

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

April 3, 2023
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB23-1020 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend the Business Affairs & Labor Committee Report, dated February
2 23, 2023, page 1, line 4, strike "(58), and (65);" and substitute "and (58);".

- 3 Page 2, strike lines 5 through 7 and substitute "TO DELIVER AND SELL
4 RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS TO CONSUMERS AT
5 THE CONSUMER'S PRIVATE RESIDENCE PURSUANT TO THIS ARTICLE 10;
6 RULES PROMULGATED PURSUANT TO THIS ARTICLE 10; AND THE
7 PROVISIONS OF AN ENACTED, INITIATED, OR REFERRED ORDINANCE OR
8 RESOLUTION OF THE LOCAL JURISDICTION IN WHICH THE LICENSEE
9 OPERATES."

- 10 Page 2, strike lines 14 through 23.

- 11 Page 2, strike lines 40 through 43 and substitute:

12 **"SECTION 3.** In Colorado Revised Statutes, 44-10-203, **amend**
13 (2)(dd) introductory portion and (2)(dd)(II); and **add** (1)(j.3) and (2)(kk)
14 as follows:
15 **44-10-203. State licensing authority - rules. (1) Permissive**
16 **rule-making.** Rules promulgated pursuant to section 44-10-202 (1)(c)
17 may include but need not be limited to the following subjects:
18 (j.3) THE DOCUMENTATION NECESSARY TO BE PROVIDED BY A
19 PERSON APPLYING FOR A SOCIAL EQUITY LICENSE AND REQUIREMENTS
20 DEEMED NECESSARY BY THE STATE LICENSING AUTHORITY TO VERIFY THE
21 DOCUMENTATION.
22 (2) **Mandatory rule-making.** Rules promulgated pursuant to
23 section 44-10-202 (1)(c) must include but need not be limited to the
24 following subjects:

1 (dd) Requirements for medical marijuana and medical marijuana
2 products delivery as described in section 44-10-501 (11) and section
3 44-10-505 (5) and retail marijuana and retail marijuana products delivery
4 as described in section 44-10-601 (13), and section 44-10-605 (5), AND
5 SECTION 44-10-613, including:

6 (II) Training requirements for personnel of medical marijuana
7 stores, retail marijuana stores, INDEPENDENT DELIVERERS, medical
8 marijuana transporters, and retail marijuana transporters that hold a
9 medical marijuana or retail marijuana delivery permit who will deliver
10 medical marijuana or medical marijuana products or retail marijuana or
11 retail marijuana products pursuant to this article 10 and requirements that
12 medical marijuana stores, retail marijuana stores, INDEPENDENT
13 DELIVERERS, medical marijuana transporters, and retail marijuana
14 transporters be considered to have a responsible vendor designation
15 pursuant to section 44-10-1201 prior to conducting a delivery;"

16 Page 3, strike line 1.

17 Page 3, strike lines 2 through 14, and substitute:

18 "(kk) INDEPENDENT DELIVERY LICENSES, INCLUDING:

19 (I) PROCEDURES FOR A SOCIAL EQUITY LICENSEE WHO HOLDS A
20 RETAIL TRANSPORTER LICENSE AND A RETAIL MARIJUANA DELIVERY
21 PERMIT TO CONVERT TO AN INDEPENDENT DELIVERY LICENSE PRIOR TO
22 JANUARY 2, 2024;

23 (II) PROCEDURES FOR A SOCIAL EQUITY LICENSEE TO APPLY FOR AN
24 INDEPENDENT DELIVERY LICENSE;

25 (III) REQUIREMENTS AND CONDITIONS UNDER WHICH AN
26 INDEPENDENT DELIVERY LICENSEE MAY PURCHASE, STORE, AND CONDUCT
27 SALES OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS;

28 (IV) REQUIREMENTS AND CONDITIONS UNDER WHICH AN
29 INDEPENDENT DELIVERY LICENSEE MAY CONTRACT WITH ANOTHER
30 INDEPENDENT DELIVERY LICENSEE TO SHARE A LICENSED PREMISES FOR
31 THE PURPOSES OF STORING RETAIL MARIJUANA AND RETAIL MARIJUANA
32 PRODUCTS, INCLUDING TRACKING AND RECORD-KEEPING REQUIREMENTS
33 FOR SEPARATE INVENTORY; AND

34 (V) PROCEDURES AND REQUIREMENTS FOR AN APPLICANT TO
35 PROVIDE PROOF OF AN OBTAINED LICENSED PREMISES, INCLUDING AN
36 AUTHORIZED STORAGE FACILITY."

