

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 20-1115.01 Jerry Barry x4341

SENATE BILL 20-197

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SENATE SPONSORSHIP

Fenberg and Marble,

HOUSE SPONSORSHIP

(None),

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Senate Committees

Agriculture & Natural Resources

House Committees

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A BILL FOR AN ACT

101 CONCERNING ALIGNING STATE STATUTES WITH FEDERAL LAW ON  
102 HEMP.

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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 aligns Colorado statutes on hemp with federal law, including adopting federal definitions; requiring authorized samplers to collect samples from each lot; changing the appointing authority for the industrial hemp advisory committee to the state agricultural commission; requiring that all key participants provide a criminal history record check from the federal bureau of investigation; eliminating authority to grow

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.

hemp for research and development purposes but authorizing a separate registration and waiver requirement; creating new reporting requirements; specifying unlawful acts and creating civil penalties for violations; and giving the commissioner of agriculture investigatory and subpoena authority.

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

2 **SECTION 1.** In Colorado Revised Statutes, 35-61-101, **amend**  
3 (1), (2), (4), and (5); and **add** (1.3), (1.5), (7.3), (7.7), and (9) as follows:

4 **35-61-101. Definitions.** As used in this article 61, unless the  
5 context otherwise requires:

6 (1) ~~"Certified seed" means industrial hemp seed, including~~  
7 ~~Colorado heritage cannabis seed, that has been certified by an~~  
8 ~~organization recognized by the department as producing mature plants~~  
9 ~~having no more than three-tenths of one percent of delta-9~~  
10 ~~tetrahydrocannabinol concentration on a dry-weight basis "ACCEPTABLE~~  
11 ~~HEMP THC LEVEL" MEANS WHEN THE APPLICATION OF THE MEASUREMENT~~  
12 ~~OF UNCERTAINTY TO THE REPORTED DELTA-9 THC CONTENT~~  
13 ~~CONCENTRATION LEVEL ON A DRY WEIGHT BASIS PRODUCES A~~  
14 ~~DISTRIBUTION OR RANGE THAT INCLUDES THREE-TENTHS OF A PERCENT OR~~  
15 ~~LESS.~~

16 (1.3) "AUTHORIZED SAMPLER" MEANS AN EMPLOYEE OF THE  
17 COLORADO DEPARTMENT OF AGRICULTURE OR A REGISTRANT WHO HAS  
18 BEEN AUTHORIZED BY THE COMMISSIONER TO COLLECT AND HANDLE  
19 INDUSTRIAL HEMP SAMPLES.

20 (1.5) "CERTIFIED SEED" MEANS SEED CERTIFIED BY A SEED  
21 CERTIFYING AGENCY PURSUANT TO ARTICLE 27 OF THIS TITLE 35 AND  
22 INCLUDES FOUNDATION AND REGISTERED SEED.

23 (2) ~~"Colorado heritage cannabis seed" means seed from the plant~~

1 ~~cannabis sativa that possesses characteristics of a unique and specialized~~  
2 ~~cannabis seed variety that is present in Colorado or has been recognized~~  
3 ~~as produced in Colorado~~ "CERTIFYING AGENCY" MEANS THE SEED  
4 CERTIFICATION SERVICE OF THE AUTHORIZED BOARD OF GOVERNORS OF  
5 THE COLORADO STATE UNIVERSITY SYSTEM OR THE AUTHORIZED SEED  
6 CERTIFYING AGENCY OF ANOTHER STATE.

7 (4) "Committee" means the industrial hemp ADVISORY committee  
8 established in section 35-61-103.

9 (5) "Delta-9 tetrahydrocannabinols" OR "DELTA-9 THC" has the  
10 same meaning as "tetrahydrocannabinols" as set forth in section  
11 27-80-203 (24). ~~C.R.S.~~ DELTA-9 THC IS THE PRIMARY PSYCHOACTIVE  
12 COMPONENT OF CANNABIS. FOR PURPOSES OF THIS ARTICLE 61, THE TERMS  
13 "DELTA-9 THC" AND "THC" ARE INTERCHANGEABLE.

14 (7.3) "KEY PARTICIPANT" MEANS A SOLE PROPRIETOR, A PARTNER  
15 IN A PARTNERSHIP, OR A PERSON WITH EXECUTIVE MANAGERIAL CONTROL  
16 IN A CORPORATION. A PERSON WITH EXECUTIVE MANAGERIAL CONTROL  
17 INCLUDES PERSONS SUCH AS A CHIEF EXECUTIVE OFFICER, CHIEF  
18 OPERATING OFFICER, OR CHIEF FINANCIAL OFFICER. "KEY PARTICIPANT"  
19 DOES NOT INCLUDE NONEXECUTIVE MANAGERS SUCH AS FARM, FIELD, OR  
20 SHIFT MANAGERS.

21 (7.7) "MEASUREMENT OF UNCERTAINTY" MEANS THE PARAMETER  
22 ASSOCIATED WITH THE RESULTS OF A MEASUREMENT THAT  
23 CHARACTERIZES THE DISPERSION OF THE VALUES THAT COULD  
24 REASONABLY BE ATTRIBUTED TO THE PARTICULAR QUANTITY SUBJECT TO  
25 MEASUREMENT.

26 (9) "TOTAL THC" MEANS THE MOLAR SUM OF THC AND  
27 TETRAHYDROCANNABINOLIC ACID (THCA).

1           **SECTION 2.** In Colorado Revised Statutes, 35-61-102, **amend**  
2 (1) as follows:

3           **35-61-102. Industrial hemp - permitted growth by registered**  
4 **persons.** (1) Notwithstanding any other provision of law to the contrary,  
5 a person who holds a registration issued pursuant to section 35-61-104  
6 may

7           (a) engage in industrial hemp cultivation for commercial purposes.

8           or

9           ~~(b) Grow industrial hemp for research and development purposes.~~

10           **SECTION 3.** In Colorado Revised Statutes, 35-61-103, **amend**  
11 (1)(a) introductory portion, (1)(b), and (2); and **repeal** (1)(a)(VII) and (3)  
12 as follows:

13           **35-61-103. Industrial hemp advisory committee -**  
14 **appointments - duties - coordination with commission.** (1) (a) The  
15 industrial hemp ADVISORY committee is hereby established. ~~The chair of~~  
16 ~~the agriculture, livestock, and natural resources committee in the house~~  
17 ~~of representatives and the chair of the agriculture, natural resources, and~~  
18 ~~energy committee in the senate~~ THE STATE AGRICULTURAL COMMISSION  
19 CREATED IN SECTION 35-1-105 SHALL APPOINT AN ADVISORY COMMITTEE  
20 TO ADVISE THE COMMISSIONER ON MATTERS REGARDING THE REGULATION  
21 OF INDUSTRIAL HEMP PRODUCTION AND TO ASSIST THE COMMISSIONER IN  
22 PROMULGATING RULES TO CARRY OUT THIS ARTICLE 61. THE COMMISSION  
23 shall ~~jointly~~ appoint ~~eleven~~ TEN members to the industrial hemp  
24 ADVISORY committee as follows:

25           ~~(VII) One member who is a representative of the attorney~~  
26 ~~general's office;~~

27           (b) The term of office of members of the committee is three years;

1 except that the members appointed pursuant to ~~subparagraphs (I), (V),~~  
2 ~~(VI), and (VIII) of paragraph (a) of this subsection (1) shall~~ SUBSECTIONS  
3 (1)(a)(I) AND (1)(a)(V) OF THIS SECTION serve initial two-year terms to  
4 ensure staggered terms of office.

5 (2) ~~The committee shall work with the department to establish an~~  
6 ~~industrial hemp registration program and a seed certification program~~  
7 ~~pursuant to section 35-61-104, under which a person may obtain~~  
8 ~~authorization to:~~ THE COMMITTEE SHALL PROVIDE ADVICE TO THE  
9 COMMISSIONER, REVIEW PROPOSED RULES, AND RECOMMEND NEW RULES  
10 OR CHANGES TO EXISTING RULES.

11 (a) ~~Engage in industrial hemp cultivation; or~~

12 (b) ~~Grow industrial hemp for purposes of research and~~  
13 ~~development.~~

14 (3) ~~The committee shall assist the department in determining the~~  
15 ~~qualifications and other criteria a person must satisfy to qualify for~~  
16 ~~registration under this article. The committee shall assist the department~~  
17 ~~in the development of a seed certification program.~~

18 **SECTION 4.** In Colorado Revised Statutes, 35-61-104, **amend**  
19 (1)(a), (2), and (6); and **add** (1)(c) and (7) as follows:

20 **35-61-104. Registration - cultivation of industrial hemp -**  
21 **research and development growth - hemp management plan - rules.**

22 (1) (a) A person wishing to engage in industrial hemp cultivation ~~for~~  
23 ~~commercial purposes or to grow industrial hemp for research and~~  
24 ~~development purposes~~ shall apply to the department for a registration in  
25 a form and manner determined by the commissioner ~~in consultation with~~  
26 ~~the committee,~~ prior to planting the industrial hemp. ~~for commercial or~~  
27 ~~research and development purposes.~~ The application must include the

1 name and address of the applicant AND ALL KEY PARTICIPANTS and the  
2 legal description, global positioning system location, and map of the land  
3 area on which the applicant plans to engage in industrial hemp  
4 cultivation. ~~or research and development growth operations~~ An  
5 application to engage in industrial hemp cultivation for commercial  
6 purposes must identify by name each officer, director, member, partner,  
7 or owner of at least ten percent of the entity and any other person who has  
8 managing or controlling authority over the entity. The applicant shall also  
9 submit to the department the fee required by section 35-61-106 (2).  
10 Application for registration pursuant to this section is a matter of  
11 statewide concern.

12 (c) WITH THE SUBMISSION OF AN APPLICATION FOR REGISTRATION,  
13 EACH KEY PARTICIPANT SHALL SUBMIT A COMPLETE SET OF FINGERPRINTS  
14 TO THE COLORADO BUREAU OF INVESTIGATION OR THE DEPARTMENT FOR  
15 THE PURPOSE OF CONDUCTING FINGERPRINT-BASED CRIMINAL HISTORY  
16 RECORD CHECKS. IF RECEIVED BY THE DEPARTMENT, THE DEPARTMENT  
17 SHALL SUBMIT THE FINGERPRINTS TO THE COLORADO BUREAU OF  
18 INVESTIGATION FOR THE PURPOSE OF CONDUCTING FINGERPRINT-BASED  
19 CRIMINAL HISTORY RECORD CHECKS. THE COLORADO BUREAU OF  
20 INVESTIGATION SHALL FORWARD THE FINGERPRINTS TO THE FEDERAL  
21 BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING  
22 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. UPON  
23 COMPLETION OF THE CRIMINAL HISTORY RECORD CHECK, THE BUREAU  
24 SHALL FORWARD THE RESULTS TO THE COMMISSIONER. THE DEPARTMENT  
25 MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY RECORD CHECK FOR A  
26 KEY PARTICIPANT WHO HAS TWICE SUBMITTED TO A FINGERPRINT-BASED  
27 CRIMINAL HISTORY RECORD CHECK AND WHOSE FINGERPRINTS ARE

1 UNCLASSIFIABLE. A KEY PARTICIPANT WHO HAS PREVIOUSLY SUBMITTED  
2 FINGERPRINTS TO THE DEPARTMENT MAY REQUEST THAT THE  
3 FINGERPRINTS ON FILE BE USED. THE COMMISSIONER SHALL USE THE  
4 INFORMATION RESULTING FROM THE FINGERPRINT-BASED CRIMINAL  
5 HISTORY RECORD CHECK TO INVESTIGATE AND DETERMINE WHETHER A  
6 KEY PARTICIPANT IS QUALIFIED TO BE REGISTERED. THE KEY PARTICIPANT  
7 SHALL PAY THE COSTS ASSOCIATED WITH THE FINGERPRINT-BASED  
8 CRIMINAL HISTORY RECORD CHECKS.

9 (2) If a person applies for registration in accordance with  
10 subsection (1) of this section and the commissioner determines that the  
11 person has satisfied the requirements for registration pursuant to this  
12 ~~article~~ ARTICLE 61, the commissioner ~~shall~~ MAY issue a registration to the  
13 person.

14 (6) The commissioner or the commissioner's designee shall submit  
15 a hemp management plan in accordance with the requirements and  
16 timelines prescribed by the secretary of the United States department of  
17 agriculture pursuant to the "Agriculture Improvement Act of 2018",  
18 Pub.L. 115-334, as amended, for approval by the secretary. ~~In drafting the~~  
19 ~~hemp management plan, the commissioner or the commissioner's~~  
20 ~~designee may consult with any stakeholders, including local governments~~  
21 ~~and state and federal and law enforcement agencies, and shall consult~~  
22 ~~with private industry. In developing a hemp management plan pursuant~~  
23 ~~to this subsection (6), the commissioner or the commissioner's designee~~  
24 ~~shall establish rules authorizing the disposal of a plant. The rules may~~  
25 ~~authorize some form of reuse of the plant in accordance with federal~~  
26 ~~guidelines.~~

27 (7) EXCEPT AS OTHERWISE PROHIBITED BY LAW, THE

1 COMMISSIONER MAY ESTABLISH SEPARATE REGISTRATION AND WAIVER  
2 REQUIREMENTS FOR RESEARCH AND DEVELOPMENT CULTIVATION OF  
3 INDUSTRIAL HEMP.

4 **SECTION 5.** In Colorado Revised Statutes, **repeal** 35-61-104.5  
5 as follows:

6 **35-61-104.5. Research - certified seed program - fees.**

7 ~~(1)(a) The department shall administer an industrial hemp grant research~~  
8 ~~program so that state institutions of higher education may conduct~~  
9 ~~research to develop or recreate strains of industrial hemp. The purpose of~~  
10 ~~the research may include growing industrial hemp to provide breeding~~  
11 ~~strains to aid Colorado's industrial hemp program and to create Colorado~~  
12 ~~strains of industrial hemp.~~

13 ~~(b) Repealed.~~

14 ~~(1.5) The department shall administer a certified seed program~~  
15 ~~that identifies seeds that produce industrial hemp. In accordance with all~~  
16 ~~federal and state laws and regulations, the department may import seeds~~  
17 ~~to develop the certified seed program.~~

18 ~~(2) In addition to the fees collected pursuant to section 35-61-106~~  
19 ~~or pursuant to rules promulgated under section 35-61-104, the~~  
20 ~~commissioner may collect a fee, established by the committee, for each~~  
21 ~~registration for the purpose of funding industrial hemp research and~~  
22 ~~certification programs, including by making grants to institutions of~~  
23 ~~higher education as specified in subsection (1) of this section. The fees~~  
24 ~~collected shall be deposited in the industrial hemp research grant fund~~  
25 ~~created in section 35-61-106 (3). The department may solicit, apply for,~~  
26 ~~and accept money from other sources for the grant program.~~

27 **SECTION 6.** In Colorado Revised Statutes, 35-61-105, **amend**



1 (1) introductory portion and (2) as follows:

2 **35-61-105. Report of growth and sales activities - verification**  
3 **of crop content - testing - waiver of concentration limits - rules.**

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

8 (2) The commissioner, in consultation with the committee, shall  
9 adopt rules to establish an inspection program to determine ~~delta-9~~  
10 ~~tetrahydrocannabinol~~ THC levels and ensure compliance with the limits  
11 on ~~delta-9 tetrahydrocannabinol~~ THC concentration. The commissioner  
12 shall determine the ~~delta-9 tetrahydrocannabinol~~ THC concentration by  
13 measuring the combined concentration of delta-9 tetrahydrocannabinol  
14 and its precursor, delta-9 tetrahydrocannabinolic acid. The rules ~~shall~~  
15 MUST also establish a process by which a registrant may apply to the  
16 commissioner for a waiver from the ~~delta-9 tetrahydrocannabinol~~ THC  
17 concentration limits ~~under circumstances specified in the rules~~ ABOVE THE  
18 ACCEPTABLE HEMP THC LIMIT.

19 **SECTION 7.** In Colorado Revised Statutes, **amend** 35-61-105.5  
20 as follows:

21 **35-61-105.5. Authorized samplers - lot sampling - testing**  
22 **laboratories.** (1) If a person registered pursuant to this article 61 wants  
23 ~~a licensed retail marijuana testing facility to perform testing on the~~  
24 ~~industrial hemp that the registrant is cultivating, that person shall use a~~  
25 ~~radio frequency identification-based inventory tracking system approved~~  
26 ~~by the commissioner for a sample of the registrant's industrial hemp crop.~~  
27 The commissioner shall only approve an inventory tracking system if that

1 ~~system is compatible with the state licensing authority's seed-to-sale~~  
2 ~~tracking system required pursuant to section 44-10-202 (1)(a). A licensed~~  
3 ~~retail testing facility shall provide the test results to the registrant and the~~  
4 ~~commissioner. All test results are considered confidential business~~  
5 ~~information. This section does not prevent the use of the tracking system~~  
6 ~~for other purposes~~ THE COMMISSIONER SHALL ESTABLISH A REGISTRATION  
7 AND CERTIFICATION PROGRAM FOR AUTHORIZED SAMPLERS.

8 (2) (a) THE COMMISSIONER SHALL DEVELOP HEMP SAMPLING AND  
9 TESTING PROCEDURES TO SAMPLE AND TEST ONE HUNDRED PERCENT OF  
10 THE HEMP LOTS PLANTED EACH YEAR. EACH REGISTERED LAND AREA,  
11 INCLUDING EACH LOT WITHIN A REGISTERED LAND AREA, MUST BE  
12 INSPECTED AND SAMPLED TO ENSURE COMPLIANCE WITH ALL  
13 REQUIREMENTS OF THIS ARTICLE 61 AND TO DETERMINE THE TOTAL THC  
14 CONTENT.

15 (b) AN AUTHORIZED SAMPLER, OR EMPLOYEE OF THE DEPARTMENT,  
16 SHALL COLLECT SAMPLES OF FLOWER MATERIAL FROM ALL LOTS GROWN  
17 ON THE REGISTERED LAND AREA.

18 (c) A REGISTRANT SHALL NOT HARVEST THE HEMP CROP PRIOR TO  
19 SAMPLES BEING COLLECTED.

20 (d) AN AUTHORIZED SAMPLER SHALL SUBMIT COLLECTED SAMPLES  
21 TO A STATE CERTIFIED INDUSTRIAL HEMP TESTING LABORATORY.

22 **SECTION 8.** In Colorado Revised Statutes, 35-61-106, **amend**  
23 (2); and **repeal** (3)(a) as follows:

24 **35-61-106. Industrial hemp registration program cash fund -**  
25 **industrial hemp research grant fund - fees.** (2) The commissioner shall  
26 collect a fee from persons applying for a registration pursuant to this  
27 article 61 based on a fee schedule determined by the commissioner. The

1 commissioner shall set the fee schedule at a level sufficient to generate  
2 the amount of money necessary to cover the department's direct and  
3 indirect costs in implementing this article 61. THE COMMISSIONER SHALL  
4 ALSO COLLECT ANY FEES NECESSARY TO COVER THE COST OF INSPECTION  
5 AND COMPLIANCE SAMPLING AND TESTING. The commissioner shall  
6 transmit the fees collected pursuant to this section to the state treasurer  
7 for deposit in the fund.

8 (3) There is hereby created in the state treasury the industrial  
9 hemp research grant fund. The fund consists of:

10 (a) ~~Fees collected by the commissioner pursuant to section~~  
11 ~~35-61-104.5 (2);~~

12 **SECTION 9.** In Colorado Revised Statutes, 35-61-107, **amend**  
13 (5), (6), and (7) as follows:

14 **35-61-107. Violations - penalties - denial of registration -**  
15 **application.** (5) ~~The commissioner shall neither revoke nor suspend an~~  
16 ~~institution of higher education's registration or a~~  
17 ~~research-and-development registrant's registration when a sample of the~~  
18 ~~registrant's industrial hemp tests higher than the limits established by rule~~  
19 ~~of the commissioner if the crop is destroyed or utilized in a manner~~  
20 ~~approved of and verified by the commissioner~~ CANNABIS PLANTS  
21 EXCEEDING THE ACCEPTABLE HEMP THC LEVEL MUST BE DISPOSED OF IN  
22 ACCORDANCE WITH RULES ESTABLISHED BY THE COMMISSIONER.

23 (6) Notwithstanding any other provision of this article 61, for up  
24 to three years after the effective date of the suspension, revocation, or  
25 relinquishment of a registration, the commissioner may deny an  
26 application for registration if:

27 (a) The applicant OR ANY KEY PARTICIPANT is an individual who

1 was previously listed as participating in an entity pursuant to section  
2 35-61-104 and that individual or entity was subjected to discipline under  
3 this article 61; or

4 (b) The applicant OR ANY KEY PARTICIPANT is an entity that lists  
5 an individual as participating in the entity pursuant to section 35-61-104  
6 and the individual was previously listed as a participating person OR KEY  
7 PARTICIPANT in an entity that was subjected to discipline under this article  
8 61.

9 (7) If a person's registration, INCLUDING ANY KEY PARTICIPANT TO  
10 THE REGISTRATION, is suspended, revoked, or voluntarily relinquished for  
11 a violation of this section, the commissioner may deny a new application  
12 for registration for that person for up to three years after the effective date  
13 of the suspension, revocation, or relinquishment.

14 **SECTION 10.** In Colorado Revised Statutes, **add** 35-61-110,  
15 35-61-111, 35-61-112, 35-61-113, and 35-61-114 as follows:

16 **35-61-110. Record-keeping requirements.** (1) EACH  
17 REGISTRANT SHALL MAINTAIN RECORDS OF ALL HEMP PLANT LOTS  
18 ACQUIRED, PRODUCED, HANDLED, OR DISPOSED OF IN THE FORM AND  
19 MANNER DESIGNATED BY THE COMMISSIONER. THE PRODUCER SHALL  
20 RETAIN THE RECORDS FOR THREE YEARS.

21 (2) THE COMMISSIONER MAY REQUEST ALL REPORTS AND RECORDS  
22 REQUIRED AS PART OF REGISTRATION, INCLUDING CONFIDENTIAL DATA OR  
23 BUSINESS INFORMATION INCLUDING BUT NOT LIMITED TO INFORMATION  
24 CONSTITUTING TRADE SECRETS OR DISCLOSING A TRADE POSITION,  
25 FINANCIAL CONDITION, OR BUSINESS OPERATIONS. THE COMMISSIONER  
26 AFTER RECEIPT SHALL KEEP THE REPORTS AND RECORDS IN THE  
27 COMMISSIONER'S CUSTODY OR CONTROL. CONFIDENTIAL BUSINESS

1 INFORMATION MAY BE SHARED WITH APPLICABLE FEDERAL, STATE, OR  
2 LOCAL LAW ENFORCEMENT IN COMPLIANCE WITH THIS ARTICLE 61.

3 (3) (a) THE COMMISSIONER MAY DENY ACCESS TO PERSONAL  
4 INFORMATION ABOUT PERSONS INVOLVED WITH THE CULTIVATION OF  
5 INDUSTRIAL HEMP IF THE COMMISSIONER REASONABLY BELIEVES  
6 DISSEMINATION OF SUCH INFORMATION WILL CAUSE HARM TO SUCH  
7 PERSONS.

8 (b) ON THE GROUNDS THAT DISCLOSURE WOULD BE CONTRARY TO  
9 THE PUBLIC INTEREST, THE COMMISSIONER MAY DENY ACCESS TO THE  
10 FOLLOWING:

11 (I) SPECIFIC OPERATIONAL DETAILS OF INDUSTRIAL HEMP  
12 OPERATIONS THAT CONSTITUTE CONFIDENTIAL COMMERCIAL DATA  
13 PURSUANT TO SECTION 24-72-204. SUCH OPERATIONAL DETAILS INCLUDE:

14 (A) OWNERSHIP, NUMBERS, FIELD LOCATIONS, AND MOVEMENTS  
15 OF CROPS;

16 (B) FINANCIAL INFORMATION;

17 (C) THE PURCHASE AND SALE OF CROPS;

18 (D) ACCOUNT NUMBERS OR UNIQUE IDENTIFIERS ISSUED BY  
19 GOVERNMENT OR PRIVATE ENTITIES; AND

20 (E) OPERATIONAL PROTOCOLS.

21 (II) INFORMATION RELATED TO CONFIDENTIAL BUSINESS  
22 INFORMATION THAT:

23 (A) WOULD IDENTIFY A PERSON OR FIELD LOCATION; OR

24 (B) CONTAINS CONFIDENTIAL DATA, INCLUDING RECORDS OF  
25 ONGOING INVESTIGATIONS THAT PERTAIN TO INDUSTRIAL HEMP  
26 CULTIVATION; EXCEPT THAT RECORDS OF INVESTIGATIONS MUST NOT BE  
27 WITHHELD IF THE INVESTIGATION HAS CONCLUDED AND THE PERSON BEING

1 INVESTIGATED IS FOUND BY THE COMMISSIONER TO HAVE VIOLATED ANY  
2 PROVISION OF THIS TITLE 61 THAT PERTAINS TO INDUSTRIAL HEMP.

3 (4) IF THE COMMISSIONER DENIES ACCESS TO INFORMATION  
4 PURSUANT TO SUBSECTION (3)(a) OR (3)(b) OF THIS SECTION, THE  
5 COMMISSIONER SHALL REDACT THE CONFIDENTIAL INFORMATION AND  
6 MAKE THE REMAINING PORTIONS OF THE RECORD AVAILABLE FOR  
7 DISCLOSURE. IF THE COMMISSIONER IS UNABLE TO REDACT THE RECORD  
8 WITHIN THE TIME LIMITS ESTABLISHED IN SECTION 24-72-203 (3), THE TIME  
9 LIMITS ARE WAIVED AND THE COMMISSIONER SHALL REDACT THE  
10 INFORMATION AND PROVIDE THE REDACTED RECORD AS SOON AS IS  
11 PRACTICABLE.

12 (5) NOTHING IN THIS ARTICLE 61 AUTHORIZES THE COMMISSIONER  
13 TO OBTAIN INFORMATION NOT OTHERWISE PERMITTED BY LAW.

14 (6) NOTHING IN THIS ARTICLE 61:

15 (a) PRECLUDES A PERSON IN INTEREST FROM ACCESSING HIS OR  
16 HER OWN INFORMATION;

17 (b) PREVENTS THE COMMISSIONER FROM RELEASING BIOLOGICAL  
18 INDUSTRIAL HEMP SAMPLES TO AN AUTHORIZED EXTERNAL ENTITY FOR  
19 SCIENTIFIC TESTING, SO LONG AS THE TESTING ENTITY AGREES TO  
20 MAINTAIN THE CONFIDENTIALITY OF THE INFORMATION IT RECEIVES;

21 (c) PREVENTS THE COMMISSIONER FROM DISCLOSING INFORMATION  
22 THAT IS OTHERWISE PERMITTED OR REQUIRED TO BE DISCLOSED; OR

23 (d) APPLIES WHEN THE COMMISSIONER DETERMINES THAT  
24 DISCLOSURE OF INDUSTRIAL HEMP CULTIVATION INFORMATION IS  
25 NECESSARY TO PREVENT OR ADDRESS AN IMMEDIATE THREAT TO THE  
26 HEALTH AND SAFETY OF A PERSON OR ANIMAL.

27 (7) WHEN DISCLOSING INFORMATION PURSUANT TO SUBSECTION

1 (6)(d) OF THIS SECTION, THE COMMISSIONER SHALL RELEASE ONLY AS  
2 MUCH INFORMATION AS IS NECESSARY TO ADDRESS THE SITUATION.

3 **35-61-111. Unlawful acts.** (1) UNLESS OTHERWISE AUTHORIZED  
4 BY LAW, IT IS UNLAWFUL AND A VIOLATION OF THIS ARTICLE 61 FOR ANY  
5 PERSON TO:

6 (a) CULTIVATE HEMP WITHOUT HAVING A VALID REGISTRATION  
7 FROM THE DEPARTMENT;

8 (b) HARVEST THE INDUSTRIAL HEMP CROP IN EXCESS OF THE TIME  
9 ALLOWED BY THE COMMISSIONER AFTER SAMPLING BY AN AUTHORIZED  
10 SAMPLER;

11 (c) REFUSE TO COMPLY WITH A CEASE-AND-DESIST ORDER ISSUED  
12 PURSUANT TO SECTION 35-61-107;

13 (d) REFUSE OR FAIL TO COMPLY WITH THE PROVISIONS OF THIS  
14 ARTICLE 61;

15 (e) MAKE FALSE, MISLEADING, DECEPTIVE, OR FRAUDULENT  
16 REPRESENTATIONS;

17 (f) IMPERSONATE ANY STATE, COUNTY, CITY AND COUNTY, OR  
18 MUNICIPAL OFFICIAL OR INSPECTOR; OR

19 (g) REFUSE OR FAIL TO COMPLY WITH ANY RULES ADOPTED BY THE  
20 COMMISSIONER PURSUANT TO THIS ARTICLE 61 OR TO ANY LAWFUL ORDER  
21 ISSUED BY THE COMMISSIONER.

22 (2) NOTWITHSTANDING ANY PROVISION OF LAW TO THE  
23 CONTRARY, NO PERSON IS SUBJECT TO CRIMINAL PROSECUTION FOR:

24 (a) FAILURE TO PROVIDE A LEGAL DESCRIPTION OF THE LAND ON  
25 WHICH THE PRODUCER PRODUCES HEMP;

26 (b) FAILURE TO OBTAIN A REGISTRATION PURSUANT TO THIS  
27 ARTICLE 61 FOR THE PRODUCTION OF INDUSTRIAL HEMP; OR

1 (c) PRODUCING CANNABIS WITH A THC LEVEL ABOVE  
2 THREE-TENTHS OF A PERCENT BUT BELOW FIVE-TENTHS OF A PERCENT.

3 **35-61-112. Civil penalties.** (1) (a) ANY PERSON WHO VIOLATES  
4 ANY PROVISION OF THIS ARTICLE 61 OR ANY RULE ADOPTED PURSUANT TO  
5 THIS ARTICLE 61 IS SUBJECT TO A CIVIL PENALTY, AS DETERMINED BY THE  
6 COMMISSIONER.

7 (b) BEFORE IMPOSING ANY CIVIL PENALTY, THE COMMISSIONER  
8 SHALL CONSIDER THE SEVERITY OF THE VIOLATION, THE AMOUNT OF HARM  
9 CAUSED BY SUCH A VIOLATION, THE PRESENCE OR ABSENCE OF A PATTERN  
10 OF SIMILAR VIOLATIONS BY THE REGISTRANT, THE EFFECT OF THE  
11 PROPOSED PENALTY ON THE ABILITY OF THE REGISTRANT TO CONTINUE TO  
12 CONDUCT BUSINESS, AND ANY OTHER FACTORS DEEMED TO BE RELEVANT.

13 (c) THE MAXIMUM PENALTY IMPOSED BY THE COMMISSIONER MUST  
14 NOT EXCEED TWO THOUSAND DOLLARS PER VIOLATION PER DAY.

15 (2) THE COMMISSIONER SHALL NOT IMPOSE ANY PENALTY UNLESS  
16 THE PERSON CHARGED IS GIVEN NOTICE AND AN OPPORTUNITY FOR A  
17 HEARING PURSUANT TO ARTICLE 4 OF TITLE 24.

18 **35-61-113. Powers and duties of commissioner - rules.** (1) THE  
19 COMMISSIONER MAY ADMINISTER AND ENFORCE THE PROVISIONS OF THIS  
20 ARTICLE 61 AND ANY RULES ADOPTED PURSUANT THERETO.

21 (2) THE COMMISSIONER MAY ADOPT ALL REASONABLE RULES FOR  
22 THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE 61, INCLUDING  
23 BUT NOT LIMITED TO:

24 (a) MINIMUM STANDARDS OF THE ACCEPTABLE HEMP THC LEVEL;

25 (b) MAINTENANCE OF RECORDS CONCERNING ALL HEMP PLANT  
26 LOTS ACQUIRED, PRODUCED, HANDLED, OR DISPOSED OF; AND

27 (c) ESTABLISHMENT OF QUALIFICATIONS FOR AUTHORIZED



1       SAMPLERS.

2           (3) THE COMMISSIONER MAY ESTABLISH THE ANNUAL DATE OR  
3       DATES ON WHICH REGISTRATIONS ISSUED PURSUANT TO THIS ARTICLE 61  
4       EXPIRE.

5           (4) THE COMMISSIONER MAY ENTER INTO COOPERATIVE  
6       AGREEMENTS WITH ANY AGENCY OR POLITICAL SUBDIVISION OF THIS  
7       STATE OR WITH ANY AGENCY OF THE UNITED STATES GOVERNMENT FOR  
8       THE PURPOSE OF CARRYING OUT THE PROVISIONS OF THIS ARTICLE 61,  
9       RECEIVING GRANTS-IN-AID, AND SECURING UNIFORMITY OF RULES.

10          (5) THE POWERS AND DUTIES VESTED IN THE COMMISSIONER BY  
11       THIS ARTICLE 61 MAY BE DELEGATED TO QUALIFIED EMPLOYEES OF THE  
12       DEPARTMENT.

13           **35-61-114. Inspections - investigations - access - subpoenas.**

14          (1) THE COMMISSIONER, UPON HIS OR HER OWN MOTION OR UPON THE  
15       COMPLAINT OF ANY PERSON, MAY MAKE ANY INVESTIGATIONS NECESSARY  
16       TO ENSURE COMPLIANCE WITH THIS ARTICLE 61.

17          (2) COMPLAINTS OF RECORD AND THE RESULTS OF THE  
18       INVESTIGATIONS MAY, IN THE DISCRETION OF THE COMMISSIONER, BE  
19       CLOSED TO PUBLIC INSPECTION, EXCEPT TO THE PERSON IN INTEREST, AS  
20       DEFINED IN SECTION 24-72-202 (4).

21          (3) AT ANY REASONABLE TIME DURING REGULAR BUSINESS HOURS,  
22       THE COMMISSIONER MUST BE PROVIDED FREE AND UNIMPEDED ACCESS  
23       UPON CONSENT OR UPON OBTAINING AN ADMINISTRATIVE SEARCH  
24       WARRANT TO:

25           (a) THOSE PORTIONS OF ALL BUILDINGS, FIELDS, AND OTHER AREAS  
26       IN WHICH ANY INDUSTRIAL HEMP LOTS ARE HANDLED FOR THE PURPOSE OF  
27       CARRYING OUT ANY PROVISION OF THIS ARTICLE 61 OR ANY RULE

1 PROMULGATED PURSUANT TO THIS ARTICLE 61; AND

2 (b) ALL RECORDS REQUIRED TO BE KEPT, AND THE COMMISSIONER  
3 MAY MAKE COPIES OF SUCH RECORDS FOR THE PURPOSE OF CARRYING OUT  
4 ANY PROVISION OF THIS ARTICLE 61 OR ANY RULE PROMULGATED  
5 PURSUANT TO THIS ARTICLE 61.

6 (4) (a) WHENEVER THE COMMISSIONER HAS REASONABLE CAUSE  
7 TO BELIEVE A VIOLATION OF ANY PROVISION OF THIS ARTICLE 61 OR ANY  
8 RULE MADE PURSUANT TO THIS ARTICLE 61 HAS OCCURRED AND  
9 IMMEDIATE ENFORCEMENT IS DEEMED NECESSARY, THE COMMISSIONER  
10 MAY ISSUE A CEASE-AND-DESIST ORDER, WHICH MAY REQUIRE ANY  
11 PERSON TO CEASE VIOLATING ANY PROVISION OF THIS ARTICLE 61 OR ANY  
12 RULE MADE PURSUANT TO THIS ARTICLE 61. THE CEASE-AND-DESIST  
13 ORDER MUST SET FORTH THE PROVISION ALLEGED TO HAVE BEEN  
14 VIOLATED, THE FACTS ALLEGED TO HAVE CONSTITUTED THE VIOLATION,  
15 AND THE REQUIREMENT THAT THE ACTIONS BE CEASED FORTHWITH.

16 (b) IF ANY PERSON FAILS TO COMPLY WITH A CEASE-AND-DESIST  
17 ORDER WITHIN TWENTY-FOUR HOURS AFTER RECEIPT OF THE ORDER, THE  
18 COMMISSIONER MAY BRING A SUIT FOR A TEMPORARY RESTRAINING ORDER  
19 OR INJUNCTIVE RELIEF TO PREVENT ANY FURTHER OR CONTINUED  
20 VIOLATION OF SUCH ORDER.

21 (5) THE COMMISSIONER HAS FULL AUTHORITY TO ADMINISTER  
22 OATHS AND TAKE STATEMENTS; TO ISSUE ADMINISTRATIVE SUBPOENAS  
23 REQUIRING THE ATTENDANCE OF WITNESSES BEFORE THE COMMISSIONER  
24 AND FOR THE PRODUCTION OF ALL BOOKS, MEMORANDA, PAPERS AND  
25 OTHER DOCUMENTS, ARTICLES, OR INSTRUMENTS; AND TO COMPEL THE  
26 DISCLOSURE BY SUCH WITNESSES OF ALL FACTS KNOWN TO THEM  
27 RELATIVE TO THE MATTERS UNDER INVESTIGATION. UPON THE FAILURE OR

1 REFUSAL OF ANY WITNESS TO OBEY AN ADMINISTRATIVE SUBPOENA, THE  
2 COMMISSIONER MAY PETITION THE DISTRICT COURT, AND, UPON A PROPER  
3 SHOWING, THE COURT MAY ENTER AN ORDER COMPELLING THE WITNESS  
4 TO APPEAR AND TESTIFY OR PRODUCE DOCUMENTARY EVIDENCE. FAILURE  
5 TO OBEY SUCH AN ORDER OF THE COURT IS PUNISHABLE AS CONTEMPT OF  
6 COURT.

7 **SECTION 11. Act subject to petition - effective date.** This act  
8 takes effect September 1, 2020; except that, if a referendum petition is  
9 filed pursuant to section 1 (3) of article V of the state constitution against  
10 this act or an item, section, or part of this act within the ninety-day period  
11 after final adjournment of the general assembly, then the act, item,  
12 section, or part will not take effect unless approved by the people at the  
13 general election to be held in November 2020 and, in such case, will take  
14 effect on the date of the official declaration of the vote thereon by the  
15 governor.