

OFFICE of the CITY MANAGER

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Written testimony in support of LD 88, An Act to Provide Qualifying Municipalities a Percentage of Adult Use Cannabis Sales and Excise Tax Revenues *March 9*, 2023

Senator Grohoski, Representative Perry, and members of the Taxation Committee, my name is Marc Meyers and I am City Manager for the City of Bath, located in Sagadahoc County. Thank you for the opportunity to provide testimony for your consideration.

In fall of 2019, the City Council voted to approve legislation on adult use and medical cannabis marijuana establishments by allowing retail businesses within in certain zoning districts in the City and by requiring establishments to meet specific performance standards. The City Council also locally licenses these business. Currently, we have two adult-use and three medical cannabis establishments in our community.

The City's local licensing fees covers the administrative costs with the process of a new cannabis retail business establishing its location in Bath. License fees do not cover the costs of staff navigating local regulation and rules with numerous parties interested in developing a marijuana business, responding to inquiries from concerned residents or staying on top of the latest movements in legislation and the industry. The property taxpayers of Bath pay for those costs.

With our community's commitment to this industry, it is my hope that Bath and its taxpayers can benefit from the revenue generated in the City. This bill shares a portion of the state tax revenues generated by the sales of adult use cannabis with the municipalities, such as Bath, that allow the operation of these businesses.

Thanks again for the opportunity to provide this testimony when considering this bill.