



## Legislative Council Staff

*Nonpartisan Services for Colorado's Legislature*

# FINAL FISCAL NOTE

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<b>Drafting Number:</b>	LLS 18-1025	<b>Date:</b>	September 11, 2018
<b>Prime Sponsors:</b>	Sen. Marble; Tate Rep. Arndt	<b>Bill Status:</b>	Signed into Law
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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 2018-19.

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

**Fiscal Note Status:** The revised fiscal note reflects the reengrossed 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

In 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 was signed into law by the Governor on April 26, 2018, and it took effect August 8, 2018.

**State and Local Government Contacts**

Agriculture

Law

Revenue