# MISSOURI STATE AUDITOR'S OFFICE FISCAL NOTE (18-172)

## Subject

Initiative petition from Damien Johnson regarding a proposed constitutional amendment to Article IV. (Received March 14, 2017)

## Date

April 3, 2017

## Description

This proposal would amend Article IV of the Constitution of Missouri.

The amendment is to be voted on in November 2018.

#### Public comments and other input

The State Auditor's office requested input from the Attorney General's office, the Department of Agriculture, the Department of Economic Development, the Department of Elementary and Secondary Education, the Department of Higher Education, the Department of Health and Senior Services, the Department of Insurance, Financial Institutions and Professional Registration, the Department of Mental Health, the Department of Natural Resources, the Department of Corrections, the Department of Labor and Industrial Relations, the Department of Revenue, the Department of Public Safety, the Department of Social Services, the Governor's office, the Missouri House of Representatives, the Department of Conservation, the Department of Transportation, the Office of Administration, the Office of State Courts Administrator, the Missouri Senate, the Secretary of State's office, the Office of the State Public Defender, the State Treasurer's office, Adair County, Boone County, Callaway County, Cass County, Clay County, Cole County, Greene County, Jackson County, Jasper County, St. Charles County, St. Louis County, Taney County, the City of Cape Girardeau, the City of Columbia, the City of Jefferson, the City of Joplin, the City of Kansas City, the City of Kirksville, the City of Mexico, the City of Raymore, the City of St. Joseph, the City of St. Louis, the City of Springfield, the City of Union, the City of Wentzville, the City of West Plains, Cape Girardeau 63 School District, Hannibal 60 School District, State Technical College of Missouri, Metropolitan Community College, University of Missouri, St. Louis Community College, Kansas City Board of Police Commissioners, The Metropolitan Police Department - City of St. Louis, University of Central Missouri, Harris-Stowe State University, Lincoln University, Missouri State University, Missouri Southern State University, Missouri Western State University, Northwest Missouri State University, Southeast Missouri State University, and Truman State University.

#### Assumptions

Officials from the **Attorney General's office** indicated they expect that, to the extent that the enactment of this proposal would result in increased litigation, they can absorb the costs associated with that increased litigation using existing resources. However, if the enactment of this proposal were to result in substantial additional litigation, they may request additional appropriations.

Officials from the **Department of Agriculture** indicated no fiscal impact on their department.

Officials from the **Department of Economic Development** indicated no impact to their department.

Officials from the **Department of Higher Education** indicated this initiative petition would not have a fiscal impact on their department.

Officials from the **Department of Health and Senior Services** estimated increased fund costs (General Revenue) of \$0 in fiscal year 2018, Unknown>\$121,565 in fiscal year 2019, and Unknown>\$169,098 in fiscal year 2020.

Section 192.945, RSMo allows their department to issue a hemp extract registration card for persons suffering from intractable epilepsy. The hemp extract registration card allows for the legal possession and use of cannabidiol (CBD) oil. This proposal allows for the legal use of marijuana for medical purposes. Therefore, persons with intractable epilepsy would not need to apply for a hemp extract registration card in order to legally use the CBD oil.

They expect rental space for two staff located in Jefferson City would be required: 2 staff x 230 sq.ft./FTE x \$21.00 = \$9,660.

They indicated marijuana cultivation facilities, products manufacturer, dispensary, and testing facilities may be established as small businesses.

This proposal does not require their department to issue any licenses or conduct inspections to ensure the safety of marijuana infused food products. However, sections 196.010 through 196.298, RSMo gives their department responsibility for the regulation of food to include such duties as ensuring food safety, sanitation, and proper labeling, etc. Therefore, they would have responsibility to assure that facilities manufacturing foods containing marijuana and marijuana products are regulated the same as other food manufacturers.

Section 54.6 of Article 4 of the proposal delineates responsibility to the Department of Health and Human Services It is unknown if this section was intended to refer to the Department of Health and Senior Services (Missouri state agency) instead of the

Department of Health and Human Services (federal agency). It is unclear if and how this section would affect DHSS.

