



**Colorado  
Legislative  
Council  
Staff**

**HB16-1418**

**REVISED  
FISCAL NOTE**

(replaces fiscal note dated March 28, 2016)

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-1197  
**Prime Sponsor(s):** Rep. Rankin  
Sen. Steadman

**Date:** April 1, 2016  
**Bill Status:** Senate Appropriations  
**Fiscal Analyst:** Larson Silbaugh (303-866-4720)

**BILL TOPIC:** MARIJUANA TAX CASH FUND TRANSFER TO GENERAL FUND

<b>Fiscal Impact Summary</b>	<b>FY 2016-2017</b>	<b>FY 2017-2018</b>
<b>State Revenue</b>		
State Transfers	\$0.0	\$0
General Fund	\$20,217,661	(\$6,060,000)
Marijuana Tax Cash Fund	(\$20,217,661)	\$6,060,000
<b>State Expenditures</b>		
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> Eliminates a \$6.06 million transfer from the MTCF to the General Fund for FY 2018-19 and FY 2019-20.		

**Note:** This fiscal note was revised to include new information.

**Summary of Legislation**

**Recommended by the Joint Budget Committee**, this bill transfers \$26,277,661 from the Marijuana Tax Cash Fund (MTCF) to the General Fund and eliminates transfers in future fiscal years that would have paid back the General Fund for money in the Proposition AA refund account. Replacing the current law transfer with a transfer of \$26,277,661 results in a net impact of \$20,217,661 to the General Fund in FY 2016-17, relative to current law.

**Background**

House Bill 15-1367 referred Proposition BB to voters. The measure asked voters if the state could retain and spend \$66.1 million collected from the voter approved taxes on marijuana that would have otherwise been refunded to taxpayers. The bill also created the Proposition AA refund account so that the state had funds available to comply with the passage or failure of Proposition BB. The refund account included \$30.3 million in General Fund money, which the bill required to be partially repaid from the MTCF in equal installments of \$6.06 million each year through FY 2019-20.

## State Revenue

This bill increases the General Fund money available to be spent in FY 2016-17 and reduces the amount available in the MTCF.

**State transfers.** This bill transfers \$26,277,661 from the MTCF to the General Fund in FY 2016-17. Of this, \$24,240,000 represents the final repayment of the \$30,300,000 transferred into the Proposition AA refund account and \$1,977,661 offsets the General Fund appropriation to the Fort Lyon Supportive Residential Community.

The three remaining annual transfers of \$6,060,000 from the MTCF to the General Fund are eliminated. Table 1 shows the transfers made under current law and this bill.

	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>
Current Law	\$6,060,000	\$6,060,000	\$6,060,000	\$6,060,000
HB 16-1418	\$26,277,661	\$0	\$0	\$0
Net Impact of HB 16-1418	\$20,217,661	(\$6,060,000)	(\$6,060,000)	(\$6,060,000)

## Effective Date

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

## State and Local Government Contacts

Education  
Public Health & Environment  
Revenue

Governor's Marijuana Office  
Public Safety