

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 11, 2019

TO: Honorable Senfronia Thompson, Chair, House Committee on Public Health

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1365 by Lucio III (Relating to authorizing the possession, use, cultivation, processing, distribution, transportation, and delivery of medical cannabis for medical use by patients with certain debilitating medical conditions and the licensing of dispensing organizations and testing facilities; authorizing a fee.), **As Introduced**

Because the fees imposed by the bill and the number of potential testing facility applicants is unknown, the revenue implications cannot be determined. However, Health and Safety Code, Section 487.052, requires the Department of Public Safety to set fees for the program at a level that is sufficient to cover the cost of its administration, so there would be no fiscal impact to the State.

The bill would amend the Compassionate Use Act to allow physicians to recommend medical use of cannabis for patients with certain debilitating medical conditions. The bill would allow persons with medical conditions not specifically included in the bill to petition the Department of Public Safety (DPS) to approve their medical condition for inclusion and set limits on a person's allowable amounts of medical cannabis. DPS would set fees for cannabis testing facilities license applications in amounts sufficient to cover the cost of administering the provisions of the bill. The bill would also amend the Family Code to clarify that a court may not terminate the parent-child relationship based on evidence that the parent provided or administered medical cannabis to a child for whom the medical cannabis was recommended by a physician in accordance with the bill.

The Medical Board, Health and Human Services Commission, Board of Pharmacy, and Department of Family and Protective Services indicate that provisions of the bill could be absorbed with existing resources.

The Department of Public Safety would incur costs related to licensing additional dispensing organizations under the Compassionate Use Program and making updates to its Compassionate Use Registry Application. However, Health and Safety Code, Section 487.052, requires the agency to set fees for the program at a level that is sufficient to cover the cost of its administration, so there would be no fiscal impact to the State.

The Comptroller of Public Accounts indicates that because the fees imposed by the bill and the number of potential testing facility applicants is unknown, the revenue implications cannot be determined.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 405 Department of Public Safety, 503 Texas Medical Board, 515 Board of Pharmacy, 529 Health and Human Services Commission, 530 Family and Protective Services, Department of, 696 Department of Criminal Justice

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