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Laura Kelly, Governor

Larry L. Campbell, Director

April 3, 2019

REVISED

The Honorable Fred Patton, Chairperson House Committee on Judiciary Statehouse, Room 519-N Topeka, Kansas 66612

Dear Representative Patton:

SUBJECT: Revised Fiscal Note for HB 2244 by House Committee on Judiciary

In accordance with KSA 75-3715a, the following revised fiscal note concerning HB 2244 is respectfully submitted to your committee.

HB 2244 would enact "Claire and Lola's Law." The definitions of "debilitating medical condition" and "third-party, independent laboratory" were amended by the House Committee on Judiciary. The bill would specify that it would be an affirmative defense to prosecution arising out of a person's possession of any cannabidiol treatment preparation, if the person:

- 1. Has a debilitating medical condition, as defined in the bill, or is the parent or guardian of a minor child who has such debilitating medical condition;
- 2. Is possessing a cannabidiol treatment preparation, as defined in the bill, that is being used to treat such debilitating medical condition; and
- 3. Has possession of a letter dated within the preceding 15 months and signed by the physician licensed to practice medicine and surgery who diagnosed the debilitating medical condition that identifies the person or the person's minor child as a patient and identifies the patient's debilitating medical condition.

Nothing in the bill would require the Kansas Medical Assistance Program or any individual or group health plan to pay or reimburse for cannabidiol treatment preparation. No Kansas agency or political subdivision could initiate proceedings to remove a child from the home of the child's parent or guardian or initiate any child protection action or proceeding based solely upon the parent's or child's possession or use of cannabidiol treatment preparation.

The Office of Judicial Administration states that some of the bill's provisions decriminalize actions that could be charged as crimes under current law, which could result in fewer criminal cases being filed if HB 2244 were enacted, in any of its forms. According to the Office, a fiscal effect cannot be estimated until the Judicial Branch has had an opportunity to operate under the bill's provisions.

The Kansas Sentencing Commission estimates enactment of HB 2244 could have an effect on prison admissions or bed space; however, the Commission does not have enough information to estimate an effect.

The Board of Pharmacy indicates enactment of HB 2244 could result in increased complaints and investigations by the agency. Additional expenditures and staff may be required; however, the agency does not have enough information to estimate a fiscal effect.

The Kansas Bureau of Investigation (KBI) was not contacted for a fiscal effect statement for the original fiscal note. The KBI states that enactment of the bill would require the agency to develop a basic capacity to perform THC quantitation analysis on CBD oil preparations. According to the agency, it does not currently have validated methods or specialized laboratory equipment to perform THC quantitation analysis. New methods would have to be developed and validated and specialized analytical equipment and supplies would be required. The KBI indicates enactment of HB 2244, as amended, would require additional expenditures of \$254,002 from the State General Fund in FY 2020 and 1.00 FTE position. Of this amount, \$67,946 would be for an additional Forensic Scientist I FTE position and \$186,056 would be for other operating expenditures, including \$170,000 for a nitrogen generator. The agency estimates expenditures of \$82,828 from the State General Fund in FY 2021 and for future fiscal years. Of that amount, \$77,731 is for salaries and wages, which is attributed to moving the Forensic Scientist I FTE position to a Forensic Scientist II FTE position and \$5,097 is for other operating expenditures.

According to the Kansas Department of Health and Environment, enactment of HB 2244 would have no fiscal effect on agency operations. Any fiscal effect associated with HB 2244 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

Larry L. Campbell
Director of the Budget

cc: Dan Thimmesch, Health & Environment Janie Harris, Judiciary Linda Kelly, Corrections Scott Schultz, Sentencing Commission Alexandra Blasi, Board of Pharmacy