2) Adult use cannabis and adult use cannabis products are kept separate from cannabis concentrate and cannabis products for medical use; and

(3) Cannabis and cannabis products are packaged and labeled accurately pursuant to the requirements of this chapter and the rules adopted pursuant to this chapter and the Maine Medical Use of Cannabis Act.

Sec. B-72. 28-B MRSA §502, sub-§7, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

7. Cannabis extraction. Subject to the requirements and restrictions of this subsection, a products manufacturing facility licensee may manufacture cannabis concentrate by cannabis extraction using water, lipids, gases, solvents or other chemicals or chemical processes.

A. A products manufacturing facility licensee may engage in cannabis extraction using a solvent or other chemical or chemical process that is not and does not involve an inherently hazardous substance if:

- (1) The solvent or other chemical or chemical process is listed by the ~~department~~ office by rule as approved for use in cannabis extraction; or
- (2) The products manufacturing facility licensee requests and obtains from the ~~department~~ office written approval to engage in cannabis extraction using a solvent or other chemical or chemical process that is not and does not involve an inherently hazardous substance and that is not listed by the ~~department~~ office by rule as approved for use in cannabis extraction.

The ~~department~~ office shall adopt by rule a list of those solvents or other chemicals or chemical processes that are not and do not contain an inherently hazardous substance that the ~~department~~ office approves for use in cannabis extraction by products manufacturing facilities.

B. A products manufacturing facility licensee may not engage in cannabis extraction involving the use of any inherently hazardous substance unless:

- (1) The licensee submits to the ~~department~~ office a request for approval of the cannabis extraction method the facility plans to engage in that includes a description of the proposed cannabis extraction method and a certification from an industrial hygienist or professional en-

gineer following a review of the facility's storage, preparation, electrical, gas monitoring, fire suppression and exhaust systems; and

(2) The department office approves in writing the proposed cannabis extraction method.

The department office, within 14 days of receipt of a request for approval under this paragraph, shall notify the products manufacturing facility licensee in writing whether the request is approved or denied.

Sec. B-73. 28-B MRSA §502, sub-§9, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

9. Compliance with sanitary standards. All areas within the licensed premises of a products manufacturing facility in which adult use cannabis and adult use cannabis products are manufactured must meet all sanitary standards specified in rules adopted by the department office.

Sec. B-74. 28-B MRSA §502, 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. ~~Commercial kitchen~~ Food establishment license. A products manufacturing facility licensee must obtain a commercial kitchen food establishment license from the Department of Agriculture, Conservation and Forestry pursuant to Title 22, chapter 551 for any area within the licensed premises of the products manufacturing facility in which adult use cannabis and adult use cannabis products are manufactured and for which the department office requires a products manufacturing facility licensee to obtain a commercial kitchen food establishment license. The department office shall adopt rules requiring certain areas within the licensed premises of a products manufacturing facility to be licensed as commercial kitchens food establishments based upon the types of manufacturing processes conducted within those areas.

Sec. B-75. 28-B MRSA §502, sub-§11, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

11. Refrigeration. A products manufacturing facility licensee shall store and transport in a refrigerated environment all adult use cannabis and adult use cannabis products that require refrigeration to prevent spoilage. The department office shall adopt rules regarding the storage and transportation of adult use cannabis and adult use cannabis products that require refrigeration to prevent spoilage.

Sec. B-76. 28-B MRSA §503, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by c. 452, §37 and PL 2021, c. 669, §5, is further amended by amending the first blocked paragraph to read:

Neither this chapter nor the rules adopted pursuant to this chapter prevent a testing facility from developing, researching or testing substances or products that are not cannabis or cannabis products for that facility or for another person.

Sec. B-77. 28-B MRSA §503, sub-§2, as amended by PL 2019, c. 354, §8, is further amended to read:

2. Certification; accreditation and provisional licensure; compliance with operational and technical requirements. A testing facility may not commence or continue operation unless the testing facility:

A. Is certified for operation under the certification program within the Department of Health and Human Services, Maine Center for Disease Control and Prevention established pursuant to Title 22, section 569 and, in accordance with rules adopted by the department office after consultation with the Department of Health and Human Services, Maine Center for Disease Control and Prevention, which must allow for inspection of the proposed or operational testing facility by the department office and the Department of Health and Human Services, Maine Center for Disease Control and Prevention;

B. Except as otherwise provided in this paragraph, is accredited pursuant to standard ISO/IEC 17025 of the International Organization for Standardization by a 3rd-party accrediting body or is certified, registered or accredited by an organization approved by the department office. The department office shall adopt rules regarding the scope of certification, registration or accreditation required for licensure of a testing facility.

(1) The department office may issue a full testing facility license to an applicant that meets all applicable requirements of this chapter and rules adopted pursuant to this chapter and that has obtained accreditation pursuant to standard ISO/IEC 17025 of the International Organization for Standardization from a 3rd-party accrediting body or that is certified, registered or accredited by an approved organization.

(2) The department office may issue a provisional testing facility license to an applicant that otherwise meets all applicable requirements of this chapter and rules adopted pursuant to this chapter and that has applied for but not yet obtained accreditation from a 3rd-party accrediting body or that has applied for but not yet obtained certification, registration or accreditation from an approved organization. The department office may not renew a provisional testing facility license more than once.

An active full or provisional testing facility license may not be issued by the department office to an

applicant until the applicant satisfies all applicable requirements of section 205, subsection 4; and

C. Is determined by the ~~department~~ office to meet all operational and technical requirements for testing facilities under this chapter and the rules adopted under this chapter.

Sec. B-78. 28-B MRSA §503, sub-§3, as amended by PL 2019, c. 676, §11 and PL 2021, c. 669, §5, is further amended to read:

3. Compliance with testing protocols, standards and criteria. A testing facility shall follow all testing protocols, standards and criteria adopted by rule by the department for the testing of different forms of cannabis and cannabis products; determining batch size; sampling; testing validity; and approval and disapproval of tested cannabis and cannabis products. A testing facility may use a sample collector for the collection of samples for mandatory testing as long as the testing facility's operating plan and standard operating procedures indicate the use of a sample collector for that purpose.

Sec. B-79. 28-B MRSA §503, sub-§4, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

4. Remediation and retesting. If a testing facility determines that a sample of adult use cannabis or an adult use cannabis product has failed a mandatory test required under section 602, the testing facility shall offer to the owner of that sample an opportunity for remediation and retesting in accordance with rules adopted by the ~~department~~ office.

Sec. B-80. 28-B MRSA §503, sub-§4-A is enacted to read:

4-A. Retesting for potency. If requested by the licensee, a testing facility may retest for potency a sample of adult use cannabis or an adult use cannabis product from the same batch the testing facility initially tested. The retest for potency may be completed only once after the initial test, and the sample must be from the remaining representative sample of the same batch that was initially received by the testing facility. The results of the initial test and the retest must be reported by the testing facility in accordance with subchapter 6 and the rules governing testing facilities. A licensee that chooses to retest for potency shall include the potency values reported for the retest instead of the initial potency value reported by the testing facility.

Sec. B-81. 28-B MRSA §503, sub-§5, as enacted by PL 2017, c. 409, Pt. A, §6, is further amended to read:

5. Record keeping. A testing facility shall maintain records of all business transactions and testing results in accordance with the record-keeping requirements of section 511 and section 602, subsection 2 and in accordance with applicable standards for licensing

and accreditation under subsection 2 and testing protocols, standards and criteria adopted by the ~~department~~ office under subsection 3.

Sec. B-82. 28-B MRSA §503, sub-§6, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

6. Disposal of cannabis and cannabis products. A testing facility shall dispose of or destroy used, unused and waste cannabis and cannabis products in accordance with rules adopted by the ~~department~~ office.

Sec. B-83. 28-B MRSA §503, sub-§7, as enacted by PL 2017, c. 409, Pt. A, §6, is further amended to read:

7. Notification of test results. A testing facility shall notify the ~~department~~ office of test results in accordance with section 603.

Sec. B-84. 28-B MRSA §503, sub-§10, as amended by PL 2019, c. 491, §3 and PL 2021, c. 669, §5, is further amended to read:

10. Rules. The ~~department~~ office shall adopt rules regarding the provisional licensure, licensure, certification and accreditation of testing facilities and the testing of cannabis and cannabis products by testing facilities pursuant to this chapter, including, but not limited to, rules establishing acceptable testing and research practices for testing facilities, including, but not limited to, provisions relating to testing practices, methods and standards; remediation and retesting procedures; quality control analysis; equipment certification and calibration; chemical identification; testing facility record-keeping, documentation and business practices; disposal of used, unused and waste cannabis and cannabis products; and reporting of test results. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. B-85. 28-B MRSA §503-A, sub-§1, as enacted by PL 2019, c. 676, §13 and amended by PL 2021, c. 669, §5, is further amended to read:

1. Authorized operation. A sample collector is authorized to collect samples of cannabis and cannabis products from a cannabis establishment for mandatory and other testing by a testing facility and to transport and deliver those samples to the testing facility for those purposes. A sample collector may operate as an independent contractor or employee of a testing facility or as an employee of a business entity that employs 2 or more sample collectors and that is not a cultivation facility, a products manufacturing facility, a cannabis store, a registered caregiver, a registered dispensary or a manufacturing facility as defined in Title 22, section ~~2422~~ 2421-A, subsection ~~4-R~~ 27.

Sec. B-86. 28-B MRSA §503-A, sub-§2, as enacted by PL 2019, c. 676, §13 and amended by PL 2021, c. 669, §5, is further amended to read:

2. Compliance with sampling protocols, standards and criteria. A sample collector shall follow all sampling protocols, standards and criteria adopted by rule or otherwise approved by the ~~department~~ office for the sampling of different forms of cannabis and cannabis products.

Sec. B-87. 28-B MRSA §503-A, sub-§4, as enacted by PL 2019, c. 676, §13 and amended by PL 2021, c. 669, §5, is further amended to read:

4. Disposal of cannabis and cannabis products. A sample collector shall dispose of or destroy used, unused and waste cannabis and cannabis products in accordance with rules adopted by the ~~department~~ office.

