

**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:	100-1.060 Facility Application and Selection
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 =	\$18,904,873 for the first three year period and \$6,212,284 for annually thereafter
Total =	\$18,904,873 for the first three year period and \$6,212,284 for annually thereafter

III. WORKSHEET

Section for Compliance & Enforcement Director

One third (1/3) of one (1) FTE with an annual salary of \$33,667 and with estimated fringe benefits of \$12,282.

One third (1/3) of One Time First Year expense (computer, office furniture, etc.) for one FTE listed above = \$1,554

One third (1/3) of On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$4,427.

$\$33,667$ (salary) + $\$12,282$ (fringe benefits) + $\$4,427$ (on-going expenses) X three (3) = $\$151,128$ + $\$1,554$ (one time first year expense = $\$152,682$ for the first three year period.

Section for Compliance & Enforcement Deputy Director

One third (1/3) of one (1) FTE with an annual salary of \$31,000 and with estimated fringe benefits of \$11,309.

One third (1/3) of One Time First Year expense (computer, office, furniture etc.) for one FTE listed above = \$1,554.

One third (1/3) of On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$4,427.

$\$31,000$ (salary) + $\$11,309$ (fringe benefits) + $\$4,427$ (on-going expenses) X three (3) = $\$140,208$ + $\$1,554$ (one time first year expense) = $\$141,762$ for the first three year period.

Section for Compliance & Enforcement Lead Administrative Support Assistant

One half (1/2) of one (1) FTE with an annual salary of $\$22,598$ and with estimated fringe benefits of $\$8,244$ = $\$30,842$.

One half (1/2) of 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 half (1/2) of one (1) FTE = $\$6,640$.

$\$22,598$ (salary) + $\$8,244$ (fringe benefits) + $\$6,640$ (on-going expenses) = $\$112,446$ + $\$2,331$ = $\$114,777$ for the first three year period.

Business License Services Unit Manager

One half (1/2) of one (1) FTE with an annual salary of $\$37,500$ and with estimated fringe benefits of $\$13,680$.

One half (1/2) of 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 half (1/2) of one (1) FTE = $\$6,640$.

$\$37,500$ (salary) + $\$13,680$ (fringe benefits) + $\$6,640$ (on-going expenses) X three (3) = $\$173,460$ + $\$2,331$ (one-time first year expense) = $\$175,791$ for the first three year period.

Business License Services' Lead Administrative Support Assistant

One half (1/2) of one (1) FTE with an annual salary of $\$21,000$ and with estimated fringe benefits of $\$7,661$ = $\$28,661$.

One half (1/2) of 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 half (1/2) of one (1) FTE = $\$6,640$

$\$21,000$ (salary) + $\$7,661$ (fringe benefits) + $\$6,640$ (on-going expenses) = $\$105,903$ + $\$2,331$ (one-time first year expense) = $\$108,234$ for the first three year period.

Business License Services Supervisors

One and a half (1 1/2) FTE with an annual salary of \$103,500 and with estimated fringe benefits of \$37,757 = \$141,257.

One-Time First Year expense (computer, office, furniture etc.) for one and a half (1 1/2) FTE listed above - \$6,993.

On-going expenses (including travel, office supplies, network, printing, etc.) one and a half (1 1/2) FTE = \$3,320 X 3 = \$19,920.

\$103,500 (salary) + \$37,757 (fringe benefits) + \$19,920 (on-going expenses) X three (3) = \$483,531 + \$6,993 (one-time first year expense) = \$490,524 for the first three year period.

Business Licensing Specialists

Seven and a half (7 1/2) FTE's with total annual salaries of \$380,217 and with estimated fringe benefits of \$138,704.

One-Time First Year expense (computer, office, furniture etc.) for seven and a half (7 1/2) FTEs listed above - \$34,965.

On-going expenses (including travel, office supplies, network, printing, etc.) for seven and a half (7 1/2) FTEs - \$99,600.

\$380,217 (salary) + \$138,704 (fringe benefits) + \$99,600 (on-going expenses) X three (3) = \$1,855,563 + \$34,965 (one-time first year expense) = \$1,890,528 for the first three year period.

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.

Patient and Application Services Deputy Director

One-half (1/2) 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.

Regulatory Auditor Supervisor

One (1) FTE with an annual salary of $\$58,000$ and with estimated fringe benefits of $\$21,159$.

One-Time First Year expense (computer, office, furniture etc.) for one FTE listed above - $\$4,662$

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - $\$13,282$.

$\$58,000$ (salary) + $\$21,159$ (fringe benefits) + $\$13,282$ (on-going expenses) X 3 year = $\$277,323$ + $\$4,662$ (one-time first year expense) = $\$281,985$ for the first three year period.

Regulatory Auditor Specialist

Eight (8) FTE's with a total annual salary of $\$399,016$ and with estimated fringe benefits of $\$145,562$.

One-Time First Year expense (computer, office, furniture etc.) for one FTE listed above - $\$37,296$

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - $\$106,256$.

$\$399,016$ (salary) + $\$145,562$ (fringe benefits) + $\$106,256$ (on-going expenses) X 3 year = $\$1,952,502$ + $\$37,296$ (one-time first year expense) = $\$1,989,798$ 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.

Bureau of Facility Compliance Manager

One third (1/3) of one FTE with an annual salary of \$28,334 and with estimated fringe benefits of \$10,337

One third (1/3) of One Time First Year expense (computer, office, furniture etc.) for one FTE listed above = \$1,554.

