First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction SENATE BILL 23-271

LLS NO. 23-0932.01 Jery Payne x2157

SENATE SPONSORSHIP

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Senate Committees Finance Appropriations **House Committees**

A BILL FOR AN ACT

101 CONCERNING THE REGULATION OF COMPOUNDS THAT ARE RELATED

102 TO <u>CANNABINOIDS</u>, AND, IN CONNECTION THEREWITH, MAKING

103 <u>AN APPROPRIATION.</u>

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 <u>http://leg.colorado.gov</u>.)

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





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 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 |
| | |

1 registration fee of three hundred dollars.

2 (IV) A wholesale food manufacturer that produces an industrial
3 hemp product shall pay the department a registration fee of three hundred
4 dollars, regardless of its gross annual sales.

5 (d) Industrial hemp products produced by wholesale food 6 manufacturing facilities registered in accordance with this subsection (4) 7 shall not be deemed adulterated, as defined in sections 25-5-410 and 8 25-5-416, unless the products meet one or more of the criteria set forth in 9 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:

18 25-5-427. Classes of hemp-derived compounds and 19 cannabinoids - definitions - registration required - prohibitions - safe 20 harbor - rules - repeal. (1) Legislative declaration. THE GENERAL 21 ASSEMBLY FINDS, DETERMINES, AND DECLARES THAT THE REGISTRATION 22 OF HEMP PRODUCT AND SAFE HARBOR HEMP PRODUCT MANUFACTURERS 23 AND THE REGULATION OF PREMISES AND PLACES WHERE HEMP PRODUCTS 24 AND SAFE HARBOR HEMP PRODUCTS ARE MANUFACTURED FOR 25 DISTRIBUTION, PRODUCED FOR DISTRIBUTION, PACKAGED FOR 26 DISTRIBUTION, PROCESSED FOR DISTRIBUTION, PREPARED FOR DISTRIBUTION, TREATED FOR DISTRIBUTION, TRANSPORTED FOR 27

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 35-61-10119 (7).

20 (c) "HEMP MANUFACTURER OR STORAGE FACILITY" MEANS A
21 FACILITY WHERE HEMP PRODUCTS ARE MANUFACTURED OR STORED.

(d) "HEMP PRODUCT" MEANS A FINISHED PRODUCT THAT CONTAINSHEMP 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 <u>CONSUMPTION, INCLUDING</u>
 27 <u>CONSUMPTION BY INHALATION;</u>

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(III) CONTAINS ANY PART OF THE HEMP PLANT, INCLUDING
 NATURALLY OCCURRING CANNABINOIDS, COMPOUNDS, CONCENTRATES,
 EXTRACTS, ISOLATES, OR RESINS;

4 (IV) IS PRODUCED FROM HEMP;

5 (V) CONTAINS NO MORE THAN <u>ONE AND THREE-FOURTHS</u>
6 MILLIGRAMS OF THC PER SERVING; AND

7 (VI) CONTAINS A RATIO OF CANNABIDIOL TO THC OF GREATER8 THAN OR EQUAL TO FIFTEEN TO ONE.

9 (e) "INTOXICATING CANNABINOID" <u>MEANS A CANNABINOID THAT</u>
 10 <u>IS CLASSIFIED AS AN INTOXICATING CANNABINOID IN THIS SECTION OR BY</u>
 11 <u>RULE OF THE DEPARTMENT ACTING IN COORDINATION WITH THE STATE</u>
 12 <u>LICENSING AUTHORITY.</u>

(f) "MANUFACTURING OR PROCESSING", "MANUFACTURING",
"MANUFACTURE", "PROCESS", OR "PROCESSING" HAS THE SAME MEANING
AS "MANUFACTURING OR PROCESSING", AS SET FORTH IN SECTION
25-5-426 (2)(h).

