

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 17-1025.01 Thomas Morris x4218

SENATE BILL 17-275

SENATE SPONSORSHIP

Baumgardner and Jahn,

HOUSE SPONSORSHIP

Melton and Singer,

Senate Committees

Agriculture, Natural Resources, & Energy
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING MARIJUANA, AND, IN CONNECTION THEREWITH,**
102 **AUTHORIZING RESEARCH REGARDING THE SAFETY AND**
103 **EFFICACY OF MEDICAL MARIJUANA AND THE SAFE AND**
104 **EFFECTIVE USE OF PESTICIDES AND ESTABLISHING INTERIM**
105 **STANDARDS FOR THE USE OF PESTICIDES, AND, IN CONNECTION**
106 **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://leg.colorado.gov>.)

Section 1 of the bill directs the department of public health and

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.

environment to use marijuana taxes to make research grants regarding the medical efficacy of Colorado-grown strains of medical marijuana and requires the person appointed to the scientific advisory council who represents medical marijuana patient interests to have scientific expertise. **Sections 2 and 3** allow a licensed medical or retail marijuana facility to transfer marijuana to a research facility for purposes of the medical research.

Sections 2 and 3 also allow the use of medical or retail marijuana by a pesticide manufacturer in limited quantities as specified in rules promulgated by the state licensing authority that authorize a pesticide manufacturer to conduct research to establish safe and effective protocols for the use of pesticides on medical or retail marijuana.

Sections 4 and 5 allow medical and retail marijuana cultivators to use a pesticide in the cultivation and production of marijuana if the pesticide:

- ! Is exempt from registration pursuant to federal law; can be used on crop group 19, hops, or unspecified crops or plants; or has been listed by the Organic Materials Review Institute;
- ! Has affixed to it a label that allows the pesticide to be used at the intended site of application; and
- ! Has affixed to it a label that allows the pesticide to be used on crops and plants intended for human consumption.

Once the department has certified marijuana test laboratories, if a test result indicates the presence of unauthorized pesticides, the state licensing authority shall allow the licensee to provide a sample for further testing. If no further testing occurs or if the second test indicates the presence of unauthorized pesticides, the licensee shall destroy the product. In determining whether the marijuana is contaminated with pesticides, the state licensing authority shall reasonably consider:

- ! The analytical variability and sensitivity in testing results;
- ! How the marijuana was grown or produced;
- ! Whether the cultivator actually applied unauthorized pesticides; and
- ! Whether the amount of pesticide falls within a reasonable tolerance based on scientific research.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-1.5-106.5, **amend**

3 (5) as follows:

4 **25-1.5-106.5. Medical marijuana health research grant**

1 program. (5) Sources of marijuana. (a) The attorney general shall seek
2 authority from the federal government to permit Colorado institutions of
3 higher education to contract with the national institute of drug abuse to
4 cultivate marijuana and its component parts for use in research studies
5 funded pursuant to this section.

6 (b) A PERSON WHO HOLDS AN OPTIONAL PREMISES CULTIVATION
7 LICENSE OR MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING
8 LICENSE ISSUED PURSUANT TO PART 4 OF ARTICLE 43.3 OF TITLE 12 OR A
9 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE OR A RETAIL
10 MARIJUANA PRODUCTS MANUFACTURING LICENSE ISSUED PURSUANT TO
11 PART 4 OF ARTICLE 43.4 OF TITLE 12 MAY TRANSFER MARIJUANA TO A
12 MEDICAL RESEARCH FACILITY, INCLUDING AT AN INSTITUTION OF HIGHER
13 EDUCATION, FOR USE IN RESEARCH STUDIES FUNDED PURSUANT TO THIS
14 SECTION. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A MEDICAL
15 RESEARCH FACILITY AUTHORIZED PURSUANT TO THIS SECTION TO
16 CONDUCT MEDICAL RESEARCH REGARDING MARIJUANA IS EXEMPT FROM
17 ALL OTHERWISE APPLICABLE RESTRICTIONS ON THE POSSESSION AND USE
18 OF MARIJUANA; EXCEPT THAT THE FACILITY SHALL USE THE MARIJUANA
19 ONLY FOR THE MEDICAL RESEARCH AUTHORIZED PURSUANT TO THIS
20 SECTION AND SHALL DESTROY ALL MARIJUANA REMAINING AFTER THE
21 RESEARCH HAS BEEN COMPLETED. FOR THE FISCAL YEARS BEGINNING ON
22 OR AFTER JULY 1, 2017, THE GENERAL ASSEMBLY MAY ANNUALLY
23 APPROPRIATE UP TO ONE PERCENT OF THE AVAILABLE MONEY IN THE
24 MARIJUANA TAX CASH FUND CREATED IN SECTION 39-28.8-501 TO THE
25 DEPARTMENT TO BE USED TO CONDUCT THE RESEARCH AUTHORIZED
26 PURSUANT TO THIS SUBSECTION (5)(b) FOR:

27 (I) THE PURCHASE OF MARIJUANA FROM A LICENSEE SPECIFIED IN

1 THIS SUBSECTION (5)(b) THAT WILL BE USED IN THE RESEARCH; AND
2 (II) AWARDING GRANTS PURSUANT TO THIS SECTION TO CONDUCT
3 MEDICAL RESEARCH.

