

Fiscal Note

State of Alaska
2025 Legislative Session

Bill Version:	SB 73
Fiscal Note Number:	7
(S) Publish Date:	2/12/2025

Identifier: SB073-DPS-IVA-2-1-25
 Title: MARIJUANA: TAX/REGISTRATION; INCOME TAX
 Sponsor: CLAMAN
 Requester: Senate Labor & Commerce

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

1004 Gen Fund (UGF)	616.5		585.7	575.9	578.7	581.5	584.3
1246 RcdvsmFund (DGF)	(616.5)		(585.7)	(575.9)	(578.7)	(581.5)	(584.3)
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 If yes, by what date are the regulations to be adopted, amended or repealed?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:

Not applicable; initial version

Prepared By:	Laurel Shoop, Special Assistant to the Commissioner	Phone:	(907)269-5618
Division:	Commissioner's Office	Date:	02/01/2025
Approved By:	Dianna L. Thornton, Administrative Services Director	Date:	02/01/25
Agency:	Department of Public Safety		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2025 LEGISLATIVE SESSION

Analysis

This bill modifies Alaska's marijuana tax structure by reducing the excise tax on marijuana sales from \$50 per ounce to \$12 per ounce, a 76% decrease. These changes will reduce overall state revenue from marijuana taxation, impacting funds allocated to various state programs, including the Department of Public Safety (DPS) Council on Domestic Violence and Sexual Assault (CDVSA) grant programs.

Fiscal Impact Analysis for the Council on Domestic Violence and Sexual Assault

AS 43.61.010(c) provides for 50 percent of marijuana tax collect to be deposited into the recidivism reduction fund. AS 43.61.010(d) allows the legislature to use the annual estimated balance in the recidivism reduction fund to make appropriations to the Department of Corrections, the Department of Health, and the Department of Public Safety.

To estimate fiscal impact of SB 73, the Department of Public Safety (DPS) made assumptions based on the FY26 appropriation of the recidivism reduction fund between the three departments and tax projections from the Department of Revenue (DOR). The \$13,000.0 FY2026 DOR Total Fund Revenue projection is anticipated to be appropriated between the three departments for FY26. The DPS share of that \$13,000.0 is \$1,617.5, or 12.4% of the total FY26 appropriation. Then, DPS used the DOR change in revenue fiscal analysis for HB 73 relevant to fund 1246, recidivism reduction fund.