

Colorado Legislative Council Staff Fiscal Note

**STATE and LOCAL
REVISED FISCAL IMPACT**

(replaces fiscal note dated April 23, 2013)

Drafting Number: LLS 13-0897
Prime Sponsor(s): Rep. Pabon
 Sen. Jahn

Date: May 2, 2013
Bill Status: Senate Finance
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TITLE: CONCERNING THE RECOMMENDATIONS MADE IN THE PUBLIC PROCESS FOR THE PURPOSE OF IMPLEMENTING RETAIL MARIJUANA LEGALIZED BY SECTION 16 OF ARTICLE XVIII OF THE COLORADO CONSTITUTION.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue	<u>\$6,660,423</u>	<u>\$11,285,407</u>
General Fund - Reduction	(4,243,187)	(2,711,931)
Cash Funds		
Marijuana Cash Fund - Sales Tax Revenue	8,379,859	10,984,489
Marijuana Cash Fund - Application & Licencing Revenue	2,250,000	2,750,000
CBI Identification Unit Fund	158,751	147,849
Laboratory Cash Fund	115,000	115,000
<i>Marijuana Cash Fund - Base Revenue*</i>	<i>2,000,000</i>	<i>1,700,000</i>
State Expenditures	<u>\$1,307,401</u>	<u>\$1,028,799</u>
General Fund	12,000	32,816
Cash Funds		
Marijuana Cash Fund - New Expenditures	1,052,026	781,669
Laboratory Cash Fund	87,615	73,121
CBI Identification Unit Fund	155,760	141,193
<i>Marijuana Cash Fund - Base Expenditures*</i>	<i>5,653,838</i>	<i>5,653,838</i>
FTE Position Change	4.9 FTE	5.1 FTE
<i>FTE Existing Appropriation *</i>	<i>55.2 FTE</i>	<i>55.2 FTE</i>
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: See State Appropriations section.		
Local Government Impact: See Local Government Impact section.		

* Revenue, expenditures, and FTE from existing medical marijuana program are shown for informational purposes and have been excluded from the total figures.

Summary of Legislation

Amendment 64, passed by the voters in November 2012, allows for an adult 21 years or older to consume or possess up to 1 ounce of marijuana and requires that a regulatory structure be established. Beginning January 1, 2014, the cultivation, processing, and retail sale of marijuana are allowed in Colorado. The *reengrossed* bill implements major provisions of Amendment 64 by creating the Colorado Retail Marijuana Code. It renames the Medical Marijuana Enforcement

Division (MMED) in the Department of Revenue (DOR) as the Marijuana Enforcement Division (MED) and gives the MED the authority to regulate both medical and retail marijuana. It creates a regulatory system for retail marijuana under which existing medical marijuana businesses have the option to convert to retail businesses or to operate both medical and retail businesses. Colorado residents may purchase up to 1 ounce of marijuana in a single transaction but nonresidents are limited to purchases of no more than 1/4 of an ounce in a single transaction. Retail marijuana cannot contain nicotine or alcohol and retail stores must put each item sold in a sealed, opaque container and cannot sell any products that do not contain marijuana such as soda, candies, baked goods, and cigarettes. The Colorado Retail Marijuana Code is scheduled to repeal July 1, 2015, after a sunset review.

State licensing. As required by Amendment 64, this bill requires that the DOR adopt rules regarding retail marijuana by July 1, 2013, and begin taking license applications no later than October 1, 2013. The MED must act on a license application between 45 and 90 days after receipt of an application. Until September 30, 2014, only medical marijuana businesses in good standing may apply for a retail license. Beginning January 1, 2014, other interested persons may submit a notice of intent to apply for licensure. The MED will create the form and may collect a fee to be deducted from the licensing fee. The MED will begin accepting applications on July 1, 2014, and give preference to those applicants who submitted a notice of intent. New license types are created for retail marijuana stores, products manufacturers, cultivation facilities, and testing facilities. All owners, officers, managers and employees of a retail marijuana business must meet certain requirements, including Colorado residency, and pass a fingerprint-based criminal history check. Licensed retail marijuana testing facilities are prohibited from having an interest in any other type of medical or retail marijuana business. All licensed retail marijuana businesses must procure a \$5,000 surety bond as a guarantee that the business will pay its sales and excise taxes.

