First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 25-0580.02 Christy Chase x2008

SENATE BILL 25-072

SENATE SPONSORSHIP

Mullica and Pelton B.,

HOUSE SPONSORSHIP

Lindsay and Soper,

Senate Committees

House Committees

Finance Appropriations

A BILL FOR AN ACT

101 CONCERNING THE REGULATION OF <u>KRATOM</u>, <u>AND</u>, <u>IN CONNECTION</u>
102 THEREWITH, <u>MAKING AN APPROPRIATION</u>.

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 of the bill repeals certain provisions regarding the regulation of kratom that are included in sections 2 and 3 with amendments.

Section 2 prohibits a processor from manufacturing, packaging, labeling, or distributing in the state a food or dietary supplement that consists of kratom leaf or kratom leaf extract (kratom product) unless the

manufacturer of the kratom product has obtained a registration of the kratom product (registration) from the executive director of the department of revenue (executive director). The manufacturer must pay a fee and provide proof of certain certificates and a registration from the federal food and drug administration to receive a registration for the kratom product from the executive director.

The executive director is required to establish an annual fee paid by manufacturers of kratom products that are manufactured, packaged, labeled, or distributed in the state. The fees are credited to the kratom consumer protection cash fund, which is created in **section 2** and may be used by the executive director for the administration and enforcement of state laws regulating kratom.

A manufacturer of a kratom product that is manufactured, packaged, labeled, or distributed in the state without a registration is subject to a civil penalty of:

- No more than \$1,000 for the first violation;
- No more than \$5,000 for the second violation; and
- At least \$5,000 and no more than \$20,000 for a third or subsequent violation.

In the event of a third or subsequent violation, the manufacturer is prohibited from manufacturing or distributing kratom products in the state for 3 years after the date the civil penalty is assessed.

Section 3 prohibits a person from:

- Knowingly preparing, distributing, advertising, selling, or offering to sell a kratom product under certain circumstances;
- Preparing, distributing, advertising, selling, or offering to sell a kratom product that does not clearly and conspicuously set forth certain information on the kratom product's label;
- Displaying or storing kratom products in a retail location in a manner that will allow the products to be accessed by individuals under 21 years of age; or
- Manufacturing, packaging, labeling, or distributing a kratom product that contains synthesized or semi-synthesized kratom alkaloids or has a level of 7-hydroxymitragynine in the alkaloid fraction that is greater than 2% of the alkaloid composition of the product.

A person that conducts these prohibited activities engages in a deceptive trade practice.

- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 **SECTION 1.** In Colorado Revised Statutes, **repeal** 44-1-105.

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1	SECTION 2. In Colorado Revised Statutes, add article 15 to title
2	44 as follows:
3	ARTICLE 15
4	Kratom Regulation
5	44-15-101. Definitions. As used in this article 15, unless the
6	CONTEXT OTHERWISE REQUIRES:
7	(1) "ADULTERATED" MEANS THE ADDITION OF FENTANYL OR ANY
8	OTHER CONTROLLED SUBSTANCE, A SYNTHESIZED ALKALOID OR
9	SEMI-SYNTHESIZED ALKALOID, OR ANOTHER SUBSTANCE PROHIBITED BY
10	LAW.
11	(2) "ALKALOID FRACTION" MEANS A PORTION OF A PLANT OR
12	PLANT EXTRACT THAT CONTAINS PRIMARILY ALKALOID COMPOUNDS.
13	(3) "CONTROLLED SUBSTANCE" MEANS A SUBSTANCE LISTED IN
14	PART 2 OF ARTICLE 18 OF TITLE 18.
15	(4) "FUND" MEANS THE KRATOM CONSUMER PROTECTION CASH
16	FUND CREATED IN SECTION 44-15-103 (2).
17	(5) "INDEPENDENT LABORATORY" MEANS A LABORATORY THAT IS
18	ACCREDITED UNDER THE STANDARDS OF THE INTERNATIONAL
19	ORGANIZATION FOR STANDARDIZATION 17025.2017 ACCREDITATION OR
20	FROM AN ACCREDITATION BODY THAT IS A SIGNATORY TO THE
21	INTERNATIONAL LABORATORY ACCREDITATION COOPERATION MUTUAL
22	RECOGNITION ARRANGEMENT.
23	(6) "Kratom leaf" means the leaf of the Mitragyna
24	SPECIOSA PLANT, IN FRESH OR DEHYDRATED FORM, THAT IS SUBJECT TO NO
25	POSTHARVEST PROCESSING OTHER THAN:
26	(a) Drying or size reduction by cutting, milling, or other
27	SIMILAR PROCEDURE; OR

