

BDR 56-1054 AB 413

EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 10, 2023

Agency Submitting: Cannabis Compliance Board

| Items of Revenue or Expense, or Both | Fiscal Year 2022-23 | Fiscal Year 2023-24 | Fiscal Year 2024-25 | Effect on Future Biennia |
|--|---------------------|---------------------|---------------------|--------------------------|
| Cat 01 Personnel (Expense) | | \$901,070 | \$1,223,176 | \$2,446,352 |
| Cat 04 Operating (Expense) | | \$1,323 | \$1,323 | \$2,646 |
| Cat 23 Enforcement Division (Expense) | | \$1,161,064 | \$852,686 | \$1,705,372 |
| Cat 26 Information Services (Expense) | | \$106,340 | \$106,340 | \$212,680 |
| Cat 28 Staff Physicals (Expense) | | \$15,588 | \$3,464 | \$6,928 |
| Cat 29 Uniforms (Expense) | | \$7,973 | \$1,772 | \$6,928 |
| Cat 83 NDOT 800 MHZ Radios Statewide Cost Allocation (Expense) | | \$5,535 | \$5,535 | \$11,070 |
| Cat 84 Cost Allocation (Expense) | | \$145,867 | \$148,986 | \$297,972 |
| Total | 0 | \$2,344,760 | \$2,343,282 | \$4,689,948 |

Explanation

(Use Additional Sheets of Attachments, if required)

It has been determined that as currently drafted AB413 (BDR 56-1054), will have significant fiscal impact to the Cannabis Compliance Board (CCB) based on the following sections.

Sec. 5. The Board shall designate one or more agents of the Board for the investigation of violations involving conduct associated with cultivating, manufacturing, delivering, transferring, supplying, or selling cannabis without a Nevada state issued cannabis license.

Sec. 3 (3) Establishes any civil penalty recovered for violations involving conduct associated with cultivating, manufacturing, delivering, transferring, supplying, or selling cannabis without a Nevada state issued cannabis license, must be deposited in: (d) If recovered by the Attorney General at the request of the Board, a separate account in the State General Fund. The money in the account may be used only by the Board to: (1) Carry out the program established by the Board by regulation pursuant to section 6 of this act; and (2) Conduct investigations concerning violations involving conduct described in NRS 678A.650 and section 2 of this act and assist in the enforcement of those sections. At this time, it cannot be determined the number of violations that will occur, and the revenue collected through civil penalties.

This fiscal note impact funds the anticipated additional enforcement personnel along with the corresponding operating budget to investigation of violations involving unlicensed cultivating, manufacturing, delivering, transferring, supplying, or selling of cannabis. The variation between fiscal years reflects a phased in approach for the additional positions.

Name Lisa Figueroa

Title ASO3

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Friday, April 07, 2023

The agency's response appears reasonable.

Name Amy Stephenson

Title Director