



Joint Budget Committee

Staff Budget Briefing FY 2026-27

Marijuana Policy Overview

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To find the online version of the briefing document search the General Assembly’s website for [budget documents](https://leg.colorado.gov/content/budget/budget-documents) (leg.colorado.gov/content/budget/budget-documents).

Legal and Regulatory Overview

Marijuana was legalized in Colorado through the passage of two citizen ballot initiatives that amended the State Constitution. In 2000, voters passed an initiative¹ that added Section 14 to Article XVIII, authorizing the medical use of marijuana for persons suffering from debilitating medical conditions. In 2012, voters passed a second initiative² that added Section 16 to Article XVIII, authorizing personal use of marijuana.

The General Assembly has passed legislation to implement the constitutional provisions adopted by voters. The most significant statutory provisions concerning marijuana include:

- Colorado Marijuana Code [Section 44-10-101 et. seq., C.R.S.]³
- Taxes on Marijuana and Marijuana Products [Section 39-28.8-101 et seq., C.R.S.]

Two state agencies are primarily responsible for implementing the above laws: the Department of Revenue and the Department of Public Health and Environment.

The **Department of Revenue** has two general areas of responsibility:

- First, the Department's Executive Director is the "State Licensing Authority," charged with regulating and controlling the licensing of the cultivation, manufacture, distribution, and sale of medical and retail⁴ marijuana. These duties are performed with the assistance of the Department's Marijuana Enforcement Division and are supported by medical and retail marijuana business fees that are credited to the *Marijuana Cash Fund*⁵. These regulatory functions include:
 - Establishing and enforcing rules and regulations for the marijuana industry.
 - Administering the marijuana inventory seed-to-sale tracking system (METRC).
 - Issuing licenses to medical and retail marijuana businesses (including stores, cultivations, and testing facilities), and issuing occupational licenses to those seeking employment in the marijuana industry.
 - Administering caregiver cultivation registration.
 - Approving responsible vendor training programs

Second, the Department collects, administers, and enforces state taxes and fees related to marijuana and marijuana products. This includes the distribution of a portion of the special sales tax on retail marijuana to local governments. These activities are supported by medical and retail marijuana sales tax revenues that are credited to the Marijuana Tax Cash Fund.

The **Department of Public Health and Environment** administers portions of the medical marijuana program, including:

- Administering the medical marijuana registry (which tracks patients, caregivers, and physician recommendations) and distributing medical marijuana cards.
- Coordinating inspection of retail marijuana lab testing facilities.
- Administering education and prevention campaigns to educate the public and visitors on the parameters of safe, legal, and responsible marijuana use.

¹ Amendment 20 was adopted with 915,943 (53.5 percent) voting for the measure.

² Amendment 64 was adopted with 1,383,140 (55.3 percent) voting for the measure.

³ Senate Bill 19-224 integrates the previously existing Colorado Medical Marijuana Code and Colorado Retail Marijuana Code into a single ["Colorado Marijuana Code" in Article 10 of Title 44, C.R.S.](#)

⁴ While marijuana that is sold for personal use as authorized by Amendment 64 is often called "recreational" marijuana, the statutory provisions that implement Amendment 64 use the term "retail" marijuana. Staff has generally used the term "retail" for purposes of this document.

⁵ Total revenue from business fees, licenses, and fines collected and credited to this fund, including associated interest and other adjustments, amounted to \$16,339,005 in FY 2024-25.

- Monitoring marijuana use patterns, health impacts, and research on marijuana’s health effects.
- This department’s regulatory activities are supported by fees paid by patients seeking medical marijuana cards that are credited to the *Medical Marijuana Program Cash Fund*⁶, and the remaining activities are supported by medical and retail marijuana sales tax revenues that are credited to the *Marijuana Tax Cash Fund*.

Other state agencies that perform key functions related to marijuana legalization include the following:

- The **Department of Agriculture** determines and monitors allowable pesticides for use on cannabis plants. This department also administers registration for commercial industrial hemp growers and administers industrial hemp inspection, sampling, and testing.
- The **Governor’s Office** coordinates the Executive Branch response to the legalization of marijuana, including strategic planning and budget coordination.
- The **Department of Law** provides training for peace officers concerning various legal issues related to marijuana legalization. This department also provides legal clarification and guidance for state agencies and district attorneys concerning marijuana legalization.
- The **Department of Public Safety** enforces criminal marijuana laws, and collects and analyzes data concerning the impacts of marijuana legalization.
- The **Department of Regulatory Agencies** administers disciplinary proceedings concerning physicians who inappropriately recommend medical marijuana in excess, for a profit, or without medical necessity. This department is also responsible for approving applications for charter marijuana financial services cooperatives.
- The **Department of Transportation** administers impaired driving public education campaigns, including those related to marijuana use. This department also administers and certifies Colorado law enforcement officers in advanced impaired driving training and in the detection of drivers impaired by drugs other than alcohol.

Finally, local governments also have a role in regulating marijuana. Cities and counties may prohibit or place limits on the sale of medical and retail marijuana in their jurisdictions, including the number and location of businesses as well as hours of operation. Cities and counties may establish land use restrictions concerning marijuana businesses, cultivation, and operations. Local jurisdictions may also impose and collect their own sales or excise tax on retail marijuana. However, each local government is responsible for collecting, administering, and enforcing local marijuana taxes.

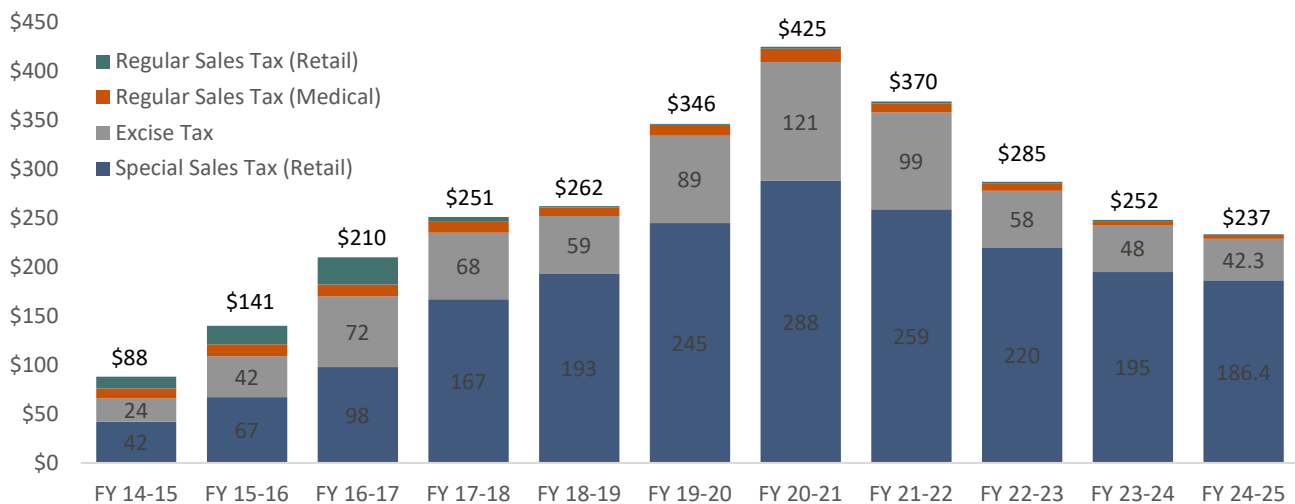
Tax Policy and Revenue Overview

The State collects three types of taxes on marijuana products: (1) a special sales tax on retail marijuana, which accounts for the majority of annual marijuana tax revenues; (2) an excise tax on wholesale transfers of retail marijuana that supports uses related to K-12 education; and (3) the State’s regular sales tax, which applies to medical marijuana and some non-marijuana products.

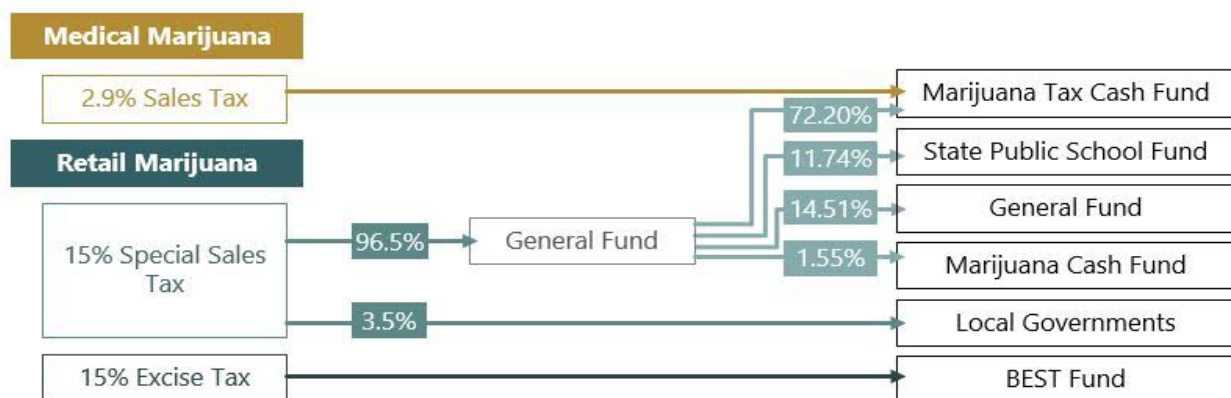
⁶ Actual patient fee revenues collected and credited to this fund, along with associated interest and other adjustments, totaled \$3,254,394 in FY 2024-25.

Preliminary numbers for FY 2024-25, indicate that the state collected a total of approximately \$237.1 million from those three taxes. The special sales tax accounted for \$186.4 million (78.6 percent of the total revenues). The excise tax added another \$45.8 million (17.8 percent), while the regular 2.9 percent sales tax generated 4.7 million (2.0 percent). As shown in the following graphic, marijuana-related revenues rose steadily from FY 2014-15 through FY 2020-21, with special sales tax revenues driving much of that increase. However, total revenues have fallen by \$188 million (44 percent) over the last four fiscal years.

Marijuana tax revenues increased each year through FY 2020-21 but have since fallen off by over 44% since the pandemic revenue peak.



The following graphic (designed by Legislative Council Staff) depicts the allocation of state tax revenues related to marijuana.⁷ A discussion of each type of tax and the allocation of the associated tax revenue follows the graphic. Note that the allocation has shifted as a result of [S.B. 25-268 \(Changes to Money in the Marijuana Tax Cash Fund\)](#), passed in the most recent legislative session. This bill took several MTCF budget balancing measures, notably reducing the revenue allocation to Local Governments from 10 percent to 3.5 percent, and redirecting that money to the Marijuana Cash Fund and the Marijuana Tax Cash Fund.



⁷ For FY 2020-21 only, H.B. 20-1418 (School Finance) diverted all marijuana excise tax collected above the first \$40.0 million to the State Public School Fund rather than the Public-School Capital Construction Assistance (PSCCAF or BEST) Fund as a budget balancing measure. However, as of FY 2021-22 statute again credits all excise tax revenues to the PSCCAF.

In FY 2024-25 the State allocated the total of approximately \$237.1 in marijuana tax revenue collections as follows:

- \$129.0 million (54.4 percent) was credited to the MTCF and made available for appropriation and transfer for a variety of purposes.
- \$63.4 million (26.7 percent) was allocated to two funds that support K-12 education, including \$42.3 million in excise taxes and \$21.1 million originating as special sales taxes.
- \$26.1 million (11.0 percent) was retained in the General Fund.
- \$18.6 million (7.8 percent) was distributed to local governments.

Special Sales Tax: (\$186.4 million in FY 2024-25 and 78.6 percent of marijuana taxes)

The **15.0 percent special sales tax** applies to retail marijuana sales (but not medical marijuana) and represents the largest source of marijuana-related tax revenue. Proposition AA, approved by voters in 2013, authorized the state to levy up to a 15.0 percent special sales tax. The State initially chose to levy a tax of 10.0 percent, beginning January 1, 2014. However, S.B. 17-267 ([Sustainability of Rural Colorado](#)) increased that rate to 15.0 percent beginning July 1, 2017, and exempted retail marijuana from the regular state sales tax, which is discussed below. With the increased tax rate and increasing retail sales, special sales tax revenues grew significantly, from \$67.3 million in FY 2015-16 (the first full fiscal year of collections) to \$290.0 million in FY 2020-21. However, as noted above, revenues have sharply fallen in recent fiscal years, and the State collected approximately \$186.4 million in FY 2024-25, a decrease of \$8.6 million (4.4 percent) from FY 2023-24.

Legislation passed in the most recent session changed the allocation to local governments from 10.0 percent of special sales tax revenue to 3.5 percent. See Statute (see Sec. 39-28.8-203, C.R.S.) This allocation to local governments is based on the percentage of such revenues collected within the boundaries for each local government and allocates the remaining 96.5 percent state share of special sales tax revenues among four funds (percentages shown represent shares of the money actually retained by the State):

- 72.2 percent to the MTCF which is then available for appropriation or transfer for a variety of uses. Subsequent sections of this document provide more detail on the status and uses of the MTCF.
- 11.7 percent to the State Public School Fund to support school finance (this revenue is available in the year after it is collected).⁸
- 14.5 percent to the General Fund.
- 1.6 percent to the Marijuana Cash Fund to support the Marijuana Enforcement Division in

Excise Tax: (approximately \$42.3 million in FY 2024-25 and 17.8 percent of marijuana taxes)

A **15.0 percent marijuana excise tax** (also authorized by Proposition AA) applies to the wholesale price of the product being sold or otherwise transferred from a retail marijuana cultivation facility. For certain transfers between unaffiliated businesses, the tax applies to the contract price for the transfer. For transfers between affiliated businesses, the tax applies to an “average market rate” (AMR) set by the Department of Revenue’s Office of Research and Analysis (ORA) and the Marijuana Enforcement Division (MED).

⁸ Prior to FY 2019-20, these funds were statutorily appropriated to the Department of Education for school finance in the year in which the revenues were collected. Pursuant to H.B. 18-1101 [Section 22-54-139 (3), C.R.S.], starting with the FY 2019-20 budget year the General Assembly may appropriate all or any portion of the marijuana sales tax proceeds that are transferred to the State Public School Fund during the prior budget year. Thus, these revenues are now subject to annual appropriation and may be distributed to school districts in a fiscal year following the fiscal year in which the revenue is received.

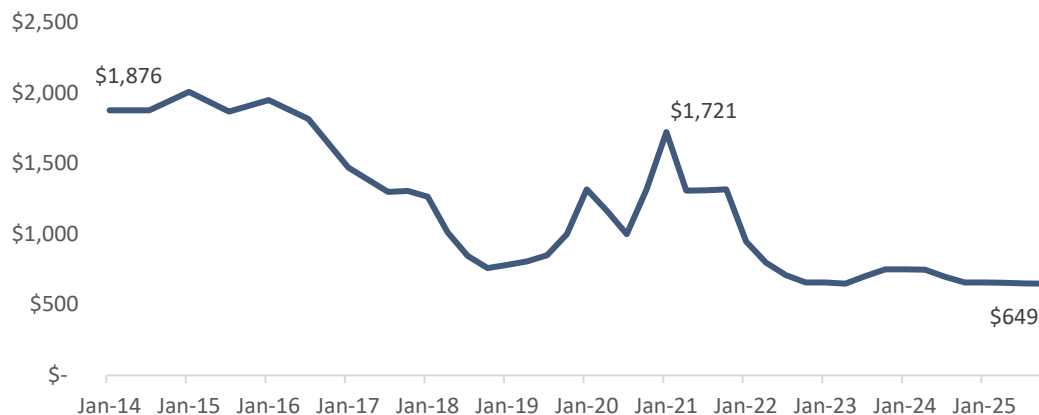
The Department sets the AMR for several categories of marijuana products based on the median price for recent transactions (for example, transactions between June 1, 2025, and August 31, 2025, determined the rate for October 1, 2025, through December 31, 2025, shown in Table 1 below).⁹

Table 1: MED Established Average Market Wholesale Price for Retail Marijuana

| Product Category | Description [1] | Unit | Price | 5 Yr. % Change |
|-------------------------------|--|-------|-------|----------------|
| Retail bud | Product in the flowering stage | pound | \$649 | -51% |
| Retail trim | Any part of a plant other than the bud or wet whole plant | pound | \$204 | -42% |
| Retail immature plant | Nonflowering plant no larger than 8 inches tall or wide | plant | \$14 | 56% |
| Wet whole plant | A plant that is cut off just above the roots and is not trimmed, dried, or cured. The plant must be weighed within two hours of being harvested. | pound | \$71 | -59% |
| Seed | Seeds of the marijuana plant | seed | \$9 | 13% |
| Trim allocated for extraction | Trim that is designated for the extraction of retail marijuana concentrate and not for direct sale to consumers | pound | \$75 | -57% |
| Bud allocated for extraction | Bud that is designated for the extraction of retail marijuana concentrate and not for direct sale to consumers | pound | \$354 | -29% |

According to the Department of Revenue, a majority of excise tax revenues are driven by the AMR rather than contract pricing. As a result, changes in the AMR can significantly affect revenues. The AMR has fluctuated over time, with a direct impact on excise tax revenues (see the chart below for an illustration of the changes in the AMR for “retail bud” since 2014). In addition, the Department has added additional categories of product, such as bud and trim allocated for extraction (added in January 2018), to reflect changes in the market.

The AMR for retail bud has been trending down in recent years, and is currently at its all-time low of \$649 per pound.



Changes in wholesale sales, both price and quantity, create volatility in the collection of excise tax revenues. The bullet points below outline trends in excise tax revenues in recent years, which are highly correlated with fluctuations in AMR.

- In large part as a result of the changes in AMR, excise tax revenues decreased from \$71.4 million in FY 2016-17 to \$58.4 million in FY 2018-19 even as sales of marijuana increased.

⁹ [Current average market rates.](#)

- With increases in both the AMR and in marijuana sales, excise tax revenues rebounded to \$81.1 million in FY 2019-20 and increased again to \$120.8 million in FY 2020-21.
- Demand and price have declined since then, with excise tax revenues falling to \$97.3 million in FY 2021-22, a year-over-year decrease of 19.4 percent. In FY 2022-23, excise tax revenue continued to drop, falling by \$39.5 million to \$57.8 million, a decrease of 40.5 percent compared to the previous fiscal year. Excise tax revenue continued to fall in FY 2023-24 dropping to 47.9 million.
- The September 2025 revenue forecast for OSPB shows preliminary excise tax revenue of \$42.3 million for FY 2024-25. The OSPB forecast further projects excise tax revenue being relatively flat throughout FY 2025-26 and FY 2026-27 (see the Marijuana Revenue Outlook section below).

Pursuant to Amendment 64, the State Constitution requires the transfer of the first \$40.0 million of annual marijuana excise tax revenues to the *Public-School Capital Construction Assistance Fund (PSCCAF)*.¹⁰ Money in this fund helps pay for local K-12 school construction projects through the Building Excellent Schools Today (BEST) program, which is administered through the Department of Education. While the State Constitution specifies that the first \$40.0 million in excise tax revenues will support BEST, the General Assembly has made statutory changes to adjust the amount of excise tax revenues supporting BEST.

- For FY 2014-15 through FY 2017-18, statute transferred any *additional* excise tax collections (above \$40.0 million per year) to the *Public School “Permanent” Fund*, which is a constitutionally created trust fund that generates income to support public K-12 schools.
- Starting July 1, 2018, H.B. 18-1070 (Additional Public School Capital Construction Funding) required the transfer of 90.0 percent of excise tax revenues to support the BEST Program.¹¹
- Beginning in FY 2019-20, H.B. 19-1055 (Public School Capital Construction Financial Assistance) transfers *all* marijuana excise tax revenues to the PSCCAF, thereby eliminating deposits of excise tax revenues to the Permanent Fund.
- Finally, *for FY 2020-21 only*, H.B. 20-1418 (School Finance) diverted all excise tax above the first \$40.0 million to the State Public School Fund, making those revenues available for appropriation to support school finance (rather than BEST) in FY 2021-22. This provision diverted \$80.8 million to the State Public School Fund in FY 2020-21.

From FY 2013-14 through FY 2024-25, the State has collected a total of approximately \$812.9 million from marijuana excise tax revenue, directing \$664.5 million to the PSCCAF¹², \$67.6 million to the Permanent Fund, and the \$80.8 million to the State Public School Fund in FY 2020-21.

Regular Sales Tax: (\$4.9 million in FY 2024-25 and 2.0 percent of marijuana taxes)

Finally, the **State’s 2.9 percent regular state sales tax** applies to sales of both medical marijuana and non-marijuana products sold by marijuana stores (e.g., t-shirts, pipes, and other novelty items). As noted above, retail marijuana has been exempt from this tax since July 1, 2017, as a result of S.B. 17-267 (which also increased the special sales tax rate from 10.0 percent to 15.0 percent as of that date).

¹⁰ See Article XVIII, Section 16 (5)(d), of the State Constitution.

¹¹ The bill specifically required the transfer of the greater of 90.0 percent of excise tax revenues or \$40.0 million.

¹² This amount excludes an additional \$40.0 million that was transferred to the Public School Capital Construction Assistance Fund from the Proposition AA Refund Account in FY 2015-16, pursuant to voter approval of Proposition BB. The source of this funding was sales tax revenues, rather than excise tax revenues.

Current statute credits all general sales tax revenue related to marijuana to the Marijuana Tax Cash Fund (MTCF). However, with retail marijuana exempt from the regular sales tax, this tax is now a relatively minor share of marijuana-related tax revenue.

TABOR Implications

Please note that the 15.0 percent special sales tax and the 15.0 percent excise tax are not subject to the limitation on state fiscal year spending imposed by Article X, Section 20, of the State Constitution (the Taxpayer's Bill of Rights or TABOR). However, the regular (2.9 percent) state sales tax revenue collected by medical marijuana centers and retail marijuana stores is subject to TABOR. In addition, the fees and fines paid by retail and medical marijuana businesses and the fees paid by medical marijuana patients are subject to TABOR. For FY 2024-25, the marijuana-related tax and fee revenue that is subject to TABOR totaled \$21.2 million (including \$4.8 million in sales tax revenue and \$16.4 million in fee revenue).

Marijuana Revenue Outlook

As we look ahead to the 2026 Session, it's important for the Committee to note that projections for marijuana revenue have once again decreased since the General Assembly finalized the budget for the current fiscal year. Both the Legislative Council Staff (LCS) and the Office of State Planning and Budgeting (OSPB) have consistently lowered their marijuana revenue projections in recent fiscal years. The graphic below illustrates that the September 2025 OSPB revenue projection shows a \$4 million downward revision in the current fiscal year's revenue compared to the March forecast that the Committee used to balance the Marijuana Tax Cash Fund (MTCF).

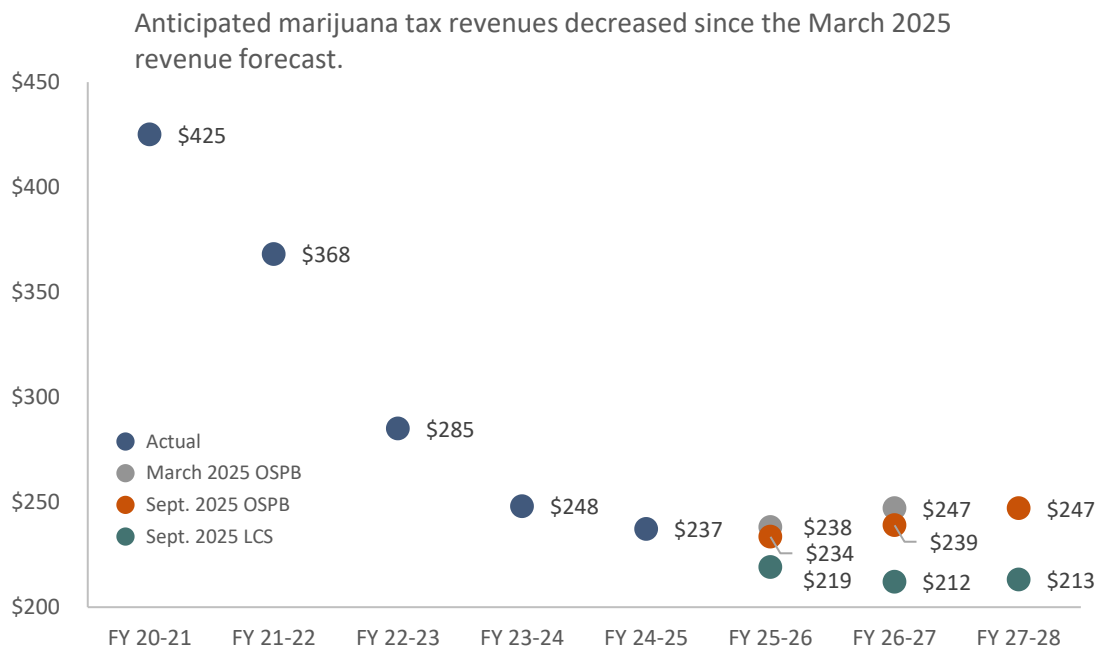


Table 2 below presents the September revenue forecasts for the MTCF as provided by OSPB. Current estimates by OSPB for special sales tax collections, which are the primary source of funding for the MTCF, are projected to be relatively level over the next two fiscal years. OSPB anticipates excise taxes to grow at 2.3 percent over the forecast period. Medical marijuana, a relatively small part of overall marijuana tax revenue, is projected to continue to decline modestly. In aggregate, OSPB anticipates all sources of marijuana tax revenue to grow at a compound annual rate of 0.5 percent over the next two fiscal years, notably below recent inflation rates.

Table 2: OSPB September State Tax Revenue Forecast Related to Retail and Medical Marijuana

| (\$ in millions) | Actuals | | OSPB Forecast | | |
|---|----------------|----------------|----------------|----------------|-------------|
| OSPB Forecast | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | CAGR |
| Proposition AA Taxes (Not Subject to TABOR) | | | | | |
| 15.0 Percent Special Sales Tax on Retail Marijuana | \$195.0 | \$186.4 | \$183.0 | \$187.6 | 0.3% |
| 15.0 Percent Excise Tax on Wholesale Transactions | 47.9 | 42.3 | 42.1 | 44.3 | 2.3% |
| Interest Income | 4.1 | 3.6 | 3.5 | 3.0 | -8.7% |
| Total Proposition AA Tax Revenues (Not Subject to TABOR) | \$247.0 | \$232.3 | \$228.6 | \$234.9 | 0.6% |
| Regular 2.9 Percent Sales Taxes (Subject to TABOR) | | | | | |
| 2.9 Percent Sales Tax on Medical Marijuana | 3.9 | 3.2 | 3.6 | 3.3 | 1.6% |

| (\$ in millions) | Actuals | | OSPB Forecast | | |
|---|----------------|----------------|----------------|----------------|--------------|
| OSPB Forecast | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | CAGR |
| 2.9 Percent Sales Tax on MJ merchandise | 1.2 | 1.5 | 1.1 | 1.1 | -14.4% |
| Interest Income | 0.2 | 0.1 | 0.1 | 0.1 | 0.0% |
| Total Nonexempt Revenue (Subject to TABOR) | 5.3 | 4.8 | 4.9 | 4.5 | -3.2% |
| | | | | | |
| Total Marijuana Tax Revenue, OSPB Forecast | \$252.3 | \$237.1 | \$233.5 | \$239.4 | 0.5% |
| <i>% Change</i> | | -6.0% | -1.5% | 2.5% | |

Table 3 below presents the September revenue forecasts for the MTCF as presented by LCS. Note that LCS projects lower marijuana revenue over the next two fiscal years across all major categories. LCS projects a compound annual growth rate of -4.7 percent for the special sales tax on marijuana, which represents the largest source of marijuana tax revenue. OSPB, as noted above, is anticipating 0.5 percent growth in this category. This revenue category is the primary revenue source for the MTCF, and although the two forecasts have begun to converge, relative to recent years, the difference is significant for balancing purposes.

Excise tax, which directly funds BEST (Public School Capital Construction Assistance Fund), is also anticipated to fall by 4.7 percent annually over the forecast period under the LCS forecast. Medical marijuana is projected to decline by 24.7 percent, which aligns with the long-term decline in this market. Interest rate income, under both estimates, is expected to decrease, consistent with the declining fund balance in recent years and the downward movement in market interest rates.

Table 3: LCS State Tax Revenue Forecasts Related to Retail and Medical Marijuana

| (\$ in millions) | Actuals | | LCS Forecast (9/2025) | | |
|---|----------------|----------------|-----------------------|----------------|---------------|
| LCS Forecast | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | CAGR |
| Proposition AA Taxes (Not Subject to TABOR) | | | | | |
| 15.0 Percent Special Sales Tax on Retail marijuana | \$195.0 | \$186.4 | \$174.2 | \$169.3 | -4.7% |
| 15.0 Percent Excise Tax on Wholesale Transactions | 47.9 | 40.2 | 38.8 | 36.5 | -4.7% |
| Interest Income | 3.4 | 3.4 | 2.6 | 2.5 | -14.3% |
| Total Proposition AA Tax Revenues (Not Subject to TABOR) | \$242.9 | \$230.0 | \$215.5 | \$208.3 | -4.8% |
| | | | | | |
| Regular Sales Taxes (Subject to TABOR) | | | | | |
| 2.9 Percent Sales Tax on medical marijuana | \$3.9 | \$3.0 | \$2.2 | \$1.7 | -24.7% |
| 2.9 Percent Sales Tax on marijuana merchandise | 1.2 | 1.5 | 1.5 | 1.6 | 3.3% |
| Interest Income | 0.2 | 0.1 | 0.1 | 0.1 | 0.0% |
| Total Nonexempt Revenue (Subject to TABOR) | 5.3 | 4.6 | 3.8 | 3.4 | -14.0% |
| | | | | | |
| Total Marijuana Tax Revenue, LCS Forecast | \$248.2 | \$234.6 | \$219.4 | \$211.7 | -5.2% |
| <i>% Change</i> | | -5.5% | -6.5% | -3.5% | |

Table 4 below presents the September forecast from OSPB for revenue distributions from retail, medical, and excise marijuana tax collections. Note that the 3.5 percent annual growth rate of revenue distributions to the MTCF is almost entirely due to S.B. 25-268 (Changes to Money in the Marijuana Tax Cash Fund). Without this allocation shift from local governments to the MTCF, the growth rate would have been flat based on OSPB's forecast assumptions. Also note, the troubled Marijuana Cash Fund now receives a portion of distributions beginning in FY 2025-26 as a result of the revised distribution formula.

Table 4: OSPB Projected Marijuana Revenue Distributions

| (\$ in millions) | Preliminary | OSPB Forecast (9/2025) | | |
|---|--------------|------------------------|--------------|-------------|
| Marijuana Revenue Distributions | FY 24-25 | FY 25-26 | FY 26-27 | CAGR |
| Marijuana Tax Cash Fund | \$129.0 | \$135.9 | \$138.3 | 3.5% |
| BEST Fund | 42.3 | 42.1 | 44.3 | 2.3% |
| General Fund | 26.1 | 25.6 | 26.3 | 0.4% |
| State Public School Fund | 21.1 | 20.7 | 21.3 | 0.5% |
| Marijuana Cash Fund | 0.0 | 2.7 | 2.8 | n/a |
| Local Distributions | 18.6 | 6.4 | 6.6 | -40.4% |
| Total Marijuana Revenue Distributions, OPSB Sept. Forecast | 237.1 | 233.5 | 239.4 | 0.5% |

Table 5 below presents the September forecast from LCS for revenue distributions from retail, medical, and excise marijuana taxes. Even with the revenue reallocation from SB 25-268(Changes to Money in the Marijuana Tax Cash Fund) LCS projects a negative growth rate of -1.8 percent for MTCF distributions. Under the prior allocation formula, the growth rate would have been approximately -5.0 percent.

Table 5: LCS Projected Marijuana Revenue Distribution

| (\$ in millions) | Preliminary | LCS Forecast (9/2025) | | |
|--|--------------|-----------------------|--------------|--------------|
| Marijuana Revenue Distributions | FY 24-25 | FY 25-26 | FY 26-27 | CAGR |
| Marijuana Tax Cash Fund | \$128.6 | \$127.8 | \$123.9 | -1.8% |
| BEST Fund | 40.2 | 38.8 | 36.5 | -4.7% |
| General Fund | 26.1 | 24.4 | 23.7 | -4.7% |
| State Public School Fund | 21.0 | 19.7 | 19.2 | -4.3% |
| Marijuana Cash Fund | 0.0 | 2.6 | 2.5 | n/a |
| Local Distributions | 18.6 | 6.1 | 5.9 | -43.7% |
| Total Marijuana Revenue Distributions, LCS Sept. Forecast | 234.6 | 219.4 | 211.7 | -5.0% |

The table below outlines the differences between the LCS and OSPB forecasts. While the growth rate assumptions have started to converge and are now closer than in previous years, a significant discrepancy still exists. Depending on how revenues trend over the next two forecasts, this could have a substantial impact on the balancing process in March.

Table 6: MTCF Revenue Forecast Difference

| MTCF Distributions (\$ in millions) | FY 24-25 | FY 25-26 | FY 26-27 |
|--|----------|----------|----------|
| LCS MTCF revenue projections, Sept forecast | 128.6 | 127.8 | 123.9 |
| OSPB MTCF revenue projections, Sept forecast | 129.0 | 135.9 | 138.3 |
| LCS - OSPB | -0.4 | -8.1 | -14.4 |

Marijuana Tax Cash Fund Overview

As discussed above, the General Assembly has established three cash funds related to marijuana legalization:

- The *Marijuana Cash Fund* consists of medical and retail marijuana business fees and fines. Money in this fund is annually appropriated to the Department of Revenue to support the Marijuana Enforcement Division.
- The *Medical Marijuana Program Cash Fund* consists of fees paid by patients seeking medical marijuana cards. Money in this fund is annually appropriated to the Department of Public Health and Environment to support the medical marijuana registry and other regulatory functions.
- The *Marijuana Tax Cash Fund (MTCF)* consists of: (a) all revenues collected from the regular state sales tax on medical marijuana and non-marijuana retail product sales and (b) a portion of special sales tax revenue that is collected on retail marijuana sales (64.665 percent of total special sales tax revenues and 71.85 percent of the revenues actually retained by the state). The General Assembly annually appropriates money in this fund to support a variety of state programs and services, including the Department of Revenue's Taxation Business Group.

The remainder of this section provides an overview of the allocation of money in the MTCF.

The General Assembly has declared its authority to appropriate marijuana tax revenue for any purpose but has also chosen to prioritize appropriations for certain purposes. Staff has provided below the relevant statutory excerpt¹³:

"The general assembly hereby finds and declares that the retail marijuana excise tax and sales tax created a new revenue stream for the state, and the basis of these taxes is the legalization of marijuana, which presents unique issues and challenges for the state and local governments. Thus, there is a need to use some of the sales tax revenue for marijuana-related purposes. But, as this is revenue from a tax, the general assembly may appropriate this money for any purpose."

The general assembly further declares that the new retail marijuana tax revenue presents an opportunity to invest in services, support, intervention, and treatment related to marijuana and other drugs.

Therefore, the purposes identified in this subsection (2) prioritize appropriations related to legalized marijuana, such as drug use prevention and treatment, protecting the state's youth, and ensuring the public peace, health, and safety."

The statutory provisions that follow this declaration limit the timing, amount, and allowable uses of money in the MTCF¹⁴. With respect to timing:

- Prior to FY 2020-21, statute allowed for appropriations to the Department of Revenue for the year in which revenue was collected but required the General Assembly to make all other appropriations from the MTCF in fiscal years following the year of collection (e.g., revenue collected in FY 2019-20 could only support appropriations for FY 2020-21 or subsequent fiscal years).

¹³ See Section 39-28.8-501 (2)(b), C.R.S.

¹⁴ See Section 39-28.8-501 (2), C.R.S.

- However, beginning in FY 2020-21, H.B. 20-1401 (Marijuana Tax Cash Fund Spending and Transfer) repealed that requirement and allowed the General Assembly to appropriate MTCF revenues in the same year in which they are collected beginning in FY 2020-21. That change allowed the General Assembly to appropriate \$121.7 million from the Marijuana Tax Cash Fund and transfer \$137.0 million to the General Fund to assist with budget balancing for FY 2020-21. In effect, FY 2019-20 revenues supported the transfer to the General Fund while projected FY 2020-21 revenues supported most of the appropriation.

With respect to the amount appropriated from the MTCF, the statute includes a reserve requirement. Prior to FY 2022-23, the provision limited annual appropriations from the MTCF to no more than 93.5 percent of the “amount of moneys in the fund available for appropriation.” House Bill 22-1341 (Marijuana Tax Cash Fund) modified this provision to require the General Assembly to maintain a reserve of 15.0 percent of expenditures from the fund and clarified that the reserve had to be in addition to any amounts designated as a portion of the TABOR emergency reserve. In addition, for FY 2021-22 through FY 2025-26 the General Assembly has designated \$100.0 million of the MTCF fund balance as part of the State Emergency Reserve under TABOR.

Finally, the General Assembly has specified the following allowable purposes for which money in the MTCF may be appropriated:¹⁵

Finally, the General Assembly has specified the following **allowable purposes** for which money in the MTCF may be appropriated:¹⁶

- (A) To *educate people about marijuana* to prevent its illegal use or legal abuse.
- (B) To *provide services for adolescents and school-aged children* in school settings or through community-based organizations.
- (C) To treat and provide related services to people with any type of substance use or mental health disorder, including those with co-occurring disorders, or to evaluate the effectiveness and sufficiency of *behavioral health services*.
- (D) For *jail-based and other behavioral health services for persons involved in or diverted from the criminal justice system*.
- (E) For *state regulatory enforcement, policy coordination, or litigation defense costs* related to retail or medical marijuana.
- (F) For *law enforcement and law enforcement training*, including any expenses for the police officers' standards and training board training or certification.
- (G) For the *promotion of public health*, including poison control, prescription drug take-back programs, the creation of a marijuana laboratory testing reference library, and other public health services related to controlled substances.
- (H) To *study the use of marijuana and other drugs*, their health effects, and other social impacts related to them.
- (I) To *research, regulate, study, and test industrial hemp or hemp seeds*.
- (J) Repealed.
- (K) Repealed.
- (L) Repealed.

¹⁵ See Section 39-28.8-501 (2)(b)(IV), C.R.S.

¹⁶ See Section 39-28.8-501 (2)(b)(IV), C.R.S.

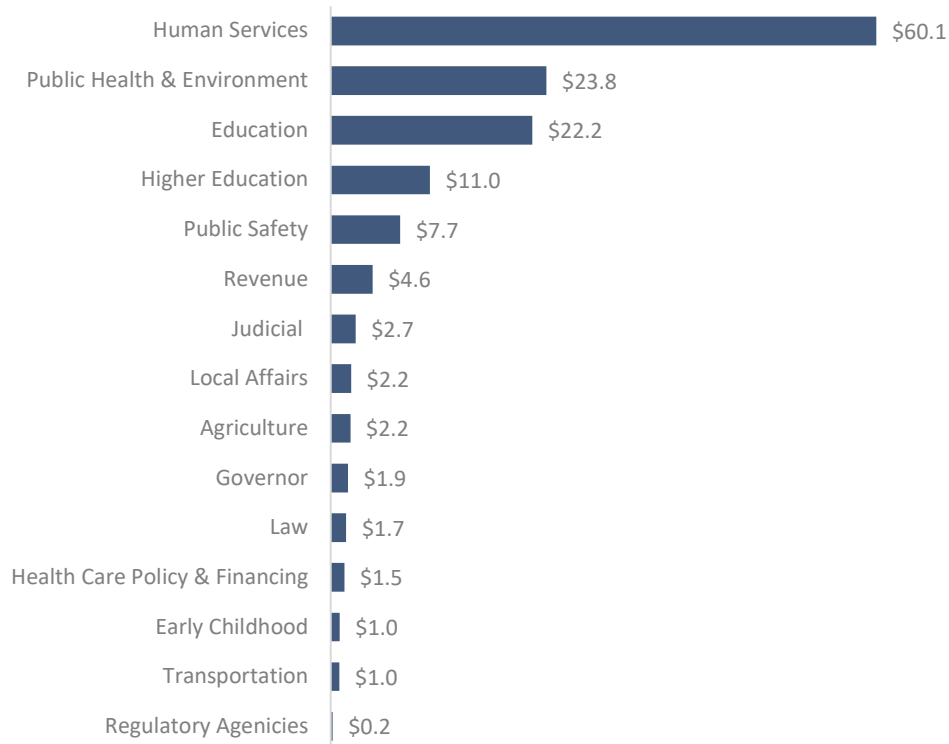
- (M) For the expenses of the Department of Education and the Department of Public Health and Environment in *developing and maintaining a resource bank for educational material on marijuana* and providing technical assistance.
- (N) For *housing, rental assistance, and supportive services*, including reentry services.
- (O) For the development of local dually identified crossover youth plans and services.
- (P) For *comprehensive quality physical education instruction*.
- (Q) Repealed.
- (R) Repealed.
- (S) For the program to support *entrepreneurs in the marijuana industry*.
- (T) For expenses relating to the reduction of collateral consequences experienced by people previously sentenced for drug offenses.
- (U) For *trial court programs* administered by the Judicial Department.

The General Assembly appropriates money in the MTCF based on the most recent revenue projections from either LCS or OSPB, depending on the Committee's choice of forecast for General Fund balancing purposes (the March 2025 OSPB revenue forecast for FY 2025-26).

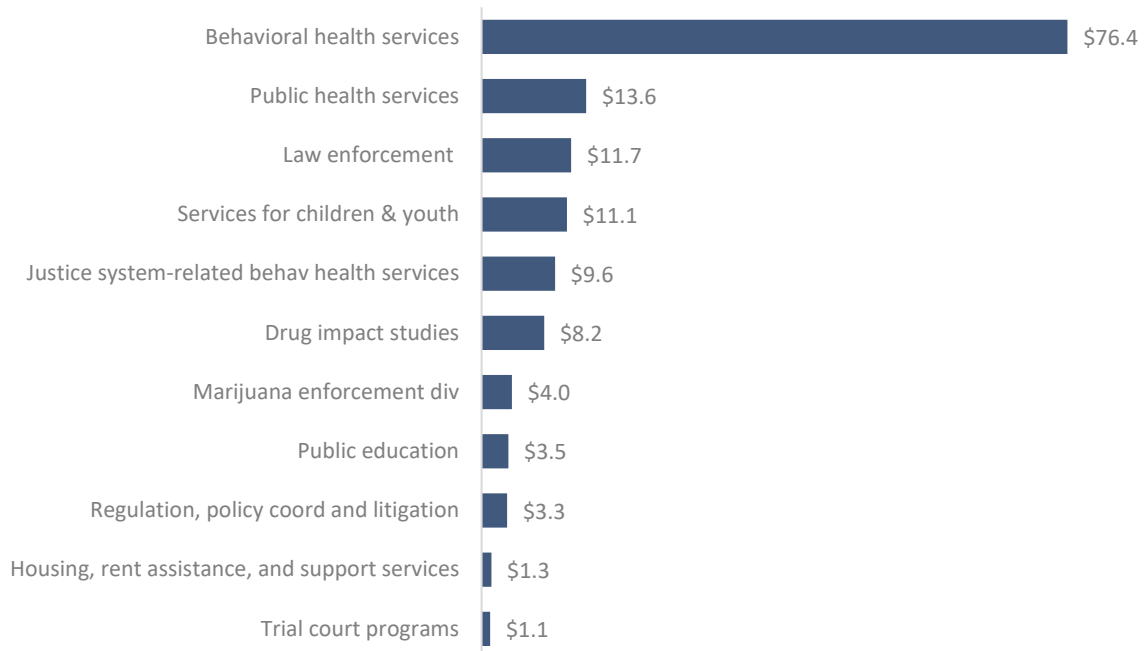
- For FY 2025-26, the General Assembly has appropriated or transferred a total of \$128.5 million from the MTCF, a decrease of approximately \$16.6 million from the amended FY 2024-25 appropriation.
- In order to begin FY 2025-26 with a sufficient fund balance SB 25-268 (Changes to Money in the Marijuana Tax Cash Fund), repealed the requirement to transfer \$20 million from the MTCF to the Public-School Capital Construction Assistance Fund on June 1, 2026.
 - Previously S.B. 23-220 (Public School Capital Construction Assistance Grants) repealed a FY 2022-23 \$30.0 million transfer from the MTCF to the PSCCAF to support the BEST program. Senate Bill 21-207 (Public School Capital Construction Assistance Fund Transfer) had previously directed a transfer of \$100.0 million in FY 2021-22. However, responding to solvency concerns for FY 2021-22, H.B. 22-1341 (Marijuana Tax Cash Fund) reduced the FY 2021-22 transfer to \$50.0 million and then directed transfers of \$30.0 million in FY 2022-23 and \$20.0 million in FY 2023-24. The total proposed transfer of \$100.0 million was intended as "repayment" of a transfer of that amount from the PSCCAF to the State Public School Fund in FY 2020-21 as a budget-balancing measure.
- Finally, the General Assembly continued to designate \$100.0 million of the fund balance as a portion of the TABOR emergency reserve for FY 2023-24.

The following two graphics illustrate the current FY 2024-25 allocation of MTCF appropriations among state agencies and among the statutorily authorized purposes. With respect to the charts, it is important to note that they only include appropriations from the MTCF and, therefore, do not include either excise taxes (credited directly to the fund supporting the BEST program) or special sales taxes that are credited to either the General Fund or the State Public School Fund.

The Department of Human Services received 42 percent of MTCF appropriations for FY 24-25 (\$ in millions)



In terms of use, behavioral health services for children and youth received the largest appropriations for FY 24-25 (\$ in millions)



Issue: National Marijuana Market Trends

This issue brief examines national trends regarding the state-level legalization of recreational marijuana for adults. Currently, 24 states and Washington, D.C. have legalized and regulated markets for recreational marijuana, with further growth anticipated. However, 2024 marks the first time in seven years that no new states have entered the retail marijuana market. In contrast, the use of intoxicating hemp has rapidly spread across many states. The differing treatment of these cannabis products at the federal level has created an uneven playing field and led to significant disruptions in the regulated marijuana sector. Additionally, an oversupply within the industry continues to exert considerable downward pressure on prices.

Summary

- Nationally, the revenue from regulated adult-use marijuana markets continues to grow; however, this growth is inconsistent across the country. Generally, older, more established markets are experiencing stagnation or decline, while newer state markets have seen significant year-over-year growth.
- The 2018 Farm Bill, which legalized hemp, has led to the emergence of a rapidly growing intoxicating hemp market that disrupts the regulated marijuana sector and negatively impacts Colorado's marijuana tax revenue. Additionally, the disparate treatment of the two cannabis strains at the federal level has created an unlevel market, with hemp producers realizing significant competitive advantages.
- The significant oversupply of plants in the industry has created downward pressure on prices. In Colorado, the number of plants under cultivation has decreased by over 40% since the peak of the pandemic. Despite this dramatic drop in supply, the price of marijuana continues to decline sharply.

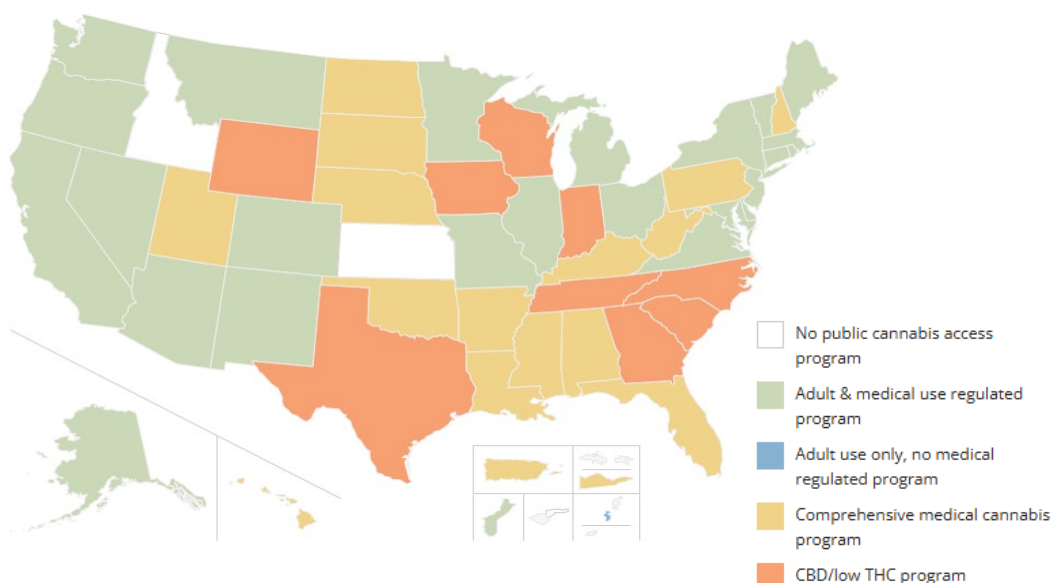
Discussion

2024 marks the first year since 2017 that no states passed ballot initiatives to legalize recreational marijuana. Florida fell short of the 60 percent threshold to adopt a constitutional amendment. North Dakota and South Dakota both also had ballot measures to legalize adult-use marijuana, but also failed to gain sufficient support. Currently 24 states, along with Washington, DC, have established legalized and regulated adult-use marijuana markets.

The map below, from the National Council of State Legislators¹⁷, depicts the current state level legal status of marijuana across the country. In the eleven years since Colorado and Washington paved the way for a regulated adult use marijuana marketplace two dozen other states have entered the market. Additionally, 42 states have regulated medical marijuana programs. Though no states moved to legislate recreational marijuana in 2024 or 2025, there has been widespread legislation around intoxicating hemp, with states taking very different approaches to the treatment of the plant, and the intoxicating cannabinoids that are extracted from it.

¹⁷ [NCSL Cannabis Overview](#)

State legal status of recreational and medicinal marijuana as of November 2025. Twenty-four states and Washington DC currently have a regulated adult-use marijuana market.



The rise of intoxicating hemp products is a significant unintended consequence of the 2018 Farm Bill. This legislation legalized hemp at the federal level by defining it as cannabis containing no more than 0.3 percent delta-9 THC by dry weight. However, the bill did not impose any restrictions on other cannabinoids that can be chemically derived from hemp, such as delta-8 THC, delta-10 THC, and other intoxicating compounds. This legal gray area allows manufacturers to extract or synthesize these psychoactive cannabinoids from hemp-derived CBD and market them as hemp products, even though they can produce intoxicating effects similar to those of marijuana.

Many states in the Southeast, lacking a legal and regulated marijuana market, have permitted the emergence of an intoxicating hemp market, primarily due to strong consumer demand. In Texas, the intoxicating hemp market has expanded virally, with projected annual sales expected to exceed \$5.5 billion by 2025. Currently, more than 8,000 retailers across the state offer intoxicating hemp products, and the industry provides jobs for over 53,000 workers. Other states in the Southeast have experienced similar rapid growth in the intoxicating hemp market, which has evolved rapidly in response to demand.

Hemp producers enjoy significant competitive advantages compared to marijuana growers. Since hemp is not classified as a controlled substance, its growers are not subject to Internal Revenue Code 280E, which prohibits businesses related to Schedule I or Schedule II drugs from deducting many business expenses from federal taxes. As a result, marijuana growers face a much higher effective tax rate than hemp producers.

Moreover, hemp producers encounter far fewer barriers when it comes to banking, and they can often access federal programs such as crop insurance and research grants. All of these factors contribute to an uneven competitive landscape, with different regulations governing growers of a very similar cannabis plant.

State Level Market Trends

Table 7 below displays the total sales of marijuana across the ten largest markets in the U.S. for 2024. It's notable that the larger and more established markets, such as California, Colorado, and Washington, which were early adopters of the adult-use marijuana market, experienced year-over-year declines in sales between 2023 and 2024. In contrast, newer states like Maryland and New Jersey saw substantial growth rates in recent years, often reaching double digits. Despite Colorado's ongoing decline in marijuana-related tax revenue, it still holds the third highest level of marijuana sales per capita.

In recent years, the United States has faced relatively high inflation; however, marijuana prices remain an outlier in a world of rising prices. Marijuana prices in Colorado and nationwide have consistently decreased over the past four years. This notable decline can primarily be attributed to an oversupply of marijuana cultivation in relation to consumer demand.

According to data from the Marijuana Enforcement Division Dashboard, the number of cultivated plants in Colorado has significantly reduced from approximately 1.3 million in 2021 to around 0.8 million in 2025, representing a decline of nearly 40 percent. Despite this substantial reduction in supply, retail prices continue to fall. During the same timeframe, the wholesale average market rate (AMR) for retail bud in Colorado has experienced a decrease of over 60 percent.

Colorado is not alone in facing significant declines in cannabis prices. Established markets such as California and Washington have also experienced considerable reductions. However, it is emerging markets that appear to be suffering the most. Notably, Michigan, which entered the cannabis market in 2018, has seen retail prices collapse by over 80 percent. Consequently, Michigan now holds the distinction of having the lowest-priced marijuana in the country.¹⁸

Table 7: 2024 Marijuana Sales Data by State

| State | 2024 Sales (billions) [1] | Annual % change [2] | Sales per capita [3] | Date legal |
|---------------|---------------------------|---------------------|----------------------|------------|
| California | \$4.66 | -12.7% | \$117.5 | 2016 |
| Michigan | 3.03 | 7.6 | 296.6 | 2018 |
| Illinois | 2.01 | 2.5 | 157.1 | 2019 |
| Massachusetts | 1.67 | -1.8 | 231.8 | 2016 |
| Missouri | 1.46 | 9.1 | 232.4 | 2022 |
| Colorado | 1.40 | -8.6 | 232.3 | 2012 |
| Maryland | 1.24 | 45.1 | 195.7 | 2022 |
| Washington | 1.26 | -3.4 | 156.0 | 2012 |
| New Jersey | 1.08 | 25.6 | 112.7 | 2020 |
| Arizona | 1.11 | -14.0 | 143.7 | 2020 |
| Oregon | 0.96 | 0.5 | 223.7 | 2015 |

[1] [2024 U.S Cannabis Sales Data](#)

[2] [The Rise and Fall: Charting 2023-2024 state cannabis sales](#)

[3] [U.S population data](#)

Conclusion

Colorado, like many other established marijuana markets, is experiencing a decline in marijuana tax revenue. Initially, it was believed that this decline was a temporary consequence of a post-pandemic temporary

¹⁸ [Inflation? Not in the cannabis market. Here's why weed is so cheap.](#)

correction, and that the industry would soon return to its pre-pandemic growth trajectory. However, this notion has largely been dismissed. A closer look at wholesale and retail price trends before the pandemic reveals that the industry already was facing significant challenges ahead.

While the rate of decline appears to be slowing, staff advise caution in assessing whether we have reached the bottom of this decline. The marijuana market in Colorado is now significantly influenced by actions taken by other states and the rapid rise of an intoxicating hemp market, which currently benefits from more favorable federal regulations. Due to the complex and rapidly changing nature of these markets, staff remain cautious about any claims that Colorado has hit the floor of its decline in marijuana tax revenue.

According to Whitney Economics, a leader in cannabis economic research, the following three factors are driving the decline in marijuana market.¹⁹

- ***Downward price pressure from oversupply:*** The U.S. marijuana market is oversupplied, and the number of plants authorized for cultivation by state regulators exceeds the demand in both the legal and illicit markets.
- ***Taxation impacts on legal participation:*** Consumers are willing to pay a price premium for the quality control and peace of mind afforded by participating in the regulated adult use market, as long as the price differential is not too great. Though it is ambiguous what too great is, Whitney did note that “states with high taxes lag behind other states in terms of the percentage of participation in the legal market.”
- ***Influence of Substitute Products:*** The availability of a cheap substitute for marijuana has decreased demand, which in turn puts downward pressure on retail prices and negatively affects state tax revenues from the marijuana market.

¹⁹ [Whitney Economics reduces U.S. cannabis retail forecast](#)

Issue: FY 2025-26 Marijuana Tax Cash Fund Status and the FY 2026-27 Request

For context, the MTCF is relatively unique as a cash fund with a defined revenue source that also provides discretionary appropriations to a wide variety of departments. This situation requires the Committee and the General Assembly to carefully balance the fund's revenues and appropriations among different departments and priorities. Currently, this presents unique challenges, as revenues have significantly declined over the past four fiscal years, and are tracking towards a decrease in the current fiscal year.

This issue brief provides an overview of the status of the Marijuana Tax Cash Fund (MTCF) in FY 2025-26 and FY 2026-27 based on the current revenue projections provided by both LCS and OSPB. Additionally, the brief discusses the Governor's Marijuana Tax Cash Fund statewide balancing requests.

Summary

- Ongoing declines in recreational marijuana revenue and different forecast assumptions by LCS and OSPB continue to leave uncertainty around cash flow to the MTCF in FY 2025-26 and FY 2026-27.
- The Governor's MTCF statewide balancing proposal includes adjustments to appropriations and transfers for various departments, including the Department of Higher Education, the Department of Health Care Policy and Financing, the Department of Transportation, the Department of Public Health and Environment, and the Department of Education. Overall, these adjustments will result in a net reduction of \$0.5 million in appropriations and transfers for the fiscal year 2026-27.
- The Governor's statewide balancing proposal for the MTCF in FY 2026-27 is only feasible based on the OSPB forecast. If revenues track with LCS and forecasts are subsequently adjusted downward prior to balancing, further reductions to MTCF obligations will likely be needed to achieve a balanced budget for FY 2026-27.

MTCF Solvency in FY 2025-26

The General Assembly balanced appropriations and transfers from the MTCF for FY 2025-26 based on the revenue expectations in the March 2025 OSPB forecast. Based on these projections, the General Assembly implemented the following actions for fiscal year 2025-26:

- Continued to designate \$100.0 million of the MTCF balance as part of the TABOR emergency reserve (first designated in FY 2021-22).
- Due to the ongoing declines in MTCF revenue, the Committee sponsored legislation, SB 25-268 (Changes to Money in the Marijuana Tax Cash Fund), to reduce expenditures and transfers from the MTCF and bring the fund into balance. The actions in this bill included:
 - Repeals the requirement to transfer \$20 million from the MTCF to the Public-School Capital Construction Assistance Fund on June 1, 2026. Previously S.B. 23-220 (Public School Capital Construction Assistance Grants) repealed a FY 2022-23 \$30.0 million transfer from the MTCF to the PSCCAF to support the BEST program. Senate Bill 21-207 (Public School Capital Construction Assistance Fund Transfer) had previously directed a transfer of \$100.0 million in FY 2021-22. However, responding to solvency

concerns for FY 2021-22, H.B. 22-1341 (Marijuana Tax Cash Fund) reduced the FY 2021-22 transfer to \$50.0 million and then directed transfers of \$30.0 million in FY 2022-23 and \$20.0 million in FY 2023-24. The total proposed transfer of \$100.0 million was intended as “repayment” of a transfer of that amount from the PSCAF to the State Public School Fund in FY 2020-21 as a budget-balancing measure.

- Repeals the requirement that the General Assembly annually appropriate \$3 million from the MTCF to the Board of Regents of the university of Colorado for the implementation of the medication-assisted treatment expansion pilot program but allows the General Assembly to choose to appropriate money for the program in the future.
- Changes the apportionment of the proceeds collected from the retail marijuana sales tax between the state and local governments so that local governments receive 3.5 percent rather than 10 percent of the tax revenue and the state retains 96.5 percent rather than 90 percent of the tax revenue.
- Transfers totaling \$3.8 million from the MTCF to support numerous initiatives, including other cash funds related to juveniles in the criminal justice system, an IT Capital seed to sale system in the Marijuana Enforcement Division, IT Capital funding for a gangs database in the Department of Public Safety.
- Appropriates a total of \$124.7 million to various state agencies. A breakdown of these appropriations by at the departmental level is available in Appendix C, starting on page 27.

As shown in Table 8 below, based on the OSPB forecast, the MTCF is projected to conclude FY 2025-26 approximately \$3.2 million below the 15.0 percent statutory reserve. The LCS forecast projects MTCF revenue to be about \$8 million less than OSPB in the current fiscal year. Consequently, under LCS’s projections, the MTCF will conclude FY 2025-26 \$11.3 million under the 15.0 percent statutory reserve.

Table 8: FY 2025-26 Projections Based on September Forecasts

| Description | September OSPB | September LCS |
|--|----------------------|----------------------|
| Beginning fund balance as of July 1, 2025 (per Department of Revenue) | \$108,079,954 | \$108,079,954 |
| Total Projected MTCF Revenue to be Collected OSPB / LCS | 135,859,346 | 127,800,000 |
| State TABOR Emergency Cash Reserve | -100,000,000 | -100,000,000 |
| Total Available after emergency reserve | 143,939,300 | 135,879,954 |
| Appropriations approved for FY 2025-26 | 124,705,391 | 124,705,391 |
| Executive Order reduction to HCPF SBIRT Appropriation | -500,000 | -500,000 |
| Total Appropriations Including Adjustments | \$124,205,391 | \$124,205,391 |
| Current Law Transfers to Various Justice Funds (HB 21-1315) | 598,000 | 598,000 |
| IT Capital Seed to Sale | 2,980,000 | 2,980,000 |
| CDPS IT Capital Request | 250,000 | 250,000 |
| Transfer from HCPF SBIRT to General Fund | 500,000 | 500,000 |
| EQUALS: Total Obligations | \$128,533,391 | \$128,533,391 |
| Ending Balance Excluding Emergency Reserve | \$15,405,909 | \$7,346,563 |
| Statutorily required reserve | 18,630,809 | 18,630,809 |
| Amount Above/Below Statutorily Required Reserve | -3,224,900 | -11,284,246 |

The FY 2026-27 Request

Looking toward the future, staff notes that based on the September OSPB forecast, there is projected to be enough revenue to fund base appropriations to ongoing programs supported by the MTCF as well as make statutory transfers in current law in FY 2026-27. As outlined in Table 9 below, if MTCF revenues track with the OSPB forecast, then the MTCF is projected to finish FY 2025-26 approximately \$3.3 million below the 15.0

percent statutory reserve, but will conclude FY 2026-27 approximately \$4.1 million above the reserve. Consequently, no further actions would need to occur in order to balance in FY 26-27, and the statewide MTCF request is to primarily refocus the MTCF on the Governor’s priorities, which include restoring several appropriations that were previously either eliminated or reduced, as well as reducing and eliminating several others.

TABLE 9: Marijuana Tax Cash Fund Status with Base Appropriations

| Description | FY 2025-26 Appropriated | FY 2026-27 Gov Request |
|--|----------------------------|---------------------------|
| Beginning Balance | 108,079,954 | 116,405,909 |
| Total Projected Revenue to be Collected (OSPB Sept '25 Forecast) | 135,859,346 | 138,243,353 |
| State TABOR Emergency Cash Reserve | -100,000,000 | -100,000,000 |
| Total Available after emergency reserve | 143,939,300 | 154,649,262 |
| Appropriations approved for FY 2025-26; FY 2026-27 base appropriations | 124,705,391 | 130,408,254 |
| Total Appropriations Including Adjustments | 124,705,391 | 130,408,254 |
| Current Law Transfers to Various Justice Funds (HB 21-1315) | 598,000 | 598,000 |
| IT Capital Seed to Sale | 2,980,000 | 0 |
| CDPS IT Capital Request | 250,000 | 0 |
| Transfer from HCPF SBIRT to General Fund | 0 | 0 |
| EQUALS: Total Obligations | \$128,533,391 | \$131,006,254 |
| Ending Balance Excluding Emergency Reserve | \$15,405,909 | \$23,643,008 |
| Statutorily required reserve | 18,705,809 | 19,561,238 |
| Amount Above/Below Statutorily Required Reserve | -3,299,900 | 4,081,770 |
| <i>Estimated Reversions</i> | <i>1,000,000</i> | <i>0</i> |

As previously discussed, the LCS forecast projects approximately \$8.1 million less MTCF revenue in FY 2025-26 than OSPB, and \$14.2 million less in FY 2026-27. Consequently, if the revenue tracks with LCS’s revenue projections, the actions proposed by the Governor in this submission will be inadequate to balance the fund for FY 2026-27.

Staff notes that the General Assembly will have additional information available from the December 2025 and March 2026 revenue forecasts to inform final decisions about the current transfers and appropriations from the MTCF and recommends basing final decisions on the March revenue forecast selected for balancing.

Governor’s FY 2026-27 MTCF Balancing Proposal:

The Governor’s FY 2026-27 request includes reductions in appropriations to the Department of Higher Education and Health Care Policy and Financing. The request also includes several new or amended requests that impact the Department of Higher Education, Department of Transportation, Department of Public Health and Environment, and the Department of Education. This Governor’s request for FY 2026-27 is contingent upon MTCF revenue trending with the September 2025 OSPB revenue forecast. Major components of the request are outlined below.

Proposed Reductions

Higher Education: The ask (CDPHE N9) includes eliminating the \$2 million appropriation within the Colorado Department of Higher Education for the CU School of Public Health for the Regulation of Marijuana Concentrates.

This program was initially funded through [HB 21-1317 \(Regulating Marijuana Concentrates\)](#). It initially increased state expenditures by \$4 million in FY 2021-22 and \$1 million per year in FY 2022-23 and FY 2023-24. The remaining \$1 million a year was intended to be utilized to review existing research, support the scientific review council, and conduct required research.

Health Care Policy & Financing: The ask includes a continuation of an Executive Order ([Executive Order D 2025 014](#)) that requests a \$500,000 reduction in the MTCF appropriation to Training for health professionals to provide Screening, Brief Intervention, and Referral to Treatment (SBIRT) and transferring this amount to the General Fund.

Since FY 2022-23, the Colorado Department of Health Care Policy and Financing (HCPF) has received a \$1.5 million appropriation from the MTCF for SBIRT services for Medicaid clients at risk for substance abuse. While this proposal is essentially neutral for the MTCF, it would benefit the state's General Fund balancing situation.

Proposed New / Amended Funding Requests

Higher Education: The ask (CDPHE NP8) includes a restoration of the \$725,000 appropriation to the Institute of Cannabis Research (ICR) at CSU Pueblo.

Since 2017, the ICR has focused on conducting and funding research related to cannabis and sharing the results with the public. According to the request, this program has been successful in supporting cannabis research, and establishing itself as an international leader in the field.

Transportation: The ask (CDOT NP7) includes restoration of the \$500,000 appropriation to the Marijuana Impaired Driving Campaign.

This appropriation was previously \$950,000 before it was reduced last legislative session as part of the balancing measures for the MTCF. The Governor proposes restoring this appropriation to \$950,000, a \$0.5 million increase from current funding levels. According to the Governor's office, this appropriation will maintain a critical resource for a public awareness campaign, dedicated to marijuana impaired driving.

Public Health and Environment: The ask (CDPHE NP9) includes partial restoration of funding for CDPHE's public awareness campaign. During budget balancing last year, the Committee reduced the appropriation to the public awareness campaign by \$0.8 million. This request seeks to restore \$200,000 in funding for the campaign.

The purpose of the public awareness campaign is to educate the public and raise awareness about retail marijuana. It aims to ensure that all residents and visitors in Colorado understand the guidelines for safe, legal, and responsible use, while also working to reduce illegal use among youth.

Education: The Governor proposes that if MTCF (Marijuana Tax Cash Fund) revenue collections exceed the 15.0 percent statutory reserve for appropriations, the excess amount be transferred to the State Education Fund. If the revenue does not exceed this threshold, no transfer will take place.

The Governor's office has stated that this approach aligns the MTCF revenue with the intent of voters and allows the state to invest in education as revenues stabilize after the current downturn. According to the latest forecast from the Office of State Planning and Budgeting (OSPB), this transfer is expected to be approximately \$4.6 million for the fiscal year 2026-27. However, the final amount will depend on MTCF revenues. Staff note that, under the LCS forecast, no funds would be available for this purpose.

Table 10 below presents the Governor's MTCF request for FY 2026-27, which includes various reductions as well as some increases to existing funding. It is important to note that, based on the current OSPB forecast assumptions and ongoing base appropriations for FY 2026-27, the fund is in balance with no further actions required. These requests are aimed at refocusing the MTCF on the priorities of the Governor's office

TABLE 10: Marijuana Tax Cash Fund Balancing. Gov Request (Sept OSPB Forecast)

| Description | FY 2025-26 Appropriated | FY 2026-27 Gov Request |
|---|------------------------------------|-----------------------------------|
| Beginning Balance | \$108,079,954 | \$116,405,909 |
| Total Projected Revenue to be Collected (OSPB Sept '25 Forecast) | 135,859,346 | 138,243,353 |
| State Emergency Reserve Cash | -100,000,000 | -100,000,000 |
| Total Available after emergency reserve | 143,939,300 | 154,649,262 |
| Appropriations approved for FY 2025-26; FY 2026-27 base appropriations | 124,705,391 | 130,408,254 |
| Continue the Executive Order reduction to HCPF SBIRT Appropriation | -500,000 | -500,000 |
| Eliminate CDPHE appropriation to the CU School of Public Health for regulating marijuana concentrates (ongoing) | | -2,000,000 |
| Restore CDHE appropriation to Institute of Cannabis Research at CSU | | 725,000 |
| Restore CDOT appropriation to Impaired Driving Campaign | | 500,000 |
| Partially restore CDPHE appropriation for Public Awareness Campaign | | 200,000 |
| Increase DHS appropriation to Tony Grampsas | | 200,000 |
| Total Appropriations Including Adjustments | \$124,205,391 | \$129,533,254 |
| Current Law Transfers to Various Justice Funds (HB 21-1315) | 598,000 | 598,000 |
| IT Capital Seed to Sale | 2,980,000 | 0 |
| CDPS IT Capital Request | 250,000 | 0 |
| Transfer from HCPF SBIRT to General Fund | 500,000 | 500,000 |
| EQUALS: Total Obligations | \$128,533,391 | \$130,631,254 |
| Ending Balance Excluding Emergency Reserve | \$15,405,909 | \$24,018,008 |
| Statutorily required reserve | 18,630,809 | 19,429,988 |
| Amount Above/Below Statutorily Required Reserve | -\$3,224,900 | \$4,588,020 |
| Estimated Reversions | 1,000,000 | 0 |

It is important to reiterate that the Governor's MTCF balancing request is contingent upon the OSPB forecast. As previously discussed, OSPB expects a compound annual growth rate of 3.5 percent in MTCF revenue for FY 2025-26 and FY 2026-27. In contrast, the alternative assumptions used by LCS lead to a negative compound annual growth rate of -1.8 percent over the forecast period. Although the two forecasts are closer than in previous years, a significant difference remains between them, which could have meaningful implications for March balancing.

Table 11 below outlines the Governor's proposal for balancing the MTCF utilizing the LCS revenue projections for FY 2025-26 and FY 2026-27. Based on these assumptions, the MTCF is projected to finish FY 2025-26 approximately \$11.3 million below the required 15.0 percent statutory reserve. This shortfall would roll into the FY 2026-27 beginning fund balance, and the MTCF projects to be \$17.8 million below the 15.0 percent statutory

reserve requirement under the Governor's FY 2026-27 statewide MTCF request, necessitating additional balancing actions in March.

TABLE 11: Marijuana Tax Cash Fund Balancing. Gov Request (Sept LCS Forecast)

| Description | FY 2025-26 Appropriated | FY 2026-27 Gov Request |
|---|------------------------------------|-----------------------------------|
| Beginning Balance | \$108,079,954 | \$108,346,563 |
| Total Projected Revenue to be Collected (LCS Sept '25 Forecast) | 127,800,000 | 123,900,000 |
| State Emergency Reserve Cash | -100,000,000 | -100,000,000 |
| Total Available after emergency reserve | 135,879,954 | 132,246,563 |
| Appropriations approved for FY 2025-26; FY 2026-27 base appropriations | 124,705,391 | 130,408,254 |
| Continue the Executive Order reduction to HCPF SBIRT Appropriation | -500,000 | -500,000 |
| Eliminate CDPHE appropriation to the CU School of Public Health for regulating marijuana concentrates (ongoing) | | -2,000,000 |
| Continue executive order to reduce SBIRT appropriation in HCPF | | 0 |
| Restore CDHE appropriation to Institute of Cannabis Research at CSU | | 725,000 |
| Restore CDOT appropriation to Impaired Driving Campaign | | 500,000 |
| Partially restore CDPHE appropriation for Public Awareness Campaign | | 200,000 |
| Increase DHS appropriation to Tony Grampas | | 200,000 |
| Total Appropriations Including Adjustments | \$124,205,391 | \$129,533,254 |
| Current Law Transfers to Various Justice Funds (HB 21-1315) | 598,000 | 598,000 |
| IT Capital Seed to Sale | 2,980,000 | 0 |
| CDPS IT Capital Request | 250,000 | 0 |
| Transfer from HCPF SBIRT to General Fund | 500,000 | 500,000 |
| EQUALS: Total Obligations | \$128,533,391 | \$130,631,254 |
| Ending Balance Excluding Emergency Reserve | \$7,346,563 | \$1,615,309 |
| Statutorily required reserve | 18,630,809 | 19,429,988 |
| Amount Above/Below Statutorily Required Reserve | -\$11,284,246 | -\$17,814,679 |
| Estimated Reversions | 1,000,000 | 0 |

The Committee will gain substantially more information and clarity from the December 2025 and March 2026 revenue forecasts to inform final decisions regarding transfers and appropriations from the MTCF. **Staff recommends basing final decisions on the March revenue forecast selected for balancing.**

Appendix A: Online Resources Concerning Marijuana Legalization

Since 1996, forty-two states, the District of Columbia, and three U.S. territories have legalized the medical use of marijuana. Twenty-four states plus the District of Columbia allow adult-use recreational marijuana, including three that approved adult use through the 2023 election (Delaware, Minnesota, and Ohio). Staff has identified and listed below a several sources of timely information about marijuana laws in other states, as well as information on local jurisdictions allowing marijuana sales in Colorado.

National Conference of State Legislatures - State Medical Marijuana Laws (also includes recreational and data, a table listing details by state, and a map):

<https://www.ncsl.org/health/state-medical-cannabis-laws>

The Department of Revenue maintains a list of local authorities that have advised the Department's Marijuana Enforcement Division that they are currently allowing marijuana businesses to operate within their jurisdiction:

https://sbg.colorado.gov/sites/sbg/files/documents/220824_percent20Local_percent20Authority_percent20Status_percent20List-Current_percent20Version_percent20.pdf

The Marijuana Enforcement Division also maintains a set of reports related to regulated marijuana and summaries of recent relevant legislation:

<https://sbg.colorado.gov/med/regulated-marijuana-reports>

The Department of Public Health and Environment has a Marijuana Resources page:

<https://cdphe.colorado.gov/marijuana>

The Department of Public Safety (Office of Research and Statistics in the Division of Criminal Justice) studies the impact of the legalization of recreational marijuana on public safety. The relevant reports are published at:

<https://dcj.colorado.gov/dcj-offices/ors/dashb-mj>

Finally, the Cannabis Business Office in the Office of Economic Development and International Trade also provides resources related to that Office's efforts:

<https://oedit.colorado.gov/cannabis-business-office>

Appendix B: Numbers Pages

Summary of Appropriations and Transfers from the MTCF for FY 24-25 & FY 25-26 and the FY 26-27 Request

| | FY 2024-25 Enacted | FY 2025-26 Enacted | FY 2026-27 Request | Annual Change |
|--|-----------------------|-----------------------|-----------------------|-------------------|
| Breakdown of Appropriations by Department and Program | | | | |
| Agriculture: | | | | |
| Pesticide control and regulation | \$1,247,195 | \$1,292,141 | \$1,323,469 | \$31,328 |
| Colorado State Fair Authority: FFA and 4-H programming | 300,000 | 300,000 | 300,000 | \$0 |
| Centrally appropriated amounts not accounted for above | <u>570,442</u> | <u>549,370</u> | <u>619,744</u> | <u>70,374</u> |
| Subtotal: Agriculture | 2,117,637 | 2,141,511 | 2,243,213 | 101,702 |
| Early Childhood: | | | | |
| Community and Family Support | 124,682 | 130,408 | 136,483 | 6,075 |
| Social-Emotional Learning Programs Grants | 817,289 | 817,289 | 817,289 | 0 |
| Centrally appropriated amounts not accounted for above | <u>48,842</u> | <u>61,362</u> | <u>57,059</u> | <u>-4,303</u> |
| Subtotal: Early Childhood | 990,813 | 1,009,059 | 1,010,831 | 1,772 |
| Education: | | | | |
| School Health Professionals Grant Program | 15,008,617 | 15,025,080 | 15,039,909 | 14,829 |
| Early Literacy Competitive Grant Program | 0 | 0 | 5,378,678 | 5,378,678 |
| Office of Dropout Prevention and Student Reengagement | 2,002,857 | 2,005,329 | 2,007,157 | 1,828 |
| Appropriation to the School Bullying Prevention & Education Cash Fund | 1,000,000 | 0 | 0 | 0 |
| Concurrent Enrollment Expansion and Innovation Grant Program | 1,476,948 | 0 | 0 | 0 |
| Colorado Imagination Library Program | 0 | 0 | 0 | 0 |
| Comprehensive Physical Education Pilot Program | 0 | 0 | 0 | 0 |
| K-5 Social and Emotional Health Pilot Program | 2,493,916 | 0 | 0 | 0 |
| Centrally appropriated amounts not accounted for above | <u>224,077</u> | <u>211,657</u> | <u>241,824</u> | <u>30,167</u> |
| Subtotal: Education | 22,206,415 | 17,242,066 | 22,667,568 | 5,425,502 |
| Governor: | | | | |
| Evidence-based policymaking evaluation and support | 500,000 | 300,000 | 300,000 | 0 |
| Appropriation to Marijuana Entrepreneur Cash Fund | 800,000 | 0 | 0 | 0 |
| Office of Information Technology, Enterprise Solutions | 453,812 | 453,812 | 453,812 | 0 |
| Marijuana Policy advisor | 106,912 | 117,866 | 135,816 | 17,950 |
| Centrally appropriated amounts not accounted for above | <u>49,258</u> | <u>62,668</u> | <u>51,268</u> | <u>-11,400</u> |
| Subtotal: Governor | 1,909,982 | 934,346 | 940,896 | 6,550 |
| Health Care Policy and Financing: | | | | |
| Training for health professionals to provide Screening, Brief Intervention, and Referral for Treatment (SBIRT) services for Medicaid clients at risk for substance abuse | <u>1,500,000</u> | <u>1,500,000</u> | <u>1,000,000</u> | <u>-500,000</u> |
| Subtotal: Health Care Policy and Financing | 1,500,000 | 1,500,000 | 1,000,000 | -500,000 |
| Higher Education: | | | | |
| Regulating marijuana concentrates - CU School of Public Health | 2,000,000 | 2,000,000 | 0 | -2,000,000 |
| Medication-assisted Treatment Pilot Program | 3,000,000 | 0 | 0 | 0 |
| Institute of Cannabis Research at CSU-Pueblo | 3,800,000 | 3,075,000 | 3,800,000 | 725,000 |
| AgrAbility project at CSU | 900,000 | 900,000 | 900,000 | 0 |
| Opioid awareness campaign, grant assistance, and provider education per Section 27-80-118, C.R.S. | <u>1,250,000</u> | <u>1,250,000</u> | <u>1,250,000</u> | <u>0</u> |
| Subtotal: Higher Education | 10,950,000 | 7,225,000 | 5,950,000 | -1,275,000 |
| Human Services: | | | | |
| BHA - SB 16-202 MSO/BHASO Increase regional substance use treatment access) | 16,938,566 | 16,938,566 | 16,938,566 | 0 |

| | FY 2024-25 Enacted | FY 2025-26 Enacted | FY 2026-27 Request | Annual Change |
|---|-----------------------|-----------------------|-----------------------|------------------|
| BHA - Co-responder programs | 6,099,775 | 6,214,123 | 6,228,375 | 14,252 |
| BHA - Circle program and rural treatment | 5,741,377 | 5,829,663 | 5,829,663 | 0 |
| BHA - CMHC juvenile and adult offender treatment | 6,210,075 | 6,210,075 | 6,210,075 | 0 |
| BHA - Crisis services | 5,308,720 | 4,941,404 | 4,941,404 | 0 |
| OCYF - Colorado Youth Detention Continuum (CYDC/SB 91-094 Programs) (S.B. 91-094) | 3,346,113 | 3,346,113 | 3,346,113 | 0 |
| OCYF - Approp. to Youth Mentoring Services Fund for TGYS | 1,649,572 | 2,157,147 | 2,361,093 | 203,946 |
| BHA - HB 22-1278 Substance use prevention programs | 642,479 | 642,479 | 642,479 | 0 |
| BHA - Administrative costs | 1,016,369 | 1,190,158 | 1,277,299 | 87,141 |
| BHA - MSO/BHASO substance use contracts | 6,825,126 | 5,325,126 | 5,325,126 | 0 |
| OCFMH - State hospital admin and operating | 722,041 | 946,133 | 992,871 | 46,738 |
| OCYF - Approp. to Youth Mentoring Services Fund for TGYS | 500,000 | 0 | 0 | 0 |
| BHA - Treatment for non-Medicaid, non-Child welfare youth | 453,698 | 453,698 | 453,698 | 0 |
| BHA - SB 17-019 Health information exchange | 760,700 | 760,700 | 760,700 | 0 |
| OCYF - Administrative costs | 437 | 437 | 0 | -437 |
| BHA - HB 19-1287 Capacity tracking system | 42,611 | 42,611 | 42,611 | 0 |
| DHS - Indirect and centrally appropriated costs | <u>3,845,455</u> | <u>3,737,673</u> | <u>3,606,862</u> | <u>-130,811</u> |
| Subtotal: Human Services | 60,103,114 | 58,736,106 | 58,956,935 | 220,829 |
| Judicial: | | | | |
| Appropriation to the Correctional Treatment Cash Fund for jail-based behavioral health services (administered through the CDHS) | 1,626,967 | 1,626,967 | 1,626,967 | 0 |
| Trial court programs | <u>1,107,724</u> | <u>1,107,724</u> | <u>1,107,724</u> | <u>0</u> |
| Subtotal: Judicial | 2,734,691 | 2,734,691 | 2,734,691 | 0 |
| Labor and Employment: | | | | |
| Colorado Veterans' Service-to-career Pilot Program | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Subtotal: Labor and Employment | 0 | 0 | 0 | 0 |
| Law: | | | | |
| Local law enforcement training through the Peace Officers Standards and Training (POST) Board | 1,036,766 | 1,036,766 | 1,036,766 | 0 |
| Office of Community Engagement/Safe2Tell | 0 | 0 | 0 | 0 |
| Consumer Protection and Antitrust | 583,000 | 583,000 | 583,000 | 0 |
| Centrally appropriated amounts not accounted for above | <u>89,844</u> | <u>88,751</u> | <u>88,751</u> | <u>0</u> |
| Subtotal: Law | 1,709,610 | 1,708,517 | 1,708,517 | 0 |
| Local Affairs: | | | | |
| Affordable Housing Construction Grants and Loans | 0 | 0 | 0 | 0 |
| Gray and Black Market Marijuana Enforcement Efforts | 970,217 | 175,100 | 2,887 | -172,213 |
| Low-income rental subsidies | 939,649 | 939,649 | 939,649 | 0 |
| Division of Housing Administration | 61,140 | 68,536 | 70,461 | 1,925 |
| Indirect cost assessments and centrally appropriated amounts not accounted for above | <u>272,262</u> | <u>174,229</u> | <u>110,122</u> | <u>-64,107</u> |
| Subtotal: Local Affairs | 2,243,268 | 1,357,514 | 1,123,119 | -234,395 |
| Public Health and Environment: | | | | |
| Substance abuse prevention | 10,065,977 | 6,719,277 | 6,719,277 | 0 |
| Public awareness campaign | 976,202 | 150,219 | 350,219 | 200,000 |
| Colorado Health Service Corps Program | 3,605,101 | 1,605,101 | 1,605,101 | 0 |
| Distributions to Local Public Health Agencies | 1,988,225 | 1,988,225 | 1,988,225 | 0 |
| Transfer to Harm Reduction Cash Fund | 1,800,000 | 1,800,000 | 1,800,000 | 0 |
| Healthy Kids Colorado Survey | 768,127 | 768,127 | 768,127 | 0 |
| Marijuana Health Effects Monitoring | 375,426 | 386,929 | 386,929 | 0 |
| Health survey data collection | 244,134 | 244,134 | 244,134 | 0 |
| Data collection and analysis (S.B. 13-283) | 227,302 | 227,302 | 227,302 | 0 |
| Enhanced marijuana data collection through Rocky Mountain Poison and Drug | 60,100 | 60,100 | 60,100 | 0 |

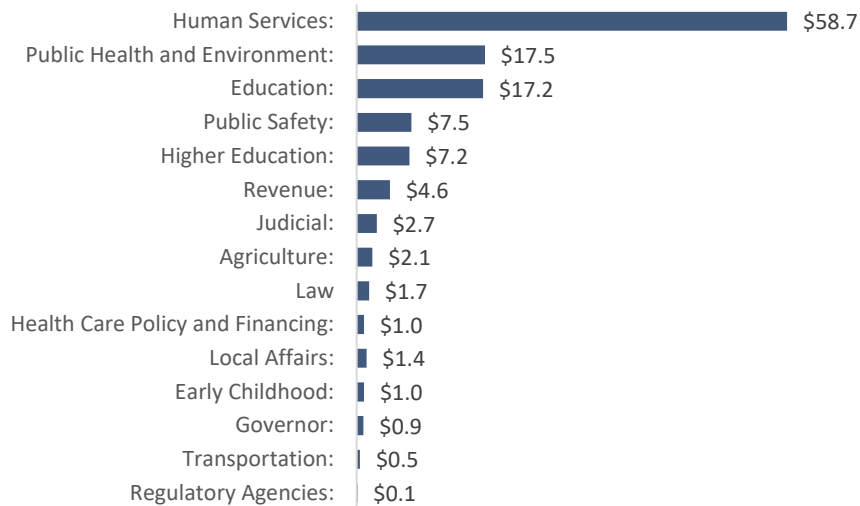
| | FY 2024-25 Enacted | FY 2025-26 Enacted | FY 2026-27 Request | Annual Change |
|--|-----------------------|-----------------------|-----------------------|--------------------|
| Executive Director's Office, Personal Services | 10,948 | 10,948 | 10,948 | 0 |
| Marijuana lab certification | 1,156,232 | 1,156,232 | 1,156,232 | 0 |
| Indirect cost assessments and centrally appropriated amounts not accounted for above | <u>2,495,972</u> | <u>2,381,086</u> | <u>2,381,086</u> | <u>0</u> |
| Subtotal: Public Health and Environment | 23,773,746 | 17,497,680 | 17,697,680 | 200,000 |
| Public Safety: | | | | |
| Black market marijuana interdiction/state toxicology lab | 4,524,012 | 4,651,956 | 4,750,308 | 98,352 |
| Office of School Safety-Emergency School Safety Incident Response | 250,000 | 250,000 | 250,000 | 0 |
| Division of Criminal Justice - Study of the impacts of the legalization of retail marijuana (S.B. 13-283/S.B. 16-191), and Law Enforcement Assistance Grant Program (H.B. 18-1020) | 502,954 | 211,918 | 213,430 | 1,512 |
| Juvenile diversion programs | 400,000 | 400,000 | 400,000 | 0 |
| Safer Streets Grant Program | | 0 | 0 | 0 |
| State Patrol training academy | 150,000 | 150,000 | 150,000 | 0 |
| Public Safety Intelligence Support Related to the Illegal Sale and Diversion of Marijuana | 85,352 | 95,352 | 95,352 | 0 |
| Indirect cost assessments and/or centrally appropriated amounts not accounted for above | <u>1,732,649</u> | <u>1,729,013</u> | <u>2,010,052</u> | <u>281,039</u> |
| Subtotal: Public Safety | 7,644,967 | 7,488,239 | 7,869,142 | 380,903 |
| Regulatory Agencies: | | | | |
| Division of Professions and Occupations for medical marijuana enforcement | 120,807 | 120,807 | 120,807 | 0 |
| Centrally appropriated amounts not accounted for above | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Subtotal: Regulatory Agencies | 120,807 | 120,807 | 120,807 | 0 |
| Revenue: | | | | |
| Marijuana Enforcement | 3,500,000 | 3,500,000 | 3,500,000 | 0 |
| Centrally appropriated amounts not accounted for above | <u>1,059,855</u> | <u>1,059,855</u> | <u>1,059,855</u> | <u>0</u> |
| Subtotal: Revenue | 4,559,855 | 4,559,855 | 4,559,855 | 0 |
| Transportation: | | | | |
| Marijuana impaired driving campaign | <u>950,000</u> | <u>450,000</u> | <u>950,000</u> | <u>500,000</u> |
| Subtotal: Transportation | 950,000 | 450,000 | 950,000 | 500,000 |
| Total Long Bill Appropriations | \$143,514,905 | \$124,705,391 | \$129,533,254 | \$4,827,863 |
| Statutory Transfers & Other Legislation | | | | |
| IT capital Seed to sale MTCF Transfer | 1,000,000 | 2,980,000 | 0 | -2,980,000 |
| Transfer IT Capital CDPS Placeholder | 0 | 250,000 | 0 | -250,000 |
| Transfer HCPF Savings to General Fund | 0 | 0 | 500,000 | 500,000 |
| Transfers to various criminal justice related funds | 598,000 | 598,000 | 598,000 | 0 |
| Total Statutory Transfers & Other Legislation | \$1,598,000 | \$3,828,000 | \$1,098,000 | \$-2,730,000 |
| Total Appropriations and Transfers from the Marijuana Tax Cash Fund | \$145,112,905 | \$128,533,391 | \$130,631,254 | \$2,097,863 |



Memorandum

To: Joint Budget Committee Members
From: Jon Catlett, JBC Staff (303-866-4386)
Date: November 11, 2025
Subject: MTCF Appropriations by Department & Category for FY 2025-26 (Page 15 MAR policy overview)

FY 2025-26 MTCF Appropriation by Department (\$ in millions)



FY 2025-26 MTCF Appropriation by Category (\$ in millions)

