

**§501. Operation of cultivation facilities**

A cultivation facility must be operated in accordance with the provisions of this section and the rules adopted pursuant to this chapter. [PL 2017, c. 409, Pt. A, §6 (NEW).]

**1. Cultivation of adult use cannabis only for sale and distribution to other licensees.** Except as otherwise provided in this section, a cultivation facility may cultivate adult use cannabis only for sale and distribution to products manufacturing facilities, cannabis stores or other cultivation facilities. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

**2. Retail sale of adult use cannabis without separate cannabis store license prohibited.** Except as provided in subsection 3, a cultivation facility may not sell or offer to sell adult use cannabis, immature cannabis plants or seedlings to consumers unless the cultivation facility licensee obtains from the department a separate license to operate a cannabis store and otherwise complies with all applicable requirements under this chapter and the rules adopted pursuant to this chapter concerning the operation of cannabis stores. A cultivation facility may not give away adult use cannabis, adult use cannabis products or cannabis plants to a consumer. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

**3. Operation of nursery cultivation facilities.** A nursery cultivation facility as described in section 301, subsection 5 must be operated in accordance with the provisions of this subsection and must comply with all other applicable requirements of this chapter and the rules adopted pursuant to this chapter.

A. A nursery cultivation facility may cultivate immature cannabis plants, seedlings and cannabis seeds only for sale and distribution to cannabis stores and to other cultivation facilities pursuant to paragraph C and to consumers pursuant to paragraph D. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

B. A nursery cultivation facility may cultivate mature cannabis plants only for the propagation of those mature cannabis plants or for the production of cannabis seeds by those mature cannabis plants, but the area within a nursery cultivation facility in which mature cannabis plants are cultivated must be physically separated from the area within the facility in which immature cannabis plants and seedlings are cultivated. A nursery cultivation facility may not sell, distribute or otherwise transfer to any person mature cannabis plants, cannabis flower or cannabis trim. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

C. A nursery cultivation facility may sell and distribute to cannabis stores and other cultivation facilities only immature cannabis plants, seedlings and cannabis seeds. Adult use cannabis sold by a nursery cultivation facility to cannabis stores and other cultivation facilities is subject to the excise tax imposed pursuant to Title 36, chapter 723, which must be paid to the State Tax Assessor as required by subsection 9. [PL 2019, c. 231, Pt. B, §2 (AMD); PL 2021, c. 669, §5 (REV).]

D. A nursery cultivation facility may sell to consumers only immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis pursuant to subsection 11 or from the nursery cultivation facility under this paragraph. Sales to consumers from a nursery cultivation facility:

- (1) Must be conducted within a portion of the licensed premises of the nursery cultivation facility that is dedicated to consumer sales of immature cannabis plants, seedlings, cannabis seeds and agricultural or gardening supplies relating to the cultivation of cannabis. A nursery cultivation facility licensee shall ensure that the portion of the licensed premises of the nursery cultivation facility that is dedicated to consumer sales complies with all applicable requirements of this chapter and the rules adopted pursuant to this chapter concerning the operation of cannabis stores; and

(2) Are subject to the sales tax imposed pursuant to Title 36, section 1811 and must be collected and remitted as required by subsection 9. [PL 2023, c. 396, §4 (AMD).]

E. The department shall adopt rules regulating the operation of nursery cultivation facilities. [PL 2017, c. 409, Pt. A, §6 (NEW).]  
[PL 2023, c. 396, §4 (AMD).]

**4. Cannabis extraction without separate products manufacturing facility license prohibited.**

A cultivation facility may not engage in the manufacture of cannabis concentrate by cannabis extraction unless the cultivation facility licensee has obtained from the department a separate license to operate a products manufacturing facility and otherwise meets the requirements under this chapter and the rules adopted pursuant to this chapter concerning the operation of a products manufacturing facility and concerning cannabis extraction.

[PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

**5. Use of shared facility for cultivation of adult use cannabis and cannabis for medical use.**

Subject to the requirements of this subsection and the rules adopted pursuant to this subsection, a cultivation facility licensee that is also a registered caregiver or a registered dispensary may cultivate adult use cannabis pursuant to this chapter within the same facility in which the licensee also cultivates cannabis for medical use pursuant to the Maine Medical Use of Cannabis Act.

A. A cultivation facility licensee that cultivates cannabis under this subsection must comply with all applicable requirements of this chapter and the rules adopted pursuant to this chapter concerning the operation of cultivation facilities. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

B. Except as provided in paragraph C, the areas of the shared facility in which adult use cannabis is cultivated must be separated from the areas of the shared facility in which cannabis for medical use is cultivated in a manner that provides for a visually conspicuous delineation of the physical space between the cultivation area for adult use cannabis and the cultivation area for cannabis for medical use. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

C. The following items or areas within the shared facility may be shared for both the cultivation of adult use cannabis and the cultivation of cannabis for medical use:

(1) Cultivation-related and noncultivation-related equipment, except that cultivation-related equipment may not be simultaneously used for the cultivation of adult use cannabis and the cultivation of cannabis for medical use;

(2) Cultivation-related and noncultivation-related supplies or products not containing cannabis or cannabis products and the storage areas for those supplies or products; and

(3) General office space, bathrooms, entryways and walkways. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

D. Each cannabis plant within the shared facility must be tagged or otherwise identified as an adult use cannabis plant or a cannabis plant for medical use. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

E. The department shall adopt rules governing the use of a shared facility by a cultivation facility licensee that is also a registered caregiver or a registered dispensary, which must include, but are not limited to, requirements for the maintenance of a log or other record relating to the use of the shared facility space, shared equipment and shared supplies or products to ensure compliance with the requirements of this chapter and the rules adopted pursuant to this chapter and the requirements of the Maine Medical Use of Cannabis Act. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2017, c. 452, §37 (REV); PL 2021, c. 669, §5 (REV).]

[PL 2017, c. 409, Pt. A, §6 (NEW); PL 2017, c. 452, §37 (REV); PL 2021, c. 669, §5 (REV).]

**6. Limited authorization for sale of cannabis plants and cannabis seeds by registered caregiver or registered dispensary to cultivation facility licensee.** Notwithstanding any other provision of law to the contrary and subject to the requirements and restrictions of this section, for a period starting on the date that the department issues the first active cultivation facility license under section 205, subsection 4 and ending 2 years after that date, a registered caregiver or a registered dispensary may sell cannabis plants and cannabis seeds to a cultivation facility licensee that is also a registered caregiver or a registered dispensary and a cultivation facility licensee that is also a registered caregiver or a registered dispensary may purchase cannabis plants and cannabis seeds from a registered caregiver or a registered dispensary. The department shall post on its publicly accessible website information regarding the date on which the department issues the first active cultivation facility license and the date that is 2 years after the date the first active cultivation facility license is issued.

A. Beginning on the date that the department issues the first active cultivation facility license and ending 2 years after that date, in an active cultivation facility license issued to any licensee that has demonstrated to the department's satisfaction that the licensee is also a registered caregiver or a registered dispensary, the department shall include language authorizing the licensee, at any time within the licensee's first year of licensure, to purchase an unlimited number of cannabis plants and cannabis seeds from registered caregivers and registered dispensaries. This authorization may not be included in any license issued upon renewal under section 209. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2017, c. 452, §37 (REV); PL 2021, c. 669, §5 (REV).]

B. A cultivation facility licensee authorized pursuant to paragraph A to purchase cannabis plants and cannabis seeds from registered caregivers and registered dispensaries that transacts such a purchase shall pay to the State Tax Assessor the excise taxes imposed pursuant to Title 36, chapter 723 on the sale of the cannabis plants and cannabis seeds. In addition to payment of the required excise taxes under this paragraph, the cultivation facility licensee shall provide the department with an accounting of the transaction, which must include information on the registered caregiver or registered dispensary from which the licensee purchased the cannabis plants and cannabis seeds, the number of mature cannabis plants, immature cannabis plants, seedlings and cannabis seeds purchased in the transaction and any other information required by the department by rule. [PL 2019, c. 231, Pt. B, §3 (AMD); PL 2021, c. 669, §5 (REV).]

C. A cultivation facility licensee authorized pursuant to paragraph A to purchase cannabis plants and cannabis seeds from registered caregivers and registered dispensaries may purchase cannabis plants and cannabis seeds from more than one registered caregiver or registered dispensary and may transact more than one purchase of cannabis plants and cannabis seeds from a registered caregiver or registered dispensary. A registered caregiver or registered dispensary may not sell cannabis plants and cannabis seeds to more than one cultivation facility licensee authorized pursuant to paragraph A to purchase cannabis plants and cannabis seeds from registered caregivers and registered dispensaries and may not transact more than one sale of cannabis plants and cannabis seeds to a cultivation facility licensee authorized to make such purchases pursuant to paragraph A. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2017, c. 452, §37 (REV); PL 2021, c. 669, §5 (REV).]

