

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

REVISED

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

LLS NO. 21-0814.01 Jennifer Berman x3286

HOUSE BILL 21-1301

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A BILL FOR AN ACT

101 CONCERNING THE REMOVAL OF IMPEDIMENTS TO CANNABIS FARMING,
102 AND, IN CONNECTION THEREWITH, PERMITTING CONTINGENCY
103 PLANS TO REDUCE CROP LOSS BASED ON ADVERSE WEATHER AND
104 CONVENING A WORKING GROUP TO EXAMINE MEASURES TO
105 REDUCE CROSS-POLLINATION, AND 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 defines "cross-pollination", "farm", "licensed outdoor marijuana farm", "volunteer plant", and "registered outdoor hemp farm"

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.

SENATE
Amended 2nd Reading
June 2, 2021

HOUSE
3rd Reading Unamended
May 26, 2021

HOUSE
Amended 2nd Reading
May 25, 2021

in connection with the convening of a working group in **section 2** to examine measures to minimize cross-pollination between cannabis plants.

Section 4 requires the state licensing authority to convene a working group on or before November 1, 2021, to examine existing rules and tax laws that apply to the wholesale marijuana cultivation market to explore how the rules and laws could be amended to better position Colorado businesses to be competitive in interstate commerce if marijuana is legalized federally. The working group is required to report its findings and recommendations to the executive director of the department of revenue and the general assembly on or before June 1, 2022.

Section 5 requires the state licensing authority to engage in rule-making on:

- The process, procedures, and requirements for contingency plans for outdoor marijuana cultivation facilities to ameliorate crop loss due to adverse weather;
- Procedures for outdoor marijuana cultivation facilities to follow to temporarily cover crops to protect them from extreme weather; and
- Procedures for the conditional issuance of an employee license identification card.

Sections 6 and 7 authorize medical marijuana cultivation and retail marijuana cultivation facility licensees with outdoor cultivation facilities, starting January 1, 2022, to file with the state licensing authority a contingency plan for when there is a threat to operations due to an adverse weather event and, if approved, to follow the plan if there is an adverse weather event.

Before January 1, 2022, sections 6 and 7 authorize a medical marijuana cultivation facility licensee or a retail marijuana cultivation facility licensee with outdoor cultivation facilities to take reasonable and necessary steps to ameliorate crop loss due to an adverse weather event. The action is not a violation of state law or rules or local law or regulations unless the state licensing authority or a local authority can show that the action was not reasonable and necessary to prevent or ameliorate crop loss due to an adverse weather event.

Section 3 defines "adverse weather event" to mean damaging weather, such as drought, freeze, hail, excessive moisture, excessive wind, or tornado or an adverse natural occurrence, such as an earthquake or a flood.

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

2 **SECTION 1.** In Colorado Revised Statutes, 35-61-101, **amend**

1 (3); and **add** (4.3), (7.4), (7.6), (7.8), (8.4), (8.7), and (10) as follows:

2 **35-61-101. Definitions.** As used in this article 61, unless the
3 context otherwise requires:

4 (3) "Commissioner" means the commissioner of agriculture OR
5 THE COMMISSIONER'S DESIGNEE.

6 (4.3) "CROSS-POLLINATION" MEANS THE TRANSFER OF POLLEN
7 FROM ONE PLANT TO THE FLOWER OF ANOTHER PLANT.

8 (7.4) "LICENSED OUTDOOR MARIJUANA CULTIVATION" MEANS THE
9 LICENSED PREMISES, AS DEFINED IN SECTION 44-10-103 (24), USED FOR
10 OUTDOOR CULTIVATION OF MARIJUANA.

11 (7.6) "MARIJUANA" HAS THE SAME MEANING AS "REGULATED
12 MARIJUANA" AS DEFINED IN SECTION 44-10-103 (54).

