

INTERIM JOINT COMMITTEE ON APPROPRIATIONS AND REVENUE

Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection

Minutes of the 4th Meeting of the 2019 Interim

October 1, 2019

Call to Order and Roll Call

The fourth meeting of the Budget Review Subcommittee on Economic Development, Tourism, and Environmental Protection of the Interim Joint Committee on Appropriations and Revenue was held on Tuesday, October 1, 2019, at 9:00 AM, in Room 154 of the Capitol Annex. Representative Lynn Bechler, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative Lynn Bechler, Co-Chair; Senators Perry B. Clark; Representatives Terri Branham Clark, Savannah Maddox, Russell Webber, and Les Yates.

Guests: K. Gail Russell, Secretary, Public Protection Cabinet; Carol Beth Martin, Commissioner, Department of Alcoholic Beverage Control; Steve Humphress, General Counsel, Department of Alcoholic Beverage Control; and Joseph Fawns, Legislative Liaison, Public Protection Cabinet.

LRC Staff: Sara Rome, Kevin Newton, and Amie Elam.

Public Protection Cabinet

Representatives from the Public Protection Cabinet gave a presentation to the committee on the implementation and fiscal impact of proposed Medical Marijuana Legislation.

In response to a question from Representative Branham Clark, Commissioner Martin stated that Washington regulates marijuana through Alcoholic Beverage Control (ABC).

In response to a question from Representative Webber, Commissioner Martin noted that most of the 47 additional personnel that would be needed would be field office personnel. Secretary Russel noted that ABC would have an additional cost in finding office space for the additional personnel.

In response to a question from Chair Bechler, Commissioner Martin stated that implementation would cost \$2.5 million, with a recurring annual cost of around \$5.5 million. Mr. Humphress noted that the first year cost would be \$8 million. Secretary Russel noted that licensing fees should be sufficient to cover expenses.

In response to a question from Representative Branham Clark, Commissioner Martin noted that Oklahoma has enough revenue from medical marijuana to cover expenses and has accumulated \$50 million in reserve funds in less than a year.

In response to a question from Chair Bechler, Mr. Humphress stated that ABC would like to have two years to develop regulations and implement if medical marijuana legislation were passed.

There being no further business to come before the subcommittee, the meeting was adjourned at 9:45 a.m.