

**FISCAL NOTE
PRIVATE COST**

- I. Department Title: Department of Health and Senior Services
Division Title: Division of Regulation and Licensure
Chapter Title: Medical Marijuana**

Rule Number and Title:	19 CSR 30-95.090 Seed to Sale Tracking
Type of Rulemaking:	Proposed

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
67	Seed-to-Sale companies	\$335,000 in the first year and \$670,000 for two additional years in total.
67	Seed-to-Sale companies	\$16,750,000 - \$33,500,000 in the first year.
Total =		At least \$17,085,000 in the first year.

III. WORKSHEET

Seed-to-Sale companies

Sixty-seven (67) seed-to-sale companies x five thousand (5,000) dollars for application fee in year one = \$335,000.

Sixty-seven (67) seed-to-sale companies x five thousand (5,000) dollars for annual fee in years two and three = \$335,000.

Sixty-seven (67) seed-to-sale companies x \$250,000 - \$500,000 for compliance with all regulations applicable to seed-to-sale entities in the first year = \$16,750,000 - \$33,500,000.

IV. ASSUMPTIONS

Each facility that applies for and receives a seed-to-sale certification from the department will incur application fees and annual fees. The department does not know how many seed-to-sale entities will apply for or receive certifications. However, the department

assumes there will be a similar number of such entities willing and able to be operate in Missouri as there are in Michigan, which is a state with similar requirements for integration with the same statewide track and trace system as will be used in Missouri.

Additionally, every entity that applies for a certification that does not receive one will incur a non-refundable application fee. It is unknown how many of these entities will submit applications.

Finally, each licensed entity will incur costs to comply with all of the regulations in this rule and all other rules in Chapter 95 related to this one. However, these costs are currently unknown. More specifically, because these rules establish an entirely new regulated industry unrelated to any existing industry in Missouri, the department does not know and can only speculate what any facility or any type of facility within this industry will need to expend to comply with these regulations. No two facilities will be the same in size or operations, and with no facilities existing yet, the department is unable to calculate an average of costs.

For purposes of this rule, the department has used anecdotal reports from states with somewhat similar regulations to estimate total costs of building and operating a seed-to-sale business. However, these cost estimates are not tied specifically to Missouri's regulations and are known to include costs that are unrelated to Missouri's regulations.