

**FISCAL NOTE
PUBLIC COST**

- I. Department Title: Department of Health and Senior Services
Division Title: Division of Cannabis Regulation
Chapter Title: Marijuana**

Rule Number and Title:	19 CSR 100-1.040 Consumer/Qualifying Patient / Primary Caregiver
Type of Rulemaking:	Proposed

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Health & Senior Services' costs =	\$4,828,540 for the first three year period and \$1,587,922 for annually thereafter
Total =	\$4,828,540 for the first three year period and \$1,587,922 for annually thereafter

III. WORKSHEET

Section for Patient and Application Services Director

One-half (1/2) FTE with an annual salary of \$40,000 and with estimated fringe benefits of \$14,592 = \$54,592.

One-Half (1/2) One-Time First Year expense (computer, office, furniture, etc.) for one FTE listed above - \$2,331

One-Half (1/2) On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$6,641.

\$40,000 (salary) + \$14,592 (fringe benefits) + \$6,640 (on-going expenses) X 3 year = \$183,696+ \$ 2,331(one-time first year expense) = \$186,027 for the first three year period.

Section for Patient and Application Services Deputy Director

One-half (0.5) FTE with an annual salary of \$32,000 and with estimated fringe benefits of \$11,674 = 43,674.

One-Time First Year expense (computer, office, furniture etc.) for one FTE listed above - \$2,331

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$6,641.

$\$32,000$ (salary) + $\$14,592$ (fringe benefits) + $\$6,641$ (on-going expenses) X 3 year = $\$159,699$ + $\$2,331$ (one-time first year expense) = $\$162,030$ for the first three year period.

Individual Licensing Unit Team Leads

Two (2) FTE with total annual salaries of $\$110,000$ and with estimated fringe benefits of $\$40,128$.

One Time First Year expense (computer, office, furniture, etc.) for two FTE listed above = $\$9,324$

On-going expenses (including travel, office supplies, network, printing, etc.) for two (2) FTEs - $\$26,564$.

$\$110,000$ (salary) + $\$40,128$ (fringe benefits) + $\$26,564$ (on-going expenses) X three (3) = $\$530,076$ + $\$9,324$ = $\$539,400$ for the first three year period.

Individual Licensing Services Specialists

Ten (10) FTE's with total annual salaries of $\$450,000$ and with estimated fringe benefits of $\$164,160$.

One Time First Year expense (computer, office, furniture, etc.) for two FTE listed above = $\$46,170$

On-going expenses (including travel, office supplies, network, printing, etc.) for ten (10) FTEs - $\$132,820$

$\$450,000$ (salary) + $\$164,160$ (fringe benefits) + $\$132,820$ (on-going expenses) X three (3) = $\$2,240,940$ + $\$46,170$ = $\$2,287,100$ for the first three year period.

Patient and Application Services Administrative Office Support Assistant

One-half (1/2) FTE with an annual salary of $\$22,598$ and with estimated fringe benefits of $\$8,244$.

One Time First Year expense (computer, office, furniture, etc.) for two FTE listed above = $\$2,309$

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE = $\$6,910$.

$\$22,598$ (salary) + $\$8,244$ (fringe benefits) + $\$6,910$ (on-going expenses) X three (3) = $\$113,256$ + $\$2,309$ (one time first year expense) = $\$115,565$ for the first three year period.

Patient and Application Services System Analyst

One-Half (1/2) FTE with an annual salary of \$32,000 and with estimated fringe benefits of \$11,674

One Time First Year expense (computer, office, furniture, etc.) for two FTE listed above = \$2,309

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE = \$6,910.

\$32,000 (salary) + \$11,674 (fringe benefits) + \$6,910 (on-going expenses) X three (3) = \$151,752 + \$2,309 (one time first year expense) = \$154,061 for the first three year period.

Patient and Consumer Registry System Contract

Estimated Compliant Costs of \$440,120 for one year.
Call Center installation cost of \$21,329 for year one.

IV. ASSUMPTIONS

In order to process the patient, caregiver, patient cultivation, and consumer cultivation applications; answer patient, caregiver, and physician inquiries related to these applications; answer public inquiries about patient services; process issues related to lost or stolen cards; and process patient or caregiver rule violations and any resultant ID card revocations, the department will need a Section for Patient and Application Services Director, who will also perform other duties not covered by this proposed rule; a Section for Patient and Application Services Deputy Director, who will also perform other duties not covered by this proposed rule; two (2) Individual Licensing Unit Team Leads; ten (10) Individual Licensing Services Specialists; a Patient and Application Services Administrative Office Support Assistant, who will also perform other duties not covered by this proposed rule; and a Patient and Application Services System Analyst, who will also perform other duties not covered by this proposed rule.

In order to receive and maintain records related to patient, caregiver, and patient cultivation applications, the department will need a Registry System, which is an IT solution specifically designed for marijuana program functions, including protection of health information and integration with the state system for tracking marijuana purchases.

Many of these FTEs already exist under the 19 CSR 35-90 rules. However, due to rescinding 19 CSR 35-90 and the implementation of 19 CSR 100 these requirements are considered all new requirements and are thus provided for in this rule. As such, the actual cost implementation of these rules will not be as high as is reflected.