13 (7.8) (a) "OUTDOOR CULTIVATION" MEANS:

14 (I) A REGISTERED OUTDOOR HEMP CULTIVATION;

15 (II) A LICENSED OUTDOOR MARIJUANA CULTIVATION;

16 (III) THE PREMISES FOR WHICH A PERSON APPLIES FOR
17 REGISTRATION TO ENGAGE IN OUTDOOR CULTIVATION OF HEMP OR A
18 LICENSE TO ENGAGE IN OUTDOOR CULTIVATION OF MARIJUANA; OR

19 (IV) THE PREMISES ON WHICH A PERSON PREVIOUSLY HAD A
20 REGISTERED OUTDOOR HEMP CULTIVATION OR A LICENSED OUTDOOR
21 MARIJUANA CULTIVATION.

22 (b) "OUTDOOR CULTIVATION", WITH RESPECT TO MARIJUANA,
23 MEANS A LICENSED MARIJUANA GROW THAT OPERATES SEASONALLY
24 WITHIN A TEMPORARY GREENHOUSE OR ON AN OPEN PLOT OF LAND.

25 (c) "OUTDOOR CULTIVATION", WITH RESPECT TO MARIJUANA, DOES
26 NOT INCLUDE A LICENSED MARIJUANA GROW THAT OPERATES
27 YEAR-ROUND WITHIN A CONSTRUCTED FACILITY OR PERMANENT

1 GREENHOUSE.

2 (8.4) "REGISTERED OUTDOOR HEMP CULTIVATION" MEANS THE
3 PREMISES THAT ARE SUBJECT TO REGISTRATION UNDER SECTION 35-61-104
4 AND ARE USED FOR OUTDOOR CULTIVATION OF HEMP.

5 (8.7) "STATE LICENSING AUTHORITY" MEANS THE STATE LICENSING
6 AUTHORITY CREATED IN SECTION 44-10-201 FOR THE PURPOSE OF
7 REGULATING AND CONTROLLING THE LICENSING OF THE CULTIVATION,
8 MANUFACTURE, DISTRIBUTION, SALE, AND TESTING OF MARIJUANA IN THIS
9 STATE.

10 (10) "VOLUNTEER CANNABIS PLANT" MEANS A CANNABIS PLANT
11 GROWING SPONTANEOUSLY WITHOUT DIRECT HUMAN CONTROL OR
12 SUPERVISION.

13 **SECTION 2.** In Colorado Revised Statutes, **add** 35-61-110.3 as
14 follows:

15 **35-61-110.3. Cross-pollination - working group - reporting -**
16 **repeal.** (1) ON OR BEFORE NOVEMBER 1, 2021, THE COMMISSIONER, IN
17 COLLABORATION WITH THE STATE LICENSING AUTHORITY, THE
18 GOVERNOR'S DEPUTY LEGAL COUNSEL, AND THE GOVERNOR'S SPECIAL
19 ADVISOR ON CANNABIS, SHALL WORK WITH A WORKING GROUP CONVENED
20 TO STUDY AND RECOMMEND OPTIONS FOR MINIMIZING CROSS-POLLINATION
21 BETWEEN CANNABIS PLANTS, INCLUDING:

22 (a) HOW TO MINIMIZE VOLUNTEER CANNABIS PLANTS GROWING ON
23 AREAS OF LAND THAT ARE NOT REGISTERED OUTDOOR HEMP
24 CULTIVATIONS OR LICENSED OUTDOOR MARIJUANA CULTIVATIONS,
25 REGARDLESS OF WHETHER THE PROPERTY WAS PREVIOUSLY REGISTERED
26 OR LICENSED;

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1 (b) HOW BEST TO SHARE DATA AND THE PROXIMITY BETWEEN THE
2 LOCATIONS OF REGISTERED OUTDOOR HEMP CULTIVATIONS, LICENSED
3 OUTDOOR MARIJUANA CULTIVATIONS, AND THE PROPERTIES OF
4 APPLICANTS FOR REGISTERED OUTDOOR HEMP CULTIVATIONS OR LICENSED
5 OUTDOOR MARIJUANA CULTIVATIONS, INCLUDING INFORMATION FOR EACH
6 OUTDOOR CULTIVATION REGARDING:

7 (I) THE POTENTIAL FOR CROSS-POLLINATION BETWEEN THE
8 OUTDOOR CULTIVATION AND OTHER OUTDOOR CULTIVATIONS OR AREAS
9 OF LAND WITH VOLUNTEER CANNABIS PLANTS; AND

