



# 129th MAINE LEGISLATURE

LD 1735

LR 1776(03)

## **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 Engrossed with:**

**C "A" (S-214)**

**Committee: Health and Human Services**

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### **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.