



Presented by **PretiFlaherty**

LEGAL PAPERS

The Maine Cannabis Law
Breakfast Series

2019

SESSION 1

The State of the Industry

March 21, 2019

INTRODUCTION

**WELCOME TO
THE MAINE CANNABIS
INDUSTRY**

AGENDA

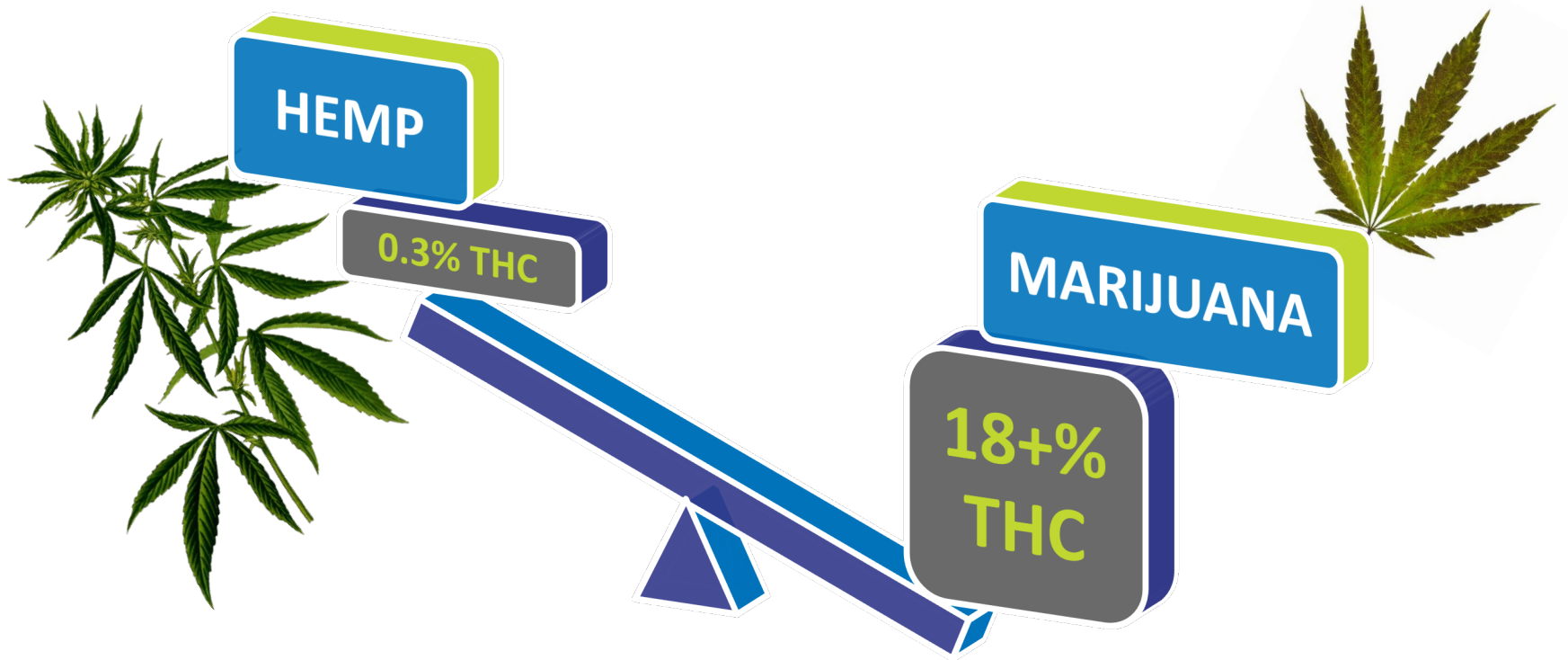
- **PART 1:** Hemp & CBD: Lay of the Land – *Matt Warner*
- **PART 2:** Municipal Update – *Steve Langsdorf*
- **PART 3:** State Law and Regulation Regarding Medical and Adult Use Cannabis – *Dan Walker*
- **PART 4:** Q&A – *Langsdorf, Walker, Warner*

PART 1

Hemp & CBD: Lay of the Land

Matt Warner

HEMP vs. MARIJUANA



THE FEDS' HEMP/CBD ROLLERCOASTER

- **2014** – Agricultural Pilot Programs
- **2018** – Hemp Gets the Green Light
- **But Not So Fast**

MAINE: TRYING TO FOLLOW DC'S LEAD

- **Still Searching for Consistency with Federal Law**
- **CBD in Food:** *Maine DACF vs. LD 630*
- **Indoor Growing**

HEMP & CBD - LAY OF THE LAND

- **Enforcement Is Minimal**
- **CBD in Food**
- **No Claims of Therapeutic Benefits**
- **Standards Are Coming**

