



Legislative
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FISCAL NOTE

Drafting Number:	LLS 18-1007	Date:	March 26, 2018
Prime Sponsors:	Rep. Young Sen. Lambert	Bill Status:	House Appropriations
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Bill Topic: REPEAL LOC GOV RETAIL MARIJUANA IMPACT GRANT PROGRAM

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill repeals the Local Government Retail Marijuana Impact Grant Program administered by the Department of Local Affairs. It reduces state expenditures and local government revenue and expenditures in FY 2018-19

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee and is part of its FY 2018-19 budget package.

Table 1
State Fiscal Impacts Under HB 18-1336

		FY 2018-19	FY 2019-20
Revenue		-	-
Expenditures	Cash Funds	up to (\$865,430)	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

This bill repeals the Local Government Retail Marijuana Impact Grant Program administered by the Department of Local Affairs (DOLA) as of July 1, 2019. Effective July 1, 2018, the bill removes the ability of Marijuana Tax Cash Fund moneys to be used for the grant program.

Background

The Local Government Retail Marijuana Impact Grant Program was created in 2015 through House Bill 15-1367 to provide grants to eligible local governments for documented marijuana impacts. The program is intended to fund law enforcement activities, youth services, and to mitigate other impacts on services provided by an eligible local government. The General Assembly has appropriated a total of \$3 million since FY 2015-16. DOLA requested that the program be discontinued given minimal demand and the establishment of the new Gray and Black Market Marijuana Enforcement Grant Program.

State Expenditures

This bill reduces state expenditures by up to \$865,430 in FY 2018-19 only. Under current law, DOLA has roll forward spending authority, meaning that they are authorized to expend unencumbered or unexpended moneys for this program from the prior fiscal year in the current fiscal year. It is anticipated that \$865,430 will be unspent from the current FY 2017-18 appropriation. In the absence of this bill, that money would have been available for expenditure in FY 2018-19. Under this bill, it will revert to the Marijuana Tax Cash Fund at the end of the current FY 2017-18.

Local Government

This bill reduces the opportunity to apply for grant funds from the Local Government Retail Marijuana Impact Grant Program. As the program has been winding down, the fiscal impact to local governments is assumed to be minimal.

Effective Date

The bill takes effect July 1, 2018.

State and Local Government Contacts

Information Technology

Joint Budget Committee Staff

Local Affairs