

FISCAL NOTE
Requested by Legislative Council
03/03/2021

Amendment to: HB 1045

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$625	\$0	\$36,250	\$0	\$40,000
Expenditures	\$0	\$810	\$0	\$46,980	\$0	\$51,840
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill changes the definition of hemp, adds a testing and sampling fee, and exempts the Department from going through procurement to choose a testing lab.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

This bill adds a new fee to cover the costs of collecting and testing hemp samples. Each sample will cost the producer \$125 per sample collected. The numbers of samples is directly tied to the number of fields and lots they grow.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenues are based on the estimated numbers of tests collected and accounts for some growth in the program. For the remaining of the current biennium, the Department is estimating only five tests. For the 21-23 biennium, a total of 290 tests and for the 23-25 biennium, a total 320 tests.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The Department is currently conducting and paying for sampling and testing, however, the fees collected for licensing in the past are covering the tests we are currently conducting. Going forward, the expenses will be covered by the fees covered in the current biennium. Staff time for collecting samples is not included in this cost estimate as the staff time is already funded through the general fund. Staff time for generating invoices is included at an estimate of five minutes per sample and an estimated cost of \$34 per hour. The additional cost in the 19-21 biennium is for accounting for creating an invoice for the program.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

N/A

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