

**FISCAL NOTE
PUBLIC COST**

- I. Department Title: Department of Health and Senior Services
Division Title: Division of Cannabis Regulation
Chapter Title: Marijuana**

Rule Number and Title:	100-1.120 Packaging, Labeling, and Product Design
Type of Rulemaking:	Proposed

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Health & Senior Services' costs =	\$3,108,324 for the first three year period and \$1,019,014 annually thereafter
Total =	\$3,108,324 for the first three year period and \$1,019,014 annually thereafter

III. WORKSHEET

Section for Compliance & Enforcement Director

One third (1/3) of one (1) FTE with an annual salary of \$33,667 and with estimated fringe benefits of \$12,282.

One third (1/3) of One Time First Year expense (computer, office furniture, etc.) for one FTE listed above = \$1,554

One third (1/3) of On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$4,427.

$\$33,667$ (salary) + $\$12,282$ (fringe benefits) + $\$4,427$ (on-going expenses) X three (3) = $\$151,128$ + $\$1,554$ (one time first year expense) = $\$152,682$ for the first three year period.

Section for Compliance & Enforcement Deputy Director

One third (1/3) of one (1) FTE with an annual salary of \$31,000 and with estimated fringe benefits of \$11,309.

One third (1/3) of One Time First Year expense (computer, office, furniture etc.) for one FTE listed above = \$1,554.

One third (1/3) of On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - \$4,427.

$\$31,000$ (salary) + $\$11,309$ (fringe benefits) + $\$4,427$ (on-going expenses) X three (3) = $\$140,208$ + $\$1554$ (one time first year expense) = $\$141,762$ for the first three year period.

Bureau of Facility Compliance Manager

One third (1/3) of one FTE with an annual salary of $\$28,334$ and with estimated fringe benefits of $\$10,337$

One third (1/3) of One Time First Year expense (computer, office, furniture etc.) for one FTE listed above = $\$1,554$.

One third (1/3) of On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE - $\$4,427$.

$\$28,334$ (salary) + $\$10,337$ (fringe benefits) + $\$4,427$ (on-going expenses) X three (3) = $\$129,294$ + $\$1554$ (one time first year expense) = $\$130,848$ for the first three year period.

Packing & Labeling/Material Deviations Unit Supervisor

One (1) FTE with an annual salary of $\$68,332$ and with estimated fringe benefits of $\$24,928$.

One Time First Year expense (computer, office, furniture, etc) for one FTE listed above = $\$4,662$

On-going expenses (including travel, office supplies, network, printing, etc.) for one FTE = $\$13,281$

$\$68,332$ (salary) + $\$24,928$ (fringe benefits) + $\$13,281$ (on-going expenses) x three (3) = $\$319,623$ + $\$4,662$ (one time first year expense) = $\$324,285$ for the first three year period

Packaging and Labeling and Material Deviations Supervisors

Two (2) FTE with an annual salary of $\$122,000$ and with estimate fringe benefits of $\$44,506$

One Time First Year expense (computer, office, furniture, etc.) for two FTE listed above = $\$9,324$

On-going expenses (including travel, office supplies, network, printing, etc.) for two FTE = $\$26,562$

$\$122,000$ (salary) + $\$44,507$ (fringe benefits) + $\$26,562$ (on-going expenses) x three (3) = $\$579,207$ + $\$9,324$ (one time first year expense) = $\$588,531$

Packaging and Labeling and Material Deviations Facility Specialists

Seven (7) with an annual salary of $\$356,262$ and with estimate fringe benefits of $\$129,965$

One Time First Year expense (computer, office, furniture, etc.) for seven FTE listed above = \$32,634

On-going expenses (including travel, office supplies, network, printing, etc.) for seven FTE = \$92,967

$\$356,262$ (salary) + $\$129,965$ (fringe benefits) + $\$92,967$ (on-going expenses) x three (3) = $\$1,770,216$ + $\$32,634$ (one time first year expense) = $\$1,770,216$

IV. ASSUMPTIONS

In order to process the packaging design requests and material deviation reviews the department will need a Compliance and Enforcement Director, who will also perform other duties not covered by this proposed rule; a Compliance & Enforcement Deputy Direct, who will also perform other duties not covered by this proposed rule; a Bureau of Facility Compliance Manager, who will also perform other duties not covered by this proposed rule; a Packing & Labeling/Material Deviations Unit Supervisor; two (2) Packaging and Labeling and Material Deviations Supervisors; and seven (7) Packaging and Labeling and Material Deviations Facility Specialists.

Many of these FTEs already exist under the 19 CSR 35-90 rules. However, due to rescinding 19 CSR 35-90 and the implementation of 19 CSR 100 these requirements are considered all new requirements and are thus provided for in this rule. As such, the actual cost implementation of these rules will not be as high as is reflected.