



Legislative Council Staff

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Fiscal Note

Drafting Number: LLS 23-0908 **Date:** March 21, 2023
Prime Sponsors: Sen. Hinrichsen **Bill Status:** Senate Finance
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Bill Topic: **MARIJUANA LICENSE APPLICATIONS AND RENEWALS**

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

The bill clarifies how state and local licensing authorities refund fees if a marijuana application is denied, and allows the Department of Revenue to renew state licenses that have not received local jurisdiction approval before state license expiration. Starting in FY 2023-24, the bill may minimally increase state revenue and workload.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

The bill clarifies that the Department of Revenue (DOR) and local licensing authorities may retain application fees and refund license fees for marijuana license applications that are denied. Additionally, the bill allows DOR to renew for up to one year a state marijuana license that has not yet received local jurisdiction approval prior to the expiration of the state license. An applicant must submit a renewal application and demonstrate good cause as to why local jurisdictional approval has not yet been obtained. The renewed license is conditional upon local jurisdictional approval.

State Revenue and Expenditures

The bill may increase fee revenue to the Marijuana Cash Fund in the DOR from renewal applications for licenses that have not yet received local jurisdiction approval. This fee revenue is subject to TABOR. Correspondingly, workload in the DOR may increase to process these renewal applications. Any impact is expected to be minimal and no change in appropriations is required.

Effective Date

The bill takes effect January 1, 2024, assuming no referendum petition is filed, and applies to marijuana license applications submitted on or after that date.

State and Local Government Contacts

Revenue