



Legislative
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FISCAL NOTE

Drafting Number: LLS 20-1287	Date: May 26, 2020
Prime Sponsors: Rep. Esgar; Ransom Sen. Moreno	Bill Status: House Appropriations
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Bill Topic: MARIJUANA TAX CASH FUND SPENDING & TRANSFER

Summary of Fiscal Impact:

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

Budget Package Bill. The bill repeals the requirement that money in the Marijuana Tax Cash Fund must only be appropriated for use in subsequent years after its collection, which increases the uncommitted balance in the Marijuana Tax Cash Fund for use in FY 2020-21. The bill directs the State Treasurer to transfer \$136,989,750 from the Marijuana Tax Cash Fund to the General Fund in FY 2020-21.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2020-21 budget balancing package.

**Table 1
State Fiscal Impacts Under HB 20-1401**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures		-	-
Transfers	Marijuana Tax Cash Fund	(\$136,989,750)	-
	General Fund	\$136,989,750	
	Total	\$0	
TABOR Refund		-	-

Summary of Legislation

The bill repeals the requirement that money in the Marijuana Tax Cash Fund (MTCF) must only be appropriated for use in subsequent years after its collection. Under the bill, the General Assembly will be permitted to appropriate money in the MTCF in the same year that the revenue is collected, increases the uncommitted balance in the MTCF for FY 2020-21.

The bill directs the State Treasurer to transfer \$136,989,750 from the MTCF to the General Fund on September 1, 2020.

Background

Tax revenue collected from the sale of marijuana is deposited in two different funds: the Building Excellent Schools Today (BEST) Fund and the MTCF. A portion of marijuana tax revenue is constitutionally dedicated to the BEST Fund, while the uses of the MTCF are statutory.

State Transfers

In FY 2020-21 only, the bill transfers \$137.0 million from the MTCF to the General Fund. By transferring these funds in FY 2020-21, the bill will decrease the amount of money in the MTCF available for appropriation in FY 2021-22.

Effective Date

The bill takes effect July 1, 2020.

State and Local Government Contacts

Revenue Treasury