Vertical integration. Until September 30, 2014, the bill requires common ownership between dispensaries and cultivation facilities, after which time the retail marijuana code allows licensed retail marijuana stores and products manufacturers to either grow their own marijuana or purchase it from a retail marijuana cultivation facility. Testing of retail marijuana by licensed laboratories is optional. No transfers of retail marijuana from cultivation or production facilities can be made without proof that the excise tax has been paid on the product. DOR rules may address a range of topics including licensing, fees, security, labeling, health and safety standards, advertising, enforcement, penalties, inspection procedures, and audits. DOR is required to limit the number of licenses that it issues as well as limit the amount of production permitted by a retail marijuana cultivation licensee. Any limits on licenses and production may be changed by DOR in the future.

Tracking and reporting. The MED is required to develop and maintain a seed-to-sale tracking system to track retail marijuana from the immature plant stage until the marijuana is sold to a customer at retail. Beginning April 1, 2014, and annually thereafter, the MED is required to report to the House and Senate Finance Committees on licensing activities as well as an overview of the retail marijuana market that includes actual and anticipated market supply and demand.

Testing and certification standards. The Department of Public Health and Environment (CDPHE) is required to establish standards and criteria for testing and certification of marijuana and regulate those entities that provide such independent testing and certification.

Local licensing. Unlike the state and local licensing requirements for medical marijuana businesses, local jurisdictions are not required to set up a licensing program for retail marijuana businesses. The MED will forward all applications for original or renewal licenses to the applicable local jurisdiction to determine whether the application complies with local restrictions on the time, place, manner, and number of retail marijuana businesses allowed. The local jurisdiction notifies the MED if the application is compliant. Public hearings may be held for all new license applications. Local jurisdictions are also permitted to prohibit such businesses entirely. If a local jurisdiction does choose to license retail marijuana businesses, new businesses will not be permitted to operate until both the state and local licenses are issued. If the local license is not issued within 1 year of the conditional state license being issued, the conditional state license expires; if the local application is denied, the conditional state license is revoked. Local jurisdictions are permitted to charge operational fees for inspection, administration and enforcement of retail marijuana businesses.

Funding sources for marijuana regulation. House Bill 13-1317 requires that all sales taxes from medical and retail marijuana sales, plus application and licensing fees from marijuana businesses, be used to fund the MED in the DOR. This includes sales taxes that would otherwise be credited to the General Fund. The application fee for existing medical marijuana businesses that want to apply for a retail marijuana licence is set at \$500. All other applicants are required to pay a \$5,000 application fee. The MED must remit 50 percent of any application fee to the local jurisdiction where the business will be located.

The bill appropriates the balance of the Medical Marijuana License Cash Fund as of July 1, 2013, to the MED and allows the MED to receive moneys from the General Fund if revenues from other sources are insufficient. If the MED receives a General Fund appropriation, the MED will repay that amount when it becomes self sufficient and generates excess revenue. Beginning September 30, 2014, and annually thereafter, the DOR must report to the Joint Budget Committee and the House and Senate Finance Committees detailing the amount of state revenue generated by medical and retail marijuana, including excise taxes, sales taxes, application and license fees, and any other fees. The report must also discuss the progress in establishing the regulatory environment for marijuana in Colorado.

Unlawful acts. The bill identifies a number of unlawful acts including consuming marijuana in a licensed retail marijuana business, buying or selling marijuana outside of the regulated system, selling to a person under 21, and failing to pay the lawful excise tax. A person who commits any of these acts commits a Class 2 misdemeanor. In addition, state and local agencies are not required to care for any retail marijuana or retail marijuana product belonging to or seized from a licensed business.

Driving under the influence - permissible inference. A permissible inference allows a judge to instruct a jury that if it finds that a defendant's whole blood contained at least 5 ng/mL of THC while driving or shortly thereafter, then the jury *may* conclude that the defendant was driving under

the influence. A permissible inference does not require a jury to conclude that a defendant was driving under the influence when a THC concentration level is met. In addition, the jury may consider all of the evidence in the case to evaluate whether the prosecution has proved the offense beyond a reasonable doubt. This bill states that if a driver's blood contains five nanograms or more of delta 9-tetrahydrocannabinol (THC) per milliliter in whole blood (5 ng/mL) at the time of the offense or within a reasonable time thereafter, this fact gives rise to a permissible inference that the defendant was under the influence of one or more drugs. The bill also clarifies state law to match current practice by stating that in cases of vehicular homicide or vehicular assault, if a driver's blood alcohol content (BAC) was 0.08 or greater at the time of the offense or within a reasonable time thereafter, this fact gives rise to a permissible inference that the defendant was under the influence of alcohol, rather than stating that it is presumed that the defendant was under the influence of alcohol. Finally, the bill repeals the law specifying that it is a misdemeanor for a habitual user of any controlled substance to drive a motor vehicle or low-power scooter. Other references to charges of "habitual user" are also repealed.

