

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

PREAMENDED

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

LLS NO. 23-0932.01 Jery Payne x2157

SENATE BILL 23-271

SENATE SPONSORSHIP

Roberts and Van Winkle,

HOUSE SPONSORSHIP

(None),

Senate Committees

Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE REGULATION OF COMPOUNDS THAT ARE RELATED**
102 **TO CANNABINOIDS, AND, IN CONNECTION THEREWITH, MAKING**
103 **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>.)

Current law requires the manufacturer of cosmetic products, dietary supplements, food products, and food additives, including hemp products, to be registered with the department of public health and environment (department).

The bill creates a new framework for the department to regulate

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

and register hemp products and certain intoxicating hemp products and for the marijuana enforcement division in the department of revenue (division) to regulate intoxicating products or potentially intoxicating compounds that are or may be cannabinoids. This regulation includes:

- The power to promulgate rules authorizing or prohibiting chemical modification, conversion, or synthetic derivation to create certain types of intoxicating cannabinoids;
- Labeling and advertising requirements;
- Production and testing requirements; and
- Inspection, record-keeping, and tracking requirements.

Hemp- and marijuana-derived compounds and cannabinoids are classified into three classifications:

- Nonintoxicating cannabinoids;
- Potentially intoxicating compounds; and
- Intoxicating cannabinoids.

Nonintoxicating cannabinoids that are derived from hemp may be produced, distributed, or sold as a hemp product. With the exception of products manufactured or produced for export, which are referred to as "safe harbor hemp products", products containing potentially intoxicating compounds and intoxicating cannabinoids must only be produced, distributed, or sold by a person licensed by the division to produce, distribute, or sell the compound or cannabinoid as a product.

The bill clarifies that:

- Nonintoxicating cannabinoids, potentially intoxicating compounds, and intoxicating cannabinoids are marijuana or marijuana products for the purposes of the retail marijuana sales tax; and
- A person must be licensed to manufacture potentially intoxicating compounds or intoxicating cannabinoids.

The bill prohibits the following acts:

- Manufacturing, selling, or delivering products that contain intoxicating cannabinoids in excess of limits established by rule;
- Manufacturing a product containing hemp that is not a cosmetic, a dietary supplement, a food, a food additive, or an herb; or
- Manufacturing, producing, selling, distributing, or holding for sale or distribution a safe harbor hemp product without registering with the department.

The penalty for a violation is up to \$10,000. The bill specifies factors to consider in determining the amount of the penalty.

The bill requires the executive director of the department of revenue to analyze the feasibility of establishing a standing committee to evaluate cannabinoids and cannabis-derived products for the purpose of determining and making recommendations regarding their safety profiles

and potential for intoxication. The department of revenue may engage experts to do this analysis.

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 **repeal** (2)(g.3), (2)(g.5), (4)(b)(IV), (4)(d),
4 and (4)(e) as follows:

5 **25-5-426. Wholesale food manufacturing and storage -**
6 **definitions - legislative declaration - registration - fees - cash fund.**

7 (2) As used in this section, unless the context otherwise requires:

8 (g.3) ~~"Industrial hemp" has the meaning set forth in section~~
9 ~~35-61-101 (7).~~

10 (g.5) ~~"Industrial hemp product" means a finished product~~
11 ~~containing industrial hemp that:~~

12 ~~(I) Is a cosmetic, food, food additive, or herb;~~

13 ~~(II) Is for human use or consumption;~~

14 ~~(III) Contains any part of the hemp plant, including naturally~~
15 ~~occurring cannabinoids, compounds, concentrates, extracts, isolates,~~
16 ~~resins, or derivatives; and~~

17 ~~(IV) Contains a delta-9 tetrahydrocannabinol concentration of no~~
18 ~~more than three-tenths of one percent.~~

19 (4) (b) (II) ~~Except as provided in subsection (4)(b)(IV) of this~~
20 ~~section,~~ A wholesale food manufacturer or storage facility with gross
21 annual sales of less than one hundred fifty thousand dollars shall pay the
22 department a registration fee of sixty dollars.

23 (III) ~~Except as provided in subsection (4)(b)(IV) of this section,~~
24 A wholesale food manufacturer or storage facility with gross annual sales
25 of one hundred fifty thousand dollars or more shall pay the department a

1 registration fee of three hundred dollars.

2 (IV) ~~A wholesale food manufacturer that produces an industrial~~
3 ~~hemp product shall pay the department a registration fee of three hundred~~
4 ~~dollars, regardless of its gross annual sales.~~

5 (d) ~~Industrial hemp products produced by wholesale food~~
6 ~~manufacturing facilities registered in accordance with this subsection (4)~~
7 ~~shall not be deemed adulterated, as defined in sections 25-5-410 and~~
8 ~~25-5-416, unless the products meet one or more of the criteria set forth in~~
9 ~~section 25-5-410 or 25-5-416.~~

10 (e) ~~In addition to any powers listed in this section, the department~~
11 ~~may promulgate rules to prohibit, within final products made available for~~
12 ~~sale, the chemical modification, conversion, or synthetic derivation of~~
13 ~~intoxicating tetrahydrocannabinol isomers, including delta-8, delta-9, and~~
14 ~~delta-10, or other intoxicating tetrahydrocannabinol isomers that originate~~
15 ~~from industrial hemp or may be synthetically derived.~~

16 **SECTION 2.** In Colorado Revised Statutes, **add** 25-5-427 as
17 follows:

18 **25-5-427. Classes of hemp-derived compounds and**
19 **cannabinoids - definitions - registration required - prohibitions -**
20 **rules - repeal. (1) Legislative declaration.** THE GENERAL ASSEMBLY
21 FINDS, DETERMINES, AND DECLARES THAT THE REGISTRATION OF HEMP
22 PRODUCT MANUFACTURERS AND THE REGULATION OF PREMISES AND
23 PLACES WHERE HEMP PRODUCTS ARE MANUFACTURED FOR
24 DISTRIBUTION, PRODUCED FOR DISTRIBUTION, PACKAGED FOR
25 DISTRIBUTION, PROCESSED FOR DISTRIBUTION, PREPARED FOR
26 DISTRIBUTION, TREATED FOR DISTRIBUTION, TRANSPORTED FOR
27 DISTRIBUTION, OR HELD FOR DISTRIBUTION IN ACCORDANCE WITH THIS

1 PART 4 AND ANY RULES PROMULGATED UNDER THIS PART 4:

2 (a) ARE NECESSARY TO PROTECT THE PUBLIC HEALTH;

3 (b) WILL BENEFIT CONSUMERS BY ENSURING THAT HEMP
4 PRODUCTS ARE SOLD AND DISTRIBUTED BY SAFE SOURCES;

5 (c) WILL ASSIST RETAILERS BY ENSURING THAT HEMP PRODUCTS
6 HAVE NOT BEEN ADULTERATED DURING MANUFACTURING, PRODUCTION,
7 PACKAGING, PROCESSING, PREPARING, TREATING, TRANSPORTING, AND
8 STORAGE; AND

9 (d) WILL CONTRIBUTE TO THE ECONOMIC HEALTH OF THE STATE BY
10 ENSURING THAT COLORADO HEMP PRODUCT MANUFACTURERS ARE
11 PERMITTED TO SHIP THEIR PRODUCTS IN INTERSTATE COMMERCE.

12 (2) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
13 OTHERWISE REQUIRES:

14 (a) "DIETARY SUPPLEMENT" HAS THE MEANING SET FORTH IN
15 SECTION 25-5-426 (2)(d).

16 (b) "HEMP" HAS THE MEANING SET FORTH IN SECTION 35-61-101
17 (7).

18 (c) "HEMP MANUFACTURER OR STORAGE FACILITY" MEANS A
19 FACILITY WHERE HEMP PRODUCTS ARE MANUFACTURED OR STORED.

20 (d) "HEMP PRODUCT" MEANS A FINISHED PRODUCT THAT CONTAINS
21 HEMP AND THAT:

22 (I) IS A COSMETIC, A DIETARY SUPPLEMENT, A FOOD, A FOOD
23 ADDITIVE, OR AN HERB;

24 (II) IS INTENDED FOR HUMAN USE OR CONSUMPTION;

25 (III) CONTAINS ANY PART OF THE HEMP PLANT, INCLUDING
26 NATURALLY OCCURRING CANNABINOIDS, COMPOUNDS, CONCENTRATES,
27 EXTRACTS, ISOLATES, OR RESINS;

- 1 (IV) IS PRODUCED FROM HEMP;
- 2 (V) CONTAINS NO MORE THAN ONE AND THREE-FOURTHS
3 MILLIGRAMS OF THC PER SERVING; AND
- 4 (VI) CONTAINS A RATIO OF CANNABIDIOL TO THC OF GREATER
5 THAN OR EQUAL TO FIFTEEN TO ONE.
- 6 (e) "INTOXICATING CANNABINOID" HAS THE MEANING SET FORTH
7 IN SECTION 44-10-103 (22.5).
- 8 (f) "MANUFACTURING OR PROCESSING", "MANUFACTURING",
9 "MANUFACTURE", "PROCESS", OR "PROCESSING" HAS THE SAME MEANING
10 AS "MANUFACTURING OR PROCESSING", AS SET FORTH IN SECTION
11 25-5-426 (2)(h).
- 12 (g) "NONINTOXICATING CANNABINOID" HAS THE MEANING SET
13 FORTH IN SECTION 44-10-103 (42.5).
- 14 (h) "POTENTIALLY INTOXICATING COMPOUND" HAS THE MEANING
15 SET FORTH IN SECTION 44-10-103 (48.5).
- 16 (i) "REGISTRANT" MEANS A PERSON REGISTERED UNDER
17 SUBSECTION (5) OF THIS SECTION.
- 18 == ==
- 19 (j) "SEMI-SYNTHETIC CANNABINOID" HAS THE MEANING SET FORTH
20 IN SECTION 44-10-208 (2)(b).
- 21 (k) "SERVING" MEANS THE SIZE OR PORTION CUSTOMARILY
22 CONSUMED PER EATING OCCASION, EXPRESSED IN A COMMON HOUSEHOLD
23 MEASURE AS ESTABLISHED IN TABLE 2 OF 21 CFR 101.12.
- 24 (l) "STATE LICENSING AUTHORITY" HAS THE MEANING SET FORTH
25 IN SECTION 44-10-103 (69).
- 26 (m) "SYNTHETIC CANNABINOID" HAS THE MEANING SET FORTH IN
27 SECTION 44-10-208 (2)(c).

1 (n) "Tetrahydrocannabinol" or "THC" has the meaning set
2 forth in section 44-10-208 (2)(d).

3 (o) "Tincture" means a liquid hemp product packaged in a
4 container of four fluid ounces or less that consists of a
5 not-potable solution:

6 (I) containing at least twenty-five percent
7 non-denatured alcohol or a base of glycerin, plant-based oil, or
8 concentrated syrup;

9 (II) containing hemp, hemp concentrate, or hemp extract;

10 and

11 (III) intended for human use.

12 **(3) Powers and duties of the department - rules.** THE
13 DEPARTMENT HAS THE POWER AND DUTY TO:

14 (a) GRANT OR DENY A REGISTRATION ISSUED UNDER SUBSECTION
15 (5) OF THIS SECTION AND TO GRANT OR DENY THE ANNUAL RENEWAL OF A
16 REGISTRATION;

17 (b) SUSPEND, DENY, OR REVOKE A REGISTRATION UNDER
18 CIRCUMSTANCES PRESCRIBED IN THIS SECTION OR IN RULES PROMULGATED
19 UNDER THIS SECTION;

20 (c) REVIEW ANY RECORDS OF A REGISTRANT THAT MANUFACTURES
21 FOR DISTRIBUTION, PRODUCES FOR DISTRIBUTION, PACKAGES FOR
22 DISTRIBUTION, PROCESSES FOR DISTRIBUTION, PREPARES FOR
23 DISTRIBUTION, TREATS FOR DISTRIBUTION, TRANSPORTS FOR
24 DISTRIBUTION, OR HOLDS FOR DISTRIBUTION PRODUCTS SUBJECT TO THIS
25 SECTION AS NECESSARY TO VERIFY COMPLIANCE WITH THIS SECTION;

26 (d) PROMULGATE RULES NECESSARY TO AUTHORIZE OR PROHIBIT
27 CHEMICAL MODIFICATION, CONVERSION, OR SYNTHETIC DERIVATION OF

1 CANNABINOIDS OR OTHER HEMP-DERIVED COMPOUNDS, UNLESS
2 OTHERWISE PERMITTED BY THIS PART 4 OR BY ANY RULES PROMULGATED
3 UNDER THIS PART 4;

4 (e) PROMULGATE RULES, IN COORDINATION WITH THE STATE
5 LICENSING AUTHORITY, ESTABLISHING THE AMOUNT OF ANY CANNABINOID
6 THAT MAKES THE CANNABINOID INTOXICATING;

7 (f) PROMULGATE RULES GOVERNING TESTING AND LABELING, AS
8 PROVIDED IN SUBSECTIONS (4)(c)(II) AND (4)(d)(III) OF THIS SECTION,
9 INCLUDING:

10 (I) THE PRESENCE OF AND INFORMATION ABOUT:

11 (A) HEAVY METALS;

12 (B) RESIDUAL SOLVENTS;

13 (C) PESTICIDES;

14 (D) THC; AND

15 (E) YEAST AND MOLD.

16 (II) WARNING LABELS FOR HEMP THAT ARE AT LEAST AS
17 STRINGENT AS THOSE IMPOSED BY SECTION 44-10-203 (2)(f) AND (3)(h)
18 FOR MARIJUANA, AS APPLICABLE, AND THAT INCLUDE:

19 (A) ADVISING ABOUT THE RISK OF IMPAIRMENT WHEN OPERATING
20 HEAVY MACHINERY, TESTING POSITIVE ON A DRUG TEST, AND HARM FROM
21 CONSUMING THC WHILE PREGNANT OR BREAST FEEDING;

22 (B) THE AMOUNT OF THC PER SERVING AND THE NUMBER OF
23 SERVINGS PER PACKAGE; AND

24 (C) A UNIVERSAL SYMBOL THAT THE PACKAGE CONTAINS THC;

25 (g) PROMULGATE RULES GOVERNING PACKAGING OF HEMP
26 PRODUCTS THAT ARE AT LEAST AS STRINGENT AS THE PACKAGING
27 REQUIREMENTS OF SECTION 44-10-203 (3)(b) FOR MARIJUANA, AS

1 APPLICABLE;

2 (h) PROMULGATE RULES GOVERNING DECEPTIVE, FALSE, OR
3 MISLEADING STATEMENTS OR LABELING FOR HEMP PRODUCTS;

4 (i) PROMULGATE ANY OTHER RULES THAT ARE NECESSARY FOR
5 THE FAIR, IMPARTIAL, AND COMPREHENSIVE ADMINISTRATION OF THIS
6 PART 4 WITH RESPECT TO HEMP OR HEMP PRODUCTS; AND

7 (j) ISSUE A CEASE-AND-DESIST ORDER OR CLEAN-UP ORDER TO
8 ADDRESS VIOLATIONS OF THIS SECTION.

9 **(4) Classifications of hemp-derived compounds and**
10 **cannabinoids - rules. (a) HEMP-DERIVED COMPOUNDS AND**
11 **CANNABINOIDS ARE DIVIDED INTO THREE CLASSIFICATIONS:**

12 (I) NONINTOXICATING CANNABINOIDS;

13 (II) POTENTIALLY INTOXICATING COMPOUNDS; AND

14 (III) INTOXICATING CANNABINOIDS.

15 (b) (I) NONINTOXICATING CANNABINOIDS INCLUDE:

16 (A) FULL SPECTRUM HEMP EXTRACT THAT CONTAINS NO MORE
17 THAN ONE AND THREE-FOURTHS MILLIGRAMS OF THC PER SERVING AND
18 CONTAINS A RATIO OF CANNABIDIOL TO THC OF GREATER THAN OR EQUAL
19 TO FIFTEEN TO ONE;

20 (B) BROAD SPECTRUM HEMP EXTRACT;

21 (C) CANNABIDIOL, ALSO KNOWN AS "CBD";

22 (D) TETRAHYDROCANNABIVARIN, ALSO KNOWN AS "THCV";

23 (E) CANNABICHRMENE, ALSO KNOWN AS "CBC";

24 (F) CANNABICITRAN, ALSO KNOWN AS "CBT";

25 (G) CANNABICYCLOL, ALSO KNOWN AS "CBL";

26 (H) CANNABIELSOIN, ALSO KNOWN AS "CBE";

27 (I) CANNABIGEROL, ALSO KNOWN AS "CBG";

1 (J) CANNABIDIVARIN, ALSO KNOWN AS "CBDV"; AND

2 (K) CANNABINOL, ALSO KNOWN AS "CBN".

3 (II) NONINTOXICATING CANNABINOIDS THAT ARE DERIVED FROM
4 HEMP MAY BE USED AS AN INGREDIENT IN A HEMP PRODUCT OR AS A
5 FINISHED HEMP PRODUCT IN ACCORDANCE WITH THIS SECTION AND THE
6 RULES PROMULGATED UNDER THIS PART 4 OR IN ACCORDANCE WITH
7 ARTICLE 10 OF TITLE 44 AND THE RULES PROMULGATED UNDER ARTICLE
8 10 OF TITLE 44.

9 (c) (I) A PERSON SHALL NOT MARKET OR PROMOTE A HEMP
10 PRODUCT AS CONTAINING THC _____ OR ANY OTHER POTENTIALLY
11 INTOXICATING COMPOUND.

12 (II) A PERSON THAT MANUFACTURES, PRODUCES, OR DISTRIBUTES
13 A PRODUCT CONTAINING A POTENTIALLY INTOXICATING COMPOUND SHALL
14 LABEL THE PRODUCT IN ACCORDANCE WITH THE RULES PROMULGATED
15 UNDER THIS SECTION.

16 (d) (I) INTOXICATING CANNABINOIDS INCLUDE THE FOLLOWING IN
17 AN AMOUNT THAT EXCEEDS THE AMOUNT ESTABLISHED BY RULE OR, IF NO
18 RULE ESTABLISHES THE AMOUNT, IN ANY AMOUNT:

19 (A) DELTA-10 THC AND ITS ISOMERS;

20 (B) DELTA-9 THC AND ITS ISOMERS;

21 (C) DELTA-8 THC AND ITS ISOMERS;

22 (D) DELTA-7 THC AND ITS ISOMERS;

23 (E) DELTA-6a, 10a THC AND ITS ISOMERS;

24 (F) EXO-TETRAHYDROCANNABINOL;

25 (G) METABOLITES OF THC, INCLUDING 11-HYDROXY-THC,
26 3-HYDROXY-THC, OR 7-HYDROXY-THC;

27 (H) HYDROGENATED FORMS OF THC, INCLUDING

1 HEXAHYDROCANNABINOL, HEXAHYDROCANNABIPHOROL, AND
2 HEXAHYDROCANNABIHEXOL;

3 (I) SYNTHETIC FORMS OF THC, INCLUDING DRONABINOL;

4 (J) ESTER FORMS OF THC, INCLUDING DELTA-8 THC-O-ACETATE,
5 DELTA-9 THC-O-ACETATE, AND HEXAHYDROCANNABINOL-O-ACETATE;

6 (K) TETRAHYDROCANNABIVARINS, INCLUDING DELTA-8
7 TETRAHYDROCANNABIVARIN BUT EXCLUDING DELTA-9
8 TETRAHYDROCANNABIVARIN;

9 (L) ANALOGUES OF TETRAHYDROCANNABINOLS WITH AN ALKYL
10 CHAIN OF FOUR OR MORE CARBON ATOMS, INCLUDING
11 TETRAHYDROCANNABIPHOROLS, TETRAHYDROCANNABIOCTYLS,
12 TETRAHYDROCANNABIHEXOLS, OR TETRAHYDROCANNABUTOLS; AND

13 (M) ANY COMBINATION OF THE COMPOUNDS, INCLUDING
14 HEXAHYDROCANNABIPHOROL-O-ESTER, LISTED IN THIS SUBSECTION
15 (4)(d)(I).

16 (II) A PERSON SHALL NOT MARKET OR PROMOTE A HEMP PRODUCT
17 AS CONTAINING THC OR ANY OTHER INTOXICATING CANNABINOID.

18 (III) A PERSON THAT MANUFACTURES, PRODUCES, OR DISTRIBUTES
19 A PRODUCT CONTAINING AN INTOXICATING CANNABINOID SHALL LABEL
20 THE PRODUCT IN ACCORDANCE WITH THE RULES PROMULGATED UNDER
21 THIS SECTION.

22 (e) (I) A PERSON SHALL NOT MANUFACTURE, PRODUCE, SELL, OR
23 OFFER TO SELL A SYNTHETIC CANNABINOID OR A PRODUCT CONTAINING A
24 SYNTHETIC CANNABINOID UNLESS AUTHORIZED BY RULE. IF SYNTHETIC
25 CANNABINOIDS ARE PERMITTED BY RULE, THE DEPARTMENT, IN
26 COORDINATION WITH THE STATE LICENSING AUTHORITY, SHALL
27 PROMULGATE RULES PROVIDING STANDARDS AND REQUIREMENTS FOR THE

1 MANUFACTURE AND PRODUCTION OF SYNTHETIC CANNABINOIDS IN
2 COLORADO. THE RULES MUST INCLUDE A LABELING REQUIREMENT FOR
3 ANY HEMP-DERIVED PRODUCT MANUFACTURED OR PRODUCED IN
4 COLORADO THAT CONTAINS A SEMI-SYNTHETIC OR SYNTHETIC
5 CANNABINOID AS AN INGREDIENT.

6 (II) TO BE SOLD, OFFERED FOR SALE, OR DISTRIBUTED,
7 SEMI-SYNTHETIC CANNABINOIDS MUST MEET PRODUCTION, TESTING, AND
8 LABELING REQUIREMENTS ESTABLISHED IN RULES PROMULGATED BY THE
9 DEPARTMENT UNDER SECTION 25-5-420 AND SUBSECTION (4)(e)(I) OF THIS
10 SECTION.

11 (f) THE DEPARTMENT SHALL PROMULGATE RULES REQUIRING A
12 CONSUMER NOTICE STATEMENT IF ANY HEMP-DERIVED PRODUCTS THAT
13 ARE MANUFACTURED FOR DISTRIBUTION, PRODUCED FOR DISTRIBUTION,
14 PACKAGED FOR DISTRIBUTION, PROCESSED FOR DISTRIBUTION, PREPARED
15 FOR DISTRIBUTION, TREATED FOR DISTRIBUTION, TRANSPORTED FOR
16 DISTRIBUTION, OR HELD FOR DISTRIBUTION IN THIS STATE CONTAIN
17 INTOXICATING CANNABINOIDS OR POTENTIALLY INTOXICATING
18 COMPOUNDS.

