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Adult Use Cannabis Program

2024 Annual Report to the Maine State Legislature

Maine Department of Administrative and Financial Services
Office of Cannabis Policy

February 14, 2025

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1. Executive Summary

Through the Adult Use Cannabis Program (AUCP), Maine's Office of Cannabis Policy (OCP) licenses cultivators, manufacturers, retail stores, and testing facilities. These licensees are responsible for providing access to adult use cannabis and cannabis products for Maine residents and visitors over the age of 21 who choose to consume cannabis.

This report to the Maine Legislature provides an overview of the AUCP's performance during calendar year 2024, and it serves to fulfill OCP's reporting requirements under 28-B M.R.S. §113(2).¹ It highlights several measurements that demonstrate a maturing adult use cannabis industry that continues to meet consumer demand. Such information includes:

- The number of license applications submitted to OCP
- The size of the industry, by cannabis establishment type
- Industry capacity and volume, by cannabis establishment type
- The value of cannabis produced, and the tax revenue generated
- The number and results of compliance inspections and the types of violations identified within the program
- Data providing insight into public health and safety and OCP's efforts to promote each
- Revenue, staffing, and expenditures related to the AUCP
- Legislative changes in 2024 and recommendations for the 132nd Legislature

The goal of this report is to provide comprehensive information relevant to the AUCP that complies with statutory reporting obligations and will be of value to the public. As the industry continues to expand and more consumers transition from illicit or non-regulated sources to the regulated market, OCP is committed to engaging with stakeholders and facilitating the transformation of the adult use cannabis industry in the years to come.

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¹ A copy of the statutory requirements is attached to this report as Appendix A.

The rules and statute governing the AUCP may be found at:

- Cannabis: [Title 28-B](#)
- The rules governing the Adult Use Cannabis Program:
 - [18-691 C.M.R. ch. 5](#)
 - [18-691 C.M.R. ch. 10](#)
 - [18-691 C.M.R. ch. 20](#)
 - [18-691 C.M.R. ch. 30](#)
 - [18-691 C.M.R. ch. 40](#)

OCP also regulates the Maine Medical Use of Cannabis Program, for which a separate annual report is submitted in accordance with 22 M.R.S. §2430-N.

2. Licensing in the AUCP

2.1 Applications

All principals of a licensed cannabis establishment and individuals working in or for a licensed cannabis establishment who possess, cultivate, manufacture, package, test, dispense, transfer, serve, handle, or transport cannabis or cannabis products are required to have an OCP-issued Individual Identification Card (IIC).

IIC applications are available through the InforME online application portal with approximately 98.7% of applicants applying via the online portal in 2024.² Figure 1 shows the total IIC applications submitted in 2024, including how many were approved, abandoned, and pending.

Figure 1: 2024 Individual Identification Cards (IIC) Applications

Application Type	Total Submitted	Approved	Abandoned³	Pending as of 12/31/24
New applications	1,772	1,290	503	124
Renewal applications	2,278	2,055	1,327	20
Total	4,050	3,345	1,830	144

OCP licenses four types of adult use cannabis establishments: cultivation facilities, products manufacturing facilities, cannabis stores, and testing facilities.⁴ Individuals or entities may obtain licenses in three of the four establishment types if they wish to cultivate, manufacture, and sell adult use cannabis and cannabis products. Under statute and rule, cannabis testing facilities are excluded as they must be owned and operated by individuals who, to avoid conflicts of interest and ensure public confidence in the validity of their results, are prohibited from having any direct or indirect financial interest in any other AUCP license type.

A total of 443 applications were received across all establishment license types in 2024. Of the applications submitted prior to the end of the year, 63.9% were renewals. However, it is important to note that due to local authorization, facility build outs, and other business decisions, the application process can, and often does, take over a year; so, new applications submitted in 2023 may not have been issued that year and thus not reflected in the 2024 renewals.

² Paper applications are made available for interested individuals applying for an IIC or an AUCP license.

³ This column represents applications that were void or abandoned by new applicants. Applications are considered “abandoned” by an applicant for a variety of reasons. IIC applications with outstanding requirements that are not completed within 90 days of submission are considered abandoned, as are renewal applications that were abandoned by existing IIC holders and all individuals who failed to renew their IIC. Some of those individuals later applied for a new IIC and thus are counted in each corresponding column.

⁴ Per 28-B M.R.S. §503-A, there is a fifth AUCP license type for sample collectors. To date, no individual or entity has ever completed an application for that license type.

Figure 2: AUCP License Applications Received in 2024

License Type	Total Submitted	New	Renewals
Cultivation – Nursery	4	3	1
Cultivation – Tier 1 (Canopy)	12	5	7
Cultivation – Tier 1 (Plant Count)	4	2	2
Cultivation – Tier 2	49	16	33
Cultivation – Tier 3	36	7	29
Cultivation – Tier 4	11	5	6
Products Manufacturing	101	35	66
Cannabis Retail Store	221	87	134
Testing Facility	5	0	5
Total	443	160	283

All AUCP cultivation facility, products manufacturing facility, and cannabis store applications are submitted through the InforME online application portal. Cannabis testing facility applications are available via printable applications on the OCP website.

The licensing of testing facilities requires approval from two state regulatory agencies. Facilities must complete the required laboratory certification process with the Maine Center for Disease Control and Prevention (Maine CDC) as well as obtain a separate license to operate from OCP.

