

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: **HB4097** by Blanco (Relating to the use of medical cannabis by veterans for post-traumatic stress disorder and the licensing of associated cultivating or dispensing organizations; authorizing fees.), **As Introduced**

The fiscal implications of the bill cannot be determined at this time. The amount of fees to be set by the Health and Human Services Commission and the prospective number of license applicants are both unknown, however the bill would require fees to be set at a level that covers the cost of administration and enforcement of the bill's provisions.

The bill would allow veterans diagnosed with post-traumatic stress disorder to purchase medical cannabis from a cultivating or dispensing facility if the veteran has been issued a purchaser permit by the Health and Human Services Commission (HHSC). A cultivating or dispensing facility would be required to hold a license from HHSC. HHSC would set license fees for cultivating and dispensing organizations as proscribed and limited by the amounts in the bill sufficient to cover the cost of administering and enforcing the bill's provisions. Application fees would be an amount that is at least \$10,000 but not more than \$25,000; initial licensing fees would be in an amount that is at least \$250,000 but not more than \$1 million; and annual licensing renewal fees would be in an amount that is at least \$15,000 but not more than \$25,000.

The Comptroller of Public Accounts indicates that because fee amounts to be set by HHSC and the prospective number of applicants are unknown, the revenue implications of the bill cannot be determined.

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, 551
Department of Agriculture

LBB Staff: WP, AKi, JQ, BH