10 (II) PROPERTY SIZE;

11 (c) THE BEST PRACTICES FOR PREVENTING CROSS-POLLINATION
12 INCLUDING:

13 (I) AN EXAMINATION OF THE STANDARDS DEVELOPED BY
14 AGRICULTURAL ORGANIZATIONS WITH EXPERTISE IN INDUSTRY-WIDE
15 STANDARDS AND PRACTICES;

16 (II) RECOMMENDATIONS FROM SUBJECT-MATTER EXPERTS; AND

17 (III) IF AVAILABLE, A REVIEW OF PRACTICES DEVELOPED BY THE
18 HEMP CENTER OF EXCELLENCE; AND

19 (d) THE FEASIBILITY OF CONDUCTING AND FINANCING FIELD
20 STUDIES TO EXAMINE CROSS-POLLINATION BETWEEN OUTDOOR
21 CULTIVATIONS AND AREAS OF LAND WITH VOLUNTEER CANNABIS PLANTS.

22 (2) IN CONVENING THE WORKING GROUP, THE APPOINTING
23 AUTHORITIES SHOULD STRIVE TO INCLUDE REPRESENTATION OF A DIVERSE
24 CROSS-SECTION OF MEMBERS. MEMBERS OF THE WORKING GROUP SHALL
25 BE APPOINTED ON OR BEFORE OCTOBER 15, 2021, AS FOLLOWS:

26 (a) THE CHAIRS OF THE HOUSE AGRICULTURE, LIVESTOCK, AND
27 WATER COMMITTEE AND THE SENATE AGRICULTURE AND NATURAL

1 RESOURCES COMMITTEE OR THEIR SUCCESSOR COMMITTEES SHALL
2 JOINTLY APPOINT:

3 (I) TWO MEMBERS FROM AFFECTED LICENSED MARIJUANA
4 CULTIVATION BUSINESSES IN THE STATE;

5 (II) ONE GENETICIST WITH EXPERTISE IN CANNABIS BREEDING;

6 (III) ONE SCIENTIST OR AGRONOMIST WITH EXPERTISE IN
7 CROSS-POLLINATION;

8 (IV) TWO MEMBERS FROM SOFTWARE COMPANIES THAT SERVICE
9 THE AGRICULTURAL INDUSTRY;

10 (V) TWO MEMBERS FROM BUSINESSES IN THE STATE WITH
11 EXPERIENCE GROWING HEMP FROM FEMINIZED SEEDS OR CLONES
12 PRIMARILY FOR CANNABINOID PRODUCTION;

13 (VI) TWO MEMBERS REPRESENTING COMPANIES WITH EXPERTISE
14 IN AGRICULTURAL SURVEYING;

15 (VII) TWO MEMBERS FROM BUSINESSES IN THE STATE WITH
16 EXPERIENCE IN THE DEVELOPMENT OF SEED THAT IS CERTIFIED BY THE
17 ASSOCIATION OF OFFICIAL SEED CERTIFYING AGENCIES; AND

18 (VIII) TWO MEMBERS FROM BUSINESSES IN THE STATE WITH
19 EXPERIENCE IN GROWING HEMP GRAIN AND FIBER VARIETIES; AND

20 (b) THE DIRECTOR OF THE MARIJUANA ENFORCEMENT DIVISION
21 SHALL APPOINT FOUR MEMBERS AS FOLLOWS:

22 (I) TWO EACH WITH EXPERTISE IN LICENSED MARIJUANA
23 CULTIVATION REGULATIONS; AND

24 (II) TWO EACH REPRESENTING A LICENSED MARIJUANA OUTDOOR
25 CULTIVATION BUSINESS WITH EXPERTISE IN CANNABIS GENETICS.

26 (3) THE WORKING GROUP'S RECOMMENDATIONS MUST NOT
27 INCLUDE MANDATES ON THE TYPE, LOCATION, OR TIMING OF ANY CROP

1 PLANTING; HOWEVER, THIS WILL NOT LIMIT THE ABILITY OF PROPERTY
2 OWNERS TO ENTER INTO VOLUNTARY AGREEMENTS.

3 (4) ON OR BEFORE NOVEMBER 1, 2022, THE WORKING GROUP
4 SHALL SUBMIT A REPORT OF ITS FINDINGS AND RECOMMENDATIONS TO THE
5 HOUSE OF REPRESENTATIVES AGRICULTURE, LIVESTOCK, AND WATER
6 COMMITTEE AND THE SENATE AGRICULTURE AND NATURAL RESOURCES
7 COMMITTEE, OR THEIR SUCCESSOR COMMITTEES. THE DEPARTMENT AND
8 THE STATE LICENSING AUTHORITY SHALL POST THE REPORT ON THEIR
9 PUBLIC WEBSITES.

10 (5) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2023.

11 **SECTION 3.** In Colorado Revised Statutes, 44-10-103, amend
12 (34) and (57); and add (6.5) as follows:

13 **44-10-103. Definitions.** As used in this article 10, unless the
14 context otherwise requires:

15 (6.5) "ADVERSE WEATHER EVENT" MEANS:

16 (a) DAMAGING WEATHER, WHICH INVOLVES A DROUGHT, A FREEZE,
17 HAIL, EXCESSIVE MOISTURE, EXCESSIVE WIND, OR A TORNADO;

18 (b) AN ADVERSE NATURAL OCCURRENCE, WHICH INVOLVES AN
19 EARTHQUAKE, WILDFIRE, OR FLOOD; OR

20 (c) ANY ADDITIONAL ADVERSE WEATHER EVENT OR ADVERSE
21 NATURAL OCCURRENCE AS THE STATE LICENSING AUTHORITY MAY DEFINE
22 BY RULE.

23 (34) (a) "Medical marijuana" means marijuana that is grown and
24 sold pursuant to the provisions of this article 10 and for a purpose
25 authorized by section 14 of article XVIII of the state constitution but shall
26 not be considered a nonprescription drug for purposes of section
27 12-280-103 (28) or 39-26-717, or an over-the-counter medication for

1 purposes of section 25.5-5-322. If the context requires, medical marijuana
2 includes medical marijuana concentrate and medical marijuana products.

3 (b) "MEDICAL MARIJUANA" INCLUDES ALL INTOXICATING
4 TETRAHYDROCANNABINOLS DERIVED, EXTRACTED, OR CONVERTED FROM
5 THE CANNABIS PLANT, INCLUDING DELTA-8-TETRAHYDROCANNABINOL,
6 DELTA-10-TETRAHYDROCANNABINOL, AND OTHER
7 TETRAHYDROCANNABINOL EXTRACTS OF CANNABIS THAT DO NOT MEET
8 THE DEFINITION OF AN INDUSTRIAL HEMP PRODUCT AS DEFINED IN SECTION
9 25-5-426 (2)(g.5).

10 (57) (a) "Retail marijuana" means "marijuana" or "marihuana", as
11 defined in section 16 (2)(f) of article XVIII of the state constitution, that
12 is cultivated, manufactured, distributed, or sold by a licensed retail
13 marijuana business. If the context requires, retail marijuana includes retail
14 marijuana concentrate and retail marijuana products.

15 (b) "RETAIL MARIJUANA" INCLUDES ALL INTOXICATING
16 TETRAHYDROCANNABINOLS DERIVED, EXTRACTED, OR CONVERTED FROM
17 THE CANNABIS PLANT, INCLUDING DELTA-8-TETRAHYDROCANNABINOL,
18 DELTA-10-TETRAHYDROCANNABINOL, AND OTHER
19 TETRAHYDROCANNABINOL EXTRACTS OF CANNABIS THAT DO NOT MEET
20 THE DEFINITION OF AN INDUSTRIAL HEMP PRODUCT AS DEFINED IN SECTION
21 25-5-426 (2)(g.5).

