STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-FOUR

H.P. 1103 - L.D. 1714

An Act to Create a Sustainable Funding Source for Recovery Community Centers Using a Percentage of the Adult Use Cannabis Tax Revenue

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

Sec. 1. 5 MRSA §20012 is enacted to read:

§20012. Recovery Community Centers Fund

The Recovery Community Centers Fund is established as a dedicated, nonlapsing fund within the Office of Behavioral Health for the purposes specified in this section. The fund must be held separate and apart from all other money, funds and accounts. Eligible investment earnings credited to the assets of the fund become part of the assets of the fund. Any unexpended balances remaining in the fund at the end of any fiscal year do not lapse and must be carried forward to the next fiscal year.

- 1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
 - A. "Fund" means the Recovery Community Centers Fund established in this section.
 - B. "Independent, nonprofit organization" means a nonprofit organization that:
 - (1) Operates its own agency that is a tax-exempt organization under 26 United States Code, Section 501(c)(3); or
 - (2) Has a fiscal agent with a fiduciary relationship between a recovery community center and another agency and:
 - (a) The fiscal agent is limited to managing assets and distributing funds to the recovery community center, free from conflicting self-interests, for the purpose of supporting the recovery community center's mission;
 - (b) The recovery community center is autonomous in its own decision making, program development, recovery services provided and advocacy efforts through the leadership of an executive board or advisory board consisting of at least 51% members who are individuals in recovery; and

- (c) The fiscal agent uses no more than 4% of the revenue received from the fund for administrative purposes.
- C. "Office" means the Office of Behavioral Health established in section 20011.
- D. "Recovery community center" means an independent, nonprofit organization led and governed by representatives of local recovery communities with a primary focus on recovery from substance use disorder that provides nonclinical, peer recovery support services such as recovery support groups, recovery coaching, telephone recovery support, skill-building groups, harm reduction activities, recovery-focused outreach programs to engage people seeking recovery or in recovery and recovery-focused policy and advocacy activities.
- **2. Sources of funds.** The State Controller shall credit to the fund:
- A. Beginning July 1, 2025 and annually thereafter, a transfer of \$2,000,000 from the Adult Use Cannabis Public Health and Safety and Municipal Opt-in Fund established in Title 28-B, section 1101 for operational support for recovery community centers and to provide funding for capacity building for recently established or new recovery community centers;
- B. All money from any other source, whether public or private, designated for deposit into or credited to the fund; and
- C. Interest earned or other investment income on balances in the fund.
- 3. Uses of fund. Money credited to the fund pursuant to subsection 2 must be expended by the office to fund recovery community centers. Money distributed from the fund must supplement, and may not supplant, the level of state General Fund dollars received from the State by a recovery community center in fiscal year 2022-23.
- 4. Application of fund to office expenses prohibited. Money in the fund may not be applied to any expenses incurred by the office in implementing, administering or enforcing this section.
 - Sec. 2. 28-B MRSA §1101, sub-§2, ¶C-1 is enacted to read:
 - C-1. Money credited to the fund must be expended to provide a transfer of \$2,000,000 by July 31st annually to the Recovery Community Centers Fund established pursuant to Title 5, section 20012 for operational support for recovery community centers and to provide funding for capacity building for recently established or new recovery community centers.
- **Sec. 3. 28-B MRSA §1101, sub-§2, ¶D,** as enacted by PL 2023, c. 444, §1, is amended to read:
 - D. Any funds remaining in the fund after expenditures made in accordance with paragraphs A to \bigcirc C-1 must be used to fund:
 - (1) The cost of the tax deductions for business expenses related to carrying on a business as a cannabis establishment or a testing facility provided pursuant to Title 36, section 5122, subsection 2, paragraph PP and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the State Tax Assessor shall determine the cost of those deductions during the prior calendar year and report

that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund; and

- (2) The cost of the position in the Bureau of Revenue Services within the department to administer the tax deductions provided pursuant to Title 36, section 5122, subsection 2, paragraph PP and Title 36, section 5200-A, subsection 2, paragraph BB. By June 1st annually, the commissioner shall determine the cost of the position in the bureau to administer those deductions during the prior calendar year and report that amount to the State Controller, who shall transfer that amount from the remaining funds in the fund to the General Fund.
- **Sec. 4. Appropriations and allocations.** The following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF

Recovery Community Centers Fund N445

Initiative: Provides allocation to allow expenditures for recovery community centers.

OTHER SPECIAL REVENUE FUNDS	2023-24	2024-25
All Other	\$0	\$500
OTHER SPECIAL REVENUE FUNDS TOTAL		\$500