



129th MAINE LEGISLATURE

LD 1735

LR 1776(02)

An Act To Clarify the Pathway for a Registered Dispensary under the Maine Medical Use of Marijuana Act To Become a For-profit Entity

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Health and Human Services

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium revenue increase - Other Special Revenue Funds

Potential current biennium cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Public Law 2017, chapter 452 authorized registered dispensaries under the Maine Medical Use of Marijuana Act operating as nonprofit entities to become for-profit entities, but did not outline a pathway to follow for such a transition. This bill specifies the possible pathways of merger, purchase and conversion for a dispensary to become a for-profit entity. This includes that a registered dispensary pay to the Medical Use of Marijuana Fund (MUMF) a percentage of the value of the sale or transfer of interest if a sale occurs within 4 years of becoming for-profit and that the appraisal to identify the sale or transfer value must be paid by the MUMF. It is unknown if any of the 8 eligible dispensaries would transfer to for-profit status and if so whether they would sell within 4 years. It is expected that any proceeds to the MUMF from such activity would outweigh the cost of the required appraisals and lead to a significant increase in revenue.