



JANET T. MILLS
GOVERNOR

STATE OF MAINE
OFFICE OF CANNABIS POLICY
162 STATE HOUSE STATION
19 UNION STREET
FIRST FLOOR
AUGUSTA, MAINE 04333-0162

ADMINISTRATIVE & FINANCIAL SERVICES

KIRSTEN LC FIGUEROA
COMMISSIONER

OFFICE OF CANNABIS POLICY

ERIK GUNDERSEN
DIRECTOR

To: Maine Municipal Association Newsletter
From: Director Erik Gundersen, Office of Cannabis Policy
Date: Monday, August 8, 2022
Subject: Notification to Municipalities on the Implementation of Maine's Adult Use Cannabis Municipal Reimbursement Fund and Applications

Background

This notification is provided by the Office of Cannabis Policy (OCP) to make Maine municipal staff aware of the launch of OCP's reimbursement fund and processes for reimbursement of costs associated with opting-in to Maine's Adult Use Cannabis Program (AUCP).

Notification

The Office of Cannabis Policy, a part of the Maine Department of Administrative and Financial Services (DAFS), is pleased to announce the launch of its online portal for submissions by Maine municipalities to be reimbursed up to \$20,000 for costs associated with opting-in to Maine's Adult Use Cannabis Program.

As a result of the 130th Legislature's second session, Maine cities and towns that opt-in to the state's adult use cannabis market will be eligible for reimbursement of qualifying expenses, provided by the OCP from the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund, which is funded by excise and sales tax revenues generated by the transfer and sale of adult use cannabis.

Maine's launch of the adult use cannabis program has been strong, but the benefits are still only being realized by about 10% of Maine's cities and towns. From a recent report commissioned by the OCP, we know that the presence of adult use retail stores and other facilities is the most responsible way to continue to eradicate the illicit market, while it has *not* shown to increase negative public health and safety impacts, such as cannabis use disorder and driving under the influence of cannabis.

The most important thing we can do is to partner with our municipal stakeholders and try to ensure that Mainers who choose to use cannabis can do so in a well-regulated environment that safeguards public health and safety in the best way possible. Taking this next, big step to

incentivize Maine cities and towns to engage in the regulated adult use market is the most effective way to do just that.

Qualifying expenses submitted by municipalities must have occurred in the previous three years and must be associated directly with a municipality's process of opting-in to the adult use cannabis market (and associated facilities: retail, cultivation, manufacturing, and/or testing). Such expenses may include (but may not be limited to):

- Attorneys' fees to research, draft and revise cannabis ordinances;
- Staff and contractor time for research and drafting of cannabis ordinances, including staff time and overtime for council/planning board/town meetings;
- Fees associated with providing notice of election and public meetings;
- Staff time, including overtime and stipends, and other associated expenses, for the conduct of town meetings and elections and the tabulation and publication of the results thereof;
- Attorneys' fees associated with development of legal opinions regarding local regulations; and
- Other costs similar to or of the same character of the kinds of expenses listed above.

Reimbursements will be considered on a first come, first served basis.

OCP will accept accounting that is detailed enough for OCP to determine whether the expenses submitted are qualifying expenses as described above. Such an accounting should provide, at a minimum, the following information:

- The goods and/or services paid for (i.e. legal fees, newspaper advertising, overtime for staff to conduct municipal election);
- A note regarding the salience of the goods/services paid for to the opt-in process (i.e. drafting of municipal ordinance, advertising town meeting where warrant article will be voted upon, conduct of municipal election where ordinance amendment was approved); and
- The date of payment.

The form for reimbursement requests, as well as more information on the program, can be found at [maine.gov/dafs/ocp/resources/municipal-resources](https://www.maine.gov/dafs/ocp/resources/municipal-resources).

Thank you for your partnership in making Maine's regulated cannabis program the best it can be, and for your attention to these matters.

Sincerely,



Erik Gundersen

Director