2.2 Status of Establishment Licenses

At its highest level, the process for becoming licensed in the AUCP takes three steps: 1) Conditional Licensure, 2) Local Authorization, and 3) Active Licensure.

The Legislature designed this approach to ensure that OCP would evaluate prospective adult use licensees prior to receiving approval from a host community. It also ensures that municipalities have the benefit of reviewing the material that led to OCP’s conditional licensure before acting at the local level. Once local authorization is obtained, a prospective licensee returns to OCP to obtain an active license.

Figures 3 and 4 provide more information on the status of AUCP licenses in 2024.

Figure 3: AUCP Licenses as of December 31, 2024

License Type	Conditional ⁵	Conditional, Jurisdiction Approved	Active	Total
Cultivation – Nursery	0	2	2	4
Cultivation – Tier 1 (Canopy)	3	0	8	11
Cultivation – Tier 1 (Plant Count)	1	1	2	4
Cultivation – Tier 2	8	2	38	48
Cultivation – Tier 3	2	0	31	33
Cultivation – Tier 4	1	1	6	8
Products Manufacturing	11	7	74	92
Cannabis Retail Store	38	9	169	216
Testing Facility	0	0	4	4
Total	64	22	334	420

Figure 4: Percentage of Active AUCP Establishments by License Type

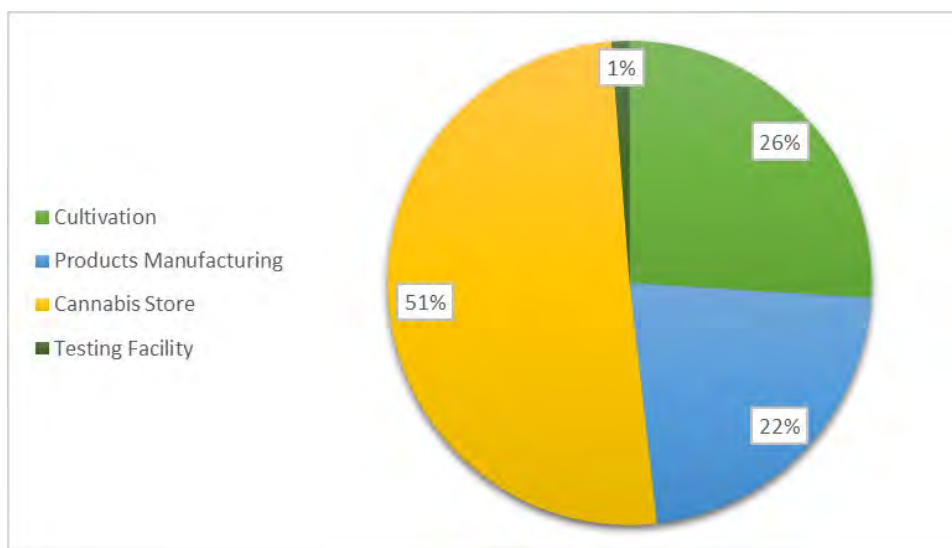
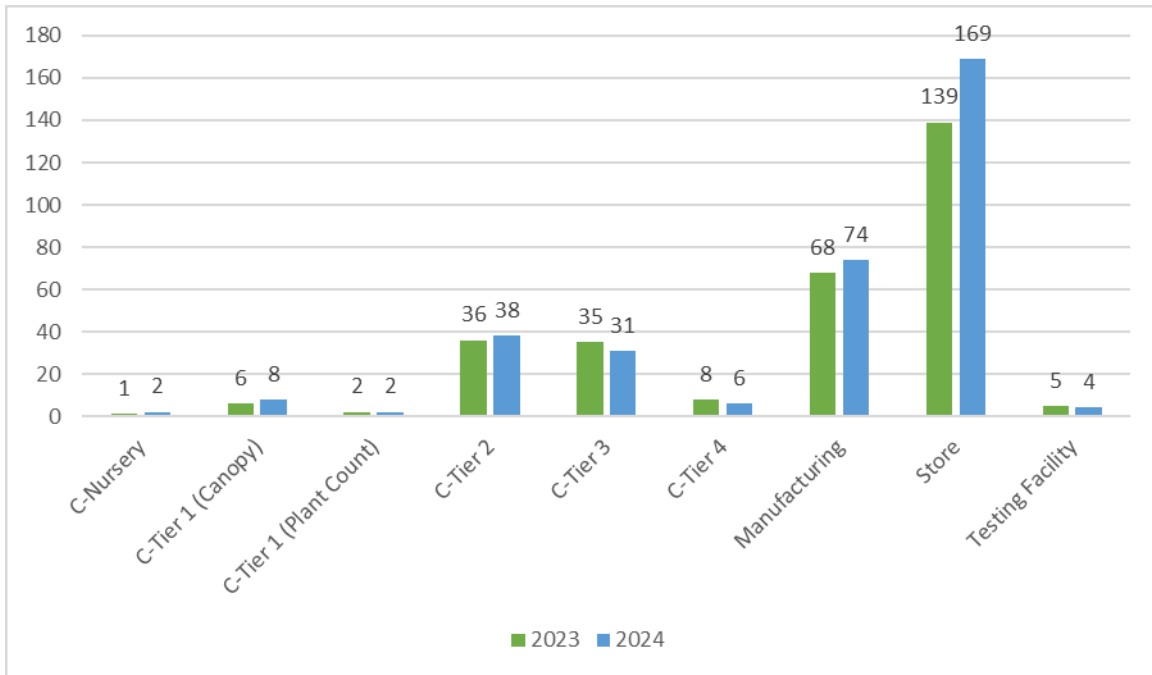


Figure 5 depicts the number of active establishments by license type in 2024 compared to the number of active establishments in 2023. Overall, there were 300 active licenses in 2023 and 334 in 2024—an 11.3% increase.

