## Rulemaking Cover Sheet

MAPA-1

Secretary of State TO: Administrative Procedure Officer, ATTN: State House Station 101, Augusta, Maine 04333. Agency: Office of Cannabis Policy, Department of Administrative and Financial Services 1. Agency umbrella and unit number: 18-691 2. (2 digit umbrella # and 3 digit unit #) Title of rule: Rules for the Licensure of Adult Use Cannabis Establishments 3. Chapter number assigned to the rule: Chapter 20 4. (must be 3 digits or less) Date(s)/method(s) of notice: E-mail and social media notice to interested parties list on August 15, 2023; Official 5. SoS Notice of Rulemaking Published in Newspapers August 15, 2023. Date(s)/place(s) of hearing(s): Wednesday, September 6, 2023; 10:00 a.m.; Office of Cannabis Policy, 19 Union 6. St., Augusta, Maine, 3rd Floor, Room 325. □ partial amendment(s) of existing rule **Type:** ⊠ new rule 7. ☐ emergency rule ☐ repeal of rule ☐ suspension of existing rule □ repeal and replace: complete replacement of existing chapter, with former version simultaneously repealed. Name/phone of agency contact person: Gabi Pierce; Office of Cannabis Policy, 162 State House Station, Augusta, ME 8. 04333; Phone: (207) 530-0507; Fax (207) 287-2671; e-mail: Gabi.Pierce@maine.gov If a major substantive rule under Title 5, c. 375, sub-CII-A, check one of the following 9. ☐ Final adoption **☒** Provisional adoption (prior to Legislative review) ☐ emergency adoption of major-substantive rule Certification Statement: I, Kirsten LC Figueroa that the attached is a true copy of the rule(s) described above and lawfully adopted by the Dept. of Administrative + Financial Services on 01-08-2024 (name of agency) I further certify that all portions of this rule are adopted in compliance with the requirements of the Maine Administrative Procedure Act. (original signature, personally signed by the head of agency) Printed name & title: Krsten LC Figueroa, Commissioner

. Approved as to form and legality by the Attorney General on _ Signature	1/2/2024 (date)	
(original signature, personally signed by an Assistant Attorney G	eneral)	
Printed Name: Nancy Macirousta	•	

## Notice of Agency Rulemaking Adoption

**AGENCY: Office of Cannabis Policy** 

CHAPTER NUMBER AND TITLE: 18-691 CMR, ch. 20

Rules for the Licensure of Adult Use Cannabis Establishments

ADOPTED RULE NUMBER: 20xx.xxx

(LEAVE BLANK - ASSIGNED BY SECRETARY OF STATE)

#### CONCISE SUMMARY

The Department of Administrative and Financial Services, Office of Cannabis Policy, is promulgating the Rules for the Licensure of Adult Use Cannabis Establishments, along with the Rules for the Administration of the Adult Use Cannabis Program, 18-691 CMR, ch. 10, the Compliance Rules for Adult Use Cannabis Establishments, 18-691 CMR, ch. 30, and the Rules for the Testing of Adult Use Cannabis, 18-691 CMR, ch. 40 in anticipation of fully repealing the Adult Use Cannabis Program Rule, 18-691 CMR, ch. 1, once those four rules have been finally adopted. The Office of Cannabis Policy (OCP) has the authority to "promulgate rules necessary to implement, administer and enforce [the Cannabis Legalization Act]." 28-B MRS § 104.

This rule is compromised of the licensing requirements from the original Adult Use Cannabis Program Rule, and incorporates statutory changes since the last time that rule was revised, specifically, PL 2023, ch. 408 and PL 2023, ch. 396. This rule also incorporates changes to clarify provisions addressed in guidance documents previously issued by the Office as well as changes identified by stakeholders through public comments during the public comment period for this rule.

#### **EFFECTIVE DATE:**

(TO BE FILLED IN BY SECRETARY OF STATE)

**AGENCY CONTACT PERSON: Gabi Pierce** 

**AGENCY NAME: Office of Cannabis Policy** 

ADDRESS: 162 State House Station, Augusta, ME 04333

TELEPHONE: 207-530-0507

## **Notice of Agency Rulemaking Proposal**

AGENCY: 18-691 - Office of Cannabis Policy, Department of Administrative and Financial Services

CHAPTER NUMBER AND TITLE: Ch. 20 - Rules for the Licensure of Adult Use Cannabis Establishments

TYPE OF RULE (check one):

☐ Routine Technical

PROPOSED RULE NUMBER (leave blank; to be assigned by Secretary of State):