Sec. B-88. 28-B MRSA §503-A, sub-§7, as enacted by PL 2019, c. 676, §13 and amended by PL 2021, c. 669, §5, is further amended to read:

7. Rules. The ~~department~~ office shall adopt rules regarding the licensing and operation of sample collectors pursuant to this chapter, including, but not limited to, rules establishing licensing requirements, acceptable sample collection methods, sample collector record keeping, documentation and business practices, and standards for the disposal of used, unused and waste cannabis and cannabis products. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. B-89. 28-B MRSA §504, sub-§2, ¶A, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

A. ~~Give~~ Except as otherwise provided in subsection 12, give away adult use cannabis, adult use cannabis products or cannabis plants or sell or give away mature cannabis plants or consumable products containing tobacco or alcohol that do not contain cannabis;

Sec. B-90. 28-B MRSA §504, sub-§4, as amended by PL 2021, c. 667, §2 and c. 669, §5, is further amended to read:

4. Verification of purchaser's age. A person must be 21 years of age or older to make a purchase from a cannabis store. A cannabis store may not sell any item to a ~~person under 21 years of age~~ minor.

A. Prior to initiating a sale in a cannabis store, an employee of the cannabis store licensee shall verify that the purchaser has a valid government-issued photographic identification card, or other acceptable photographic identification, demonstrating that the purchaser is 21 years of age or older.

A-1. Prior to concluding a sale by delivery under subsection 9 or curbside pickup under subsection 10, an employee of the cannabis store licensee shall verify that the purchaser has a valid government-issued photographic identification card, or other

acceptable photographic identification, demonstrating that the purchaser is 21 years of age or older.

B. The department shall by rule determine the forms of photographic identification that a cannabis store licensee may accept when verifying a purchaser's age.

Sec. B-91. 28-B MRSA §504, sub-§4-A, as enacted by PL 2021, c. 314, §1 and amended by c. 669, §5, is repealed.

Sec. B-92. 28-B MRSA §504, sub-§9, as amended by PL 2023, c. 396, §10, 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~~ minor. A municipality may not prohibit delivery of adult use cannabis and adult use cannabis products authorized under this subsection.

A. A cannabis store, cultivation facility or products manufacturing facility operating a limited delivery service shall ensure that cannabis store employees engaging in delivery have received training, prescribed by the ~~department~~ office 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 to any location in a municipality, except locations within a safe zone designated by a municipality under Title 30-A, section 3253.

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~~ office in accordance with section 511.

The ~~department shall~~ office may 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.

Sec. B-93. 28-B MRSA §504, sub-§10, as enacted by PL 2021, c. 667, §4 and amended by c. 669, §5, is further amended to read:

10. Curbside pickup. A cannabis store may allow curbside pickup of immature cannabis plants, seedlings, adult use cannabis and adult use cannabis products at a designated location outside of the cannabis store in accordance with the requirements of this subsection and any additional requirements imposed by the ~~department~~ office by rule.

A. A cannabis store that allows curbside pickup of immature cannabis plants, seedlings, adult use cannabis or adult use cannabis products shall designate a curbside pickup location outside of the cannabis store and near the entrance to the cannabis store and mark the location in a manner designated by the ~~department~~ office by rule.

B. A cannabis store that allows curbside pickup of immature cannabis plants, seedlings, adult use cannabis or adult use cannabis products shall implement security and record-keeping requirements for all sales concluded by curbside pickup as established by the ~~department~~ office by rule.

The ~~department~~ office shall may adopt rules to implement this subsection, including, but not limited to, rules establishing security and record-keeping requirements for sales concluded by curbside pickup. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. B-94. 28-B MRSA §504, sub-§12 is enacted to read:

12. Samples for consumers. Notwithstanding subsection 2, paragraph A, and in accordance with all other provisions of this chapter applicable to the sale by a cannabis store of adult use cannabis or adult use cannabis products, a cannabis store may give away samples of adult use cannabis or adult use cannabis products to persons at least 21 years of age as follows:

- A. No more than 1/2 gram of flower;
- B. No more than 10 milligrams of an edible;
- C. No more than one 1/2 gram vape cartridge; and
- D. No more than 2 samples in any combination per person per day.

A cannabis store shall package and label samples in accordance with the applicable provisions of this chapter and the rules adopted pursuant to this chapter. A cannabis store may not provide samples to a person who is visibly intoxicated. The total amount of samples, adult use cannabis and adult use cannabis products given or sold to a person in any one 24-hour period may not exceed the maximum amount of adult use cannabis or adult use cannabis products allowed under section 1501, subsection 1, paragraph F.

Sec. B-95. 28-B MRSA §504, sub-§13 is enacted to read:

13. Special retail sales prices. A cannabis store may establish special retail sales prices on adult use cannabis or adult use cannabis products, except that products may not be sold at a retail price that is significantly less than the wholesale price or the price paid by the cannabis store.

Sec. B-96. 28-B MRSA §504-A, first ¶, as amended by PL 2023, c. 408, §6, is further amended to read:

Notwithstanding any provision of law to the contrary, the ~~department~~ office shall issue a specified event permit to a cannabis store to sell adult use cannabis and adult use cannabis products on the permitted premises for a specified event in accordance with the requirements of this section. Transportation of adult use cannabis and adult use cannabis products between the licensed premises and the permitted premises for a specified event is subject to the requirements of section 505. A cannabis store authorized to sell adult use cannabis and adult use cannabis products under this section is subject to the provisions of section 504.

Sec. B-97. 28-B MRSA §504-A, sub-§1, as amended by PL 2023, c. 408, §7, is further amended to read:

1. Permit application. At least 30 days prior to a specified event, a cannabis store seeking authorization to sell adult use cannabis and adult use cannabis products at a specified event shall submit a permit application, on a form issued by the ~~department~~ office, and a nonrefundable \$200 permit application fee to the ~~department~~ office. The application must include or be appended with:

- A. Proof of approval, in accordance with subsection 2, from the municipality where the specified event will occur to sell adult use cannabis or adult use cannabis products at the specified event;
- B. The location and description of the specified event, including the date of the event, the date the cannabis store intends to sell adult use cannabis and adult use cannabis products and the name and description of the organization sponsoring the event;
- C. If the specified event is held on private property, the written permission of the property owner for the cannabis store to sell adult use cannabis and adult use cannabis products on the property;
- D. A description of the adult use cannabis and adult use cannabis products the cannabis store intends to sell at the specified event;
- E. The number of cannabis store employees required to work at the specified event;
- F. A diagram and description of the permitted premises for the specified event; and

G. As applicable, a diagram and description of the security measures the cannabis store intends to implement on the permitted premises for the specified event to prevent unauthorized access to adult use cannabis and adult use cannabis products, including access by persons under 21 years of age.

Sec. B-98. 28-B MRSA §504-A, sub-§1-A, as enacted by PL 2023, c. 408, §8, is amended to read:

1-A. Permit issuance. Within 14 calendar days of receipt of a permit application that meets the requirements of subsection 1, the ~~department~~ office shall review the application and issue a specified event permit to the cannabis store or deny the application for good cause in accordance with section 206, subsection 2.

Sec. B-99. 28-B MRSA §504-A, sub-§3, as amended by PL 2023, c. 408, §10, is further amended to read:

3. Limitations. A cannabis store issued a specified event permit under this section may sell adult use cannabis and adult use cannabis products at a specified event only as authorized under the permit. A specified event permit issued by the ~~department~~ office under this section for a specified event may not authorize:

- A. Sales at the specified event for a period greater than the duration of the event;
- B. Sales anywhere other than on the permitted premises for the specified event; or
- C. The consumption of adult use cannabis or adult use cannabis products on the permitted premises for the specified event.

Sec. B-100. 28-B MRSA §504-A, sub-§4, ¶E, as amended by PL 2023, c. 408, §11, is further amended to read:

E. A cannabis store shall record all sales conducted at the specified event using a video recording device in a manner that captures, to the extent practicable, only the individual making the purchase. The recording must be retained by the cannabis store for 45 days, and the cannabis store shall make it available for inspection at the ~~department's~~ office's request.

Sec. B-101. 28-B MRSA §504-A, sub-§5, as amended by PL 2023, c. 408, §12, is further amended to read:

5. Guidance. The ~~department~~ office shall develop and publish on a publicly accessible website guidance documents to assist cannabis stores in applying for a specified event permit under this section and to establish best practices for conducting sales of adult use cannabis and adult use cannabis products at a specified event.

Sec. B-102. 28-B MRSA §504-A, sub-§5-A, as enacted by PL 2023, c. 408, §13, is amended to read:

5-A. Suspension or revocation. On the ~~department's~~ office's own initiative or upon complaint and after investigation, the ~~department~~ office, by written order, may for good cause as described in section 206, subsection 2 suspend or revoke a specified event permit issued to a cannabis store. The ~~department~~ office shall revoke a specified event permit if:

- A. Municipal approval granted in accordance with subsection 2 is revoked by the municipality; or
- B. As applicable, the owner of the property where the specified event will occur revokes the property owner's written permission required under subsection 1, paragraph C.

Sec. B-103. 28-B MRSA §505, last ¶, as enacted by PL 2023, c. 408, §16, is amended to read:

All transportation of adult use cannabis and adult use cannabis products must be documented by the licensee or an employee of the licensee in accordance with rules adopted by the ~~department~~ office.

Sec. B-104. 28-B MRSA §506, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

§506. Employment of persons under 21 years of age prohibited minors

A licensee may not employ ~~any person under 21 years of age~~ minors.

Sec. B-105. 28-B MRSA §507, as amended by PL 2021, c. 314, §2 and c. 669, §5, is repealed and the following enacted in its place:

§507. Entry into cannabis establishment by minors

A minor may not enter the licensed premises of a cannabis store unless accompanied by the minor's parent, legal guardian or custodian, as defined in Title 22, section 4002, subsection 5. An individual identification card holder who is the parent, legal guardian or custodian of a minor may bring that minor into the licensed premises of a cultivation facility, products manufacturing facility or cannabis testing facility in an emergency.

