

## Department of Planning and Budget

### 2021 Fiscal Impact Statement

**1. Bill Number:** HB1988S1

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

**2. Patron:** Adams, D.M.

**3. Committee:** Education and Health

**4. Title:** Board of Pharmacy; pharmaceutical processors; processing and dispensing cannabis oil.

**5. Summary:** Effects numerous changes to the processing and dispensing of cannabis oil by pharmaceutical processors in the Commonwealth. The bill allows written certifications for use of cannabis oil to include an electronic practitioner signature. The bill also eliminates the requirement that a pharmacist have oversight of the cultivation and processing areas of a pharmaceutical processor, instead requiring pharmaceutical processors to designate a person to oversee cultivation and production areas; removes the requirement that a cannabis dispensing facility undergo quarterly inspections, instead requiring that inspections occur no more than once annually; and allows pharmaceutical processors to remediate cannabis oil that fails any quality testing standard. The bill requires pharmaceutical processors to maintain evidence of criminal background checks for all employees and delivery agents of the pharmaceutical processor. The bill directs the Board of Pharmacy to promulgate regulations implementing the provisions of the bill and regulations creating reasonable restrictions on advertising and promotion by pharmaceutical processors by July 1, 2021, and directs the Board of Pharmacy to solicit input from stakeholders and appropriate agencies of the Commonwealth in order to develop recommendations for legislative action to permit the acceptance of cannabis products by hospices and hospice facilities in the Commonwealth and report its findings and recommendations to the Chairmen of the House Committee on Health, Welfare and Institutions and the Senate Committee on Education and Health by October 1, 2021.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Indeterminate, see item #8.

**8. Fiscal Implications:** Any costs to promulgate regulations can be handled within existing resources. The bill allows written certifications for the use of cannabis oil to include an electronic practitioner signature and allows practitioners to do evaluations through telemedicine. Depending on the increase in written certifications due to telemedicine, the Board may need to contract for the development and installation of an automated system for electronic maintenance of documentation. However it cannot be determined if a system is necessary at this time.

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

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.