BRIEF SUMMARY: This rulemaking updates the licensing requirements necessary to implement statutory changes made to the Cannabis Legalization Act, 28-B MRS, including PL 2023, ch. 6, Emergency (Signed March 15, 2023), and PL 2023, ch. 408, PL 2023, ch. 396, specifically changes to the authorized activity of tier 1, tier 2, and nursery cultivation facilities and products manufacturing facilities allowing for the sales of cannabis and cannabis products to consumers by delivery (except that nursery cultivation facilities may sell only immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis); permitting the delivery of cannabis and cannabis products by authorized licensees to consumers at hotels or other private businesses, provided that the delivering licensee has obtained written consent from the owner or other authorized agent of the business to conduct such deliveries; permitting the return of cannabis or cannabis products from licensee to the licensee that transferred the cannabis or cannabis products to the returning licensee and provides for the testing of such returned cannabis or cannabis products; permitting the use of vehicle wraps by licensees; increasing the per package limit for edible cannabis products from 100 mg per package to 200 mg per package and increasing the possession limit for cannabis concentrates from 5 grams to 10 grams; creation of new definitions for the terms "permitted premises for a specified event," "specified event," and "specified event permit"; amendments to the application requirements for the issuance of a permit for cannabis stores to conduct sales at specified events; amendments to the limitations and conditions for cannabis stores to conduct sales at events - including repealing the prohibition on the sale of "smokable" cannabis or cannabis products at specified event; establishment of criteria for suspension/revocation of permit to conduct sales at an event; established criteria for DAFS's approval or denial of a permit application for cannabis stores to conduct sales at a specified event to allow denial of such applications for "good cause"; and amendments to the requirements that the Department issue guidance to cannabis stores.

This rulemaking is being conducted in preparation to repeal the Adult Use Cannabis Program Rule, 18-691 CMR, ch. 1, once this rule, and 18-691 CMR, chapters 10, 30 and 40 are finally adopted.

Date, time and location of PUBLIC HEARING (if any): September 6, 2023; 10:00 a.m.; Office of Cannabis Policy, 19 Union Street., Augusta, Maine, 3rd Floor, Room 325.

COMMENT DEADLINE: Sunday, September 17, 2023 at 11:59 p.m.

CONTACT PERSON FOR THIS FILING (include name, mailing address, telephone, fax, TTY, email): Gabi Pierce; Office of Cannabis Policy, 162 State House Station, Augusta, ME 04333; Phone: (207) 530-0507; Fax: (207) 287-2671; <a href="mailto:gabi.pierce@maine.gov">gabi.pierce@maine.gov</a>.

CONTACT PERSON FOR SMALL BUSINESS IMPACT STATEMENT (if different): N/A

FINANCIAL IMPACT ON MUNICIPALITIES OR COUNTIES (if any): None

STATUTORY AUTHORITY FOR THIS RULE: Title 28-B, Chapter 1 (Cannabis Legalization Act)

## SUBSTANTIVE STATE OR FEDERAL LAW BEING IMPLEMENTED (if different): N/A

AGENCY WEBSITE: https://www.maine.gov/dafs/ocp/

EMAIL FOR OVERALL AGENCY RULEMAKING LIAISON: <a href="mailto:anya.trundy@maine.gov">anya.trundy@maine.gov</a> \* Check one of the following two boxes. ☑ The summary provided above is for publication in both the newspaper and website notices. ☐ The summary provided above is for the newspaper notice only. Title 5 §8053, sub-§5 & sub-§7, ¶D. A more detailed summary is attached for inclusion in the rule making notice posted on the Secretary of State's website. Title 5  $\S8053$ , sub- $\S3$ ,  $\PD$  & sub- $\S6$ . Please approve bottom portion of this form and assign appropriate AdvantageME number. DATE: APPROVED FOR PAYMENT (authorized signature) **FUND FUND FUNDING PROGRAM** OBJ APP **FUND AGENCY** ORG Line JVC Profile JVC Pri JVC

#### BASIS STATEMENT FOR

## RULES FOR THE LICENSURE OF ADULT USE CANNABIS ESTABLISHMENTS 18-691 CMR, CH. 20

The Department of Administrative and Financial Services, Office of Cannabis Policy, is promulgating the Rules for the Licensure of Adult Use Cannabis Establishments, along with the Rules for the Administration of the Adult Use Cannabis Program, 18-691 CMR, ch. 10, the Compliance Rules for Adult Use Cannabis Establishments, 18-691 CMR, ch. 30, and the Rules for the Testing of Adult Use Cannabis, 18-691 CMR, ch. 40 in anticipation of fully repealing the Adult Use Cannabis Program Rule, 18-691 CMR, ch. 1, once those four rules have been finally adopted. The Office of Cannabis Policy (OCP) has the authority to "promulgate rules necessary to implement, administer and enforce [the Cannabis Legalization Act]." 28-B MRS § 104.

This rule is comprised of the licensing requirements from the original *Adult Use Cannabis Program Rule*, and incorporates statutory changes since the last time that rule was revised, specifically, PL 2023, ch. 408 and PL 2023, ch. 396. This rule also incorporates changes to clarify provisions addressed in guidance documents previously issued by the Office as well as changes identified by stakeholders through public comments during the public comment period for this rule.

In addition, the Office has attached to this basis statement a complete list of all comments received by the Office during the public comment period and the agency's response to the same. Also attached for readers' convenience is a list of those public comments accepted by the Office and integrated into the provisionally adopted rule.

#### **Statutory Changes**

An Act to Clarify the Requirements for Off-Premises Sales by Cannabis Store Licensees, PL 2023, ch. 408, amended the Cannabis Legalization Act to update the requirements applicable to the conduct of off-premises sales by cannabis store licensees at "specified events" outside of the licensed premises of cannabis stores. Specifically, that law amends the application requirements for the issuance of a permit for cannabis stores to conduct sales at specified events by:

- 1. Amending the limitations and conditions for cannabis stores to conduct sales at events including repealing the prohibition on the sale of "smokable" cannabis or cannabis products at specified events;
- 2. Establishing criteria for suspension or revocation of permits to conduct sales at a specified event; and

<sup>&</sup>lt;sup>1</sup> With the exception of the *Rules for the Testing of Adult Use Cannabis*, 18-691 CMR, ch. 40, all other rules, Chapters 10, 20, and 30, are designated "major substantive" under the *Cannabis Legalization Act*, Title 28-B, ch. 1. 18-691 CMR, ch. 40 is exclusively related to mandatory testing in the Adult Use Cannabis Program, and those rules are designated "routine technical". The Office intends to finally adopt Chapter 40 in late 2023 and will finally adopt Chapters 10, 20, and 30 following action by the 131<sup>st</sup> Legislature in 2024. Following final adoption of all four rules, the Office will take the steps required under the *Maine Administrative Procedures Act*, Title 5, ch. 375, necessary to repeal 18-691 CMR, ch. 1, the *Adult Use Cannabis Program Rule*.

3. Identifying the criteria for DAFS' approval or denial of a permit application for cannabis stores to conduct sales at a specified event, including provisions allowing denial of such applications for "good cause".

In response, OCP included in this rule a process by which cannabis store licensees can apply for and receive from the Department a permit to conduct off-premises sales of cannabis and cannabis products at "specified events", including provisions related to local and landowner approval prior to submission of a permit application to the Department, as well as a requirement that applicants provide a diagram of the permitted premises as part of their application materials.

An Act to Amend the Adult Use Cannabis Laws, PL 2023, ch. 396, amended the Cannabis Legalization Act to expand the activities authorized under tier 1, tier 2 and nursery cultivation facility licenses, as well as activities authorized for products manufacturing facility licensees, while expanding the places where licensees can deliver cannabis and cannabis products to adult use consumers. Specifically, the law amended the activities authorized under the Cannabis Legalization Act as follows:

- 1. Permitting tier 1, tier 2, and nursery cultivation facilities and products manufacturing facilities to conduct sales of cannabis and cannabis products to consumers by delivery (except that nursery cultivation facilities may sell only immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis);
- Permitting delivery of cannabis and cannabis products by authorized licensees to adult
  use consumers at hotels or other private businesses, provided that the delivering licensee
  has obtained written consent from the owner or other authorized agent of the business to
  conduct such deliveries; and
- 3. Permitting the return of cannabis or cannabis products from a licensee to the licensee that transferred the cannabis or cannabis products to the returning licensee and providing for the testing of such returned cannabis or cannabis products.

In response, OCP included in this rule provisions expanding the authorized activities of tier 1, tier 2 and nursery cultivation facilities, as well as products manufacturing facilities, to include retail sales of cannabis and cannabis products to consumers by delivery. OCP also included in this rule provisions requiring licensees that intend to conduct sales to consumers by delivery to update with the Department their facility plan of record to indicate the same. The rule also includes provisions expanding the authorized activities of cultivation facility, products manufacturing facility and cannabis store licensees to include returns of cannabis or cannabis products to the licensee that originally transferred the cannabis or cannabis products to it.