19 (g) THE DEPARTMENT, IN COORDINATION WITH THE STATE
20 LICENSING AUTHORITY, MAY PROMULGATE RULES TO:

21 (I) CLASSIFY A HEMP-DERIVED COMPOUND OR CANNABINOID THAT
22 IS NOT CLASSIFIED IN THIS SUBSECTION (4); OR

23 (II) RECLASSIFY A HEMP-DERIVED COMPOUND OR CANNABINOID
24 CLASSIFIED IN THIS SUBSECTION (4) IF:

25 (A) THE STATE HAS ADOPTED OR FEDERAL LAW HAS ESTABLISHED
26 A PROCESS TO REVIEW AND APPROVE HEMP-DERIVED COMPOUNDS OR
27 CANNABINOIDS;

1 (B) THE REVIEW AND APPROVAL PROCESS DESCRIBED IN
2 SUBSECTION (4)(g)(II)(A) OF THIS SECTION EVALUATES THE INTOXICATING
3 POTENTIAL OF THE HEMP-DERIVED COMPOUND OR CANNABINOID; AND

4 (C) THE RECLASSIFICATION IS BASED ON THE FINDINGS OF THE
5 PROCESS AND EVALUATION DESCRIBED IN SUBSECTIONS (4)(g)(II)(A) AND
6 (4)(g)(II)(B) OF THIS SECTION.

7 (5) **Registration required - _____ application - fees - repeal.**

8 (a) BEGINNING JULY 1, 2023, AND ON OR BEFORE JULY 1 OF EACH YEAR
9 THEREAFTER, THE OWNER OF A HEMP MANUFACTURER OR STORAGE
10 FACILITY SHALL SUBMIT A REGISTRATION APPLICATION TO THE
11 DEPARTMENT. TO SUBMIT AN APPLICATION, EACH HEMP MANUFACTURER
12 OR STORAGE FACILITY _____ MUST PAY AN ANNUAL APPLICATION FEE OF ONE
13 HUNDRED DOLLARS PLUS ANY ADDITIONAL REGISTRATION FEE SPECIFIED
14 IN SUBSECTION (5)(b) OF THIS SECTION. EACH REGISTRATION EXPIRES ON
15 JUNE 30 OF THE YEAR FOR WHICH THE REGISTRATION IS ISSUED,
16 REGARDLESS OF WHETHER THE REGISTRATION WAS ISSUED AFTER JULY 1
17 FOR THE YEAR. NOTWITHSTANDING THAT A REGISTRATION IS VALID FOR
18 ONLY A PORTION OF A FISCAL YEAR, THE APPLICATION AND REGISTRATION
19 FEE DO NOT CHANGE.

20 (b) IN ADDITION TO THE APPLICATION FEE IMPOSED IN SUBSECTION
21 (5)(a) OF THIS SECTION, THE ANNUAL REGISTRATION FEE FOR A HEMP
22 MANUFACTURER OR STORAGE FACILITY IS ONE THOUSAND FIVE HUNDRED
23 DOLLARS.

24 =====

25 (c) A REGISTRATION ISSUED UNDER THIS SUBSECTION (5) IS
26 SUBJECT TO SUSPENSION OR REVOCATION, IN ACCORDANCE WITH ARTICLE
27 4 OF TITLE 24, IF THE REGISTRANT VIOLATES THIS PART 4 OR RULES

1 PROMULGATED UNDER THIS PART 4.

2 (d) A REGISTRANT WHO VIOLATES THIS SECTION IS SUBJECT TO THE
3 CIVIL PENALTIES ESTABLISHED IN SUBSECTION (9) OF THIS SECTION.

4 **(6) Hemp products not adulterated.** A PRODUCT CONTAINING
5 HEMP PRODUCED BY A REGISTRANT IS NOT DEEMED ADULTERATED, AS
6 DEFINED IN SECTIONS 25-5-410 AND 25-5-416, UNLESS THE PRODUCT
7 MEETS ONE OR MORE OF THE CRITERIA FOR ADULTERATION SET FORTH IN
8 SECTION 25-5-410 OR 25-5-416.

9 **(7) Fees deposited in fund.** THE DEPARTMENT SHALL TRANSMIT
10 FEES COLLECTED IN ACCORDANCE WITH SUBSECTION (5) OF THIS SECTION
11 TO THE STATE TREASURER, WHO SHALL CREDIT THE FEES TO THE
12 WHOLESALE FOOD MANUFACTURING AND STORAGE PROTECTION CASH
13 FUND ESTABLISHED IN SECTION 25-5-426 (5).

14 **(8) Offenses.** IT IS UNLAWFUL TO ENGAGE IN OR KNOWINGLY
15 CAUSE A PERSON TO ENGAGE IN ANY OF THE FOLLOWING ACTS:

16 (a) MANUFACTURING, SELLING, OR DELIVERING OR HOLDING OR
17 OFFERING FOR SALE ANY PRODUCTS CONTAINING HEMP AND INTOXICATING
18 CANNABINOIDS OR POTENTIALLY INTOXICATING COMPOUNDS IN EXCESS OF
19 LIMITS ESTABLISHED BY RULES PROMULGATED UNDER SUBSECTION (3)(e)
20 OF THIS SECTION OR SECTION 25-5-420;

21 (b) MANUFACTURING A PRODUCT CONTAINING HEMP THAT IS NOT
22 A COSMETIC, A DIETARY SUPPLEMENT, A FOOD, A FOOD ADDITIVE, OR AN
23 HERB; OR

24 (c) MANUFACTURING, PRODUCING, SELLING, DISTRIBUTING, OR
25 HOLDING FOR SALE OR DISTRIBUTION A HEMP PRODUCT WITHOUT
26 REGISTERING WITH THE DEPARTMENT UNDER THIS SECTION.

27

1 (9) **Penalties.** A PERSON WHO VIOLATES THIS SECTION, THE RULES
2 PROMULGATED UNDER THIS SECTION, OR A FINAL CEASE-AND-DESIST
3 ORDER OR CLEAN-UP ORDER UNDER SUBSECTION (3)(i) OF THIS SECTION IS
4 SUBJECT TO A CIVIL PENALTY OF NOT MORE THAN TEN THOUSAND DOLLARS
5 PER DAY PER VIOLATION. THE DEPARTMENT OR THE COURT SHALL
6 TRANSMIT EACH CIVIL PENALTY COLLECTED UNDER THIS SUBSECTION (9)
7 TO THE STATE TREASURER, WHO SHALL CREDIT THE PENALTY TO THE
8 WHOLESALE FOOD MANUFACTURING AND STORAGE PROTECTION CASH
9 FUND ESTABLISHED IN SECTION 25-5-426 (5). IN DETERMINING THE
10 AMOUNT OF A CIVIL PENALTY UNDER THIS SUBSECTION (9), THE
11 DEPARTMENT OR THE COURT SHALL CONSIDER THE FOLLOWING FACTORS:

- 12 (a) THE ACTUAL OR POTENTIAL DAMAGE FROM THE VIOLATION;
- 13 (b) THE VIOLATOR'S COMPLIANCE HISTORY;
- 14 (c) WHETHER THE VIOLATION WAS INTENTIONAL, RECKLESS, OR
15 NEGLIGENT;
- 16 (d) THE EFFECT UPON OR THREAT POSED TO THE PUBLIC HEALTH OR
17 ENVIRONMENT AS A RESULT OF THE VIOLATION;
- 18 (e) THE DURATION OF THE VIOLATION; AND
- 19 (f) ANY ECONOMIC BENEFIT REALIZED BY THE VIOLATOR AS A
20 RESULT OF THE VIOLATION.

21 (10) **Inspections and monitoring - rules.** (a) FOR THE PURPOSE
22 OF ENFORCEMENT OF THIS SECTION, THE DEPARTMENT MAY CONDUCT
23 INSPECTIONS OF HEMP MANUFACTURER OR STORAGE FACILITIES IN
24 ACCORDANCE WITH SECTION 25-5-421.

25 (b) UNLESS THE DEPARTMENT APPROVES, A COUNTY, A DISTRICT
26 CREATED UNDER ARTICLE 1 OF TITLE 32, A MUNICIPALITY, OR A CITY AND
27 COUNTY SHALL NOT PERFORM A FOOD SAFETY INSPECTION AT A PREMISES

1 OR PLACE WHERE HEMP PRODUCTS _____ ARE MANUFACTURED FOR
2 DISTRIBUTION, PRODUCED FOR DISTRIBUTION, PACKAGED FOR
3 DISTRIBUTION, PROCESSED FOR DISTRIBUTION, PREPARED FOR
4 DISTRIBUTION, TREATED FOR DISTRIBUTION, TRANSPORTED FOR
5 DISTRIBUTION, OR HELD FOR DISTRIBUTION.

