

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

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S. 17 Establishment of Medical Marijuana Dispensaries (Including the Amendments by the Senate Committees on Government Operations and Finance)

Bill Summary:

This bill would allow up to four registered medical marijuana dispensaries and up to 1,000 registered patients with a designated dispensary in Vermont. There are several fees that are associated with the proposed changes.

Fiscal Impact:

Fee Revenue

Annual Registration of Patients, Caregivers, and Dispensary Personnel:

Currently, registered patients and caregivers pay a \$50 annual fee when applying to the Department. There are 344 patients and 59 caregivers currently registered in Vermont. The number of registered patients and caregivers could potentially increase due to the creation of dispensaries. There is a maximum of 1,000 registered patients who may have designated a dispensary. If 500 patients and 70 caregivers are registered, then the revenue from this would be \$28,500. There is an additional new \$25 fee imposed (page 15 §4474h (a)) for registered patients who wish to change their designated dispensary. If 20 patients changed their designated dispensary this fee would raise up to \$800 annually.

There is established a \$50 fee for a registry identification or renewal card for each principal officer, board member and employee of a dispensary (page 15 §4474g (a)) & Finance Committee Amendment.) If there were 30 personnel registered, this could result in \$750 of new revenue.

Dispensary Application and Licensing:

All of the applications to establish a dispensary must be accompanied by a \$2,500 nonrefundable application fee to the Department of Public Safety (page 14 §4474f (c)(1)) and Finance Committee Amendment). It is unknown how many possible applicants there will be for the dispensaries. If six applied the Department would receive \$15,000 from this fee. The bill also establishes an annual registration fee of up to \$32,000 and if 4 dispensaries were authorized this would generate \$128,000 per year (Finance Committee Amendment). The bill gives the Department flexibility to charge less if other fees cover the costs.

Administrative Costs

This bill creates additional administrative activities for the Department of Public Safety, which according to the Department will cost \$156,500 annually to be covered by fees.

Potential Fee Revenue

Description	Fee Amt	Current			Revenue
		Law	S.17	TOTAL	
Registered Patients	\$50	344	156	500	\$25,000
Registered Caregivers	\$50	59	11	70	\$3,500
Designation Change	\$25	N/A	20	20	\$500
Principal, Board, Employees	\$50	N/A	30	30	\$1,500
Dispensary Application Fee	\$2,500	N/A	6	6	\$15,000
Dispensary Registration Fee*	\$32,000	N/A	4	4	\$128,000
					\$173,500

*Note: if the other fee revenue is realized, this fee could be lowered to \$28,000.