



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# FISCAL NOTE

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<b>Drafting Number:</b>	LLS 18-1025	<b>Date:</b>	March 8, 2018
<b>Prime Sponsors:</b>	Sen. Marble; Tate	<b>Bill Status:</b>	Senate Business
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**Bill Topic:** MARIJUANA WASTE RECYCLING

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**Summary of Fiscal Impact:**

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

The bill requires the Department of Revenue to promulgate rules related to marijuana waste recycling. It creates a minimal, one-time state workload increase in FY 2017-18 and FY 2018-19.

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

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

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### Summary of Legislation

The bill requires the Marijuana Enforcement Division (MED) in the Department of Revenue (DOR) to perform rulemaking regarding medical and retail marijuana waste recycling. Specifically, the MED must establish conditions under which a marijuana licensee may transfer fibrous waste (e.g., roots, stalks, and stems) for the purpose of producing industrial fiber products (e.g., cordage, paper, and textiles). Conditions must include contract requirements that stipulate allowable waste uses, record-keeping requirements, security measures, and handling processes.

### State Expenditures

Beginning in the current FY 2017-18 and into FY 2018-19, the MED will have an increase in workload to promulgate rules, which can be accomplished within DOR's existing legal services appropriations. The MED will also be required to update its inventory tracking system (METRC) to facilitate transfers of fibrous waste from licensees to non-licensed entities, but due to an anticipated narrow scope of applicants, this implementation impact can also be accomplished within existing appropriations.

### Effective Date

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

**State and Local Government Contacts**

Agriculture

Law

Revenue