



Fiscal Note

H.B. 389

2026 General Session
 Medical Cannabis Amendments
 by Dailey-Provost, Jennifer



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(3,946,700)	\$(993,900)	\$(4,940,600)

State Government

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

Revenues	FY 2026	FY 2027	FY 2028
Qualified Production Enterprise Fund	\$0	\$2,413,900	\$2,413,900
Total Revenues	\$0	\$2,413,900	\$2,413,900

Enactment of this legislation could increase revenue to the Qualified Patient Enterprise Fund by \$2,413,900 ongoing beginning in FY 2027 from authorizing the collection of a uniform transaction fee on medical cannabis sales.

Expenditures	FY 2026	FY 2027	FY 2028
Dedicated Credits Revenue	\$0	\$(1,532,800)	\$(1,532,800)
Dedicated Credits Revenue, One-time	\$(993,900)	\$0	\$0
General Fund	\$0	\$3,946,700	\$3,946,700
General Fund, One-time	\$993,900	\$0	\$0
Total Expenditures	\$0	\$2,413,900	\$2,413,900

Enactment of this legislation could increase expenditures by the Department of Agriculture and Food by \$2,413,900 annually beginning in FY 2027 from the Qualified Production Enterprise Fund for staff and enforcement in the specialized product division. Enactment could also cost HHS \$993,900 one-time in FY 2026 and \$3,946,700 ongoing beginning in FY 2027 from the General Fund due to changing the source of funding for the medical cannabis program responsibilities delegated to HHS under Title 26B. Expenditures from the Qualified Patient Enterprise Fund would be reduced proportionately.

	FY 2026	FY 2027	FY 2028
Net All Funds	\$0	\$0	\$0

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)(c)

Enactment of this legislation could cost medical cannabis patients \$2,413,900 ongoing beginning in FY 2027 from paying an additional uniform transaction fee on medical cannabis purchases.

Regulatory Impact

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

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Evaluation

JR1-4-601

This bill does not create a new program or significantly expand an existing program.

Notes on Notes

Fiscal explanations 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 explanation is not an appropriation. The Legislature decides appropriations separately.