Sec. B-106. 28-B MRSA §508, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended by amending the section headline to read:

§508. Use of ~~adult use cannabis and adult use cannabis products~~ within licensed premises

Sec. B-107. 28-B MRSA §508, sub-§1, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

1. Employee use of cannabis or cannabis products for medical use. A licensee may allow an employee who is a qualifying patient pursuant to the Maine Medical Use of Cannabis Act to privately consume cannabis and cannabis products for medical use within its licensed premises.

Sec. B-108. 28-B MRSA §510, as amended by PL 2019, c. 491, §4 and PL 2021, c. 669, §5, is further amended to read:

§510. Limited access areas

Except as provided in subsection 1, a person may not enter or remain in any limited access area unless the person displays an individual identification card issued by the ~~department~~ office pursuant to section 106.

1. Contractors. A licensee may allow a person to enter or remain in any limited access area without displaying an individual identification card if the person is a contractor of the licensee, including, but not limited to, an electrician, a plumber, an engineer or an alarm technician, whose scope of work will not involve the handling of cannabis or cannabis products; ~~and the person signs a visitor entry log provided and maintained by the licensee and is issued a visitor identification badge by the licensee; and, if the person is working in a limited access area with immediate access to cannabis or cannabis products, the person is supervised at all times by the licensee or an employee of the licensee.~~

1-A. Visitors. A licensee may allow a visitor who is not a minor to enter or remain in any limited access area without displaying an individual identification card if the visitor signs a visitor entry log provided and maintained by the licensee, the visitor is issued a visitor identification badge by the licensee and, if the visitor is visiting in a limited access area with immediate access to cannabis or cannabis products, the visitor is accompanied at all times by the licensee or an employee of the licensee.

2. Licensee compliance. A licensee shall ensure that all areas of ingress to and egress from limited access areas within its licensed premises are conspicuously marked and that a person is not allowed to enter or remain in any limited access area without displaying the person's individual identification card issued by the ~~department~~ office pursuant to section 106.

Sec. B-109. 28-B MRSA §511, as amended by PL 2019, c. 231, Pt. A, §1, is further amended to read:

§511. Record keeping and inspection of records; audits

1. Record keeping; inspection of records. A licensee shall maintain a complete set of all records of the licensee's business transactions, which ~~must be open to inspection and examination by the department upon demand and without notice during all business hours~~ may be stored electronically. Upon providing at least 24 hours' notice, the office may inspect or audit the licensee's records during regular business hours. The office may not conduct an audit of a licensee's records more than twice in any 6-month period. The cost of any audit must be paid by the office from the Adult Use Cannabis Regulatory Coordination Fund under section 1102. Nothing in this subsection may be construed to prevent

the office from reviewing at any time business records submitted through the tracking system in accordance with section 105. Records must be maintained by a licensee at a minimum for a period comprising the current tax year and the ~~5~~ 6 immediately preceding tax years in accordance with Title 36, section 135.

~~**2. Additional information may be required.** The department may require a licensee to furnish any additional information necessary for the proper administration of this chapter.~~

3. Audit. ~~The department office~~ may require a licensee to submit to an audit of the licensee's business records. If the ~~department office~~ requires a licensee to submit to an audit, the licensee shall provide the auditor selected by the ~~department office~~ with access to all business records of the licensee and the cost of the audit must be paid by the ~~licensee office from the Adult Use Cannabis Regulatory Coordination Fund under section 1102.~~

4. Confidentiality. This subsection governs the confidentiality of records under this section.

A. Documents of a licensee inspected or examined by the ~~department office~~ pursuant to this section are confidential and may not be disclosed except as needed in a civil or criminal proceeding to enforce any provision of this chapter and the rules adopted pursuant to this chapter or any criminal law.

B. Audit working papers are confidential and may not be disclosed to any person outside the ~~department office~~, except that audit working papers may be disclosed to the licensee subject to the audit. A final audit report is a public record for the purposes of Title 1, chapter 13, subchapter 1. For the purposes of this paragraph, "audit working papers" means all documentation and other information acquired, prepared or maintained by the ~~department office~~ and the auditor selected by the ~~department office~~ during the conduct of the audit, including, but not limited to, draft reports and portions of draft reports.

Sec. B-110. 28-B MRSA §512, as enacted by PL 2017, c. 409, Pt. A, §6 and PL 2021, c. 669, §5, is further amended to read:

§512. Inspection of licensed premises; testing and sampling for product quality control

1. Inspections. A licensee shall submit to an inspection of its licensed premises, including, but not limited to, any places of storage and any locked areas, upon demand and without notice during ~~all the licensee's business hours and other times of apparent activity~~ by the ~~department office~~, a criminal justice agency or an official authorized by the municipality in which the licensed premises are located.

For the purposes of this subsection, "municipality" has the same meaning as in section 212.

2. Testing and sampling for product quality control. A licensee shall submit to the sampling and testing of adult use cannabis or adult use cannabis products within its possession, upon demand and without notice during all business hours by the department office for the purposes of product quality control. The office may not collect more than a random, representative sample necessary to test the batch of cannabis or cannabis products cultivated, manufactured or sold to consumers by a licensee. The office may not sample more than 3 samples of adult use cannabis or adult use cannabis products per 60-day period unless the cannabis or cannabis products sampled continue to fail tests or such samples are taken as part of an investigation by the office in response to a complaint. The department office shall adopt rules governing the sampling and testing of adult use cannabis and adult use cannabis products under this subsection, consistent with the requirements of subchapter 6. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. B-111. 28-B MRSA §513, as enacted by PL 2017, c. 409, Pt. A, §6, is repealed.

Sec. B-112. 28-B MRSA §601, as amended by PL 2021, c. 612, §1 and c. 669, §5, is further amended to read:

§601. Testing program established

The department office shall establish a testing program for adult use cannabis and adult use cannabis products. Except as otherwise provided in this subchapter, the program must require a licensee, prior to selling or distributing adult use cannabis or an adult use cannabis product to a consumer, to submit the cannabis or cannabis product to a testing facility for testing to ensure that the cannabis or cannabis product does not exceed the maximum level of allowable contamination for any contaminant that is injurious to health and for which testing is required and to ensure correct labeling. The department office shall adopt rules establishing a testing program pursuant to this section, rules identifying the types of contaminants that are injurious to health for which cannabis and cannabis products must be tested under this subchapter and rules regarding the maximum level of allowable contamination for each contaminant. Rules adopted pursuant to this subchapter are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. B-113. 28-B MRSA §602, sub-§1, ¶C, as amended by PL 2023, c. 396, §12, is further amended to read:

C. Dangerous yeasts, molds and mildew as specified in rules adopted by the department office;

Sec. B-114. 28-B MRSA §602, sub-§1, as amended by PL 2023, c. 396, §12, is further amended by amending the first blocked paragraph to read:

The department office may temporarily waive mandatory testing requirements under this section for any contaminant or factor for which the department office has determined that there exists no licensed testing facility in the State capable of and certified to perform such testing.

Sec. B-115. 28-B MRSA §602, sub-§1-A, as enacted by PL 2023, c. 396, §13, is amended to read:

1-A. Testing of returns. Cannabis and cannabis products returned pursuant to section 502, subsection 14 or section ~~502~~ 504, subsection 11 ~~must be tested prior to being~~ may be 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 without retesting if the tamper-evident packaging indicates that the cannabis or cannabis products have not been tampered with. Cannabis and cannabis products returned by a consumer to any licensee may not be resold.~~

Sec. B-116. 28-B MRSA §602, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

2. Record keeping. A licensee shall maintain a record of all mandatory testing that includes a description of the adult use cannabis or adult use cannabis product provided to the testing facility, the identity of the testing facility and the results of the mandatory test. A licensee that chooses to retest any adult use cannabis or adult use cannabis products for potency in accordance with section 503, subsection 4-A shall maintain a record of all mandatory potency test results.

Sec. B-117. 28-B MRSA §602, sub-§3, as amended by PL 2021, c. 558, §1 and c. 669, §5, is further amended to read:

3. Testing process, protocols and standards. The department office shall establish by rule processes, protocols and standards for mandatory and other testing of cannabis and cannabis products that conform with the best practices generally used within the cannabis industry, including, but not limited to, an allowable variance rate for determining the amount or potency of THC or other cannabinoids in edible cannabis products.

Sec. B-118. 28-B MRSA §603, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§603. Notification requirements

1. Notification of testing results required. If the results of a mandatory test conducted pursuant to section 602 indicate that the tested adult use cannabis or adult use cannabis product exceeds the maximum level of allowable contamination for any contaminant that is injurious to health and for which testing is required, the testing facility immediately shall quarantine, document

and properly destroy the cannabis or cannabis product, except when the owner of the tested cannabis or cannabis product has successfully undertaken remediation and retesting, and within 30 days of completing the test shall notify the department office of the test results.

1-A. Notification of retesting results required.
If a licensee chooses to retest any cannabis or cannabis product for potency in accordance with section 503, subsection 4-A, the testing facility shall provide to the office and the licensee the results of the initial test for potency as well as the results of the retest for potency.

2. Notification of testing results not required. A testing facility is not required to notify the department office of the results of any test:

- A. Conducted on adult use cannabis or an adult use cannabis product at the direction of a licensee pursuant to section 602 that demonstrates that the cannabis or cannabis product does not exceed the maximum level of allowable contamination for any contaminant that is injurious to health and for which testing is required;
- B. Conducted on adult use cannabis or an adult use cannabis product at the direction of a licensee for research and development purposes only, so long as the licensee notifies the testing facility prior to the performance of the test that the testing is for research and development purposes only;
- C. Conducted on cannabis or a cannabis product at the direction of a person who is not a licensee; or
- D. Conducted on a substance that is not cannabis or a cannabis product.

Sec. B-119. 28-B MRSA §604-A, as amended by PL 2021, c. 226, §6 and c. 669, §5, is further amended to read:

§604-A. Sample collecting for mandatory testing by licensee

1. Sample collecting by licensee authorized; rules. Notwithstanding any provision of this chapter to the contrary, a cultivation facility licensee, products manufacturing facility licensee or cannabis store licensee, or an employee of such licensee, may collect samples of the licensee's adult use cannabis or adult use cannabis products for mandatory testing under section 602 and may deliver those samples to a testing facility for testing. The department office shall adopt rules regarding the collection of representative samples of adult use cannabis and adult use cannabis products for mandatory testing by a licensee or an employee of a licensee as authorized under this section, which must include, but are not limited to:

- A. The establishment of sample collecting processes, protocols and standards, which must be complied with by the licensee and its employees in

collecting samples of adult use cannabis and adult use cannabis products for testing purposes;

B. Requirements for the licensee to provide video, onsite or other demonstration of its sample collecting practices to ensure compliance with paragraph A;

C. Provisions authorizing the department office to conduct audits of adult use cannabis or adult use cannabis products that were tested using samples collected by the licensee or its employees pursuant to this section, with all costs of the audits to be paid for by the licensee. The licensee may not be required to submit more than 3 representative samples of adult use cannabis or adult use cannabis products per 60-day period unless the cannabis or cannabis products continue to fail tests or pursuant to a complaint;

D. Requirements for the transportation, delivery and transfer of samples of adult use cannabis and adult use cannabis products collected by the licensee or an employee of the licensee to a testing facility, which must require the in-person transfer of the samples by the licensee or an employee of the licensee to the testing facility licensee or an employee of the testing facility licensee;

E. A prohibition on the intentional tampering with or interference in the mandatory testing process or auditing process by a licensee or an employee of the licensee, which, notwithstanding any provision of this chapter to the contrary, may be treated by the department office as constituting a major license violation affecting public safety and as a basis for imposition of ~~a license suspension or revocation~~ administrative penalties pursuant to section ~~802~~ 802-A; and

F. Authorization for the department office to suspend or revoke the licensee's license following 2 or more failed sample collecting audits conducted by the department office pursuant to this section.

Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. B-120. 28-B MRSA §605, sub-§4, as amended by PL 2021, c. 612, §4 and c. 669, §5, is further amended to read:

4. No subsequent processing, manufacturing or alteration. Since the performance of the prior testing under subsection 1, the cannabis or cannabis product has not undergone any further processing, manufacturing or alteration that would result in an increase in the concentration of any contaminants or factors identified in section 602, subsection 1 or in any rules adopted by the department office pursuant to that section.

Sec. B-121. 28-B MRSA §606, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§606. Coordination with testing program and rules for cannabis and cannabis products for medical use

In adopting rules and regulating the testing of adult use cannabis and adult use cannabis products under this subchapter, the ~~department~~ office shall ensure that, when necessary and practicable, the regulation of the testing of adult use cannabis and adult use cannabis products under this subchapter is consistent with the regulation of the testing of cannabis and cannabis products for medical use under the Maine Medical Use of Cannabis Act.

Sec. B-122. 28-B MRSA §701, as amended by PL 2021, c. 558, §§2 and 3 and amended by c. 669, §5, is further amended to read:

§701. Labeling and packaging

1. Labeling requirements. Adult use cannabis and adult use cannabis products to be sold or offered for sale by a licensee to a consumer in accordance with this chapter must be labeled with the following information, as applicable based on the cannabis or cannabis product to be sold:

- A. The license numbers of the cultivation facility, the products manufacturing facility and the cannabis store where the adult use cannabis or adult use cannabis product was cultivated, manufactured and offered for sale;
- B. An identity statement and universal symbol;
- C. Health and safety warning labels as required by rules adopted by the ~~department~~ office after consultation with the Department of Health and Human Services, Maine Center for Disease Control and Prevention;
- D. The batch number;
- E. A net weight statement;
- F. Information on the THC potency of the cannabis or cannabis product and the potency of such other cannabinoids or other chemicals in the cannabis or cannabis product, including, but not limited to, cannabidiol. If a licensee chooses to retest any cannabis or cannabis product for potency in accordance with section 503, subsection 4-A, the licensee shall include the THC potency information of the cannabis or cannabis product from the retest results. For edible cannabis products, the information required pursuant to this paragraph must be consistent with section 703, subsection 1, paragraphs F and F-1;
- G. Information on the amount of THC and cannabidiol per serving of the ~~cannabis or~~ edible cannabis product. ~~For edible cannabis products, the The~~

information required pursuant to this paragraph must be consistent with section 703, subsection 1, paragraphs F and F-1 and contain the number of servings per package;

H. Information on gases, solvents and chemicals used in cannabis extraction;

I. Instructions on ~~usage~~ route of administration;

J. For adult use cannabis products:

- (1) The amount of cannabis concentrate per serving of the product, as measured in grams or milligrams, and the amount of cannabis concentrate per package of the product, as measured in grams or milligrams;
- (2) A list of ingredients and possible allergens; and
- (3) A recommended use date or expiration date;

K. For edible cannabis products, a nutritional fact panel; and

L. Any other information required by rule by the ~~department~~ office.

2. Packaging requirements. Adult use cannabis and adult use cannabis products to be sold or offered for sale by a licensee to a consumer in accordance with this chapter must be packaged in the following manner, as applicable based on the cannabis or cannabis product to be sold:

- A. Adult use cannabis and adult use cannabis products must be prepackaged in child-resistant and tamper-evident packaging or must be placed in child-resistant and tamper-evident packaging at the final point of sale to a consumer;
- ~~B. Adult use cannabis and adult use cannabis products must be prepackaged in opaque packaging or an opaque container or must be placed in opaque packaging or an opaque container at the final point of sale to a consumer;~~
- C. Packaging for ~~multiserving~~ liquid adult use cannabis products that contain more than one serving must include an integral measurement component that measures one serving of the adult use cannabis product and a child-resistant cap; ~~and or closure.~~
- ~~D. Packaging must conform to all other applicable requirements and restrictions imposed by rule by the department.~~

3. Other approved labeling and packaging. Adult use cannabis and adult use cannabis products to be sold or offered for sale by a licensee to a consumer in accordance with this chapter may include on the label or the packaging of the cannabis or cannabis product:

- A. A statement of compatibility with dietary practices;

- B. Depictions of geometric shapes or cannabis leaves;
- C. Use of the terms "organic," "organically cultivated" or "organically grown" in accordance with requirements regarding the use of such terms as adopted by rule by the ~~department~~ office; and
- D. Any other information that has been preapproved by the ~~department~~ office pursuant to subsection 5 or information that is not prohibited.

4. Labeling and packaging prohibitions. Adult use cannabis and adult use cannabis products to be sold or offered for sale by a licensee to a consumer in accordance with this chapter:

- A. May not be labeled or packaged in violation of a federal trademark law or regulation or in a manner that would cause a reasonable consumer confusion as to whether the cannabis or cannabis product was a trademarked product;
- B. May not be labeled or packaged in a manner ~~that is specifically designed to appeal particularly to a person under 21 years of age that targets minors or contains subject matter or an illustration that targets minors;~~
- C. May not be labeled or packaged in a manner that obscures identifying information on the label or uses a false or deceptive label;
- D. May not be sold or offered for sale using a label or packaging that depicts a human, animal or fruit; and
- E. May not be labeled or packaged in violation of any other labeling or packaging requirement or restriction imposed by rule by the ~~department~~ office.

5. Voluntary labeling and packaging approval. A licensee may submit to the office a request for approval of any labeling or packaging the licensee intends to use. The request must include the following information as applicable:

- A. A digital or physical sample of the label for which approval is requested or a physical sample of any package for which approval is requested;
- B. A description of any additional labels that will be affixed to the label or package and the information contained on these additional labels; and
- C. Any additional information required on an approval request form provided by the office and available on the office's publicly accessible website.

The office may not refuse to review any voluntary request for approval. The office may deny any label or package it determines does not comply with this chapter or the rules adopted pursuant to this chapter. Within 30 days of submission of the request, the office shall issue

a written decision either approving or denying the request, including the reason for denial, if applicable. If the request is approved, the office may not take any enforcement action of any kind against the licensee solely for using the approved labeling or packaging.

Sec. B-123. 28-B MRSA §702, sub-§1, ¶D, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

- D. May not violate any other requirement or restriction on signs, advertising and marketing imposed by the ~~department~~ office by rule pursuant to subsection 2.

Sec. B-124. 28-B MRSA §702, sub-§2, as amended by PL 2023, c. 396, §§15 to 17, is further amended to read:

2. Rules on signs, advertising and marketing.

~~The department shall~~ the office may adopt rules regarding the placement and use of signs, advertising and marketing by or on behalf of a licensee, which may include, but are not limited to:

- A. A prohibition on health or physical benefit claims in advertising or marketing, including, but not limited to, health or physical benefit claims on the label or packaging of adult use cannabis or an adult use cannabis product;
- B. A prohibition on unsolicited advertising or marketing on the Internet, including, but not limited to, banner advertisements on mass-market websites;
- C. A prohibition on opt-in advertising or marketing that does not permit an easy and permanent opt-out feature;
- 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 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

~~E. Specific limitations~~ Limitations on signs, advertising and marketing to minimize the appeal of specifically designed to target minors regarding adult use cannabis and adult use cannabis products to persons under 21 years of age.

Sec. B-125. 28-B MRSA §702, sub-§4 is enacted to read:

4. Voluntary sign, advertising and marketing approval. A licensee may submit to the office a request for approval of any sign, advertisement or marketing materials the licensee intends to use. The request must include the following information as applicable:

- A. A digital or physical sample of the sign, advertisement or marketing materials for which approval is requested; and

B. Any additional information required on the sign, advertisement or marketing materials approval request form provided by the office and available on the office's publicly accessible web-site.

The office may not refuse to review any voluntary request for approval. The office may deny any sign, advertisement or marketing materials it determines do not comply with this chapter or the rules adopted pursuant to this chapter. Within 30 days of submission of the request, the office shall issue a written decision either approving or denying the request, including the reason for denial, if applicable. If the request is approved, the office may not take any enforcement action of any kind against the licensee solely for using the approved sign, advertisement or marketing materials.

Sec. B-126. 28-B MRSA §703, sub-§1, ¶A, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is repealed.

