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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

March 21, 2016

The Honorable Mary Pilcher-Cook, Chairperson Senate Committee on Public Health and Welfare Statehouse, Room 441-E Topeka, Kansas 66612

Dear Senator Pilcher-Cook:

SUBJECT: Fiscal Note for SB 510 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 510 is respectfully submitted to your committee.

The bill would prohibit the Board of Healing Arts and the Board of Pharmacy from imposing criminal penalties or professional discipline for recommending, distributing or possessing non-intoxicating cannabinoid medicine or related paraphernalia, if such medicine was obtained, possessed, utilized, dispensed or distributed as part of a physician's recommendation order that has the same effect as a prescription order.

There would be no expenditure or revenue increases for the Board of Pharmacy. The Department of Revenue indicates that the bill would have no tax liability because it legalizes marijuana for the medical purposes detailed in the bill. According to the Kansas State Board of Healing Arts, the passage of SB 510 could result in an increase in the number of complaints regarding practitioners alleged to have violated requirements contained in the act. Increased complaints could result in an increase in the number of corresponding investigated disciplinary cases that would need to be performed by Board staff. Any increase in the number of investigations and disciplinary cases would also increase related operational expenses; however, the Board is unable to predict a fiscal effect. Any fiscal effect associated with SB 510 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,

Shawn Sullivan, Director of the Budget

cc: Alexandra Blasi, Board of Pharmacy Cathy Brown, Board of Healing Arts