

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

BILL 3

LLS NO. 17-0130.01 Michael Dohr x4347

INTERIM COMMITTEE BILL

Committee on Cost-benefit Analysis of Legalized Marijuana in
Colorado

A BILL FOR AN ACT

101 CONCERNING CREATION OF THE GREY AND BLACK MARKET
102 MARIJUANA ENFORCEMENT GRANT PROGRAM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Committee on Cost-benefit Analysis of Legalized Marijuana in Colorado. The bill creates the grey and black market marijuana enforcement grant program (grant program) in the division of local government in the department of local affairs (division). The grant program awards grants to local governments to reimburse the local governments, in part or in full, for training, education, law enforcement,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

and prosecution costs associated with grey and black marijuana markets. A rural local government with limited law enforcement resources has priority in receiving grants. The general assembly may appropriate money from the marijuana tax cash fund or the proposition AA refund account to the division for the grant program. The division shall adopt policies and procedures for the administration of the grant program, including rules related to the application process and the grant award criteria. The division shall include information regarding the effectiveness of the grant program in its SMART presentation beginning in November 2019.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-32-118 as
3 follows:

4 **24-32-118. Grey and black market marijuana enforcement**
5 **grant program.** (1) (a) THE GREY AND BLACK MARKET MARIJUANA
6 ENFORCEMENT GRANT PROGRAM IS CREATED IN THE DIVISION. THE
7 DIVISION SHALL AWARD GRANTS TO LOCAL GOVERNMENTS TO REIMBURSE
8 THE LOCAL GOVERNMENTS, IN PART OR IN FULL, FOR LAW ENFORCEMENT
9 AND PROSECUTION COSTS ASSOCIATED WITH THE GREY AND BLACK
10 MARIJUANA MARKETS. IN AWARDING GRANTS, THE DIVISION SHALL GIVE
11 PRIORITY TO LOCAL GOVERNMENTS IN RURAL AREAS THAT HAVE LIMITED
12 LAW ENFORCEMENT RESOURCES TO ADDRESS ILLEGAL, UNLICENSED
13 MARIJUANA CULTIVATION OPERATIONS.

14 (b) THE DIVISION SHALL:

15 (I) SOLICIT AND REVIEW APPLICATIONS FOR GRANTS FROM LAW
16 ENFORCEMENT AGENCIES; AND

17 (II) SELECT LAW ENFORCEMENT AGENCIES TO RECEIVE GRANTS
18 THAT REIMBURSE THE LOCAL GOVERNMENT FOR COSTS ASSOCIATED WITH
19 TRAINING AND EDUCATION RELATED TO ILLEGAL MARIJUANA CULTIVATION
20 OPERATIONS AND THE INVESTIGATION AND PROSECUTION OF AN

1 ILLEGAL MARIJUANA CULTIVATION OPERATION.

2 (2) THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE
3 MONEY FROM THE MARIJUANA TAX CASH FUND CREATED IN SECTION
4 39-28.8-501 OR THE PROPOSITION AA REFUND ACCOUNT CREATED IN
5 SECTION 39-28.8-604 (1) TO THE DIVISION TO MAKE THE GRANTS
6 DESCRIBED IN SUBSECTION (1) OF THIS SECTION AND FOR THE DIVISION'S
7 REASONABLE ADMINISTRATIVE EXPENSES RELATED TO THE GRANTS. ANY
8 UNEXPENDED AND UNENCUMBERED MONEY FROM AN APPROPRIATION
9 MADE PURSUANT TO THIS SUBSECTION (2) REMAINS AVAILABLE FOR
10 EXPENDITURE BY THE DIVISION IN THE NEXT FISCAL YEAR WITHOUT
11 FURTHER APPROPRIATION.

12 (3) THE DIVISION SHALL ADOPT POLICIES AND PROCEDURES THAT
13 ARE NECESSARY FOR THE ADMINISTRATION OF THE GRANT PROGRAM,
14 INCLUDING RULES RELATED TO THE APPLICATION PROCESS AND THE GRANT
15 AWARD CRITERIA.

16 (4) (a) ON OR BEFORE NOVEMBER 1, 2019, AND ON OR BEFORE
17 NOVEMBER 1 EACH YEAR THEREAFTER, THE DIVISION SHALL INCLUDE AN
18 UPDATE REGARDING THE EFFECTIVENESS OF THE GRANT PROGRAM IN ITS
19 REPORT TO THE MEMBERS OF THE APPLICABLE COMMITTEES OF REFERENCE
20 IN THE SENATE AND HOUSE OF REPRESENTATIVES AS REQUIRED BY THE
21 "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND
22 TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF
23 TITLE 2.

24 (b) THE REPORTING REQUIREMENT IN THIS SUBSECTION (4)(a) IS
25 NOT SUBJECT TO THE PROVISIONS OF SECTION 24-1-136 (11)(a)(I).

26 **SECTION 2. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.