

Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

**PREAMENDED**

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

LLS NO. 14-0941.01 Kristen Forrestal x4217

**SENATE BILL 14-184**

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**SENATE SPONSORSHIP**

**Schwartz,**

**HOUSE SPONSORSHIP**

**Coram,**

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**Senate Committees**  
Local Government

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING OVERSIGHT OF THE INDUSTRIAL HEMP PROGRAM.**

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**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://www.leg.state.co.us/billsummaries>.)*

Current law limits a person who holds a registration to grow industrial hemp for research and development purposes to growth outdoors and on not more than 10 acres. The bill removes these limitations. The bill also changes the time period during which a person who wishes to grow industrial hemp may apply to the department of agriculture (department) from May first of the year in which the person wishes to grow hemp to prior to planting.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

The bill requires the department to test at least 80% of the hemp crop in the industrial hemp registration program. The bill allows the general assembly to make general fund appropriations to support the program.

The bill exempts state-accredited research institutions that are engaged in research and development from the industrial hemp testing program. The bill allows a research and development registrant to use or destroy hemp that exceeds delta-9 tetrahydrocannabinol concentration limits established by the department in a manner approved and verified by the department.

The bill requires the department to administer an industrial hemp grant program that is funded through registration fees and moneys from the medical marijuana cash fund. The grants allow state institutions of higher education to conduct the research. The bill creates the industrial hemp research grant program fund.

The bill allows a person to process, sell, and distribute hemp cultivated by a registered person or to sell hemp products produced from the hemp.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 35-61-101 as  
3 follows:

4 **35-61-101. Definitions.** As used in this article, unless the context  
5 otherwise requires:

6 (1) "CERTIFIED SEED" MEANS INDUSTRIAL HEMP SEED, INCLUDING  
7 COLORADO HERITAGE CANNABIS SEED, THAT HAS BEEN CERTIFIED BY AN  
8 ORGANIZATION RECOGNIZED BY THE DEPARTMENT AS HAVING NO MORE  
9 THAN A THREE-TENTHS OF ONE PERCENT OF DELTA-9  
10 TETRAHYDROCANNIBINOL CONCENTRATION ON A DRY-WEIGHT BASIS.

11 (2) "COLORADO HERITAGE CANNABIS SEED" MEANS SEED FROM  
12 THE PLANT CANNABIS SATIVA THAT POSSESSES CHARACTERISTICS OF A  
13 UNIQUE AND SPECIALIZED CANNABIS SEED VARIETY THAT IS PRESENT IN  
14 COLORADO OR HAS BEEN RECOGNIZED AS PRODUCED IN COLORADO.

15 (†) (3) "Commissioner" means the commissioner of agriculture.

1           ~~(2)~~ (4) "Committee" means the industrial hemp committee  
2 established in section 35-61-103.

3           ~~(3)~~ (5) "Delta-9 tetrahydrocannabinols" has the same meaning as  
4 "tetrahydrocannabinols" as set forth in section 27-80-203 (24), C.R.S.

5           ~~(4)~~ (6) "Department" means the department of agriculture.

6           ~~(5)~~ (7) "Industrial hemp" means a plant of the genus cannabis and  
7 any part of the plant, whether growing or not, containing a delta-9  
8 tetrahydrocannabinol concentration of no more than three-tenths of one  
9 percent on a dry weight basis.

10           **SECTION 2.** In Colorado Revised Statutes, 35-61-102, **amend**  
11 (1) as follows:

12           **35-61-102. Industrial hemp - permitted growth by registered**  
13 **persons.** (1) Notwithstanding any other provision of law to the contrary,  
14 a person who holds a registration issued pursuant to section 35-61-104  
15 may:

16           (a) Engage in industrial hemp cultivation for commercial  
17 purposes; or

18           (b) Grow industrial hemp ~~outdoors on not more than ten acres~~ for  
19 research and development purposes.

20           **SECTION 3.** In Colorado Revised Statutes, 35-61-103, **amend**  
21 (2) introductory portion, (2) (b), and (3) as follows:

22           **35-61-103. Industrial hemp committee - appointments - duties**  
23 **- coordination with department.** (2) The committee shall work with the  
24 department to establish an industrial hemp registration program AND A  
25 SEED CERTIFICATION PROGRAM pursuant to section 35-61-104, under  
26 which a person may obtain authorization to:

27           (b) Grow industrial hemp outdoors ~~on not more than ten acres~~ for

1 purposes of research and development.

2 (3) The committee shall assist the department in determining the  
3 qualifications and other criteria a person must satisfy to qualify for  
4 registration under this article. THE COMMITTEE SHALL ASSIST THE  
5 DEPARTMENT IN THE DEVELOPMENT OF A SEED CERTIFICATION PROGRAM.

