

Senate Committee on Federal and State Affairs

Senate Bill 135

Oral Neutral/Informational Testimony

Doug Jorgensen, State Fire Marshal

March 15, 2023

Chairman Thompson and members of the committee, I want to thank you for the opportunity to present neutral/informational testimony on Senate Bill 135. The bills create the medical marijuana regulation act and adds additional, unfunded responsibilities to our agency. Our agency currently oversees the building and fire and life safety regulations for the State of Kansas. We are currently beyond a limit of new facility plan reviews our staff can conduct in a timely manner not to mention doing the annual inspection of new facilities as they come on-line. This bill has the potential to result in a very sudden and rapid growth of marijuana industry facilities to include not only the indoor growing operations but also the increase in processing facilities, distribution centers, and sale locations. It would require additional full-time staff for our agency to handle the increase in workload and be able to move all of the plan reviews and inspections quickly and smoothly through the state process.

Our agency is completely fee funded and we receive no SGF funds. The fee funds we receive are reaching a level of not keeping up with our current expenses. There will have to be an increase in funding for our agency if this bill passes and becomes law. Our agency anticipates having to add up to 4 full-time positions to handle the increased workload this bill would bring. Our estimated costs would be \$274,571 for salaries and wages which would be an ongoing expense. \$88,310 for one-time purchases of IT equipment, cell phones, clothing, books, tools/equipment, and vehicles. Additional on-going contractual services of \$14,320 for specialized fire and life safety training, fuel, and IT services. The estimated total cost for the first year would be \$377,201 and approximately \$292,437 each year after that, not factoring in future increases in salaries and inflation costs. Our current revenue sources will not fund the implementation and annual costs of the legislation.

We would ask the committee to consider recommending the hiring of the 4 positions and approving the additional expenses for equipment, training, and contractual services. Our current fee fund receipts will not support these increases in staff and equipment, and an adjustment in our fee funding schedule will be needed or we will need legislative permission to seek reimbursement for all of our expenses from the Medical Cannabis Business Regulation Fund in New Section. 36

Our agency would also ask that the committee add additional language in New Sec 44, wherever appropriate stating:

The licensed premises will meet all applicable fire and life safety code requirements subject to rules and regulations adopted by the state fire marshal.

(i) The state fire marshal shall promulgate rules and regulations related to the construction and safety standards for cultivation, laboratory testing, processing, distribution, and sale of medical marijuana.

(ii) The state fire marshal may grant an exemption from the application of a specific requirement of rules and regulations promulgated under paragraph (i), unless the state fire marshal determines that the condition, structure or activity that is or would be in noncompliance with such requirement would constitute a distinct hazard to life or property. Any such exemption shall be granted only upon written request of a registrant or applicant for registration that clearly demonstrates that enforcement of a specific requirement of a rule and regulation will cause unnecessary hardship as determined by the state fire marshal.