

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1035-01
Bill No.: HB 437
Subject: Drugs and Controlled Substances
Type: Original
Date: February 24, 2017

Bill Summary: This proposal allows persons with certain serious medical conditions to use medical cannabis.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(\$752,421)	\$129,393	\$767,556
Total Estimated Net Effect on General Revenue	(\$752,421)	\$129,393	\$767,556

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 16 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	5	74	75
Total Estimated Net Effect on FTE	5	74	75

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§191.480 - Misdemeanor charges

Officials from the **Department of Corrections (DOC)** provide the following assumptions related to this proposal:

Section 191.480 sets the penalty for inhibiting the use of medical cannabis as an investigatory drug as a class A misdemeanor. Since the DOC has no jurisdiction over this type of misdemeanor, this statute has no impact on the DOC.

As of November 2016, twenty-eight states and the District of Columbia have approved medical marijuana usage. As many of these states have relatively recently allowed for legal medical marijuana possession and use, there is limited information on the impact within the criminal justice system. A full analysis is attempting to discern the effects of these laws.

Chu (2014) found that similar medical marijuana laws (MML) were related to a 15-20% increase in marijuana arrests in adult males, and Alford (2014) found that allowances for marijuana dispensaries increased property crime rates by 8% and robbery rates by 11%. Conversely, Alford also found that home cultivation allowance may have decreased robbery by 10%. Choi (2014) found that MMLs were associated with a 12% increase in other drug use but allowing home cultivation was related to a 13% decrease in driving under the influence of drugs. Morris et al. (2014) found that MMLs did not exacerbate rates of major or violent crimes. However, Pacula et al. (2014) suggested that some details of MMLs, particularly legal protection of dispensaries and home cultivation, can lead to greater marijuana use and abuse among adults. The authors also found relationships to increased alcohol use and alcohol-related driving fatalities. The link with increased drinking was also found by Wen et al. (2014), but they found no evidence of increased use of other substances.

Results of studies at this time show conflicting results on the criminal impacts of current MMLs. However, with the increased licensing and regulation there are also increased possibilities of secondary crimes through false physician recommendations, non-compliance in registration, illegal possession, vehicular infractions or injury, and theft. While many of these violations may carry only municipal or licensing level penalties, some would ultimately fall under felony charges.

According to the research, a MML will result in an increase in violations of possession and production/distribution of controlled substances (195.202 and 195.211, RSMo): three new class C felonies (one to incarceration and two admitted to probation) and one additional class B felony. Analysis of FY16 data shows a class C felony for possession of a controlled substance on

ASSUMPTION (continued)

average serves 2.3 years in prison and 2.1 years on parole; those assigned to probation receive a 3-year sentence. For a class B felony for distribution and production on average serves 4.6 years in prison and 3.4 years on parole. The full, yearly impact of HB 437 occurs in FY25.

If this impact statement has changed from statements submitted in previous years, it is because the department's Budget and Research Section reviewed the way responses had been submitted and has developed a more precise way to calculate the impact. In previous years' responses, the full impact of recidivism for parole releases was not adequately calculated. Now we have been able to quantify the fact that some parolees are returned to prison after release and that has been added into the calculation of the impact. The total number of offenders has not changed but there is an assumption that they will spend more time back in prison rather than being on community supervision, which will increase the amount of the impacts.

The FY16 average cost of supervision is \$6.12 per offender per day or an annual cost of \$2,234 per offender. The DOC cost of incarceration is \$16.67 per day or an annual cost of \$6,085 per offender. DOC assumes a 2% annual inflation in costs.

The DOC would assume this legislation will result in the following long term costs to the General Revenue Fund:

FY18 (Year 1, 10 months)	\$8,794
FY19 (Year 2)	\$21,528
FY20 (Year 3)	\$30,133
FY21 (Year 4)	\$32,159
FY22 (Year 5)	\$32,802
FY23 (Year 6)	\$33,458
FY24 (Year 7)	\$34,127
FY25 (Year 8)	\$34,809
FY26 (Year 9)	\$35,506
FY27 (Year 10)	\$36,216

Oversight assumes the DOC would be able to absorb FY18 costs.

Officials from the **Office of State Public Defender (SPD)** state the proposed legislation would allow the medical use of marijuana. This could have some impact on the SPD System. In FY15, the SPD provided representation in an estimated 5,000 marijuana cases. If a percentage of these cases were for the proposed appropriate medical use, this number could/would be reduced. It is not possible to estimate a number that would have been for "legal" use.

ASSUMPTION (continued)

The SPD is currently providing legal representation in caseloads in excess of recognized standards. Removing these cases would assist public defenders by reducing their caseloads, but it is not expected to result in significant savings.

§192.945 - Medical marijuana

Officials from the **Department of Health and Senior Services (DHSS), Division of Community and Public Health (DCPH)** state that under section 192.945, RSMo, DHSS is currently issuing hemp extract registration cards for persons suffering from intractable epilepsy. This proposal would expand the current program by allowing the issuance of registration cards for persons with other chronic or debilitating diseases and conditions to utilize medical marijuana.

Applications

The State of Oregon has a similar program in place that allows for the issuance of a registration card for conditions similar to those being proposed for the issuance of a medical marijuana registration card under this proposed legislation. For purposes of this fiscal note, the State of Oregon's program will be benchmarked.

A study updated in March 2016 by the nonprofit entity ProCon organization published the rates of patient registration cards issued for each state with a medical marijuana program (<http://medicalmarijuana.procon.org/view.resource.php?resourceID=005889>). This study found that Oregon was issuing qualified patient cards at a ratio of 19.2 per 1,000 patient populations. While the Oregon program was initiated in May 1999 and, therefore, has an established program, the state of Missouri's chronic disease rates are generally higher and the qualifying medical conditions accepted under Missouri's proposal are broader than those of Oregon. Missouri does allow for parents or legal guardians (could be more than one) of minors to be registered. For this fiscal note, DHSS has termed additional parents or guardians as secondary registrants or caregivers.

Calculation of applications:

- Patients: According to the 2015 U.S. Census Bureau information, Missouri's population is at 6,083,672. Applying the rate of 19.2 applications per 1,000 residents, Missouri would estimate issuing 116,807 patient registration cards annually ($6,083,672/1,000 = 6,083.67 \times 19.2$).

ASSUMPTION (continued)

- Caregivers: According to the October 1, 2016 data on Oregon's Medical Marijuana Program Website, the ratio of patient registration cards to caregiver cards is calculated at 2.29. Calculating this same ratio, Missouri would estimate issuing 51,007 caregiver cards (secondary registrants) annually (116,807/2.29).

Section 192.945 requires the establishment of a the medical marijuana registration program through promulgation of rules, including the development of program forms, registration card, and a system to record the name of each registrant and each minor receiving care from a registrant. Section 192.945 also requires the department to publish a list of debilitating diseases or conditions for which medical marijuana can be used. As a result, DCPH anticipates the need to hire the following staff beginning on August 28, 2017 (FY18) to begin development of the system:

- One Medical Consultant (\$129,839 annually, Grade B08) – to be responsible for compiling and maintaining a list of debilitating diseases or conditions for which a medical marijuana card may be issued. This list must contain every disease or condition which medical marijuana or a component of medical marijuana has successfully completed phase one of a clinical trial but has not been approved for general use by the federal Food and Drug Administration and remains under investigation under a clinical trial. DHSS currently does not have this expertise on staff.
- One Program Manager Broad Band 2 (\$65,000 annually) - will serve as Chief of the Medical Marijuana Registration Bureau. Duties will include overall program management, including involvement in rule promulgation, development of forms, program policies and procedures, information system development, and initial program set-up.
- One Health Program Representative III (\$39,708 annually) - duties will include assistance in rule promulgation, program policies and procedures, forms development, information system development/troubleshooting and maintenance, and initial program set-up.
- One Administrative Office Support Assistant (\$28,668 annually) - duties will include providing administrative assistance to the Bureau Chief, and HPR III positions. As allowed, this position will also assist in initial processing of applications for registration cards.

