



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

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<b>Drafting Number:</b>	LLS 22-0128	<b>Date:</b>	September 8, 2022
<b>Prime Sponsors:</b>	Sen. Ginal; Coram Rep. Sullivan	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** REGULATION OF KRATOM PROCESSORS

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**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill requires the Department of Revenue to study the feasibility of regulating kratom processors and establishes requirements for the sale of kratom. It increases state workload beginning in FY 2022-23.

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**Appropriation Summary:** No appropriation is required.

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**Fiscal Note Status:** The fiscal note reflects the enacted bill.

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## Summary of Legislation

The bill requires the Department of Revenue (DOR) to study the feasibility of regulating kratom processors who sell, prepare, or maintain products made from the plant *mitragyna speciosa*. The department must submit recommendations to the General Assembly by January 4, 2023.

The bill prohibits the furnishing of kratom products to anyone under 21 years old and requires retailers to check identification when selling kratom. In addition, beginning July 1, 2024, the bill prohibits:

- knowingly preparing, distributing, or selling a kratom product that is adulterated with fentanyl;
- selling a kratom product without sufficient labelling; and
- displaying or storing retail kratom in a location accessible to minors.

A violation of the identification and age requirement is a civil infraction and may be punished by a fine of up to \$200.

## **State Revenue**

The bill may increase state revenue from fines. This revenue, which is subject to TABOR, is expected to be minimal.

## **State Expenditures**

The bill increases workload in DOR to convene stakeholders, conduct research, and prepare the legislative report in FY 2022-23 only. This can be accomplished within existing appropriations.

## **Effective Date**

The bill was signed into law by the Governor on May 26, 2022, and it took effect on August 9, 2022.

## **State and Local Government Contacts**

Information Technology  
Personnel and Administration

Law  
Revenue