

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING CASH FUND SOLVENCY, AND, IN CONNECTION THEREWITH, CREATING THE CASH FUND SOLVENCY FUND TO ALLOW THE STATE CONTROLLER TO TRANSFER MONEY TO CERTAIN CASH FUNDS WITH ANTICIPATED CASH DEFICITS, WHICH AMOUNTS WILL BE LATER REPAID, TRANSFERRING MONEY TO THE MARIJUANA CASH FUND, AND MAKING AND REDUCING AN APPROPRIATION.

Prime Sponsors: Senator Moreno
Representative McCluskie

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Appropriation Items of Note

Appropriation Already Added to Bill, No Amendment in Packet

General Fund Impact

New Cash Fund

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/21/21.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
XXX	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Appropriations Committee Report (05/26/21) added a provision that adjusts FY 2021-22 appropriations (described in detail below), shifting \$1,135,728 from the *Marijuana Cash Fund (MCF)* to the *Marijuana Tax Cash Fund (MTCF)*, and eliminating a corresponding appropriation of \$1,135,728 reappropriated funds.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill includes a provision that adjusts appropriations in the FY 2021-22 Long Bill, reducing appropriations from the MCF by \$1,135,728 and increasing appropriations from the MTCF by the same amount. The affected line item appropriation supports the Department of Public Health and Environment's inspection and certification of laboratories that conduct marijuana-related testing. This amendment also eliminates a duplicate appropriation in the Department of Revenue.

S.B. 21-268: FY 2021-22 Appropriations Changes			
Purpose	Amount	FTE	Fund Source
<i>Department of Public Health and Environment</i>			
Laboratory Services, Certification	\$1,135,728	0.0	Cash Funds - Marijuana Tax Cash Fund (MTCF)
Laboratory Services, Certification	(1,135,728)	0.0	Reappropriated Funds (transferred from Department of Revenue)
<i>Department of Revenue</i>			
Specialized Business Group, Marijuana Enforcement, Transfers to Department of Public Health and Environment, Laboratory Services for Marijuana Laboratory Testing Reference Library	(1,135,728)	0.0	Cash Funds - Marijuana Cash Fund (MCF)
Totals	<u>(\$1,135,728)</u>	<u>0.0</u>	Total Funds
	(1,135,728)	0.0	Cash Fund - MCF
	1,135,728	0.0	Cash Funds - MTCF
	(1,135,728)	0.0	Reappropriated Funds

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) has proposed a budget package for FY 2021-22 based on the March 2021 Legislative Council Staff revenue forecast. The JBC has included as part of its FY 2021-22 budget package the \$4,300,000 General Fund revenue decrease that would result from the passage of this bill.

Marijuana Tax Cash Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2021-22 based on the March 2021 Legislative Council Staff revenue forecast. The budget package leaves approximately \$20.4 million available for appropriation or transfer from the Marijuana Tax Cash Fund for FY 2021-22, based on that revenue forecast. This bill includes an appropriation of \$1,135,728 from the Marijuana Tax Cash Fund for FY 2021-22, reducing the anticipated balance by the same amount.