## Changes Based Upon Previously Issued Guidance<sup>2</sup>

As the Office has implemented the requirements of and amendments to the *Cannabis* Legalization Act, Title 28-B, ch. 1, it has made a practice of periodically issuing guidance to clarify provisions of the rules promulgated pursuant to that law in response to repeated inquiries

<sup>&</sup>lt;sup>2</sup> "Guidance Documents", Office of Cannabis Policy Website, available at: <a href="https://www.maine.gov/dafs/ocp/resources/guidance-documents">https://www.maine.gov/dafs/ocp/resources/guidance-documents</a> (Accessed November 6, 2023).

from program participants, as well as findings of licensee noncompliance by OCP's compliance team.

This rule reflects guidance issued by OCP related to adult use cultivation facilities that are colocated with medical cannabis cultivation areas maintained by registered caregivers or registered dispensaries, as well as guidance regarding the calculation of plant canopy grown in noncontiguous outdoor cultivation areas by a cultivation facility licensee. Specifically, this rule requires licensees to obtain approval from the Department for a change of the licensee's facility plan of record prior to designating a cultivation room or area for the cultivation of medical cannabis or adult use cannabis if the room or area was previously designated for the cultivation of cannabis for adult use or medical use cannabis, respectively. In addition, this rule specifies that OCP will be measuring mature plant canopy for noncontiguous outdoor cultivation areas in a way that reflects the noncontiguous cultivation areas identified on the cultivation facility licensee's facility plan of record.

#### Changes Based Upon Public Comments

In an attempt to simplify packaging requirements and reduce packaging waste, OCP originally proposed in this rule the elimination of so-called "exit packaging". However, OCP received a number of comments from the public that licensees wanted the flexibility of meeting the opacity and tamper evident requirements for packaging either through the retail packaging for each individual retail unit or the exit packaging used by cannabis store licensees. In response, OCP revised the rule to allow the opacity and tamper evident requirements to be met using either retail packaging or exit packaging.

OCP included a requirement in this rule that products manufacturing facilities using extraction equipment that utilizes "inherently hazardous substances" in the extraction process must submit proof that the equipment has been inspected and certified by a professional engineer licensed in Maine within the past 24 months. Hannah King, Esq. indicated in her comments that each "inspection and certification" would cost products manufacturing facilities \$25,000 per inspection, and Alex McMahan, on behalf of MEDCo, indicated that other professionals, such as municipal code inspectors, might be sufficient to inspect the equipment.

Because it is OCP's understanding that municipal staff rely on the State's licensing requirements to ensure the safe operation of this equipment, it was determined that the other professionals suggested by Mr. McMahan would not suffice for the purpose of these re-inspections and recertifications. Therefore OCP sought a quote from one of the professional engineers who is responsible for inspecting and certifying inherently hazardous substance extraction equipment, who indicated that before airfare and lodging, the cost of such an inspection would be around \$3,300. As a result, OCP revised the rule to allow such re-inspections and re-certifications to be done remotely, as opposed to in-person, thus negating the travel costs associated with this requirement.

#### Conclusion

In general, these rules reflect the good governance practice of regulatory lookback and continue the practice of reducing application and renewal requirements for program participants while ensuring that OCP has all information required for it to determine applicants' eligibility for licensure. Where OCP has included new requirements applicable to licensees, those requirements have been in response to statutory changes enacted since the rules governing the adult use cannabis program were last revised in 2022; except that OCP did add a new requirement that manufacturers engaged in inherently hazardous substance extraction show proof that their extraction equipment has been inspected and certified by a professional engineer within the 24 months preceding the application for renewal of the products manufacturer's license. OCP's research regarding the cost of this re-inspection and re-certification found that the cost of this service by a professional engineer would be around \$3,300 once every 2 years.

Small Business Impact Statement required pursuant to 5 MRS § 8052(5-A):

The following businesses may be impacted by the requirement that products manufacturers show proof of that their inherently hazardous substance extraction equipment has been inspected and certified within the last 24 months: products manufacturing facility licensees.

Of the 67 licensed products manufacturing facilities operating in the adult use cannabis program, 15 have indicated to OCP that they extract cannabis using inherently hazardous substances.

For those 15 products manufacturing facility licensees that will be required to comply with this inspection and certification requirement, the average cost to the licensee will be approximately \$3,300 biennially. Such inspections and certifications must be done by a professional engineer licensed in the state.

