First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 23-0932.01 Jery Payne x2157

SENATE BILL 23-271

SENATE SPONSORSHIP

Roberts and Van Winkle, Fenberg

HOUSE SPONSORSHIP

deGruy Kennedy and Snyder,

Senate Committees

Finance Appropriations

House Committees

Finance Appropriations

A BILL FOR AN ACT

101	CONCERNING THE REGULATION OF COMPOUNDS THAT ARE RELATED
102	TO CANNABINOIDS, AND, IN CONNECTION THEREWITH, MAKING
103	AN APPROPRIATION.

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.)

Current law requires the manufacturer of cosmetic products, dietary supplements, food products, and food additives, including hemp products, to be registered with the department of public health and environment (department).

The bill creates a new framework for the department to regulate

SENATE rd Reading Unamended April 27, 2023

SENATE Amended 2nd Reading April 26, 2023

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

Capital letters or bold & italic numbers indicate new material to be added to existing law.

Dashes through the words or numbers indicate deletions from existing law.

and register hemp products and certain intoxicating hemp products and for the marijuana enforcement division in the department of revenue (division) to regulate intoxicating products or potentially intoxicating compounds that are or may be cannabinoids. This regulation includes:

- The power to promulgate rules authorizing or prohibiting chemical modification, conversion, or synthetic derivation to create certain types of intoxicating cannabinoids;
- Labeling and advertising requirements;
- Production and testing requirements; and
- Inspection, record-keeping, and tracking requirements.

Hemp- and marijuana-derived compounds and cannabinoids are classified into three classifications:

- Nonintoxicating cannabinoids;
- Potentially intoxicating compounds; and
- Intoxicating cannabinoids.

Nonintoxicating cannabinoids that are derived from hemp may be produced, distributed, or sold as a hemp product. With the exception of products manufactured or produced for export, which are referred to as "safe harbor hemp products", products containing potentially intoxicating compounds and intoxicating cannabinoids must only be produced, distributed, or sold by a person licensed by the division to produce, distribute, or sell the compound or cannabinoid as a product.

The bill clarifies that:

- Nonintoxicating cannabinoids, potentially intoxicating compounds, and intoxicating cannabinoids are marijuana or marijuana products for the purposes of the retail marijuana sales tax; and
- A person must be licensed to manufacture potentially intoxicating compounds or intoxicating cannabinoids.

The bill prohibits the following acts:

- Manufacturing, selling, or delivering products that contain intoxicating cannabinoids in excess of limits established by rule;
- Manufacturing a product containing hemp that is not a cosmetic, a dietary supplement, a food, a food additive, or an herb; or
- Manufacturing, producing, selling, distributing, or holding for sale or distribution a safe harbor hemp product without registering with the department.

The penalty for a violation is up to \$10,000. The bill specifies factors to consider in determining the amount of the penalty.

The bill requires the executive director of the department of revenue to analyze the feasibility of establishing a standing committee to evaluate cannabinoids and cannabis-derived products for the purpose of determining and making recommendations regarding their safety profiles

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and potential for intoxication. The department of revenue may engage experts to do this analysis.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, 25-5-426, amend
3	(4)(b)(II) and (4)(b)(III); and repeal (2)(g.3), (2)(g.5), (4)(b)(IV), (4)(d),
4	and (4)(e) as follows:
5	25-5-426. Wholesale food manufacturing and storage -
6	definitions - legislative declaration - registration - fees - cash fund.
7	(2) As used in this section, unless the context otherwise requires:
8	(g.3) "Industrial hemp" has the meaning set forth in section
9	35-61-101 (7).
10	(g.5) "Industrial hemp product" means a finished product
11	containing industrial hemp that:
12	(I) Is a cosmetic, food, food additive, or herb;
13	(II) Is for human use or consumption;
14	(III) Contains any part of the hemp plant, including naturally
15	occurring cannabinoids, compounds, concentrates, extracts, isolates,
16	resins, or derivatives; and
17	(IV) Contains a delta-9 tetrahydrocannabinol concentration of no
18	more than three-tenths of one percent.
19	(4) (b) (II) Except as provided in subsection (4)(b)(IV) of this
20	section, A wholesale food manufacturer or storage facility with gross
21	annual sales of less than one hundred fifty thousand dollars shall pay the
22	department a registration fee of sixty dollars.
23	(III) Except as provided in subsection (4)(b)(IV) of this section,
24	A wholesale food manufacturer or storage facility with gross annual sales
25	of one hundred fifty thousand dollars or more shall pay the department a

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registration fee of three hundred dollars.

- (IV) A wholesale food manufacturer that produces an industrial hemp product shall pay the department a registration fee of three hundred dollars, regardless of its gross annual sales.
- (d) Industrial hemp products produced by wholesale food manufacturing facilities registered in accordance with this subsection (4) shall not be deemed adulterated, as defined in sections 25-5-410 and 25-5-416, unless the products meet one or more of the criteria set forth in section 25-5-410 or 25-5-416.
- (e) In addition to any powers listed in this section, the department may promulgate rules to prohibit, within final products made available for sale, the chemical modification, conversion, or synthetic derivation of intoxicating tetrahydrocannabinol isomers, including delta-8, delta-9, and delta-10, or other intoxicating tetrahydrocannabinol isomers that originate from industrial hemp or may be synthetically derived.
- SECTION 2. In Colorado Revised Statutes, add 25-5-427 as follows:

25-5-427. Classes of hemp-derived compounds and cannabinoids - definitions - registration required - prohibitions - safe harbor - rules - repeal. (1) Legislative declaration. The General Assembly finds, determines, and declares that the registration of Hemp product and safe harbor hemp product manufacturers and the regulation of premises and places where hemp products and safe harbor hemp products are manufactured for distribution, produced for distribution, packaged for distribution, processed for distribution, prepared for distribution, treated for distribution, transported for

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1	DISTRIBUTION, OR HELD FOR DISTRIBUTION IN ACCORDANCE WITH THIS
2	PART 4 AND ANY RULES PROMULGATED UNDER THIS PART 4:
3	(a) ARE NECESSARY TO PROTECT THE PUBLIC HEALTH;
4	(b) WILL BENEFIT CONSUMERS BY ENSURING THAT HEMP
5	PRODUCTS ARE SOLD AND DISTRIBUTED BY SAFE SOURCES;
6	(c) WILL ASSIST RETAILERS BY ENSURING THAT HEMP PRODUCTS
7	HAVE NOT BEEN ADULTERATED DURING MANUFACTURING, PRODUCTION,
8	PACKAGING, PROCESSING, PREPARING, TREATING, TRANSPORTING, AND
9	STORAGE; AND
10	(d) WILL CONTRIBUTE TO THE ECONOMIC HEALTH OF THE STATE BY
11	ENSURING THAT COLORADO HEMP PRODUCT AND SAFE HARBOR HEMP
12	PRODUCT MANUFACTURERS ARE PERMITTED TO SHIP THEIR PRODUCTS IN
13	INTERSTATE COMMERCE.
14	(2) Definitions. As used in this section, unless the context
15	OTHERWISE REQUIRES:
16	(a) "DIETARY SUPPLEMENT" HAS THE MEANING SET FORTH IN
17	SECTION 25-5-426 (2)(d).
18	(b) "Hemp" has the meaning set forth in section 35-61-101
19	(7).
20	(c) "HEMP MANUFACTURER OR STORAGE FACILITY" MEANS A
21	FACILITY WHERE HEMP PRODUCTS ARE MANUFACTURED OR STORED.
22	(d) "HEMP PRODUCT" MEANS A FINISHED PRODUCT THAT CONTAINS
23	HEMP AND THAT:
24	(I) IS A COSMETIC, A DIETARY SUPPLEMENT, A FOOD, A FOOD
25	ADDITIVE, OR AN HERB;
26	(II) IS INTENDED FOR HUMAN USE OR CONSUMPTION, INCLUDING
2.7	CONSUMPTION BY INHALATION:

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1	(III) CONTAINS ANY PART OF THE HEMP PLANT, INCLUDING
2	NATURALLY OCCURRING CANNABINOIDS, COMPOUNDS, CONCENTRATES,
3	EXTRACTS, ISOLATES, OR RESINS;
4	(IV) IS PRODUCED FROM HEMP;
5	(V) CONTAINS NO MORE THAN ONE AND THREE-FOURTHS
6	MILLIGRAMS OF THC PER SERVING; AND
7	(VI) CONTAINS A RATIO OF CANNABIDIOL TO THC OF GREATER
8	THAN OR EQUAL TO FIFTEEN TO ONE.
9	(e) "INTOXICATING CANNABINOID" MEANS A CANNABINOID THAT
10	IS CLASSIFIED AS AN INTOXICATING CANNABINOID IN THIS SECTION OR BY
11	RULE OF THE DEPARTMENT ACTING IN COORDINATION WITH THE STATE
12	LICENSING AUTHORITY.
13	(f) "Manufacturing or processing", "manufacturing",
14	"MANUFACTURE", "PROCESS", OR "PROCESSING" HAS THE SAME MEANING
15	AS "MANUFACTURING OR PROCESSING", AS SET FORTH IN SECTION
16	25-5-426 (2)(h).
17	(g) "Nonintoxicating cannabinoid" <u>means a cannabinoid</u>
18	THAT IS CLASSIFIED AS A NONINTOXICATING CANNABINOID IN THIS
19	SECTION OR BY RULE OF THE DEPARTMENT ACTING IN COORDINATION WITH
20	THE STATE LICENSING AUTHORITY.
21	(h) "POTENTIALLY INTOXICATING COMPOUND" HAS THE MEANING
22	SET FORTH IN SECTION 44-10-103 (48.5).
23	(i) "REGISTRANT" MEANS A PERSON REGISTERED UNDER
24	SUBSECTION (5) OF THIS SECTION.
25	(j) "REGULATED HEMP FACILITY" MEANS:
26	(I) A HEMP MANUFACTURER OR STORAGE FACILITY; OR
27	(II) A SAFE HARBOR MANUFACTURER OR STORAGE FACILITY.

