



RULES FOR THE LICENSURE OF ADULT USE CANNABIS ESTABLISHMENTS

18-691 C.M.R., Chapter 20

**Office of Cannabis Policy
Department of Administrative and Financial Services**

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Chapter 20 – Licenses and Licensing

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Chapter 20 – Licenses and Licensing

The terms used in this rule are defined in and governed by the *Rules for the Administration of the Adult Use Cannabis Program*, 18-691 CMR, ch. 10. The administration of this rule and the other rules governing the Adult Use Cannabis Program are also governed by 18-691 CMR, ch. 10. All applicants, licensees and individual identification cardholders that are authorized to conduct activities pursuant to licenses, permits or individual identification cards issued pursuant to this rule must also at all times comply with the requirements of Title 28-B of the Maine Revised Statutes and 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; as well as the *Rules for the Certification of Cannabis Testing Facilities*, 18-691 CMR, ch. 5 and any other applicable local, state or federal laws or regulations. Collectively, 18-691 CMR, chapters 5, 10, 20, 30, and 40 are the “rules governing the adult use cannabis program”.

§ 1 - Individual Identification Cards.

(1) Individual Identification Cards Required.

(A) A valid individual identification card issued by the Department is required to be displayed by any individual working in or for a licensed cannabis establishment who:

(1) possesses, cultivates, manufactures, packages, tests, dispenses, transfers, serves, handles, transports or delivers cannabis or cannabis products;

(2) has the authority to access or input data into the inventory tracking system or a cannabis establishment point of sale system; or

(3) is a principal of the licensee or other person having a controlling authority or leading position in the licensee’s operations.

(B) Licensees are responsible for verifying that each required person has a valid individual identification card and must report within 24 hours any attempt by an individual to use an individual identification card that is falsified, altered or issued to a person other than the bearer.

(C) A contractor or visitor of the licensee, including, but not limited to, an electrician, a plumber, an engineer, an alarm technician, an attorney, or a local, state or federal elected official whose scope of work will not involve the handling of cannabis or cannabis products does not require an individual identification card, subject to the requirements of §1, sub-§1 of 18-691 CMR, ch. 30.

(D) The individual identification card requirement does not apply to employees or agents of the Department, law enforcement officers or employees or agents of other local or state agencies with regulatory authority, including but not limited to fire marshals, electrical inspectors, pesticide control staff and environmental inspectors, for the purpose of exercising such regulatory authority.

(2) Issuance of Individual Identification Cards.

(A) The Department shall issue individual identification cards to natural persons licensed under Title 28-B.

(B) Upon request, the Department shall issue an individual identification card to a principal who has participated in the license application process and has had fingerprinting and criminal history record checks approved by the Department within the past year, subject to the reporting of any arrests subsequent to the criminal history record check.

(C) Upon request, the Department shall issue an individual identification card for the purpose of employment to an applicant who:

(1) Submits to fingerprinting and criminal history record checks following procedures applicable to Licensees under this rule;

(2) Submits proof of being of age 21 or older in a form satisfactory to the Department;

(3) Submits any other information required by the Department on its individual identification card application form, including history of enforcement actions in the adult use or medical use of cannabis programs; and

(4) Satisfies all requirements for the issuance of an individual identification card.

(D) The Department shall deny an application for individual identification card by any person who has been convicted of a disqualifying drug offense.

(E) The Department may for good cause deny an application for individual identification card by any person who:

(1) Has faced penalties under the adult use cannabis program;

(2) Has been subject to revocation of a registry identification card or registration certificate issued pursuant to 22 MRS, chapter 558-C;

(3) Has outstanding court-ordered payments, past due taxes or fees or other tax delinquency;

(4) Has had an individual identification card revoked within the previous 2 years; or

(5) Has had been subject to 2 or more individual identification card revocations.

(F) Each licensee shall provide to the Department annually, and upon request of the Department at any other time, a list of all individual identification card numbers used by any principals, contractors, employees or other support staff of the licensee.

(G) A licensee shall timely notify the Department if it terminates for cause an individual identification cardholder.

(H) The Department may maintain a list of all individual identification cards that have been issued to individuals and any licensees that have reported an affiliation with the cardholder.

(3) Format and Use of Individual Identification Cards.

(A) The Department shall charge fees for the issuance, reissuance and renewal of an individual identification card in accordance with the fee schedule located in 18-691 CMR, ch. 10, §2.

(B) The individual identification card shall include a current photograph, full name, date of birth, expiration date and a unique identification number.

(C) Individual identification cards are valid for one year from the date of issue. The individual identification card shall be renewed on forms provided by the Department in accordance with the fee schedule located in 18-691 CMR, ch. 10, § 2; at the time of renewal of an individual identification card, the applicant shall inform the Department of all criminal convictions and other issues that could affect their eligibility since the original issuance of the individual identification card.

(D) All individual identification cards shall remain the property of the Department and shall be returned to the Department upon demand of the Department.

(E) No person shall alter, obscure, damage or deface an individual identification card in any manner. To be valid, all individual identification cards must be in good condition, with all original markings and information clearly legible.

(F) The holder of an identification card must notify the Department immediately if the individual identification card is lost, stolen or damaged. A fee, in accordance with the fee schedule located in 18-691 CMR, ch. 20, § 2, will be charged for the issuance of a reissued individual identification card, which will not extend the expiration date of the individual identification card it replaces.

(4) Appeals. An applicant may appeal an application denial pursuant to the Maine Administrative Procedure Act, 5 MRS, chapter 375.

§ 2 - License Types.

The general types of licenses for adult use cannabis establishments are cultivation facility, testing facility, products manufacturing facility, cannabis store and sample collector. A license to conduct authorized activities pursuant to 28-B MRS, ch. 1 and the rules governing the adult use cannabis program does not exempt a licensee from any required inspection, licensure or certification by any federal, state or local jurisdiction in order to conduct such authorized activities; including licenses and certifications required for, without limitation: the production or sale of food and/or bottled beverages; electrical permitting; waste management and environmental protection; workplace safety and employment; and/or pesticide application.

§ 3 - Cannabis Establishment Licenses & Authorized Activity.**(1) Cultivation Facility License.**

(A) The Department may issue the following types of cultivation facility licenses:

(1) Tier 1 cultivation facility license. The two subcategories of tier 1 cultivation facility license are plant-count-based tier 1 cultivation facility license and plant-canopy-based tier 1 cultivation facility license:

(a) Plant-count-based tier 1 cultivation facility license. Allows cultivation of a specified number (not more than 30) of mature cannabis plants and an unlimited number of immature cannabis plants and seedlings;

(b) Plant-canopy-based tier 1 cultivation facility license. Allows cultivation of not more than 500 square feet of plant canopy of mature plants.

(2) Tier 2 cultivation facility license. Allows cultivation by a licensee of not more than 2,000 square feet of plant canopy of mature plants;

(3) Tier 3 cultivation facility license. Allows cultivation by a licensee of not more than 7,000 square feet of plant canopy of mature plants;

(4) Tier 4 cultivation facility license. Allows cultivation by a licensee of not more than 20,000 square feet of plant canopy of mature plants, except as approved by the Department pursuant to 28-B MRS §304; or

(5) Nursery cultivation facility license. Allows cultivation by a licensee of not more than 1,000 square feet of plant canopy, subject to the requirements and restrictions of 28-B MRS §501(3).

(B) A tier 1, tier 2, tier 3 or tier 4 cultivation facility license permits the following activities, subject to all requirements of Maine Title 28-B and the rules governing the adult use cannabis program:

(1) Planting and raising cannabis plants, subject to the limits associated with each tier of license described above;

(2) Selling or otherwise transferring cannabis plants to another cultivation facility;

(3) Harvesting and trimming cannabis plants;

(4) Combining harvest batches of cannabis trim or kief into production batches;

(5) Storing harvested cannabis flower, including kief, and cannabis trim;

(6) Packaging cannabis flower, including kief, and cannabis trim into individual retail units for wholesale to a cannabis store;

(7) Collecting samples of cannabis for mandatory testing and delivering those samples to a testing facility;

(8) Selling and transporting cannabis flower, including kief, and cannabis trim to testing facilities, products manufacturing facilities or cannabis stores.

(9) Accepting returns of adult use cannabis or cannabis products from consumers, or returns of cannabis or cannabis products that were returned from a consumer to a cannabis store and subsequently returned to a cultivation facility for destruction, and promptly destroying such returned items;

(10) Accepting returns of cannabis flower, including kief, and cannabis trim from a products manufacturing facility that received the cannabis flower or trim from the cultivation facility, and then reselling that returned cannabis flower or trim subject to the inventory tracking requirements of the *Compliance Rules for Adult Use Cannabis Establishments*, 18-691 CMR, ch. 30 and the mandatory testing requirements of the *Rules for the Testing of Adult Use Cannabis*, 18-691 CMR, ch. 40; and

(11) Accepting returns of pre-packaged retail units of cannabis flower, including kief, and cannabis trim from another cultivation facility, products manufacturing facility or cannabis store that received the cannabis flower or trim from the cultivation facility, and then reselling that returned cannabis flower or trim subject to the inventory tracking requirements of the *Compliance Rules for Adult Use Cannabis Establishments*, and the mandatory testing requirements of the *Rules for the Testing of Adult Use Cannabis*, 18-691 CMR, ch. 40.

(C) In addition to the activities authorized above, a tier 1 or tier 2 cultivation facility is permitted to conduct sales of cannabis and cannabis products by delivery to consumers 21 years of age or older in accordance with the requirements of this rule and the *Compliance Rules for Adult Use Cannabis Establishments*, 18-691 CMR, ch. 30.

(1) A tier 1 or tier 2 cultivation facility may accept wholesale transfers of cannabis and cannabis products packaged and labeled for retail sale to consumers by delivery; and

(2) A tier 1 or tier 2 cultivation facility may designate a portion of its inventory of cannabis flower or cannabis trim for retail sale to consumers by delivery.

(D) A nursery cultivation facility license permits the following activities, subject to all requirements of 28-B MRS and the rules governing the adult use cannabis program:

(1) Cultivating immature cannabis plants, subject to the limits described above;

(2) Cultivating mature cannabis plants, subject to the plant canopy square footage limits in § 3, sub-§ 1 of this rule, and mother plants, solely for the purpose of propagating seedlings or immature cannabis plants or collecting seeds, in an area clearly delineated from areas used for planting and raising immature cannabis plants and seedlings;

(3) Collection of cannabis seeds for sale;

(4) Preparation of cannabis seedlings and immature plants for sale;

(5) Collecting samples of cannabis for mandatory or research and development testing and delivering those samples to a testing facility;

- (6) Selling cannabis seeds, seedlings and immature plants to cultivation facilities and cannabis stores;
- (7) Selling unlimited cannabis seeds, and a sum total of 12 seedlings and immature plants to a consumer 21 years of age or older, provided the licensee has designated an area of premises for retail sales in compliance with 18-691 CMR, ch. 30, § 1, sub-§1(B);
- (8) Selling agricultural or gardening supplies relating to the cultivation of cannabis to a consumer 21 years of age or older;
- (9) Conducting retail sales by delivery of immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis to consumers 21 years of age or older;
- (10) Accepting returns of immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis from consumers and promptly destroying such returned items;
- (11) Accepting returns of immature cannabis plants, seedlings, and cannabis seeds from another cultivation facility or a cannabis store that received the immature cannabis plants, seedlings, or cannabis seeds from the cultivation nursery cultivation facility and reselling those items subject to the inventory tracking requirements of the *Compliance Rules for Adult Use Cannabis Establishments*, 18-691 CMR, ch. 30, § 2.

