

**JBC STAFF FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING CHANGES TO CRIMINAL PROVISIONS RELATED TO MARIJUANA.

Prime Sponsors: Senator Steadman  
Representative May

JBC Analyst: Viktor Bojilov  
Carolyn Kampman  
Phone: 303-866-2061  
Date Prepared: February 20, 2014

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 02/18/14.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

**Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
J.001	Staff-prepared appropriation amendment - provides funding to cover expenditure impact of bill
L.002/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation
J.003	Staff-prepared appropriation amendment - provides spending authority for cash fund revenues

**Current Appropriations Clause in Bill**

The bill requires but does not contain an appropriation clause.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$4,120 General Fund to the Department of Revenue for FY 2013-14 to reprogram the Department's computer systems to implement the bill and reappropriates those moneys to the Governor's Office of Information Technology to perform the programming work for the Department of Revenue. This amendment also changes the effective date of the bill to allow the Department of Revenue to utilize the FY 2013-14 appropriation to complete the necessary system updates prior to the July 1, 2014 effective date of the bill.

**L.002 and J.002**

Bill Sponsor amendment **L.002** (attached) allows the Department of Revenue to spend moneys from the Marijuana Cash Fund for updates to the Department's driver's license system to generate revocation letters connected to a conviction of underage possession or consumption of marijuana. Staff has prepared amendment **J.002** (attached) to make the same appropriations as in J.001, except that the \$4,120 appropriation to the Department of Revenue is from the Marijuana Cash Fund rather than the General Fund. This amendment also changes the effective date of the bill to allow the Department of Revenue to utilize the FY 2013-14 appropriation to complete the necessary system updates prior to the July 1, 2014 effective date of the bill.

**J.003** Staff has also prepared amendment **J.003** (attached) as an additional option for the Committee's consideration. The bill will increase annual revenues to the Adolescent Substance Abuse Prevention and Treatment Fund by an estimated \$38,250. While the bill does not require additional expenditures from this fund, the Department of Human Services would need an appropriation from this fund if the General Assembly intends for these additional revenues to be available for expenditure in FY 2014-15. Moneys in this fund may be used for adolescent substance abuse prevention and treatment programs. Amendment J.003 adds a provision appropriating \$38,250 cash funds from this fund to the Department of Human Services for FY 2014-15 for adolescent substance abuse prevention and treatment program contracts. Consistent with current practice, the amendment allocates 75 percent of the new revenues to treatment and 25 percent to prevention.

**If amendment L.002 is adopted, J.002 should be adopted and J.001 should not be adopted. Amendment J.003 may be adopted with L.002 and J.002, or with J.001.**

**Points to Consider***General Fund Impact*

The Joint Budget Committee (JBC) has proposed a supplemental budget package for FY 2013-14 based on the December 2013 Office of State Planning and Budgeting revenue forecast. The supplemental budget package allocates all but approximately \$0.7 million of General Fund revenues projected to be available; under current law, this \$0.7 million will be transferred to the Colorado Water Conservation Board Construction Fund. This bill requires a General Fund appropriation of \$4,120 for FY 2013-14, reducing the amount of this transfer. *[Amendment L.002 eliminates the need for a General Fund appropriation.]*

*Timing Issues*

The bill takes effect July 1, 2014. However, the Department of Revenue requires an appropriation for FY 2013-14 in order to complete the necessary system updates prior to the July 1, 2014 effective date of the bill. The effective date clause of the bill needs to be amended for a FY 2013-14 appropriation to go into effect. *[Amendments J.001 and J.002 both address this issue.]*