17 (g) "NONINTOXICATING CANNABINOID" <u>MEANS A CANNABINOID</u>
18 <u>THAT IS CLASSIFIED AS A NONINTOXICATING CANNABINOID IN THIS</u>
19 <u>SECTION OR BY RULE OF THE DEPARTMENT ACTING IN COORDINATION WITH</u>
20 <u>THE STATE LICENSING AUTHORITY.</u>

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.

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.

(1) "SAFE HARBOR MANUFACTURER OR STORAGE FACILITY" OR
"SAFE HARBOR FACILITY" MEANS A FACILITY THAT MANUFACTURES FOR
DISTRIBUTION, PRODUCES FOR DISTRIBUTION, PACKAGES FOR
DISTRIBUTION, PROCESSES FOR DISTRIBUTION, PREPARES FOR
DISTRIBUTION, TREATS FOR DISTRIBUTION, TRANSPORTS FOR
DISTRIBUTION, OR HOLDS FOR DISTRIBUTION A SAFE HARBOR HEMP
PRODUCT.

17 (m) "SEMI-SYNTHETIC CANNABINOID" HAS THE MEANING SET
18 FORTH IN SECTION 44-10-208 (2)(b).

(n) "SERVING" MEANS THE SIZE OR PORTION CUSTOMARILY
CONSUMED PER EATING OCCASION, EXPRESSED IN A COMMON HOUSEHOLD
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).

(p) "SYNTHETIC CANNABINOID" HAS THE MEANING SET FORTH IN
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 AND 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
27 OTHERWISE PERMITTED BY THIS PART 4 OR BY ANY RULES PROMULGATED

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1 UNDER THIS PART 4;

| 2 | (e) (I) PROMULGATE RULES, IN COORDINATION WITH THE STATE |
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| 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 | <u>SECTION;</u> |
| 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 | <u>A SYNTHETIC CANNABINOID.</u> |
| 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; |

| 1 | (B) The amount of THC 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 | <u>APPLICABLE;</u> |
| 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 <u>ONE AND THREE-FOURTHS</u> MILLIGRAMS OF THC PER SERVING AND |
| 25 | CONTAINS A RATIO OF CANNABIDIOL TO THC OF GREATER THAN OR EQUAL |
| 26 | TO FIFTEEN TO ONE; |
| 27 | (B) BROAD SPECTRUM HEMP EXTRACT; |

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"; (I) CANNABIGEROL, ALSO KNOWN AS "CBG": 7 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

HEMP PRODUCT OR AS A FINISHED HEMP PRODUCT, UNLESS THE
POTENTIALLY INTOXICATING COMPOUND IS A SAFE HARBOR HEMP
PRODUCT THAT IS EXPORTED FROM COLORADO; OR

(B) MARKET OR PROMOTE A HEMP PRODUCT AS CONTAINING THC
OR ANY OTHER POTENTIALLY INTOXICATING COMPOUND.

(II) A PERSON THAT MANUFACTURES, PRODUCES, OR DISTRIBUTES
A PRODUCT CONTAINING A POTENTIALLY INTOXICATING COMPOUND SHALL
LABEL THE PRODUCT IN ACCORDANCE WITH THE RULES PROMULGATED
UNDER THIS SECTION.

1 (d) (I) INTOXICATING CANNABINOIDS 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 HYDROGENATED FORMS OF THC, INCLUDING (H) 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 TETRAHYDROCANNABIVARINS, INCLUDING DELTA-8 (K) 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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(II) A PERSON SHALL NOT:

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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.

(III) A PERSON THAT MANUFACTURES, PRODUCES, OR DISTRIBUTES
A PRODUCT CONTAINING AN INTOXICATING CANNABINOID SHALL LABEL
THE PRODUCT IN ACCORDANCE WITH THE RULES PROMULGATED UNDER
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 REOUIREMENT FOR 22 ANY HEMP-DERIVED PRODUCT MANUFACTURED OR PRODUCED IN 23 COLORADO THAT CONTAINS A SEMI-SYNTHETIC OR SYNTHETIC 24 CANNABINOID AS AN INGREDIENT.

