

Connecticut General Assembly



OFFICE OF FISCAL ANALYSIS

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TO: Senator Andres Ayala
Representative Selim Noujaim
Co-Chairs, Regulations Review Committee

FROM: Alan Calandro, Director *AC*

SUBJECT: Review of Agenda Item 2013-024 for the August 27, 2013 Meeting

OFA has reviewed the state and municipal fiscal impact of item 2013-024 for the Department of Consumer Protection for the above meeting.¹ The following table summarizes our review.

Reg. #	Agency	Is Agency Estimate of State Impact Reasonable?	Is Agency Estimate of Municipal Impact Reasonable?	Did Agency Submit a Small Business Impact Statement? ²	Did Agency Submit a Regulatory Flexibility Analysis? ²
2013-024	DCP	Yes	See Below	Yes	No

The agency fiscal note included a statement that municipalities would see an increase in sales tax revenue due to retail sales of medical marijuana being subject to the state sales tax. It should be noted that PA 13-184 eliminated the Municipal Revenue Sharing Account as of July 1, 2013 therefore there would be no municipal revenue gain related to sales tax. Previous to the act, 0.1% of the state's 6.35% sales tax was deposited in the account and distributed by formula to municipalities.

Please contact me if you have any questions or would like additional information.

¹ CGS Section 2-71c(c)(7) requires OFA to prepare "short analyses of the costs and long range projections of ... proposed agency regulations."

² CGS Section 4-168a requires agencies to prepare a small business impact statement on all regulation submittals and prepare a regulatory flexibility analysis statement when there is an impact on small businesses.