

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 18-0377.01 Michael Dohr x4347

HOUSE BILL 18-1092

HOUSE SPONSORSHIP

Melton and Singer, Herod, Rosenthal, Coleman, Hooton, Salazar

SENATE SPONSORSHIP

Neville T.,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A PILOT PROGRAM FOR MARIJUANA DELIVERY, AND, IN**
102 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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>.)

The bill creates a pilot program to allow marijuana delivery. The marijuana state licensing authority can enter into a memorandum of understanding with up to 3 municipalities to allow medical and retail marijuana delivery. The state licensing authority can adopt rules regarding marijuana delivery and can issue up to 15 marijuana delivery licenses.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
March 22, 2018

HOUSE
Amended 2nd Reading
March 20, 2018

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 12-43.3-202, **add**
3 (2)(a)(XXIII) and (4) as follows:

4 **12-43.3-202. Powers and duties of state licensing authority -**
5 **rules - repeal.** (2) (a) Rules promulgated pursuant to subsection (1)(b)
6 of this section may include, but need not be limited to, the following
7 subjects:

8 (XXIII) MARIJUANA DELIVERY AS DESCRIBED IN SECTION
9 12-43.3-409, INCLUDING:

10 (A) QUALIFICATIONS AND ELIGIBILITY REQUIREMENTS FOR
11 APPLYING FOR A MARIJUANA DELIVERY LICENSE;

12 (B) TRAINING REQUIREMENTS FOR PERSONNEL OF A MARIJUANA
13 DELIVERY LICENSEE WHO WILL DELIVER MEDICAL MARIJUANA, MEDICAL
14 MARIJUANA-INFUSED PRODUCTS, MEDICAL MARIJUANA CONCENTRATE,
15 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL
16 MARIJUANA CONCENTRATE PURSUANT TO SECTION 12-43.3-409;

17 (C) PROCEDURES FOR PROOF OF MEDICAL MARIJUANA REGISTRY
18 AND AGE IDENTIFICATION AND VERIFICATION;

19 (D) DELIVERY VEHICLE REQUIREMENTS, INCLUDING BUT NOT
20 LIMITED TO REQUIREMENTS FOR LOCATION AND VEHICLE TRACKING,
21 SECURITY, AND SURVEILLANCE;

22 (E) SECURITY REQUIREMENTS, INCLUDING BUT NOT LIMITED TO
23 REQUIREMENTS FOR AREAS WHERE DELIVERY ORDERS ARE PROCESSED,
24 STORED, WEIGHED, PACKAGED, PREPARED, TAGGED, TRANSPORTED,
25 TRANSFERRED, AND DELIVERED, AND OTHER MINIMUM PROCEDURES FOR
26 INTERNAL CONTROL AS DEEMED NECESSARY BY THE STATE LICENSING

1 AUTHORITY TO PROPERLY ADMINISTER AND ENFORCE THE PROVISIONS OF
2 THIS ARTICLE 43.3;

3 (F) RECORD-KEEPING REQUIREMENTS;

4 (G) LIMITS ON THE AMOUNTS OF MEDICAL MARIJUANA, MEDICAL
5 MARIJUANA-INFUSED PRODUCTS, MEDICAL MARIJUANA CONCENTRATE,
6 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL
7 MARIJUANA CONCENTRATE THAT MAY BE CARRIED IN A DELIVERY
8 VEHICLE;

9 (H) INVENTORY TRACKING SYSTEM REQUIREMENTS, INCLUDING
10 BUT NOT LIMITED TO REQUIREMENTS THAT MEDICAL MARIJUANA, MEDICAL
11 MARIJUANA-INFUSED PRODUCTS, MEDICAL MARIJUANA CONCENTRATE,
12 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL
13 MARIJUANA CONCENTRATE ARE TRACKED FROM THE POINT THAT THEY ARE
14 TRANSFERRED FROM A MEDICAL MARIJUANA CENTER OR RETAIL
15 MARIJUANA STORE TO THE POINT OF DELIVERY AT A PHYSICAL ADDRESS
16 AND BETWEEN PHYSICAL ADDRESSES AND REQUIREMENTS FOR USE OF AN
17 INVENTORY TRACKING SYSTEM-GENERATED DELIVERY MANIFEST FOR
18 EACH DELIVERY ORDER;

19 (I) PACKAGING REQUIREMENTS FOR DELIVERIES; AND

20 (J) HEALTH AND SAFETY REQUIREMENTS FOR DELIVERY OF
21 MEDICAL MARIJUANA, MEDICAL MARIJUANA-INFUSED PRODUCTS, MEDICAL
22 MARIJUANA CONCENTRATE, RETAIL MARIJUANA, RETAIL MARIJUANA
23 PRODUCTS, AND RETAIL MARIJUANA CONCENTRATE.

24 (4) (a) THE STATE LICENSING AUTHORITY SHALL ENTER INTO NO
25 MORE THAN THREE MEMORANDUMS OF UNDERSTANDING WITH
26 MUNICIPALITIES TO ALLOW MARIJUANA DELIVERY IN THOSE
27 JURISDICTIONS. A MEMORANDUM OF UNDERSTANDING MAY ALLOW

1 MULTIPLE MUNICIPALITIES TO COMPRISE A CONTIGUOUS JURISDICTION IN
2 ORDER TO PERMIT DELIVERY BETWEEN THE MUNICIPALITIES.

3 (b) THE MUNICIPALITY OR THE STATE LICENSING AUTHORITY CAN
4 TERMINATE THE MEMORANDUM OF UNDERSTANDING FOR GOOD CAUSE.

5 (c) BY MARCH 1, 2020, THE STATE LICENSING AUTHORITY SHALL
6 REPORT TO THE FINANCE COMMITTEE OF THE HOUSE OF REPRESENTATIVES
7 AND THE FINANCE COMMITTEE OF THE SENATE, OR ANY SUCCESSOR
8 COMMITTEES, REGARDING MARIJUANA DELIVERY IN THE JURISDICTIONS
9 WITH THE MEMORANDUMS OF UNDERSTANDING.

10 (d) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE JULY 1, 2020.

11 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-301, **amend**
12 (1)(g) and (1)(h); and **add** (1)(i) as follows:

13 **12-43.3-301. Local licensing authority - applications - licenses**
14 **- repeal.** (1) A local licensing authority may issue only the following
15 medical marijuana licenses upon payment of the fee and compliance with
16 all local licensing requirements to be determined by the local licensing
17 authority:

18 (g) A marijuana research and development license; ~~and~~

19 (h) A marijuana research and development cultivation license;

20 AND

21 (i) (I) A MARIJUANA DELIVERY LICENSE.

22 (II) THIS SUBSECTION (1)(i) IS REPEALED, EFFECTIVE DECEMBER
23 31, 2020.

24 **SECTION 3.** In Colorado Revised Statutes, 12-43.3-401, **amend**
25 (1)(g) and (1)(h); and **add** (1)(i) as follows:

26 **12-43.3-401. Classes of licenses - repeal.** (1) For the purpose of
27 regulating the cultivation, manufacture, distribution, and sale of medical

1 marijuana, the state licensing authority in its discretion, upon application
2 in the prescribed form made to it, may issue and grant to the applicant a
3 license from any of the following classes, subject to the provisions and
4 restrictions provided by this article 43.3:

- 5 (g) Marijuana research and development license; ~~and~~
- 6 (h) Marijuana research and development cultivation license; AND
- 7 (i) (I) A MARIJUANA DELIVERY LICENSE.
- 8 (II) THIS SUBSECTION (1)(i) IS REPEALED, EFFECTIVE DECEMBER
- 9 31, 2020.

10 **SECTION 4.** In Colorado Revised Statutes, **add** 12-43.3-409 as
11 follows:

12 **12-43.3-409. Marijuana delivery license - repeal.**

13 (1) (a) NOTWITHSTANDING THE PROVISIONS OF SECTION 12-43.3-901 OR
14 12-43.4-901, THERE IS A MARIJUANA DELIVERY LICENSE AUTHORIZING THE
15 LICENSEE:

