



Fiscal Note
Legislative Council Staff
Nonpartisan Services for Colorado’s Legislature

SB 25-246: ELIM GRAY & BLACK MARKET MARIJUANA GRANT PROG

Prime Sponsors:

Sen. Bridges; Kirkmeyer
Rep. Bird; Sirota

Fiscal Analyst:

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Published for: Senate Appropriations
Drafting number: LLS 25-0914

Version: Initial Fiscal Note
Date: March 31, 2025

Fiscal note status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee as part of its FY 2025-26 Long Bill budget package.

Summary Information

Overview. The bill repeals the Gray and Black Market Marijuana Enforcement Grant Program and specifies that no grants may be awarded in FY 2025-26.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- Local Government

Appropriations. No appropriation is required. It is assumed the required reduction in appropriations will be included in the FY 2025-26 Long Bill.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures (Marijuana Tax Cash Fund)	-\$795,117	-\$976,679
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	-1.5 FTE

Summary of Legislation

The bill repeals the Gray and Black Market Marijuana Enforcement Grant Program on June 30, 2026, and specifies that the Division of Local Government in the Department of Local Affairs (DOLA) must not award any grants from the program in FY 2025-26.

Background

The program was created by [House Bill 17-1221](#) and uses a formula to distribute grants to local law enforcement agencies and district attorneys to assist with enforcement of unlicensed marijuana cultivation and related crimes. The program receives an annual appropriation of approximately \$976,000 from the Marijuana Tax Cash Fund (MTCF).

State Expenditures

The bill decreases state expenditures in the DOLA by \$795,117 in FY 2025-26 and by \$976,679 and 1.5 FTE beginning in FY 2026-27, from the MTCF. In FY 2025-26, the fiscal note assumes a partial reduction, as the department will retain \$175,100 to maintain staff to oversee all currently open contracts made through the grant program. In FY 2026-27, the program is fully repealed.

Local Government

Local law enforcement agencies that currently receive grant funds will no longer. Grant contracts that are currently open will continue through FY 2025-26, but no new grants will be awarded.

Effective Date

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

State Appropriations

For FY 2025-26, the bill decreases required appropriations from the Marijuana Tax Cash Fund to the Department of Local Affairs by \$795,117. It is assumed that this reduction will be made in the FY 2025-26 Long Bill, rather than this bill.

State and Local Government Contacts

Joint Budget Committee

Revenue

Local Affairs

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).