First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

PREAMENDED
This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading

SENATE BILL 17-275

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SENATE SPONSORSHIP
Baumgardner and Jahn,

HOUSE SPONSORSHIP
Melton and Singer,

Senate Committees
Agriculture, Natural Resources, & Energy
Finance
Appropriations

House Committees

A BILL FOR AN ACT
CONCERNING MARIJUANA, AND, IN CONNECTION THERewith,
AUTHORIZING RESEARCH REGARDING THE SAFETY AND
Efficacy OF MEDICAL MARIJUANA AND THE SAFE AND
EFFECTIVE USE OF PESTICIDES AND ESTABLISHING INTERIM
STANDARDS FOR THE USE OF PESTICIDES, AND, IN CONNECTION
THERewith, MAKING AN APPROPRIATION.

Bill Summary
(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

Section 1 of the bill directs the department of public health and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.
environment to use marijuana taxes to make research grants regarding the medical efficacy of Colorado-grown strains of medical marijuana and requires the person appointed to the scientific advisory council who represents medical marijuana patient interests to have scientific expertise. **Sections 2 and 3** allow a licensed medical or retail marijuana facility to transfer marijuana to a research facility for purposes of the medical research.

Sections 2 and 3 also allow the use of medical or retail marijuana by a pesticide manufacturer in limited quantities as specified in rules promulgated by the state licensing authority that authorize a pesticide manufacturer to conduct research to establish safe and effective protocols for the use of pesticides on medical or retail marijuana.

**Sections 4 and 5** allow medical and retail marijuana cultivators to use a pesticide in the cultivation and production of marijuana if the pesticide:

- Is exempt from registration pursuant to federal law; can be used on crop group 19, hops, or unspecified crops or plants; or has been listed by the Organic Materials Review Institute;
- Has affixed to it a label that allows the pesticide to be used at the intended site of application; and
- Has affixed to it a label that allows the pesticide to be used on crops and plants intended for human consumption.

Once the department has certified marijuana test laboratories, if a test result indicates the presence of unauthorized pesticides, the state licensing authority shall allow the licensee to provide a sample for further testing. If no further testing occurs or if the second test indicates the presence of unauthorized pesticides, the licensee shall destroy the product. In determining whether the marijuana is contaminated with pesticides, the state licensing authority shall reasonably consider:

- The analytical variability and sensitivity in testing results;
- How the marijuana was grown or produced;
- Whether the cultivator actually applied unauthorized pesticides; and
- Whether the amount of pesticide falls within a reasonable tolerance based on scientific research.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 25-1.5-106.5, amend

3 (5) as follows:

4 **25-1.5-106.5. Medical marijuana health research grant**
program. (5) Sources of marijuana. (a) The attorney general shall seek
authority from the federal government to permit Colorado institutions of
higher education to contract with the national institute of drug abuse to
cultivate marijuana and its component parts for use in research studies
funded pursuant to this section.

(b) A person who holds an optional premises cultivation
license or medical marijuana-infused products manufacturing
license issued pursuant to part 4 of article 43.3 of title 12 or a
retail marijuana cultivation facility license or a retail
marijuana products manufacturing license issued pursuant to
part 4 of article 43.4 of title 12 may transfer marijuana to a
medical research facility, including at an institution of higher
education, for use in research studies funded pursuant to this
section. Notwithstanding any other provision of law, a medical
research facility authorized pursuant to this section to
conduct medical research regarding marijuana is exempt from
all otherwise applicable restrictions on the possession and use
of marijuana; except that the facility shall use the marijuana
only for the medical research authorized pursuant to this
section and shall destroy all marijuana remaining after the
research has been completed. For the fiscal years beginning on
or after July 1, 2017, the general assembly may annually
appropriate up to one percent of the available money in the
marijuana tax cash fund created in section 39-28.8-501 to the
department to be used to conduct the research authorized
pursuant to this subsection (5)(b) for:

(I) The purchase of marijuana from a licensee specified in
THIS SUBSECTION (5)(b) THAT WILL BE USED IN THE RESEARCH; AND

(II) AWARDING GRANTS PURSUANT TO THIS SECTION TO CONDUCT
MEDICAL RESEARCH.

SECTION 2. In Colorado Revised Statutes, 12-43.3-202, amend
(1)(h); and add (2.5)(a)(I)(G) as follows:

12-43.3-202. Powers and duties of state licensing authority -
rules. (1) The state licensing authority shall:

(h) Develop and maintain a seed-to-sale tracking system that
tracks medical marijuana from either the seed or immature plant stage
until the medical marijuana or medical marijuana-infused product is sold
to a customer at a medical marijuana center to ensure that no medical
marijuana grown or processed by a medical marijuana establishment is
sold or otherwise transferred except by a medical marijuana center;
EXCEPT THAT THE MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED
PRODUCT IS NO LONGER SUBJECT TO THE TRACKING SYSTEM ONCE THE
MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCT HAS
BEEN:

(I) TRANSFERRED TO A MEDICAL RESEARCH FACILITY PURSUANT
TO SECTION 25-1.5-106.5 (5)(b); OR

(II) USED BY A PESTICIDE MANUFACTURER IN QUANTITIES THAT
ARE LIMITED AS SPECIFIED IN RULES PROMULGATED BY THE STATE
LICENSED AUTHORITY THAT AUTHORIZE A PESTICIDE MANUFACTURER TO
CONDUCT RESEARCH TO ESTABLISH SAFE AND EFFECTIVE PROTOCOLS FOR
THE USE OF PESTICIDES ON MEDICAL MARIJUANA. NOTWITHSTANDING ANY
OTHER PROVISION OF LAW, A PESTICIDE MANUFACTURER AUTHORIZED
PURSUANT TO THIS SUBSECTION (1)(h)(II) TO CONDUCT PESTICIDE
RESEARCH REGARDING MARIJUANA IS EXEMPT FROM ALL OTHERWISE
APPLICABLE RESTRICTIONS ON THE POSSESSION AND USE OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCT; EXCEPT THAT THE MANUFACTURER SHALL:

(A) NOT POSSESS AT ANY TIME A QUANTITY OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCT IN EXCESS OF THE LIMIT ESTABLISHED IN RULES PROMULGATED BY THE STATE LICENSING AUTHORITY;

(B) USE THE MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCT ONLY FOR THE PESTICIDE RESEARCH AUTHORIZED PURSUANT TO THIS SUBSECTION (1)(h)(II); AND

(C) DESTROY ALL MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCT REMAINING AFTER THE RESEARCH HAS BEEN COMPLETED.

(2.5) (a) Rules promulgated pursuant to paragraph (b) of subsection (1) of this section must include, but need not be limited to, the following subjects:

(I) A STATE, LOCAL, OR MUNICIPAL AGENCY SHALL NOT EMPLOY OR USE THE RESULTS OF ANY TEST OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCTS CONDUCTED BY AN ANALYTICAL LABORATORY THAT IS NOT CERTIFIED PURSUANT TO THIS SUBSECTION (2.5)(a)(I) FOR THE PARTICULAR INTENDED USE CATEGORY OR ACCREDITED TO THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION / INTERNATIONAL ELECTROTECHNICAL COMMISSION 17025 STANDARD FOR THAT FIELD OF TESTING.

SECTION 3. In Colorado Revised Statutes, 12-43.4-202, amend (1); and add (3)(a)(IV)(H) as follows:

12-43.4-202. Powers and duties of state licensing authority -
rules. (1) To ensure that no marijuana grown or processed by a retail marijuana establishment is sold or otherwise transferred except by a retail marijuana store or as authorized by law, the state licensing authority shall develop and maintain a seed-to-sale tracking system that tracks retail marijuana from either seed or immature plant stage until the marijuana or retail marijuana product is sold to a customer at a retail marijuana store; to ensure that no marijuana grown or processed by a retail marijuana establishment is sold or otherwise transferred except by a retail marijuana store except that retail marijuana is no longer subject to the tracking system once the retail marijuana has been:

(a) transferred to a medical research facility pursuant to section 25-1.5-106.5 (5)(b); or

(b) used by a pesticide manufacturer in quantities that are limited as specified in rules promulgated by the state licensing authority that authorize a pesticide manufacturer to conduct research to establish safe and effective protocols for the use of pesticides on retail marijuana. Notwithstanding any other provision of law, a pesticide manufacturer authorized pursuant to this subsection (1)(b) to conduct pesticide research regarding retail marijuana is exempt from all otherwise applicable restrictions on the possession and use of retail marijuana; except that the manufacturer shall:

(I) not possess at any time a quantity of retail marijuana in excess of the limit established in rules promulgated by the state licensing authority;

(II) use the retail marijuana only for the pesticide
RESEARCH AUTHORIZED PURSUANT TO THIS SUBSECTION (1)(b); AND

(III) DESTROY ALL RETAIL MARIJUANA REMAINING AFTER THE
RESEARCH HAS BEEN COMPLETED.

(3)(a) Rules promulgated pursuant to paragraph (b) of subsection
(2) of this section must include, but need not be limited to, the following
subjects:

(IV) (H) A STATE, LOCAL, OR MUNICIPAL AGENCY SHALL NOT
EMPLOY OR USE THE RESULTS OF ANY TEST OF MARIJUANA OR MARIJUANA
PRODUCTS CONDUCTED BY AN ANALYTICAL LABORATORY THAT IS NOT
CERTIFIED PURSUANT TO THIS SUBSECTION (3)(a)(IV) FOR THE
PARTICULAR INTENDED USE CATEGORY AND FOR THE SPECIFIC MATRIX
AND ACCREDITED BY A THIRD-PARTY FOR THAT FIELD OF TESTING.

SECTION 4. Appropriation. (1) For the 2017-18 state fiscal
year, $62,210 is appropriated to the department of revenue. This
appropriation is from the marijuana cash fund created in section 12-43.3-
501(1)(a), C.R.S. To implement this act, the department may use this
appropriation as follows:

(a) $43,200 for marijuana enforcement; and

(b) $19,010 for the purchase of legal services.

(2) For the 2017-18 state fiscal year, $19,010 is appropriated to
the department of law. This appropriation is from reappropriated funds
received from the department of revenue under subsection (1)(b) of this
section and is based on an assumption that the department of law will
require an additional 0.1 FTE. To implement this act, the department of
law may use this appropriation to provide legal services for the
department of revenue.
SECTION 5. Applicability. This act applies to conduct occurring on or after the effective date of this act.

SECTION 6. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.