6

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7 **SECTION 3.** In Colorado Revised Statutes, 44-10-103, **repeal**
8 (21) and (22); and **add** (17.5), (22.5), (42.5), (42.6), and (48.5) as
9 follows:

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

12 (17.5) "HEMP PRODUCT" HAS THE MEANING SET FORTH IN SECTION
13 25-5-427 (2)(d).

14 (21) ~~"Industrial hemp" means a plant of the genus cannabis and~~
15 ~~any part of the plant, whether growing or not, containing a delta-9~~
16 ~~tetrahydrocannabinol concentration of no more than three-tenths of one~~
17 ~~percent on a dry weight basis.~~

18 (22) ~~"Industrial hemp product" means a finished product~~
19 ~~containing industrial hemp that:~~

20 (a) ~~Is a cosmetic, food, food additive, or herb;~~

21 (b) ~~Is for human use or consumption;~~

22 (c) ~~Contains any part of the hemp plant, including naturally~~
23 ~~occurring cannabinoids, compounds, concentrates, extracts, isolates,~~
24 ~~resins, or derivatives; and~~

25 (d) ~~Contains a delta-9 tetrahydrocannabinol concentration of no~~
26 ~~more than three-tenths of one percent on a dry weight basis.~~

27 (22.5) "INTOXICATING CANNABINOID" MEANS A CANNABINOID

1 THAT IS CLASSIFIED AS AN INTOXICATING CANNABINOID IN SECTION
2 44-10-208 OR BY THE STATE LICENSING AUTHORITY BY RULE, IN
3 COORDINATION WITH THE DEPARTMENT OF PUBLIC HEALTH AND
4 ENVIRONMENT.

5 (42.5) "NONINTOXICATING CANNABINOID" MEANS A CANNABINOID
6 THAT IS CLASSIFIED AS A NONINTOXICATING CANNABINOID IN SECTION
7 44-10-208 OR BY THE STATE LICENSING AUTHORITY BY RULE, IN
8 COORDINATION WITH THE DEPARTMENT OF PUBLIC HEALTH AND
9 ENVIRONMENT.

10 (42.6) "NOVEL CANNABINOID" MEANS ANY CANNABINOID THAT
11 HAS NOT BEEN ASSESSED BY THE STATE OR A FEDERAL AGENCY FOR A
12 SAFETY PROFILE AND INTOXICATION PROFILE.

13 (48.5) (a) "POTENTIALLY INTOXICATING COMPOUND" MEANS:

14 (I) A NOVEL CANNABINOID; AND

15 (II) A CANNABINOID THAT IS NOT A PHYTOCANNABINOID.

16 (b) "POTENTIALLY INTOXICATING COMPOUND" DOES NOT INCLUDE:

17 (I) NONINTOXICATING CANNABINOIDS; OR

18 (II) CANNABINOIDS OR COMPOUNDS THAT COMPRISE A NATURALLY
19 DERIVED FULL SPECTRUM HEMP EXTRACT OR BROAD SPECTRUM HEMP
20 EXTRACT.

21 **SECTION 4.** In Colorado Revised Statutes, **add** 44-10-207 and
22 44-10-208 as follows:

23 **44-10-207. Feasibility study - standing committee - report -**
24 **definition - repeal.** (1) (a) ON OR BEFORE JULY 1, 2024, THE EXECUTIVE
25 DIRECTOR SHALL SUBMIT TO THE GENERAL ASSEMBLY A REPORT
26 ANALYZING THE FEASIBILITY OF ESTABLISHING A STANDING COMMITTEE
27 TO EVALUATE CANNABINOIDS AND CANNABIS-DERIVED PRODUCTS FOR THE

1 PURPOSE OF DETERMINING AND MAKING RECOMMENDATIONS REGARDING
2 THEIR SAFETY PROFILES AND POTENTIAL FOR INTOXICATION. THE REPORT
3 MUST CONSIDER AND RECOMMEND LEGISLATIVE ACTION ADDRESSING THE
4 FOLLOWING SUBJECTS:

5 (I) THE APPROPRIATE STATE AGENCY OR AGENCIES TO BE
6 INVOLVED IN, AND THEIR ROLE IN, THE EVALUATION PROCESS;

7 (II) THE ABILITY OF A STANDING COMMITTEE TO DETERMINE
8 SAFETY PROFILES OF CANNABINOIDS AND CANNABIS-DERIVED PRODUCTS,
9 INCLUDING THE PROCESS BY WHICH A STANDING COMMITTEE WOULD MAKE
10 SUCH A DETERMINATION;

11 (III) THE ABILITY OF A STANDING COMMITTEE TO DETERMINE THE
12 POTENTIAL FOR INTOXICATION OF CANNABINOIDS AND CANNABIS-DERIVED
13 PRODUCTS, INCLUDING THE PROCESS BY WHICH A STANDING COMMITTEE
14 WOULD MAKE SUCH A DETERMINATION;

15 (IV) RECOMMENDATIONS AS TO MEMBERS OF A STANDING
16 COMMITTEE AND A PROCESS TO MAKE APPOINTMENTS OF MEMBERS TO A
17 STANDING COMMITTEE;

18 (V) RECOMMENDATIONS REGARDING AN OPERABLE TIMELINE FOR
19 IMPLEMENTATION OF A STANDING COMMITTEE; AND

20 (VI) THE FISCAL EFFECTS OF AND THE RESOURCES NEEDED TO
21 IMPLEMENT AND ADMINISTER A STANDING COMMITTEE.

22 (b) TO INFORM THE FEASIBILITY REPORT DESCRIBED IN SUBSECTION
23 (1)(a) OF THIS SECTION, THE DEPARTMENT MAY ENGAGE EXPERTS,
24 INCLUDING:

25 (I) THE CHIEF MEDICAL OFFICER APPOINTED PURSUANT TO SECTION
26 25-1-105 OR THE DESIGNEE OF THE CHIEF MEDICAL OFFICER;

27 (II) THE STATE TOXICOLOGIST OR THE DESIGNEE OF THE STATE

1 TOXICOLOGIST;

2 (III) AN EPIDEMIOLOGIST WITH EXPERTISE IN DESIGNING AND
3 CONDUCTING OBSERVATIONAL STUDIES OR CLINICAL TRIALS;

4 (IV) A CLINICIAN FAMILIAR WITH DOSAGE FORMS AND ROUTES OF
5 ADMINISTRATION OF RELEVANT PRODUCTS;

6 (V) A MEDICAL TOXICOLOGIST; AND

7 (VI) A PHARMACOLOGIST WITH EXPERTISE IN DRUG
8 DEVELOPMENT.

9 (2) AS USED IN THIS SECTION, "STATE TOXICOLOGIST" MEANS THE
10 DIRECTOR OF THE TOXICOLOGY AND ENVIRONMENTAL EPIDEMIOLOGY
11 OFFICE, OR A SUCCESSOR OFFICE, IN THE DEPARTMENT OF PUBLIC HEALTH
12 AND ENVIRONMENT.

