

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

March 26, 2015
Date

Committee on Agriculture, Natural Resources, & Energy.

After consideration on the merits, the Committee recommends the following:

SB15-196 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, strike everything below the enacting clause and
2 substitute:
3 "SECTION 1. In Colorado Revised Statutes, 12-43.4-405, **amend**
4 (1) as follows:
5 **12-43.4-405. Retail marijuana testing facility license - rules.**
6 (1) A retail marijuana testing facility license may be issued to a person
7 who performs testing and research on retail marijuana AND INDUSTRIAL
8 HEMP AS REGULATED BY ARTICLE 61 OF TITLE 35, C.R.S. The facility may
9 develop and test retail marijuana products AND INDUSTRIAL HEMP AS
10 REGULATED BY ARTICLE 61 OF TITLE 35, C.R.S. PRIOR TO PERFORMING
11 TESTING ON INDUSTRIAL HEMP, A FACILITY SHALL VERIFY THAT THE
12 PERSON REQUESTING THE TESTING HAS RECEIVED A REGISTRATION FROM
13 THE COMMISSIONER AS REQUIRED BY SECTION 35-61-104, C.R.S.
14 **SECTION 2.** In Colorado Revised Statutes, 35-61-103, **amend**
15 (1) (a) introductory portion and (1) (a) (VIII); and **add** (1) (a) (X) and (1)
16 (a) (XI) as follows:
17 **35-61-103. Industrial hemp committee - appointments - duties**
18 **- coordination with department.** (1) (a) The industrial hemp committee
19 is hereby established. The chair of the agriculture, livestock, and natural
20 resources committee in the house of representatives and the chair of the
21 agriculture, natural resources, and energy committee in the senate shall
22 jointly appoint ~~nine~~ ELEVEN members to the industrial hemp committee
23 as follows:
24 (VIII) One member who is a citizen advocate for industrial hemp;
25 **and**

1 (X) ONE MEMBER WHO IS A REPRESENTATIVE FROM THE
2 CANNABINOID INDUSTRY; AND

3 (XI) ONE MEMBER WHO REPRESENTS CERTIFIED SEED GROWERS.

4 **SECTION 3.** In Colorado Revised Statutes, 35-61-104.5, **add**
5 (1.5) as follows:

6 **35-61-104.5. Research - certified seed program - fees.**
7 (1.5) THE DEPARTMENT SHALL ADMINISTER A CERTIFIED SEED PROGRAM
8 THAT IDENTIFIES SEEDS THAT PRODUCE INDUSTRIAL HEMP. IN
9 ACCORDANCE WITH ALL FEDERAL AND STATE LAWS AND REGULATIONS,
10 THE DEPARTMENT MAY IMPORT SEEDS TO DEVELOP THE CERTIFIED SEED
11 PROGRAM.

12 **SECTION 4.** In Colorado Revised Statutes, **add** 35-61-105.5 as
13 follows:

14 **35-61-105.5. Testing laboratories.** IF A PERSON REGISTERED
15 PURSUANT TO THIS ARTICLE WANTS A LICENSED RETAIL MARIJUANA
16 TESTING FACILITY TO PERFORM TESTING ON THE INDUSTRIAL HEMP THAT
17 THE REGISTRANT IS CULTIVATING, THAT PERSON SHALL USE AN INVENTORY
18 TRACKING SYSTEM APPROVED BY THE COMMISSIONER. THE COMMISSIONER
19 SHALL ONLY APPROVE AN INVENTORY TRACKING SYSTEM IF THAT SYSTEM
20 IS COMPATIBLE WITH THE STATE LICENSING AUTHORITY'S SEED-TO-SALE
21 TRACKING SYSTEM REQUIRED PURSUANT TO SECTION 12-43.4-202 (1),
22 C.R.S. A LICENSED RETAIL TESTING FACILITY SHALL PROVIDE THE TEST
23 RESULTS TO THE REGISTRANT AND THE COMMISSIONER. ALL TEST RESULTS
24 SHALL BE CONSIDERED CONFIDENTIAL BUSINESS INFORMATION. THIS
25 SECTION SHALL NOT BE CONSTRUED TO PREVENT THE USE OF THE
26 TRACKING SYSTEM FOR OTHER PURPOSES.

27 **SECTION 5.** In Colorado Revised Statutes, 35-61-106, **amend**
28 (2) as follows:

29 **35-61-106. Industrial hemp registration program cash fund -**
30 **industrial hemp research grant cash fund - fees.** (2) The commissioner
31 shall collect a fee from persons applying for a registration pursuant to this
32 article. The commissioner shall set ~~the fee~~ A FEE SCHEDULE based on the
33 size AND USE of the land area on which the person will conduct industrial
34 hemp operations and shall set the fee SCHEDULE at a level sufficient to
35 generate the amount of moneys necessary to cover the department's direct
36 and indirect costs in implementing this article. The commissioner shall
37 transmit the fees collected pursuant to this section to the state treasurer
38 for deposit in the fund.

39 **SECTION 6.** In Colorado Revised Statutes, 35-61-108, **amend**
40 (2) as follows:

41 **35-61-108. Exportation of industrial hemp - processing, sale,**
42 **and distribution.** (2) Notwithstanding any other provision of law, a

1 person engaged in processing, selling, TRANSPORTING, POSSESSING, or
2 otherwise distributing industrial hemp cultivated by a person registered
3 under this article, or selling industrial hemp products produced therefrom,
4 is not subject to any civil or criminal actions under Colorado law for
5 engaging in such activities.

6 **SECTION 7. Act subject to petition - effective date.** This act
7 takes effect at 12:01 a.m. on the day following the expiration of the
8 ninety-day period after final adjournment of the general assembly (August
9 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
10 referendum petition is filed pursuant to section 1 (3) of article V of the
11 state constitution against this act or an item, section, or part of this act
12 within such period, then the act, item, section, or part will not take effect
13 unless approved by the people at the general election to be held in
14 November 2016 and, in such case, will take effect on the date of the
15 official declaration of the vote thereon by the governor."

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