(2) Cannabis Testing Facility License.

- (A) A cannabis testing facility may purchase or otherwise obtain cannabis or cannabis products for the purposes of training staff, developing and validating protocols, and other purposes that directly support the operation of a cannabis testing facility.
- (B) A cannabis testing facility license permits the following activities on behalf of cultivation facilities, products manufacturing facilities, and cannabis stores subject to all requirements of 28-B MRS and the rules governing the adult use cannabis program:
 - (1) Collecting and transporting, for the purpose of mandatory testing pursuant to 28-B MRS § 602, samples of cannabis and/or cannabis products cultivated, manufactured or sold by a licensed cannabis establishment;
 - (2) Receiving, for the purpose of mandatory or other testing, samples of cannabis and cannabis products from sample collectors and self-samplers;
 - (3) Performing laboratory analysis of samples of cannabis and cannabis products following protocols approved by the Department and in accordance with *Rules for the Certification of Cannabis Testing Facilities*, 18-691 CMR, ch. 5;
 - (4) Providing reports on cannabinoid identity and content profiles and biological and chemical contaminants to cultivation facilities, products manufacturing facilities, and cannabis stores;

(5) Reporting testing results according to the requirements of 18-691 CMR, ch. 40; and

(6) Destroying and disposing of samples, subject to all requirements of 28-B MRS and 18-691 CMR, ch. 30, § 4.

(C) A cannabis testing facility license permits the licensee, upon notification in writing to the Department, to:

(1) Accept, from a person 21 years of age or older, cannabis or cannabis products grown or possessed lawfully under 28-B MRS, chapter 3;

(2) Perform laboratory analysis of samples of cannabis or cannabis products following protocols approved by the Department; and

(3) Issue, solely for the use of the person 21 years of age or older, a report on cannabinoid identity and content profiles and biological and chemical contaminants of the sample.

(D) A cannabis testing facility license permits, upon notification in writing to the Department, the following activities on behalf of qualifying patients, caregivers, registered caregivers or registered dispensaries, subject to all requirements of 28-B MRS, 22 MRS, chapter 558-C and the rules governing the adult use cannabis program:

(1) Collecting and transporting, for testing purposes, samples of cannabis or cannabis products from a qualifying patient, a caregiver, a registered caregiver or a registered dispensary;

(2) Performing laboratory analysis of samples of cannabis and cannabis products following protocols approved by the Department;

(3) Providing reports to qualifying patients, caregivers, registered caregivers or dispensaries; and

(4) Destroying and disposing of samples, subject to all requirements of 28-B MRS and 18-691 CMR, ch. 30, § 4.

(3) Products Manufacturing Facility License.

(A) A products manufacturing facility license permits the following activities, subject to all requirements of 28-B MRS and the rules governing the adult use cannabis program:

(1) Purchasing adult use cannabis from licensed cultivation facilities;

(2) Purchasing adult use cannabis concentrate from other licensed products manufacturing facilities;

(3) Extracting cannabinoids from cannabis;

(4) Preparing, weighing, packaging, labeling and storing cannabis and cannabis products;

- (5) Collecting samples of cannabis or cannabis products for mandatory or research and development testing and delivering those samples to a testing facility;
- (6) Selling or authorized transport of cannabis or cannabis products to licensed products manufacturing facilities and/or cannabis stores;
- (7) Selling adult use cannabis and cannabis products by delivery to consumers 21 years of age or older in accordance with the requirements of this rule and the *Compliance Rules for Adult Use Cannabis Establishments*, 18-691 CMR, ch. 30.
- (a) A products manufacturing facility may accept wholesale transfers of cannabis and cannabis products packaged and labeled for retail sale to consumers by delivery;
- (b) A products manufacturing facility may designate a portion of its inventory of cannabis and cannabis products for retail sale to consumers by delivery.
- (8) Accepting returns of adult use cannabis or cannabis products from consumers and promptly destroying such returned items;
- (9) Accepting returns of adult use cannabis or cannabis products from another products manufacturing facility that received the cannabis or cannabis products from the products manufacturing facility, and then reselling that returned cannabis or cannabis products subject to the inventory tracking requirements of the *Compliance Rules for Adult Use Cannabis Establishments*, 18-691 CMR, ch. 30, § 2, and the mandatory testing requirements of the *Rules for the Testing of Adult Use Cannabis*, 18-691 CMR, ch. 40; and
- (10) Accepting returns of pre-packaged retail units of adult use cannabis or cannabis products from another products manufacturing facility, cultivation facility or cannabis store that received the cannabis or cannabis products from the products manufacturing facility, and then reselling that returned adult use cannabis or cannabis products subject to the inventory tracking requirements of the *Compliance Rules for Adult Use Cannabis Establishments*, 18-691 CMR, ch. 30, § 2 and the mandatory testing requirements of the *Rules for the Testing of Adult Use Cannabis*, 18-691 CMR, ch. 40.
- (B) A products manufacturing facility may assemble packaging and labeling for use on their products if packaging and labeling is consistent with the requirements of 28-B MRS, ch. 1 and 18-691 CMR, ch. 30, § 5.
- (C) A products manufacturing facility shall comply with all generally applicable kitchen-related health and safety standards of the relevant local jurisdiction and of the State of Maine Food Code, Department of Health and Human Services (Chapter 200) and Agriculture, Conservation and Forestry (Chapter 331).
- (1) Preparation of all edible cannabis products, unless otherwise specified, shall comply with all provisions of the State of Maine Food Code, including rules relating to potentially hazardous foods, food preparation areas and all other safety related provisions, unless otherwise specified.

(2) Pursuant to 22 MRS § 2158-B, the addition of adult use cannabis to food is not considered adulteration under the State of Maine Food Code.

(D) Adult use cannabis products shall comply with all other provisions of the rules governing the adult use cannabis program, including the use of solvents and inherently hazardous substances.

(4) Cannabis Store License.

(A) A cannabis store license permits the following activities, subject to all requirements of 28-B MRS and the rules governing the adult use cannabis program:

(1) Purchase, for retail sale to consumers pre-packaged retail units of cannabis flower, including kief, and cannabis trim, immature cannabis plants and seedlings from a licensed cultivation facility;

(2) Purchase, for retail sale to consumers, pre-packaged adult use cannabis and adult use cannabis products from a products manufacturing facility;

(3) Store adult use cannabis, adult use cannabis products, immature cannabis plants and seedlings;

(4) Collect, subject to the requirements and restrictions of 28-B MRS §604-A, samples of cannabis or cannabis products for mandatory testing;

(5) Conduct authorized transfers of pre-packaged adult use cannabis, adult use cannabis products, and as applicable, immature cannabis plants and seedlings to another licensed cannabis store or licensed testing facility, and in the case of adult use cannabis and adult use cannabis products returned by a consumer to the cannabis store, to a licensed cultivation facility or products manufacturing facility for destruction;

(6) Collect samples of cannabis or cannabis products for mandatory testing and delivery of those samples to a testing facility;

(7) Sell adult use cannabis, adult use cannabis products, immature cannabis plants, seedlings and seeds to consumers at a cannabis retail store and at a curbside pickup location indicated on the licensee's facility plan of record;

(8) Sell adult use cannabis, cannabis products, immature cannabis plants, seedlings and seeds to consumers by delivery;

(9) Sell adult use cannabis and cannabis products through off-premises sales at a specified event after obtaining from the Department a permit to conduct such off-premises sales at specified event during a specified time;

(10) Accept returns of adult use cannabis and cannabis products from consumers and promptly destroy such returned items, or return such items, or other items requiring destruction, to a cultivation facility or products manufacturing facility for destruction by that licensee;

(11) Return pre-packaged retail units of adult use cannabis or cannabis products to the cultivation or products manufacturing facility, as applicable, that transferred the adult use cannabis or cannabis products to the licensee; and

(12) Sell consumable products not containing cannabis, including, but not limited to: soft drinks, candies and baked goods.

(B) In addition to any other prohibitions and restrictions of 28-B MRS, the rules governing the adult use cannabis program and any other applicable laws or rules, cannabis store licensee may not:

(1) Give away adult use cannabis, adult use cannabis products, seedlings or immature cannabis plants;

(2) Sell or give away mature cannabis plants or consumable products containing tobacco or alcohol that do not contain cannabis.

(3) Except for nonedible adult use cannabis products that do not contain THC, sell to any person in any individual sales transaction an amount of adult use cannabis, adult use cannabis products or immature cannabis plants or seedlings that exceeds the person adult use limitations of 28-B MRS § 1501(1);

(4) Sell adult use cannabis, adult use cannabis products, immature cannabis plants or cannabis seedlings using:

- (a) An automated dispensing or vending machine;
- (b) A drive-through sales window;
- (c) An Internet-based sales platform; or
- (d) A third-party delivery service; or

(5) Sell adult use cannabis or adult use cannabis products to a person who is visibly intoxicated.

(5) Sample Collector License.

(A) A sample collector license permits the following activities, subject to all requirements of 28-B MRS and the rules governing the adult use cannabis program:

(1) Collecting samples of cannabis and cannabis products from a cannabis establishment for the purposes of mandatory or other testing by a testing facility in compliance with:

- (a) Applicable sample collection, transport and receipt recordkeeping requirements;
- (b) The Department-required sampling standard operating procedures;
- (c) The Department-required Best Practices Guide; and
- (d) The requirements and restrictions of 28-B MRS § 604-A.

(2) Transporting and delivering those samples to a testing facility.

(B) A sample collector shall deliver to a cannabis testing facility all samples on the day those sample are collected and may not store any collected samples at the sample

collector's home or place of business. Samples may not be held or stored overnight in the sample collector's vehicle except in the event of unforeseen exigent circumstances in accordance with 18-691 CMR, ch. 30, § 2.

§ 4 - General Licensing Criteria & Qualifications.

(1) General Licensing Criteria. An applicant for a license to operate a cannabis establishment must meet each of the following requirements, if applicable. Except as otherwise provided in this Section, if the applicant is a business entity, every owner of the business entity, and every principal in the applicant's operations must meet each of the requirements of this Section. An applicant shall disclose in or include with its application the names and addresses of the applicant and all natural persons and business entities having a direct or indirect financial interest in the applied-for license and the nature and extent of the financial interest held by each person or entity and, if applicable, the nature and extent of any financial interest the person or entity has in any other license applied for or issued under this rule.

(A) Age. The applicant must be at least 21 years of age. If the applicant is a business entity, every owner of the business entity and every principal must be at least 21 years of age.

(B) Incorporated in State. If the applicant is a business entity, the business entity must be incorporated in the State of Maine or otherwise formed or organized under the laws of the State.

(C) Prohibited persons.

(1) Not employee of state agency. The applicant may not be employed by the Department or any other state agency with regulatory authority under the rules governing the adult use cannabis program. The applicant must disclose any current state employment.

(2) Not law enforcement officer or corrections officer. The applicant may not be a law enforcement officer; a corrections officer as defined in 25 MRS § 2801-A(2); or any other natural person subject to the certification requirements of 25 MRS, chapter 341.

