

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 15-1042.01 Michael Dohr x4347

SENATE BILL 15-260

SENATE SPONSORSHIP

Aguilar, Kerr

HOUSE SPONSORSHIP

Ginal,

Senate Committees

State, Veterans, & Military Affairs
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING MEDICAL MARIJUANA PRODUCT TESTING, AND, IN**
102 **CONNECTION THEREWITH, MAKING 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://www.leg.state.co.us/billsummaries>.)

Currently the retail marijuana code requires that retail marijuana be tested. The bill requires similar testing for medical marijuana. The bill states that testing will not begin until a marijuana laboratory testing reference library is created and licensees are set up for proficiency standards and tests. The bill creates a medical marijuana testing facility license.

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.*

SENATE
Amended 2nd Reading
April 29, 2015

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-43.3-202, **add**
3 (2.5) as follows:

4 **12-43.3-202. Powers and duties of state licensing authority -**
5 **rules.** (2.5) (a) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF
6 SUBSECTION (1) OF THIS SECTION MUST INCLUDE, BUT NEED NOT BE
7 LIMITED TO, THE FOLLOWING SUBJECTS:

8 (I) (A) ESTABLISHING A MEDICAL MARIJUANA AND MEDICAL
9 MARIJUANA-INFUSED PRODUCTS INDEPENDENT TESTING AND
10 CERTIFICATION PROGRAM FOR MEDICAL MARIJUANA LICENSEES, WITHIN AN
11 IMPLEMENTATION TIME FRAME, REQUIRING LICENSEES TO TEST MEDICAL
12 MARIJUANA TO ENSURE, AT A MINIMUM, THAT PRODUCTS SOLD FOR HUMAN
13 CONSUMPTION DO NOT CONTAIN CONTAMINANTS THAT ARE INJURIOUS TO
14 HEALTH AND TO ENSURE CORRECT LABELING;

15 (B) TESTING MAY INCLUDE ANALYSIS FOR MICROBIAL AND
16 RESIDUAL SOLVENTS AND CHEMICAL AND BIOLOGICAL CONTAMINANTS
17 DEEMED TO BE PUBLIC HEALTH HAZARDS BY THE COLORADO DEPARTMENT
18 OF PUBLIC HEALTH AND ENVIRONMENT BASED ON MEDICAL REPORTS AND
19 PUBLISHED SCIENTIFIC LITERATURE;

20 (C) IN THE EVENT THAT TEST RESULTS INDICATE THE PRESENCE OF
21 QUANTITIES OF ANY SUBSTANCE DETERMINED TO BE INJURIOUS TO
22 HEALTH, THE LICENSEE SHALL IMMEDIATELY QUARANTINE THE PRODUCTS
23 AND NOTIFY THE STATE LICENSING AUTHORITY. THE LICENSEE SHALL
24 DOCUMENT AND PROPERLY DESTROY THE ADULTERATED PRODUCT.

25 (D) TESTING SHALL ALSO VERIFY THC POTENCY
26 REPRESENTATIONS AND HOMOGENEITY FOR CORRECT LABELING AND

1 PROVIDE A CANNABINOID PROFILE FOR THE MARIJUANA PRODUCT;

2 (E) THE STATE LICENSING AUTHORITY SHALL DETERMINE AN
3 ACCEPTABLE VARIANCE FOR POTENCY REPRESENTATIONS AND
4 PROCEDURES TO ADDRESS POTENCY MISREPRESENTATIONS; AND

5 (F) THE STATE LICENSING AUTHORITY SHALL DETERMINE THE
6 PROTOCOLS AND FREQUENCY OF MARIJUANA TESTING BY LICENSEES.

7 (b) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC
8 HEALTH AND ENVIRONMENT SHALL PROVIDE TO THE STATE LICENSING
9 AUTHORITY STANDARDS FOR LICENSING LABORATORIES PURSUANT TO THE
10 REQUIREMENTS AS OUTLINED IN SUB-SUBPARAGRAPH (A) OF
11 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (2.5) FOR
12 MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS.

