BILL SUMMARY 2nd Session of the 58th Legislature

Bill No.: Version: Request Number: Author: Date: Impact: HB 3530 CS 10441 Rep. David Hardin 4/6/2022 REVISED

Apportionment of Revenue

Modifies Apportionment of Medical Marijuana Excise Tax

Increased Revenue to County Sheriff Fund and General Revenue Fund (Unrestricted)

Research Analysis

The committee substitute for HB 3530 creates the County Sheriff Public Safety Grant Revolving Fund for the Oklahoma Medical Marijuana Authority (OMMA), consisting of monies from the first \$5 million dollars from the medical marijuana excise tax, allocated in equal monthly amounts. The measure also directs OMMA to establish programs funded by the revolving fund to support county sheriffs in the enforcement of medical marijuana business laws.

Prepared By: Emily McPherson

Fiscal Analysis

The measure modifies the apportionment of revenue resulting from the medical marijuana tax on sales. FY-23 revenue is to be apportioned, after the amount budgeted for the "running of the regulatory office" to the General Revenue Fund (75%) for expenditure for common education, with the remainder apportioned to the State Department of Health (OSDH) (25%) for drug and alcohol rehabilitation.

The measure will apportion revenue, beginning in FY-23, whereby the first \$5,000,000 will be apportioned to the newly created County Sheriff Public Safety Grant Revolving Fund ("Grant Fund"), with subsequent collections being first utilized for the operation of the Oklahoma Medical Marijuana Authority (OMMA), with any amount in excess being apportioned with seventy-five percent (75%) to the General Revenue Fund (GRF) for expenditure for common education and twenty-five percent (25%) to the State Department of Health and earmarked for drug and alcohol rehabilitation.

The Tax Commission indicates the FY-23 estimate of revenue from the tax approaches \$59,565,000. Current (FY-22) budgeted funds for OMMA within the Department of Health are shown as \$35,538,661 (FY-23 budgeted amounts are yet to be developed). With this example, the amount of revenue available for apportionment, after allocation to the County Sheriff Public Safety Grant Revolving Fund (\$5,000,000) and the budgeted amount for OMMA would approach \$19,026,339 - \$59,565,000 minus \$5,000,000 minus \$35,538,661. From the amount

available funds for expenditure by common education would approach \$14,269,754 with \$4,756,585 apportioned to the Department of Health.

Prepared By: Mark Tygret

Other Considerations

None.

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