

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version: SB 189
Fiscal Note Number:
() Publish Date:

Identifier: SB189HCS(RLS)-DCCED-AMCO-05-11-24
Title: EXTEND ALASKA COMMISSION ON AGING
Sponsor: KAWASAKI
Requester: (H) RULES

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)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates				
			FY 2025	FY 2025	FY 2026	FY 2027	FY 2028
OPERATING EXPENDITURES	FY 2025						
Personal Services		1,239.2	1,239.2	1,239.2			
Travel		80.0	80.0	80.0			
Services		684.7	684.7	684.7			
Commodities		62.9	62.9	62.9			
Capital Outlay		12.5	12.5	12.5			
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	2,079.3	2,079.3	2,079.3	0.0	0.0	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)		19.2	19.2	19.2			
1005 GF/Prgm (DGF)		2,060.1	2,060.1	2,060.1			
Total	0.0	2,060.1	2,060.1	2,060.1	0.0	0.0	0.0

Positions

Full-time		10.0	10.0	10.0			
Part-time							
Temporary							

Change in Revenues

1005 GF/Prgm (DGF)		2,060.1	2,060.1	2,060.1			
Total	0.0	2,060.1	2,060.1	2,060.1	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) cost: 0.0 *(separate capital appropriation required)*

Does the bill create or modify a new fund or account? NO

(Supplemental/Capital/New Fund - 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If yes, by what date are the regulations to be adopted, amended or repealed? N/A

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By:
Division:
Approved By:
Agency:

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Phone: (907)269-0351
Date: 05/11/2024 08:00 AM
Date: 05/11/24

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

BILL NO. SB189HCS(RLS)

Analysis

SB 189 extends the existing Marijuana Control Board (MCB) through June 30, 2027. Adoption of the bill will continue existing activities by the MCB Board and administration through the Alcohol and Marijuana Control Office (AMCO). Failure to adopt the bill would result in wind down of the MCB effective June 30, 2024.

The MCB's mission is to control the cultivation, manufacture, and sale of marijuana in the state. The MCB and its agency staff within AMCO issue marijuana licenses and endorsements and enforce laws and regulations regarding marijuana in Alaska. There are currently 470 licenses issued in the state of Alaska. Licenses are valid for a one-year period, renewing annually. Each of these licensees relies on the MCB and AMCO for administration and renewal of the licenses that enable them to continue the operation of their business.

If this bill passes, the following expenses will continue to be incurred:

Personal Services:

\$1,239.2 Ten full time positions: four Special Investigators 1, three Occupational Licensing Examiners, one Program Coordinator, one Records and Licensing Supervisor, and one Local Government Specialist 3

Travel:

\$ 50.0 Five board members and two staff members to attend four board meetings per year
\$ 15.0 Enforcement travel for inspections, audits, and investigations
\$ 15.0 Director or staff travel for conferences and/or training

Services:

\$ 684.7 Services provided to AMCO through reimbursable services agreements including Department of Law, Administrative Services, Office of Administrative Hearings, Department of Public Safety, Public Notice Advertisements, Postage, Lease Space, and other statewide core services costs

Commodities:

\$ 17.9 Printing materials - required signs for licensees, licenses, statute books
\$ 25.0 Enforcement supplies and ammunition
\$ 20.0 Office supplies

Capital Outlay:

\$12.5 Vehicle Costs

If the MCB Board sunsets, the AMCO office will have no authority to operate for the marijuana licensing program and will no longer collect licensing fees associated with that program.

AMCO is funded by program receipts – fund source 1005 General Fund/Program Receipts (DGF). Licensing fees for each license type is set by statute and regulation. The total amount of revenue collected is sufficient to support annual regulatory costs.