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Seventieth General Assembly
STATE OF COLORADO

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BILL 3

LLS NO. 15-0133.01 Nicole Myers x4326

INTERIM COMMITTEE BILL

Marijuana Tax Revenues Committee

BILL TOPIC: "Disposition Of Moneys In Marijuana Tax Cash Fund"

A BILL FOR AN ACT

101 **CONCERNING THE SUBSTANCE USE DISORDER SERVICES THAT RECEIVE**
102 **MONEYS COLLECTED BY THE STATE IN CONNECTION WITH THE**
103 **LEGAL MARIJUANA INDUSTRY, AND, IN CONNECTION**
104 **THEREWITH, MAKING AN APPROPRIATION.**

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>.)

Marijuana Tax Revenues Committee. The school-based substance abuse prevention and intervention program is currently located

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

1 (II) With the legalization of marijuana by citizen initiative in
2 Colorado, there is an increased availability of marijuana in the community
3 and, at the same time, a decreased perception of harm related to marijuana
4 use;

5 (III) Evidence-based prevention and intervention programs and
6 education awareness programs targeted to school children who are twelve
7 to nineteen years of age are needed to:

8 (A) Increase the perceived risk of harm associated with marijuana
9 and alcohol use and prescription drug misuse;

10 (B) Decrease the rates of youth marijuana and alcohol use and
11 prescription drug misuse and delay the age of first-time use; and

12 (C) Decrease the number of drug- and alcohol-related violations,
13 suspensions, and expulsions reported by schools.

14 (b) Therefore, the general assembly declares that it is appropriate
15 to award grants to schools, community-based organizations, and health
16 organizations to provide school-based prevention and intervention
17 programs that use evidence-based strategies, practices, and approaches to
18 reduce the risk of marijuana and alcohol use and prescription drug misuse
19 by school-aged children. Successful school-based programs will lead to
20 increased overall health, behavioral health, and educational outcomes for
21 Colorado's youth.

22 (2) As used in this section, unless the context otherwise requires:

23 (a) "Entity" means a school, school district, board of cooperative
24 services, a nonprofit or not-for-profit community-based organization, or
25 a community-based behavioral health organization.

26 (b) "Grant program" means the COMMUNITY AND school-based
27 substance abuse prevention and intervention grant program created in

1 subsection (3) of this section.

2 (3) (a) The COMMUNITY AND school-based substance abuse
3 prevention and intervention grant program is created within the state
4 department. The purpose of the grant program is to award competitive
5 grants to entities to provide COMMUNITY AND school-based prevention
6 and intervention programs for youth twelve to nineteen years of age
7 primarily focused on reducing marijuana use, but including strategies and
8 efforts to reduce alcohol use and prescription drug misuse.

9 (b) To be considered for a competitive grant, the entity must
10 demonstrate in the grant proposal that:

11 (I) The grant will be used to implement evidence-based programs
12 and strategies delivered in the school setting that are designed to improve
13 overall health, behavioral health, and educational outcomes for youth who
14 are twelve to nineteen years of age;

15 (II) The entity is delivering the program and strategies to at-risk
16 youth, regardless of the youths' eligibility for Colorado's medical
17 assistance program; and

18 (III) The evidence-based programs and strategies are designed to
19 achieve the following outcomes:

20 (A) An increase in the perceived risk of harm associated with
21 marijuana use, prescription drug misuse, and underage alcohol use among
22 youth who are twelve to nineteen years of age;

23 (B) A decrease in the rates of youth marijuana use, alcohol use,
24 and prescription drug misuse;

25 (C) A delay in the age of first use of marijuana, alcohol, or
26 prescription drug misuse;

27 (D) A decrease in the rates of youth who have ever used marijuana

1 or alcohol or misused prescription drugs in their lifetime; and

2 (E) A decrease in the number of drug- and alcohol-related
3 violations on school property, suspensions, and expulsions reported by
4 schools.

5 (4) On or before September 1, 2014, the state department shall
6 establish procedures and timelines for grant applications, criteria for
7 determining grant amounts and grantee reporting requirements, and any
8 other grant program policies. The state department may amend these
9 policies at any time.

10 (5) Subject to available appropriations, the state department shall
11 award grants for the 2014-15 academic year and for each academic year
12 thereafter. There is no limit on the number of grants that the state
13 department may award, and the same entity may receive more than one
14 grant if the state department considers the needs of at-risk students in
15 communities throughout the state for COMMUNITY AND school-based
16 substance abuse prevention and intervention programs.

17 (6) On or before November 1 in any fiscal year in which the state
18 department awards grants pursuant to this section, the state department
19 shall submit a report to the joint budget committee; the public health care
20 and human services and the health, insurance, and environment
21 committees of the house of representatives, or any successor committees;
22 and the health and human services committee of the senate, or any
23 successor committee, summarizing all grants awarded pursuant to the
24 grant program. At a minimum, the report must include the grant recipient
25 and the amount of the grant, a description of the program or strategies
26 delivered by the grant recipient, the outcomes achieved or proposed to be
27 achieved by the program or strategies, and any other information relating

1 to the success of the grant program in reducing or preventing the use of
2 marijuana and alcohol and the misuse of prescription drugs by youth who
3 are twelve to nineteen years of age.

4 **SECTION 2.** In Colorado Revised Statutes, 39-28.8-501, **amend**
5 (2), (3), and (4); and **add** (2.5) as follows:

6 **39-28.8-501. Marijuana tax cash fund - creation - distribution**
7 **- repeal.** (2) (a) The general assembly shall not appropriate the moneys
8 in the fund for the fiscal year in which they were received by the state;
9 except that the general assembly may appropriate moneys in the fund to
10 the department of revenue for the fiscal years in which they were received
11 by the state for the direct and indirect costs associated with implementing
12 this article and articles 43.3 and 43.4 of title 12, C.R.S.

13 (b) Subject to the limitations in subsection (5) of this section, any
14 moneys in the fund that are not appropriated to the department of revenue
15 pursuant to paragraph (a) of this subsection (2) are subject to annual
16 appropriation by the general assembly for any fiscal year following the
17 fiscal year in which they were received by the state. The general assembly
18 shall initially appropriate moneys in the fund based on the most recent
19 estimate of revenue prepared by the staff of the legislative council or the
20 department of revenue for the applicable fiscal year. The general
21 assembly may appropriate moneys in the fund for the following purposes:

22 (I) For the study of law enforcement's activity and costs related to
23 the implementation of section 16 of article XVIII of the state constitution,
24 regarding the legalization of retail marijuana;

25 (II) For the coordination of the executive branch response to the
26 legalization of retail marijuana;

27 (III) To increase the expertise and knowledge among prosecutors

1 and law enforcement officials regarding the legal and regulatory issues
2 surrounding the legalization of marijuana;

3 (IV) To obtain health data through surveys or other means
4 regarding marijuana and other drug use and to monitor the health effects
5 of marijuana, including changes in drug use patterns and the emerging
6 science and medical information relevant to the health effects associated
7 with marijuana use;

8 (V) For advanced roadside impaired driving enforcement training
9 and drug recognition expert training for all peace officers described in
10 section 16-2.5-101, C.R.S.;

11 (VI) To develop and implement marijuana education and
12 prevention campaigns;

13 (VII) To provide inpatient treatment for adults who suffer from
14 co-occurring disorders at the Colorado mental health institute at Pueblo;

15 (VIII) To increase the availability of school-based prevention,
16 early intervention, and health care services and programs to reduce the
17 risk of marijuana and other substance use and abuse by school-aged
18 children;

19 (IX) For community-based programs to provide marijuana
20 prevention and intervention services to youth;

21 (X) For local judicial-district based programs to provide
22 marijuana prevention and intervention services to pre-adjudicated and
23 adjudicated youth;

24 (XI) To expand the provision of jail-based behavioral health
25 services in underserved counties and to enhance the provision of
26 jail-based behavioral health services to offenders transitioning from jail
27 to the community to ensure continuity of care;

1 (XII) For the provision of substance use disorder treatment
2 services for adolescents and pregnant women;

3 (XIII) To provide child welfare training specific to issues arising
4 from marijuana use and abuse;

5 (XIV) The industrial hemp grant research program created in
6 section 35-61-104.5, C.R.S.; and

7 (XV) For the start-up expenses of the division of financial
8 services related to the regulation of marijuana financial services
9 cooperatives pursuant to article 33 of title 11, C.R.S., and until the state
10 commissioner of financial services first collects assessments on such
11 cooperatives; AND

12 (XVI) FOR THE PROVISION OF SUBSTANCE USE DISORDER
13 TREATMENT SERVICES FOR INDIVIDUALS NOT ELIGIBLE FOR MEDICAID AND
14 FOR SUBSTANCE USE DISORDER TREATMENT SERVICES THAT ARE NOT
15 COVERED BY MEDICAID. <{*These are the permissible uses of the fund.*
16 *Do you want to leave all of them in statute or replace them with the*
17 *specific allocations that are currently in the new subsection (2.5) of this*
18 *section.*}>

19 (c) Subject to the limitations in subsection (5) of this section and
20 in addition to the purposes for which the general assembly may
21 appropriate moneys in the fund specified in paragraphs (a) and (b) of this
22 subsection (2), the general assembly may also direct the state treasurer to
23 transfer moneys in the fund to the general fund as specified in subsection
24 (4) of this section. The general assembly may direct the state treasurer to
25 make such transfers only for a fiscal year following the fiscal year in
26 which the moneys in the fund were received by the state.

27 (2.5) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (2) OF

1 THIS SECTION, FOR THE 2015-16 FISCAL YEAR AND EACH FISCAL YEAR
2 THEREAFTER, THE GENERAL ASSEMBLY SHALL FIRST APPROPRIATE ANY
3 MONEYS IN THE FUND THAT ARE NOT APPROPRIATED TO THE DEPARTMENT
4 OF REVENUE PURSUANT TO PARAGRAPH (a) OF SUBSECTION (2) OF THIS
5 SECTION AS FOLLOWS:

6 (a) TWO MILLION DOLLARS TO THE DEPARTMENT OF HEALTH CARE
7 POLICY AND FINANCING FOR ALLOCATION TO BEHAVIORAL HEALTH
8 COMMUNITY PROGRAMS FOR COMMUNITY AND SCHOOL-BASED
9 PREVENTION AND INTERVENTION SUBSTANCE USE DISORDER SERVICES TO
10 BE PROVIDED BY BEHAVIORAL HEALTH ORGANIZATIONS PURSUANT TO
11 SECTION § 136.01, C.R.S.;

12 (b) TWO MILLION DOLLARS OR SEVEN PERCENT OF THE MONEYS
13 SPECIFIED IN THIS SUBSECTION (2.5), WHICHEVER IS GREATER, TO THE
14 DEPARTMENT OF HUMAN SERVICES FOR USE BY BEHAVIORAL HEALTH
15 SERVICES FOR SUBSTANCE USE PREVENTION CONTRACTS PURSUANT TO
16 SECTION § 136.01, C.R.S.; AND

17 (c) SIX MILLION DOLLARS OR TWENTY-THREE PERCENT OF THE
18 MONEYS SPECIFIED IN THIS SUBSECTION (2.5), WHICHEVER IS GREATER, TO
19 THE DEPARTMENT OF HUMAN SERVICES FOR SUBSTANCE ABUSE
20 TREATMENT SERVICES FOR PEOPLE NOT ELIGIBLE FOR MEDICAID AND FOR
21 SERVICES NOT COVERED BY MEDICAID PURSUANT TO SECTION § 136.01, C.R.S.
22 <*Do you want to specify how the remaining moneys in the fund will be*
23 *allocated in this bill? If so, you will need to change the title to*
24 *encompass any additional programs.*>