Due to the broad parameters of this proposal, it is difficult to determine how many food manufacturing facilities would be established. For the purposes of this fiscal note, they estimate that there will be at least 300 food manufacturing facilities that will be established as a result of this proposal. In order to properly inspect these manufacturing facilities, DCPH would require a minimum of two additional Environmental Public Health Specialist IV staff (\$44,352, A27, Step G). This proposal is to be effective December 6, 2018. Therefore, DCPH assumes that the two Environmental Public Health Specialist IV positions would begin December 6, 2018.

Because of the ambiguity of the language and terms used in Section 54.6 of the proposed, it is unknown if and how DHSS is affected. Therefore, the estimated costs are unknown.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** indicated this petition, if passed, will have no cost or savings to their department.

Officials from the **Department of Mental Health** indicated this proposal creates no direct obligations or requirements to their department that would result in a fiscal impact.

Officials from the **Department of Natural Resources** indicated their department would not anticipate a direct fiscal impact from this proposal.

Officials from the **Department of Corrections** indicated a fiscal impact of \$1,272,435 in fiscal year 2019 (6 Months), \$6,295,004 in fiscal year 2020, \$9,991,237 in fiscal year 2021, \$11,037,904 in fiscal year 2023 and thereafter.

This proposed initiative amends Article 4 of the Missouri Constitution by the addition of Section 54. IP 18-172 is identical to the first part of FY17 IP 18-118 which decriminalizes the medicinal and recreational use of cannabis for all ages. The petition lists the old Chapter 195 codes for repeal or revision rather than the current Chapter 579 drug offenses; however, the petition contains a caveat that the list is not exhaustive.

The author of IP 18-172 names the petition the "Cannabis Treatment Amendment." This new proposal retains cannabis and hemp on the Missouri Revised Statutes list of controlled substances. Section 4 makes cannabis available for medical use for persons including those under age 18 years with parent/guardian consent and physician recommendation. However, section 3 removes the penalty for possession, production, cultivation, processing, and distribution without stipulating any age limitations. The petition protects caregivers from prosecution for providing medical marijuana to patient under age 18 years (Section 4f). Patients are extended all rights to medical care while on cannabis treatment. Physician's rights are protected. Department of Health and Social Services is responsible for the following concerning medical cannabis dispensing: create statewide registry; creating licensing, regulations and fees; and issue a "9 digit random

alphabet" [sic] to replace patient's name. Current offenders, under their supervision, are released and records are expunged for nonviolent, medically-related cannabis offenses. A class A misdemeanor is imposed for those who prevent implementation of the law (section 9). Zoning requirements for cultivation or manufacturing of cannabis are prohibited. The effective date is December 6, 2018.

As enumerated in previous FY17 Fiscal Notes, this proposed amendment criminalizes impediments to its provisions with a class A misdemeanor charge (sections 9). Their department currently has no jurisdiction over class A misdemeanor and thus this aspect of the IP 18-172 does not affect their department.

Beginning December 6, 2018, cannabis/hemp possession is legal for everyone, usage for medical cannabis is legal for those under age 18, and nonviolent offenders with medically-related cannabis violations are released with records expunged (section 8). No data exists for the number of offenders with medically-related cannabis offenses; therefore, in regard to section 8, no release from prison or field population is expected during this time frame. Their department will experience a drop in admissions to incarceration and field supervision with the decriminalization of cannabis/hemp possession, cultivation, manufacture, and distribution at any age and for medical use for those under age 18. The yearly impact of removing cannabis violations from Missouri statutes is a decrease in 237 offenders admitted to prison and a decrease of 1269 admitted to probation. For felony cannabis offenses, persons incarcerated serve 1.1 years in prison and 2.5 years on parole. For those sent to probation the average time served is 2.5 years.

Officials from the **Department of Labor and Industrial Relations** indicated no fiscal impact on their department.

Officials from the **Department of Revenue** indicated this petition will have no fiscal impact on their department.

Officials from the **Department of Public Safety - Office of the Director** indicated they see no fiscal impact due to this initiative petition.

Officials from the **Missouri State Highway Patrol** indicated they expect increased operating costs of \$426,235 for the first year implemented, \$487,385 for the second year implemented, and \$492,597 for the third year implemented.

The provisions of this petition would require their agency to rent office space for 4 FTE's to process the expungement requests.

The proposed legislation would order the immediate destruction of all cannabis-related non-violent civil and criminal records in Missouri.