(D) Good conduct and character.

(1) No disqualifying drug offense.

(a) Applicants are required to disclose all state and federal criminal convictions, as well as any pending prosecutions, for offenses punishable by imprisonment for one year or more and involving the possession, distribution, manufacturing, cultivation or use of a controlled substance.

(b) The Department may require supplemental information regarding any such convictions disclosed by the applicant or identified by a criminal background check.

(2) The Department may not grant a license to anyone convicted of such offenses, unless the applicant demonstrates that:

- (a) The applicant completed his or her sentence, including any term of probation, incarceration or supervised release, 5 or more years prior to the submission of the application; or
- (b) The conviction was based on conduct that is now authorized by 28-B MRS.

(3) Department consideration of other offenses.

- (a) Applicants are required to disclose all state and federal criminal convictions for any offense involving dishonesty, deception, misappropriation or fraud, as well as any pending prosecutions for such offenses.
- (b) The Department may require supplemental information regarding any such convictions disclosed by the applicant or identified by a criminal background check.
- (c) The Department shall consider the following in determining whether to grant a license to an applicant convicted of offenses which involved dishonesty, deception, misappropriation or fraud:
 - (i) The recency of the offense(s);
 - (ii) The number and frequency of offenses;
 - (iii) Evidence of rehabilitation, including employment and educational attainment; and
 - (iv) Character references submitted by the applicant.
- (d) The Department may grant a license to anyone convicted of offenses involving dishonesty, deception, misappropriation or fraud so long as the applicant demonstrates that the applicant is sufficiently rehabilitated to warrant the public trust.

(4) No license revocation. The applicant, or if the applicant is a business entity, any owner of the business entity or any principal, may not have had revoked previously a license issued pursuant to the rules governing the adult use cannabis program.

(5) No medical registry identification card or registration certificate revocation. The applicant, or if the applicant is a business entity, any owner of the business entity or any principal, may not have had revoked a registry identification card or registration certificate previously issued pursuant to the Maine Medical Use of Cannabis Act.

(6) Departmental consideration of enforcement actions in other jurisdictions. Applicants are required to disclose any violations or penalties imposed in another jurisdiction regarding the regulated cultivation, manufacture, testing or sale of cannabis or cannabis products.

(7) The Department may for good cause deny a license to an applicant if the applicant, or if the applicant is a business entity, any owner of the business entity or any principal, has had revoked a license, permit, certificate or other government-issued authorization issued in another jurisdiction allowing the cultivation, manufacture, testing or sale of cannabis or cannabis products or has faced significant penalties under such authorization.

(8) No outstanding court-ordered payments. A license may not be issued to an applicant if that applicant, or if the applicant is a business entity, any owner of the business entity or any principal, has any outstanding payments due on court-ordered fines, court-appointed attorney's fees or court-ordered restitution. Except that the Department may issue a license to an applicant if it is satisfied that the applicant has entered into, and is in compliance with, any agreement or payment plan for the remittance of any fines, fees, or restitution owed.

(9) Departmental consideration of past due taxes, interest, penalties or fees in Maine.

(a) Applicants are required to submit a detailed list of any pending past due taxes, interest, penalties or fees owed in Maine.

(b) The Department may for good cause deny a license to an applicant if the applicant, or if the applicant is a business entity, if any owner of the business entity or principal, is currently delinquent in any payment of income tax, sales tax, excise tax or any other tax, interest, penalty or fee to the state or any municipality within the state. The Department will consider:

(i) The amount of the delinquency;

(ii) Whether deceit was involved;

(iii) Whether the business entity or individual, has entered into, and is in compliance with, any agreement or payment plan with the relevant tax authority overseeing the tax liability for which the applicant is otherwise delinquent; and

(iv) Other mitigating circumstances.

(10) Departmental consideration of past tax delinquency.

(a) Applicants, and if the applicant is a business entity, every owner of the business entity and principal, are required to provide detailed tax history, covering Maine and all other jurisdictions in which taxes were owed, for the 5 years preceding the application.

(11) The Department shall consider an applicant's history, and if the applicant is a business entity, the history of every owner of the business entity and every principal, pertaining to paying taxes to Maine and other jurisdictions in the previous 2 years, as well as any tax liens imposed in any jurisdiction in the previous 5 years, and may for good cause deny a license to an applicant with a recent history of tax delinquency.

(E) Criminal history record check. The applicant must have submitted to a criminal history record check in accordance with the requirements of 28-B MRS and this rule.

(F) Compliance with application process; no false statement of material fact. The applicant must have completed all application forms required by the Department fully and truthfully and complied with all information requests of the Department relating to the license application. A license may not be issued to an applicant that has knowingly or recklessly made any false statement of material fact to the Department in applying for a license under this rule. The Department shall revoke the license of a licensee pursuant to 28-B MRS, chapter 1, subchapter 8 if, subsequent to the issuance of the license, the Department determines that the licensee knowingly or recklessly made a false statement of material fact to the Department in applying for the license.

(2) Criminal History Record Check. The Department shall require fingerprinting and state and federal criminal history record checks for every applicant and upon application for renewal.

(A) For applicants that are business entities, the Department shall require fingerprinting and criminal history record checks for every principal.

(B) The applicant is responsible for all costs associated with fingerprinting and criminal history record checks. The fee for the fingerprinting and criminal history record checks shall be set by the State Police and/or State Bureau of Identification, in accordance with its usual operations.

(C) The Department shall issue a fingerprinting and criminal history record check form or use forms specified by the Department of Public Safety, Bureau of State Police, State Bureau of Identification or Federal Bureau of investigation. Such forms shall obtain the applicant's consent and information needed to complete the check, including but not limited to:

- (1)** First, middle and last name;
- (2)** Any aliases and/or previous names;
- (3)** Date of birth;
- (4)** Place of birth;
- (5)** Identifying information such as gender, height, weight and eye color;
- (6)** Disclosure of previous convictions;
- (7)** Driver license information; and
- (8)** Address and recent residency information.

(D) The Department may request that an applicant disclose his or her Social Security Number if notice is provided that:

- (1)** Indicates the disclosure of the Social Security Number is voluntary; and
- (2)** That the Department requests the Social Security Number for the purpose of positively identifying the applicant during the criminal records check process.

(E) All applicants required to submit to a criminal history record check under this Section shall submit to having the individual's fingerprints taken. The State Police, upon payment by the individual of the required fee, shall take or cause to be taken the individual's fingerprints and shall forward the fingerprints to the Department of Public Safety, Bureau of State Police, State Bureau of Identification.

(F) The State Bureau of Identification shall conduct the state and national criminal history record checks, which shall include information from:

(1) The Maine Criminal Justice Information System, regarding records of offenses within the state; and

(2) The Federal Bureau of Investigation, regarding offenses in other jurisdictions.

(G) Except for the portion of a payment, if any, that constitutes the processing fee for a criminal history record check charged by the Federal Bureau of Investigation, all money received by the State Police under this Section must be paid to the Treasurer of State, who shall apply the money to the expenses incurred by the Department of Public Safety in the administration of this Section.

(H) All criminal history record information obtained by the Department pursuant to this rule is confidential, is for the official use of the Department only and may not be disseminated outside of the Department or disclosed to any other person or entity.

(I) The subject of a Federal Bureau of Investigation criminal history record check may obtain a copy of the criminal history record check by following the procedures outlined in 28 Code of Federal Regulations (henceforth referred to C.F.R; the Code of Federal Regulations is available free online at multiple websites, including federal government websites, by searching the citation. All references are to the 2018 version) Sections 16.32 and 16.33. The subject of a state criminal history record check may inspect and review the criminal history record information pursuant to 16 MRS § 709.

(3) Required Forms and Information for All Licenses. All applicants for a cannabis establishment license shall include on forms supplied by the Department as well as attachments thereto, all information requested by the Department, including without limitation information described in this subsection. The Department may collect this information as part of the application for conditional cultivation facility, testing facility, products manufacturing facility and cannabis store and active sample collector licenses.

(A) An applicant for a conditional license for a cultivation facility, testing facility, products manufacturing facility or cannabis store license or an applicant for an active sample collector license shall provide, on forms made available by the Department:

(1) The name of the applicant;

(2) An email account that is actively monitored;

(3) Date of application;

(4) The type of cannabis establishment license being applied for;

(5) Whether or not the licensee proposes to co-locate adult use and medical cannabis operations as permitted by this rule and in accordance with rules governing the Maine Medical Use of Cannabis Program on the licensed premises;

(6) Identification of every owner of a business entity and principal;

(7) Identification of all natural persons and business entities having a direct or indirect financial interest in the applied-for license and the nature and extent of

the financial interest held by each person or entity and, if applicable, the nature and extent of any financial interest the person or entity has in any other license applied for or issued under this rule;

(8) Identification of any other cannabis establishments, including those outside of Maine, in which the applicant, or if the applicant is a business entity, any owner of the business entity or any principal, holds an ownership interest;

(9) Attestations that the applicant, and anyone included in (6) above:

(a) Has read the licensing requirements;

(b) Is age 21 years or older; and

(c) Has disclosed any disqualifying drug convictions; convictions for any state or federal offense involving dishonesty, deception, misappropriation or fraud; and/or pending prosecutions for such offenses; and

(10) A notarized signature page, attesting under penalty of perjury to the accuracy of the information provided in the application.

(B) At a minimum, all applicants shall provide, at the time of application, the following information:

(1) Proof of lawful presence or citizenship in the United States as required by on forms provided by the Department.

(2) A list of natural persons and business entities having a direct or indirect financial interest in the applied-for license and a description of the nature and extent of the financial interest held by each person or entity; except that with respect to banks, credit unions, or other state- or federally-chartered financial institutions, in order to satisfy the requirements of this subsection, the applicant shall disclose:

(a) The name of the institution;

(b) The address of the institution; and

(c) The terms of any financial instrument held by the bank, credit union, or other state- or federally-chartered financial institution.

(C) If the applicant for any license is a business entity it shall submit all Department-required forms, attachments and supplemental information for every owner of the business entity and every principal, along with the following additional information and supporting material:

(1) If the business entity is a corporation, a copy of its articles of incorporation within Maine; corporate bylaws; and most recent stock ledger.

(2) If the business entity is a limited liability company, a copy of its certificate of formation within Maine and its most current operating agreement.

(3) If the business entity is a general partnership, limited partnership, limited liability partnership or limited liability limited partnership, a copy of the partnership agreement.

(D) The Department shall require evidence of compliance with all tax obligations.

(1) The Department shall require each applicant, or if the applicant is a business entity, every principal, to disclose the following information to Maine Revenue Services, on forms provided by the Department:

(a) The applicant, or if the applicant is a business entity, every principal shall disclose their Social Security Number for the Maine Revenue Service to provide an assessment of whether the person owes back taxes, interest, fees or penalties.

(b) A list of sales tax identification numbers and employer identification numbers for all entities licensed in the state in which the applicant, or if the applicant is a business entity, in which every principal, has a management role or ownership interest of 10 percent or more for the Maine Revenue Service to provide an assessment of whether any of those entities owe back taxes, interest, fees or penalties.