ASSUMPTION (continued)

For fiscal note purposes DCPH calculated 45 minutes of processing time per patient and caregiver application (116,807 patients + 51,007 caregivers = 167,814 applications) . Based on this assumption, it was determined 61 FTE will be needed (167,814 applications X 0.75 hour per application/ 2,080 hours per year = 60.5 FTE, rounded to 61 FTE). The following staff will be hired effective July 1, 2018 upon completion of the system development and implementation of the program:

41 Senior Office Support Assistant (SOSA) positions (\$26,340 each, annually) – duties will include

- processing of paper applications for the medical marijuana registration program, to include opening and date stamping of mail,
- initial entry of application information into the electronic registry for patients and caregivers,
- initial verification of applicant and physician identification,
- preparation of patient and caregiver registration cards,
- answering and assisting telephone callers, and
- mailing of applicant correspondence, renewal notices, and registration cards.

20 Health Program Representative II (HPR II) positions (\$35,640 each, annually) – duties will include

- supervision of the SOSA positions,
- quality assurance checks of the application including valid, Missouri licensed practitioners and required documentation of allowed condition(s),
- verification and approval of applications including final approval of application rejects and card issuances,
- drafting of correspondence for incomplete, inaccurate or unapproved applicants, and
- dealing with applicant and medical complaints and concerns.

Printing

DCPH assumes that 90% of registrants will renew each year and renewal cards will also need to be printed for each registrant annually. DCPH also estimates new applicants to grow by 10 percent annually. DCPH will purchase a card delivery system with the ability to print the card with the magnetic stripe, attach the card to a personalized letter, and secure an envelope ready for mailing. The initial cost of the card delivery system is estimated at \$277,000. In addition, there will be an annual equipment preventative maintenance fee of \$34,000. The average supply cost to print each card is \$0.59/card.

ASSUMPTION (continued)

DCPH will print 100,000 brochures each year the program is operational at a cost of \$.06 per brochure. This brochure will provide the public with information about the medical marijuana registration program and assistance in completing a valid registration.

	FY 2018	FY 2019	FY 2020
Cards for New Applicants	0	167,814	16,781
Cards for Renewals	0	0	151,033
Total Cards Issued	0	167,814	167,814

FY19

167,814 cards X \$0.59 per card/print supplies = \$99,010
 100,000 brochures (\$0.06 per brochure) = \$6,000

FY20

167,814 cards X \$0.59 per card/print supplies = \$99,010
 100,000 brochures (\$0.06 per brochure) = \$6,000

Mailing costs

Each registrant will receive his/her card in the mail. Renewal cards will also be mailed to each registrant annually. It is also assumed five percent of applications (new and renewal) will be incomplete, requiring written notification of an incomplete application. It is also projected that 25 percent of the printed brochures (25,000) along with paper applications will be mailed to the public upon request. The other printed brochures will be available for distribution at conferences and other public venues.

Projected mailings are as follows:

	FY 2018	FY 2019	FY 2020
Cards mailed to new applicants	0	167,814	16,781
Renewal cards mailed	0	0	151,033
Brochures/app mailed	0	25,000	25,000
Incomplete Application	0	8,391	8,391
Total mailings	0	201,205	201,205

FY19

201,205 envelopes (\$41 per 1,000) = 202 X \$41 = \$8,282
 Postage (201,205 x \$0.39/postage rate) = \$78,470

FY20

201,205 envelopes (\$41 per 1,000) = 202 X \$41 = \$8,282
 Postage (201,205 x \$0.39/postage rate) = \$78,470

ASSUMPTION (continued)

Application Storage Costs

In order to manage the final storage of paper applications submitted, Content Manager for electronic scanning and storage will be utilized. The costs for Content Manager are estimated at \$132 per month for the state data server costs, \$234 for an annual license for each user who needs to view files, and \$828 for an annual license for each position with ability to scan/import documents.

Application Registration Fees

The proposal allows the DHSS to establish a fee for the issuance of a medical marijuana registration card. For purposes of this fiscal note, it is estimated that DHSS would charge a \$35 registration fee.

The list of conditions that would be eligible for this registration is estimated to be comparable to the conditions authorized in a similar program in Oregon. For purposes of this fiscal note, DHSS used the Oregon program to benchmark the estimation of annual registrations.

It is anticipated that Missouri will receive 167,814 new applications in its first year of operation (FY 2019). In subsequent years, new applications are estimated to grow by 10 percent annually; however, renewals are estimated to decline by 10 percent annually.

Projected fees received for the three years (FY 2018 – FY 2020) are as follows:

	FY 2018	FY 2019	FY 2020
Application & Renewals	0	167,814	167,814
Application Fees	\$0	\$5,873,490	\$5,873,490

Officials from the **DHSS, Division of Administration (DA)** provide the following assumptions for this proposal:

For fiscal note purposes DA estimates one Accounting Clerk can process 30,000 receipt transactions received per year. DHSS estimates 167,814 payments for applications will be processed in FY19 and 167,814 in FY20. ($167,814/30,000 = 5.6$; rounded to 5.75) An Accounting Generalist I/II will be needed for every five Accounting Clerks ($5.5/5 = 1.1$; rounded to 1.0).

Accounting Clerk positions (\$26,340 each, annually) – duties will include

- Opens and sorts mail;
- Process and enter receipts into the departmental computer system;
- Prepares bank deposits and cash receipts documents;
- Reconciles daily receipts;
- Distributes supporting documentation to program.

ASSUMPTION (continued)

Accounting Generalist I/II position (\$41,184 annually) – duties will include

- Supervise and review the work of Account Clerks who are processing the application fees.

Each application and license would have a fee transaction.

Officials from the **DHSS, Office of General Counsel** assume one full-time attorney (Legal Counsel, \$50,000 annually) would be needed to assist in drafting emergency and proposed regulations and forms; perform legal research and provide day-to-day legal counsel to the program. In addition, the attorney would represent the Department in appeals of licensure and identification card denials.

DHSS estimates the net impact to the General Revenue Fund to be a cost of \$683,309 for FY18; and a positive impact of \$127,269 for FY19 and \$840,476 for FY20.

Oversight will adjust DHSS rental expenses to correspond to the estimated rate per square foot used by the Office of Administration, Division of Facilities Management, Design and Construction. In addition, Oversight assumes DHSS will not hire part-time staff and will have those duties absorbed by existing staff.

Officials from the **Office of Administration (OA), Division of Facilities Management, Design and Construction (FMDC)** state additional space in leased facilities for new staff for agencies in the Cole County area is estimated at 230 sq. ft. per FTE times \$17.50 per sq. ft., or \$4,025 annually per FTE. This cost includes building lease costs, fuel and utilities, and janitorial services. If a larger space were needed, the space was needed in other regions of the state, or newly constructed space if required, the estimated costs would be higher cost per sq. ft. (estimated at \$24.50 per sq. ft.).

DHSS provided the following assumptions from the **Office of Administration (OA), Information Technology Services Division (ITSD)**. ITSD states it is assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity

A 12-month project effort with three contractors has been assumed. It is assumed the application will be hosted in the State Data Center (SDC) on existing web application servers. Disk space has been assumed at 50 GB per environment (DEVO, TEST, and PROD). Funding for ongoing maintenance will come from registration fees established by DHSS.

FY18 costs to the General Revenue Fund are estimated to be \$308,736. On-going support costs for FY19 and FY20 are estimated to be \$63,752 and \$65,346 respectively.

ASSUMPTION (continued)

§§261.265 - Medical marijuana cultivation

Officials from the **Department of Agriculture (AGR)** state Colorado currently has 998 licensed medical marijuana cultivation and infused product manufacturers; New Mexico has 48 licensed medical marijuana producers; and Illinois limited the number of medical marijuana producers to 21. It estimated that Missouri will license approximately 100 medical marijuana cultivation and production facilities across the state. It is assumed that each production facility would be inspected four times per year. It is also assumed that approximately 33 facilities would be licensed in the first year of implementation and approximately 67 facilities in the second year. On-going, a total of 100 facilities are expected to be licensed in subsequent years.

It is assumed that an inspection would be similar to the hemp extract facility inspections the AGR currently conducts. These inspections average 12 hours per inspection. Therefore, 100 cultivation/production sites X 4 inspections per year X 12 hours/inspection = 4,800 inspection hours.

Total inspection hours 4,800 / 1,800 hours (actual work hours after taking into consideration vacation/sick leave, etc.) = 2.7 (3 FTEs). The FTEs are at range A22 step M. The inspectors would be responsible for inspection of cultivation/production facilities. One inspector would be hired in FY18, a second inspector hired in FY19, and the third inspector hired in FY20.

Approximately \$5,000 will be needed to update the MOPlants computer system to enable license and inspection capabilities.

Oversight has, for fiscal note purposes only, changed the starting salary for the Feed and Seed Inspectors II to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Bill as a whole

Officials from the **Office of Attorney General (AGO)** assume any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

ASSUMPTION (continued)

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Missouri Office of Prosecution Services**, the **OA, Division of Accounting** and **Division of Purchasing** and the **Office of State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the following **sheriffs' departments**: the Boone County Sheriff's Department, Buchanan County Sheriff's Department, Cass County Sheriff's Office, Clark County Sheriff's Department, Cole County Sheriff's Department, Jackson County Sheriff's Department, and the Platte County Sheriff's Department did not respond to **Oversight's** request for a statement of fiscal impact.

Oversight assumes this proposal will, at least initially, result in increased activity by local law enforcement agencies. Oversight further assumes that those agencies will request additional resources through decision items in the appropriate political subdivision budgets.

<u>FISCAL IMPACT - State Government</u>	FY 2018	FY 2019	FY 2020
	(10 Mo.)		
GENERAL REVENUE FUND			
<u>Income - DHSS (\$192.945)</u>			
Application fees	\$0	\$5,873,490	\$5,873,490
<u>Costs - DOC (\$191.480)</u>			
Increase in incarceration and parole expenditures	\$0	(\$21,528)	(\$30,133)
<u>Costs - DHSS (\$192.945)</u>			
Personal service	(\$219,346)	(\$2,301,627)	(\$2,324,644)
Fringe benefits	(\$93,955)	(\$1,427,601)	(\$1,434,455)
Equipment and expense	(\$55,906)	(\$1,783,664)	(\$1,043,258)
ITSD costs/on-going support	<u>(\$308,736)</u>	<u>(\$63,752)</u>	<u>(\$65,346)</u>
Total <u>Costs - DHSS</u>	<u>(\$677,943)</u>	<u>(\$5,576,644)</u>	<u>(\$4,867,703)</u>
FTE Change - DHSS	4 FTE	72 FTE	72 FTE
<u>Costs - AGR (\$261.265)</u>			
Personal service	(\$30,770)	(\$74,586)	(\$112,999)
Fringe benefits	(\$17,753)	(\$42,828)	(\$64,575)
Equipment and expense	<u>(\$25,955)</u>	<u>(\$28,511)</u>	<u>(\$30,524)</u>
Total <u>Costs - AGR</u>	<u>(\$74,478)</u>	<u>(\$145,925)</u>	<u>(\$208,098)</u>
FTE Change - AGR	1 FTE	2 FTE	3 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$752,421)</u>	<u>\$129,393</u>	<u>\$767,556</u>
Estimated Net FTE Change for the General Revenue Fund	5 FTE	74 FTE	75 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

§261.265 - The proposed legislation allows the Missouri Department of Agriculture to issue licenses to cultivation and production facilities in the state to grow or cultivate the cannabis plant used to make hemp extract. There could be an unknown impact on small businesses that may serve as these facilities.