13 (c) MANDATORY MEDICAL MARIJUANA TESTING SHALL NOT BEGIN
14 UNTIL A MARIJUANA LABORATORY TESTING REFERENCE LIBRARY IS
15 CREATED AND LICENSEES ARE SET UP FOR PROFICIENCY TESTS AND
16 STANDARDS.

17 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-401, **amend**
18 (1) (c); and **add** (1) (c.5) as follows:

19 **12-43.3-401. Classes of licenses.** (1) For the purpose of
20 regulating the cultivation, manufacture, distribution, and sale of medical
21 marijuana, the state licensing authority in its discretion, upon application
22 in the prescribed form made to it, may issue and grant to the applicant a
23 license from any of the following classes, subject to the provisions and
24 restrictions provided by this article:

25 (c) Medical marijuana-infused products manufacturing license;
26 **and**

27 (c.5) MEDICAL MARIJUANA TESTING FACILITY LICENSE; AND

1 **SECTION 3.** In Colorado Revised Statutes, 12-43.3-402, **amend**
2 (6) as follows:

3 **12-43.3-402. Medical marijuana center license.** (6) A medical
4 marijuana center may provide, EXCEPT AS REQUIRED BY SECTION
5 12-43.3-202 (2.5) (a) (I), a sample of its products to a ~~laboratory that has~~
6 ~~an occupational license~~ FACILITY THAT HAS A MEDICAL MARIJUANA
7 TESTING FACILITY LICENSE from the state licensing authority for testing
8 and research purposes. ~~The laboratory may develop, test, and produce~~
9 ~~medical marijuana-based products. The laboratory may contract method~~
10 ~~or product development with a licensed medical marijuana center or~~
11 ~~licensed medical marijuana infused-product manufacturer. The state~~
12 ~~licensing authority shall promulgate rules pursuant to its authority in~~
13 ~~section 12-43.3-202 (1) (b) related to acceptable testing and research~~
14 ~~practices, including but not limited to testing, standards, quality control~~
15 ~~analysis, equipment certification and calibration, and chemical~~
16 ~~identification and other substances used in bona fide research methods.~~
17 ~~A laboratory that has an occupational license from the state licensing~~
18 ~~authority for testing purposes shall not have any interest in a licensed~~
19 ~~medical marijuana center or a licensed medical marijuana-infused~~
20 ~~products manufacturer. A MEDICAL MARIJUANA CENTER SHALL MAINTAIN~~
21 ~~A RECORD OF WHAT WAS PROVIDED TO THE TESTING FACILITY, THE~~
22 ~~IDENTITY OF THE TESTING FACILITY, AND THE RESULTS OF THE TESTING.~~

23 **SECTION 4.** In Colorado Revised Statutes, 12-43.3-404, **amend**
24 (10) as follows:

25 **12-43.3-404. Medical marijuana-infused products**
26 **manufacturing license.** (10) A medical marijuana-infused products
27 manufacturer may provide, EXCEPT AS REQUIRED BY SECTION 12-43.3-202

1 (2.5) (a) (I), a sample of its products to a ~~laboratory that has an~~
2 ~~occupational license~~ FACILITY THAT HAS A MEDICAL MARIJUANA TESTING
3 FACILITY LICENSE from the state licensing authority for testing and
4 research purposes. ~~The state licensing authority shall promulgate rules~~
5 ~~pursuant to its authority in section 12-43.3-202 (1) (b) related to~~
6 ~~acceptable testing and research practices. A laboratory that has an~~
7 ~~occupational license from the state licensing authority for testing~~
8 ~~purposes shall not have any interest in a licensed medical marijuana~~
9 ~~center or a licensed medical marijuana-infused products manufacturer. A~~
10 MEDICAL MARIJUANA PRODUCTS MANUFACTURER SHALL MAINTAIN A
11 RECORD OF WHAT WAS PROVIDED TO THE TESTING FACILITY, THE IDENTITY
12 OF THE TESTING FACILITY, AND THE RESULTS OF THE TESTING.