(2) The Department shall require the disclosure of the following information to Maine Revenue Services for the purpose for providing evidence of compliance with all tax obligations:

(a) For each applicant that is a business entity, the business entity's employer identification number and any associated sales tax ID number for the Maine Revenue Service to provide an assessment of whether the business entity applying for a license to operate a cannabis establishment owes back taxes, interest, fees or penalties.

(E) It is the exclusive responsibility of the applicant to clearly indicate on any forms, attachments, and supplemental information supplied to the Department any content the applicant deems to be trade secrets or other information that would be within the scope of a privilege against discovery or use as evidence recognized by the courts of this State in civil or criminal trials if the records or inspection thereof were sought in the course of a court proceeding, which may otherwise be included as a "public record" pursuant to 1 MRS § 402(3) in a response to a request for records and information under the Maine Freedom of Access Act.

§ 5 - Application for Conditional License.

(1) **Conditional License.** The Department may issue a conditional license to applicants for any type of cannabis establishment license, except for a sample collector license. Because an applicant for a sample collector license is not required to obtain local authorization, the Department will not issue a conditional sample collector license. Instead, the initial application is for an active license.

(A) The application for a conditional license must meet all requirements applicable to all license types and include all information applicable to all license types.

(B) The conditional license is valid for one year and is non-renewable.

(C) The conditional license may be used to demonstrate that the applicant has met the Department's conditional licensing requirements under 28-B MRS §205(3), for the purpose of seeking local authorization.

(D) The conditional license does not grant any authority for cultivation, manufacturing, testing or sale of cannabis or cannabis products.

It is the exclusive responsibility of the applicant to clearly indicate on any forms, attachments, and supplemental information supplied to the Department any content the applicant deems to be trade secrets or other information that would be within the scope of a privilege against discovery or use as evidence recognized by the courts of this State in civil or criminal trials if the records or inspection thereof were sought in the course of a court proceeding, which may otherwise be included as a “public record” pursuant to 1 MRS § 402(3) in a response to a request for records and information under the Maine Freedom of Access Act.

(2) Additional Requirements for Issuance of a Conditional Cultivation Facility License.

(A) Each applicant for a conditional cultivation facility license shall designate in the preliminary operating plan, included in its application, the tier (or designation as a nursery cultivation facility) for the proposed cultivation facility.

(1) Each applicant for a conditional tier 1 cultivation facility license must designate in its application whether the license sought is plant-count based or total plant canopy area based pursuant to 28-B MRS § 301.

(2) Each applicant for a conditional nursery cultivation facility license must designate in its preliminary operating plan whether it intends to sell cannabis seeds, seedlings or immature plants to adults, 21 years of age or older, who are not licensees.

(B) An applicant for a conditional cultivation facility license that intends to co-locate its licensed premises shall notify the Department of its intention to co-locate in its application.

(C) An applicant for a conditional cultivation facility license for a tier 1, tier 2 or nursery cultivation facility license that intends to conduct sales, as applicable, of adult use cannabis or adult use cannabis products to consumers by delivery must include in its preliminary operating plan affirmation that the licensee will conduct such retail sales by delivery only between the hours of 7 A.M. and 10 P.M. local time.

(3) Additional Requirements for Issuance of a Conditional Products Manufacturing Facility License. Each applicant for a conditional products manufacturing facility license shall submit the following information in the preliminary operating plan, included in its application:

(A) A description of the manufacturing activities that will occur on the premises;

(B) An applicant for a conditional products manufacturing facility license that intends to co-locate its licensed premises shall notify the Department of its intention to co-locate on its application; and

(C) An applicant for a conditional products manufacturing facility license that intends to conduct sales of adult use cannabis or adult use cannabis products to consumers by delivery must include in its preliminary operating plan affirmation that the licensee will conduct such retail sales by delivery only between the hours of 7 A.M. and 10 P.M. local time.

(4) Additional Requirements for Issuance of a Conditional Testing Facility License. Each applicant for a cannabis testing facility license shall include, on forms supplied by the Department, and attachments thereto, all information required by the Department, including without limitation, the following information:

(A) A statement identifying whether the cannabis testing facility and/or other operational assets will be owned or leased by a person or entity other than the applicant.

(B) A statement as to whether the cannabis testing facility intends to offer, in addition to mandatory testing, testing services to persons 21 years of age or older under 28-B MRS §503(1)(C) and/or qualifying patients, caregivers, registered caregivers or registered dispensaries under 28-B MRS §503(1)(D).

(C) An applicant for a cannabis testing facility must submit the following additional documentation to obtain a conditional license:

(1) A written policy that, as indicated by signature, ensures management and personnel are free from any undue internal and external commercial, financial and other pressures, and influences that may adversely affect the quality of their work or diminish confidence in its competence, impartiality, judgement or operational integrity, as well as a signed disclosure by the owner(s) stating that there is no financial conflict with, interest in, investment in, landlord-tenant relationship with or loan to a cultivation facility, products manufacturing facility, cannabis store, registered caregiver or registered dispensary;

(2) A description of the organization and management structure of the cannabis testing facility, its place in any parent organization and the relationships between quality assurance, technical operations and support services;

(3) A management plan defining the responsibilities of key personnel in the organization who have any involvement or influence on the testing, and if the cannabis testing facility is part of an organization performing activities other than testing, identifying potential conflicts of interest;

(4) Written policies and procedures that ensure the protection of its clients' confidential information and proprietary rights, including procedures for protecting the electronic storage and transmission of results;

(5) A written policy defining legal chain of custody protocols and including procedures to control access to certificate of analysis data and other testing data to prevent it from being falsified or manipulated; and

(6) Written procedures for the receipt of samples, including samples collected by:

(a) Sample collectors pursuant to 28-B MRS §503;

(b) Other cannabis establishments for mandatory testing pursuant to 28-B MRS §604-A or for voluntary testing;

(c) Qualifying patients, caregivers, registered caregivers or registered dispensaries pursuant to 22 MRS, chapter 558-C; and

(d) Other persons 21 years of age or older.

(5) Additional Requirements for Issuance of a Conditional Cannabis Store License. Each applicant for a conditional cannabis store license shall submit the following information in the preliminary operating plan, included in its application:

(A) A cannabis store preliminary operating plan must at a minimum include affirmation that the licensee will conduct retail sales, including sales via curbside pickup and/or delivery, to consumers only between the hours of 7 A.M. and 10 P.M. local time or only those days and hours during which retail sales are permitted by local regulation; and

(B) If the preliminary operating plan for a nursery cultivation facility includes sales to consumers, the operating plan shall meet all requirements that are applicable to cannabis stores in addition to all requirements that are applicable to nursery cultivation facilities.

(6) Administrative Abandonment of Conditional License Applications that are Inactive for at Least 365 Days. The Department may deem an application for a conditional license abandoned if the following conditions are met:

(A) The applicant has not provided all required information to complete its conditional license application within one year from the date of the initial application; and

(B) The Department attempted to contact the applicant in writing at least 30 days prior to expiration of the one-year abandonment period to notify the applicant of the pending abandonment.

Once a conditional license application has been deemed abandoned by the Department, an applicant for a conditional license shall begin a new application for a conditional cannabis establishment license.

§ 6 - Application for Active Sample Collector License.

(1) Forms. An applicant shall prepare an application on forms made available by the Department along with the appropriate application fee as determined by the Department pursuant to 28-B MRS § 207 and 18-691 CMR, ch. 10, § 2. In order for an application for an active sample collector license to be considered complete, the following must be true:

(A) An applicant for a sample collector license must meet all applicable requirements of the rules governing the adult use cannabis program.

(B) An applicant for a sample collector license shall include on forms supplied by the Department, as well as attachments thereto, all information requested by the Department, including without limitation information described in the sections referenced in subsection A above and:

(1) An operating plan including an indication of whether the licensee does not intend to conduct authorized activities during any business hours. The applicant shall indicate any business days or hours, as defined in 18-691 CMR, ch. 10, it does not intend to conduct authorized activities;

- (2) Designation of a place of business or home office where records and equipment are appropriately and securely stored, including a description of where the Department can inspect all required records upon request;
- (3) A statement asserting whether the sample collector's operational assets will be owned or leased by a person or entity other than the applicant;
- (4) A written policy that, as indicated by signature, ensures management and personnel are free from any undue internal and external commercial, financial and other pressures, and influences that may adversely affect the quality of the sample collector's work, diminish confidence in the sample collector's competence, impartiality, judgment or operational integrity, as well as a signed disclosure by the owner(s) stating that there is no financial conflict with, interest in, investment in, landlord-tenant relationship with or loan to a cultivation facility, products manufacturing facility, cannabis store, registered caregiver or registered dispensary;
- (5) A description of the organization and management structure of the sample collector, and its place in any parent organization;
- (6) Written policies and procedures that ensure that protection of the sample collector's clients' confidential information and proprietary rights; and
- (7) Proof that the applicant has an inventory tracking system account activated and functional.

(C) All applications must be complete and accurate in every material detail.

(D) An application for an active sample collector license is considered incomplete until the Department is in possession of all required forms, supplemental information, criminal history record checks and any other requirements of this rule.

(E) A license issued to a cannabis establishment or an individual constitutes a revocable privilege. The burden of proving an applicant's qualifications for licensure rests at all times with the applicant.

It is the exclusive responsibility of the applicant to clearly indicate on any forms, attachments, and supplemental information supplied to the Department any content the applicant deems to be trade secrets or other information that would be within the scope of a privilege against discovery or use as evidence recognized by the courts of this State in civil or criminal trials if the records or inspection thereof were sought in the course of a court proceeding, which may otherwise be included as a "public record" pursuant to 1 MRS § 402(3) in a response to a request for records and information under the Maine Freedom of Access Act.

(2) Vehicle Requirements. An applicant for an active sample collector license must provide the following information to the Department for each vehicle that will be used to transport samples:

(A) Proof of a valid insurance policy;

(B) A description, with photos as necessary, of the locked compartment to be used to secure samples; and

(C) A description of how the sample collector will maintain samples within the appropriate temperature range.

(3) Payment of Fees. Before issuing an active license, the Department shall invoice the applicant for the applicable fee as determined by the Department pursuant to Title 28-B and 18-691 CMR, ch. 10, § 2. The Department shall not accept any license fees except pursuant to such invoice.

§ 7 - Department Review of Applications for Conditional Licenses and Active Sample Collector License.

(1) Ownership Interest. Except for an applicant for a cannabis testing facility license, the Department shall verify that any applicant for a cannabis establishment license is either a natural person or a business entity that meets the requirements of 28-B MRS and the rules governing the adult use cannabis program.

(A) The Department may require additional information to verify that business structures, loans, franchise agreements, royalty agreements and other legal arrangements are not being used to circumvent licensing requirements including without limitation: limits on common financial interests and disqualifying drug offenses.

(B) The Department will ensure that issuance of both a conditional license or active license to the applicant will not result in any person having a direct or indirect financial interest in:

(1) More than 3 cultivation facility licenses;

(2) Multiple cultivation facility licenses with a combined total licensed amount of plant canopy exceeding 30,000 square feet, except when that exceedance is solely attributable to approved increases in the maximum licensed area of plant canopy authorized under a tier 4 cultivation facility license pursuant to section 28-B MRS §304; or

(3) A testing facility license or sample collector license if the applicant or licensee is a caregiver or a registered caregiver or has an equity ownership interest or a partial equity ownership interest or any other type of financial interest, including but not limited to, being an investor or serving in a management position in a registered dispensary, a cultivation facility license, a products manufacturing facility license or a cannabis store license.

