

Proposition BB Retain Revenue in Excess of Blue Book Estimate

1 **Proposition BB, if approved, would:**

- 2 ◆ allow the state to spend \$66.0 million* rather than refund it to taxpayers.

3 **Summary and Analysis**

4 This summary and analysis includes the following:

- 5 ◆ the constitutional requirements under which this ballot measure applies;
6 ◆ the specific events that led up to this measure; and
7 ◆ the outcomes of passage or failure of this measure.

8 ***Constitutional requirements for new taxes.*** The Colorado Constitution requires
9 voters to approve new taxes and to receive the following two estimates in the ballot
10 information booklet (Blue Book) prior to voting:

- 11 ◆ state revenue subject to the state's constitutional spending limit;¹ and
12 ◆ revenue from the new taxes.

13 If voters approve a new tax and either estimate is exceeded, the state must refund
14 the excess up to the amount of revenue collected from the new tax. The state
15 legislature can ask voters for permission to keep and spend the refund amount. The
16 refund requirement applies only in the first state budget year for which taxes are
17 collected.

18 ***Specific events that led to Proposition BB being on the ballot.*** In 2012, voters
19 approved Amendment 64, which legalized the sale and use of retail (non-medical)
20 marijuana sold to adults 21 years of age and older. In 2013, voters approved
21 Proposition AA, which authorized excise and sales taxes on retail marijuana. Voters
22 received estimates of state revenue subject to the state's constitutional spending limit
23 and revenue from the new taxes for budget year 2014-15, the first full year in which
24 the new taxes were to apply. State revenue for budget year 2014-15 was higher than
25 estimated in the Proposition AA Blue Book, while retail marijuana tax revenue was
26 slightly lower than the estimate, as shown in Figure 1.

¹For more information on the state's constitutional spending limit, please refer to Legislative Council Staff Issue Brief 14-03A at <http://tinyurl.com/SpendingLimitIssueBrief>.

*Numbers referenced with an asterisk throughout the document are preliminary for FY 2014-15. These numbers will be updated in the Blue Book when final FY 2014-15 data are available. This footnote will not be in the final document.

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**Figure 1.
Proposition AA Blue Book Estimates Compared to Actual Figures**

| | 2013 Blue Book Estimates | FY 2014-15 Actual Figures | Difference from Estimate |
|---|---------------------------------|----------------------------------|---------------------------------|
| Total Revenue Subject to Spending Limit | \$12.08 billion | \$12.35 billion* | \$270.0 million* above estimate |
| Revenue from Marijuana Taxes | \$67.0 million | \$66.0 million* | \$1.0 million* below estimate |

9 Because actual revenue exceeded one of the estimates in Figure 1, the state owes
10 taxpayers a refund, unless voters allow the state to spend the refund amount. The
11 refund is equal to the amount of revenue collected from the voter-approved taxes on
12 retail marijuana in budget year 2014-15, or \$66.0 million.*

13 **Outcomes of passage or failure of Proposition BB.** In 2015, the state
14 legislature passed House Bill 15-1367 referring this measure, Proposition BB, to
15 voters. Proposition BB asks voters whether the state may retain and spend revenue
16 collected in excess of an estimate provided for Proposition AA. Depending on the
17 outcome of the vote on Proposition BB, the bill specifies that this money either be
18 used by the state or refunded to taxpayers, as shown in Figure 2.

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**Figure 2.
Outcomes under Proposition BB**

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| If Proposition BB Passes ("Yes" Vote) | If Proposition BB Fails ("No" Vote) |
|--|---|
| <ul style="list-style-type: none"> \$40.0 million will be spent on school construction; \$12.0 million will be spent to fund the state programs listed below; and the remainder has not yet been allocated because the actual amount of revenue was unknown when House Bill 15-1367 passed. | <ul style="list-style-type: none"> \$25.0 million will be refunded to Colorado residents who file a 2015 state income tax return; \$24.0 million* will be refunded directly to retail marijuana cultivators; and \$17.0 million* will be refunded to retail marijuana purchasers through a temporary reduction in the retail marijuana sales tax rate. |

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For information on those issue committees that support or oppose the measures on the ballot at the **November 3, 2015**, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

<http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

1 **Argument For**

2 1) Coloradans voted to legalize and tax marijuana with the expectation that doing
3 so would harness revenue from a hidden economy for the greater good of the state.
4 While an average refund of \$8 per person is a relatively small amount, \$66.0 million*
5 will boost school construction and address the effect of marijuana legalization on
6 communities and children. These are valuable programs that voters intended to use
7 marijuana taxes to support. If this money is refunded, a year of marijuana taxation is
8 undone.

9 **Argument Against**

10 1) Proposition BB is effectively a temporary tax increase. The measure eliminates
11 a tax refund required by the Colorado Constitution. The state economy generated
12 more revenue than forecast when Proposition AA passed, which could have been
13 used to fund the programs identified in the measure. Taxpayers are being asked to
14 give up this refund to pay for program expenditures that were not prioritized in the
15 state budget.

16 **Estimate of Fiscal Impact**

17 House Bill 15-1367 specifies changes to state law that take effect upon the
18 passage or failure of Proposition BB. The paragraphs below describe the state fiscal
19 impacts under either outcome.

20 ***Fiscal impact if Proposition BB passes.*** If Proposition BB passes, the state will
21 not be required to refund \$66.0 million* to taxpayers. Spending on state and local
22 programs in state budget year 2015-16 will increase by \$52.0 million, including
23 \$40.0 million for public school capital construction projects and \$12.0 million for the
24 education, health care, and public safety programs listed previously. The remaining
25 \$14.0 million* is not yet allocated within the state budget.

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Final Draft

1 ***Fiscal impact if Proposition BB fails.*** If Proposition BB fails, the state will be
2 required to refund \$66.0 million* in state budget year 2015-16. The refund will occur
3 as follows:

- 4 ◆ \$25.0 million, averaging \$8 per taxpayer, will be refunded to all year-round
5 resident taxpayers on 2015 state income tax forms;
- 6 ◆ \$24.0 million* will be refunded to retail marijuana cultivators; and
- 7 ◆ \$17.0 million* will be refunded via a temporary reduction in the retail marijuana
8 sales tax rate from 10.0 percent to 0.1 percent effective January 1, 2016. The
9 rate reduction will continue until taxes are reduced by \$17.0 million.*

10 Additionally, the local government share of retail marijuana sales tax revenue will
11 be cut from 15.0 percent to 7.5 percent until the local government share is reduced by
12 \$6.3 million,* the amount that local governments received in state budget
13 year 2014-15.

14 *(Please Note: An official fiscal note will be prepared and placed on the web when the*
15 *final blue book is sent to voters.)*

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Last Draft as Mailed to Interested Parties

Proposition BB Refund for Exceeding Blue Book Estimate

1 **Proposition BB, if approved, would:**

- 2 ◆ allow the state to spend \$63.5 million* rather than refund it to taxpayers.

3 **Summary and Analysis**

4 This summary and analysis includes the following:

- 5 ◆ the constitutional requirements under which this measure applies;
6 ◆ the specific events that led up to this ballot measure; and
7 ◆ the outcomes of passage or failure of this measure.

8 ***Constitutional requirements for tax elections.*** The Colorado Constitution
9 requires voters to approve new taxes and to receive the following two estimates in the
10 ballot information booklet (Blue Book) prior to voting:

- 11 ◆ overall state revenue subject to the state's constitutional spending limit;¹ and
12 ◆ revenue from the new taxes.

13 If voters approve the tax and either estimate is exceeded, the state must refund
14 the excess up to the amount of revenue collected from the new taxes. The state can
15 ask voters for permission to keep and spend the refund amount. The refund
16 requirement applies only in the first state budget year for which taxes are collected.

17 ***Specific events that led to Proposition BB being on the ballot.*** In 2012, voters
18 approved Amendment 64, which legalized the sale and use of retail (non-medical)
19 marijuana sold to adults 21 years of age and older. In 2013, voters approved
20 Proposition AA, which authorized excise and sales taxes on retail marijuana. As
21 required by the constitution, voters received estimates of overall state revenue subject
22 to the state's constitutional spending limit and revenue from the new taxes for budget
23 year 2014-15, the first full year in which the new taxes were to apply. Overall state
24 revenue for budget year 2014-15 was higher than estimated in the Proposition AA
25 Blue Book, while retail marijuana tax revenue was slightly lower than the estimate, as
26 shown in Figure 1.

¹For more information on the state's constitutional spending limit, please refer to Legislative Council Staff Issue Brief 4-03A at <http://tinyurl.com/SpendingLimitIssueBrief>.

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| | 2013 Blue Book Estimates | FY 2014-15 Actual Figures | Difference from Estimate |
|---|--------------------------|---------------------------|---------------------------------|
| Total Revenue Subject to Spending Limit | \$12.08 billion | \$12.35 billion* | \$270.0 million* above estimate |
| Revenue from Marijuana Taxes | \$67.0 million | \$63.5 million* | \$3.5 million* below estimate |

9 Because revenue exceeded one of the estimates, the state owes taxpayers a
10 refund, unless voters allow the state to spend the refund amount. The refund is equal
11 to the amount of revenue collected from the voter-approved taxes on retail marijuana
12 in budget year 2014-15, or \$63.5 million.*

13 **Outcomes of passage or failure of Proposition BB.** In 2015, the state
14 legislature passed House Bill 15-1367 referring this measure, Proposition BB, to
15 voters. Proposition BB asks voters whether the state may retain and spend the
16 revenue collected in excess of the estimate provided for Proposition AA. Depending
17 on the outcome of the vote on Proposition BB, the bill specifies that this money either
18 be used by the state or refunded to taxpayers, as shown in Figure 2.

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Figure 2.
Outcomes Under Proposition BB

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|--|---|
| <ul style="list-style-type: none"> \$40.0 million will be spent on school construction; \$12.0 million will be spent to fund the state programs listed below; and the remainder has not yet been allocated because the actual amount of revenue was unknown when House Bill 15-1367 passed. | <ul style="list-style-type: none"> \$25.0 million will be refunded to Colorado residents who file a 2015 state income tax return; \$22.4 million* will be refunded directly to retail marijuana cultivators; and \$16.1 million* will be refunded to retail marijuana purchasers through a temporary reduction in the retail marijuana sales tax rate. |

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1 **Argument For**

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3 so would harness a hidden economy for the greater good of the state. While a refund
4 of \$8 per person is a relatively small amount, \$63.5 million* will boost school
5 construction and address the effect of marijuana legalization on communities and
6 children. These are valuable programs that voters intended to use marijuana taxes to
7 support. If this money is refunded, a year of marijuana taxation is effectively undone.

8 **Argument Against**

9 1) Proposition BB is effectively a temporary tax increase. The measure eliminates
10 a tax refund that would otherwise be required by the Colorado Constitution. The state
11 economy generated more revenue than forecast when Proposition AA passed, which
12 could have been used to fund the programs identified in the measure. Taxpayers are
13 being asked to give up this refund to pay for program expenditures that were not
14 prioritized in the state budget.

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17 House Bill 15-1367 specifies changes to state law that take effect upon the
18 passage or failure of Proposition BB. The paragraphs below describe the state fiscal
19 impacts under either outcome.

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21 not be required to refund \$63.5 million* to taxpayers. Spending on state programs in
22 state budget year 2015-16 will increase by \$52.0 million, including \$40.0 million for
23 public school capital construction projects and \$12.0 million for the education, health
24 care, and public safety programs listed previously. The remaining \$11.5 million* is not
25 yet allocated within the state budget.

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Last Draft as Mailed to Interested Parties

16 ***Fiscal impact if Proposition BB fails.*** If Proposition BB fails, the state will be
17 required to refund \$63.5 million* in state budget year 2015-16. The refund will occur
18 as follows:

- 19 ♦ \$25.0 million, averaging \$8 per taxpayer, will be available as a rebate to all
20 year-round resident taxpayers on 2015 state income tax forms;
- 1 ♦ \$22.4 million* will be refunded to retail marijuana cultivators; and
- 2 ♦ \$16.1 million* will be refunded via a reduction in the retail marijuana sales tax
3 rate from 10.0 percent to 0.1 percent effective January 1, 2016. The rate
4 reduction will continue until taxes are reduced by \$16.1 million.*

5 Additionally, the local government share of retail marijuana sales tax revenue will
6 be cut from 15.0 percent to 7.5 percent until the local government share is reduced by
7 \$6.2 million,* the amount that local governments received in state budget
8 year 2014-15.

9 *(Please Note: An official fiscal note will be prepared and placed on the web when the*
10 *final blue book is sent to voters.)*

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Last Draft Comments from Interested Parties

Proposition BB Retain Revenue in Excess of Blue Book Estimate

Jennifer Anderson, representing Office of Attorney General:

Good Morning,

Attached are the Office of Attorney General's Comments on the 3rd draft of Proposition BB.

Sincerely,
Jennifer M. Anderson

Ms. Anderson submitted a letter which is attached. (Attachment A).

Douglas Bruce, representing himself as an opponent:

Sign me up for testimony on September 2. What time is the hearing? What room?
Shouldn't you give participants more notice than just the date?

Comments on third draft

I incorporate my prior statements that were not adopted by the staff.

Page 1

Line 9--replace "requires voters to approve" to "allow voters to vote on" since TABOR does not REQUIRE voters to vote "YES" (we can vote "NO")

Line 11--delete "overall" since only a majority of total state revenue is subject to the limit (delete footnote as too technical)

Line 14--after "taxes," add "and 'the tax increase is thereafter reduced up to 100%'." to match the text of TABOR (3)(c). TELL THE TRUTH.

Line 21--delete "overall" as explained on line 11.

Line 23--delete "Overall" as explained on line 11.

Page 2

Line 7--change to "\$67 million" to delete the ".0" since the decimal point might be overlooked

Line 10--Insert a new sentence after "amount." "The tax is also ended as of July 1, 2015."

Last Draft Comments from Interested Parties

Douglas Bruce, representing himself as an opponent: (Cont.)

Lines 22 (twice) and 25--delete the ".0" digit as in line 7

Page 3

Lines 2 and 3 and 16--delete ".0" as in line 7 on page 2

Line 18--"resident" is incorrect. There are over five million men, women, and children residing in

Colorado. Try "income tax return filer" if that is your intent. Are there really over three million of those? Adjust "\$8" on line 17 to fit. (If there are 2.5 million, the average is \$10.) The class of general refund recipients is not residents, but state income tax return filers.

Page 4

top unnumbered line--delete "issue committees" so opponents may communicate with voters without having to file as a committee, open a bank account, identify proponents, file reports, etc.

Line 4--replace "person" with "state income tax return filer" to be accurate; check \$8 figure.

Line 10--delete "that would otherwise be"

Line 12--replace "could have been" with "can be"

Line 13--replace "that were not prioritized" by "not listed"

Add sentences or second numbered argument: "A "no" vote protects voters and upholds the rule of law by enforcing the constitution's explicit requirement of honest information to taxpayers. The state should not give voters a wildly false number (off by \$270 million) as its revenue. It concealed the amount of money available for programs listed in the ballot issue. The tax was not needed for those programs because the state understated available revenue by over four times that amount."

Page 5

Starts with line 16 (?) and line numbers not sequential (?)

Line 19--delete ".0"

Line 2-- insert "temporary" before "reduction"

Line "3" and "4"--delete all after "rate" as a technical mechanism not of general interest.

LINES 2-4 ARE MISLEADING IN THAT THEY STATE THE TAX RATE REDUCTION IS TEMPORARY.

Last Draft Comments from Interested Parties

Douglas Bruce, representing himself as an opponent: (Cont.)

TABOR (3)(C) SAYS THE RATE IS "THEREAFTER REDUCED" (MEANING FROM JULY 1, 2015 ON, PERMANENTLY) "UP TO 100%." A TAX RATE INCREASE, WHETHER FROM 0% OR FROM 0.1%) REQUIRES A BALLOT ISSUE WITH THE MANDATORY OPENING LANGUAGE LISTED IN QUOTATION MARKS IN TABOR (WHICH YOU ARE NOT PRESENTING TO VOTERS). A \$270 MILLION EXCESS IS CERTAINLY MORE THAN 100% OF \$67 MILLION.

YOU ARE INVITING VOTERS TO AMEND THE CONSTITUTION BY IMPLICATION, WITHOUT OFFERING A CONSTITUTIONAL AMENDMENT. THAT IS ILLEGAL.

TELL THE TRUTH!

Lines 5-8--delete as an item not of interest to general voters and not related to the refund question.

Christine McGroarty, representing Colorado Department of Public Health and Environment:

Good morning,

CDPHE does not have any comments on the blue book language. However, we do have one thought for the fiscal note. The analysis lists how the funding will be spent. Some of the items seem to be one-time and others seem to be on-going. The poison center funding, for example, is one-time, while we believe it was the intention of the sponsors of HB 15-1367 that the \$2.5 million for the marijuana education campaign be on-going. Would it be possible to clarify that in the fiscal note? We had a little hiccup recently with some misunderstanding about whether funding authorized in a fiscal note was one-time or on-going, so we just want to be sure it is clear.

Thanks much and please contact me if you have any questions.

CYNTHIA H. COFFMAN
Attorney General
DAVID C. BLAKE
Chief Deputy Attorney General
MELANIE J. SNYDER
Chief of Staff
FREDRICK YARGER
Solicitor General



STATE OF COLORADO
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Office of the Attorney General

July 31, 2015

Colorado Legislative Council
State Capitol Building
200 E. Colfax Avenue
Denver, CO 80203

Re: Comments on Proposition BB

Dear Legislative Council Members:

In order to be consistent with the language of TABOR, the Colorado Attorney General's Office recommends the following edits to the third draft of the Blue Book Ballot Analysis for Proposition BB:

- Replace the language on Page 1, Lines 8-10 with the following:

The Colorado Constitution requires voters to approve new taxes. For proposed tax increases, the Colorado Constitution requires voters to receive the following two estimates in the ballot information booklet (Blue Book) prior to voting:

- Replace the language on Page 1, Lines 13-15 with the following:

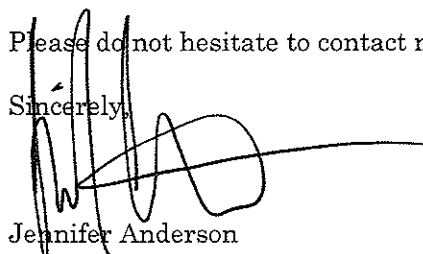
If voters approve a tax increase and either estimate is exceeded, the state must refund excess revenue. The state can ask voters for permission to keep and spend the refund amount. The refund requirement applies only in the first state budget year for which taxes are collected.

- Delete "As required by the constitution," on Page 1, Lines 20-21.
- Delete Page 2, Lines 9-12 in its entirety.
- Replace the sentence beginning on Page 2, Line 15 and ending on Page 2, Line 16 with the following:

Proposition BB asks voters whether the state may retain and spend the revenue collected under Proposition AA.

Please do not hesitate to contact me for clarification on any of the above recommendations.

Sincerely,


Jennifer Anderson
Director of Legislative Affairs
Office of the Attorney General

PROPOSITION BB
RETAIN REVENUE IN EXCESS OF BLUE BOOK ESTIMATE
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PROPOSITION BB
RETAIN REVENUE IN EXCESS OF BLUE BOOK ESTIMATE
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Proposition BB
Retain Revenue in Excess of Blue Book Estimate

1 **Ballot Issue:** MAY THE STATE RETAIN AND SPEND STATE REVENUES THAT OTHERWISE
2 WOULD BE REFUNDED FOR EXCEEDING AN ESTIMATE INCLUDED IN THE BALLOT
3 INFORMATION BOOKLET FOR PROPOSITION AA AND USE THESE REVENUES TO PROVIDE
4 FORTY MILLION DOLLARS FOR PUBLIC SCHOOL BUILDING CONSTRUCTION AND FOR OTHER
5 NEEDS, SUCH AS LAW ENFORCEMENT, YOUTH PROGRAMS, AND MARIJUANA EDUCATION AND
6 PREVENTION PROGRAMS, INSTEAD OF REFUNDING THESE REVENUES TO RETAIL MARIJUANA
7 CULTIVATION FACILITIES, RETAIL MARIJUANA PURCHASERS, AND OTHER TAXPAYERS?

8 **Text of House Bill 15-1367:**

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

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

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

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

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

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

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

24 (f) As a tax increase, proposition AA was subject to the election provision
25 requirements in TABOR;

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

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

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

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

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

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

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

14 (l) Based on a reasonable interpretation of the fiscal year spending limitation and
15 the election notice provisions of TABOR, the maximum amount the state may be required
16 to refund for exceeding the blue book estimates is the total amount of the retail marijuana
17 tax collections during the fiscal year 2014-15, which is currently estimated to be \$58
18 million;

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

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

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

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

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

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

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

3 (2) Now, therefore, it is the primary intent of this act to refer a ballot issue to seek
4 the later voter approval permitted by TABOR to avoid a refund requirement; to establish
5 conditional refund mechanisms or other uses, depending on whether the ballot issue passes;
6 and to reduce tax rates as required by the state constitution.

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

8 **39-28.8-101. Definitions.** Unless the context otherwise requires, any terms not
9 defined in this article shall have the meanings set forth in article 26 of this title. As used in
10 this article, unless the context otherwise requires:

11 (12.5) "RETAIL MARIJUANA TAXES" MEANS THE RETAIL MARIJUANA EXCISE TAX
12 IMPOSED UNDER SECTION 39-28.8-302 AND THE RETAIL MARIJUANA SALES TAX IMPOSED
13 UNDER SECTION 39-28.8-202.

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

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

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

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

7 (B) IF THE RETAIL MARIJUANA SALES TAX RATE IS REDUCED IN ACCORDANCE WITH
8 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (III), THEN ON MARCH 3, 2016, AND ON
9 THE THIRD BUSINESS DAY OF THE NEXT THREE MONTHS THEREAFTER, IF NECESSARY, THE
10 EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL DETERMINE WHETHER THE AMOUNT
11 REFUNDED TO THAT DATE THROUGH THE RATE REDUCTION IS GREATER THAN OR EQUAL TO
12 THE REQUIRED RETAIL MARIJUANA SALES TAX REFUND. IF SO, THEN THE RATE REDUCTION
13 EXPIRES ON THE FIFTH DAY AFTER THE DETERMINATION. IF, AS OF JUNE 3, 2016, THE
14 AMOUNT REFUNDED THROUGH THE RATE REDUCTION IS STILL LESS THAN THE REQUIRED
15 RETAIL MARIJUANA SALES TAX REFUND, THEN THE RATE REDUCTION EXPIRES ON JUNE 30,
16 2016. THE EXECUTIVE DIRECTOR SHALL ESTIMATE THE AMOUNT OF THE REFUND FOR THE
17 TIME INCLUDED IN A DETERMINATION FOR WHICH THE ACTUAL REVENUE IS UNKNOWN.

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

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

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

27 **39-28.8-203. Disposition of collections - definitions.** (1) The proceeds of all
28 moneys collected from the retail marijuana sales tax ~~shall be~~ ARE credited to the old age
29 pension fund created in section 1 of article XXIV of the state constitution in accordance
30 with paragraphs (a) and (f) of section 2 of article XXIV of the state constitution. For each
31 fiscal year in which a tax is collected pursuant to this part 2, an amount shall be
32 APPROPRIATED OR distributed from the general fund as follows:

33 (a) (I) EXCEPT AS OTHERWISE SET FORTH IN SUBPARAGRAPH (I.5) OF THIS
34 PARAGRAPH (a), an amount equal to fifteen percent of the gross retail marijuana sales tax
35 revenues collected by the department ~~shall be~~ IS apportioned to local governments. The city
36 or town share ~~shall be~~ IS apportioned according to the percentage that retail marijuana sales
37 tax revenues collected by the department within the boundaries of the city or town ~~bears~~
38 BEAR to the total retail marijuana sales tax revenues collected by the department. The
39 county share ~~shall be~~ IS apportioned according to the percentage that retail marijuana sales
40 tax revenues collected by the department in the unincorporated area of the county ~~bears~~
41 BEAR to total retail marijuana sales tax revenues collected by the department.

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

11 (b) (I) ~~Following apportionment of local government shares pursuant to paragraph~~
12 ~~(a) of this subsection (1), an amount equal to all remaining revenues collected shall be~~
13 ~~transferred from the general fund to the marijuana tax cash fund created in part 5 of this~~
14 ~~article to be used for the enforcement of regulations on the retail marijuana industry and for~~
15 ~~the other purposes of the fund as determined by the general assembly.~~ EXCEPT AS
16 OTHERWISE PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (b), THE STATE
17 TREASURER SHALL TRANSFER FROM THE GENERAL FUND TO THE MARIJUANA TAX CASH
18 FUND AN AMOUNT EQUAL TO EIGHTY-FIVE PERCENT OF THE GROSS RETAIL MARIJUANA
19 SALES TAX REVENUES COLLECTED BY THE DEPARTMENT.

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

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

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

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

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

8 (3) AS USED IN THIS SECTION:

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

11 (b) "MARIJUANA TAX CASH FUND" IS THE CASH FUND CREATED IN SECTION
12 39-28.8-501 (1).

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

15 **39-28.8-302. Retail marijuana - excise tax levied at first transfer from retail**
16 **marijuana cultivation facility - tax rate.** (1) (a) (I) Beginning January 1, 2014, except
17 as otherwise provided in SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) AND paragraph (b) of
18 this subsection (1), there is levied and shall be collected, in addition to the sales tax
19 imposed pursuant to part 1 of article 26 of this title and part 2 of this article, a tax on the
20 first sale or transfer of unprocessed retail marijuana by a retail marijuana cultivation
21 facility, at a rate of fifteen percent of the average market rate of the unprocessed retail
22 marijuana. The tax shall be imposed at the time when the retail marijuana cultivation
23 facility first sells or transfers unprocessed retail marijuana from the retail marijuana
24 cultivation facility to a retail marijuana product manufacturing facility, a retail marijuana
25 store, or another retail marijuana cultivation facility.

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

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

37 **39-28.8-305. Distribution of tax collected.** (1) All moneys received and collected
38 in payment of the tax imposed by the provisions of this part 3 shall be transmitted to the
39 state treasurer, who shall distribute the money as follows:

1 (b) Any amount remaining after the transfer pursuant to paragraph (a) of this
2 subsection (1) shall be transferred to the ~~marijuana tax cash fund created in part 5 of this~~
3 ~~article~~ PUBLIC SCHOOL FUND CREATED IN SECTION 3 OF ARTICLE IX OF THE STATE
4 CONSTITUTION, WHICH IS THE SAME AS THE PUBLIC SCHOOL FUND DESCRIBED IN SECTION
5 22-41-102, C.R.S.

6 **SECTION 7.** In Colorado Revised Statutes, 39-28.8-501, **amend** (1); **add** (6); and
7 **repeal and reenact, with amendments,** (2) (b) as follows:

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

11 ~~(a) Any applicable retail marijuana excise tax transferred pursuant to section~~
12 ~~39-28.8-305 (1) (b) on or after July 1, 2014~~

13 ~~(b) any applicable retail marijuana sales tax transferred pursuant to section~~
14 ~~39-28.8-203 (1) (b) on or after July 1, 2014, AND~~

15 ~~(c) Beginning July 1, 2014, ANY revenues transferred to the fund from any sales tax~~
16 ~~imposed pursuant to section 39-26-106 on the retail sale of products under articles 43.3 and~~
17 ~~43.4 of title 12, C.R.S. and~~

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

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

27 (II) THE GENERAL ASSEMBLY FURTHER DECLARES THAT THE NEW RETAIL
28 MARIJUANA TAX REVENUE PRESENTS AN OPPORTUNITY TO INVEST IN SERVICES, SUPPORT,
29 INTERVENTION, AND TREATMENT RELATED TO MARIJUANA AND OTHER DRUGS.

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

34 (IV) SUBJECT TO THE LIMITATION IN SUBSECTION (5) OF THIS SECTION, THE
35 GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE ANY MONEYS IN THE FUND FOR ANY
36 FISCAL YEAR FOLLOWING THE FISCAL YEAR IN WHICH THEY WERE RECEIVED BY THE STATE
37 FOR THE FOLLOWING PURPOSES:

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

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

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

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

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

12 (F) FOR LAW ENFORCEMENT AND LAW ENFORCEMENT TRAINING, INCLUDING ANY
13 EXPENSES FOR THE POLICE OFFICERS STANDARDS AND TRAINING BOARD TRAINING OR
14 CERTIFICATION;

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

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

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

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

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

29 (6) TO INCREASE TRANSPARENCY, THE MARIJUANA ENFORCEMENT DIVISION IN THE
30 DEPARTMENT SHALL INCLUDE A LINK ON ITS WEB SITE THAT DESCRIBES THE DISPOSITION OF
31 THE RETAIL MARIJUANA EXCISE TAX REVENUE AND HOW THE REVENUE FROM THE FUND WAS
32 APPROPRIATED FOR THE FISCAL YEAR 2015-16 AND EACH FISCAL YEAR THEREAFTER.

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

1 PART 6
2 BALLOT ISSUE RELATED TO PROPOSITION AA
3 REFUNDS - PERMITTED USES

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

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

8 (2) "MARIJUANA TAX CASH FUND" MEANS THE CASH FUND CREATED IN SECTION
9 39-28.8-501 (1).

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

12 **39-28.8-602. Proposition AA blue book - potential refund.** (1) (a) A REFUND OF
13 STATE REVENUES MAY BE REQUIRED IF, FOR THE FISCAL YEAR 2014-15, FISCAL YEAR
14 SPENDING IS GREATER THAN TWELVE BILLION EIGHTY MILLION DOLLARS OR IF THE REVENUE
15 FROM RETAIL MARIJUANA TAXES IS GREATER THAN SIXTY-SEVEN MILLION DOLLARS. THE
16 AMOUNT OF THE POTENTIAL REFUND IS EQUAL TO THE COMBINED AMOUNT BY WHICH FISCAL
17 YEAR SPENDING AND RETAIL MARIJUANA TAXES EXCEED THESE AMOUNTS, OR THE ACTUAL
18 AMOUNT OF THE REVENUE FROM RETAIL MARIJUANA TAXES FOR THE FISCAL YEAR 2014-15,
19 WHICHEVER IS LESS.

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

24 (2) IF THE CALCULATION SET FORTH IN SUBSECTION (1) OF THIS SECTION INDICATES
25 THAT A PROPOSITION AA BLUE BOOK REFUND IS REQUIRED UNDER SECTION 20 (3) (c) OF
26 ARTICLE X OF THE STATE CONSTITUTION, THEN A REFUND SHALL BE MADE IN ACCORDANCE
27 WITH SECTIONS 39-28.8-202 (1) (a) (III) AND 39-28.8-605 (3) AND (4), UNLESS THE VOTERS
28 APPROVE THE BALLOT ISSUE.

29 **39-28.8-603. Ballot issue - proposition AA - later voter approval.** (1) IF A
30 PROPOSITION AA BLUE BOOK REFUND IS REQUIRED UNDER SECTION 39-28.8-602, THEN AT
31 THE ELECTION HELD ON NOVEMBER 3, 2015, THE SECRETARY OF STATE SHALL SUBMIT TO
32 THE REGISTERED ELECTORS OF THE STATE FOR THEIR APPROVAL OR REJECTION THE
33 FOLLOWING BALLOT ISSUE: "MAY THE STATE RETAIN AND SPEND STATE REVENUES THAT
34 OTHERWISE WOULD BE REFUNDED FOR EXCEEDING AN ESTIMATE INCLUDED IN THE BALLOT
35 INFORMATION BOOKLET FOR PROPOSITION AA AND USE THESE REVENUES TO PROVIDE
36 FORTY MILLION DOLLARS FOR PUBLIC SCHOOL BUILDING CONSTRUCTION AND FOR OTHER
37 NEEDS, SUCH AS LAW ENFORCEMENT, YOUTH PROGRAMS, AND MARIJUANA EDUCATION AND
38 PREVENTION PROGRAMS, INSTEAD OF REFUNDING THESE REVENUES TO RETAIL MARIJUANA
39 CULTIVATION FACILITIES, RETAIL MARIJUANA PURCHASERS, AND OTHER TAXPAYERS?"

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

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

7 **39-28.8-604. Proposition AA refund account - restricted revenues.** (1) THE
8 PROPOSITION AA REFUND ACCOUNT IS CREATED IN THE GENERAL FUND. THE ACCOUNT
9 CONSISTS OF TWENTY-SEVEN MILLION SEVEN HUNDRED THOUSAND DOLLARS FROM THE
10 MONEYS TRANSFERRED FROM THE MARIJUANA TAX CASH FUND IN ACCORDANCE WITH
11 SECTION 39-28.8-501 (4) (b) AND ANOTHER THIRTY MILLION THREE HUNDRED THOUSAND
12 DOLLARS FROM THE GENERAL FUND. THE MONEYS IN THE ACCOUNT ARE RESTRICTED FROM
13 USE UNTIL JANUARY 1, 2016, AND ARE NOT INCLUDED IN THE YEAR-END BALANCE
14 REQUIRED BY SECTION 24-75-201.1 (1) (d) (XIV), C.R.S.

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

21 **39-28.8-605. Refunds - retail marijuana sales tax rate reduction - revenue**
22 **backfill - legislative declaration - repeal.** (1) THE GENERAL ASSEMBLY HEREBY FINDS
23 AND DECLARES THAT:

24 (a) IF THE BALLOT ISSUE IS REFERRED TO THE VOTERS AND A MAJORITY OF THOSE
25 VOTING THEREON REJECT THE BALLOT ISSUE, THE STATE WILL BE REQUIRED BY SECTION 20
26 (3) (c) OF ARTICLE X OF THE STATE CONSTITUTION TO MAKE REFUNDS PRIOR TO JULY 1,
27 2016;

28 (b) AS OF THE EFFECTIVE DATE OF THIS SECTION, THE AMOUNT OF THE REFUND IS
29 EXPECTED TO BE FIFTY-EIGHT MILLION DOLLARS, WHICH IS EQUAL TO THE ANTICIPATED
30 TOTAL AMOUNT OF ALL OF THE RETAIL MARIJUANA TAX REVENUES COLLECTED IN THE
31 STATE DURING THE FISCAL YEAR 2014-15;

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

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

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

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

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

24 **39-28.8-606. Approval of ballot issue - account - use of revenues.** (1) IF A
25 PROPOSITION AA BLUE BOOK REFUND IS REQUIRED UNDER SECTION 39-28.8-602 BUT A
26 MAJORITY OF THE ELECTORS THAT VOTE ON THE BALLOT ISSUE VOTE "YES/FOR", THEN:

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

30 (b) THE GENERAL ASSEMBLY SHALL APPROPRIATE TWELVE MILLION DOLLARS FROM
31 THE PROPOSITION AA REFUND ACCOUNT FOR ANY USE AUTHORIZED IN SECTION
32 39-28.8-501.

33 **39-28.8-607. Repeal of part.** THIS PART 6 IS REPEALED, EFFECTIVE JULY 1, 2017.

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

36 **1-41-102. State ballot issue elections in odd-numbered years.** (4) As used in this
37 section, "state matters arising under section 20 of article X of the state constitution"
38 includes:

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

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

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

8 **18-19-103. Source of revenues - allocation of moneys.** (4) (a) There is hereby
9 created in the state treasury the correctional treatment cash fund, referred to in this
10 paragraph (a) as the "fund", which ~~shall consist~~ CONSISTS of MONEYS APPROPRIATED
11 PURSUANT TO SECTION 39-28.8-501, C.R.S., moneys received by the state treasurer pursuant
12 to paragraph (d) of subsection (3) of this section and subsection (3.5) of this section, and,
13 in addition, each year, the general assembly shall appropriate at least two million two
14 hundred thousand dollars generated from estimated savings from the enactment of Senate
15 Bill 03-318, enacted in 2003, to the fund. The moneys in the fund shall be used for the
16 purposes described in paragraph (c) of subsection (5) of this section. All interest derived
17 from the deposit and investment of moneys in the fund shall be credited to the fund. Any
18 moneys not appropriated by the general assembly shall remain in the fund and shall not be
19 transferred or revert to the general fund of the state at the end of any fiscal year.

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

21 **22-14-109. Student re-engagement grant program - rules - application - grants**
22 **- fund created - report.** (4) (a) There is hereby created in the state treasury the student
23 re-engagement grant program fund, referred to in this subsection (4) as the "fund", that shall
24 consist of any moneys credited to the fund pursuant to paragraph (b) of this subsection (4)
25 and any additional moneys that the general assembly may appropriate to the fund,
26 INCLUDING MONEYS FROM THE MARIJUANA TAX CASH FUND CREATED IN SECTION
27 39-28.8-501, C.R.S., OR THE PROPOSITION AA REFUND ACCOUNT CREATED IN SECTION
28 39-28.8-604 (1), C.R.S. The moneys in the fund shall be subject to annual appropriation by
29 the general assembly to the department for the direct and indirect costs associated with the
30 implementation of this section.

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

33 **22-93-105. School bullying prevention and education cash fund - created.**
34 (1) There is hereby established in the state treasury the school bullying prevention and
35 education cash fund. The cash fund shall consist of moneys transferred OR APPROPRIATED
36 thereto pursuant to subsection (3) of this section and any other moneys that may be made
37 available by the general assembly. The moneys in the cash fund are continuously
38 appropriated to the department for the direct and indirect costs associated with
39 implementing this article. Any moneys not provided as grants may be invested by the state
40 treasurer as provided in section 24-36-113, C.R.S. All interest and income derived from the
41 investment and deposit of moneys in the cash fund shall be credited to the cash fund. Any

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

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

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

9 **24-32-117. Retail marijuana impact grants - program - creation - definitions.**

10 (1) AS USED IN THIS SECTION:

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

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

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

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

22 (A) HAS AT LEAST ONE CITY OR TOWN WITHIN THE COUNTY BOUNDARIES THAT HAS
23 SALES OF RETAIL MARIJUANA WITHIN ITS BOUNDARIES; OR

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

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

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

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

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

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

3 (e) "RETAIL MARIJUANA" HAS THE SAME MEANING AS SET FORTH IN SECTION
4 39-28.8-101 (7), C.R.S.; EXCEPT THAT THE TERM ALSO INCLUDES "RETAIL MARIJUANA
5 PRODUCTS", AS DEFINED IN SECTION 39-28.8-101 (9), C.R.S.

6 (2) THE LOCAL GOVERNMENT RETAIL MARIJUANA IMPACT GRANT PROGRAM IS
7 CREATED IN THE DIVISION. THROUGH THE PROGRAM, THE DIVISION SHALL AWARD GRANTS
8 TO ELIGIBLE LOCAL GOVERNMENTS FOR DOCUMENTED MARIJUANA IMPACTS. IN AWARDING
9 GRANTS, THE DIVISION SHALL GIVE PRIORITY TO AN ELIGIBLE LOCAL GOVERNMENT THAT
10 INTENDS TO USE THE MONEY FOR ONE OR MORE OF THE FOLLOWING PURPOSES:

11 (a) TO PAY FOR ADDITIONAL LAW ENFORCEMENT ACTIVITIES RELATED TO RETAIL
12 MARIJUANA, INCLUDING COSTS ASSOCIATED WITH INCREASED ARRESTS, INCREASED TRAFFIC
13 VIOLATIONS, AND PREVENTION OF OUT-OF-STATE DIVERSIONS AND TRAFFICKING OF
14 MARIJUANA;

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

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

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

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

31 (5) (a) ON OR BEFORE NOVEMBER 1, 2018, AND ON OR BEFORE NOVEMBER 1 EACH
32 YEAR THEREAFTER, THE DIVISION SHALL INCLUDE AN UPDATE REGARDING THE
33 EFFECTIVENESS OF THE GRANT PROGRAM IN ITS REPORT TO THE MEMBERS OF THE
34 APPLICABLE COMMITTEES OF REFERENCE IN THE SENATE AND HOUSE OF REPRESENTATIVES
35 REQUIRED BY THE "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND
36 TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2, C.R.S.

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

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

2 **25-32-105. Department - poison control services - duties - contract.** (1) The
3 department has the following powers and duties with respect to the provision of poison
4 control services on a statewide basis and for the dissemination of information as provided
5 in this article:

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

13 (II) ON OR AFTER JANUARY 1, 2016, TO CONTRACT WITH PRIVATE, NONPROFIT, OR
14 PUBLIC ENTITIES FOR THE CONTINUING PROVISION OF STATEWIDE POISON CONTROL
15 SERVICES AND THE CONTINUING DISSEMINATION OF POISON CONTROL INFORMATION TO THE
16 CITIZENS OF THE STATE BY MEANS OTHER THAN A TOLL-FREE TELEPHONE NETWORK, SUCH
17 AS TEXT MESSAGING, INSTANT MESSAGING, AND EMAIL. THE ENTITY OR ENTITIES SHALL
18 COORDINATE THESE SERVICES WITH THE TOLL-FREE TELEPHONE NETWORK DESCRIBED IN
19 SUBPARAGRAPH (I) OF THIS PARAGRAPH (b). THE GENERAL ASSEMBLY SHALL APPROPRIATE
20 AT LEAST ONE MILLION DOLLARS FOR THE FISCAL YEAR 2015-16 TO THE DEPARTMENT FOR
21 IT TO CONTRACT WITH AN ENTITY TO BUILD THE INFRASTRUCTURE NECESSARY FOR THE
22 SERVICES IDENTIFIED IN THIS SUBPARAGRAPH (II), AND ANY UNEXPENDED AND
23 UNENCUMBERED MONEYS FROM THE APPROPRIATION REMAIN AVAILABLE FOR EXPENDITURE
24 BY THE DEPARTMENT IN THE NEXT FISCAL YEAR WITHOUT FURTHER APPROPRIATION. IN
25 ADDITION, THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE MONEYS FROM THE
26 MARIJUANA TAX CASH FUND CREATED IN SECTION 39-28.8-501, C.R.S., OR THE PROPOSITION
27 AA REFUND ACCOUNT CREATED IN SECTION 39-28.8-604 (1), C.R.S., TO THE DEPARTMENT
28 FOR THE SERVICES IDENTIFIED IN THIS SUBPARAGRAPH (II).

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

30 **26-6.8-104. Colorado Youth Mentoring Services Act.** (6) **Youth mentoring**
31 **services cash fund.** There is hereby created in the state treasury the youth mentoring
32 services cash fund. The moneys in the youth mentoring services cash fund are subject to
33 annual appropriation by the general assembly for the direct and indirect costs of
34 implementing this section. The executive director may accept on behalf of the state any
35 grants, gifts, or donations from any private or public source for the purpose of this section.
36 All private and public funds received through grants, gifts, or donations shall be transmitted
37 to the state treasurer, who shall credit the same to the youth mentoring services cash fund.
38 THE GENERAL ASSEMBLY MAY APPROPRIATE MONEYS FROM THE MARIJUANA TAX CASH
39 FUND CREATED IN SECTION 39-28.8-501, C.R.S., OR THE PROPOSITION AA REFUND ACCOUNT
40 CREATED IN SECTION 39-28.8-604 (1), C.R.S. All investment earnings derived from the
41 deposit and investment of moneys in the fund shall remain in the fund and shall not be
42 transferred or revert to the general fund of the state at the end of any fiscal year.

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

2 **39-22-2002. Fiscal years commencing on or after July 1, 1998 - state sales tax**
3 **refund - authority of executive director - repeal.** (3) As used in this section, unless the
4 context otherwise requires, "excess state revenues" means the total combined amount of:

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

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

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

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

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

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

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

30 **29-2-114. Retail marijuana excise tax - county - municipality - election.**
31 (1) (a) IN ADDITION TO ANY SALES TAX IMPOSED PURSUANT TO SECTION 29-2-103 AND
32 ARTICLES 26 AND 28.8 OF TITLE 39, C.R.S., AND IN ADDITION TO THE EXCISE TAX IMPOSED
33 PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S., EACH COUNTY IN THE STATE IS
34 AUTHORIZED TO LEVY, COLLECT, AND ENFORCE A COUNTY EXCISE TAX ON THE FIRST SALE
35 OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION
36 FACILITY AUTHORIZED BY THE COUNTY; EXCEPT THAT A COUNTY IS NOT AUTHORIZED TO
37 LEVY, COLLECT, AND ENFORCE A COUNTY EXCISE TAX ON THE FIRST SALE OR TRANSFER OF
38 UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION FACILITY
39 PURSUANT TO THIS SUBSECTION (1) WITHIN ANY MUNICIPALITY THAT LEVIES SUCH AN

1 EXCISE TAX PURSUANT TO SUBSECTION (2) OF THIS SECTION. THE TAX SHALL BE IMPOSED
2 AT THE TIME WHEN THE RETAIL MARIJUANA CULTIVATION FACILITY FIRST SELLS OR
3 TRANSFERS UNPROCESSED RETAIL MARIJUANA FROM THE RETAIL MARIJUANA CULTIVATION
4 FACILITY TO A RETAIL MARIJUANA PRODUCT MANUFACTURING FACILITY, A RETAIL
5 MARIJUANA STORE, OR ANOTHER RETAIL MARIJUANA CULTIVATION FACILITY. THE TAX RATE
6 IMPOSED PURSUANT TO THIS PARAGRAPH (a) SHALL NOT EXCEED FIVE PERCENT OF THE
7 AVERAGE MARKET RATE, AS DETERMINED BY THE DEPARTMENT OF REVENUE PURSUANT TO
8 SECTION 39-28.8-101 (1), C.R.S., OF THE UNPROCESSED RETAIL MARIJUANA.

9 (b) NO EXCISE TAX SHALL BE LEVIED PURSUANT TO THE PROVISIONS OF PARAGRAPH
10 (a) OF THIS SUBSECTION (1) UNTIL THE PROPOSAL HAS BEEN REFERRED TO AND APPROVED
11 BY THE ELIGIBLE ELECTORS OF THE COUNTY. THE ADOPTION PROCEDURES FOR A
12 COUNTYWIDE SALES TAX, USE TAX, OR BOTH, AS SPECIFIED IN THIS ARTICLE, SHALL APPLY
13 TO THE REFERRAL AND APPROVAL OF AN EXCISE TAX PURSUANT TO THIS SUBSECTION (1).
14 ANY PROPOSAL FOR THE LEVY OF AN EXCISE TAX IN ACCORDANCE WITH PARAGRAPH (a) OF
15 THIS SUBSECTION (1) MAY BE SUBMITTED TO THE ELIGIBLE ELECTORS OF THE COUNTY ONLY
16 ON THE DATE OF THE STATE GENERAL ELECTION OR ON THE FIRST TUESDAY IN NOVEMBER
17 OF AN ODD-NUMBERED YEAR, AND ANY ELECTION ON THE PROPOSAL MUST BE CONDUCTED
18 BY THE COUNTY CLERK AND RECORDER IN ACCORDANCE WITH THE "UNIFORM ELECTION
19 CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, C.R.S.

20 (2) (a) IN ADDITION TO ANY SALES TAX IMPOSED PURSUANT TO SECTION 29-2-102
21 AND ARTICLES 26 AND 28.8 OF TITLE 39, C.R.S., AND IN ADDITION TO THE EXCISE TAX
22 IMPOSED PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S., EACH MUNICIPALITY IN THE
23 STATE IS AUTHORIZED TO LEVY, COLLECT, AND ENFORCE A MUNICIPAL EXCISE TAX ON THE
24 FIRST SALE OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA
25 CULTIVATION FACILITY. THE TAX SHALL BE IMPOSED AT THE TIME WHEN THE RETAIL
26 MARIJUANA CULTIVATION FACILITY FIRST SELLS OR TRANSFERS UNPROCESSED RETAIL
27 MARIJUANA FROM THE RETAIL MARIJUANA CULTIVATION FACILITY TO A RETAIL MARIJUANA
28 PRODUCT MANUFACTURING FACILITY, A RETAIL MARIJUANA STORE, OR ANOTHER RETAIL
29 MARIJUANA CULTIVATION FACILITY. THE TAX RATE IMPOSED BY ANY STATUTORY
30 MUNICIPALITY PURSUANT TO THIS PARAGRAPH (a) SHALL NOT EXCEED FIVE PERCENT OF THE
31 AVERAGE MARKET RATE, AS DETERMINED BY THE DEPARTMENT OF REVENUE PURSUANT TO
32 SECTION 39-28.8-101 (1), C.R.S., OF THE UNPROCESSED RETAIL MARIJUANA.

33 (b) NO EXCISE TAX SHALL BE LEVIED PURSUANT TO THE PROVISIONS OF PARAGRAPH
34 (a) OF THIS SUBSECTION (2) UNTIL THE PROPOSAL HAS BEEN REFERRED TO AND APPROVED
35 BY THE ELIGIBLE ELECTORS OF THE MUNICIPALITY IN ACCORDANCE WITH THE PROVISIONS
36 OF ARTICLE 10 OF TITLE 31, C.R.S. ANY PROPOSAL FOR THE LEVY OF AN EXCISE TAX IN
37 ACCORDANCE WITH PARAGRAPH (a) OF THIS SUBSECTION (2) MAY BE SUBMITTED TO THE
38 ELIGIBLE ELECTORS OF THE MUNICIPALITY ON THE DATE OF THE STATE GENERAL ELECTION,
39 ON THE FIRST TUESDAY IN NOVEMBER OF AN ODD-NUMBERED YEAR, OR ON THE DATE OF
40 A MUNICIPAL BIENNIAL ELECTION. ANY ELECTION ON THE PROPOSAL SHALL BE CONDUCTED
41 BY THE CLERK OF THE MUNICIPALITY IN ACCORDANCE WITH THE "COLORADO MUNICIPAL
42 ELECTION CODE OF 1965", ARTICLE 10 OF TITLE 31, C.R.S.

43 (3) ANY EXCISE TAX IMPOSED BY A COUNTY OR MUNICIPALITY PURSUANT TO THIS
44 SECTION SHALL NOT BE COLLECTED, ADMINISTERED, OR ENFORCED BY THE DEPARTMENT OF

1 REVENUE, BUT SHALL INSTEAD BE COLLECTED, ADMINISTERED, AND ENFORCED BY THE
2 COUNTY OR MUNICIPALITY IMPOSING THE TAX.

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

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

18 (6) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PROHIBIT COUNTIES AND
19 MUNICIPALITIES FROM COOPERATING TO CREATE A COUNTYWIDE UNIFORM EXCISE TAX ON
20 THE FIRST SALE OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL
21 MARIJUANA CULTIVATION FACILITY WITH VOLUNTARY ABANDONMENT OF MUNICIPAL
22 EXCISE TAX ORDINANCES.

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

24 **32-1-1004. Metropolitan districts - additional powers and duties.** (10) (a) IN
25 ADDITION TO THE EXCISE TAX IMPOSED PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S., A
26 METROPOLITAN DISTRICT WITH BOUNDARIES ENTIRELY WITHIN THE UNINCORPORATED AREA
27 OF A COUNTY IS AUTHORIZED TO LEVY, COLLECT, AND ENFORCE A METROPOLITAN DISTRICT
28 EXCISE TAX ON THE FIRST SALE OR TRANSFER OF UNPROCESSED RETAIL MARIJUANA BY A
29 RETAIL MARIJUANA CULTIVATION FACILITY. THE TAX SHALL BE IMPOSED AT THE TIME WHEN
30 THE RETAIL MARIJUANA CULTIVATION FACILITY FIRST SELLS OR TRANSFERS UNPROCESSED
31 RETAIL MARIJUANA FROM THE RETAIL MARIJUANA CULTIVATION FACILITY TO A RETAIL
32 MARIJUANA PRODUCT MANUFACTURING FACILITY, A RETAIL MARIJUANA STORE, OR
33 ANOTHER RETAIL MARIJUANA CULTIVATION FACILITY.

34 (b) IF THE BOUNDARIES OF A METROPOLITAN DISTRICT ARE WITHIN A COUNTY THAT
35 IMPOSES AN ADDITIONAL EXCISE TAX ON THE FIRST SALE OR TRANSFER OF UNPROCESSED
36 RETAIL MARIJUANA BY A RETAIL MARIJUANA CULTIVATION FACILITY PURSUANT TO SECTION
37 29-2-114, C.R.S., THE EXCISE TAX RATE IMPOSED BY THE METROPOLITAN DISTRICT
38 PURSUANT TO THIS SUBSECTION (10) SHALL NOT EXCEED SUCH TAX RATE IMPOSED BY THE
39 COUNTY. IN NO EVENT SHALL THE TAX RATE IMPOSED PURSUANT TO THIS SUBSECTION (10)
40 EXCEED FIVE PERCENT OF THE AVERAGE MARKET RATE, AS DETERMINED BY THE
41 DEPARTMENT OF REVENUE PURSUANT TO SECTION 39-28.8-101 (1), C.R.S., OF THE
42 UNPROCESSED RETAIL MARIJUANA.

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

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

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

18 **35-10-112.5. Statewide uniformity of pesticide control and regulation -**
19 **exceptions.** (1) The general assembly hereby determines that:

20 (a) The citizens of this state benefit from a system of safe, effective, and
21 scientifically sound pesticide regulation;

22 (b) ~~The general assembly further finds that~~ A system of pesticide regulation that
23 is consistent and coordinated, that creates statewide uniform standards, and that conforms
24 with both state and federal technical standards and requirements is essential to the public
25 health, safety, and welfare, and finds that local regulation of pesticides that is inconsistent
26 with and adopts different standards from federal and state requirements does not assist in
27 achieving these benefits;

28 (c) ~~The general assembly also finds and declares that~~, Through statute and
29 regulation, the state has created a system of pesticide regulation based upon scientific
30 standards that protects the citizens of this state; ~~The general assembly expressly finds and~~
31 ~~declares that~~

32 (d) ALTHOUGH THE CULTIVATION OF MARIJUANA IS ILLEGAL UNDER FEDERAL LAW
33 AND SO THE USE OF PESTICIDES IN CULTIVATING MARIJUANA IS NOT SPECIFICALLY ALLOWED
34 BY ANY PESTICIDE'S LABEL, THE CULTIVATION OF MARIJUANA IS SPECIFICALLY ALLOWED
35 AND REGULATED BY COLORADO LAW, AND THE USE OF PESTICIDES SHOULD BE REGULATED
36 PURSUANT TO THIS ARTICLE AND RULES PROMULGATED PURSUANT TO THIS ARTICLE RATHER
37 THAN PURSUANT TO LOCAL LAWS; AND

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

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

4 (b) (I) THE use and application of pesticides by persons regulated by this article or
5 federal law, including but not limited to, directions for use, classification of pesticides as
6 general or restricted use, mixing and loading, site of application, target pest, dosage rate,
7 method of application, application equipment, frequency and timing of applications,
8 application rate, reentry intervals, worker specifications, container storage and disposal,
9 required intervals between application and harvest of food or feed crops, rotational crop
10 restrictions, and warnings against use on certain crops, animals, or objects or against use
11 in or adjacent to certain areas.

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

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

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

26 (2) For the 2015-16 state fiscal year, \$1,000,000 is appropriated to the department
27 of public health and environment. This appropriation is from the proposition AA refund
28 account in the general fund. The department may use this appropriation for poison control
29 centers as specified in section 25-32-102 (1) (b) (II), C.R.S.

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

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

38 (b) For the 2015-16 state fiscal year, \$2,000,000 is appropriated to the department
39 of education. This appropriation is from reappropriated funds in the student re-engagement

1 grant program fund under paragraph (a) of this subsection (4). The department may use the
2 appropriation for the direct and indirect costs associated with the student re-engagement
3 grant program.

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

8 (b) For the 2015-16 state fiscal year, \$1,000,000 is appropriated to the department
9 of human services. This appropriation is from reappropriated funds in the youth mentoring
10 services cash fund under paragraph (a) of this subsection (5). The department may use the
11 appropriation for the provision of youth mentoring services in accordance with section
12 26-6.8-104, C.R.S.

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

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

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

28 (9) For the 2015-16 state fiscal year, \$1,000,000 is appropriated to the department
29 of local affairs for use by the division of local government. This appropriation is from the
30 proposition AA refund account in the general fund. The division may use this appropriation
31 for grants through the local government retail marijuana impact grant program created in
32 section 24-32-117 (2), C.R.S.

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

37 (11) For the 2015-16 state fiscal year, \$200,000 is appropriated to the department
38 of law for use by the peace officers standards and training board. This appropriation is from
39 the proposition AA refund account in the general fund. The board may use this

1 appropriation for advanced roadside impaired driving enforcement training for peace
2 officers.

3 (12) For the 2015-16 state fiscal year, \$82,132 is appropriated to the department
4 of local affairs. This appropriation is from the marijuana tax cash fund created in section
5 39-28.8-501 (1), C.R.S. To implement this act, the department may use this appropriation
6 as follows:

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

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

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

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

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

22 **SECTION 22. Appropriation - adjustments to 2015 long bill.** (1) For the
23 2015-16 state fiscal year, \$71,342 is appropriated to the department of local affairs. This
24 appropriation is from the marijuana tax cash fund created in section 39-28.8-501 (1), C.R.S.
25 To implement this act, the department may use this appropriation as follows:

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

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

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

35 (3) For the 2015-16 state fiscal year, \$25,440 is appropriated to the department of
36 revenue. This appropriation is from the marijuana tax cash fund created in section

1 39-28.8-501 (1), C.R.S. To implement this act, the department may use this appropriation
2 for CITA annual maintenance and support.

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

6 (a) The cash funds appropriation from the marijuana tax cash fund created in
7 section 39-28.8-501 (1), C.R.S., for jail-based behavioral health services is decreased by
8 \$1,550,000; and

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

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

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

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

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

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

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

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

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

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

5 (3) Sections 18 and 19 of this act apply to retail marijuana excise taxes levied by
6 a county, municipality, or metropolitan district on or after January 1, 2014.

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