⁵ A licensee that has been issued a conditional license by the department may not engage in the cultivation, manufacturing, testing, or sale of adult use cannabis or adult use cannabis products until the licensee obtains an active license.

Figure 5: Active AUCP Establishments (2023 – 2024)



There were 18 adult use licensees who left the program in 2024 including nine cultivation facilities, three manufacturing facilities, six retail stores, and one testing facility. There was a net decrease of one cultivation facility, a net increase of six manufacturing facilities, a net increase of 30 retail stores, and a net decrease of one testing facility.

2.3 Administrative Violations

In 2024, eight adult use licensees had administrative violations. Two were due to implementing facility changes without prior approval, while six were due to not receiving prior approval for transfer of ownership interests or control. The six violations due to transfer of ownership violations resulted in monetary fines.

- One licensee paid fines totaling \$15,000
- One licensee paid fines totaling \$12,500
- One licensee paid fines totaling \$10,000
- One licensee paid fines totaling \$9,000
- One licensee paid fines totaling \$4,000
- One licensee paid fines totaling \$2,500

3. Industry Capacity, Volume, and Value

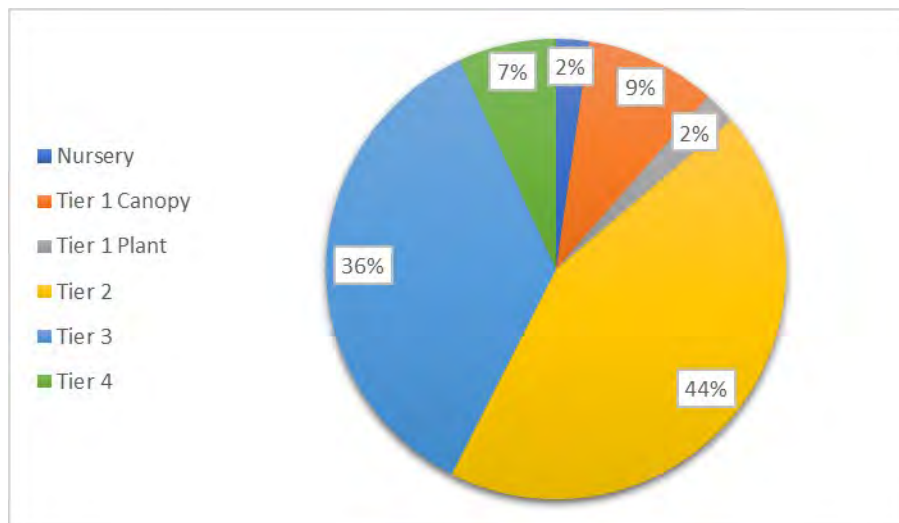
3.1 Existing Capacity – Cultivation Facilities

As of December 31, 2024, there were 87 adult use cultivation establishments with active licenses representing a total of 311,669 square feet of plant canopy. This is a decrease from the 358,798 square feet of plant canopy across 88 cultivators in 2023. The square footage totals are based on each active establishment's approved square footage as specified through the application process.

Figure 6: Active AUCP Cultivation Establishments and Capacity

Cultivation Type	Maximum Square Feet Allowed	# Active Establishments	Total
Nursery ⁶	1,000	2	n/a
Tier 1 (Plant Count) ⁷	n/a	2	n/a
Tier 1 (Canopy)	500	8	3,172
Tier 2	2,000	38	55,077
Tier 3	7,000	31	129,000
Tier 4 ⁸	20,000	6	124,420
Total	n/a	87	311,669

Figure 7: Distribution of Active Cultivation License Types



Cultivation licensees were operating at 74.7% capacity in 2024 compared to 74.5% capacity in

⁶ Nurseries are included in the number of active establishments but excluded from the total plant canopy calculation as they are not contributing to the overall value of product being sold.

⁷ Tier 1 licensees are allotted 30 mature plants, unlimited immature plants, and seedlings. They are not assigned an approved square footage amount.

