



Colorado Legislative Council Staff Fiscal Note
**STATE and LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 12-0848
Prime Sponsor(s): Sen. Tochtrop

Date: March 1, 2012
Bill Status: Senate Business, Labor and Technology
Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING STANDARDS FOR RESPONSIBLE MEDICAL MARIJUANA VENDORS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue Cash Funds Medical Marijuana License Cash Fund	Possible Reduction. See State Revenue Section.	
State Expenditures		
FTE Position Change		
Effective Date: August 8, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

This bill creates the Responsible Medical Marijuana Vendor Server and Seller Designation (designation) for licensed medical marijuana businesses, and sets standards for a training program for achieving the designation. A person who wants to offer a training program must apply to the Department of Revenue (DOR) for approval. The DOR will consult with the Department of Public Health and Environment (DPHE) prior to approving or disapproving a training program.

To receive the designation, all employees selling and handling marijuana, all managers and all resident on-site owners must successfully complete an approved training program. A designation is valid for two years and requires that new staff and owners be trained within 90 days of employment in order to maintain the designation. If a state or local licensing authority initiates an administrative action against a licensee who has the designation, the authority must consider the designation as a mitigating factor when imposing sanctions or penalties on the licensee.

State Revenue

If the Medical Marijuana Enforcement Division (MMED) in the DOR brings an administrative action against a business with the designation, it may levy a lower penalty resulting in reduced fine revenue. A business that has received this designation is expected to be less likely to commit violations, so this is not expected to be a significant reduction in revenue to the Medical Marijuana License Cash Fund.

State Expenditures

The MMED will review training applications in consultation with the DPHE and approve or disapprove training programs. Because few training program vendors have the expertise to develop a program, the fiscal note assumes that there will be very few applications and that reviews can be addressed within existing resources. If a medical marijuana business receives the designation, it will appear on the DOR's approved vendors list on the agency web page. This can also be administered using existing resources.

Local Government Impact

Similar to the MMED, if a local licensing authority is bringing an administrative action against a business with the designation, it must consider the designation as a mitigating factor in imposing sanctions or penalties. A business that has received this designation is expected to be less likely to commit violations so any reduction in the amount of revenue from fines is expected to be minimal.

Departments Contacted

Law

Public Health and Environment

Revenue