

MAINE STATE LEGISLATURE

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Senate Legislative Record
One Hundred and Twenty-Eighth Legislature

State of Maine

Daily Edition

Second Regular Session
beginning January 3, 2018

beginning at Page 1451

The **Administrator of the unorganized territory**, pursuant to the Maine Revised Statutes, Title 36, section 1604, asked leave to report that the accompanying Bill "An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2018-19" (EMERGENCY)
H.P. 1297 L.D. 1862

Be **REFERRED** to the Committee on **TAXATION** and ordered printed pursuant to Joint Rule 218.

Comes from the House with the Report **READ** and **ACCEPTED** and the Bill **REFERRED** to the Committee on **TAXATION** and ordered printed pursuant to Joint Rule 218.

Report **READ** and **ACCEPTED**, in concurrence.

REFERRED to the Committee on **TAXATION** and ordered printed pursuant to Joint Rule 218, in concurrence.

All matters thus acted upon were ordered sent down forthwith for concurrence.

ORDERS OF THE DAY

Unfinished Business

The following matters in the consideration of which the Senate was engaged at the time of Adjournment had preference in the Orders of the Day and continued with such preference until disposed of as provided by Senate Rule 516.

The Chair laid before the Senate the following Tabled and Later Assigned (2/20/18) matter:

SENATE REPORTS - from the Committee on **INSURANCE AND FINANCIAL SERVICES** on Bill "An Act To Promote Access to Financial Institutions by Entities That Are Authorized under State Law"

S.P. 130 L.D. 389

Majority - **Ought Not to Pass** (9 members)

Minority - **Ought to Pass as Amended by Committee Amendment "A" (S-362)** (4 members)

Tabled - February 20, 2018 by Senator **LIBBY** of Androscoggin

Pending - motion by Senator **WHITEMORE** of Somerset to **ACCEPT** the Majority **OUGHT NOT TO PASS** Report

On motion by Senator **LIBBY** of Androscoggin, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Dion.

Senator **DION:** Thank you, Mr. President. I rise to discuss this particular piece of legislation by just making the Body aware of how significant it is. It belies the title. One could read past this and say it's not much import other than I want to remind you of the fact that members of this Chamber and that down the hall have spent well over a year working on marijuana issues, as our colleagues on the Medicinal Committee. We are talking hundreds of millions of dollars that exist in our State economy and we have been diligent and try to ensure that we create processes by which we recover appropriate revenue for the State. At the same time, this legislation would suggest that we do not exert a similar influence and energy in creating a banking system that would support that legalized industry. So I just want to bring that to your attention, that it's easy to oppose this concept and, yes, it would be work if the Minority position, in fact, prevailed. But I think it's essential to send some indication to the banking industry, whether it's traditional banks or credit unions, that there is a process by which they should seek a pathway to welcome those dollars, in a lawful manner, into our economy. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Cyrway.

Senator **CYRWAY:** Thank you, Mr. President. Ladies and gentlemen of the Senate, I rise before you to speak about this situation. I have heard from one of my colleagues earlier in the session that banks would overlook the use of tax money for marijuana. This is directed towards trying to make it legal, and so it is an illegal drug. It is at the height of hashish at this point. It's gone from the marijuana of 3% THC to 80% and 90% THC levels, which is very highly used in teenage worlds. By approving this, this is one more step to harming our youths. I see before me young individuals who have gleaming stars in their eyes of what they want to be. I was just talking to one of them that said they want to be an NHL player. This can destroy their dreams. Here we are, trying to just grab money, tax money, which is just going to go back towards taking care of the problem. We're going to be allowing marijuana use and then we're going to have to put that money towards correcting abuse, addictions, health, mental health, jails, treatment. It just goes on. Then all we're doing is just making a big cycle of allowing abuse to happen in our state. We talk about the opioid crisis. I have never - in my career in law enforcement I've always shown respect to anyone I arrested but many of them would say the first use that they ever used was marijuana and then it led to harder and harsher drugs. This is a gateway drug. We're allowing - to get tax money, which is not even being done in any part of our government, to go and ensure to be able to get tax money that's illegal money, to get that to be able to use. I just wish that all of you consider this and thank you, Mr. President, for this time to look at this and hopefully you'll follow my light in saying Ought Not to Pass. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Androscoggin, Senator Brakey.

