

**STATEMENT OF BASIS AND PURPOSE  
AND SPECIFIC STATUTORY AUTHORITY FOR**  
Amendments to Medical Use of Marijuana Regulations, 5 CCR 1006-2

November 6, 2013, Fee Reduction Proposal

**Basis and Purpose.**

Regulation 7 of the Medical Use of Marijuana Regulations provides the mechanism for determining the fees to pay for the administrative costs of the program. Paragraph A requires the Department to annually evaluate the fee charged to applicants for the Medical Marijuana Registry and to propose modifications to the Board, as appropriate.

**Specific Statutory Authority.** These rules are promulgated pursuant to the following:

Colorado Constitution, Article XVIII, Section 14, paragraph 9 directs the Board to enact rules for the administration of the program. Colorado Revised Statute §25-1.5-106 (16) authorizes the Board to set fees.

**Major Factual and Policy Issues Encountered.**

The Registry evaluated the revenue and expenses of the program over the past year and projected the expected needs of the program over the coming year. It also took into account the existence of the cash reserve fund and the recommendations of the Office of the State Auditor.

**Alternative Rules Considered and Why Rejected.**

There are no alternatives. The data supports a change to the fee delineated in rule.

1 **DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT**

2 **Health and Environmental Information and Statistics Division**

3 **MEDICAL USE OF MARIJUANA**

4 **5 CCR 1006-2**

6 **Regulation 7: Determination of fees to pay for administrative costs of the medical use of**  
7 **marijuana program**

8 A. Application fee. Effective February 1, 2014 through January 30, 2019, the department shall  
9 collect fifteen dollars from each applicant at the time of application to pay for the direct  
10 and indirect costs to administer the medical use of marijuana program, unless the  
11 applicant meets the criteria set forth in section (b) of this Regulation (7) establishing  
12 indigence. Effective February 1, 2019, the department shall collect twenty-two dollars  
13 from each applicant at the time of application to pay for the direct and indirect costs to  
14 administer the medical use of marijuana program, unless the applicant meets the criteria  
15 set forth in section (b) of this Regulation (7) establishing indigence. Such fee shall not be  
16 refundable to the applicant if the application is denied or revoked or if the patient no  
17 longer has a debilitating medical condition. The amount of the fee shall be evaluated  
18 annually by the department to ensure compliance with the applicable statutes and the  
19 fees meet the actual Medical Marijuana Registry expenses. The department shall  
20 propose modifications to the board, as appropriate. If the patient provides updated  
21 information at any time during the effective period of the registry identification card, the  
22 department shall not charge a fee to modify the registry information concerning the  
23 patient.  
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