

OKLAHOMA TAX COMMISSION

REVENUE IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT SECOND REGULAR SESSION, FIFTY-EIGHTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: February 10, 2022

BILL NUMBER: HB 3544 STATUS AND DATE OF BILL: Introduced 01/17/22

AUTHORS: House Caldwell (Chad) Senate NA

TAX TYPE (S): MMJ Excise Tax SUBJECT: Apportionment

PROPOSAL: Amendatory

HB 3544 proposes to amend 68 O.S. § 426, relating to the apportionment of medical marijuana excise tax. For FY 23, before any apportionment is made to the General Revenue Fund, \$3 million is apportioned to the Oklahoma State University College of Osteopathic Medicine Revolving Fund, and \$3 million is apportioned to the Trauma Care Assistance Revolving Fund.

EFFECTIVE DATE: Emergency – July 1, 2022

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 23: None.

FY 24: None.

Feb 11, 2022
DATE

Rick Miller
DIVISION DIRECTOR

bdf

2/11/2022
DATE

Huan Gong
HUAN GONG, ECONOMIST

2/14/2022
DATE

[Signature]
FOR THE COMMISSION

The revenue impact provided herein is an estimate of the potential impact on the collection or apportionment of tax revenues affected by the proposed legislation. It is not intended to be an estimate of the overall fiscal impact on the state budget if the proposed legislation is enacted.

ATTACHMENT TO REVENUE IMPACT – HB 3544 [Introduced] Prepared 2/10/2022

HB 3544 proposes to amend 68 O.S. § 426, relating to the apportionment of medical marijuana excise tax. For FY 23, before any apportionment is made to the General Revenue Fund, \$3 million is apportioned to both the Oklahoma State University (OSU) College of Osteopathic Medicine Revolving Fund,¹ and \$3 million is apportioned to the Trauma Care Assistance Revolving Fund.²

Currently, except for FY 22, if tax proceeds exceed the budgeted amount for running the regulatory office, 75% of the surplus is apportioned to the General Revenue Fund, and the remaining 25% of the surplus is apportioned to the Oklahoma State Department of Health (OSDH) and earmarked for drug and alcohol rehabilitation.

Under this proposal, the intended apportionment of medical marijuana excise tax is unclear. For example, two possible options may exist for apportionment:

- Option 1 -
1. Apportionment of budgeted amount for regulatory office.
 2. Surplus apportioned as follows:
 - a. 25% to OSDH
 - b. 75% split as follows:
 - i. \$3 million to OSU College of Osteopathic Medicine Revolving Fund
 - ii. \$3 million to Trauma Care Assistance Revolving Fund
 - iii. Remainder to General Revenue Fund

Note: Under Option 1, it is unclear how surplus proceeds should be apportioned to the proposed Funds if 75% of such proceeds is an amount less than \$6 million.

- Option 2 -
1. Apportionment of budgeted amount for regulatory office.
 2. \$3 million to OSU College of Osteopathic Medicine Revolving Fund
 3. \$3 million to Trauma Care Assistance Revolving Fund
 4. Surplus apportioned as follows:
 - a. 25% to OSDH
 - b. 75% to General Revenue Fund

Further clarification is necessary for the Oklahoma Tax Commission to implement this proposal.

HB 3544 will not impact collections attributable to retail sales of medical marijuana.

¹ 62 O.S. § 160.2

² 63 O.S. § 1-2530.9