

THC and Public Health Priorities in Texas

A Comparative Framework for Evaluating Public Health Burdens, Costs & Regulatory Responses

Submitted by the Texas Hemp Business Council

Public Health, Regulatory & Cost Context for Legislative Consideration

- **Texas maintains multiple public health surveillance systems.** These systems monitor cannabinoid-related poison center exposures, emergency medical encounters, hospital utilization, and mortality, providing policymakers with essential information regarding emerging health trends and patterns of use.
- **Cannabinoid surveillance data and Poison Center reports are valuable public health tools, but they measure different outcomes than mortality, hospitalization, criminal justice expenditures, or statewide health care costs.** Consequently, exposure reports should be evaluated alongside other documented public health and public safety data when assessing societal impacts.
- **Texas has regulated THC through multiple statutory frameworks since 2019.** The Legislature has continued to expand the Compassionate Use Program while separately regulating consumable hemp products through licensing, testing, product standards, inspections, and administrative enforcement under DSHS oversight.
- **Texas' largest documented drug-related public health burdens remain associated with opioids and illicit fentanyl.** These burdens include thousands of overdose deaths, tens of thousands of emergency medical responses, and thousands of annual hospitalizations identified through multiple state public health surveillance systems. Importantly, these surveillance systems measure specific health outcomes and do not fully capture many of the broader societal and criminal justice costs associated with illicit drug markets, including trafficking, interdiction, incarceration, productivity losses, family disruption, and other economic and community impacts. At the same time, Texas devotes substantial resources to behavioral health, chronic disease, alcohol misuse, tobacco-related illness, rural hospital sustainability, and other significant public health priorities.
- **Sound public policy begins with analytical consistency.** Significant public health issues should be evaluated using an objective, evidence-based, and consistently applied analytical framework while recognizing that different risks warrant different regulatory responses. The public policy questions before the Committee are not whether THC presents risks, but how those risks compare with other documented public health burdens, whether they warrant a materially different policy response than other known health risks, and which approach's advance public safety within finite state and local resources. In making those determinations, policymakers should also consider the practical lessons learned from prohibition models, including the costly, unintended consequences of expanding unregulated and illicit markets.

Public Health, Regulatory, and Fiscal Context for Evaluating THC-Related Costs and Societal Impacts

Every legislative body faces the same fundamental challenge in determining how best to protect public health and safety while allocating finite public resources among competing priorities. Whether addressing behavioral health, rural hospital sustainability, opioid addiction, chronic disease, tobacco use, alcohol misuse, infectious disease, or emerging public health concerns, the Legislature must continually weigh

documented risks, competing public needs, and the most effective use of limited state resources. Public health policy therefore should not be developed in isolation, but through the careful prioritization of competing demands based on available evidence, regulatory effectiveness, and expected public benefit. Consistent with its constitutional and statutory responsibilities to protect public health and safety, the State of Texas and, in many respects, its 254 counties must continually balance competing public health priorities within finite fiscal and administrative resources. Through the interim charge process, Lt. Gov. Dan Patrick has directed the Senate Health and Human Services Committee to examine the societal impacts of THC product consumption, including its relationship to health care expenditures, mental health emergency detentions, THC-induced psychotic disorders, and criminal justice costs. Devoid of politics or certain stakeholder influence, the cost portion of the charge overall opens appropriate and important public policy questions that deserve careful evaluation, if conducted through objective evidence, reliable public health data, and a clear understanding of Texas' existing regulatory framework.

The Committee's review of THC-related health care expenditures, mental health emergency detentions, THC-induced psychotic disorders, and criminal justice costs should occur within the broader context of Texas' overall public health and public safety responsibilities, recognizing that the costs of health care delivery, emergency response, and criminal justice interventions are borne, directly or indirectly, by Texas taxpayers and local communities. Texas and its counties already devote substantial resources to behavioral health, indigent health care, rural hospital sustainability, opioid addiction, illicit fentanyl, tobacco-related disease, alcohol misuse, chronic disease, emergency medical services, and numerous other public health priorities. Consequently, evaluating THC in isolation provides only part of the policy picture because policymakers must also weigh documented health care utilization, comparative societal burdens, regulatory effectiveness, enforcement capacity, and how finite, taxpayer-supported public resources can be most effectively allocated to reduce preventable harm and advance public safety.

Regulatory consistency begins with analytical consistency. Before determining whether different public health issues warrant different regulatory responses, policymakers should first evaluate them using comparable evidence, analytical standards, and public policy considerations. While documented risks, societal costs, compliance/implementation challenges, and legislative objectives may justify different statutory or regulatory outcomes, the analytical framework used to reach those decisions should remain consistent across significant public health issues.

Every statutory or regulatory change carries operational and fiscal consequences for state agencies, counties, local governments, hospitals, health care providers, emergency medical services, and law enforcement, all of which share responsibility for protecting the health and safety of Texans. Effective policymaking therefore demands evaluating risks across both regulated and illicit markets while considering the practical implications of legislative action for the institutions responsible for implementation. Applying a consistent analytical framework helps ensure that future policy decisions are proportionate to documented risks, make efficient use of finite public resources, and appropriately balance statewide policy objectives with their operational impacts on Texas communities.