16 (I) TO DELIVER MEDICAL MARIJUANA, MEDICAL
17 MARIJUANA-INFUSED PRODUCTS, AND MEDICAL MARIJUANA CONCENTRATE
18 BY THE LICENSEE OR ITS EMPLOYEES TO A REGISTERED MEDICAL
19 MARIJUANA CARDHOLDER EIGHTEEN YEARS OF AGE OR OLDER, OR TO A
20 CARDHOLDER'S PARENT OR GUARDIAN WHO IS TWENTY-ONE YEARS OF AGE
21 OR OLDER, AT A PHYSICAL ADDRESS IN THE JURISDICTION THAT IS
22 OTHERWISE LICENSED TO SELL AND DELIVER MARIJUANA; AND

23 (II) TO DELIVER RETAIL MARIJUANA, RETAIL MARIJUANA
24 PRODUCTS, AND RETAIL MARIJUANA CONCENTRATE BY THE LICENSEE OR
25 ITS EMPLOYEES TO A PERSON WHO IS TWENTY-ONE YEARS OF AGE OR
26 OLDER AT A PHYSICAL ADDRESS IN THE JURISDICTION THAT IS OTHERWISE
27 LICENSED TO SELL AND DELIVER MARIJUANA.

1 (b) A MARIJUANA DELIVERY LICENSE IS VALID FOR ONE YEAR AND
2 MAY BE RENEWED ANNUALLY.

3 (c) THE STATE LICENSING AUTHORITY MAY ISSUE MARIJUANA
4 DELIVERY LICENSES TO QUALIFIED APPLICANTS, AS DETERMINED BY THE
5 STATE LICENSING AUTHORITY, IN JURISDICTIONS AUTHORIZED PURSUANT
6 TO SECTION 12-43.3-202 (4). THE STATE LICENSING AUTHORITY SHALL
7 ISSUE A MARIJUANA DELIVERY LICENSE TO AN APPLICANT WHO IS
8 QUALIFIED TO RECEIVE THE LICENSE. A MARIJUANA DELIVERY LICENSE
9 ISSUED BY THE STATE LICENSING AUTHORITY IS DEEMED A REVOCABLE
10 PRIVILEGE.

11 (d) (I) THE STATE LICENSING AUTHORITY SHALL ESTABLISH BY
12 RULE AN APPLICATION FEE AND ANNUAL RENEWAL FEE FOR THE
13 MARIJUANA DELIVERY LICENSE.

14 (II) THE AMOUNT OF THE FEE MUST REFLECT THE EXPECTED COSTS
15 OF ADMINISTERING THE MARIJUANA DELIVERY LICENSE AND MAY BE
16 ADJUSTED BY THE STATE LICENSING AUTHORITY TO REFLECT THE
17 LICENSE'S ACTUAL DIRECT AND INDIRECT COSTS.

18 (e) (I) A MARIJUANA DELIVERY LICENSEE MAY DELIVER MEDICAL
19 MARIJUANA, MEDICAL MARIJUANA-INFUSED PRODUCTS, AND MEDICAL
20 MARIJUANA CONCENTRATE ONLY TO A PERSON WHO PLACED THE ORDER
21 AND WHO:

22 (A) IS A CURRENT REGISTRANT OF THE MEDICAL MARIJUANA
23 PATIENT REGISTRY AND IS EIGHTEEN YEARS OF AGE OR OLDER, OR THE
24 PARENT OR GUARDIAN, WHO IS TWENTY-ONE YEARS OF AGE OR OLDER, OF
25 A MINOR WHO IS A CURRENT REGISTRANT;

26 (B) RECEIVES THE DELIVERY PURSUANT TO RULES; AND

27 (C) POSSESSES AN ACCEPTABLE FORM OF IDENTIFICATION.

1 (II) ANY PERSON DELIVERING MEDICAL MARIJUANA, MEDICAL
2 MARIJUANA-INFUSED PRODUCTS, OR MEDICAL MARIJUANA CONCENTRATE
3 MUST POSSESS A VALID OCCUPATIONAL LICENSE AND MUST HAVE
4 UNDERGONE TRAINING REGARDING PROOF OF AGE IDENTIFICATION AND
5 VERIFICATION, INCLUDING ALL FORMS OF IDENTIFICATION THAT ARE
6 DEEMED ACCEPTABLE BY THE STATE LICENSING AUTHORITY, AND ANY
7 OTHER TRAINING REQUIRED BY THE STATE LICENSING AUTHORITY.