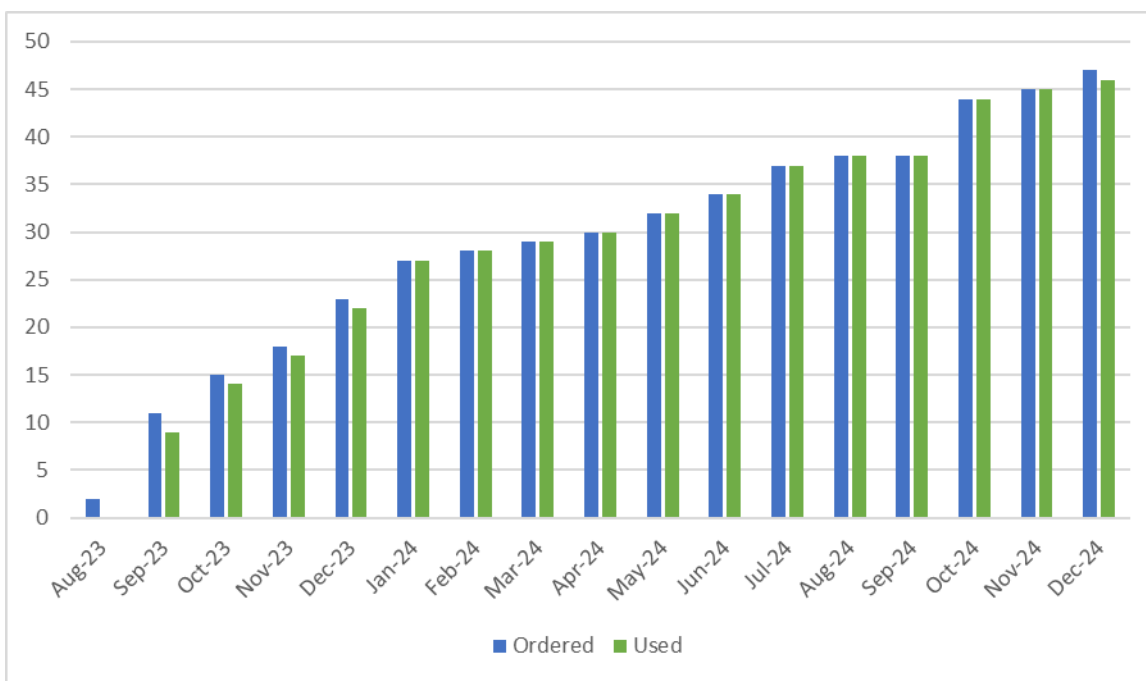
⁸ Tier 4 licensees are allowed, in accordance with 28-B M.R.S. §304, to request an increase in their plant canopy capacity during the renewal process.

2023. If all active establishments were operating at full capacity, the maximum plant canopy in the AUCP would be 417,000 square feet.

In accordance with 28-B M.R.S. §303, cultivation facility licensees are permitted to request a change in their license tier upon renewal and can ask for either an increase or decrease in tier. In 2024, no licensees reduced their cultivation capacity. Additionally, cultivation tier 4 licensees are allowed, in accordance with 28-B M.R.S. §304, to request an increase in their plant canopy capacity during the renewal process, not more than once every two years. In 2024, no cultivation tier 4 licensees requested an increase in their plant canopy during the renewal application process.

Starting in 2023 and following the 130th Legislature’s passage of P.L. 2021, ch. 628, *An Act To Allow the State's Adult Use Cannabis Tracking System To Track Plants and Products by Group*, adult use cultivators can engage in the batch tagging of plants rather than individual plant tagging. Licensees could start ordering batch tags on August 21, 2023, and using them on September 5, 2023. As of December 2024, 47 cultivation facilities had ordered batch tags and 46 of those cultivators had started using tags. Of the 87 cultivators active in the AUCP in 2024, 53% were using batch tags.

Figure 8: Cumulative Number of Distinct Cultivators Ordering and Using Batch Tags



3.2. Industry Volume and Value – Cultivation Facilities

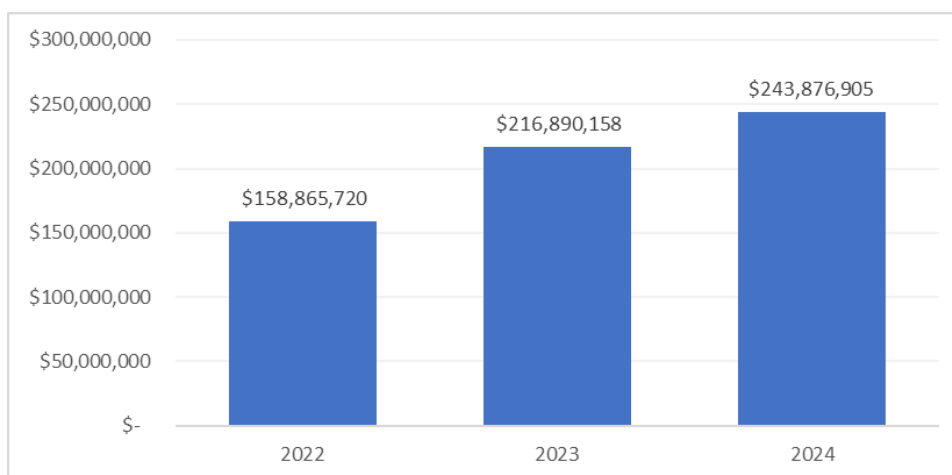
Cultivation facilities distributed a total of 23,723.21 kilograms of usable cannabis to other licensees in 2024.⁹ A total of \$16,148,484 was collected from the State’s excise tax on adult use cannabis sold by cultivation facilities.

As of January 28, 2025, the inventory at adult use cultivation facilities consisted of 9,829 kilograms of packaged usable cannabis and 94,695 plants available for future harvests, sales, and wholesale transactions.