37 Page 4, line 14, after "10." insert "A PERSON WHO QUALIFIES FOR A SOCIAL
38 EQUITY LICENSE PURSUANT TO THIS SUBSECTION (4) MAY APPLY FOR ANY
39 REGULATED MARIJUANA BUSINESS LICENSE OR PERMIT ON OR AFTER

1 JANUARY 2, 2024, WITHOUT HAVING TO QUALIFY AS A SOCIAL EQUITY
2 LICENSEE PURSUANT TO SUBSECTION (5) OF THIS SECTION, UNLESS THE
3 QUALIFICATION WAS BASED UPON THE SOCIAL EQUITY LICENSEE'S
4 INCOME."

5 Page 4, strike lines 20 through 23 and substitute "2024."

6 Page 4, line 43, strike "OF THE THIRTY YEARS" and substitute "YEARS OF
7 THE THIRTY-YEAR PERIOD".

8 Page 5, line 1, after "APPLICATION" insert "IN WHICH DATA IS AVAILABLE".

9 Page 5, line 4, after "(1)(j);" insert "OR".

10 Page 5, line 14, strike "IS CURRENTLY" and substitute "AT THE TIME OF
11 RESIDENCE WAS".

12 Page 5, line 14, after "RESTRICTION THAT" strike "IS" and substitute
13 "WAS".

14 Page 5, strike lines 19 through 29 and substitute:

15 "(II) THE APPLICANT OR THE APPLICANT'S SPOUSE, PARENT, OR
16 LEGAL GUARDIAN WAS CONVICTED OF A MARIJUANA OFFENSE; OR

17 (III) THE APPLICANT'S SIBLING, CHILD, OR MINOR IN THE
18 APPLICANT'S GUARDIANSHIP WAS ARRESTED OR CONVICTED OF A
19 MARIJUANA OFFENSE; AND

20 (A) THE APPLICANT'S SIBLING, CHILD, OR MINOR IN THE
21 APPLICANT'S GUARDIANSHIP WHO WAS ARRESTED OR CONVICTED OF A
22 MARIJUANA OFFENSE RESIDED IN A DISPROPORTIONATE IMPACTED AREA AS
23 DEFINED BY RULE PURSUANT TO SECTION 44-10-203 (1)(j) FOR ANY OF THE
24 FIVE YEARS OF THE THIRTY-YEAR PERIOD PRIOR TO APPLICATION; OR

25 (B) THE APPLICANT'S SIBLING, CHILD, OR MINOR IN THE
26 APPLICANT'S GUARDIANSHIP WHO WAS ARRESTED OR CONVICTED OF A
27 MARIJUANA OFFENSE HAS RECEIVED ASSISTANCE FROM AT LEAST ONE OF
28 THE PROGRAMS LISTED IN SUBSECTIONS (5)(b)(V)(A) TO (5)(b)(V)(E) OF
29 THIS SECTION FOR AT LEAST ANY FIVE OF THE TEN YEARS PRIOR TO
30 APPLICATION; OR

31 (IV) THE APPLICANT WAS A MEMBER OF THE MILITARY AND WAS
32 DISHONORABLY DISCHARGED BECAUSE THE APPLICANT WAS CONVICTED
33 OF A MARIJUANA OFFENSE; OR".

34 Renumber succeeding subparagraph accordingly.

- 1 Page 6, line 7, strike "BENEFICIAL OWNER" and substitute "BENEFICIAL
2 OWNER, UPON ATTESTATION ON THE APPLICATION OF THE LICENSES TO
3 WHICH THE APPLICANT IS A PASSIVE BENEFICIAL OWNER,".
- 4 Page 6, line 15, after "LICENSES," insert "OR".
- 5 Page 6, line 16, strike "OR CO-LOCATED".
- 6 Page 6, strike line 17.
- 7 Page 6, line 21, before "THE" insert "OR".
- 8 Page 6, strike lines 22 through 24 and substitute "AFTER JANUARY 2,
9 2024.".
- 10 Page 6, line 29, strike "IS" and substitute "MAY BE".
- 11 Page 6, line 33, strike "SHALL" and substitute "MAY".
- 12 Page 7, line 3, strike "(16)" and substitute "(16); and **add (2)(d)**".
- 13 Page 7, after line 4 insert:
- 14 "(2) (d) A RETAIL MARIJUANA STORE MAY SELL WHOLESALE RETAIL
15 MARIJUANA AND WHOLESALE RETAIL MARIJUANA PRODUCTS TO AN
16 INDEPENDENT DELIVERY LICENSEE.".
- 17 Page 7, line 7, strike "IS" and substitute "MAY BE".
- 18 Page 7, line 15, strike "IS" and substitute "MAY BE".
- 19 Page 7, line 20, strike "(14)" and substitute "(14); and **add (1)(f)**".
- 20 Page 7, strike line 22 and substitute:
- 21 "**rules - definition.** (1) (f) A RETAIL MARIJUANA PRODUCTS
22 MANUFACTURER MAY SELL WHOLESALE RETAIL MARIJUANA AND
23 WHOLESALE RETAIL MARIJUANA PRODUCTS TO AN INDEPENDENT DELIVERY
24 LICENSEE.
25 (14) A retail marijuana products manufacturer".
- 26 Page 7, line 24, strike "IS" and substitute "MAY BE".

