

Department of Finance STATE OF CALIFORNIA MANUAL OF STATE FUNDS	Fund: 3353 PAGE 1 Renumbered From:
<u>Legal Title</u> Cannabis Tax Fund – California Highway Patrol, State and Local Government Law Enforcement Account – Allocation 3	
<u>Legal Citation/Authority</u> Proposition 64 of 2016, Section 7 Chapter 27, Statutes 2017 (SB 94) Revenue and Taxation Code section 34019 (f) (3)	
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/Special Revenue Funds	<u>Fund Classification</u> <u>Legal Basis</u> Governmental/Other Governmental Cost Funds
<u>Purpose</u> Monies in this fund shall be used by the Department of the California Highway Patrol: (A) For conducting training programs for detecting, testing, and enforcing laws against driving under the influence of alcohol and any other drugs, including driving under the influence of cannabis. (B) To fund internal California Highway Patrol programs and grants to qualified nonprofit organizations and local governments for education, prevention, and enforcements of laws related to driving under the influence of alcohol and other drugs, including cannabis.	
<u>Administering Agency/Organization Code</u> State Department of California Highway Patrol/2720	
<u>Major Revenue Source</u> Pursuant to Revenue and Taxation Code (RTC) section 34019 (f), by July 15 of each fiscal year beginning in the 2018-19 fiscal year, the Controller shall, after disbursing funds pursuant to subdivisions (a), (b), (c), (d), and (e), disburse funds deposited in the Cannabis Tax Fund during the prior fiscal year into sub-trust accounts: (3) Twenty percent shall be deposited into the State and Local Government Law Enforcement Account and disbursed to the Department of California Highway Patrol and the Board of State Community Corrections. Pursuant to the RTC section 34019 (f) (3) (D), the Department of Finance shall determine the allocation of revenues between the agencies. Beginning the 2022-23 fiscal year, the amount allocated pursuant to subparagraph (A) shall not be less than \$10,000,000 annually and the amount allocated pursuant to subparagraph (B) shall not be less than \$40,000,000 annually. Subparagraphs (A) and (B) are identified in the Purpose section above.	
<u>Disposition of Fund (upon abolishment)</u> Pursuant to Government Code section 16346, in the absence of language that identifies a successor fund, any balance remaining in this fund upon abolishment, shall be transferred to the General Fund.	

Appropriation Authority

Continuously appropriated without regard to fiscal year.

State Appropriations Limit

Always Excluded –The major revenue source is transferred from an Included Fund, California Cannabis Tax Fund (3314), which has already been counted and should not be double counted.

Comments/Historical Information

Proposition 64, the Control, Regulate and Tax Adult Use of Marijuana Act was approved by voters at the November 8, 2016 general election, effective January 1, 2018. This fund is a sub-trust account within Fund 3314 – California Cannabis Tax Fund.

Note: As indicated in the Major Revenue Source section, the twenty percent disbursement under RTC section 34019 (f) (3) is for the Department of the California Highway Patrol and Board of State and Community Corrections. A separate fund (Fund 3354) has been established for the Board of State and Community Corrections.