

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version:	HB 172
Fiscal Note Number:	4
(H) Publish Date:	3/24/2017

Identifier: HB172-DNR-PMC-03-10-17
 Title: INDUSTRIAL HEMP PRODUCTION LICENSES
 Sponsor: DRUMMOND
 Requester: House Resources

Department: Department of Natural Resources
 Appropriation: Agriculture
 Allocation: North Latitude Plant Material Center
 OMB Component Number: 2204

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2018 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OPERATING EXPENDITURES	FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None	***		***	***	***	***	***
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2017) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) 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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 06/30/18

Why this fiscal note differs from previous version:

Not applicable; initial version.

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Division:	Division of Agriculture	Date:	03/10/2017 03:00 PM
Approved By:	Andrew T. Mack, Commissioner	Date:	03/10/17
Agency:	Department of Natural Resources		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION**Analysis**

This bill allows for the regulation and production of industrial hemp in Alaska.

The Department of Natural Resources (DNR), Division of Agriculture will adopt regulations and manage associated registrations through existing staff. The registration fee structure will be created that approximately equals the regulatory costs incurred by DNR.

The cost of administering the registration program will be determined after regulations are drafted. Those costs will be recovered by approximately 25 farms the department anticipates to register in the first year. Additionally, the department anticipates a 10 percent growth of interest from the Agricultural community each year after.