13 **SECTION 5.** In Colorado Revised Statutes, **add** 12-43.3-405 as
14 follows:

15 **12-43.3-405. Medical marijuana testing facility license - rules.**

16 (1) A MEDICAL MARIJUANA TESTING FACILITY LICENSE MAY BE ISSUED TO
17 A PERSON WHO PERFORMS TESTING AND RESEARCH ON MEDICAL
18 MARIJUANA FOR MEDICAL MARIJUANA LICENSEES. THE FACILITY MAY
19 DEVELOP AND TEST MEDICAL MARIJUANA PRODUCTS.

20 (2) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES
21 PURSUANT TO ITS AUTHORITY IN SECTION 12-43.3-202 (1) (b) RELATED TO
22 ACCEPTABLE TESTING AND RESEARCH PRACTICES, INCLUDING BUT NOT
23 LIMITED TO TESTING, STANDARDS, QUALITY CONTROL ANALYSIS,
24 EQUIPMENT CERTIFICATION AND CALIBRATION, AND CHEMICAL
25 IDENTIFICATION AND OTHER SUBSTANCES USED IN BONA FIDE RESEARCH
26 METHODS.

27 (3) A PERSON WHO HAS AN INTEREST IN A MEDICAL MARIJUANA

1 TESTING FACILITY LICENSE FROM THE STATE LICENSING AUTHORITY FOR
2 TESTING PURPOSES SHALL NOT HAVE ANY INTEREST IN A LICENSED
3 MEDICAL MARIJUANA CENTER, A LICENSED OPTIONAL PREMISES
4 CULTIVATION OPERATION, A LICENSED MEDICAL MARIJUANA-INFUSED
5 PRODUCTS MANUFACTURER, A LICENSED RETAIL MARIJUANA STORE, A
6 LICENSED RETAIL MARIJUANA CULTIVATION FACILITY, OR A LICENSED
7 RETAIL MARIJUANA PRODUCTS MANUFACTURER. A PERSON THAT HAS AN
8 INTEREST IN A LICENSED MEDICAL MARIJUANA CENTER, A LICENSED
9 OPTIONAL PREMISES CULTIVATION OPERATION, A LICENSED MEDICAL
10 MARIJUANA-INFUSED PRODUCTS MANUFACTURER, A LICENSED RETAIL
11 MARIJUANA STORE, A LICENSED RETAIL MARIJUANA CULTIVATION
12 FACILITY, OR A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER
13 SHALL NOT HAVE AN INTEREST IN A FACILITY THAT HAS A MEDICAL
14 MARIJUANA TESTING FACILITY LICENSE.

15 **SECTION 6. In Colorado Revised Statutes, 39-28.8-501, add (4)**
16 **(c) as follows:**

17 **39-28.8-501. Marijuana tax cash fund - creation - distribution**
18 **- repeal.**

19 **(4) The state treasurer shall make the following transfers from the**
20 **fund to the general fund:**

21 **(c) ON JULY 1, 2015, ONE HUNDRED TWENTY-NINE THOUSAND SIX**
22 **HUNDRED DOLLARS.**

23 **SECTION 7. Appropriation. (1) For the 2015-16 state fiscal**
24 **year, \$62,230 is appropriated to the department of revenue. This**
25 **appropriation is from the marijuana tax cash fund created in section**
26 **39-28.8-501 (1), C.R.S. To implement this act, the department may use**
27 **this appropriation as follows:**

1 (a) \$61,200 for use by marijuana enforcement division for
2 marijuana enforcement, which amount is based on an assumption that the
3 division will require an additional 0.9 FTE; and

4 (b) \$1,030 for the purchase of information technology services.

5 (2) For the 2015-16 state fiscal year, \$1,030 is appropriated to the
6 office of the governor for use by the office of information technology.

7 This appropriation is from reappropriated funds received from the
8 department of revenue under paragraph (b) of subsection (1) of this
9 section. To implement this act, the office may use this appropriation to
10 provide information technology services for the department of revenue.

11 **SECTION 8. Act subject to petition - effective date.** This act
12 takes effect July 1, 2016; except that, if a referendum petition is filed
13 pursuant to section 1 (3) of article V of the state constitution against this
14 act or an item, section, or part of this act within such period, then the act,
15 item, section, or part will not take effect unless approved by the people
16 at the general election to be held in November 2016 and, in such case,
17 will take effect on the date of the official declaration of the vote thereon
18 by the governor.