

# Fiscal Note

State of Alaska  
2018 Legislative Session

Bill Version: HB 319  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB319CS(STA)-DCCED-AMCO-02-23-18  
Title: RENEW MARIJUANA LICENSE:BACKGROUND  
CHECKS  
Sponsor: JOSEPHSON  
Requester: (H) Judiciary

Department: Department of Commerce, Community and  
Economic Development  
Appropriation: Alcohol and Marijuana Control Office  
Allocation: Alcohol and Marijuana Control Office  
OMB Component Number: 3119

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2019	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2018) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2019) cost:** 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

## ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

## Why this fiscal note differs from previous version/comments:

Analysis updated to reflect the committee substitute that amends the submission of applicants' background checks and fingerprinting from every three years to every six years.

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Phone: (907)269-0351  
Date: 02/23/2018  
Date: 02/23/18

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2018 LEGISLATIVE SESSION

BILL NO. CSHB319

### Analysis

HB319 reduces the requirement that applicants for renewal of a marijuana establishment license must submit fingerprint cards and fees for a national criminal history record check from annually to every six years.

The Alcohol and Marijuana Control Office (AMCO) collects fingerprint fees from applicants, and forwards them to the Department of Public Safety (DPS) to perform the criminal history record check. AMCO enters into an annual reimbursable service agreement (RSA) with DPS to transfer the collected fingerprint fees. Licenses renew annually on June 30. During the 2017 renewal cycle, AMCO forwarded \$7.6 to DPS for background checks of renewal applications.

There is not an anticipated cost to the department associated with this legislation. If HB319 is enacted, renewals of marijuana licenses will not require the yearly processing of a fingerprint based background check for applicants. Multiple aspects of the commercial marijuana industry in Alaska are still unknown, and the variability of revenues collected for fingerprint fees are not expected to be significant.

At this time, the DPS fee for a fingerprint-based criminal background check is \$47.00 per person. Background checks are required for each individual listed on a marijuana establishment license.