



## Fiscal Note

### H.B. 18

2020 General Session  
Industrial Hemp Program Amendments  
by Daw, B.



#### General, Education, and Uniform School Funds

JR4-5-101

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

#### State Government

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

Revenues	FY 2020	FY 2021	FY 2022
Dedicated Credits Revenue	\$0	\$225,000	\$300,000
Total Revenues	\$0	\$225,000	\$300,000
Enactment of this legislation could generate \$225,000 in Dedicated Credits for the Department of Agriculture and Food in FY2021 and \$300,000 ongoing in Dedicated Credits beginning in FY2022. The combined estimate for industrial hemp retail permits, lab permits, and certificates is 1,500 for FY2021, and that number may increase to 2,000 in FY2022. The estimated price for these permits is currently \$150.			
Expenditures	FY 2020	FY 2021	FY 2022
Dedicated Credits Revenue	\$0	\$121,800	\$85,400
Total Expenditures	\$0	\$121,800	\$85,400
Enactment of this legislation could cost the Department of Agriculture and Food \$84,400 ongoing from Dedicated Credits for an additional staff member to manage industrial hemp retail permits and equipment starting in FY2021, and \$30,000 one-time for a vehicle in FY2021. The one-time cost to draft the USDA Hemp Production Plan (\$6,400) and ongoing costs manage lab permits and research certificates (\$1,000) can be absorbed by the agency beginning in FY2021.			
Net All Funds	FY 2020	FY 2021	FY 2022
	\$0	\$103,200	\$214,600

#### 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)(d)

Enactment of this legislation could cost retailers who sell industrial hemp products, laboratories that test hemp products, or universities that perform research on industrial hemp \$150 per year for a retail or laboratory permit, or a research certificate. The total impact on the estimated 1,500 participating businesses and universities is \$225,000 in FY2021. The impact is expected to increase in FY2022 to include 2,000 businesses which would generate and an estimated \$300,000 in application fees.

**Regulatory Impact**

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

Enactment of this legislation could result in a medium increase in the regulatory burden for Utah residents or businesses.

**Performance Note**

JR4-2-404

No performance note required for this bill

**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.