(II) TO BE SOLD, OFFERED FOR SALE, OR DISTRIBUTED,
SEMI-SYNTHETIC CANNABINOIDS MUST MEET PRODUCTION, TESTING, AND
LABELING REQUIREMENTS ESTABLISHED IN RULES PROMULGATED BY THE

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DEPARTMENT UNDER SECTION 25-5-420 AND SUBSECTION (4)(e)(I) OF THIS
 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 STATE12 LICENSING AUTHORITY, MAY PROMULGATE RULES TO:

(I) CLASSIFY A HEMP-DERIVED COMPOUND OR CANNABINOID THAT
IS NOT CLASSIFIED IN THIS SUBSECTION (4); _____

(II) RECLASSIFY A HEMP-DERIVED COMPOUND OR CANNABINOID
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;

(B) THE REVIEW AND APPROVAL PROCESS DESCRIBED IN
 SUBSECTION (4)(g)(II)(A) OF THIS SECTION EVALUATES THE INTOXICATING
 POTENTIAL OF THE HEMP-DERIVED COMPOUND OR CANNABINOID; AND

(C) THE RECLASSIFICATION IS BASED ON THE FINDINGS OF THE
PROCESS AND EVALUATION DESCRIBED IN SUBSECTIONS (4)(g)(II)(A) AND
(4)(g)(II)(B) OF THIS <u>SECTION; OR</u>

26 (III) RECLASSIFY A HEMP-DERIVED COMPOUND OR CANNABINOID
 27 CLASSIFIED IN THIS SUBSECTION (4) IF PEER-REVIEWED RESEARCH OR

<u>CLINICAL TRIALS ESTABLISH TO A REASONABLE DEGREE OF SCIENTIFIC</u>
 <u>CERTAINTY THAT A HEMP-DERIVED COMPOUND OR CANNABINOID, OR A</u>
 <u>PRODUCT CONTAINING A HEMP-DERIVED COMPOUND OR CANNABINOID, IS</u>
 <u>POTENTIALLY INTOXICATING OR OTHERWISE POSES A THREAT TO HUMAN</u>
 HEALTH.

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.

(b) IN ADDITION TO THE APPLICATION FEE IMPOSED IN SUBSECTION
(5)(a) OF THIS SECTION, THE ANNUAL REGISTRATION FEE FOR A
REGULATED HEMP FACILITY IS ONE THOUSAND FIVE HUNDRED DOLLARS.
(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

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.

(III) TO BE EXPORTED FOR SALE OR DISTRIBUTION, EACH SAFE
HARBOR HEMP PRODUCT MUST BE TESTED AND LABELED IN ACCORDANCE
WITH RULES PROMULGATED UNDER SECTION 25-5-420 AND SUBSECTION
(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.

(e) A REGISTRANT WHO VIOLATES THIS SECTION IS SUBJECT TO THE
CIVIL PENALTIES ESTABLISHED IN SUBSECTION (9) OF THIS SECTION.

(6) Hemp products not adulterated. A PRODUCT CONTAINING
HEMP PRODUCED BY A REGISTRANT IS NOT DEEMED ADULTERATED, AS
DEFINED IN SECTIONS 25-5-410 AND 25-5-416, UNLESS THE PRODUCT

MEETS ONE OR MORE OF THE CRITERIA FOR ADULTERATION SET FORTH IN
 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

-17-

1 <u>TWENTY-ONE YEARS OF AGE IF THE HEMP PRODUCT HAS A RATIO OF</u>

2 <u>CANNABIDIOL TO THC OF LESS THAN TWENTY TO ONE; OR</u>

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 <u>TINCTURE THAT IS A HEMP PRODUCT TO AN INDIVIDUAL WHO IS UNDER</u>
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;

- (c) WHETHER THE VIOLATION WAS INTENTIONAL, RECKLESS, ORNEGLIGENT;
- 24 (d) THE 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

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.