22 **SECTION 4.** In Colorado Revised Statutes, 44-10-202, **amend**
23 **(1)(f) and (1)(g); and add (1)(h) as follows:**

24 **44-10-202. Powers and duties of state licensing authority -**
25 **rules - report - legislative declaration - repeal. (1) Powers and duties.**

26 The state licensing authority shall:

27 (f) Prepare and transmit annually, in the form and manner

1 prescribed by the heads of the principal departments pursuant to section
2 24-1-136, a report accounting to the governor for the efficient discharge
3 of all responsibilities assigned by law or directive to the state licensing
4 authority; and

5 (g) Collect and maintain data related to licensing disqualifications
6 and all sanctions based on past criminal history pursuant to the
7 requirements in section 24-34-104 (6)(b)(IX); AND

8 (h) (I) ON OR BEFORE NOVEMBER 1, 2021, IN COLLABORATION
9 WITH THE GOVERNOR'S DEPUTY LEGAL COUNSEL AND THE GOVERNOR'S
10 SPECIAL ADVISOR ON CANNABIS, CONVENE A WORKING GROUP TO EXAMINE
11 THE EXISTING RULES AND TAX LAWS THAT APPLY TO THE STATE'S
12 WHOLESALE MARIJUANA CULTIVATION MARKET. THE WORKING GROUP
13 SHALL EXPLORE OPTIONS ON HOW THE EXISTING RULES AND TAX LAWS
14 COULD BE AMENDED TO BETTER POSITION BUSINESSES IN THE STATE TO BE
15 COMPETITIVE IF MARIJUANA IS LEGALIZED UNDER FEDERAL LAW. ON OR
16 BEFORE JUNE 1, 2022, THE WORKING GROUP SHALL SUBMIT A REPORT OF
17 ITS FINDINGS AND RECOMMENDATIONS TO THE EXECUTIVE DIRECTOR AND
18 THE GENERAL ASSEMBLY, WHICH REPORT MAY INCLUDE
19 RECOMMENDATIONS FOR LEGISLATION.

20 (II) THIS SUBSECTION (1)(h) IS REPEALED, EFFECTIVE SEPTEMBER
21 1, 2022.

22 **SECTION 5.** In Colorado Revised Statutes, 44-10-203, **amend**
23 (1)(j); and **add** (1)(j.5) and (9) as follows:

24 **44-10-203. State licensing authority - rules - definition.**
25 (1) **Permissive rule-making.** Rules promulgated pursuant to section
26 44-10-202 (1)(c) may include but need not be limited to the following
27 subjects:

1 (j) A definition for "disproportionate impacted area" to the extent
2 relevant state of Colorado data exists, is available, and is used for the
3 purpose of determining eligibility for a social equity licensee; and

4 (j.5) THE IMPLEMENTATION OF CONTINGENCY PLANS PURSUANT TO
5 SECTIONS 44-10-502 (9) AND 44-10-602 (13), INCLUDING THE DEFINITION
6 OF OUTDOOR CULTIVATION, ADVERSE WEATHER EVENT, OR ADVERSE
7 NATURAL OCCURRENCE AND THE PROCESS, PROCEDURES, REQUIREMENTS,
8 AND RESTRICTIONS FOR CONTINGENCY PLANS; AND

9 (9) (a) THE STATE LICENSING AUTHORITY MAY, BY RULE,
10 ESTABLISH PROCEDURES FOR THE CONDITIONAL ISSUANCE OF AN
11 EMPLOYEE LICENSE IDENTIFICATION CARD AT THE TIME OF APPLICATION.

12 (b) (I) THE STATE LICENSING AUTHORITY SHALL BASE ITS
13 ISSUANCE OF AN EMPLOYEE LICENSE IDENTIFICATION CARD PURSUANT TO
14 THIS SUBSECTION (9) ON THE RESULTS OF AN INITIAL INVESTIGATION THAT
15 DEMONSTRATE THE APPLICANT IS QUALIFIED TO HOLD SUCH LICENSE. THE
16 EMPLOYEE LICENSE APPLICATION FOR WHICH AN EMPLOYEE LICENSE
17 IDENTIFICATION CARD WAS ISSUED PURSUANT TO THIS SUBSECTION (9)
18 REMAINS SUBJECT TO DENIAL PENDING THE COMPLETE RESULTS OF THE
19 APPLICANT'S INITIAL FINGERPRINT-BASED CRIMINAL HISTORY RECORD
20 CHECK.

21 (II) RESULTS OF A FINGERPRINT-BASED CRIMINAL HISTORY RECORD
22 CHECK THAT DEMONSTRATE THAT AN APPLICANT POSSESSING AN
23 EMPLOYEE LICENSE IDENTIFICATION CARD PURSUANT TO THIS SUBSECTION
24 (9) IS NOT QUALIFIED TO HOLD A LICENSE ISSUED UNDER THIS ARTICLE 10
25 ARE GROUNDS FOR DENIAL OF THE EMPLOYEE LICENSE APPLICATION. IF
26 THE EMPLOYEE LICENSE APPLICATION IS DENIED, THE APPLICANT SHALL
27 RETURN THE EMPLOYEE LICENSE IDENTIFICATION CARD TO THE STATE

1 LICENSING AUTHORITY WITHIN A TIME PERIOD THAT THE STATE LICENSING
2 AUTHORITY ESTABLISHES BY RULE.

3 **SECTION 6.** In Colorado Revised Statutes, 44-10-502, **add** (9)
4 as follows:

5 **44-10-502. Medical marijuana cultivation facility**
6 **license - rules - definitions.** (9) (a) BEGINNING JANUARY 1, 2022, A
7 MEDICAL MARIJUANA CULTIVATION FACILITY LICENSEE THAT CULTIVATES
8 MEDICAL MARIJUANA OUTDOORS MAY FILE A CONTINGENCY PLAN FOR ITS
9 OUTDOOR CULTIVATION OPERATION TO ADDRESS HOW THE LICENSEE WILL
10 RESPOND WHEN THERE IS AN ADVERSE WEATHER EVENT. IF THE LICENSEE
11 FILES A CONTINGENCY PLAN, THE LICENSEE SHALL ALSO SUBMIT A COPY OF
12 THE PLAN TO THE LOCAL LICENSING AUTHORITY IN THE LOCAL
13 JURISDICTION WHERE THE LICENSEE OPERATES. IF THE CONTINGENCY PLAN
14 IS APPROVED BY THE STATE LICENSING AUTHORITY, THE MEDICAL
15 MARIJUANA CULTIVATION FACILITY LICENSEE MAY FOLLOW THE
16 CONTINGENCY PLAN IN THE CASE OF AN ADVERSE WEATHER EVENT.

17 (b) AFTER THE STATE LICENSING AUTHORITY APPROVES A
18 CONTINGENCY PLAN, IT SHALL NOTIFY THE LOCAL LICENSING AUTHORITY
19 OF THE APPROVAL. THE LOCAL LICENSING AUTHORITY MAY ENFORCE
20 LOCAL LAND USE AND ZONING LAWS AND REGULATIONS REGARDING THE
21 CONTINGENCY PLAN AND MAY DEVELOP INTERNAL REGULATORY
22 PROCESSES TO EVALUATE CONTINGENCY PLANS.

23 (c) ON AND AFTER JANUARY 1, 2023, A LOCAL LICENSING
24 AUTHORITY MAY REQUIRE THAT AN APPLICANT FOR A MEDICAL
25 MARIJUANA CULTIVATION FACILITY LICENSE INCLUDE A CONTINGENCY
26 PLAN WITH THE APPLICATION FOR THE LOCAL LICENSING AUTHORITY'S
27 REVIEW AND APPROVAL.

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SECTION 7. In Colorado Revised Statutes, 44-10-602, **add** (13) as follows:

44-10-602. Retail marijuana cultivation facility license - rules

- definitions. (13) (a) BEGINNING JANUARY 1, 2022, A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE THAT CULTIVATES RETAIL MARIJUANA OUTDOORS MAY FILE A CONTINGENCY PLAN FOR ITS OUTDOOR CULTIVATION OPERATION TO ADDRESS HOW THE LICENSEE WILL RESPOND WHEN THERE IS AN ADVERSE WEATHER EVENT. IF THE LICENSEE FILES A CONTINGENCY PLAN, THE LICENSEE SHALL ALSO SUBMIT A COPY OF THE PLAN TO THE LOCAL LICENSING AUTHORITY IN THE LOCAL JURISDICTION WHERE THE LICENSEE OPERATES. IF THE CONTINGENCY PLAN IS APPROVED BY THE STATE LICENSING AUTHORITY, THE RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE MAY FOLLOW THE CONTINGENCY PLAN IN THE CASE OF AN ADVERSE WEATHER EVENT.

