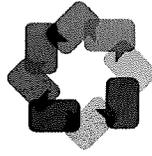


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January 31, 2024

**NEITHER FOR NOR AGAINST – LD 1996 Resolve to Study the Regulation of Certain Hemp-derived Products
(as amended)**

Dear Senator Ingwersen - Chair, Representative Pluecker- Chair, and Members of the Committee on Agriculture, Conservation and Forestry,

The Maine Grocers & Food Producers Association and the Retail Association of Maine are providing joint testimony on *LD 1996 Resolve to Study the Regulation of Certain Hemp-derived Products (as amended)*. Our business trade associations represent Main Street businesses including independently owned and operated grocery stores and supermarkets, general merchandise and specialty retailers, convenience stores, distributors, and supporting partners — together representing more than 450 members statewide. Maine's retail sector employs more than 85,000 Mainers.

The issue has been brought to our attention for the potential impact on our members both from a manufacturing and retail perspective. We are pleased to see that the bill sponsor, Senator Pierce, has introduced amended language to study “and develop recommendations regarding the regulation of ingestible consumer products, including food, food additives and food products that contain hemp-derived THC, synthesized THC or artificial THC.” It will be imperative for the Resolve to bring forth policy recommendations that support the state’s intent for hemp-derived THC products and that it is clear for this evolving product category. We do not believe the intent is to burden or stifle the market of this emerging product category.

However, we express concerns for the *Sec. 2. Moratorium on the products*, especially as an emergency preamble. This will remove products from stores’ shelves. While we’re most familiar with Δ9 THC derived beverages, we understand there maybe other products at market such as tinctures which also will be impacted. An emergency preamble, does not permit for a phasedown of inventory and leaves retailers at a financial disadvantage with a product in which they’ve invested in inventory and can no longer sell. If the moratorium is to move forward, we assume it will become the responsibility of the QAR division to enforce the removal of the product category. Having experienced the process of removing apple cider products from store shelves, due to labeling requirements, it proved to be challenging and puts those who are complying at a disadvantage against those who are not complying.

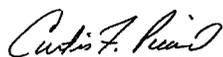
In review of various Δ9 THC derived beverage websites, before it permits you to enter the website, you must confirm your age. It is our understanding that this is the same process in which these products are being sold at

retail, with age verification. In fact, in review of the beverage labels, it was designated 21+. We urge the Committee and the department to consider finding an immediate, even if temporary, solution for enforcement and oversight. We are asking that these products that are currently on the marketing, remain on the market, to be sold responsibly here in Maine. While many answers are likely to be determined from the stakeholder meeting, the April 2025 moratorium sunset is too long for these products to remain off the market. We ask the Committee to consider amending the timeline and bring back a report sooner.

While we do not stand supportive of the product prohibition, we do want to point out that when certain packaging materials have been prohibited, in an effort to not burden Maine's manufacturing businesses, language has been included to permit production, such as "The prohibition in this subsection does not prevent a manufacturer that is located in the State from offering for sale or for promotional purposes outside the State..."

We strongly urge the Committee to consider working with the Department of Agriculture (and other willing industry stakeholders) to review whether or not there are processes or procedures that relate to their current CBD program that can be mirrored or followed so that these products can remain at market. Product manufacturing standards, licenses, testing requirements and labeling oversight, and working with suppliers and retailers can all play pivotal roles in ensuring the product remains at market and sold safely. Maine's retailers and manufacturers take great pride in the privilege to sell age restricted tobacco and alcohol products and would not risk violating their licenses to sell products illegally, they stand ready to continue to work with the state to regulate these products. We're seeking a solution in the interim while this product category is being studied and further evaluated for legislative oversight.

Thank you for the opportunity to provide testimony.



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