

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 13, 2019

TO: Honorable Lois W. Kolkhorst, Chair, Senate Committee on Health & Human Services

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

IN RE: HB3703 by Klick (Relating to the dispensing, administration, and use of low-THC cannabis; authorizing low-THC cannabis research; authorizing a fee.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would require the Health and Human Services Commission (HHSC) to establish a low-THC cannabis research program to be conducted by one or more health-related institutions in the state. The commission would be authorized to establish fees for a permit to conduct low-THC cannabis research. The bill would also make patients with additional forms of epilepsy, multiple sclerosis and spasticity eligible for a low-THC cannabis prescription, and allow dispensing organizations to operate more than one location under a single Department of Public Safety (DPS) license. The bill would prohibit the suspension, expulsions or placement of a student in a disciplinary alternative education program because the student possessed, used, or was under the influence of prescribed low-THC cannabis.

HHSC and the Texas Education Agency indicate that the provisions of the bill could be absorbed using existing resources.

DPS 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.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 405 Department of Public Safety, 503 Texas Medical Board, 529 Health and Human Services Commission, 537 State Health Services, Department of, 701 Texas Education Agency, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration, 768 Texas Tech University System Administration, 769 University of North Texas System Administration

LBB Staff: WP, AKi, JQ, BH, AMa