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Date: (Filing No. H-)

CRIMINAL JUSTICE AND PUBLIC SAFETY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
127TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 935, L.D. 1380, Bill, “An Act To Legalize, Tax and Regulate Marijuana”

Amend the bill in Part A in section 1 in §4922 by striking out all of subsection 1 (page 2, lines 13 to 19 in L.D.) and inserting the following:

1. Rate of excise tax. An excise tax is imposed on the sale or transfer of marijuana from a commercial marijuana cultivation facility to a retail marijuana store and from a commercial marijuana cultivation facility to a marijuana product manufacturing facility. Each commercial marijuana cultivation facility shall pay an excise tax at the rate of 5% on marijuana that is sold or transferred from the commercial marijuana cultivation facility as authorized by a license issued by the bureau pursuant to Title 28-A, section 2602, subsection 1 and section 2603.'

Amend the bill in Part A in section 1 by striking out all of §4923 (page 3, lines 9 to 18 in L.D.) and inserting the following:

§4923. Additional sales tax on marijuana and marijuana products

1. Rate of additional sales tax. An additional tax is imposed on the sale of marijuana and marijuana products sold at retail marijuana stores as provided in section 1811-D. The rate of tax is 10%, which is in addition to the rate of tax imposed under section 1811.

2. Exemption. The additional tax on marijuana and marijuana products imposed pursuant to this section may not be levied on marijuana sold by registered dispensaries or registered primary caregivers to qualifying patients and primary caregivers pursuant to Title 22, chapter 558-C.

3. Rate review. The bureau shall review the tax levels established under this section annually and report its findings and make recommendations to the Legislature as appropriate regarding adjustment to the tax level.'

Amend the bill in Part A in section 1 in §4924 by striking out all of subsection 1 (page 3, lines 20 to 38 and page 4, lines 1 to 5 in L.D.) and inserting the following:

COMMITTEE AMENDMENT

1 '1. Application of excise tax revenue. The following provisions govern the
2 application of revenues received from imposition of the excise tax pursuant to section
3 4922. On or before the last day of each month, the State Controller shall transfer the
4 funds to the General Fund except that:

5 A. Five percent of the revenues must be expended to fund drug recognition experts
6 in state agencies as determined by law.

7 This paragraph is repealed January 1, 2018;

8 B. Five percent of the revenues must be credited to the Marijuana Regulation and
9 Licensing Fund established under Title 28-A, section 2607;

10 C. Ten percent of the revenues must be credited to the office of substance abuse and
11 mental health services within the Department of Health and Human Services for the
12 purpose of providing addiction treatment services;

13 D. Five percent of the revenues must be credited to the Department of Health and
14 Human Services, Maine Center for Disease Control and Prevention for the purpose of
15 an ongoing public awareness campaign to reduce youth marijuana, alcohol and
16 tobacco consumption;

17 E. Five percent of the revenues must be credited to a statewide sheriffs association
18 for enforcement activities for deterring sales of marijuana and alcohol to underage
19 persons; and

20 F. Five percent of the revenues must be credited to the Low-income Marijuana
21 Patient Access Program Fund established under Title 28-A, section 2609.'

22 Amend the bill in Part B in section 2 in subsection 3 by striking out all of paragraphs
23 A and B (page 5, lines 2 to 16 in L.D.) and inserting the following:

24 'A. Except as provided in chapter 558-C, a person under 21 years of age may not
25 possess marijuana. A person under 21 years of age who possesses up to 2 1/2 ounces
26 of marijuana commits a civil violation for which a fine of not more than \$100 may be
27 adjudged and a specified number of hours of community service for the benefit of the
28 State, the municipality or other public entity or a charitable institution may be
29 ordered. If no other violation of this paragraph is committed within one year, the
30 court shall expunge the record of the civil violation. A person under 21 years of age
31 who possesses more than 2 1/2 ounces of marijuana violates, and is subject to
32 prosecution under, Title 17-A, section 1107-A, subsection 1, paragraph F.

33 B. Except as provided in this paragraph and chapters 558-C and 558-D, a person 21
34 years of age or older may not possess marijuana. Pursuant to section 2430-F, a
35 person 21 years of age or older may possess up to one ounce of marijuana. A person
36 21 years of age or older who possesses over one ounce but less than 2 1/2 ounces of
37 marijuana commits a civil violation for which a fine of not more than \$100 may be
38 adjudged and a specified number of hours of community service for the benefit of the
39 State, the municipality or other public entity or a charitable institution may be
40 ordered. A person 21 years of age or older who possesses more than 2 1/2 ounces of
41 marijuana violates, and is subject to prosecution under, Title 17-A, section 1107-A,
42 subsection 1, paragraph F.'

1 Amend the bill in Part C in section 1 in §2430-E by inserting after subsection 2 the
2 following:

3 **'3. Licensee.** "Licensee" means a retail marijuana store.'

4 Amend the bill in Part C in section 1 in §2430-E by inserting after subsection 7 the
5 following:

6 **'8. Premises.** "Premises" means all parts of the contiguous real estate occupied by a
7 licensee over which the licensee has direct or indirect control or interest that the licensee
8 uses in the operation of the licensed business.'

9 Amend the bill in Part C in section 1 in §2430-E by renumbering any nonconsecutive
10 subsection number to read consecutively.

11 Amend the bill in Part C in section 1 in §2430-F in subsection 1 in paragraph B in the
12 last line (page 7, line 4 in L.D.) by striking out the following: "6 marijuana seedlings"
13 and inserting the following: '3 marijuana seedlings'

14 Amend the bill in Part C in section 1 in §2430-F in subsection 1 by striking out all of
15 paragraph C (page 7, lines 5 to 7 in L.D.) and inserting the following:

16 'C. Subject to the limit of 6 plants as provided in subsection 2, paragraph A, possess,
17 grow, cultivate or process up to 6 marijuana plants or seedlings as allowed under
18 subsection 2, paragraph A and possess the marijuana and marijuana products
19 produced from the marijuana plants on the premises where the plants were grown,
20 and'

21 Amend the bill in Part C in section 1 in §2430-F in subsection 2 in paragraph A in the
22 last line (page 7, line 13 in L.D.) by inserting at the end the following: 'The limit of 6
23 plants applies to plants described in subsection 1, paragraph C and this paragraph
24 combined.'

25 Amend the bill in Part C in section 1 in §2430-F in subsection 2 in paragraph B in the
26 last line (page 7, line 18 in L.D.) by inserting after the following: "have access" the
27 following: 'and storing and securing marijuana and marijuana products in a manner that
28 does not reasonably allow access by persons under 21 years of age'

29 Amend the bill in Part C in section 1 by inserting at the end the following:

30 **'§2430-G. Prohibited acts by underage persons; penalties**

31 **1. Prohibition.** An underage person may not:

32 A. Purchase marijuana or marijuana products. The following penalties apply to
33 violations of this paragraph.

34 (1) An underage person who violates this paragraph commits a civil violation for
35 which a fine of not more than \$400 must be adjudged.

36 (2) An underage person who violates this paragraph after having previously
37 violated this section commits a civil violation for which a fine of not more than
38 \$600 must be adjudged, none of which may be suspended except as provided in
39 subsection 2, paragraph B.

1 (3) An underage person who violates this paragraph after having previously
2 violated this section 2 or more times commits a civil violation for which a fine of
3 \$800 must be adjudged, none of which may be suspended except as provided in
4 subsection 2, paragraph B;

5 B. Consume marijuana or marijuana products. The following penalties apply to
6 violations of this paragraph.

7 (1) An underage person who violates this paragraph commits a civil violation for
8 which a fine of not more than \$400 must be adjudged.

9 (2) An underage person who violates this paragraph after having previously
10 violated this section commits a civil violation for which a fine of not more than
11 \$600 must be adjudged, none of which may be suspended except as provided in
12 subsection 2, paragraph B.

13 (3) An underage person who violates this paragraph after having previously
14 violated this section 2 or more times commits a civil violation for which a fine of
15 \$800 must be adjudged, none of which may be suspended except as provided in
16 subsection 2, paragraph B;

17 C. Have on the underage person's person marijuana on any premises licensed for the
18 sale of marijuana. The following penalties apply to violations of this paragraph.

19 (1) An underage person who violates this paragraph commits a civil violation for
20 which a fine of not more than \$400 must be adjudged.

21 (2) An underage person who violates this paragraph after having previously
22 violated this section commits a civil violation for which a fine of not more than
23 \$600 must be adjudged, none of which may be suspended except as provided in
24 subsection 2, paragraph B.

25 (3) An underage person who violates this paragraph after having previously
26 violated this section 2 or more times commits a civil violation for which a fine of
27 \$800 must be adjudged, none of which may be suspended except as provided in
28 subsection 2, paragraph B;

29 D. Present or offer to a licensee or the licensee's agent or employee any written or
30 oral evidence of age that is false, fraudulent or not actually the underage person's
31 own, for the purpose of:

32 (1) Ordering, purchasing, attempting to purchase or otherwise procuring or
33 attempting to procure marijuana. The following penalties apply to violations of
34 this subparagraph.

35 (a) An underage person who violates this subparagraph commits a civil
36 violation for which a fine of not more than \$400 must be adjudged.

37 (b) An underage person who violates this subparagraph after having
38 previously violated this section commits a civil violation for which a fine of
39 not more than \$600 must be adjudged, none of which may be suspended
40 except as provided in subsection 2, paragraph B.

1 (c) An underage person who violates this subparagraph after having
2 previously violated this section 2 or more times commits a civil violation for
3 which a fine of \$800 must be adjudged, none of which may be suspended
4 except as provided in subsection 2, paragraph B; or

5 (2) Gaining access to premises when underage persons are not allowed. The
6 following penalties apply to violations of this subparagraph.

7 (a) An underage person who violates this subparagraph commits a civil
8 violation for which a fine of not more than \$400 must be adjudged.

9 (b) An underage person who violates this subparagraph after having
10 previously violated this section commits a civil violation for which a fine of
11 not more than \$600 must be adjudged, none of which may be suspended
12 except as provided in subsection 2, paragraph B.

13 (c) An underage person who violates this subparagraph after having
14 previously violated this section 2 or more times commits a civil violation for
15 which a fine of \$800 must be adjudged, none of which may be suspended
16 except as provided in subsection 2, paragraph B; or

17 E. Have in the underage person's possession equipment specifically constructed,
18 manufactured or marketed for the purpose of cultivating marijuana. The following
19 penalties apply to violations of this paragraph.

20 (1) An underage person who violates this paragraph commits a civil violation for
21 which a fine of not more than \$400 must be adjudged.

22 (2) An underage person who violates this paragraph after having previously
23 violated this section commits a civil violation for which a fine of not more than
24 \$600 must be adjudged, none of which may be suspended except as provided in
25 subsection 2, paragraph B.

26 (3) An underage person who violates this paragraph after having previously
27 violated this section 2 or more times commits a civil violation for which a fine of
28 \$800 must be adjudged, none of which may be suspended except as provided in
29 subsection 2, paragraph B.

30 **2. Penalties.** The following apply to the penalties imposed for violations of this
31 section.

32 A. When a person is adjudged to have committed a first offense under this section,
33 the judge shall inform that person that the fines for the 2nd and subsequent offenses
34 are mandatory and cannot be suspended except as provided in paragraph B. Failure
35 to inform the first offender that subsequent fines are mandatory is not a ground for
36 suspension of any subsequent fine.

37 B. The judge, as an alternative to or in addition to the civil fines required by this
38 section, may assign the underage person to perform specified work for the benefit of
39 the State, the municipality or other public entity or charitable institution.

1 **3. Underage person may not be charged with more than one offense.** An
2 underage person may not be charged with more than one offense under this section in any
3 given instance in which the same set of facts is involved.

4 **4. Illegal possession and illegal transportation.** If an underage person is charged
5 with illegal possession under this section, the underage person may not be charged with
6 illegal transportation under section 2430-H.

7 **§2430-H. Illegal transportation by underage persons**

8 **1. Underage person may not transport marijuana.** Except as provided in
9 subsection 2, an underage person may not knowingly transport or knowingly permit to be
10 transported marijuana in a motor vehicle under the underage person's control. The
11 following penalties apply to violations of this subsection.

12 A. An underage person who violates this subsection commits a civil violation for
13 which a fine of not more than \$500 must be adjudged.

14 B. An underage person who violates this subsection after having previously violated
15 this section commits a civil violation for which a fine of not more than \$500 must be
16 adjudged, none of which may be suspended.

17 C. An underage person who violates this subsection after having previously violated
18 this section 2 or more times commits a civil violation for which a fine of not more
19 than \$500 must be adjudged, none of which may be suspended.

20 **2. Permitted transportation.** An underage person may transport marijuana or
21 permit marijuana to be transported in a motor vehicle at the request of the underage
22 person's parent, guardian or custodian, as defined in Title 22, section 4002, subsection 5.

23 **3. No conviction if marijuana not within underage person's section.** An
24 underage person may not be found in violation of any offense under this section if
25 marijuana is found outside the passenger's or driver's section of a motor vehicle under the
26 underage person's control, unless the underage person has actual knowledge of the
27 presence of the marijuana. The trunk or locked glove compartment of any vehicle may
28 not be construed under this section to be within the passenger's or driver's section of the
29 motor vehicle.

30 **4. Underage person may not be charged with both illegal transportation and**
31 **illegal possession.** An underage person charged with illegal transportation under this
32 section may not be charged with illegal possession under section 2430-G. An underage
33 person who possesses or consumes marijuana in a motor vehicle under the terms of this
34 section must be charged under this section, rather than under section 2430-G. This
35 subsection does not preclude charges under Title 15, section 3103, subsection 1,
36 paragraph F, when appropriate.

37 **§2430-I. Furnishing or allowing consumption of marijuana by certain persons**
38 **prohibited**

39 **1. Offense.** Except as provided in section 2430-H, a person may not knowingly:

1 A. Procure, or in any way aid or assist in procuring, furnish, give, sell or deliver
2 marijuana for or to an underage person. The following penalties apply to violations
3 of this paragraph.

4 (1) A person who violates this paragraph commits a Class D crime.

5 (2) A person who violates this paragraph commits a Class D crime for which a
6 fine of not less than \$500 may be imposed, none of which may be suspended, if
7 the violation involves an underage person who is less than 18 years of age.

8 (3) A person who violates this paragraph after having been previously convicted
9 of violating this paragraph or paragraph B within a 6-year period commits a Class
10 D crime for which a fine of not less than \$1,000 may be imposed, none of which
11 may be suspended.

12 (4) A person who violates this paragraph after having been previously convicted
13 of violating this paragraph or paragraph B 2 or more times within a 6-year period
14 commits a Class D crime for which a fine of not less than \$1,500 may be
15 imposed, none of which may be suspended.

16 (5) A person who violates this paragraph commits a Class C crime if the
17 consumption of marijuana by the underage person in fact causes serious bodily
18 injury to or death of the underage person or any other individual. For purposes of
19 this subparagraph, "serious bodily injury" has the same meaning as set out in
20 Title 17-A, section 2, subsection 23;

21 B. Allow an underage person under that person's control or in a place under that
22 person's control to possess or consume marijuana. The following penalties apply to
23 violations of this paragraph.

24 (1) A person who violates this paragraph commits a Class D crime.

25 (2) A person who violates this paragraph commits a Class D crime for which a
26 fine of not less than \$1,000 may be imposed, none of which may be suspended, if
27 the violation involves an underage person who is less than 18 years of age.

28 (3) A person who violates this paragraph after having been previously convicted
29 of violating this paragraph or paragraph A within a 6-year period commits a
30 Class D crime for which a fine of not less than \$2,000 may be imposed, none of
31 which may be suspended.

32 (4) A person who violates this paragraph commits a Class C crime if the
33 consumption of marijuana by the underage person in fact causes serious bodily
34 injury to or death of the underage person or any other individual. For purposes of
35 this subparagraph, "serious bodily injury" has the same meaning as set out in
36 Title 17-A, section 2, subsection 23;

37 C. Procure, or in any way aid or assist in procuring, furnish, give, sell or deliver
38 marijuana to a visibly intoxicated person. Violation of this paragraph is a Class E
39 crime, except, notwithstanding Title 17-A, section 1301, the fine may not be more
40 than \$500; or

1 D. Procure, or in any way assist in procuring, furnish, give, sell or deliver synthetic
2 marijuana or synthetic cannabinoids for or to an underage person, or allow an
3 underage person under that person's control or in a place under that person's control
4 to possess or consume synthetic marijuana or synthetic cannabinoids. Violation of
5 this paragraph is a Class E crime, except, notwithstanding Title 17-A, section 1301,
6 the fine may not be more than \$500.'

7 Amend the bill in Part D in section 1 in §2602 in subsection 4 in the 4th line (page
8 11, line 22 in L.D.) by striking out the following: "subsection 4" and inserting the
9 following: 'subsection 5'

10 Amend the bill in Part D in section 1 in §2602 in subsection 5 in the 5th line (page
11 11, line 29 in L.D.) by inserting after the following: "vending machine" the following: ',
12 except inside a retail marijuana store'

13 Amend the bill in Part D in section 1 in §2602 in subsection 12 in the first line (page
14 14, line 27 in L.D.) by striking out the following: "2019" and inserting the following:
15 '2018'

16 Amend the bill in Part D in section 1 in §2603 by striking out all of subsection 1
17 (page 14, lines 40 to 44 and page 15, lines 1 and 2 in L.D.) and inserting the following:

18 **1. Applications.** An applicant for a marijuana establishment license or marijuana
19 transportation provider license shall file an application in the form required by the bureau
20 for the type of marijuana establishment license sought or the marijuana transportation
21 provider license, along with evidence that the municipality, unorganized place or
22 plantation has approved the operation of the type of marijuana establishment or the
23 operation of a marijuana transportation provider and the application fee as set by rule.

24 A. An applicant may apply for and be granted more than one type of marijuana
25 establishment license, except that a person or entity licensed to operate as a marijuana
26 testing facility may not hold any other marijuana establishment license.

27 B. Upon the adoption by the bureau of rules to implement this chapter, the required
28 approval by the host municipality, unorganized place or plantation pursuant to section
29 2604 and the receipt of a completed abbreviated dispensary application by the bureau,
30 each registered dispensary licensed under Title 22, chapter 558-C must be issued a
31 provisional license to operate one commercial marijuana cultivation facility, one
32 marijuana product manufacturing facility and one retail marijuana store for each
33 registered dispensary. Upon demonstration of compliance with these rules prior to
34 the expiration of the provisional license, the registered dispensary must be granted a
35 full license. A registered dispensary shall pay the appropriate marijuana
36 establishment licensing fees as established by the bureau and submit to a site
37 inspection by the bureau to ensure compliance with this chapter.'

38 Amend the bill in Part D in section 1 in §2603 in subsection 2 in the 4th line (page
39 15, line 6 in L.D.) by striking out the following: "law." and inserting the following: 'law
40 and who has applied to locate in a municipality, unorganized place or plantation that has
41 approved the operation of the type of marijuana establishment or the operation of a
42 marijuana transportation provider pursuant to section 2604.'

1 Amend the bill in Part D in section 1 in §2603 in subsection 2 in the 8th line (page
2 15, line 10 in L.D.) by striking out the following: "subsection 3" and inserting the
3 following: 'subsection 4'

4 Amend the bill in Part D in section 1 in §2603 in subsection 2 in paragraph B in the
5 first line (page 15, line 18 in L.D.) by inserting after the following: "municipality" the
6 following: ', unorganized place or plantation'

7 Amend the bill in Part D in section 1 in §2603 in subsection 2 by striking out all of
8 paragraph C (page 15, lines 23 to 27 in L.D.) and inserting after the following:

9 'C. The number of marijuana establishments allowed in the municipality,
10 unorganized place or plantation that the applicant has listed in the application has
11 been limited pursuant to section 2604 or is limited by subsection 9 and the bureau has
12 already licensed the maximum number of marijuana establishments allowed in the
13 municipality, unorganized place or plantation for the category of license that is
14 sought.'

15 Amend the bill in Part D in section 1 in §2603 by inserting after subsection 2 the
16 following:

17 **3. Provisional licenses for dispensaries.** The bureau shall issue a provisional
18 license or approval to an applicant for a commercial marijuana cultivation facility, a
19 marijuana product manufacturing facility and a retail marijuana store who:

20 A. Operates a registered dispensary under Title 22, chapter 558-C;

21 B. Completes an abbreviated dispensary application for a provisional license for a
22 commercial marijuana cultivation facility, marijuana product manufacturing facility
23 or a retail marijuana store;

24 C. Provides evidence that the municipality, unorganized place or plantation in which
25 the applicant proposes to locate has approved the operation of the type of marijuana
26 establishment or the operation of a marijuana transportation provider pursuant to
27 section 2604;

28 D. Provides evidence, based on its last inspection by the Department of Health and
29 Human Services, that it is in compliance with all applicable laws and rules of the
30 Maine Medical Use of Marijuana Act or that it is in the process of an approved
31 corrective action plan; and

32 E. Demonstrates the ability to comply with all applicable laws and rules by the end
33 of the provisional license term, which will be upon the annual license renewal of the
34 marijuana establishment.'

35 Amend the bill in Part D in section 1 in §2603 in subsection 4 in the first line (page
36 15, line 32 in L.D.) by striking out the following: "**Municipal consultation.**" and
37 inserting the following: '**Consultation.**'

38 Amend the bill in Part D in section 1 in §2603 in subsection 4 in the first line (page
39 15, line 32 in L.D.) by inserting after the following: "municipality" the following: 'or
40 unorganized place or plantation'

1 Amend the bill in Part D in section 1 in §2603 in subsection 4 in the 5th line (page
2 15, line 36 in L.D.) by inserting after the following: "municipality" the following: 'or
3 plantation, or to the appropriate county commissioners with respect to an unorganized
4 place.'

5 Amend the bill in Part D in section 1 in §2603 in subsection 5 in the 4th line (page
6 15, line 41 in L.D.) by inserting after the following: "municipality" the following: ',
7 unorganized place or plantation'

8 Amend the bill in Part D in section 1 in §2603 in subsection 5 by striking out all of
9 paragraph A (page 16, lines 1 to 7 in L.D.) and inserting after the following:

10 'A. If a greater number of applications is received from qualified applicants to
11 operate a marijuana establishment in a municipality, unorganized place or plantation
12 than is allowed under the limits enacted by the municipality, unorganized place or
13 plantation pursuant to section 2604 or pursuant to subsection 9, the bureau shall
14 solicit and consider input from the municipality, unorganized place or plantation as to
15 the municipality's, unorganized place's or plantation's preference or preferences for
16 licensure. Within 90 days after the date the first application is received, the bureau
17 shall issue the maximum number of applicable licenses for each type of marijuana
18 establishment license application received.'

19 Amend the bill in Part D in section 1 in §2603 in subsection 5 in paragraph B by
20 striking out all of subparagraph (1) (page 16, lines 10 to 12 in L.D.) and inserting the
21 following:

22 '(1) In the event of a tie between 2 equally qualified applicants within one license
23 category, an applicant for a license for a marijuana establishment or a marijuana
24 transportation provider license has preference in the licensure process over other
25 applicants if the applicant does not hold a license under this chapter in that
26 category.'

27 Amend the bill in Part D in section 1 in §2603 by striking out all of subsection 8
28 (page 16, lines 29 to 41 in L.D.) and inserting the following:

29 **'8. Limitation on number of retail marijuana stores.** If a municipality,
30 unorganized place or plantation has allowed for retail marijuana stores pursuant to section
31 2604 and as long as at least one qualifying application is received, the bureau shall
32 license retail marijuana stores as provided in this subsection in municipalities,
33 unorganized places and plantations that have approved the operation of the type of
34 marijuana establishment or the operation of a marijuana transportation provider.

35 A. For a county:

36 (1) With a population of at least 200,000 residents or geographic area larger than
37 3,000 square miles, the bureau may license a maximum of 4 retail marijuana
38 stores;

39 (2) With a population of fewer than 200,000 residents but at least 150,000
40 residents, the bureau may license a maximum of 3 retail marijuana stores; and

41 (3) With a population of fewer than 150,000 residents, the bureau may license a
42 maximum of 2 retail marijuana stores.

1 B. The bureau shall issue licenses for retail marijuana stores in different areas of a
2 county to ensure geographic access. A registered dispensary licensed under Title 22,
3 chapter 558-C does not count toward the limits imposed by this subsection unless a
4 retail marijuana store is located within the registered dispensary.

5 C. Notwithstanding the limits imposed under paragraph A, after January 1, 2018, if
6 the bureau determines that sufficient demand exists, it may license one or more
7 additional retail marijuana stores in each county.'

8 Amend the bill in Part D in section 1 in §2603 in subsection 9 in the 2nd line from the
9 end (page 17, line 16 in L.D.) by striking out the following: "licensure process for a tier"
10 and inserting the following: 'event of a tie between 2 equally qualified applicants for a
11 license in a particular tier.'

12 Amend the bill in Part D in section 1 in §2603 in subsection 10 in paragraph B in the
13 first line (page 17, line 25 in L.D.) by striking out the following: "have lived" and
14 inserting the following: 'have been a resident'

15 Amend the bill in Part D in section 1 in §2603 in subsection 11 in the first paragraph
16 in the 6th line (page 18, line 3 in L.D.) by inserting at the end the following: 'A marijuana
17 establishment that is a registered dispensary under Title 22, chapter 558-C may continue
18 to serve its qualifying patients.'

19 Amend the bill in Part D in section 1 in §2603 in subsection 11 in the first blocked
20 paragraph in the 4th line (page 18, line 7 in L.D.) by inserting after the following:
21 "paragraphs A to E" the following: 'if the property is located in a municipality,
22 unorganized place or plantation that has approved the operation of the type of marijuana
23 establishment or the operation of a marijuana transportation provider pursuant to section
24 2604'

25 Amend the bill in Part D in section 1 in §2603 in subsection 11 in paragraph A in
26 subparagraph (3) in the first line (page 18, line 14 in L.D.) by striking out the following:
27 "marijuana and"

28 Amend the bill in Part D in section 1 in §2603 in subsection 11 in paragraph C in
29 subparagraph (3) in the first line (page 18, line 29 in L.D.) by striking out the following:
30 "marijuana and"

31 Amend the bill in Part D in section 1 in §2603 in subsection 13 in paragraph F in the
32 last line (page 20, line 6 in L.D.) by striking out the following: "subsection 10" and
33 inserting the following: 'subsection 11'

34 Amend the bill in Part D in section 1 in §2603 by striking out all of subsections 14 to
35 17 (page 20, lines 7 to 41 and page 21, lines 1 to 41 in L.D.) and inserting the following:

36 '14. Requirements for the operation of a retail marijuana store. The following
37 requirements apply to the operation of a retail marijuana store.

38 A. Prior to making a sale of marijuana or a marijuana product, a retail marijuana
39 store shall verify the age of every person making the purchase by checking a
40 government-issued photographic identification card.

41 B. A retail marijuana store may not:

1 (1) Sell marijuana to an intoxicated individual as defined in section 2503,
2 subsection 1;

3 (2) Sell marijuana to a person who does not qualify as a consumer except that a
4 marijuana establishment that is also a primary caregiver or a dispensary may
5 serve an underage person who is a qualifying patient under Title 22, chapter
6 558-C;

7 (3) Allow an underage person to enter or remain on the premises of the retail
8 marijuana store unless the underage person is an employee of the bureau, a law
9 enforcement officer, a firefighter, an emergency medical technician or other
10 emergency services worker in the performance of that person's official duties or a
11 contractor performing work on the premises that is not directly related to
12 marijuana, such as installing or maintaining security devices or electrical wiring;

13 (4) Sell marijuana or marijuana products between the hours of 1 a.m. and 6 a.m.;

14 (5) Offer any free merchandise, rebates or gifts to a consumer;

15 (6) Sell marijuana or marijuana products at retail except on the premises that are
16 licensed by the bureau; or

17 (7) Either directly or indirectly, by any agent or employee, travel from
18 municipality or unorganized territory to municipality or unorganized territory, or
19 from place to place within the same municipality or unorganized territory,
20 selling, bartering or carrying for sale or exposing for sale marijuana or a
21 marijuana product.

22 C. If a marijuana retail store also sells marijuana as a registered dispensary in
23 accordance with Title 22, chapter 558-C, the licensee shall maintain a separate
24 accounting method to distinguish between medical marijuana sales and adult use
25 marijuana sales for purposes of imposing, collecting and remitting the appropriate
26 amount of sales tax.

27 **15. Requirements for the operation of a marijuana product manufacturing**
28 **facility.** A marijuana product manufacturing facility shall operate in compliance with
29 this chapter and any rules adopted by the bureau, the Department of Agriculture,
30 Conservation and Forestry and the Department of Health and Human Services, as
31 applicable to the form of marijuana used in the production process and the type of
32 marijuana product that is produced at the marijuana product manufacturing facility. The
33 bureau shall regulate marijuana product manufacturing facilities, including permitting the
34 production of solvent-based marijuana concentrate as set forth in subsection 18. A
35 marijuana product manufacturing facility may not sell marijuana or marijuana products to
36 consumers acting pursuant to Title 22, chapter 558-D, to patients acting pursuant to Title
37 22, chapter 558-C or to primary caregivers or registered dispensaries acting pursuant to
38 Title 22, chapter 558-C.

39 **16. Requirements for the operation of commercial marijuana cultivation**
40 **facilities.** A commercial marijuana cultivation facility must comply with the following
41 operational requirements. The bureau shall inspect commercial marijuana cultivation
42 facilities to ensure compliance with state law and rules. The bureau shall regulate

1 commercial marijuana cultivation facilities, including inspecting commercial marijuana
2 cultivation facilities, regulating the use of pesticides, protecting marijuana from diversion
3 pursuant to paragraph A and ensuring best practices for cultivation of crops.

4 A. A commercial marijuana cultivation facility shall adopt practices and take all
5 necessary precautions to:

6 (1) Prevent marijuana from being diverted from legal cultivation, manufacture,
7 processing, transport and use in this State to another state; and

8 (2) Prevent marijuana from being diverted to a use or distribution that is not
9 allowed by this chapter or Title 22, chapter 558-D.

10 B. A commercial marijuana cultivation facility may not cultivate or sell marijuana
11 derived from genetically modified seeds.

12 C. A commercial marijuana cultivation facility must be accessible at any time for
13 inspection by the bureau.

14 D. A commercial marijuana cultivation facility may not sell marijuana or marijuana
15 products to consumers acting pursuant to Title 22, chapter 558-D, to patients acting
16 pursuant to Title 22, chapter 558-D or to primary caregivers or registered dispensaries
17 pursuant to Title 22, chapter 558-D.

18 E. The commercial marijuana cultivation facility shall assign a batch number or
19 numbers for cultivated marijuana that identifies the plant or plants from which the
20 marijuana was harvested.'

21 Amend the bill in Part D in section 1 in §2603 in subsection 20 in paragraph A in the
22 last line (page 23, line 27 in L.D.) by inserting after the following: "successor
23 organization" the following: ', including standard 17025:2005, the general requirements
24 for the competence of testing and calibration laboratories, as it may be amended, or a
25 successor standard'

26 Amend the bill in Part D in section 1 in §2603 by renumbering any nonconsecutive
27 subsection number to read consecutively.

28 Amend the bill in Part D in section 1 by striking out all of §2604 (page 23, lines 38
29 and 39 and page 24, lines 1 to 22 in L.D.) and inserting the following:

30 **§2604. Local approval required**

31 A municipality, the county commissioners of an unorganized place or a plantation
32 may allow the operation of any type of marijuana establishment or the operation of a
33 marijuana transportation provider within the boundaries of the municipality, unorganized
34 place or plantation and may limit the number of marijuana establishments and marijuana
35 transportation providers as provided in this section. The bureau may not license any type
36 of marijuana establishment or marijuana transportation provider unless the operation of
37 that type of marijuana establishment or the operation of a marijuana transportation
38 provider has been approved within the municipality, unorganized place or plantation and
39 the number licensed is less than the limit set by the municipality, unorganized place or
40 plantation.

1 **1. Approval in a municipality.** Pursuant to Title 30-A, section 3991, a municipality
2 may approve the operation of any type of marijuana establishment or the operation of a
3 marijuana transportation provider by a vote of the municipal officers or by a referendum
4 of the voters of the municipality after public notice has been given and a public hearing
5 has been held. The municipal officers shall within 5 business days of a vote taken
6 pursuant to this subsection notify the bureau of the results of the vote.

7 **2. Approval in an unorganized place.** Pursuant to Title 30-A, section 102-A, the
8 county commissioners may, on behalf of an unorganized place, vote to approve or hold a
9 referendum at which the voters of the unorganized place may approve the operation of
10 any type of marijuana establishment or the operation of a marijuana transportation
11 provider after public notice has been given and a public hearing has been held. The
12 county commissioners shall within 5 business days of a vote taken pursuant to this
13 subsection notify the bureau of the results of the vote.

14 **3. Approval in a plantation.** Pursuant to Title 30-A, section 7051, a plantation may
15 approve the operation of any type of marijuana establishment or the operation of a
16 marijuana transportation provider by a vote of the assessors of the plantation or a
17 referendum of the voters of the plantation after public notice has been given and a public
18 hearing has been held. The assessors of a plantation shall within 5 business days of a vote
19 taken pursuant to this subsection notify the bureau of the results of the vote.

20 The bureau shall maintain a list of votes held under subsections 1, 2 and 3 and the
21 results of the votes and make the list available to the public for inspection.'

22 Amend the bill in Part D in section 1 in §2606 by striking out all of the first indented
23 paragraph (page 25, lines 9 to 16 in L.D.) and inserting the following:

24 'Notwithstanding the provisions of this chapter regulating marijuana, a scientific or
25 medical researcher who is conducting valid scientific or medical research that has been
26 approved by an institutional review board of an accredited laboratory or institution of
27 higher education may purchase, possess and securely store marijuana and marijuana
28 products for the purposes of conducting research. A scientific or medical researcher may
29 administer and distribute marijuana and marijuana products to a participant in research
30 who is at least 21 years of age and who has signed and provided to the researcher a
31 written form indicating that the participant has been fully informed of the possible results
32 of participating in the research project and freely consents to participate.'

33 Amend the bill in Part D in section 1 by striking out all of §2608 (page 25, lines 34 to
34 38 and page 26, lines 1 to 11 in L.D.) and inserting the following:

35 **§2608. Marijuana Research Fund established**

36 The Marijuana Research Fund, referred to in this section as "the fund," is established
37 in and administered by the Department of Administrative and Financial Services as an
38 Other Special Revenue Funds account. Balances in the fund may not lapse and must be
39 carried forward to the next fiscal year.

40 **1. Sources of fund.** The State Controller shall credit to the fund:

41 A. Any money contributed voluntarily to the fund; and

42 B. Interest earned or other investment income on balances in the fund.

1 **2. Uses of the fund.** All money deposited in the fund and the earnings on that
2 money remain in the fund to be used to provide grants for the purpose of producing peer-
3 reviewed research on marijuana's beneficial uses and safety. Money in the fund may also
4 be used for the necessary administrative and personnel costs associated with the
5 management of the fund but may not be deposited in the General Fund or any other fund
6 except as specifically provided by law.'

7 Amend the bill in Part D in section 1 in §2609 in subsection 1 in paragraph A in the
8 last line (page 26, line 19 in L.D.) by striking out the following: "G" and inserting the
9 following: 'F'

10 Amend the bill in Part D in section 1 in §2612 by striking out all of subsection 3
11 (page 28, lines 1 and 2 in L.D.) and inserting the following:

12 **3. Provisional licensing and preferences in licensing.** The provisional licensing
13 for dispensaries licensed under Title 22, chapter 558-C required by section 2603,
14 subsection 3 and the preferences in the licensure process required by section 2603,
15 subsection 6.'

16 Amend the bill in Part D in section 1 by inserting at the end the following:

17 **'§2614. Local option marijuana sales tax**

18 A municipality, an unorganized place or a plantation, in accordance with Title 36,
19 section 1811-C, may vote to approve the imposition of a local option marijuana sales tax
20 of up to 2% on sales of marijuana and marijuana products from a retail marijuana store to
21 a consumer.

22 **1. Approval in a municipality.** Pursuant to Title 30-A, section 3991, a municipality
23 may approve the imposition of a local option marijuana sales tax of up to 2% by a vote of
24 the municipal officers or a referendum of the voters of the municipality after public notice
25 has been given and a public hearing has been held. The municipal officers shall within 5
26 business days of a vote taken pursuant to this subsection notify the bureau of the results
27 of the vote.

28 **2. Approval in an unorganized place.** Pursuant to Title 30-A, section 102-A, the
29 county commissioners may, on behalf of an unorganized place, vote to approve or hold a
30 referendum at which the voters of an unorganized place may approve the imposition of a
31 local option marijuana sales tax of up to 2% after public notice has been given and a
32 public hearing has been held. The county commissioners shall within 5 business days of
33 a vote taken pursuant to this subsection notify the bureau of the results of the vote.

34 **3. Approval in a plantation.** Pursuant to Title 30-A, section 7051, a plantation may
35 approve the imposition of a local option marijuana sales tax of up to 2% by a vote of the
36 assessors of the plantation or a referendum of the voters of the plantation after public
37 notice has been given and a public hearing has been held. The assessors of a plantation
38 shall within 5 business days of a vote pursuant to this subsection notify the bureau of the
39 results of the vote.

40 The bureau shall maintain a list of votes held under subsections 1, 2 and 3 and the
41 results of the votes and make the list available to the public for inspection.'

42 Amend the bill in Part D by striking out all of section 2 and inserting the following:

1 **12. Economic regulation.** Chapter 183, subchapter 9.

2 **Sec. D-7. Rulemaking.** By January 31, 2018, the Department of Administrative
3 and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations shall
4 adopt major substantive rules, as defined in the Maine Revised Statutes, Title 5, chapter
5 375, subchapter 2-A, for the administration and the enforcement of laws regulating and
6 licensing marijuana establishments and marijuana transportation providers pursuant to
7 Title 28-A, chapter 111. The rules must be developed by the bureau and may not be
8 contracted out to an entity outside the bureau. The rules, except as required by Title
9 28-A, section 2604, may not prohibit the operation of marijuana establishments and
10 marijuana transportation providers, either expressly or through restrictions that make the
11 operation of marijuana establishments and marijuana transportation providers
12 unreasonably impracticable. As used in this section, "unreasonably impracticable" means
13 that the measures necessary to comply with the rules require such a high investment of
14 risk, money, time or other resource or asset that the operation of a marijuana
15 establishment or a marijuana transportation provider is not worthy of being carried out in
16 practice by a reasonably prudent businessperson. Notwithstanding the limits on retail
17 marijuana stores specified in Title 28-A, section 2603, subsection 9, until the initial rules
18 of the bureau have been reviewed by the Legislature, the bureau may issue one license
19 per municipality, but must issue one per municipality if a qualified application is received
20 from an applicant to locate in a municipality, unorganized place or plantation that has
21 approved the operation of that type of marijuana establishment or the operation of a
22 marijuana transportation provider. Rules adopted pursuant to this section may not
23 prohibit a municipality from limiting the number of each type of licensee that may
24 operate in the municipality or from enacting reasonable regulations applicable to
25 licensees.'

26 Amend the bill in Part E by striking out all of section 5.

27 Amend the bill in Part F in section 4 in §2176 in subsection 1 in paragraph A in
28 subparagraph (1) in the 3rd line (page 34, line 39 in L.D.) by striking out the following:
29 "marijuana product" and inserting the following: 'marijuana product'

30 Amend the bill in Part F in section 4 in §2176 in subsection 1 in paragraph B in the
31 4th line (page 35, line 10 in L.D.) by striking out the following: "commerical marijuana"
32 and inserting the following: 'commercial marijuana'

33 Amend the bill in Part F in section 4 in §2176 by striking out all of subsection 3
34 (page 36, lines 34 to 38 and page 37, lines 1 to 31 in L.D.) and inserting the following:

35 **3. Labeling requirements.** All marijuana and marijuana products sold, transferred
36 or otherwise provided to a consumer must be in a container that is labeled with all
37 required information.

38 A. Labeling text on a container may not make any false or misleading statements
39 regarding health or physical benefits to the consumer, must be no smaller than 1/16
40 inch, must be unobstructed and conspicuous and must be clearly written or printed in
41 the English language.

42 B. A marijuana establishment may affix multiple labels to a container if the
43 information required by these rules is not obstructed.

1 C. The minimum print size is 1/16 inch. The size of the characters in the net weight
2 statement is determined by the area of the principal display panel and may be greater
3 than 1/16 inch.

4 D. The label must at a minimum list the cannabidiol and THC content of the
5 marijuana or marijuana product, which must be verified by a licensed marijuana
6 testing facility.

7 E. For marijuana, the label must contain a list of ingredients, including all chemical
8 additives, including but not limited to nonorganic pesticides, herbicides and
9 fertilizers, that were used in the cultivation and production of the marijuana or
10 marijuana product.

11 F. For marijuana, the label must list the batch number or numbers assigned by the
12 commercial marijuana cultivation facility to the marijuana plant or plants from which
13 the marijuana within the container was harvested; and, for marijuana products, the
14 label must contain a complete list of solvents and chemicals used in the creation of
15 any marijuana concentrate.

16 G. For marijuana, the label must list the license number of the commercial marijuana
17 cultivation facility where the marijuana was grown. For marijuana products, the label
18 must list the license number of the marijuana product manufacturing facility. For
19 marijuana and marijuana products, the label must list the name and license number of
20 the retail marijuana store where the items will be sold.

21 H. For marijuana and marijuana products, the label must include the following
22 statement: "This product contains marijuana. There may be health risks associated
23 with the consumption of the product." A label may refer the purchaser to online
24 information for additional product information.

25 I. For a marijuana product, the label must include a list of ingredients, the product
26 identity and a net weight statement.

27 J. If nutritional claims are made on the label of any marijuana product, the label must
28 contain a nutrition facts panel.'

29 Amend the bill by inserting after Part I the following:

30 **'PART J**

31 **Sec. J-1. 15 MRSA §3103, sub-§1, ¶G,** as repealed and replaced by PL 2003, c.
32 688, Pt. A, §12, is amended to read:

33 G. A violation of section 393, subsection 1, paragraph C or section 393, subsection
34 1-A; ~~and~~

35 **Sec. J-2. 15 MRSA §3103, sub-§1, ¶H,** as amended by PL 2005, c. 328, §5, is
36 further amended to read:

37 H. If a juvenile has been convicted of a crime for a violation of a provision of Title
38 12 or 29-A not specifically included in paragraph E or F, willful refusal to pay a
39 resulting fine or willful violation of the terms of a resulting administrative release or
40 willful failure to comply with the terms of any other resulting court order; ~~and~~

1 the sales tax constitutes part of the price, is a debt from the purchaser to the retail
2 marijuana store until paid and is recoverable at law in the same manner as the sale price.
3 When the sale price involves a fraction of a dollar, the tax must be added to the sale price
4 according to the formula provided in section 1812.

5 **6. Payment required.** A retail marijuana store shall file, on or before the last day of
6 each month, a return on a form prescribed and furnished by the assessor together with
7 payment of the tax due under this section. The return must report all sales of marijuana
8 and marijuana products subject to the tax. A retail marijuana store shall keep a complete
9 and accurate record at its principal place of business to substantiate all receipts and sales
10 as required to comply with its obligations under this section and Title 28-A, chapter 111.

11 **7. Penalties.** The following penalties apply to violations of this section.

12 A. A retail marijuana store and a person who is responsible for the operation of a
13 retail marijuana store who violates a provision of this section commits a Class E
14 crime.

15 B. A retail marijuana store and a person who is responsible for the operation of a
16 retail marijuana store who violates paragraph A and who, at the time of the offense,
17 has one or more prior convictions for a violation of this section commits a Class D
18 crime. Title 17-A, section 9-A governs the use of prior convictions when
19 determining a sentence.

20 **8. Distribution of revenue.** Each month, the assessor shall identify the amount of
21 revenue attributable to each municipality, unorganized place or plantation under this
22 section, shall subtract 2% of total revenue for the costs of administering this section and
23 shall certify the amount due to each municipality, unorganized place or plantation to the
24 Treasurer of State. The Treasurer of State shall make monthly payments in accordance
25 with the certification of the assessor.

26 **9. Use of revenue by participating municipality.** The revenue raised by the
27 imposition of a local option marijuana sales tax under this section must be held by the
28 participating municipality in a special revenue account established for that purpose.
29 Revenue from that account may be expended only if specifically authorized by an
30 appropriation of the local legislative body.

31 **10. Effect on revenue sharing and other state aid programs.** Revenue received
32 by the State pursuant to subsection 6 may not be considered to be receipts from the taxes
33 imposed under this Part for the purpose of transfers to the Local Government Fund under
34 Title 30-A, section 5681. Revenue received pursuant to subsection 6 may not be used to
35 reduce or eliminate any funding otherwise due the county or participating municipality
36 under any provision of law providing aid to the county or participating municipality,
37 including, but not limited to, aid for schools, roads, public assistance or jails.

38 **11. Referendum.** The question of whether to impose a local option marijuana sales
39 tax must be submitted to the legal voters of a municipality, unorganized place or
40 plantation that seeks to impose the local option marijuana sales tax. The petition process
41 in a municipality subject to the provisions of Title 30-A, chapter 121 and voting must be
42 held and conducted in accordance with Title 30-A, sections 2528, 2529 and 2532 even if
43 the municipality has not accepted the provisions of Title 30-A, section 2528. The voting
44 at elections must be held and conducted in accordance with Title 21-A. The official

1 responsible for conducting the election shall prepare the required ballots, which must
2 contain substantially the following question:

3 "Do you favor a local option marijuana sales tax of up to 2% to be imposed by
4 [insert name of municipality, unorganized place or plantation]?"

5 The voters shall indicate by a cross or check mark placed against the word "Yes" or "No"
6 their opinion of the same. The official responsible for conducting the referendum shall
7 make a return of the results, certify the results and send them to the Secretary of State.
8 The Secretary of State shall forward the results to the assessor.

9 The local option marijuana sales tax may be discontinued by referendum conducted in the
10 same manner as the referendum adopting the local option marijuana sales tax under this
11 section.

12 **12. Effective date of local option marijuana sales tax; acceptance by voters.** The
13 local option marijuana sales tax authorized by this section takes effect 120 days after the
14 referendum vote under subsection 11 if it is accepted by a majority of the legal voters
15 voting at the election and the total number of votes cast equals or exceeds 20% of the
16 total number of votes cast in that jurisdiction in the most recent gubernatorial election.

17 **§1811-D. Additional sales tax on marijuana and marijuana products**

18 An additional tax in the amount of 10% is imposed on the retail sale of marijuana and
19 marijuana products from a retail marijuana store to a consumer except that a tax may not
20 be imposed on sales from a registered dispensary or registered primary caregivers to
21 qualifying patients and primary caregivers pursuant to Title 22, chapter 558-C. For the
22 purposes of this section, "retail marijuana store" has the same meaning as in Title 28,
23 section 2601, subsection 10.

24 **1. Adding additional tax to sale price.** A retail marijuana store shall add the
25 additional sales tax imposed pursuant to this section, or the average equivalent of that tax,
26 to the sale price of marijuana and marijuana products except as exempt under this
27 subsection. When added, the sales tax constitutes part of the price, is a debt from the
28 purchaser to the retail marijuana store until paid and is recoverable at law in the same
29 manner as the sale price. When the sale price involves a fraction of a dollar, the tax must
30 be added to the sale price according to the formula provided in section 1812.

31 **2. Payment required.** A retail marijuana store shall file, on or before the last day of
32 each month, a return on a form prescribed and furnished by the assessor together with
33 payment of the additional sales tax due under this section. The return must report all
34 sales of marijuana and marijuana products subject to the additional sales tax. A retail
35 marijuana store shall keep a complete and accurate record at its principal place of
36 business to substantiate all receipts and sales as required to comply with its obligations
37 under this section and Title 28-A, chapter 111.

38 **3. Penalties.** The following penalties apply to violations of this section.

39 A. A retail marijuana store and a person who is responsible for the operation of a
40 retail marijuana store who violates a provision of this section commits a Class E
41 crime.