3.3. Industry Volume and Value – Cannabis Retail Stores

Gross annual sales by adult use cannabis retail stores reached \$243,876,905 in 2024 through a total of 4,559,786 sales transactions. The chart below demonstrates the year over year growth of adult use sales, which increased by 12.4% between 2023 and 2024.

Figure 9: AUCP Retail Sales – Annual Trend (2022 – 2024)



While total sales have continued to increase each year, the average price per gram has decreased. The average price per gram of adult use cannabis was \$9.23 in 2022, \$7.77 in 2023, and \$7.24 in 2024.

The following visuals offer a breakdown of 2024 sales by product category. Usable cannabis includes buds/flower, shake/trim, and pre-rolls; plants include seeds and seedlings; concentrate includes concentrate, infused pre-rolls, kief, and vape products; and infused products include drinks, edibles, capsules, suppositories, and topicals.

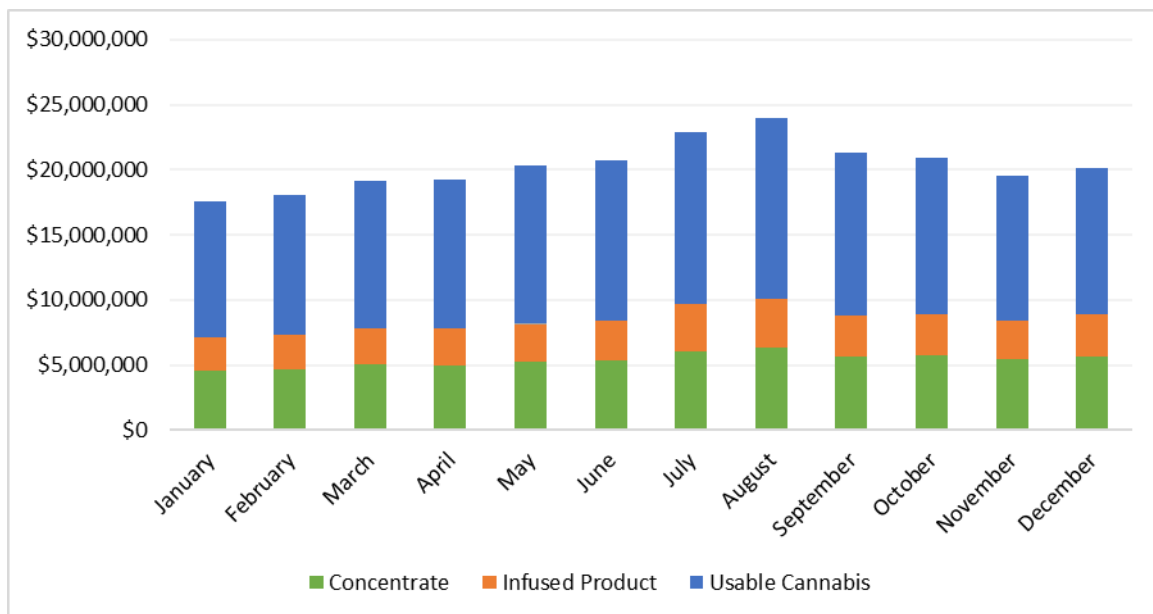
⁹ This only includes usable cannabis that has passed testing, been packaged, been transferred to another licensee, and, with the exception of fresh frozen plant material, been dried.

Figure 10: AUCP Product Sold by Product Category

Product Category & Unit		2022	2023	2024
Usable Cannabis	Kilograms	9,711.3	15,872.9	18,790.6
Plants	Units	2,031	3,998	4,571
Concentrate	Kilograms	10.51	168	319.3
	Units	874,314	1,309,828	1,610,668
Infused Products	Units	1,411,228	1,897,230	2,048,9471

Figure 11: AUCP Gross Sales by Product Category

Product Category	2022	2023	2024
Usable Cannabis	\$94,339,038	\$129,206,710	\$142,348,539
Plants	\$79,020	\$104,151	\$114,501
Concentrate	\$37,007,944	\$53,211,634	\$64,525,577
Infused Products	\$27,439,717	\$34,367,661	\$36,888,288

