

Testimony In Opposition to L.D. 40

An Act to Protect Liberty and Advance Justice in the Implementation, Administration and Enforcement of the Cannabis Legalization Act and To Implement Certain Recommendations of the Subcommittee on Non-substantive Changes to the Maine Medical Use of Cannabis Act

> Before the Joint Standing Committee on Veterans and Legal Affairs March 4, 2024

Senator Hickman, Representative Supica, and members of the Joint Standing Committee on Veterans and Legal Affairs:

I am Josh Silver, co-owner of Silver Therapeutics. Silver Therapeutics, Inc. is an owner of two adult use cannabis stores and an adult use cannabis cultivation facility in Maine.

I am here to speak in opposition to L.D. 40. Silver Therapeutics was not consulted during the drafting of this bill, and while there are several provisions within this bill that we could support, I cannot support L.D. 40 as drafted.

My primary objection concerns the proposed changes to the seed to sale tracking to allow for group product tracking.

First let me say, that the current METRC seed to sale tracking system is not broken. In fact, It's a system that works quite well at both the retail and cultivation level. We rely upon METRC – it integrates with our POS systems, and when we are purchasing cannabis from other licensed cultivators, it gives us confidence that no illicit cannabis has entered the supply chain which we could unwittingly purchase.

I heard testimony from the bill's proponent that the bill would not eliminate seed to sale tracking. However, it clearly gives discretion to the agency to change tracking to group tracking for cannabis products with the licensee having discretion over the size of the group. At the public hearing, Alex McMahan, who was introduced as having drafted the bill, explained that it was intended to give licensees flexibility over how they track, including using their point of sale. But business level point of sale systems can be manipulated and any groups of product that do not tie back to a statewide system opens the door for illicit cannabis to enter the supply chain with impunity.



Parts of the bill we can support -

- 1) Changes to the individual identification card (IIC) process. This should not be an annual process because it is very burdensome. IICs should be valid for several years at a time.
- 2) Lower fines.

Thank you for taking my comments into consideration.

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