



**Colorado
Legislative
Council
Staff**

SB17-117

**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0845

Date: July 13, 2017

Prime Sponsor(s): Sen. Coram

Bill Status: Signed into Law

Rep. Catlin; Valdez

Fiscal Analyst: Clare Pramuk (303-866-2677)

BILL TOPIC: RECOGNIZE INDUS HEMP AG PRODUCT FOR AG WATER RIGHT

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	Minimal workload increase. See State Expenditures section.	
Appropriation Required: None.		
Future Year Impacts: None.		

Summary of Legislation

This bill confirms that a person with an absolute or conditional water right decreed for agricultural use can use that water for the growth or cultivation of any product authorized under Colorado agricultural law, which includes industrial hemp.

Background

Industrial hemp means a plant of the genus Cannabis and any part of the plant, whether growing or not, containing a delta-9 tetrahydrocannabinol concentration of no more than 0.3% on a dry weight basis. The 2014 federal farm bill allows farmers in states with industrial hemp legislation to grow and harvest hemp in conjunction with their state departments of agriculture. The Colorado Department of Agriculture began administering a registration program for industrial hemp growers in 2014.

State Expenditures

This bill may result in a minimal workload increase in FY 2017-18 for the Division of Water Resources in the Department of Natural Resources to update its rules to include industrial hemp grown by a registered user under an agricultural water right. This is current practice for the division, so the bill will not result in a change in water right administration.

Effective Date

The bill was signed into law by the Governor and took effect on May 21, 2017.

State and Local Government Contacts

Agriculture
Law

Information Technology
Natural Resources

Judicial