

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 27, 2021**

**TO:** Honorable Dade Phelan, Speaker of the House, House of Representatives

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1535** by Klick (Relating to the medical use of low-THC cannabis by patients with certain medical conditions and the establishment of compassionate-use institutional review boards to evaluate and approve proposed research programs to study the medical use of low-THC cannabis in the treatment of certain patients.), **As Passed 2nd House**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Health and Safety Code Chapter 487 to require the Health and Human Services Commission (HHSC) to establish one or more compassionate-use institutional review boards to evaluate and approve proposed research programs to study the medical use of low-THC cannabis in treating certain conditions and oversee patient treatment undertaken as part of the approved research program. The bill would require patient treatment provided as part of an approved research program to be administered only by a physician certified by an institutional review board to participate in the program. The Texas Medical Board (TMB) would be required to adopt rules regarding the certification of a physician participating in the program.

Each institutional review board would be required to submit written reports to HHSC no later than October 1 of each year; and the legislature no later than October 1 of each even-number year.

The bill would require the executive commissioner of HHSC to adopt rules as necessary for the proposed research programs no later than December 1, 2021. Additionally, the Department of Public Safety (DPS) would be required to adopt or amend rules regarding the cultivation, processing and dispensing of low-THC cannabis by a licensed dispensing organization under Health and Safety Code Chapter 487 by December 1, 2021.

The bill would also amend Occupations Code Chapter 169 to add to the list of conditions for which a physician could prescribe low-THC cannabis to a patient.

DPS, TMB, and HHSC indicate any cost to implement provisions of the bill would be minimal and could be absorbed within available resources.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 405 Department of Public Safety, 503 Texas Medical Board, 529 Hlth & Human Svcs Comm, 537 State Health Services

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