

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version: HB 91
 Fiscal Note Number: _____
 () Publish Date: _____

Identifier: HB091-DPS-IVA-2-14-25
 Title: MARIJUANA: TAX/RETAIL
 STORES/REGISTRATION
 Sponsor: CARRICK
 Requester: House State Affairs

Department: Department of Public Safety
 Appropriation: Integrated Victim Assistance
 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)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates					
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
OPERATING EXPENDITURES								
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	0.0

Fund Source (Operating Only)

1004 Gen Fund (UGF)	605.1		463.8	426.5	398.0	369.5	340.6
1246 RcdvsmFund (DGF)	(605.1)		(463.8)	(426.5)	(398.0)	(369.5)	(340.6)
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 (FY2025) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2026) 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 If yes, by what date are the regulations to be adopted, amended or repealed?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:

N/A - initial Fiscal Note

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Division: <u>Council on Domestic Violence and Sexual Assault</u>	Date: <u>02/14/2025 01:00 PM</u>
Approved By: <u>Dianna Thornton, Administrative Services Director</u>	Date: <u>02/14/25</u>
Agency: <u>Department of Public Safety</u>	

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

BILL NO. HB 91

Analysis

House Bill 91 reduces the marijuana excise tax from \$50 per ounce to \$12.50 per ounce and introduces a 6% retail sales tax on marijuana and marijuana products. The Department of Revenue (DOR) projects that these tax changes will result in a total revenue reduction of \$9.86 million in FY2026, with losses continuing in subsequent years. Under AS 43.61.010(c), 50% of marijuana tax revenue is allocated to the Recidivism Reduction Fund, which supports programs within the Department of Public Safety, the Department of Corrections, and the Department of Health.

The Recidivism Reduction Fund provides funding to the Council on Domestic Violence and Sexual Assault (CDVSA) within DPS. CDVSA receives 12.4% of the fund's annual appropriation.

Based on the DOR's estimated revenue reductions from HB 91, DPS anticipates the following decreases in funding to CDVSA (\$ in thousands):

- In FY2026, DOR projects \$4,880.0 loss in revenue, DPS CDVSA 12.4% is \$605.1
- In FY2027, DOR projects \$3,740.0 loss in revenue, DPS CDVSA 12.4% is \$463.8
- In FY2028, DOR projects \$3,440.0 loss in revenue, DPS CDVSA 12.4% is \$426.6
- In FY2029, DOR projects \$3,210.0 loss in revenue, DPS CDVSA 12.4% is \$398.0
- In FY2030, DOR projects \$2,980.0 loss in revenue, DPS CDVSA 12.4% is \$369.5
- In FY2031, DOR projects \$2,740.0 loss in revenue, DPS CDVSA 12.4% is \$340.6