

Second Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 18-0998.01 Michael Dohr x4347

SENATE BILL 18-279

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SENATE SPONSORSHIP

Lambert,

HOUSE SPONSORSHIP

(None),

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Senate Committees

Finance

House Committees

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A BILL FOR AN ACT

101 CONCERNING THE DEVELOPMENT OF MARIJUANA CERTIFICATION  
102 TECHNOLOGY.

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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 allows the institute of cannabis research at Colorado state university - Pueblo (institute) to develop marijuana certification technology (technology). The technology must include an agent that is applied to a marijuana plant or marijuana product and then scanned by a device. The scan, at a minimum, would indicate whether the marijuana was legally cultivated, manufactured, or sold by a licensed marijuana

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

business. The institute may select a vendor to develop the technology. After the technology is developed, the state licensing authority must be satisfied that the technology provides an effective means of certifying marijuana. After the state licensing authority determines the technology is effective, it may promulgate rules that require the technology to be used by licensed marijuana businesses. The technology that scans the marijuana must be made available to law enforcement and the department of revenue.

The bill clarifies that the gray and black market marijuana enforcement grant program could award grants to law enforcement agencies to purchase the marijuana scanning technology.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 finds and declares that the inability of state marijuana regulators and law  
4 enforcement agencies to positively distinguish between legal and illegal  
5 marijuana compromises public safety, state revenue, the economic health  
6 of the legal marijuana industry, and the ability of law enforcement to  
7 deter the sale and distribution of illegal marijuana.

8 (2) The general assembly further finds and declares that  
9 identifying legal marijuana in Colorado and distinguishing it from illegal  
10 marijuana after the point of sale is difficult. New technologies to  
11 positively certify legally produced marijuana will benefit Colorado by  
12 increasing the ability of law enforcement agencies to properly enforce  
13 Colorado marijuana laws, which in turn will enhance the regulated  
14 marijuana market by differentiating between legal and illegal marijuana  
15 and protect state revenue from unregulated marijuana sales. Research and  
16 development integrated by Colorado state university - Pueblo, the institute  
17 of cannabis research, and other academic, government, and commercial  
18 partners should develop and demonstrate technological solutions to:

19 (a) Certify that marijuana products produced and sold in Colorado

1 under the supervision of the department of revenue are legal and can be  
2 proved to be legal after the point of sale;

3 (b) Insert unique and traceable identifiers into or onto legal  
4 medical and retail marijuana that can be detected by regulators and law  
5 enforcement agencies and to distinguish whether it is medical or retail  
6 marijuana;

7 (c) Assure that any traceable identifiers are safe for human  
8 consumption according to standards approved by the department of public  
9 health and environment;

10 (d) Code traceable identifiers into secure digital records using  
11 distributed ledger technologies that, in compliance with federal guidelines  
12 and industry best practices, will be accessible by law enforcement  
13 agencies or the department of revenue and be inaccessible to any agency  
14 or individual without the permission of the department of revenue; and

15 (e) Provide secure scanning technologies to law enforcement  
16 agencies and the department of revenue that can detect these identifiers  
17 and determine whether medical and retail marijuana has been  
18 pre-certified as legal.

19 **SECTION 2.** In Colorado Revised Statutes, **add** 23-31.5-113 as  
20 follows:

21 **23-31.5-113. Institute of cannabis research - marijuana**  
22 **certification project - rules.** (1) THE INSTITUTE OF CANNABIS RESEARCH  
23 AT COLORADO STATE UNIVERSITY - PUEBLO, REFERRED TO IN THIS  
24 SECTION AS THE "INSTITUTE", MAY, WITHIN NINETY DAYS AFTER THE  
25 EFFECTIVE DATE OF THIS SECTION, USE EXISTING STATE PROCUREMENT  
26 PRACTICES TO DEVELOP AND DEMONSTRATE MARIJUANA CERTIFICATION  
27 TECHNOLOGY. THE INSTITUTE MAY CONSULT WITH THE NATIONAL

1 INSTITUTE OF STANDARDS AND TECHNOLOGY.

2 (2) THE MARIJUANA CERTIFICATION TECHNOLOGY MUST INCLUDE  
3 TWO COMPONENTS: AN AGENT APPLIED TO MARIJUANA PLANTS OR  
4 MARIJUANA PRODUCTS AND A DEVICE CAPABLE OF SCANNING THE AGENT.  
5 THE AGENT MUST BE APPLIED TO A MARIJUANA PLANT OR A MARIJUANA  
6 PRODUCT AND THEN SCANNED BY A DEVICE THAT AT A MINIMUM WOULD  
7 INDICATE WHETHER THE MEDICAL OR RETAIL MARIJUANA PLANT OR  
8 MEDICAL MARIJUANA-INFUSED PRODUCT OR RETAIL MARIJUANA PRODUCT  
9 WAS LEGALLY CULTIVATED, MANUFACTURED, OR SOLD. ANY AGENTS USED  
10 AS TRACEABLE IDENTIFIERS MUST BE SAFE FOR HUMAN CONSUMPTION  
11 ACCORDING TO STANDARDS APPROVED BY THE DEPARTMENT OF PUBLIC  
12 HEALTH AND ENVIRONMENT. THE APPLIED AGENT MUST CONTAIN  
13 IDENTIFIERS THAT ARE TRACEABLE USING DISTRIBUTED LEDGER  
14 TECHNOLOGY TO STORE RECORDS THAT CAN DISTINGUISH WHETHER THE  
15 MARIJUANA IS LEGAL MEDICAL OR RETAIL MARIJUANA. THE MARIJUANA  
16 SCANNING TECHNOLOGY MUST BE ACCESSIBLE TO LAW ENFORCEMENT  
17 AGENCIES AND THE DEPARTMENT OF REVENUE. THE INSTITUTE MAY  
18 DETERMINE WHETHER THE MARIJUANA CERTIFICATION TECHNOLOGY  
19 SHOULD BE NANOTECHNOLOGY; ISOTOPIC, CHEMICAL, OR BIOLOGICAL  
20 IDENTIFIERS; OTHER AVAILABLE TECHNOLOGY; OR A COMBINATION OF ANY  
21 TECHNOLOGIES.

22 (3) THE INSTITUTE MAY SELECT A VENDOR TO DEVELOP THE  
23 MARIJUANA SCANNING TECHNOLOGY.

24 (4) TECHNOLOGY DEVELOPERS SHOULD CONSIDER WHETHER  
25 RESEARCH AND DEVELOPMENT LICENSING FROM THE DEPARTMENT OF  
26 REGULATORY AGENCIES IS APPROPRIATE OR NECESSARY FOR THESE TASKS.

27 (5) (a) AFTER THE MARIJUANA CERTIFICATION TECHNOLOGY IS

1 DEVELOPED, THE MARIJUANA STATE LICENSING AUTHORITY IN THE  
2 DEPARTMENT OF REVENUE MUST BE SATISFIED THAT THE TECHNOLOGY  
3 PROVIDES AN EFFECTIVE MEANS OF CERTIFYING AND IDENTIFYING LEGAL  
4 MARIJUANA. AFTER THE STATE LICENSING AUTHORITY DETERMINES THAT  
5 THE MARIJUANA CERTIFICATION TECHNOLOGY IS EFFECTIVE, IT MAY  
6 AUTHORIZE PRODUCTION OF THE OPERATIONAL CERTIFICATION AND  
7 SCANNING SYSTEM BEYOND THE INITIAL DEMONSTRATION. IF THAT  
8 PRODUCTION IS AUTHORIZED, THE STATE LICENSING AUTHORITY MAY  
9 PROMULGATE RULES, PURSUANT TO SECTIONS 12-43.3-202 (4) AND  
10 12-43.4-202 (3.5), WITHIN NINETY DAYS, REQUIRING LICENSEES TO USE  
11 THE TECHNOLOGY ON MEDICAL AND RETAIL MARIJUANA, MEDICAL  
12 MARIJUANA-INFUSED PRODUCTS, AND RETAIL MARIJUANA PRODUCTS AT  
13 ONE OR MORE STAGES OF CULTIVATION, MANUFACTURE, WHOLESALE  
14 OPERATIONS, OR RETAIL SALE.

15 (b) AFTER THE MARIJUANA STATE LICENSING AUTHORITY  
16 PROMULGATES THE RULES AUTHORIZED BY THIS SECTION, THE MARIJUANA  
17 SCANNING TECHNOLOGY MAY BE MADE AVAILABLE TO LAW ENFORCEMENT  
18 AGENCIES AND THE DEPARTMENT OF REVENUE FOR PURCHASE, AND THE  
19 MARIJUANA STATE LICENSING AUTHORITY MAY MAKE THE DATA IT  
20 COLLECTS AVAILABLE TO THE DEPARTMENT OF REVENUE AND LAW  
21 ENFORCEMENT AGENCIES AT NO COST.

22 **SECTION 3.** In Colorado Revised Statutes, 12-43.3-202, **add** (4)  
23 as follows:

24 **12-43.3-202. Powers and duties of state licensing authority -**  
25 **rules.** (4) THE STATE LICENSING AUTHORITY MAY PROMULGATE RULES  
26 REGARDING THE MARIJUANA CERTIFICATION TECHNOLOGY DEVELOPED  
27 PURSUANT TO SECTION 23-31.5-113 AFTER DETERMINING THAT THE

1 TECHNOLOGY WORKS PURSUANT TO SECTION 23-31.5-113 (5)(a). THE  
2 RULES MAY REQUIRE AN ENTITY LICENSED PURSUANT TO THIS ARTICLE  
3 43.3 THAT CULTIVATES MEDICAL MARIJUANA OR MANUFACTURES A  
4 MEDICAL MARIJUANA-INFUSED PRODUCT TO APPLY THE AGENT TO THE  
5 MEDICAL MARIJUANA OR THE MEDICAL MARIJUANA-INFUSED PRODUCT  
6 PRIOR TO A SALE OR TRANSFER TO A MEDICAL MARIJUANA CENTER.

7 **SECTION 4.** In Colorado Revised Statutes, 12-43.4-202, **add**  
8 (3.5) as follows:

9 **12-43.4-202. Powers and duties of state licensing authority -**  
10 **rules.** (3.5) THE STATE LICENSING AUTHORITY MAY PROMULGATE RULES  
11 REGARDING THE MARIJUANA CERTIFICATION TECHNOLOGY DEVELOPED  
12 PURSUANT TO SECTION 23-31.5-113 AFTER DETERMINING THAT THE  
13 TECHNOLOGY WORKS PURSUANT TO SECTION 23-31.5-113 (5)(a). THE  
14 RULES MAY REQUIRE AN ENTITY LICENSED PURSUANT TO THIS ARTICLE  
15 43.4 THAT CULTIVATES RETAIL MARIJUANA OR MANUFACTURES A RETAIL  
16 MARIJUANA PRODUCT TO APPLY THE AGENT TO THE RETAIL MARIJUANA OR  
17 THE RETAIL MARIJUANA PRODUCT PRIOR TO A SALE OR TRANSFER TO A  
18 RETAIL MARIJUANA STORE.

19 **SECTION 5.** In Colorado Revised Statutes, 24-32-119, **amend**  
20 (1)(c)(III) and (1)(c)(IV); and **add** (1)(c)(V) as follows:

21 **24-32-119. Gray and black market marijuana enforcement**  
22 **grant program - report - definition.** (1) (c) Grants awarded by the  
23 executive director of the department of local affairs pursuant to this  
24 subsection (1) shall be prioritized to:

25 (III) Provide necessary financial assistance to local law  
26 enforcement agencies and district attorneys in the investigation and  
27 prosecution of organized crime involved in unlicensed marijuana

1 cultivation or distribution operations conducted in violation of state law;

2 or

3 (IV) Provide necessary financial assistance to local law  
4 enforcement agencies and district attorneys in the investigation and  
5 prosecution of unlicensed marijuana cultivation or distribution operations  
6 that divert marijuana outside of Colorado; OR

7 (V) PROVIDE FINANCIAL ASSISTANCE TO LAW ENFORCEMENT  
8 AGENCIES TO PURCHASE THE MARIJUANA SCANNING TECHNOLOGY  
9 DEVELOPED PURSUANT TO SECTION 23-31.5-113.

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