

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 12** HLS 25RS 82

Bill Text Version: **REENGROSSED**Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.: Sub. Bill For.:

Date: May 18, 2025 2:21 PM Author: SCHLEGEL

Dept./Agy.: Corrections and Sheriffs

Subject: Unlawful Sale, Purchase, and Possession of Hemp Products

Analyst: Daniel Druilhet

CRIME/MISDEMEANOR RE1 SEE FISC NOTE GF EX Provides relative to the sale of consumable hemp products

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Proposed law creates the crime of unlawful sales of consumable hemp products to persons under 21 years of age; provides that it is unlawful to dispense, sell, distribute, or otherwise deliver a consumable hemp product to any person under 21 unless that person is the lawful owner or employee of an establishment to which the sale is being made and is accepting such delivery pursuant to ownership or employment; prohibits lack of knowledge of the person's age as a defense; assesses a sentence of imprisonment for not less than 30 days nor more than six months, or a fine of no less than \$500 nor more than \$1,000, or both, for those convicted; creates the crime of unlawful purchase and possession of consumable hemp products by a minor; makes it unlawful for any person under 21 to purchase or have possession of any consumable hemp product; assesses a fine of not more than \$100 for those who are issued a citation for its violation; provides that any person under 21 apprehended for purchasing and possessing consumable hemp products shall be issued a citation to be paid in the same manner provided for offenders of local traffic violations; provides exemptions; creates crime of producing, manufacturing, distributing, dispensing, or possessing with intent to distribute consumable hemp products non-compliant with <u>current law</u>; assesses fine of \$50,000, or one to 10 years imprisonment with or without hard labor, or both, for those convicted; provides for affirmative defenses.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
	SEE BELOW					

EXPENDITURE EXPLANATION

<u>Proposed law</u> may result in an indeterminable increase in SGF expenditures in the Department of Public Safety & Corrections - Corrections Services, to the extent that a person sustains a conviction for unlawful sales of consumable hemp products to persons under 21. The exact fiscal impact of the passage of this legislation to state or local governing authorities is indeterminable, since it is not known how many people will be convicted nor the length of the sentences assessed as a result of its potential enactment.

<u>Proposed law</u> may result in an indeterminable increase in SGF expenditures in the Department of Public Safety & Corrections - Corrections Services, to the extent that an offender sustains a conviction for producing, manufacturing, distributing, dispensing, or possessing with intent to produce, manufacture, distribute, or dispense consumable hemp products to anyone when non-compliant with current regulations. <u>Proposed law</u> is a relative felony, and any impact on either state or local expenditures is contingent on whether offenders sustain either a misdemeanor or felony-grade convictions for its violation.

To the extent that offenders sustain a felony-grade conviction for violation of the <u>proposed law</u>, DPS&C-CS will sustain an indeterminable increase in expenditures at the local level. For those convicted, sentenced, and then subsequently housed in a state facility, DPS&C-CS will sustain expenditures of \$107.60 per offender per day. For those housed in local facilities, DPS&C-CS will sustain expenditures of \$26.39 per offender per day. DPS&C-CS advises that impacts on offender populations are anticipated to impact the number of offenders held in local facilities, and that in managing its offender population, it seeks to fill all beds in state facilities first, then assigns overflow offenders to local facilities.

To the extent that offenders sustain a misdemeanor conviction for violation of the <u>proposed law</u>, local governing authorities will sustain Local Funds expenditures. The exact fiscal impact of the passage of this legislation to local governing authorities is indeterminable, since it is not known how many people will be convicted and incarcerated in local facilities, nor the length of the sentences assessed with those convictions as a result of its potential enactment. The maximum imprisonment term is no more than 10 years.

REVENUE EXPLANATION

<u>Proposed law</u> may result in an indeterminable increase in local revenues as a result of convictions of unlawful sales to or purchasing or having possession of consumable hemp by persons under 21, producing, manufacturing, distributing, dispensing, or possessing with intent to produce, manufacture, distribute, or dispense consumable hemp products to anyone when non-compliant with current regulations. The exact fiscal impact of the passage of this legislation on local revenue is indeterminable, as the fines that would be imposed on those convicted may vary, and in some cases are optional. The potential revenue will accrue to the local governing authority.

<u>Senate</u>	Dual Referral Rules	House	
13.5.1 >=	\$100,000 Annual Fiscal Cost {S & H}	6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	Johnson Momore
	\$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Patrice Thomas Deputy Fiscal Officer