

## LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 657** HLS 25RS 1102

Bill Text Version: ORIGINAL

Opp. Chamb. Action:

Proposed Amd.: Sub. Bill For.:

Date: May 13, 2025 5:04 PM Author: RISER

Dept./Agy.: Health

**Subject:** Fee of \$5,000 for therapeutic marijuana retail permit holders

Analyst: Anthony Shamis

MEDICAL MARIJUANA

OR INCREASE SG RV See Note

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Provides relative to fees collected by the Louisiana Department of Health related to the sale of therapeutic marijuana

<u>Present law</u> requires the Louisiana Department of Health (LDH) to issue an annual retail permit to sell recommended marijuana for therapeutic use. The law provides that permits are renewed annually & allows LDH to charge renewal fees as required by law and the rules and regulations of the department.

<u>Proposed law</u> requires LDH to establish and collect an annual fee of \$5,000 from each retail permit holder authorized to sell recommended therapeutic marijuana.

EXPENDITURES	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
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
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.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

## **EXPENDITURE EXPLANATION**

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

## **REVENUE EXPLANATION**

<u>Proposed law</u> is anticipated to increase SGR revenue in the LDH Office of Public Health (OPH) by \$115,000 as a result of collecting an annual retail permit fee of \$5,000 from each retail permit holder authorized to sell recommended therapeutic marijuana in the state. The estimate assumes that 23 retailers (currently approved) will be assessed the annual retail permit fee of \$5,000 for a total of \$115,000 in FY 26 and beyond, assuming no new retailers (23 retailers  $\times$  \$5,000 Fee = \$115,000). A maximum of 30 retail permits are authorized under present law. If all 30 permits are issued, this legislation would generate \$150,000 in SGR revenue annually (30 retailers  $\times$  \$5,000 Fee = \$150,000).

<u>Senate</u> ☐ 13.5.1 >=	<u>Dual Referral Rules</u> \$100,000 Annual Fiscal Cost {S & H}	House $6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}$	Johns Mamor
	\$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