

DATE, MARCH 19TH, 2025

MAINE LEGISLATIVE COMMITTEE ON VETERANS & LEGAL AFFAIRS [VLA]

SUBJECT: L.D.903

SENATE CHAIR HICKMAN

HOUSE CHAIR SUPICA

SENATE MINORITY LEAD CHAIR TIMBERLAKE

HOUSE MINORITY LEAD CHAIR BOYER

DISTINGUISHED VLA COMMITTEE MEMBERS

DEAR COMMITTEE MEMBERS.

DEAR COMMITTEE MEMBERS.

THANK YOU FOR GIVING ME THE OPPORTUNITY TO TESTIFY TODAY. MY NAME IS TAMMY SMITH AND I HAVE BEEN IN THE MEDICAL PROGRAM SINCE 2017. OUR FAMILY BEGAN AS HOME-BASED CAREGIVERS/CULTIVATORS. IN 2020, WE OPENED A MEDICAL RETAIL STORE AND, IN THE FALL OF 2023, WE OPENED A STOREFRONT IN THE RECREATIONAL MARKET.

I AM TESTIFYING THIS MORNING AS THE BOARD CHAIR FOR MMCM, A TRADE ASSOCIATION WHOSE MISSION IS TO ADVOCATE, LEGISLATE AND EDUCATION FOR THE CANNABIS INDUSTRY IN MAINE.

MCM IS AGAINST L.D. 903

THIS BILL AMENDS THE PROVISIONS OF THE LAW REGARDING SIGNS, ADVERTISING AND MARKETING FOR MEDICAL AND ADULT USE CANNABIS THAT PROHIBITS ALL FORMS OF MARKETING EXCEPT FOR A WEBSITE OR OTHER INTERNET-BASED PRESENCE, A BUSINESS DIRECTORY AND SIGNS ON THE BUSINESSES OWN PREMISES. IT FURTHER ALLOWS THE OFFICE OF CANNABIS POLICY TO CREATE RULES REGARDING THE USE AND PLACEMENT OF THESE SIGNS.

A CONCERN IS THAT THIS AMENDMENT PROVIDES THE OFFICE WITH THE POWER TO IMPLEMENT RULES THAT COULD SEVERELY LIMIT THE MARKETING CAPABILITIES OF SMALL BUSINESSES. SPECIFICALLY, THERE IS A RISK THAT THE OCP COULD INTERPRET ITS RULE-MAKING AUTHORITY TO PROHIBIT OR SIGNIFICANTLY RESTRICT COMMON AND ESSENTIAL MARKETING PRACTICES, INCLUDING:

DISTRIBUTION OF EVENT FLYERS: SMALL BUSINESSES RELY ON FLYERS TO PROMOTE SPECIAL OFFERS, EVENTS, AND BRAND AWARENESS WITHIN THEIR LOCAL COMMUNITIES.

BRANDED MERCHANDISE (STICKERS, HATS, T-SHIRTS): THESE ITEMS SERVE AS COST-EFFECTIVE AND HIGHLY VISIBLE FORMS OF BRAND PROMOTION, CRUCIAL FOR BUILDING CUSTOMER RECOGNITION AND LOYALTY.

SPONSORSHIP OF LOCAL EVENTS: SPONSORING LOCAL EVENTS WITH LOGO PLACEMENT ON EVENT MARKETING MATERIALS IS A VITAL WAY FOR SMALL BUSINESSES TO CONNECT WITH THEIR AND SUPPORT THEIR COMMUNITIES.

THESE FORMS OF MARKETING ARE FUNDAMENTAL TO THE SUCCESS OF SMALL BUSINESSES. RESTRICTING OR ELIMINATING THESE AVENUES WOULD CREATE AN UNEVEN PLAYING FIELD, FAVORING LARGER, WELL-ESTABLISHED CORPORATIONS WITH GREATER RESOURCES. THESE FORMS OF ADVERTISING ARE NOT RESTRICTED FROM THE ALCOHOL OR TOBACCO INDUSTRIES, WHY SHOULD OUR INDUSTRY BE?.

IT WOULD HINDER THE ABILITY OF SMALL BUSINESSES TO BUILD BRAND RECOGNITION, ATTRACT NEW CUSTOMERS AND LIMIT THE ABILITY OF SMALL BUSINESSES TO ENGAGE WITH AND SUPPORT THEIR LOCAL COMMUNITIES.

THEREFORE, IT IS CRUCIAL THAT ANY CHANGES DEVELOPED UNDER THIS AMENDMENT ARE CAREFULLY CONSIDERED AND IMPLEMENTED WITH THE SPECIFIC NEEDS OF SMALL CANNABIS BUSINESSES IN MIND. WE URGE THE LEGISLATIVE BODY TO ENSURE THAT THE OCP'S RULE-MAKING AUTHORITY IS EXERCISED IN A MANNER THAT PROVIDES CLEAR AND SPECIFIC GUIDELINES, AVOIDING OVERLY BROAD OR AMBIGUOUS INTERPRETATIONS. PRESERVES THE ABILITY OF SMALL BUSINESSES TO UTILIZE COMMON AND EFFECTIVE MARKETING PRACTICES AND PRIORITIZES THE CREATION OF A FAIR AND COMPETITIVE MARKET.

REGARDING RULEMAKING FOR THE PLACEMENT OF SIGNS. TOWNS HAVE REGULATIONS ON WHERE SIGNS MAY BE PLACED. IT IS POSSIBLE THAT OCP IN THEIR INTERPRETATION COULD RULE THAT A SIGN CAN ONLY BE PLACED IN AN AREA WHERE IT CONFLICTS WITH A TOWN'S ORDINANCE. SIGN PALCEMENT IS NOT IN THEIR AUTHORITY TO DO SO.

TAMMY SMITH

BOARD CHAIR MMCM

SMALL BUSINESS OWNER

NEWPORT, MAINE