

**STATE  
FISCAL IMPACT**

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| <b>Drafting Number:</b> LLS 14-0988                                  | <b>Date:</b> April 14, 2014                                     |
| <b>Prime Sponsor(s):</b> Rep. Singer; McNulty<br>Sen. Johnston; King | <b>Bill Status:</b> House Health, Insurance, and<br>Environment |
|  | <b>Fiscal Analyst:</b> Clare Pramuk (303-866-2677)              |

**SHORT TITLE:** SALE OF EDIBLE MARIJUANA PRODUCTS

| Fiscal Impact Summary*               | FY 2014-2015               | FY 2015-2016 |
|--------------------------------------|----------------------------|--------------|
| State Revenue                        |                            |              |
| State Expenditures                   | Minimal workload increase. |              |
| FTE Position Change                  |                            |              |
| <b>Appropriation Required:</b> None. |                            |              |

\* This summary shows changes from current law under the bill for each fiscal year.

**Summary of Legislation**

Existing Department of Revenue (DOR) rules require all retail marijuana and retail marijuana products to be in packaging meeting requirements similar to the federal "Poison Prevention Packaging Act of 1970." This bill limits that requirement to apply only to edible retail marijuana products. The bill also requires that on or before January 1, 2016, the DOR adopt rules requiring edible retail marijuana products to be shaped, stamped, colored, or otherwise marked with a standard symbol indicating that it contains marijuana and is not for consumption by children.

Current law prohibits a retail marijuana manufacturer from adding marijuana to a trademarked food product if the final product is represented as containing a trademarked product. The bill expands the prohibition to include knowingly adding marijuana to food products that a reasonable consumer would confuse with a trademarked food. Additionally, it prohibits manufacturers from knowingly adding marijuana to a product that is primarily marketed to children.

**State Expenditures**

The bill will increase workload in the Marijuana Enforcement Division in the DOR to conduct stakeholder meetings, promulgate rules, and conduct outreach to make the retail marijuana industry aware of the new requirements. This increase in workload will be managed as part of ongoing implementation of state marijuana enforcement and does not require a new appropriation.

**Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

**State and Local Government Contacts**

Revenue

Law