FISCAL DESCRIPTION

INVESTIGATIONAL DRUG USE BY TERMINAL PATIENTS

This bill expands the definition of investigational drug, biological product, or device so that it can include medical cannabis. Under this provision a dispensing organization or manufacturer of an investigational drug, biological product, or device that has successfully completed phase one of a clinical trial but has not been approved for general use by the FDA and remains under investigation in a clinical trial can be made available to certain eligible patients who have terminal illnesses and meet all the other requirements of the section. This bill makes it a class A misdemeanor for any official, employee, or agent of the state to block or attempt to block the access of an eligible patient to an investigation drug, biological product, or device (Section 191.480).

MEDICAL CANNABIS REGISTRATION CARDS

This bill changes the law regarding the use of hemp extract to treat intractable epilepsy to authorize the legal use of medical marijuana to treat irreversible debilitating diseases or conditions. This bill authorizes the Department of Health and Senior Services to issue medical cannabis registration cards to any Missouri resident, 18 years old or older, who can provide a statement signed by a doctor stating that the individual suffers from epilepsy or an irreversibly debilitating disease or condition and may benefit from treatment with medical cannabis and that the individual has considered all other treatment options currently approved by the FDA and all relevant clinical trials conducted in Missouri. Parents of minor children suffering from intractable epilepsy or an irreversibly debilitating disease or condition can also obtain medical cannabis cards on behalf of their children. These registration cards will only be valid for one year but can be renewed.

FISCAL DESCRIPTION (continued)

The department will publish a list of debilitating diseases or condition for which a medical cannabis registration card can be issued. The department can choose to include any persistent or recurrent disease or condition that the department determines to have substantial impact on day-to-day functioning which may be treated by medical cannabis. The department must also include every disease or condition for which medical cannabis or a component of medical cannabis has successfully completed phase one of a clinical trial but has not been approved for general use by the FDA and remains under investigation in a clinical trial.

Any physician who signs a statement for a patient to obtain a medical cannabis registration card must keep a record of his or her evaluation and observation of that patient, including the patient's response to medical cannabis, and transmit such record to the department. The department must maintain a database of these records, which it can share with a higher education institution for the purpose of studying medical cannabis. The department is also required to maintain a record of each person it issues a registration card to. The department can also authorize clinical trials involving medical cannabis (Section 192.945, RSMo).

THE CULTIVATION AND PRODUCTION OF MEDICAL CANNABIS

The Department of Agriculture shall issue cultivation and production facility licenses to grow or cultivate medical cannabis.

The department will maintain a list of all licensed growers. The department is responsible for establishing rules relating to application requirements, including submission of fingerprints and criminal background checks; security requirements for cultivation and production premises; cannabis monitoring systems; the submission of medical cannabis to an approved testing facility; and the manufacture, storage, and transportation of medical cannabis (Section 261.265).

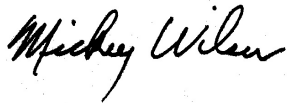
This legislation is not federally mandated, would not duplicate any other program but would require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General
Department of Agriculture
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Corrections
Joint Committee on Administrative Rules

SOURCES OF INFORMATION (continued)

Missouri Office of Prosecution Services
Office of Administration -
 Information Technology Services Division/DHSS
 Division of Accounting
 Division of Purchasing
Office of State Courts Administrator
Office of Secretary of State
Office of State Public Defender



Mickey Wilson, CPA
Director
February 24, 2017

Ross Strope
Assistant Director
February 24, 2017