Senator **BRAKEY:** Thank you, Mr. President. Looks like I arrived just in time to speak on one of my favorite topics. You know, I rise in opposition to the Ought Not to Pass Report. Speaking as the Senate Chairman for the Health and Human Services Committee, where we oversee Maine's medical cannabis program, I can say that this bill, which I appreciate the good Senator from Oxford County sponsoring, really seeks to fix what

is a very real problem, which is a very real problem where we have businesses in this state, which are legal businesses under State law, which, because of interference from the federal government, is forced to operate - they are forced to operate on an all cash basis. That is not something I think we want to see any business forced to operate in that way. It, potentially, makes these businesses a target. It means that they have to store large amounts of cash on their property of their business and that is an invitation to those who would - who might be seeking to do harm to others and seeking for an opportunity to find themselves a whole lot of cash that they may not have any right to. So this legislation seeks to address that problem. It seeks to give banks an opportunity to do something a little different. It doesn't seem to me to be a mandate on anyone and it seems to make common sense to me. I'm going to be voting against the Ought Not to Pass Report so that, hopefully, we can move on to the other report and, hopefully, we can start to do something about this problem and address this issue that many of our very legal businesses in the state are struggling with.

THE PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Katz.

Senator **KATZ:** Thank you, Mr. President. Men and women of the Senate, I rise in brief opposition to this motion as well. I say brief because probably a few weeks from now you'll be hearing from a number of us at a little more length on this subject of marijuana. But this bill, as I understand it, Mr. President, simply makes it easier for credit unions to be able to get kind of insurance they need in order to legally be able to take money that comes from legal marijuana enterprises. I, once again, admire the passion of my colleague from Kennebec, Senator Cyrway, and how he feels about how our society is dealing with the subject of marijuana. But medical marijuana is now legal in the State of Maine. Adult use marijuana is now legal in the State of Maine. The only question here is do we want to do everything we can to change it from an entirely cash business, which is the way it is now, and get it into our banking systems. One of the things I think we've learned on the Implementation Committee is if you're trying to set up a system of regulating a new business the very last thing you want, the worst thing you could do and sometimes almost guaranteeing the system isn't going to work well, is make it all cash. No accountability. No ability to track money. No ability to tell if organized crime is involved or not. So whether - however you feel about the subject of marijuana, I think we all should want it to be a well-regulated business so that we can collect the taxes on it that we want, so we can keep the bad actors out. This bill is a small step in that direction, I think. Thank you, Mr. President.

THE PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Cyrway.

Senator **CYRWAY:** Thank you, Mr. President. Ladies and gentlemen of the Senate, when we say well-regulated, when you're talking about 12 plants for two people a year, one plant is equal to two-year's supply for one person. So do you think that that's really going to be helpful to the families and do you think it's not going to be sold on the black market. We are dreaming if you think that. The other part of this, the medical part and the part that people have approved. We're talking about federal government. Jeff Sessions, our Attorney General, the U.S.

Attorney General, who says it is illegal. Certainly part of it is the resources. It's not being able to be enforced because of all that has taken place. But there are situations where it is going to be handled and we also - it should be handled through the FDA, Federal Drug Administration. No different than any other drug. If they want to do that, that's fine. But for us to take tax money from illegal drugs and think that it's okay to supply our kids, which it's getting out of control already. I've talked to school resource officers. I've talked to principals. I've talked to teachers. They say the schools are just out of control with the marijuana. In fact, now they've even come up with thumb drives and they can even track where each of their friends are that they can vape with. So this is how serious it's getting and we're going to allow this by saying, 'Let's tax - get that tax money so we can approve - that we can grab that money for marijuana.' We are just taking another step saying that it's okay. I ask you, as the Senate, to please think about this. Think about our children and their future. Think about ones that want to join the military. Think of the ones that want to be a law enforcement officer. Those that want to be able to fly an aircraft plane or operate a carrier. Those that have secret service chances. You're taking all those chances away from our children. They may want to be something some day and we're taking that away. Please think of their future. I do. I've been in their classes for 25 years and I've seen kids rise to the occasion of becoming somebody they wanted to be. Let's not take that away, please. Let's not do that. Please follow my light. Thank you.

THE PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Volk.

Senator **VOLK:** Thank you, Mr. President. I wish to pose a question through the Chair.

THE PRESIDENT: The Senator may proceed.

Senator **VOLK:** Thank you. I just want to preface this question by saying that sometimes we may agree with certain policy in the State of Maine, but that policy can come against federal law. So I guess the question that I would have is: would this legislation, in any way, infringe upon federal law?

THE PRESIDENT: The Senator from Cumberland, Senator Volk, has posed a question through the Chair to anyone who may want to respond. The Chair recognizes the Senator from Knox, Senator Miramant.

Senator **MIRAMANT:** Thank you, Mr. Chair. Men and women of the Senate, my colleague raised a couple of points that I just wanted to mention. If we are taxing a legal substance and suddenly have money that can be used to help folks, I disagree with the level that he believes may be happening because of them. But if that's what he believes then there will be money to help them, which is something we haven't because it's all been in the black market. So that's a good thing. The point was already made that this is legal several ways, but the one that's different. Just last week I ran into one of our police chiefs in Knox County and I said, 'Do you give a lie detector test to candidates since you're having so much trouble filling seats?' Well, not seats. We'll get to the airline part in a minute. Filling the job of law enforcement and other departments post their officers and it's really hard to keep a full compliment. And he said, 'I'd like them

to be honest, but I wouldn't restrict them from being a police officer for having tried marijuana and admitting it because it gives them a sense of what's going on in the culture. It's not something that makes them unable to enforce laws. It's just something they try when they're young and it doesn't keep them from doing jobs that a reasonable person can do. We have many examples of unreasonable people in that job that have nothing to do with marijuana.' So the other is, and the airlines do not do lie detector tests, if you keep your body clean and you don't do your job under the influence of alcohol, which seems to be a much more destructive force in our culture for so many reasons, then you can do the job. So I'm glad that my colleague cares about the ability to have those jobs because they're wonderful jobs and people should be able to get them and we should be represented by a cross-section of the population in both of those jobs. So, again, I hate it when you suffer and I try to find reasons for you to not suffer. Maybe that will help. But certainly this bill, for a legal substance, for a legal business, needs to be put in place and, from what I've heard, the federal attorney is not interested in prosecuting crimes against states that pass legal marijuana. Thank you, Mr. President.

THE PRESIDENT: The Chair recognizes the Senator from Androscoggin, Senator Brakey.

Senator **BRAKEY:** Thank you, Mr. President. I just want to rise in response to the question from the good Senator from Cumberland County. I'm not a member of the committee, so all I can do is read the bill and share my understanding. But this seen as how this bill is limited to allowing State chartered credit unions to provide private insurance in lieu of - seeing as how this is limited in scope to State chartered credit unions, I don't see, in any way, how it could be argued that this bill would bring us out of compliance with federal law any more than our current cannabis laws in the state already are. I just also want to say, very briefly, in response to the good Senator from Kennebec County, I'll just say this, I know many adults in this state over the age of 21 who use cannabis for medical purposes and for adult use purposes and they are good people. They're people who work professional jobs. They're - many of them are people we probably know and love and we just don't necessarily, you know, we don't still always necessarily know what they're preferences are with things. Maybe they prefer something else to alcohol. So I just want us to be careful how we characterize people in this Body, good people here in the State of Maine. Thank you very much.

THE PRESIDENT: The Chair recognizes the Senator from Cumberland, Senator Dion.

Senator **DION:** Thank you for your indulgence, Mr. President, for allowing me to speak a second time on this matter. To go to Senator Volk's question, this bill provides a pathway for credit unions to secure private insurance. The reason for that is their shares are currently insured for loss by a national credit union association which would trigger federal involvement if there were any irregularities. Currently, banks and credit unions, for that matter, are governed by federal regulations having to do with something called a SAR report, Suspicious Activity Report, and they have to exercise a certain level of due diligence in order to confirm that the shareholder applicant or the entity looking to do transactions with their institution has not engaged in an illicit criminal enterprise. For a variety of reasons, national banks, and

most banks for that matter, have shied away from that because it triggers federal involvement and they feel they may not be able to assure themselves and their stakeholders that they have exercised due diligence. So this particular bill strikes interest because it seems to suggest that some credit unions chartered within the state are looking to insure their shareholders through private resources rather than rely on a pool of federal money and, therefore, side-step any conflict that could occur with the federal government. So I think if we vote against the Majority Report it would allow us to move forward on a strategy that would be uniquely State based and allow us to exercise our right as a State to move what is rational drug policy forward. Thank you, Mr. President.

THE PRESIDENT: The pending question before the Senate is Acceptance of the Majority Ought Not to Pass Report. A roll call has been ordered. Is the Senate ready for the question? If you are in favor of accepting that report you are going to be voting yes, the Ought Not to Pass Report. If you are opposed you will be voting no. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

ROLL CALL (#533)

YEAS: Senators: COLLINS, CYRWAY, DAVIS, DOW, WHITTEMORE, PRESIDENT THIBODEAU

NAYS: Senators: BELLOWS, BRAKEY, BREEN, CARPENTER, CARSON, CHIPMAN, CUSHING, DESCHAMBAULT, DIAMOND, DILL, DION, GRATWICK, HAMPER, JACKSON, KATZ, KEIM, LANGLEY, LIBBY, MAKER, MASON, MILLETT, MIRAMANT, ROSEN, SAVIELLO, VITELLI, VOLK, WOODSOME

EXCUSED: Senators: CHENETTE, HILL

6 Senators having voted in the affirmative and 27 Senators having voted in the negative, with 2 Senators being excused, the motion by Senator **WHITTEMORE** of Somerset to **ACCEPT** the Majority **OUGHT NOT TO PASS** Report **FAILED**.

The Minority **OUGHT TO PASS AS AMENDED** Report **ACCEPTED**.

Bill **READ ONCE**.

Committee Amendment "A" (S-362) **READ** and **ADOPTED**.

Under suspension of the Rules, Bill **READ A SECOND TIME** and **PASSED TO BE ENGROSSED AS AMENDED**.

Sent down for concurrence.