In order to ensure the safety of such extraction equipment and the employees who use it, there are no less costly means for ensuring that equipment is properly maintained, installed and serviced.

	Name Source	
	Affiliation	
	Company name	
	Comments - Ch. 20, Sec. 1, IICs	ertelen entertelen entertelen entertelen entertelen entertelen entertelen entertelen entertelen entertelen en
	Reference	
	(accept, accept in part, reject)	Department Response
	Reasoning	

Reasoning	(accept, accept in part,	Reference	Comments - Ch. 20, Sec. 2, License Types	Company name	Affiliation	Source	Name

	Alex McMahan	Alex McMahan	Name
	Email	Email	Source
			Affiliation
	MedCo.	MedCo.	Company name
	3.4.A.11 - Same issue as 3.4.A.1 above.	3.4.A.1 - in conjunction with the new definition for "pre-packaged retail units", this now prohibits products that are not child resistant from being transferred to cannabis stores. Exit packaging is allowed in statute, as is transfer of products without child resistant packaging.	Comments - Ch. 20, Sec. 3, Lic. & Authorized Activity
	Chapter 20, Section 3(4)- Cannabis Establishment Licenses & Authorized Activity; Cannabis Store License	Chapter 20, Section 3(4) - Cannabis Establishment Licenses & Authorized Activity; Cannabis Store License	Reference
	Accept in part	Accept in part	Department Response (accept, accept in part, reject)
	See new definition of "pre- packaged retail unit" and reintroduction of exit packaging.	See new definition of "pre- packaged retail unit" and reintroduction of exit packaging.	Reasoning

Accept	Chapter 20, Section 4(3) - General Licensing Criteria & Qualifications; Required Forms and Information for All Licenses	Chap Section   Section   Section   Section   General   G	MedCo.	2	Email	Alex McMahan
Department Response (accept, accept in part, Reasoning reject)	Reference (accep	Comments - Ch. 20, Sec. 4, Lic. Criteria and Qual.	Affiliation Company name	Affiliation	Source	Name

			Name
		A PERSONAL PROPERTY OF THE PERSONAL PROPERTY O	Source
			Affiliation
			Company name
			Comments - Ch. 20, Sec. 5, App. Cond. Lic.
			Reference
The Book agent			Department Response (accept, accept in part, reject)
			Reasoning

20,04			
Name			
Source			
Affiliation			
Affiliation Company name			
Comments - Ch. 20, Sec. 6, App. Active Sample Collector			
Reference			
Reference (accept, accept in part, reject)			
Reasoning	TOTAL STATE		

			Name
		THE PERSON NAMED IN	Source
			Affiliation
			Company name
			Comments - Ch. 20, Sec. 7, Dept. Rev.
			Reference
			Department Response (accept, accept in part, reject)
			Reasoning

				STATE OF STREET			
	Accept	Chapter 20, Section 8(7) - Application for Active License of a Cultivation Facility, Testing Facility, Products Manufacturing Facility or Cannabis Store, including Provisional Testing License; Application Processing for an Active License	8.7 - There is a typo: missing the word "license" after "An application for an active".	MedCo.		Email	Alex McMahan
	Accept	Chapter 20. Section 8(3) - Application for Active License of a Cultivation Facility, Testing Facility, Products Manufacturing Facility, Promabis Store, Including Provisional Testing License; Supplemental Information for Issuance of Active Ucense	8.3.A.4 - There is a type in the section reference, it references the section in the old rules.	MedCo.		Email	Alex McMahan
Reasoning	Department Response (accept, accept in part, reject)	Reference	Comments - Ch. 20, Sec. 8, App. For Active Lic.	Company name	Affiliation	Source	Name

Jill Cohen Online	Name Source
Attorney	Affiliation
Cohen Law Maine	on Company name
Re: 9 (2) (B) (7) Will OCP be providing any guidelines as to security measures for event sales? Are you requiring transactions to be captured on camera, as is required for retail store, delivery, and curbside sales? More detail here, if possible, would be helpful.	Comments - Ch. 20, Sec. 9, Specified Events
Chapter 20, Section 9(2) - Specified Event Permits for Retail Sales Outside the Ucensed Premises of a Cannabis Store; Application for a Specified Event Permit	Reference
Accept in 18-691 CMR, ch not in ch. 20.	(accept, accept in part,
See security requirements in 18-691 Accept in 18-691 CMR, ch. 30, CMR, ch. 30, Compilance Rules for not in ch. 20. Adult Use Cannabis Establishments, § 1, sub-§ 2	Reasoning

Yes	eam Discut
Hannah King	Name
Online	Source
Dentons	Affiliation
	Company name
Chapter 20, Section 10(1)(G)  The new proposed language that would require a products manufacturing facility engaged in extraction using inherently hazardous substances to obtain a new engineer certification every 24 months is unduly burdensome, expensive, and unnecessary. It costs, on average, \$25,000 to obtain this type of certification from a professional engineer. If no new engineer installed and the extenction processes have not changed since the initial certification, there is no reason to require re-certification within a specified time frame. This type of approval is similar to land use approvals that are routinely granted across our state, where a Certificate of Occupancy is stated for sign off on the safety of the building and electrical equipment, etc. within the building. This approval runs with the land and there is no need to renew any approvals or review the building again unless there is going to be construction or other changes on site that would require an update to what was previously approved. Making this change would not eliminate the need for a new engineer certification if there are material changes to the facility and/or equipment.	Comments - Ch. 20, Sec. 10, Lic. Renewal Process
Chapter 20, Section 10(1) - License Renewal Process; Annual Renewal	Reference
Accept in part	Department Response (accept, accept in part, reject)
See revised language, reinspections and recertifications by a professional engineer may be done remotely. See also, e-mail from Chris Withreal to OCP Compliance Director, Michael Field (attached to basis statement) citing a reinspection fee of \$3000 (exclusive of travel costs, hence OCP's change to allow remote reinspections instead of requiring on-site, in-person reinspections)	Reasoning

Reasoning	(accept, accept in part,	Reference	Comments - Ch. 20, Sec. 11, App. Relocation	Company name	Affiliation	Source	Name

20,	Comments - Ch. 20, Sec. 12, Transfer of Ownership  Reference
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#### Pierce, Gabi

From:

Field, Michael

Sent:

Thursday, September 28, 2023 3:30 PM

To:

Malloch, Vernon

Cc:

Pierce, Gabi

Subject:

**RE: IHS Questions** 

Hi there,

From Chris below regarding your follow up.

If we must travel, average cost is \$2000 additional.

Airfare is pretty steep these days.

Best regards,

#### Michael W. Field

Director of Compliance | Office of Cannabis Policy Maine Department of Administrative and Financial Services 162 State House Station | Augusta, ME 04330-0162 Tel: (207) 624-7492 | Fax: (207) 287-2671







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From: Malloch, Vernon < Vernon. Malloch@maine.gov>

Sent: Thursday, September 28, 2023 3:21 PM To: Field, Michael < Michael. Field@maine.gov> Cc: Pierce, Gabi < Gabi. Pierce@maine.gov>

Subject: RE: IHS Questions

See my follow up below.

#### Vernon W. Malloch

Deputy Director of Operations | Office of Cannabis Policy Maine Department of Administrative and Financial Services 162 State House Station | Augusta, ME 04330-0162

Tel: (207) 624-7308 | Fax: (207) 287-2671



From: Field, Michael < <a href="Michael.Field@maine.gov">Michael.Field@maine.gov</a> Sent: Thursday, September 28, 2023 2:35 PM

To: Malloch, Vernon < <a href="Michael.Field@maine.gov">Vernon.Malloch@maine.gov</a>>

Subject: IHS Questions

Hi Vern,

See below from Chris Witherall. I am still working on the NFPA/gas storage stuff.

Hi Chris,

Thank you for taking the time! No problem! Feel free to reach out any time.

For renewal inspections of IHS:

Would you allow a remote inspection? By video v. in person? Remote inspections are OK depending on the equipment installed. PSI can accomplish remote inspections with most equipment; however, unique, and larger installations should be in person. I make that determination during the quotation process.

Are there significant costs for an IHS renewal inspection? For our field verifications, the cost starts at \$3300. This includes an inspection of the equipment, and a detailed review by a Professional Engineer. The deliverable to the client is a letter stating the equipment is safe for use and a detailed report. Are there additional fees related to travel or other costs associated? We are trying to get an

average cost for recert.

How often would you require another inspection of an IHS lab? Yearly, every two years? Annually at a minimum. When PSI approves equipment we limit our liability to 1 year. During the lifecycle of the equipment, the equipment is periodically maintained, and components are replaced. Annual recertification is required to ensure that all replacement components are from the original equipment manufacturer (OEM), are still in accordance with the Technical Report from the OEM, and that the equipment has been properly maintained over the year. This process gives PSI and the authority having jurisdiction the assurance that the equipment is safe for use and the operators and business are complaint with all state laws and fire codes. Verification of equipment for a lifetime is not possible due to periodic maintenance and replacement components.