13 (3) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

14 **44-10-208. Classes of marijuana-derived cannabinoids and**
15 **compounds - definitions - privileges - prohibitions - rule-making -**
16 **rules. (1) Legislative declaration.** THE GENERAL ASSEMBLY FINDS AND
17 DECLARES THAT:

18 (a) THE REGULATION OF MARIJUANA-DERIVED POTENTIALLY
19 INTOXICATING COMPOUNDS AND INTOXICATING CANNABINOIDS, AND THE
20 REGULATION OF PREMISES WHERE POTENTIALLY INTOXICATING
21 COMPOUNDS AND INTOXICATING CANNABINOIDS ARE MANUFACTURED,
22 PACKAGED, AND SOLD IN ACCORDANCE WITH THIS ARTICLE 10 AND RULES
23 PROMULGATED UNDER THIS ARTICLE 10:

24 (I) IS NECESSARY TO PROTECT THE PUBLIC HEALTH; AND

25 (II) WILL BENEFIT CONSUMERS BY ENSURING THAT THE
26 MANUFACTURE, SALE, AND DISTRIBUTION OF MARIJUANA-DERIVED
27 POTENTIALLY INTOXICATING COMPOUNDS AND INTOXICATING

1 CANNABINOID PRODUCTS ARE REGULATED IN A WAY TO PROMOTE PUBLIC
2 HEALTH; AND

3 (b) THE TAXATION OF MARIJUANA-DERIVED POTENTIALLY
4 INTOXICATING COMPOUNDS AND INTOXICATING CANNABINIDS MUST BE
5 ADDRESSED TO ENSURE BOTH COMPLIANCE WITH COLORADO VOTERS'
6 INTENT AND EQUITABLE ECONOMIC TREATMENT.

7 (2) **Definitions** . AS USED IN THIS SECTION, UNLESS THE CONTEXT
8 OTHERWISE REQUIRES:

9 (a) "HEMP" HAS THE MEANING SET FORTH IN SECTION 35-61-101
10 (7).

11 (b) (I) "SEMI-SYNTHETIC CANNABINOID" MEANS A SUBSTANCE
12 THAT IS CREATED BY A CHEMICAL REACTION THAT CONVERTS ONE
13 CANNABINOID EXTRACTED FROM A CANNABIS PLANT DIRECTLY INTO A
14 DIFFERENT CANNABINOID.

15 (II) "SEMI-SYNTHETIC CANNABINOID" INCLUDES CANNABINIDS,
16 SUCH AS CANNABINOL THAT WAS PRODUCED BY THE CONVERSION OF
17 CANNABIDIOL.

18 (III) "SEMI-SYNTHETIC CANNABINOID" DOES NOT INCLUDE
19 CANNABINIDS PRODUCED VIA DECARBOXYLATION OF NATURALLY
20 OCCURRING ACIDIC FORMS OF CANNABINIDS, SUCH AS
21 TETRAHYDROCANNABINOLIC ACID, INTO THE CORRESPONDING NEUTRAL
22 CANNABINOID, SUCH AS THC, THROUGH THE USE OF HEAT OR LIGHT,
23 WITHOUT THE USE OF CHEMICAL REAGENTS OR CATALYSTS, AND THAT
24 RESULTS IN NO OTHER CHEMICAL CHANGE.

25 (c) (I) "SYNTHETIC CANNABINOID" MEANS A CANNABINOID-LIKE
26 COMPOUND THAT WAS PRODUCED BY USING CHEMICAL SYNTHESIS,
27 CHEMICAL MODIFICATION, OR CHEMICAL CONVERSION, INCLUDING BY

1 USING IN-VITRO BIOSYNTHESIS OR OTHER BIOCONVERSION OF SUCH A
2 METHOD.

3 (II) "SYNTHETIC CANNABINOID" DOES NOT INCLUDE:

4 (A) A COMPOUND PRODUCED THROUGH THE DECARBOXYLATION
5 OF NATURALLY OCCURRING CANNABINOID FROM THEIR ACIDIC FORMS; OR

6 (B) A SEMI-SYNTHETIC CANNABINOID.

7 (d) (I) "TETRAHYDROCANNABINOL" OR "THC" MEANS THE
8 SUBSTANCE CONTAINED IN THE PLANT CANNABIS SPECIES, IN THE
9 RESINOUS EXTRACTS OF THE CANNABIS SPECIES, OR A CARBOXYLIC ACID
10 OF, DERIVATIVE OF, SALT OF, ISOMER OF, OR SALT OR ACID OF AN ISOMER
11 OF THESE SUBSTANCES.

12 (II) "TETRAHYDROCANNABINOL" OR "THC" INCLUDES:

13 (A) DELTA-10 THC AND ITS ISOMERS;

14 (B) DELTA-9 THC AND ITS ISOMERS;

15 (C) DELTA-8 THC AND ITS ISOMERS;

16 (D) DELTA-7 THC AND ITS ISOMERS;

17 (E) DELTA-6a, 10a THC AND ITS ISOMERS; AND

18 (F) EXO-TETRAHYDROCANNABINOL;

19 (III) "TETRAHYDROCANNABINOL" OR "THC" MAY ALSO CONTAIN:

20 (A) PRODUCTS OF ANY OF THE COMPOUNDS LISTED IN
21 SUBSECTIONS (2)(d)(II)(A) TO (2)(d)(II)(F) OF THIS SECTION; OR

22 (B) METABOLITES OF ANY OF THE COMPOUNDS LISTED IN
23 SUBSECTIONS (2)(d)(II)(A) TO (2)(d)(II)(F) OF THIS SECTION.

24 (3) **Classification of marijuana-derived compounds and**
25 **cannabinoids - rules.** (a) MARIJUANA-DERIVED COMPOUNDS AND

26 CANNABINOID ARE DIVIDED INTO THREE CLASSIFICATIONS:

27 (I) NONINTOXICATING CANNABINOID;

- 1 (II) POTENTIALLY INTOXICATING COMPOUNDS; AND
2 (III) INTOXICATING CANNABINOIDS.
3 (b) (I) NONINTOXICATING CANNABINOIDS INCLUDE:
4 (A) FULL SPECTRUM HEMP EXTRACT THAT CONTAINS NO MORE
5 THAN ONE AND THREE-FOURTHS MILLIGRAMS OF THC PER SERVING AND
6 CONTAINS A RATIO OF CANNABIDIOL TO THC OF GREATER THAN OR EQUAL
7 TO FIFTEEN TO ONE;
8 (B) BROAD SPECTRUM HEMP EXTRACT;
9 (C) CANNABIDIOL, ALSO KNOWN AS "CBD";
10 (D) TETRAHYDROCANNABIVARIN, ALSO KNOWN AS "THCV";
11 (E) CANNABICHRMENE, ALSO KNOWN AS "CBC";
12 (F) CANNABICITRAN, ALSO KNOWN AS "CBT";
13 (G) CANNABICYCLOL, ALSO KNOWN AS "CBL";
14 (H) CANNABIELSOIN, ALSO KNOWN AS "CBE";
15 (I) CANNABIGEROL, ALSO KNOWN AS "CBG";
16 (J) CANNABIDIVARIN, ALSO KNOWN AS "CBDV"; AND
17 (K) CANNABINOL, ALSO KNOWN AS "CBN".
18 (II) (A) NONINTOXICATING CANNABINOIDS THAT ARE DERIVED
19 FROM HEMP MAY BE USED AS AN INGREDIENT IN A HEMP PRODUCT OR AS
20 A FINISHED HEMP PRODUCT IN ACCORDANCE WITH SECTION 25-5-427 AND
21 THE RULES PROMULGATED UNDER PART 4 OF ARTICLE 5 OF TITLE 25 OR IN
22 ACCORDANCE WITH THIS ARTICLE 10 AND ANY RULES PROMULGATED
23 UNDER THIS ARTICLE 10.
24 (B) A MARIJUANA-DERIVED NONINTOXICATING CANNABINOID IS A
25 MARIJUANA PRODUCT THAT IS SUBJECT TO RETAIL MARIJUANA SALES TAX
26 IN ACCORDANCE WITH SECTION 39-28.8-202.
27 (c) (I) A LICENSEE UNDER THIS ARTICLE 10 MAY MANUFACTURE,

1 PROCESS, TRANSFER, OR SELL POTENTIALLY INTOXICATING COMPOUNDS
2 THAT ARE DERIVED FROM MARIJUANA IN ACCORDANCE WITH THIS ARTICLE
3 10 AND THE RULES PROMULGATED UNDER THIS ARTICLE 10.

