



TOWN OF THOMASTON
TOWN MANAGER
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March 7, 2023

Maine State Legislature
Taxation Committee

LD 88- An Act to Provide Qualifying Municipalities a Percentage of Adult Use Cannabis Sales and Excise Tax Revenues

Dear Taxation Committee:

I write on behalf of the Town of Thomaston in supporting LD 88. This proposed bill provides additional revenue to municipalities that are allowing and managing cannabis businesses in their communities. The development of cannabis businesses has equated to additional costs to our municipality in a few different ways:

- 1) Legal fees and time incurred in amending all ordinances that would allow cannabis businesses.
- 2) Increased Code Enforcement Officer duties to inspect said businesses.
- 3) Continued education each year for our Planning Board and Code Officer to understand the evolving law changes each year that regulates cannabis businesses. (This is a serious issue for smaller communities that may not have a full-time Code Enforcement Officer or an active Planning Board.)
- 4) Increased Law Enforcement costs caused by business break-ins and increased traffic impacts in our community.
- 5) Continued local public hearings and approval for cannabis businesses to renew their applications annually.

In the "Adult Use Program" 2021 Annual Report provided to the Maine State Legislature, there were \$12,362,620 in excise and sales tax revenue to the State of Maine. If LD 88 passes, then municipalities would receive 12% of this, at an estimated \$1.5 million in revenues. However, the State of Maine would not have obtained such revenues without the support of local municipalities that allow cannabis businesses in their communities.

This would be a tremendous benefit to our town, as we are a full-service center in our community with the second highest tax mill rate in Knox County.

Thank you for your consideration in supporting LD 88 on the behalf of all qualifying municipalities.

Best,

Kara George
Town Manager