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To the Committee on Veterans and Legal Affairs,

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#### LD 40: OUGHT TO PASS

My name is Mark Barnett. I'm a resident of Auburn, the owner of a retail caregiver store in Portland, and the Policy Director for the Maine Craft Cannabis Association. On behalf of our Association I am submitting this testimony in favor of LD 40: An Act to Amend the Cannabis Laws, along with improvements we would like to see made to the bill text. We believe this bill represents a historic moment in the history of cannabis policy in Maine and the United States—for consumers, for small businesses, and for advocates of de-emphasizing the role of law enforcement in a legal, safe, well-regulated industry with no discernible pattern of major threats to the public safety. We are proud to read the work of years of stakeholder collaboration, conversation, and legislative debate reflected in these reforms to Maine's Adult Use of Cannabis program along with strong protections for currently-legal and now threatened conduct in the Medical Use of Cannabis program.

#### PART A

Part A, which makes updates to the Medical Use program in Title 22 558-C, clarifies language regarding the legal activities of patients and medical caregivers that have come under threat from regulatory overreach despite years of safe, well-understood business conduct. It also updates important definitions that clarify elements of the program that the Office of Cannabis Policy has interpreted inconsistently or in some cases erroneously in its administration of this program, while setting a clear and enforceable set of violations prioritizing progressive enforcement and support over punitive and open-ended authority, a philosophy also reflected in Part B's badly-needed reforms of Adult Use's violation and fine structure. Most crucially, LD 40 asserts the right to privacy of participants in the medical cannabis program in a world where cannabis remains a Schedule 1 substance and no data collected and warehoused by the state government can be considered secure.

In Sec. A-13. 22 §2430-I, sub-§1, we recommend that 'seeds' be removed from the legal definition of cannabis in all places in statute except to restrict their sale to minors.

We also recommend that the definition of 'cannabis paraphernalia' in both statutes exclude materials commonly used for all types of gardening. We believe these can be sold anywhere by any store.

We also recommend that the wording of major license violation B.(2) herein be amended to clarify that color remediation of extracts (commonly referred to as 'CRC') and the combination of cannabis flower and cannabis concentrates in products continue to be permitted.



We would ask that in Sec. A-10. 22 MRSA §2425-A, sub-§14 item D.(4) be strengthened to ensure strict data security protocols for this information sharing to protect the safety of registrants' families and business assets in often rural, sparsely-populated areas. We recognize municipalities desire this information for often harmless purposes, but many municipalities may struggle to ensure this data is actually protected. It is one of the chief concerns we have heard from program participants, many of whom operate homestead cultivation and production operations.

Further in §2425-A, sub-§14, we would ask that F.(2) be amended to read: (2) The location where any cannabis plants or harvested cannabis associated with a major registration violation affecting public safety were cultivated, manufactured, tested, packaged or sold [if that location was the source of the violation]. We feel this may be necessary to limit the liability of innocent participants in the supply chain.

We strongly endorse protections for medical patients employed by Adult Use licensees in Part B.

To lower the cost of administering the program and lower costs to applicants, we recommend extending the licensure period in Sec. B-29. 28-B MRSA §208 from one year to two years. At the very least, only material changes to operating entities and plans should require updates for a license renewal which are currently over-burdensome and oppressive, particularly for dispensary licensees.

We also recommend that in the vein of Sec. B-19. 28-B MRSA §113, the required report to the Legislature for the Medical Cannabis program in Title 22 558-C §2430-N be made more robust as well, including public health and safety data collected according to recognized best practices for scientific data analysis, inventory of uses of funds, and a summary of license violations that adheres to the confidentiality requirements in the program while still providing meaningful information on the behavior of program participants.

We would suggest that in both programs, fines be lowered substantially for violations not considered a major threat to public safety. Comparable fines in other industries are fractions of these amounts.

## PART B

Part B undertakes to reform the Drug War mentality that suffuses our Adult Use statute, where participants in this legal industry are presumed to be of criminal intent, are subjected to immense personal liability for participation, faced with hurdles to efficient, profitable, and customer-friendly operations inconceivable in other industries, and who operate under the constant threat of selective-enforcement regulatory 'weapons' that ensure only deep-pocketed investors would dare to undertake joining the industry. It doesn't have to be this way.

Much of the statute originally developed by the MLA committee appeared at the outset far less harmful before the writing and implementation of rulemaking for that program was revealed. That rulemaking was authored by a group whose members now respectively: a) represent massive global tobacco and alcohol interests in federal lobbying; b) serve as CSO for Metrc that both taxpayers and participants are



mandated to pay for (and which hoovers up terabytes of personal and business data with absolutely no requirements for the handling or securing of that information).

Forecasts for the economic boom from this poor design have proven disastrously misguided. That is due in large part to the design of the regulations that makes it difficult to provide a product that educated consumers actually want to consume at a price they want to pay for it. It seems clear that the underpinnings of our Adult Use program are broken and represent clear policy failure. It is time that the American values of liberty and justice for all also apply to participants in Maine's legal cannabis industry, whether as businesses or consumers. The provisions in Part B go a long way towards that goal and are the result of not just months but years of policy discussion among diverse stakeholder groups and real-world operational experience here in Maine.

They also go a long way towards delivering on the vision that Mainers actually approved at the ballot box by promoting small business access to market, providing regulations free of stigma around cannabis use, and structuring our regulatory agency to support this crucial economy rather than simply viewing its role as 'policing' it behind vague gestures towards propaganda around public safety threats with no data to back it up. We make these comments recognizing the hard work and good faith efforts most OCP employees show during interactions with our businesses and the public. Often, OCP staff at all levels go above and beyond to help us navigate the absurdities of our current regulations. They shouldn't have to. LD 40 would lead to a more efficient, more effective, and less expensive system of regulation. The structuring of the Office as proposed here draws on other Maine programs, for example Title 7-A (1) §202 outlining the role of the DACF. It recognizes the reality that cannabis is a staple crop in Maine and one of our state's most important industries, and that deep stigma still persists in our states' institutions.

#### PART C

We request that the task force include members of the medical cannabis community—a patient, a caregiver, and a medical professional with experience certifying patients in Maine's medical cannabis program. While 'hospitality' is often associated with 'recreational' activities, Maine is already a destination state for consumers of medical cannabis and medical cannabis is in fact a larger industry in this state than Adult Use. Cannabis also has clearly established therapeutic potential, and we would be unwise not to prioritize how to increase our economic growth in the cultivation, manufacture, and provision of medical cannabis in our long-term planning.

We are deeply grateful for the Legislature's long standing support for Maine's consumers and businesses both small and large in an industry that in most other places is dominated by a few large commercial players and that, despite massive public support for full descheduling and legalization, remains unjustly at risk from cannabis' status as a Schedule 1 substance. Passing LD 40, with just a few minor tweaks,



would go a long way towards ensuring that our state’s cannabis industry—for both medical and adult use—can survive and thrive in the long run to the benefit of Mainers for generations to come.

Sincerely,

Mark Barnett

Maine Craft Cannabis Association