Sec. B-127. 28-B MRSA §703, sub-§1, ¶D, as amended by PL 2019, c. 491, §5, is repealed and the following enacted in its place:

D. Unless determined impracticable by the office by rule, must be stamped or embossed with a universal symbol on each serving of the edible cannabis product or each serving must be individually wrapped or blister packaged with a universal symbol clearly included on the wrapping or packaging. In the event the office determines by rule that stamping, embossing, individual wrapping or blister packaging for a particular type of edible cannabis product is impracticable, each serving of the product must be packaged together with the universal symbol affixed to the packaging. For purposes of this chapter, edible cannabis products that are determined to be impracticable to stamp, emboss, individually wrap or blister package include but are not limited to:

- (1) Potato or corn chips;
- (2) Popcorn;
- (3) Pretzels;
- (4) Loose granola; and
- (5) Gummies;

Sec. B-128. 28-B MRSA §703, sub-§1, ¶G, as enacted by PL 2017, c. 409, Pt. A, §6, is repealed.

Sec. B-129. 28-B MRSA §703, sub-§1, ¶G-1 is enacted to read:

G-1. May not be adulterated or misbranded as described in Title 22, sections 2156 and 2157, respectively, or contain additives specifically formulated to increase the addictiveness of the edible cannabis product; and

Sec. B-130. 28-B MRSA §703, sub-§2, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

2. Health and safety rules. The department office shall adopt labeling, packaging and other necessary health and safety rules for adult use cannabis and adult use cannabis products to be sold or offered for sale by a licensee to a consumer in accordance with this chapter. Rules adopted pursuant to this subsection must establish mandatory health and safety standards applicable to the cultivation of adult use cannabis, the manufacture of adult use cannabis products and the ~~packaging and~~ labeling and packaging of adult use cannabis and adult use cannabis products sold by a licensee to a consumer. Such rules must address, but are not limited to:

- A. Requirements for the storage, warehousing and transportation of adult use cannabis and adult use cannabis products by licensees;
- B. Sanitary standards for cannabis establishments, including, but not limited to, sanitary standards for the manufacture of adult use cannabis and adult use cannabis products; and
- C. Limitations on the display of adult use cannabis and adult use cannabis products at cannabis stores.

Sec. B-131. 28-B MRSA §704, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§704. Coordination with labeling and packaging rules for cannabis and cannabis products for medical use

In adopting rules and regulating the labeling and packaging of adult use cannabis and adult use cannabis products under this subchapter, the department office shall ensure that, when necessary and practicable, the regulation of the labeling and packaging of adult use cannabis and adult use cannabis products under this subchapter is consistent with the regulation of the labeling and packaging of cannabis and cannabis products for medical use under the Maine Medical Use of Cannabis Act.

Sec. B-132. 28-B MRSA §801, as enacted by PL 2017, c. 409, Pt. A, §6, is repealed.

Sec. B-133. 28-B MRSA §802, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is repealed.

Sec. B-134. 28-B MRSA §802-A is enacted to read:

§802-A. Administrative or monetary penalties; appeals

1. Penalties. The office, in accordance with this section, on its own initiative or on complaint and after investigation, notification and the opportunity for a public hearing, may, by written order:

A. Impose an administrative penalty in accordance with this section for a license violation;

B. Seize and destroy cannabis or cannabis products; and

C. Suspend or revoke a license issued under this chapter for a license violation.

For a first violation of any minor license violation as defined in subsection 2, paragraph C or for a first violation of this chapter or rules adopted pursuant to this chapter, the office may only provide technical assistance to the licensee and may not impose a penalty, suspend or revoke a license or seize and destroy cannabis or cannabis products.

2. License violation types. The following license violation types are established.

A. "Major license violation affecting public safety" means an intentional or knowing violation that imminently jeopardizes public health and safety or conduct that indicates a willful or reckless disregard for public health and safety. "Major license violation affecting public safety" is limited to:

(1) Intentionally or recklessly selling cannabis or cannabis products containing any scheduled drug as defined in Title 17-A, section 1101, subsection 11, except for any compounds naturally occurring in the cannabis plant;

(2) Intentionally or recklessly using prohibited agricultural chemicals that pose a threat to public health and concealing their use from the office, other licensees or consumers;

(3) Intentionally or knowingly treating or otherwise adulterating cannabis or cannabis products with a scheduled drug as defined in Title 17-A, section 1101, subsection 11, except for any compounds naturally occurring in the cannabis plant;

(4) Intentionally or knowingly destroying, damaging, altering, removing or concealing potential evidence of a violation under this paragraph or asking or encouraging another person to do so;

(5) Intentionally or knowingly purchasing cannabis plants, cannabis or cannabis products from outside the State, from a person not authorized pursuant to this chapter or from the illicit market;

(6) Three or more instances of a licensee failing to have on the premises at all times during business hours an individual identification card holder who is authorized to allow and cooperate with the office requests to inspect the premises;

(7) Intentionally or knowingly tampering with or interfering with mandatory testing processes, including sample collection or the auditing of test results; or

(8) Other intentional or knowing egregious conduct that imminently threatens public health and safety or conduct that shows a willful or reckless disregard for public health and safety that poses an imminent risk to public health and safety.

B. "Major license violation" means a serious violation that does not imminently jeopardize public safety. "Major license violation" is limited to:

(1) Intentionally or recklessly misleading the office for the purposes of involving a person with a disqualifying drug offense in the operation of a cannabis establishment;

(2) Intentionally or knowingly diverting cannabis or cannabis products to the illicit market;

(3) Except as provided in paragraph A, subparagraphs (2) and (3), treating or otherwise adulterating cannabis or cannabis products with any chemical that alters the color, appearance, weight or smell of the cannabis or cannabis product or that increases its potency, toxicity or addictiveness in a manner not authorized under this chapter;

(4) Selling cannabis plants, cannabis or cannabis products to a person under 21 years of age by failing to take all necessary steps to verify age;

(5) Intentionally or knowingly making deliveries of adult use cannabis or adult use cannabis products to safe zones designated by a municipality pursuant to Title 30-A, section 3253;

(6) Allowing any individual under 21 years of age to engage in any cannabis-related activity;

(7) Cultivating cannabis plants for adult use in an amount that is equal to or greater than 150% of the total number of cannabis plants or plant canopy the licensee is authorized to cultivate under this chapter;

(8) Intentionally or knowingly misrepresenting any cannabis product to a consumer, licensee or the public, including:

(a) Its contents;

(b) Its testing results; or

(c) Its potency;

(9) Two or more instances of refusing to permit the office to inspect the licensed premises during the licensee's business hours;

(10) Intentionally or knowingly destroying, damaging, altering, removing or concealing potential evidence of a violation under this paragraph or asking or encouraging another person to do so;

(11) Selling or transferring cannabis plants, cannabis or cannabis products outside of the tracking system;

(12) Conduct that demonstrates a pattern of willful or reckless disregard for the tracking system requirements, sales tax obligations, excise tax obligations, mandatory testing obligations or facility requirements;

(13) Intentionally making false statements to the office in order to obtain or maintain a license; or

(14) Any violation in paragraph C that is a knowing violation that the licensee has committed 3 or more times.

C. "Minor license violation" means a negligent violation. "Minor license violation" is limited to:

(1) Procuring or in any way aiding or assisting in procuring, furnishing, selling or delivering cannabis or cannabis products for or to a minor;

(2) Cultivating more cannabis plants for adult use than the licensee is authorized to cultivate under this chapter, but less than 150% of the total number of cannabis plants or plant canopy authorized;

(3) Supplying adulterated or misbranded cannabis or cannabis products;

(4) Intentionally or knowingly purchasing, receiving, selling or transferring any cannabis, cannabis plant or cannabis product that was fraudulently entered into the tracking system;

(5) Failing to request and obtain from the office an approval for a change in ownership or principals prior to making the change in ownership or principals;

(6) Subletting any portion of the licensed premises;

(7) Making representations or claims that the cannabis or cannabis product has curative or therapeutic effects;

(8) Not operating in accordance with operations, cultivation or facility plans of record filed with the office;

(9) Failing to have on the licensed premises at all times during business hours an individual identification card holder who is authorized to

allow inspection and cooperate when the office requests to inspect the premises;

(10) Allowing consumption of cannabis on the licensed premises of a cannabis establishment, except as otherwise provided in this chapter; or

(11) A 2nd violation of any other requirement of this chapter or the rules adopted pursuant to this chapter that is not expressly listed in this subsection.

3. Monetary penalties. The office may impose monetary penalties for a license violation of this chapter as follows:

A. Not more than \$2,500 for each minor license violation;

B. Not more than \$10,000 for each major license violation; or

C. Not more than \$20,000 for each major license violation affecting public safety.

Monetary penalties collected pursuant to this subsection must be credited to the General Fund.

4. Notification of violation. If, after an inspection or investigation by the office or a criminal justice agency, the office identifies a violation of this chapter or the rules adopted pursuant to this chapter, the office shall, within 5 business days of identifying the violation, provide written notification of the violation to the licensee. The licensee, within 5 days of receiving notification, shall provide the office with a plan of correction, if applicable, for the identified violation, including a time frame for correction. If, after a follow-up inspection, the office decides to impose a monetary penalty on the licensee, the office shall notify the licensee of the monetary penalty in a timely manner after the follow-up inspection. Notice under this subsection does not constitute final agency action.

5. Suspension. The office may suspend a license in accordance with this subsection.

A. The office may suspend a cannabis establishment license, for a period of up to one year, upon a finding of:

(1) A major license violation affecting public safety;

(2) A pattern of major license violations in a 30-month period; or

(3) A violation of subsection 2, paragraph B, subparagraph (7).

B. A licensee whose license has been suspended pursuant to this subsection may not, for the duration of the period of suspension, engage in any activities relating to the operation of the cannabis es-

tablishment the licensee is licensed to operate, except that a cultivation facility licensee may harvest any plants currently growing but may not start any new plants.

C. The office may allow a transfer of license for a suspended license and may allow new owners to begin some or all operations prior to the end of the suspension.

6. Revocation. The office may revoke a license in accordance with this subsection.

A. Upon a finding of any major license violation affecting public safety or upon a finding of a pattern of major license violations in a 60-month period, the office may permanently revoke the cannabis establishment license of the licensee found in violation.

B. A licensee whose license has been revoked pursuant to this subsection shall cease all activities relating to the operation of the cannabis establishment.