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1	(b) CLEANING OR STERILIZATION THROUGH THE APPLICATION OF
2	HEAT, STEAM, PRESSURIZATION, IRRADIATION, OR OTHER STANDARD
3	TREATMENT APPLIED TO A FOOD INGREDIENT.
4	(7) "Kratom leaf extract" means the material extracted
5	FROM A KRATOM LEAF THROUGH THE APPLICATION OF A SOLVENT
6	CONSISTING OF WATER, ETHANOL, FOOD-GRADE CARBON DIOXIDE, OR
7	ANOTHER SOLVENT ALLOWED BY FEDERAL OR STATE LAW TO BE USED IN
8	THE MANUFACTURING OF A FOOD INGREDIENT.
9	(8) "Kratom product" means a food or dietary supplement
10	THAT CONSISTS OF, OR CONTAINS, KRATOM LEAF OR KRATOM LEAF
11	EXTRACT AND DOES NOT INCLUDE ANY SYNTHESIZED ALKALOIDS OR
12	SEMI-SYNTHESIZED ALKALOIDS.
13	(9) "PROCESSOR" MEANS A PERSON THAT MANUFACTURES,
14	PACKAGES, LABELS, OR DISTRIBUTES KRATOM PRODUCTS OR ADVERTISES
15	OR REPRESENTS ITSELF AS A MANUFACTURER, PACKAGER, LABELER, OR
16	DISTRIBUTOR OF KRATOM PRODUCTS.
17	(10) "Semi-synthesized alkaloid" means an alkaloid or
18	ALKALOID DERIVATIVE CONTAINED IN A KRATOM LEAF EXTRACT THAT HAS
19	BEEN EXPOSED TO CHEMICALS OR PROCESSES THAT WOULD CONFER A
20	STRUCTURAL CHANGE IN THE ALKALOIDS, SUCH AS OXIDATION,
21	REDUCTION, AND RING OPENING AND CLOSING, RESULTING IN MATERIAL
22	THAT HAS BEEN CHEMICALLY ALTERED.
23	(11) "SYNTHESIZED ALKALOID" MEANS AN ALKALOID OR
24	ALKALOID DERIVATIVE OF THE KRATOM LEAF THAT HAS BEEN CREATED BY
25	CHEMICAL SYNTHESIS OR BIOSYNTHETIC MEANS, INCLUDING
26	FERMENTATION, RECOMBINANT TECHNIQUES, YEAST-DERIVED
27	TECHNIQUES, AND ENZYMATIC TECHNIQUES, RATHER THAN BY

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1	TRADITIONAL FOOD PREPARATION TECHNIQUES SUCH AS HEATING OR
2	EXTRACTING.
3	44-15-102. Registration - suspension or revocation. (1) (a) A
4	PROCESSOR SHALL NOT MANUFACTURE, PACKAGE, LABEL, OR DISTRIBUTE
5	A KRATOM PRODUCT IN THE STATE UNLESS THE MANUFACTURER OF THE
6	KRATOM PRODUCT HAS OBTAINED A REGISTRATION OF THE KRATOM
7	PRODUCT FROM THE EXECUTIVE DIRECTOR. A MANUFACTURER MAY
8	INCLUDE IN AND OBTAIN A SINGLE REGISTRATION FOR MULTIPLE KRATOM
9	PRODUCTS THAT CONTAIN THE SAME KRATOM INGREDIENTS AND THAT ARE
10	IN THE SAME DELIVERY FORM BUT THAT ARE IN DIFFERENT CONTAINERS,
11	PACKAGES, OR VOLUMES.
12	(b) A REGISTRATION IS VALID FOR ONE YEAR FROM THE DATE OF
13	ISSUANCE BY THE EXECUTIVE DIRECTOR AND IS NONTRANSFERABLE.
14	(2) THE EXECUTIVE DIRECTOR SHALL NOT ISSUE A REGISTRATION
15	FOR A KRATOM PRODUCT UNLESS THE MANUFACTURER PAYS THE FEE
16	DESCRIBED IN SECTION 44-15-103 AND PROVIDES TO THE EXECUTIVE
17	DIRECTOR:
18	(a) Proof of a current good manufacturing practices
19	CERTIFICATE FROM AN AUDITOR ACCREDITED BY THE AMERICAN
20	NATIONAL STANDARDS INSTITUTE (ANSI), OR ITS SUCCESSOR
21	ORGANIZATION, FOR ANY FACILITY THAT MANUFACTURES THE KRATOM
22	PRODUCT;
23	(b) PROOF OF A CURRENT FOOD FACILITY REGISTRATION FROM THE
24	FEDERAL FOOD AND DRUG ADMINISTRATION FOR ANY FACILITY THAT
25	MANUFACTURES, PACKAGES, LABELS, OR DISTRIBUTES THE KRATOM
26	PRODUCT;
2.7	(c) A COPY OF THE KRATOM PRODUCT'S LABEL TO DEMONSTRATE

