



Colorado
Legislative
Council
Staff

Bill 2

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0129
Prime Sponsor(s):

Date: September 15, 2016
Bill Status: Committee on Cost-Benefit
Analysis of Legalized Marijuana in
Colorado Bill Request
Fiscal Analyst: Kori Donaldson (303-866-4976)

BILL TOPIC: BEST ACT FIN ASSISTANCE APPLICATION EVALUATION

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	Workload increase. See State Expenditures section.	
Appropriation Required: None.		
Future Year Impacts: Ongoing workload increase.		

Summary of Legislation

The bill directs the Public School Capital Construction Assistance Board (assistance board) to take into consideration the extent to which retail marijuana excise tax is collected from each county in the state when it prioritizes applications for grant funding under the Building Excellent Schools Today (BEST) program. The bill also expands the definition of capital construction under the BEST program to include technology.

Background

The BEST program was established in 2008 to provide grants to rebuild, repair, or replace the worst of the state's preK-12 facilities. The assistance board annually prioritizes a list of projects recommended for funding under the program to the State Board of Education. The assistance board currently takes into consideration an ongoing financial assistance priority assessment when it prioritizes projects. The projects are prioritized based on the following criteria: (1) addresses potential safety hazards or health concerns; (2) relieves overcrowding; and (3) incorporates technology into the educational environment.

Funding for the BEST program accrues from the following sources:

- the greater of 50 percent of the moneys earned each year from state public school lands in the form of income and mineral royalties, excluding interest and investment income, or \$40 million;
- lottery proceeds that would otherwise be transferred to the General Fund;
- the first \$40 million collected annually from an excise tax on retail marijuana;

- a one-time \$40 million transfer authorized by the voters through Proposition BB to retain revenue from taxes on retail marijuana in FY 2014-15; and
- interest and investment income.

State Expenditures

The bill creates an increase in workload within the Colorado Department of Education to modify the grant application process to incorporate information about the amount of marijuana excise tax collected by county and to revise the BEST capital construction guidelines to include technology. The workload increase can be accomplished within existing appropriations.

School District Impact

The bill may lead to a redistribution of grant funding to counties where an excise tax on retail marijuana is collected. This redistribution is contingent upon a change in how the assistance board would have otherwise prioritized projects and cannot be determined.

Effective Date

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

State and Local Government Contacts

Counties Education Information Technology