

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0536	Date: March 7, 2014
Prime Sponsor(s): Rep. Young	Bill Status: House Education
Sen. Nicholson; Lambert	Fiscal Analyst: Clare Pramuk (303-866-2677)

SHORT TITLE: BEST MONEYS FOR DISASTER DAMAGED PUBLIC SCHOOLS

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	Minimal workload increase.	
FTE Position Change		
Appropriation Required: None.		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This bill, **recommended by the Flood Disaster Study Committee**, clarifies that the first \$40 million in revenue collected annually from the excise tax on retail marijuana will be deposited into the Public School Capital Construction Assistance Fund (fund). It requires the Division of Public School Capital Construction (division) in the Colorado Department of Education (CDE) to take certain actions after the Governor declares a disaster emergency including conducting an outreach assessment for damaged school facilities. Finally, the bill allows the Capital Construction Assistance Board (board) to use up to ten percent of the moneys in the fund for disaster assistance and requires the board to waive the funding match requirement for any recipient of emergency financial assistance.

Background

Senate Bill 13-1318 referred Proposition AA to the November, 2013 ballot. Voters approved Proposition AA which created a 15 percent excise tax to be applied to the average market rate of unprocessed retail marijuana when it is first transferred from a cultivation facility to a retail establishment, product manufacturing facility, or other cultivation facility. The first \$40 million collected annually in excise tax goes to the Public School Capital Construction Assistance Fund.

State Expenditures

This bill requires the division to contact each school facility in a Governor-declared disaster area to assess damages and eligibility for emergency financial assistance. Because this is generally consistent with current practice, only a minimal workload increase is expected for the CDE as a result of this bill. Waiving the funding match requirement is expected to increase funding assistance for an individual recipient, but will not change overall capital construction expenditures.

School District Impact

This bill will not increase the overall funding available to school districts, but will allow an individual school district in a disaster area to receive assistance without a funding match.

Technical or Mechanical Defects

The bill specifies that funds be credited to the Public School Capital Construction Fund beginning July 1, 2014. Excise tax revenue is expected to be generated prior to that date.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Education