§1101. Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund

The Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund, referred to in this section as "the fund," is established as a dedicated, nonlapsing fund within the department for the purposes specified in this section. [PL 2021, c. 645, §4 (AMD); PL 2021, c. 669, §5 (REV).]

- **1. Sources of fund.** The State Controller shall credit to the fund:
- A. Money received from the excise tax imposed on the sale of adult use cannabis pursuant to Title 36, chapter 723 in the amount required under Title 36, section 4925; [PL 2019, c. 231, Pt. B, §6 (AMD); PL 2021, c. 669, §5 (REV).]
- B. Money received from the sales tax imposed on the sale of adult use cannabis and adult use cannabis products by a cannabis store licensee to a consumer pursuant to Title 36, section 1811 in the amount required under Title 36, section 1818; [PL 2017, c. 409, Pt. A, §6 (NEW); PL 2021, c. 669. §5 (REV).1
- C. All money from any other source, whether public or private, designated for deposit into or credited to the fund; and [PL 2017, c. 409, Pt. A, §6 (NEW).]
- D. Interest earned or other investment income on balances in the fund. [PL 2017, c. 409, Pt. A, §6 (NEW).1
- [PL 2019, c. 231, Pt. B, §6 (AMD); PL 2021, c. 669, §5 (REV).]
- 2. Uses of fund. Money credited to the fund pursuant to subsection 1 may be used by the department as provided in this subsection.
 - A. Money credited to the fund may be expended by the department to fund public health and safety awareness and education programs, initiatives, campaigns and activities relating to the sale and use of adult use cannabis and adult use cannabis products conducted in accordance with section 108 by the department, another state agency or department or any other public or private entity. [PL 2021, c. 645, §4 (AMD); PL 2021, c. 669, §5 (REV).]
 - B. Money credited to the fund may be expended by the department to fund enhanced law enforcement training programs relating to the sale and use of adult use cannabis and adult use cannabis products for local, county and state law enforcement officers conducted in accordance with section 109 by the department, the Maine Criminal Justice Academy, another state agency or department or any other public or private entity. [PL 2021, c. 645, §4 (AMD); PL 2021, c. 669, §5 (REV).]
 - C. Money credited to the fund may be expended by the department to provide reimbursement to a municipality for qualifying expenses incurred as a result of the municipality's opting to permit the operation of some or all adult use cannabis establishments within the municipality. For the purposes of this paragraph, "qualifying expenses" means legal fees and costs associated with the drafting and adoption of a warrant article or the adoption or amendment of an ordinance, including the conduct of a town meeting or election, by a municipality that opted to permit the operation of some or all cannabis establishments within the municipality. Each municipality may receive funds, not to exceed \$20,000, only once for the reimbursement of qualifying expenses in accordance with this paragraph. Nothing in this paragraph may be construed to require the department to reimburse qualifying expenses incurred by a municipality if the department determines there are insufficient funds available to provide reimbursement. Under no circumstances may a municipality submit an initial application for the reimbursement of qualifying expenses more than 3 years after the municipality adopts a warrant article or adopts or amends an ordinance to allow for the operation of some or all adult use cannabis establishments within the municipality. The department may adopt rules to implement and administer the reimbursement of qualifying expenses to municipalities. Rules adopted pursuant to this paragraph are routine technical rules as defined in

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Title 5, chapter 375, subchapter 2-A. The department may not reimburse qualifying expenses under this paragraph accrued after July 1, 2027. [PL 2021, c. 645, §4 (NEW); PL 2021, c. 669, §5 (REV).]

- D. Any funds remaining in the fund after expenditures made in accordance with paragraphs A to C must be used to fund:
 - (1) The cost of the tax deductions for business expenses related to carrying on a business as a cannabis establishment or a testing facility provided pursuant to Title 36, section 5122, subsection 2, paragraph PP and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the State Tax Assessor shall determine the cost of those deductions during the prior calendar year and report that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund; and
 - (2) The cost of the position in the Bureau of Revenue Services within the department to administer the tax deductions provided pursuant to Title 36, section 5122, subsection 2, paragraph PP and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the commissioner shall determine the cost of the position in the bureau to administer those deductions during the prior calendar year and report that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund. [PL 2023, c. 444, §1 (NEW).]

[PL 2023, c. 444, §1 (AMD).]

3. Application of fund to departmental expenses prohibited. Money in the fund may not be applied to any expenses incurred by the department in implementing, administering or enforcing this chapter.

[PL 2017, c. 409, Pt. A, §6 (NEW).]

SECTION HISTORY

PL 2017, c. 409, Pt. A, §6 (NEW). PL 2019, c. 231, Pt. B, §6 (AMD). PL 2021, c. 645, §4 (AMD). PL 2021, c. 669, §5 (REV). PL 2023, c. 444, §1 (AMD).

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