Two different divisions within their agency will be impacted by this legislation. Here is a breakdown for each division:

## **Criminal Justice Information Services Division**

The Criminal Justice Information Services Division (CJIS) states that there are currently 95,550 arrest charges in the Central Repository. The current expungement process, pursuant to Chapter 610, takes approximately 90 minutes to process. One FTE can handle 1,243 expungements per year. Conservatively, at least five FTE's would be required to initially handle the expungements created by this legislation. A significant processing backlog would occur if sufficient FTE's are not assigned to accommodate the number of expungements ordered.

1 FTE = 1,864 hours (average work hours per year) x 60 minutes per hour = 111,840 minutes per year.

The current average time per petition to log, process, research, review, create related correspondences, and to expunge the information when the order is received is 90 minutes. Therefore, one FTE can handle 1,243 expungements per year = 111,840/90.

These FTE's (CJIS Technicians, Range 16) would be necessary to process all expungement requests, review criminal history records, contact any agency associated with the arrests or convictions, and collect the necessary data for the court orders.

Based on the average yearly salary and benefit rate per FTE at \$55,495 and the ability of that employee to process 1,243 expungements per year, the cost alone per expungement is  $55,495 \ 1,243 = 44.64$ . It is suggested that a fee, similar to the criminal history background check fee, be implemented for the cost of researching and reviewing the criminal histories, as well as contacting of the various agencies associated with the arrests. In researching other states with similar expungement requirements, they all charge a fee to offset the cost of the time required to process the expungements. Their fees ranged from \$50 to \$450 per petition per arrest date.

These FTE will most likely be 2nd and 3rd shift employees so they would not require any equipment. However, there would be recurring costs of \$650 per year per FTE for office supplies and phone charges. If any FTE were placed on the 1st shift, standard equipment would be required at a one-time cost of \$6,094 per FTE.

5 CJIS Technicians (\$1,232.50 x 24)	\$147,900
Office Equipment/HW/SW	\$6,094
RECURRING COSTS	
Phone Charges per FTE	\$350
Office Supplies per FTE	\$300

## **Patrol Records Divison**

Currently, there are 31,132 records in the Patrol's Traffic Arrest System (TAS) pertaining to arrests completed by the Missouri Highway Patrol that could possibly meet the requirements of this proposed constitutional amendment. These are arrest records with a court conviction and an NCIC modifier of 60-64 that relate to marijuana offenses. Given

this, if only 30 percent of the individuals who qualify to have his or her record expunged sought to do so, the Patrol Records Division (PRD) would require four FTE's. However, if a large number of these expungements were to be granted with even four FTE's, the backlog would compound greatly to the point it may take several years to catch up. If 100 percent of the individuals who qualify to have their record expunged sought to do so, the Patrol Records Division would require 13 FTE's to complete this task in approximately one year. The addition of 13 FTE's would require additional supervisory personnel. However, due to the vague and uncertain nature of this proposed amendment, the Patrol Records Division has no true way to determine the actual effect or costs.

1 FTE = 1,864 hours (average work hours per year) x 60 minutes per hour = 111,840 minutes per year.

The current average time per petition to log, process, research, review, create related correspondences, and to expunge the information when the order is received is 45 minutes. Therefore, one FTE can handle 2,485 expungements per year = 111,840/45.

With the current estimate of 31,132 records that potentially meet the requirements of this proposed amendment and would potentially be eligible for expungement, the following percentages of persons actually requesting an expungement will directly relate to the number of PRD FTE's required:

15% = 31,132 x .15 =4,670 / 2,485 = 2 FTE's 30% = 31,132 x .30 = 9,340 / 2,485 = 4 FTE's 50% = 31,132 x .50 = 15,566 / 2,485 = 6 FTE's 100% = 31,132 / 2,485 = 13 FTE's

These FTE's (Quality Control Clerks, Range 10) would be necessary to process all expungement requests, review records, contact agencies, and collect the necessary data for the court orders.

Based on the average yearly salary and benefit rate per FTE of \$45,702 and the ability of that employee to process 2,485 expungements per year, the cost per expungement is  $45,702 \ 2,485 = 18.39$ . It is suggested that a fee, similar to the criminal history background check fee, be implemented for the cost of researching and reviewing the criminal histories.