4 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-202, **amend**
5 (1)(h); and add (2.5)(a)(I)(G) as follows:

6 **12-43.3-202. Powers and duties of state licensing authority -**
7 **rules.** (1) The state licensing authority shall:

8 (h) Develop and maintain a seed-to-sale tracking system that
9 tracks medical marijuana from either the seed or immature plant stage
10 until the medical marijuana or medical marijuana-infused product is sold
11 to a customer at a medical marijuana center to ensure that no medical
12 marijuana grown or processed by a medical marijuana establishment is
13 sold or otherwise transferred except by a medical marijuana center;
14 EXCEPT THAT THE MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED
15 PRODUCT IS NO LONGER SUBJECT TO THE TRACKING SYSTEM ONCE THE
16 MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCT HAS
17 BEEN:

18 (I) TRANSFERRED TO A MEDICAL RESEARCH FACILITY PURSUANT
19 TO SECTION 25-1.5-106.5 (5)(b); OR

20 (II) USED BY A PESTICIDE MANUFACTURER IN QUANTITIES THAT
21 ARE LIMITED AS SPECIFIED IN RULES PROMULGATED BY THE STATE
22 LICENSING AUTHORITY THAT AUTHORIZE A PESTICIDE MANUFACTURER TO
23 CONDUCT RESEARCH TO ESTABLISH SAFE AND EFFECTIVE PROTOCOLS FOR
24 THE USE OF PESTICIDES ON MEDICAL MARIJUANA. NOTWITHSTANDING ANY
25 OTHER PROVISION OF LAW, A PESTICIDE MANUFACTURER AUTHORIZED
26 PURSUANT TO THIS SUBSECTION (1)(h)(II) TO CONDUCT PESTICIDE
27 RESEARCH REGARDING MARIJUANA IS EXEMPT FROM ALL OTHERWISE

1 APPLICABLE RESTRICTIONS ON THE POSSESSION AND USE OF MEDICAL
2 MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCT; EXCEPT THAT
3 THE MANUFACTURER SHALL:

4 (A) NOT POSSESS AT ANY TIME A QUANTITY OF MEDICAL
5 MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCT IN EXCESS OF THE
6 LIMIT ESTABLISHED IN RULES PROMULGATED BY THE STATE LICENSING
7 AUTHORITY;

8 (B) USE THE MEDICAL MARIJUANA AND MEDICAL
9 MARIJUANA-INFUSED PRODUCT ONLY FOR THE PESTICIDE RESEARCH
10 AUTHORIZED PURSUANT TO THIS SUBSECTION (1)(h)(II); AND

11 (C) DESTROY ALL MEDICAL MARIJUANA AND MEDICAL
12 MARIJUANA-INFUSED PRODUCT REMAINING AFTER THE RESEARCH HAS
13 BEEN COMPLETED.

14 (2.5) (a) Rules promulgated pursuant to paragraph (b) of
15 subsection (1) of this section must include, but need not be limited to, the
16 following subjects:

17 (I) (G) A STATE, LOCAL, OR MUNICIPAL AGENCY SHALL NOT
18 EMPLOY OR USE THE RESULTS OF ANY TEST OF MEDICAL MARIJUANA OR
19 MEDICAL MARIJUANA-INFUSED PRODUCTS CONDUCTED BY AN ANALYTICAL
20 LABORATORY THAT IS NOT CERTIFIED PURSUANT TO THIS SUBSECTION
21 (2.5)(a)(I) FOR THE PARTICULAR INTENDED USE CATEGORY OR
22 ACCREDITED TO THE INTERNATIONAL ORGANIZATION FOR
23 STANDARDIZATION / INTERNATIONAL ELECTROTECHNICAL COMMISSION
24 17025 STANDARD FOR THAT FIELD OF TESTING.

25 **SECTION 3.** In Colorado Revised Statutes, 12-43.4-202, **amend**
26 **(1); and add (3)(a)(IV)(H)** as follows:

27 **12-43.4-202. Powers and duties of state licensing authority -**

1 **rules.** (1) TO ENSURE THAT NO MARIJUANA GROWN OR PROCESSED BY A
2 RETAIL MARIJUANA ESTABLISHMENT IS SOLD OR OTHERWISE TRANSFERRED
3 EXCEPT BY A RETAIL MARIJUANA STORE OR AS AUTHORIZED BY LAW, the
4 state licensing authority shall develop and maintain a seed-to-sale
5 tracking system that tracks retail marijuana from either seed or immature
6 plant stage until the marijuana or retail marijuana product is sold to a
7 customer at a retail marijuana store; to ensure that no marijuana grown or
8 processed by a retail marijuana establishment is sold or otherwise
9 transferred except by a retail marijuana store EXCEPT THAT RETAIL
10 MARIJUANA IS NO LONGER SUBJECT TO THE TRACKING SYSTEM ONCE THE
11 RETAIL MARIJUANA HAS BEEN:

12 (a) TRANSFERRED TO A MEDICAL RESEARCH FACILITY PURSUANT
13 TO SECTION 25-1.5-106.5 (5)(b); OR

14 (b) USED BY A PESTICIDE MANUFACTURER IN QUANTITIES THAT
15 ARE LIMITED AS SPECIFIED IN RULES PROMULGATED BY THE STATE
16 LICENSING AUTHORITY THAT AUTHORIZE A PESTICIDE MANUFACTURER TO
17 CONDUCT RESEARCH TO ESTABLISH SAFE AND EFFECTIVE PROTOCOLS FOR
18 THE USE OF PESTICIDES ON RETAIL MARIJUANA. NOTWITHSTANDING ANY
19 OTHER PROVISION OF LAW, A PESTICIDE MANUFACTURER AUTHORIZED
20 PURSUANT TO THIS SUBSECTION (1)(b) TO CONDUCT PESTICIDE RESEARCH
21 REGARDING RETAIL MARIJUANA IS EXEMPT FROM ALL OTHERWISE
22 APPLICABLE RESTRICTIONS ON THE POSSESSION AND USE OF RETAIL
23 MARIJUANA; EXCEPT THAT THE MANUFACTURER SHALL:

24 (I) NOT POSSESS AT ANY TIME A QUANTITY OF RETAIL MARIJUANA
25 IN EXCESS OF THE LIMIT ESTABLISHED IN RULES PROMULGATED BY THE
26 STATE LICENSING AUTHORITY;

27 (II) USE THE RETAIL MARIJUANA ONLY FOR THE PESTICIDE

1 RESEARCH AUTHORIZED PURSUANT TO THIS SUBSECTION (1)(b); AND
2 (III) DESTROY ALL RETAIL MARIJUANA REMAINING AFTER THE
3 RESEARCH HAS BEEN COMPLETED.

4 (3) (a) Rules promulgated pursuant to paragraph (b) of subsection
5 (2) of this section must include, but need not be limited to, the following
6 subjects:

7 (IV) (H) A STATE, LOCAL, OR MUNICIPAL AGENCY SHALL NOT
8 EMPLOY OR USE THE RESULTS OF ANY TEST OF MARIJUANA OR MARIJUANA
9 PRODUCTS CONDUCTED BY AN ANALYTICAL LABORATORY THAT IS NOT
10 CERTIFIED PURSUANT TO THIS SUBSECTION (3)(a)(IV) FOR THE
11 PARTICULAR INTENDED USE CATEGORY AND FOR THE SPECIFIC MATRIX
12 AND ACCREDITED BY A THIRD-PARTY FOR THAT FIELD OF TESTING.

13 == =====

14 **SECTION 4. Appropriation.** (1) For the 2017-18 state fiscal
15 year, \$62,210 is appropriated to the department of revenue. This
16 appropriation is from the marijuana cash fund created in section 12-43.3-
17 501(1)(a), C.R.S. To implement this act, the department may use this
18 appropriation as follows:

19 (a) \$43,200 for marijuana enforcement; and

20 (b) \$19,010 for the purchase of legal services.

21 (2) For the 2017-18 state fiscal year, \$19,010 is appropriated to
22 the department of law. This appropriation is from reappropriated funds
23 received from the department of revenue under subsection (1)(b) of this
24 section and is based on an assumption that the department of law will
25 require an additional 0.1 FTE. To implement this act, the department of
26 law may use this appropriation to provide legal services for the
27 department of revenue.

1 **SECTION 5. Applicability.** This act applies to conduct occurring
2 on or after the effective date of this act.

3 **SECTION 6. Safety clause.** The general assembly hereby finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, and safety.