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1	(k) "SAFE HARBOR HEMP PRODUCT" MEANS A HEMP-DERIVED
2	COMPOUND OR CANNABINOID, WHETHER A FINISHED PRODUCT OR IN THE
3	PROCESS OF BEING PRODUCED, THAT IS PERMITTED TO BE MANUFACTURED
4	FOR DISTRIBUTION, PRODUCED FOR DISTRIBUTION, PACKAGED FOR
5	DISTRIBUTION, PROCESSED FOR DISTRIBUTION, PREPARED FOR
6	DISTRIBUTION, TREATED FOR DISTRIBUTION, TRANSPORTED FOR
7	DISTRIBUTION, OR HELD FOR DISTRIBUTION IN COLORADO FOR EXPORT
8	FROM COLORADO BUT THAT IS NOT PERMITTED TO BE SOLD OR
9	DISTRIBUTED IN COLORADO.
10	(1) "Safe harbor manufacturer or storage facility" or
11	"SAFE HARBOR FACILITY" MEANS A FACILITY THAT MANUFACTURES FOR
12	DISTRIBUTION, PRODUCES FOR DISTRIBUTION, PACKAGES FOR
13	DISTRIBUTION, PROCESSES FOR DISTRIBUTION, PREPARES FOR
14	DISTRIBUTION, TREATS FOR DISTRIBUTION, TRANSPORTS FOR
15	DISTRIBUTION, OR HOLDS FOR DISTRIBUTION A SAFE HARBOR HEMP
16	PRODUCT.
17	(m) "Semi-synthetic cannabinoid" has the meaning set
18	FORTH IN SECTION 44-10-208 (2)(b).
19	(n) "SERVING" MEANS THE SIZE OR PORTION CUSTOMARILY
20	CONSUMED PER EATING OCCASION, EXPRESSED IN A COMMON HOUSEHOLD
21	MEASURE AS ESTABLISHED IN TABLE 2 OF 21 CFR 101.12.
22	(o) "STATE LICENSING AUTHORITY" HAS THE MEANING SET FORTH
23	IN SECTION 44-10-103 (69).
24	(p) "SYNTHETIC CANNABINOID" HAS THE MEANING SET FORTH IN
25	SECTION 44-10-208 (2)(c).
26	(q) "TETRAHYDROCANNABINOL" OR "THC" HAS THE MEANING SET
27	FORTH IN SECTION 44-10-208 (2)(d).

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1	(r) "TINCTURE" MEANS A LIQUID HEMP PRODUCT PACKAGED IN A
2	CONTAINER OF FOUR FLUID OUNCES OR LESS THAT CONSISTS OF A
3	NOT-POTABLE SOLUTION:
4	(I) CONTAINING AT LEAST TWENTY-FIVE PERCENT
5	NON-DENATURED ALCOHOL OR A BASE OF GLYCERIN, PLANT-BASED OIL, OR
6	CONCENTRATED SYRUP;
7	(II) CONTAINING HEMP, HEMP CONCENTRATE, OR HEMP EXTRACT;
8	<u>AND</u>
9	(III) INTENDED FOR HUMAN USE.
10	(3) Powers and duties of the department - rules. THE
11	DEPARTMENT HAS THE POWER AND DUTY TO:
12	(a) GRANT OR DENY A REGISTRATION ISSUED UNDER SUBSECTION
13	(5) OF THIS SECTION AND TO GRANT OR DENY THE ANNUAL RENEWAL OF A
14	REGISTRATION;
15	(b) Suspend, deny, or revoke a registration under
16	CIRCUMSTANCES PRESCRIBED IN THIS SECTION OR IN RULES PROMULGATED
17	UNDER THIS SECTION;
18	(c) REVIEW ANY RECORDS OF A REGISTRANT THAT MANUFACTURES
19	FOR DISTRIBUTION, PRODUCES FOR DISTRIBUTION, PACKAGES FOR
20	DISTRIBUTION, PROCESSES FOR DISTRIBUTION, PREPARES FOR
21	DISTRIBUTION, TREATS FOR DISTRIBUTION, TRANSPORTS FOR
22	DISTRIBUTION, OR HOLDS FOR DISTRIBUTION PRODUCTS SUBJECT TO THIS
23	SECTION AS NECESSARY TO VERIFY COMPLIANCE WITH THIS SECTION;
24	(d) PROMULGATE RULES NECESSARY TO AUTHORIZE OR PROHIBIT
25	CHEMICAL MODIFICATION, CONVERSION, OR SYNTHETIC DERIVATION OF
26	CANNABINOIDS OR OTHER HEMP-DERIVED COMPOUNDS, UNLESS
2.7	OTHERWISE PERMITTED BY THIS PART 4 OR BY ANY RULES PROMULGATED

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1	UNDER THIS PART 4;
2	(e) $\underline{\mathrm{(I)}}$ Promulgate rules, in coordination with the state
3	LICENSING AUTHORITY, ESTABLISHING THE AMOUNT OF ANY CANNABINOID
4	THAT MAKES THE CANNABINOID INTOXICATING;
5	(II) PROMULGATE RULES IMPLEMENTING SUBSECTION (8) OF THIS
6	SECTION;
7	(III) PROMULGATE RULES PROHIBITING THE EXPORT OF A SAFE
8	HARBOR HEMP PRODUCT TO A STATE WHERE THE SAFE HARBOR HEMP
9	PRODUCT IS ILLEGAL; AND
10	(IV) PROMULGATE RULES PROHIBITING THE MANUFACTURE,
11	PRODUCTION, OR DISTRIBUTION OF A SAFE HARBOR PRODUCT THAT IS ALSO
12	A SYNTHETIC CANNABINOID.
13	(f) Promulgate rules governing <u>testing and labeling</u> , as
14	PROVIDED IN SUBSECTIONS $(4)(c)(II)$ AND $(4)(d)(III)$ OF THIS <u>SECTION</u> ,
15	INCLUDING:
16	(I) THE PRESENCE OF AND INFORMATION ABOUT:
17	(A) HEAVY METALS;
18	(B) RESIDUAL SOLVENTS;
19	(C) PESTICIDES;
20	(D) THC; AND
21	(E) YEAST AND MOLD.
22	(II) WARNING LABELS FOR HEMP THAT ARE AT LEAST AS
23	STRINGENT AS THOSE IMPOSED BY SECTION 44-10-203 (2)(f) AND (3)(h)
24	FOR MARIJUANA, AS APPLICABLE, AND THAT INCLUDE:
25	(A) ADVISING ABOUT THE RISK OF IMPAIRMENT WHEN OPERATING
26	HEAVY MACHINERY, TESTING POSITIVE ON A DRUG TEST, AND HARM FROM
27	CONSUMING THC WHILE PREGNANT OR BREAST FEEDING;

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1	(B) THE AMOUNT OF THE PER SERVING AND THE NUMBER OF
2	SERVINGS PER PACKAGE; AND
3	(C) A UNIVERSAL SYMBOL THAT THE PACKAGE CONTAINS THC;
4	(g) PROMULGATE RULES GOVERNING PACKAGING OF HEMP
5	PRODUCTS THAT ARE AT LEAST AS STRINGENT AS THE PACKAGING
6	REQUIREMENTS OF SECTION 44-10-203 (3)(b) FOR MARIJUANA, AS
7	APPLICABLE;
8	(h) Promulgate rules governing deceptive, false, or
9	MISLEADING STATEMENTS OR LABELING FOR HEMP PRODUCTS;
10	(i) PROMULGATE ANY OTHER RULES THAT ARE NECESSARY FOR
11	THE FAIR, IMPARTIAL, AND COMPREHENSIVE ADMINISTRATION OF THIS
12	PART 4 WITH RESPECT TO HEMP, HEMP PRODUCTS, OR SAFE HARBOR HEMP
13	PRODUCTS; AND
14	(j) Issue a cease-and-desist order or clean-up order to
15	ADDRESS VIOLATIONS OF THIS SECTION.
16	(4) Classifications of hemp-derived compounds and
17	cannabinoids - rules. (a) Hemp-derived compounds and
18	CANNABINOIDS ARE DIVIDED INTO THREE CLASSIFICATIONS:
19	(I) NONINTOXICATING CANNABINOIDS;
20	(II) POTENTIALLY INTOXICATING COMPOUNDS; AND
21	(III) INTOXICATING CANNABINOIDS.
22	(b) (I) NONINTOXICATING CANNABINOIDS INCLUDE:
23	(A) FULL SPECTRUM HEMP EXTRACT THAT CONTAINS NO MORE
24	THAN ONE AND THREE-FOURTHS MILLIGRAMS OF THC PER SERVING AND
25	CONTAINS A RATIO OF CANNABIDIOL TO THC OF GREATER THAN OR EQUAL
26	TO FIFTEEN TO ONE;
2.7	(B) Broad spectrum hemp extract:

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1	(C) CANNABIDIOL, ALSO KNOWN AS "CBD";
2	(D) TETRAHYDROCANNABIVARIN, ALSO KNOWN AS "THCV";
3	(E) CANNABICHROMENE, ALSO KNOWN AS "CBC";
4	(F) CANNABICITRAN, ALSO KNOWN AS "CBT";
5	(G) CANNABICYCLOL, ALSO KNOWN AS "CBL";
6	(H) CANNABIELSOIN, ALSO KNOWN AS "CBE";
7	(I) CANNABIGEROL, ALSO KNOWN AS "CBG";
8	(J) CANNABIDIVARIN, ALSO KNOWN AS "CBDV"; AND
9	(K) CANNABINOL, ALSO KNOWN AS "CBN".
10	(II) NONINTOXICATING CANNABINOIDS THAT ARE DERIVED FROM
11	HEMP MAY BE USED AS AN INGREDIENT IN A HEMP PRODUCT OR AS A
12	FINISHED HEMP PRODUCT IN ACCORDANCE WITH THIS SECTION AND THE
13	RULES PROMULGATED UNDER THIS PART 4 OR IN ACCORDANCE WITH
14	ARTICLE 10 of title 44 and the rules promulgated under article
15	10 of title 44.
16	(c) (I) A PERSON SHALL NOT:
17	(A) MANUFACTURE, PRODUCE, OR DISTRIBUTE A POTENTIALLY
18	INTOXICATING COMPOUND WITHIN COLORADO, AS AN INGREDIENT IN A
19	HEMP PRODUCT OR AS A FINISHED HEMP PRODUCT, UNLESS THE
20	POTENTIALLY INTOXICATING COMPOUND IS A SAFE HARBOR HEMP
21	PRODUCT THAT IS EXPORTED FROM COLORADO; OR
22	(B) MARKET OR PROMOTE A HEMP PRODUCT AS CONTAINING THO
23	OR ANY OTHER POTENTIALLY INTOXICATING COMPOUND.
24	(II) A PERSON THAT MANUFACTURES, PRODUCES, OR DISTRIBUTES
25	A PRODUCT CONTAINING A POTENTIALLY INTOXICATING COMPOUND SHALL
26	LABEL THE PRODUCT IN ACCORDANCE WITH THE RULES PROMULGATED
27	UNDER THIS SECTION.

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1	$(d)(I)\ \ Into xicating \ cannabino ids\ include\ the\ following\ in$
2	AN AMOUNT THAT EXCEEDS THE AMOUNT ESTABLISHED BY RULE OR, IF NO
3	RULE ESTABLISHES THE AMOUNT, IN ANY AMOUNT:
4	(A) DELTA-10 THC AND ITS ISOMERS;
5	(B) Delta-9 THC and its isomers;
6	(C) Delta-8 THC and its isomers;
7	(D) DELTA-7 THC AND ITS ISOMERS;
8	(E) Delta-6a, 10a THC and its isomers;
9	(F) EXO-TETRAHYDROCANNABINOL;
10	(G) METABOLITES OF THC, INCLUDING 11-HYDROXY-THC,
11	3-HYDROXY-THC, OR 7-HYDROXY-THC;
12	(H) HYDROGENATED FORMS OF THC, INCLUDING
13	HEXAHYDROCANNABINOL, HEXAHYDROCANNABIPHOROL, AND
14	HEXAHYDROCANNABIHEXOL;
15	(I) SYNTHETIC FORMS OF THC, INCLUDING DRONABINOL;
16	(J) ESTER FORMS OF THC, INCLUDING DELTA-8 THC-O-ACETATE,
17	DELTA-9 THC-O-ACETATE, AND HEXAHYDROCANNABINOL-O-ACETATE;
18	(K) Tetrahydrocannabivarins, including delta-8
19	TETRAHYDROCANNABIVARIN BUT EXCLUDING DELTA-9
20	TETRAHYDROCANNABIVARIN;
21	(L) ANALOGUES OF TETRAHYDROCANNABINOLS WITH AN ALKYL
22	CHAIN OF FOUR OR MORE CARBON ATOMS, INCLUDING
23	TETRAHYDROCANNABIPHOROLS, TETRAHYDROCANNABIOCTYLS,
24	TETRAHYDROCANNABIHEXOLS, OR TETRAHYDROCANNABUTOLS; AND
25	(M) ANY COMBINATION OF THE COMPOUNDS, INCLUDING
26	HEXAHYDROCANNABIPHOROL-O-ESTER, LISTED IN THIS SUBSECTION
27	(4)(d)(I).

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1	(II) A PERSON SHALL NOT:
2	(A) MANUFACTURE, PRODUCE, OR DISTRIBUTE AN INTOXICATING
3	CANNABINOID WITHIN COLORADO, AS AN INGREDIENT IN A HEMP PRODUCT
4	OR AS A FINISHED HEMP PRODUCT, UNLESS THE INTOXICATING
5	CANNABINOID IS A SAFE HARBOR HEMP PRODUCT THAT IS EXPORTED FROM
6	Colorado; or
7	(B) Market or promote a safe harbor hemp product or
8	HEMP PRODUCT AS CONTAINING THC OR ANY OTHER INTOXICATING
9	CANNABINOID.
10	(III) A PERSON THAT MANUFACTURES, PRODUCES, OR DISTRIBUTES
11	A PRODUCT CONTAINING AN INTOXICATING CANNABINOID SHALL LABEL
12	THE PRODUCT IN ACCORDANCE WITH THE RULES PROMULGATED UNDER
13	THIS SECTION.
14	(e) (I) A PERSON SHALL NOT MANUFACTURE, PRODUCE, SELL, OR
15	OFFER TO SELL A SYNTHETIC CANNABINOID OR A PRODUCT CONTAINING A
16	SYNTHETIC CANNABINOID UNLESS AUTHORIZED BY RULE. IF SYNTHETIC
17	CANNABINOIDS ARE PERMITTED BY RULE, THE DEPARTMENT, IN
18	COORDINATION WITH THE STATE LICENSING AUTHORITY, SHALL
19	PROMULGATE RULES PROVIDING STANDARDS AND REQUIREMENTS FOR THE
20	MANUFACTURE AND PRODUCTION OF SYNTHETIC CANNABINOIDS IN
21	COLORADO. THE RULES MUST INCLUDE A LABELING REQUIREMENT FOR
22	ANY HEMP-DERIVED PRODUCT MANUFACTURED OR PRODUCED IN
23	COLORADO THAT CONTAINS A SEMI-SYNTHETIC OR SYNTHETIC
24	CANNABINOID AS AN INGREDIENT.
25	(II) TO BE SOLD, OFFERED FOR SALE, OR DISTRIBUTED,
26	SEMI-SYNTHETIC CANNABINOIDS MUST MEET PRODUCTION, TESTING, AND
27	LABELING REQUIREMENTS ESTABLISHED IN RULES PROMULGATED BY THE

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1	DEPARTMENT UNDER SECTION 25-5-420 AND SUBSECTION (4)(e)(1) OF THIS
2	SECTION.
3	(f) THE DEPARTMENT SHALL PROMULGATE RULES REQUIRING A
4	CONSUMER NOTICE STATEMENT IF ANY HEMP-DERIVED PRODUCTS THAT
5	ARE MANUFACTURED FOR DISTRIBUTION, PRODUCED FOR DISTRIBUTION,
6	PACKAGED FOR DISTRIBUTION, PROCESSED FOR DISTRIBUTION, PREPARED
7	FOR DISTRIBUTION, TREATED FOR DISTRIBUTION, TRANSPORTED FOR
8	DISTRIBUTION, OR HELD FOR DISTRIBUTION IN THIS STATE CONTAIN
9	INTOXICATING CANNABINOIDS OR POTENTIALLY INTOXICATING
10	COMPOUNDS.
11	(g) THE DEPARTMENT, IN COORDINATION WITH THE STATE
12	LICENSING AUTHORITY, MAY PROMULGATE RULES TO:
13	(I) CLASSIFY A HEMP-DERIVED COMPOUND OR CANNABINOID THAT
14	IS NOT CLASSIFIED IN THIS SUBSECTION (4);
15	(II) RECLASSIFY A HEMP-DERIVED COMPOUND OR CANNABINOID
16	CLASSIFIED IN THIS SUBSECTION (4) IF:
17	(A) THE STATE HAS ADOPTED OR FEDERAL LAW HAS ESTABLISHED
18	A PROCESS TO REVIEW AND APPROVE HEMP-DERIVED COMPOUNDS OR
19	CANNABINOIDS;
20	(B) THE REVIEW AND APPROVAL PROCESS DESCRIBED IN
21	SUBSECTION $(4)(g)(II)(A)$ OF THIS SECTION EVALUATES THE INTOXICATING
22	POTENTIAL OF THE HEMP-DERIVED COMPOUND OR CANNABINOID; AND
23	(C) THE RECLASSIFICATION IS BASED ON THE FINDINGS OF THE
24	PROCESS AND EVALUATION DESCRIBED IN SUBSECTIONS $(4)(g)(II)(A)$ AND
25	(4)(g)(II)(B) of this <u>section</u> ; or
26	(III) RECLASSIFY A HEMP-DERIVED COMPOUND OR CANNABINOID
27	CLASSIFIED IN THIS SUBSECTION (4) IF PEER-REVIEWED RESEARCH OR

