



130th MAINE LEGISLATURE

LD 1195

LR 800(02)

An Act To Increase Funding to Qualifying Municipalities by Sharing Adult Use Marijuana Sales and Excise Tax Revenue

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$858,600	\$1,553,200	\$1,909,600	\$2,321,000
Appropriations/Allocations				
General Fund	\$5,000	\$0	\$0	\$0
Other Special Revenue Funds	\$853,600	\$1,553,200	\$1,909,600	\$2,321,000
Revenue				
General Fund	(\$853,600)	(\$1,553,200)	(\$1,909,600)	(\$2,321,000)
Other Special Revenue Funds	\$853,600	\$1,553,200	\$1,909,600	\$2,321,000

Fiscal Detail and Notes

The bill creates the Local Government Marijuana Revenue Fund (LGMF) within the Department of Administrative and Financial Services (DAFS) and directs 5% of the revenue from excise and sales taxes on marijuana and marijuana products be credited to the fund. The revenues from the fund will be proportionally distributed to municipalities who have authorized marijuana establishments by the excise and sales tax generated by each municipality. The bill includes an Other Special Revenue Funds allocation of \$970,000 in fiscal year 2021-22 and \$1,765,000 in fiscal year 2022-23 to allow for the distribution of the amounts credited to the LGMF. Transferring sales and excise tax receipts to the LGMF will reduce revenue to the General Fund by \$853,600 in fiscal year 2021-22 and \$1,553,200 in fiscal year 2022-23. This change will also reduce transfers to the Adult Use Marijuana Public Health and Safety Fund by \$116,400 in fiscal year 2021-22 and \$211,800 in fiscal year 2022-23 and the bill includes deallocations to DAFS to reflect it. The bill includes a one-time General Fund appropriation of \$5,000 in fiscal year 2021-22 to DAFS for computer programming costs.