Background

The regulatory program for medical marijuana is currently appropriated nearly \$6 million annually with 55.2 FTE, but only has revenues of about \$1.7 million annually. The current fund balance is approximately \$3.5 million. Due to this inadequate revenue stream, only 14 positions are currently filled and the MMED has been operating at significantly less than its appropriated amount. Because this bill builds the marijuana enforcement system with the medical marijuana enforcement system as its base, revenues will need to increase to both address new expenditures for implementing the bill and the revenue shortfall of the existing medical marijuana program. As such, the revenue generated by this bill will be used to address the funding shortfall in the existing medical marijuana program.

Table 1. Estimated Marijuana Sales by Fiscal Year.		
Type of Marijuana Sales*	FY 2013-2014	FY 2014-2015
Medical Marijuana	\$146,316,782	\$93,514,849
Retail Marijuana	135,685,085	271,344,377
TOTAL	\$282,001,867	\$364,859,226

**Assumes that retail marijuana sales begin January 1, 2014.*

State Revenue

This bill is expected to increase state revenue by a total of \$6,660,423 in FY 2013-14 and \$11,285,407 in FY 2014-15. The revenue sources are described below.

Sales Tax Revenue. This bill is expected to increase revenue to the Marijuana Cash Fund by \$8,379,859 in FY 2013-14 and \$10,984,489 in FY 2014-15. Based data from the Substance Abuse and Mental Health Association's National Survey on Drug Use and Health, sales of retail marijuana under the bill are expected to increase revenue by \$4,136,672 in FY2013-14 and

\$8,272,558 in FY 2014-15 under the state's existing 2.9 percent sales tax. Table 2 shows the estimated sales tax generated from medical and retail marijuana. Because this bill diverts the sales tax from medical marijuana to the Marijuana Cash Fund instead of the General Fund, the General Fund will see a decrease of \$4,243,187 in FY 2013-14 and \$2,711,931 in FY 2014-15.

Table 2. Estimated Marijuana Sales Taxes by Fiscal Year.		
Type of Marijuana Sales*	FY 2013-2014	FY 2014-2015
Medical Marijuana	\$4,243,187	\$2,711,931
Retail Marijuana	4,136,672	8,272,558
TOTAL	\$8,379,859	\$10,984,489

**Assumes that retail marijuana sales begin January 1, 2014 and excludes vendor fee for tax processing.*

Fee Impact on Individuals, Families or Business. Section 2-2-322, C.R.S., requires legislative service agency review of measures which create or increase any fee collected by a state agency. This fiscal note illustrates total fee revenue in Table 3. The DOR and CDPHE will set specific fees by rule, so actual collections may vary. **It is important to note that fees may be raised or lowered to ensure the programs are adequately funded.**

Because this bill requires licence applicants to obtain fingerprint-based criminal history record checks, the Department of Public Safety (DPS) is expected to have an increase in revenue to the CBI Identification Unit Fund of \$158,751 in FY 2013-14 and \$147,849 in FY 2014-15. This is also shown in Table 3.

Table 3. Fee Impact on Marijuana Businesses		
Type of Fee	FY 2013-2014	FY 2014-2015
Application Fee Revenue - DOR	250,000	250,000
License Fee Revenue - DOR	2,000,000	2,500,000
Fingerprint-based Criminal History Record Check - DPS	158,751	147,849
Lab Certification and Inspection Fee - CDPHE	115,000	115,000
TOTAL	\$2,523,751	\$3,012,849

Fines. This bill may increase state cash fund revenue credited to the Fines Collection Cash Fund in the Judicial Department. Per Section 18-1.3-501 (1)(a), C.R.S., the fine penalty for a class 2 misdemeanor is \$250 to \$1,000. Unless otherwise provided by law, the fines are to be deposited into the state Fines Collection Cash Fund for annual appropriations to cover associated administrative and personnel costs. All unexpended balances of the cash fund revert to the state General Fund at the end of each fiscal year. Because the courts have the discretion of incarceration or imposing a fine, and the timing of payments are established on a per-offender basis, the actual impact cannot be determined.

