

# Vermont Legislative Joint Fiscal Office

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## *FISCAL NOTE*

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### **S.117 An act relating to the therapeutic use of cannabis**

#### *As Introduced*

<https://legislature.vermont.gov/Documents/2020/Docs/BILLS/S-0117/S-0117%20As%20Introduced.pdf>

#### *As amended by the Senate Committee on Finance*

<https://legislature.vermont.gov/Documents/2020/WorkGroups/Senate%20Finance/Bills/S.117/Drafts,%20Amendments%20and%20Summaries/S.117~Michele%20Childs~Draft%20No.%201.3,%20203-21-2019%20-%20Committee%20Amendment~3-21-2019.pdf>

Sec. 3 of the bill as *introduced* (and subsequently passed by the Senate Committee on Judiciary) would eliminate the requirement that patients with chronic diseases reapply and pay a fee annually to renew their status with the Vermont Marijuana Registry. Currently the annual fee for a registry identification card is \$50 per year. In FY 2020, the fee is estimated to raise approximately \$281,000 from both patients and caregivers and accounts for approximately 70% of the Registry's revenues. The rest is funded through fees on dispensaries. The program's approximately \$355,000 budget is funded entirely through these fees.

	<u>Est. Revenues</u>
Patient & Caregiver Registration Fees	\$281,000
Dispensary Fees and other	\$125,000
	<u>\$406,000</u>

According to the Department of Public Safety (DPS), there are approximately 5,300 registrants. This includes both patients and caregivers, although the majority are patients. The bill is not specific about what qualifies as a chronic disease, and at this time it is difficult to ascertain how many patient registrants would claim they had a chronic disease, but revenues from registration fees would decline. Any significant reductions in revenues could put the program in deficit and negatively impact the Registry's operating budget.

The bill as *amended by the Senate Committee on Finance* strikes and supplants Sec. 3 with language that waives the annual application renewal requirements for patients with debilitating and incurable medical conditions, but still requires an annual \$50 fee. As such, there should be no impact in revenue as a result of this bill as amended by the Senate Finance Committee.

Sec. 6 of the bill would require the Agency of Agriculture, Food and Markets to establish a quality control program and require the DPS to pay the costs of testing products produced at registered dispensaries. Although the Agency normally charges \$120 per test, they would charge DPS \$50 per test. Assuming the Agency conducts between 20 to 100 tests per year, the cost to DPS for testing could range between \$1,000 to \$5,000 per year.