

Fiscal Estimate Narratives

WEDC 10/24/2023

LRB Number	23-4468/1	Introduction Number	AB-0506	Estimate Type	Original
Description legalizing the possession of marijuana; medical marijuana; regulating the production, processing, and sale of marijuana; expunging or redesignating past convictions for marijuana-related crimes; equity grants; making an appropriation; and providing a penalty					

Assumptions Used in Arriving at Fiscal Estimate

Under this bill, a person who is at least 21 years old may legally possess marijuana for recreational purposes. A person of any age may possess marijuana for medical purposes. Under the bill, a person may produce, process, or sell marijuana if the person has a permit. This bill creates an excise tax for the privilege of producing, processing, distributing, or selling marijuana in this state, and 60 percent of the revenue collected from the tax is deposited into a segregated fund called the "community reinvestment fund."

From the community reinvestment fund, WEDC is allocated \$5M to distribute as underserved community grants in 2024-2025.

Long-Range Fiscal Implications