

### Fiscal Estimate - 2009 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>09-3644/1</b>	<b>Introduction Number</b> <b>SB-368</b>
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**Description**  
 Medical use of marijuana, the regulation of marijuana distribution organizations, requiring the exercise of rule-making authority, making appropriations, and providing a penalty

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Decrease Costs
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**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<b>5. Types of Local Government Units Affected</b> <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input checked="" type="checkbox"/> Others <input type="checkbox"/> Jails <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b> DOC/ Cathy Halpin (608) 240-5538	<b>Authorized Signature</b> Robert Margolies (608) 240-5056	<b>Date</b> 10/29/2009
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**Fiscal Estimate Narratives**  
**DOC 10/29/2009**

LRB Number <b>09-3644/1</b>	Introduction Number <b>SB-368</b>	Estimate Type <b>Original</b>
<b>Description</b> Medical use of marijuana, the regulation of marijuana distribution organizations, requiring the exercise of rule-making authority, making appropriations, and providing a penalty		

**Assumptions Used in Arriving at Fiscal Estimate**

Current law prohibits the manufacture, distribution, and delivery of marijuana, the possession of marijuana with intent to manufacture, distribute or deliver, and possessing or attempting to possess marijuana. Current law also prohibits possessing or delivering certain drug paraphernalia [equipment, products and materials] for the purpose of producing, distributing or using marijuana.

Current penalties [misdemeanors and felonies] vary depending upon the number of marijuana plants, grams of marijuana and whether the person is using, producing or delivering. Penalties range from 30 days in jail for using or possessing drug paraphernalia to 10 years confinement time for possessing 10,000 grams or more than 200 marijuana plants.

This bill provides immunity from arrest and prosecution to those people who establish a medical necessity defense for using marijuana and who are appropriately registered with the Department of Health Services [DHS]. This bill also requires DHS to license and regulate nonprofit corporations allowed to distribute or deliver marijuana and paraphernalia to licensed users.

The Department can not determine how many people will meet the medical necessity defense. Assuming that offenders with debilitating medical conditions are currently being prosecuted for possession of drug paraphernalia or marijuana use, both the Department and county jails may experience a decrease in costs.

**Long-Range Fiscal Implications**