

An Act

HOUSE BILL 18-1258

BY REPRESENTATIVE(S) Singer and Melton, Herod, Coleman, Pettersen, Rosenthal, Hooton, Michaelson Jenet; also SENATOR(S) Neville T. and Fenberg, Marble, Guzman, Moreno.

CONCERNING AUTHORIZATION FOR AN ENDORSEMENT TO AN EXISTING MARIJUANA LICENSE TO ALLOW FOR A MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT FOR THE PURPOSES OF CONSUMER EDUCATION, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 12-43.4-103, **add** (15.5) as follows:

12-43.4-103. Definitions. As used in this article 43.4, unless the context otherwise requires:

(15.5) "RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT" MEANS AN ESTABLISHMENT WHERE A RETAIL MARIJUANA STORE LICENSEE THAT HAS BEEN APPROVED FOR A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT ENDORSEMENT TO AN EXISTING RETAIL MARIJUANA STORE LICENSE MAY SELL RETAIL MARIJUANA

CONCENTRATE AND RETAIL MARIJUANA PRODUCTS FOR CONSUMPTION, OTHER THAN SMOKING, ON THE PREMISES OF THE ESTABLISHMENT.

SECTION 2. In Colorado Revised Statutes, 12-43.4-202, **amend** (1) introductory portion, (2)(a), (3)(a)(XIX), (3)(a)(XX); and **add** (3)(a)(XXI) as follows:

12-43.4-202. Powers and duties of state licensing authority - rules. (1) To ensure that ~~no~~ marijuana grown or processed by a retail marijuana establishment is NOT sold or otherwise transferred except by a retail marijuana store or as authorized by law, the state licensing authority shall develop and maintain a seed-to-sale tracking system that tracks retail marijuana from either seed or immature plant stage until the marijuana or retail marijuana product is sold to a customer at a retail marijuana store OR A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT; except that retail marijuana or retail marijuana product is no longer subject to the tracking system once the retail marijuana has been:

(2) The state licensing authority has the authority to:

(a) Grant or refuse state licenses for the cultivation, manufacture, distribution, sale, and testing of retail marijuana and retail marijuana products as provided by law; suspend, fine, restrict, or revoke such licenses, whether active, expired, or surrendered, upon a violation of this article 43.4 or any rule promulgated pursuant to this article 43.4; and impose any penalty authorized by this article 43.4 or any rule promulgated pursuant to this article 43.4. The state licensing authority may take any action with respect to a registration OR AN ENDORSEMENT pursuant to this article 43.4 as it may with respect to a license pursuant to this article 43.4, in accordance with the procedures established pursuant to this article 43.4.

(3) (a) Rules promulgated pursuant to subsection (2)(b) of this section must include, but need not be limited to, the following subjects:

(XIX) Nonescorted visitors in limited access areas; **and**

(XX) The parameters and qualifications of an indirect beneficial interest owner and a qualified limited passive investor; **AND**

(XXI) THE IMPLEMENTATION OF RETAIL MARIJUANA ACCESSORY

CONSUMPTION ESTABLISHMENT ENDORSEMENTS, INCLUDING BUT NOT LIMITED TO A SALES LIMIT AND RESTRICTIONS ON THE TYPES OF RETAIL MARIJUANA, RETAIL MARIJUANA CONCENTRATE, AND RETAIL MARIJUANA PRODUCTS THAT MAY BE SOLD TO A PATRON OF A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT; EXCEPT THAT THE SALES LIMIT ESTABLISHED BY THE STATE LICENSING AUTHORITY SHALL NOT BE AN AMOUNT LESS THAN ONE-QUARTER OF ONE GRAM OF RETAIL MARIJUANA CONCENTRATE OR RETAIL MARIJUANA PRODUCT CONTAINING NOT MORE THAN TEN MILLIGRAMS OF ACTIVE THC AND THAT THE RESTRICTIONS ON THE TYPE OF ANY RETAIL MARIJUANA, RETAIL MARIJUANA CONCENTRATE, OR RETAIL MARIJUANA PRODUCTS AUTHORIZED TO BE SOLD MUST INCLUDE THAT THE MARIJUANA, CONCENTRATE, OR PRODUCT BE MEANT FOR CONSUMPTION ON THE PREMISES OF THE ESTABLISHMENT.

