

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

INTRODUCED

LLS NO. 19-0010.03 Jennifer Berman x3286

SENATE BILL 19-240

SENATE SPONSORSHIP

Marble and Fenberg,

HOUSE SPONSORSHIP

McLachlan and Saine, Arndt

Senate Committees

Agriculture & Natural Resources

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF COMMERCIAL PRODUCTS**
102 **CONTAINING INDUSTRIAL HEMP.**

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 sets the annual registration fee that a wholesale food manufacturer that produces an industrial hemp product is required to pay to the department of public health and environment at \$300, regardless of the manufacturer's gross annual sales.

Sections 2 and 3 authorize local governments to adopt ordinances or resolutions regulating the storage, extraction, processing, or

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

manufacturing of industrial hemp or industrial hemp products; however, if the ordinances or resolutions are in conflict with state regulation, then state law controls.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-5-426, **amend**
3 (4)(b)(II) and (4)(b)(III); and **add** (4)(b)(IV) as follows:

4 **25-5-426. Wholesale food manufacturing and storage -**
5 **definitions - legislative declaration - fees - cash fund.** (4) (b) In
6 addition to the application fee a facility is required to pay pursuant to
7 subsection (4)(a) of this section, the schedule for annual registration fees
8 for wholesale food manufacturers or storage facilities is as follows:

9 (II) EXCEPT AS PROVIDED IN SUBSECTION (4)(b)(IV) OF THIS
10 SECTION, a wholesale food manufacturer or storage facility with gross
11 annual sales of less than one hundred fifty thousand dollars shall pay the
12 department a registration fee of sixty dollars.

13 (III) EXCEPT AS PROVIDED IN SUBSECTION (4)(b)(IV) OF THIS
14 SECTION, a wholesale food manufacturer or storage facility with gross
15 annual sales of one hundred fifty thousand dollars or more shall pay the
16 department a registration fee of three hundred dollars.

17 (IV) A WHOLESAL FOOD MANUFACTURER THAT PRODUCES AN
18 INDUSTRIAL HEMP PRODUCT SHALL PAY THE DEPARTMENT A REGISTRATION
19 FEE OF THREE HUNDRED DOLLARS, REGARDLESS OF ITS GROSS ANNUAL
20 SALES.

21 **SECTION 2.** In Colorado Revised Statutes, 30-15-401, **add** (1.7)
22 as follows:

23 **30-15-401. General regulations - definitions.** (1.7) IN ADDITION
24 TO ANY OTHER POWERS, A BOARD OF COUNTY COMMISSIONERS MAY ADOPT

1 RESOLUTIONS OR ORDINANCES TO REGULATE THE STORAGE, EXTRACTION,
2 PROCESSING, OR MANUFACTURING OF INDUSTRIAL HEMP, AS DEFINED IN
3 SECTION 35-61-101 (7), OR INDUSTRIAL HEMP PRODUCTS, AS DEFINED IN
4 SECTION 25-5-426 (2)(g.5). IF THERE IS ANY CONFLICT BETWEEN A
5 COUNTY REGULATION AND A STATE REGULATION OF INDUSTRIAL HEMP OR
6 INDUSTRIAL HEMP PRODUCTS, THE STATE LAW CONTROLS.

7 **SECTION 3.** In Colorado Revised Statutes, 31-15-501, **add** (1)(r)
8 as follows:

9 **31-15-501. Powers to regulate businesses.** (1) The governing
10 bodies of municipalities have the following powers to regulate
11 businesses:

12 (r) TO LICENSE AND REGULATE BUSINESSES ENGAGED IN THE
13 STORAGE, EXTRACTION, PROCESSING, OR MANUFACTURING OF INDUSTRIAL
14 HEMP, AS DEFINED IN SECTION 35-61-101 (7), OR INDUSTRIAL HEMP
15 PRODUCTS, AS DEFINED IN SECTION 25-5-426 (2)(g.5). IF THERE IS ANY
16 CONFLICT BETWEEN A MUNICIPAL REGULATION AND A STATE REGULATION
17 OF INDUSTRIAL HEMP OR INDUSTRIAL HEMP PRODUCTS, THE STATE LAW
18 CONTROLS.

19 **SECTION 4. Act subject to petition - effective date -**
20 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
21 the expiration of the ninety-day period after final adjournment of the
22 general assembly (August 2, 2019, if adjournment sine die is on May 3,
23 2019); except that, if a referendum petition is filed pursuant to section 1
24 (3) of article V of the state constitution against this act or an item, section,
25 or part of this act within such period, then the act, item, section, or part
26 will not take effect unless approved by the people at the general election
27 to be held in November 2020 and, in such case, will take effect on the

- 1 date of the official declaration of the vote thereon by the governor.
- 2 (2) This act applies to conduct occurring on or after the applicable
- 3 effective date of this act.