



Legislative Council Staff

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FISCAL NOTE

Drafting Number: LLS 20-0517 Date: February 11, 2020
Prime Sponsors: Rep. Gray; McKean Bill Status: House Finance
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Bill Topic: SUNSET MARIJUANA FINANCIAL SERVICES COOPS

- Summary of Fiscal Impact: State Revenue, TABOR Refund, State Expenditure, Local Government, State Transfer, Statutory Public Entity

Sunset bill. HB 20-1217 repeals the regulation of marijuana financial services cooperatives in the Department of Regulatory Agencies, which is scheduled to repeal on September 1, 2020. State fiscal impacts under the bill include only a decrease in state workload.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill.

Summary of Legislation

The bill repeals the regulation of marijuana financial services cooperatives by the Department of Regulatory Agencies (DORA), effective September 1, 2020.

Background

A marijuana financial services cooperative, or cannabis credit co-op, is a cooperative association incorporated for the purpose for providing financial services and a source of credit for its members, which include licensed marijuana businesses, hemp businesses, and entities that provide services to those businesses. The Marijuana Financial Services Cooperatives Act is administered by the Division of Financial Services in DORA, although there have been no applications for a charter under the act.

State Revenue and Expenditures

Repealing the regulation of marijuana financial services cooperatives may decrease state workload in the DORA by a minimal amount, and does not change state revenue. DORA receives a few inquiries each year about the program, but there have been no applications for a charter since program inception. As a result, no revenue has been generated by the program, and there are no expenditures for the program. Any workload decrease is expected to be minimal and no change in appropriations is required.

Effective Date

The bill takes effect September 1, 2020, if no referendum petition is filed.

State and Local Government Contacts

Regulatory Agencies Revenue