



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 243** HLS 21RS 331
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 27, 2021	6:19 PM	Author: NEWELL
Dept./Agy.: Corrections		
Subject: Decriminalization of marijuana		Analyst: Rebecca Robinson

CONTROLLED SUBSTANCES EG SEE FISC NOTE GF EX See Note Page 1 of 1
 Provides for the decriminalization of marijuana possession and distribution

Proposed legislation decriminalizes the manufacture and distribution of marijuana (R.S. 40:966(B)) and the possession of marijuana in the amount of 2.5 pounds and greater (R.S. 40:966(D)), and for the applicability thereof. Proposed legislation does not decriminalize possession of marijuana of 14 grams or less under RS. 40:966(C) or synthetic cannabinoids under R.S. 40:966. Proposed legislation shall only become effective upon legislative enactment of a statutory regulatory system and establishment of a sales tax.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW					
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW					
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW					
Annual Total						
REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	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	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Annual Total						

EXPENDITURE EXPLANATION

There may be an indeterminable decrease in SGF expenditures to the Department of Public Safety & Corrections (DPS&C) to the extent the legislature decriminalizes the manufacture and distribution of marijuana and the possession of marijuana in the amount of 2.5 pounds and greater, and passes separate legislation providing for a regulatory system for the legal sale and distribution of marijuana and the establishment of a sales tax on marijuana. The exact fiscal impact of this legislation is indeterminable; however, decriminalizing the manufacture and distribution of marijuana, and the possession of large amount of marijuana will result in fewer convictions and fewer offenders housed with DPS&C. A reduction in convictions could save DPS&C \$26.39 per day per offender and \$9,632 annually (\$26.39 per day per offender x 365 days) for those in adult local housing. A reduction in convictions could save DPS&C \$67.36 per day per offender and \$24,586 annually (\$67.36 per day per offender x 365 days) for those in a state facility. For illustrative purposes, DPS&C reports there are currently 1,362 offenders incarcerated for marijuana offenses. **Note:** Some of those offenders are incarcerated on other charge(s) in addition to the marijuana charge(s).

There may be an indeterminable decrease in SGF expenditures to the Office of Juvenile Justice (OJJ) as a result of the proposed legislation. OJJ would serve fewer juvenile offenders with the decriminalization of marijuana, likely those under supervision rather than custody due to the non violent nature of the offense.

There may be an indeterminable decrease to SGF and/or statutory dedication expenditures for the Louisiana Board of the Public Defender (LBPD) with the decriminalization of marijuana. LBPD reports it handles an average of 5,300 cases annually where marijuana possession is the dominant charge. With the decriminalization of marijuana, LBPD anticipates a reduction in the need for their services.

There may be an indeterminable decrease to local expenditures of District Attorney's offices. There will be fewer number of cases to be prosecuted, but the District Attorney's Association is unable to predict the number of prosecutions in the future.

Note: The Louisiana Commission on Law Enforcement reports there were 20,597 marijuana related arrests in 2019.

REVENUE EXPLANATION

Proposed legislation may result in an indeterminable decrease in local fund revenue. Decriminalizing marijuana will result in fewer convictions and fewer fines and fees assessed by local courts. The reduction in fines and fees will result in reduced revenues to District Attorney's offices, LBPD, and other local governmental entities.

Senate
 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}

Alan M. Boxberger
 Alan M. Boxberger
 Staff Director