Medical Marijuana Regulatory Branch

Fiscal Impact: The first year costs for the Medical Marijuana Regulatory Branch will include initial expenses such as systems development, computer hardware and furniture. The systems development costs could be greater due to the limited time available for the system to be operational. It is uncertain the number of qualified patients, designated caregivers or dispensing agents that will be issued Registry Identification Cards.

This cost estimate is based on processing applications and issuing cards for 45,000 individuals on an annual basis. As outlined below, if inspections are required of qualified caregivers' cultivation operations then the costs would increase based on the need for additional environmental health specialists, equipment, office space and travel costs.

First year cost estimates **$**3,299,440- If additional Environmental Health Specialists are required to inspect cultivation operations of Designated Caregivers estimate could increase to $6,384,424

Ongoing cost estimates **$**2,719,440- If additional Environmental Health Specialists are required to inspect cultivation operations of Designated Caregivers estimate could increase to $5,804,424

A supplemental appropriation and funding would be necessary in order for ADH to meet the requirements of the Act. Funding could be reimbursed when fee revenue is sufficient to support operations.

Positions

No. of Employees	Classification	Grade	Title	Salary-midpoint
1	L013C	C125	ADH Branch Manager	62,719
1	G047C	C126	Attorney Specialist	65,324
1	A066C	C119	Internal Auditor	49,067
1	L025C	C123	ADH Public Health Sec Chief III	57,806
1	R021C	C119	Budget Analyst	49,067
2	L043C	C119	Health Program Spec III	49,067
2	C073C	C109	Admin Spec II	29,427
1	L077C	C110	Health Services Specialist III	31,142
10	L083C	C108	Health Services Specialist I	27,805
1	X060C	C119	Senior Environmental Health Spec	49,067
3	X102C	C117	Environmental Health Spec	44,505

1	D034C	C124	Database Administrator	60,214
1	D042C	C123	Data Warehouse Specialist	57,806

26 positions

Matching and Fringe salaries multiplied by 23.23% plus $4680 per budgeted position per annual

Pool Positions

Because Designated Caregivers may cultivate marijuana and be compensated for dispensing to no more than five qualified patients as set forth in proposed Initiated Act, the Board of Health may determine that public health concerns are sufficient to require inspections of the cultivation processes of Designated Caregivers. In the event that the Board of Health promulgates regulations that require the inspection of the cultivation operations of Designated Caregivers, additional positions will be necessary to perform those duties. Funding for these positions shall only be paid from the proceeds of the licensure and permit fees allowed under the Act.

6	X060C	C119	Senior Environmental Health Specialist
40	X102C	C117	Environmental Health Specialist

Technology

ADH will be required to develop application, registry, tracking and verification systems that are HIPPA compliant. The system would assist in the processing and credentialing tens of thousands applications on an annual basis. If the Board of Health determines that a picture ID is required to be on the Registration Identification Card, the cost of the credentialing system increases significantly.

Law enforcement agencies will need access to the registry to verify a card holder's number on an individual basis.

Based on experience developing licensing systems and registries, the initial production costs of the registry, credentialing system, inspection application, hardware, network costs could be approximately

$ 760,000

If it is determined that a closed secured network is preferential due to the security concerns of the information being collected and transmitted, the annual cost to 35 sites would be as follows:

$ 800,000

Ongoing technology operating costs not including personnel: $980,000

Extra Help

30 positions to assist in initial processing of applications.