SECTION 3. In Colorado Revised Statutes, 12-43.4-402, add (1)(f) as follows:

12-43.4-402. Retail marijuana store license. (1) (f) (I) ON AND AFTER JANUARY 1, 2019, SUBJECT TO THE RECEIPT OF THE NECESSARY ENDORSEMENT PURSUANT TO SECTION 12-43.4-402.5, A LICENSED RETAIL MARIJUANA STORE MAY OPERATE A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT TO SELL RETAIL MARIJUANA CONCENTRATE AND RETAIL MARIJUANA PRODUCTS FOR ON-PREMISES CONSUMPTION, OTHER THAN SMOKING, ON THE PREMISES OF THE ESTABLISHMENT.

(II) EACH LICENSED RETAIL MARIJUANA STORE MAY OPERATE ONLY ONE RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT.

(III) THE RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT MUST BE PHYSICALLY SEPARATE FROM THE RETAIL MARIJUANA STORE PREMISES AND MUST BE LOCATED IN THE SAME LOCAL JURISDICTION AS THE RETAIL MARIJUANA STORE.

(IV) A RETAIL MARIJUANA STORE THAT HAS BEEN APPROVED FOR A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT ENDORSEMENT MAY TRANSFER ITS RETAIL MARIJUANA CONCENTRATE AND RETAIL MARIJUANA PRODUCTS TO ITS RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT. PRIOR TO ITS TRANSFER TO ITS RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT, THE RETAIL MARIJUANA STORE SHALL PACKAGE AND LABEL INDIVIDUALLY RETAIL

MARIJUANA CONCENTRATE AND RETAIL MARIJUANA PRODUCT IN QUANTITIES NOT TO EXCEED THE LIMITS ESTABLISHED BY THE STATE LICENSING AUTHORITY PURSUANT TO SECTION 12-43.4-202 (3)(a)(XXI) READY FOR SALE TO A PATRON OF THE ESTABLISHMENT.

SECTION 4. In Colorado Revised Statutes, **add** 12-43.4-402.5 as follows:

12-43.4-402.5. Retail marijuana accessory consumption establishment endorsement - rules - definition. (1) (a) IN A LOCAL JURISDICTION THAT HAS AUTHORIZED THE ESTABLISHMENT OF RETAIL MARIJUANA STORES, THE LOCAL JURISDICTION MAY AUTHORIZE THE OPERATION OF RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENTS WITHIN ITS JURISDICTION THROUGH THE ENACTMENT OF AN ORDINANCE OR THROUGH A REFERRED OR INITIATED MEASURE. IF A COUNTY ACTS THROUGH AN INITIATED MEASURE, THE PROPONENTS SHALL SUBMIT A PETITION SIGNED BY NOT LESS THAN FIFTEEN PERCENT OF THE REGISTERED ELECTORS IN THE COUNTY.

(b) (I) IF A MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY AUTHORIZES THE OPERATION OF RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENTS, IT MAY ADOPT AN APPROVAL REQUIREMENT THAT COMPLIES WITH THE REQUIREMENTS OF THIS ARTICLE 43.4. THE MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY MAY REQUIRE ADDITIONAL OR MORE STRINGENT REQUIREMENTS THAN THOSE PROVIDED IN THIS SECTION.

(II) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1)(b)(I) OF THIS SECTION, A LOCAL LICENSING AUTHORITY SHALL NOT ALLOW A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT ENDORSEMENT FOR A LOCATION THAT IS WITHIN ONE THOUSAND FEET OF A BOUNDARY WITH AN ADJOINING JURISDICTION THAT DOES NOT PERMIT RETAIL MARIJUANA CENTERS IN ITS BOUNDARIES.

(2) ON AND AFTER JANUARY 1, 2019, THE STATE LICENSING AUTHORITY MAY ISSUE A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT ENDORSEMENT ONLY TO A RETAIL MARIJUANA STORE LICENSEE TO SELL RETAIL MARIJUANA CONCENTRATE OR RETAIL MARIJUANA PRODUCTS FOR ON-PREMISES CONSUMPTION.