- 1 Page 7, line 29, strike "(5)(k)".
- 2 Page 7, strike lines 31 through 36.
- 3 Page 8, line 6, strike "IS" and substitute "MAY BE".
- 4 Page 8, line 25, strike "IS" and substitute "MAY BE".
- 5 Page 9, strike lines 4 through 20 and substitute:
- 6 **"repeal. (1) (a) ON OR AFTER JANUARY 2, 2024, AND BEFORE JANUARY**
7 **1, 2028, THE STATE LICENSING AUTHORITY MAY ISSUE AN INDEPENDENT**
8 **DELIVERY LICENSE TO A PERSON WITH A SOCIAL EQUITY LICENSE**
9 **AUTHORIZING THE PERSON TO DELIVER AND SELL RETAIL MARIJUANA AND**
10 **RETAIL MARIJUANA PRODUCTS TO CONSUMERS AT THE CONSUMER'S**
11 **PRIVATE RESIDENCE PURSUANT TO THIS ARTICLE 10; RULES PROMULGATED**
12 **PURSUANT TO THIS ARTICLE 10; AND THE PROVISIONS OF THE ORDINANCE**
13 **OR RESOLUTION OF THE LOCAL JURISDICTION WHERE THE LICENSEE**
14 **OPERATES.**
- 15 (b) AN INDEPENDENT DELIVERER MAY PURCHASE WHOLESALE
16 RETAIL MARIJUANA AND WHOLESALE RETAIL MARIJUANA PRODUCTS FROM
17 A RETAIL MARIJUANA STORE LICENSEE, AND THE INDEPENDENT DELIVERER
18 MAY PURCHASE WHOLESALE RETAIL MARIJUANA AND WHOLESALE RETAIL
19 MARIJUANA PRODUCTS FROM A RETAIL MARIJUANA PRODUCTS
20 MANUFACTURER LICENSEE."
- 21 Reletter succeeding paragraphs accordingly.
- 22 Page 9, lines 23 and 24, strike "CULTIVATION FACILITY" and substitute
23 "STORE".
- 24 Page 9, lines 27 through 29, strike "OBTAINED, OR PROOF OF AN
25 APPLICATION FOR, A LICENSE OR PERMIT FOR AN ASSOCIATED STATE
26 LICENSING AUTHORITY-AUTHORIZED STORAGE FACILITY" and substitute
27 "OBTAINED LICENSED PREMISES".
- 28 Page 9, line 32, after "PRODUCTS." add "THE STATE LICENSING AUTHORITY
29 SHALL PROMULGATE RULES CONCERNING PERMITTING AN INDEPENDENT
30 DELIVERER TO STORE RETAIL MARIJUANA OR RETAIL MARIJUANA
31 PRODUCTS AT A STATE-AUTHORIZED STORAGE FACILITY OR LICENSED
32 PREMISES."
- 33 Page 9, lines 41 and 42, strike "A STATE LICENSING

1 AUTHORITY-AUTHORIZED STORAGE FACILITY." and substitute "THE
2 INDEPENDENT DELIVERY LICENSEE'S LICENSED PREMISES."

3 Page 9, strike line 43 and substitute:

4 "(3) (a) AN INDEPENDENT DELIVERER MAY DELIVER AND SELL
5 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS NOT IN EXCESS OF
6 THE AMOUNTS ESTABLISHED BY THE STATE LICENSING AUTHORITY."

7 Page 10, strike lines 1 through 18 and substitute:

8 "(b) (I) PRIOR TO TRANSFERRING POSSESSION OF THE ORDER TO AN
9 INDIVIDUAL, THE PERSON DELIVERING THE ORDER SHALL INSPECT THE
10 INDIVIDUAL'S IDENTIFICATION AND VERIFY THAT THE INFORMATION
11 PROVIDED AT THE TIME OF THE ORDER MATCHES THE NAME AND AGE ON
12 THE INDIVIDUAL'S IDENTIFICATION."