4 (II) A MARIJUANA-DERIVED POTENTIALLY INTOXICATING
5 COMPOUND IS RETAIL MARIJUANA THAT IS SUBJECT TO RETAIL MARIJUANA
6 SALES TAX IN ACCORDANCE WITH SECTION 39-28.8-202.

7 (d) (I) INTOXICATING CANNABINOIDS INCLUDE THE FOLLOWING IN
8 AN AMOUNT THAT EXCEEDS THE AMOUNT ESTABLISHED BY RULE OR, IF NO
9 RULE ESTABLISHES THE AMOUNT, IN ANY AMOUNT:

10 (A) DELTA-10 THC AND ITS ISOMERS;

11 (B) DELTA-9 THC AND ITS ISOMERS;

12 (C) DELTA-8 THC AND ITS ISOMERS;

13 (D) DELTA-7 THC AND ITS ISOMERS;

14 (E) DELTA-6a, 10a THC AND ITS ISOMERS;

15 (F) EXO-TETRAHYDROCANNABINOL;

16 (G) METABOLITES OF THC, INCLUDING 11-HYDROXY-THC,
17 3-HYDROXY-THC, OR 7-HYDROXY-THC;

18 (H) HYDROGENATED FORMS OF THC, INCLUDING
19 HEXAHYDROCANNABINOL, HEXAHYDROCANNABIPHOROL, AND
20 HEXAHYDROCANNABIHEXOL;

21 (I) SYNTHETIC FORMS OF THC, INCLUDING DRONABINOL;

22 (J) ESTER FORMS OF THC, INCLUDING DELTA-8 THC-O-ACETATE,
23 DELTA-9 THC-O-ACETATE, AND HEXAHYDROCANNABINOL-O-ACETATE;

24 (K) VARIN FORMS OF THC, INCLUDING DELTA-8
25 TETRAHYDROCANNABIVARIN BUT EXCLUDING DELTA-9
26 TETRAHYDROCANNABIVARIN;

27 (L) ANALOGUES OF TETRAHYDROCANNABINOLS WITH AN ALKYL

1 CHAIN OF FOUR OR MORE CARBON ATOMS, INCLUDING
2 TETRAHYDROCANNABIPHOROLS, TETRAHYDROCANNABIOCTYLS,
3 TETRAHYDROCANNABIHEXOLS, OR TETRAHYDROCANNABUTOLS; AND

4 (M) ANY COMBINATION OF THE COMPOUNDS, INCLUDING
5 HEXAHYDROCANNABIPHOROL-O-ESTER, LISTED IN THIS SUBSECTION
6 (3)(d)(I).

7 (II) (A) A PERSON LICENSED UNDER THIS ARTICLE 10 MAY USE AN
8 INTOXICATING CANNABINOID THAT IS DERIVED FROM MARIJUANA AS AN
9 INGREDIENT IN A REGULATED MARIJUANA PRODUCT OR AS A FINISHED
10 REGULATED MARIJUANA PRODUCT IN ACCORDANCE WITH THIS ARTICLE 10
11 AND THE RULES PROMULGATED UNDER THIS ARTICLE 10.

12 (B) A MARIJUANA-DERIVED INTOXICATING CANNABINOID IS A
13 MARIJUANA PRODUCT THAT IS SUBJECT TO SALES TAX IN ACCORDANCE
14 WITH SECTION 39-28.8-202.

15 (e) (I) A PERSON SHALL NOT MANUFACTURE, PRODUCE, SELL, OR
16 OFFER TO SELL A SYNTHETIC CANNABINOID OR A PRODUCT CONTAINING A
17 SYNTHETIC CANNABINOID UNLESS AUTHORIZED BY RULE. IF SYNTHETIC
18 CANNABINOIDS ARE PERMITTED BY RULE, THE STATE LICENSING
19 AUTHORITY, IN COORDINATION WITH THE DEPARTMENT OF PUBLIC HEALTH
20 AND ENVIRONMENT, SHALL PROMULGATE RULES PROVIDING STANDARDS
21 AND REQUIREMENTS FOR THE MANUFACTURE AND PRODUCTION OF
22 SYNTHETIC CANNABINOIDS IN COLORADO. THE RULES MUST INCLUDE A
23 REQUIREMENT THAT MARIJUANA-DERIVED PRODUCTS MANUFACTURED OR
24 PRODUCED IN COLORADO THAT CONTAIN A SEMI-SYNTHETIC OR
25 SYNTHETIC CANNABINOID AS AN INGREDIENT ARE LABELED IN
26 ACCORDANCE WITH RULES PROMULGATED PURSUANT TO THIS ARTICLE 10.

27 (II) THE STATE LICENSING AUTHORITY MAY PROMULGATE RULES

1 THAT ARE NECESSARY FOR THE FAIR, IMPARTIAL, AND COMPREHENSIVE
2 ADMINISTRATION OF THIS SECTION.

3 (III) A PERSON LICENSED UNDER THIS ARTICLE 10 THAT PRODUCES
4 SEMI-SYNTHETIC CANNABINOIDS SHALL COMPLY WITH THE PRODUCTION,
5 TESTING, AND LABELING REQUIREMENTS ESTABLISHED BY RULE OF THE
6 STATE LICENSING AUTHORITY.

7 (f) THE STATE LICENSING AUTHORITY, IN COORDINATION WITH THE
8 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, MAY PROMULGATE
9 RULES TO:

10 (I) CLASSIFY A MARIJUANA-DERIVED COMPOUND OR CANNABINOID
11 THAT IS NOT CLASSIFIED IN THIS SUBSECTION (3); OR

12 (II) RECLASSIFY A MARIJUANA-DERIVED COMPOUND OR
13 CANNABINOID CLASSIFIED IN THIS SUBSECTION (3) IF:

14 (A) THE STATE HAS ADOPTED OR FEDERAL LAW HAS ESTABLISHED
15 A PROCESS TO REVIEW AND APPROVE MARIJUANA-DERIVED COMPOUNDS
16 OR CANNABINOIDS;

17 (B) THE REVIEW AND APPROVAL PROCESS DESCRIBED IN
18 SUBSECTION (3)(f)(II)(A) OF THIS SECTION EVALUATES THE INTOXICATING
19 POTENTIAL OF THE MARIJUANA-DERIVED COMPOUND OR CANNABINOID;
20 AND

21 (C) THE RECLASSIFICATION IS BASED ON THE FINDINGS OF THE
22 PROCESS AND EVALUATION DESCRIBED IN SUBSECTIONS (3)(f)(II)(A) AND
23 (3)(f)(II)(B) OF THIS SECTION.

24 (4) **Rules to prohibit synthetic cannabinoids.** IN ADDITION TO
25 ANY POWERS LISTED IN THIS SECTION, THE STATE LICENSING AUTHORITY
26 MAY PROMULGATE RULES NECESSARY TO PROHIBIT CHEMICAL
27 MODIFICATION, CONVERSION, OR SYNTHETIC DERIVATION OF

1 CANNABINOIDS OR MARIJUANA-DERIVED COMPOUNDS, UNLESS OTHERWISE
2 PERMITTED BY THIS ARTICLE 10 AND THE RULES PROMULGATED UNDER
3 THIS ARTICLE 10.

4 **SECTION 5.** In Colorado Revised Statutes, 44-10-503, **add**
5 (1)(c) as follows:

6 **44-10-503. Medical marijuana products manufacturer license**
7 **- rules - definition.** (1) (c) A PERSON MUST BE LICENSED AS A MEDICAL
8 MARIJUANA PRODUCTS MANUFACTURER, INCLUDING PAYING THE LICENSE
9 AND APPLICATION FEES, TO MANUFACTURE POTENTIALLY INTOXICATING
10 COMPOUNDS OR INTOXICATING CANNABINOIDS FROM MEDICAL MARIJUANA
11 TO BE USED AS AN INGREDIENT OR AS A FINISHED MEDICAL MARIJUANA
12 PRODUCT.

13 **SECTION 6.** In Colorado Revised Statutes, 44-10-603, **add** (1)(f)
14 as follows:

15 **44-10-603. Retail marijuana products manufacturer license -**
16 **rules - definition.** (1) (f) A PERSON MUST BE LICENSED AS A RETAIL
17 MARIJUANA PRODUCTS MANUFACTURER, INCLUDING PAYING THE LICENSE
18 AND APPLICATION FEES, TO MANUFACTURE POTENTIALLY INTOXICATING
19 COMPOUNDS OR INTOXICATING CANNABINOIDS FROM RETAIL MARIJUANA
20 TO BE USED AS AN INGREDIENT OR AS FINISHED RETAIL MARIJUANA
21 PRODUCTS IN ACCORDANCE WITH THIS ARTICLE 10.

22 **SECTION 7.** In Colorado Revised Statutes, 6-1-725, **amend** (1)
23 as follows:

24 **6-1-725. Synthetic cannabinoids - incense - deceptive trade**
25 **practice.** (1) EXCEPT IN ACCORDANCE WITH ARTICLE 10 OF TITLE 44 OR
26 ARTICLE 4 OF TITLE 25, it is unlawful for any person or entity to distribute,
27 dispense, manufacture, display for sale, offer for sale, attempt to sell, or

1 sell to a purchaser any product that contains any amount of any synthetic
2 cannabinoid, as defined in section 18-18-102 (34.5). ~~C.R.S.~~

3 **SECTION 8.** In Colorado Revised Statutes, 18-18-406.1, **amend**
4 (1) as follows:

5 **18-18-406.1. Unlawful use or possession of synthetic**
6 **cannabinoids or salvia divinorum.** (1) ~~On and after January 1, 2012~~
7 EXCEPT AS PROVIDED IN SECTION 25-5-427 OR ARTICLE 10 OF TITLE 44, it
8 is unlawful for any person to use or possess any amount of any synthetic
9 cannabinoid or salvia divinorum.

10 **SECTION 9.** In Colorado Revised Statutes, 18-18-406.2, **amend**
11 (1) introductory portion as follows:

12 **18-18-406.2. Unlawful distribution, manufacturing,**
13 **dispensing, sale, or cultivation of synthetic cannabinoids or salvia**
14 **divinorum.** (1) EXCEPT AS PROVIDED IN SECTION 25-5-427 OR ARTICLE
15 10 OF TITLE 44, it is unlawful for any person knowingly to:

16 **SECTION 10.** In Colorado Revised Statutes, 30-15-401, **amend**
17 (1.7) as follows:

18 **30-15-401. General regulations - definitions.** (1.7) In addition
19 to any other powers, a board of county commissioners may charge a fee
20 for a local license and adopt resolutions or ordinances to establish
21 requirements on businesses engaged in the storage, extraction, processing,
22 or manufacturing of industrial hemp, as defined in section 35-61-101 (7),
23 or ~~industrial~~ hemp products, as defined in section ~~25-5-426 (2)(g.5)~~
24 25-5-427 (2)(d). A county shall not impose additional food production
25 regulations on ~~industrial~~ hemp processors or HEMP products if the
26 regulations conflict with state law.

27 **SECTION 11.** In Colorado Revised Statutes, 31-15-501, **amend**

1 (1)(r) as follows:

2 **31-15-501. Powers to regulate businesses.** (1) The governing
3 bodies of municipalities have the following powers to regulate
4 businesses:

5 (r) To charge a fee for a local license and establish licensing
6 requirements on businesses engaged in the storage, extraction, processing,
7 or manufacturing of industrial hemp, as defined in section 35-61-101 (7),
8 or ~~industrial~~ hemp products, as defined in section ~~25-5-426 (2)(g.5)~~
9 25-5-427 (2)(d). A municipality shall not impose additional food
10 production regulations on ~~industrial~~ hemp processors or HEMP products
11 if the regulations conflict with state law.

12 **SECTION 12.** In Colorado Revised Statutes, 39-28.8-101,
13 **amend** (7) as follows:

14 **39-28.8-101. Definitions.** Unless the context otherwise requires,
15 any terms not defined in this article 28.8 have the meanings set forth in
16 article 26 of this title 39. As used in this article 28.8, unless the context
17 otherwise requires:

18 (7) (a) (I) "Retail marijuana" means all parts of the plant of the
19 genus cannabis whether growing or not, the seeds ~~thereof~~ OF THE PLANT,
20 the resin extracted from any part of the plant, and every compound,
21 manufacture, salt, derivative, mixture, or preparation of the plant, its
22 seeds, or its resin, including marijuana concentrate;

23 (II) RESIN EXTRACTS, COMPOUNDS, DERIVATIVES, OR
24 PREPARATIONS OF THE PLANT OF THE GENUS CANNABIS INCLUDE:

25 (A) A NONINTOXICATING CANNABINOID, AS DEFINED IN SECTION
26 44-10-103 (42.5), PRODUCED FROM THE PLANT OF THE GENUS CANNABIS;

27 (B) A POTENTIALLY INTOXICATING COMPOUND, AS DEFINED IN

1 SECTION 44-10-103 (48.5), PRODUCED FROM THE PLANT OF THE GENUS
2 CANNABIS; AND

3 (C) AN INTOXICATING CANNABINOID, AS DEFINED IN SECTION
4 44-10-103 (22.5), PRODUCED FROM THE PLANT OF THE GENUS CANNABIS.

5 (b) "Retail marijuana" does not include ~~industrial~~ hemp, nor does
6 it include fiber produced from the stalks, oil, cake made from the seeds
7 of the plant, sterilized seed of the plant that is incapable of germination,
8 or the weight of any other ingredient combined with marijuana to prepare
9 topical or oral administrations, food, drink, or other product.

10 **SECTION 13. Appropriation.** (1) For the 2023-24 state fiscal
11 year, \$1,277,463 is appropriated to the department of public health and
12 environment. This appropriation consists of \$575,289 from the general
13 fund, \$405,576 from the wholesale food manufacturing and storage
14 protection cash fund created in section 25-5-426 (5), C.R.S., and
15 \$296,598 from the marijuana tax cash fund created in section
16 39-28.8-501, C.R.S. To implement this act, the department may use this
17 appropriation as follows:

18 (a) \$681,555, which consists of \$575,289 from general fund and
19 \$106,266 from the marijuana tax cash fund, for administration and
20 support related to disease control and public health response, which
21 amount is based on an assumption that the department will require an
22 additional 1.9 FTE;

23 (b) \$405,576 from the wholesale food manufacturing and storage
24 protection cash fund for environmental health programs, which amount is
25 based on an assumption that the department will require an additional 3.5
26 FTE; and

27 (c) \$190,332 from the marijuana tax cash fund for for the

1 purchase of legal services.

2 (2) For the 2023-24 state fiscal year, \$198,900 is appropriated to
3 the department of revenue. This appropriation is from the marijuana cash
4 fund created in section 44-10-801 (1)(a), C.R.S. To implement this act,
5 the department may use this appropriation as follows:

6 (a) \$141,800 for marijuana enforcement, which amount is based
7 on an assumption that the department will require an additional 1.5 FTE;
8 and

9 (b) \$57,100 for the purchase of legal services.

10 (3) For the 2023-24 state fiscal year, \$247,432 is appropriated to
11 the department of law. This appropriation is from reappropriated funds
12 received from the departments of public health and environment and
13 revenue under subsection (1)(c) and (2)(b) of this section and is based on
14 an assumption that the department of law will require an additional 1.3
15 FTE. To implement this act, the department of law may use this
16 appropriation to provide legal services for the departments of public
17 health and environment and revenue.

18 **SECTION 14. Applicability.** This act applies to offenses
19 committed or conduct occurring on or after the effective date of this act.

20 **SECTION 15. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, or safety.