



**State Expenditures**

**The bill will increase expenditures for the DOR by \$557,709 and 4.5 FTE from the Marijuana Cash Fund beginning in FY 2016-17.** This includes \$85,509 and 0.5 FTE for the Department of Law. These costs are shown in Table 1 and explained below.

<b>Table 1. Expenditures Under SB15-263</b>		
<b>Cost Components</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>
Personal Services		\$281,298
FTE		4.5 FTE
Operating Expenses and Capital Outlay Costs		22,612
Law Enforcement Expenses		11,554
Legal Services		85,509
Commissioner Expenses		50,000
Leased Space		50,400
Centrally Appropriated Costs*		56,336
<b>TOTAL</b>	<b>\$0</b>	<b>\$557,709</b>

\* Centrally appropriated costs are not included in the bill's appropriation.

**Marijuana Enforcement Division, Department of Revenue.** This bill creates a new decision-making body that will begin work July 1, 2016. The DOR requires legal and staff support to train and support the new commission members. Because the bill does not establish a management structure for the commission, the fiscal note assumes that the staff will be supervised by the Marijuana Enforcement Division Director and that the central functions of the DOR will be used to provide general administrative support. To address the unique requirements of the commission, the following staff are required:

- **Program Assistant** — The program assistant will be responsible for compiling and preparing materials for the commissioners on licensing and administrative actions. The program assistant will also track the status of license applications in order to meet constitutionally mandated deadlines.
- **General Professional** — The general professional will research, analyze, and develop reports to inform the commissioners about the effects of rule and policy changes. The general professional will coordinate stakeholder meetings and develop draft rules based on stakeholder input.
- **Criminal Investigators** — Two criminal investigators will conduct financial and corporate investigations related to the processing of new applications, changes of ownership, and renewal of business licenses on behalf of the commission. The investigators also require law enforcement supplies including guns, badges, and ammunition.

The commission is expected to require up to 900 hours of legal services per year. At a rate of \$95.01, \$85,509 and 0.5 FTE will be required for the Department of Law. Legal services will include training on the open meetings law, rulemaking, rule review, and general legal advice.

Assuming the commission meets at least twice per month, it will have compensation, travel and expense reimbursement costs of \$10,000 per member per year. Because there is not sufficient room within existing MED leased space to hold meetings and house additional staff, leased space costs of \$50,400 per year are included in the expenditures in the fiscal note.

**Other state agencies.** Because state agencies employ people with regulatory experience, it is possible that some commission members will be from state agencies. To the extent this occurs, those agencies will have additional workload to serve on the commission.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

<b>Cost Components</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)		\$32,264
Supplemental Employee Retirement Payments		24,072
<b>TOTAL</b>	<b>\$0</b>	<b>\$56,336</b>

\*More information is available at: <http://colorado.gov/fiscalnotes>

### **Local Government Impact**

If the Commission misses the ninety-day deadline in approving a license, the applicable local licensing authority will automatically receive jurisdiction over the license thus increasing the workload for the local licensing authority.

Because the bill requires that one commission member be a certified peace officer, that member may be an employee of local government which will increase the workload for the local government.

### **Effective Date**

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

### **State and Local Government Contacts**

Revenue  
Counties  
Law  
Sheriffs

Public Safety  
Municipalities  
Corrections  
Personnel and Administration

Judicial Department  
Governor's Marijuana Office  
Public Health and Environment