SECTION 3. In Colorado Revised Statutes, 44-10-103, repeal
(21) and (22); and add (17.5), (22.5), (42.5), (42.6), and (48.5) as
follows:

44-10-103. Definitions - rules. As used in this article 10, unless
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

- tetrahydrocannabinol concentration of no more than three-tenths of one
 percent on a dry weight basis.
- 3 (22) "Industrial hemp product" means a finished product
 4 containing industrial hemp that:
 - (a) Is a cosmetic, food, food additive, or herb;
 - (b) Is for human use or consumption;

5

6

- 7 (c) Contains any part of the hemp plant, including naturally
 8 occurring cannabinoids, compounds, concentrates, extracts, isolates,
 9 resins, or derivatives; and
- (d) Contains a delta-9 tetrahydrocannabinol concentration of no
 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.
- (42.6) "NOVEL CANNABINOID" MEANS ANY CANNABINOID THAT
 HAS NOT BEEN ASSESSED BY THE STATE OR A FEDERAL AGENCY FOR A
 SAFETY PROFILE AND INTOXICATION PROFILE.
- 25 (48.5) (a) "POTENTIALLY INTOXICATING COMPOUND" MEANS:
- 26 (I) A NOVEL CANNABINOID; AND
- 27 (II) A CANNABINOID THAT IS NOT A PHYTOCANNABINOID.

(b) "POTENTIALLY INTOXICATING COMPOUND" DOES NOT INCLUDE:

2 (I) NONINTOXICATING CANNABINOIDS; OR

1

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;

(II) THE ABILITY OF A STANDING COMMITTEE TO DETERMINE
SAFETY PROFILES OF CANNABINOIDS AND CANNABIS-DERIVED PRODUCTS,
INCLUDING THE PROCESS BY WHICH A STANDING COMMITTEE WOULD MAKE
SUCH A DETERMINATION;

(III) THE ABILITY OF A STANDING COMMITTEE TO DETERMINE THE
POTENTIAL FOR INTOXICATION OF CANNABINOIDS AND CANNABIS-DERIVED
PRODUCTS, INCLUDING THE PROCESS BY WHICH A STANDING COMMITTEE
WOULD MAKE SUCH A DETERMINATION;

27 (IV) RECOMMENDATIONS AS TO MEMBERS OF A STANDING

-21-

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
 25-1-105 OR THE DESIGNEE OF THE CHIEF MEDICAL OFFICER;
- 12 (II) THE STATE TOXICOLOGIST OR THE DESIGNEE OF THE STATE13 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 DRUG20 DEVELOPMENT.
- (2) AS USED IN THIS SECTION, "STATE TOXICOLOGIST" MEANS THE
 DIRECTOR OF THE TOXICOLOGY AND ENVIRONMENTAL EPIDEMIOLOGY
 OFFICE, OR A SUCCESSOR OFFICE, IN THE DEPARTMENT OF PUBLIC HEALTH
 AND ENVIRONMENT.
- 25 (3) This section is repealed, effective July 1, 2025.
- 26 44-10-208. Classes of marijuana-derived cannabinoids and
 27 compounds definitions privileges prohibitions rule-making -

rules. (1) Legislative declaration. THE GENERAL ASSEMBLY FINDS AND
 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).

(b) (I) "SEMI-SYNTHETIC CANNABINOID" MEANS A SUBSTANCE
THAT IS CREATED BY A CHEMICAL REACTION THAT CONVERTS ONE
CANNABINOID EXTRACTED FROM A CANNABIS PLANT DIRECTLY INTO A
DIFFERENT CANNABINOID.

27 (II) "SEMI-SYNTHETIC CANNABINOID" INCLUDES CANNABINOIDS,

-23-

SUCH AS CANNABINOL THAT WAS PRODUCED BY THE CONVERSION OF
 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.

15 (II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE:

16 (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION
17 OF NATURALLY OCCURRING CANNABINOIDS FROM THEIR ACIDIC FORMS; OR
18 (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.

- 24 (II) "TETRAHYDROCANNABINOL" OR "THC" INCLUDES:
- 25 (A) DELTA-10 THC AND ITS ISOMERS;
- 26 (B) DELTA-9 THC AND ITS ISOMERS;
- 27 (C) DELTA-8 THC AND ITS ISOMERS;

-24-

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 METABOLITES OF ANY OF THE COMPOUNDS LISTED IN **(B)** 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 <u>ONE AND THREE-FOURTHS</u> 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";

(J) CANNABIDIVARIN, ALSO KNOWN AS "CBDV"; AND

2 (K) CANNABINOL, ALSO KNOWN AS "CBN".

1

(II) (A) NONINTOXICATING CANNABINOIDS THAT ARE DERIVED
FROM HEMP MAY BE USED AS AN INGREDIENT IN A HEMP PRODUCT OR AS
A FINISHED HEMP PRODUCT IN ACCORDANCE WITH SECTION 25-5-427 AND
THE RULES PROMULGATED UNDER PART 4 OF ARTICLE 5 OF TITLE 25 OR IN
ACCORDANCE WITH THIS ARTICLE 10 AND ANY RULES PROMULGATED
UNDER THIS ARTICLE 10.

9 <u>(B) A RETAIL MARIJUANA PRODUCT CONTAINING A</u> 10 <u>MARIJUANA-DERIVED NONINTOXICATING CANNABINOID AS AN INGREDIENT</u> 11 <u>IS SUBJECT TO RETAIL MARIJUANA SALES TAX</u> 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) <u>A RETAIL MARIJUANA PRODUCT CONTAINING A</u>
 18 <u>MARIJUANA-DERIVED POTENTIALLY INTOXICATING COMPOUND AS AN</u>
 19 <u>INGREDIENT IS SUBJECT TO RETAIL MARIJUANA</u> SALES TAX IN ACCORDANCE
 20 WITH SECTION 39-28.8-202.

21 (d) (I) INTOXICATING CANNABINOIDS 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;

(E) DELTA-6a, 10a THC AND ITS ISOMERS;

2 (F) EXO-TETRAHYDROCANNABINOL;

1

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;

(L) ANALOGUES OF TETRAHYDROCANNABINOLS WITH AN ALKYL
CHAIN OF FOUR OR MORE CARBON ATOMS, INCLUDING
TETRAHYDROCANNABIPHOROLS, TETRAHYDROCANNABIOCTYLS,
TETRAHYDROCANNABIHEXOLS, OR TETRAHYDROCANNABUTOLS; AND

18 (M) ANY COMBINATION OF THE COMPOUNDS, INCLUDING
19 HEXAHYDROCANNABIPHOROL-O-ESTER, LISTED IN THIS SUBSECTION
20 (3)(d)(I).

(II) (A) A PERSON LICENSED UNDER THIS ARTICLE 10 MAY USE AN
INTOXICATING CANNABINOID THAT IS DERIVED FROM MARIJUANA AS AN
INGREDIENT IN A REGULATED MARIJUANA PRODUCT OR AS A FINISHED
REGULATED MARIJUANA PRODUCT IN ACCORDANCE WITH THIS ARTICLE 10
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

-27-

<u>SUBJECT TO RETAIL MARIJUANA SALES TAX IN ACCORDANCE</u> WITH SECTION
 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 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.

(III) A PERSON LICENSED UNDER THIS ARTICLE 10 THAT PRODUCES
SEMI-SYNTHETIC CANNABINOIDS SHALL COMPLY WITH THE PRODUCTION,
TESTING, AND LABELING REQUIREMENTS ESTABLISHED BY RULE OF THE
STATE LICENSING AUTHORITY.

(f) THE STATE LICENSING AUTHORITY, IN COORDINATION WITH THE
 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, MAY PROMULGATE
 RULES TO:

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; OR</u>
12 (<u>III) Reclassify a Marijuana-Derived compound or</u>
13 CANNABINOID CLASSIFIED IN THIS SUBSECTION (3) IF PEER-REVIEWED

<u>CANNABINOID CLASSIFIED IN THIS SUBSECTION (3) IF PEER-REVIEWED</u>
 <u>RESEARCH OR CLINICAL TRIALS ESTABLISH TO A REASONABLE DEGREE OF</u>
 <u>SCIENTIFIC CERTAINTY THAT A MARIJUANA-DERIVED COMPOUND OR</u>
 <u>CANNABINOID, OR A PRODUCT CONTAINING A MARIJUANA-DERIVED</u>
 <u>COMPOUND OR CANNABINOID, IS POTENTIALLY INTOXICATING OR</u>
 OTHERWISE POSES A THREAT TO HUMAN HEALTH.

(4) Rules to prohibit synthetic cannabinoids. IN ADDITION TO
ANY POWERS LISTED IN THIS SECTION, THE STATE LICENSING AUTHORITY
MAY PROMULGATE RULES NECESSARY TO PROHIBIT CHEMICAL
MODIFICATION, CONVERSION, OR SYNTHETIC DERIVATION OF
CANNABINOIDS OR MARIJUANA-DERIVED COMPOUNDS, UNLESS OTHERWISE
PERMITTED BY THIS ARTICLE 10 AND THE RULES PROMULGATED UNDER
THIS ARTICLE 10.

26 <u>SECTION 5. In Colorado Revised Statutes, 44-10-501, add (13)</u>
 27 <u>as follows:</u>

-29-

| 1 | <u>44-10-501. Medical marijuana store license.</u> |
|----|---|
| 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 | <u>as follows:</u> |
| 8 | <u>44-10-502. Medical marijuana cultivation facility license -</u> |
| 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 | <u>as follows:</u> |
| 24 | <u>44-10-601. Retail marijuana store license - rules - definitions.</u> |
| 25 | (18) NOTWITHSTANDING ANY PROVISION OF THIS SECTION, A RETAIL |
| 26 | MARIJUANA STORE MAY BUY AND SELL AN IMMATURE MARIJUANA PLANT |
| 27 | OR THE SEED OF A MARIJUANA PLANT, NOTWITHSTANDING THAT THE |

- 1 PLANT OR SEED IS UNADULTERATED.
- 2 <u>SECTION 9. In Colorado Revised Statutes, 44-10-602, add (15)</u>
 3 <u>as follows:</u>

4 <u>44-10-602. Retail marijuana cultivation facility license - rules</u>
5 <u>- definitions. (15) NOTWITHSTANDING ANY PROVISION OF THIS SECTION.</u>
6 <u>A RETAIL MARIJUANA CULTIVATION FACILITY MAY BUY, GROW, AND SELL</u>
7 <u>AN IMMATURE MARIJUANA PLANT OR THE SEED OF A MARIJUANA PLANT.</u>
8 <u>NOTWITHSTANDING THAT THE PLANT OR SEED IS UNADULTERATED.</u>
9 **SECTION <u>10.</u>** In Colorado Revised Statutes, 44-10-603, add

10 (1)(f) as follows:

44-10-603. Retail marijuana products manufacturer license rules - definition. (1) (f) A PERSON MUST BE LICENSED AS A RETAIL
MARIJUANA PRODUCTS MANUFACTURER, INCLUDING PAYING THE LICENSE
AND APPLICATION FEES, TO MANUFACTURE POTENTIALLY INTOXICATING
COMPOUNDS OR INTOXICATING CANNABINOIDS FROM RETAIL MARIJUANA
TO BE USED AS AN INGREDIENT OR AS FINISHED RETAIL MARIJUANA
PRODUCTS IN ACCORDANCE WITH THIS ARTICLE 10.

18 SECTION <u>11.</u> In Colorado Revised Statutes, 6-1-725, amend (1)
19 as follows:

6-1-725. Synthetic cannabinoids - incense - deceptive trade
practice. (1) EXCEPT IN ACCORDANCE WITH ARTICLE 10 OF TITLE 44 OR
ARTICLE 4 OF TITLE 25, it is unlawful for any person or entity to distribute,
dispense, manufacture, display for sale, offer for sale, attempt to sell, or
sell to a purchaser any product that contains any amount of any synthetic
cannabinoid, as defined in section 18-18-102 (34.5). C.R.S.

26 SECTION <u>12.</u> In Colorado Revised Statutes, 18-18-406.1,
27 amend (1) as follows:

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18-18-406.1. Unlawful use or possession of synthetic
 cannabinoids or salvia divinorum. (1) On and after January 1, 2012
 EXCEPT AS PROVIDED IN SECTION 25-5-427 OR ARTICLE 10 OF TITLE 44, it
 is unlawful for any person to use or possess any amount of any synthetic
 cannabinoid or salvia divinorum.

6 SECTION <u>13.</u> 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:

SECTION <u>14.</u> In Colorado Revised Statutes, 30-15-401, amend
(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 $\frac{25-5-426}{(2)(g.5)}$ 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:

31-15-501. Powers to regulate businesses. (1) The governing
bodies of municipalities have the following powers to regulate
businesses:

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 $\frac{25-5-426}{(2)(g.5)}$ 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 44-10-103 (42.5), PRODUCED FROM <u>RETAIL MARIJUANA;</u> 26 27 (B) A POTENTIALLY INTOXICATING COMPOUND, AS DEFINED IN

1 SECTION 44-10-103 (48.5), PRODUCED FROM RETAIL MARIJUANA; 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 <u>39-28.8-501. Marijuana tax cash fund - creation - distribution</u> 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, \$1,277,463 is appropriated to the department of public health and 19 environment. This appropriation consists of \$575,289 from the general 20 fund, \$405,576 from the wholesale food manufacturing and storage 21 protection cash fund created in section 25-5-426 (5), C.R.S., and \$296,598 from the marijuana tax cash fund created in section 22 23 39-28.8-501, C.R.S. To implement this act, the department may use this 24 appropriation as follows: 25 (a) \$681,555, which consists of \$575,289 from general fund and 26 \$106,266 from the marijuana tax cash fund, for administration and

27 support related to disease control and public health response, which

| 1 | amount is based on an assumption that the department will require an |
|----|--|
| 2 | additional 1.9 FTE; |
| 3 | (b) \$405,576 from the wholesale food manufacturing and storage |
| 4 | protection cash fund for enrironmental health programs, which amount is |
| 5 | based on an assumption that the department will require an additional 3.5 |
| 6 | <u>FTE; and</u> |
| 7 | (c) \$190,332 from the marijuana tax cash fund for for the |
| 8 | purchase of legal services. |
| 9 | (2) For the 2023-24 state fiscal year, \$198,900 is appropriated to |
| 10 | the department of revenue. This appropriation is from the marijuana cash |
| 11 | fund created in section 44-10-801 (1)(a), C.R.S. To implement this act, |
| 12 | the department may use this appropriation as follows: |
| 13 | (a) \$141,800 for marijuana enforcement, which amount is based |
| 14 | on an assumption that the department will require an additional 1.5 FTE; |
| 15 | and |
| 16 | (b) \$57,100 for the purchase of legal services. |
| 17 | (3) For the 2023-24 state fiscal year, \$247,432 is appropriated to |
| 18 | the department of law. This appropriation is from reappropriated funds |
| 19 | received from the departments of public health and environment and |
| 20 | revenue under subsection (1)(c) and (2)(b) of this section and is based on |
| 21 | an assumption that the department of law will require an additional 1.3 |
| 22 | FTE. To implement this act, the department of law may use this |
| 23 | appropriation to provide legal services for the departments of public |
| 24 | health and environment and revenue. |
| 25 | SECTION 19. Applicability. This act applies to offenses |
| 26 | committed or conduct occurring on or after the effective date of this act. |
| 27 | SECTION 20. Safety clause. The general assembly hereby finds, |

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.