Amendment 64 more Popular than WH 🌟 !?
Don’t break out the ... 

Hickenlooper signs EO B 12- 004

- State flag remains unchanged
Four Bills and Several Task Forces Ago …

Task Force on Implementation of Amendment 64

- Bi-partisan
- Multi faceted
- Only 58 Recommendations in 17 Categories
Joint Committee

- Promote the health, safety, and well-being of Colorado’s youth

- Propose efficient and effective regulation that is clear and reasonable and not unduly burdensome

- Create sufficient and predictable funding mechanisms to support the regulatory and enforcement scheme
HB 1318
Taxes and Smoke-filled Rooms?
Industry Size and Growth

Number of Licensed Marijuana Businesses as of August 1, 2017

<table>
<thead>
<tr>
<th>Type</th>
<th>Medical</th>
<th>Retail</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centers</td>
<td>507</td>
<td>498</td>
</tr>
<tr>
<td>Cultivations</td>
<td>759</td>
<td>701</td>
</tr>
<tr>
<td>Infused Product Manufacturers</td>
<td>255</td>
<td>225</td>
</tr>
<tr>
<td>Testing Facilities</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>Operators</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Transporters</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>1,540</td>
<td>1,491</td>
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</tbody>
</table>

Total Marijuana Business Licenses

Around 30 different licenses and 75 different fee types
Where do the taxes come from?

Medical and Retail Marijuana State Tax Structures

- Retail Marijuana Cultivation Facility
  - 15% Excise Tax*

- Medical Marijuana Cultivation/Caregiver/Home Grow

- Retail Marijuana Store
  - 15% Special Sales Tax (as of July 1, 2017)*

- Medical Marijuana Dispensary
  - 2.9% Sales Tax

- Retail Consumer

Medical Consumer

*Additional varied local excise and sales taxes
How much does Colorado collect?

Marijuana Tax Revenue

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>FY 2014-15 Actual</th>
<th>FY 2015-16 Actual</th>
<th>FY 2016-17 Actual</th>
<th>FY 2017-8 Projection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical 2.9%</td>
<td>10,409,340</td>
<td>12,150,625</td>
<td>12,453,612</td>
<td>12,608,883</td>
</tr>
<tr>
<td>Excise 15%</td>
<td>23,995,775</td>
<td>42,630,840</td>
<td>71,799,831</td>
<td>86,307,012</td>
</tr>
<tr>
<td>Retail 2.9%</td>
<td>11,816,410</td>
<td>19,410,952</td>
<td>28,088,963</td>
<td>-</td>
</tr>
<tr>
<td>Retail 10%-15%</td>
<td>42,017,798</td>
<td>67,094,523</td>
<td>98,470,666</td>
<td>182,242,682</td>
</tr>
<tr>
<td><strong>Total all Tax Revenue</strong></td>
<td><strong>88,239,323</strong></td>
<td><strong>141,286,940</strong></td>
<td><strong>210,813,072</strong></td>
<td><strong>281,158,577</strong></td>
</tr>
</tbody>
</table>
FY 2017-18 Total State Budget

Marijuana Tax Revenue

$281 million
2.4%

Total General Fund Budget

$11.7 billion
Marijuana Tax Revenue Flowchart

15% Excise Tax on Retail Marijuana

Local Share 10% of gross tax collected, distributed proportionate to local sales

90% State Share

General Fund
Of the 90% State share, 28.15% minus $30 million is retained in the General Fund in FY 2017-18; 15.56% is retained in FY 2018-19

B.E.S.T. Public School Capital Construction Assistance Fund
(12.5% of which is credited to the Charter School Facilities)

Public School Fund (K-12 Education)

$30 million in FY 2017-18
12.59% of the 90% State Share in FY 2018-19 and thereafter

Marijuana Tax Cash Fund

2.9% Sales Tax on Medical Marijuana

First $40 million

Anything over $40 million
Marijuana Sales Tax

10% Local Share

15% Special Sales Tax on Retail Marijuana

90% State Share

General Fund

Of the 90% State share, 28.15% minus $30 million is retained in the General Fund in FY 2017-18; 15.56% is retained in FY 2018-19 and thereafter

71.85% of the 90% State Share

2.9% Sales Tax on Medical Marijuana

Public School Fund (K-12 Education)

Marijuana Tax Cash Fund (MTCF)

$30 million in FY 2017-18 12.59% of the 90% State Share in following years
Marijuana-Related Programming

What do we spend it on?

**Marijuana Tax Cash Fund (MTCF)**

FY 2016-17: $124.2 million

FY 2017-18: $130.5 million

**Overarching Goals for Marijuana Tax Cash Fund**

- Regulation & Enforcement
- Public Health and Safety
- Behavioral Health Treatment
- Statewide Coordination
- Youth Prevention
Marijuana Tax Cash Fund F Y 2017-18 Budget
By State Department

Total: $117,827,573
What do we spend it on?

 Regulation and Enforcement

Department of Revenue
- Marijuana Enforcement Division, $8.9 million and 87.6 FTE
- Taxation Group, $1.2 million

Department of Agriculture
- $2.2 million and 12.0 FTE
- Hemp and Seed Certification
- Pesticide Control

Department of Local Affairs
- $6 million in Grants to Law Enforcement Agencies for Unauthorized “Gray Market” Grows

Regulatory Agencies
- $360,000 for enforcement of Medical Board complaints

Statewide Coordination - Governor’s Office
- Approx. $100,000 and 2.0 FTE
What do we spend it on?

Public Health and Safety

- Marijuana Public Education Campaign ($4.6 million)
- Local Public Health Agencies ($1.7 million)
- Marijuana Impaired Driving Campaign ($1 million)
- Healthy Kids Colorado Survey ($745,000)
- Epidemiological Surveillance ($300,000)
- Laboratory Certification ($1.3 million)
- Poison Control ($60,000)
- Law Enforcement Training ($1,000,000)
- Public Safety Intelligence Support ($60,000)
- Local Government Retail Marijuana Impact Grant Program ($1 million)
What do we spend it on?

**Youth Prevention**

- **School Health Professionals** ($12 million)
- Substance Abuse Prevention Grants for Local Communities ($9 million)
- School Bullying Prevention Grants ($2 million)
- Dropout Prevention and Student Reengagement Grants ($2 million)
- **Tony Grampsas Youth Services Program** ($2.4 million)
- Juvenile Diversion Programs ($400,000 for early diversion in Judicial Districts and $2 million for deeper criminal justice involvement)
What do we spend it on?

Behavioral Health/Substance Abuse Treatment

- Offender Services/Jail-based treatment ($7.5 million)
- Adult co-occurring disorder treatment ($3 million)
- Community Substance Use Disorder Treatment ($12 million)
- Mental Health Crisis Response System ($4 million)
- Adult Diversion Programs ($5.5 million)
- Permanent Supportive Housing and Rapid Re-housing ($15.3 million)
- Screening, Brief Intervention and Referral to Treatment ($750,000)
Colorado’s Not Quite Burned Out: What’s Next

38 Bills in 2015 & 44 Bills in 2016

• 25 Bills in 2017

• 2018?
Thank You

Jonathan Singer

Colorado State House Representative

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(Credit: Colorado Office of State Budget and Planning)