

## Analysis

### Oregon Health Authority

#### Fee Ratification for Medical Marijuana Program

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**Analyst:** Linda Ames

**Request:** Ratify a fee that was established administratively during the interim by the Oregon Health Authority for use of the cannabis tracking system.

**Analysis:** ORS 291.055 requires the Legislative Assembly to ratify any new state agency fees or fee increases that were approved by the Department of Administrative Services and implemented administratively during the interim. A fee ratification bill will be considered during the 2018 session, and will include fees implemented by any state agencies, including the Oregon Health Authority (OHA).

SB 1057 (2017) required OHA to enter into an agreement with the Oregon Liquor Control Commission (OLCC) to use the OLCC cannabis tracking system to track the propagation, processing and transfer of medical marijuana. This applies to medical marijuana processors, dispensaries, and certain growers. The bill also required OHA to establish a new fee to cover these costs, and to transfer all resulting revenue to the Marijuana Control and Regulation Fund. These resources are available to OLCC to pay program costs.

OHA has implemented by rule an annual fee of \$480, which is identical to the fee already in place for recreational marijuana users of the system. The agency estimates 7,260 fee transactions in the 2017-19 biennium from the medical marijuana community, resulting in the transfer of about \$3.6 million to the Fund. The fee became effective February 1, 2018.

**Legislative Fiscal Office Recommendation:** Include the fee adopted by the Oregon Health Authority for use of the cannabis tracking system in a fee ratification bill.