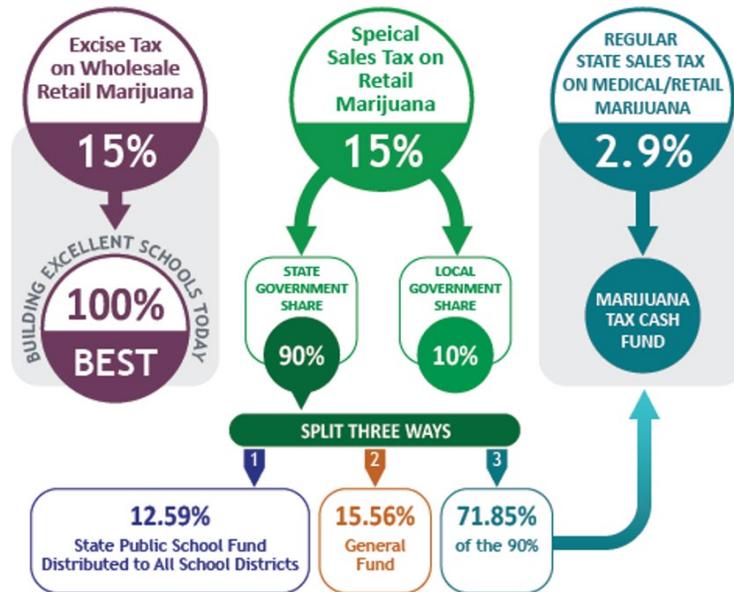


So Where Does the Marijuana Money Go?

*What exactly does marijuana money support when it comes to Colorado schools?
Here are the basics.*

Do all marijuana taxes go to school districts?

No. Colorado has several different taxes on marijuana. The one that is specifically collected for “education” is [an excise tax — a 15 percent wholesale tax](#). By law, \$40 million of what is collected from the excise tax will go into a grant program called Building Excellent Schools Today, or BEST. In 2019, [House Bill 1055](#) changed the formula to 100% of the excise tax on retail marijuana can be collected for school construction.



Source: Colorado Department of Education

How do those grants work and who gets them?

For schools or districts to get a grant from BEST, they must apply and explain their needs. Those applications are reviewed, and grants are handed out once a year. Districts must come up with matching funds to receive a BEST grant.

Because the state wants to acknowledge that some districts are better off than others, a formula dictates how much each district must provide in a match.

Often, districts have to ask local voters to approve a bond to raise the money needed to match a BEST grant. Some districts have endured the arduous process of applying for and winning a grant, only to have to turn it down when they can't come up with their portion of the money.

The state posts the [winners of the grants — and how much they get — online](#).

Is that the only marijuana revenue that goes to help schools?

No. Besides the excise taxes, sales taxes that are collected from marijuana sales go into a larger fund. Each year, the legislature decides how to spend that money. In 2021-22, lawmakers approved \$1 million to pay for bullying prevention programs, another \$2 million to programs to prevent students from dropping out and \$5.4 million for another competitive grant program helping kids learn to read.

State leaders also have provided about \$11.9 million for another grant program to help hire school nurses, psychologists or other social workers that can help with health education, the prevention of substance abuse and other mental or behavioral issues that put kids at risk. Again, districts must apply to get this money.

The state posts the list of schools and districts that receive this grant funding online.



Source: Colorado Department of Education

Can any of that grant money help pay for more teachers or new books?

No. All of those grant programs have clear instructions on what the money can be used for and none cover general operational needs.

Well, how many new schools has marijuana money built, then?

Because the BEST program gets money from lots of different sources and it's all mixed together, it's not possible to say that marijuana money completely funded one grant or another.

In the last two years that money has replaced two roofs and a boiler in WPS. Most of the grants awarded are for smaller amounts to help districts pay for urgent maintenance like replacing leaky roofs, broken boilers, water lines or fire alarms.

Marijuana tax revenue is just one of four funding sources for the Capital Construction Assistance Fund, the total of which is only a fraction of what is needed for the repair, maintenance and construction of Colorado's public schools.

My city also taxes marijuana locally. Does that money go to schools?

Each [local government that has its own tax on marijuana](#) has guidelines for how to spend it. Many just put the money into a general fund to cover their local expenditures. Local cities or counties aren't responsible for funding schools, so usually, schools aren't what they cover. But occasionally, some governments might fund joint programs with schools.