



129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1432

H.P. 1042

House of Representatives, March 28, 2019

An Act To Improve the Adult Use Marijuana Laws

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

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

ROBERT B. HUNT
Clerk

Presented by Representative PIERCE of Falmouth.

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

2 **Sec. 1. 28-B MRSA §202, sub-§2**, as enacted by PL 2017, c. 409, Pt. A, §6, is
3 amended to read:

4 **2. Resident.** If the applicant is a natural person, the applicant must be a resident. If
5 the applicant is a business entity:

6 A. Every officer, director, manager and general partner of the business entity must be
7 a natural person who is a resident; and

8 B. A majority of the shares, membership interests, partnership interests or other
9 equity ownership interests as applicable to the business entity must be held or owned
10 by natural persons who are residents or business entities whose owners are all natural
11 persons who are residents.

12 This subsection does not apply to an applicant for a testing facility license. This
13 subsection is repealed June 1, 2021.

14 **Sec. 2. 28-B MRSA §501, sub-§6**, as enacted by PL 2017, c. 409, Pt. A, §6 and
15 amended by c. 452, §37, is repealed.

16 **Sec. 3. 28-B MRSA §501, sub-§6-A** is enacted to read:

17 **6-A. Limited authorization for sale of marijuana plants and marijuana**
18 **products by registered caregiver or registered dispensary to marijuana**
19 **establishment licensee.** Notwithstanding any other provision of law to the contrary and
20 subject to the requirements and restrictions of this section, for a period starting on the
21 date that the department issues the first active cultivation facility license under section
22 205, subsection 4 and ending 2 years after that date, a registered caregiver may sell
23 marijuana and marijuana products to a marijuana establishment licensee that is controlled
24 by the same registered caregiver and a registered dispensary may sell marijuana and
25 marijuana products to a marijuana establishment that is controlled by the same registered
26 dispensary; during that period, a marijuana establishment licensee that is also a registered
27 caregiver or a registered dispensary may purchase marijuana and marijuana products only
28 from that licensee's own medical facility. The department shall post on its publicly
29 accessible website information regarding the date on which the department issues the first
30 active cultivation facility license and the date that is 2 years after the date the first active
31 cultivation facility license is issued.

32 A. Beginning on the date that the department issues the first active cultivation
33 facility license and ending 2 years after that date, in an active marijuana
34 establishment license issued to any licensee that has demonstrated to the department's
35 satisfaction that the licensee is also a registered caregiver or a registered dispensary,
36 the department shall include language authorizing the licensee, at any time within the
37 licensee's first year of licensure, to purchase an unlimited amount of marijuana and
38 marijuana products from that licensee's own medical facility. This authorization may
39 not be included in any license issued upon renewal under section 209.

1 B. A cultivation facility licensee authorized pursuant to paragraph A to purchase
2 marijuana and marijuana products from registered caregivers and registered
3 dispensaries that transacts such a purchase shall pay to the department the excise
4 taxes that would have been imposed under subchapter 10 on the sale of the marijuana
5 and marijuana products if the marijuana and marijuana products had been sold by a
6 cultivation facility licensee to another licensee. In addition to payment of the
7 required excise taxes under this paragraph, the cultivation facility licensee shall
8 provide the department with an accounting of the transaction, which must include
9 information on the number of mature marijuana plants, immature marijuana plants
10 and seedlings and the quantity of marijuana seeds and marijuana products purchased
11 in the transaction and any other information required by the department by rule.

12 C. All marijuana and marijuana products purchased pursuant to this subsection must
13 be tested in compliance with the testing program established pursuant to section 601
14 and tracked in compliance with the tracking system implemented pursuant to section
15 105.

16 D. A marijuana establishment licensee that violates this subsection or the rules
17 adopted pursuant to this subsection is subject to the imposition by the department of
18 monetary penalties, a license revocation or suspension and an order directing the
19 destruction of unauthorized marijuana and marijuana products pursuant to subchapter
20 8 in addition to any criminal or civil penalties that may be imposed pursuant to other
21 applicable laws or rules. A registered caregiver or registered dispensary that violates
22 this subsection is subject to the revocation of its registration or other applicable
23 penalty under the Maine Medical Use of Marijuana Act in addition to any criminal or
24 civil penalties that may be imposed pursuant to other applicable laws or rules.

25 The department shall adopt rules to implement this subsection.

26 **Sec. 4. 28-B MRSA §504, sub-§5**, as enacted by PL 2017, c. 409, Pt. A, §6 and
27 amended by c. 452, §37, is further amended to read:

28 **5. Use of shared facility for retail sale of adult use marijuana and adult use**
29 **marijuana products and marijuana and marijuana products for medical use.** A
30 marijuana store licensee that is also a registered caregiver or a registered dispensary may
31 ~~not~~ sell or offer for sale to consumers adult use marijuana and adult use marijuana
32 products pursuant to this chapter within the same facility or building in which the licensee
33 also sells or offers for sale to qualifying patients marijuana and marijuana products for
34 medical use pursuant to the Maine Medical Use of Marijuana Act.

35 **SUMMARY**

36 This bill amends the adult use marijuana law in several ways. First, it repeals all
37 residency requirements regarding licensure and operations as of June 1, 2021. Second,
38 the bill clarifies that, during the first 2 years after the first active cultivation facility
39 license is issued, a dispensary or caregiver may transfer both harvested marijuana and
40 marijuana products to an adult use marijuana establishment controlled by that dispensary
41 or caregiver during the first year of that marijuana establishment's operation. Third, this
42 bill allows a marijuana store licensee that is also a registered caregiver or a registered

1 dispensary to sell or offer for sale both adult use marijuana and adult use marijuana
2 products within the same facility or building in which the licensee also sells or offers for
3 sale marijuana or marijuana products to qualifying patients.