

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FOUR

H.P. 972 - L.D. 1517

An Act to Establish the Social Equity Program

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

PART A

Sec. A-1. 5 MRSA §12004-I, sub-§6-K is enacted to read:

6-K.

<u>Economic</u>	<u>Social Equity Program Advisory</u>	<u>Not Authorized</u>	<u>5 MRSA</u>
<u>Development</u>	<u>Committee</u>		<u>§13302</u>

Sec. A-2. 5 MRSA c. 395 is enacted to read:

CHAPTER 395

SOCIAL EQUITY PROGRAM

§13301. Social equity program established

In accordance with the provisions of this chapter, the Department of Economic and Community Development, referred to in this chapter as "the department," shall establish and administer a social equity program, referred to in this chapter as "the program," to increase workforce development programs and provide support to individuals who are members of impacted communities and businesses that are owned by members of impacted communities. For purposes of this chapter, "impacted community" means a racial, ethnic or tribal population that has experienced incarceration at rates disproportionate to the racial, ethnic or tribal population's rate of criminality starting in or about the year 1971 and as a result the racial, ethnic or tribal population has experienced direct or indirect discrimination in access to housing, employment and education. The department may employ consultants, contract for services or enter into agreements with private and public entities, such as other state agencies, as necessary for the establishment and implementation of the program as long as costs associated with the program do not exceed \$300,000 per biennium.

§13302. Social Equity Program Advisory Committee

The Social Equity Program Advisory Committee, established by section 12004-I, subsection 6-K and referred to in this chapter as "the advisory committee," serves to advise the department on the development and implementation of the program. The advisory committee has 5 members who are members of impacted communities. Two members of the advisory committee are appointed by the President of the Senate and 3 members are appointed by the Speaker of the House. The first-named member appointed by the Speaker of the House is the chair of the advisory committee. The Commissioner of Economic and Community Development, or the commissioner's designee, shall convene the advisory committee as necessary to carry out its advisory duties.

§13303. Report

By December 15, 2026, and biennially thereafter, the department shall file a report with the joint standing committee of the Legislature having jurisdiction over economic and community development matters and the joint standing committee of the Legislature having jurisdiction over cannabis matters detailing the components of the program, the progress and impact of the program and its components and the activities of the advisory committee. Each joint standing committee may report out legislation in the regular or special session of the Legislature in which the report was filed.

Sec. A-3. 28-B MRSA §1101, sub-§2, ¶C-1 is enacted to read:

C-1. Money credited to the fund may be expended by the department or transferred by the department to other state agencies to fund the social equity program established in Title 5, chapter 395.

Sec. A-4. 28-B MRSA §1101, sub-§2, ¶D, as enacted by PL 2023, c. 444, §1, is amended to read:

D. Any funds remaining in the fund after expenditures made in accordance with paragraphs A to € C-1 must be used to fund:

(1) The cost of the tax deductions for business expenses related to carrying on a business as a cannabis establishment or a testing facility provided pursuant to Title 36, section 5122, subsection 2, paragraph PP and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the State Tax Assessor shall determine the cost of those deductions during the prior calendar year and report that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund; and

(2) The cost of the position in the Bureau of Revenue Services within the department to administer the tax deductions provided pursuant to Title 36, section 5122, subsection 2, paragraph PP and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the commissioner shall determine the cost of the position in the bureau to administer those deductions during the prior calendar year and report that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund.

PART B

Sec. B-1. Department of Labor; apprenticeship navigator. The Department of Labor shall establish a 2-year apprenticeship navigator position with the responsibility of increasing access to workforce development opportunities for impacted communities,

including, but not limited to, apprenticeship and preapprenticeship programs. For purposes of this Part, "impacted community" means a racial, ethnic or tribal population that has experienced incarceration at rates disproportionate to the racial, ethnic or tribal population's rate of criminality starting in or about the year 1971 and as a result the racial, ethnic or tribal population has experienced direct or indirect discrimination in access to housing, employment and education.

