

2023

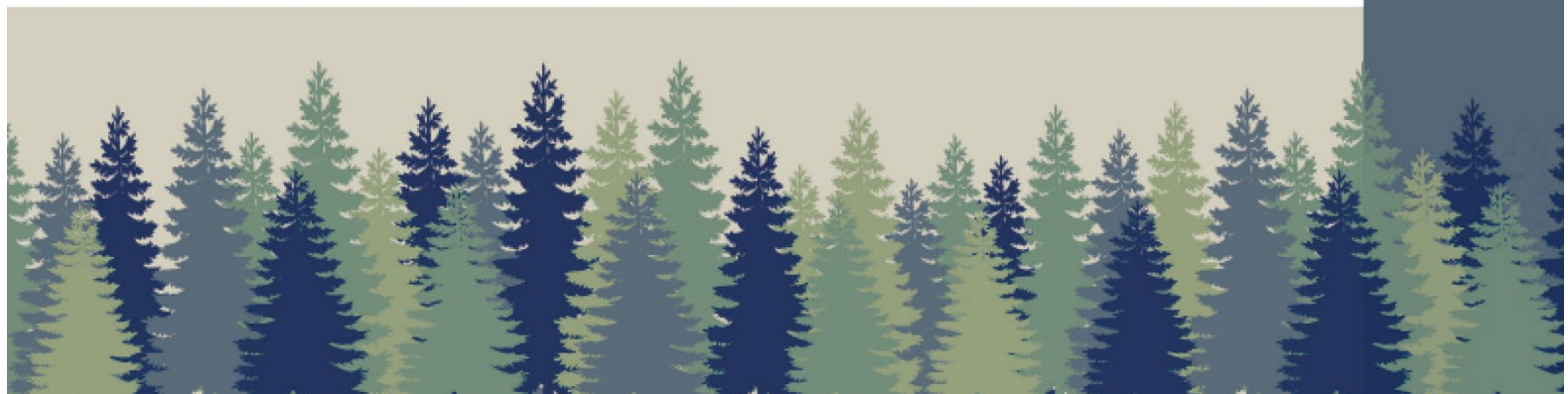
Annual Report to the Maine State Legislature

Medical Use of Cannabis Program



OFFICE OF
CANNABIS POLICY

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES



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1. Background

The State of Maine first legalized medical cannabis by referendum in 1999. In 2009, Maine voters again took up the topic of medical cannabis, this time creating a system for the legal distribution of medical cannabis that was not included in the 1999 initiative. As a result, the Maine Medical Use of Cannabis Program (MMCP) was established within the Department of Health and Human Services (DHHS) in 2010, with the first of Maine's medical cannabis dispensaries opening in 2011.

The Office of Cannabis Policy (OCP) was later established within the Department of Administrative and Financial Services (DAFS) on February 4, 2019. Since its founding, OCP has been solely responsible for registration, licensing, compliance, and general oversight of both the MMCP and the Adult Use Cannabis Program (AUCP).¹ For the state's longstanding medical cannabis program, OCP registers and regulates the authorized activities of registered caregivers, dispensaries, and their employees.

The MMCP has evolved dramatically over the nearly quarter century since voters approved it. It has transformed from a small caregiver program in which individuals produced limited amounts of cannabis for a small number of designated patients into a largely commercialized program. This evolution has accelerated since 2018, when advocates and program participants worked to reform the MMCP statute to allow for more commercialization within the program to improve patient access to medical cannabis.² That law ushered in substantive, fundamental changes to the MMCP and at the time represented compromises agreed to by the regulated community and public health and safety advocates, such as:

- Permitting registered caregivers to serve an unlimited number of patients, hire an unlimited number of assistants (employees), organize as a business entity, and operate caregiver retail stores;
- Creating a registration type for medical cannabis manufacturing and inherently hazardous substance extraction facilities;
- Permitting unlimited wholesale transactions between registered caregivers and dispensaries; and
- Doing away with a requirement that patients have a debilitating medical condition in order to qualify for a patient certification card.

The medical cannabis program continued to be a fully commercialized industry in 2023 with approximately 1,763 registered caregivers, 289 caregiver retail stores, and 60 active dispensaries statewide.³

For further information about the MMCP, please contact:

¹ A separate annual report for the AUCP was submitted to the legislature in accordance with the requirements of 28-B M.R.S. §113(2).

² *An Act To Amend Maine's Medical Marijuana Law*, P.L. 2017, ch. 452, (Governor's Veto overridden, July 9, 2018).

³ The data in this report reflects calendar year periods, unless otherwise noted.

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

- Maine Medical Use of Cannabis Act: [Title 22, Chapter 558-C](#)
- Rules: [18-691 C.M.R. ch. 2](#)
- Rules: [18-691 C.M.R. ch. 4](#)

2. Executive Summary

Through the Maine Medical Use of Cannabis Program (MMCP), the Office of Cannabis Policy (OCP) registers caregivers and medical dispensaries. These registrants are responsible for providing access to medical cannabis and medical cannabis products for qualifying patients statewide as well as visiting qualifying patients from other states.

This report to the Maine Legislature provides an overview of the MMCP's performance during calendar year 2023, and it serves to fulfill OCP's reporting requirements under 22 M.R.S. § 2430-N.⁴ It highlights several measures or indicators that demonstrate a shift in program participation. Such information includes:

- The number of medical providers and printed patient certifications statewide
- An overview of the registered caregivers and dispensaries actively operating in 2023
- The number of caregiver assistants and dispensary employees
- Data on revocations issued in 2023
- The Medical Use of Cannabis Fund's revenue and sales tax revenue from medical cannabis sales
- Legislative changes in 2023 and recommendations for the 131st Legislature

The goal of this report is to provide comprehensive information relevant to the MMCP that complies with statutory reporting obligations and will be of value to the public. However, there exist some limitations on the information the Office is able to provide. There are strict confidentiality provisions in the MMCP that limit OCP's ability to disclose information that could reveal information about both patients and participants in the medical cannabis program. In addition, several other data limitations exist because of a lack of an inventory tracking system in the MMCP, including information specific to wholesale and retail sales data.⁵ Despite these limitations, OCP is committed to using the available tools to engage with stakeholders and facilitate the transformation of the medical cannabis industry in the years to come.

⁴ A copy of the statutory reporting requirements is included in Appendix A of this report .

⁵ See 22 M.R.S. § 2425-A(12).

2023: MMCP Year in Review

109,001

printed patient certifications in 2023, a 2.7% increase from 106,164 in 2022

752

medical providers registered in the system in 2023, with 13 counties seeing an increase over the last year

1,763

registered caregivers in 2023, a 22.5% net decrease from the 2,276 caregivers actively operating in 2022

60

registered dispensaries in 2023, a 71.4% increase from the 35 dispensaries actively operating in 2022



caregiver retail stores statewide (although this is not its own MMCP registration category and is likely an underestimate)

4,108



individual registry identification cards were issued to employees of registered caregivers and registered dispensaries

Key Policy Changes

- Updated provisions around administrative violations and progressive enforcement (see P.L. 2023, ch. 365)
- Major substantive rulemaking maintained for the medical cannabis program (see P.L. 2023, ch. 96)
- “Cannabis paraphernalia” defined in statute (see P.L. 2023, ch. 6, Emergency)

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counties visited by OCP as part of a Community Listening Tour; 104 community members attended in total as well as 43 municipal officials

An estimated **\$16,606,725** collected in sales tax revenue in 2023

Regarding medical cannabis wholesale and retail sales data, OCP is limited in what it is able to report because there is no statewide inventory tracking system for the MMCP

3. Patients

3.1 Patient Certifications

In December 2018, the State of Maine repealed its list of qualifying medical conditions for adult qualifying patients.⁶ Qualifying conditions for pediatric medical cannabis patients were repealed in 2022.⁷ In light of these changes, medical providers have broad discretion to determine whether a patient could benefit from using medical cannabis. At present, medical providers may issue medical cannabis certifications to patients who are “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.”⁸

In order to access medical cannabis as a qualifying patient in Maine's medical cannabis program, an individual must obtain a valid written certification. A written certification is only considered valid if it is "a document on tamper-resistant paper signed by a medical provider..."⁹ To keep costs low for prospective patients, OCP provides registered medical providers with the state's tamper-resistant patient certification paper at no cost. A medical provider may also provide a digital image of the patient's written certification in addition to the written certification issued on tamper-resistant paper.¹⁰

An online service hosted by the state's web portal provider allows for the immediate issuance of patient certifications. In 2023, 109,001 certifications were printed through that online portal, a 2.7% increase from the 106,164 certifications printed in 2022. These numbers include all patient certifications printed, including any certifications that may have been reprinted because of loss or damage.

To protect patient confidentiality, Maine does not maintain a central registry of qualifying patients. Minimal information is also maintained regarding the age of patients, but in 2023, there were 280 patient certifications printed for patients ages 17 and under. This is a decrease from the 332 patient certifications printed for this age group in 2022.

The following figures show the specific number of patient certifications issued in their respective counties and the rate of change in patient certifications printed in recent years.

⁶ Qualifying conditions are specific medical conditions for which a patient could be potentially eligible for access to medical cannabis.

⁷ See P.L. 2021, ch. 662 (Emergency, effective April 26, 2022).

⁸ See 22 M.R.S. § 2423-B.

⁹ See 22 M.R.S. § 2422(16).

¹⁰ See 22 M.R.S. § 2423-B(4).

Figure 1: Printed Patient Certifications by County

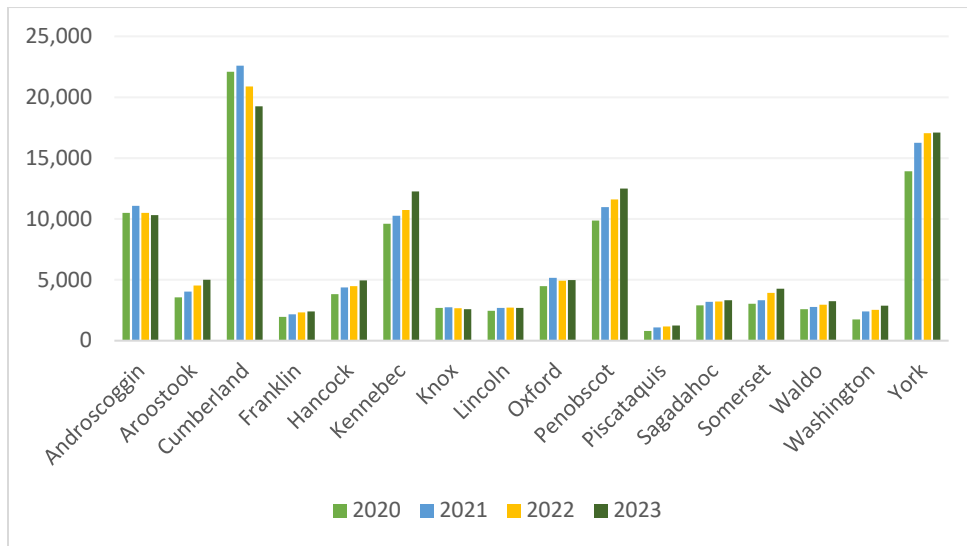


Figure 2: Printed Patient Certifications by County, Rate of Change

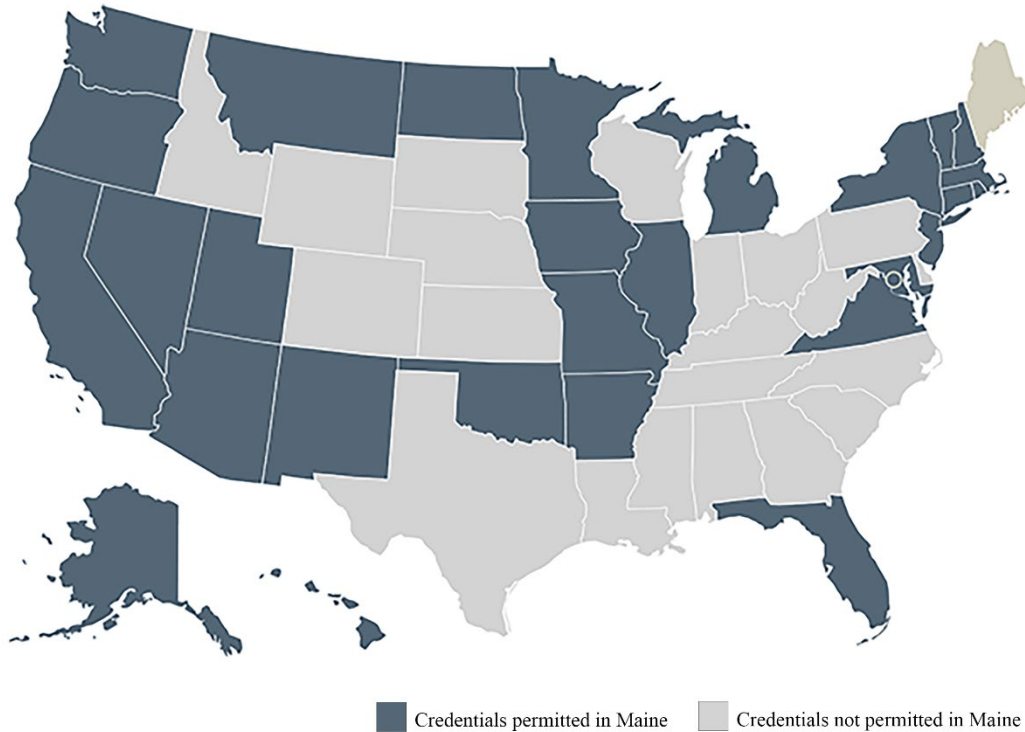
	2020	<i>Rate of change</i>	2021	<i>Rate of change</i>	2022	<i>Rate of Change</i>	2023
Androscoggin	10,490	5.6%	11,082	-5.2%	10,511	-1.7%	10,328
Aroostook	3,572	13.0%	4,036	12.0%	4,520	10.8%	5,009
Cumberland	22,106	2.2%	22,597	-7.6%	20,872	-7.8%	19,247
Franklin	1,948	11.4%	2,170	7.0%	2,322	4.0%	2,415
Hancock	3,822	14.6%	4,380	2.2%	4,476	10.6%	4,951
Kennebec	9,603	6.9%	10,270	4.5%	10,733	14.1%	12,250
Knox	2,694	2.1%	2,750	-3.4%	2,656	-2.9%	2,578
Lincoln	2,463	9.8%	2,705	0.1%	2,707	-0.7%	2,688
Oxford	4,479	15.2%	5,161	-4.4%	4,935	0.9%	4,977
Penobscot	9,873	11.0%	10,960	5.6%	11,613	7.6%	12,500
Piscataquis	811	33.7%	1,084	7.6%	1,166	7.1%	1,249
Sagadahoc	2,906	9.7%	3,188	0.6%	3,208	3.8%	3,329
Somerset	3,024	10.0%	3,325	18.0%	3,922	9.1%	4,280
Waldo	2,586	7.4%	2,778	6.3%	2,952	10.0%	3,247
Washington	1,755	36.3%	2,392	5.9%	2,534	13.1%	2,865
York	13,914	16.9%	16,265	4.7%	17,037	0.3%	17,088
TOTAL	96,046	9.5%	105,143	1.0%	106,164	2.7%	109,001