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2	CERTAINTY THAT A HEMP-DERIVED COMPOUND OR CANNABINOID, OR A
3	PRODUCT CONTAINING A HEMP-DERIVED COMPOUND OR CANNABINOID, IS
4	POTENTIALLY INTOXICATING OR OTHERWISE POSES A THREAT TO HUMAN
5	<u>HEALTH.</u>
6	(5) Registration required - regulated hemp facilities -
7	application - fees - repeal. (a) BEGINNING JULY 1, 2023, AND ON OR
8	BEFORE JULY 1 OF EACH YEAR THEREAFTER, THE OWNER OF A REGULATED
9	HEMP FACILITY SHALL SUBMIT A REGISTRATION APPLICATION TO THE
10	DEPARTMENT. TO SUBMIT AN APPLICATION, EACH HEMP MANUFACTURER
11	OR STORAGE FACILITY AND EACH SAFE HARBOR MANUFACTURER OR
12	STORAGE FACILITY MUST PAY AN ANNUAL APPLICATION FEE OF ONE
13	HUNDRED DOLLARS PLUS ANY ADDITIONAL REGISTRATION FEE SPECIFIED
14	IN SUBSECTION (5)(b) OF THIS SECTION. EACH REGISTRATION EXPIRES ON
15	JUNE 30 OF THE YEAR FOR WHICH THE REGISTRATION IS ISSUED,
16	REGARDLESS OF WHETHER THE REGISTRATION WAS ISSUED AFTER JULY 1
17	FOR THE YEAR. NOTWITHSTANDING THAT A REGISTRATION IS VALID FOR
18	ONLY A PORTION OF A FISCAL YEAR, THE APPLICATION AND REGISTRATION
19	FEE DO NOT CHANGE.
20	(b) IN ADDITION TO THE APPLICATION FEE IMPOSED IN SUBSECTION
21	(5)(a) OF THIS SECTION, THE ANNUAL REGISTRATION FEE FOR A
22	REGULATED HEMP FACILITY IS ONE THOUSAND FIVE HUNDRED DOLLARS.
23	(c) (I) To be registered under subsection (5)(a) of this
24	SECTION, A SAFE HARBOR MANUFACTURER OR STORAGE FACILITY MUST
25	DEMONSTRATE COMPLIANCE WITH THE FEDERAL CURRENT GOOD
26	MANUFACTURING PRACTICES FOR FOOD OR DIETARY SUPPLEMENTS BEFORE
27	REGISTERING OR WITHIN TWELVE MONTHS AFTER THE PREVIOUS

CLINICAL TRIALS ESTABLISH TO A REASONABLE DEGREE OF SCIENTIFIC

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1	REGISTRATION BY SUBMITTING TO THE DEPARTMENT:
2	(A) AN ATTESTATION FORM, AS PROVIDED BY THE DEPARTMENT,
3	WITHIN THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION AND
4	EACH YEAR THEREAFTER; AND
5	(B) EVIDENCE OF OBTAINING AN INSPECTION FROM AN APPROVED
6	THIRD-PARTY AUDITOR BY JULY 1, 2024, AND BY JULY 1 OF EACH YEAR
7	THEREAFTER.
8	(II) THE DEPARTMENT SHALL NOT REGISTER A PERSON AS A SAFE
9	HARBOR MANUFACTURER OR STORAGE FACILITY UNDER THIS SUBSECTION
10	(5) IF THE PERSON IS REGISTERED AS A HEMP MANUFACTURER OR STORAGE
11	FACILITY OR AS A WHOLESALE FOOD MANUFACTURING AND STORAGE
12	FACILITY, UNLESS EACH SAFE HARBOR HEMP PRODUCT IS PREPARED IN A
13	PREMISES THAT IS USED EXCLUSIVELY FOR THE MANUFACTURE AND
14	PREPARATION OF SAFE HARBOR HEMP PRODUCTS.
15	(III) TO BE EXPORTED FOR SALE OR DISTRIBUTION, EACH SAFE
16	HARBOR HEMP PRODUCT MUST BE TESTED AND LABELED IN ACCORDANCE
17	WITH RULES PROMULGATED UNDER SECTION 25-5-420 AND SUBSECTION
18	(4)(e) OF THIS SECTION.
19	(d) A REGISTRATION ISSUED UNDER THIS SUBSECTION (5) IS
20	SUBJECT TO SUSPENSION OR REVOCATION, IN ACCORDANCE WITH ARTICLE
21	4 of title 24, if the registrant violates this part 4 or rules
22	PROMULGATED UNDER THIS PART 4.
23	(e) A REGISTRANT WHO VIOLATES THIS SECTION IS SUBJECT TO THE
24	CIVIL PENALTIES ESTABLISHED IN SUBSECTION (9) OF THIS SECTION.
25	(6) Hemp products not adulterated. A PRODUCT CONTAINING
26	HEMP PRODUCED BY A REGISTRANT IS NOT DEEMED ADULTERATED, AS
27	DEFINED IN SECTIONS 25-5-410 AND 25-5-416, UNLESS THE PRODUCT

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1	MEETS ONE OR MORE OF THE CRITERIA FOR ADULTERATION SET FORTH IN
2	SECTION 25-5-410 OR 25-5-416.
3	(7) Fees deposited in fund. The department shall transmit
4	FEES COLLECTED IN ACCORDANCE WITH SUBSECTION (5) OF THIS SECTION
5	TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE
6	WHOLESALE FOOD MANUFACTURING AND STORAGE PROTECTION CASH
7	FUND ESTABLISHED IN SECTION 25-5-426 (5).
8	(8) Offenses. It is unlawful to engage in or knowingly
9	CAUSE A PERSON TO ENGAGE IN ANY OF THE FOLLOWING ACTS:
10	(a) Manufacturing, selling, or delivering or holding or
11	OFFERING FOR SALE ANY PRODUCTS CONTAINING HEMP AND INTOXICATING
12	CANNABINOIDS OR POTENTIALLY INTOXICATING COMPOUNDS IN EXCESS OF
13	LIMITS ESTABLISHED BY RULES PROMULGATED UNDER SUBSECTION $(3)(e)$
14	OF THIS SECTION OR SECTION 25-5-420;
15	(b) MANUFACTURING A PRODUCT CONTAINING HEMP THAT IS NOT
16	A COSMETIC, A DIETARY SUPPLEMENT, A FOOD, A FOOD ADDITIVE, OR AN
17	HERB;
18	(c) Manufacturing, producing, selling, distributing, or
19	HOLDING FOR SALE OR DISTRIBUTION A HEMP PRODUCT WITHOUT
20	REGISTERING WITH THE DEPARTMENT UNDER THIS <u>SECTION</u> ;
21	(d) Manufacturing, producing, selling, distributing, or
22	HOLDING FOR SALE OR DISTRIBUTION A SAFE HARBOR HEMP PRODUCT
23	WITHOUT REGISTERING WITH THE DEPARTMENT UNDER THIS SECTION;
24	(e) SELLING A HEMP PRODUCT WITH A RATIO OF CANNABIDIOL TO
25	THC of less than twenty to one in a container with more than
26	<u>FIVE SERVINGS;</u>
27	(f) SELLING A HEMP PRODUCT TO AN INDIVIDUAL WHO IS UNDER

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1	TWENTY-ONE YEARS OF AGE IF THE HEMP PRODUCT HAS A RATIO OF
2	CANNABIDIOL TO THC OF LESS THAN TWENTY TO ONE; OR
3	(g) SELLING A HEMP PRODUCT OTHER THAN A COSMETIC TO AN
4	INDIVIDUAL WHO IS UNDER TWENTY-ONE YEARS OF AGE; EXCEPT THAT IT
5	IS NOT A VIOLATION OF THIS SUBSECTION (8)(e) TO SELL A HEMP-DERIVED
6	TINCTURE THAT IS A HEMP PRODUCT TO AN INDIVIDUAL WHO IS UNDER
7	TWENTY-ONE YEARS OF AGE.
8	(9) Penalties. A PERSON WHO VIOLATES THIS SECTION, THE RULES
9	PROMULGATED UNDER THIS SECTION, OR A FINAL CEASE-AND-DESIST
10	ORDER OR CLEAN-UP ORDER UNDER SUBSECTION (3)(h) OF THIS SECTION
11	IS SUBJECT TO A CIVIL PENALTY OF NOT MORE THAN TEN THOUSAND
12	DOLLARS PER DAY PER VIOLATION. THE DEPARTMENT OR THE COURT
13	SHALL TRANSMIT EACH CIVIL PENALTY COLLECTED UNDER THIS
14	SUBSECTION (9) TO THE STATE TREASURER, WHO SHALL CREDIT THE
15	PENALTY TO THE WHOLESALE FOOD MANUFACTURING AND STORAGE
16	PROTECTION CASH FUND ESTABLISHED IN SECTION 25-5-426 (5). IN
17	DETERMINING THE AMOUNT OF A CIVIL PENALTY UNDER THIS SUBSECTION
18	(9), THE DEPARTMENT OR THE COURT SHALL CONSIDER THE FOLLOWING
19	FACTORS:
20	(a) THE ACTUAL OR POTENTIAL DAMAGE FROM THE VIOLATION;
21	(b) THE VIOLATOR'S COMPLIANCE HISTORY;
22	(c) Whether the violation was intentional, reckless, or
23	NEGLIGENT;
24	$(d) \ \ The \ \text{Effect upon or threat posed to the public health or}$
25	ENVIRONMENT AS A RESULT OF THE VIOLATION;
26	(e) THE DURATION OF THE VIOLATION; AND
27	(f) ANY ECONOMIC BENEFIT REALIZED BY THE VIOLATOR AS A