I think that is it. Again, thank you! We appreciate it.

Mike

Best regards,

Best regards,

#### Michael W. Field

Director of Compliance | Office of Cannabis Policy Maine Department of Administrative and Financial Services 162 State House Station | Augusta, ME 04330-0162 Tel: (207) 624-7492 | Fax: (207) 287-2671



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#### Pierce, Gabi

From:

Field, Michael

Sent:

Thursday, September 28, 2023 3:34 PM

To:

Malloch, Vernon

Cc: Subject: Pierce, Gabi FW: Contact

One more point from Chris.

Thanks,

Best regards,

#### Michael W. Field

Director of Compliance | Office of Cannabis Policy Maine Department of Administrative and Financial Services 162 State House Station | Augusta, ME 04330-0162 Tel: (207) 624-7492 | Fax: (207) 287-2671







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From: Chris Witherell <chris@psinspectors.com>
Sent: Thursday, September 28, 2023 3:31 PM
To: Field, Michael <Michael.Field@maine.gov>
Cc: Chris Witherell <chris@psinspectors.com>

Subject: RE: Contact

EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Mike -

It's also worth noting that Maine is a NFPA 1 state. That means that there are specific code requirements that must be adhered to. In this case, the engineer of record (EOR) for the equipment must be the reviewing inspector. So, for example, PSI is the EOR for Extractiontek and therefore we are the required inspector. You can see a complete list of the equipment we are the EOR for here:

https://psinspectors.com/system-approvals/

#### Kind regards,

#### Chris Witherell, PE

(AZ/CA/CO/CT/DC/FL/GA/HI/IA/MA/ME/MI/MN/MS/MT/NE/NH/NV/OH/OR/RI/SD/UT/WA/WY)

CEO, Pressure Safety Inspectors, LLC

Main: 303-317-6877 Cell: 720-557-4212 chris@psinspectors.com



#### **PSI - In the News**

The NFPA Podcast - A Cannabis Inspector's View 2021

Exploding danger: U.S. marijuana oil labs pose deadly, destructive hazard 2019

Buyers Beware - Cannabis Business Times 2018

The New Face of Pot - NFPA Journal 2018

Growing Pains - NFPA Journal 2016

# Administrative Procedure Act CHECKLIST

Agency: Office of Cannabis Policy, Department of Administrative and Financial Services

Chapter Number and Title of Rule: Ch. 20 - Rules for the Licensure of Adult Use Cannabis Establishments

PR	OP	OSED	RUL	$\mathbf{E}$ :
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1.	Was this rule listed on the last regulatory agenda? Yes		
2.	Date of notification of:	Anyone on mailing list: August 15, 2023	
		Any trade, industry or professional group	
		Any trade publications	
3.	Date Notice of Rulemaking Proposal (MA)	PA-3) sent to Secretary of State: August 8, 2023	
4.	Date Fact Sheet sent to Executive Director of Legislative Council: August 9, 2023		
5.	Date of publication in Secretary of State's rulemaking ad.: August 16, 2023		
6.	Date of hearing(s): September 6, 2023	7. Comment deadline: September 17, 2023	
ADC	PTED RULE:		
8.	Was comment deadline extended or comment period reopened? No.		
	If yes, date of second notice publication in	Secretary of State's rulemaking ad:	
9.	Is adopted rule consistent with what was proposed? <u>See comments and responses.</u> (If not, please address the changes in the comments and responses section of your filing.)		
10.	Is the person signing the Certification Statement (MAPA-1, #9) authorized to do so as stated in your statutes or in 5 MRSA, c.71? <u>Yes.</u>		
11.	Was the rule adopted within 120 days of the comment deadline? Yes.		
12.	Was the rule approved and signed by the Office of the Attorney General within 150 days of the comment deadline? <u>Yes.</u>		
13.	Is a Basis Statement included? Yes. Is a copy of the Fact Sheet included? Yes.		

Are comments, with names and organizations, and your responses included? Yes.

## Rulemaking Fact Sheet

(5 MRSA §8057-A)

AGENCY: 18-691 - Office of Cannabis Policy, Department of Administrative and Financial Services

NAME, ADDRESS, PHONE NUMBER, EMAIL OF AGENCY CONTACT PERSON: Gabi Pierce; Office of Cannabis Policy, 162 State House Station, Augusta, ME 04333; Phone: (207) 530-0507; Fax: (207) 287-2671; gabi.pierce@maine.gov.

