



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**SB 18-186**

**FINAL  
FISCAL NOTE**

**Drafting Number:** LLS 18-1026  
**Prime Sponsors:** Sen. Marble

**Date:** July 31, 2018  
**Bill Status:** Postponed Indefinitely  
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**Bill Topic:** ALLOW RETAIL MARIJUANA STORE TO SELL CONSUMABLES

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**Summary of Fiscal Impact:**

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

This bill would have allowed retail marijuana stores to sell consumable products. It would have created an indeterminate ongoing revenue, expenditure, and workload increase for state and local governments.

**Appropriation Summary:** No appropriation was required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

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**Summary of Legislation**

This bill adds "consumable products" to the list of items a licensed retail marijuana store may sell and repeals specific prohibitions on the sale or gifting of consumable products, including cigarettes, alcohol, or edible products that do not contain marijuana. Under current law, these stores are permitted to sell only retail marijuana, retail marijuana products, marijuana accessories, nonconsumable products such as apparel, and marijuana-related products such as childproof packaging containers.

**State Revenue and State Expenditures**

The bill will require increased oversight over the sales activity and tax collections of retail marijuana stores by the Marijuana Enforcement Division (MED) and the Department of Revenue (DOR). Because the MED Division is cash-funded, any increase in enforcement costs results in increased license fees. The impact to state revenue and expenditures will depend on how licensees respond to this change in law. To the extent retail marijuana stores sell consumables other than marijuana products, additional administration and enforcement of the tax collections will also be required by the Taxpayer Service Division of DOR. If additional appropriations are needed for either the MED or the Taxpayer Service Division, they will also be addressed during the annual budget process.

**Local Government Impact**

Similar to the state, local licensing and taxing authorities will have an increase in workload to oversee the sales permitted under the bill.

**Effective Date**

The bill was postponed indefinitely by the Senate Business, Labor, and Technology Committee on March 19, 2018.

**State and Local Government Contacts**

Counties      Law      Municipalities      Revenue