Processing 30 percent of the possible expungements would require additional workspace. The physical requirements would increase with the number of FTE's required to meet the demand for expungements. There will be recurring costs of \$650 per year per FTE for office supplies and phone charges. Standard equipment and office furniture would be required at a one-time cost of \$6,094 per FTE.

4 Quality Control Clerks (\$1,015 x 24)	\$97,440
Equipment/Office Furniture	\$6,094

RECURRING COSTS	
Phone Charges per FTE	\$350
Office Supplies per FTE	\$300

The provisions of this petition would require their agency to rent office space for 4 FTE's to process the expungement requests. The Office of Administration states that 920 square feet of office space would be required. The following costs apply per square foot:

Office Space	\$14/Sq Ft
Janitorial/Trash Costs	\$1.50/Sq Ft
Utility Costs	\$2/Sq Ft

The agency provided the following additional comments:

It is suggested to add this additional language to provide for the collection of a fee to offset the costs of the expungements:

43.530. 1. For each request requiring the payment of a fee received by the central repository, the requesting entity shall pay a fee of not more than nine dollars per request for criminal history record information not based on a fingerprint search. In each year beginning on or after January 1, 2010, the superintendent may increase the fee paid by requesting entities by an amount not to exceed one dollar per year, however, under no circumstance shall the fee paid by requesting entities exceed fifteen dollars per request.

2. For each request requiring the payment of a fee received by the central repository, the requesting entity shall pay a fee of not more than twenty dollars per request for criminal history record information based on a fingerprint search, unless the request is required under the provisions of subdivision (6) of section 210.481, section 210.487, or section 571.101, in which case the fee shall be fourteen dollars.

3. A request made under subsections 1 and 2 of this section shall be limited to check and search on one individual. Each request shall be accompanied by a check, warrant, voucher, money order, or electronic payment payable to the state of Missouri-criminal record system or payment shall be made in a manner approved by the highway patrol. The highway patrol may establish procedures for receiving requests for criminal history record information for classification and search for fingerprints, from courts and other entities, and for the payment of such requests. There is hereby established by the treasurer of the state of Missouri a fund to be entitled as the "Criminal Record System Fund". Notwithstanding the provisions of section 33.080 to the contrary, if the moneys collected and deposited into this fund are not totally expended annually for the purposes set forth in sections 43.500 to 43.543, the unexpended moneys in such fund shall remain in the fund and the balance shall be kept in the fund to accumulate from year to year.

# 4. For all petitions for expungement under the provisions of Chapter 610, Section 577.054, or any other created expungement requirement under statute, excluding Section 610.122, the applicant shall pay a fee of seventy-five dollars per arrest date

listed on the petition. Each petition shall be accompanied by a check, warrant, voucher, money order, or electronic payment payable to the state of Missouricriminal record system or payment shall be made in a manner approved by the highway patrol. For expungements that require removal from the Traffic Arrest System twenty dollars of the seventy-five dollar fee will be deposited in the Highway Patrol Traffic Records Fund.

There are numerous uncertainties associated with this proposed constitutional amendment. For example, it is uncertain what a cannabis related non-violent civil and criminal record is. It is unclear if individuals with the aforementioned conviction records are required to abide by the expungement process mandated by various other state statutes or are the records just automatically expunged?

Officials from the **Department of Social Services** indicated no fiscal impact on their department.

Officials from the **Governor's Office** indicated there should be no added costs or savings to their office.

Officials from the House of Representatives indicated no fiscal impact to their office.

Officials from the **Department of Conservation** indicated that no adverse fiscal impact to their department would be expected as a result of this proposal.

Officials from the **Department of Transportation** indicated unknown fiscal impact.

Changes to Missouri's state driving laws could impact some federal commercial drivers' license laws.

Failure to comply with 49 C.F.R. 384.225 & 384.226 could result in a withholding of Missouri's federal-aid highway funds apportioned to it under each of Title 23, United States Code (U.S.C.), sections 104(b)(1), (b)(3), and (b)(4). The federal funds impacted consist of national highway performance program funds, highway safety improvement program funds and congestion mitigation and air quality improvement funds. The withholding amount would be 4 percent for the first year of non-compliance and 8 percent for the second and subsequent years.

Officials from the **Office of Administration** (OA) indicated: Section 54 of Article IV would:

- Allow the use of marijuana, as well as the cultivation, production, transportation and retail sale of medical marijuana and related products.
- Prohibit any special zoning or licensing requirements for marijuana facilities, farmers, manufacturers, etc.
- Allow the sale of marijuana to individuals under the age of 18 with physician and parental permission.

- Allow the Missouri Legislature to pass laws that do not conflict with this amendment.
- Require the Department of Health and Human Services to issue patients a 9-digit random identification. However, B&P notes that there is no Department of Health and Human Services in Missouri. B&P assumes this reference is to the Missouri Department of Health and Senior Services.
- Allow registration fees up to \$100 for dispensaries. B&P does not have enough information to estimate the potential revenue impact from these fees.
- Require the immediate release of all prisoners that have been convicted in Missouri of a nonviolent cannabis related crime and the expungement of all related charges from their records.
- Require the provisions of Section 54 to begin December 6, 2018.

B&P does not have enough information to estimate any potential revenue impact from this initiative petition.

There should be no impact to their office.

Officials from the **Office of State Courts Administrator** indicated there is no fiscal impact on the courts.

Officials from the Missouri Senate indicated no fiscal impact on their office.

Officials from the Secretary of State's office indicated their office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. Their office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. Funding for this item is adjusted each year depending upon the election cycle with \$1.3 million historically appropriated in odd numbered fiscal years and \$100,000 appropriated in even numbered fiscal years to meet these requirements. Through FY (fiscal year) 2013, the appropriation had historically been an estimated appropriation because the final cost is dependent upon the number of ballot measures approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2015, the General Assembly changed the appropriation so that it was no longer an estimated appropriation. In FY 2017 their office was appropriated \$2.6 million to publish the full text of the measures. In FY 2017, at the August and November elections, there were 6 statewide Constitutional Amendments or ballot propositions that cost \$2.4 million to publish (an average of \$400,000 per issue). Their office will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, they reserve the right to request funding to meet the cost of their publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

Officials from the **Office of the State Public Defender** indicated if passed, this constitutional amendment would have a positive impact on the workload of their office, since possession, manufacture, distribution, etc. of cannabis would no longer be unlawful, offenses that the Public Defender currently uses resources to defend and no longer would need to.

The exact positive impact is difficult to predict because we track our cases by statutory offense and most drug offenses are not limited to marijuana.

However, their best estimate, using FY2014 MSPD data, is that this would reduce their caseload by 3,523 cases (685 A/B felonies, 1,797 C/D felonies, 1,041 misdemeanors, and 1,140 probation violations).

In *The Missouri Project: A Study of the Missouri Public Defender System and Attorney Workload Standards*, prepared by RubinBrown on behalf of the American Bar Association's Standing Committee on Legal Aid and Indigent Defendants, the relevant workload standards are: A/B felonies, 47.6 hours per case; C/D felonies, 25.0 hours per case; misdemeanors, 11.7 hours per case; and probation violations, 9.8 hours per case). (The workload standards include only case related tasks over which an attorney has some control (they exclude, for example, in court and travel time) and thereby reflect a conservative estimate.)

Applying those workload standards to the 2,858 cases, those cases require 100,882.7 attorney hours. With 2,080 hours per attorney available each year, that represents the work of 48.5 attorneys.

While in theory they might also handle fewer appeals of guilty verdicts after trial, the fact is that only a very small percentage of their cases proceed to trial and it's likely that only a small percentage of those cases are appeals from marijuana convictions. Therefore this minimal positive impact is not being taken into account in this estimate.

However, they are already significantly understaffed by 333 attorneys under the workload standards developed in *The Missouri Project*. (The 333 attorneys is a conservative estimate of the under-staffing in that it assumes we contract all conflicts to private attorneys, which we are not able to do for budgetary reasons).

Therefore, despite the positive impact on the workload of their office, because they are already understaffed that savings in attorney time would not allow the Public Defender to reduce its workforce and therefore would not translate into an actual cost savings. However it does reduce by the cost of 48.5 attorneys how much money needs to be added to our budget in order to meet *The Missouri Project*'s workload standards.

