



**Colorado
Legislative
Council
Staff**

SB16-191

FISCAL NOTE

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

Drafting Number: LLS 16-1182
Prime Sponsor(s): Sen. Steadman
Rep. Rankin

Date: April 20, 2016
Bill Status: Senate Appropriations
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: MARIJUANA RESEARCH MARIJUANA TAX CASH FUND

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	<u>\$2,089,617</u>	<u>\$1,698,734</u>
Cash Funds	2,089,617	1,698,734
FTE Position Change	1.0 FTE	1.0 FTE
Appropriation Required: \$2,089,617 - Multiple Agencies (FY 2016-17)		
Future Year Impacts: Ongoing increased expenditures from the Marijuana Tax Cash Fund.		

Summary of Legislation

This bill, **recommended by the Joint Budget Committee**, authorizes the General Assembly to appropriate money from the Marijuana Tax Cash Fund (the fund) to the Board of Governors of the Colorado State University System (CSU) to fund scientific and social science research at CSU-Pueblo concerning marijuana and other matters that impact the state and its regions. The bill appropriates \$900,000 from the fund to CSU for this purpose.

In addition to existing duties, the bill requires that the Governor's Office of Marijuana Coordination facilitate data sharing and address data gaps related to the impact of marijuana legalization on public health, safety, or economic issues. The bill appropriates \$1,109,625 to the Governor's Office for information technology services.

Under current law, the Division of Criminal Justice in the Department of Public Safety (DPS) gathers data for a scientific study of law enforcement's activity and costs related to the implementation of legalized retail marijuana over the 2-year period beginning January 1, 2006, and over the 2-year period beginning January 1, 2014. This bill extends the study with a reporting requirement for each 2-year period thereafter and appropriates \$79,992 to the DPS for the continued study of marijuana implementation. Studies conducted after July 1, 2016, may include relevant comparisons of law enforcement's activity before the legalized sale of retail marijuana.

State Expenditures

For FY 2016-17, this bill increases state expenditures by \$2,089,617. For FY 2017-18, state expenditures increase by \$1,698,734.

Governor's Office of Marijuana Coordination. The bill allows the Governor's office to create a data platform to identify, collect, analyze, and present marijuana-related information. For FY 2016-17, the bill appropriates \$1,109,617 to the Governor's office which is anticipated to annualize to \$638,750 for FY 2017-18.

Department of Higher Education. CSU-Pueblo will initiate an Institute of Cannabis Research to advance knowledge and understanding concerning medical and retail marijuana. During its first year, the institute will host a multidisciplinary national cannabis conference emphasizing pure and applied academic research and technologies, create a new peer reviewed multidisciplinary Journal of Cannabis Studies, and support various cannabis-related research projects in the fields of neuroscience, chemistry, biology, psychology, political science, and business and economics. For FY 2016-17, the bill appropriates \$900,000 to the Department of Higher Education for allocation to the Board of Governors of CSU for marijuana related research at CSU Pueblo. For FY 2017-18, the DHE will also require \$900,000 for allocation to CSU

Department of Public Safety. Under current law, the Division of Criminal Justice is required to study law enforcement activity and costs before and after implementation of medical and retail marijuana legalization. For FY 2015-16, funding for this study was \$159,938. House Bill 16-1405 (the Long Bill) includes \$79,992 for FY 2016-17. This bill provides an additional \$79,992 such that total FY 2016-17 funding will be at the continuation funding level of \$159,938, and adjusts the statutory language to require that the study be conducted every two years. The DPS will require a similar amount annually to prepare the report.

Effective Date

The bill takes effect July 1, 2016.

State Appropriations

For FY 2016-17, the bill includes the following appropriations from the Marijuana Tax Cash Fund totaling \$2,089,617:

- \$1,109,625 is appropriated to the Governor's Office, which amount is then reappropriated to the Governor's Office of Information Technology;
- \$900,000 is appropriated to the Department of Higher Education for allocation to the Board of Governors of the Colorado State University System; and
- \$79,992 is appropriated to the Department of Public Safety, with the assumption that the DPS will require an additional 1.0 FTE to implement the bill.

State and Local Government Contacts

Governor's Marijuana Office
Information Technology
Revenue

Higher Education
Public Safety