



# 125th MAINE LEGISLATURE

LD 1453

LR 131(02)

## An Act To Legalize and Tax Marijuana

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Criminal Justice and Public Safety**

**Fiscal Note Required: Yes**

### Fiscal Note

Current biennium cost increase - General Fund

#### Referendum Costs

Month/Year	Election Type	Question	Length
Nov-11	General	Referendum	Standard

The Secretary of State's budget includes sufficient funds to accommodate one ballot of average length for the general election in November. If the number or size of the referendum questions requires production and delivery of a second ballot, an additional appropriation of \$107,250 may be required.

#### Fiscal Detail and Notes

If approved by the voters, legalizing the sale of marijuana and establishing a 7% rate of taxation on all sales of marijuana for commercial purposes or medical use will increase General Fund revenue by an estimated \$2,470,000 and increase revenue sharing by \$130,000 annually. Maine Revenue Services will require a one-time General Fund appropriation of \$100,000 to create and implement a new system of taxation for the commercial or medical use of marijuana.

Legalizing marijuana, if approved by the voters, will result in a loss of General Fund fine revenue estimated to be in excess of \$1,000,000 per year. The state will also experience a decrease in judicial, indigent legal services and correctional costs. The amounts cannot be determined at this time. The additional costs to the Department of the Attorney General can be absorbed utilizing existing budgeted resources.

The bill creates the Community Policing Grant Program Fund within the Department of Public Safety. The department will require a \$500 Other Special Revenue Funds allocation to be able to spend any money deposited into the Fund.