

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

SENATE BILL 19-240

BY SENATOR(S) Marble and Fenberg, Gonzales, Woodward;  
also REPRESENTATIVE(S) McLachlan and Saine, Arndt, Bird, Catlin,  
Duran, Herod, Hooton, Lontine, McCluskie, Pelton, Roberts, Snyder,  
Titone, Valdez A., Valdez D., Will.

CONCERNING THE REGULATION OF COMMERCIAL PRODUCTS CONTAINING  
INDUSTRIAL HEMP.

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

**SECTION 1.** In Colorado Revised Statutes, 25-5-426, **amend** (4)(b)(II) and (4)(b)(III); and **add** (4)(b)(IV) and (7) as follows:

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

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

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

department a registration fee of sixty dollars.

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

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

(7) (a) IF SENATE BILL 19-220 IS ENACTED IN 2019, THE DEPARTMENT, IN CONJUNCTION WITH THE COMMISSIONER OF THE DEPARTMENT OF AGRICULTURE OR THE COMMISSIONER'S DESIGNEE, SHALL PARTICIPATE IN ANY STAKEHOLDER PROCESS CONVENED PURSUANT TO SENATE BILL 19-220 TO DEVELOP THE STATE'S HEMP MANAGEMENT PLAN IN ACCORDANCE WITH THE FEDERAL "AGRICULTURAL IMPROVEMENT ACT OF 2018".

(b) (I) ADDITIONALLY, THE DEPARTMENT MAY CONVENE A STAKEHOLDER WORK GROUP TO STUDY THE REGULATION OF INDUSTRIAL HEMP PRODUCTS. IN ADDITION TO REPRESENTATIVES FROM THE DEPARTMENT, THE DEPARTMENT SHALL INVITE REPRESENTATIVES OF THE FOLLOWING GROUPS TO PARTICIPATE IN THE STAKEHOLDER WORK GROUP:

(A) INDUSTRIAL HEMP PROCESSORS;

(B) MARIJUANA PROCESSORS;

(C) SUPPLEMENTS RETAILERS;

(D) LEGAL EXPERTS ON THE SALE OF PRODUCTS CONTAINING CANNABIDIOL AND THC;

(E) ORGANIZATIONS WITH SPECIFIC EXPERTISE IN THE FEDERAL SUPPLEMENTS REGULATORY FRAMEWORK;

(F) CONSUMER ADVOCATES;

(G) HEMP GROWERS;

(H) HEMP SEED PRODUCERS;

(I) ANYONE ELSE INVOLVED IN THE HEMP INDUSTRY;

(J) LICENSED MARIJUANA RETAILERS; AND

(K) ANY OTHER GROUP THE DEPARTMENT DETERMINES WOULD FACILITATE AN UNDERSTANDING OF THE LEGAL, PRACTICAL, OR BUSINESS CONSIDERATIONS OF REGULATING INDUSTRIAL HEMP PRODUCTS IN COLORADO AND IN COORDINATION WITH FEDERAL AUTHORITY.

(II) THE STAKEHOLDER WORK GROUP SHALL HAVE ITS FIRST MEETING AS SOON AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (7). ON OR BEFORE DECEMBER 1, 2019, THE STAKEHOLDER WORK GROUP SHALL PREPARE A WRITTEN SUMMARY OF ITS CONCLUSIONS, INCLUDING ANY RECOMMENDATIONS FOR LEGISLATION, AND FURNISH COPIES OF THE WRITTEN SUMMARY TO THE LEGISLATIVE COMMITTEES WITH JURISDICTION OVER AGRICULTURAL MATTERS.

(III) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE SEPTEMBER 1, 2021.

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

**30-15-401. General regulations - definitions.** (1.7) IN ADDITION TO ANY OTHER POWERS, A BOARD OF COUNTY COMMISSIONERS MAY CHARGE A FEE FOR A LOCAL LICENSE AND ADOPT RESOLUTIONS OR ORDINANCES TO ESTABLISH REQUIREMENTS ON BUSINESSES ENGAGED IN THE STORAGE, EXTRACTION, PROCESSING, OR MANUFACTURING OF INDUSTRIAL HEMP, AS DEFINED IN SECTION 35-61-101 (7), OR INDUSTRIAL HEMP PRODUCTS, AS DEFINED IN SECTION 25-5-426 (2)(g.5). A COUNTY SHALL NOT IMPOSE ADDITIONAL FOOD PRODUCTION REGULATIONS ON INDUSTRIAL HEMP PROCESSORS OR PRODUCTS IF THE REGULATIONS CONFLICT WITH STATE LAW.

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

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

(r) TO CHARGE A FEE FOR A LOCAL LICENSE AND ESTABLISH LICENSING REQUIREMENTS ON BUSINESSES ENGAGED IN THE STORAGE, EXTRACTION, PROCESSING, OR MANUFACTURING OF INDUSTRIAL HEMP, AS DEFINED IN SECTION 35-61-101 (7), OR INDUSTRIAL HEMP PRODUCTS, AS DEFINED IN SECTION 25-5-426 (2)(g.5). A MUNICIPALITY SHALL NOT IMPOSE ADDITIONAL FOOD PRODUCTION REGULATIONS ON INDUSTRIAL HEMP PROCESSORS OR PRODUCTS IF THE REGULATIONS CONFLICT WITH STATE LAW.

**SECTION 4. Applicability.** This act applies to conduct occurring on or after the effective date of this act.

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

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Leroy M. Garcia  
PRESIDENT OF  
THE SENATE

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KC Becker  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Cindi L. Markwell  
SECRETARY OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED \_\_\_\_\_  
(Date and Time)

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Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO