



SB20-197 Aligning State And Federal Law On Hemp

Program Overview:

The hemp program at the Colorado Department of Agriculture (CDA) regulates the cultivation of hemp as written in The Industrial Hemp Act (Title 35, Article 61) and Rules Pertaining to the administration of Act (8 CCR 1203-23). The program:

- Registers land areas used to grow hemp,
- Collects required planting and harvest reports,
- Inspects and samples crop to ensure compliance with rules and that plants are legal hemp,
- Enforces violations,
- Administers and operates a hemp certified seed program
- Works cooperatively with CSU, CDPHE, DPS, DOR, OEDIT, other agencies and industry experts to establish a strong market for the state's farming communities.

In 2019, the program had 2,002 registrants (cultivators of hemp) and 2,716 farms registered. 87,408 Acres and 16.5 Million Square Feet were registered with 52,275 planted acres and 51,851 harvested acres.

Summary of the Bill:

The bill aligns state statute with the USDA's Interim Final Rule on Hemp (Establishment of a Domestic Hemp Production Program) that was adopted on October 31, 2019, and which Colorado must be in compliance with by October 31, 2020.

Major components of that bill are:

- Allows for the required collection and analysis of samples from 100% of all hemp crops (lots) via third party samplers and laboratories.
- Provides the authority to obtain felony background checks (criminal history reports) for registrants as required by the USDA.
- Establishes a three-year record-keeping requirement for producers.
- Enables the state agricultural commission to appoint members of the industrial hemp advisory committee to ensure there are no vacancies. Currently, there are vacant positions on the committee which has been the historic trend.
- Transition the certified seed program to be administered by an institution of higher education (CSU) with oversight by CDA (consistent with all other agricultural commodities).

Fiscal Note:

The fiscal impact of this bill results from the background check requirement. The background checks are required by the USDA and will be conducted by the Colorado Department of Public Safety (DPS). Applicants for registration must pay the fee

associated with obtaining a background check. The fee will cover all costs associated with conducting the background check.

Department Position:

Thank you for the opportunity to provide this written testimony. **This bill is necessary for Colorado to have a federally compliant hemp program beginning on October 31, 2020. Without passage of this bill there will not be a legal hemp program in Colorado later this year.** The Colorado Department of Agriculture asks for your support and urges a yes vote on SB20-197.