25 (3) Any moneys in the fund not expended for the purposes
26 specified in subsection (2) SUBSECTIONS (2) AND (2.5) of this section may
27 be invested by the state treasurer as provided by law. All interest and

1 income derived from the investment and deposit of moneys in the fund
 2 shall be credited to the fund. Any unexpended and unencumbered moneys
 3 remaining in the fund at the end of a fiscal year remain in the fund and
 4 shall not be credited or transferred to the general fund or another fund.
 5 All interest and income derived from the investment and deposit of
 6 moneys in the fund are subject to annual appropriation by the general
 7 assembly for any fiscal year following the fiscal year in which they were
 8 received by the state.

9 (4) The state treasurer shall make the following transfers from the
 10 fund to the general fund:

11 (a) (I) On June 30, 2015, two million dollars for the purposes
 12 specified in section 39-26-123 (6).

13 (II) This paragraph (a) is repealed, effective July 1, 2016.

14 (b) (I) On June 30, 2015, four million two hundred sixty thousand
 15 dollars.

16 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2016.

17 (c) ON JUNE 30, 2015, AND ON EACH JUNE 30 THEREAFTER, TWO
 18 MILLION ONE HUNDRED THIRTY THOUSAND DOLLARS. <{*This is the money*
 19 *for HCPF BHO program - it is currently appropriated from the general*
 20 *fund and moneys from the marijuana tax cash fund back-fill the GF.*>

21 **SECTION 3. Repeal of provisions being relocated in this act.**
 22 In Colorado Revised Statutes, **repeal** 25.5-1-206.

23 **SECTION 4. Appropriation.** (1) For the 2015-16 state fiscal
 24 year, \$2,000,000 is appropriated to the department of health care policy
 25 and financing. This appropriation is from the general fund and is subject
 26 to the "(M)" notation as defined in the general appropriation act for the
 27 same fiscal year. To implement this act, the department may use this

1 appropriation for community and school-based prevention and
2 intervention substance use disorder services to be provided by behavioral
3 health organizations.

4 (2) For the 2015-16 state fiscal year, the general assembly
5 anticipates that the department of health care policy and financing will
6 receive the sum of \$2,363,807 in federal funds for community and
7 school-based prevention and intervention substance use disorder services
8 to be provided by behavioral health organizations. The appropriation in
9 subsection (1) of this section is based on the assumption that the
10 department will receive this amount of federal funds, which is included
11 for informational purposes only.

12 (3) For the 2015-16 state fiscal year, \$2,000,000 is appropriated
13 to the department of human services. This appropriation is from the
14 marijuana tax cash fund created in section 39-28.8-501 (1), Colorado
15 Revised Statutes. To implement part 6 of article 1 of title 26, Colorado
16 Revised Statutes, as contained in section 1 of this act, the department may
17 use this appropriation as follows:

18 Behavioral health services, substance use treatment and
19 prevention, prevention and intervention

20 Prevention contracts \$2,000,000

21 (4) For the 2015-16 state fiscal year, \$6,000,000 is appropriated
22 to the department of human services. This appropriation is from the
23 marijuana tax cash fund created in section 39-28.8-501 (1), Colorado
24 Revised Statutes. To implement section 39-28.8-501 (2) (b) (XVI),
25 Colorado Revised Statutes, contained in section 2 of this act, the
26 department may use this appropriation as follows:

27 Behavioral health services, substance use treatment and

1 prevention, treatment services

2 Treatment and detoxification contracts \$6,000,000

3 **SECTION 5. 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, and safety.