

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 501** SLS 20RS 773

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 29, 2020 10:38 AM	Author: CONNICK
Dept./Agy.: LA Board of Pharmacy	Analyst: Zachary Rau
Subject: Removes Limitation on Medical Marijuana Pharmacies	

PHARMACISTS OR INCREASE SG RV See Note Page 1 of 1
Provides relative to the licensure of pharmacies dispensing therapeutic marijuana. (gov sig)

Present law limits annual, non-transferable licenses issued by the LA Board of Pharmacy for pharmacies distributing medical marijuana to 10, and requires the board to develop rules for the geographical locations of such pharmacies. Proposed law repeals the limitations on license issuances and requirements for development of rules for the geographical locations of such pharmacies.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	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
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Proposed law will increase SGR collections for the LA Board of Pharmacy (LBP) by an indeterminable amount. The proposed legislation removes the limitation on the number of medical marijuana pharmacy permits the LBP may issue. For reference, the board has issued 9 permits, which carry an initial issuance fee of \$150 and an annual renewal fee of \$125 for each year thereafter. LBP received \$1,125 in permit fees from medical marijuana pharmacies in FY 20. Removing limitations the number of licenses the LBP may issue will allow additional firms to sell medical marijuana, likely increasing the number of licenses issued by the board, as well as SGR collections associated with license fees. However, because the number of new licenses the LBP may issue is unknown, the corresponding revenue increase is indeterminable.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
Evan Brasseaux
Staff Director