PART 2

Municipal Update

Steve Langsdorf

MEDICAL MARIJUANA CAREGIVERS

- **Portland Bill**
- **December 18, 2018, Cutoff**
- **Storefronts**
- **How Municipalities Are Interpreting the Bill**

CAREGIVERS AS HOME OCCUPATIONS

- **Licensing**
- **Banning**
- **Regulating**

REGULATION OF MARIJUANA-RELATED ISSUES BY ZONING OR LICENSE

- **Odors**
- **Traffic**
- **Security**
- **Other Issues**

ZONING

Must Be Specific to Marijuana

LICENSING

Ordinances for Medical and Adult Use

PART 3

State Law and Regulation Regarding Medical and Adult Use Cannabis

Dan Walker

TIMELINE – MEDICAL (MMUMP)

- 1999 Initiative
- 2009 Initiative
- Dispensaries
- Caregivers
- 2018
 - Significant Rulemaking Reform (eff. 5/10/18)
 - LD 1539, LD 238
 - MMUMP Moved to DAFS
- 2019 – 8 Dispensaries, 2407 CGs (as of 2/28/19)

TIMELINE – ADULT USE

- **2016 Initiative**
- **2017 – MLIC - LDs 88, 243, 1641, 1650 (Vetoed)**
- **2018 – MLIC - LD 1719 – Overrode Veto**

IMPLEMENTATION

- **LD 238 Rulemaking (Awarded to Freedman and Koski)**
 - **Manufacturing – Medical**
 - **Testing – Both Programs – Crucial**
 - **MMUMP Finalizing Language Now – Post within a Month**

IMPLEMENTATION

- **Seed-to-Sale**
 - **Both Programs**
 - **Initially Awarded to Franwell (Metrc) for Medical, then Adult Use, but Not Through an RFP process**
 - **Just Released RFP, Due 4/8/19**

IMPLEMENTATION

- **MMUMP and Adult Use Rulemaking RFP**
 - **Initially Awarded to BOTEC in December – Then Appealed, Then Rescinded**
 - **New RFP Awarded to Freedman and Koski in February – Then Appealed, but Not Stayed, and Hearing**

ADMINISTRATION COMMITTED TO ADULT USE MARKET IN 2019

- **Leadership**
 - Eric Gundersen, Director
 - Craig Patterson, MMUMP
 - Scott Lever, Adult Use
- **Consistency Between Programs**
 - Rules to Legislature before Adjournment?
 - Substantial Stakeholder Process

LEGISLATIVE SESSION

- **Marijuana Advisory Commission**
 - **Not Yet Met**
 - **Waiting for Rulemaking**

LEGISLATIVE SESSION – RELEVANT LEGISLATION

- **Tax**

- **LD 335 - An Act to Require the State to Distribute 25 Percent of Adult Use Marijuana Retail Sales and Excise Tax Revenue to Generating Municipalities (Warren)**
- **LD 1076 - An Act to Account for Market Change in the Adult Use Marijuana Excise Tax (Berry)**
- **LD 1322 - An Act to Provide Equitable Tax Treatment to State-licensed Marijuana Businesses (Jorgensen)**

LEGISLATIVE SESSION – RELEVANT LEGISLATION

- **MMUMP**
 - **LD 538 - An Act to Ensure Access to Medical Cannabis for Visiting Qualifying Patients (Blume)**
 - **LD 942 - An Act to Require Reimbursement for Medical Marijuana (Collings)**
 - **LD 1129 - An Act to Clarify Certain Provisions of the Maine Medical Use of Marijuana Act (Jorgensen)**
 - **LD 1218 - An Act to Allow Maine Medical Marijuana Caregivers to Measure Cultivation Limits by Plant Canopy Size (Corey)**

LEGISLATIVE SESSION – RELEVANT LEGISLATION

- **Adult**
 - **LD 719 - An Act to Amend the Adult Use Marijuana Law (Pierce)**
 - **LD 720 - An Act Regarding Maine's Adult Use Marijuana Law (Pierce)**
 - **LD 999 - An Act to Allow Medical and Adult Use Marijuana Stores to Share a Common Space (Miramant)**

KEY ISSUES WHEN MAKING THE TRANSITION TO ADULT USE

- Cultivation, Retail, Processing, Testing, Nursery
- Initial Noncompetitive State Approval (“Conditional License”)
 - Residency – 4-year Resident to Apply
 - Incorporated in the State
 - Criminal Background Check
 - Tax Compliance

KEY ISSUES WHEN MAKING TRANSITION TO ADULT USE

- **Municipal Approval**
 - **No State Level Total Limits on Establishments (Municipal Limits)**
 - **Licensing and Competitive Selection Different Town to Town**
 - **“Opt In”**
- **Initial Plant Transfer between MMUMP Participants**
- **Mandatory Testing**
- **Seed to Sale Tracking**

PART 4

Q & A

Steve Langsdorf

Dan Walker

Matt Warner

THANK YOU FOR COMING



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