

OFFICE OF FISCAL ANALYSIS

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SB-1201

AN ACT CONCERNING RESPONSIBLE AND EQUITABLE REGULATION OF ADULT-USE CANNABIS.

AMENDMENT

LCO No.: 10986

OFA Fiscal Note

See Fiscal Note Details

The amendment makes various modifications to the regulation of adult-use cannabis which result in the fiscal impacts below.

Taxes and New Funds. The amendment redirects revenues generated from the state cannabis tax to other various funds which result in the impacts to individual funds and accounts listed in the table below. The amendment does not alter the state cannabis tax rate and therefore does not change the total net revenue impact to the state.

Fiscal Impact of Modifications to State Cannabis Tax Distribution

(in millions)

Fund/Account	FY 22	FY 23	FY 24	FY 25	FY 26
Cannabis Regulatory and Investment Account	(1.0)	-	-	-	-
Victim Restoration Fund	0.3	2.0	2.4	4.2	4.4
General Fund	-	(7.9)	(1.4)	(2.5)	(1.8)
Social Equity and Innovation Fund	0.3	2.0	(3.4)	(5.9)	(7.0)
Prevention and Recovery Services Fund	0.5	4.0	2.4	4.2	4.4
Total State Impact (net)	-	-	-	-	-

The amendment creates the new Victim Restoration Fund as a separate, non-lapsing fund and deposits into that fund 25% of the state

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cannabis tax revenue. The revenue impact to that fund is listed in the table above. The funds are provided to the Judicial Department for the purposes of supplementing the victim compensation program administered by the Office of Victim Services.

Attorney General Fines. The amendment, which lowers the amount of the fine imposed by the Office of the Attorney General for certain violations, from \$25,000 to \$500, may result in a revenue loss to the resources of the General Fund, to the extent violations occur. Any revenue loss from this altered fine is anticipated to be minimal.

Other Modifications. The amendment also removes various labor agreement sections, changes requirements for certain social equity council appointments, and makes various technical and conforming changes which result in no fiscal impact to the state.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.