CHAPTER NUMBER AND RULE TITLE: Ch. 20 - Rules for the Licensure of Adult Use Cannabis Establishments

TYPE OF RULE (check one): 

Routine Technical 

Major Substantive

STATUTORY AUTHORITY: Title 28-B, Chapter 1 (Cannabis Legalization Act)

DATE, TIME AND PLACE OF PUBLIC HEARING: September 6, 2023; 10:00 a.m.; Office of Cannabis Policy, 19 Union Street., Augusta, Maine, 3rd Floor, Room 325.

COMMENT DEADLINE: Sunday, September 17, 2023 at 11:59 p.m.

PRINCIPAL REASON(S) OR PURPOSE FOR PROPOSING THIS RULE: [see §8057-A(1)(A)&(C)] This rulemaking updates the licensing requirements necessary to implement statutory changes made to the Cannabis Legalization Act, 28-B MRS, including PL 2023, ch. 6, Emergency (Signed March 15, 2023), and PL 2023, ch. 408, PL 2023, ch. 396, specifically changes to the authorized activity of tier 1, tier 2, and nursery cultivation facilities and products manufacturing facilities allowing for the sales of cannabis and cannabis products to consumers by delivery (except that nursery cultivation facilities may sell only immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis); permitting the delivery of cannabis and cannabis products by authorized licensees to consumers at hotels or other private businesses, provided that the delivering licensee has obtained written consent from the owner or other authorized agent of the business to conduct such deliveries; permitting the return of cannabis or cannabis products from licensee to the licensee that transferred the cannabis or cannabis products to the returning licensee and provides for the testing of such returned cannabis or cannabis products; permitting the use of vehicle wraps by licensees; increasing the per package limit for edible cannabis products from 100 mg per package to 200 mg per package and increasing the possession limit for cannabis concentrates from 5 grams to 10 grams; creation of new definitions for the terms "permitted premises for a specified event," "specified event," and "specified event permit"; amendments to the application requirements for the issuance of a permit for cannabis stores to conduct sales at specified events; amendments to the limitations and conditions for cannabis stores to conduct sales at events including repealing the prohibition on the sale of "smokable" cannabis or cannabis products at specified event; establishment of criteria for suspension/revocation of permit to conduct sales at an event; established criteria for DAFS's approval or denial of a permit application for cannabis stores to conduct sales at a specified event to allow denial of such applications for "good cause"; and amendments to the requirements that the Department issue guidance to cannabis stores.

This rulemaking is being conducted in preparation to repeal the Adult Use Cannabis Program Rule, 18-691 CMR, ch. 1, once this rule, and 18-691 CMR, chapters 10, 30 and 40 are finally adopted.

IS MATERIAL INCORPORATED BY REFERENCE IN THE RULE? X YES NO [§8056(1)(B)]

ANALYSIS AND EXPECTED OPERATION OF THE RULE: [see §8057-A(1)(B)&(D)]

This rulemaking updates the licensing requirements necessary to implement statutory changes made to the Cannabis Legalization Act, 28-B MRS, including PL 2023, ch. 6, Emergency (Signed March 15, 2023), and PL 2023, ch. 408, PL 2023, ch. 396, in preparation to repeal the Adult Use Cannabis Program Rule, 18-691 CMR, ch. 1, once this rule, and 18-691 CMR, chapters 10, 30 and 40 are finally adopted.

BRIEF SUMMARY OF RELEVANT INFORMATION CONSIDERED DURING DEVELOPMENT OF THE RULE (including up to 3 primary sources relied upon) [see §§8057-A(1)(E) & 8063-B]

Previous guidance issued by OCP Review of legislative hearings and work sessions for , PL 2023, ch. 6, Emergency (Signed March 15, 2023), and PL 2023, ch. 408, PL 2023, ch. 396. Public Comments

ESTIMATED FISCAL IMPACT OF THE RULE: [see §8057-A(1)(C)] This rule should have no fiscal impact on existing state resources.

#### FOR EXISTING RULES WITH FISCAL IMPACT OF \$1 MILLION OR MORE, ALSO INCLUDE:

ECONOMIC IMPACT, WHETHER OR NOT QUANTIFIABLE IN MONETARY TERMS: [see §8057-A(2)(A)]

INDIVIDUALS, MAJOR INTEREST GROUPS AND TYPES OF BUSINESSES AFFECTED AND HOW THEY WILL BE AFFECTED: [see §8057-A(2)(B)]

BENEFITS OF THE RULE: [see §8057-A(2)(C)]

Note: If necessary, additional pages may be used.