

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 5404 SB	<b>Title:</b> Cannabis revenue/local gov.
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## Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Liquor and Cannabis Board	0	0	(47,644,631)	0	0	(52,240,241)	0	0	(53,078,898)
<b>Total \$</b>	<b>0</b>	<b>0</b>	<b>(47,644,631)</b>	<b>0</b>	<b>0</b>	<b>(52,240,241)</b>	<b>0</b>	<b>0</b>	<b>(53,078,898)</b>

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Fiscal note not available					
Local Gov. Total						

## Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Revenue	Fiscal note not available											
Liquor and Cannabis Board	.0	0	0	0	.0	0	0	0	.0	0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

## Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Revenue	Fiscal note not available								
Liquor and Cannabis Board	.0	0	0	.0	0	0	.0	0	0
<b>Total \$</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Fiscal note not available								
Local Gov. Total									

## Estimated Capital Budget Breakout

NONE

<b>Prepared by:</b> Val Terre, OFM	<b>Phone:</b> (360) 280-3973	<b>Date Published:</b> Preliminary 1/22/2024
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# Individual State Agency Fiscal Note

<b>Bill Number:</b> 5404 SB	<b>Title:</b> Cannabis revenue/local gov.	<b>Agency:</b> 195-Liquor and Cannabis Board
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## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Dedicated Cannabis Account-State 315-1	(22,933,152)	(24,711,479)	(47,644,631)	(52,240,241)	(53,078,898)
<b>Total \$</b>	(22,933,152)	(24,711,479)	(47,644,631)	(52,240,241)	(53,078,898)

### Estimated Operating Expenditures from:

NONE

### Estimated Capital Budget Impact:

NONE

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/16/2024
Agency Preparation: Colin O Neill	Phone: (360) 664-4552	Date: 01/19/2024
Agency Approval: Aaron Hanson	Phone: 360-664-1701	Date: 01/19/2024
OFM Review: Val Terre	Phone: (360) 280-3973	Date: 01/21/2024

## Part II: Narrative Explanation

### II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

Section 1(3c): Modifies the distribution of cannabis revenue to local governments from 5% to 10%.

Note: however, nowhere in section 3 is any other distribution percentage decreased, resulting in the total distributed in section 3 105% of available revenues.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

Section 1(3c): Modifies the distribution to local governments from 5% to 10%.

Note: however, nowhere in section 3 is any other distribution percentage decreased, so that makes the total in section 3 105% of available revenues.

Based on the November 2023 Cannabis Distribution forecast sheet:

NOTE: The Forecast sheet only goes out to FY27 so FY28/29 in the table above are extended from FY27.

#### CURRENT FORECAST - DISTRIBUTION TO LOCALS:

FY24: \$22,933,152

FY25: \$24,711,479

FY26: \$25,700,792

FY27: \$26,539,449

#### MODIFIED FORECAST - DISTRIBUTION TO LOCALS (based on the bill language):

FY24: \$45,866,303

FY25: \$49,422,957

FY26: \$51,401,583

FY27: \$53,078,898

#### OVER DISTRIBUTION/SHORTFALL (percentages do not add up)

FY24: (\$22,933,152)

FY25: (\$24,711,479)

FY26: (\$25,700,792)

FY27: (\$26,539,449)

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

### III. B - Expenditures by Object Or Purpose

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

**III. D - Expenditures By Program (optional)**

NONE

**Part IV: Capital Budget Impact**

**IV. A - Capital Budget Expenditures**

NONE

**IV. B - Expenditures by Object Or Purpose**

NONE

**IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*