Officials from the **State Treasurer's office** indicated this proposal would have no impact on their office.

Officials from **Greene County** indicated there is anticipated costs for this initiative petition. Unfortunately there is not enough time given in the response to provide an actual estimated costs.

County Prosecutor, Dan Patterson provided the following information:



Bus. Phone: 720-913-900 Fax: 720-913-903

October 12, 2016

No on 64 Campaign and SAM Action

California voters are being told that they will see the crime rate go down if they vote to legalize marijuana commercially; this has not been the case in the state of Colorado or the city of Denver. Since the legalization of recreational marijuana in Colorado in 2013 traffic related marijuana deaths have increased 48%, marijuana related emergency room visits have increased 49%, and marijuana related calls to the poison center have increased 100%. According to the Colorado Bureau of Investigations in 2015 statewide homicides in Colorado rose 14.7 % over the previous year. Pueblo, Colorado had the highest homicide rate in the state with 11.1 killings per 100,000 residents. Aurora, Colorado's homicide rate more than doubled from 2014. Additionally more places in Colorado were robbed and more thefts occurred, especially cars, as 193,115 motor vehicles were reported stolen, up 27.7 % in 2015 from the previous year. In 2015, sexual assaults rose 10% in Colorado with Denver, Aurora, Lakewood, Westminster and Pueblo all reporting higher numbers as well.

In the city of Denver since the legalization of recreational marijuana the number of crimes in Denver has grown by about 44 %, according to annual figures the city reported to the National Incident Based Reporting System. In 2015 in Denver alone crime rose in every neighborhood in the city. The murder rate hit a decade high, 1059 more cars were broken into, there were 903 more auto thefts, 321 more aggravated assaults and 231 more homes were broken into compared to 2014.

California voters are also being told that legalizing recreational marijuana will free up law enforcement to work on other criminal activities. Again that has not been the case in Denver. Besides the overall increases in crime we have experience, the Denver police department is dealing with a 900% increase in the unlawful cultivation and manufacture of marihuana concentrate, and a 99% increase in the unlawful distribution of marijuana and marijuana concentrate. The quantity of illegal marijuana seized by the Denver police has increased 3,424% on average per case. The volume of marijuana seized per case has increased from an average of 162 pounds to 5724 pounds. In Denver unlawful public consumption of marijuana citations has increased over 300% per year since the legalization of recreational marijuana. The Denver police department is busier enforcing marijuana laws and investigating crimes directly related to marijuana, including murderers, robberies, and home invasions, than any other time in the history of the city.

Sincerely.

Mitchell R. Morrissey Denver District Attorney

Officials from the **City of St. Joseph** indicated this initiative petition will not have a fiscal impact.

Officials from the **University of Central Missouri** indicated they estimate no fiscal impact from this initiative petition.

Officials from the **Missouri State University** indicated in response to this initiative petition, no fiscal impact to their university.

Officials from the **Missouri Southern State University** indicated they do not anticipate any fiscal impact from this initiative petition.

Officials from the **Missouri Western State University** indicated this article will not have a fiscal impact on their university.

The State Auditor's office did not receive a response from the **Department of Elementary and Secondary Education, Adair County, Boone County, Callaway County, Cass County, Clay County, Cole County, Jackson County, Jasper County, St. Charles County, St. Louis County, Taney County, the City of Cape Girardeau,** the City of Columbia, the City of Jefferson, the City of Joplin, the City of Kansas City, the City of Kirksville, the City of Mexico, the City of Raymore, the City of St. Louis, the City of Springfield, the City of Union, the City of Wentzville, the City of West Plains, Cape Girardeau 63 School District, Hannibal 60 School District, State Technical College of Missouri, Metropolitan Community College, University of Missouri, St. Louis Community College, Kansas City Board of Police Commissioners, The Metropolitan Police Department - City of St. Louis, Harris-Stowe State University, Lincoln University, Northwest Missouri State University, Southeast Missouri State University, and Truman State University.

#### **Fiscal Note Summary**

This proposal is estimated to result in annual state cost savings of \$6.3 million. State government entities estimate increased annual operating costs of \$662,000 with the potential for additional increase. State government entities expect an unknown change in revenue. Local law enforcement costs could increase.