



132nd MAINE LEGISLATURE

LD 1847

LR 854(04)

An Act to Institute Testing and Tracking of Medical Use Cannabis and Cannabis Products Similar to Adult Use Cannabis and Cannabis Products, Dedicate a Portion of the Adult Use Cannabis Sales and Excise Tax to Medical Use Cannabis Programs and Create a Study Group

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

	FY 2025-26	FY 2026-27	Projections FY 2027-28	Projections FY 2028-29
Net Cost (Savings)				
General Fund	\$0	\$0	\$3,229,291	\$1,480,488
Appropriations/Allocations				
General Fund	\$0	\$0	\$3,229,191	\$1,479,188
Other Special Revenue Funds	\$0	\$0	\$267,000	\$534,000
Revenue				
General Fund	\$0	\$0	(\$100)	(\$1,300)
Other Special Revenue Funds	\$0	\$0	\$100	\$300

Fiscal Detail and Notes

This bill establishes a mandatory testing program for harvested cannabis from large registered dispensaries, annual inspections and sample testing requirements for other registrants, an electronic records submission portal and an inventory tracking system, including changes to the excise tax treatment of certain cannabis products. This estimate is based on an implementation model in which mandatory testing requirements are limited to large registered dispensaries, while other registrants are subject primarily to inspection and sample-based oversight.

The Office of Cannabis Policy (OCP) within the Department of Administrative and Financial Services has indicated that implementation of the provisions of this bill would require additional resources to support testing oversight, audit activities, data management, and program administration. OCP would require ongoing General Fund appropriations of \$729,188 beginning in fiscal year 2027-28 for one Planning and Research Associate I position, one Public Relations Representative position, one Senior Data Analyst position, 2 OCP Compliance Inspector positions and one Chemist II position and associated All Other costs. The staffing levels reflect the need to support statewide inspection, sampling and program administration activities, including registrants not subject to mandatory testing requirements.

OCP would also require a one-time General Fund appropriation of \$2,500,000 in fiscal year 2027-28 to establish electronic records submission capabilities to support reporting, data collection and oversight activities required by the bill, and ongoing General Fund appropriations of \$750,000 beginning in fiscal year 2028-29 for system maintenance and support. These capabilities are intended to support data collection and oversight across the broader registrant population.

In addition, OCP would require ongoing Other Special Revenue Funds allocations of \$267,000 beginning in fiscal year 2027-28 for the procurement and implementation of an electronic inventory tracking system applicable to a subset of registrants. These costs are based on prior contract experience and are subject to change depending on the results of the procurement process.

The bill would result in a revenue decrease to the General Fund of \$100 in fiscal year 2027-28 and \$1,300 in fiscal year 2028-29 from increased prices leading to a reduction in quantity sold in the medical market with a partially offsetting increase in sales of adult use cannabis. The bill would also result in a revenue increase to the Local Government Fund and the Adult Use Cannabis Public Health and Safety Fund totaling \$100 in fiscal year 2027-28 and \$300 in fiscal year 2028-29.

Implementation of the program is expected to occur over time due to rulemaking and a 12- to 18-month procurement process for the inventory-tracking system. As a result, costs in fiscal year 2026-27 are expected to be limited to initial implementation activities. The costs described above represent the estimated resources necessary to support full program implementation beginning in fiscal year 2027-28.

The bill requires large registered dispensaries to pay certain costs associated with the inventory-tracking system, testing, and audit activities. The State will continue to incur costs to administer the testing program, conduct inspections and maintain oversight systems.