A BILL FOR AN ACT

CONCERNING TRANSFERRING MARIJUANA FIBROUS WASTE FOR THE PURPOSE OF PRODUCING INDUSTRIAL FIBER PRODUCTS.

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 gives the state licensing authority rule-making authority to address conditions under which a medical or retail marijuana licensee is authorized to transfer marijuana fibrous waste to a person for the purpose of producing only industrial fiber products.
Be it enacted by the General Assembly of the State of Colorado:

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

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

(1.2) "FIBROUS WASTE" MEANS ANY ROOTS, STALKS, AND STEMS FROM A MEDICAL MARIJUANA PLANT.

(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, COMPOST MATERIALS, AND INDUSTRIAL MATERIALS.

SECTION 2. In Colorado Revised Statutes, 12-43.3-202, add (2.5)(a)(IV) as follows:

12-43.3-202. Powers and duties of state licensing authority - rules. (2.5) (a) Rules promulgated pursuant to subsection (1)(b) of this section must include, but need not be limited to, the following subjects:

(IV) CONDITIONS UNDER WHICH A LICENSEE IS AUTHORIZED TO TRANSFER FIBROUS WASTE TO A PERSON FOR THE PURPOSE OF PRODUCING ONLY INDUSTRIAL FIBER PRODUCTS. THE CONDITIONS MUST INCLUDE CONTRACT REQUIREMENTS THAT STIPULATE THAT THE FIBROUS WASTE WILL ONLY BE USED TO PRODUCE INDUSTRIAL FIBER PRODUCTS; RECORD-KEEPING REQUIREMENTS; SECURITY MEASURES RELATED TO THE TRANSPORT AND TRANSFER OF FIBROUS WASTE; HANDLING CONTAMINATED FIBROUS WASTE REQUIREMENTS; AND PROCESSES
ASSOCIATED WITH HANDLING FIBROUS WASTE. THE RULES SHALL NOT REQUIRE LICENSEES TO ALTER FIBROUS WASTE FROM ITS NATURAL STATE PRIOR TO TRANSFER.

SECTION 3. In Colorado Revised Statutes, 12-43.4-103, amend (1.7) 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.

(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, COMPOST MATERIALS, AND INDUSTRIAL MATERIALS.

SECTION 4. In Colorado Revised Statutes, 12-43.4-202, add (5) as follows:

**12-43.4-202. Powers and duties of state licensing authority - rules.** (5) RULES PROMULGATED PURSUANT TO THIS SUBSECTION (5) MUST ALSO INCLUDE THE CONDITIONS UNDER WHICH A LICENSEE IS AUTHORIZED TO TRANSFER FIBROUS WASTE TO A PERSON FOR THE PURPOSE OF PRODUCING ONLY INDUSTRIAL FIBER PRODUCTS. THE CONDITIONS MUST INCLUDE CONTRACT REQUIREMENTS THAT STIPULATE THAT THE FIBROUS WASTE WILL ONLY BE USED TO PRODUCE INDUSTRIAL FIBER PRODUCTS; RECORD-KEEPING REQUIREMENTS; SECURITY MEASURES RELATED TO THE TRANSPORT AND TRANSFER OF FIBROUS WASTE; HANDLING
CONTAMINATED FIBROUS WASTE REQUIREMENTS; AND PROCESSES
ASSOCIATED WITH HANDLING FIBROUS WASTE. THE RULES SHALL NOT
REQUIRE LICENSEES TO ALTER FIBROUS WASTE FROM ITS NATURAL STATE
PRIOR TO TRANSFER.

SECTION 5. Act subject to petition - effective date. This act
takes effect at 12:01 a.m. on the day following the expiration of the
ninety-day period after final adjournment of the general assembly (August
8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
referendum petition is filed pursuant to section 1 (3) of article V of the
state constitution against this act or an item, section, or part of this act
within such period, then the act, item, section, or part will not take effect
unless approved by the people at the general election to be held in
November 2018 and, in such case, will take effect on the date of the
official declaration of the vote thereon by the governor.