

Fiscal Note

State of Alaska
2023 Legislative Session

Bill Version: HB 119
 Fiscal Note Number: _____
 () Publish Date: _____

Identifier: HB119-DPS-CDVSA-03-23-23
 Title: MARIJUANA TAX
 Sponsor: RLS BY REQUEST
 Requester: (H) LABOR AND COMMERCE

Department: Department of Public Safety
 Appropriation: Council on Domestic Violence and Sexual Assault
 Allocation: Council on Domestic Violence and Sexual Assault
 OMB Component Number: 521

Expenditures/Revenues

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

	FY2024	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2024 Request	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
OPERATING EXPENDITURES	FY 2024	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
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

1004 Gen Fund (UGF)	2,004.6		2,004.6	2,004.6	2,004.6	2,004.6	2,004.6
1246 RcdvsmFund (DGF)	(2,004.6)		(2,004.6)	(2,004.6)	(2,004.6)	(2,004.6)	(2,004.6)
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2023) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2024) 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 If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

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Division: <u>Statewide Support</u>	Date: <u>03/24/2023</u>
Approved By: <u>Pam Halloran, Administrative Services Director</u>	Date: <u>03/24/23</u>
Agency: <u>Department of Public Safety</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2023 LEGISLATIVE SESSION

BILL NO. HB 119

Analysis

This bill modifies the marijuana tax structure, providing for a temporary reduction on the excise tax from \$50 per ounce to \$12.50 per ounce. After July 1, 2028, the excise tax would be replaced with a three percent consumer sales tax for retail marijuana sales. It adds conforming language to replace "cultivation facility" with "retail marijuana store".

The bill repeals Alaska Statute (AS) 43.61.010(c) which established with recidivism reduction fund in the general fund. It also repeals AS 43.61.010(d) which provided appropriations to the Department of Corrections, Department of Health, and the Department of Public Safety for recidivism reduction programs.

The Department of Public Safety allocation from this fund is used to support the Council on Domestic Violence and Sexual Assault (CDVSA) prevention programs. Without replacement funding the CDVSA prevention program would be severely impacted, if not eliminated.

To maintain CVDSA prevention programs, undesignated general fund would be necessary to offset a \$2,004.6 loss of recidivism reduction funds. The general fund would be utilized to maintain prevention grant programs, including an annual prevention summit, a contract that supports the Girls on the Run initiative, training and technical assistance for prevention partners, statewide coordination of prevention programs, a contract related to the Coaching Boys into Men program, a contract that provides training and data for CDVSA and grantees, media messaging campaigns, and 13 community-based prevention grants across the state.