MUNICIPAL REIMBURSEMENTS For Adult Use Cannabis-Related Expenses

An Act to Assist Qualifying Municipalities to Defray the Costs of Opting In to Permit Adult Use Cannabis Establishments was enacted during the Second Regular Session of the 130th Legislature. What does that mean for your town? Here are some quick FAQs.



Where do the funds come from?

They come from OCP's Adult Use Health & Safety Municipal Opt-In Fund, which is funded by taxes on adult use cannabis sales in Maine.

Which municipalities are eligible?

Any municipality may request reimbursement for qualifying expenses if it has opted in to permit some or all adult use cannabis establishments (cultivation, testing, manufacturing facilities, and/or retail stores) within three years of the municipality's application for reimbursement.

Are there limits on expenses or reimbursements?

Yes. Each municipality may submit only one application for reimbursement; OCP cannot provide reimbursement in excess of \$20,000. Also, expenses must have been incurred within three years prior to the application, and must be incurred before July 1, 2027.



What counts as a "qualifying expense?"

Examples might include:

- Legal fees and costs associated with the drafting and adoption of a warrant article or the adoption or amendment of an ordinance.
- Costs (including staff time) incurred during the municipality's process of opting in to permit adult use cannabis establishment(s), like conducting a town meeting or election.
- Check with your legal counsel!



How can my town apply for reimbursement?

The application form for municipalities to apply for reimbursement is available on OCP's website at <u>https://bit.ly/3Un9GWo</u>. Some of the required information includes:

- Advantage vendor number
- An accounting for all "qualified expenses"
- The warrant article/ordinance that resulted from the expenses

