

**FISCAL NOTE
PUBLIC 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 30-95.025 Generally Applicable Provisions
Type of Rulemaking:	Proposed

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Health & Senior Services' costs =	\$2,029,442 for the first three year period and \$272,208 for annually thereafter
Total =	\$2,029,442 for the first three year period and \$272,208 for annually thereafter

III. WORKSHEET

Facility Licensing & Compliance Director

One quarter (1/4) of one (1) FTE with an annual salary of \$18,750 and with estimated fringe benefits of \$8,866.

One quarter (1/4) of One-Time First Year expense (computer, office, furniture etc.) for one FTE listed above - \$1,165

One quarter (1/4) of On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$3,320

$\$18,750$ (salary) + $\$8,866$ (fringe benefits) + $\$3,320$ (on-going expenses) X three (3) = $\$92,808$ + $\$1,165$ (one-time first year expense) = $\$93,973$ for the first three year period.

$\$18,750$ (salary) + $\$8,866$ (fringe benefits) + $\$3,320$ (on-going expenses) = $\$30,936$ annually thereafter.

Facility Licensing Managers

Half (1/2) of one (1) FTE with an annual salary of \$30,000 and with estimated fringe benefits of \$15,447.

One-Time First Year expense (computer, office, furniture etc.) for half (1/2) of one (1) FTE listed above - \$2,331

On-going expenses (including travel, office supplies, network, printing, etc.) for half (1/2) of one (1) FTE - \$6,639

$\$30,000$ (salary) + $\$15,447$ (fringe benefits) + $\$6,639$ (on-going expenses) X three (3) = $\$156,258$ + $\$2,331$ (one-time first year expense) = $\$158,589$ for the first three year period.

$\$30,000$ (salary) + $\$15,447$ (fringe benefits) + $\$6,639$ (on-going expenses) = $\$52,086$ annually thereafter.

Facility Licensing Specialists

Two (2) FTE's with total annual salaries of $\$104,000$ and with estimated fringe benefits of $\$56,913$.

One-Time First Year expense (computer, office, furniture etc.) for two (2) FTEs listed above - $\$9,322$

On-going expenses (including travel, office supplies, network, printing, etc.) for two (2) FTEs - $\$28,273$

$\$104,000$ (salary) + $\$56,913$ (fringe benefits) + $\$28,273$ (on-going expenses) X three (3) = $\$567,558$ + $\$9,322$ (one-time first year expense) = $\$576,880$ for the first three year period.

$\$104,000$ (salary) + $\$56,913$ (fringe benefits) + $\$28,273$ (on-going expenses) = $\$189,186$ annually thereafter.

Application Scoring Contract

Estimated One-Time contract cost of $\$750,000$ to $\$1.2$ million.

IV. ASSUMPTIONS

In order to process the variance requests, complaints, and pre- and post-scoring application review described in this proposed rule, the department will need a Facility Licensing Manager, who will also perform other duties not covered by this proposed rule, and two (2) Facility Licensing Specialists.

In order to supervise the work of the Facility Licensing Manager and to process and issue penalties, the department will need a Facility Licensing & Compliance manager, who will also perform other duties not covered by this proposed rule.

The department will require an independent, third-party entity to perform the blind scoring of Facility Evaluation Criteria described in the proposed rule. The cost of contracting with such an entity is unknown but, based on research of similar projects conducted in other states, the cost is estimated to be between $\$750,000$ and $\$1.2$ million.