

BILL ANALYSIS

C.S.H.B. 2892
By: Allen
Corrections
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Section 481.126, Health and Safety Code, provides an offense of illegal expenditure or investment regarding controlled substances. Offenses under this section are aimed at high-level, drug-related financial transactions, including money laundering and financing drug purchases, for controlled-substance offenses punishable by imprisonment for life (i.e., very large quantities of drugs: more than 2,000 lbs. of marijuana; 400 grams or more of cocaine or heroin; 8,000 or more hits of LSD, etc.) The current law addresses the expenditure, financing, or investing of funds for these purposes, but it does not address the practice of offering real property (cars, jewelry, other valuables) instead of currency. CSHB 2892 includes bartered property in the description of illegal expenditures or investments related to controlled substances.

Further, this statute only allows for an offense of illegal expenditure or investment regarding 2,000 lbs. or more of marijuana. The street price of large quantities of marijuana is comparable to the quantities of cocaine specified in the bill. (The street price of 50 lbs. of marijuana in a large metropolitan area is between \$30,000 to \$50,000). CSHB 2892 would allow an offense if a person launders money or finances, invests funds or barter property with the intent to further the commission of an offense of possession of between 50 lbs. and 2,000 lbs. of marijuana.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

The bill amends Section 481.126, Health and Safety Code, by adding "barter property" to the current statute regarding illegal expenditure or investment.

The bill also creates an offense if a person expends funds or barter property the person knows are derived from the commission of an offense under Section 481.121(b)(5) (possession of 2,000 pounds or less but more than 50 pounds of marijuana) or finances, invests funds, or barter property the person knows or believes are intended to further the commission of an offense under Section 481.121(b)(5) . These new offenses are second degree felonies.

EFFECTIVE DATE

September 1, 2003

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute modifies the original by being a legislative council draft. There are no substantive differences between the original bill and the substitute bill.

