



Agenda Date: 10/18/2005  
Agenda Placement: 8D  
Set Time: 10:30 AM PUBLIC HEARING  
Estimated Report Time: 10 Minutes

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Shelli Brobst for Randolph F. Snowden - Director  
Health & Human Services  
**REPORT BY:** Shelli Brobst, Contracts Analyst, 253-4720  
**SUBJECT:** Public Hearing - Medical Marijuana Fees

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### **RECOMMENDATION**

Director of Health and Human Services requests approval of the following actions regarding medical marijuana fees:

1. Adoption of a resolution establishing fees for processing applications for medical marijuana identification cards; and
2. Appointment of the Public Health Officer as the administering authority for the issuance of medical marijuana identification cards.

### **EXECUTIVE SUMMARY**

Senate Bill 420 (Chapter 875, Statutes of 2003) requires the State of California Department of Health Services to establish and maintain a statewide medical marijuana identification card and registry program for qualified patients and their caregivers. All California counties are required to implement applicable provisions of Senate Bill 420. The primary function of each county is to process applications for medical marijuana identification cards.

The requested action establishes fees for medical marijuana identification cards and appoints the Public Health Officer as the administering authority for the issuance of medical marijuana identification cards.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	A fee will be charged for processing each application for a medical marijuana card. This fee was developed using the standard fee methodology to

determine the cost to process the card, including staff costs, operating expenses and indirect costs. At this point, it is not known how many applications will be submitted. Thus, a total revenue estimate is not possible until the County has had some experience administering the application process.

Is it Mandatory or Discretionary? Mandatory

Is the general fund affected? No

Future fiscal impact: Applications may be submitted at any time and ID cards will need to be renewed annually. There will be the potential for revenue for each fiscal year during which this process is in place.

Consequences if not approved: Napa County will be in violation of state law requiring counties to issue medical marijuana cards.

Additional Information: None

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

### **BACKGROUND AND DISCUSSION**

In 1996, California voters passed Proposition 215, also known as the Compassionate Use Act (the Act). The Act made the medical use of marijuana legal in California. However, it did not provide an effective way for law enforcement to properly identify patients who were legally protected by the Act. The intent of Senate Bill (SB) 420 (Chapter 875, Statutes of 2003, Vasconcellos) was to assist law enforcement in identifying Californians who were protected by the Act and to provide patients and their caregivers with a form of identification that would protect them against wrongful arrest and prosecution.

SB 420 also required the State of California Department of Health Services (CDHS) to establish and maintain a statewide medical marijuana identification card and registry program for qualified patients and their caregivers. As a result, the Medical Marijuana Program (MMP) was established in 2004. The MMP Unit is located in the CDHS Health Information and Strategic Planning Division's Office of County Health Services (OCHS) Branch. The MMP allows qualified patients to apply for and receive identification cards for themselves and their primary caregiver through their county of residence. Statutes governing the MMP can be found in Sections 11362.7 through 11362.83 of the Health and Safety (H&S) Code. Program regulations are contained in the California Code of Regulations, Title 17, Sections 39001 through 39009.

All California counties are required to implement applicable provisions of Senate Bill 420 (Chapter 875, Statutes of 2003). The primary function of each county's participation in the MMP is to process applications for medical marijuana identification cards (MMICs). The process entails entering a limited amount of application information into the CDHS Medical Marijuana Automated System (MMAS), which will produce the card and register its validity on a verification Web site.

The Public Health Division of the Napa County Health and Human Services Agency is able to serve as the Administering Agency for Napa County for the Medical Marijuana Program and will provide the following services:

1. provide, receive, and process applications for Medical Marijuana Identification Cards (MMIC);
2. take an electronically-transmittable photo of the applicant (patient and/or primary caregiver) that meets criteria prescribed in the state protocols;
3. collect application fees from applicants and transmit the state portion of the fees to CDHS;
4. utilize the Web-based system to transmit a limited amount of application information (e.g., designation of patient or primary caregiver, his or her photo, county designee and phone number, card expiration date) to CDHS's card production and data repository system;
5. receive state-produced ID cards and issue them to the cardholder; and
6. maintain various county records of the MMP.

The Medical Marijuana Program requires counties to collect a state fee of \$13.00 for non-Medi-Cal beneficiaries and \$6.50 for Medi-Cal beneficiaries from applicants for ID cards. SB 420 allows counties to collect county fees from applicants to cover the cost of administering the program at the local level. The attached resolution includes the proposed fee structure for Napa County.

### **SUPPORTING DOCUMENTS**

A . Resolution

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita