

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

April 8, 2021

Committee on Business Affairs & Labor.

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

HB21-1159 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, page 2, lines 9 through 11, strike "RETAIL
- 2 MARIJUANA, RETAIL MARIJUANA PRODUCTS, OR BRANDED MERCHANDISE
- 3 THAT IS AVAILABLE FOR SALE FROM THE RETAIL MARIJUANA STORE" and
- 4 substitute "PRODUCTS AVAILABLE AND REGULATED FOR SALE IN THE
- 5 RETAIL MARIJUANA STORE ASSOCIATED WITH THE DELIVERY PERMIT".

- 6 Page 2, strike lines 12 and 13 and substitute "SHALL SELL THE ITEMS IN
- 7 ACCORDANCE WITH SECTION 6-1-105".

- 8 Page 2, lines 21 and 22, strike "price; EXCEPT THAT AN ONLINE PLATFORM
- 9 MUST NOT HOLD PRE-PAID ACCOUNTS FOR A LICENSED RETAIL MARIJUANA
- 10 STORE." and substitute "price. ONLY A LICENSED MEDICAL MARIJUANA
- 11 STORE OR RETAIL MARIJUANA STORE MAY HOLD PREPAID CUSTOMER
- 12 FUNDS. THIS PROVISION DOES NOT PROHIBIT A THIRD-PARTY FINANCIAL
- 13 INSTITUTION, CREDIT CARD COMPANY, OR OTHER PAYMENT PROCESSOR
- 14 FROM FACILITATING A PAYMENT BY A CUSTOMER TO A MEDICAL
- 15 MARIJUANA STORE OR A RETAIL MARIJUANA STORE FOR PRODUCTS
- 16 PREVIOUSLY ORDERED FROM THE MEDICAL MARIJUANA STORE OR RETAIL
- 17 MARIJUANA STORE BY THE CUSTOMER".

- 18 Page 2, strike line 23.

- 19 Page 3, strike lines 1 through 12.

- 20 Renumber succeeding sections accordingly.

1 Page 3, strike lines 21 and 22 and substitute "OPERATOR SHALL NOT
2 PROVIDE PROFESSIONAL OPERATIONAL SERVICES TO A MEDICAL
3 MARIJUANA STORE OR MEDICAL MARIJUANA TRANSPORTER THAT HOLDS
4 A MEDICAL MARIJUANA DELIVERY PERMIT OR OTHERWISE EXERCISE THE
5 PRIVILEGES OF ITS LICENSE FOR PURPOSES OF PROVIDING MEDICAL
6 MARIJUANA DELIVERY-RELATED SERVICES."

7 Page 4, strike lines 3 and 4 and substitute "OPERATOR SHALL NOT PROVIDE
8 PROFESSIONAL OPERATIONAL SERVICES TO A RETAIL MARIJUANA STORE OR
9 RETAIL MARIJUANA TRANSPORTER THAT HOLDS A RETAIL MARIJUANA
10 DELIVERY PERMIT OR OTHERWISE EXERCISE THE PRIVILEGES OF ITS
11 LICENSE FOR PURPOSES OF PROVIDING MEDICAL MARIJUANA
12 DELIVERY-RELATED SERVICES.

13 **SECTION 4.** In Colorado Revised Statutes, 44-10-203, **add**
14 (2)(dd)(XIII.5) as follows:

15 **44-10-203. State licensing authority - rules. (2) Mandatory**
16 **rule-making.** Rules promulgated pursuant to section 44-10-202 (1)(c)
17 must include but need not be limited to the following subjects:

18 (dd) Requirements for medical marijuana and medical marijuana
19 products delivery as described in section 44-10-501 (11) and section
20 44-10-505 (5) and retail marijuana and retail marijuana products delivery
21 as described in section 44-10-601 (13) and section 44-10-605 (5),
22 including:

23 (XIII.5) EMERGENCY EXEMPTIONS TO HOURS OF OPERATIONS AS
24 IT PERTAINS TO A RETAIL MARIJUANA STORE DELIVERY PERMIT HOLDER.
25 THE STATE LICENSING AUTHORITY SHALL ENSURE THE RULES ARE
26 EFFECTIVE BY JANUARY 1, 2022.

27 **SECTION 5.** In Colorado Revised Statutes, 44-10-601, **amend**
28 (13)(f)(VII) as follows:

29 **44-10-601. Retail marijuana store license - rules - definitions.**
30 (13) (f) In accordance with this subsection (13) and rules adopted to
31 implement this subsection (13), a licensed retail marijuana store with a
32 valid retail marijuana delivery permit may:

33 (VII) (A) Use an employee to conduct deliveries or contract with
34 a retail marijuana transporter that has a valid retail marijuana delivery
35 permit to conduct deliveries on its behalf, from its retail marijuana store
36 or its associated state licensing authority-authorized storage facility as
37 defined by rule.

38 (B) IF A LICENSED RETAIL MARIJUANA STORE CONTRACTS WITH A
39 RETAIL MARIJUANA TRANSPORTER TO CONDUCT THE DELIVERIES FOR THE
40 STORE AND THE STATE LICENSING AUTHORITY FINDS THE TRANSPORTER



1 VIOLATED THIS ARTICLE 10, OR ANY RULE PROMULGATED PURSUANT TO
2 THIS ARTICLE 10, WHEN THE VIOLATION IS RELATED TO DELIVERY AND THE
3 STATE LICENSING AUTHORITY DEEMS IT TO BE A VIOLATION OF PUBLIC
4 SAFETY, THE STATE LICENSING AUTHORITY SHALL NOTIFY THE STORE OF
5 THE VIOLATION. A VIOLATION AFFECTING PUBLIC SAFETY INCLUDES THE
6 TRANSFER OF REGULATED MARIJUANA TO A PERSON UNDER TWENTY-ONE
7 YEARS OF AGE, THE TRANSFER OF REGULATED MARIJUANA IN EXCESS OF
8 SALES LIMITATIONS, AND THE DIVERSION OF REGULATED MARIJUANA.

9 (C) IF THE STORE CONTINUES TO CONTRACT WITH THE RETAIL
10 MARIJUANA TRANSPORTER TO CONDUCT THE STORE'S DELIVERIES AND THE
11 STATE LICENSING AUTHORITY FINDS THE TRANSPORTER COMMITTED A
12 SECOND OR SUBSEQUENT VIOLATION OF THIS ARTICLE 10, OR ANY RULE
13 PROMULGATED PURSUANT TO THIS ARTICLE 10, WHEN THE VIOLATION IS
14 RELATED TO DELIVERY, IS DEEMED A VIOLATION AFFECTING PUBLIC
15 SAFETY, AND OCCURS WITHIN A YEAR OF THE FINAL AGENCY ACTION
16 VIOLATION OF A PREVIOUS VIOLATION, THE STATE LICENSING AUTHORITY
17 SHALL INITIATE ADMINISTRATIVE ACTION AGAINST THE RETAIL MARIJUANA
18 STORE IN ADDITION TO ANY DISCIPLINARY ADMINISTRATIVE ACTION
19 AGAINST THE RETAIL MARIJUANA TRANSPORTER.

20 (D) NOTHING IN THIS SUBSECTION (13)(f)(VII) LIMITS THE
21 AUTHORITY OF THE STATE LICENSING AUTHORITY TO IMPOSE DISCIPLINARY
22 ADMINISTRATIVE ACTION AGAINST A RETAIL MARIJUANA TRANSPORTER OR
23 MEDICAL MARIJUANA TRANSPORTER FOR VIOLATIONS OF STATE LAW OR
24 RULE.

25 **SECTION 6.** In Colorado Revised Statutes, 44-10-803, **add** (4)
26 as follows:

27 **44-10-803. Fees.** (4) THE STATE LICENSING AUTHORITY SHALL
28 WAIVE THE INITIAL APPLICATION AND LICENSE FEES FOR TRANSPORTER
29 LICENSES AND DELIVERY PERMITS IF THE PERSON APPLYING FOR THE
30 TRANSPORTER LICENSE OR DELIVERY PERMIT MEETS THE CRITERIA
31 ESTABLISHED PURSUANT TO SECTION 44-10-308 (4).

32 **SECTION 7.** In Colorado Revised Statutes, 44-10-1401, **amend**
33 (2) as follows:

34 **44-10-1401. Sunset review - repeal of article.** (2) Prior to the
35 repeal of this article 10, the department of regulatory agencies shall
36 conduct a sunset review as described in section 24-34-104 (5), AND, IN
37 THAT REVIEW, THE DEPARTMENT OF REGULATORY AGENCIES MUST REVIEW
38 THE METRICS AND IMPACTS OF THE REGULATIONS ON RETAIL SALES."

39 Renumber succeeding section accordingly.



