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

L.D. 88

Date: (Filing No. H- )

**Taxation**

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE**

**HOUSE OF REPRESENTATIVES**

**131st Legislature**

**First Special Session**

COMMITTEE AMENDMENT “      ” to H.P. 56, L.D. 88, “An Act to Provide Qualifying Municipalities a Percentage of Adult Use Cannabis Sales and Excise Tax Revenues”

Amend the bill in section 1 in §407 in subsection 1 in the 2nd line (page 1, line 5 in L.D.) by striking out the following: "negative effects on local resources" and inserting the following: 'the cost'

Amend the bill in section 2 in §1818 in the first indented paragraph in the last line (page 1, line 26 in L.D.) by inserting after the following: "that" the following: ', beginning January 1, 2024,'

Amend the bill in section 3 in §4925 in the first indented paragraph in the 2nd line (page 2, line 2 in L.D.) by inserting after the following: "that" the following: ', beginning January 1, 2024,'

Amend the bill by inserting after section 3 the following:

'**Sec. 4. Appropriations and allocations.**  The following appropriations and allocations are made.

**ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

**Adult Use Cannabis Public Health and Safety Fund and Municipal Opt-In Fund Z263**

Initiative: Reduces allocations to reflect less revenue available for adult use cannabis public health and safety efforts and qualifying expenses of municipalities opting to permit operation of adult use cannabis establishments.

|  |  |  |
| --- | --- | --- |
| **OTHER SPECIAL REVENUE FUNDS** | **2023-24** | **2024-25** |
| All Other | ($297,000) | ($768,000) |
|  | \_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_ |
| OTHER SPECIAL REVENUE FUNDS TOTAL | ($297,000) | ($768,000) |

**Local Government Cannabis Revenue Fund N326**

Initiative: Provides allocations to assist municipalities in offsetting the costs of local regulation and enforcement of adult use cannabis laws.

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| --- | --- | --- |
| **OTHER SPECIAL REVENUE FUNDS** | **2023-24** | **2024-25** |
| All Other | $2,475,000 | $6,401,000 |
|  | \_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_ |
| OTHER SPECIAL REVENUE FUNDS TOTAL | $2,475,000 | $6,401,000 |

**Revenue Services, Bureau of 0002**

Initiative: Provides one-time funding for computer programming costs.

|  |  |  |
| --- | --- | --- |
| **GENERAL FUND** | **2023-24** | **2024-25** |
| All Other | $198,400 | $0 |
|  | \_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_ |
| GENERAL FUND TOTAL | $198,400 | $0 |

|  |  |  |
| --- | --- | --- |
| **ADMINISTRATIVE AND FINANCIAL** **SERVICES, DEPARTMENT OF** |  |  |
| **DEPARTMENT TOTALS** | **2023-24** | **2024-25** |
|  |  |  |
| **GENERAL FUND** | **$198,400** | **$0** |
| **OTHER SPECIAL REVENUE FUNDS** | **$2,178,000** | **$5,633,000** |
|  | \_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_ |
| **DEPARTMENT TOTAL - ALL FUNDS** | **$2,376,400** | **$5,633,000** |

'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**SUMMARY**

This amendment clarifies the use of cannabis sales tax and excise tax revenue shared with municipalities where cannabis establishments are operating and provides that the sharing of revenues begins January 1, 2024.

**FISCAL NOTE REQUIRED**

**(See attached)**