C. A license that is permanently revoked may not be transferred or renewed.

7. Maine Administrative Procedure Act; final agency action; appeals. Except as otherwise provided in this chapter or in the rules adopted pursuant to this chapter, the imposition of a monetary penalty, suspension or revocation on a licensee by the office, including, but not limited to, the provision of notice and the conduct of hearings, is governed by the Maine Administrative Procedure Act. A final order of the office imposing a monetary penalty on a licensee or suspension or revocation of a license is a final agency action, as defined in Title 5, section 8002, subsection 4, and the licensee may appeal that final order to the Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

Sec. B-135. 28-B MRSA §803, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§803. Disposition of unauthorized cannabis or cannabis products of licensee

1. Order; destruction of cannabis or cannabis products. If the department office issues a final order imposing a monetary penalty on or a license suspension or revocation against a licensee pursuant to this subchapter, the department office may specify in the order, in addition to any other penalties imposed in the order, that all or a portion of the cannabis or cannabis products in the possession of the licensee are not authorized under this chapter and are subject to destruction. A licensee subject to a final order directing the destruction of cannabis or cannabis products in the possession of the licensee shall forfeit the cannabis and cannabis products described in the order to the department office for destruction.

2. Investigation. If the department office is notified by a criminal justice agency that there is a pending investigation of a licensee subject to an order imposed under subsection 1, the department office may not destroy any cannabis or cannabis products of that licensee until the destruction is approved by the criminal justice agency.

Sec. B-136. 28-B MRSA §803-A, as enacted by PL 2019, c. 491, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§803-A. Administrative holds

In accordance with the provisions of this section, the department office may impose an administrative hold on a licensee licensee’s cannabis plants, cannabis or cannabis products if, as a result of an inspection or investigation of the licensee by the department office or a criminal justice agency, the department office determines there are reasonable grounds to believe the licensee or an agent or employee of the licensee has committed or is committing a violation of the provisions of this chapter, the rules adopted pursuant to this chapter or the terms, conditions or provisions of the licensee's license regarding labeling and packaging, testing results, contamination of cannabis plants and cannabis or cannabis products or cannabis plants or cannabis products tracking that is not in compliance with the tracking system.

1. Notice. The department office shall provide to a licensee subject to an administrative hold notice of the imposition of that hold, which must:

- A. Include a concise statement of the basis for the administrative hold;
- B. Detail the cannabis, cannabis products or cannabis plants subject to the administrative hold;
- C. Describe any operational restrictions to be placed on the licensee's license during the duration of the administrative hold; and
- D. Indicate actions that must be taken by the licensee as a result of the administrative hold.

An administrative hold takes effect at the time that the notice under this subsection is provided by the department office to the licensee.

2. Licensee actions. A licensee subject to an administrative hold must physically segregate in a limited access area any cannabis, cannabis products or cannabis plants subject to the hold, as detailed in the notice under subsection 1, from any other cannabis, cannabis products or cannabis plants not subject to the hold. For the duration of the administrative hold, the licensee may not sell, give away, transfer, transport, dispose of or destroy any cannabis, cannabis products or cannabis plants subject to the hold, but may, as applicable, cultivate, harvest, manufacture or otherwise maintain the cannabis, cannabis products or cannabis plants subject to the hold

unless specifically restricted by the department from engaging in such activities pursuant to subsection 1, paragraph C.

3. Operational responsibilities and restrictions.

A licensee subject to an administrative hold shall, for the duration of the hold, maintain the licensee's licensed premises and otherwise continue to operate the licensee's licensed cannabis establishment in accordance with the provisions of this chapter, the rules adopted pursuant to this chapter and the terms, conditions or provisions of the licensee's license and the provisions of the administrative hold. Except as specifically restricted by the department pursuant to a notice under subsection 1, the licensee may, for the duration of the administrative hold and as applicable to the licensee's license type, cultivate, manufacture, test or sell any cannabis, cannabis products or cannabis plants not subject to the administrative hold.

3-A. Required, permitted or prohibited conduct during administrative holds. For the duration of an administrative hold, a licensee:

A. Shall physically segregate any cannabis, cannabis products or cannabis plants subject to the hold from any other cannabis, cannabis products or cannabis plants not subject to the hold;

B. Shall maintain the licensed premises and otherwise continue to operate the cannabis establishment pursuant to the provisions of this chapter, the rules adopted pursuant to this chapter and the terms, conditions or provisions of the licensee's license and the provisions of the administrative hold;

C. May, as applicable to the license type, cultivate, harvest, manufacture or otherwise maintain the cannabis, cannabis products or cannabis plants subject to the hold, unless specifically restricted by the office pursuant to subsection 1, paragraph C;

D. May cultivate, manufacture, test or sell any cannabis, cannabis products or cannabis plants not subject to the administrative hold; and

E. May not sell, give away, transfer, transport, dispose of or destroy any cannabis, cannabis products or cannabis plants subject to the hold.

4. Termination; duration. The department office may terminate an administrative hold at any time following the imposition of the hold, except that a hold under this section may not be imposed for a period exceeding 30 consecutive days from the date notice is provided to the licensee in accordance with subsection 1. Notice of termination of an administrative hold must be provided by the department office to the licensee subject to the hold.

5. Department action; administrative hold not required prior to imposition of penalty. Subsequent to the termination of an administrative hold under sub-

section 4, the department, in accordance with the applicable provisions of this subchapter and the rules adopted pursuant to this subchapter, may impose a monetary penalty on the licensee that was subject to the hold or suspend or revoke the licensee's license for a violation of the provisions of this chapter, the rules adopted pursuant to this chapter or the terms, conditions or provisions of the licensee's license.

The department is not required to impose an administrative hold on a licensee prior to imposing a monetary penalty on a licensee or suspending or revoking the licensee's license in accordance with the applicable provisions of this subchapter and the rules adopted pursuant to this subchapter for a violation of the provisions of this chapter, the rules adopted pursuant to this chapter or the terms, conditions or provisions of the licensee's license.

6. Administrative hold not required prior to imposition of penalty. The office is not required to impose an administrative hold on a licensee prior to imposing any penalty for any violation of the provisions of this chapter, the rules adopted pursuant to this chapter or the terms, conditions or provisions of the licensee's license.

Sec. B-137. 28-B MRSa §804, as amended by PL 2019, c. 491, §7 and PL 2021, c. 669, §5, is repealed.

Sec. B-138. 28-B MRSa §1101, first ¶, as amended by PL 2021, c. 645, §4 and c. 669, §5, is further amended to read:

The Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund, referred to in this section as "the fund," is established as a dedicated, nonlapsing fund within the department office for the purposes specified in this section.

Sec. B-139. 28-B MRSa §1101, sub-§2, as amended by PL 2023, c. 444, §1, is further amended to read:

2. Uses of fund. Money credited to the fund pursuant to subsection 1 may be used by the department office as provided in this subsection.

A. Money credited to the fund may be expended by the department office to fund public health and safety awareness and education programs, initiatives, campaigns and activities relating to the sale and use of adult use cannabis and adult use cannabis products conducted in accordance with section 108 by the department office, another state agency or department or any other public or private entity. The office may give priority consideration to funding public health and safety awareness and education programs, initiatives and campaigns designed specifically for minors.

B. Money credited to the fund may be expended by the department office to fund enhanced law enforcement training programs relating to the sale

and use of adult use cannabis and adult use cannabis products for local, county and state law enforcement officers conducted in accordance with section 109 by the ~~department office~~, the Maine Criminal Justice Academy, another state agency or department or any other public or private entity.

C. Money credited to the fund may be expended by the ~~department office~~ to provide reimbursement to a municipality for qualifying expenses incurred as a result of the municipality's opting to permit the operation of some or all adult use cannabis establishments within the municipality. For the purposes of this paragraph, "qualifying expenses" means legal fees and costs associated with the drafting and adoption of a warrant article or the adoption or amendment of an ordinance, including the conduct of a town meeting or election, by a municipality that opted to permit the operation of some or all cannabis establishments within the municipality. Each municipality may receive funds, not to exceed \$20,000, only once for the reimbursement of qualifying expenses in accordance with this paragraph. Nothing in this paragraph may be construed to require the ~~department office~~ to reimburse qualifying expenses incurred by a municipality if the ~~department office~~ determines there are insufficient funds available to provide reimbursement. Under no circumstances may a municipality submit an initial application for the reimbursement of qualifying expenses more than 3 years after the municipality adopts a warrant article or adopts or amends an ordinance to allow for the operation of some or all adult use cannabis establishments within the municipality. The ~~department office~~ may adopt rules to implement and administer the reimbursement of qualifying expenses to municipalities. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. The ~~department office~~ may not reimburse qualifying expenses under this paragraph accrued after July 1, 2027.

D. Any funds remaining in the fund after expenditures made in accordance with paragraphs A to C must be used to fund:

(1) The cost of the tax deductions for business expenses related to carrying on a business as a cannabis establishment or a testing facility provided pursuant to Title 36, section 5122, subsection 2, paragraph PP and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the State Tax Assessor shall determine the cost of those deductions during the prior calendar year and report that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund; and

(2) The cost of the position in the Bureau of Revenue Services within the department to administer the tax deductions provided pursuant to Title 36, section 5122, subsection 2, paragraph PP and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the commissioner shall determine the cost of the position in the bureau to administer those deductions during the prior calendar year and report that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund.

Sec. B-140. 28-B MRSA §1101, sub-§3, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to read:

3. Application of fund to ~~departmental office~~ expenses prohibited. Money in the fund may not be applied to any expenses incurred by the ~~department office~~ in implementing, administering or enforcing this chapter.

Sec. B-141. 28-B MRSA §1102, as enacted by PL 2017, c. 409, Pt. A, §6 and amended by PL 2021, c. 669, §5, is further amended to read:

§1102. Adult Use Cannabis Regulatory Coordination Fund

The Adult Use Cannabis Regulatory Coordination Fund, referred to in this section as "the fund," is established as a dedicated, nonlapsing Other Special Revenue Funds account in the ~~department office~~. The fund is administered and used by the ~~commissioner~~ director for the purposes of adopting rules under this chapter and for the purposes of implementing, administering and enforcing this chapter. The ~~commissioner~~ director may expend money in the fund to enter into contracts with consultants and employ staff, as determined necessary by the ~~commissioner~~ director, conduct meetings with stakeholders and conduct any other activities related to the implementation, administration and enforcement of this chapter.

Sec. B-142. 28-B MRSA §1505 is enacted to read:

§1505. Limitation

Notwithstanding any provision of law to the contrary, the Office of Cannabis Policy, established in section 104-A, may not enforce any provision of this chapter.

Sec. B-143. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Adult Use Cannabis Regulatory Coordination Fund Z264

Initiative: Provides funding for one OCP Compliance Inspector position and associated costs.

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
POSITIONS - LEGISLATIVE COUNT	0.000	1.000
Personal Services	\$0	\$121,154
All Other	\$0	\$16,451
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$137,605

PART C

Sec. C-1. 22 MRSA §2142, sub-§1-A, as enacted by PL 2023, c. 267, §1, is amended to read:

1-A. Certified nurse practitioner. "Certified nurse practitioner" has the same meaning as in section ~~2422, subsection 1-B~~ 2421-A, subsection 13.

Sec. C-2. 22 MRSA §2152, sub-§4-A, as amended by PL 2017, c. 452, §1 and PL 2021, c. 669, §5, is further amended to read:

4-A. Food establishment. "Food establishment" means a factory, plant, warehouse or store in which food and food products are manufactured, processed, packed, held for introduction into commerce or sold. "Food establishment" includes a caregiver, as defined in section ~~2422 2421-A~~, subsection ~~8-A 11~~, and a registered dispensary, as defined in section ~~2422 2421-A~~, subsection ~~6 41~~, that prepare food containing cannabis for medical use by a qualifying patient pursuant to chapter 558-C. The following establishments are not considered food establishments required to be licensed under section 2167:

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

G. A caregiver, as defined in section ~~2422 2421-A~~, subsection ~~8-A 11~~, conducting an activity allowed in section 2423-A for a qualifying patient who is a member of the family, as defined in section ~~2422 2421-A~~, subsection ~~5-A 32~~, or member of the same household, as defined in section ~~2422 2421-A~~, subsection ~~5-B 33~~, of the caregiver.

Sec. C-3. 22 MRSA §2158-B, as enacted by PL 2019, c. 491, §1 and amended by PL 2021, c. 669, §5, is further amended to read:

§2158-B. Food, food additives and food products containing adult use cannabis not adulterated

Notwithstanding any provision of law to the contrary, food, food additives or food products that contain adult use cannabis are not considered to be adulterated under this subchapter based solely on the inclusion of adult use cannabis. For the purposes of this section, "adult use cannabis" has the same meaning as in Title 28-B, section ~~102 102-A~~, subsection 1.

Sec. C-4. 22 MRSA §3763, sub-§11, ¶J, as amended by PL 2017, c. 409, Pt. A, §4 and PL 2021, c. 669, §5, is further amended to read:

J. Adult use cannabis and adult use cannabis products, as defined by Title 28-B, section ~~102 102-A~~.

Sec. C-5. 36 MRSA §172, sub-§3, as enacted by PL 2019, c. 231, Pt. A, §4 and amended by PL 2021, c. 669, §5, is further amended to read:

3. Adult use cannabis licensed establishment. If the taxpayer is a cannabis establishment, as defined in Title 28-B, section ~~102 102-A~~, subsection ~~29 10~~, to the Department of Administrative and Financial Services, which shall construe that liability and lack of cooperation to be a ground for denying, suspending or revoking the taxpayer's cannabis establishment license in accordance with Title 28-B, chapter 1, subchapter 8.

Sec. C-6. 36 MRSA §1752, sub-§1-I, as enacted by PL 2017, c. 409, Pt. D, §1 and amended by PL 2021, c. 669, §5, is further amended to read:

1-I. Adult use cannabis. "Adult use cannabis" has the same meaning as in Title 28-B, section ~~102 102-A~~, subsection 1.

Sec. C-7. 36 MRSA §1752, sub-§1-J, as enacted by PL 2017, c. 409, Pt. D, §1 and amended by PL 2021, c. 669, §5, is further amended to read:

1-J. Adult use cannabis product. "Adult use cannabis product" has the same meaning as in Title 28-B, section ~~102 102-A~~, subsection 2.

Sec. C-8. 36 MRSA §1752, sub-§6-D, as enacted by PL 2017, c. 409, Pt. D, §1 and amended by PL 2021, c. 669, §5, is further amended to read:

6-D. Cannabis establishment. "Cannabis establishment" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~29 10~~.

Sec. C-9. 36 MRSA §1752, sub-§6-H, as enacted by PL 2019, c. 231, Pt. A, §7 and reallocated by RR 2019, c. 1, Pt. A, §57 and amended by PL 2021, c. 669, §5, is further amended to read:

6-H. Cannabis. "Cannabis" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~27 8~~.

Sec. C-10. 36 MRSA §1752, sub-§6-I, as enacted by PL 2019, c. 231, Pt. A, §8 and reallocated by RR 2019, c. 1, Pt. A, §58 and amended by PL 2021, c. 669, §5, is further amended to read:

6-I. Cannabis product. "Cannabis product" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~33 15~~.

Sec. C-11. 36 MRSA §1752, sub-§9-G, as enacted by PL 2019, c. 231, Pt. A, §9, is amended to read:

9-G. Qualifying patient. "Qualifying patient" has the same meaning as in Title 22, section ~~2422 2421-A~~, subsection ~~9 39~~.

Sec. C-12. 36 MRSA §4921, as amended by PL 2021, c. 323, §§1 and 2 and c. 669, §5, is further amended to read:

§4921. Definitions

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

1. Adult use cannabis. "Adult use cannabis" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection 1.

2. Cultivation facility. "Cultivation facility" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~43 25~~.

3. Immature cannabis plant. "Immature cannabis plant" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~49 32~~.

4. Licensee. "Licensee" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~24 37~~.

5. Cannabis establishment. "Cannabis establishment" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~29 10~~.

6. Cannabis flower. "Cannabis flower" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~34 12~~.

7. Cannabis plant. "Cannabis plant" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~32 14~~.

8. Cannabis trim. "Cannabis trim" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~35 17~~.

9. Mature cannabis plant. "Mature cannabis plant" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~36 41~~.

10. Registered caregiver. "Registered caregiver" has the same meaning as in Title 22, section ~~2422 2421-A~~, subsection ~~44 40~~.

11. Registered dispensary. "Registered dispensary" has the same meaning as in Title 22, section ~~2422 2421-A~~, subsection ~~6 41~~.

12. Seedling. "Seedling" has the same meaning as in Title 28-B, section ~~402 102-A~~, subsection ~~54 59~~.

13. Wet cannabis flower. "Wet cannabis flower" means cannabis flower that is not dried, cured or otherwise prepared in any manner to reduce or eliminate any water weight.

14. Wet cannabis trim. "Wet cannabis trim" means cannabis trim that is not dried, cured or otherwise prepared in any manner to reduce or eliminate any water weight.

Sec. C-13. 36 MRSA §4923, sub-§5, as enacted by PL 2019, c. 231, Pt. B, §7 and amended by PL 2021, c. 669, §5, is further amended to read:

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 cannabis plants and cannabis seeds 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 cannabis plants and cannabis seeds if the cannabis plants and cannabis seeds had been sold by a cultivation facility licensee to another licensee.

Sec. C-14. 36 MRSA §5122, sub-§2, ¶PP, as amended by PL 2023, c. 444, §2, is further amended to read:

PP. For taxable years beginning on or after January 1, 2018, for business expenses related to carrying on a trade or business as a registered caregiver or a registered dispensary, as defined in Title 22, section ~~2422 2421-A~~, an amount equal to the deduction that would otherwise be allowable under this Part to the extent that the deduction is disallowed under the Code, Section 280E. For taxable years beginning on or after January 1, 2023, for business expenses related to carrying on a trade or business as a registered caregiver, a registered dispensary or a manufacturing facility, as defined in Title 22, section ~~2422 2421-A~~, or a cannabis establishment or testing facility, as defined in Title 28-B, section ~~402 102-A~~, an amount equal to the deduction that would otherwise be allowable under this Part to the extent that the deduction is disallowed under the Code, Section 280E.

Sec. C-15. 36 MRSA §5200-A, sub-§2, ¶BB, as amended by PL 2023, c. 444, §3, is further amended to read:

BB. For taxable years beginning on or after January 1, 2018, for business expenses related to carrying on a trade or business as a registered caregiver or a registered dispensary, as defined in Title 22, section ~~2422~~ 2421-A, an amount equal to the deduction that would otherwise be allowable under this chapter to the extent that the deduction is disallowed under the Code, Section 280E. For taxable years beginning on or after January 1, 2023, for business expenses related to carrying on a trade or business as a registered caregiver, a registered dispensary or a manufacturing facility, as defined in Title 22, section ~~2422~~ 2421-A, or a cannabis establishment or testing facility, as defined in Title 28-B, section ~~402~~ 102-A, an amount equal to the deduction that would otherwise be allowable under this chapter to the extent that the deduction is disallowed under the Code, Section 280E.

PART D

Sec. D-1. Cannabis hospitality task force.

The Department of Administrative and Financial Services, Office of Cannabis Policy shall convene a task force to review how other states regulate cannabis hospitality establishments and draft recommendations for a bill to regulate cannabis hospitality establishments in this State. The task force shall consider, at a minimum:

1. Whether the office should issue a single type of cannabis hospitality establishment license or various license types for different business models;
2. How different methods of consumption are to be regulated;
3. What other products or services, including food or entertainment, may be offered at cannabis hospitality establishments;
4. Training for cannabis hospitality establishment employees; and
5. Local control, including whether municipalities need to opt in or opt out of allowing cannabis hospitality establishments and how municipalities may or may not regulate an establishment.

The office shall appoint members to the task force that include a supporter of the 2016 cannabis legalization ballot measure; an expert on cannabis policy; an expert on cannabis culinary arts; an individual representing the interests of adult use cannabis consumers; an individual representing the interests of municipal governments; an individual representing the interests of adult use cannabis licensees; an individual representing the interests of the hospitality industry; an individual representing public health; and any other stakeholder the office determines necessary.

No later than February 1, 2025, the office shall submit a report to the joint standing committee of the Legislature having jurisdiction over cannabis matters that includes the task force's findings and recommendations, including suggested legislation. The committee may report out legislation to any regular or special session of the 132nd Legislature based upon the task force's recommendations.