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1	RESULT OF THE VIOLATION.
2	(10) Inspections and monitoring - rules. (a) FOR THE PURPOSE
3	OF ENFORCEMENT OF THIS SECTION, THE DEPARTMENT MAY CONDUCT
4	INSPECTIONS OF REGULATED HEMP FACILITIES IN ACCORDANCE WITH
5	SECTION 25-5-421.
6	(b) UNLESS THE DEPARTMENT APPROVES, A COUNTY, A DISTRICT
7	CREATED UNDER ARTICLE 1 OF TITLE 32, A MUNICIPALITY, OR A CITY AND
8	COUNTY SHALL NOT PERFORM A FOOD SAFETY INSPECTION AT A PREMISES
9	OR PLACE WHERE HEMP PRODUCTS OR SAFE HARBOR HEMP PRODUCTS ARE
10	MANUFACTURED FOR DISTRIBUTION, PRODUCED FOR DISTRIBUTION,
11	PACKAGED FOR DISTRIBUTION, PROCESSED FOR DISTRIBUTION, PREPARED
12	FOR DISTRIBUTION, TREATED FOR DISTRIBUTION, TRANSPORTED FOR
13	DISTRIBUTION, OR HELD FOR DISTRIBUTION.
14	(c) THE DEPARTMENT MAY PROMULGATE RULES ESTABLISHING
15	MONITORING REQUIREMENTS FOR SAFE HARBOR HEMP PRODUCTS IN
16	ACCORDANCE WITH GOOD MANUFACTURING PRACTICES. THE RULES MAY
17	INCLUDE INVENTORY TRACKING, SURVEILLANCE, AND RECORD-KEEPING
18	REQUIREMENTS.
19	SECTION 3. In Colorado Revised Statutes, 44-10-103, repeal
20	(21) and (22); and add (17.5), (22.5), (42.5), (42.6), and (48.5) as
21	follows:
22	44-10-103. Definitions - rules. As used in this article 10, unless
23	the context otherwise requires:
24	(17.5) "HEMP PRODUCT" HAS THE MEANING SET FORTH IN SECTION
25	25-5-427 (2)(d).
26	(21) "Industrial hemp" means a plant of the genus cannabis and
27	any part of the plant, whether growing or not, containing a delta-9

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1	tetrahydrocannabinol concentration of no more than three-tenths of one
2	percent on a dry weight basis.
3	(22) "Industrial hemp product" means a finished product
4	containing industrial hemp that:
5	(a) Is a cosmetic, food, food additive, or herb;
6	(b) Is for human use or consumption;
7	(c) Contains any part of the hemp plant, including naturally
8	occurring cannabinoids, compounds, concentrates, extracts, isolates,
9	resins, or derivatives; and
10	(d) Contains a delta-9 tetrahydrocannabinol concentration of no
11	more than three-tenths of one percent on a dry weight basis.
12	(22.5) "Intoxicating cannabinoid" means a cannabinoid
13	THAT IS CLASSIFIED AS AN INTOXICATING CANNABINOID IN SECTION
14	44-10-208 OR BY THE STATE LICENSING AUTHORITY BY RULE, IN
15	COORDINATION WITH THE DEPARTMENT OF PUBLIC HEALTH AND
16	ENVIRONMENT.
17	(42.5) "Nonintoxicating cannabinoid" means a cannabinoid
18	THAT IS CLASSIFIED AS A NONINTOXICATING CANNABINOID IN SECTION
19	44-10-208 OR BY THE STATE LICENSING AUTHORITY BY RULE, IN
20	COORDINATION WITH THE DEPARTMENT OF PUBLIC HEALTH AND
21	ENVIRONMENT.
22	(42.6) "Novel cannabinoid" means any cannabinoid that
23	HAS NOT BEEN ASSESSED BY THE STATE OR A FEDERAL AGENCY FOR A
24	SAFETY PROFILE AND INTOXICATION PROFILE.
25	(48.5) (a) "POTENTIALLY INTOXICATING COMPOUND" MEANS:
26	(I) A NOVEL CANNABINOID; AND
27	(II) A CANNARINOID THAT IS NOT A PHYTOCANNARINOID.

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1	(b) "POTENTIALLY INTOXICATING COMPOUND" DOES NOT INCLUDE:
2	(I) NONINTOXICATING CANNABINOIDS; OR
3	(II) CANNABINOIDS OR COMPOUNDS THAT COMPRISE A NATURALLY
4	DERIVED FULL SPECTRUM HEMP EXTRACT OR BROAD SPECTRUM HEMP
5	EXTRACT.
6	SECTION 4. In Colorado Revised Statutes, add 44-10-207 and
7	44-10-208 as follows:
8	44-10-207. Feasibility study - standing committee - report -
9	definition - repeal. (1) (a) ON OR BEFORE JULY 1, 2024, THE EXECUTIVE
10	DIRECTOR SHALL SUBMIT TO THE GENERAL ASSEMBLY A REPORT
11	ANALYZING THE FEASIBILITY OF ESTABLISHING A STANDING COMMITTEE
12	TO EVALUATE CANNABINOIDS AND CANNABIS-DERIVED PRODUCTS FOR THE
13	PURPOSE OF DETERMINING AND MAKING RECOMMENDATIONS REGARDING
14	THEIR SAFETY PROFILES AND POTENTIAL FOR INTOXICATION. THE REPORT
15	MUST CONSIDER AND RECOMMEND LEGISLATIVE ACTION ADDRESSING THE
16	FOLLOWING SUBJECTS:
17	(I) THE APPROPRIATE STATE AGENCY OR AGENCIES TO BE
18	INVOLVED IN, AND THEIR ROLE IN, THE EVALUATION PROCESS;
19	(II) THE ABILITY OF A STANDING COMMITTEE TO DETERMINE
20	SAFETY PROFILES OF CANNABINOIDS AND CANNABIS-DERIVED PRODUCTS,
21	INCLUDING THE PROCESS BY WHICH A STANDING COMMITTEE WOULD MAKE
22	SUCH A DETERMINATION;
23	(III) THE ABILITY OF A STANDING COMMITTEE TO DETERMINE THE
24	POTENTIAL FOR INTOXICATION OF CANNABINOIDS AND CANNABIS-DERIVED
25	PRODUCTS, INCLUDING THE PROCESS BY WHICH A STANDING COMMITTEE
26	WOULD MAKE SUCH A DETERMINATION;
27	(IV) RECOMMENDATIONS AS TO MEMBERS OF A STANDING

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1	COMMITTEE AND A PROCESS TO MAKE APPOINTMENTS OF MEMBERS TO A
2	STANDING COMMITTEE;
3	(V) RECOMMENDATIONS REGARDING AN OPERABLE TIMELINE FOR
4	IMPLEMENTATION OF A STANDING COMMITTEE; AND
5	(VI) THE FISCAL EFFECTS OF AND THE RESOURCES NEEDED TO
6	IMPLEMENT AND ADMINISTER A STANDING COMMITTEE.
7	(b) To inform the feasibility report described in subsection
8	(1)(a) OF THIS SECTION, THE DEPARTMENT MAY ENGAGE EXPERTS,
9	INCLUDING:
10	(I) THE CHIEF MEDICAL OFFICER APPOINTED PURSUANT TO SECTION
11	25-1-105 or the designee of the chief medical officer;
12	(II) THE STATE TOXICOLOGIST OR THE DESIGNEE OF THE STATE
13	TOXICOLOGIST;
14	(III) AN EPIDEMIOLOGIST WITH EXPERTISE IN DESIGNING AND
15	CONDUCTING OBSERVATIONAL STUDIES OR CLINICAL TRIALS;
16	(IV) A CLINICIAN FAMILIAR WITH DOSAGE FORMS AND ROUTES OF
17	ADMINISTRATION OF RELEVANT PRODUCTS;
18	(V) A MEDICAL TOXICOLOGIST; AND
19	(VI) A PHARMACOLOGIST WITH EXPERTISE IN DRUG
20	DEVELOPMENT.
21	(2) AS USED IN THIS SECTION, "STATE TOXICOLOGIST" MEANS THE
22	DIRECTOR OF THE TOXICOLOGY AND ENVIRONMENTAL EPIDEMIOLOGY
23	OFFICE, OR A SUCCESSOR OFFICE, IN THE DEPARTMENT OF PUBLIC HEALTH
24	AND ENVIRONMENT.
25	(3) This section is repealed, effective July 1, 2025.
26	44-10-208. Classes of marijuana-derived cannabinoids and
2.7	compounds - definitions - privileges - prohibitions - rule-making -

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1	rules. (1) Legislative declaration. The General assembly finds and
2	DECLARES THAT:
3	(a) The regulation of marijuana-derived potentially
4	INTOXICATING COMPOUNDS AND INTOXICATING CANNABINOIDS, AND THE
5	REGULATION OF PREMISES WHERE POTENTIALLY INTOXICATING
6	COMPOUNDS AND INTOXICATING CANNABINOIDS ARE MANUFACTURED,
7	PACKAGED, AND SOLD IN ACCORDANCE WITH THIS ARTICLE 10 AND RULES
8	PROMULGATED UNDER THIS ARTICLE 10:
9	(I) IS NECESSARY TO PROTECT THE PUBLIC HEALTH; AND
10	(II) WILL BENEFIT CONSUMERS BY ENSURING THAT THE
11	MANUFACTURE, SALE, AND DISTRIBUTION OF MARIJUANA-DERIVED
12	POTENTIALLY INTOXICATING COMPOUNDS AND INTOXICATING
13	CANNABINOID PRODUCTS ARE REGULATED IN A WAY TO PROMOTE PUBLIC
14	HEALTH; AND
15	(b) The taxation of marijuana-derived potentially
16	INTOXICATING COMPOUNDS AND INTOXICATING CANNABINOIDS MUST BE
17	ADDRESSED TO ENSURE BOTH COMPLIANCE WITH COLORADO VOTERS'
18	INTENT AND EQUITABLE ECONOMIC TREATMENT.
19	(2) Definitions . As used in this section, unless the context
20	OTHERWISE REQUIRES:
21	(a) "Hemp" has the meaning set forth in section 35-61-101
22	(7).
23	(b) (I) "Semi-synthetic cannabinoid" means a substance
24	THAT IS CREATED BY A CHEMICAL REACTION THAT CONVERTS ONE
25	CANNABINOID EXTRACTED FROM A CANNABIS PLANT DIRECTLY INTO A
26	DIFFERENT CANNABINOID.
27	(II) "SEMI-SYNTHETIC CANNABINOID" INCLUDES CANNABINOIDS,