3.2 Visiting Qualifying Patients

Visitors to Maine who are qualifying patients in their home states’ medical cannabis programs may use their home state-issued patient credentials so long as their state of residence has provided OCP with sufficient information regarding the form of their patient credentials issued by the jurisdiction.

The complete list of jurisdictions that have provided the information necessary to OCP to permit the use of their credentials in Maine are: Alaska, Arizona, Arkansas, California, Connecticut, Florida, Hawaii, Illinois, Iowa, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Oklahoma, Oregon, Rhode Island, Utah, Vermont, Virginia, Washington, and the District of Columbia.¹¹

Figure 3: States Permitting the Use of Their Medical Cannabis Credential in Maine



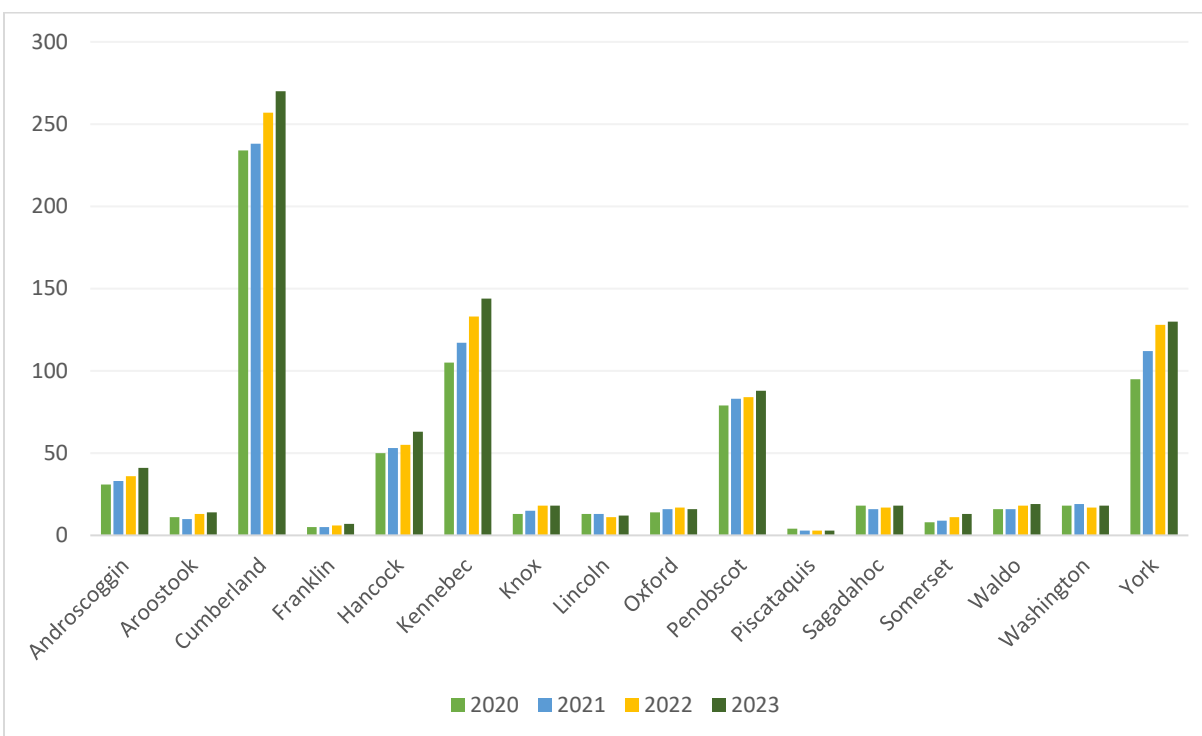
¹¹ This list and map are available on OCP's website at <https://www.maine.gov/dafs/ocp/medical-use/visiting-patients>.

4. Medical Providers

Patient certifications are issued by licensed medical providers including physicians, nurse practitioners, and physician assistants. Per statute, a written certification may be made only in the course of a *bona fide* medical provider-patient relationship after the medical provider has completed a full assessment of the patient's medical history.¹²

In 2023, there were a total of 752 authorized medical providers. The following chart indicates the number of providers in each county. In cases where a provider is practicing in multiple counties, they are listed multiple times.

Figure 4: Medical Providers by County



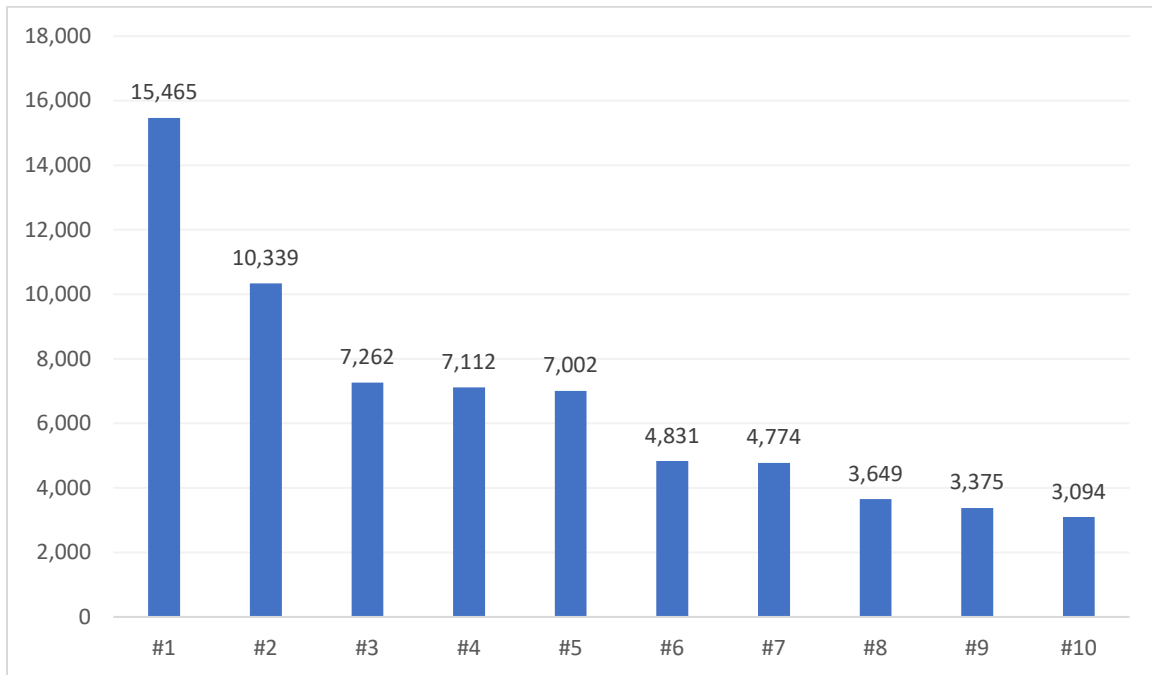
Thirteen counties experienced an uptick in medical providers over the course of the last year. Cumberland saw the largest increase with 13 new providers. Oxford was the only county that saw a decrease in medical providers. It should be noted, however, that providers' location(s) do not necessarily reflect patients' locations. Individuals could travel to a different county to seek health care generally and cannabis care specifically. Additionally, since the COVID-19 pandemic, patients have been able to access medical providers for cannabis certifications via telehealth.

Figure 5 shows the providers who issued the highest amounts of patient certifications in 2023. These 10 providers issued a combined 66,903 patient certifications, or 61.4% of all certifications

¹² See 22 M.R.S. § 2423-B(2-C).

printed statewide in 2023. For context, 1.3% of providers issued 61.4% of all patient certifications. One provider alone issued 15,465, or 14.2% of the yearly total.

Figure 5: Number of Patient Certifications Issued by Provider



If a provider worked eight-hour shifts, six days a week without taking any time off, the top provider would have needed to consult an average of 49 patients per day to issue 15,465 certifications in a year. This is based on a 10-minute consultation time per patient, excluding time for the provider to take breaks or compile patient notes. For reference, the average length of all medical visits is 17.4 minutes according to the National Library of Medicine.¹³

Comparing the means and medians of the patient certifications issued in 2023 provides additional insight. For example, the median certifications issued by a provider was 16, while the mean certifications issued by a provider was 280.4. This overall difference shows that there are extreme outliers in the data, with a small number of providers issuing significantly more certifications than most. This is demonstrated in Figure 5, as well as Figures 6 and 7 to follow which show that across all provider types, there is a small subset of providers who are issuing vastly more certifications than most others.

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<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2254573/#:~:text=Average%20length%20of%20visits%20was,part%20spoke%20was%2055%20seconds>

Figure 6: Mean Certifications Issued by Provider Type

Provider Type	Mean
Certified Nurse Practitioner (CNP)	475.4
Doctor of Osteopathic Medicine (DO)	64.0
Doctor of Medicine (MD)	50.7
Physician Assistant (PA)/Doctor of Osteopathic Medicine (DO)	279.0
Physician Assistant (PA)/Doctor of Medicine (MD)	710.3

**Some of the providers had two types. There were 4 PA/DO and 13 PA/MD providers.*

Figure 7: Median Certifications Issued by Provider Type

Provider Type	Median
Certified Nurse Practitioner (CNP)	20.0
Doctor of Osteopathic Medicine (DO)	10.0
Doctor of Medicine (MD)	14.0
Physician Assistant (PA)/Doctor of Osteopathic Medicine (DO)	25.5
Physician Assistant (PA)/Doctor of Medicine (MD)	18.0

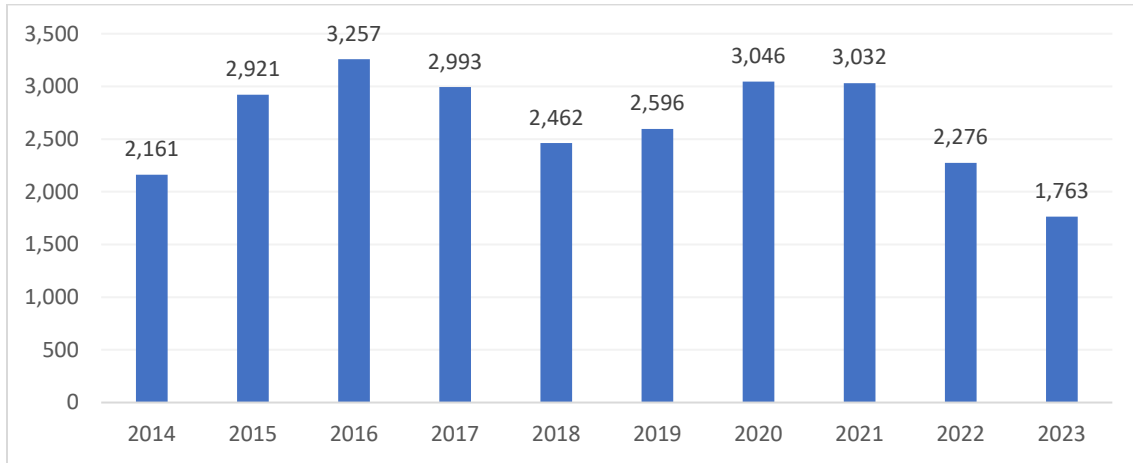
**Some of the providers had two types. There were 4 PA/DO and 13 PA/MD providers.*

5. MMCP Registration

5.1 Registered Caregivers

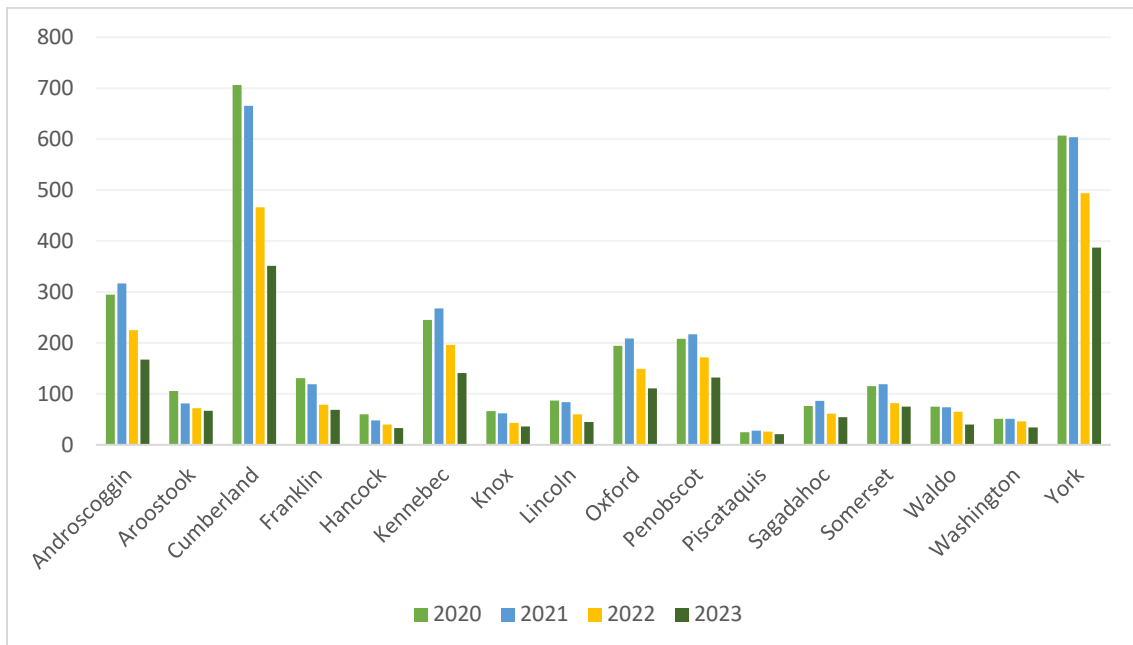
There were 1,763 registered caregivers operating in the MMCP in 2023. This was a net decrease of 22.5% from the 2,276 registered caregivers in 2022 and the first time since 2013 that there were fewer than 2,000 caregivers registered with the MMCP.

Figure 8: Registered Caregivers Statewide by Year



All sixteen counties saw a decrease in the number of caregivers from 2022 to 2023. Despite this, the geographic distribution of caregivers has remained the same and patients continue to have sufficient access to medical cannabis with the increased number of registered dispensaries and continued overproduction throughout the MMCP.

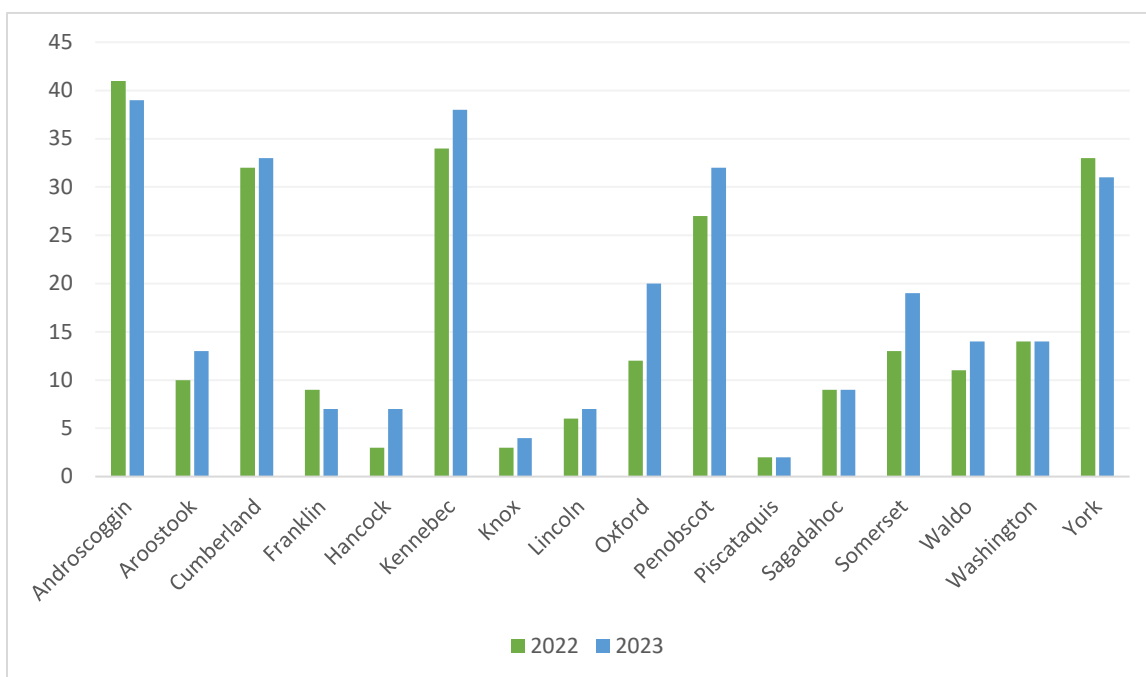
Figure 9: Registered Caregivers by County



Caregivers are also permitted to operate one caregiver retail store to sell cannabis to qualifying patients. OCP has historically had limited data on the number of caregiver retail stores in operation statewide, but as of August 2022, caregivers operating a storefront can now list the location of that retail store on their application.

In 2023, 289 caregivers reported that they were operating a retail store, a slight increase from the 259 caregivers who reported last year. However, this is almost certainly an underestimate, as there is no statutory requirement that caregivers report to OCP that they operate a retail store. When completing their applications, many caregivers with a retail store instead only indicate that they transfer harvested cannabis to qualifying patients. As a result, OCP regularly finds new retail stores in operation or former locations that have closed, without notice being provided to the agency. This lack of mandatory reporting not only creates regulatory and enforcement challenges, but benefits those seeking to operate a store outside of OCP’s visibility over those choosing to operate a store that is accounted for within the regulated program.

Figure 10: Caregiver Retail Stores by County



5.2 Registered Dispensaries

A registered dispensary is defined as “an entity registered under section 2425-A that acquires, possesses, cultivates, manufactures, delivers, transfers, transports, sells, supplies or dispenses cannabis plants or harvested cannabis or related supplies and educational materials to qualifying patients and the caregivers of those patients.”¹⁴ A dispensary might participate in one, some, or all of the activities authorized under that registration but may have only two locations for

¹⁴ See 22 M.R.S. § 2422(6).

conducting those authorized activities. Pursuant to the *Maine Medical Use of Cannabis Act*, dispensaries are also permitted to grow an unlimited number of cannabis plants.¹⁵

In accordance with 22 M.R.S. § 2428(11-A), the limitation on the number of dispensaries registered in Maine expired in 2021. In August of that year, OCP announced the availability of an application for individuals and businesses seeking to operate medical cannabis dispensaries in Maine.¹⁶ Eligible individuals and entities can now obtain a dispensary registration certificate simply by submitting a complete application to OCP. The impact of this change can be seen in the increased number of registered dispensaries operating in 2022 and 2023.

There were 60 active registered dispensaries in the MMCP in 2023, increasing from 35 actively operating in 2022—a 71.4% increase. The following figure indicates the number of dispensaries in each county. In cases where dispensaries have a retail location, plus a separate cultivation or products manufacturing location in different counties, they are listed multiple times, once in each county.