(C) An application for license will not be considered complete until the applicant satisfies all such information requests.

(D) The Department may refuse to issue a conditional license for a cultivation facility, products manufacturing facility or cannabis store license or active license for a sample collector to an applicant at its discretion until it is satisfied that the applicant has met the requirements of 28-B MRS and the rules governing the adult use cannabis program.

(2) Application for a Conditional License and Active License for Sample Collector Processing. An application for a conditional license, or active license for a sample collector, is considered incomplete until the Department is in possession of all required forms, additional

information, criminal history record checks and any other requirements of the rules governing the adult use cannabis program. If, in the course of processing the application, the Department discovers that any required forms, supplemental information or criminal history record checks are incomplete, the Department may ask the applicant to supply the missing information. The Department has 90 days from the date the Department provides notice to the applicant that the application is complete to review and act upon the application. The Department shall, however, avoid unreasonable delays in the case of inadvertent omission of material that is not central to its review of the merits of the application for a conditional license or active license for a sample collector.

(3) Application for a Conditional License and Active License for Sample Collector Review.

(A) For the purposes of processing applications for cannabis establishments, the Department, pursuant to 28-B MRS § 205, shall apply an objective standard to establishing whether an applicant has satisfied the cannabis establishment licensing requirements, specifically the satisfaction of general licensing criteria and the submission of all required documents, forms and fees and the subsequent issuance of provisional and active licenses.

(B) Within 90 days from the date the Department provides notice to the applicant that the application is complete, the Department shall, as applicable:

(1) Deny the license application;

(2) Issue a non-renewable conditional license for a cultivation facility, products manufacturing facility, testing facility or cannabis store valid for up to one year; or

(3) Issue an active license for a sample collector valid for one year.

(4) Withdrawal.

(A) The Department and the applicant for a conditional license for a cultivation facility, products manufacturing facility, testing facility or cannabis store or the applicant for an active license for a sample collector may mutually agree in writing to the voluntary withdrawal of an application for a conditional license for a cultivation facility, products manufacturing facility, testing facility or cannabis store or an active license for a sample collector.

(B) The Department may not refund any application or other fees, regardless of the circumstances of the withdrawal.

(5) Denial. The Department may for good cause pursuant to 28-B MRS §206 deny an application for a conditional license for a cultivation facility, products manufacturing facility, testing facility or cannabis store or for an active sample collector license.

(A) The Department shall notify the applicant in writing of the denial and the good cause basis for the denial, including but not limited to:

(1) Disqualifying drug offenses;

- (2) Other mandatory disqualifying factors; or
- (3) Any other reason constituting good cause.

(B) Denial of an application pursuant to 28-B MRS § 206 is final agency action as defined in 5 MRS § 8002(4). The Department shall notify the applicant in writing of the applicant's right to appeal the denial to the Maine Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

§ 8 - Application for Active License of a Cultivation Facility, Testing Facility, Products Manufacturing Facility or Cannabis Store, Including Provisional Testing License.

(1) **Forms.** An applicant shall prepare an application on forms made available by the Department for the type of license sought along with the appropriate application fee as determined by the Department pursuant to 28-B MRS § 207 and this rule. For an application for a cannabis establishment to be considered complete, the following must be true:

- (A) All applications must include all attachments or supplemental information required by the current forms supplied by the Department and the rules governing the adult use cannabis program.
- (B) All applications must be complete and accurate in every material detail.
- (C) A license issued to a cannabis establishment or an individual constitutes a revocable privilege. The burden of proving an applicant's qualifications for licensure rests at all times with the applicant.
- (D) The Department may refuse to accept or consider an incomplete application.

(2) Local Authorization.

- (A) In order for a cultivation facility, testing facility, products manufacturing facility or cannabis store conditional licensee to be eligible for a cannabis establishment active license, the municipality or the Maine Land Use Planning Commission, whichever has jurisdiction over the planned site, must have submitted a signed and notarized local authorization certification form prepared and furnished by the Department.
- (B) Upon receipt of the local authorization certification form, the Department shall, within 10 calendar days, notify the applicant of any additional information needed for the issuance of an active license.
- (C) Nothing in this rule shall be construed to prohibit local entities from implementing municipal or other local regulations further restricting the operation and siting of cannabis establishments, including, but not limited to regulations regarding the co-location of residences, registered caregivers, dispensaries and/or cannabis establishments.
- (D) Local authorization is not required for sample collector licenses.

(3) Supplemental Information for Issuance of Active License.

(A) All conditional licensees must submit the following forms and supplemental information:

(1) Evidence of compliance with all applicable electrical inspection and permitting requirements; which may include but is not limited to: a Certificate of Occupancy issued by the municipal code officer, or written clearance by the Electricians Examining Board, Department of Professional and Financial Regulations.

(2) Copies of any required licenses, certificates or registrations from any state agency with oversight of any authorized activities conducted on the licensed premises including without limitation:

- (a)** Licenses required for food and beverage manufacturing, bottling and sale from the Department of Agriculture, Conservation and Forestry;
- (b)** Pesticides applicator license from the Board of Pesticides Control, Department of Agriculture, Conservation and Forestry; and/or
- (c)** Tobacco retail sales license from the Department of Health and Human Services and tobacco distributor license from the State Tax Assessor.

(3) Affirmation that the licensee will operate in accordance with all applicable federal, state and local laws and regulations, including without limitation laws and regulations regarding waste management and disposal, food and beverage safety, pesticides application and workplace safety.

(4) Facility plan, consistent with the requirements of this rule.

(5) Confirmation that the cannabis establishment has a tracking system account activated and functional.

(6) Any material changes from the conditional license application, including but not limited to, any changes related to ownership or control and any new arrests or criminal charges of the applicant, or if the applicant is a business entity, of any principal.

(7) Any information necessary to determine if the applicant continues to meet all requirements of conditional licensure; including any updates to information in the application or an attestation that there have not been any material changes to the conditional license application.

(B) All licensees engaging in manufacturing involving inherently hazardous substances shall also show proof of compliance with the requirements of this rule.

(C) Cultivation facilities, including nursery cultivation facilities, must additionally submit the facility's Excise Tax Identification Number and verification by the Department of registration with the State Tax Assessor.

(D) A cannabis testing facility must obtain full or provisional certification by the CDC as described in *Rules for the Certification of Cannabis Testing Facilities*, 18-691 CMR, ch. 5, before the Department will issue a provisional or full active testing facility license. A cannabis testing facility may test cannabis and cannabis products only if it holds a current

provisional or full certification from the CDC. Initial certification will be for a period of 1 year, and annual recertification is required in compliance with 18-691 CMR, ch. 5. A cannabis testing facility must maintain its certification at all times to remain licensed by the Department. A cannabis testing facility must notify the Department within 1 business day if the CDC suspends or revokes its certification. If the CDC suspends or revokes its certification the cannabis testing facility must cease all testing for any analyte and technology covered by the suspension or revocation.

(1) A cannabis testing facility must apply for ISO/IEC 17025:2017 accreditation before the Department will issue a provisional active testing facility license.

(a) The cannabis testing facility may apply for a Department-issued testing facility license to conduct testing only for those fields of testing included in the application for ISO/IEC 17025:2017 accreditation.

(b) Upon receipt of ISO/IEC 17025:2017 accreditation, a cannabis testing facility must demonstrate proof of accreditation to the Department and DHHS within 5 business days of receipt.

(c) Before the expiration of its provisional active license and any permitted one-time renewal of the same, a cannabis testing facility must obtain ISO/IEC 17025:2017 accreditation; otherwise it must cease all operations in that field of testing until such accreditation is obtained if no other field of testing related to cannabis remains.

(d) If ISO/IEC 17025:2017 accreditation is denied to the cannabis testing facility holding provisional active licensure, the facility must notify the Department of the denial within one business day of receipt of the denial. The Department shall revoke the provisional active license, upon the cannabis testing facility's notification of denial of ISO/IEC 17025:2017 accreditation.

(E) The Department may request additional information or documentation to ensure that issuance of an active license will not result in any person having a direct or indirect financial interest in:

(1) More than 3 cultivation facility licenses;

(2) Multiple cultivation facility licenses with a combined total licensed amount of plant canopy exceeding 30,000 square feet, except when that exceedance is solely attributable to approved increases in the maximum licensed area of plant canopy authorized under a tier 4 cultivation facility license pursuant to 28-B MRS §304; or

(3) A testing facility license or sample collector license if the applicant or licensee is a caregiver or a registered caregiver or has an equity ownership interest or a partial equity ownership interest or any other type of financial interest, including but not limited to, being an investor or serving in a management position in a registered dispensary, a cultivation facility license, a products manufacturing facility license or a cannabis store license.

(4) Facility Plan. In accordance with the requirements of this rule, a conditional licensee shall submit a facility plan that includes all of the following elements in order to receive an active license. The facility plan shall include diagrams and drawings with sufficient detail and clarity to allow the Department to identify all elements required below; such as diagrams and drawings

produced using computer-aided design (CAD) or digital drafting software. The facility plan shall include the following elements, identified with sufficient detail for the Department to determine compliance with this section:

- (A) Affirmation that the operating plan, and as applicable, cultivation plan submitted for a conditional license is accurate, and updated information if such operating or cultivation plan has changed from the information submitted for conditional licensure;
- (B) A table of contents or index identifying the page and/or paragraph number(s) where each required element of the facility plan is located;
- (C) Location of the establishment within the municipality, town, township, or plantation, and indicating its proximity to any school. A copy of a tax map showing an area in all directions from the premises of 1000 feet, or in cases where a municipality or the Maine Land Use Planning Commission has reduced the setback to no less than 500 feet, then showing the distance in all directions required by local authority, and indicating that the area around the premises does not include a pre-existing public or private school, as defined in 28-B MRS §§ 402(2)(A) and 403(2)(A), shall meet this requirement;
- (D) Size and layout of the establishment, including limited access areas, display areas, commercial kitchen areas, sample receiving areas and points of entry;
- (E) Proof of ownership of the premises or proof the owner's consent for the intended use of the premises;
- (F) A legal ingress onto the property from the closest maintained public way;
- (G) If the property is also used as a residence, the location of that residence within that property and plans for complete separation of the residence from the facility, including:
 - (1) Entirely separate entrances to the residence and any portion of the property that is part of the licensed premises; and
 - (2) No solvent extraction in the same building or structure as the residence;
- (H) Copies or examples of the licensee's visitor identification badge and visitor entry log in compliance with requirements of 18-691 CMR, ch. 30, § 1;
- (I) Identification of all required security measures required in 18-691 CMR, ch. 30, § 1 and a written security plan in accordance with 18-691 CMR, ch. 30, § 1;
- (J) An indication of whether the licensee does not intend to conduct authorized activities during any business hours, as defined in 18-691 CMR, ch. 10, § 1. The applicant shall indicate any business days or hours it does not intend to conduct authorized activities;
- (K) An indication whether the applicant intends to collect samples of cannabis and cannabis products and deliver them to testing facilities for mandatory testing pursuant to 28-B MRS §604-A, and if so, must submit an attestation that it will follow department-required sampling procedures;

(L) As applicable, plans for co-location of multiple cannabis establishments or a cannabis establishment and a registered caregiver or dispensary; and

(M) For conditional cultivation facility licensees, the following additional elements:

(1) The size of the cultivation facility;

(2) The layout of the cultivation facility;

(3) A floor plan showing the proposed size and layout of the cultivation areas where the licensee intends to cultivate mature cannabis plants, showing exterior dimensions of the areas, drawn in straight lines and clearly stating the square footage of each area. The floor plan for a cannabis cultivation establishment must include the detail dimensions of all areas which the licensee is authorized to cultivate mature plants;

(a) For conditional cultivation facility licensees intending to engage in the cultivation of mature cannabis plant canopy in any noncontiguous outdoor area, the licensee shall clearly delineate each row where mature cannabis plants will be grown in order to calculate the total mature plant canopy of the cultivation facility.

