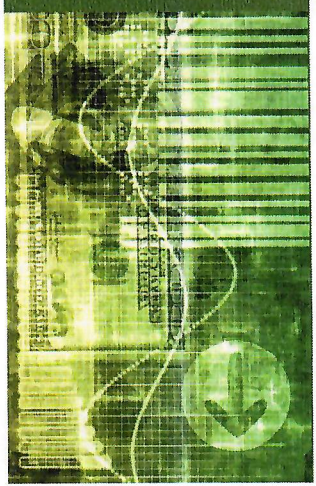


STATE DEPARTMENT OF HEALTH - MEDICAL MARIJUANA DIVISION



Medical Marijuana Division - In November 2016, voters approved Initiated Statutory Measure No. 5 (North Dakota Compassionate Care Act) relating to medical marijuana and created North Dakota Century Code Chapter 19-24. In Senate Bill No. 2344 (2017), the Legislative Assembly repealed Chapter 19-24 and created and enacted Chapter 19-24.1 to provide for the legalization of medical marijuana. The bill required the State Department of Health to establish and implement a medical marijuana program to allow for the production, processing, and sale of marijuana for medical use. In Section 19-24.1-40, the Legislative Assembly established a medical marijuana fund. The department must deposit all fees related to medical marijuana into the fund and must administer the fund. Money in the fund is appropriated to the department on a continuing basis for use in administering the medical marijuana program. Therefore, the Legislative Assembly does not include an appropriation for the Medical Marijuana Division in the department's budget. The department presented a budget, funded through the continuing appropriation, totaling \$1,564,793, including 5 FTE positions, for the 2021-23 biennium. The Legislative Assembly approved salary adjustments of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022, totaling \$12,120 and approved House Bill No. 1359 (2021) which included a fiscal impact on expenditures of \$4,000, resulting in estimated expenditures from the medical marijuana fund of \$1,580,913 for the 2021-23 biennium.

During the 2019-21 biennium, deposits in the medical marijuana fund of \$1,874,374, exceeded 2019-21 expenditures of \$1,254,332 by \$620,042, which, along with the 2019-21 biennium beginning balance in the fund of \$614,188, is available to the State Department of Health on a continuing basis to administer the medical marijuana program during the 2021-23 biennium. The department anticipates funding continued from the 2019-21 biennium of \$1,234,230, along with \$1,727,400 of estimated revenue collections during the 2021-23 biennium, will be sufficient to pay the estimated \$1,568,793 of program expenses during the 2021-23 biennium. The department anticipates approximately \$1,400,000 will be available in the medical marijuana fund at the end of the 2021-23 biennium and continued into the 2023-25 biennium.