

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6747
BILL NUMBER: SB 286

NOTE PREPARED: Jan 7, 2026
BILL AMENDED:

SUBJECT: Cannabis Regulation.

FIRST AUTHOR: Sen. Pol
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: The bill permits the use of cannabis by: (1) a person at least 21 years of age; and (2) a person with a serious medical condition as determined by the person's physician.

Adult Use Cannabis Excise Tax: The bill establishes the Adult Use Cannabis Excise Tax, and requires a retailer to transfer the tax to the Department of State Revenue (DOR) for deposit in the state General Fund. The bill also exempts veterans from payment of the sales tax on medical or adult use cannabis.

Program: The bill establishes a cannabis program (program) to permit the cultivation, processing, testing, transportation, and sale of cannabis by holders of a valid permit.

Indiana Cannabis Commission and Advisory Committee: The bill establishes the Indiana Cannabis Commission (ICC) as a state agency to oversee, implement, and enforce the program, and establishes the ICC Advisory Committee to review the effectiveness of the program.

Distribution and Labeling: The bill requires that permit holders take steps to prevent diversion of cannabis to unauthorized persons. It requires that cannabis and cannabis products be properly labeled, placed in child resistant packaging, and tested by an independent testing laboratory before being made available for purchase. The bill also prohibits packaging cannabis in a manner that is appealing to children.

Research: The bill authorizes research on cannabis in accordance with rules set forth by the ICC.

Expungement: The bill establishes a procedure for the expungement of a cannabis related conviction if the act constituting the conviction becomes legal.

The bill makes conforming amendments.

Effective Date: July 1, 2026.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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