



# 131st MAINE LEGISLATURE

LD 88

LR 488(02)

## An Act to Provide Qualifying Municipalities a Percentage of Adult Use Cannabis Sales and Excise Tax Revenues

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

### Fiscal Note

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
<b>Net Cost (Savings)</b>				
General Fund	\$2,376,400	\$5,633,000	\$6,444,000	\$7,131,000
<b>Appropriations/Allocations</b>				
General Fund	\$198,400	\$0	\$0	\$0
Other Special Revenue Funds	\$2,178,000	\$5,633,000	\$6,444,000	\$7,131,000
<b>Revenue</b>				
General Fund	(\$2,178,000)	(\$5,633,000)	(\$6,444,000)	(\$7,131,000)
Other Special Revenue Funds	\$2,178,000	\$5,633,000	\$6,444,000	\$7,131,000

### Fiscal Detail and Notes

This bill establishes the Local Government Cannabis Revenue Fund (LGCR) in the Office of Cannabis Policy within the Department of Administrative and Financial Services. The bill also directs the transfer of 12% of the sales tax revenue from adult-use cannabis and cannabis products and 12% of the revenue from the cannabis excise tax into the fund. The bill decreases the existing transfer of these revenues to the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund (PHSMO) from 12% of the revenue from cannabis sales and excise taxes to 12% of the difference between the the total revenue from cannabis sales and excise taxes and the new transfer to the LGCR fund.

The bill reduces General Fund revenue by \$2,178,000 in fiscal year 2023-24 and \$5,633,000 in fiscal year 2024-25. It provides revenue to the LGCR of \$2,475,000 in fiscal year 2023-24 and \$6,401,000 in fiscal year 2024-25. It decreases revenue to the PHSMO by \$297,000 in fiscal year 2023-24 and by \$768,000 in fiscal year 2024-25.

The bill includes Other Special Revenue Funds allocations to the LGCR of \$2,475,000 in fiscal year 2023-24 and \$6,401,000 in fiscal year 2024-25. It includes deallocations to the PHSMO of \$297,000 in fiscal year 2023-24 and \$768,000 in fiscal year 2024-25.

Finally, the bill includes a one-time General Fund appropriation to the Department of Administrative and Financial Services of \$198,400 in fiscal year 2023-24 for the programming costs to track certain sales tax data by location.