

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB974

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: Guzman

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 deemed terminal or debilitating by a licensed health care professional, pain management, cancer, glaucoma, intractable epilepsy, human immunodeficiency virus, osteoporosis, or arthritis. The bill 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 the form of cannabidiol oil or THC-A oil 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 expands the authority for a pharmaceutical processor, after obtaining a permit from the Board of Pharmacy and under the supervision of a licensed pharmacist, to manufacture and provide marijuana in any form to be used for the treatment of any medical condition deemed terminal or debilitating by a licensed health care professional, pain management, cancer, glaucoma, intractable epilepsy, human immunodeficiency virus, osteoporosis, or arthritis, not just marijuana in the form of cannabidiol oil and THC-A oil to be used for the treatment of intractable epilepsy. Finally, the bill clarifies that the penalties for forging or altering a written certification for medical marijuana or for making or uttering a false or forged written certification 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.

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	50,000	0	General

8. Fiscal Implications: This bill would have a fiscal impact on the Commonwealth to allow a pharmaceutical processor to manufacture marijuana in any form to be used for the treatment of: any medical condition deemed terminal or debilitating by a licensed health care professional, pain management, cancer, glaucoma, intractable epilepsy, human immunodeficiency virus, osteoporosis, or arthritis. While the Department of Health

Professions (DHP) believes there might be some impact on security and inspection requirements, it is unknown how many pharmaceutical processors would seek a permit, therefore any fiscal impact cannot be determined.

The bill provides that anyone in violation of §18.2-250.1 of the Code of Virginia (the Code) is subject to a Class 1 misdemeanor. Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail. Additionally, the bill provides that anyone in violation of §18.2-258.1 the Code is guilty of a Class 6 felony. For someone convicted of a Class 6 felony, a judge has the option of sentencing him to up to one year in jail, or 1 to 5 years in prison. Therefore, this proposal could result in an increase in the number of persons sentenced to jail or prison.

There is not enough information available to reliably estimate how many additional inmates in jail could result from this proposal. Ultimately, the presiding judge will decide if there is to be any time served in jail; however, any increase in jail population will increase costs to the state. The Commonwealth presently pays the localities \$4.00 a day for each misdemeanant or otherwise local responsible prisoner held in a jail and \$12.00 a day for each state responsible inmate. It also funds a considerable portion of the jails' operating costs, e.g. correctional officers. The state's share of these costs on a per prisoner, per-day basis varies from locality to locality. However, according to the Compensation Board's most recent Jail Cost Report (November 2017), the estimated total state support for local jails averaged \$34.58 per inmate, per day in FY 2016.

Due to the lack of data, the Virginia Criminal Sentencing Commission has concluded, pursuant to §30-19.1:4 of the Code, that the impact of the proposed legislation on state-responsible (prison) bed space cannot be determined. In such cases, Chapter 836 of the 2017 Acts of Assembly requires that a minimum impact of \$50,000 be assigned to the bill.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.