

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 373** HLS 26RS 1063

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 29, 2026 2:43 PM	<b>Author:</b> NEWELL
<b>Dept./Agy.:</b> Louisiana Department of Health/Office of Public Health	<b>Analyst:</b> Anthony Shamis
<b>Subject:</b> Louisiana Cannabis Pilot Program	

HEALTH OR INCREASE SG RV See Note  
Provides for the Louisiana Cannabis Pilot Program

Proposed law provides for the Louisiana Cannabis Pilot Program, which allows for the sale of marijuana in certain circumstances. Proposed law establishes a procedure to obtain a permit to sell marijuana, provides for fees, and testing. Proposed law authorizes the Louisiana Department of Health (LDH) to exercise regulatory authority over the cultivation, extraction, processing, production, transportation, and retail sale of adult-use cannabis. Proposed law provides that retail locations shall be authorized to serve qualified customers marijuana for therapeutic use and consumers of adult-use cannabis.

Proposed law authorizes LDH to assess an annual pilot program permit fee of \$5,000 for each retail location, each cultivator, and each laboratory participating in the pilot program. Permits shall be effective for one year. The department shall assess a 3.5% fee on gross sales of therapeutic and adult-use marijuana from a licensed cultivator. Fees shall be collected by the Louisiana Department of Revenue (LDR) and deposited into the Disability Services Fund. The pilot program will commence on January 1, 2027, and terminate on July 1, 2030.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>

**Annual Total**

REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Agy. Self-Gen.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Ded./Other	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>

**Annual Total**

**EXPENDITURE EXPLANATION**

Proposed law is anticipated to have an indeterminable, but minimal expenditure impact on the Office of Public Health (OPH), within LDH and LDR as a result of the implementation and oversight of the Louisiana Cannabis Pilot Program. Information provided by LDH indicates that minimal expenditures will be required, as existing databases and personnel currently allocated to the therapeutic marijuana program will be utilized to implement the program. LDR reports that any costs associated with updating tax forms can be absorbed within the department's existing staff and resources.

**REVENUE EXPLANATION**

Proposed law is anticipated to increase SGR revenues in OPH by \$70,000 and increase SGF, SGR, and Statutory Dedications out of the Disability Services Fund by an indeterminable amount in LDR as a result of fees established by this measure. Fees include annual pilot program permit fees and an assessment of 3.5% of gross wholesales of all marijuana, therapeutic and adult use, distributed to a therapeutic retail permit holder or pilot program permit holder.

LDH:

Assuming that the two non-state laboratories permitted to test therapeutic marijuana, both manufacturers and the maximum of 10 retailers agree to participate, the department may collect up to \$70,000 (2 laboratories + 2 manufacturers + 10 retailers = 14 x \$5,000 permit fee = \$70,000)

LDR:

This proposal will result in an indeterminable increase to sales tax revenues, SGF and LDR 1% SGR (1% of specific tax collections and certain compensatory expenses), as well as the statutorily dedicated Disability Services Fund. Revenue collections are dependent upon the number of licensees that participate in the pilot program.

Senate

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}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*

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**Legislative Fiscal Officer**