Figure 12: Monthly AUCP Retail Sales by Product Category¹⁰

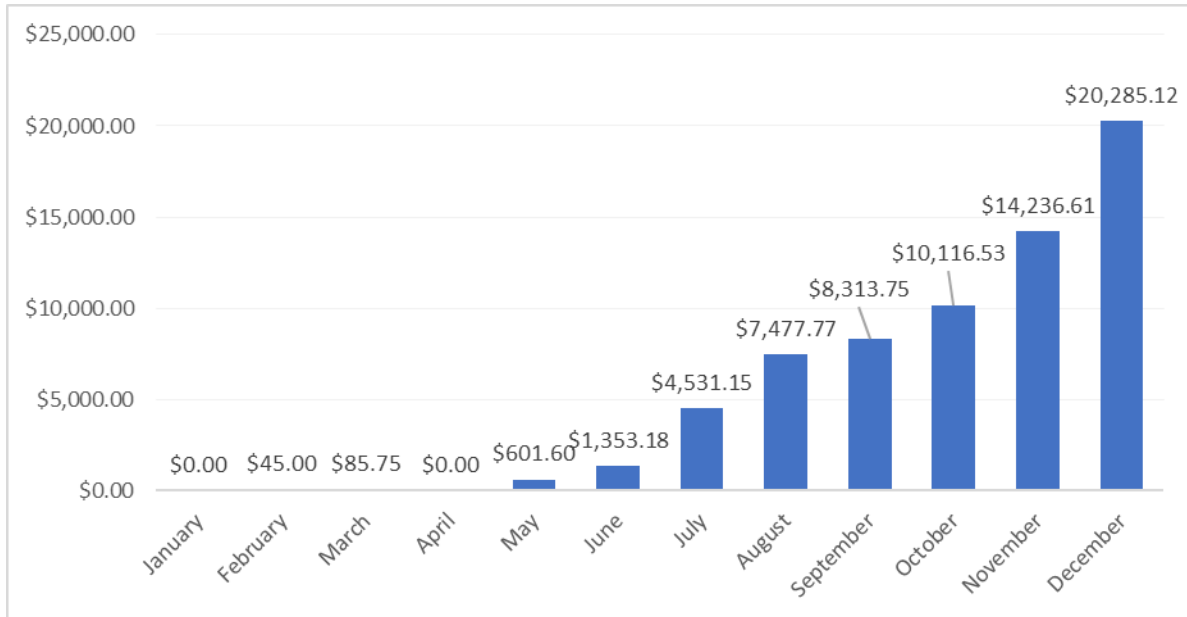
As of January 28, 2025, the inventory of cannabis retail stores consisted of 1,694.2 kilograms of usable cannabis, 777 plants, 47.3 kilograms of concentrate, 76,551 units of concentrate, and 414,432 units of infused products for future sales.

¹⁰ Plants are not reflected in this chart due to their limited amount in comparison to the other item categories.

Following the enactment of P.L. 2021, ch. 667, delivery became a new authorized activity for cannabis store licensees in 2023. Following the enactment of P.L. 2023, ch. 679, delivery became a new authorized activity for cultivation and products manufacturing licensees in 2024.

As of December 31, 2024, 11 retail stores and one products manufacturing facility have been authorized for delivery, while only five stores have started conducting deliveries. A total of \$67,047 was generated through delivery sales in 2024. Figure 13 shows the monthly delivery sales for 2024.

Figure 13: AUCP Delivery Sales by Month



4. Compliance in the AUCP

4.1 Compliance Inspections

OCP completed 387 compliance inspections in 2024 with 87.1% of all active licensees being inspected within the calendar year, including 100% of new licensees.

4.2. Compliance Violations

In 2024, OCP investigated 133 complaints of adult use licensees. After investigation, 54 complaints were deemed not a compliance violation. Of the remaining 79 complaints, 76 were resolved with technical assistance (96.2%) while three resulted in monetary penalties (3.8%).

The three complaints resulting in monetary penalties involved three separate licensees, with one fine settled as of January 2025 and two still pending. Regarding the fine that was settled:

- One adult use cultivation facility assessed a \$5,000 fine for mandatory testing violations.

5. Public Health and Safety

5.1 Mandatory Testing

Mandatory testing in the AUCP is critical for protecting the integrity of the supply chain and ensuring all adult use cannabis and cannabis products sold to consumers are free from harmful contaminants. As of 2024, there are eight required analyte categories for mandatory testing:

1. Filth and foreign materials
2. Dangerous molds and mildews
3. Harmful microbes
4. THC potency, homogeneity, and cannabinoid profiles
5. Water activity
6. Other harmful chemicals (metals, including cadmium, lead, arsenic, and mercury)
7. Residual solvents
8. Pesticides

Mandatory testing must be conducted on a representative sample of each batch of cannabis or cannabis products made available to consumers at retail. In calendar year 2024, there were 14,198 adult use samples submitted for testing, with an overall initial fail rate for all cannabis and cannabis products of 6.5% (923 fails). Aggregate year end testing data is available on OCP's website.¹¹

OCP continually analyzes testing data to identify potential irregularities as an additional safeguard. The Office also works closely with licensees to ensure that their sampling and handling processes are safe, consistent, and accurate.¹²

5.2 Public Health Collaborations

OCP has taken significant steps to interact with and involve the public health community in its work. The Office participates in multiple task forces comprised of public health and public safety officials from both state government and nonprofits throughout Maine. Data exchanges have been initiated with the Maine CDC's Maine Integrated Youth Health Survey program (MIYHS), Maine Emergency Medical Services (EMS), Maine CDC's Behavioral Risk Factor Surveillance System (BRFSS), Northern New England Poison Center, and Maine Department of Education. More details are provided in Figure 14.

Figure 14: OCP's Data Partnerships

Program/Agency	Key Indicators
Administrative Office of the Courts	<ul style="list-style-type: none">• Number of cannabis-related charges

¹¹ See <https://www.maine.gov/dafs/ocp/open-data/adult-use/testing-data>.