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1	COMPLIANCE WITH SECTION 6-1-737 (2)(b); AND
2	(d) PROOF OF A CERTIFICATE OF ANALYSIS FROM AN INDEPENDENT
3	LABORATORY CONFIRMING THE ALKALOID CONTENT OF THE KRATOM
4	PRODUCT, WHICH CERTIFICATE OF ANALYSIS MUST CONFIRM THAT:
5	(I) THE KRATOM PRODUCT HAS A LEVEL OF
6	7-HYDROXYMITRAGYNINE IN THE ALKALOID FRACTION THAT IS TWO
7	PERCENT OR LESS OF THE ALKALOID COMPOSITION OF THE KRATOM
8	PRODUCT; AND
9	(II) THERE ARE NO SYNTHESIZED ALKALOIDS OR
10	SEMI-SYNTHESIZED ALKALOIDS IN THE KRATOM PRODUCT.
11	(3) If the executive director receives evidence that a
12	KRATOM PRODUCT REGISTERED PURSUANT TO THIS SECTION MAY BE
13	ADULTERATED IN VIOLATION OF SECTION 6-1-737 (2)(a)(I), THE
14	EXECUTIVE DIRECTOR MAY REQUIRE A THIRD-PARTY TEST OF THE KRATOM
15	PRODUCT BY AN INDEPENDENT LABORATORY CHOSEN BY THE EXECUTIVE
16	DIRECTOR.
17	(4) (a) The executive director may suspend or revoke a
18	REGISTRATION ISSUED PURSUANT TO THIS SECTION IN THE EVENT OF A
19	VIOLATION OF:
20	(I) This section or the rules adopted pursuant to this
21	SECTION; OR
22	(II) SECTION 6-1-737.
23	(b) A MANUFACTURER THAT REGISTERS A KRATOM PRODUCT
24	PURSUANT TO THIS SECTION IS RESPONSIBLE FOR THE DIRECT COSTS
25	ASSOCIATED WITH A THIRD-PARTY TEST DESCRIBED IN SUBSECTION (3) OF
26	THIS SECTION OR ENFORCEMENT ACTION RELATED TO THE KRATOM
27	PRODUCT IF THE THIRD-PARTY TEST OR ENFORCEMENT ACTION LEADS TO

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1	THE SUSPENSION OR REVOCATION OF THE KRATOM PRODUCT'S
2	REGISTRATION OR THE ASSESSMENT OF A CIVIL PENALTY PURSUANT TO
3	SECTION 44-15-104.
4	44-15-103. Annual fee - cash fund - loan - gifts, grants, and
5	donations - repeal. (1) The executive director shall establish an
6	ANNUAL FEE PAID BY A MANUFACTURER OF A KRATOM PRODUCT THAT IS
7	MANUFACTURED, PACKAGED, LABELED, OR DISTRIBUTED IN THE STATE.
8	THE STATE TREASURER SHALL CREDIT THE ANNUAL FEES TO THE FUND.
9	(2) (a) The Kratom consumer protection cash fund is
10	CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF ANNUAL FEES
11	CREDITED TO THE FUND PURSUANT TO SUBSECTION (1) OF THIS SECTION,
12	CIVIL PENALTIES CREDITED TO THE FUND PURSUANT TO SECTION 44-15-104
13	(3), ANY AMOUNTS THE DEPARTMENT RECEIVES AND TRANSMITS FOR
14	<u>DEPOSIT IN THE FUND PURSUANT TO SUBSECTION (4) OF THIS SECTION, AND</u>
15	ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR
16	TRANSFER TO THE <u>FUND</u> , <u>INCLUDING THE AMOUNT TRANSFERRED TO THE</u>
17	FUND PURSUANT TO SUBSECTION (3) OF THIS SECTION.
18	(b) The state treasurer shall credit all interest and
19	INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
20	FUND TO THE FUND.
21	(c) Subject to annual appropriation by the general
22	ASSEMBLY, THE EXECUTIVE DIRECTOR MAY EXPEND MONEY FROM THE
23	FUND FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE 15.
24	(3) (a) (I) ON JULY 1, 2025, OR AS SOON AS POSSIBLE THEREAFTER,
25	THE STATE TREASURER SHALL TRANSFER THREE HUNDRED SIX THOUSAND
26	THREE HUNDRED FORTY-FOUR DOLLARS FROM THE TOBACCO LITIGATION
27	CETTI EMENT CACHEINID CDEATED DI CECTION 24 22 115 TO THE VD A TOM

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1	CONSUMER PROTECTION CASH FUND FOR THE PURPOSE OF DEFRAYING
2	EXPENSES INCURRED BY THE DEPARTMENT BEFORE IT RECEIVES ANNUAL
3	FEES PURSUANT TO SUBSECTION (1) OF THIS SECTION OR ANY CIVIL
4	PENALTIES PURSUANT TO SECTION 44-15-104 (3).
5	(II) NOTWITHSTANDING ANY OTHER LAW, STATE FISCAL RULE, OR
6	GENERALLY ACCEPTED ACCOUNTING PRINCIPLE THAT COULD OTHERWISE
7	BE INTERPRETED TO REQUIRE A CONTRARY CONCLUSION:
8	(A) THE DEPARTMENT MAY ACCEPT AND EXPEND ANY MONEY
9	TRANSFERRED PURSUANT TO THIS SUBSECTION (3):
10	(B) THE TRANSFER REQUIRED IN SUBSECTION (3)(a)(I) OF THIS
11	SECTION IS A LOAN FROM THE STATE TREASURER TO THE DEPARTMENT
12	THAT IS REQUIRED TO BE REPAID; AND
13	(C) THE TRANSFER REQUIRED IN SUBSECTION (3)(a)(I) OF THIS
14	SECTION IS NOT A GRANT FOR PURPOSES OF SECTION 20 (2)(d) OF ARTICLE
15	X OF THE STATE CONSTITUTION OR AS DEFINED IN SECTION 24-77-102 (7).
16	(b) (I) As the department receives sufficient revenue in
17	EXCESS OF EXPENSES, THE DEPARTMENT SHALL REPAY THE STATE
18	TREASURER FOR THE PRINCIPAL AMOUNT OF THE LOAN PLUS
19	ACCUMULATED INTEREST AS DETERMINED PURSUANT TO SUBSECTION
20	(3)(b)(II) OF THIS SECTION AND SHALL FULLY REPAY THE PRINCIPAL AND
21	INTEREST ON THE LOAN NO LATER THAN JUNE 30, 2027.
22	(II) Interest accrues on the money borrowed from the
23	TOBACCO LITIGATION SETTLEMENT CASH FUND AT A RATE EQUIVALENT TO
24	THE RATE PER ANNUM ON THE MOST RECENTLY ISSUED TEN-YEAR UNITED
25	STATES TREASURY NOTE, ROUNDED TO THE NEAREST ONE-TENTH OF ONE
26	PERCENT, AS REPORTED BY THE "WALL STREET JOURNAL", AS OF THE
27	DATE THE TRANSFER REQUIRED BY SUBSECTION (3)(a)(I) OF THIS SECTION

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I	IS MADE. INTEREST ACCRUES AT THE RATE SPECIFIED IN THIS SUBSECTION
2	(3)(b)(II) BEGINNING ON THE DATE OF THE TRANSFER UNTIL THE DATE ON
3	WHICH THE TOTAL AMOUNT BORROWED, INCLUDING ACCRUED INTEREST.
4	<u>IS REPAID.</u>
5	(c) This subsection (3) is repealed, effective July 1, 2028.
6	(4) The department may seek, accept, and expend gifts.
7	GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE
8	PURPOSES OF THIS ARTICLE 15. THE DEPARTMENT SHALL TRANSMIT ALL
9	MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE
10	TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND.
11	44-15-104. Civil penalty. (1) A MANUFACTURER OF A KRATOM
12	PRODUCT THAT IS MANUFACTURED, PACKAGED, LABELED, OR DISTRIBUTED
13	IN THE STATE WITHOUT A REGISTRATION ISSUED PURSUANT TO SECTION
14	44-15-102 (1) IS SUBJECT TO A CIVIL PENALTY OF:
15	(a) NO MORE THAN ONE THOUSAND DOLLARS FOR THE FIRST
16	VIOLATION;
17	(b) No more than five thousand dollars for the second
18	VIOLATION; AND
19	(c) At least five thousand dollars and no more than
20	TWENTY THOUSAND DOLLARS FOR A THIRD OR SUBSEQUENT VIOLATION.
21	(2) In the event of a third or subsequent violation, the
22	MANUFACTURER IS PROHIBITED FROM MANUFACTURING OR DISTRIBUTING
23	KRATOM PRODUCTS IN THE STATE FOR THREE YEARS AFTER THE DATE THE
24	CIVIL PENALTY IS ASSESSED.
25	(3) THE STATE TREASURER SHALL CREDIT THE CIVIL PENALTIES TO
26	THE FUND.
7	44_15_105 Compliance with federal law_rules (1) A KRATOM

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1	PRODUCT SOLD, OFFERED FOR SALE, OR INTRODUCED INTO COMMERCE IN
2	THE STATE MUST BE MANUFACTURED, PACKAGED, LABELED, AND
3	DISTRIBUTED IN COMPLIANCE WITH 21 CFR 111, AS THAT PART EXISTED
4	on July 1, 2025, or as updated by the executive director by rule.
5	(2) A PROCESSOR SHALL HOLD A CURRENT FOOD FACILITY
6	REGISTRATION FROM THE FEDERAL FOOD AND DRUG ADMINISTRATION.
7	44-15-106. Rules. The executive director may adopt rules
8	THAT ARE NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT OF
9	THIS ARTICLE 15.
10	44-15-107. Local government regulation. Nothing in this
11	ARTICLE 15 OR RULES ADOPTED BY THE EXECUTIVE DIRECTOR PURSUANT
12	TO THIS ARTICLE 15 LIMITS THE ABILITY OF A LOCAL GOVERNMENT TO
13	ENACT OR ENFORCE AN ORDINANCE, RESOLUTION, REGULATION, OR OTHER
14	LAW RELATING TO THE MANUFACTURE, SALE, OFFER FOR SALE, TRANSFER,
15	POSSESSION, OR USE OF ANY KRATOM PRODUCT WITHIN THE LOCAL
16	GOVERNMENT'S JURISDICTION SO LONG AS THE LOCAL GOVERNMENT
17	ORDINANCE, RESOLUTION, REGULATION, OR LAW IS NO LESS RESTRICTIVE
18	THAN THE REQUIREMENTS OF THIS ARTICLE 15.
19	SECTION 3. In Colorado Revised Statutes, add 6-1-737 as
20	follows:
21	6-1-737. Kratom - deceptive trade practice - definitions.
22	(1) Unless the context otherwise requires, the definitions in
23	SECTION 44-15-101 APPLY TO THIS SECTION.
24	(2) A PERSON SHALL NOT:
25	(a) Knowingly prepare, distribute, advertise, sell, or offer
26	TO SELL A KRATOM PRODUCT:
27	(I) THAT IS ADULTERATED;

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1	(II) TO A PERSON UNDER TWENTY-ONE YEARS OF AGE;
2	(III) THAT CONTAINS A LEVEL OF 7-HYDROXYMITRAGYNINE IN THE
3	ALKALOID FRACTION THAT IS GREATER THAN TWO PERCENT OF THE
4	ALKALOID COMPOSITION OF THE KRATOM PRODUCT;
5	(IV) THAT IS A CONFECTION; MIMICS A CANDY PRODUCT; OR IS
6	MANUFACTURED, PACKAGED, LABELED, OR DISTRIBUTED IN A WAY THAT
7	IS APPEALING TO CHILDREN, INCLUDING IN THE DISTINCT SHAPE OF A
8	HUMAN, AN ANIMAL, OR FRUIT; OR
9	(V) THAT IS COMBUSTIBLE OR INTENDED FOR VAPORIZATION;
10	(b) Prepare, distribute, advertise, sell, or offer to sell a
11	KRATOM PRODUCT THAT DOES NOT HAVE A LABEL THAT CLEARLY AND
12	CONSPICUOUSLY SETS FORTH ON EACH RETAIL PACKAGE:
13	(I) THE IDENTITY AND ADDRESS OF ANY PROCESSOR INVOLVED IN
14	MANUFACTURING, PACKAGING, LABELING, OR DISTRIBUTING THE KRATOM
15	PRODUCT;
16	(II) THE FULL LIST OF INGREDIENTS IN THE KRATOM PRODUCT;
17	(III) A RECOMMENDATION:
18	(A) AGAINST USE BY INDIVIDUALS WHO ARE UNDER TWENTY-ONE
19	YEARS OF AGE, PREGNANT, OR BREASTFEEDING; AND
20	(B) TO CONSULT A HEALTH-CARE PROFESSIONAL PRIOR TO USE;
21	(IV) AN ADVISEMENT THAT KRATOM MAY:
22	(A) BE HABIT FORMING OR CREATE A RISK OF ADDICTION; AND
23	(B) Interact with certain <u>Medications</u> , <u>Drugs</u> , <u>and</u>
24	CONTROLLED SUBSTANCES;
25	(V) THE FOLLOWING <u>STATEMENTS:</u>
26	(A) "These statements have not been evaluated by the
27	FOOD AND DRUG ADMINISTRATION. THIS PRODUCT IS NOT INTENDED TO

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1	DIAGNOSE, TREAT, CURE, OR PREVENT ANY DISEASE."; AND
2	(B) "KEEP OUT OF REACH OF CHILDREN."; AND
3	(VI) DIRECTIONS FOR USE THAT INCLUDE:
4	(A) A RECOMMENDED AMOUNT OF THE KRATOM PRODUCT PER
5	SERVING;
6	(B) THE NUMBER OF RECOMMENDED SERVINGS PER PACKAGE;
7	(C) A RECOMMENDED NUMBER OF SERVINGS OF THE KRATOM
8	PRODUCT THAT CAN BE SAFELY CONSUMED IN A TWENTY-FOUR-HOUR
9	PERIOD; AND
10	(D) QUANTITATIVE DECLARATIONS OF THE AMOUNT OF
11	MITRAGYNINE AND THE AMOUNT OF 7-HYDROXYMITRAGYNINE PER
12	SERVING OF THE KRATOM PRODUCT;
13	(c) DISPLAY OR STORE KRATOM PRODUCTS IN A RETAIL LOCATION
14	IN A MANNER THAT WILL ALLOW THE PRODUCTS TO BE ACCESSED BY
15	INDIVIDUALS UNDER TWENTY-ONE YEARS OF AGE; OR
16	(d) Manufacture, package, label, or distribute a kratom
17	PRODUCT THAT:
18	(I) CONTAINS SYNTHESIZED ALKALOIDS OR SEMI-SYNTHESIZED
19	ALKALOIDS; OR
20	(II) Has a level of 7-hydroxymitragynine in the alkaloid
21	FRACTION THAT IS GREATER THAN TWO PERCENT OF THE ALKALOID
22	COMPOSITION OF THE PRODUCT.
23	(3) A PERSON THAT CONDUCTS THE ACTIVITIES DESCRIBED IN
24	SUBSECTION (2) OF THIS SECTION ENGAGES IN A DECEPTIVE TRADE
25	PRACTICE.
26	SECTION 4. In Colorado Revised Statutes, 18-13-132, amend
27	(3) as follows:

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	18-13-132. Furnishing kratom products to persons under
t	wenty-one years of age. (3) As used in this section, "kratom product"
ł	nas the meaning set forth in section 44-1-105 (1) 44-15-101 (8).
	SECTION 5. In Colorado Revised Statutes, 24-22-115, add (6)
2	as follows:
	24-22-115. Tobacco litigation settlement cash fund -
ŀ	nealth-care supplemental appropriations and overexpenditures
2	account - creation - repeal. (6) (a) On July 1, 2025, or as soon as
F	POSSIBLE THEREAFTER, THE STATE TREASURER SHALL TRANSFER THREE
I	HUNDRED SIX THOUSAND THREE HUNDRED FORTY-FOUR DOLLARS FROM
]	THE TOBACCO LITIGATION SETTLEMENT CASH FUND CREATED IN THIS
S	SECTION TO THE KRATOM CONSUMER PROTECTION CASH FUND CREATED IN
S	SECTION 44-15-103 (2). THE AMOUNT TRANSFERRED PURSUANT TO THIS
S	SUBSECTION (6) IS A LOAN FROM THE STATE TREASURER TO THE
Ι	DEPARTMENT OF REVENUE THAT IS REQUIRED TO BE REPAID IN
1	ACCORDANCE WITH SECTION 44-15-103 (3)(b).
	(b) This subsection (6) is repealed, effective July 1, 2028.
	SECTION 6. In Colorado Revised Statutes, 24-75-1104.5,
2	amend (1.7) introductory portion; and add (10) as follows:
	24-75-1104.5. Use of settlement money - programs - repeal.
<u>(</u>	(1.7) Except as otherwise provided in subsections (1.3), (1.8), and (5),
1	AND (10) of this section, and except that disputed payments received by
<u>t</u>	he state in the 2015-16 fiscal year or in any year thereafter are excluded
<u>f</u>	From the calculation of allocations pursuant to this subsection (1.7), for
<u>t</u>	he 2016-17 fiscal year and for each fiscal year thereafter, the following
1	programs, services, and funds receive the following specified percentages
(of the total amount of settlement money received by the state in the

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1	preceding fiscal year:
2	(10) (a) For the 2025-26 fiscal year, the total amount of
3	SETTLEMENT MONEY RECEIVED BY THE STATE IN THE PRECEDING FISCAL
4	YEAR SHALL BE REDUCED BY THREE HUNDRED SIX THOUSAND THREE
5	HUNDRED FORTY-FOUR DOLLARS BEFORE THE CALCULATION OF
6	ALLOCATIONS UNDER SUBSECTION (1.7) OF THIS SECTION, WHICH AMOUNT
7	SHALL BE TRANSFERRED IN ACCORDANCE WITH SECTION 24-22-115 (6).
8	(b) This subsection (10) is repealed, effective July 1, 2026.
9	SECTION 7. Appropriation. (1) For the 2025-26 state fiscal
10	year, \$280,606 is appropriated to the department of revenue. This
11	appropriation is from the kratom consumer protection cash fund created
12	in section 44-15-103 (2)(a), C.R.S. To implement this act, the department
13	may use this appropriation as follows:
14	(a) \$103,108 for use by the kratom division for personal services,
15	which amount is based on an assumption that the division will require an
16	additional 1.3 FTE;
17	(b) \$33,059 for use by the kratom division for operating expenses;
18	<u>and</u>
19	(c) \$144,439 for the purchase of legal services.
20	(2) For the 2025-26 state fiscal year, \$144,439 is appropriated to
21	the department of law. This appropriation is from reappropriated funds
22	received from the department of revenue under subsection (1)(c) of this
23	section and is based on an assumption that the department of law will
24	require an additional 0.6 FTE. To implement this act, the department of
25	law may use this appropriation to provide legal services for the
26	department of revenue.
27	SECTION 8. Applicability. This act applies to conduct occurring

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- 1 on or after the effective date of this act.
- 2 SECTION <u>9.</u> Safety clause. The general assembly finds,
- determines, and declares that this act is necessary for the immediate
- 4 preservation of the public peace, health, or safety or for appropriations for
- 5 the support and maintenance of the departments of the state and state
- 6 institutions.

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