13 Page 12, line 1, strike "3 OR 4" and substitute "3, 4, 5, OR 7".

14 Page 12, strike lines 2 and 3.

15 Page 12, line 5, strike "VEHICLE." and substitute "VEHICLE OR ON ANY
16 LICENSED PREMISES."

17 Page 12, strike lines 14 through 18 and substitute:

18 "(9)(a) AN INDEPENDENT DELIVERER LICENSEE WITH A RETAIL
19 MARIJUANA TRANSPORTER LICENSE MAY TRANSPORT RETAIL MARIJUANA
20 OR RETAIL MARIJUANA PRODUCTS BETWEEN LICENSEES' LICENSED
21 PREMISES; EXCEPT THAT THE INDEPENDENT DELIVERER LICENSEE SHALL
22 NOT MAKE DELIVERIES OF RETAIL MARIJUANA OR RETAIL MARIJUANA
23 PRODUCTS TO INDIVIDUALS WHILE ALSO TRANSPORTING RETAIL
24 MARIJUANA OR RETAIL MARIJUANA PRODUCTS BETWEEN LICENSEES'
25 LICENSED PREMISES."

26 Page 13, lines 21 and 22, strike "STATE LICENSING
27 AUTHORITY-AUTHORIZED STORAGE FACILITY" and substitute "LICENSED
28 PREMISES".

29 Page 15, line 2, strike "SHALL" and substitute "MAY".

30 Page 15, line 3, strike "RETAIL MARIJUANA DELIVERY PERMITS" and
31 substitute "INDEPENDENT DELIVERY LICENSES".

32 Page 15, lines 4 and 5, strike "OCTOBER 31, 2023." and substitute
33 "JANUARY 2, 2024."

1 Page 15, line 18, strike "IS" and substitute "MAY BE".

2 Page 15, strike lines 22 through 24.

3 Page 15, lines 38 and 39, strike "HOSPITALITY BUSINESS" and substitute
4 "INDEPENDENT DELIVERY".

5 Page 15, after line 39 insert:

6 "SECTION 15. In Colorado Revised Statutes, **add** 44-10-615 as
7 follows:

8 **44-10-615. Retail marijuana accelerator transporter license.**

9 (1) A RETAIL MARIJUANA ACCELERATOR TRANSPORTER LICENSE MAY BE
10 ISSUED TO A SOCIAL EQUITY LICENSEE TO EXERCISE THE PRIVILEGES OF A
11 RETAIL MARIJUANA TRANSPORTER LICENSEE ON THE PREMISES OF AN
12 ACCELERATOR-ENDORSED TRANSPORTER LICENSEE. THE RETAIL
13 MARIJUANA ACCELERATOR TRANSPORTER LICENSEE MAY RECEIVE
14 TECHNICAL ASSISTANCE AND FINANCIAL SUPPORT FROM THE RETAIL
15 MARIJUANA TRANSPORTER LICENSEE WITH AN ACCELERATOR
16 ENDORSEMENT.

17 (2) THE STATE LICENSING AUTHORITY MAY BEGIN ACCEPTING
18 APPLICATIONS FOR RETAIL MARIJUANA ACCELERATOR TRANSPORTER
19 LICENSES ON JANUARY 2, 2024."

20 Renumber succeeding sections accordingly.

21 Page 16, line 24, after "2023," insert "OR UPON REAUTHORIZATION OF THE
22 PROGRAM,".

23 Page 16, lines 34 and 35, strike "NOT INCLUDE A LICENSEE," and substitute
24 "INCLUDE NOT MORE THAN THREE LICENSEES,".

25 Page 17, before line 1 insert:

26 "SECTION 19. In Colorado Revised Statutes, 39-28.8-202,
27 **amend** (1)(a)(I) as follows:

28 **39-28.8-202. Retail marijuana sales tax.** (1) (a) (I) In addition
29 to the tax imposed pursuant to part 1 of article 26 of this title 39 and the
30 sales tax imposed by a local government pursuant to title 29, 30, 31, or
31 32, but except as otherwise set forth in subsections (1)(a)(II) and
32 (1)(a)(III) of this section, beginning January 1, 2014, and through June
33 30, 2017, there is imposed upon all RETAIL sales of retail marijuana and
34 retail marijuana products by a retailer a tax at the rate of ten percent of the

1 amount of the sale. Beginning July 1, 2017, there is imposed upon all
2 sales of retail marijuana and retail marijuana products by a retailer a tax
3 at the rate of fifteen percent of the amount of the sale. The tax imposed
4 by this section is computed in accordance with schedules or forms
5 prescribed by the executive director of the department; except that a ~~retail~~
6 ~~marijuana store~~ RETAILER is not allowed to retain any portion of the retail
7 marijuana sales tax collected pursuant to this part 2 to cover the expenses
8 of collecting and remitting the tax. The executive director may
9 promulgate rules to implement this section."

10 Renumber succeeding section accordingly.

** *** ** *** **