



**COLORADO**  
 Department of Agriculture  
 Division of Plant Industry

## **PLEASE SUPPORT HB 17-1197**

### **Exclude Marijuana From Farm Products Definition**

**Rep. Ginal and Sen. Coram**

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#### **Background**

The **Colorado Farm Products Act** is law designed to protect sellers of farm products. It is a system of licensing and bonding to assist a seller in getting paid.

- A **farm product** is an unprocessed product of the soil, livestock, milk, honey, and hay. It does not include poultry, nursery stock, timber products, commodities, or livestock purchased and not resold or processed within 90 days.

The law requires that **dealers and brokers license and bond with the Department of Agriculture.**

- Anyone or any company that is purchasing Colorado farm products for the purpose of re-sale or processing needs to be licensed.
  - Restaurants, retail grocery stores, small feedlots, and any person or company that is purchasing farm products for their own consumption need not license.
- A dealer that is operating without a license is committing a class 6 felony and is subject to prosecution under the criminal statutes.

When a complaint is filed against a licensee, the Department investigates the complaint, and if the complaint is deemed to be valid, a claim will be made against the licensee's bond. This doesn't ensure that a licensee will receive all their payment back - a claim may exceed the amount of the licensee's bond, and there may be competing claims for the bond.

#### **Why Is This Bill Needed?**

If marijuana stays in the Farm Products Act, a **marijuana dealer would have to be licensed and bonded through the Department of Agriculture.**

- This is an additional layer of regulation for the marijuana industry.
- The Department of Revenue regulates marijuana from seed to sale.

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For more information, please contact CDA's legislative liaison, Jennifer Cassell at [jennifer.cassell@gmail.com](mailto:jennifer.cassell@gmail.com) or (785) 393-0472.





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