Sec. D-2. Self-populating online license renewal application.

Notwithstanding any provision of law to the contrary, the Department of Administrative and Financial Services, Office of Cannabis Policy shall develop an online license renewal application that self-populates all of the active licensee's information on file as previously submitted to the office for approval, including, but not limited to, information pertaining to principals and plans of record. The online license renewal application must provide a licensee the opportunity to verify with a single action that information on file with the office has not changed or to make edits, as applicable, to information on file.

Sec. D-3. Staggered implementation of 2-year identification cards.

Notwithstanding any provision of law to the contrary, the Department of Administrative and Financial Services, Office of Cannabis Policy shall implement the 2-year registry identification card provisions of this legislation in section 2425-A, subsection 3 of the Maine Medical Use of Cannabis Act one calendar year prior to implementing the 2-year individual identification card provisions of this legislation in section 106 of the Cannabis Legalization Act.

PART E

Sec. E-1. Adoption; Chapter 10: Rules for the Administration of the Adult Use Cannabis Program.

Notwithstanding any provision of the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A to the contrary, and using this Part as permitted in Title 5, section 8072, subchapter 11, final adoption of Chapter 10: Rules for the Administration of the Adult Use Cannabis Program, a provisionally adopted major substantive rule of the Department of Administrative and Financial Services, Office of Cannabis Policy that has been submitted to the Legislature for review pursuant to Title 5, chapter 375, subchapter 2-A, is authorized only if the following changes are made:

1. The rule must be amended, as necessary, to substitute the words "minor" and "minors" for the phrases "individual under 21 years of age" and "individuals under 21 years of age," respectively;
2. The rule must be amended in the subsection labeled "Definitions" to expand the definition of "principal" to better identify the natural persons associated with the various types of business entities licensed under the Maine Revised Statutes, Title 28-B, chapter 1;
3. The rule must be amended in section 1.4 and any other relevant sections to remove the requirement that

packaging for adult use cannabis and adult use cannabis products be opaque;

4. The rule must be amended, as necessary, to allow the requirement for child-resistant and tamper-evident packaging to be met either through the packaging of or the exit packaging for adult use cannabis or adult use cannabis products;

5. The rule must be amended, as necessary, to conform the rule to any changes to the Maine Revised Statutes, Title 28-B, chapter 1 enacted in the Second Regular Session of the 131st Legislature, including, but not limited to, changes to definitions;

6. All necessary grammatical, formatting, punctuation or other technical nonsubstantive editing changes must be made to the rule, and any necessary correction of the description of the units of the rule must be made to ensure proper reference and application of the provisions of the rule; and

7. All other necessary changes must be made to the rule to ensure conformity and consistency throughout the rule and to ensure consistency between the rule and the provisions of this section and between the rule and the provisions of the Maine Revised Statutes, Title 28-B, chapter 1.

The Department of Administrative and Financial Services, Office of Cannabis Policy is not required to hold hearings or undertake further proceedings prior to final adoption of the rule in accordance with this section.

Sec. E-2. Adoption; Chapter 20: Rules for the Licensure of Adult Use Cannabis Establishments. Notwithstanding any provision of the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A to the contrary, and using this Part as permitted in Title 5, section 8072, subsection 11, final adoption of Chapter 20: Rules for the Licensure of Adult Use Cannabis Establishments, a provisionally adopted major substantive rule of the Department of Administrative and Financial Services, Office of Cannabis Policy that has been submitted to the Legislature for review pursuant to Title 5, chapter 375, subchapter 2-A, is authorized only if the following changes are made:

1. The rule must be amended, as necessary, to substitute the words "minor" and "minors" for the phrases "individual under 21 years of age" and "individuals under 21 years of age," respectively;

2. The rule must be amended, as necessary, to allow a licensee to use equipment not included on the licensee's plan of record in emergency or exigent circumstances to the extent use of the equipment is necessary to mitigate loss of or damage to a licensee's inventory or property;

3. The rule must be amended, as necessary, to allow the requirement for child-resistant and tamper-

evident packaging to be met either through the packaging of or the exit packaging for adult use cannabis or adult use cannabis products;

4. The rule must be amended, as necessary, to conform the rule to any changes to the Maine Revised Statutes, Title 28-B, chapter 1 enacted in the Second Regular Session of the 131st Legislature, including, but not limited to, changes to definitions;

5. All necessary grammatical, formatting, punctuation or other technical nonsubstantive editing changes must be made to the rule, and any necessary correction of the description of the units of the rule must be made to ensure proper reference and application of the provisions of the rule; and

6. All other necessary changes must be made to the rule to ensure conformity and consistency throughout the rule and to ensure consistency between the rule and the provisions of this section and between the rule and the provisions of the Maine Revised Statutes, Title 28-B, chapter 1.

The Department of Administrative and Financial Services, Office of Cannabis Policy is not required to hold hearings or undertake further proceedings prior to final adoption of the rule in accordance with this section.

Sec. E-3. Adoption; Chapter 30: Compliance Rules for Adult Use Cannabis Establishments. Notwithstanding any provision of the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A to the contrary, and using this Part as permitted in Title 5, section 8072, subsection 11, final adoption of Chapter 30: Compliance Rules for Adult Use Cannabis Establishments, a provisionally adopted major substantive rule of the Department of Administrative and Financial Services, Office of Cannabis Policy that has been submitted to the Legislature for review pursuant to Title 5, chapter 375, subchapter 2-A, is authorized only if the following changes are made:

1. The rule must be amended, as necessary, to substitute the words "minor" and "minors" for the phrases "individual under 21 years of age" and "individuals under 21 years of age," respectively;

2. The rule must be amended, as necessary, to substitute the phrase "targets minors," or a similar phrase, for the phrase "appeals to individuals under 21 years of age," and similar phrases;

3. The rule must be amended, as necessary, to allow a licensee to use equipment not included on the licensee's plan of record in emergency or exigent circumstances to the extent use of the equipment is necessary to mitigate loss of or damage to a licensee's inventory or property;

4. The rule must be amended, as necessary, to allow a cultivation facility licensee or nursery cultivation facility licensee to acquire cannabis plants and seeds

through a lawful purchase from another cultivation facility licensee or nursery cultivation facility licensee. The rule must allow a cultivation facility licensee or nursery cultivation facility licensee to acquire seeds or seedlings as a gift from a resident of the State who is at least 21 years of age as long as the acquisition, within any 90-day period, is not more than one transfer of 2 1/2 ounces of seeds or more than one transfer of 12 seedlings from each individual gifting seeds or seedlings to the licensee; the office of cannabis policy has provided prior written approval of the gift of seeds or seedlings; the individual gifting the seeds or seedlings does not receive any form of remuneration; the gift is not conditional or contingent upon any other term or requirement of the licensee; and the licensee records the name and telephone number of the person gifting the seeds or seedlings, along with the identification number from that individual's valid state identification card. The rule must provide that, whether the seeds or seedlings are acquired by purchase or gift, the licensee must track the seeds or seedlings pursuant to the Maine Revised Statutes, Title 28-B, section 105;

5. The rule must be amended in sections 1.9, 5.3.A.1(d), 5.4.A(7), 5.5.A(4) and 5.6.A(4) and any other relevant sections to remove the requirement that the packaging of or exit packaging for adult use cannabis or adult use cannabis products be opaque;

6. The rule must be amended, as necessary, to allow the Office of Cannabis Policy to require labeling of adult use cannabis and adult use cannabis products that includes information on whether the adult use cannabis or adult use cannabis product has been remediated and by what method;

7. The rule must be amended, as necessary, to conform the rule to any changes to the Maine Revised Statutes, Title 28-B, chapter 1 enacted in the Second Regular Session of the 131st Legislature, including, but not limited to, changes to definitions;

8. All necessary grammatical, formatting, punctuation or other technical nonsubstantive editing changes must be made to the rule, and any necessary correction of the description of the units of the rule must be made to ensure proper reference and application of the provisions of the rule; and

9. All other necessary changes must be made to the rule to ensure conformity and consistency throughout the rule and to ensure consistency between the rule and the provisions of this section and between the rule and the provisions of the Maine Revised Statutes, Title 28-B, chapter 1.

The Department of Administrative and Financial Services, Office of Cannabis Policy is not required to hold hearings or undertake further proceedings prior to final adoption of the rule in accordance with this section.

Sec. E-4. Report to Legislature. By December 15, 2024, the Department of Administrative and Financial Services, Office of Cannabis Policy shall submit a copy of each finally adopted rule under this Part to the joint standing committee of the Legislature having jurisdiction over cannabis matters and shall clearly identify all differences between the provisionally adopted rules and the finally adopted rules. The committee may report out legislation related to one or more of the rules to the 132nd Legislature in 2025.

See title page for effective date.

**CHAPTER 680
H.P. 485 - L.D. 796**

**An Act Concerning Prior
Authorizations for Health Care
Provider Services**

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

PART A

Sec. A-1. 24-A MRSA §4301-A, sub-§1, as amended by PL 2011, c. 364, §20, is further amended to read:

1. Adverse health care treatment decision. "Adverse health care treatment decision" means a health care treatment decision made by or on behalf of a carrier offering or renewing a health plan denying in whole or in part payment for or provision of otherwise covered services requested by or on behalf of an enrollee. "Adverse health care treatment decision" includes a rescission determination and an initial coverage eligibility determination, consistent with the requirements of the federal Affordable Care Act, and a prior authorization determination in accordance with section 4304.

Sec. A-2. 24-A MRSA §4301-A, sub-§2, as enacted by PL 1999, c. 742, §3, is amended to read:

2. Authorized representative. "Authorized representative" means:

- A. A person to whom an enrollee has given express written consent to represent the enrollee in an external review;
- B. A person authorized by law to provide consent to request an external review for an enrollee; or
- C. A family member of an enrollee or an enrollee's treating health care provider when the enrollee is unable to provide consent to request an external review; or
- D. A provider that is actively treating an enrollee.

Sec. A-3. 24-A MRSA §4303, sub-§4, as amended by PL 2019, c. 5, Pt. A, §20, is further amended to read: