

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0561-03
Bill No.: HB 238
Subject: Medical Procedures and Personnel
Type: Original
Date: April 26, 2019

Bill Summary: This proposal prevents the state government from sharing medical marijuana user or registry information with the federal government.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|-------------------------|--------------------------|--------------------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| General Revenue | \$0 to (\$5,239) | \$0 to (\$12,825) | \$0 to (\$13,082) |
| Total Estimated Net Effect on General Revenue | \$0 to (\$5,239) | \$0 to (\$12,825) | \$0 to (\$13,082) |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------|----------|----------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

§191.255 - Disclosure to federal government of list of persons with medical marijuana cards

Officials from the **Department of Corrections (DOC)** state this legislation creates a class E felony offense when a state agency discloses to the federal government the statewide list of persons who obtained a medical marijuana card.

In order to provide information on the impact of this legislation, a standard impact for a new, nonviolent offense of a class E felony is used. In FY 2018, the average class E nonviolent sentence is 3.4 years. Incarcerated offenders serve 2.1 years in prison and 1.3 years on parole. Average term for probation is 3.0 years. An estimate, for each year, is one offender is sentenced to incarceration while two offenders are given probation.

| | # to prison | Cost per year | Total Costs for prison | # to probation & parole | Cost per year | Total cost for probation and parole | Grand Total - Prison and Probation (includes 2% inflation) |
|---------|----------------|------------------|----------------------------------|-------------------------------|------------------|--|--|
| Year 1 | 1 | (\$6,287) | (\$5,239) | 2 | absorbed | \$0 | (\$5,239) |
| Year 2 | 2 | (\$6,287) | (\$12,825) | 4 | absorbed | \$0 | (\$12,825) |
| Year 3 | 2 | (\$6,287) | (\$13,082) | 7 | absorbed | \$0 | (\$13,082) |
| Year 4 | 2 | (\$6,287) | (\$13,344) | 7 | absorbed | \$0 | (\$13,344) |
| Year 5 | 2 | (\$6,287) | (\$13,611) | 7 | absorbed | \$0 | (\$13,611) |
| Year 6 | 2 | (\$6,287) | (\$13,883) | 7 | absorbed | \$0 | (\$13,883) |
| Year 7 | 2 | (\$6,287) | (\$14,160) | 7 | absorbed | \$0 | (\$14,160) |
| Year 8 | 2 | (\$6,287) | (\$14,444) | 7 | absorbed | \$0 | (\$14,444) |
| Year 9 | 2 | (\$6,287) | (\$14,732) | 7 | absorbed | \$0 | (\$14,732) |
| Year 10 | 2 | (\$6,287) | (\$15,027) | 7 | absorbed | \$0 | (\$15,027) |

If this impact statement has changed from statements submitted in previous years, it is because the Department of Corrections (DOC) has changed the way probation and parole daily costs are calculated to more accurately reflect the way the Division of Probation and Parole is staffed across the entire state.

In December 2017, the DOC reevaluated the calculation used for computing the Probation and Parole average daily cost of supervision and revised the cost calculation to be used for 2019 fiscal notes. The new calculation estimates the increase/decrease in caseloads at each Probation

ASSUMPTION (continued)

and Parole district due to the proposed legislative change. For the purposes of fiscal note calculations, the DOC averaged district caseloads across the state and came up with an average caseload of 51 offender cases per officer. The new calculation assumes that an increase/decrease of 51 cases in a district would result in a change in costs/cost avoidance equal to the cost of one FTE staff person in the district. Increases/decreases smaller than 51 offenders are assumed to be absorbable.

In instances where the proposed legislation would only affect a specific caseload, such as sex offenders, the DOC will use the average caseload figure for that specific type of offender to calculate cost increases/decreases.

The DOC cost of incarceration is \$17.224 per day or an annual cost of \$6,287 per offender. The DOC cost of probation or parole is determined by the number of P&P Officer II positions that would be needed to cover the new caseload.

Oversight assumes state agencies or state employees would not share medical marijuana user/registry information with the federal government. Therefore, Oversight will range DOC's costs from \$0 to the amount provided.

Oversight notes that the **Missouri Office of Prosecution Services** have stated the proposal would not have a measurable fiscal impact on their organization. However, the creation of a new crime creates additional responsibilities for county prosecutors which may in turn result in additional costs which are difficult to determine. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this organization.

Oversight notes the **Office of State Public Defender (SPD)** has stated the proposal would not have a direct fiscal impact on their organization. **Oversight** contacted SPD officials and determined the SPD assumes state agencies and employees will not be indigent and, therefore, will not require services from the SPD. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this organization.

Oversight notes the **Office of Attorney General**, the **Department of Health and Senior Services**, the **Department of Insurance, Financial Institutions and Professional Registration** and the **Office of State Courts Administrator** have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

| <u>FISCAL IMPACT - State Government</u> | FY 2020 (10 Mo.) | FY 2021 | FY 2022 |
|---|--------------------------------|---------------------------------|---------------------------------|
| GENERAL REVENUE FUND | | | |
| <u>Costs - DOC (\$191.255)</u> | \$0 to... | \$0 to... | \$0 to... |
| Increase in incarceration | <u>(\$5,239)</u> | <u>(\$12,825)</u> | <u>(\$13,082)</u> |
| ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND | <u>\$0 to (\$5,239)</u> | <u>\$0 to (\$12,825)</u> | <u>\$0 to (\$13,082)</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2020 (10 Mo.) | FY 2021 | FY 2022 |
|---|---------------------|-------------------|-------------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill creates a class E felony when a state agency discloses the statewide list of persons who have obtained a medical marijuana card to the federal government.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Corrections
Missouri Office of Prosecution Services
Office of State Courts Administrator
Office of State Public Defender



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