

HOUSE BILL REPORT

HB 1415

As Reported by House Committee On: Appropriations

Title: An act relating to funding the medical marijuana authorization database.

Brief Description: Modifying funding of the medical marijuana authorization database.

Sponsors: Representatives Schmick and Cody; by request of Department of Health.

Brief History:

Committee Activity:

Appropriations: 2/4/19, 2/14/19 [DPS].

Brief Summary of Substitute Bill

- Ends use of the Health Professions Account for the administration of the Medical Marijuana Authorization Database.
- Requires that fees collected for the Recognition Card issued by a medical marijuana retailer with a medical marijuana endorsement be deposited in the Dedicated Marijuana Account.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 33 members: Representatives Ormsby, Chair; Bergquist, 2nd Vice Chair; Robinson, 1st Vice Chair; Stokesbary, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Cody, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Jinkins, Kraft, Macri, Mosbrucker, Pettigrew, Pollet, Ryu, Schmick, Senn, Springer, Stanford, Steele, Sullivan, Sutherland, Tarleton, Tharinger, Volz and Ybarra.

Staff: Linda Merelle (786-7092).

Background:

Medical Marijuana Authorization Database.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Pursuant to legislation enacted in 2015, the Department of Health (DOH) developed and implemented the Medical Marijuana Authorization Database (Database). Information regarding a qualifying patient or his or her provider may be placed in the Database at a marijuana retailer with a medical marijuana endorsement. If information regarding the patient or provider is placed in the Database, the patient or provider must be provided with a recognition card that contains certain identifiers, including a randomly generated and unique identifying number, a photograph, an effective date, and an expiration date. The DOH must charge a \$1 fee for each initial and renewal Recognition Card to be collected by a marijuana retailer with a medical marijuana endorsement. The fees collected are deposited into the Health Professions Account.

Health Professions Account.

The Health Professions Account is an appropriated account. Fees received by the DOH for health professions, including those for licenses, registration, certifications, renewals, and compact privileges, as well as civil penalties assessed and collected by the DOH must be deposited into this account.

Expenses incurred in carrying out licensing activities for health professions and for the implementation and administration of the Database are paid from the Health Professions Account.

Dedicated Marijuana Account.

The Dedicated Marijuana Account is an appropriated account. All moneys received by the Liquor and Cannabis Board from marijuana-related activities must be deposited in this account. These moneys include marijuana excise taxes collected from sales of marijuana and marijuana products, license fees, penalties, and forfeitures from marijuana producers, processors, researchers, and retailers. Moneys from the account are distributed to agencies, local governments, and to the Basic Health Plan Trust Account. At the end of each fiscal year, unappropriated amounts in the Dedicated Marijuana Account are transferred to the State General Fund.

Summary of Substitute Bill:

The Health Professions Account may no longer be used to provide funding for the administration of the Database. The fees collected for the Recognition Cards used by marijuana retailers must be deposited into the Dedicated Marijuana Account, and are no longer deposited into the Health Professions Account.

Substitute Bill Compared to Original Bill:

The provision requiring an annual distribution to the Department of Health of at least \$1.2 million from the Dedicated Marijuana Account for administration of the Database is removed.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on July 1, 2019.

Staff Summary of Public Testimony:

(In support) The intent of this bill is to streamline and improve how the Medical Marijuana Authorization Database is funded. Each year the DOH requests a transfer of funds for reimbursement. Instead of annual reimbursement, a direct appropriation would eliminate that step.

(Opposed) None.

Persons Testifying: Representative Schmick, prime sponsor; and Ryan Black, Department of Health.

Persons Signed In To Testify But Not Testifying: None.