



132nd MAINE LEGISLATURE

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Legislative Document

No. 347

H.P. 247

House of Representatives, February 3, 2025

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

Received by the Clerk of the House on January 30, 2025. Referred to the Committee on Veterans and Legal Affairs pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative LEE of Auburn.

Cosponsored by Representatives: BRIDGEO of Augusta, CARUSO of Caratunk, LIBBY of Auburn, MASTRACCIO of Sanford, MURPHY of Scarborough, POIRIER of Skowhegan.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 28-B MRSA §407** is enacted to read:

3 **§407. Revenue allocation to municipalities**

4 **1. Local Government Cannabis Revenue Fund established.** In recognition of the
5 local costs of regulation and enforcement with respect to the activities associated with the
6 regulation of adult use cannabis under this chapter and to assist in offsetting negative effects
7 on local resources, there is established the Local Government Cannabis Revenue Fund,
8 referred to in this section as "the fund."

9 **2. Fund sources.** The fund receives money transferred to the fund pursuant to Title 36,
10 section 1818, subsection 1 and Title 36, section 4925, subsection 1.

11 **3. Distribution of funds.** In accordance with this subsection, the Treasurer of State
12 shall transfer the balance in the fund, less the actual costs of administering the fund, on the
13 20th day of each month. Money in the fund must be distributed to each municipality in
14 which the legislative body has voted to adopt a new ordinance, amend an existing ordinance
15 or approve a warrant article allowing a cannabis establishment within the municipality, in
16 proportion to the ratio of state revenues generated by all cannabis establishments operating
17 within the municipality to the state revenues generated by all cannabis establishments
18 operating within the State.

19 **4. Unorganized and deorganized areas.** For purposes of municipal cannabis revenue
20 distribution pursuant to this section, unorganized and deorganized areas must be treated as
21 if they are municipalities.

22 **Sec. 2. 36 MRSA §1818**, as amended by PL 2021, c. 645, §5 and c. 669, §5, is
23 repealed and the following enacted in its place:

24 **§1818. Tax on adult use cannabis and adult use cannabis products**

25 All sales tax revenue collected pursuant to section 1811 on the sale of adult use
26 cannabis and adult use cannabis products must be deposited into the General Fund, except
27 that:

28 **1. Transfer to Local Government Cannabis Revenue Fund.** On or before the 10th
29 day of each month, the State Controller shall transfer to the Local Government Cannabis
30 Revenue Fund, established under Title 28-B, section 407, 12% of the sales tax revenue
31 received by the assessor during the preceding month pursuant to section 1811; and

32 **2. Transfer to Adult Use Cannabis Public Health and Safety and Municipal Opt-**
33 **in Fund.** On or before the last day of each month, the State Controller shall transfer to the
34 Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund, established
35 under Title 28-B, section 1101, 12% of the difference between the sales tax revenue
36 received by the assessor during the preceding month pursuant to section 1811 and the
37 amount of the transfer made pursuant to subsection 1.

38 **Sec. 3. 36 MRSA §4925**, as amended by PL 2021, c. 645, §6 and c. 669, §5, is
39 repealed and the following enacted in its place:

40 **§4925. Application of excise tax revenue**