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1	SUCH AS CANNABINOL THAT WAS PRODUCED BY THE CONVERSION OF
2	CANNABIDIOL.
3	(III) "SEMI-SYNTHETIC CANNABINOID" DOES NOT INCLUDE
4	CANNABINOIDS PRODUCED VIA DECARBOXYLATION OF NATURALLY
5	OCCURRING ACIDIC FORMS OF CANNABINOIDS, SUCH AS
6	TETRAHYDROCANNABINOLIC ACID, INTO THE CORRESPONDING NEUTRAL
7	CANNABINOID, SUCH AS THC, THROUGH THE USE OF HEAT OR LIGHT,
8	WITHOUT THE USE OF CHEMICAL REAGENTS OR CATALYSTS, AND THAT
9	RESULTS IN NO OTHER CHEMICAL CHANGE.
10	(c) (I) "SYNTHETIC CANNABINOID" MEANS A CANNABINOID-LIKE
11	COMPOUND THAT WAS PRODUCED BY USING CHEMICAL SYNTHESIS,
12	CHEMICAL MODIFICATION, OR CHEMICAL CONVERSION, INCLUDING BY
13	USING IN-VITRO BIOSYNTHESIS OR OTHER BIOCONVERSION OF SUCH A
14	METHOD.
1415	METHOD. (II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE:
15	(II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE:
15 16	(II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE:(A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION
15 16 17	(II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE: (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR
15 16 17 18	 (II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE: (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR (B) A SEMI-SYNTHETIC CANNABINOID.
15 16 17 18 19	 (II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE: (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR (B) A SEMI-SYNTHETIC CANNABINOID. (d) (I) "TETRAHYDROCANNABINOL" OR "THC" MEANS THE
15 16 17 18 19 20	(II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE: (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR (B) A SEMI-SYNTHETIC CANNABINOID. (d) (I) "TETRAHYDROCANNABINOL" OR "THC" MEANS THE SUBSTANCE CONTAINED IN THE PLANT CANNABIS SPECIES, IN THE
15 16 17 18 19 20 21	(II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE: (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR (B) A SEMI-SYNTHETIC CANNABINOID. (d) (I) "TETRAHYDROCANNABINOL" OR "THC" MEANS THE SUBSTANCE CONTAINED IN THE PLANT CANNABIS SPECIES, IN THE RESINOUS EXTRACTS OF THE CANNABIS SPECIES, OR A CARBOXYLIC ACID
15 16 17 18 19 20 21 22	(II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE: (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR (B) A SEMI-SYNTHETIC CANNABINOID. (d) (I) "TETRAHYDROCANNABINOL" OR "THC" MEANS THE SUBSTANCE CONTAINED IN THE PLANT CANNABIS SPECIES, IN THE RESINOUS EXTRACTS OF THE CANNABIS SPECIES, OR A CARBOXYLIC ACID OF, DERIVATIVE OF, SALT OF, ISOMER OF, OR SALT OR ACID OF AN ISOMER
15 16 17 18 19 20 21 22 23	(II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE: (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR (B) A SEMI-SYNTHETIC CANNABINOID. (d) (I) "TETRAHYDROCANNABINOL" OR "THC" MEANS THE SUBSTANCE CONTAINED IN THE PLANT CANNABIS SPECIES, IN THE RESINOUS EXTRACTS OF THE CANNABIS SPECIES, OR A CARBOXYLIC ACID OF, DERIVATIVE OF, SALT OF, ISOMER OF, OR SALT OR ACID OF AN ISOMER OF THESE SUBSTANCES.
15 16 17 18 19 20 21 22 23 24	(II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE: (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR (B) A SEMI-SYNTHETIC CANNABINOID. (d) (I) "TETRAHYDROCANNABINOL" OR "THC" MEANS THE SUBSTANCE CONTAINED IN THE PLANT CANNABIS SPECIES, IN THE RESINOUS EXTRACTS OF THE CANNABIS SPECIES, OR A CARBOXYLIC ACID OF, DERIVATIVE OF, SALT OF, ISOMER OF, OR SALT OR ACID OF AN ISOMER OF THESE SUBSTANCES. (II) "TETRAHYDROCANNABINOL" OR "THC" INCLUDES:

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1	(D) Delta-7 THC and its isomers;
2	(E) Delta-6a, 10a THC and its isomers; and
3	(F) EXO-TETRAHYDROCANNABINOL;
4	(III) "TETRAHYDROCANNABINOL" OR "THC" MAY ALSO CONTAIN:
5	(A) PRODUCTS OF ANY OF THE COMPOUNDS LISTED IN
6	SUBSECTIONS $(2)(d)(II)(A)$ to $(2)(d)(II)(F)$ of this section; or
7	(B) METABOLITES OF ANY OF THE COMPOUNDS LISTED IN
8	SUBSECTIONS $(2)(d)(II)(A)$ TO $(2)(d)(II)(F)$ OF THIS SECTION.
9	(3) Classification of marijuana-derived compounds and
10	cannabinoids - rules. (a) Marijuana-derived compounds and
11	CANNABINOIDS ARE DIVIDED INTO THREE CLASSIFICATIONS:
12	(I) NONINTOXICATING CANNABINOIDS;
13	(II) POTENTIALLY INTOXICATING COMPOUNDS; AND
14	(III) INTOXICATING CANNABINOIDS.
15	(b) (I) NONINTOXICATING CANNABINOIDS INCLUDE:
16	(A) FULL SPECTRUM HEMP EXTRACT THAT CONTAINS NO MORE
17	THAN ONE AND THREE-FOURTHS MILLIGRAMS OF THC PER SERVING AND
18	CONTAINS A RATIO OF CANNABIDIOL TO THC OF GREATER THAN OR EQUAL
19	TO FIFTEEN TO ONE;
20	(B) Broad spectrum Hemp extract;
21	(C) CANNABIDIOL, ALSO KNOWN AS "CBD";
22	(D) TETRAHYDROCANNABIVARIN, ALSO KNOWN AS "THCV";
23	(E) CANNABICHROMENE, ALSO KNOWN AS "CBC";
24	(F) CANNABICITRAN, ALSO KNOWN AS "CBT";
25	(G) CANNABICYCLOL, ALSO KNOWN AS "CBL";
26	(H) CANNABIELSOIN, ALSO KNOWN AS "CBE";
27	(I) CANNABIGEROL, ALSO KNOWN AS "CBG";

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1	(J) CANNABIDIVARIN, ALSO KNOWN AS "CBDV"; AND
2	(K) CANNABINOL, ALSO KNOWN AS "CBN".
3	(II) (A) NONINTOXICATING CANNABINOIDS THAT ARE DERIVED
4	FROM HEMP MAY BE USED AS AN INGREDIENT IN A HEMP PRODUCT OR AS
5	A FINISHED HEMP PRODUCT IN ACCORDANCE WITH SECTION 25-5-427 AND
6	THE RULES PROMULGATED UNDER PART 4 OF ARTICLE 5 OF TITLE 25 OR IN
7	ACCORDANCE WITH THIS ARTICLE 10 AND ANY RULES PROMULGATED
8	UNDER THIS ARTICLE 10.
9	(B) A RETAIL MARIJUANA PRODUCT CONTAINING A
10	MARIJUANA-DERIVED NONINTOXICATING CANNABINOID AS AN INGREDIENT
11	IS SUBJECT TO RETAIL MARIJUANA SALES TAX IN ACCORDANCE WITH
12	SECTION 39-28.8-202.
13	(c) (I) A LICENSEE UNDER THIS ARTICLE 10 MAY MANUFACTURE,
14	PROCESS, TRANSFER, OR SELL POTENTIALLY INTOXICATING COMPOUNDS
15	THAT ARE DERIVED FROM MARIJUANA IN ACCORDANCE WITH THIS ARTICLE
16	10 and the rules promulgated under this article 10 .
17	(II) A RETAIL MARIJUANA PRODUCT CONTAINING A
18	MARIJUANA-DERIVED POTENTIALLY INTOXICATING COMPOUND AS AN
19	<u>INGREDIENT IS SUBJECT TO RETAIL MARIJUANA</u> SALES TAX IN ACCORDANCE
20	WITH SECTION 39-28.8-202.
21	$(d)(I)\ \ Into xicating \ cannabino ids\ include\ the\ following\ in$
22	AN AMOUNT THAT EXCEEDS THE AMOUNT ESTABLISHED BY RULE OR, IF NO
23	RULE ESTABLISHES THE AMOUNT, IN ANY AMOUNT:
24	(A) Delta-10 THC and its isomers;
25	(B) Delta-9 THC and its isomers;
26	(C) DELTA-8 THC AND ITS ISOMERS;
27	(D) DELTA-7 THC AND ITS ISOMERS;

