

**EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: February 14, 2025

Agency Submitting: Cannabis Compliance Board

Items of Revenue or Expense, or Both	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Effect on Future Biennia
(Expense)				
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

The Cannabis Compliance Board (CCB) has reviewed Senate Bill 81, as introduced in fiscal note 2053 and has determined that there is a fiscal impact to the CCB's ability to maintain operations if funds are transferred quarterly.

Historically, the transfer occurs in the third and fourth quarters to ensure sufficient available funds. It cannot be done sooner because the cash is not yet received. With excise tax being the largest revenue income and the transfer occurring 3 months following Taxation's actual receipt of funds, operations basically float on the balance forward (reserve) and license/registration fees July-December. (The final Taxation transfer for the fiscal year to CCB occurs in August.)

Contributing factors for transfer amount determination:

1. Revenue receipt is based on industry fluctuation.
2. The transfer amount is based on a calculation that includes both actual and projected amounts to safeguard funding for continued operations and is subject to change. Premature transfer could result in the need for adjustments requiring either a transfer of additional CCB funds or a reimbursement from the Nevada Department of Education of previously transferred CCB funds.

The primary concern is that the transfer of funds quarterly would be based on unknown factors and lack of realized funding. The first transfer occurs in January/February with another in spring and a final transfer at the fiscal year end in August following Taxation's final transfer to CCB.

Name Lisa Figueroa
Title Chief Financial Officer

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Monday, February 10, 2025

The agency's response appears reasonable.

Name Tiffany Greenameyer
Title Director