

BILL SUMMARY
2nd Session of the 58th Legislature

Bill No.:	SB 1848
Version:	FA1
Request Number:	11353
Author:	Mr. Pro Temp
Date:	4/24/2022
Impact:	PRELIMINARY

Medical Marijuana Tax

Apportionment Change

Modifies Amounts to Current Funds
Adds Apportionment to Sheriffs Fund

Places Caps on All Receiving Funds

Research Analysis

The floor substitute for SB 1848 modifies the apportionment of the state sales tax and the 7 percent excise tax on medical marijuana, for the fiscal year beginning July 1, 2022, and each subsequent fiscal year, as follows:

- 35.7 percent to the Oklahoma Medical Marijuana Authority for operations, not to exceed \$23.6 million;
- 44.625 percent to the State Public Common School Building Equalization Fund to fund redbud school grants, not to exceed the amount of grants awarded;
- 14.875 percent to the Department of Mental Health and Substance Abuse Services for drug and alcohol rehabilitation, not to exceed \$10 million; and
- 4.8 percent to the County Sheriff Public Safety Grant Revolving Fund, not to exceed \$3.2 million.

Any surplus collections will be apportioned to the General Revenue Fund. All dollar amounts prescribed in the measure are subject to a final estimate determined by the Oklahoma Tax Commission each fiscal year.

Prepared By: Emily McPherson

Fiscal Analysis

The measure modifies the apportionment of revenue derived from the medical marijuana tax as levied in 63 O.S., Section 426 and the sales tax attributable to sales of medical marijuana products as levied in 68 O.S., Section 1354.

The change in fractional apportionments affect the percentages to the Oklahoma Medical Marijuana Authority Revolving Fund, the State Public Common School Building Equalization Fund, and the Department of Mental Health and Substance Abuse Services. In addition, a portion of the revenue will be apportioned to the County Sheriff Public Safety Revolving Fund as created in HB 3350.

A comparison of the affects to the receiving funds, based on the FY-23 estimate of revenue of \$59,565,000, illustrates the changes:

Medical Marijuana Tax Fund	SB 1848		Current Law	
	Fraction (%)	Amount	Fraction (%)	Amount
Oklahoma Medical Marijuana Authority Revolving Fund	35.700	21,264,705		
State Public Common School Building Equalization Fund	44.625	26,580,881		
Mental Health and Substance Abuse Services	14.875	8,860,294	25.000	14,891,250
County Sheriff Public Safety Revolving Fund	4.800	2,859,120		
Common Education			75.000	44,673,750
	100.000	59,565,000	100.000	59,565,000

Sales Tax Fund	SB 1848		Current Law	
	Fraction (%)	Amount	Fraction (%)	Amount
Oklahoma Medical Marijuana Authority Revolving Fund	35.700	13,670,168		
State Public Common School Building Equalization Fund	44.625	17,087,709		
Mental Health and Substance Abuse Services	14.875	5,695,903	25.000	0
County Sheriff Public Safety Revolving Fund	4.800	1,838,006		
Common Education			75.000	0
	100.000	38,291,786	100.000	0

Combined Fund	SB 1848		Current Law	
	Fraction (%)	Amount	Fraction (%)	Amount
Oklahoma Medical Marijuana Authority Revolving Fund	35.700	34,934,873		
State Public Common School Building Equalization Fund	44.625	43,668,591		
Mental Health and Substance Abuse Services	14.875	14,556,197	25.000	0
County Sheriff Public Safety Revolving Fund	4.800	4,697,126		
Common Education			75.000	0
	100.000	97,856,786	100.000	0

Prepared By: Mark Tygret

Other Considerations

Caps for each receiving fund include:

Oklahoma Medical Marijuana Authority Revolving Fund: \$37,000,000

State Public Common School Building Equalization Fund: Not to exceed grants awarded

Mental Health and Substance Abuse Services: \$15,500,000

County Sheriff Public Safety Revolving Fund: \$5,000,000

