



**Colorado
Legislative
Council
Staff**

HB16-1373

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0742
Prime Sponsor(s): Rep. Singer

Date: April 7, 2016
Bill Status: House Agriculture
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: STUDENT MEDICAL MARIJUANA USE AT SCHOOL

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures General Fund	Potential increase. See State Expenditures section.	
Appropriation Required: None.		
Future Year Impacts: None.		

Summary of Legislation

Under current law, students in K-12 public schools may not possess or self-administer medical marijuana on school grounds, while riding in a school bus, or at any school-sponsored event (collectively: school property). School districts are authorized to adopt a policy permitting the student's parent or a medical professional who accompanies a student on school property to assist the student with the administration of medical marijuana.

This bill requires that every school district adopt a policy that authorizes a student's parent or medical professional to assist students holding a valid recommendation for medical marijuana to possess the medicine on school property.

If the Colorado Department of Education (CDE) or a public school loses federal money as a direct and explicit result of complying with the bill, the state legislature is required to appropriate state money to offset the loss of federal money.

Background

Both the CDE and local education providers are recipients of U.S. Department of Agriculture (USDA) and U.S. Department of Education (ED) grants and sub-grants. ED funding is typically Title I money in support of schools in high poverty areas. For the current school year, ED grant funding in Colorado is about \$432.5 million. USDA funding is typically in support of school lunch programs, which provide free or reduced price meals to low income students, and other school nutrition programs. Current USDA funding in Colorado is about \$194.3 million. Federal grants are

subject to federal regulations implementing drug-free workplace requirements. Noncompliance with this provision can result in the loss of federal funding. Both the courts and other federal agencies have declined to provide an exception for the use of medical marijuana in drug-free zones in their interpretation of federal law.

Consistent with these drug-free workplace requirements, grantees and sub-grantees must make a “good faith effort” to maintain a drug-free workplace as a condition of the grant award. A drug-free workplace includes any location where the performance of work is done in connection with a specific award, which includes school buildings that administer ED and USDA grant programs. Federal agencies have discretion in determining whether a grantee or sub-grantee is in violation of the drug-free workplace requirements, and has a range of options to compel compliance.

After receiving notice, violations can ultimately result in the suspension of grant payments and the termination of awards; however, this fiscal note assumes that withholding federal funds is the last and most extreme action the federal government can take, and that any conflict between state laws and federal rules can be addressed without forfeit of federal grants and other distributions.

State Expenditures

Assuming the federal government accepts state law and school district policies as compliant with federal workplace requirements, no federal money is forfeit and state expenditures are unchanged. Should the federal government determine that state and local policies do not comply with drug-free workplace requirements, the state could be required to offset some lost revenue to schools or districts where a parent or medical professional assists a student with a valid medical marijuana prescription to administer the medicine on school property.

School District Impact

Local education providers will have increased workload to adopt a medical marijuana policy if none currently exists.

Under current law, school districts and Boards of Cooperative Educational Services (BOCES) may submit a separate estimate of fiscal impacts within seven days of a bill's introduction. Estimates submitted by districts or BOCES for this bill can be found on the Legislative Council website at this address: <http://1.usa.gov/23AxLIT>

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Education

Governor's Marijuana Office

Revenue