

SENATE FINANCE COMMITTEE

April 24, 2018

2:06 p.m.

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CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 2:06 p.m.

MEMBERS PRESENT

Senator Anna MacKinnon, Co-Chair
Senator Click Bishop, Vice-Chair
Senator Peter Micciche
Senator Donny Olson
Senator Gary Stevens
Senator Natasha von Imhof

MEMBERS ABSENT

Senator Lyman Hoffman, Co-Chair

ALSO PRESENT

Juli Lucky, Staff, Senator Anna MacKinnon; Senator Cathy Giessel, Sponsor; Jill Lewis, Deputy Director, Division of Public Health, Department of Health and Social Services.

SUMMARY

SB 128 MARIJUANA EDU/TREATMENT FUND/PROGRAM

CSSB 128(FIN) was REPORTED out of committee with a "do pass" recommendation and with two fiscal impact notes from the Department of Health and Social Services.

#sb128

SENATE BILL NO. 128

"An Act establishing the marijuana education and treatment fund; and relating to the duties of the Department of Health and Social Services to administer a comprehensive marijuana use education and treatment program."

Co-Chair MacKinnon indicated that SB 128 was previously heard in committee on March 1, 2018 and March 2, 2018.

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Vice-Chair Bishop MOVED to ADOPT the committee substitute for SB 128, Work Draft 30-LS1069\R (Martin, 4/23/18).

Co-Chair MacKinnon OBJECTED for discussion.

JULI LUCKY, STAFF, SENATOR ANNA MACKINNON, discussed the one change in the committee substitute (CS) on page 1, line 13. She recounted that concerns were expressed regarding the change to the percentage rate from 25 percent to 35 percent of the taxes received [on the sale of marijuana]. The CS returned the percentage rate to 25 percent that was contained in the original version of the bill. She reminded the committee that 50 percent of the taxes were currently distributed into the Recidivism Reduction Fund and the bill used 25 percent of the remainder of the tax collected.

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Co-Chair MacKinnon WITHDREW the OBJECTION. There being NO further OBJECTION, the proposed committee substitute was adopted.

Ms. Lucky announced that there was not a new fiscal note, but there was a replacement fiscal note forthcoming.

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SENATOR CATHY GIESSEL, SPONSOR, voiced that she supports the committee substitute.

Co-Chair MacKinnon requested a brief overview of the bill.

Senator Giessel explained that the state received revenue from the tax on the commercialization of marijuana of which 50 percent was designated for recidivism with 50 percent remaining. The Division of Public Health, Department of Health and Social Services (DHSS) recognized that education and treatment were necessary, in particular educating children on the "dangers of marijuana and its side effects." She indicated that the bill originated with the administration. The department suggested that some amount of the 50 percent of the proceeds should fund an education

and treatment fund. The predominate amount of the 25 percent would be directed to afterschool programs that "most effectively communicate with children." In addition, the program would provide clinicians in school based clinics information to share with the students.

Senator Micciche recounted that the bill's intent was that the funds would not remain with DHSS, but the program would be carried out via a grant or contract to other providers. Senator Giessel replied in the affirmative. She clarified that the Division of Public Health managed the tobacco prevention program, and the proposed program would be managed similarly. The grant money would be distributed to multiple organizations. She hoped many rural communities would benefit.

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Senator Stevens supported the legislation. He questioned whether the Department of Education and Early Development (DEED) and school districts would be involved and work with DHSS on the program. He wondered whether the grants would be available to school districts. Senator Giessel relayed that the suggestion was made in the other body. She was informed that DEED would prefer that DHSS manage the funds in the form of grants. Schools would support the program through the afterschool aspect of the program occurring in schools. Senator Stevens asked whether individual districts and schools would be able to apply for the grants through the program. Senator Giessel believed that would be the case but deferred the answer the division.

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Co-Chair MacKinnon OPENED public testimony.

Co-Chair MacKinnon CLOSED public testimony.

[2:15:08 PM](#)

JILL LEWIS, DEPUTY DIRECTOR, DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, addressed the forthcoming fiscal note. She reported that half of the amount from the 25 percent would be directed to afterschool programs. The remainder would be distributed for the other mandatory elements in the bill. She listed other areas of

funding distribution: community health grants, workforce development, survey monitoring, and treatment aspects.

Senator Stevens had no objection to the program. He asked whether the program could incorporate working with school districts. Ms. Lewis replied in the affirmative. She noted that the community health grant funding included a component that leveraged existing programs and would add on modules appropriate for marijuana prevention and education for school districts. The department would develop the educational materials and share the information through grants to existing applicable programs. The schools would be able to participate in that aspect in the program.

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Senator Stevens asked for an explanation of how the tobacco prevention program worked in the school districts. Ms. Lewis responded that the tobacco program worked with local grantees spread throughout the state who work with a variety of different entities in their communities. The grantees worked with school districts on cessation, prevention, and providing related services. Senator Stevens thought that the program was also attempting to reach young adults and older adults. Ms. Lewis answered in the affirmative, but qualified that the primary focus of the fund was to address youth prevention. She pointed to educational materials and treatment options.

Vice-Chair Bishop asked whether the division carried out the "hands-on curriculum development." Ms. Lewis responded that the division developed the curriculum and the materials. The division would work with DEED to ensure that the materials were appropriate for school districts. Vice-Chair Bishop wanted to ensure that the curriculum included information about the zero tolerance policy mandated by the federal government for drug or alcohol use for most job professions.

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Co-Chair MacKinnon requested that Ms. Lewis explain the forthcoming fiscal note.

Ms. Lewis explained that only the analysis and allocation was changing for the current DHSS fiscal impact note, but the "bottom-line" would remain the same. The grant line for

the afterschool program would increase. In addition, \$100 thousand was allocated to the Personal Services line for one new position [public health specialist] to serve as consultant and subject matter expert in planning and implementing programmatic evaluations, health surveys and assessments, health education materials, and delivery of the community program services. She noted the amount of \$5 thousand for travel and \$242.5 for contract services that would provide services such as; production of educational materials, health surveys and assessments, and program evaluation. She reported that the Grant line allocation was \$412.5 thousand targeted for afterschool programs that increased in the out years to \$1.645 million when the program was fully developed. She turned to the other DHSS fiscal impact note appropriated to Behavioral Health and allocated to Behavioral Health Treatment and Recovery Grants that reflected the treatment component of the legislation in the amount of \$65 thousand in FY 19 increasing to \$190 thousand in the out years.

Vice-Chair Bishop MOVED to REPORT CSSB 128(FIN) out of committee with individual recommendations and accompanying fiscal notes.

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Senator Micciche announced that he served on the board of an organization that might become a grantee of the program.

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AT EASE

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RECONVENED

Co-Chair MacKinnon announced that no new revenue was associated with the fiscal notes. The funding was solely derived from the portion of revenue collected from the taxation of marijuana sales.

CSSB 128(FIN) was REPORTED out of committee with a "do pass" recommendation and with two fiscal impact notes from the Department of Health and Social Services.

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ADJOURNMENT

2:28:15 PM

The meeting was adjourned at 2:28 p.m.