One third (1/3) of On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$4,427.

$\$28,334$ (salary) + $\$10,337$ (fringe benefits) + $\$4,427$ (on-going expenses) X three (3) = $\$129,294$ + $\$1,554$ (one time first year expense) = $\$130,848$ for the first three year period.

Compliance Unit Manager

One (1) FTE with an annual salary of \$77,000 and with estimated fringe benefits of \$28,090.

One Time First Year Expense (computer, office, furniture, etc.) for one FTE listed above = \$4,662

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE = \$13,281

$\$77,000$ (salary) + $\$28,090$ (fringe benefits) + $\$13,281$ (on-going expenses) x three (3) = $\$355,113$ + $\$4,662$ (one time first year expense) = $\$359,775$

Compliance Unit District Managers

Two (2) FTE with a total annual salary of \$147,000 and with estimated fringe benefits of \$53,626

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 FTE
= \$26,562

\$147,000 (salary) + \$53,626 (fringe benefits) + \$26,562 (on-going expenses) x three (3)
= \$681,564 + \$9,324 (one time first year expense) = \$690,888

Compliance Unit Regional Supervisors

Six (6) FTE with a total annual salary of \$409,998 and with estimated fringe benefits of \$149,568.

One Time First Year Expense (computer, office, furniture, etc.) for six FTE listed above
= \$27,972

On-going expenses (including travel, office supplies, network, printing, etc.) for six FTE
= \$76,686

\$409,998 (salary) + \$149,568 (fringe benefits) + \$76,686 (on-going expenses) x three (3)
= \$1,908,756 + \$27,972 (one time first year expense) = \$1,936,728

Compliance Unit Compliance Inspectors

Twenty-Two (22) FTE with a total annual salary of \$1,304,556 and with estimated fringe benefits of \$475,903

One Time First Year Expense (computer, office, furniture, etc.) for twenty-two FTE listed above = \$102,564

On-going expenses (including travel, office supplies, network, printing, etc.) for twenty-two FTE = \$292,182

\$1,304,556 (salary) + \$475,903 (fringe benefits) + \$292,182 (on-going expenses) x three (3) = \$6,217,923 + \$102,564 (one time first year expense) = \$6,320,487

Chief Equity Officer

One (1) FTE with an annual salary of \$70,008 and with estimated fringe benefits of \$25,539.

One-Time First Year expense (computer, office, furniture etc.) for one (1) FTE listed above - \$4,662.

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$13,281.

\$70,008 (salary) + \$25,539 (fringe benefits) + \$13,281 (on-going expenses) X three (3) = \$326,484 + \$4,662 (one-time first year expense) = \$331,146 for the first three year period.

Chief Equity Officer's Lead Administrative Support Assistant

One (1) FTE with an annual salary of \$42,000 and with estimated fringe benefits of \$15,322.

One-Time First Year expense (computer, office, furniture etc.) for one (1) FTE listed above - \$4,662

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$13,281.

$\$42,000$ (salary) + $\$15,322$ (fringe benefits) + $\$13,281$ (on-going expenses) X three (3) = $\$211,809$ + $\$4,662$ (one-time first year expense) = $\$216,471$ for the first three year period.

Chief Equity Officer's Program Staff

Two (2) FTE with an annual salary of \$90,000 and with estimated fringe benefits of \$32,832.

One-Time First Year expense (computer, office, furniture etc.) for two (2) FTE listed above - \$9,324.

On-going expenses (including travel, office supplies, network, printing, etc.) for two (2) FTE - \$26,562.

$\$90,000$ (salary) + $\$32,832$ (fringe benefits) + $\$26,562$ (on-going expenses) X three (3) = $\$448,182$ + $\$9,324$ (one-time first year expense) = $\$457,506$ for the first three year period.

Facility Application System Contract

Estimated Complia costs of \$832,420 for one year x 3 = 2,497,260

IV. ASSUMPTIONS

In order to process the application review prior to the lottery for each facility type and the renewals for each facility type described in this proposed rule, the department will need a Section for Compliance & Enforcement Director, who will also perform other duties not covered by this proposed rule; a Section for Compliance & Enforcement Deputy Director, who will also perform other duties not covered by this proposed rule; a Section for Compliance & Enforcement Lead Administrative Support Assistant, who will also perform other duties not covered by this proposed rule; A business License Services Manager, who will also perform other duties not covered by this proposed rule; A business License Services' Lead Administrative Support Assistant, who will also perform other duties not covered by this proposed rule; one and a half (1 ½) Business License Services Supervisors; seven and a half (7 1/2) Business Licensing Specialists; a Patient and Application Services Director, who will also perform other duties not covered by this proposed rule; a Patient and Application Services Deputy Direct, who will also perform other duties not covered by this proposed rule; a Regulatory Auditor Supervisor; eight (8) Regulatory Auditor Specialists; a Patient and Application Services Administrative Office Support Assistant, who will also perform other duties not covered by this proposed rule; a Patient and Application Services System Analyst, who will also perform other duties not covered by this proposed rule; a Bureau of Facility Compliance Manager, who will also

perform other duties not covered by this proposed rule; a Compliance Unit Manager; two (2) Compliance Unit District Managers; six (6) Compliance Unit Regional Supervisors; twenty-two (22) Compliance Unit Compliance Inspectors; a Chief Equity Officer; an Chief Equity Officer's Lead Administrative Support Assistant; and two Chief Equity Officer's Program Staff.

Additionally, Complia is needed to accept facility applications and documentation.

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.