Sec. B-2. Department of Economic and Community Development; business support services; seed funds. The Department of Economic and Community Development shall increase access to business support services to impacted communities by:

1. Providing outreach to impacted communities to support business development by and business success of members of impacted communities;
2. Providing technical assistance to support business development by and business success of members of impacted communities;
3. Providing funds to members of impacted communities starting, maintaining or expanding a business; and
4. Providing education and counseling about available tax credits to members of impacted communities.

Sec. B-3. Cannabis business advocate. The Commissioner of Administrative and Financial Services shall hire a cannabis business advocate as an employee of the Department of Administrative and Financial Services for a period of up to 2 years. The cannabis business advocate may be physically located within or near the office of cannabis policy, referred to in this section as "the office," but is not an employee of the office. The duties of the cannabis business advocate include:

1. Assisting licensees under the Cannabis Legalization Act and registrants under the Maine Medical Use of Cannabis Act, referred to in this section collectively as "participants," in navigating the regulatory process and resolving problems with the office;
2. Identifying areas in which participants have problems in dealings with the office;
3. Receiving complaints from participants, mediating conflicts between participants and the office and, when appropriate, making recommendations to the director of the office with respect to these complaints. Within 3 months of receiving recommendations, the director of the office shall provide a formal response to the cannabis business advocate on all recommendations submitted;
4. Proposing changes in the administrative practices of the office to mitigate problems identified under subsections 1, 2 and 3; and
5. Maintaining a record of the volume, nature and resolution status of complaints received from participants and providing the director of the office with this information by November 1st of each year.

Sec. B-4. Reports; authority to report out legislation. By December 15, 2026, the Department of Labor, the Department of Economic and Community Development and the Department of Administrative and Financial Services shall separately file a report with the joint standing committee of the Legislature having jurisdiction over labor matters, the

joint standing committee of the Legislature having jurisdiction over economic and community development matters and the joint standing committee of the Legislature having jurisdiction over cannabis matters. The departments must include in their reports details on the activities and impact of their efforts required under this Part. The Department of Administrative and Financial Services shall also include in its report the volume, nature and resolution of complaints received by the cannabis business advocate established in section 3 of this Part.

Sec. B-5. Appropriations and allocations. The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF
Adult Use Cannabis Public Health and Safety Fund and Municipal Opt-In Fund
Z263**

Initiative: Establishes one limited-period Public Service Coordinator II position for a cannabis business advocate effective August 1, 2024 through July 31, 2026 and provides funding for related All Other costs.

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
Personal Services	\$0	\$118,854
All Other	\$0	\$9,453
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$128,307

**ADMINISTRATIVE AND FINANCIAL
SERVICES, DEPARTMENT OF
DEPARTMENT TOTALS**

	2023-24	2024-25
OTHER SPECIAL REVENUE FUNDS	\$0	\$128,307
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$128,307

ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF

Social Equity Program N495

Initiative: Allocates ongoing funds for the costs to implement and administer a social equity program to increase workforce development programs and provide support to individuals who are members of impacted communities and businesses that are owned by members of impacted communities.

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
All Other	\$0	\$300,000
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$300,000

**ECONOMIC AND COMMUNITY
DEVELOPMENT, DEPARTMENT OF
DEPARTMENT TOTALS**

	2023-24	2024-25
DEPARTMENT TOTALS	2023-24	2024-25

OTHER SPECIAL REVENUE FUNDS	\$0	\$300,000
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$300,000
LABOR, DEPARTMENT OF		
Maine Apprenticeship Program Z375		
Initiative: Establishes one limited-period CareerCenter Consultant position effective August 1, 2024 through July 31, 2026 to increase access to workforce development opportunities for impacted communities and provides funding for related All Other costs.		
OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
Personal Services	\$0	\$79,335
All Other	\$0	\$9,500
OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$88,835
LABOR, DEPARTMENT OF		
DEPARTMENT TOTALS		
OTHER SPECIAL REVENUE FUNDS	\$0	\$88,835
DEPARTMENT TOTAL - ALL FUNDS	\$0	\$88,835
SECTION TOTALS		
OTHER SPECIAL REVENUE FUNDS	\$0	\$517,142
SECTION TOTAL - ALL FUNDS	\$0	\$517,142