TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2850 - SB 2613

February 18, 2020

SUMMARY OF BILL: Increases, from less than one-half ounce to less than one ounce, the amount of marijuana possessed or exchanged under the offenses of simple possession or casual exchange. Prohibits the inference of purpose of selling or otherwise dispensing solely from the simple possession or casual exchange of less than one ounce of marijuana.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures - \$776,800 Incarceration*

Assumptions:

- The proposed legislation will decrease admissions for manufacturing, delivering, selling, or possessing with intent to sell marijuana between one-half ounce and one ounce.
- Pursuant to Tenn. Code Ann. § 39-17-417(g)(1), one commits a Class E felony for possessing marijuana in an amount between one-half ounce and 10 pounds. The proposed legislation would allow possession of marijuana in an amount between one-half ounce and one ounce. The proposed legislation will result in fewer Class E felony admissions for possession for amounts of marijuana between one-half ounce and one ounce.
- Based on information provided by the Department of Correction (DOC), there has been an average of 216.4 admissions per year for manufacturing, delivering, selling, or possessing with intent to sell marijuana between one-half ounce and 10 pounds.
- It is assumed that most offenders actually being imprisoned for possession with intent to sell or selling marijuana possessed a substantial amount of marijuana, which likely exceeded one ounce. It is assumed that the proposed legislation will reduce these admissions by 10 percent or 22 (216.4 x 10%).
- The average time served for a Class E felony is 1.28 years (467.52 days).
- The average operating cost per offender per day for calendar year 2020 is \$75.52.
- The proposed legislation will decrease recurring state incarceration costs by \$776,756 (22 admissions x 467.52 days x \$75.52).
- The proposed legislation will not reduce the courts', district attorneys', or public defenders' caseloads enough to require a reduction in workforce.
- The proposed legislation makes possession of an amount of marijuana between one-half ounce and one ounce a Class A misdemeanor.

- It is assumed that the average possession charge is not punished time in a local jail. It is assumed that increasing from one-half ounce to one ounce the amount of marijuana one can possess will not significantly impact local incarceration costs.
- Based on the Fiscal Review Committee's 2008 study and the Administrative Office of the Courts' 2012 study on collection of court costs, fees, and fines, collection in criminal cases is insignificant. The proposed legislation will not significantly decrease local revenue.

*Tennessee Code Annotated § 9-4-210 requires an appropriation from recurring revenues for the estimated operation cost of any law enacted after July 1, 1986 that results in a net increase in periods of imprisonment in state facilities. The amount appropriated shall be based upon the highest cost of the next 10 years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner, Executive Director

Krista Lee Caroner

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