D. A cultivation facility licensee that violates this subsection or the rules adopted pursuant to this subsection is subject to the imposition by the department of monetary penalties, a license revocation or suspension and an order directing the destruction of unauthorized cannabis plants and cannabis seeds pursuant to subchapter 8 in addition to any criminal or civil penalties that may be imposed pursuant to other applicable laws or rules. A registered caregiver or registered dispensary that violates paragraph C is subject to the revocation of its registration or other applicable penalty under the Maine Medical Use of Cannabis Act in addition to any criminal or civil penalties that may be imposed pursuant to other applicable laws or rules. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2017, c. 452, §37 (REV); PL 2021, c. 669, §5 (REV).]

The department shall adopt rules to implement this subsection.  
[PL 2019, c. 231, Pt. B, §3 (AMD); PL 2021, c. 669, §5 (REV).]

**7. Requirements for outdoor cultivation.** This subsection governs outdoor cultivation operations by a cultivation facility licensee.

A. An outdoor cultivation area within the licensed premises of a cultivation facility may not share a common wall or fence with an outdoor cultivation area within the licensed premises of a different cultivation facility. [PL 2017, c. 409, Pt. A, §6 (NEW).]

B. The outer boundary of an outdoor cultivation area within the licensed premises of a cultivation facility must be separated by at least 20 feet from the outer boundary of an outdoor cultivation area within the licensed premises of a different cultivation facility. [PL 2017, c. 409, Pt. A, §6 (NEW).]

C. The department shall adopt rules regarding the outdoor cultivation of adult use cannabis by a cultivation facility licensee, including, but not limited to, security requirements specific to outdoor cultivation operations and requirements for shielding outdoor cultivation operations from public view. [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]  
[PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

**8. Sampling by other licensees.** A cultivation facility licensee may provide samples of adult use cannabis cultivated at the licensed premises to a products manufacturing facility licensee or a cannabis store licensee for business or marketing purposes only. Samples provided by a cultivation facility licensee to another licensee under this subsection may not be consumed within the licensed premises of the cultivation facility. This subsection does not apply to a nursery cultivation facility licensee.  
[PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669, §5 (REV).]

**9. Excise tax; sales tax.** A cultivation facility licensee shall ensure that the tax imposed on the sale of adult use cannabis pursuant to Title 36, chapter 723 is paid to the State Tax Assessor. A nursery cultivation facility licensee shall ensure that the tax imposed on the sale of adult use cannabis and adult use cannabis products under Title 36, section 1811 is collected and remitted in accordance with the requirements of Title 36, Part 3 and the rules adopted pursuant to Title 36, Part 3.  
[PL 2019, c. 231, Pt. B, §4 (AMD); PL 2021, c. 669, §5 (REV); PL 2021, c. 669, §5 (REV).]

**10. Tracking.** In accordance with the requirements of section 105, a cultivation facility licensee shall track the adult use cannabis it cultivates from immature cannabis plant to the point at which the cannabis plant or the cannabis produced by the cannabis plant is delivered or transferred to a products manufacturing facility, a testing facility, a cannabis store or another cultivation facility or is disposed of or destroyed. If a cultivation facility receives a return of a cannabis plant, cannabis flower or cannabis trim from a products manufacturing facility, a cannabis store or another cultivation facility, the cultivation facility licensee receiving the return shall track the returned cannabis plant, cannabis flower or cannabis trim to the point at which the return is transferred to a products manufacturing facility, a testing facility, a cannabis store or a cultivation facility or is disposed of or destroyed.  
[PL 2023, c. 396, §5 (AMD).]

**11. Delivery service.** A tier 1 cultivation facility under section 301, subsection 1, a tier 2 cultivation facility under section 301, subsection 2 and a nursery cultivation facility may sell to consumers through a delivery service operated under the same requirements as for cannabis stores under section 504, subsection 9, but a nursery cultivation facility may sell under this subsection only those items authorized for sale under subsection 3, paragraph D. A cultivation facility authorized to conduct retail sales under this subsection shall ensure that the tax imposed on the sale of adult use cannabis and adult use cannabis products to a consumer pursuant to Title 36, section 1811 is collected and remitted in accordance with the requirements of Title 36, Part 3 and the rules adopted pursuant to Title 36, Part 3.  
[PL 2023, c. 396, §6 (NEW).]

## SECTION HISTORY

PL 2017, c. 409, Pt. A, §6 (NEW). PL 2017, c. 452, §37 (REV). PL 2019, c. 231, Pt. B, §§2-4 (AMD). PL 2021, c. 669, §5 (REV). PL 2023, c. 396, §§4-6 (AMD).

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