8 (f) (I) A MARIJUANA DELIVERY LICENSEE MAY DELIVER RETAIL
9 MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL MARIJUANA
10 CONCENTRATE ONLY TO A PERSON WHO PLACED THE ORDER AND WHO:

- 11 (A) IS TWENTY-ONE YEARS OF AGE OR OLDER;
- 12 (B) RECEIVES THE DELIVERY PURSUANT TO RULES; AND
- 13 (C) POSSESSES AN ACCEPTABLE FORM OF IDENTIFICATION.

14 (II) ANY PERSON DELIVERING RETAIL MARIJUANA, RETAIL
15 MARIJUANA PRODUCTS, AND RETAIL MARIJUANA CONCENTRATE MUST
16 POSSESS A VALID OCCUPATIONAL LICENSE AND MUST HAVE UNDERGONE
17 TRAINING REGARDING PROOF OF AGE IDENTIFICATION AND VERIFICATION,
18 INCLUDING ALL FORMS OF IDENTIFICATION THAT ARE DEEMED
19 ACCEPTABLE BY THE STATE LICENSING AUTHORITY, AND ANY OTHER
20 TRAINING REQUIRED BY THE STATE LICENSING AUTHORITY.

21 (g) (I) THE STATE LICENSING AUTHORITY SHALL BEGIN ISSUING
22 MARIJUANA DELIVERY LICENSES ON JANUARY 1, 2019.

23 (II) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2020.

24 (h) THE PERSON MAKING THE DELIVERY FOR THE LICENSEE MUST
25 BE A SUPPORT EMPLOYEE OF THE LICENSEE WHO HAS THE REQUISITE STATE
26 LICENSING AUTHORITY OCCUPATIONAL LICENSE OR BADGE AND IS AT
27 LEAST TWENTY-ONE YEARS OF AGE.

1 (i) THE DELIVERY VEHICLE SHALL NOT WEIGH MORE THAN TEN
2 THOUSAND POUNDS AND SHALL NOT BE A LICENSED COMMERCIAL VEHICLE.

3 **SECTION 5.** In Colorado Revised Statutes, **add** 12-43.4-106 as
4 follows:

5 **12-43.4-106. Marijuana delivery - repeal.**

6 (1) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE 43.4 OR ARTICLE
7 43.3 OF THIS TITLE 12 TO THE CONTRARY, A PERSON LICENSED PURSUANT
8 TO SECTION 12-43.3-409 MAY DELIVER RETAIL MARIJUANA, RETAIL
9 MARIJUANA PRODUCTS, AND RETAIL MARIJUANA CONCENTRATE PURSUANT
10 TO THE PROVISIONS OF SECTION 12-43.3-409 AND ANY RULES ADOPTED
11 PURSUANT TO SECTION 12-43.3-202 (2)(a)(XXIII).

12 (2) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2020.

13 **SECTION 6. Appropriation.** (1) For the 2018-19 state fiscal
14 year, \$310,543 is appropriated to the department of revenue. This
15 appropriation is from the marijuana cash fund created in section
16 12-43.3-501 (1)(a), C.R.S. To implement this act, the department may use
17 this appropriation as follows:

18 (a) \$230,044 for marijuana enforcement, which amount is based
19 on an assumption that the department will require an additional 2.7 FTE;

20 (b) \$12,000 for tax administration IT system (GenTax) support;

21 (c) \$14,850 for use by the executive director's office for vehicle
22 lease payments;

23 (d) \$11,025 for use by the executive director's office for operating
24 expenses; and

25 (e) \$42,624 for the purchase of legal services.

26 (2) For the 2018-19 state fiscal year, \$42,624 is appropriated to
27 the department of law. This appropriation is from reappropriated funds

1 received from the department of revenue under subsection (1)(e) of this
2 section and is based on an assumption that the department of law will
3 require an additional 0.2 FTE. To implement this act, the department of
4 law may use this appropriation to provide legal services for the
5 department of revenue.

6 (3) For the 2018-19 state fiscal year, \$14,850 is appropriated to
7 the department of personnel. This appropriation is from reappropriated
8 funds received from the department of revenue under subsection (1)(c) of
9 this section. To implement this act, the department of personnel may use
10 this appropriation for vehicle replacement lease/purchase in fleet
11 management program and motor pool services.

12 **SECTION 7. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, and safety.