

Department of Planning and Budget

2017 Fiscal Impact Statement

1. Bill Number: HB 2135

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Levine

3. Committee: Courts of Justice

4. Title: Medical marijuana; written certification.

5. Summary: Allows a person to possess marijuana or tetrahydrocannabinol pursuant to a valid written certification issued by a physician for the treatment of any medical condition and allows a physician or pharmacist to distribute such substances without being subject to prosecution. Under current law, a person has an affirmative defense to prosecution for possession of marijuana if the marijuana is in certain forms and the person has been issued a written certification by a physician that such marijuana is for the purposes of treating or alleviating the person's symptoms of intractable epilepsy. The bill requires that the person issued the written certification register with the Board of Pharmacy which will issue the person an identification card upon registration. The bill also clarifies that the penalties for forging or altering a recommendation for medical marijuana or for making or uttering a false or forged recommendation are the same as the penalties for committing the same acts with regard to prescriptions.

6. Budget Amendment Necessary: See item 8.

7. Fiscal Impact Estimates: Preliminary; see item 8.

8. Fiscal Implications: This bill would have a nongeneral fund impact on that Commonwealth, however the full fiscal impact cannot be determined at this time. The bill requires that every prescriber who wants to issue a certificate for medical marijuana must register with the Board, and also that every patient who wants to use medical marijuana must also register and be issued an identification card. Given that a prescriber could certify a patient for use of marijuana for any medical condition, there could potentially be thousands of patients who would need to register with the Board and be issued an identification card.

The bill requires a “mechanism for sufficiently identifying the practitioner issuing the written certification and the patient being treated by the practitioner”, which the agency believes would need to be photo identification. In order to effectively issue identification cards the agency would need additional staff and possibly extra office space. The agency estimates that the volume of identification cards, with or without a photo identification, would likely necessitate the purchase of additional equipment and space for housing such equipment and

the personnel who would be required. Current space for the Board of Pharmacy staff is inadequate, therefore handling this extra volume of prescribers and patients will necessitate additional work space. Based on the Department of General Services' yearly cost per square foot and the recommended amount of square footage per employee, it is assumed that the office would require an estimated \$12,800 to cover rent costs for additional office space. In addition, the initial cost of furniture and equipment for each new employee is estimated at \$7,500 the first year and \$2,500 each subsequent year. The agency can also expect to experience annual operating and information technology costs estimated at \$1,040 per employee.

Staff would be needed to handle the increase in workload of applications, the issuance of identification card, periodic renewal if necessary, replacement card services, and other administrative services. The agency estimates that a minimum of two administrative assistants would be needed to handle this workload at a rate of \$129,750 annually, but more positions could be needed as volume increases.

The provisions of the bill would also necessitate an additional program administration specialist, at a rate of \$111,263 annually, to manage a new unit of patients requiring registration. The volume of registrants would likely be far in excess of the total number of regulants handled by the current staff of any of the agency's boards.

Since the Department of Health Professions and the Board of Pharmacy are non-general fund agencies, the Board would have to set fees at a level sufficiently high to cover the cost of positions, equipment, and office space.

9. Specific Agency or Political Subdivisions Affected: Department of Health Professions.

10. Technical Amendment Necessary: No.

11. Other Comments: None.