

Ohio Medical Marijuana Control Program

<http://medicalmarijuana.ohio.gov>





Budget Overview and Timeline

- Recap from April
- Additional Anticipated Expenses
- Emergency Purposes Fund/Controlling Board Action
- Revenue
- Timeline
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Recap from April

- Ohio Medical Marijuana Control Program budget contains revenue from fees collected by the Ohio Department of Commerce and the State of Ohio Board of Pharmacy for the program. Expenses for running the program are paid from this fund.
- FY 2017 - \$1,805,477 from loan authorized by OBM
- FY 2018 - \$2,576,979 appropriated in the state budget bill
- FY 2019 - \$2,470,892 appropriated in the state budget bill



Additional Anticipated Expenses

- State of Ohio Board of Pharmacy
 - FY 2018 - \$1,327,500
 - FY 2019 - \$285,000
 - Funding for a consultant to assist in dispensary RFA process, to pay for Chapter 119-related costs, and to contract for a toll-free hotline as required by HB 523.
- Department of Commerce
 - FY 2018 - \$4,247,452
 - FY 2019 - \$180,000
 - Funding for the development and implementation of Seed-to-Sale Database and e-licensing and to pay for Chapter 119-related costs.

Emergency Purposes Fund/Controlling Board Action



- Many of these costs are immediate in nature, as development needs to begin immediately to be ready for the program launch.
- When compared to anticipated revenue, much of which will come later this fall when licenses are issued, a cash shortfall was identified.
- To correct for the cash shortfall, the program took another loan of \$2.8 million in addition to the previous \$1.8 million. The program anticipates being able to pay back at least a portion in FY 2019.
- New appropriations are \$8,151,931 in FY 2018 and \$2,935,892 in FY 2019.
- Still unknown – potential for IT needs related to video and closed loop



Revenue

- \$2,332,000 – collected from cultivator application fees
- Processor, lab, and dispensary application fees
- Cultivator, processor, lab, and dispensary licensure fees
- Patient and caregiver fees
- Employee licensure
- Miscellaneous advertising and product registration



Timeline for 2017

- September 2017
 - Effective date of program rules
 - University laboratory application acceptance
 - Processor and dispensary applications published
- November 2017
 - Anticipated announcement of provisional cultivator licenses
 - Subsequent application acceptance for processors and dispensaries



Laboratory Testing

- According to House Bill 523, only an entity that meets the following criteria can test medical marijuana for the first year:
 - (1) The institution is public and located in this state.
 - (2) The institution has the resources and facilities necessary to conduct testing in accordance with the standards and procedures established in rules adopted by the Department under section 3796.03 of the Revised Code.
- The Department of Commerce will be able to issue final operations licenses to private labs starting June 5, 2018. This should be in enough time to allow the program to be operational by September 8, 2018.