

**EXECUTIVE AGENCY**  
**FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 6, 2023

Agency Submitting: Cannabis Compliance Board

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2022-23</b>	<b>Fiscal Year 2023-24</b>	<b>Fiscal Year 2024-25</b>	<b>Effect on Future Biennia</b>
RGL 3892 T&E (Revenue)	(\$2,147,973)	(\$1,934,931)	(\$1,934,931)	(\$3,869,863)
Total	(\$2,147,973)	(\$1,934,931)	(\$1,934,931)	(\$3,869,863)

Explanation

(Use Additional Sheets of Attachments, if required)

It has been determined that as currently drafted SB 195 (BDR 56-452) Redo-1, will have significant fiscal impact to the Cannabis Compliance Board (CCB) based on the following sections.

Section 7.1(b): CCB Civil Penalty revenue would be reduced, to reflect the proposed \$20,000 per violation cap. We are unable to determine the actual impact to the revenue reduction, as the penalties are assessed when violations occur. Additionally, settlement amounts would be a factor and cannot be forecasted. Fiscal year 2021 and 2022 produced a combined revenue receipt of \$2,853,617. Fiscal impact of this provision is estimated to be in the range of \$1,000,000-\$2,000,000 over the biennium.

Section 10.3(d): CCB Time and Effort Assessment revenue would be reduced to reflect only charges from an external law enforcement agency or other persons that are not employees of the Board to conduct background checks in connection with an application.

Section 10.5: CCB Time and Effort Assessment revenue would be reduced to reflect the restrictions of fees charged to those not expressly authorized in Section 10 and NRS 678B.

While this fiscal note impact reduces Cannabis Compliance Board revenue, the reduction will be reflected in the transfer of funds to the Department of Education's State Education Fund (SEF).

Name Lisa Figueroa

Title ASO3

**GOVERNOR'S OFFICE OF FINANCE COMMENTS**

The agency's response appears reasonable.

Date Thursday, March 02, 2023

Name Amy Stephenson

Title Director