(4) A floor plan showing the proposed size and layout of the cultivation areas where the licensee intends to cultivate mature cannabis plants solely for the purpose of propagating seedlings, immature cannabis plants or collecting seeds, seedlings and immature cannabis plants, showing exterior dimensions of the areas, drawn in straight lines and clearly stating the square footage of each area and whether this square footage is within or outside the plant canopy;

(5) Clear delineation of where mature cannabis plants, cannabis plants solely used for propagation, immature plants and seedlings will be grown;

(6) The lights, irrigation, greenhouses and other equipment to be used;

(7) A list of all pesticides, fungicides, insecticides and fertilizers that will be present or used;

(8) If applicable as part of an integrated pest management plan, a list of all other vegetation to be cultivated alongside any cannabis;

(9) If applicable, for a conditional tier 1, tier 2 or nursery cultivation facility licensee that intends to conduct sales of adult use cannabis or cannabis products by delivery to consumers, affirmation that the licensee will only conduct retail sales by delivery to consumers during the hours of 7 A.M. and 10 P.M. local time; and

(10) Each applicant for an active cultivation facility license that intends to co-locate its licensed premise with a registered dispensary or registered caregiver must address the following in its facility plan:

(a) Identification of the registered caregiver or registered dispensary that will be co-located with the cultivation facility licensee and demonstration that the applicant is also a registered caregiver or registered dispensary;

- (b)** Indication on the floor plan, with the same level of detail, areas to be used for cultivating cannabis for medical use, including which areas will be used to cultivate plants solely used for propagation, seedlings, immature plants and mature plants;
- (c)** Indication on the floor plan any areas that will support cultivation of both cannabis for medical use and adult use cannabis, including storage areas, office space, walkways, entryways, restrooms and utility rooms;
- (d)** A list of all equipment to be used for cultivating both cannabis for medical use and adult use cannabis;
- (e)** A description of how the licensee will ensure that each shared piece of cultivation equipment is not used simultaneously on cannabis for medical use and adult use cannabis, with the purpose of ensuring that cannabis for medical use remains separate from adult use cannabis.
- (f)** Each applicant for an active cultivation facility license to share premises with a registered dispensary or registered caregiver must address in its cultivation plan the licensee's plan for physically separating and making visually distinct the areas used for cultivation, drying, curing, trimming, packaging and storage of cannabis for medical use from cultivation of adult use cannabis.
 - (i)** A co-located cultivation facility licensee shall ensure that adult use cannabis plants and cannabis plants for medical use are not cultivated in the same cultivation room at the same time;
 - (ii)** A co-located cultivation facility licensee shall ensure that adult use cannabis plants and cannabis plants for medical use are not dried in the same drying room at the same time;
 - (iii)** A co-located cultivation facility licensee shall ensure that adult use cannabis and cannabis for medical use is not cured in the same curing room at the same time;
 - (iv)** A co-located cultivation facility licensee shall ensure that adult use cannabis and cannabis for medical use is not trimmed or packaged in the same room at the same time; and
 - (v)** A co-located cultivation facility licensee shall indicate in its facility plan its plan for storing adult cannabis flower and trim and harvested cannabis for medical use in a manner whereby the adult use and medical cannabis are readily identifiable and distinguishable in any shared storage areas;
- (g)** The licensee shall separately track cannabis for medical use and adult use cannabis and will otherwise ensure that they do not become intermixed;
- (h)** The licensee shall affirm that it will not conduct activities related to cannabis for medical use under a Sales Tax Identification Number or Excise Tax Identification Number associate with an adult use license;
- (i)** As applicable, the cultivation facility must have distinctly separate entrances from the area of the premises used for retail sales of adult use cannabis to consumers and for the distribution of cannabis and cannabis products for medical use. Under no circumstances can cannabis or cannabis products for medical use be sold in, transferred, transported or otherwise conveyed through any portion of the co-located premises designated for retail sales of adult use cannabis or cannabis products to consumers; and

(j) The cultivation facility must conduct all cultivation activities for adult use cannabis and cannabis for medical use in accordance with 28-B MRS and the rules governing the adult use cannabis program.

(11) Nursery cultivation facility applicants that intend to conduct sales to adults over the age of 21 who are not licensees shall submit a facility plan that meets all of the requirements for both a cultivation facility and a cannabis store.

(N) For conditional products manufacturing facility licensees, the following additional elements:

(1) A diagram illustrating in which areas of the premises each manufacturing activity will occur;

(2) A diagram illustrating the areas of the premises where any solvent (excluding water), chemical or potentially hazardous substance will be stored;

(3) Manufacturing equipment to be used, including without limitation extraction equipment, kitchen equipment, and equipment used to package and label cannabis and cannabis products;

(a) For any extraction equipment that uses inherently hazardous substances, the UL listing in addition to certification by a professional engineer licensed in Maine that the extraction equipment is properly installed;

(4) A description of the types of products such as edible, inhaled or topical that will be manufactured on the premises;

(5) Any extraction methods and solvents to be used for extraction;

(6) Any inherently hazardous substances to be used for extraction, along with the process for use, certification by a professional engineer licensed in Maine that the manufacturing facility's storage, preparation, electrical, gas monitoring, fire suppression and exhaust systems are adequate;

(7) If the conditional products manufacturing facility licensee intends to conduct sales of adult use cannabis or cannabis products by delivery to consumers, affirmation that the licensee will only conduct retail sales to consumers during the hours of 7 A.M. and 10 P.M. local time; and

(8) Each applicant for an active cannabis products manufacturing facility license that intends to co-locate its licensed premise with a registered dispensary or registered caregiver must address the following in its facility plan:

(a) Identification of the registered caregiver or registered dispensary that will be co-located with the products manufacturing facility licensee and demonstration that the applicant is also a registered caregiver or registered dispensary;

(b) An indication on the floor plan any areas of the premises where adult use and medical cannabis will be received, manufactured, packaged, labeled or stored;

- (c) An indication on the floor plan any areas of the premises where equipment, chemicals and other items to be used for both adult use and medical cannabis manufacturing will be used and stored;
- (d) A list of all extraction equipment and other supplies to be used for extracting from both cannabis for medical use and adult use cannabis;
- (e) A list of all manufacturing equipment and other supplies to be used for manufacturing both cannabis products for medical use and adult use cannabis products;
- (f) A description of how the licensee will ensure that each shared piece of extraction or manufacturing equipment is not used simultaneously or contemporaneously on cannabis for medical use and adult use cannabis, with the purpose of ensuring that cannabis, cannabis concentrate and cannabis products for medical use remain separate from adult use cannabis, cannabis concentrate and cannabis products;
- (g) A description of how the licensee will track and store cannabis for medical use separately from adult use cannabis, cannabis concentrate and cannabis products and will otherwise keep them from becoming intermixed;
- (h) A clear indication on floor plans of which areas house equipment used to manufacture both cannabis for medical use and adult use cannabis products; and
- (i) A clear indication of any areas used to store equipment, supplies or non-cannabis ingredients used to produce, package or label both cannabis products for medical use and adult cannabis products.

(O) For conditional cannabis testing facility licensees, the following additional elements:

- (1) A premises diagram of the cannabis testing facility that includes a brief statement of the primary activity to be conducted in each room or partitioned area, including without limitation activities related to sample receiving, sample storage, record storage, microbiological and chemical analysis and office space;
- (2) A list of all mandatory tests, including technology and analyte, for which the applicant has received or is applying for ISO/IEC 17025 accreditation at the time of the application for a conditional license from the Department;
- (3) A list of all mandatory tests, including technology and analyte, for which the applicant has received or is applying for full or provisional certification from the CDC;
- (4) A list of all nonstandard test methods and technologies for which the applicant has received or requested CDC certification for any mandatory test;
- (5) A description of the workplace safety plan consistent with 29 CFR 1910 as applicable; and
- (6) Plans for disposal of cannabis waste and cannabis product waste.

(P) For conditional cannabis store licensees, the following additional elements:

- (1) Affirmation that the licensee will only conduct retail sales to consumers during the hours of 7 A.M. and 10 P.M. local time or only those days and hours during which retail sales are permitted by local regulation;
- (2) An indication of whether the licensee intends to sell adult use cannabis and/or adult use cannabis products to consumers using curbside pickup and/or delivery;
- (3) A diagram illustrating the layout of the licensed premises, including limited access areas and age-restricted areas and any areas where the licensee intends to conduct curbside pickup;
 - (a) For cannabis store licensees conducting curbside pickup in an area immediately adjacent to the primary public ingress and egress of the store, but not included in the licensed premises, the licensee shall also indicate the curbside pickup area on its facility diagram;
 - (b) Any curbside pickup location outside of the licensed premises must be a place designated for parking or standing, and fully within view of cameras fixed to the exterior of the cannabis store;
- (4) Identification of the controlled entry area within the licensed premise, or another area outside of the licensed premises where the licensee will verify the identification of all customers and prevention of unauthorized sales to, or access to the retail sales area by, persons under age 21;
- (5) Descriptions or diagrams of displays indicating how they control customer access to cannabis and cannabis products; and
- (6) Descriptions of any electrical equipment.

It is the exclusive responsibility of the applicant to clearly indicate on any forms, attachments, and supplemental information supplied to the Department any content the applicant deems to be trade secrets or other information that would be within the scope of a privilege against discovery or use as evidence recognized by the courts of this State in civil or criminal trials if the records or inspection thereof were sought in the course of a court proceeding, which may otherwise be included as a “public record” pursuant to 1 MRS § 402(3) in a response to a request for records and information under the Maine Freedom of Access Act.

(5) Co-Location of Adult Use Cannabis Establishments. An applicant may propose the co-location of multiple adult use cannabis establishment types in accordance with this subsection. Nothing in this subsection should be construed to permit the retail sale of adult use cannabis or adult use cannabis products in the same facility or building in which the licensee also sells or offers for sale to qualifying patients cannabis and cannabis products for medical use pursuant to the Maine Medical Use of Cannabis Act.

(A) The Department may approve an application that would result in a testing facility being located adjacent to another type of adult use cannabis establishment or a registered dispensary, registered caregiver, or manufacturing facility registered in accordance with 22 MRS §2423-F, only if the following conditions are met:

- (1) The testing facility must have a distinctly separate entrance from a public right of way;

(2) The testing facility must demonstrate it has adequate environmental controls to protect against incidental contamination of testing equipment or samples as a result of its location adjacent to an adult use cannabis establishment, registered dispensary, registered caregiver, or manufacturing facility registered in accordance with 22 MRS §2423-F;

(3) Signage must not convey the impression that the two businesses are connected; and

(4) There must be no way that an employee of the testing facility or the other business may travel between the two businesses without returning to the public right of way. Public right of way shall be interpreted in this paragraph to include private property that is generally open to the public during normal business hours, such as a shopping center or business park.

(B) The Department may approve an application that would result in a cultivation facility being co-located with a products manufacturing facility or cannabis store, only if the following conditions are met:

(1) The cultivation facility area shall be clearly delineated from the other establishment in all written plans.

(2) Regardless of common ownership, excise tax is payable when any cannabis seedlings, immature plants, cannabis is transferred from the inventory of a cultivation facility into the inventory of another cannabis establishment. All cannabis must be entered into the tracking system, and excise taxes shall be paid when it is transferred to another licensee in accordance with the rules governing the adult use cannabis program and Title 36, ch. 723.

(3) If the cultivation facility is co-located with a cannabis store, the cultivation facility may not be also co-located with a registered caregiver or the retail location of a registered dispensary.

(4) If the cultivation facility is co-located with a registered caregiver or registered dispensary, as well as a products manufacturing facility, the licensees shall ensure that all applicable co-location requirements of this rule are met.

(C) The Department may approve an application that would result in a products manufacturing facility being co-located with a cannabis store, only if the following conditions are met:

(1) The products manufacturing area shall be clearly delineated from the other establishment in all written plans.

(2) Any shared space must comply with all regulations applicable to products manufacturing facilities and all regulations applicable to cannabis stores.

(3) No manufacturing facility using inherently hazardous substances may be co-located with a cannabis store unless all inherently hazardous extraction activities are conducted in a separate and entirely freestanding structure.

(4) The manufacturing facility may not be also co-located with a registered caregiver or the retail location of a registry dispensary.

(6) Tax Registration. The Department may not issue an active license to a conditional licensee that is not properly registered with the State Tax Assessor.

(A) Any conditional licensee must obtain a Sales Tax Identification Number. A unique Sales Tax Identification Number is required for each active license, regardless of common ownership or co-location.

(B) A conditional cultivation facility licensee, including a nursery cultivation facility licensee, must additionally obtain an Excise Tax Identification Number. A unique Excise Tax Identification Number is required for each active cultivation facility license (including nursery cultivation facility), regardless of common ownership or co-location.

(C) As applicable, a conditional licensee must obtain a resale certificate.

(7) Application Processing for an Active License. An application for an active license is considered incomplete until the Department is in possession of all required forms, supplemental information, criminal history record checks and any other requirements of this rule. If, in the course of processing the application, the Department discovers that any required forms, supplemental information or criminal history record checks are incomplete, the Department may ask the applicant to supply the missing information. The Department shall, however, avoid unreasonable delays in the case of inadvertent omission of material that is not central to its review of the merits of the application for a conditional license or active license for a sample collector.

(8) Application for an Active License Review.

(A) For the purposes of processing applications for active cannabis establishment licenses, the Department, pursuant to 28-B MRS § 205, shall apply an objective standard to determine whether an applicant has satisfied the cannabis establishment licensing requirements, specifically the satisfaction of general licensing criteria and the submission of all required documents, forms and fees and the subsequent issuance of provisional and active licenses.

(B) Upon receipt and review of a complete application, the Department shall, as applicable:

(1) Deny the license application;

(2) Issue a renewable active license for a cultivation facility, products manufacturing facility, testing facility or cannabis store valid for up to one year; or

(3) Issue an active license for a sample collector valid for one year.

(9) Payment of Fees. Before issuing an active license, the Department shall invoice the conditional licensee for the applicable fee as determined by the Department pursuant to Title 28-B and 18-691 CMR, ch. 10, § 2. The Department shall not accept any license fees except pursuant to such invoice. The Department may not refund any license or other fees, regardless of the circumstances.

(10) Denial. The Department may for good cause pursuant to 28-B MRS § 206 deny an application for an active license.

(A) The Department shall notify the applicant in writing of the denial and the good cause basis for the denial, including but not limited to:

(1) Failure to meet any of the application requirements of Title 28-B or this rule;

(2) Failure to comply with any terms, conditions, or provisions of Title 28-B or the rules governing the adult use cannabis program, or any applicable state or local law, rule or regulation; or

(3) Failure to comply with any special terms, consent decree or conditions placed upon previously issued licenses pursuant to an order of the Department, the municipality, town, plantation, county commission, or Maine Land Use Planning Commission with jurisdiction over the area where the cannabis establishment is located.

(B) Denial of an application pursuant to 28-B MRS § 206 is final agency action as defined in 5 MRS § 8002(4). The Department shall notify the applicant in writing of the applicant's right to appeal the denial to the Maine Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

§ 9 – Specified Event Permits for Retail Sales Outside the Licensed Premises of a Licensed Cannabis Store.

(1) Specified Event Permit and Individual Identification Cards Required.

(A) A specified event permit issued by the Department is required by any cannabis store licensee that conducts sales of adult use cannabis or cannabis products at a fixed location outside the licensee's licensed premises at a specified event.

(B) Any individual conducting sales of adult use cannabis or cannabis products on behalf of a cannabis store licensee at a specified event; and any individual engaged in the transfer or transportation of adult use cannabis or cannabis products at, to, or from the specified event; and any individual with access to the limited access areas of the permitted premises for a specified event shall possess and display a valid individual identification card at all times.

(2) Application for a Specified Event Permit. A cannabis store licensee that intends to conduct off-premises sales to consumers of cannabis or cannabis products at a specified event must first obtain from the Department a permit to conduct sales at the specified event during a particular period. Nothing in this rule shall be construed to require the organizer of a specified event, any private property owner where the specified event will occur, or the municipality where the specified event will occur, to permit the sale of adult use cannabis or cannabis products. Nothing in this rule shall be construed to prohibit a municipality from restricting the sale of certain adult use cannabis or cannabis products at a specified event.

(A) Prior to submitting to the Department an application for a specified event permit, a cannabis store licensee shall obtain, on forms provided by the Department, as applicable:

(1) Written authorization from the owner of any private property where the specified event will occur; and

(2) Written authorization from the municipality where the specified event will occur. A licensee must submit a request for authorization from a municipality not less than 45 days prior to the first day the licensee intends to conduct retail sales to adult use consumers at a specified event.

(B) A cannabis store licensee that intends to conduct off-premises sales to consumers of cannabis or cannabis products at a specified event shall submit a complete permit application to the Department not less than 30 days prior to the first day the licensee intends to conduct retail sales to adult use consumers at a specified event. A complete application, on forms provided by the Department, shall include, as applicable:

(1) Proof of municipal authorization to conduct off-premises sales at the specified event;

(2) The location and description of the specified event including:

(a) The date(s) and time(s) of the event;

(b) The date(s) and time(s) the licensee intends to sell adult use cannabis and cannabis products at the specified event; and

(c) The name and description of the organization sponsoring the event.

(3) Written authorization from the owner of any private property where the specified event will occur, if applicable;

(4) A description of the adult use cannabis and cannabis products the licensee intends to sell at the specified event;

(5) The number of employees required to work at the specified event;

(6) A diagram and description of the permitted premises for the specified event including a diagram of the specified event that indicates where the permitted premises will be located and an indication of any areas at the specified event that will be designated for attractions or activities primarily for the benefit of individuals under 21 years of age;

(7) A diagram and description of the security measures the cannabis store intends to implement on the permitted premises to prevent unauthorized access to adult use cannabis and cannabis products, including measures to prevent unauthorized access to the permitted premises by individuals under 21 years of age and plans for securing cannabis inventory during the specified event; and

(8) A nonrefundable \$200 permit application fee.

(3) Permit Application Review, Issuance or Denial of a Specified Event Permit. Changes to Application Materials.

(A) Within 14 calendar days of receipt of a complete permit application, the Department shall review the application materials and issue or deny the issuance of a specified event permit to the licensee.

(B) The Department may deny an application for a specified event permit for good cause as defined in 28-B M.R.S. § 206(2).

(C) An applicant that makes changes to any information included in the permit application shall submit an application for an updated permit and shall not make any such changes until the application for an updated permit is approved in writing by the Department.

(4) **Appeals.** An applicant may appeal an application denial pursuant to the Maine Administrative Procedure Act, 5 MRS, chapter 375.

§10 - License Renewal.

(1) Annual Renewal.

(A) Active licenses must be renewed on an annual basis. At the time of renewal the licensee must demonstrate or otherwise confirm continued compliance with all applicable licensing criteria in accordance with 28-B MRS and the rules governing the adult use cannabis program.

(B) An annual inspection by the Department may be required for renewal of a cannabis establishment license.

(C) A license shall not be renewed by the Department if:

(1) Outstanding fines or penalties are owed to the Department, unless a plan for payment of those fines has been agreed to and approved, in writing, by the Department, prior to the expiration of an active license;

(2) The licensee has not engaged in licensed activity at the licensed premises for a period of 1 year or more, unless the licensee submits evidence of reasonable justification, including without limitation death, illness, natural disaster, or other circumstances beyond the licensee's control;

(3) Renewal will result in any person having a direct or indirect financial interest in:

(a) More than 3 cultivation facility licenses;

(b) Multiple cultivation facility licenses with a combined total licensed amount of plant canopy exceeding 30,000 square feet, except when that exceedance is solely attributable to approved increases in the maximum licensed area of plant canopy authorized under a tier 4 cultivation facility license pursuant to 28-B MRS §304; or

(c) A testing facility license or sample collector license if the applicant or licensee is a caregiver or a registered caregiver or has an equity ownership interest or a partial equity ownership interest or any other type of financial interest, including but not limited to, being an investor or serving in a management position in a registered dispensary, a cultivation

facility license, a products manufacturing facility license or a cannabis store license.

(D) The Department shall notify all licensees of the duty to renew no later than 90 days prior to the expiration date of an active license.

(E) In conjunction with license renewal, a tier 1, tier 2, tier 3 or tier 4 cultivation facility licensee may apply for a change in the tier of cultivation facility license.

(1) The Department may approve the application, subject to:

- (a)** Submission of revised facility plan;
- (b)** Payment of any requisite fee(s) in accordance with 18-691 CMR, ch. 10, § 2;
- (c)** If the application is to increase the plant canopy, demonstration that 85% of adult use cannabis cultivated by the licensee at its cultivation facility was sold over the current period of licensure; and
- (d)** Compliance with total canopy limits.

(2) If the licensee does not meet the criteria for a tier of cultivation facility license authorizing a greater area of plant canopy, but otherwise meets the requirements for renewal, the Department may renew the license at the existing tier.

(F) In conjunction with license renewal and no more frequently than once every 2 years, a tier 4 cultivation facility licensee may apply for an increase of up to 7,000 square feet in plant canopy area.

(1) The Department may approve the application, subject to:

- (a)** Submission of revised facility plan, including an updated cultivation plan;
- (b)** Payment of any requisite fee(s) in accordance with 18-691 CMR, ch. 10, § 2;
- (c)** Licensee demonstration that 85% of adult use cannabis cultivated by licensee at its cultivation facility was sold over the past 2-year period of licensure; and
- (d)** Compliance with total canopy limits.

(2) If the licensee does not meet the criteria for a greater plant canopy, but otherwise meets the requirements for renewal, the Department may renew the license with the existing plant canopy area.

(G) A products manufacturing facility engaged in extraction using inherently hazardous substances shall submit proof that a professional engineer licensed in Maine has inspected and certified, within 24 months of the date the licensee submits an application for renewal of its license, that the product manufacturing facility's storage, preparation, electrical, gas monitoring, fire suppression and exhaust systems continue to be adequate. Such inspection and certification may be conducted remotely as appropriate.

(H) The licensee shall submit proof that the licensee is still in good standing with MRS.

- (1) For all licensees, an active Sales Tax Identification Number, and no tax delinquencies associated with that Sales Tax Identification Number.
- (2) For cultivation facility licensees, an active Excise Tax Identification Number, and no tax delinquencies associated with that Excise Tax Identification Number.
- (3) For all licensees, a list of all Sales Tax Identification Numbers and Excise Tax Identification Numbers associated with any related cannabis establishment in Maine and no tax delinquencies associated with those numbers.

(I) The licensee shall submit proof, through a renewed local authorization certification form, that the licensee is still in compliance with all requisite local permits and licenses and is in good standing with the municipality or other local entity wherein the licensee's facility is located.

(2) Continued Authority.

(A) The Department shall make every effort to approve license renewals in a timely manner.

(B) A licensee that has submitted a timely renewal application by the deadline given by the Department shall be permitted to continue operations if the licensee is not required, or if the licensee is a business entity, no owner of the business entity nor principal, is required, pursuant to this rule and 28-B MRS, to report information, including criminal convictions or enforcement actions, that could affect continued eligibility.

(C) A cultivation facility may not increase its mature plant canopy beyond the limits of its type of license before receiving approval from the Department.

(D) Any application for change in ownership or control must be approved by the Department and is not considered a renewal application.

(3) Application Processing for an Active License Renewal. An application for an active license renewal is considered incomplete until the Department is in possession of all required forms, supplemental information, criminal history record checks and any other requirements of the rules governing the adult use cannabis program. If, in the course of processing the application, the Department discovers that any required forms, supplemental information or criminal history record checks are incomplete, the Department may ask the applicant to supply the missing information. The Department shall, however, avoid unreasonable delays in the case of inadvertent omission of material that is not central to its review of the merits of the application for a conditional license or active license for a sample collector.

(4) Application for an Active License Renewal Review.

(A) For the purposes of processing applications for active license renewals, the Department, pursuant to 28-B MRS § 209, shall apply an objective standard to determine whether an applicant has satisfied the cannabis establishment licensing requirements, specifically the satisfaction of general licensing criteria and the submission of all required documents, forms and fees and the subsequent issuance of provisional and active licenses.

(B) Upon receipt and review of a complete application for an active license renewal, the Department shall, as applicable:

- (1)** Deny the license application;
- (2)** Issue a renewable active license for a cultivation facility, products manufacturing facility, testing facility or cannabis store valid for up to one year; or
- (3)** Issue an active license for a sample collector valid for one year.

(5) Payment of Fees. Before issuing an active license renewal, the Department shall invoice the licensee for the license fee or, if applicable, a late renewal application fee, as determined by the Department pursuant to Title 28-B and 18-691 CMR, ch. 10, § 2. The Department shall not accept any license fees except pursuant to such invoice. The Department may not refund any license or other fees, regardless of the circumstances.

(6) Denial.

(A) The Department may deny an application for license renewal. The Department shall notify the applicant in writing of the denial and the good cause basis for the denial, including but not limited to:

- (1)** Failure to submit a complete application for renewal, including, as applicable, submission of any required updated plans of record;
- (2)** Failure to pay any outstanding fine or fee required by the Department;
- (3)** The licensee did not obtain approval from the Department prior to implementing a change of ownership or control;
- (4)** The licensee is subject to an ongoing investigation by the Department; or
- (5)** Failure to obtain local authorization.

(B) An applicant may appeal a renewal application denial to the Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

§11 - Application for Relocation of Licensed Premises.

A licensee shall request approval from the Department of any relocation of any cannabis establishment for which local authorization is required, even if the move is entirely within a premise in the control of the licensee. This includes without limitation, as applicable: expansion, movement of a greenhouse or changes to co-location of multiple establishment types. Nothing in this section shall be interpreted to require prior approval of the relocation of an establishment not requiring local authorization, including a sample collector.

(1) Conditional Relocation of Licensed Premises Approval.

(A) Before seeking local authorization, the licensee must inform the Department, in writing, of its application for relocation of licensed premises.

(1) All licensees must submit an updated facility plan and proof of compliance with all applicable permitting requirements.

(2) All cultivation facilities must submit a revised cultivation plan.

(B) The Department shall, within 30 days, issue a decision, in writing, on the application for relocation of licensed premises.

(1) The Department may deny an application for relocation of the licensed premises if the licensee has not submitted updated plans of record;

(2) The Department may deny an application for relocation of the licensed premises if the licensee has not paid any fine or fee required by the Department; and

(3) The Department may deny an application for relocation of the licensed premises during the pendency of an investigation of the licensee by the Department.

(C) All licensees must then obtain, as applicable, local authorization.

(D) The relevant authority must submit a local authorization form to the Department.

(2) Updated License.

(A) Within 10 days of receiving authorization on the local authorization form, the Department shall notify the licensee and issue an updated license with the new address. The license shall have the same expiration date as the one it replaces.

(B) A cannabis establishment may operate at the new location only after receiving the updated license from the Department.

(C) After receiving the updated license, the cannabis establishment may conduct activity concurrently at both locations, subject to the following limitations:

(1) The licensee shall provide the Department with timeline of planned relocation not to exceed 90 days;

(2) From the moment the licensee transfers any cannabis or cannabis products in any form to the new location, the licensee has no more than 90 days to cease all activities at the old location. During the period of transfer, the licensee may not begin any new operations in the old location;

(3) From the moment the licensee sells or otherwise transfers cannabis or cannabis products in any form to the new location, the licensee may no longer sell or transfer cannabis or cannabis products in any form at the old location, except to transfer the cannabis or cannabis products to the new location;

(4) The licensee shall notify the Department in writing when it has ceased operations at the old location; and

(5) During the period of transfer, limits of the number of plants or size of the plant canopy shall be calculated by combining the total amount of plants at both the old and new location.

(3) **Relocation with Any Change in Ownership Interests.** When a licensee proposes both a relocation and any change in ownership interests, the licensee shall be required to fulfill all requirements of an application for a new license, and the Department shall evaluate the application de novo.

(4) **Denial.** The Department may deny an application for relocation of licensed premises for failure to comply with this section. The Department shall notify the applicant in writing of the denial and the good cause basis for the denial. An applicant may appeal an application denial to the Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

§12 - Transfer of Ownership and/or Change of Principal(s).

(1) **Department Approval Required.** A licensee may transfer ownership and/or controlling interests, including without limitation partial ownership, only after the application for a transfer of ownership or controlling interests has been approved by the Department. Ownership or controlling interests include all equity ownership interests as defined in 18-691 CMR, ch., 10, § 1, and all principals. This section applies, without limitation, to any change in principals. A licensee is not required to file an application for the transfer of ownership or controlling interests for the purpose of reporting transfers to employees whose ownership or controlling interests vested during the term of the license through an ESOP disclosed on the licensee's application for an active license or renewal, so long as such a transfer is not made to a person who is not an employee of the licensee and any such transfer does not result in an ownership or controlling interest in excess of the amount of ESOP-designated shares reported on the licensee's application for a license.

(A) An application for the transfer of ownership or controlling interests must:

(1) Be completed on forms made available by the Department;

(2) Be submitted to the Department;

(3) Be accompanied by any applicable fees described on the application form;
and

(4) Be accompanied by all required forms and supplemental information, provided by the person or entity seeking to assume an ownership interest, similar to that required in an application for a cannabis establishment license, to demonstrate compliance with all applicable requirements for licensure.

(B) Fingerprinting and criminal history record checks in accordance with this rule are required for anyone proposed as a principal.

(C) If the municipality or Maine Land Use Planning Commission requires notice and approval of transfers of ownership pursuant to its local authorization, the licensee must request and the municipality or the Maine Land Use Planning Commission, as applicable, must submit the local authorization form.

(D) The Department may deny an application for transfer of ownership interests if:

- (1) The Department determines that any proposed ownership interest is not permitted under 28-B MRS or this rule;
- (2) The licensee has not paid any fine or fee required by the Department; or
- (3) The Department is engaged in an ongoing investigation of the licensee.

(2) **Notice Required.** The following changes require notice to the Department:

(A) **Notice and Individual Identification Cardholders.** Before any new principal, contractor, or consultant as defined in 18-691 CMR, ch. 10, § 1 may associate with a licensee, the licensee shall comply with 28-B MRS § 213.

(B) **Notice and Assessment.** For any financial interest that does not require prior approval or notice as above, the licensee shall notify the Department prior to the beginning of that association and the Department will consider whether the interest has been appropriately characterized and whether 28-B MRS § 205(2) is implicated.

(C) **Notice of Termination and Changes.** The licensee shall notify the Department within 5 business days of the termination of any direct or indirect financial interest, and of any significant change to the nature or extent of that interest.

(3) **No Prior Notice Required.** Without prior notice to and approval by the Department, licensees may employ and contract with any persons who clearly do not fall within the definition of those with direct or indirect financial interests in the licensee, for the operation of a cannabis establishment, so long as each such person has a valid individual identification card. Employment of an employee having a direct or indirect financial interest in the license solely through an ESOP as defined in 18-691 CMR, ch. 10, § 1 does not require prior notice or approval by the Department provided that the licensee appropriately reports the ESOP, by reporting annually, on forms provided by the Department, the name of any person holding an equity interest in the licensee through an ESOP. Compensation for such persons must not be structured as a means of evading the provisions of this rule. As employers, licensees are required to follow all applicable local, state and federal employment laws, including, without limitation, laws pertaining to workplace safety, hours and wages, and all other laws pertaining to the employment of persons in the State of Maine. Nothing in this rule shall be construed to exempt a cannabis establishment from the rights and responsibilities associated with being an employer.

(4) **Temporary Appointee.** Ownership or operations generally may not be transferred to a person or business entity prior to the approval of an application for transfer of ownership interests. However, in cases of death, disability, bankruptcy or other exceptional circumstances, a court may appoint a receiver, personal representative, executor, administrator, guardian, conservator, trustee or similarly situated person to take possession of, operate, manage or control a licensed cannabis establishment. Under such circumstances:

- (A) The court appointee may assert a financial and management interest in a cannabis establishment upon certification to the Department that the person is 21 years of age and has no disqualifying drug offenses.

(B) No person appointed by the court may enter a limited access area, sell or otherwise transfer cannabis or cannabis products without a valid individual identification card.

(C) No person may use the tracking system until authorized by the Department.

(D) The person shall submit application for transfer of ownership interests as soon as practical, and in no case more than 45 days after a qualifying event.

(5) Denial. The Department may deny an application for transfer of ownership interests for failure to comply with this section. The Department shall notify the applicant in writing of the denial and the good cause basis for the denial. An applicant may appeal an application denial to the Superior Court in accordance with Rule 80C of the Maine Rules of Civil Procedure.

Fiscal impact note, included pursuant to 5 MRS § 8063: The Department estimates that the changes implemented by this rulemaking will have a de minimus fiscal impact on municipalities and counties.