Convictions of DUI, vehicular homicide while under the influence, and vehicular assault while under the influence are likely to increase in cases in which the driver's blood had 5 ng/mL or more of THC at the time of driving or shortly thereafter. Therefore, the bill will increase state revenue from fines by an indeterminate amount, beginning in FY 2013-14. Pursuant to Section 18-1.3-401 (III) (A), C.R.S., the fine penalty for a class 3 felony is \$3,000 to \$750,000, the fine penalty for a class 4 felony is \$2,000 to \$500,000, and the fine penalty for a class 5 felony is \$1,000 to \$100,000. Unless otherwise provided by law, the fines are to be deposited in the state Fines Collection Cash Fund.

An increase in DUI convictions will also increase revenue from various other fines and surcharges. Individuals convicted of DUI are subject to a number of fines and surcharges. The fines range from \$600 to \$1,500, depending on the offender's number of prior convictions and the discretion of the court. Courts have the discretion to suspend the fines for DUI offenses, so the impact to state revenue cannot be determined. Surcharges are mandatory and range from \$1 to \$500. Fine and surcharge revenues are deposited into the following cash funds:

- Fines Collection Cash Fund;
- Crime Victim Compensation Fund;
- Persistent Drunk Driver Cash Fund;
- Rural Alcohol and Substance Abuse Fund; and
- Colorado Traumatic Brain Injury Trust Fund.

State Expenditures

This bill is expected to increase state expenditures by \$1,307,401 and 4.9 FTE in FY 2013-14 and \$1,028,799 and 5.0 FTE in FY 2014-15. Expenditure details are shown in Table 4 and described below.

Table 4. Expenditures Under HB 13-1317		
Cost Components	FY 2013-14	FY 2014-15
Personal Services	\$227,096	\$229,905
FTE	4.9	5.1
Operating Expenses and Capital Outlay	24,873	4,180
Legal Services	70,684	88,451
Travel	4,000	2,500
Computer Programming & Support (OIT)	88,500	62,474
Contract Programming	512,832	252,332
Contract Marijuana Market Study	250,000	250,000
Fingerprinting Equipment and Services	48,088	41,574
FBI Background Checks	69,328	64,567
Retesting and Expert Testimony	12,000	12,000
Corrections Operating Cost	0	20,816
TOTAL	\$1,307,401	\$1,028,799

Marijuana Enforcement Division, Department of Revenue. The MED is expected to have increased expenditures of \$1,052,026 and 2.7 FTE over its currently appropriated \$5.98 million and 55.2 FTE in FY 2013-14, and \$781,669 and 2.7 FTE over the appropriated amount in FY 2014-15. These costs will be paid from the Marijuana Cash Fund and are shown in Table 5 and described below.

Table 5. DOR Expenditures Under HB 13-1317		
Cost Components	FY 2013-14	FY 2014-15
Personal Services	\$129,547	\$129,547
FTE	2.7	2.7
Operating Expenses and Capital Outlay	15,263	2,565
Legal Services	70,684	88,451
Computer Programming & Support (OIT)	73,700	58,774
Contract Programming & Support	512,832	252,332
Contract Marijuana Market Study	250,000	250,000
TOTAL- Marijuana Cash Fund	\$1,052,026	\$781,669

The increased staffing for the MED will support the maintenance of separate financial records for medical and retail marijuana and ensure compliance with procurement codes and fiscal rules. Programming services purchased from vendors and the Office of Information Technology total \$586,532 in FY 2013-14 and \$311,106 in FY 2014-15 and thereafter. This will cover changes

to the GenTax system and the MED inventory tracking and licensing systems to include retail marijuana. It will also allow the MED to establish connectivity to 3 new satellite offices. Leased space expenditures for expanding the Denver office are shown below in the Expenditures Not Included section and will be centrally appropriated.

Adding the authority to regulate retail marijuana to the DOR is expected to require additional legal services support for developing rules, enforcing disciplinary actions, resolving appeals of negative license actions, and participating in the sunset review. Provided by the Department of Law, legal services costs are estimated to be \$70,684 in FY 2013-14 for 915 hours at a rate of \$77.25 per hour and 1,145 hours in FY 2014-15 at a cost of \$88,451. The Department of Law requires an additional 0.5 FTE in FY 2013-14 and 0.6 FTE in FY 2014-15 and thereafter.