Presumably, the committee's review, which features invited testimony only, focuses on the central policy question, which is not whether THC presents risks but how those risks should be measured, compared, prioritized, and addressed in light of documented public health and public safety burdens, existing regulatory authority, available enforcement resources, and Texas' longstanding legislative practice of tailoring regulatory frameworks to products presenting differing risks and benefits.

Historical and Regulatory Context for Legislative Consideration

Texas has historically responded to public health issues, products, and therapies presenting differing risks by tailoring regulatory frameworks rather than applying a single universal model or immediately prohibiting access. In doing so, policymakers must prioritize among competing public health risks and determine how finite public resources can most effectively be directed to reduce preventable harm, advance public safety, and avoid unintended consequences, including the potential expansion of unregulated or illicit markets.

Alcohol, tobacco, physician-supervised therapies, and emerging products such as kratom, ibogaine, and ivermectin each illustrate the State's longstanding practice of employing different regulatory tools, including taxation, product standards, physician oversight, professional licensure, research protocols, consumer protections, and access restrictions to address differing risks, evolving scientific understanding, and changing public policy priorities.

Texas' regulatory history demonstrates that consistency does not lead to identical outcomes. When evaluating comparable public health issues, policymakers should employ objective, common analytical principles to assess documented risks, implementation realities, and legislative objectives before determining the most appropriate policy response. The way significant public health issues are evaluated carries implications well beyond THC itself and influences how Texas prioritizes and responds to other documented and costly public health and public safety challenges. Every legislative decision affects how finite taxpayer-supported resources are prioritized and deployed, shapes operational and fiscal responsibilities for state agencies, local governments, law enforcement, parents, and communities, and influences the State's ability to protect public health and safety while limiting opportunities for unregulated or illicit market activity.

Conclusion

The Senate Health and Human Services Committee's interim charge raises important questions regarding the relationship between THC product consumption, health care expenditures, mental health outcomes, and criminal justice costs. Those questions deserve careful consideration and should be informed by objective evidence, reliable public health data, and a clear understanding of Texas' existing regulatory framework.

Every legislative decision occurs within a broader context of competing public health priorities, finite taxpayer-supported resources, and practical implementation considerations. Texas already devotes substantial resources to behavioral health, opioid addiction, illicit fentanyl, chronic disease, alcohol misuse, tobacco-related illness, rural hospital sustainability, and other significant public health challenges. Sound policymaking therefore requires not only understanding the risks associated with THC products but also evaluating those risks relative to other documented public health burdens and

determining which policy approaches most effectively advance public safety, reduce preventable harm, and make efficient use of available state and local resources.

Attachment A

Comparative Public Health Burdens, Resource Allocation & Texas Regulatory Response Dashboard

Documented Burden	Current Data / Context	Resource Allocation Relevance	Primary Texas Policy & Regulatory Response
Acute Public Health & Public Safety			
Drug poisonings	4,451 unintentional drug-poisoning deaths in 2024 (preliminary).	Mortality burden, emergency medical deployment, hospital utilization, law enforcement demands, treatment capacity, family disruption, productivity losses, and broader community impacts.	Statewide overdose surveillance and reporting (DSHS), emergency medical response coordination (DSHS and local EMS authorities), prevention initiatives (HHSC and DSHS), substance use treatment programs (HHSC), and criminal enforcement where appropriate (DPS and local law
Fentanyl	1,670 fentanyl poisoning related deaths in 2024 (preliminary).	Overdose mortality, narcotics investigations, trafficking interdiction, naloxone deployment, incarceration costs, specialty courts, treatment resources, and criminal justice expenditures.	Overdose surveillance (DSHS), Medication-Assisted Treatment (HHSC), naloxone distribution initiatives (DSHS and HHSC), narcotics interdiction (DPS and federal partners), criminal enforcement (state and local law enforcement), and public education initiatives (DSHS).
EMS Overdose Response	56,223 non-fatal drug poisoning EMS responses in 2024.	Emergency medical deployment, first responder resources, emergency department demand, local public safety expenditures, and regional treatment coordination.	EMS coordination and data reporting (DSHS), overdose surveillance (DSHS), emergency response planning (regional advisory councils), naloxone initiatives (HHSC and DSHS), and regional emergency preparedness activities.
Opioid hospitalizations	4,808 opioid inpatient hospitalizations in 2023.	Inpatient utilization, health care expenditures, hospital capacity, discharge planning, and treatment access.	Hospital reporting and surveillance (DSHS), Prescription Monitoring Program (Texas State Board of Pharmacy), treatment expansion and Medication-Assisted Treatment initiatives (HHSC), and care coordination programs.