(b) AFTER THE STATE LICENSING AUTHORITY APPROVES A CONTINGENCY PLAN, IT SHALL NOTIFY THE LOCAL LICENSING AUTHORITY OF THE APPROVAL. THE LOCAL LICENSING AUTHORITY MAY ENFORCE LOCAL LAND USE AND ZONING LAWS AND REGULATIONS REGARDING THE CONTINGENCY PLAN AND MAY DEVELOP INTERNAL REGULATORY PROCESSES TO EVALUATE CONTINGENCY PLANS.

(c) ON AND AFTER JANUARY 1, 2023, A LOCAL LICENSING AUTHORITY MAY REQUIRE THAT AN APPLICANT FOR A RETAIL MARIJUANA CULTIVATION FACILITY LICENSE INCLUDE A CONTINGENCY PLAN WITH THE APPLICATION FOR THE LOCAL LICENSING AUTHORITY'S REVIEW AND APPROVAL.

1 **SECTION 8. Appropriation.** (1) For the 2021-22 state fiscal
2 year, \$104,780 is appropriated to the department of agriculture for use by
3 agricultural services. This appropriation consists of \$52,390 from the
4 industrial hemp registration program cash fund created in section
5 35-61-106 (1), C.R.S., and \$52,390 from the marijuana tax cash fund
6 created in section 39-28.8-501 (1), C.R.S. To implement this act, the
7 department may use this appropriation as follows:

8 (a) \$83,512, which consists of \$52,390 from the industrial hemp
9 registration program cash fund and \$31,122 from the marijuana tax cash
10 fund, for use by agricultural services for the plant industry division, which
11 amount is based on an assumption that the department will require an
12 additional 0.7 FTE; and

13 (b) \$21,268 from the marijuana tax cash fund for the purchase of
14 legal services.

15 (2) For the 2021-22 state fiscal year, \$21,268 is appropriated to
16 the department of law. This appropriation is from reappropriated funds
17 received from the department of agriculture under subsection (1)(b) of
18 this section and is based on an assumption that the department of law will
19 require an additional 0.1 FTE. To implement this act, the department of
20 law may use this appropriation to provide legal services for the
21 department of agriculture.

22 (3) For the 2021-22 state fiscal year, \$279,194 is appropriated to
23 the department of revenue. This appropriation is from the marijuana cash
24 fund created in section 44-10-801 (1)(a), C.R.S. To implement this act,
25 the department may use this appropriation as follows:

26 (a) \$247,292 for use by the specialized business group for
27 marijuana enforcement, which amount is based on an assumption that the

1 group will require an additional 1.9 FTE; and

2 (b) \$31,902 for the purchase of legal services.

3 (4) For the 2021-22 state fiscal year, \$31,902 is appropriated to
4 the department of law. This appropriation is from reappropriated funds
5 received from the department of revenue under subsection (3)(b) of this
6 section and is based on an assumption that the department of law will
7 require an additional 0.2 FTE. To implement this act, the department of
8 law may use this appropriation to provide legal services for the
9 department of revenue.

10 **SECTION 9. Act subject to petition - effective date.** This act
11 takes effect at 12:01 a.m. on the day following the expiration of the
12 ninety-day period after final adjournment of the general assembly; except
13 that, if a referendum petition is filed pursuant to section 1 (3) of article V
14 of the state constitution against this act or an item, section, or part of this
15 act within such period, then the act, item, section, or part will not take
16 effect unless approved by the people at the general election to be held in
17 November 2022 and, in such case, will take effect on the date of the
18 official declaration of the vote thereon by the governor.