

Summary of Legislation

The bill repeals the requirement that money in the Marijuana Tax Cash Fund (MTCF) must only be appropriated for use in subsequent years after its collection. Under the bill, the General Assembly will be permitted to appropriate money in the MTCF in the same year that the revenue is collected, increases the uncommitted balance in the MTCF for FY 2020-21.

The bill directs the State Treasurer to transfer \$136,989,750 from the MTCF to the General Fund on September 1, 2020.

Background

Tax revenue collected from the sale of marijuana is deposited in two different funds: the Building Excellent Schools Today (BEST) Fund and the MTCF. A portion of marijuana tax revenue is constitutionally dedicated to the BEST Fund, while the uses of the MTCF are statutory.

State Transfers

In FY 2020-21 only, the bill transfers \$137.0 million from the MTCF to the General Fund. By transferring these funds in FY 2020-21, the bill will decrease the amount of money in the MTCF available for appropriation in FY 2021-22.

Effective Date

This bill was signed into law by the Governor on June 29, 2020, and took effect on July 1, 2020.

State and Local Government Contacts

Revenue Treasury