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1	(E) Delta-6a, 10a THC and its isomers;
2	(F) EXO-TETRAHYDROCANNABINOL;
3	(G) METABOLITES OF THC, INCLUDING 11-HYDROXY-THC,
4	3-HYDROXY-THC, OR 7-HYDROXY-THC;
5	(H) HYDROGENATED FORMS OF THC, INCLUDING
6	HEXAHYDROCANNABINOL, HEXAHYDROCANNABIPHOROL, AND
7	HEXAHYDROCANNABIHEXOL;
8	(I) SYNTHETIC FORMS OF THC, INCLUDING DRONABINOL;
9	(J) ESTER FORMS OF THC, INCLUDING DELTA-8 THC-O-ACETATE,
10	DELTA-9 THC-O-ACETATE, AND HEXAHYDROCANNABINOL-O-ACETATE;
11	(K) VARIN FORMS OF THC, INCLUDING DELTA-8
12	TETRAHYDROCANNABIVARIN BUT EXCLUDING DELTA-9
13	TETRAHYDROCANNABIVARIN;
14	(L) ANALOGUES OF TETRAHYDROCANNABINOLS WITH AN ALKYL
15	CHAIN OF FOUR OR MORE CARBON ATOMS, INCLUDING
16	TETRAHYDROCANNABIPHOROLS, TETRAHYDROCANNABIOCTYLS,
17	TETRAHYDROCANNABIHEXOLS, OR TETRAHYDROCANNABUTOLS; AND
18	(M) ANY COMBINATION OF THE COMPOUNDS, INCLUDING
19	HEXAHYDROCANNABIPHOROL-O-ESTER, LISTED IN THIS SUBSECTION
20	(3)(d)(I).
21	(II) (A) A PERSON LICENSED UNDER THIS ARTICLE $10\mathrm{May}$ use an
22	INTOXICATING CANNABINOID THAT IS DERIVED FROM MARIJUANA AS AN
23	INGREDIENT IN A REGULATED MARIJUANA PRODUCT OR AS A FINISHED
24	REGULATED MARIJUANA PRODUCT IN ACCORDANCE WITH THIS ARTICLE 10
25	AND THE RULES PROMULGATED UNDER THIS ARTICLE 10.
26	(B) A RETAIL MARIJUANA PRODUCT CONTAINING A
27	MARIJUANA-DERIVED INTOXICATING CANNABINOID AS AN INGREDIENT IS

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1	$\underline{SUBJECTTORETAILMARIJUANASALESTAXINACCORDANCE}WITHSECTION$
2	39-28.8-202.
3	(e) (I) A PERSON SHALL NOT MANUFACTURE, PRODUCE, SELL, OR
4	OFFER TO SELL A SYNTHETIC CANNABINOID OR A PRODUCT CONTAINING A
5	SYNTHETIC CANNABINOID UNLESS AUTHORIZED BY RULE. IF SYNTHETIC
6	CANNABINOIDS ARE PERMITTED BY RULE, THE STATE LICENSING
7	AUTHORITY, IN COORDINATION WITH THE DEPARTMENT OF PUBLIC HEALTH
8	AND ENVIRONMENT, SHALL PROMULGATE RULES PROVIDING STANDARDS
9	AND REQUIREMENTS FOR THE MANUFACTURE AND PRODUCTION OF
10	SYNTHETIC CANNABINOIDS IN COLORADO. THE RULES MUST INCLUDE A
11	REQUIREMENT THAT MARIJUANA-DERIVED PRODUCTS MANUFACTURED OR
12	PRODUCED IN COLORADO THAT CONTAIN A SEMI-SYNTHETIC OR
13	SYNTHETIC CANNABINOID AS AN INGREDIENT ARE LABELED IN
14	$\label{eq:accordance} \textbf{ACCORDANCE WITH RULES PROMULGATED PURSUANT TO THIS ARTICLE 10}.$
15	(II) THE STATE LICENSING AUTHORITY MAY PROMULGATE RULES
16	THAT ARE NECESSARY FOR THE FAIR, IMPARTIAL, AND COMPREHENSIVE
17	ADMINISTRATION OF THIS SECTION.
18	(III) A PERSON LICENSED UNDER THIS ARTICLE $10\mathrm{THAT}$ PRODUCES
19	SEMI-SYNTHETIC CANNABINOIDS SHALL COMPLY WITH THE PRODUCTION,
20	TESTING, AND LABELING REQUIREMENTS ESTABLISHED BY RULE OF THE
21	STATE LICENSING AUTHORITY.
22	(f) The state licensing authority, in coordination with the
23	DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, MAY PROMULGATE
24	RULES TO:
25	(I) CLASSIFY A MARIJUANA-DERIVED COMPOUND OR CANNABINOID
26	THAT IS NOT CLASSIFIED IN THIS SUBSECTION (3) ;
27	(II) RECLASSIFY A MARIJUANA-DERIVED COMPOUND OR

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1	CANNABINOID CLASSIFIED IN THIS SUBSECTION (3) IF:
2	(A) THE STATE HAS ADOPTED OR FEDERAL LAW HAS ESTABLISHED
3	A PROCESS TO REVIEW AND APPROVE MARIJUANA-DERIVED COMPOUNDS
4	OR CANNABINOIDS;
5	(B) THE REVIEW AND APPROVAL PROCESS DESCRIBED IN
6	SUBSECTION (3)(f)(II)(A) OF THIS SECTION EVALUATES THE INTOXICATING
7	POTENTIAL OF THE MARIJUANA-DERIVED COMPOUND OR CANNABINOID;
8	AND
9	(C) THE RECLASSIFICATION IS BASED ON THE FINDINGS OF THE
10	PROCESS AND EVALUATION DESCRIBED IN SUBSECTIONS (3)(f)(II)(A) AND
11	(3)(f)(II)(B) of this <u>section</u> ; or
12	(III) RECLASSIFY A MARIJUANA-DERIVED COMPOUND OR
13	CANNABINOID CLASSIFIED IN THIS SUBSECTION (3) IF PEER-REVIEWED
14	RESEARCH OR CLINICAL TRIALS ESTABLISH TO A REASONABLE DEGREE OF
15	SCIENTIFIC CERTAINTY THAT A MARIJUANA-DERIVED COMPOUND OR
16	CANNABINOID, OR A PRODUCT CONTAINING A MARIJUANA-DERIVED
17	COMPOUND OR CANNABINOID, IS POTENTIALLY INTOXICATING OR
18	OTHERWISE POSES A THREAT TO HUMAN HEALTH.
19	(4) Rules to prohibit synthetic cannabinoids. IN ADDITION TO
20	ANY POWERS LISTED IN THIS SECTION, THE STATE LICENSING AUTHORITY
21	MAY PROMULGATE RULES NECESSARY TO PROHIBIT CHEMICAL
22	MODIFICATION, CONVERSION, OR SYNTHETIC DERIVATION OF
23	CANNABINOIDS OR MARIJUANA-DERIVED COMPOUNDS, UNLESS OTHERWISE
24	PERMITTED BY THIS ARTICLE 10 AND THE RULES PROMULGATED UNDER
25	THIS ARTICLE 10.
26	SECTION 5. In Colorado Revised Statutes, 44-10-501, add (13)
27	as follows:

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1	44-10-501. Medical marijuana store license.
2	(13) NOTWITHSTANDING ANY PROVISION OF THIS SECTION, A MEDICAL
3	MARIJUANA STORE MAY BUY AND SELL AN IMMATURE MARIJUANA PLANT
4	OR THE SEED OF A MARIJUANA PLANT, NOTWITHSTANDING THAT THE
5	PLANT OR SEED IS UNADULTERATED.
6	SECTION 6. In Colorado Revised Statutes, 44-10-502, add (11)
7	as follows:
8	44-10-502. Medical marijuana cultivation facility license -
9	rules - definitions. (11) NOTWITHSTANDING ANY PROVISION OF THIS
10	SECTION, A MEDICAL MARIJUANA STORE MAY BUY, GROW, AND SELL AN
11	IMMATURE MARIJUANA PLANT OR THE SEED OF A MARIJUANA PLANT,
12	NOTWITHSTANDING THAT THE PLANT OR SEED IS UNADULTERATED.
13	SECTION 7. In Colorado Revised Statutes, 44-10-503, add
14	(1)(c) as follows:
15	44-10-503. Medical marijuana products manufacturer license
16	- rules - definition. (1) (c) A PERSON MUST BE LICENSED AS A MEDICAL
17	MARIJUANA PRODUCTS MANUFACTURER, INCLUDING PAYING THE LICENSE
18	AND APPLICATION FEES, TO MANUFACTURE POTENTIALLY INTOXICATING
19	COMPOUNDS OR INTOXICATING CANNABINOIDS FROM MEDICAL MARIJUANA
20	TO BE USED AS AN INGREDIENT OR AS A FINISHED MEDICAL MARIJUANA
21	PRODUCT.
22	SECTION 8. In Colorado Revised Statutes, 44-10-601, add (18)
23	as follows:
24	44-10-601. Retail marijuana store license - rules - definitions.
25	(18) NOTWITHSTANDING ANY PROVISION OF THIS SECTION, A RETAIL
26	MARIJUANA STORE MAY BUY AND SELL AN IMMATURE MARIJUANA PLANT
2.7	OR THE SEED OF A MARIJIANA PLANT NOTWITHSTANDING THAT THE