6 **SECTION 4.** In Colorado Revised Statutes, 35-61-104, **amend**  
7 (1) (a) and (2) as follows:

8 **35-61-104. Registration - cultivation of industrial hemp -**  
9 **research and development growth - rules.** (1) (a) A person wishing to  
10 engage in industrial hemp cultivation for commercial purposes or to grow  
11 industrial hemp for research and development purposes ~~in any given year~~  
12 shall apply to the department for a registration in a form and manner  
13 determined by the commissioner, in consultation with the committee, ~~by~~  
14 ~~May 1 of the year in which the applicant plans to grow~~ PRIOR TO  
15 PLANTING THE industrial hemp for commercial or research and  
16 development purposes. The application must include the name and  
17 address of the applicant and the legal description, global positioning  
18 system location, and map of the land area on which the applicant plans to  
19 engage in industrial hemp cultivation or research and development  
20 growth operations. The applicant shall also submit to the department the  
21 fee required by section 35-61-106 (2). APPLICATION FOR REGISTRATION  
22 PURSUANT TO THIS SECTION IS A MATTER OF STATEWIDE CONCERN.

23 (2) If a person applies for registration in accordance with  
24 subsection (1) of this section and the commissioner determines that the  
25 person has satisfied the requirements for registration pursuant to this  
26 article, the commissioner shall issue a registration to the person. ~~A~~  
27 ~~registration authorizing industrial hemp research and development growth~~

1 ~~must limit the industrial hemp growth area to not more than ten acres.~~

2 **SECTION 5.** In Colorado Revised Statutes, **add** 35-61-104.5 as  
3 follows:

4 **35-61-104.5. Research - fees.** (1) (a) THE DEPARTMENT SHALL  
5 ADMINISTER AN INDUSTRIAL HEMP GRANT RESEARCH PROGRAM SO THAT  
6 STATE INSTITUTIONS OF HIGHER EDUCATION MAY CONDUCT RESEARCH TO  
7 DEVELOP OR RECREATE STRAINS OF INDUSTRIAL HEMP BEST SUITED FOR  
8 INDUSTRIAL APPLICATIONS. THE PURPOSE OF THE RESEARCH MAY INCLUDE  
9 GROWING INDUSTRIAL HEMP TO PROVIDE BREEDING STRAINS TO AID  
10 COLORADO'S INDUSTRIAL HEMP PROGRAM AND TO CREATE COLORADO  
11 STRAINS OF INDUSTRIAL HEMP. THE PURPOSE OF THE PROGRAM MAY  
12 INCLUDE RESEARCH TO ASCERTAIN THE EFFICACY OF USING HEMP FOR  
13 MEDICAL TREATMENT.

14 (b) AN INSTITUTION OF HIGHER EDUCATION THAT CONDUCTS  
15 INDUSTRIAL HEMP SEED RESEARCH MAY ACCEPT SEED VARIETIES THAT ARE  
16 APPROVED BY THE COMMITTEE OR THE DEPARTMENT. THE INSTITUTION OF  
17 HIGHER EDUCATION MAY WORK WITH PRIVATE HEMP DEVELOPERS AND  
18 OTHER STAKEHOLDERS TO DEVELOP A COLORADO HERITAGE SEED.

19 (2) IN ADDITION TO THE FEES COLLECTED PURSUANT TO SECTION  
20 35-61-106, THE COMMISSIONER MAY COLLECT AN ADDITIONAL FEE,  
21 ESTABLISHED BY THE COMMITTEE, FROM EACH REGISTRANT FOR THE  
22 PURPOSE OF FUNDING INDUSTRIAL HEMP RESEARCH AND CERTIFICATION  
23 PROGRAMS, INCLUDING BY MAKING GRANTS TO INSTITUTIONS OF HIGHER  
24 EDUCATION AS SPECIFIED IN SUBSECTION (1) OF THIS SECTION. THE FEES  
25 COLLECTED SHALL BE DEPOSITED IN THE INDUSTRIAL HEMP REGISTRATION  
26 PROGRAM CASH FUND CREATED IN SECTION 35-61-106 (3). THE  
27 DEPARTMENT MAY SOLICIT, APPLY FOR, AND ACCEPT MONEYS FROM OTHER

1 SOURCES FOR THE GRANT PROGRAM.

2 **SECTION 6.** In Colorado Revised Statutes, 35-61-106, **amend**  
3 (1); and **add** (3) as follows:

4 **35-61-106. Industrial hemp registration program cash fund -**  
5 **industrial hemp research grant cash fund - fees.** (1) There is hereby  
6 created in the state treasury the industrial hemp registration program cash  
7 fund, referred to in this article as the "fund". The fund consists of fees  
8 collected by the commissioner pursuant to subsection (2) of this section  
9 AND ANY GENERAL FUND MONEYS APPROPRIATED TO THE FUND BY THE  
10 GENERAL ASSEMBLY. The moneys in the fund are subject to annual  
11 appropriation by the general assembly to the department for the direct and  
12 indirect costs associated with implementing this article.

