

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 15-1100.01 Ed DeCecco x4216

HOUSE BILL 15-1367

HOUSE SPONSORSHIP

Hamner, Young, Rankin, Hullinghorst

SENATE SPONSORSHIP

Steadman, Grantham, Lambert, Cadman

House Committees
Appropriations

Senate Committees
Appropriations

SENATE
Amended 3rd Reading
May 6, 2015

A BILL FOR AN ACT

101 **CONCERNING RETAIL MARIJUANA TAXES, AND, IN CONNECTION**
102 **THEREWITH, MAKING AN APPROPRIATION.**

SENATE
Amended 2nd Reading
May 5, 2015

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/bills/summaries>.)

HOUSE
3rd Reading Unamended
April 27, 2015

Joint Budget Committee. If necessary, the bill refers a ballot issue to the voters at the November 3, 2015, statewide election to allow the state to retain and spend state revenues that would otherwise be refunded for exceeding an estimate included in the ballot information booklet for proposition AA, which was the referendum by which voters approved retail marijuana taxes. If voters reject the ballot issue, then the

HOUSE
Amended 2nd Reading
April 23, 2015

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

moneys will be refunded as follows based on current projections:

- ! \$13.3 million will be refunded through a temporary retail marijuana sales tax rate reduction from 10% of the sales price to .01% beginning on January 1, 2016, and ending on or before June 30, 2016;
- ! \$19.7 million will be refunded to the marijuana cultivation facilities for all of the retail marijuana excise taxes collected during the fiscal year 2015-16; and
- ! \$25 million will be refunded through a sales and use tax refund.

If voters approve the ballot measure, then moneys set aside for the potential refund related to proposition AA will instead be used as follows:

- ! \$40 million is transferred to the public school capital construction assistance fund;
- ! \$12 million is appropriated for youth programs, marijuana education and prevention programs, law enforcement services, substance abuse programs, poison control services, which are expanded to include other means of communication such as text messaging, instant messaging, and email, and the newly created local government retail marijuana impact grant program; and
- ! \$6 million will remain in the general fund.

The refund or alternative spending is made or backfilled from revenue in the newly created proposition AA account, which consists of \$27.7 million from the marijuana tax cash fund and \$30.3 million from the general fund. To repay the general fund, the existing transfers of marijuana tax revenue from the general fund to the marijuana tax cash fund are reduced in the future. The amount repaid and the number of years it will take depends on whether a refund is made.

In addition to the rate-reduction refund, if actual fiscal year spending or the marijuana tax revenue for the fiscal year 2014-15 exceeds the estimates included in the ballot information booklet for proposition AA, then the rates for both the retail marijuana taxes are reduced on September 16, 2015, as required by the state constitution. Then, consistent with the authority conferred by voters through proposition AA, the rates are increased back to their current levels on September 17, 2015. Finally, beginning on July 1, 2017, and unrelated to either the potential rate reduction or refund, the retail marijuana sales tax rate is reduced from 10% to 7% of the amount of the sale.

Beginning July 1, 2017, the local government distribution of the retail marijuana tax revenue (local government share) is reduced from 15% of the gross retail marijuana sales tax revenue to 10%. If refunds are required, the local government share is halved until the total reduction in the grants and distributions is equal to the amount of retail marijuana sales tax revenue that the local governments received for the fiscal year

2014-15, which is currently estimated to be to \$5.9 million.

Any marijuana excise taxes above \$40 million collected in a fiscal year are credited to the public school fund created in the state constitution, instead of the marijuana tax cash fund. The permissible uses for the moneys in the marijuana tax cash fund are broadened. The marijuana enforcement division in the department of revenue is required to include a link on its web site that describes how the retail marijuana taxes and the 2.9% state sales tax on retail marijuana are expended for each fiscal year.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) In 2012, voters approved amendment 64, which legalized the
5 personal use of marijuana for adults;

6 (b) Amendment 64 required the general assembly to enact an
7 excise tax on marijuana sold or otherwise transferred by a marijuana
8 cultivation facility to a marijuana product manufacturing facility or to a
9 retail marijuana store by January 1, 2017;

10 (c) In 2013, the general assembly enacted House Bill 13-1318,
11 which created a new retail marijuana excise tax and an additional retail
12 marijuana sales tax;

13 (d) Under section 20 (4) (a) of article X of the state constitution,
14 commonly known as TABOR, the voters had to approve these new taxes
15 before they could be imposed;

16 (e) Accordingly, the general assembly referred proposition AA,
17 which sought, among other things, approval for the new taxes and for the
18 state to retain and spend the tax revenue notwithstanding any limitations
19 in law;

20 (f) As a tax increase, proposition AA was subject to the election

1 provision requirements in TABOR;

2 (g) To comply with these requirements, proposition AA's ballot
3 title began: "Shall state taxes be increased by \$70,000,000 annually in the
4 first full fiscal year..." and the following estimates for the fiscal year
5 2014-15 were included as Table 3 in the ballot information booklet,
6 known as the "blue book":

7 (I) \$12.08 billion for state spending without the new taxes; and

8 (II) \$67 million for the state revenue from the new excise and
9 sales tax;

10 (h) Voters resoundingly approved proposition AA, with 902,181
11 votes in favor of the measure and just 479,992 votes against it;

12 (i) And yet, if in the fiscal year 2014-15, the actual revenue the
13 state receives exceeds either of these blue book estimates, then the state
14 may be required to refund revenues related to proposition AA;

15 (j) This potential refund, which is only a possibility for the fiscal
16 year 2014-15, is because paragraph (3) (c) of TABOR requires the
17 combined dollar excess of actual revenues over the estimates in the blue
18 book to be refunded in the next fiscal year, unless there is later voter
19 approval;

20 (k) In their March forecasts, legislative council staff and the office
21 of state planning and budgeting estimate that fiscal year spending for the
22 fiscal year 2014-15 will be hundreds of millions of dollars higher than
23 \$12.08 billion;

24 (l) Based on a reasonable interpretation of the fiscal year spending
25 limitation and the election notice provisions of TABOR, the maximum
26 amount the state may be required to refund for exceeding the blue book
27 estimates is the total amount of the retail marijuana tax collections during

1 the fiscal year 2014-15, which is currently estimated to be \$58 million;

2 (m) This act refers a new ballot issue to the voters to seek the later
3 voter approval necessary to avoid this refund, but it also establishes
4 conditional refund mechanisms in case voters reject the ballot issue;

5 (n) If the voters approve the new ballot issue, those conditional
6 refund mechanisms will be unnecessary and the money that would have
7 otherwise been refunded may be retained and used for important public
8 programs, including public school capital construction;

9 (o) Under paragraph (3) (c) of TABOR, the other consequence for
10 actual revenues exceeding the blue book estimates is that the retail
11 marijuana tax rates are thereafter reduced, unless there is later voter
12 approval;

13 (p) The general assembly does not intend to seek approval to
14 avoid this rate reduction, and, therefore, the retail marijuana sales tax and
15 excise tax rates must be reduced;

16 (q) By approving proposition AA, the voters gave the general
17 assembly the authority for "the rate of either or both taxes being allowed
18 to be decreased or increased without further voter approval so long as the
19 rate of either tax does not exceed 15%";

20 (r) Therefore, after the required rate reduction occurs, the general
21 assembly may again raise the tax rates back to their current levels; and

22 (s) Another purpose of this act is to provide greater transparency
23 of the allocation of the marijuana taxes.

24 (2) Now, therefore, it is the primary intent of this act to refer a
25 ballot issue to seek the later voter approval permitted by TABOR to avoid
26 a refund requirement; to establish conditional refund mechanisms or other
27 uses, depending on whether the ballot issue passes; and to reduce tax rates

1 as required by the state constitution.

2 **SECTION 2.** In Colorado Revised Statutes, 39-28.8-101, **add**
3 (12.5) as follows:

4 **39-28.8-101. Definitions.** Unless the context otherwise requires,
5 any terms not defined in this article shall have the meanings set forth in
6 article 26 of this title. As used in this article, unless the context otherwise
7 requires:

8 (12.5) "RETAIL MARIJUANA TAXES" MEANS THE RETAIL
9 MARIJUANA EXCISE TAX IMPOSED UNDER SECTION 39-28.8-302 AND THE
10 RETAIL MARIJUANA SALES TAX IMPOSED UNDER SECTION 39-28.8-202.

11 **SECTION 3.** In Colorado Revised Statutes, 39-28.8-202, **amend**
12 (1) (a) as follows:

13 **39-28.8-202. Retail marijuana sales tax.** (1) (a) (I) In addition
14 to the tax imposed pursuant to part 1 of article 26 of this title and the sales
15 tax imposed by a local government pursuant to title 29, 30, 31, or 32, BUT
16 EXCEPT AS OTHERWISE SET FORTH IN SUBPARAGRAPHS (II) AND (III) OF
17 THIS PARAGRAPH (a), beginning January 1, 2014, AND THROUGH JUNE 30,
18 2017, there is imposed upon all sales of retail marijuana and retail
19 marijuana products by a retailer a tax at the rate of ten percent of the
20 amount of the sale, ~~to be~~ AND BEGINNING JULY 1, 2017, THERE IS IMPOSED
21 UPON ALL SALES OF RETAIL MARIJUANA AND RETAIL MARIJUANA
22 PRODUCTS BY A RETAILER A TAX AT THE RATE OF EIGHT PERCENT OF THE
23 AMOUNT OF THE SALE. THE TAX IMPOSED BY THIS SECTION IS computed in
24 accordance with schedules or forms prescribed by the executive director
25 of the department; except that a retail marijuana store is not allowed to
26 retain any portion of the retail marijuana sales tax collected pursuant to
27 this part 2 to cover the expenses of collecting and remitting the tax and

1 except that the department of revenue may require a retailer to make
2 returns and remit the tax described in this part 2 by electronic means.

3 (II) IF, FOR THE FISCAL YEAR 2014-15, FISCAL YEAR SPENDING IS
4 GREATER THAN TWELVE BILLION EIGHTY MILLION DOLLARS OR IF THE
5 REVENUE FROM RETAIL MARIJUANA TAXES IS GREATER THAN SIXTY-SEVEN
6 MILLION DOLLARS, THEN ON SEPTEMBER 16, 2015, THE RATE OF THE TAX
7 IMPOSED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) IS REDUCED
8 AS SPECIFIED IN SECTION 20 (3) (c) OF ARTICLE X OF THE STATE
9 CONSTITUTION. ON SEPTEMBER 17, 2015, IN ACCORDANCE WITH
10 PARAGRAPH (b) OF THIS SUBSECTION (1) AND THE AUTHORITY THAT THE
11 VOTERS CONFERRED THROUGH THEIR APPROVAL OF PROPOSITION AA AT
12 THE NOVEMBER 2013 ELECTION, THE RATE IS INCREASED BACK TO TEN
13 PERCENT.

14 (III) (A) IF THE BALLOT ISSUE REFERRED TO THE VOTERS IN
15 ACCORDANCE WITH SECTION 39-28.8-603 (1) IS PLACED ON THE
16 NOVEMBER 3, 2015, BALLOT AND A MAJORITY OF THE ELECTORS VOTING
17 THEREON VOTE "NO/AGAINST", THEN ON JANUARY 1, 2016, THE RATE OF
18 THE TAX IMPOSED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) IS
19 REDUCED TO ONE-TENTH OF ONE PERCENT AS A METHOD TO REFUND
20 REVENUES THAT EXCEED AN ESTIMATE INCLUDED IN THE BALLOT
21 INFORMATION BOOKLET FOR PROPOSITION AA.

22 (B) IF THE RETAIL MARIJUANA SALES TAX RATE IS REDUCED IN
23 ACCORDANCE WITH SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (III),
24 THEN ON MARCH 3, 2016, AND ON THE THIRD BUSINESS DAY OF THE NEXT
25 THREE MONTHS THEREAFTER, IF NECESSARY, THE EXECUTIVE DIRECTOR OF
26 THE DEPARTMENT SHALL DETERMINE WHETHER THE AMOUNT REFUNDED
27 TO THAT DATE THROUGH THE RATE REDUCTION IS GREATER THAN OR

1 EQUAL TO THE REQUIRED RETAIL MARIJUANA SALES TAX REFUND. IF SO,
2 THEN THE RATE REDUCTION EXPIRES ON THE FIFTH DAY AFTER THE
3 DETERMINATION. IF, AS OF JUNE 3, 2016, THE AMOUNT REFUNDED
4 THROUGH THE RATE REDUCTION IS STILL LESS THAN THE REQUIRED RETAIL
5 MARIJUANA SALES TAX REFUND, THEN THE RATE REDUCTION EXPIRES ON
6 JUNE 30, 2016. THE EXECUTIVE DIRECTOR SHALL ESTIMATE THE AMOUNT
7 OF THE REFUND FOR THE TIME INCLUDED IN A DETERMINATION FOR WHICH
8 THE ACTUAL REVENUE IS UNKNOWN.

9 (C) ON THE DAY AFTER THE TEMPORARY RETAIL MARIJUANA RATE
10 REDUCTION EXPIRES IN ACCORDANCE WITH SUB-SUBPARAGRAPH (B) OF
11 THIS SUBPARAGRAPH (III), THE RETAIL MARIJUANA TAX RATE IS
12 INCREASED BACK TO TEN PERCENT.

13 (D) AS USED IN THIS SUBPARAGRAPH (III), "REQUIRED RETAIL
14 MARIJUANA SALES TAX REFUND" MEANS AN AMOUNT EQUAL TO THE TOTAL
15 PROPOSITION AA BLUE BOOK REFUND AMOUNT CALCULATED UNDER
16 SECTION 39-28.8-602 (1) MINUS THE SUM OF THE AMOUNTS REFUNDED
17 THROUGH SECTION 39-28.8-605 (3) AND (4).

18 **SECTION 4.** In Colorado Revised Statutes, 39-28.8-203, **amend**
19 (1) (a) (I) and (1) (b); **add** (1) (a) (I.5) and (3); and **repeal** (2) as follows:

20 **39-28.8-203. Disposition of collections - definitions.** (1) The
21 proceeds of all moneys collected from the retail marijuana sales tax ~~shall~~
22 ~~be~~ ARE credited to the old age pension fund created in section 1 of article
23 XXIV of the state constitution in accordance with paragraphs (a) and (f)
24 of section 2 of article XXIV of the state constitution. For each fiscal year
25 in which a tax is collected pursuant to this part 2, an amount shall be
26 APPROPRIATED OR distributed from the general fund as follows:

27 (a) (I) EXCEPT AS OTHERWISE SET FORTH IN SUBPARAGRAPH (I.5)

1 OF THIS PARAGRAPH (a), an amount equal to fifteen percent of the gross
2 retail marijuana sales tax revenues collected by the department shall be
3 IS apportioned to local governments. The city or town share shall be IS
4 apportioned according to the percentage that retail marijuana sales tax
5 revenues collected by the department within the boundaries of the city or
6 town bears BEAR to the total retail marijuana sales tax revenues collected
7 by the department. The county share shall be IS apportioned according to
8 the percentage that retail marijuana sales tax revenues collected by the
9 department in the unincorporated area of the county bears BEAR to total
10 retail marijuana sales tax revenues collected by the department.

11 (I.5) IF THE BALLOT ISSUE IS PLACED ON THE NOVEMBER 3, 2015,
12 BALLOT AND A MAJORITY OF THE ELECTORS VOTING THEREON VOTE
13 "NO/AGAINST", THEN BEGINNING JANUARY 1, 2016, THE AMOUNT THAT
14 WOULD OTHERWISE BE DISTRIBUTED TO A LOCAL GOVERNMENT THROUGH
15 SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) IS HALVED UNTIL THE TOTAL
16 REDUCTION THAT RESULTS FROM THIS SUBPARAGRAPH (I.5) IS GREATER
17 THAN OR EQUAL TO THE AMOUNT THAT WAS DISTRIBUTED TO THE LOCAL
18 GOVERNMENT UNDER THIS PARAGRAPH (a) FOR THE FISCAL YEAR 2014-15.
19 THEREAFTER, THE LOCAL GOVERNMENT RECEIVES THE FULL APPORTIONED
20 AMOUNT REQUIRED BY SUBPARAGRAPH (I) OF THIS PARAGRAPH (a). THE
21 REDUCTION IN A LOCAL GOVERNMENT'S DISTRIBUTION DOES NOT INCREASE
22 THE AMOUNT APPORTIONED TO OTHER LOCAL GOVERNMENTS.

23 (b) (I) ~~Following apportionment of local government shares~~
24 ~~pursuant to paragraph (a) of this subsection (1), an amount equal to all~~
25 ~~remaining revenues collected shall be transferred from the general fund~~
26 ~~to the marijuana tax cash fund created in part 5 of this article to be used~~
27 ~~for the enforcement of regulations on the retail marijuana industry and for~~

1 ~~the other purposes of the fund as determined by the general assembly.~~
2 EXCEPT AS OTHERWISE PROVIDED IN SUBPARAGRAPH (II) OF THIS
3 PARAGRAPH (b), THE STATE TREASURER SHALL TRANSFER FROM THE
4 GENERAL FUND TO THE MARIJUANA TAX CASH FUND AN AMOUNT EQUAL
5 TO EIGHTY-FIVE PERCENT OF THE GROSS RETAIL MARIJUANA SALES TAX
6 REVENUES COLLECTED BY THE DEPARTMENT.

7 (II) (A) IF THE BALLOT ISSUE IS PLACED ON THE NOVEMBER 3,
8 2015, BALLOT AND A MAJORITY OF THE ELECTORS VOTING THEREON VOTE
9 "NO/AGAINST", THEN FOR THE FISCAL YEAR 2015-16 AND THE NEXT
10 THREE FISCAL YEARS THEREAFTER, THE AMOUNT ANNUALLY
11 TRANSFERRED TO THE MARIJUANA TAX CASH FUND IS REDUCED BY AN
12 AMOUNT EQUAL TO ONE-FIFTH OF THE GENERAL FUND REPAYMENT. THE
13 STATE TREASURER SHALL NOT TRANSFER ANY MONEYS TO THE CASH FUND
14 UNTIL THIS AMOUNT HAS BEEN ACCOUNTED FOR.

15 (B) IF THE BALLOT ISSUE IS PLACED ON THE NOVEMBER 3, 2015,
16 BALLOT AND A MAJORITY OF THE ELECTORS VOTING THEREON VOTE
17 "YES/FOR", THEN FOR THE FISCAL YEAR 2016-17 AND THE NEXT THREE
18 FISCAL YEARS THEREAFTER, THE AMOUNT ANNUALLY TRANSFERRED TO
19 THE MARIJUANA TAX CASH FUND IS REDUCED BY AN AMOUNT EQUAL TO
20 ONE-FIFTH OF THE GENERAL FUND REPAYMENT. THE STATE TREASURER
21 SHALL NOT TRANSFER ANY MONEYS TO THE CASH FUND UNTIL THIS
22 AMOUNT HAS BEEN ACCOUNTED FOR.

23 (C) AS USED IN THIS SUBPARAGRAPH (II), "GENERAL FUND
24 REPAYMENT" IS EQUAL TO THE LESSER OF THIRTY MILLION THREE
25 HUNDRED THOUSAND DOLLARS OR AN AMOUNT EQUAL TO THE
26 PROPOSITION AA BLUE BOOK REFUND AMOUNT CALCULATED IN
27 ACCORDANCE WITH SECTION 39-28.8-602 (1) MINUS TWENTY-SEVEN

1 MILLION SEVEN HUNDRED THOUSAND DOLLARS.

2 (III) The general assembly shall make appropriations from the
3 marijuana tax cash fund for the expenses of the administration of this
4 section.

5 ~~(2) On or before April 1, 2014, and on or before April 1 each year~~
6 ~~thereafter through April 1, 2016, the finance committees of the house of~~
7 ~~representatives and the senate, or any successor committees, shall review~~
8 ~~the provisions of paragraph (a) of subsection (1) of this section to~~
9 ~~determine whether the percentage of the tax imposed pursuant to this part~~
10 ~~2 that is apportioned to local governments is appropriate. The finance~~
11 ~~committees may request assistance and input from the department of~~
12 ~~revenue and the department of local affairs in making this determination.~~

13 (3) AS USED IN THIS SECTION:

14 (a) "BALLOT ISSUE" MEANS THE BALLOT ISSUE REFERRED TO THE
15 VOTERS IN ACCORDANCE WITH SECTION 39-28.8-603 (1).

16 (b) "MARIJUANA TAX CASH FUND" IS THE CASH FUND CREATED IN
17 SECTION 39-28.8-501 (1).

18 **SECTION 5.** In Colorado Revised Statutes, 39-28.8-302, **amend**
19 (1) (a) as follows:

20 **39-28.8-302. Retail marijuana - excise tax levied at first**
21 **transfer from retail marijuana cultivation facility - tax rate.**

22 (1) (a) (I) Beginning January 1, 2014, except as otherwise provided in
23 SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) AND paragraph (b) of this
24 subsection (1), there is levied and shall be collected, in addition to the
25 sales tax imposed pursuant to part 1 of article 26 of this title and part 2 of
26 this article, a tax on the first sale or transfer of unprocessed retail
27 marijuana by a retail marijuana cultivation facility, at a rate of fifteen

1 percent of the average market rate of the unprocessed retail marijuana.
2 The tax shall be imposed at the time when the retail marijuana cultivation
3 facility first sells or transfers unprocessed retail marijuana from the retail
4 marijuana cultivation facility to a retail marijuana product manufacturing
5 facility, a retail marijuana store, or another retail marijuana cultivation
6 facility.

7 (II) IF, FOR THE FISCAL YEAR 2014-15, FISCAL YEAR SPENDING IS
8 GREATER THAN TWELVE BILLION EIGHTY MILLION DOLLARS OR IF THE
9 REVENUE FROM RETAIL MARIJUANA TAXES IS GREATER THAN SIXTY-SEVEN
10 MILLION DOLLARS, THEN ON SEPTEMBER 16, 2015, THE RATE OF THE TAX
11 IMPOSED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) IS REDUCED
12 AS SPECIFIED IN SECTION 20 (3) (c) OF ARTICLE X OF THE STATE
13 CONSTITUTION. ON SEPTEMBER 17, 2015, IN ACCORDANCE WITH
14 PARAGRAPH (b) OF THIS SUBSECTION (1) AND THE AUTHORITY THAT THE
15 VOTERS CONFERRED THROUGH THEIR APPROVAL OF PROPOSITION AA AT
16 THE NOVEMBER 2013 ELECTION, THE RATE IS INCREASED BACK TO FIFTEEN
17 PERCENT.

18 **SECTION 6.** In Colorado Revised Statutes, 39-28.8-305, **amend**
19 (1) (b) as follows:

20 **39-28.8-305. Distribution of tax collected.** (1) All moneys
21 received and collected in payment of the tax imposed by the provisions
22 of this part 3 shall be transmitted to the state treasurer, who shall
23 distribute the money as follows:

24 (b) Any amount remaining after the transfer pursuant to paragraph
25 (a) of this subsection (1) shall be transferred to the ~~marijuana tax cash~~
26 ~~fund created in part 5 of this article~~ PUBLIC SCHOOL FUND CREATED IN
27 SECTION 3 OF ARTICLE IX OF THE STATE CONSTITUTION, WHICH IS THE

1 SAME AS THE PUBLIC SCHOOL FUND DESCRIBED IN SECTION 22-41-102,
2 C.R.S.

3 **SECTION 7.** In Colorado Revised Statutes, 39-28.8-501, **amend**
4 **(1); add (3); and repeal and reenact, with amendments, (2) (b) as**
5 **follows:**

6 **39-28.8-501. Marijuana tax cash fund - creation - distribution**
7 **- repeal.** (1) The marijuana tax cash fund, referred to in this part 5 as the
8 "fund", is created in the state treasury. The fund consists of

9 ~~(a) Any applicable retail marijuana excise tax transferred pursuant~~
10 ~~to section 39-28.8-305 (1) (b) on or after July 1, 2014~~

11 ~~(b) any applicable retail marijuana sales tax transferred pursuant~~
12 ~~to section 39-28.8-203 (1) (b) on or after July 1, 2014, AND~~

13 ~~(c) Beginning July 1, 2014, ANY revenues transferred to the fund~~
14 ~~from any sales tax imposed pursuant to section 39-26-106 on the retail~~
15 ~~sale of products under articles 43.3 and 43.4 of title 12, C.R.S. and~~

16 ~~(d) Any moneys transferred to the fund from the marijuana cash~~
17 ~~fund pursuant to section 12-43.3-501 (1) (f), C.R.S.~~

18 (2) (b) (I) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES
19 THAT THE RETAIL MARIJUANA EXCISE TAX AND SALES TAX CREATED A NEW
20 REVENUE STREAM FOR THE STATE, AND THE BASIS OF THESE TAXES IS THE
21 LEGALIZATION OF MARIJUANA, WHICH PRESENTS UNIQUE ISSUES AND
22 CHALLENGES FOR THE STATE AND LOCAL GOVERNMENTS. THUS, THERE IS
23 A NEED TO USE SOME OF THE SALES TAX REVENUE FOR
24 MARIJUANA-RELATED PURPOSES. BUT, AS THIS IS REVENUE FROM A TAX,
25 THE GENERAL ASSEMBLY MAY APPROPRIATE THIS MONEY FOR ANY
26 PURPOSE.

27 (II) THE GENERAL ASSEMBLY FURTHER DECLARES THAT THE NEW

1 RETAIL MARIJUANA TAX REVENUE PRESENTS AN OPPORTUNITY TO INVEST
2 IN SERVICES, SUPPORT, INTERVENTION, AND TREATMENT RELATED TO
3 MARIJUANA AND OTHER DRUGS.

4 (III) THEREFORE, THE PURPOSES IDENTIFIED IN THIS SUBSECTION
5 (2) PRIORITIZE APPROPRIATIONS RELATED TO LEGALIZED MARIJUANA,
6 SUCH AS DRUG USE PREVENTION AND TREATMENT, PROTECTING THE
7 STATE'S YOUTH, AND ENSURING THE PUBLIC PEACE, HEALTH, AND SAFETY.

8 (IV) SUBJECT TO THE LIMITATION IN SUBSECTION (5) OF THIS
9 SECTION, THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE ANY
10 MONEYS IN THE FUND FOR ANY FISCAL YEAR FOLLOWING THE FISCAL YEAR
11 IN WHICH THEY WERE RECEIVED BY THE STATE FOR THE FOLLOWING
12 PURPOSES:

13 (A) TO EDUCATE PEOPLE ABOUT MARIJUANA TO PREVENT ITS
14 ILLEGAL USE OR LEGAL ABUSE;

15 (B) TO PROVIDE SERVICES FOR ADOLESCENTS AND SCHOOL-AGED
16 CHILDREN IN SCHOOL SETTINGS OR THROUGH COMMUNITY-BASED
17 ORGANIZATIONS;

18 (C) TO TREAT PEOPLE WITH ANY TYPE OF SUBSTANCE-ABUSE
19 DISORDER, ESPECIALLY THOSE WITH CO-OCCURRING DISORDERS;

20 (D) FOR JAIL-BASED AND OTHER BEHAVIORAL HEALTH SERVICES
21 FOR PERSONS INVOLVED IN THE CRIMINAL JUSTICE SYSTEM THROUGH THE
22 CORRECTIONAL TREATMENT CASH FUND CREATED IN SECTION 18-19-103
23 (4) (a), C.R.S.;

24 (E) FOR STATE REGULATORY ENFORCEMENT, POLICY
25 COORDINATION, OR LITIGATION DEFENSE COSTS RELATED TO RETAIL OR
26 MEDICAL MARIJUANA;

27 (F) FOR LAW ENFORCEMENT AND LAW ENFORCEMENT TRAINING,

1 INCLUDING ANY EXPENSES FOR THE POLICE OFFICERS STANDARDS AND
2 TRAINING BOARD TRAINING OR CERTIFICATION;

3 (G) FOR THE PROMOTION OF PUBLIC HEALTH, INCLUDING POISON
4 CONTROL, PRESCRIPTION DRUG TAKE-BACK PROGRAMS, THE CREATION OF
5 A MARIJUANA LABORATORY TESTING REFERENCE LIBRARY, AND OTHER
6 PUBLIC HEALTH SERVICES RELATED TO CONTROLLED SUBSTANCES;

7 (H) TO STUDY THE USE OF MARIJUANA AND OTHER DRUGS, THEIR
8 HEALTH EFFECTS, AND OTHER SOCIAL IMPACTS RELATED TO THEM;

9 (I) TO RESEARCH, REGULATE, STUDY, AND TEST INDUSTRIAL HEMP
10 OR HEMP SEEDS;

11 (J) FOR THE START-UP EXPENSES OF THE DIVISION OF FINANCIAL
12 SERVICES RELATED TO THE REGULATION OF MARIJUANA FINANCIAL
13 SERVICES COOPERATIVES PURSUANT TO ARTICLE 33 OF TITLE 11, C.R.S.,
14 UNTIL THE STATE COMMISSIONER OF FINANCIAL SERVICES FIRST COLLECTS
15 ASSESSMENTS ON SUCH COOPERATIVES; AND

16 (K) GRANTS TO LOCAL GOVERNMENTS FOR DOCUMENTED RETAIL
17 MARIJUANA IMPACTS THROUGH THE LOCAL GOVERNMENT RETAIL
18 MARIJUANA IMPACT GRANT PROGRAM CREATED IN SECTION 24-32-117,
19 C.R.S.

20 (3) TO INCREASE TRANSPARENCY, THE MARIJUANA ENFORCEMENT
21 DIVISION IN THE DEPARTMENT SHALL INCLUDE A LINK ON ITS WEB SITE
22 THAT DESCRIBES THE DISPOSITION OF THE RETAIL MARIJUANA EXCISE TAX
23 REVENUE AND HOW THE REVENUE FROM THE FUND WAS APPROPRIATED
24 FOR THE FISCAL YEAR 2015-16 AND EACH FISCAL YEAR THEREAFTER.

25 **SECTION 8.** In Colorado Revised Statutes, **add** part 6 to article
26 28.8 of title 39 as follows:

27 PART 6

1 BALLOT ISSUE RELATED TO PROPOSITION AA

2 REFUNDS - PERMITTED USES

3 **39-28.8-601. Definitions.** AS USED IN THIS PART 6, UNLESS THE
4 CONTEXT OTHERWISE REQUIRES:

5 (1) "BALLOT ISSUE" MEANS THE BALLOT ISSUE REFERRED TO THE
6 VOTERS IN ACCORDANCE WITH SECTION 39-28.8-603 (1).

7 (2) "MARIJUANA TAX CASH FUND" MEANS THE CASH FUND
8 CREATED IN SECTION 39-28.8-501 (1).

9 (3) "PROPOSITION AA REFUND ACCOUNT" OR "ACCOUNT" MEANS
10 THE ACCOUNT WITHIN THE GENERAL FUND CREATED IN SECTION
11 39-28.8-604.

12 **39-28.8-602. Proposition AA blue book - potential refund.**

13 (1) (a) A REFUND OF STATE REVENUES MAY BE REQUIRED IF, FOR THE
14 FISCAL YEAR 2014-15, FISCAL YEAR SPENDING IS GREATER THAN TWELVE
15 BILLION EIGHTY MILLION DOLLARS OR IF THE REVENUE FROM RETAIL
16 MARIJUANA TAXES IS GREATER THAN SIXTY-SEVEN MILLION DOLLARS. THE
17 AMOUNT OF THE POTENTIAL REFUND IS EQUAL TO THE COMBINED AMOUNT
18 BY WHICH FISCAL YEAR SPENDING AND RETAIL MARIJUANA TAXES EXCEED
19 THESE AMOUNTS, OR THE ACTUAL AMOUNT OF THE REVENUE FROM RETAIL
20 MARIJUANA TAXES FOR THE FISCAL YEAR 2014-15, WHICHEVER IS LESS.

21 (b) THE CALCULATION TO DETERMINE IF THERE IS A PROPOSITION
22 AA BLUE BOOK REFUND IS BASED ON THE AUDITED FINANCIAL REPORT
23 PREPARED IN ACCORDANCE WITH SECTION 24-77-106.5, C.R.S., AND THE
24 ACTUAL REVENUE FROM RETAIL MARIJUANA TAXES RECEIVED BY THE
25 DEPARTMENT.

26 (2) IF THE CALCULATION SET FORTH IN SUBSECTION (1) OF THIS
27 SECTION INDICATES THAT A PROPOSITION AA BLUE BOOK REFUND IS

1 REQUIRED UNDER SECTION 20 (3) (c) OF ARTICLE X OF THE STATE
2 CONSTITUTION, THEN A REFUND SHALL BE MADE IN ACCORDANCE WITH
3 SECTIONS 39-28.8-202 (1) (a) (III) AND 39-28.8-605 (3) AND (4), UNLESS
4 THE VOTERS APPROVE THE BALLOT ISSUE.

5 **39-28.8-603. Ballot issue - proposition AA - later voter**
6 **approval.** (1) IF A PROPOSITION AA BLUE BOOK REFUND IS REQUIRED
7 UNDER SECTION 39-28.8-602, THEN AT THE ELECTION HELD ON NOVEMBER
8 3, 2015, THE SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED
9 ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION THE
10 FOLLOWING BALLOT ISSUE: "MAY THE STATE RETAIN AND SPEND STATE
11 REVENUES THAT OTHERWISE WOULD BE REFUNDED FOR EXCEEDING AN
12 ESTIMATE INCLUDED IN THE BALLOT INFORMATION BOOKLET FOR
13 PROPOSITION AA AND USE THESE REVENUES TO PROVIDE FORTY MILLION
14 DOLLARS FOR PUBLIC SCHOOL BUILDING CONSTRUCTION AND FOR OTHER
15 NEEDS, SUCH AS LAW ENFORCEMENT, YOUTH PROGRAMS, AND MARIJUANA
16 EDUCATION AND PREVENTION PROGRAMS, INSTEAD OF REFUNDING THESE
17 REVENUES TO RETAIL MARIJUANA CULTIVATION FACILITIES, RETAIL
18 MARIJUANA PURCHASERS, AND OTHER TAXPAYERS?"

19 (2) APPROVAL OF THE BALLOT ISSUE BY A MAJORITY OF THE
20 ELECTORS THAT VOTE ON THE BALLOT ISSUE CONSTITUTES LATER VOTER
21 APPROVAL TO AVOID THE POTENTIAL REFUND REQUIRED BY SECTION 20 (3)
22 (c) OF ARTICLE X OF THE STATE CONSTITUTION IDENTIFIED IN SECTION
23 39-28.8-602.

24 (3) FOR PURPOSES OF SECTION 1-5-407 (5) (b), C.R.S., THE BALLOT
25 ISSUE IS A PROPOSITION. SECTION 1-40-106 (3) (d), C.R.S., DOES NOT
26 APPLY TO THE BALLOT ISSUE.

27 **39-28.8-604. Proposition AA refund account - restricted**

1 **revenues.** (1) THE PROPOSITION AA REFUND ACCOUNT IS CREATED IN THE
2 GENERAL FUND. THE ACCOUNT CONSISTS OF TWENTY-SEVEN MILLION
3 SEVEN HUNDRED THOUSAND DOLLARS FROM THE MONEYS TRANSFERRED
4 FROM THE MARIJUANA TAX CASH FUND IN ACCORDANCE WITH SECTION
5 39-28.8-501 (4) (b) AND ANOTHER THIRTY MILLION THREE HUNDRED
6 THOUSAND DOLLARS FROM THE GENERAL FUND. THE MONEYS IN THE
7 ACCOUNT ARE RESTRICTED FROM USE UNTIL JANUARY 1, 2016, AND ARE
8 NOT INCLUDED IN THE YEAR-END BALANCE REQUIRED BY SECTION
9 24-75-201.1 (1) (d) (XIV), C.R.S.

10 (2) IF A PROPOSITION AA BLUE BOOK REFUND IS NOT REQUIRED
11 UNDER SECTION 39-28.8-602, THEN ON JANUARY 1, 2016, THE ACCOUNT
12 IS REPEALED AND THE STATE TREASURER SHALL TRANSFER TWENTY-SEVEN
13 MILLION SEVEN HUNDRED THOUSAND DOLLARS FROM THE ACCOUNT BACK
14 TO THE MARIJUANA TAX CASH FUND. THE REMAINING THIRTY MILLION
15 THREE HUNDRED THOUSAND DOLLARS SHALL REMAIN IN THE GENERAL
16 FUND AND BE AVAILABLE FOR APPROPRIATION.

17 **39-28.8-605. Refunds - retail marijuana sales tax rate**
18 **reduction - revenue backfill - legislative declaration - repeal.** (1) THE
19 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

20 (a) IF THE BALLOT ISSUE IS REFERRED TO THE VOTERS AND A
21 MAJORITY OF THOSE VOTING THEREON REJECT THE BALLOT ISSUE, THE
22 STATE WILL BE REQUIRED BY SECTION 20 (3) (c) OF ARTICLE X OF THE
23 STATE CONSTITUTION TO MAKE REFUNDS PRIOR TO JULY 1, 2016;

24 (b) AS OF THE EFFECTIVE DATE OF THIS SECTION, THE AMOUNT OF
25 THE REFUND IS EXPECTED TO BE FIFTY-EIGHT MILLION DOLLARS, WHICH IS
26 EQUAL TO THE ANTICIPATED TOTAL AMOUNT OF ALL OF THE RETAIL
27 MARIJUANA TAX REVENUES COLLECTED IN THE STATE DURING THE FISCAL

1 YEAR 2014-15;

2 (c) TO THE EXTENT POSSIBLE, THE REFUND SHOULD BE MADE FROM
3 REVENUES THAT THE STATE RECEIVED DURING THE FISCAL YEAR 2014-15;
4 AND

5 (d) THE REFUND MECHANISMS SET FORTH IN SECTION 39-28.8-202
6 (1) (a) (III) AND IN THIS PART 6 ARE REASONABLE WAYS TO REFUND
7 REVENUES THAT EXCEED AN ESTIMATE INCLUDED IN THE BALLOT
8 INFORMATION BOOKLET FOR PROPOSITION AA, IF REQUIRED BY SECTION
9 20 (3) (c) OF ARTICLE X OF THE STATE CONSTITUTION.

10 (2) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
11 VOTE "NO/AGAINST", THEN ON JANUARY 1, 2016, THE STATE TREASURER
12 SHALL TRANSFER THIRTEEN MILLION THREE HUNDRED THOUSAND DOLLARS
13 FROM THE PROPOSITION AA REFUND ACCOUNT TO THE MARIJUANA TAX
14 CASH FUND TO REPLACE THE ANTICIPATED DECREASE IN REVENUE THAT
15 WILL RESULT FROM THE RETAIL MARIJUANA SALES TAX RATE REDUCTION
16 IN SECTION 39-28.8-202 (1) (a) (III) (B).

17 (3) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
18 VOTE "NO/AGAINST", THEN AFTER MARCH 1, 2016, BUT PRIOR TO JULY 1,
19 2016, THE DEPARTMENT OF REVENUE SHALL REFUND TO A RETAIL
20 MARIJUANA CULTIVATION FACILITY ALL OF THE TAXES THE FACILITY PAID
21 DURING THE 2014-15 FISCAL YEAR IN ACCORDANCE WITH SECTION
22 39-28.8-302 (1). THE DEPARTMENT SHALL PAY THE REFUND FROM THE
23 MONEYS IN THE PROPOSITION AA REFUND ACCOUNT. THE DEPARTMENT
24 SHALL ESTABLISH PROCEDURES FOR THE REFUNDS BUT SHALL NOT
25 REQUIRE A FACILITY TO APPLY FOR A REFUND TO RECEIVE ONE.

26 == ==

27 (4) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT

1 ISSUE VOTE "NO/AGAINST", THEN TWENTY-FIVE MILLION DOLLARS FROM
2 THE PROPOSITION AA REFUND ACCOUNT IS EXCESS STATE REVENUES, AS
3 DEFINED IN SECTION 39-22-2002 (3) (c), FOR THE FISCAL YEAR 2014-15
4 THAT ARE REQUIRED TO BE REFUNDED TO QUALIFIED INDIVIDUALS FOR THE
5 TAXABLE YEAR COMMENCING ON JANUARY 1, 2015, IN ACCORDANCE WITH
6 THE PROVISIONS OF SECTION 39-22-2002. IF THERE ARE OTHER EXCESS
7 STATE REVENUES REFUNDED, THE DEPARTMENT SHALL INCLUDE A
8 SEPARATE LINE ON THE 2015 INCOME TAX RETURN FOR THE REFUND
9 REQUIRED BY THIS SUBSECTION (4) THAT IS NAMED "SALES TAX REFUND
10 RELATED TO PROPOSITION AA BLUE BOOK ESTIMATES".

11

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12 **39-28.8-606. Approval of ballot issue - account - use of**
13 **revenues.** (1) IF A PROPOSITION AA BLUE BOOK REFUND IS REQUIRED
14 UNDER SECTION 39-28.8-602 BUT A MAJORITY OF THE ELECTORS THAT
15 VOTE ON THE BALLOT ISSUE VOTE "YES/FOR", THEN:

16 (a) THE STATE TREASURER SHALL TRANSFER FORTY MILLION
17 DOLLARS FROM THE PROPOSITION AA REFUND ACCOUNT TO THE PUBLIC
18 SCHOOL CAPITAL CONSTRUCTION ASSISTANCE FUND CREATED IN SECTION
19 22-43.7-104 (1), C.R.S.; AND

20 (b) THE GENERAL ASSEMBLY SHALL APPROPRIATE TWELVE
21 MILLION DOLLARS FROM THE PROPOSITION AA REFUND ACCOUNT FOR ANY
22 USE AUTHORIZED IN SECTION 39-28.8-501.

23 **39-28.8-607. Repeal of part.** THIS PART 6 IS REPEALED, EFFECTIVE
24 JULY 1, 2017.

25 **SECTION 9.** In Colorado Revised Statutes, 1-41-102, **amend** (4)
26 (f); and **add** (4) (g) as follows:

27 **1-41-102. State ballot issue elections in odd-numbered years.**

1 (4) As used in this section, "state matters arising under section 20 of
2 article X of the state constitution" includes:

3 (f) Approval of the weakening of a state limit on revenue,
4 spending, and debt pursuant to section 20 (1) of article X of the state
5 constitution; AND

6 (g) APPROVAL FOR THE STATE TO RETAIN AND SPEND STATE
7 REVENUES THAT OTHERWISE WOULD BE REFUNDED FOR EXCEEDING AN
8 ESTIMATE INCLUDED IN THE BALLOT INFORMATION BOOKLET IN
9 ACCORDANCE WITH SECTION 20 (3) (c) OF ARTICLE X OF THE STATE
10 CONSTITUTION.

11 **SECTION 10.** In Colorado Revised Statutes, 18-19-103, **amend**
12 (4) (a) as follows:

13 **18-19-103. Source of revenues - allocation of moneys.**

14 (4) (a) There is hereby created in the state treasury the correctional
15 treatment cash fund, referred to in this paragraph (a) as the "fund", which
16 ~~shall consist~~ CONSISTS OF MONEYS APPROPRIATED PURSUANT TO SECTION
17 39-28.8-501, C.R.S., moneys received by the state treasurer pursuant to
18 paragraph (d) of subsection (3) of this section and subsection (3.5) of this
19 section, and, in addition, each year, the general assembly shall appropriate
20 at least two million two hundred thousand dollars generated from
21 estimated savings from the enactment of Senate Bill 03-318, enacted in
22 2003, to the fund. The moneys in the fund shall be used for the purposes
23 described in paragraph (c) of subsection (5) of this section. All interest
24 derived from the deposit and investment of moneys in the fund shall be
25 credited to the fund. Any moneys not appropriated by the general
26 assembly shall remain in the fund and shall not be transferred or revert to
27 the general fund of the state at the end of any fiscal year.

1 **SECTION 11.** In Colorado Revised Statutes, 22-14-109, **amend**
2 (4) (a) as follows:

3 **22-14-109. Student re-engagement grant program - rules -**
4 **application - grants - fund created - report.** (4) (a) There is hereby
5 created in the state treasury the student re-engagement grant program
6 fund, referred to in this subsection (4) as the "fund", that shall consist of
7 any moneys credited to the fund pursuant to paragraph (b) of this
8 subsection (4) and any additional moneys that the general assembly may
9 appropriate to the fund, INCLUDING MONEYS FROM THE MARIJUANA TAX
10 CASH FUND CREATED IN SECTION 39-28.8-501, C.R.S., OR THE
11 PROPOSITION AA REFUND ACCOUNT CREATED IN SECTION 39-28.8-604 (1),
12 C.R.S. The moneys in the fund shall be subject to annual appropriation by
13 the general assembly to the department for the direct and indirect costs
14 associated with the implementation of this section.

15 **SECTION 12.** In Colorado Revised Statutes, 22-93-105, **amend**
16 (1) and (3) (a) as follows:

17 **22-93-105. School bullying prevention and education cash**
18 **fund - created.** (1) There is hereby established in the state treasury the
19 school bullying prevention and education cash fund. The cash fund shall
20 consist of moneys transferred OR APPROPRIATED thereto pursuant to
21 subsection (3) of this section and any other moneys that may be made
22 available by the general assembly. The moneys in the cash fund are
23 continuously appropriated to the department for the direct and indirect
24 costs associated with implementing this article. Any moneys not provided
25 as grants may be invested by the state treasurer as provided in section
26 24-36-113, C.R.S. All interest and income derived from the investment
27 and deposit of moneys in the cash fund shall be credited to the cash fund.

1 Any amount remaining in the cash fund at the end of any fiscal year shall
2 remain in the cash fund and shall not be credited or transferred to the
3 general fund or to any other fund.

4 (3) (a) ~~No general fund moneys shall be appropriated to the cash~~
5 ~~fund for the implementation of this article.~~ THE GENERAL ASSEMBLY MAY
6 APPROPRIATE MONEYS TO THE BULLYING PREVENTION AND EDUCATION
7 CASH FUND FROM THE MARIJUANA TAX CASH FUND CREATED IN SECTION
8 39-28.8-501, C.R.S., OR FROM THE PROPOSITION AA REFUND ACCOUNT
9 CREATED IN SECTION 39-28.8-604 (1), C.R.S.

10 **SECTION 13.** In Colorado Revised Statutes, **add** 24-32-117 as
11 follows:

12 **24-32-117. Retail marijuana impact grants - program -**
13 **creation - definitions.** (1) AS USED IN THIS SECTION:

14 (a) "DIVISION" MEANS THE DIVISION OF LOCAL GOVERNMENT.

15 (b) "DOCUMENTED _____ MARIJUANA IMPACTS" MEANS THE
16 DOCUMENTED EXPENSES, COSTS, AND OTHER IMPACTS INCURRED AS A
17 RESULT OF LEGAL ACTIVITY RELATED TO THE SALE, TRANSFER,
18 CULTIVATION, OR PROCESSING OF RETAIL MARIJUANA OR ANY ILLEGAL
19 ACTIVITY RELATED MARIJUANA.

20 (c) "ELIGIBLE LOCAL GOVERNMENT" MEANS A LOCAL
21 GOVERNMENT THAT, OTHER THAN A SALES TAX THAT APPLIES EQUALLY TO
22 ALL TANGIBLE GOODS WITHIN ITS JURISDICTION, DOES NOT IMPOSE, LEVY,
23 OR COLLECT ANY TAX ON RETAIL MARIJUANA OR UPON THE OCCUPATION
24 OR PRIVILEGE OF SELLING RETAIL MARIJUANA, AND IF:

25 (I) A COUNTY, ONE THAT DOES NOT HAVE ANY SALES OF RETAIL
26 MARIJUANA WITHIN ITS UNINCORPORATED AREAS AND THAT:

27 (A) HAS AT LEAST ONE CITY OR TOWN WITHIN THE COUNTY

1 BOUNDARIES THAT HAS SALES OF RETAIL MARIJUANA WITHIN ITS
2 BOUNDARIES; OR

3 (B) IS CONTIGUOUS WITH A COUNTY THAT HAS SALES OF RETAIL
4 MARIJUANA ANYWHERE WITHIN THE COUNTY BOUNDARIES; OR

5 (II) A CITY OR TOWN, ONE THAT DOES NOT HAVE ANY SALES OF
6 RETAIL MARIJUANA WITHIN ITS BOUNDARIES AND THAT:

7 (A) IS WITHIN A COUNTY THAT ALLOWS SALES OF RETAIL
8 MARIJUANA WITHIN ITS UNINCORPORATED AREAS;

9 (B) IS WITHIN A COUNTY THAT HAS WITHIN ITS BOUNDARIES AT
10 LEAST ONE OTHER CITY OR TOWN THAT HAS SALES OF RETAIL MARIJUANA
11 WITHIN ITS BOUNDARIES; OR

12 (C) IS WITHIN A COUNTY THAT IS CONTIGUOUS WITH ANOTHER
13 COUNTY THAT HAS SALES OF RETAIL MARIJUANA ANYWHERE WITHIN THE
14 COUNTY BOUNDARIES.

15 (d) "GRANT PROGRAM" MEANS THE LOCAL GOVERNMENT RETAIL
16 MARIJUANA IMPACT GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS
17 SECTION.

18 (e) "RETAIL MARIJUANA" HAS THE SAME MEANING AS SET FORTH
19 IN SECTION 39-28.8-101 (7), C.R.S.; EXCEPT THAT THE TERM ALSO
20 INCLUDES "RETAIL MARIJUANA PRODUCTS", AS DEFINED IN SECTION
21 39-28.8-101 (9), C.R.S.

22 (2) THE LOCAL GOVERNMENT RETAIL MARIJUANA IMPACT GRANT
23 PROGRAM IS CREATED IN THE DIVISION. THROUGH THE PROGRAM, THE
24 DIVISION SHALL AWARD GRANTS TO ELIGIBLE LOCAL GOVERNMENTS FOR
25 DOCUMENTED MARIJUANA IMPACTS. IN AWARDING GRANTS, THE
26 DIVISION SHALL GIVE PRIORITY TO AN ELIGIBLE LOCAL GOVERNMENT THAT
27 INTENDS TO USE THE MONEY FOR ONE OR MORE OF THE FOLLOWING

1 PURPOSES:

2 (a) TO PAY FOR ADDITIONAL LAW ENFORCEMENT ACTIVITIES
3 RELATED TO RETAIL MARIJUANA, INCLUDING COSTS ASSOCIATED WITH
4 INCREASED ARRESTS, INCREASED TRAFFIC VIOLATIONS, AND PREVENTION
5 OF OUT-OF-STATE DIVERSIONS AND TRAFFICKING OF MARIJUANA;

6 (b) TO FUND YOUTH SERVICES, ESPECIALLY THOSE THAT PREVENT
7 THE USE OF MARIJUANA; AND

8 (c) TO MITIGATE OTHER IMPACTS THAT THE CULTIVATION,
9 TESTING, SALE, CONSUMPTION, OR REGULATION OF RETAIL MARIJUANA
10 HAS ON SERVICES PROVIDED BY AN ELIGIBLE LOCAL GOVERNMENT.

11 (3) THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE
12 MONEYS FROM THE MARIJUANA TAX CASH FUND CREATED IN SECTION
13 39-28.8-501, C.R.S., OR THE PROPOSITION AA REFUND ACCOUNT CREATED
14 IN SECTION 39-28.8-604 (1), C.R.S., TO THE DIVISION TO MAKE THE
15 GRANTS DESCRIBED IN SUBSECTION (2) OF THIS SECTION AND FOR THE
16 DIVISION'S REASONABLE ADMINISTRATIVE EXPENSES RELATED TO THE
17 GRANTS. ANY UNEXPENDED AND UNENCUMBERED MONEYS FROM AN
18 APPROPRIATION MADE PURSUANT TO THIS SUBSECTION (3) REMAIN
19 AVAILABLE FOR EXPENDITURE BY THE DIVISION IN THE NEXT FISCAL YEAR
20 WITHOUT FURTHER APPROPRIATION.

21 (4) THE DIVISION SHALL ADOPT POLICIES AND PROCEDURES
22 THAT ARE NECESSARY FOR THE ADMINISTRATION OF THE GRANT PROGRAM,
23 INCLUDING RULES RELATED TO THE APPLICATION PROCESS AND THE GRANT
24 AWARD CRITERIA.

25

26 (5) (a) ON OR BEFORE NOVEMBER 1, 2018, AND ON OR BEFORE
27 NOVEMBER 1 EACH YEAR THEREAFTER, THE DIVISION SHALL INCLUDE AN

1 UPDATE REGARDING THE EFFECTIVENESS OF THE GRANT PROGRAM IN ITS
2 REPORT TO THE MEMBERS OF THE APPLICABLE COMMITTEES OF REFERENCE
3 IN THE SENATE AND HOUSE OF REPRESENTATIVES REQUIRED BY THE
4 "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND
5 TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF
6 TITLE 2, C.R.S.

7 (b) THE REPORTING REQUIREMENT IN PARAGRAPH (a) OF THIS
8 SUBSECTION (5) IS NOT SUBJECT TO THE PROVISIONS OF SECTION 24-1-136
9 (11) (a) (I).

10 **SECTION 14.** In Colorado Revised Statutes, 25-32-105, **amend**
11 (1) (b) as follows:

12 **25-32-105. Department - poison control services - duties -**
13 **contract.** (1) The department has the following powers and duties with
14 respect to the provision of poison control services on a statewide basis
15 and for the dissemination of information as provided in this article:

16 (b) (I) To contract with private, nonprofit, or public entities for the
17 continuing provision of statewide poison control services and the
18 continuing dissemination of poison control information to the citizens of
19 the state by means of a toll-free telephone network, the provision of
20 which services initially commenced on July 1, 1995. The department shall
21 review the contract at least once each year and shall solicit and receive
22 bids on the provision of poison control services no less than once every
23 five years. This paragraph (b) shall apply to contract years commencing
24 July 1, 1995, and thereafter.

25 (II) ON OR AFTER JANUARY 1, 2016, TO CONTRACT WITH PRIVATE,
26 NONPROFIT, OR PUBLIC ENTITIES FOR THE CONTINUING PROVISION OF
27 STATEWIDE POISON CONTROL SERVICES AND THE CONTINUING

1 DISSEMINATION OF POISON CONTROL INFORMATION TO THE CITIZENS OF
2 THE STATE BY MEANS OTHER THAN A TOLL-FREE TELEPHONE NETWORK,
3 SUCH AS TEXT MESSAGING, INSTANT MESSAGING, AND EMAIL. THE ENTITY
4 OR ENTITIES SHALL COORDINATE THESE SERVICES WITH THE TOLL-FREE
5 TELEPHONE NETWORK DESCRIBED IN SUBPARAGRAPH (I) OF THIS
6 PARAGRAPH (b). THE GENERAL ASSEMBLY SHALL APPROPRIATE AT LEAST
7 ONE MILLION DOLLARS FOR THE FISCAL YEAR 2015-16 TO THE
8 DEPARTMENT FOR IT TO CONTRACT WITH AN ENTITY TO BUILD THE
9 INFRASTRUCTURE NECESSARY FOR THE SERVICES IDENTIFIED IN THIS
10 SUBPARAGRAPH (II), AND ANY UNEXPENDED AND UNENCUMBERED
11 MONEYS FROM THE APPROPRIATION REMAIN AVAILABLE FOR EXPENDITURE
12 BY THE DEPARTMENT IN THE NEXT FISCAL YEAR WITHOUT FURTHER
13 APPROPRIATION. IN ADDITION, THE GENERAL ASSEMBLY MAY ANNUALLY
14 APPROPRIATE MONEYS FROM THE MARIJUANA TAX CASH FUND CREATED IN
15 SECTION 39-28.8-501, C.R.S., OR THE PROPOSITION AA REFUND ACCOUNT
16 CREATED IN SECTION 39-28.8-604 (1), C.R.S., TO THE DEPARTMENT FOR
17 THE SERVICES IDENTIFIED IN THIS SUBPARAGRAPH (II).

18 **SECTION 15.** In Colorado Revised Statutes, 26-6.8-104, **amend**
19 (6) as follows:

20 **26-6.8-104. Colorado Youth Mentoring Services Act.**
21 (6) **Youth mentoring services cash fund.** There is hereby created in the
22 state treasury the youth mentoring services cash fund. The moneys in the
23 youth mentoring services cash fund are subject to annual appropriation by
24 the general assembly for the direct and indirect costs of implementing this
25 section. The executive director may accept on behalf of the state any
26 grants, gifts, or donations from any private or public source for the
27 purpose of this section. All private and public funds received through

1 grants, gifts, or donations shall be transmitted to the state treasurer, who
2 shall credit the same to the youth mentoring services cash fund. THE
3 GENERAL ASSEMBLY MAY APPROPRIATE MONEYS FROM THE MARIJUANA
4 TAX CASH FUND CREATED IN SECTION 39-28.8-501, C.R.S., OR THE
5 PROPOSITION AA REFUND ACCOUNT CREATED IN SECTION 39-28.8-604 (1),
6 C.R.S. All investment earnings derived from the deposit and investment
7 of moneys in the fund shall remain in the fund and shall not be transferred
8 or revert to the general fund of the state at the end of any fiscal year.

9

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10 **SECTION 16.** In Colorado Revised Statutes, 39-22-2002, **amend**
11 (3) as follows:

12 **39-22-2002. Fiscal years commencing on or after July 1, 1998**
13 **- state sales tax refund - authority of executive director - repeal.**

14 (3) As used in this section, unless the context otherwise requires, "excess
15 state revenues" means the total combined amount of:

16 (a) Excess revenues that voters statewide have not authorized the
17 state to retain and spend and that are required to be refunded pursuant to
18 section 20 (7) (d) of article X of the state constitution and that are not
19 refunded by another method established by law for said fiscal year ending
20 in that calendar year; ~~and~~

21 (b) Excess revenues that voters statewide did not authorize the
22 state to retain and spend and were required to be refunded pursuant to
23 section 20 (7) (d) of article X of the state constitution for any other fiscal
24 year and that were not refunded by another method established by law
25 prior to said fiscal year, but that were not refunded by the state as
26 required; AND

27 (c) (I) REVENUES SPECIFIED IN SECTION 39-28.8-605 (4).

1 (II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JULY 1, 2017.

2 **SECTION 17.** In Colorado Revised Statutes, add 25.5-5-208 as
3 follows:

4 **25.5-5-208. Additional services - training - grants - screening,**
5 **brief intervention, and referral.** ON OR BEFORE JUNE 30, 2016, THE
6 STATE DEPARTMENT SHALL GRANT, THROUGH A COMPETITIVE GRANT
7 PROGRAM, UP TO FIVE HUNDRED THOUSAND DOLLARS TO ONE OR MORE
8 ORGANIZATIONS TO PROVIDE EVIDENCE-BASED TRAINING AND OUTREACH
9 TO HEALTH PROFESSIONALS STATEWIDE RELATED TO SCREENING, BRIEF
10 INTERVENTION, AND REFERRAL TO TREATMENT FOR INDIVIDUALS AT RISK
11 OF SUBSTANCE ABUSE FOR WHOM COLORADO PROVIDES OPTIONAL
12 SERVICES IN ACCORDANCE WITH SECTION 25.5-5-202 (1) (u). FOR ANY
13 FISCAL YEAR BEGINNING ON OR AFTER JULY 1, 2016, THE STATE
14 DEPARTMENT SHALL AWARD ADDITIONAL GRANTS FOR THIS TRAINING AND
15 OUTREACH, SUBJECT TO AVAILABLE APPROPRIATIONS. ANY MONEYS
16 APPROPRIATED FOR GRANTS PURSUANT TO THIS SECTION ARE NOT SUBJECT
17 TO FEDERAL FINANCIAL PARTICIPATION.

18 **SECTION 18.** In Colorado Revised Statutes, add 29-2-114 as
19 follows:

20 **29-2-114. Retail marijuana excise tax - county - municipality**
21 **- election.** (1) (a) IN ADDITION TO ANY SALES TAX IMPOSED PURSUANT TO
22 SECTION 29-2-103 AND ARTICLES 26 AND 28.8 OF TITLE 39, C.R.S., AND IN
23 ADDITION TO THE EXCISE TAX IMPOSED PURSUANT TO ARTICLE 28.8 OF
24 TITLE 39, C.R.S., EACH COUNTY IN THE STATE IS AUTHORIZED TO LEVY,
25 COLLECT, AND ENFORCE A COUNTY EXCISE TAX ON THE FIRST SALE OR
26 TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA
27 CULTIVATION FACILITY AUTHORIZED BY THE COUNTY; EXCEPT THAT A

1 COUNTY IS NOT AUTHORIZED TO LEVY, COLLECT, AND ENFORCE A COUNTY
2 EXCISE TAX ON THE FIRST SALE OR TRANSFER OF UNPROCESSED RETAIL
3 MARIJUANA BY A RETAIL MARIJUANA CULTIVATION FACILITY PURSUANT
4 TO THIS SUBSECTION (1) WITHIN ANY MUNICIPALITY THAT LEVIES SUCH AN
5 EXCISE TAX PURSUANT TO SUBSECTION (2) OF THIS SECTION. THE TAX
6 SHALL BE IMPOSED AT THE TIME WHEN THE RETAIL MARIJUANA
7 CULTIVATION FACILITY FIRST SELLS OR TRANSFERS UNPROCESSED RETAIL
8 MARIJUANA FROM THE RETAIL MARIJUANA CULTIVATION FACILITY TO A
9 RETAIL MARIJUANA PRODUCT MANUFACTURING FACILITY, A RETAIL
10 MARIJUANA STORE, OR ANOTHER RETAIL MARIJUANA CULTIVATION
11 FACILITY. THE TAX RATE IMPOSED PURSUANT TO THIS PARAGRAPH (a)
12 SHALL NOT EXCEED FIVE PERCENT OF THE AVERAGE MARKET RATE, AS
13 DETERMINED BY THE DEPARTMENT OF REVENUE PURSUANT TO SECTION
14 39-28.8-101 (1), C.R.S., OF THE UNPROCESSED RETAIL MARIJUANA.

15 (b) No excise tax shall be levied pursuant to the
16 provisions of paragraph (a) of this subsection (1) until the
17 proposal has been referred to and approved by the eligible
18 electors of the county. The adoption procedures for a
19 countywide sales tax, use tax, or both, as specified in this
20 article, shall apply to the referral and approval of an excise
21 tax pursuant to this subsection (1). Any proposal for the levy of
22 an excise tax in accordance with paragraph (a) of this subsection
23 (1) may be submitted to the eligible electors of the county only
24 on the date of the state general election or on the first Tuesday
25 in November of an odd-numbered year, and any election on the
26 proposal must be conducted by the county clerk and recorder
27 in accordance with the "Uniform Election Code of 1992", articles

1 1 TO 13 OF TITLE 1, C.R.S.

2 (2) (a) IN ADDITION TO ANY SALES TAX IMPOSED PURSUANT TO
3 SECTION 29-2-102 AND ARTICLES 26 AND 28.8 OF TITLE 39, C.R.S., AND IN
4 ADDITION TO THE EXCISE TAX IMPOSED PURSUANT TO ARTICLE 28.8 OF
5 TITLE 39, C.R.S., EACH MUNICIPALITY IN THE STATE IS AUTHORIZED TO
6 LEVY, COLLECT, AND ENFORCE A MUNICIPAL EXCISE TAX ON THE FIRST
7 SALE OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL
8 MARIJUANA CULTIVATION FACILITY. THE TAX SHALL BE IMPOSED AT THE
9 TIME WHEN THE RETAIL MARIJUANA CULTIVATION FACILITY FIRST SELLS
10 OR TRANSFERS UNPROCESSED RETAIL MARIJUANA FROM THE RETAIL
11 MARIJUANA CULTIVATION FACILITY TO A RETAIL MARIJUANA PRODUCT
12 MANUFACTURING FACILITY, A RETAIL MARIJUANA STORE, OR ANOTHER
13 RETAIL MARIJUANA CULTIVATION FACILITY. THE TAX RATE IMPOSED BY
14 ANY STATUTORY MUNICIPALITY PURSUANT TO THIS PARAGRAPH (a) SHALL
15 NOT EXCEED FIVE PERCENT OF THE AVERAGE MARKET RATE, AS
16 DETERMINED BY THE DEPARTMENT OF REVENUE PURSUANT TO SECTION
17 39-28.8-101 (1), C.R.S., OF THE UNPROCESSED RETAIL MARIJUANA.

18 (b) NO EXCISE TAX SHALL BE LEVIED PURSUANT TO THE
19 PROVISIONS OF PARAGRAPH (a) OF THIS SUBSECTION (2) UNTIL THE
20 PROPOSAL HAS BEEN REFERRED TO AND APPROVED BY THE ELIGIBLE
21 ELECTORS OF THE MUNICIPALITY IN ACCORDANCE WITH THE PROVISIONS
22 OF ARTICLE 10 OF TITLE 31, C.R.S. ANY PROPOSAL FOR THE LEVY OF AN
23 EXCISE TAX IN ACCORDANCE WITH PARAGRAPH (a) OF THIS SUBSECTION (2)
24 MAY BE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE MUNICIPALITY ON
25 THE DATE OF THE STATE GENERAL ELECTION, ON THE FIRST TUESDAY IN
26 NOVEMBER OF AN ODD-NUMBERED YEAR, OR ON THE DATE OF A
27 MUNICIPAL BIENNIAL ELECTION. ANY ELECTION ON THE PROPOSAL SHALL

1 BE CONDUCTED BY THE CLERK OF THE MUNICIPALITY IN ACCORDANCE
2 WITH THE "COLORADO MUNICIPAL ELECTION CODE OF 1965", ARTICLE 10
3 OF TITLE 31, C.R.S.

4 (3) ANY EXCISE TAX IMPOSED BY A COUNTY OR MUNICIPALITY
5 PURSUANT TO THIS SECTION SHALL NOT BE COLLECTED, ADMINISTERED, OR
6 ENFORCED BY THE DEPARTMENT OF REVENUE, BUT SHALL INSTEAD BE
7 COLLECTED, ADMINISTERED, AND ENFORCED BY THE COUNTY OR
8 MUNICIPALITY IMPOSING THE TAX.

9 (4) A COUNTY OR MUNICIPALITY IN WHICH THE ELIGIBLE ELECTORS
10 HAVE APPROVED AN EXCISE TAX PURSUANT TO THIS SECTION MAY CREDIT
11 THE REVENUES COLLECTED FROM THE TAX TO THE GENERAL FUND OF THE
12 COUNTY OR MUNICIPALITY OR TO ANY SPECIAL FUND CREATED IN THE
13 COUNTY OR MUNICIPALITY'S TREASURY. THE GOVERNING BODY OF A
14 COUNTY OR MUNICIPALITY MAY USE THE REVENUES COLLECTED FROM THE
15 TAX IMPOSED PURSUANT TO THIS SECTION FOR ANY PURPOSE AS
16 DETERMINED BY THE GOVERNING BODY OR THE ELECTORS OF THE COUNTY
17 OR MUNICIPALITY, AS APPLICABLE.

18 (5) THE PROVISIONS OF THIS SECTION SHALL NOT BE CONSTRUED
19 TO INVALIDATE THE PRESUMED LEGALITY OF ANY COUNTY OR MUNICIPAL
20 EXCISE TAX IMPOSED ON THE FIRST SALE OR TRANSFER OF UNPROCESSED
21 RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION FACILITY THAT
22 IS CONSISTENT WITH THIS SECTION AND THAT IS IN ADDITION TO ANY
23 EXCISE TAX IMPOSED PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S., AND
24 THAT WAS APPROVED BY THE ELIGIBLE ELECTORS OF THE COUNTY OR
25 MUNICIPALITY PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION (5).

26 (6) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT
27 COUNTIES AND MUNICIPALITIES FROM COOPERATING TO CREATE A

1 COUNTYWIDE UNIFORM EXCISE TAX ON THE FIRST SALE OR TRANSFER OF
2 UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION
3 FACILITY WITH VOLUNTARY ABANDONMENT OF MUNICIPAL EXCISE TAX
4 ORDINANCES.

5 **SECTION 19.** In Colorado Revised Statutes, 32-1-1004, add (10)
6 as follows:

7 **32-1-1004. Metropolitan districts - additional powers and**
8 **duties.** (10) (a) IN ADDITION TO THE EXCISE TAX IMPOSED PURSUANT TO
9 ARTICLE 28.8 OF TITLE 39, C.R.S., A METROPOLITAN DISTRICT WITH
10 BOUNDARIES ENTIRELY WITHIN THE UNINCORPORATED AREA OF A COUNTY
11 IS AUTHORIZED TO LEVY, COLLECT, AND ENFORCE A METROPOLITAN
12 DISTRICT EXCISE TAX ON THE FIRST SALE OR TRANSFER OF UNPROCESSED
13 RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION FACILITY. THE
14 TAX SHALL BE IMPOSED AT THE TIME WHEN THE RETAIL MARIJUANA
15 CULTIVATION FACILITY FIRST SELLS OR TRANSFERS UNPROCESSED RETAIL
16 MARIJUANA FROM THE RETAIL MARIJUANA CULTIVATION FACILITY TO A
17 RETAIL MARIJUANA PRODUCT MANUFACTURING FACILITY, A RETAIL
18 MARIJUANA STORE, OR ANOTHER RETAIL MARIJUANA CULTIVATION
19 FACILITY.

20 (b) IF THE BOUNDARIES OF A METROPOLITAN DISTRICT ARE WITHIN
21 A COUNTY THAT IMPOSES AN ADDITIONAL EXCISE TAX ON THE FIRST SALE
22 OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL
23 MARIJUANA CULTIVATION FACILITY PURSUANT TO SECTION 29-2-114,
24 C.R.S., THE EXCISE TAX RATE IMPOSED BY THE METROPOLITAN DISTRICT
25 PURSUANT TO THIS SUBSECTION (10) SHALL NOT EXCEED SUCH TAX RATE
26 IMPOSED BY THE COUNTY. IN NO EVENT SHALL THE TAX RATE IMPOSED
27 PURSUANT TO THIS SUBSECTION (10) EXCEED FIVE PERCENT OF THE

1 AVERAGE MARKET RATE, AS DETERMINED BY THE DEPARTMENT OF
2 REVENUE PURSUANT TO SECTION 39-28.8-101 (1), C.R.S., OF THE
3 UNPROCESSED RETAIL MARIJUANA.

4 (c) NO EXCISE TAX SHALL BE LEVIED PURSUANT TO THE
5 PROVISIONS OF PARAGRAPH (a) OF THIS SUBSECTION (10) UNTIL THE
6 PROPOSAL HAS BEEN REFERRED TO AND APPROVED BY THE ELIGIBLE
7 ELECTORS OF THE METROPOLITAN DISTRICT. ANY PROPOSAL FOR THE LEVY
8 OF AN EXCISE TAX IN ACCORDANCE WITH PARAGRAPH (a) OF THIS
9 SUBSECTION (10) MAY BE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE
10 DISTRICT AT A REGULAR SPECIAL DISTRICT ELECTION, ON THE DATE OF THE
11 STATE GENERAL ELECTION, OR ON THE FIRST TUESDAY IN NOVEMBER OF
12 AN ODD-NUMBERED YEAR, AND ANY ELECTION ON THE PROPOSAL MUST BE
13 CONDUCTED IN ACCORDANCE WITH THE "UNIFORM ELECTION CODE OF
14 1992", ARTICLES 1 TO 13 OF TITLE 1, C.R.S.

15 (d) ANY RETAIL MARIJUANA EXCISE TAX IMPOSED BY A
16 METROPOLITAN DISTRICT PURSUANT TO THIS SUBSECTION (10) SHALL NOT
17 BE COLLECTED, ADMINISTERED, OR ENFORCED BY THE DEPARTMENT OF
18 REVENUE, BUT SHALL INSTEAD BE COLLECTED, ADMINISTERED, AND
19 ENFORCED BY THE METROPOLITAN DISTRICT IMPOSING THE TAX OR
20 THROUGH AN INTERGOVERNMENTAL AGREEMENT WITH THE COUNTY IN
21 WHICH THE METROPOLITAN DISTRICT IS LOCATED.

22 **SECTION 20.** In Colorado Revised Statutes, 35-10-112.5,
23 **amend** (1), (2) introductory portion, (2) (b), and (3) (b) as follows:

24 **35-10-112.5. Statewide uniformity of pesticide control and**
25 **regulation - exceptions.** (1) The general assembly hereby determines
26 that:

27 (a) The citizens of this state benefit from a system of safe,

1 effective, and scientifically sound pesticide regulation;

2 (b) The general assembly further finds that A system of pesticide
3 regulation that is consistent and coordinated, that creates statewide
4 uniform standards, and that conforms with both state and federal technical
5 standards and requirements is essential to the public health, safety, and
6 welfare, and finds that local regulation of pesticides that is inconsistent
7 with and adopts different standards from federal and state requirements
8 does not assist in achieving these benefits;

9 (c) The general assembly also finds and declares that, Through
10 statute and regulation, the state has created a system of pesticide
11 regulation based upon scientific standards that protects the citizens of this
12 state; The general assembly expressly finds and declares that

13 (d) ALTHOUGH THE CULTIVATION OF MARIJUANA IS ILLEGAL
14 UNDER FEDERAL LAW AND SO THE USE OF PESTICIDES IN CULTIVATING
15 MARIJUANA IS NOT SPECIFICALLY ALLOWED BY ANY PESTICIDE'S LABEL,
16 THE CULTIVATION OF MARIJUANA IS SPECIFICALLY ALLOWED AND
17 REGULATED BY COLORADO LAW, AND THE USE OF PESTICIDES SHOULD BE
18 REGULATED PURSUANT TO THIS ARTICLE AND RULES PROMULGATED
19 PURSUANT TO THIS ARTICLE RATHER THAN PURSUANT TO LOCAL LAWS;
20 AND

21 (e) Pesticide regulation is a matter of statewide concern.

22 (2) No A local government shall NOT adopt or continue in effect
23 any ordinance, rule, resolution, charter provision, or statute regarding the
24 use of any pesticide by persons regulated by this article or federal law and
25 pertaining to:

26 (b) (I) THE use and application of pesticides by persons regulated
27 by this article or federal law, including but not limited to, directions for

1 use, classification of pesticides as general or restricted use, mixing and
2 loading, site of application, target pest, dosage rate, method of
3 application, application equipment, frequency and timing of applications,
4 application rate, reentry intervals, worker specifications, container storage
5 and disposal, required intervals between application and harvest of food
6 or feed crops, rotational crop restrictions, and warnings against use on
7 certain crops, animals, or objects or against use in or adjacent to certain
8 areas.

9 (II) SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) APPLIES TO THE
10 USE AND APPLICATION OF PESTICIDES BY PERSONS REGULATED BY THIS
11 ARTICLE OR FEDERAL LAW IN CONNECTION WITH THE CULTIVATION OF
12 MARIJUANA.

13 (3) (b) This subsection (3) ~~may~~ DOES not be construed to authorize
14 a local government to utilize THE POLICE POWER OR the authority to zone,
15 to provide or designate disposal sites, to adopt and enforce building and
16 fire codes, or to regulate the transportation of pesticides as described in
17 paragraph (a) of this subsection (3) to directly or indirectly regulate or
18 prohibit the application of pesticides by persons regulated by this article
19 or by federal law, INCLUDING IN CONNECTION WITH THE CULTIVATION OF
20 MARIJUANA.

21 **SECTION 21. Appropriation.** (1) For the 2015-16 state fiscal
22 year, \$2,500,000 is appropriated to the department of public health and
23 environment for use by the prevention services division. This
24 appropriation is from the proposition AA refund account in the general
25 fund. The division may use this appropriation for the marijuana education
26 campaign as part of the chronic disease prevention programs.

27 (2) For the 2015-16 state fiscal year, \$1,000,000 is appropriated

1 to the department of public health and environment. This appropriation
2 is from the proposition AA refund account in the general fund. The
3 department may use this appropriation for poison control centers as
4 specified in section 25-32-102 (1) (b) (II), C.R.S.

5 (3) For the 2015-16 state fiscal year, \$2,000,000 is appropriated
6 to the school bullying prevention and education cash fund created in
7 section 22-93-105 (1), C.R.S. This appropriation is from the proposition
8 AA refund account in the general fund. The department of education is
9 responsible for the accounting related to this appropriation.

10 (4) (a) For the 2015-16 state fiscal year, \$2,000,000 is
11 appropriated to the student re-engagement grant program fund created in
12 section 22-14-109 (4) (a), C.R.S. This appropriation is from the
13 proposition AA refund account in the general fund. The department of
14 education is responsible for the accounting related to this appropriation.

15 (b) For the 2015-16 state fiscal year, \$2,000,000 is appropriated
16 to the department of education. This appropriation is from reappropriated
17 funds in the student re-engagement grant program fund under paragraph
18 (a) of this subsection (4). The department may use the appropriation for
19 the direct and indirect costs associated with the student re-engagement
20 grant program.

21 (5) (a) For the 2015-16 state fiscal year, \$1,000,000 is
22 appropriated to the youth mentoring services cash fund created in section
23 26-6.8-104 (6), C.R.S. This appropriation is from the proposition AA
24 refund account in the general fund. The department of human services is
25 responsible for the accounting related to this appropriation.

26 (b) For the 2015-16 state fiscal year, \$1,000,000 is appropriated
27 to the department of human services. This appropriation is from

1 reappropriated funds in the youth mentoring services cash fund under
2 paragraph (a) of this subsection (5). The department may use the
3 appropriation for the provision of youth mentoring services in accordance
4 with section 26-6.8-104, C.R.S.

5 (6) For the 2015-16 state fiscal year, \$1,000,000 is appropriated
6 to the department of human services. This appropriation is from the
7 proposition AA refund account in the general fund. The department may
8 use the appropriation for the purpose of providing grants through the
9 Tony Grampsas youth mentoring program to statewide membership
10 organizations.

11 (7) For the 2015-16 state fiscal year, \$500,000 is appropriated to
12 the department of health care policy and financing. This appropriation is
13 from the proposition AA refund account in the general fund. The
14 department may use this appropriation to make grants to organizations to
15 provide evidence-based training for health professionals statewide related
16 to screening, brief intervention, and referral to treatment for individuals
17 at risk of substance abuse.

18 (8) For the 2015-16 state fiscal year, \$300,000 is appropriated to
19 the department of agriculture for use by the Colorado state fair authority.
20 This appropriation is from the proposition AA refund account in the
21 general fund. The authority may use this appropriation for **FFA and 4H**
22 **funding.**

23 (9) For the 2015-16 state fiscal year, \$1,000,000 is appropriated
24 to the department of local affairs for use by the division of local
25 government. This appropriation is from the proposition AA refund
26 account in the general fund. The division may use this appropriation for
27 grants through the local government retail marijuana impact grant

1 program created in section 24-32-117 (2), C.R.S.

2 (10) For the 2015-16 state fiscal year, \$500,000 is appropriated to
3 the department of human services. This appropriation is from the
4 proposition AA refund account in the general fund. The department may
5 use this money for treatment and detoxification contracts.

6 (11) For the 2015-16 state fiscal year, \$200,000 is appropriated to
7 the department of law for use by the peace officers standards and training
8 board. This appropriation is from the proposition AA refund account in
9 the general fund. The board may use this appropriation for advanced
10 roadside impaired driving enforcement training for peace officers.

11 (12) For the 2015-16 state fiscal year, \$82,132 is appropriated to
12 the department of local affairs. This appropriation is from the marijuana
13 tax cash fund created in section 39-28.8-501 (1), C.R.S. To implement
14 this act, the department may use this appropriation as follows:

15 (a) \$57,494 for use by division of local government for the local
16 government retail marijuana impact grant program, which amount is
17 based on an assumption that the division will require an additional 1.0
18 FTE;

19 (b) \$21,803 for the purchase of information technology services;
20 and

21 (c) \$2,835 for the purchase of legal services.

22 (13) For the 2015-16 state fiscal year, \$21,803 is appropriated to
23 the office of the governor for use by the office of information technology.
24 This appropriation is from reappropriated funds received from the
25 department of local affairs under paragraph (b) of subsection (12) of this
26 section. To implement this act, the office may use this appropriation to
27 provide information technology services for the department of local

1 affairs.

2 (14) For the 2015-16 state fiscal year, \$2,835 is appropriated to
3 the department of law. This appropriation is from reappropriated funds
4 received from the department of local affairs under paragraph (c) of
5 subsection (12) of this section. To implement this act, the department may
6 use this appropriation to provide legal services for the department of local
7 affairs.

8 **SECTION 22. Appropriation - adjustments to 2015 long bill.**

9 (1) For the 2015-16 state fiscal year, \$71,342 is appropriated to the
10 department of local affairs. This appropriation is from the marijuana tax
11 cash fund created in section 39-28.8-501 (1), C.R.S. To implement this
12 act, the department may use this appropriation as follows:

13 (a) \$69,452 for use by division of local government for the local
14 government retail marijuana impact grant program, which amount is
15 based on an assumption that the division will require an additional 1.0
16 FTE;

17 (b) \$1,890 for the purchase of legal services.

18 (2) For the 2015-16 state fiscal year, \$1,890 is appropriated to the
19 department of law. This appropriation is from reappropriated funds
20 received from the department of local affairs under paragraph (b) of
21 subsection (1) of this section. To implement this act, the department may
22 use this appropriation to provide legal services for the department of local
23 affairs.

24 (3) For the 2015-16 state fiscal year, \$25,440 is appropriated to
25 the department of revenue. This appropriation is from the marijuana _____
26 tax cash fund created in section 39-28.8-501 (1), C.R.S. To implement
27 this act, the department may use this appropriation for CITA annual

1 maintenance and support.

2 (4) To implement this act, appropriations made in the annual
3 general appropriation act for the 2015-16 state fiscal year to the
4 department of human services are adjusted as follows:

5 (a) The cash funds appropriation from the marijuana tax cash fund
6 created in section 39-28.8-501 (1), C.R.S., for jail-based behavioral health
7 services is decreased by \$1,550,000; and

8 (b) The appropriation from reappropriated funds transferred from
9 the judicial department for jail-based behavioral health services is
10 increased by \$1,550,000.

11 (5) For the 2015-16 state fiscal year, \$1,550,000 is appropriated
12 to the correctional treatment cash fund created in section 18-19-103 (4)
13 (a), C.R.S. This appropriation is from the marijuana tax cash fund created
14 in section 39-28.8-501 (1), C.R.S. The judicial department is responsible
15 for the accounting related to this appropriation.

16 (6) For the 2015-16 state fiscal year, \$1,550,000 is appropriated
17 to the judicial department. This appropriation is from reappropriated
18 funds in the correctional treatment cash fund under subsection (5) of this
19 section. To implement this act, the department may use the appropriation
20 for offender treatment and services.

21 (7) For the 2015-16 state fiscal year, \$314,633 is appropriated to
22 the department of agriculture. This appropriation is from the marijuana
23 tax cash fund created in section 39-28.8-501 (1), C.R.S. To implement
24 this act, the department may use this appropriation as follows:

25 (a) \$289,930 for use by agriculture services division for plant
26 industry, which amount is based on an assumption that the division will
27 require an additional 4.3 FTE; and

1 (b) \$24,703 for the purchase of legal services.

2 (8) For the 2015-16 state fiscal year, \$24,703 is appropriated to
3 the department of law. This appropriation is from reappropriated funds
4 received from the department of agriculture under paragraph (b) of
5 subsection (7) of this section and is based on an assumption that the
6 department of law will require an additional 0.1 FTE. To implement this
7 act, the department of law may use this appropriation to provide legal
8 services for the department of agriculture.

9 **SECTION 23. Effective date - applicability.** (1) Except as
10 otherwise provided in subsection (2) of this section, this act takes effect
11 upon passage.

12 (2) (a) Sections 14, 17, and 21 of this act take effect only if, at the
13 November 2015 statewide election, a majority of voters approve the ballot
14 issue referred in accordance with section 39-28.8-603 (1), Colorado
15 Revised Statutes.

16 (b) If the voters at the November 2015 statewide election approve
17 a measure described in paragraph (a) of this subsection (2), then sections
18 14, 17, and 21 of this act take effect on the date of the official declaration
19 of the vote thereon by the governor, or January 1, 2016, whichever is
20 later.

21 == ==
22 (3) Sections 18 and 19 of this act applies to retail marijuana
23 excise taxes levied by a county, municipality, or metropolitan district on
24 or after January 1, 2014.

25 **SECTION 24. Safety clause.** The general assembly hereby finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, and safety.