



Fiscal Note

H.B. 389 1st Sub. (Buff)

2024 General Session
Medical Cannabis Pharmacy Modifications
by Brooks, W. (Brooks, Walt.)



General, Income Tax, and Uniform School Funds

JR4-4-101

| | Ongoing | One-time | Total |
|----------------------------|---------|----------|-------|
| Net GF/ITF/USF (rev.-exp.) | \$0 | \$0 | \$0 |

State Government

UCA 36-12-13(2)(c)

| Revenues | FY 2024 | FY 2025 | FY 2026 |
|--------------------------------------|----------------|-----------------|-----------------|
| Qualified Patient Enterprise Fund | \$1,200 | \$34,800 | \$56,400 |
| Qualified Production Enterprise Fund | \$0 | \$24,000 | \$24,000 |
| Total Revenues | \$1,200 | \$58,800 | \$80,400 |

Enactment of this legislation could increase revenue to the Qualified Production Enterprise Fund by \$24,000 ongoing beginning in FY 2025 from Closed-door Medical Cannabis Pharmacy Licenses. This legislation could also increase revenue to the Qualified Patient Enterprise Fund by \$1,200 one-time in FY 2024, \$34,800 one-time in FY 2025, and by \$56,400 ongoing beginning in FY 2026 from additional registrations for Pharmacy Medical Providers and patients, as well as additional transaction fees.

| Expenditures | FY 2024 | FY 2025 | FY 2026 |
|--------------------------------------|--------------|-----------------|-----------------|
| Qualified Patient Enterprise Fund | \$500 | \$3,600 | \$3,600 |
| Qualified Production Enterprise Fund | \$0 | \$26,300 | \$22,000 |
| Total Expenditures | \$500 | \$29,900 | \$25,600 |

Enactment of this legislation could cost the Department of Agriculture and Food \$26,300 one-time in FY 2024 and \$22,000 ongoing from the Qualified Production Enterprise Fund for rule changes and closed door pharmacy inspections. This legislation could also cost the Department of Health and Human Services \$500 one-time in FY 2024 and \$3,600 ongoing beginning in FY 2025 to process additional registrations and payments.

| | FY 2024 | FY 2025 | FY 2026 |
|----------------------|--------------|-----------------|-----------------|
| Net All Funds | \$700 | \$28,900 | \$54,800 |

Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

Individuals & Businesses

UCA 36-12-13(2)(c)

Enactment of this legislation could cost individuals and businesses who choose to open or patronize a Closed-door Medical Cannabis Pharmacy \$1,200 one-time in FY 2024, \$58,800 one-time in FY 2025 and \$80,400 ongoing beginning in FY 2026 for business licenses, patient registrations, and product transaction fees.

Regulatory Impact

UCA 36-12-13(2)(d)

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Evaluation

JR1-4-601

This bill does not create a new program or significantly expand an existing program.

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.