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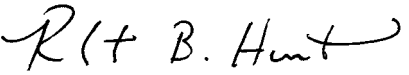
No. 1765

H.P. 1129

House of Representatives, April 25, 2023

An Act Authorizing the Governor to Enter into Interstate Agreements Regarding the Cannabis Industry

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.


ROBERT B. HUNT
Clerk

Presented by Representative PERRY of Bangor.

1 Be it enacted by the People of the State of Maine as follows:

2 Sec. 1. 28-B MRSA c. 1, sub-c. 12 is enacted to read:

3 **SUBCHAPTER 12**

4 **INTERSTATE AGREEMENTS**

5 **§1201. Definitions**

6 As used in this subchapter, unless the context otherwise indicates, the following terms
7 have the following meanings.

8 **1. Agreement.** "Agreement" means an agreement entered into under this subchapter
9 between the Governor and another state or states regarding commercial cannabis activity.

10 **2. Commercial cannabis activity.** "Commercial cannabis activity" means the
11 transportation, cultivation, manufacture, testing, purchase, sale or distribution of cannabis
12 or cannabis products.

13 **3. Contracting state.** "Contracting state" means a state with which the Governor has
14 entered into an agreement pursuant to this subchapter.

15 **4. Maine commercial cannabis business.** "Maine commercial cannabis business"
16 means an individual or entity authorized to engage in commercial cannabis activity in this
17 State pursuant to this chapter or Title 22, chapter 558-C.

18 **5. Out-of-state commercial cannabis business.** "Out-of-state commercial cannabis
19 business" means an individual or entity authorized under the laws of another state to engage
20 in commercial cannabis activity within that state.

21 **6. State.** "State" means a state of the United States or any district, commonwealth,
22 territory or possession subject to the legislative authority of the United States.

23 **§1202. Agreement by Governor**

24 The Governor may enter into one or more agreements with another state or states
25 authorizing commercial cannabis activity in this State by an out-of-state commercial
26 cannabis business or authorizing a Maine commercial cannabis business to engage in
27 commercial cannabis activity in the contracting state, as long as the provisions of this
28 subchapter are met.

29 **§1203. Federal action required**

30 An agreement entered into pursuant to this subchapter takes effect upon or after the
31 occurrence of the following:

32 **1. Federal law permits interstate transfer.** Federal law authorizes the interstate
33 commercial cannabis activities authorized by the agreement;

34 **2. Federal expenditures prohibited.** Federal law prohibits the expenditure of federal
35 funds to prevent the interstate commercial cannabis activities authorized by the agreement;

36 **3. Opinion of United States Department of Justice.** The United States Department
37 of Justice issues an opinion or memorandum allowing or tolerating the interstate
38 commercial cannabis activities authorized by the agreement; or

1 **4. Opinion of Attorney General of United States.** The Attorney General of the
2 United States issues a written opinion that, based on review of federal judicial decisions
3 and administrative action, implementation of the agreement will not result in significant
4 legal risk to this State.

5 **§1204. Agreement requirements**

6 An agreement entered into pursuant to this subchapter must contain provisions that:

7 **1. Department authorization.** Require an out-of-state commercial cannabis business
8 to comply with the requirements of this Title or Title 22, chapter 558-C, as appropriate, in
9 order to engage in commercial cannabis activity in this State;

10 **2. Standards.** Require the contracting state to apply standards to out-of-state
11 commercial cannabis businesses operating in the contracting state that meet or exceed the
12 standards found in this chapter or Title 22, chapter 558-C, as appropriate, regarding:

13 A. Tracking and tagging cannabis plants, adult use cannabis and adult use cannabis
14 products from immature cannabis plant to the point of retail sale, disposal or
15 destruction;

16 B. Testing cannabis and cannabis products prior to selling or distributing to ensure the
17 cannabis and cannabis products do not exceed the maximum level of allowable
18 contamination for any contaminate that is injurious to health and for which testing is
19 required and to ensure correct labeling;

20 C. Identifying adulterated or misbranded cannabis products and destroying those
21 products; and

22 D. Packaging, labeling, marketing and advertising of cannabis and cannabis products;

23 **3. Public health and safety emergencies.** Require the appropriate regulatory
24 authority of the contracting state to address public health and welfare emergencies
25 concerning cannabis or cannabis products that are sold or intended for sale within this State,
26 including the prompt recall or embargo of adulterated or misbranded cannabis or cannabis
27 products;

28 **4. Investigate alleged noncompliance.** Require the appropriate regulatory authority
29 of the contracting state to investigate and reasonably cooperate with this State's
30 investigation of instances of alleged noncompliance with the agreement and laws and rules
31 applicable to out-of-state commercial cannabis businesses operating in this State in
32 accordance with mutually agreed-upon procedures;

33 **5. Promote inclusion.** Require the contracting state to promote the inclusion and
34 support of individuals and communities in the cannabis industry who are linked to
35 populations and neighborhoods that were negatively or disproportionately affected by
36 cannabis criminalization as determined by the Governor; and

37 **6. Transportation prohibited.** Prohibit the transportation of cannabis or cannabis
38 products by an out-of-state commercial cannabis business or a Maine commercial cannabis
39 business through a state that does not authorize that transportation.

40 **§1205. License required; rules**

41 An out-of-state commercial cannabis business may not engage in commercial cannabis
42 activity in this State unless authorized to do so in accordance with this Title or Title 22,

chapter 558-C, as appropriate. The department shall adopt rules to implement, administer and enforce this subchapter. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

§1206. Affix signature

When the Governor, on behalf of the State, executes an agreement pursuant to this subchapter, the Governor shall affix the Governor's signature to the agreement under a recital that the agreement is executed pursuant to the provisions of this subchapter and subject to the limitations and qualifications contained in this subchapter.

§1207. Report

By January 15, 2024, and annually thereafter, the department shall submit a report to the joint standing committee of the Legislature having jurisdiction over adult use cannabis and medical use cannabis matters listing all agreements entered into pursuant to this subchapter, including, but not limited to, information regarding the terms and conditions of each agreement, the activities undertaken by the department and other state agencies to implement the agreement and the effects of the agreement on the adult use and medical use cannabis industries in this State.

SUMMARY

This bill permits the Governor to enter into interstate agreements authorizing the transportation, cultivation, manufacture, testing, purchase, sale or distribution of cannabis or cannabis products into and out of this State by entities licensed in Maine pursuant to the Maine Revised Statutes, Title 28-B, chapter 1 or Title 22, chapter 558-C. Such agreements will be effective if one of the following occurs: (1) federal law allows for the interstate transfer of cannabis or cannabis products; (2) federal law specifically prohibits the expenditure of federal funds to prevent the interstate transfer of cannabis or cannabis products; (3) the United States Department of Justice issues an opinion or memorandum allowing or tolerating the interstate transfer of cannabis products; or (4) the Attorney General of the United States issues a written opinion that implementation of these agreements will not result in significant legal risk to this State.

The agreements must require a cannabis business from the contracting state to be authorized to operate in this State pursuant to either Title 28-B, chapter 1 or Title 22, chapter 558-C and that the contracting state apply standards on these businesses equal to or exceeding Maine standards on: tracking; tagging; testing; identifying and destroying adulterated or misbranded cannabis products; labeling; marketing; and advertising. The contracting state must also agree to address public health and safety emergencies concerning cannabis and cannabis products and agree to assist in investigations of noncompliance with the agreement or Maine's laws or rules. The agreements must also prohibit the transportation of cannabis or cannabis products in states that do not authorize such transportation.