ACTION: Revised

DATE: 06/19/2017 3:33 PM

Rule Summary and Fiscal Analysis (Part A)

Medical Marijuana Control Program

Agency Name

Medical Marijuana Dispensaries

Erin Reed

Division

Contact

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<u>3796:6-3-05</u>

NEW

Rule Number TYPE of rule filing

Rule Title/Tag Line

Medical marijuana dispensary designated representative.

RULE SUMMARY

- 1. Is the rule being filed for five year review (FYR)? N_0
- 2. Are you proposing this rule as a result of recent legislation? Yes

Bill Number: **HB523** General Assembly: **131** Sponsor: **Huffman, S.**

3. Statute prescribing the procedure in accordance with the agency is required

to adopt the rule: 119.03

4. Statute(s) authorizing agency to

adopt the rule: 3796.04

5. Statute(s) the rule, as filed, amplifies

or implements: 3796.04, 3796.13

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

Board of Pharmacy must promulgate rules for Medical Marijuana Control Program pursuant to Chapter 3796. of the Revised Code.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

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3796:6-3-05: Modeled after the "responsible person" position required for all other entities licensed by the board. The responsible person is responsible for record-keeping, oversight of the receipt, storage, dispensing and handling procedures related to a dispensary's marijuana inventory, notification to the board of changes in an employee's status and the return of employee cards, notification of loss or theft of marijuana. The responsible person must hold a dispensary key employee license.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so. If applicable, indicate each specific paragraph of the rule that has been modified:

A revision to correct a typo in the public hearing notice was made.

12. Five Year Review (FYR) Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

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NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase/decrease** either **revenues/expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will increase revenues.

Unknown

This will increase revenues. Each dispensary designated representative must hold a dispensary associated key (\$500) or key employee license (\$250).

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Not Applicable.

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

The dispensary must submit a fee for either a dispensary associated key (\$500) or key employee license (\$250) in order to appoint the designate representative. Although these fees are required under another rule, this rule may prompt a dispensary to hire an additional person to meet this requirement. Other costs will be formulated on the wage paid to the designated representative and the hours worked by the representative.

- 16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? N_0
- 17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**

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18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? Yes

- 19. Specific to this rule, answer the following:
- A.) Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? Yes

A dispensary designated representative must hold a dispensary key employee license.

- B.) Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? N_0
- C.) Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

Key employees are responsible for notifying the board within twenty-four hours of learning of a dispensary employee#s arrest for disqualifying offense and of a known or suspected theft, diversion or loss of medical marijuana. This rule also requires the dispensary to notify the board of a change of designated representative.