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LD 1847

#### Testimony

#### Testimony in Opposition to LD 104 and LD 1847: Mandatory Testing and Track-and-Trace for Maine's Medical Cannabis Program

Dear Members of the Maine Legislature,

I am writing to express strong opposition to LD 104 and LD 1847, which seek to impose mandatory testing and track-and-trace requirements on Maine's medical cannabis program. While the intent to ensure safety and accountability is understandable, these bills introduce measures that are impractical, economically burdensome, and misaligned with the unique needs of Maine's medical cannabis market. Below, I outline compelling reasons why these requirements would harm patients, caregivers, and small businesses, supported by facts and industry insights.

##### 1. Economic Burden on Small Caregivers and Patients

Maine's medical cannabis program is driven by over 3,000 registered caregivers, many of whom operate small-scale, community-based businesses. These caregivers provide affordable, personalized medicine to patients with chronic conditions.

Implementing a track-and-trace system, as seen with the state's adult-use market, would impose significant costs that threaten their viability.

- **Cost of Compliance:** The state's track-and-trace system, managed by Metrc LLC, requires businesses to pay a \$40 monthly licensing fee, plus 45 cents per plant tag and 25 cents per package label. For a small caregiver managing hundreds of plants or products, these costs add up quickly. For example, converting a single 10-pound cannabis plant into vape cartridges could require thousands of tags under an overly stringent system, with initial estimates suggesting costs as high as \$14,725 for a single plant processed into edibles.

- **Additional Infrastructure:** Compliance requires internet access, computers, and staff time for daily record-keeping, which many rural caregivers lack. These expenses would force caregivers to raise prices, making medical cannabis less affordable for patients who rely on it for conditions like chronic pain, cancer, or epilepsy.

- **Impact on Patients:** Medical cannabis sales reached \$266 million in 2020, reflecting its critical role in Maine's healthcare landscape. Higher costs could drive patients to the adult-use market, where products are taxed at 10% and may not meet specific medical needs, or worse, to unregulated sources, undermining the program's purpose.

##### 2. Misalignment with Maine's Medical Cannabis Model

Maine's medical cannabis program, established in 1999, is distinct from the adult-use market. It operates as a decentralized, patient-centered system that prioritizes accessibility and caregiver autonomy. Imposing a one-size-fits-all track-and-trace system, modeled after the recreational market, ignores these differences.

- **Unnecessary Regulation:** Unlike adult-use cannabis, medical cannabis is prescribed by physicians and dispensed through trusted caregiver-patient relationships.

Caregivers already maintain records of sales, cultivation, and patient interactions. Requiring a complex seed-to-sale tracking system, as mandated for recreational cannabis, adds redundant oversight without clear benefits.

- **Lack of Evidence:** Proponents of LD 104 argue that testing is needed to prevent contamination, citing a 2023 study where 45% of 127 medical cannabis samples failed recreational market standards. However, there is no evidence linking these failures to widespread patient harm. Maine's medical program has operated safely for over 25 years without mandatory testing, suggesting existing voluntary testing by caregivers is sufficient.

- **Contrast with Other States:** Maine is one of only three states without mandatory seed-to-sale tracking for medical cannabis. This reflects a deliberate choice to prioritize flexibility for caregivers and patients, not a regulatory gap. States with stricter systems, like Colorado, have seen small producers exit the market due to compliance costs, a risk Maine cannot afford given its reliance on small caregivers.

##### 3. Flawed Testing Regime and Public Health Concerns

The push for mandatory testing under LD 104 assumes that recreational market standards are appropriate for medical cannabis, but this overlooks significant flaws in the testing process and its applicability.

- **Testing Failures:** The Maine Office of Cannabis Policy (OCP) has issued three recalls for mold in the recreational market, despite mandatory testing, indicating that the system is not foolproof. Applying this flawed framework to medical cannabis risks creating a false sense of security while burdening caregivers with costs for a process that doesn't guarantee safety.
- **Unique Medical Needs:** Medical cannabis products, such as low-THC tinctures or edibles for pediatric patients, differ from recreational products. Recreational testing standards, which focus on THC potency and common contaminants, may not address the specific needs of medical patients, such as terpene profiles or cannabinoid ratios critical for therapeutic effects.
- **Voluntary Testing Sufficiency:** Many caregivers, like Corey Black of Earth Keeper Cannabis, already voluntarily test their products for contaminants like myclobutanil, demonstrating a commitment to safety without state mandates. Mandating testing could discourage innovation and strain testing facilities, which already struggle with capacity for the recreational market.

#### 4. Threat to Maine's Cannabis Economy and Caregiver Legacy

Maine's medical cannabis program is the state's most valuable crop, outpacing traditional agriculture with \$266 million in sales in 2020. Caregivers laid the foundation for the adult-use market, yet LD 104 and LD 1847 risk marginalizing them in favor of larger, corporate interests.

- **Caregiver Displacement:** Small caregivers fear being "pushed out" by regulations that favor well-funded businesses. The track-and-trace system's complexity and cost could force caregivers to close or transition to the adult-use market, reducing patient access to specialized products.
- **Legislative Resistance:** The Maine Legislature has rejected similar proposals in 2018, 2021, and 2023, recognizing their burden on the industry. LD 1242, passed in 2021, requires legislative review of new cannabis rules, reflecting distrust in OCP's regulatory overreach. These bills circumvent that process, ignoring stakeholder input from caregivers and patients.
- **Corporate Advantage:** Large operators, already compliant with adult-use regulations, would benefit from a homogenized market, while small caregivers struggle. This contradicts Maine's commitment to supporting local businesses and preserving its unique cannabis culture.

#### 5. Metrc's Inefficiency and Industry Pushback

The proposed track-and-trace system relies on Metrc, a cloud-based software criticized for its complexity and cost. Industry stakeholders have consistently opposed its expansion to the medical program.

- **Implementation Challenges:** When introduced for the adult-use market, Metrc caused confusion, with initial estimates suggesting exorbitant tagging costs. Clarifications reduced some burdens, but the system remains labor-intensive, requiring daily updates on plant locations, inventory changes, and sales.
- **Caregiver Feedback:** During a 2022 public hearing, dozens of caregivers opposed track-and-trace requirements, calling them "untenable" for small operators. The Maine Cannabis Union and Maine Craft Cannabis Association have echoed these concerns, arguing that the system prioritizes bureaucracy over patient welfare.
- **Alternatives Exist:** Voluntary track-and-trace systems, like those offered by BioTrackTHC or 365 Cannabis, allow caregivers to adopt technology at their own pace, balancing accountability with affordability. Mandating Metrc stifles innovation and imposes a single, costly solution.

#### Conclusion

LD 104 and LD 1847 represent well-intentioned but misguided attempts to regulate Maine's medical cannabis program. The proposed testing and track-and-trace requirements are economically unsustainable, misaligned with the program's patient-centered model, and based on a flawed recreational testing framework. They threaten to raise costs for patients, displace small caregivers, and erode Maine's

unique cannabis economy, all without clear evidence of improved safety or public health outcomes.

Instead, I urge the Legislature to support voluntary testing and tracking initiatives, incentivize caregiver education, and expand testing facility capacity to meet demand. These measures would enhance safety while preserving the affordability and accessibility that define Maine's medical cannabis program. The Legislature's repeated rejection of similar proposals reflects the wisdom of prioritizing caregivers and patients over bureaucratic overreach. I respectfully request that you vote against LD 104 and LD 1847 to protect Maine's medical cannabis community.

Thank you for your consideration.

Sincerely,

John Hanewich  
Atlantic Jungle