A BILL FOR AN ACT

CONCERNING REGISTRATION FOR MARIJUANA FIBROUS WASTE RECYCLING FACILITIES.

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.)

The bill creates a registration in both the medical marijuana and retail marijuana codes for a fibrous waste recycling facility. A fibrous waste recycling facility takes marijuana waste and makes it into industrial products like rope, paper, and building material. The state licensing authority shall issue the registration to an applicant if the applicant demonstrates that its processes render the fibrous waste unusable as...
medical or retail marijuana.

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

SECTION 1. In Colorado Revised Statutes, 12-43.3-104, add (1.1), (1.2), and (1.8) as follows:

12-43.3-104. Definitions. As used in this article 43.3, unless the context otherwise requires:

(1.1) "FIBROUS WASTE" MEANS ANY ROOTS, STALKS, AND STEMS FROM A MEDICAL MARIJUANA PLANT, WHICH SHALL NOT BE CONSIDERED MEDICAL MARIJUANA UPON TRANSFER TO A REGISTERED FIBROUS WASTE RECYCLING FACILITY.

(1.2) "FIBROUS WASTE RECYCLING FACILITY" MEANS A PERSON REGISTERED BY THE STATE LICENSING AUTHORITY THAT IS AUTHORIZED TO RECEIVE FIBROUS WASTE FROM A MEDICAL MARIJUANA BUSINESS OR A RETAIL MARIJUANA ESTABLISHMENT.

(1.8) "INDUSTRIAL FIBER PRODUCTS" MEANS INTERMEDIATE OR FINISHED PRODUCTS MADE FROM FIBROUS WASTE THAT ARE NOT INTENDED FOR HUMAN OR ANIMAL CONSUMPTION AND ARE NOT USABLE OR RECOGNIZABLE AS MEDICAL MARIJUANA. INDUSTRIAL FIBER PRODUCTS INCLUDE, BUT ARE NOT LIMITED TO, CORDAGE, PAPER, FUEL, TEXTILES, BEDDING, INSULATION, CONSTRUCTION MATERIALS, AND INDUSTRIAL MATERIALS.

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

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

(b) (III) (A) BEGIN ACCEPTING AND REVIEWING APPLICATIONS
FROM A PERSON REQUESTING TO BE REGISTERED AS A FIBROUS WASTE
RECYCLING FACILITY NO LATER THAN JANUARY 1, 2019.

(B) THE STATE LICENSING AUTHORITY SHALL APPROVE AN
APPLICATION FOR REGISTRATION AS A FIBROUS WASTE RECYCLING
FACILITY IF THE APPLICANT DEMONSTRATES AND AFFIRMS THAT ITS
PROCESSES RENDER THE FIBROUS WASTE UNUSABLE AND
UNRECOGNIZABLE AS MEDICAL MARIJUANA AND ONLY USEFUL FOR
INDUSTRIAL FIBER PRODUCTS.

(C) THE STATE LICENSING AUTHORITY SHALL TAKE ACTION ON ALL
APPLICATIONS FOR REGISTRATION AS A FIBROUS WASTE RECYCLING
FACILITY WITHIN SIXTY DAYS AFTER RECEIPT OF APPLICATION.

(D) NOTHING IN THIS SUBSECTION (1)(b)(III) CAN BE CONSTRUED
TO LIMIT MATERIALS THAT CAN BE RECEIVED, PROCESSED, OR SOLD BY A
FIBROUS WASTE RECYCLING FACILITY; EXCEPT THAT FIBROUS WASTE MAY
NOT BE USED IN THE PRODUCTION OF PRODUCTS OTHER THAN INDUSTRIAL
FIBER PRODUCTS.

(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
(III) **Classified as waste in the inventory tracking system** and disposed of in accordance with rules promulgated by the state licensing authority, which shall include the transfer of fibrous waste from a medical marijuana business to a fibrous waste recycling facility without any required alteration from its natural state.

**SECTION 3.** In Colorado Revised Statutes, 12-43.4-103, add (1.7), (1.8), and (2.7) as follows:

12-43.4-103. **Definitions.** As used in this article 43.4, unless the context otherwise requires:

(1.7) "**Fibrous Waste**" means any roots, stalks, and stems from a retail marijuana plant, which shall not be considered retail marijuana upon transfer to a registered fibrous waste recycling facility.

(1.8) "**Fibrous Waste Recycling Facility**" means a person registered by the state licensing authority that is authorized to receive fibrous waste from a medical marijuana business or a retail marijuana establishment.

(2.7) "**Industrial Fiber Products**" means intermediate or finished products made from fibrous waste that are not intended for human or animal consumption and are not usable or recognizable as retail marijuana. **Industrial Fiber Products** include, but are not limited to, cordage, paper, fuel, textiles, bedding, insulation, construction materials, and industrial materials.

**SECTION 4.** In Colorado Revised Statutes, 12-43.4-202, amend (1)(a); and add (1)(c) and (5) 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;
except that retail marijuana or retail marijuana product 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

(c) CLASSIFIED AS WASTE IN THE INVENTORY TRACKING SYSTEM
AND DISPOSED OF IN ACCORDANCE WITH RULES PROMULGATED BY THE
STATE LICENSING AUTHORITY, WHICH SHALL INCLUDE THE TRANSFER OF
FIBROUS WASTE FROM A RETAIL MARIJUANA ESTABLISHMENT TO A
FIBROUS WASTE RECYCLING FACILITY WITHOUT ANY REQUIRED
ALTERATION FROM ITS NATURAL STATE.

(5) (a) THE STATE LICENSING AUTHORITY SHALL BEGIN ACCEPTING
AND REVIEWING APPLICATIONS FROM A PERSON REQUESTING TO BE
REGISTERED AS A FIBROUS WASTE RECYCLING FACILITY NO LATER THAN
JANUARY 1, 2019.

(b) THE STATE LICENSING AUTHORITY SHALL APPROVE AN
APPLICATION FOR REGISTRATION AS A FIBROUS WASTE RECYCLING
FACILITY IF THE APPLICANT DEMONSTRATES AND AFFIRMS THAT ITS
PROCESSES RENDER THE FIBROUS WASTE UNUSABLE AND
UNRECOGNIZABLE AS RETAIL MARIJUANA AND ONLY USEFUL FOR
INDUSTRIAL FIBER PRODUCTS.
(c) The state licensing authority shall take action on all applications for registration as a fibrous waste recycling facility within sixty days after receipt of application.

(d) Nothing in this subsection (5) can be construed to limit materials that can be received, processed, or sold by a fibrous waste recycling facility; except that fibrous waste may not be used in the production of products other than industrial fiber products.

SECTION 5. In Colorado Revised Statutes, 39-28.8-101, add (3.5) as follows:

39-28.8-101. Definitions. Unless the context otherwise requires, any terms not defined in this article 28.8 have the meanings set forth in article 26 of this title 39. As used in this article 28.8, unless the context otherwise requires:

(3.5) "Fibrous Waste" means any roots, stalks, and stems from a retail marijuana plant, which shall not be considered retail marijuana upon transfer to a registered fibrous waste recycling facility.

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.