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1	PLANT OR SEED IS UNADULTERATED.
2	SECTION 9. In Colorado Revised Statutes, 44-10-602, add (15)
3	as follows:
4	44-10-602. Retail marijuana cultivation facility license - rules
5	- definitions. (15) NOTWITHSTANDING ANY PROVISION OF THIS SECTION,
6	A RETAIL MARIJUANA CULTIVATION FACILITY MAY BUY, GROW, AND SELL
7	AN IMMATURE MARIJUANA PLANT OR THE SEED OF A MARIJUANA PLANT,
8	NOTWITHSTANDING THAT THE PLANT OR SEED IS UNADULTERATED.
9	SECTION 10. In Colorado Revised Statutes, 44-10-603, add
10	(1)(f) as follows:
11	44-10-603. Retail marijuana products manufacturer license -
12	rules - definition. (1) (f) A PERSON MUST BE LICENSED AS A RETAIL
13	MARIJUANA PRODUCTS MANUFACTURER, INCLUDING PAYING THE LICENSE
14	AND APPLICATION FEES, TO MANUFACTURE POTENTIALLY INTOXICATING
15	COMPOUNDS OR INTOXICATING CANNABINOIDS FROM RETAIL MARIJUANA
16	TO BE USED AS AN INGREDIENT OR AS FINISHED RETAIL MARIJUANA
17	PRODUCTS IN ACCORDANCE WITH THIS ARTICLE 10.
18	SECTION <u>11.</u> In Colorado Revised Statutes, 6-1-725, amend (1)
19	as follows:
20	6-1-725. Synthetic cannabinoids - incense - deceptive trade
21	practice. (1) Except in accordance with article 10 of title 44 or
22	ARTICLE 4 OF TITLE 25, it is unlawful for any person or entity to distribute,
23	dispense, manufacture, display for sale, offer for sale, attempt to sell, or
24	sell to a purchaser any product that contains any amount of any synthetic
25	cannabinoid, as defined in section 18-18-102 (34.5). C.R.S.
26	SECTION 12. In Colorado Revised Statutes, 18-18-406.1,
27	amend (1) as follows:

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1	18-18-406.1. Unlawful use or possession of synthetic
2	cannabinoids or salvia divinorum. (1) On and after January 1, 2012
3	EXCEPT AS PROVIDED IN SECTION 25-5-427 OR ARTICLE 10 OF TITLE 44, it
4	is unlawful for any person to use or possess any amount of any synthetic
5	cannabinoid or salvia divinorum.
6	SECTION 13. In Colorado Revised Statutes, 18-18-406.2,
7	amend (1) introductory portion as follows:
8	18-18-406.2. Unlawful distribution, manufacturing,
9	dispensing, sale, or cultivation of synthetic cannabinoids or salvia
10	divinorum. (1) Except as provided in Section 25-5-427 or article
11	10 OF TITLE 44, it is unlawful for any person knowingly to:
12	SECTION 14. In Colorado Revised Statutes, 30-15-401, amend
13	(1.7) as follows:
14	30-15-401. General regulations - definitions. (1.7) In addition
15	to any other powers, a board of county commissioners may charge a fee
16	for a local license and adopt resolutions or ordinances to establish
17	requirements on businesses engaged in the storage, extraction, processing,
18	or manufacturing of industrial hemp, as defined in section 35-61-101 (7),
19	or industrial hemp products, as defined in section 25-5-426 (2)(g.5)
20	25-5-427 (2)(d). A county shall not impose additional food production
21	regulations on industrial hemp processors or HEMP products if the
22	regulations conflict with state law.
23	SECTION <u>15.</u> In Colorado Revised Statutes, 31-15-501, amend
24	(1)(r) as follows:
25	31-15-501. Powers to regulate businesses. (1) The governing
26	bodies of municipalities have the following powers to regulate
27	businesses:

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1	(r) To charge a fee for a local license and establish licensing
2	requirements on businesses engaged in the storage, extraction, processing,
3	or manufacturing of industrial hemp, as defined in section 35-61-101 (7),
4	or industrial hemp products, as defined in section 25-5-426 (2)(g.5)
5	25-5-427 (2)(d). A municipality shall not impose additional food
6	production regulations on industrial hemp processors or HEMP products
7	if the regulations conflict with state law.
8	SECTION 16. In Colorado Revised Statutes, 39-28.8-101,
9	amend (4) and (7) as follows:
10	39-28.8-101. Definitions. Unless the context otherwise requires,
11	any terms not defined in this article 28.8 have the meanings set forth in
12	article 26 of this title 39. As used in this article 28.8, unless the context
13	otherwise requires:
14	(4) "Industrial "Hemp" means the plant of the genus cannabis and
15	any part of such plant, whether growing or not, with a delta-9
16	tetrahydrocannabinol concentration that does not exceed three-tenths
17	percent on a dry weight basis HAS THE MEANING SET FORTH IN SECTION
18	<u>35-61-101 (7).</u>
19	(7) (a) (I) "Retail marijuana" means all parts of the plant of the
20	genus cannabis whether growing or not, the seeds thereof OF THE PLANT,
21	the resin extracted from any part of the plant, and every compound,
22	manufacture, salt, derivative, mixture, or preparation of the plant, its
23	seeds, or its resin, including marijuana concentrate;
24	(II) "RETAIL MARIJUANA" INCLUDES:
25	(A) A NONINTOXICATING CANNABINOID, AS DEFINED IN SECTION
26	44-10-103 (42.5), PRODUCED FROM <u>RETAIL MARIJUANA;</u>
27	(B) A POTENTIALLY INTOXICATING COMPOUND, AS DEFINED IN

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1	SECTION 44-10-103 (48.5), PRODUCED FROM <u>RETAIL MARIJUANA;</u> AND
2	(C) AN INTOXICATING CANNABINOID, AS DEFINED IN SECTION
3	44-10-103 (22.5), PRODUCED FROM <u>RETAIL MARIJUANA.</u>
4	(b) "Retail marijuana" does not include industrial hemp, nor does
5	it include fiber produced from the stalks, oil, cake made from the seeds
6	of the plant, sterilized seed of the plant that is incapable of germination,
7	or the weight of any other ingredient combined with marijuana to prepare
8	topical or oral administrations, food, drink, or other product.
9	SECTION 17. In Colorado Revised Statutes, 39-28.8-501,
10	amend (2)(b)(IV)(I) as follows:
11	39-28.8-501. Marijuana tax cash fund - creation - distribution
12	- legislative declaration - repeal. (2) (b) (IV) Subject to the limitation
13	in subsection (5) of this section, the general assembly may annually
14	appropriate any money in the fund for the following purposes:
15	(I) To research, regulate, study, and test industrial hemp or hemp
16	seeds;
17	SECTION 18. Appropriation. (1) For the 2023-24 state fiscal
18	year, \$1,574,061 is appropriated to the department of public health and
19	environment. This appropriation consists of \$1,168,485 from the general
20	fund and \$405,576 from the wholesale food manufacturing and storage
21	protection cash fund created in section 25-5-426 (5), C.R.S. To
22	implement this act, the department may use this appropriation as follows:
23	(a) \$787,821 from general fund for administration and support
24	related to disease control and public health response, which amount is
25	based on an assumption that the department will require an additional 1.9
26	FTE. Of this amount, \$212,532 is further appropriated to the department
27	for the 2024-25 state fiscal year for the same purpose;

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1	(b) \$405,5 /6 from the wholesale food manufacturing and storage
2	protection cash fund for environmental health programs, which amount
3	is based on an assumption that the department will require an additional
4	3.5 FTE; and
5	(c) \$380,664 from the general fund for the purchase of legal
6	services.
7	(2) Any money appropriated in subsection (1)(c) of this section
8	not expended prior to July 1, 2024, is further appropriated to the
9	department for the 2024-25 state fiscal year for the same purpose.
10	(3) For the 2023-24 state fiscal year, \$295,024 is appropriated to
11	the marijuana cash fund created in section 44-10-801 (1)(a), C.R.S. This
12	appropriation is from the general fund. The department of revenue is
13	responsible for the accounting related to this appropriation.
14	(4) For the 2023-24 state fiscal year, \$295,024 is appropriated to
15	the department of revenue. This appropriation is from reappropriated
16	funds in the marijuana cash fund under subsection (3) of this section. To
17	implement this act, the department may use the appropriation as follows:
18	(a) \$237,924 for activities related to hemp and marijuana derived
19	cannabinoids, which amount is based on an assumption that the
20	department will require an additional 1.5 FTE; and
21	(b) \$57,100 for the purchase of legal services.
22	(5) Any money appropriated in subsection (4)(a) of this section
23	not expended prior to July 1, 2024, is further appropriated to the
24	department for the 2024-25 state fiscal year for the same purpose.
25	(6) For the 2023-24 state fiscal year, \$437,764 is appropriated to
26	the department of law. This appropriation is from reappropriated funds
27	received from the departments of public health and environment and

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1	revenue under subsection (1)(c) and (4)(b) of this section and is based on
2	an assumption that the department of law will require an additional 1.3
3	FTE. To implement this act, the department of law may use this
4	appropriation to provide legal services for the departments of public
5	health and environment and revenue.
6	(7) Of the amount appropriated in subsection (6) of this section,
7	\$380,664 is further appropriated to the department for the 2024-25 state
8	fiscal year to provide legal services to the department of public health and
9	environment.
10	SECTION 19. Applicability. This act applies to offenses
11	committed or conduct occurring on or after the effective date of this act.
12	SECTION <u>20.</u> 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, or safety.

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