Performance Note
SB0073S02 - Medical Cannabis Act

Sponsor: Sen. Madsen, Mark B.

Performance Note Report

Author: ogilvies
Agency: Department of Agriculture and Food

Funding For:

New Services or Benefit

Public Benefit:

Purpose: The Department of Agriculture and Food (UDAF) is required by this bill to issue licenses to qualified individuals to operate cannabis production establishments. Also, UDAF is directed to issue registration cards to qualified individuals to act as agents of medical cannabis establishments. These licenses and registration cards are required to insure that the operations related to the cultivation and processing of medicinal cannabis occur within the parameters set by the Legislature.

Services: 1. Establish compatibility standards for an inventory control system 2. Offer licenses to a person to operate a cannabis production establishment after proved compliance with the requirements in the bill. 3. License renewal in accordance with the stipulations identified in the bill. 4. Monitor the licenses issued. 5. Register qualified individuals as cannabis production establishment agents. 6. Perform inspections to insure that a cannabis production establishment complies with the requirements of the bill. 7. Laboratory services to verify that a cannabis batch that does not meet the requirements set forth in the bill are appropriately handled.

Expected Outcome: 1. Medical cannabis establishments shall maintain an inventory control system that meets the requirements of the bill. 2. Licenses and registration cards will be issued to qualified individuals in accordance with the standards identified in the bill. 3. Inspections will occur that verify cannabis production establishments are operating in accordance with the standards identified in the bill. 4. A cannabis batch that does not meet the qualifications identified in the bill is properly handled.

Implementations and Resources: 1. UDAF will work with the Department of Technology Services to identify the standards for an inventory control system. 2. Licensing and registration will be incorporated into the already existing licensing system utilized by UDAF. 3. Inspectors will receive training to allow them to properly make a determination as to the adequacy of operational measures being performed by cannabis production establishments.

How: The activities performed by UDAF personnel will allow qualified individuals operating cannabis production establishments to produce cannabis that meets the standards identified in the bill. They will also offer, to the public, assurance that the on-going operations of these establishments generate the product intended by the bill.

By rule, performance notes are provided by the governmental entity that will supervise the new agency or administer the new program. Performance notes are not written by the Office of the Legislative Fiscal Analyst.

Performance Note
SB0073S02 - Medical Cannabis Act

Sponsor: Sen. Madsen, Mark B.

Performance Note Report

Author: rrolfs
Agency: Department of Health

Funding For:

New Services or Benefit

Public Benefit:

Purpose: This performance note will be broken out into 2 pieces, Vital Records (VR) which will handle participant card issuances and Health Facility Licensing (HFL) which will be over the dispensary licensing. In addition, the department will establish and manage the Compassionate Use Board as directed in Section 26-58-106 as well as approve, by rule, the training required for a physician who is able to recommend cannabis as required in Section 26-58-107. VR - This bill allows an individual with a qualifying illness who registers with the state electronic verification system to possess and use cannabis under certain circumstances. The Department of Health (DOH) is responsible to issue medical cannabis cards to qualifying individuals. HFL - To make the cannabidiol product accessible to citizens of the state in a safe and controlled manner. We do have a concern that the timeline for completion of the electronic verification system will conflict with meeting the expectations of the program.

Services: VR - Pursuant to SB 73 1st Sub, the legislature intends for the DOH to support the planning, development, and ongoing operation of the electronic verification system that issues medical cannabis cards. HFL - The services include organization of the licensing process for dispensaries and agents that will supply the products, and inspections of the licensed dispensaries and shops.

Expected Outcome: VR - DOH will issue 80% of medical cannabis cards within 45 days after an individual submits an application. Timely processing of applications will expedite a qualifying patient's obtaining of the medical cannabis used to treat their medical condition. Over 45 days may be necessary to process applications that are incomplete when first submitted. HFL - That all applications for dispensaries and agents in the first year will be received, reviewed and issued; and that each dispensary will receive at least one inspection in the first year.

Implementations and Resources: VR - DOH currently does not have the personnel resources necessary to implement SB 89 1st Sub. It is necessary for DOH to create a new position because the workload of existing employees is such that they could not take on the new responsibility. The electronic verification system must be built to prevent incomplete applications from being submitted; however, the system may not stop all incomplete applications. Future staffing needs my increase depending on growth of the program. HFL - The bill will be implemented by hiring two staff; one to provide support and organization of the program, and one to conduct inspections of dispensaries across the state. Future staffing needs may increase depending on growth of the program.

How: VR - Timely processing of applications is not possible without funding a new position. DOH can adequately support the services required by SB 73 1st Sub if this funding is appropriated. HFL - These activities will allow the Department to license the dispensaries and agents timely so that inspections may occur to ensure compliance with the bill. This will ensure a safe access to these services as they become available in the state.

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