

OFFICE OF FISCAL ANALYSIS

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sHB-5350

AN ACT CONCERNING CANNABIS, HEMP AND INFUSED BEVERAGE REGULATION.

AMENDMENT

LCO No.: 4317

File Copy No.: 401

House Calendar No.: 272

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Policy & Mgmt., Off.	GF - Cost	92,900	90,770
State Comptroller - Fringe Benefits ¹	GF - Cost	37,700	37,700
Social Equity Council	SEIA - Revenue Loss	1.3 million	1.4 million
Policy & Mgmt., Off.	SEIA - Revenue Gain	1.3 million	1.4 million
Department of Emergency Services and Public Protection	GF - Potential Revenue Gain	Potential	See Below

Note: GF=General Fund; SEIA=Social Equity and Innovation Account

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
All Municipalities	Potential Revenue Gain	Potential	See Below

Explanation

The amendment results in the following fiscal impacts associated with the impaired driving enforcement and drug recognition training

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.82% of payroll in FY 27.

grant program established under the amendment.

Office of and Policy and Management Cost

The amendment results in a cost of \$92,900 in FY 27 and an annual cost of \$90,770 beginning in FY 28 to the Office of Policy and Management (OPM) for a Fiscal Administrative Officer and an annual corresponding fringe benefit cost of \$37,700 to administer an impaired driving enforcement and drug recognition training grant program.

Cannabis Excise Tax Redistribution

The amendment results in a revenue loss of \$1.3 million in FY 27 and \$1.4 million in FY 28 to the social equity and innovation account (SEIA) and a corresponding revenue gain to the "impaired driving enforcement and drug recognition training account" established under the amendment by redistributing a portion of the tax from the SEIA to the new account.

Revenue Gain to DESPP and Municipalities

The amendment also results in a corresponding potential revenue gain in FY 27 and a revenue gain beginning in FY 28 to municipalities and the Department of Emergency Services and Public Protection (DESPP) to the extent grants are administered for costs associated with providing training to certain police officers. Any revenue gain is dependent on the cost of the training providing, the amount of the grant awarded, and the funds available in the account.²

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

² Only training that occurs beginning in FY 27 will qualify for grants from this account. FY 27 grants will be dependent on the time it takes for OPM to establish the account and for funds to accumulate.