Opioid prescriptions	366.8 prescriptions per 1,000 Texas residents in 2024, down from 533.5 in 2019.	Prescribing trends, physician practice patterns, diversion prevention, and continuing policy relevance.	Prescription Monitoring Program administration (Texas State Board of Pharmacy), prescribing standards and physician education (Texas Medical Board), professional licensing oversight, and prescribing accountability
Chronic Public Health Burdens			
Tobacco	DSHS reports cigarette smoking alone kills 28,000 Texans annually and costs more than \$34 billion in health care costs and lost productivity.	Chronic disease burden, including cancer, preventable mortality, workforce productivity losses, and long-term health care expenditures.	Taxation (Texas Comptroller), retailer permitting and enforcement (Comptroller), youth access restrictions (state law and HHSC), cessation initiatives (DSHS), public education campaigns (DSHS), compliance enforcement, and smoking restrictions.
Alcohol	CDC estimates excessive alcohol use costs the U.S. \$249B annually; older Texas estimates place state costs in the billions.	Major contributor to Trauma care, liver disease, cancer, emergency care, behavioral health treatment, impaired driving, crashes, productivity losses, and criminal justice	Licensing and permitting (TABC), taxation (Comptroller), age restrictions, seller training requirements (TABC), impaired-driving enforcement (DPS and local law enforcement), labeling requirements, and public education initiatives.
Obesity / Diabetes / Sugar	Among the largest drivers of long-term health care expenditures in Texas, including substantial Medicaid, Medicare, and commercial insurance costs.	Major Medicaid, Medicare, and commercial insurance expenditures associated with chronic disease.	Chronic disease prevention initiatives, nutrition education, school nutrition standards, Medicaid programs, preventive care, and public health campaigns.
Cannabinoid Frameworks			
TCUP THC Cannabis	Physician-supervised treatment for qualifying medical conditions. No comprehensive statewide estimate of TCUP-specific health care expenditures has been identified.	Limited documented health care utilization; intended to improve treatment access for qualifying patients under physician supervision.	Statutory expansion of limited, qualifying conditions and dispensing capacity (TX Legislature, incomplete expansion to 15 exclusive licensees), physician oversight and patient registration through CURT (DPS), dispensing organization licensing (DPS), Vaping THC permitted by TCUP patients, Limited documented enforcement activity, minimal identified criminal justice burden.

Hemp-Derived THC / Cannabinoids	TX monitors Poison Center reports, EMS encounters, emergency department visits, hospital utilization, and mortality surveillance. No comprehensive statewide estimate of THC-attributable health care expenditures has been identified.	Surveillance of emerging public health trends, targeted enforcement activities, consumer protection efforts, and legislative evaluation of potential health care and criminal justice impacts. No estimate of THC-attributable mortalities or health-care expenditures has been identified.	Registration and enforcement authority (DSHS), product testing and certificates of analysis (DSHS), inspections, testing and certificates of analysis (DSHS), inspections, labeling and packaging requirements, embargo authority, administrative penalties, age restrictions, and retailer and manufacturer regulation. SB 2024 bans sale of THC vapes and other e-cigarette products. Existing surveillance systems do not presently quantify comprehensive statewide THC-attributable health care or criminal justice
Emerging Products and Tailored Regulatory Responses			
Kratom / 7-Hydroxymitragynine (7-OH)	Kratom remains legal to buy, sell, possess, and use in Texas. Since Sept. 1, 2023, HSC Code, Ch. 444 has prohibited synthetic kratom alkaloids and limited 7-hydroxymitragynine (7-OH) to no more than 2% of total alkaloid content. TX Poison Center data show increasing reports of kratom and 7-OH exposures, including severe reactions, hospitalizations, and several reported deaths.	Poison center utilization, emergency department visits, hospitalizations, product safety concerns, consumer protection efforts, and emerging public health surveillance needs.	Product standards and concentration limits established by Health & Safety Code Chapter 444; prohibition on synthetic kratom alkaloids; product labeling and consumer protection requirements; Poison Center surveillance (DSHS); public health advisories (DSHS); and ongoing legislative review, including consideration of additional regulatory measures under SB 1868.
Ibogaine	Investigational therapy with reported safety concerns and emerging research related to addiction, PTSD, and traumatic brain injury.	State-supported research investment, patient safety, clinical oversight, future therapeutic potential.	State-supported research authorization, institutional review protocols, and medical and research oversight.
Ivermectin	FDA-approved for certain human uses during the COVID-19 for off-label prescribing, patient choice, codified by the Legislature	Physician judgment, patient autonomy, pharmacy regulation, and standards of care.	Physician directed prescribing, pharmacist dispensing authority, professional licensure, and standard-of-care oversight.
Health System Capacity			

Rural hospitals	TX has experienced more rural hospital closures than any other state since 2010; reports identify reimbursement, workforce, payer mix, and operating-cost pressures.	Health care access, emergency care availability, local economic stability, workforce retention, and regional service capacity.	Rural health grants and programs (HHSC and the State Office of Rural Hospital Finance), Medicaid and reimbursement policy, workforce initiatives, telehealth expansion, and hospital stabilization efforts.
Mental health shortages	HRSA and DSHS identify widespread Mental Health Professional Shortage Areas throughout Texas.	Crisis response, emergency detentions, jail diversion, behavioral health treatment capacity, and continuity of care.	Behavioral health workforce initiatives (HHSC), loan repayment programs, graduate, telehealth initiatives, crisis services programs.