## LEGISLATIVE FISCAL OFFICE Fiscal Note



Fiscal Note On: **HB 698** HLS 22RS

Bill Text Version: ENROLLED

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For.: REVISED

**Date:** June 6, 2022

2:22 PM

Author: MAGEE

Dept./Agy.: LDH
Subject: fees

Analyst: Shawn Hotstream

FEES/LICENSES/PERMITS

EN NO IMPACT SG RV See Note

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Provides for fees and charges to be assessed by the La. Department of Health and La. Board of Pharmacy in connection with regulation of marijuana for therapeutic use

<u>Present law</u> provides that the Louisiana Department of Agriculture and Forestry establish and collect annual license fees from licensed marijuana producers of \$100,000 for administration and inspection costs, and collect a non refundable application fee of \$10,000. <u>Proposed law</u> requires instead that the Louisiana Department of Health collect the annual license fee, and changes the fee to \$100,000 from each contractor permitted to cultivate, extract, process, produce, and transport therapeutic marijuana.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
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>	<u>\$0</u>
Annual Total						
REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW					
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
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Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds Local Funds	\$0 <u>\$0</u>	\$0 <u>\$0</u>	\$0 <u>\$0</u>	\$0 <u>\$0</u>	\$0 <u>\$0</u>	\$0 <u>\$0</u>

## **EXPENDITURE EXPLANATION**

The Department of Agriculture and Forestry (LDAF) will no longer incur administrative costs associated with marijuana producer licensing and inspections as a result of transferring such duties to LDH.

## **REVENUE EXPLANATION**

This measure is anticipated to result in additional revenue collections to LDH from annual provider licensing fees from each contractor permitted to cultivate, extract, process, produce, and transport therapeutic marijuana. The Department of Agriculture and Forestry will no longer collect provider licensing fees that are currently being collected from marijuana contractors/producers.

<u>Senate</u> 13.5.1 >=	<u>Dual Referral Rules</u> \$100,000 Annual Fiscal Cost {S & H}	House	Evan	Brasseaux
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}	Evan Brasseaux Interim Deputy Fiscal Officer	