Figure 11: Registered Dispensary Locations by County – All Authorized Activities¹⁷

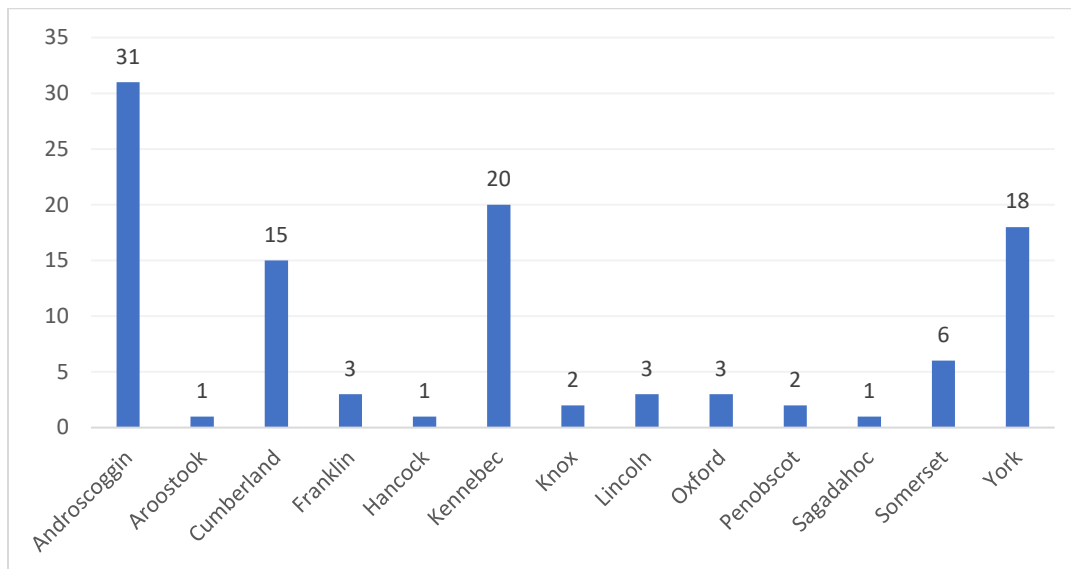


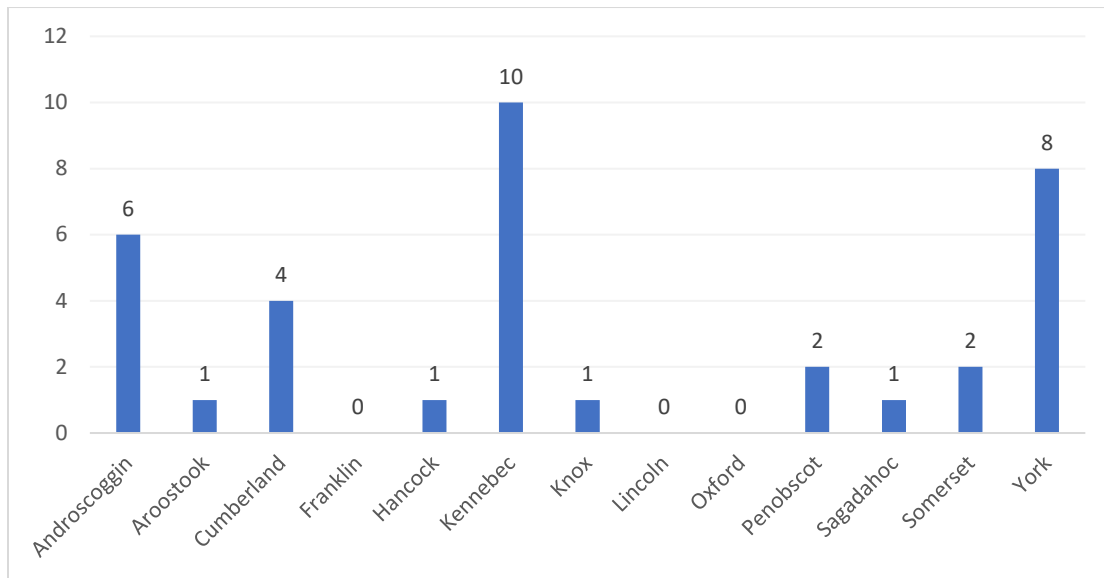
Figure 12 indicates the number of registered dispensary retail locations by county, a total of 36 statewide. Like with caregiver retail stores, it is possible that this number is an underestimate as dispensary registrants with a retail store might only report that they transfer harvested cannabis to qualifying patients on their application. However, these retail locations are typically more recognizable in the community as they resemble any other cannabis retail store, whereas dispensary locations for other authorized activities (counted in Figure 11) can be less identifiable to the public.

¹⁵ See 22 M.R.S. § 2428(1-A)(B).

¹⁶ Previously, applicants for one of Maine’s eight dispensary registration certificates were required to undergo a competitive bidding process to determine the recipient of those limited registration certificates.

¹⁷ The three counties not represented on this chart do not contain any primary dispensary locations.

Figure 12: Registered Dispensary Locations by County – Retail Locations Only



5.3 Registrant-related Employment

Historically, MMCP employees were required to have a caregiver assistant card and/or dispensary employee card for each registered caregiver and/or dispensary for which they worked. Accordingly, OCP was able to report the number of caregiver assistants and registered dispensary employees, officers, and directors as standalone datapoints each year.¹⁸

As a result of changes enacted by the 130th Legislature, all individuals working in the medical cannabis program, including all caregiver assistants and dispensary employees, officers, and directors must now possess a single registry identification card (RIC) issued by OCP. This new registration system went into effect in July 2022. This change allows individuals to have one card—an RIC—to work for any number of MMCP registrants. In 2023, the first full calendar year with the one-card system for MMCP registrants, a total of 4,108 employees were registered with OCP.

5.4 Products Manufacturing & Testing

In terms of other registration types, OCP has never registered a standalone products manufacturing facility within the MMCP as both registered caregivers and dispensaries are already permitted to engage in this activity without a separate registration certificate. Because testing is not mandatory for medical cannabis or medical cannabis products in Maine, there are also no registered medical cannabis testing facilities currently active in the MMCP.

Some registrants voluntarily test their medical cannabis and cannabis products, but such participation is limited and inconsistent across participants with regard to whether testing is simply for potency or also for harmful contaminants such as microbials, pesticides, and heavy

¹⁸ Those numbers were not deduplicated and accounted for some of the same individuals multiple times within the same employment category and across categories.

metals, as is done in the Adult Use Cannabis Program (AUCP). Some medical cannabis registrants use labs that are not registered with the State or regulated and certified by Maine CDC. In those circumstances, there are no safeguards in place to ensure that those labs are applying universal, consistent, and scientifically accepted testing standards. Only those labs licensed in the AUCP have been certified by the Maine CDC and operate with consistent and uniform testing standards.

Over the past few years, OCP has attempted to implement uniform testing standards for the MMCP through its rulemaking, as authorized by 22 M.R.S. § 2424-A(10), but to date those efforts have encountered substantial pushback from the regulated community and skepticism from the Legislature. That pushback and skepticism continue, despite OCP releasing a [report](#) in November 2023 that highlighted the extent to which Maine’s medical cannabis supply chain contains contaminants that would make products ineligible for sale in the State’s adult use program and in most other states’ medical cannabis programs.¹⁹ The results highlight the need for comprehensive reforms to protect Maine’s medical cannabis patients and to update the State’s medical cannabis program to include nearly universal standards of safety.

Some of the findings of the report included that upon audit testing by OCP of 120 samples from the medical cannabis program, 50 samples, or 42%, contained at least one contaminant that would have failed testing according to the mandatory testing standards set for Maine’s adult use program. Some samples failed testing for more than one contaminant, and some failed testing for multiple contaminants within a given analyte category. Overall, OCP identified 30 failures for yeast and mold, 26 failures for pesticides, four failures for heavy metals, and one failure for filth and foreign materials. In addition to this data, the report contains information about the health impacts of cannabis contaminants, the requirements for certified cannabis testing facilities to operate and become licensed in Maine, and the policy challenges in Maine’s medical cannabis program.

¹⁹ Harmful Contaminants in Maine’s Medical Cannabis Program. (2023, Fall). <https://www.maine.gov/dafs/ocp/sites/maine.gov.dafs.ocp/files/inline-files/OCF%20Fall%202023%20Medical%20Testing%20Report.pdf>

6. Compliance in the MMCP

OCP completed 1,424 compliance inspections in the medical program in 2023, increased from 1,074 inspections in 2022 and 1,068 inspections in 2021. The increased inspection count is largely due to increased capacity on OCP’s Compliance Team with the hiring of three additional field investigators in late 2023. It also accounts for 120 medical audit testing inspections and sample collection, as well as 207 complaints investigated against medical cannabis registrants.

Figure 13: Compliance Inspections by Type in 2023

Participant Type	Formal Inspection	Complaint Investigation	Total
Caregiver	1,129	200	1,329
Dispensary	88	7	95
Total	1,217	207	1,424

In addition to formal inspections and complaint investigations, OCP dropped in at 81 registered caregiver locations and two registered dispensary locations. These are proactive visits that aim to help foster relationships between field investigators and program participants.

A total of 21 caregiver and caregiver assistant revocations were issued by OCP in 2023, of which more detailed information is provided in Figure 14.

Figure 14: Revocations Issued in 2023

Participant Type	Total Participants	Total Revocations	Revocations Due to Sale to Non-patients
Caregiver	1,763	14	5
Caregiver Assistant/RIC	4,108	7	7
Total	5,871	21	12

Revocations impacted 0.8% of registered caregivers and 0.17% of caregiver assistants in 2023. Of the 21 caregiver and caregiver assistant revocations issued, sales to non-patients accounted for 57% them. However, most revocations were a result of more than one violation. In addition to selling to non-patients, other common violations that resulted in revocations included: failing to maintain business records, having unregistered employees, and operating without mandatory licenses from other state agencies including the Department of Agriculture, Conservation and Forestry. The vast majority of violations found within inspections or investigations were resolved using technical assistance, rather than revocation.

In 2023, the 131st Legislature enacted P.L. 2023, ch. 365, *An Act to Sustain the Medical Use of Cannabis Program*, which included the addition of fines for misconduct as another compliance tool for regulators. That law also changed the penalties applicable to sales to a non-patient made by, or on behalf of, a registrant and requires the Department to provide notice to a registrant within one business day when it identifies any violation of the laws and rules governing the

medical cannabis program. OCP subsequently engaged in major substantive rulemaking to implement the requirements of that new law and implementation of those fining provisions will occur once the agency is permitted to finally adopt those rules. Because P.L. 2023, ch. 365 did not go into effect until October 25, 2023, the bulk of the compliance information provided herein reflects program operations prior to the effective date of the Act.

Related to enforcement, OCP is often asked what role it plays in combating the illicit market. As the regulator of medical and adult use cannabis in Maine, OCP recognizes the threat illicit cultivators pose to regulated markets. This threat is amplified by the lack of inventory tracking in the MMCP as it allows illicit cannabis to infiltrate the medical market and puts registered caregivers and dispensaries at a significant disadvantage. When OCP uncovers, becomes aware of, or receives intelligence about illicit cannabis activity in Maine, it works closely with Federal and local partners to determine the best course of action to disrupt and dismantle those activities and to ensure the successful prosecution of such activities. As such, OCP regularly assists law enforcement agencies as they investigate reports of illicit cannabis cultivation, referring suspicious activity and helping identify whether an individual or address is engaging in authorized conduct.

OCP also provides free training to law enforcement officers across the state on cannabis laws and regulations. Training provides the knowledge necessary for law enforcement to recognize both lawful activity and signs of illicit conduct. OCP is an active partner in both training and assisting law enforcement investigations of illicit cannabis production.

7. Revenue and Expenses

The State of Maine operates on a fiscal year that runs from July 1 through June 30. Accordingly, revenue and expense information from state fiscal year 2023 covers the period from July 1, 2022, through the conclusion of the fiscal year on June 30, 2023.

Figure 15: Revenue and Expenses of the Medical Use of Cannabis Fund

	2021	2022	2023
Revenues	\$ 6,592,228.00	\$ 3,319,472.56	\$ 2,913,409.87
Expenses	\$ (1,382,496.58)	\$ (1,763,022.55)	\$ (2,180,940.96)
Legislative Transfers	\$ (1,992,414.00)	\$ (1,000,000.00)	\$ (2,168,263.00)

The revenue data depicted in Figure 15 is generated from program registration fees. The decline in revenue from 2021 to 2022 and 2023 can be attributed to a combination of factors, which include but may not be limited to the decreased number of registered caregivers in the MMCP as well as the change to a single registry identification card (RIC) system in July 2022.

Additionally, P.L. 2021, ch. 251 (Emergency, signed by Governor Mills June 17, 2021) was enacted to allow caregivers to register for the MMCP at a flat rate based on canopy size rather than at a rate based on plant count. This reduced the registration fees paid by canopy-based caregivers from \$240 for every six plants in the caregiver’s 500 square foot cultivation area to \$1,500 for the entire 500 square foot cultivation area, regardless of plant count.

Additionally, an estimated \$16,606,725 in sales tax revenue was collected on medical cannabis sales in FY 2023. Of note, approximately 5% of that revenue gets transferred to the Local Government Fund while the remainder gets deposited into the General Fund.

8. Legislative Changes and Recommendations

8.1 Legislative Changes

The Maine Legislature considered several pieces of legislation related to the MMCP in 2023. The following is a summary of changes enacted by the Legislature which affected Maine's medical cannabis program.

An Act to Clarify State Policy Regarding Cannabis Paraphernalia in the Maine Medical Use of Cannabis Act and the Cannabis Legalization Act

PL 2023, ch. 6, Emergency (Signed March 15, 2023)

- Creates a definition for “cannabis paraphernalia” in the Cannabis Legalization Act and the Maine Medical Use of Cannabis Act.
- Differentiates cannabis paraphernalia from tobacco products under the laws governing tobacco.

An Act to Sustain the Medical Use of Cannabis Program

PL 2023, ch. 365

- Permits caregivers to show their department-issued registry identification card to law enforcement as proof of authorized conduct without a second form of identification and permits the inclusion of the cardholder's photograph on their department-issued registry identification card.
- Requires the Department to notify a registrant within one day if it discovers the registrant or an assistant, employee or other agent of the registrant sold or transferred medical cannabis to a nonpatient and prescribes the administrative penalties for such a violation.
- Permits the Department to assess fines for misconduct by registrants or their assistants, employees or other authorized agents.
- Permits the Department to require the forfeiture and/or destruction of cannabis plants, cannabis or cannabis products if the Department issues a final order imposing an administrative penalty against a registrant.
- Permits the Department to accept donations for the payment of registration fees.

An Act to Maintain Legislative Oversight of the Maine Medical Use of Cannabis Program by Requiring Major Substantive Rulemaking

PL 2023, ch. 96

- Repeals the November 1, 2025, sunset of the requirement that medical cannabis program rules provisionally adopted by the Department to be submitted for legislative review and affirmative approval before final adoption for enactment into law.

8.2 Legislative Recommendations

OCP did not submit legislation affecting the medical cannabis program for consideration during the Second Regular Session of the 131st Maine Legislature. The Office did however submit for the committee's consideration a major substantive rule that amends the existing *Maine Medical Use of Cannabis Program Rule* to reflect some of the statutory changes made to the medical program law since that rule was last updated in 2018. OCP respectfully requests the committee

approve those rules as the first step to better aligning program requirements with the current operations of medical cannabis program registrants in Maine.

Additionally, the Office renews its recommendation that the Legislature work with OCP and stakeholders to comprehensively update the medical program statute to reflect the current state of the medical program. To that end, OCP was an active participant in the Legislature's Veterans and Legal Affairs' "Subcommittee to Consider Non-substantive Changes to the Maine Medical Use of Cannabis Act", providing information regarding current program operations, statutory conflicts, and practical recommendations to facilitate the work of the subcommittee. The subcommittee determined that the work of updating the medical cannabis statute could not be accomplished in full without making both non-substantive and substantive changes to address internal conflicts within Title 22, ch. 558-C. That determination aligns with the recommendations in OCP's 2022 annual report regarding the wide range of policy issues requiring thoughtful review and consideration by the committee, informed by input from the Office and the many stakeholders affected by medical cannabis policy in the state.

For the convenience of the Legislature, OCP is again sharing recommendation that any changes to the program's statute center on the following priorities:

1. Ensuring patient access to high quality, affordable cannabis and cannabis products that are tested for harmful contaminants and appropriately formulated to address the symptoms for which those patients use medical cannabis.
2. Ensuring patients have access to the information, resources, and medical expertise necessary to make informed decisions about the cannabis and cannabis products they use to address their symptoms.
3. Ensuring consistent regulatory requirements for businesses conducting similar authorized activities at a similar scale, regardless of registration type.
4. Supporting law-abiding Maine businesses by eliminating the sale of illicit cannabis to Maine medical cannabis patients and disincentivizing diversion of legally produced medical cannabis to the illicit market.
5. Creating predictability and consistency for patients accessing medical cannabis and businesses engaged in the medical market.

OCP strongly recommends the committee continue its work to develop comprehensive overhaul of the entirety of Title 22, ch. 558-C to implement a statutory framework that reflects the current state of Maine's medical cannabis economy.

9. Conclusion

This report demonstrates the many ways in which Maine’s Medical Use of Cannabis Program (MMCP) transformed in 2023. The number of registered caregivers in the program dropped below 2,000 for the first time since 2013 while the number of active dispensaries in operation increased by 71%, reaching the highest number in program history. The number of patient certifications steadily increased, reaching 109,001.

Specifically, some key MMCP data points from 2023 include:

- The number of printed patient certifications increased by 2.7% from 106,164 certifications printed in 2022 to 109,001 printed in 2023.
- There were 752 medical providers authorized to issue patient certifications, with 10 individual providers issuing 61.4% of all certifications printed statewide in 2023.
- The number of registered caregivers decreased by 22.5% from 2,276 in 2022 to 1,763 in 2023.
- The number of registered dispensaries increased by 71.4% from 35 in 2022 to 60 in 2023.
- 4,108 individuals received registry identification cards (RICs) to work in the MMCP in 2023.

Despite a net decrease in the number of registered caregivers over the last year, a trend first examined in OCP’s Spring 2023 [Caregiver Exodus Report](#), the geographic distribution of caregivers has remained the same across the state.²⁰ Patients continue to have sufficient access to medical cannabis because of this, plus the increased number of registered dispensaries and continued overproduction throughout the MMCP.

With the MMCP evolving into a more commercialized program each year, OCP continues to believe that multiple reforms are necessary to modernize Maine’s medical cannabis program and protect medical cannabis patients. Implementing mandatory medical cannabis testing, an inventory tracking system, and changes to the confidentiality protections for program registrants are critical reforms needed for ensuring patients’ health and safety. The Office looks forward to working with program participants, stakeholders, and the Legislature to implement a statutory framework that better reflects the current state of Maine’s medical cannabis economy.

²⁰ Caregiver Exodus: Market Conditions and the Impact on Maine’s Medical Use of Cannabis Program. (2023, Spring). <https://www.maine.gov/dafs/ocp/sites/maine.gov.dafs.ocp/files/inline-files/OCF%20Caregiver%20Exodus%20Report.pdf>

Appendix A – Report Requirements

In accordance with 22 M.R.S. §2430-N, the Department of Administrative and Financial Services (DAFS) shall submit an annual report that does not disclose identifying information about qualifying patients, cardholders or medical providers to the joint standing committee of the Legislature having jurisdiction over medical cannabis matters that contains for the previous year unless otherwise indicated, at a minimum:

1. The number of applications and renewals filed for registry identification cards and registration certificates;
2. The number of qualifying patients and registered caregivers approved in each county;
3. The number of registry identification cards suspended or revoked;
4. The number of medical providers providing written certifications for qualifying patients;
5. The number of registered dispensaries, manufacturing facilities and cannabis testing facilities approved in each county;
6. The number of officers, directors, and assistants of registered caregivers, registered dispensaries, manufacturing facilities and cannabis testing facilities;
7. The revenue and expenses of the Medical Use of Cannabis Fund established in section 2430; and
8. The sales tax revenue from the sale of cannabis for medical use deposited into the General Fund for the current and prior fiscal years.