



Testimony of Mayor Mark Dion of the City of Portland

In Support of

**LD 347, An Act to Provide Qualifying Municipalities a Percentage of Adult Use Cannabis Sales
Tax and Excise Tax Revenue**

Senator Hickman, Representative Supica and members of the Veterans and Legal Affairs Committee, I am Mayor Mark Dion, and I am providing testimony in support of LD 347 on behalf of the City of Portland. Nearly 70,000 Mainers call Portland home, though many more than that come to Portland each day to work, and for purposes of this discussion, there are thirty retail adult use establishments in Portland as well as additional adult use cultivation, manufacturing, and testing facilities in the City.

LD 347 establishes a new fund requiring 12 percent of the revenue from sales and excise taxes on adult use cannabis be distributed to the municipalities. The City of Portland supports LD 347 because while additional the proceeds to each municipality that allows adult use cannabis establishment would be modest, this proposal represents an important step towards sharing a greater portion of cannabis revenue with municipalities who have opted in to allow such businesses within their borders and are incurring significant expenditures related to licensing and enforcement.

In Portland, opting in to allow cannabis businesses means we have also taken on zoning, permitting, and public safety connected to these new establishments, among other duties. These duties require resources, yet under the current system, Portland does not receive a direct allocation of the tax from the revenue these businesses help to generate.

We have been pleased to have cannabis establishments in Portland, but the energy and pace of growth in a new industry also have the capacity to stress the city's operations and the State's existing system of municipal revenue sharing does not include any factor for the volume of cannabis establishments within a municipality's borders.

As others have already testified, it would be fair for the City to receive some of the revenue from the cannabis industry and it is also necessary for the City to continue to help regulate and support the industry, meet all of our City obligations, and attempt to keep property taxes in check. Sharing a portion of the revenue generated in Portland would provide financial support for law enforcement, essential regulation, public health initiatives, and community programs.

Maine voters legalized cannabis with the intention of allowing access to cannabis through a regulated market that benefits the state and local communities. LD 347 is an important step to making this a reality. I appreciate your time and consideration of the Portland perspective.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Dion", with a large, sweeping loop at the end.

Mark Dion
Mayor
City of Portland, Maine