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**FINAL
FISCAL NOTE**

Drafting Number: LLS 18-1202
Prime Sponsors: Rep. Gray
Sen. Jahn

Date: August 23, 2018
Bill Status: Signed into Law
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Bill Topic: MARIJUANA TESTING FACILITIES STANDARDS

**Summary of
Fiscal Impact:**

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill requires that a medical or retail marijuana testing facility be accredited pursuant to an international standard by January 1, 2019. The bill will increase expenditures in FY 2018-19 and will minimally increase ongoing state workload.

**Appropriation
Summary:**

For FY 2018-19, the bill requires but does not include an appropriation of \$10,656 to the Department of Revenue.

**Fiscal Note
Status:**

The fiscal note reflects the enacted bill.

**Table 1
State Fiscal Impacts Under HB 18-1422**

		FY 2018-19	FY 2019-20
Revenue		-	-
Expenditures	Cash Funds	\$10,656	-
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill requires that a medical or retail marijuana testing facility be accredited pursuant to the International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 17025:2005 standard, or a subsequent superseding standard, in order to receive or maintain licensure by January 1, 2019. The Marijuana Enforcement Division (MED) of the Department of Revenue (DOR) may allow extensions in rule for a:

- newly licensed testing facility for a period not to exceed 12 months; or
- good cause defined in rule including when accreditation is pending.

Background

The ISO/IEC 17025:2005 standard covers general requirements for the competence of testing and calibration laboratories. This standard has been revised by ISO/IEC 17025:2017. There are currently 12 Colorado marijuana testing facilities that hold both medical and retail testing licences.

State Expenditures

This bill will increase cash fund expenditures by \$10,656 in FY 2018-19 only for the DOR from the Marijuana Cash Fund. These costs are for 100 hours of legal services from the Department of Law at a rate of \$106.56 per hour for rulemaking support. Administration of the new accreditation requirement can be accomplished within existing appropriations.

Effective Date

This bill was signed into law by the Governor on June 6, 2018, and took effect August 8, 2018.

State Appropriations

For FY 2018-19, the bill requires but does not include an appropriation of \$10,656 to the Department of Revenue from the Marijuana Cash Fund to be reappropriated to the Department of Law.

State and Local Government Contacts

Information Technology	Law
Public Health and Environment	Revenue