(3) (a) APPLICATIONS FOR AN ENDORSEMENT PURSUANT TO THIS SECTION MUST BE MADE TO THE STATE LICENSING AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY AND MUST SET FORTH SUCH INFORMATION AS THE STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE LICENSING AUTHORITY TO DETERMINE WHETHER A STATE ENDORSEMENT SHOULD BE GRANTED. THE INFORMATION MUST INCLUDE THE NAME AND ADDRESS OF THE APPLICANT, THE ADDRESS OF THE LICENSED RETAIL MARIJUANA STORE AND THE ENDORSED PREMISES, AND ANY OTHER INFORMATION REQUESTED BY THE STATE LICENSING AUTHORITY. EACH APPLICATION MUST BE VERIFIED BY THE OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE LICENSING AUTHORITY MAY PRESCRIBE. THE STATE ENDORSEMENT IS CONDITIONED UPON LOCAL LICENSING AUTHORITY APPROVAL. AN APPLICANT IS PROHIBITED FROM OPERATING A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT WITHOUT STATE AND LOCAL LICENSING AUTHORITY APPROVAL. IF THE APPLICANT DOES NOT RECEIVE LOCAL LICENSING AUTHORITY APPROVAL WITHIN ONE YEAR FROM THE DATE OF STATE LICENSING AUTHORITY APPROVAL, THE STATE ENDORSEMENT EXPIRES AND MAY NOT BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL LICENSING AUTHORITY OR THE APPROVAL OF THE LOCAL LICENSING AUTHORITY IS REVOKED, THE STATE LICENSING AUTHORITY SHALL REVOKE THE STATE-ISSUED ENDORSEMENT.

(b) THE STATE LICENSING AUTHORITY SHALL DENY A STATE ENDORSEMENT IF THE PREMISES ON WHICH THE APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DOES NOT MEET THE REQUIREMENTS OF THIS ARTICLE 43.4 OR FOR REASONS SET FORTH IN SUBSECTION (3)(a) OF THIS SECTION. THE STATE LICENSING AUTHORITY MAY REVOKE OR DENY AN ENDORSEMENT RENEWAL OR REINSTATEMENT OR AN INITIAL ENDORSEMENT FOR GOOD CAUSE. FOR PURPOSES OF THIS SUBSECTION (3)(b), "GOOD CAUSE" MEANS:

(I) THE ENDORSED LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET, OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OR PROVISIONS OF THIS ARTICLE 43.4, ANY RULES PROMULGATED PURSUANT TO THIS ARTICLE 43.4, OR ANY SUPPLEMENTAL LOCAL LAW, RULES, OR REGULATIONS;

(II) THE ENDORSED LICENSEE OR APPLICANT HAS FAILED TO COMPLY WITH ANY SPECIAL TERMS OR CONDITIONS THAT WERE PLACED ON ITS ENDORSEMENT PURSUANT TO AN ORDER OF THE STATE OR LOCAL LICENSING

AUTHORITY; OR

(III) THE PREMISES HAVE BEEN OPERATED IN A MANNER THAT ADVERSELY AFFECTS THE PUBLIC HEALTH OR THE SAFETY OF THE IMMEDIATE NEIGHBORHOOD IN WHICH THE ESTABLISHMENT IS LOCATED.

(c) THE RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT ENDORSEMENT IS VALID FOR ONE YEAR AND MAY BE RENEWED ANNUALLY UPON THE RENEWAL OF THE RETAIL MARIJUANA STORE LICENSE. THE STATE LICENSING AUTHORITY SHALL ESTABLISH BY RULE THE AMOUNT OF THE APPLICATION FEE AND RENEWAL FEE FOR THE ENDORSEMENT.

(d) THE STATE LICENSING AUTHORITY SHALL MAINTAIN A LIST OF ALL RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENTS IN THE STATE AND SHALL MAKE THE LIST AVAILABLE ON ITS WEBSITE.

(e) EXCEPT AS OTHERWISE SPECIFIED IN THIS ARTICLE 43.4, ALL REQUIREMENTS OF THE RETAIL MARIJUANA STORE APPLY TO THE RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT.

(4) A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT IS SUBJECT TO THE "COLORADO CLEAN INDOOR AIR ACT", PART 2 OF ARTICLE 14 OF TITLE 25.

(5) AN ENDORSED LICENSEE AND ITS EMPLOYEES SHALL NOT:

(a) PERMIT A PERSON TO BRING MEDICAL OR RETAIL MARIJUANA, MEDICAL OR RETAIL MARIJUANA CONCENTRATE, A MEDICAL MARIJUANA-INFUSED PRODUCT, OR A RETAIL MARIJUANA PRODUCT INTO A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT;

(b) SELL ALCOHOL, INCLUDING FERMENTED MALT BEVERAGES OR MALT, VINOUS, OR SPIRITUOUS LIQUOR; SELL TOBACCO OR NICOTINE PRODUCTS; OR ALLOW THE CONSUMPTION OF ALCOHOL OR TOBACCO OR NICOTINE PRODUCTS ON PREMISES;

(c) OPERATE AS A RETAIL FOOD ESTABLISHMENT AS DEFINED IN SECTION 25-4-1602 (14);

(d) ALLOW ON-DUTY EMPLOYEES OF THE ESTABLISHMENT TO CONSUME ANY MEDICAL OR RETAIL MARIJUANA, MEDICAL OR RETAIL MARIJUANA CONCENTRATE, MEDICAL MARIJUANA-INFUSED PRODUCTS, OR RETAIL MARIJUANA PRODUCTS IN THE ESTABLISHMENT; OR

(e) ALLOW DISTRIBUTION OF FREE SAMPLES OF MEDICAL OR RETAIL MARIJUANA, MEDICAL OR RETAIL MARIJUANA CONCENTRATE, MEDICAL MARIJUANA-INFUSED PRODUCTS, OR RETAIL MARIJUANA PRODUCTS IN THE ESTABLISHMENT.

(6) A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT AND ITS EMPLOYEES SHALL ADMIT INTO THE ESTABLISHMENT ONLY PATRONS WHO ARE AT LEAST TWENTY-ONE YEARS OF AGE.

(7) (a) A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT SHALL LIMIT A PATRON TO ONE TRANSACTION OF NO MORE THAN THE SALES LIMIT SET BY THE STATE LICENSING AUTHORITY BY RULE PURSUANT TO SECTION 12-43.4-202 (3)(a)(XXI). A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT SHALL NOT ENGAGE IN MULTIPLE SALES TRANSACTIONS TO THE SAME PATRON DURING THE SAME BUSINESS DAY WHEN THE ESTABLISHMENT'S EMPLOYEE KNOWS OR REASONABLY SHOULD HAVE KNOWN THAT THE SALES TRANSACTION WOULD RESULT IN THE PATRON POSSESSING MORE THAN THE SALES LIMIT ESTABLISHED BY THE STATE LICENSING AUTHORITY. A PATRON MAY LEAVE THE ESTABLISHMENT WITH PRODUCT THAT HE OR SHE DOES NOT CONSUME ONLY IF, PRIOR TO LEAVING THE PREMISES, THE RETAIL MARIJUANA CONCENTRATE AND RETAIL MARIJUANA PRODUCT IS PACKAGED AND LABELED PURSUANT TO THE REQUIREMENTS OF SECTION 12-43.4-202 (3)(c)(III).

(b) WHEN A PATRON LEAVES A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT, THE ESTABLISHMENT SHALL DESTROY ANY REMAINING UNCONSUMED RETAIL MARIJUANA CONCENTRATE OR RETAIL MARIJUANA PRODUCTS THAT ARE NOT TAKEN BY A PATRON PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION.

(8) (a) A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT AND ITS EMPLOYEES:

(I) SHALL OPERATE THE ESTABLISHMENT IN A DECENT, ORDERLY,

AND RESPECTABLE MANNER AND SHALL NOT SERVE ANY PATRON WHO DISPLAYS ANY VISIBLE SIGNS OF INTOXICATION;

(II) MAY REMOVE AN INDIVIDUAL FROM THE ESTABLISHMENT FOR ANY REASON, INCLUDING A PATRON WHO DISPLAYS ANY VISIBLE SIGNS OF INTOXICATION;

(III) SHALL NOT KNOWINGLY PERMIT ANY ACTIVITY OR ACTS OF DISORDERLY CONDUCT AS DEFINED BY AND PROVIDED FOR IN SECTION 18-9-106; AND

(IV) SHALL NOT PERMIT ROWDINESS, UNDUE NOISE, OR OTHER DISTURBANCES OR ACTIVITY OFFENSIVE TO THE AVERAGE CITIZEN OR TO THE RESIDENTS OF THE NEIGHBORHOOD IN WHICH THE LICENSED ESTABLISHMENT IS LOCATED.

(b) A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT AND ITS EMPLOYEES SHALL NOT ALLOW THE USE OF ANY DEVICE USING ANY LIQUID PETROLEUM GAS, A BUTANE TORCH, A BUTANE LIGHTER, OR MATCHES IN THE ESTABLISHMENT.

(9) A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT AND ALL OF ITS EMPLOYEES WHO WORK AT THE ENDORSED PREMISES SHALL SUCCESSFULLY COMPLETE AN ANNUAL RESPONSIBLE VENDOR TRAINING PROGRAM AUTHORIZED PURSUANT TO SECTION 12-43.3-1102.

(10) (a) TO EDUCATE CONSUMERS OF RETAIL MARIJUANA CONCENTRATE AND RETAIL MARIJUANA PRODUCTS, A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT SHALL PROVIDE INFORMATION REGARDING THE SAFE CONSUMPTION OF RETAIL MARIJUANA CONCENTRATE OR A RETAIL MARIJUANA PRODUCT AT THE POINT OF SALE TO ALL PATRONS WHO PURCHASE SUCH A PRODUCT. THE REQUIREMENTS FOR SUCH INFORMATION SHALL BE ESTABLISHED BY THE MARIJUANA EDUCATION OVERSIGHT COMMITTEE, ESTABLISHED PURSUANT TO SECTION 24-12-112(4). THE CONTENT OF THE INFORMATION ON HEALTH AND SAFETY MUST BE BASED ON THE RELEVANT RESEARCH FROM THE PANEL OF HEALTH CARE PROFESSIONALS APPOINTED PURSUANT TO SECTION 25-1.5-110.

(b) A LOCAL JURISDICTION MAY REQUIRE INFORMATION REGARDING

THE SAFE CONSUMPTION OF RETAIL MARIJUANA CONCENTRATE OR A RETAIL MARIJUANA PRODUCT IN ADDITION TO THAT REQUIRED BY SUBSECTION (10)(a) OF THIS SECTION.

(c) THE INFORMATION REQUIRED BY SUBSECTIONS (10)(a) AND (10)(b) OF THIS SECTION MUST BE MAINTAINED ON THE ENDORSED PREMISES FOR INSPECTION BY STATE AND LOCAL LICENSING AUTHORITIES AND LAW ENFORCEMENT.

(11) THE ESTABLISHMENT SHALL ENSURE THAT THE DISPLAY AND CONSUMPTION OF ANY RETAIL MARIJUANA CONCENTRATE OR RETAIL MARIJUANA PRODUCT IS NOT VISIBLE FROM OUTSIDE OF THE ESTABLISHMENT.

(12) IF AN EMERGENCY REQUIRES LAW ENFORCEMENT, FIREFIGHTERS, EMERGENCY MEDICAL SERVICES PROVIDERS, OR OTHER PUBLIC SAFETY PERSONNEL TO ENTER A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT, EMPLOYEES OF THE ESTABLISHMENT SHALL CEASE ALL ON-SITE SALES AND PROHIBIT ON-SITE CONSUMPTION UNTIL SUCH PERSONNEL HAVE COMPLETED THEIR INVESTIGATION OR SERVICES AND HAVE LEFT THE PREMISES.

SECTION 5. In Colorado Revised Statutes, **amend** 12-43.4-301 as follows:

12-43.4-301. Local approval - licensing. (1) When the state licensing authority receives an application for original licensing, ~~or~~ renewal of an existing license for any marijuana establishment, OR ENDORSEMENT FOR AN ESTABLISHMENT PURSUANT TO SECTION 12-43.4-402.5, the state licensing authority shall provide, within seven days, a copy of the application to the local jurisdiction in which the establishment is to be located unless the local jurisdiction has prohibited the operation of retail marijuana establishments pursuant to section 16 (5)(f) of article XVIII of the state constitution. The local jurisdiction shall determine whether the application complies with local restrictions on time, place, manner, and the number of marijuana businesses. The local jurisdiction shall inform the state licensing authority whether the application complies with local restrictions on time, place, manner, and the number of marijuana businesses.

(2) A local jurisdiction may impose a separate local licensing OR ENDORSEMENT requirement as a part of its restrictions on time, place,

manner, and the number of marijuana businesses. A local jurisdiction may decline to impose any local licensing OR ENDORSEMENT requirements, but a local jurisdiction shall notify the state licensing authority that it either approves or denies each application forwarded to it.

(3) NOTHING IN THIS SECTION PRECLUDES A LOCAL JURISDICTION FROM AUTHORIZING CONSUMPTION OF MARIJUANA AT A LOCATION THAT DOES NOT SELL RETAIL MARIJUANA.

SECTION 6. In Colorado Revised Statutes, amend 12-43.4-302 as follows:

12-43.4-302. Public hearing notice - posting and publication.

(1) If a local jurisdiction issues local licenses for a retail marijuana establishment OR ENDORSEMENTS FOR A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT, a local jurisdiction may schedule a public hearing on the application. If the local jurisdiction schedules a hearing, it shall post and publish public notice thereof not less than ten days prior to the hearing. The local jurisdiction shall give public notice by posting a sign in a conspicuous place on the license OR ENDORSEMENT applicant's premises for which a local license OR ENDORSEMENT application has been made and by publication in a newspaper of general circulation in the county in which the applicant's premises are located.

(2) If a local jurisdiction does not issue local licenses OR ENDORSEMENTS, the local jurisdiction may give public notice of the state license OR ENDORSEMENT application by posting a sign in a conspicuous place on the state license OR ENDORSEMENT applicant's premises for which a state license OR ENDORSEMENT application has been made and by publication in a newspaper of general circulation in the county in which the applicant's premises are located.

SECTION 7. In Colorado Revised Statutes, 12-43.4-901, amend (1) as follows:

12-43.4-901. Unlawful acts - exceptions. (1) Except as otherwise provided in this article ARTICLE 43.4, it is unlawful for a person to consume retail marijuana or retail marijuana products in a licensed retail marijuana establishment, OTHER THAN A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT AUTHORIZED PURSUANT TO SECTION 12-43.4-402.5, and it

is unlawful for a retail marijuana licensee to allow retail marijuana or retail marijuana products to be consumed upon its licensed premises, OTHER THAN A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT.

SECTION 8. In Colorado Revised Statutes, 18-18-406, add (5)(b)(IV) as follows:

18-18-406. Offenses relating to marijuana and marijuana concentrate - definitions. (5) (b) (IV) EXCEPT AS DESCRIBED IN SECTION 12-43.4-402.5 (12), PUBLIC DISPLAY, CONSUMPTION, OR USE OF UP TO ONE-QUARTER OF ONE GRAM OF RETAIL MARIJUANA CONCENTRATE OR RETAIL MARIJUANA PRODUCT CONTAINING NOT MORE THAN TEN MILLIGRAMS OF ACTIVE THC IN A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT LICENSED PURSUANT TO SECTION 12-43.4-402.5 IS NOT A VIOLATION OF THIS SUBSECTION (5)(b).

SECTION 9. Appropriation. (1) For the 2018-19 state fiscal year, \$99,637 is appropriated to the department of revenue. This appropriation is from the marijuana cash fund created in section 12-43.3-501 (1)(a), C.R.S. To implement this act, the department may use this appropriation as follows:

- (a) \$47,677 for marijuana enforcement;
- (b) \$12,000 for tax administration IT system (GenTax) support; and
- (c) \$39,960 for the purchase of legal services.

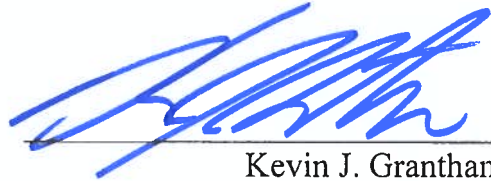
(2) For the 2018-19 state fiscal year, \$39,960 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of revenue under subsection (1)(c) of this section and is based on an assumption that the department of law will require an additional 0.2 FTE. To implement this act, the department of law may use this appropriation to provide legal services for the department of revenue.

SECTION 10. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state

constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.



Crisanta Duran
SPEAKER OF THE HOUSE
OF REPRESENTATIVES



Kevin J. Grantham
PRESIDENT OF
THE SENATE

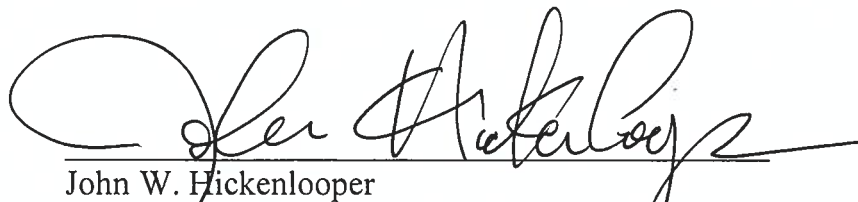


Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES



Effie Ameen
SECRETARY OF
THE SENATE

VETOED & DISAPPROVED 3:02 PM 6/4/18



John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO