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VETERANS AND LEGAL AFFAIRS

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
131ST LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 1379, L.D. 2155, “An Act to Clarify Licensing Criteria and Criminal History Record Check and Notification Requirements for Adult Use Cannabis Establishments”

Amend the bill by striking out all of sections 1 and 2 and inserting the following:

'Sec. 1. 28-B MRSA §102, sub-§42-A is enacted to read:

42-A. Principal. "Principal" means, with regard to an applicant or licensee:

- A. A natural person operating as a sole proprietor;
- B. The officers of a corporation organized pursuant to Title 13-C, chapter 8 who have authority to manage, direct or oversee the applicant's or licensee's operations, if the applicant or licensee is a corporation;
- C. The directors of a corporation organized pursuant to Title 13-C, chapter 8, if the applicant or licensee is a corporation;
- D. The shareholders of a corporation organized pursuant to Title 13-C, chapter 8, if no officers or directors are appointed and if the applicant or licensee is a corporation;
- E. The general or limited partners of a partnership organized under Title 31, chapter 19, if the applicant or licensee is a partnership;
- F. The nonmember managers or managing members of a limited liability company organized under Title 31, chapter 21, if the applicant or licensee is a limited liability company; and
- G. Any other natural person to whom the applicant or licensee has given authority to manage, direct or oversee the applicant's or licensee's operations.

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

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

COMMITTEE AMENDMENT

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

3 **Sec. 2. 28-B MRSA §106, first ¶**, as enacted by PL 2017, c. 409, Pt. A, §6, is
4 amended to read:

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

10 Amend the bill by striking out all of section 8 and inserting the following:

11 **'Sec. 8. 28-B MRSA §213**, as enacted by PL 2017, c. 409, Pt. A, §6, is amended to
12 read:

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

14 Before any proposed new owner, ~~officer, manager~~ principal or employee may own,
15 manage, work for or otherwise associate with a licensee, the licensee shall notify the
16 department in writing of the name, address and date of birth of the proposed new owner,
17 ~~officer, manager~~ principal or employee and the proposed new owner, ~~officer, manager~~
18 principal or employee shall submit to a criminal history record check pursuant to section
19 204, obtain an individual identification card pursuant to section 106 and, in the case of a
20 new owner or other person assuming an equity ownership interest or a partial equity
21 ownership interest in the license, obtain approval for the transfer of ownership interests
22 pursuant to section 210.'

23 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
24 number to read consecutively.

25 **SUMMARY**

26 This amendment changes the definition of "principal" in the bill and excludes "owner"
27 from the list of words replaced by "principal."