Colorado Bureau of Investigation, Department of Public Safety. The CBI will have additional expenditures of \$155,760 and 0.7 FTE in FY 2013-14 and \$141,193 and 0.7 FTE in FY 2014-15 and thereafter from the CBI Identification Unit Fund . These costs are shown in Table 6. The CBI will increase staff to address an increase in the number of fingerprint-based criminal history record checks that will be required as retail marijuana license applications are made. This increase in checks is estimated to be approximately 4,000 per year. The increased costs include training and specialized equipment used by fingerprint examiners, as well as funds transferred to the FBI for the federal background check.

Table 6. DPS Expenditures Under HB 13-1317		
Cost Components	FY 2013-14	FY 2014-15
Personal Services	\$34,387	\$34,387
FTE	0.7	0.7
Operating Expenses and Capital Outlay	3,957	665
Fingerprint Equipment and Services	48,088	41,574
FBI Background Check (pass through)	69,328	64,567
TOTAL - CBI Identification Unit Fund	\$155,760	\$141,193

Colorado Department of Public Health and Environment. The bill is expected to increase expenditures for CDPHE by \$87,615 and 1.0 FTE in FY 2013-14 and \$73,121 and 1.1 FTE in FY 2014-15 from the Laboratory Cash Fund. These costs are shown in Table 7. CDPHE will develop the standards and criteria for the independent testing and certification of marijuana testing facilities and then regulate those facilities. The fiscal note assumes that the CDPHE will travel to do onsite inspections. CDPHE will also require 200 hours of computer programming in FY 2013-14 and 50 hours in FY 2014-15 to develop and maintain a system for tracking inspection data.

Table 7. CDPHE Expenditures Under HB 13-1317		
Cost Components	FY 2013-14	FY 2014-15
Personal Services	\$63,162	\$65,971
FTE	1.0	1.1
Operating Expenses and Capital Outlay	5,653	950
Computer Programming & Support (OIT)	14,800	3,700
Travel	4,000	2,500
TOTAL- Laboratory Cash Fund	\$87,615	\$73,121

Judicial Branch. The fiscal impact of the bill on the Office of the State Public Defender (OSPD) is \$12,000 General Fund in FY 2013-14 and for at least one year thereafter. The new permissible inference increases attorney workload for the OSPD and increases the office's need for retesting and expert testimony to litigate the science behind the 5 ng/mL threshold. This fiscal note assumes that the OSPD can absorb the estimated 72 additional attorney work hours created by the bill. However, retesting and expert testimony costs are estimated at \$12,000 per year in the first few years following the bill's passage, as it is likely that litigation concerning the 5 ng/mL threshold will be spread out over the next two or three years. Beyond FY 2013-14, any costs associated with the bill will be addressed during the annual budget process.

Because this bill creates a new Class 2 misdemeanor for illegal acts related to retail marijuana, the Office of the State Public Defender will have an increase in clients and the Probation Division will have an increase in caseload. Trial courts may be required to conduct judicial reviews of MED decisions. Workload increases in the Judicial Branch are expected to be addressed within existing appropriations. If that is not the case, the fiscal note assumes that the Judicial Branch will request additional appropriations during the annual budget process.

Creating a permissible inference for DUI offenses related to THC content is not expected to have a significant impact on the trial courts. The number of case filings is not expected to increase substantially, because law enforcement is already making contact with and arresting individuals who are driving while under the influence of THC. Eventually, the number of cases that go to trial may decline in cases where defendants' blood tests at or above 5 ng/mL, but this decline is expected to be minimal. The Probation Department may see an increase in cases due to an increase in convictions, but any impact to the Judicial Branch is expected to be minimal and absorbable within existing appropriations.

Department of Corrections. This bill is anticipated to increase General Fund expenditures in the Department of Corrections by \$20,816 for FY 2014-15 and \$5,551 for FY 2015-16. The Department of Corrections (DOC) will experience an increase in costs assuming more offenders will be convicted of vehicular assault while under the influence of drugs rather than vehicular assault, and therefore will receive longer prison sentences.

While convictions for vehicular homicide while under the influence of drugs may also increase under the bill, the number of individuals charged with that offense is very low (31 people in 2012). This fiscal note assumes that any change in the number of individuals convicted of vehicular homicide while under the influence of drugs rather than vehicular homicide as a result of the bill will be minimal and will be addressed during the annual budget process.

Current law prohibits the General Assembly from passing any bill to increase periods of imprisonment in state correctional facilities without appropriating an amount sufficient to cover the increased capital construction and operating costs of the bill in each of the first five fiscal years. However, current law also allows the DOC to place offenders classified as medium custody and below in private contract prisons, for which no state capital construction costs are incurred.

Offenders sentenced under this bill to DOC may be placed in either a state-run or a private contract prison, depending on several factors. Any offenders that *must* be housed in a state-run prison will likely require a shift of other inmates in that facility to private contract prisons. Therefore, this fiscal note assumes that the impact of this bill will be accommodated through the use of private contract prisons, and that no new capital construction funds are necessary. Offenders placed in a private contract prison cost the state about \$57.03 per offender per day, including the current daily rate of \$52.69 and an estimated \$4.34 per offender per day for medical care provided by the DOC. Table 8 shows the estimated cost of the bill over the next six fiscal years (in order to show the full impact).

Fiscal Year	Inmate Bed Impact	Construction Cost	Operating Cost	Total Cost
FY 2013-14	0.0	\$0	\$0	\$0
FY 2014-15	1.0	\$0	\$20,816	\$20,816
FY 2015-16	0.3	\$0	\$5,551	\$5,551
FY 2016-17	0.0	\$0	\$0	\$0
FY 2017-18	0.0	\$0	\$0	\$0
Total		\$0	\$26,367	\$26,367

Expenditures Not Included

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 9.

Table 9. Expenditures Not Included Under HB13-1317*		
Cost Components	FY 2013-14	FY 2014-15
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$29,534	\$30,200
Supplemental Employee Retirement Payments	13,940	15,965
Indirect Costs	20,791	17,940
Leased Space	175,000	175,000
TOTAL	\$239,265	\$239,105

*More information is available at: <http://colorado.gov/fiscalnotes>

Comparable Crime

Pursuant to Section 2-2-322 (2.5), C.R.S., Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of the existing crime that creates a new factual basis for the offense. House Bill 13-1317 adds 22 new crimes based primarily on the new regulatory structure for retail marijuana. The fiscal note assumes that the majority of retail licensees and their employees will comply with the bill in order to maintain their licenses and avoid penalties or will be subjected to administrative rather than criminal penalties. As such, the increase in cases resulting from these new crimes is expected to be minimal.

Local Government Impact

This bill is expected to increase both revenue and expenditures to local governments as described below.

Licensing. Local governments that allow the licensing of retail marijuana facilities, regardless of whether they require local licensing, will share in the application fees submitted by applicants and will have increased revenue from local sales tax on retail marijuana sales. For local governments that require local licensing, they will be able to collect operational fees from licensed marijuana businesses to fund their licensing systems. Revenue increases are dependent on how local governments choose to address the implementation of Amendment 64 and this bill.

Misdemeanor offenses. By adding 22 new crimes, this bill may increase the number of individuals incarcerated in county jails. The penalty for a class 2 misdemeanor is 3 to 12 months imprisonment in a county jail, a fine of \$250 to \$1,000, or both. Because the courts have the discretion of incarceration or imposing a fine, the impact at the local level cannot be determined. The cost to house an offender in county jails varies from \$45 to \$50 per day in smaller rural jails to \$62 to \$65 per day for larger Denver-metro area jails.

DUI, Permissible inference. The penalty for DUI is 5 days to 1 year imprisonment in a county jail and a fine of \$600 to \$1,500, plus surcharges, community service, and probation. Because the courts have the discretion to determine the period of incarceration and the fine amount, the impact at the local level cannot be determined. The cost to house an offender in county jails varies from \$45 to \$55 per day in smaller rural jails to \$62 to \$72 per day for larger Denver-metro area jails. It is assumed that the impact of the new permissible inference for DUI offenses will be minimal and will not create the need for additional county jail space.

State Appropriations

For FY 2013-14, the following appropriations are required:

- \$1,052,026 and 2.7 FTE to the Department of Revenue from the Marijuana Cash Fund, of which \$70,684 is reappropriated to the Department of Law with an allocation of 0.5 FTE, and \$73,700 is reappropriated to the Office of Information Technology;
- \$155,760 and 0.7 FTE to the Department of Public Safety from the CBI Identification Unit Fund;
- \$87,615 and 1.0 FTE to the Department of Public Health and Environment from the Laboratory Cash Fund of which \$14,800 is reappropriated to the Office of Information Technology; and
- \$12,000 General Fund to the Office of the State Public Defender.

Departments Contacted

Agriculture	District Attorneys
Counties	Municipalities
Corrections	Education
Higher Education	Governor
Human Services	Judicial Branch
Law	Revenue
Public Safety	Secretary of State
State Auditor	Transportation
Sheriffs	Regulatory Agencies
Personnel and Administration	Public Health and Environment