

Fiscal Estimate Narratives

DHFS 2/7/02

LRB Number 01-2442/1	Introduction Number AB-715	Estimate Type Original
Subject Medical use of marijuana		

Assumptions Used in Arriving at Fiscal Estimate

Current law prohibits a person from possessing or attempting to possess marijuana as well as drug paraphernalia. The amount of fines, forfeitures and/or imprisonment depend upon the amount of marijuana and the intent of possession.

This bill establishes a medical necessity defense to marijuana related prosecutions and property seizure (forfeiture) actions. A person may invoke this defense if he or she is a qualifying patient possessing a "reasonable amount" of marijuana and has a written statement from his or her physician documenting that the person has or is undergoing a debilitating medical condition or treatment and that the potential benefits to the person of using marijuana outweigh the health risks involved. A qualifying patient is defined as someone having or undergoing a debilitating medical condition or treatment such as: 1) cancer, glaucoma, AIDS, a positive HIV test, or the treatment of these conditions; 2) a chronic or debilitating disease or medical condition or the treatment of such a disease or condition that causes cachexia (wasting away), severe pain, severe nausea, seizures, or severe and persistent muscle spasms; 3) any other medical condition or treatment for a medical condition designated as a debilitating medical condition or treatment in rules promulgated by the Department of Health and Family Services (DHFS). The defense and the prohibition also apply to offenses involving drug paraphernalia if the qualifying patient uses the drug paraphernalia for the medical use of marijuana. The bill also states that an organization may not deliver possess or manufacture marijuana without filing a registration form with the Department in accordance with its rules.

The bill would permit individuals to petition the Department to promulgate a rule to designate a medical condition or treatment as a debilitating medical condition or treatment. The Department would also be responsible for developing and promulgating rules governing the registration process and operating procedures for organizations that would be permitted to manufacture, deliver, distribute, or possess marijuana. The rules must address requirements and procedures for registration, specifications for the boards of directors and staff of the organizations, procedures by which organizations may receive marijuana or drug paraphernalia seized by law enforcement agencies, requirements for record keeping and reporting, and procedures for oversight of the organizations and suspending or terminating registrations. To develop and promulgate these rules, the Department will need to create a framework for regulating a new type of provider, to research and make decisions concerning several technical issues, and to consult with law enforcement agencies, the medical community, patients, and other interested parties. It must also review initial registration applications and issue registrations for qualified organizations. To perform this workload, it is estimated that the Department will need a .5 FTE program and planning analyst 5 project position for one year, at a one time cost of \$26,438.52 GPR.

The bill will create ongoing workload for the Department to review and approve petitions to designate medical conditions or treatments as debilitating medical conditions or treatments and to review and approve annual registration statements from distributing organizations. The workload will depend on the number of petitions received and the number of organizations that become or seek to become registered. Because of the number of petitions and organizations is unknown, it is not possible to estimate the ongoing fiscal effect of this bill on the Department.

This bill would not have a fiscal effect on county human services or social services departments.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject			
Medical use of marijuana			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
(5 FTE program and planning analyst 5)=\$26,438.52 GPR			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$see text	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
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