

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

DRAFT
5.22.20

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LLS NO. 20-1287.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Marijuana Tax Cash Fund Spending & Transfer"

A BILL FOR AN ACT

101 **CONCERNING THE TRANSFER OF MONEY FROM THE MARIJUANA TAX**
102 **CASH FUND TO THE GENERAL FUND THAT IS MADE AVAILABLE**
103 **DUE TO THE REPEAL OF THE PROHIBITION ON THE GENERAL**
104 **ASSEMBLY APPROPRIATING MONEY FROM THE MARIJUANA TAX**
105 **CASH FUND IN THE YEAR THAT THE MONEY IS RECEIVED.**

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://leg.colorado.gov/>.)

Joint Budget Committee. The bill repeals the prohibition on the general assembly appropriating the bulk of the money from the marijuana

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

tax cash fund until the year following the year that the revenue is received by the state. Instead, the general assembly will be permitted to appropriate the money in the fund in the same year that the revenue is received, subject to the same reserve requirement. This change immediately increases the uncommitted balance in the fund for state fiscal year 2020-21, and the state treasurer is required to transfer \$136,989,750 from the fund to the general fund on September 1, 2020. The reserve is also clarified in light of this change.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-28.8-501, **amend**
3 (2)(a)(I), (2)(b)(IV) introductory portion, (2)(c), (3), (4) introductory
4 portion, and (5); **repeal** (2)(a) introductory portion; and **add** (4)(f) as
5 follows:

6 **39-28.8-501. Marijuana tax cash fund - creation - distribution**
7 **- legislative declaration - repeal.** (2) (a) ~~The general assembly shall not~~
8 ~~appropriate the money in the fund for the fiscal year in which it was~~
9 ~~received by the state, except that:~~

10 (I) The general assembly may appropriate money in the fund to
11 the department of revenue ~~for the fiscal years in which it was received by~~
12 ~~the state~~ for the direct and indirect costs associated with implementing
13 this article 28.8 and article 10 of title 44. ~~and~~

14 (b) (IV) Subject to the limitation in subsection (5) of this section,
15 the general assembly may annually appropriate any money in the fund ~~for~~
16 ~~any fiscal year following the fiscal year in which it was received by the~~
17 ~~state~~ for the following purposes:

18 (c) Subject to the limitations in subsection (5) of this section and
19 in addition to the purposes for which the general assembly may
20 appropriate money in the fund specified in subsections (2)(a) and (2)(b)
21 of this section, the general assembly may also direct the state treasurer to

1 transfer money in the fund to the general fund as specified in subsection
2 (4) of this section and to the high-cost special education trust fund. ~~The~~
3 ~~general assembly may direct the state treasurer to make such transfers~~
4 ~~only for a fiscal year following the fiscal year in which the money in the~~
5 ~~fund was received by the state.~~

6 (3) Any moneys in the fund not expended for the purposes
7 specified in subsection (2) of this section may be invested by the state
8 treasurer as provided by law. All interest and income derived from the
9 investment and deposit of moneys in the fund shall be credited to the
10 fund. Any unexpended and unencumbered moneys remaining in the fund
11 at the end of a fiscal year remain in the fund and shall not be credited or
12 transferred to the general fund or another fund. ~~All interest and income~~
13 ~~derived from the investment and deposit of moneys in the fund are subject~~
14 ~~to annual appropriation by the general assembly for any fiscal year~~
15 ~~following the fiscal year in which they were received by the state.~~

16 (4) NOTWITHSTANDING SUBSECTION (3) OF THIS SECTION, the state
17 treasurer shall make the following transfers from the fund to the general
18 fund:

19 (f) ON SEPTEMBER 1, 2020, ONE HUNDRED THIRTY-SIX MILLION
20 NINE HUNDRED EIGHTY-NINE THOUSAND SEVEN HUNDRED FIFTY DOLLARS.

21 (5) ~~Beginning with appropriations made for the 2015-16 state~~
22 ~~fiscal year,~~ The total amount that the general assembly appropriates from
23 the fund FOR A STATE FISCAL YEAR shall not exceed ninety-three and
24 one-half percent of ~~the~~ AN amount of moneys in the fund available for
25 ~~appropriation~~ EQUAL TO THE BEGINNING BALANCE OF THE FUND PLUS THE
26 REVENUE DEPOSITED INTO THE FUND DURING THE STATE FISCAL YEAR,
27 MINUS ANY TRANSFERS MADE FROM THE FUND DURING THE STATE FISCAL

1 YEAR.

2 **SECTION 2. Effective date.** This act takes effect July 1, 2020.

3 **SECTION 3. Safety clause.** The general assembly hereby finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, or safety.