150th GENERAL ASSEMBLY
FEE IMPACT

BILL:	**HOUSE BILL NO. 243**
SPONSOR:	**Representative Michael Smith**
DESCRIPTION:	**AN ACT TO AMEND TITLE 16 OF THE DELAWARE CODE RELATING TO THE CULTIVATION OF MEDICAL MARIJUANA BY REGISTERED QUALIFYING PATIENTS AND DESIGNATED CAREGIVERS.**

In accordance with 29 Del. C. §913, the following information is provided relating to licenses and fees.

Description of the Legislation:

This Act, known as "The Delaware Patient Right to Grow Act", allows qualifying patients and registered, designated caregivers to grow limited amounts of medical marijuana if approved and in compliance with appropriate requirements outlined by the Department of Health Social Services (DHSS). DHSS is responsible for issuing the approval to cultivate and manufacture marijuana and may conduct random inspections to verify compliance with stated requirements.

Affected Entities:

This Act would affect all qualifying patients and registered, designated caregivers engaging in the growth of medical marijuana as defined by this Act as well as DHSS.

Fiscal Impact:

According to DHSS, Division of Public Health, estimates approximately 930 applications would be submitted for approval for qualifying patients and an additional 195 applications would be submitted for registered, designated caregivers. Estimates are based on a similar study conducted in Rhode Island.

Nonrefundable fees associated with the initial and renewal application process would be determined similar to that of the Medical Marijuana Patients and Caregivers application process. This Act enables DHSS to determine annual application fees; total fees collected must generate revenues sufficient to offset all expenses of the program. Expected annual staffing expenditures for Investigators and administrative personnel and operating expenses including mobile technology to support the program total $263,100; one-time expenditures for program implementation, including capital, total $13,200. Personnel costs are assumed to increase at a rate of 2% annually.

Intended Use of Revenue:

The revenue generated from application, renewal, and registration fees for compassion centers, security compliance facilities, and registry identification cards would be deposited into DHSS' Appropriated Special Fund to defray the costs of operation, administration, and growth of the program.

Prepared by Victoria Brennan
Office of the Controller General