



Legislative Council Staff

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Fiscal Note

Drafting Number: LLS 22-0977 **Date:** March 28, 2022
Prime Sponsors: Rep. Herod; McCluskie **Bill Status:** House Appropriations
 Sen. Zenzinger; Raskin **Fiscal Analyst:** Jeff Stupak | 303-866-5834
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Bill Topic: MARIJUANA TAX CASH FUND

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 allows for appropriations from the Marijuana Tax Cash Fund in the year in which the funds are received, modifies the fund's reserve requirement, and delays certain future transfers from the fund to the BEST Fund. The bill decreases transfers from the Marijuana Tax Cash Fund to the BEST Fund in FY 2021-22 and increases transfers in both FY 2022-23 and FY 2023-24.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2022-23 Long Bill package.

Table 1
State Fiscal Impacts Under HB 22-1341

		Current Year FY 2021-22	Budget Year FY 2022-23	Out Year FY 2023-24
Revenue		-	-	
Expenditures		-	-	
Transfers	Marijuana Tax Cash Fund	\$50 million	(\$30 million)	(\$20 million)
	BEST Fund	(\$50 million)	\$30 million	\$20 million
	Net Transfers	\$0	\$0	\$0
Other Budget Impacts		-	-	-

Summary of Legislation

The bill makes several changes to the administration of the Marijuana Tax Cash Fund (MTCF). First, the bill corrects a technical error in previous legislation and reauthorizes the appropriation of revenues from the MTCF in the year in which they are received. Second, the bill implements a 15 percent reserve requirement for the MTCF. And third, the bill delays transfers from the MTCF to the Public School Capital Construction Assistance Fund (BEST fund). Instead of transferring \$100 million from the MTCF to the BEST fund on June 1, 2022, as enacted under SB 21-207, this bill requires the State Treasurer to transfer the following amounts from the MTCF to the BEST fund:

- \$50 million on June 1, 2022;
- \$30 million on June 1, 2023; and
- \$20 million on June 1, 2024.

State Transfers

The bill decreases transfers from the MTCF to the BEST fund by \$50 million in FY 2021-22, and increases transfers from the MTCF to the BEST fund by \$30 million in FY 2022-23 and \$20 million in FY 2023-24.

Effective Date

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

State and Local Government Contacts

Treasury