13 (3) THERE IS HEREBY CREATED IN THE STATE TREASURY THE  
14 INDUSTRIAL HEMP RESEARCH GRANT FUND. THE FUND CONSISTS OF FEES  
15 COLLECTED BY THE COMMISSIONER PURSUANT TO SECTION 35-61-104.5  
16 (2); ANY MONEYS FROM FOUNDATIONS, PRIVATE INDIVIDUALS, OR ANY  
17 OTHER FUNDING SOURCES THAT CAN BE USED TO EXPAND THE SCOPE OR  
18 TIME FRAME OF ANY HEMP RESEARCH AUTHORIZED PURSUANT TO THIS  
19 ARTICLE 1; AND, ON AND AFTER JULY 1, 2015, UP TO TEN MILLION  
20 DOLLARS APPROPRIATED BY THE GENERAL ASSEMBLY FROM THE  
21 MARIJUANA CASH FUND, ESTABLISHED IN SECTION 12-43.3-501, C.R.S.  
22 THE MONEYS IN THE FUND ARE SUBJECT TO ANNUAL APPROPRIATIONS BY  
23 THE GENERAL ASSEMBLY TO THE DEPARTMENT TO ESTABLISH AND  
24 ADMINISTER AN INDUSTRIAL HEMP RESEARCH GRANT PROGRAM AND TO  
25 CONDUCT HEMP RESEARCH, INCLUDING MEDICAL RESEARCH.

26 **SECTION 7.** In Colorado Revised Statutes, 35-61-107, **add** (5)  
27 as follows:

1           **35-61-107. Violations - penalties.** (5) THE COMMISSIONER SHALL  
2 NEITHER REVOKE NOR SUSPEND AN INSTITUTION OF HIGHER EDUCATION'S  
3 REGISTRATION OR A RESEARCH-AND-DEVELOPMENT REGISTRANT'S  
4 REGISTRATION WHEN A SAMPLE OF THE REGISTRANT'S INDUSTRIAL HEMP  
5 TESTS HIGHER THAN THE LIMITS ESTABLISHED BY RULE OF THE  
6 COMMISSIONER IF THE CROP IS DESTROYED OR UTILIZED IN A MANNER  
7 APPROVED OF AND VERIFIED BY THE COMMISSIONER.

8           **SECTION 8.** In Colorado Revised Statutes, **amend** 35-61-108 as  
9 follows:

10           **35-61-108. Exportation of industrial hemp - processing, sale,**  
11 **and distribution.** (1) Nothing in this article limits or precludes the  
12 exportation of industrial hemp in accordance with the federal "Controlled  
13 Substances Act", as amended, 21 U.S.C. sec. 801 et seq., federal  
14 regulations adopted under the act, and case law interpreting the act.

15           (2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A PERSON  
16 ENGAGED IN PROCESSING, SELLING, OR OTHERWISE DISTRIBUTING  
17 INDUSTRIAL HEMP CULTIVATED BY A PERSON REGISTERED UNDER THIS  
18 ARTICLE, OR SELLING INDUSTRIAL HEMP PRODUCTS PRODUCED  
19 THEREFROM, IS NOT SUBJECT TO ANY CIVIL OR CRIMINAL ACTIONS UNDER  
20 COLORADO LAW FOR ENGAGING IN SUCH ACTIVITIES.

21           **SECTION 9.** In Colorado Revised Statutes, 12-43.3-501, **amend**  
22 (1) (b) (IV) and (1) (b) (V); and **add** (1) (b) (VI) as follows:

23           **12-43.3-501. Marijuana cash fund - repeal.** (1) (b) Moneys in  
24 the fund shall be subject to annual appropriation by the general assembly  
25 to:

26           (IV) The department of law for the training described in section  
27 24-31-313, C.R.S.; and

1 (V) The general fund to repay two million dollars to the general  
2 fund for the transfers required by section 39-26-123 (6), C.R.S.; AND

3 (VI) THE DEPARTMENT OF AGRICULTURE TO ADMINISTER AN  
4 INDUSTRIAL HEMP RESEARCH PROGRAM PURSUANT TO SECTION 35-61-106,  
5 C.R.S.

6 **SECTION 10.** In Colorado Revised Statutes, 25-1.5-106.5,  
7 **amend as added by SB 14-155 (2) (a) (II) as follows:**

8 **25-1.5-106.5. Medical marijuana health research grant**  
9 **program. (2) Medical marijuana research grant program - rules.**

10 **(a) (II) The department shall coordinate the grant program to fund**  
11 **research intended to ascertain the general medical efficacy and**  
12 **appropriate administration of marijuana. The grant program shall be**  
13 **limited to providing for objective scientific research to ascertain the**  
14 **efficacy of marijuana AND HEMP as part of medical treatment and should**  
15 **not be construed as encouraging or sanctioning the social or recreational**  
16 **use of marijuana. The grant program shall fund observational trials and**  
17 **clinical trials.**

18 **SECTION 11. Effective date.** This act takes effect upon passage;  
19 **except that section 9 of this act takes effect only if Senate Bill 14-155**  
20 **becomes law and takes effect either upon the effective date of this act or**  
21 **Senate Bill 14-155, whichever is later.**

22 **SECTION 12. Safety clause.** The general assembly hereby finds,  
23 determines, and declares that this act is necessary for the immediate  
24 preservation of the public peace, health, and safety.