



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2025 Biennium

**Bill information:**

HB0903 - Generally revise marijuana laws (Hopkins, Mike )

**Status:** As Introduced

- Significant Local Gov Impact     
  Needs to be included in HB 2     
  Technical Concerns  
 Included in the Executive Budget     
  Significant Long-Term Impacts     
  Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b>Expenditures:</b>					
General Fund	\$0	\$0	\$0	\$0	\$0
State Special Revenue	\$1,000	\$0	\$0	\$0	\$0
<b>Revenue:</b>					
General Fund	\$0	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** HB 903 revises the combined-use marijuana laws to allow cultivators to step up multiple tiers at a time and sets the license fee in code at \$7,500. The bill appropriates \$1,000 from the marijuana state special revenue account to the Department of Revenue in FY 2023.


### FISCAL ANALYSIS

**Assumptions:**

- HB 903 revises marijuana laws related to the combined-use marijuana licenses. The Department of Revenue may issue up to eight combined-use marijuana licenses to federally recognized tribes in the state. This license allows the tribe or tribal-owned business to operate a cultivation and dispensary license within 150 air-miles of the tribal reservation.
- This bill would allow the cultivator under a combined-use license to increase their canopy level multiple tiers at a time up to a tier five license. The bill also sets the combined-use license fee at \$7,500 in 16-12-225, MCA. This is currently the same license fee amount that the Department of Revenue has set in rules for combined-use licenses so there would be no fiscal impact due to this change. Also, the Department of Revenue has not issued any combined-use licenses up to this point.

3. This bill is effective upon passage and approval and removes the ability for other cultivators to increase their canopy license multiple tiers at a time, but that provision was scheduled to terminate after June 30, 2023, under current law.
4. Section 3 of the bill appropriates \$1,000 from the marijuana state special revenue account to the Department of Revenue for the biennium ending June 30, 2023, for the purpose of notifying licensees of the provisions in this bill. This appropriation would reduce the final distributions out of the marijuana state special revenue account by an equal amount, which is minimal.
5. The Department of Revenue would not incur significant additional costs to implement this bill.

	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>					
<b><u>Expenditures:</u></b>					
Operating Expenses	\$1,000	\$0	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<u>\$1,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Funding of Expenditures:</u></b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$1,000	\$0	\$0	\$0	\$0
<b>TOTAL Funding of Exp.</b>	<u>\$1,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Revenues:</u></b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$1,000)	\$0	\$0	\$0	\$0

<u>MH</u>	<u>3/31/23</u>		<u>3-31-23</u>
Sponsor's Initials	Date	Budget Director's Initials	Date