



**Colorado
Legislative
Council
Staff**

Bill 4

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0131
Prime Sponsor(s):

Date: September 15, 2016
Bill Status: Committee on Cost-Benefit
Analysis of Legalized Marijuana Bill
Request

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BILL TOPIC: MARIJUANA LEGALIZATION INTERIM COMMITTEE

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	<u>\$43,283</u>	<u>\$40,704</u>
General Fund	38,006	35,217
Centrally Appropriated Costs	5,277	5,487
FTE Position Change	0.4 FTE	0.4 FTE
Appropriation Required: \$38,006 - Legislative Department (FY 2017-18).		
Future Year Impacts: Expenditure increase through FY 2019-20.		

Summary of Legislation

The bill establishes the Cost-Benefit Analysis of Legalized Marijuana Study Committee (committee) as an interim committee of the General Assembly. The committee must study the government and societal costs and benefits, information gaps, and additional studies that may be needed as it relates to the legalization of marijuana. All state agencies and political subdivisions must cooperate with the committee and the committee may review and propose legislation related to legalized marijuana.

The bill also establishes guidelines for committee selection, composition, and procedures. The committee may meet up to six times annually in even-numbered years and eight times in odd-numbered years, with no more than two meetings occurring during the legislative session. Existing staff from the legislative service agencies may assist the committee. The bill repeals the committee on January 1, 2020.

State Expenditures

The bill increases General Fund expenditures in the Legislative Department by \$43,283 and 0.4 FTE in FY 2017-18 and \$40,704 and 0.4 FTE in FY 2018-19 and FY 2019-20. The costs are shown in Table 1 .

Table 1. Expenditures Under Bill 4			
Cost Components	FY 2017-18	FY 2018-19	FY 2019-20
Personal Services	\$25,286	\$27,585	\$27,585
FTE	0.4 FTE	0.4 FTE	0.4 FTE
Legislator Travel and Per Diem	12,720	7,632	7,632
Centrally Appropriated Costs*	5,277	5,487	5,487
TOTAL	\$43,283	\$40,704	\$40,704

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

Assumptions. The fiscal note assumes that the committee will meet beginning in FY 2017-18, staffing increases will begin on July 1, 2017, and that the committee will hold all meetings allowed by the bill, including two meetings during each legislative session. The committee will hold a total of ten meetings in FY 2017-18, six in FY 2018-19, and six in FY 2019-20.

Personal services. The bill indicates that existing legislative staff may assist the committee; however, Legislative Council Staff (LCS) and the Office of Legislative Legal Services (OLLS) require additional staffing in order to assist the committee with its duties. LCS requires 0.3 FTE to staff the committee and OLLS requires 0.1 FTE to draft bills and conduct any requested legal research.

Legislator travel and per diem. Each of the six committee members receive a per diem of \$110 per day and an average of \$93 for travel for each meeting. In addition, \$9 per member per meeting is required for supplemental benefits. Travel and per diem costs decrease in FY 2018-19 and FY 2019-20 due to fewer committee meetings being held.

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

Table 2. Centrally Appropriated Costs Under Bill 4			
Cost Components	FY 2017-18	FY 2018-19	FY 2018-19
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$3,011	\$3,015	\$3,015
Supplemental Employee Retirement Payments	2,266	2,472	2,472
TOTAL	\$5,277	\$5,487	\$5,487

Effective Date

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

State Appropriations

For FY 2017-18, the bill requires a General Fund appropriation of \$6,872 to the Office of Legislative Legal Services and an allocation of 0.1 FTE. It also requires a General Fund appropriation of \$31,134 to Legislative Council Staff and an allocation of 0.3 FTE.

State and Local Government Contacts

Legal Services

Legislative Council Staff