

Lipman Katz AND Boston

ATTORNEYS AT LAW

Senator Luchini, Representative Caiazzo, and distinguished members of the Committee on Veterans and Legal Affairs:

My name is Roger Katz and for four terms I had the honor of representing Augusta in the Maine State Senate. I had the privilege of serving with many of you and it is nice to see some old friends again.

One of the most memorable parts of my time here was my service on the Marijuana Legalization Implementation Committee, which I co-chaired with my good friend Rep. Teresa Pierce. Both Rep. Hickman and Rep. Corey were on that committee and I learned a great deal from both of them.

All of our work was done against the backdrop of the existing medical program. Toward the end of our work, the Legislature also made some significant changes to the Maine medical marijuana system through LD 1539. Teresa and I worked long and hard with the Health and Human services committee, and particularly its chairs, Rep. Hymanson and Sen. Brakey on that bill which came out of committee late in the session. The next thing I'm going to say is, I believe, very important. Most of us believed that, even though continuation of the separate medical marijuana program was important, the regulatory scheme for both should be housed in the same place. The second policy consideration critical to most of us was this: that the same kinds of standards for seed to sale tracking and for public health and safety protections should be the same in each system.

A "seed to sale tracking" system was an absolute no brainer for us on the Marijuana Legalization Implementation Committee. Being able to trace this regulated product is important for a number of reasons. First, if there are any contamination or other public health problem we need to know where the stuff came from, and that means being able to trace it back to its origins and every step of the way right through to retail sale. Second, if we were are going to be able to effectively tax this product, we need to be able to track its production and sale in a systematic way. Third, one of the reasons to legalize marijuana in the first place was to stop diversion of illegally grown and produced marijuana into the black market. All of these goals--product safety, appropriate taxation,



and discouraging diversion to the black market --all of them really cannot be effectively done without a seed to sale tracking system. We had our battles on the committee on many issues, but that was not one of them. Everyone agreed on the necessity for such a system from Day One.

Exactly the same policy considerations apply to the changes in law within the medical marijuana system. And for exactly the same reasons. If product safety is important in the adult use market, it is important in the medical market. If making sure the taxes are appropriately paid is important in the adult use market, it is also important in the medical marijuana market. And if preventing diversion of product to the black market is important in the adult use market, it's equally important in the medical marijuana market. What is the medical marijuana community wildly happy about these changes in LD 1539? Probably not. But in return, medical providers were given considerably more leeway to commercialize their operations. For the first time, they could wholesale their plants and harvested marijuana. For the first time they could operate brick and mortar storefronts, sell to an unlimited number of qualifying patients, hire an unlimited number of employees, organize a business entity, and possess an unlimited amount of harvested marijuana.

Let's now move to rulemaking: Eric Gunderson's shop is now attempting to promulgate rules, just as the Legislature directed him to do. He and his staff should be able to complete that project...to promulgate the rules on product safety and accountability that we need, not next year, but now. I understand that some people don't want this regulation, but OMP's process has been open and transparent, and they have and, up through today, are doing their best to deal with a great deal of information which is being circulated out there.

In my view, LD 1242 would be a step backwards. It would tie the hands of the Office of Marijuana Policy and essentially prevent it from doing the job it was specifically directed to do by prior legislation. Without implementing rules, the protections the 128th legislature built into the marijuana medical marijuana system will be largely neutered. Frankly, we will be going back to the Wild Wild West we had before, and make no mistake about it, that is exactly what it was. The claims that these rules will drive the little guy out are, I believe, wildly exaggerated. Listen to Mr. Gunderson when he tells you about how easy will be to comply with these rules. This bill's requirement that rulemaking essentially be stopped in its tracks will be a giant step backwards. And for the same reasons, I would also voice opposition to the bill you will hear later today, LD

1319, sponsored by my good friend Sen. Matt Pouliot. That bill would prohibit any new rules for the next two and a half years. We just can't afford to wait.

Thank you for your attention and I would be happy to answer any questions. Again, thank you for your service and it was a pleasure to see so many of you again.
