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March 1, 2021

Re: LD 421, *An Act to Increase the Number of Plants a Medical Marijuana Caregiver May Cultivate*

Senator Luchini, Representative Caiazzo, Members of the Joint Standing Committee on Veterans and Legal Affairs:

I am Erik Gundersen, Director of the Office of Marijuana Policy (OMP) and I am before you today to provide testimony on behalf of our office regarding LD 421, An Act to Increase the Number of Plants a Medical Marijuana Caregiver May Cultivate.

OMP opposes this bill because the legislature has already created multiple pathways for registrants to cultivate more than 30 mature marijuana plants and to level the “playing field” for registrants.

When the voters of Maine first created a regulated system to ensure patient access to medicine, it permitted 8 registered dispensaries, placed in Maine’s eight public health districts, and unlimited smaller caregiver operations for increased access.

LD 1539, passed by the 128th Legislature, fundamentally altered the caregiver model. It opened the door to wholesale transfers of harvested marijuana between program registrants; allowed caregivers to cultivate up to 500 square feet of mature plant canopy; and it permitted caregivers to operate a caregiver retail stores to serve any patient with a valid patient certification.

Caregivers currently have the ability to grow more than 30 mature marijuana plants if they opt for the canopy-based registration. Since the implementation of the canopy-based registrations last year, 857 out of the total 3051 registered caregivers have chosen that registration type. Of those 857 registrants, 184 registered for between 30 and 60 plants under 500 square feet of canopy, 508 registered for between 61 and 90 plants, and another 109 registered for between 91 and 150 plants—the remainder registered for between 150 and 570 plants.

Additionally, in LD 1539, the legislature also lifted the cap on registered dispensaries effective January 1st of this year. In recognition of the removal of this cap, and an understanding that the medical program has evolved beyond the statutory and regulatory framework laid out in 2011, OMP plans to lower the dispensary application fee from \$12,000 to \$5,000 annually to assist registrants who are seeking commercial success in the medical program. Registered dispensaries may cultivate an unlimited number of mature marijuana plants for the purpose of assisting qualifying patients.

OMP currently views a 30-plant registration a significant operation, with the ability to harvest hundreds of pounds of marijuana annually. Because some registrants wish to significantly increase the volume of marijuana they can cultivate, we believe that towns across Maine, many who already struggle with the medical program, should have a say. This is why we believe the dispensary model is a better solution – as towns have the ability to zone and regulate dispensaries within their borders.

Finally, it's important to note that the state has no data to suggest that there is a lack of adequate supply of medical marijuana within the program – and oversupply is a significant concern. However, after implementation of the required inventory tracking system, OMP will have a better picture of our medical marijuana marketplace. It is our intention to implement inventory tracking later this year.

We thank the committee for its careful consideration of this bill and we'd be happy to answer any questions.

Sincerely,

Erik Gundersen, Director