¹² See OCP's [Adult Use Sample Collection Reminders and Mandatory Testing for Pesticides Guidance](#) issued on November 27, 2024, and other guidance available here: <https://www.maine.gov/dafs/ocp/resources/guidance-documents>

District Attorney: All Prosecutorial Districts	<ul style="list-style-type: none"> • Number of convictions/dismissals related to cannabis
Maine CDC: Behavioral Risk Factor Surveillance System Program	<ul style="list-style-type: none"> • Percentage of adults using cannabis or cannabis products
Maine CDC: Maine Integrated Youth Health Survey Program	<ul style="list-style-type: none"> • Percentage of youth using cannabis and cannabis products • Perception of use, perception of harm, and perception of parental view on use of cannabis captured
Maine CDC: Pregnancy Risk Assessment Monitoring Program	<ul style="list-style-type: none"> • Percentage of women using cannabis and cannabis products prior, during, and post pregnancy
Maine Department of Education	<ul style="list-style-type: none"> • Number of students receiving disciplinary action relating to cannabis
Maine Emergency Management Services	<ul style="list-style-type: none"> • Number of ambulance services needed related to the use of or exposure to cannabis and cannabis products
Maine Health Data Organization	<ul style="list-style-type: none"> • Number of emergency room encounters that include at least one cannabis related diagnosis
National Survey on Drug Use and Health	<ul style="list-style-type: none"> • Estimate number of individuals with cannabis use • Perception of risk in consuming combustible forms of cannabis
Northern New England Poison Center	<ul style="list-style-type: none"> • Number of calls related to the use of or exposure to cannabis and cannabis products • Types of cannabis products that are the cause of poison center calls

5.3 Public Health and Safety Campaigns

In 2024, OCP and its vendor for public health and safety campaigns, Rescue Agency, implemented and evaluated a statewide campaign targeting parents and adult mentors of teenagers. The *Let's Talk Cannabis Maine Parents* campaign encouraged parents and adult mentors to have conversations with youth about cannabis prevention and effects of use on the developing brain.¹³

The campaign featured active and static creative content distributed across social media, YouTube, audio and TV streaming services, and various other platforms. These ads generated millions of impressions and engagements across the target audiences while also driving traffic to the campaign website. In the campaign evaluation results (n=300), over 75% of respondents said the campaign helped them understand the importance of having conversations about cannabis use, while 76% agreed the materials helped them recognize the risks of teen cannabis use, particularly its effect on mental health.

¹³ More information on the *Let's Talk Cannabis Maine Parents* campaign is available at <https://www.letstalkcannabismaine.com>.

6. Revenue, Staffing, and Expenditures

6.1 Revenue and Expenses

Below is a summary of adult use cannabis revenue received by the State for calendar year 2024. Excise tax and sales tax figures include actual amounts remitted to Maine Revenue Services for transactions occurring in calendar year 2024.

Figure 15: All Adult Use Cannabis Revenue for Calendar Year 2024

Category	Revenue
IIC Application Fees	\$ 178,628
Establishment Application Fees	\$ 63,220
License Fees	\$ 1,208,720
Fines	\$ 135,500
Excise Tax	\$ 16,148,424
Sales Tax	\$ 22,544,552
Total	\$ 40,729,044

Source: OCP's Agency Licensing Management System and Maine Revenue Services' Office of Tax Policy.

The income and expenditures of the Adult Use Cannabis Regulatory Coordination Fund and the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund for calendar year 2024 are summarized below.

Figure 16: Revenue and Expenses of the Adult Use Cannabis Regulatory Coordination Fund¹⁴

	2024
Revenues	\$ 1,574,027
Expenses – Personal Services	\$ (115,179)
Expenses – Contracts	\$ (81,477)
Expenses – All Other	\$ (614,935)

Figure 17: Revenue and Expenses of the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund¹⁵

	2024
Revenues	\$ 4,936,432
Expenses – Municipal Reimbursement	\$ (12,729)
Expenses – Contracts	\$ (144,665)
Expenses – All Other	\$ (459,100)

¹⁴ 28-B M.R.S. §1102 establishes the Adult Use Cannabis Regulatory Coordination Fund.

¹⁵ 28-B M.R.S. §1103 establishes the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund.

As a result of laws enacted during the second regular session of the 131st Legislature, the following funds are scheduled to be transferred from the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund to support other State programs and initiatives:

- Pursuant to P.L. 2023, ch. 444: Transfer estimated at \$1,581,923 in FY26 and \$1,780,000 in FY27 to cover the cost of the tax deductions for business expenses related to carrying on a business as a cannabis establishment or a testing facility;
- Pursuant to P.L. 2023, ch. 683, Pt. A, §2: Transfer of \$150,000 annually to the Department of Economic and Community Development; and,
- Pursuant to P.L. 2023, ch. 658: Transfer of \$2 million annually to the Department of Health and Human Services for operational support for recovery community centers and to provide funding for capacity building for recently established or new recovery community centers.

6.2 Staffing and Program Administration

OCP staff share responsibilities for both the AUCP and the Maine Medical Use of Cannabis Program (MMCP). While a majority of OCP's authorized positions and associated responsibilities are tied to the adult use program, the Office has focused on cross-training staff to minimize the likelihood of similar tasks and responsibilities being siloed by program type. This approach has proven effective, allowing office staff to serve the needs and answer the questions of program participants in both the adult use and medical cannabis programs. As of December 2024, OCP has 46 full-time employees and three vacant positions.

Figure 18: Full-Time OCP Employees by Division

Department	Full-Time Employees	Vacant Positions
Administration	5	0
Policy Division	1	0
Media and Stakeholder Engagement	2	0
Compliance Division	23	1
Data Analytics Division	3	1
Licensing Division	12	1

Note: The positions listed in the above table are inclusive of both cannabis programs.

The State of Maine operates on a fiscal year which runs from July 1 through June 30. Accordingly, revenue and expense information from fiscal year 2024 covers the period from July 1, 2023, through June 30, 2024. OCP's FY 2024 expenses and FY 2025 cost projections are detailed in the following figures.

Figure 19: OCP Adult Use Cannabis Program Expenses for Fiscal Year 2024

Category	Expense
Personnel	\$2,811,744
All Other	\$950,453
Total	\$3,762,197

Note: These figures do not include costs incurred by the medical cannabis program during this same reporting period.

Figure 20: OCP Estimated Adult Use Cannabis Program Administrative Cost Projections for Fiscal Year 2025

Category	Projected Expense
Personnel	\$3,666,904
All Other	\$1,263,226
Total	\$4,930,130

Note: These figures do not include costs associated with the administration of the medical cannabis program.

7. Legislative Changes and Recommendations

7.1 Legislative Changes

The Maine Legislature considered several pieces of legislation related to the AUCP in 2024. The following is a summary of changes enacted by the Legislature that affected Maine's adult use program.

An Act to Change the Requirement for Edible Cannabis Products to Be Stamped or Embossed on Each Serving with a Universal Symbol, P.L. 2023, ch. 641, Emergency (Law without signature, April 21, 2024)

- Added cannabis gummies to the list of edible cannabis products deemed “per se impracticable” to stamp, emboss, or otherwise mark with the universal symbol
- Allowed for the universal symbol to be marked on individual servings using a wrapper or blister pack rather than affixing the symbol directly to the edible cannabis product

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, P.L. 2023, ch. 679

- Made changes regarding criminal history record checks; transfers of ownership; co-location; entry of minors into cannabis stores; retesting for potency; progressive enforcement; and more
- Authorized OCP to finally adopt three major substantive rules affecting the adult use program, with changes regarding voluntary review of packaging, labeling, advertising, and marketing materials; manufacturing of non-cannabis products; consumer samples; and visitor requirements

An Act to Establish the Social Equity Program, P.L. 2023, ch. 683

- Established a social equity program at the Department of Economic and Community Development (DECD) to increase workforce development programs and provide support to members of impacted communities

7.2 Legislative Recommendations

OCP has submitted one department bill for consideration during the 132nd legislative session: LD 104, *An Act to Protect the Health of Medical Cannabis Patients and Streamline the Mandatory Testing of Cannabis*. LD 104 establishes a program for the mandatory testing and tracking of medical cannabis and updates the mandatory testing requirements of the adult use program to reflect the streamlined requirements proposed for the medical program.

The Office also recommends that the 132nd Legislature address intoxicating hemp-derived products (IHDPs). OCP continues to monitor the proliferation of these products that are unregulated, untested, and untracked but widely available for sale to consumers regardless of age. However, absent clear federal policy, Maine and other states continue to be increasingly inundated with products containing IHDPs.

Lastly, the Mills Administration is proposing a reduction of the excise tax in recognition of the fact that cannabis cultivators have appealed to the Legislature the last two sessions for relief from the adult use cannabis excise tax. The average retail price of cannabis flower has declined 56% over four years. Similarly, the wholesale price of cannabis (the purchase amount that manufacturers and retailers buy cannabis from cultivators) has also substantially declined. However, the weight-based excise tax paid by cultivators has remained the same, thus, the burden of the cannabis excise tax paid by cultivators relative to the wholesale price that cultivators receive for their product has increased significantly.

Part F of the Governor's proposed 2026-2027 biennial budget, LD 201, proposes that the excise tax rate is reduced by one-third and the sales tax rate is concurrently increased from 10% to 14%. The sales tax adjustment puts Maine in similar range with other states that have cannabis sales tax.

8. Conclusion

This report demonstrates the many ways in which Maine's Adult Use Cannabis Program (AUCP) continued to grow and transform in 2024. Specifically, some key AUCP data points from 2024 include:

- The number of active adult use cannabis establishments increased by 11%, from 300 in 2023 to 334 in 2024.
- There was a net decrease of one cultivation facility, a net increase of six manufacturing facilities, a net increase of 30 retail stores, and a net decrease of one testing facility.
- Adult use retail sales increased by 12%, from \$216,906,065 in 2023 to \$243,876,905 in 2024.
- 96.2% of complaints investigated by OCP were resolved with technical assistance.
- OCP completed another public health and safety campaign, the *Let's Talk Cannabis Maine Parents* campaign to educate parents and adult mentors of teenagers.

Maine's adult use cannabis industry has seen significant growth and transformation since sales began in October of 2020. With the program starting to show signs of market maturity in 2024, OCP remains committed to engaging in stakeholder outreach and regulatory lookback to identify opportunities for improving and streamlining the adult use program while maintaining public health and safety. The Office looks forward to working with program participants, stakeholders, and the Legislature throughout these continued efforts.

Appendix A – Report Requirements

In accordance with 28-B M.R.S. §113, the Office shall submit to the joint standing committee of the Legislature having jurisdiction over adult use cannabis matters, an annual report that contains, at a minimum:

- A. The number of applications for each type of license submitted to the 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 office during the prior calendar year;
- B. The total number of each type of active license issued by the 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 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 office and the cost to the 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 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 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 office pursuant to [section 107](#) in the prior calendar year;
- 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 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](#).