### Summary of Legislation

The bill requires the Marijuana Enforcement Division (MED) in the Department of Revenue (DOR) to perform rulemaking regarding medical and retail marijuana waste recycling. Specifically, the MED must establish conditions under which a marijuana licensee may transfer fibrous waste (e.g., roots, stalks, and stems) for the purpose of producing industrial fiber products (e.g., cordage, paper, and textiles). Conditions must include contract requirements that stipulate allowable waste uses, record-keeping requirements, security measures, and handling processes.

### State Expenditures

Beginning in the current FY 2017-18 and into FY 2018-19, the MED will have an increase in workload to promulgate rules, which can be accomplished within DOR's existing legal services appropriations. The MED will also be required to update its inventory tracking system (METRC) to facilitate transfers of fibrous waste from licensees to non-licensed entities, but due to an anticipated narrow scope of applicants, this implementation impact can also be accomplished within existing appropriations.

### Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.
State and Local Government Contacts

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<th>Agriculture</th>
<th>Law</th>
<th>Revenue</th>
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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit: leg.colorado.gov/fiscalnotes.