Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (<u>www.nmlegis.gov</u>) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

| SPONSOR | Can | delaria | ORIGINAL DATE LAST UPDATED | 2/24/15 | HB | НВ | |
|------------|-----|--------------------|-------------------------------|---------|----|----|--|
| SHORT TITI | LE | Protection of Medi | ical Cannabis User Right | ts | SM | 88 | |

ANALYST Klundt

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY15 | FY16 | FY17 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|-------|---------|---------|---------|----------------------|------------------------------|------------------|
| Total | Minimal | Minimal | Minimal | TBD | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Children, Youth and Families Department (CYFD) Administrative Office of the Courts (AOC) Department of Health (DOH) Workforce Solutions Department (WSD) Veteran Services Department (VSD)

SUMMARY

Synopsis of Bill

Senate Memorial 88 requests that the Workforce Solutions Department (WSD) study discrimination and barriers faced by medical cannabis patients in New Mexico and that it offer policy recommendations to ensure that their rights are protected.

FISCAL IMPLICATIONS

While no significant fiscal implication was quantified by agencies, several departments raised concerns regarding whether available staff resources may be able to accomplish the required study.

SIGNIFICANT ISSUES

Senate Memorial 88 requests that the Workforce Solutions Department study and prepare a report concerning discrimination faced by medical cannabis patients, including barriers with respect to employment, housing, acceptance into assisted living facilities, parental custody, health care providers, and qualification for organ transplant lists.

Senate Memorial 88 – Page 2

The study shall include policy recommendations for preventing discrimination and reducing barriers faced by medical cannabis patients; define model practices and policies for employers, health care providers and landlords; and be completed in consultation with representatives of the Department of Health's Medical Cannabis Program, the New Mexico Medical Cannabis Advisory Board, the New Mexico Medical Cannabis Patient's Alliance, the Veterans' Services Department, Children, Youth and Families Department, Economic Development Department, Administrative Office of the Courts, New Mexico Alliance of Health Councils, Bernalillo County Health Council, New Mexico Public Health Association, New Mexico Association of Counties, Drug Policy Alliance-New Mexico, and any other appropriate entity.

The Workforce Solutions Department will present its report to the Interim Legislative Health and Human Services Committee and the interim Military and Veterans' Affairs Committee no later than October 2015.

Copies of this memorial are to be sent to the Legislative Health and Human Services Committee, the co-chairs of the New Mexico Legislative Council, and the respective secretaries of Health, Workforce Solutions, Economic Development and Veterans' Services.

Veteran Services Department (VSD) reports that the US Department of Veterans Affairs does not recognize the use of medical cannabis as a treatment option. However, the agency has stopped testing for cannabis for those patients that self identify. As a federal agency, the department is unlikely to change policy until the federal law is amended taking cannabis off the prohibited list of drugs.

In additional, SM 88 requests that WSD consult with the Medical Cannabis Advisory Board. However, based on the Lynn and Erin Compassionate Use Act at NMSA 1978, Section 26-2B-6, such a consultation role would exceed the statutory authority of the Medical Cannabis Advisory Board. Pursuant to NMSA 26-2B-6, the work of the Medical Cannabis Advisory Board is limited to:

- evaluating petitions for the addition of qualifying conditions, treatments and diseases for the program;
- recommending to the Department of Health the approval of conditions, treatments and diseases for participation in the Program; and
- making recommendations to the Department of Health concerning quantities of cannabis that are necessary to constitute an adequate supply for qualified patients and primary caregivers.

Because the authority of the Medical Cannabis Advisory Board is limited by its authorizing statute, it would be unable to provide consultation regarding this subject.

RELATIONSHIP

House Bill 160 enacts the Cannabis Revenue and Freedom Act, which establishes a comprehensive regulatory framework allowing for the legal production, processing and sale (to persons 21 years of age and older) of industrial hemp, marijuana and marijuana products.

Senate Bill 516 establishes a "Cannabis Research Fund," within the Department of Health to be administered by DOH, for the purpose of supporting research into the uses, effects and efficacy of medical cannabis. The fund would be created by transferring ten percent of the monthly fees collected by the medical cannabis program, under the Lynn and Erin Compassionate Use Act, to the medical cannabis research fund.

OTHER SUBSTANTIVE ISSUES

For additional information regarding medical cannabis laws and discrimination protections and their effect, see:

- <u>http://www.mpp.org/assets/pdfs/library/Medical-Marijuana-Laws-and-Civil-Protections.pdf</u>
- <u>http://www.lexology.com/library/detail.aspx?g=7be715e3-fd29-44ca-b6f5-1b5eac21a383</u>

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