

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 19-1082.01 Jennifer Berman x3286

SENATE BILL 19-220

SENATE SPONSORSHIP

Marble and Fenberg,

HOUSE SPONSORSHIP

Saine and Arndt,

Senate Committees

Agriculture & Natural Resources
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING UPDATES TO THE INDUSTRIAL HEMP REGULATORY**
102 **PROGRAM ADMINISTERED BY THE COMMISSIONER OF**
103 **AGRICULTURE TO ALIGN THE PROGRAM WITH THE REGULATORY**
104 **REQUIREMENTS SET FORTH IN THE FEDERAL "AGRICULTURAL**
105 **IMPROVEMENT ACT OF 2018".**

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>.)

In 2018, the federal government enacted the "Agricultural Improvement Act of 2018" (federal act), which removed hemp from

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.

schedule I of the federal "Controlled Substances Act". The federal act requires the United States department of agriculture (USDA) to develop a plan for the regulation of hemp and authorizes each state to seek approval from the USDA to have primary regulatory authority over hemp production within the state by preparing and submitting a state plan of regulation to the secretary of the USDA.

The bill updates the laws governing Colorado's industrial hemp regulatory program to align with the federal act and to put the department of agriculture in a position to prepare and submit a state plan to the secretary of the USDA.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) The hemp industry offers strong economic potential for
5 agricultural producers throughout Colorado, innovators in the
6 manufacturing space, and entrepreneurs across the country;

7 (b) Colorado leads the nation in public policy supporting the hemp
8 industry and is poised to continue that leadership with the passage of the
9 federal "Agricultural Improvement Act of 2018";

10 (c) It is the intent of the general assembly that the department of
11 agriculture, the department of public health and environment, and other
12 state agencies continue to regulate hemp in compliance with federal law;

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14 (d) Ensuring equitable regulation and enforcement for hemp under
15 state law will keep Colorado competitive in the hemp industry and spur
16 economic development; and

17 To ensure that Colorado continues to lead the nation in public
18 policy supporting the hemp industry, the general assembly and the
19 department of agriculture support all pathways to new hemp variety
20 development, including the development of certified seed and the support

1 of developers of new varieties of hemp seed who may choose not to enter
2 the certified seed system for their proprietary genetics.

3 **SECTION 2.** In Colorado Revised Statutes, 35-61-101, **amend**
4 (1) and (7); and **repeal** (2) as follows:

5 **35-61-101. Definitions.** As used in this article 61, unless the
6 context otherwise requires:

7 (1) "Certified seed" means industrial hemp seed ~~including~~
8 ~~Colorado heritage cannabis seed~~, that has been certified by an
9 organization recognized by the department as PRODUCING MATURE
10 PLANTS having no more than a three-tenths of one percent of delta-9
11 tetrahydrocannabinol concentration on a dry-weight basis.

12 (2) ~~"Colorado heritage cannabis seed" means seed from the plant~~
13 ~~cannabis sativa that possesses characteristics of a unique and specialized~~
14 ~~cannabis seed variety that is present in Colorado or has been recognized~~
15 ~~as produced in Colorado.~~

16 (7) "Industrial hemp" OR "HEMP" means ~~a~~ THE plant ~~of the genus~~
17 Cannabis SATIVA L. and any part of the plant, INCLUDING THE SEEDS OF
18 THE PLANT AND ALL DERIVATIVES, EXTRACTS, CANNABINOIDS, ISOMERS,
19 ACIDS, SALTS, AND SALTS OF ISOMERS, whether growing or not, ~~containing~~
20 WITH a delta-9 tetrahydrocannabinol concentration of no more than
21 three-tenths of one percent on a dry-weight basis.

22 **SECTION 3.** In Colorado Revised Statutes, 35-61-104, **amend**
23 (3) and (5); **repeal** (1)(b); and **add** (6) as follows:

24 **35-61-104. Registration - cultivation of industrial hemp -**
25 **research and development growth - hemp management plan - rules.**

26 (1) (b) ~~If a person registered under the industrial hemp remediation pilot~~
27 ~~program prior to May 28, 2013, applies for a registration pursuant to~~

1 ~~paragraph (a) of this subsection (1) within sixty days after the applications~~
2 ~~are made available, the person may continue to engage in industrial hemp~~
3 ~~activities as authorized under the pilot program until the commissioner~~
4 ~~makes a determination on the person's application.~~

5 (3) (a) A registration issued pursuant to this section is valid for
6 one year ~~In order~~ FROM THE DATE OF ITS ISSUANCE.

7 (b) To continue engaging in industrial hemp cultivation or
8 research and development growth operations in this state ~~the~~ AFTER A
9 REGISTRATION'S EXPIRATION, A registrant must ~~annually~~ apply for a
10 RENEWAL OF ITS registration in accordance with ~~subsection (1) of this~~
11 ~~section~~ RULES ADOPTED BY THE COMMISSIONER SETTING FORTH
12 APPLICATION RENEWAL AND REVIEW PROCESSES AND SETTING A
13 REGISTRATION RENEWAL FEE.

14 (5) The commissioner shall adopt rules ~~by March 1, 2014, and as~~
15 ~~necessary thereafter to implement the registration program and to~~
16 ~~implement~~ and administer this ~~article~~ ARTICLE 61.

17 (6) THE COMMISSIONER OR THE COMMISSIONER'S DESIGNEE MAY
18 SUBMIT A HEMP MANAGEMENT PLAN IN ACCORDANCE WITH THE
19 REQUIREMENTS AND TIMELINES PRESCRIBED BY THE SECRETARY OF THE
20 UNITED STATES DEPARTMENT OF AGRICULTURE PURSUANT TO THE
21 "AGRICULTURE IMPROVEMENT ACT OF 2018", PUB.L. 115-334, AS
22 AMENDED, FOR APPROVAL BY THE SECRETARY. IN DRAFTING THE HEMP
23 MANAGEMENT PLAN, THE COMMISSIONER OR THE COMMISSIONER'S
24 DESIGNEE MAY CONSULT WITH ANY STAKEHOLDERS, INCLUDING STATE
25 AND FEDERAL AGENCIES, LAW ENFORCEMENT AGENCIES, AND PRIVATE
26 INDUSTRY.

27 **SECTION 4.** In Colorado Revised Statutes, 35-61-104.5, **amend**

1 (1)(a) and (2); and **repeal** (1)(b) as follows:

2 **35-61-104.5. Research - certified seed program - fees.**

3 (1) (a) The department shall administer an industrial hemp grant research
4 program so that state institutions of higher education may conduct
5 research to develop or recreate strains of industrial hemp. ~~best suited for~~
6 ~~industrial applications.~~ The purpose of the research may include growing
7 industrial hemp to provide breeding strains to aid Colorado's industrial
8 hemp program and to create Colorado strains of industrial hemp.

9 (b) ~~An institution of higher education that conducts industrial~~
10 ~~hemp seed research may accept seed varieties that are approved by the~~
11 ~~committee or the department. The institution of higher education may~~
12 ~~work with private hemp developers and other stakeholders to develop a~~
13 ~~Colorado heritage seed.~~

14 (2) In addition to the fees collected pursuant to section 35-61-106
15 OR PURSUANT TO RULES PROMULGATED UNDER SECTION 35-61-104, the
16 commissioner may collect ~~an additional~~ A fee, established by the
17 committee, ~~from~~ FOR each ~~registrant~~ REGISTRATION for the purpose of
18 funding industrial hemp research and certification programs, including by
19 making grants to institutions of higher education as specified in
20 subsection (1) of this section. The fees collected shall be deposited in the
21 industrial hemp research grant fund created in section 35-61-106 (3). The
22 department may solicit, apply for, and accept ~~moneys~~ MONEY from other
23 sources for the grant program.

24 **SECTION 5.** In Colorado Revised Statutes, 35-61-105, **amend**
25 (1) introductory portion and (1)(a); and **repeal** (1)(b) as follows:

26 **35-61-105. Report of growth and sales activities - verification**
27 **of crop content - testing - waiver of concentration limits - rules.**

1 (1) At least annually and more often as required by the commissioner, a
2 person who obtains a registration under this ~~article~~ ARTICLE 61 to engage
3 in industrial hemp cultivation for commercial purposes shall file with the
4 department a report that includes the following information:

5 (a) Prior to planting, a verification that the crop the registrant will
6 plant is of a type and variety of hemp that will produce a delta-9
7 tetrahydrocannabinol concentration of no more than three-tenths of one
8 percent on a dry-weight basis; AND

9 (b) ~~Documentation demonstrating that the registrant has entered~~
10 ~~into a purchase agreement with an in-state industrial hemp processor; and~~

11 **SECTION 6.** In Colorado Revised Statutes, **repeal** 35-61-109.

12 **SECTION 7. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, and safety.