

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 18-0080.01 Jerry Barry x4341

HOUSE BILL 18-1258

HOUSE SPONSORSHIP

Singer and Melton, Herod

SENATE SPONSORSHIP

Neville T. and Fenberg, Marble

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AUTHORIZATION FOR AN ENDORSEMENT TO AN EXISTING**
102 **MARIJUANA LICENSE TO ALLOW FOR A MARIJUANA ACCESSORY**
103 **CONSUMPTION ESTABLISHMENT FOR THE PURPOSES OF**
104 **CONSUMER EDUCATION, AND, IN CONNECTION THEREWITH,**
105 **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 authorizes each licensed medical marijuana center or retail marijuana store to establish one medical or retail marijuana accessory

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
Amended 2nd Reading
April 10, 2018

consumption establishment (establishment) that may sell marijuana, marijuana concentrate, and marijuana-infused products for consumption, other than smoking, at the establishment. The bill contains requirements for obtaining endorsements, authorizing an establishment, and required actions and prohibited actions for persons operating an establishment.

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

2

3 **SECTION 1.** In Colorado Revised Statutes, 12-43.4-103, **add**
4 (15.5) as follows:

5 **12-43.4-103. Definitions.** As used in this article 43.4, unless the
6 context otherwise requires:

7 (15.5) "RETAIL MARIJUANA ACCESSORY CONSUMPTION
8 ESTABLISHMENT" MEANS AN ESTABLISHMENT WHERE A RETAIL
9 MARIJUANA STORE LICENSEE THAT HAS BEEN APPROVED FOR A RETAIL
10 MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT ENDORSEMENT TO
11 AN EXISTING RETAIL MARIJUANA STORE LICENSE MAY SELL RETAIL
12 MARIJUANA, RETAIL MARIJUANA CONCENTRATE, AND RETAIL MARIJUANA
13 PRODUCTS FOR CONSUMPTION, OTHER THAN SMOKING, ON THE PREMISES
14 OF THE ESTABLISHMENT.

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

18 **12-43.4-202. Powers and duties of state licensing authority -**
19 **rules.** (1) To ensure that ~~no~~ marijuana grown or processed by a retail
20 marijuana establishment is NOT sold or otherwise transferred except by a
21 retail marijuana store or as authorized by law, the state licensing authority
22 shall develop and maintain a seed-to-sale tracking system that tracks retail
23 marijuana from either seed or immature plant stage until the marijuana or

1 retail marijuana product is sold to a customer at a retail marijuana store
2 OR A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT;
3 except that retail marijuana or retail marijuana product is no longer
4 subject to the tracking system once the retail marijuana has been:

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

6 (a) Grant or refuse state licenses for the cultivation, manufacture,
7 distribution, sale, and testing of retail marijuana and retail marijuana
8 products as provided by law; suspend, fine, restrict, or revoke such
9 licenses, whether active, expired, or surrendered, upon a violation of this
10 article 43.4 or any rule promulgated pursuant to this article 43.4; and
11 impose any penalty authorized by this article 43.4 or any rule promulgated
12 pursuant to this article 43.4. The state licensing authority may take any
13 action with respect to a registration OR AN ENDORSEMENT pursuant to this
14 article 43.4 as it may with respect to a license pursuant to this article 43.4,
15 in accordance with the procedures established pursuant to this article
16 43.4.

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

19 (XIX) Nonescorted visitors in limited access areas; ~~and~~

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

22 (XXI) THE IMPLEMENTATION OF RETAIL MARIJUANA ACCESSORY
23 CONSUMPTION ESTABLISHMENT ENDORSEMENTS, INCLUDING BUT NOT
24 LIMITED TO A SALES LIMIT TO A PATRON OF A RETAIL MARIJUANA
25 ACCESSORY CONSUMPTION ESTABLISHMENT; EXCEPT THAT THE SALES
26 LIMIT ESTABLISHED BY THE STATE LICENSING AUTHORITY SHALL NOT BE
27 AN AMOUNT LESS THAN ONE GRAM OF RETAIL MARIJUANA OR

1 ONE-QUARTER OF ONE GRAM OF RETAIL MARIJUANA CONCENTRATE OR
2 RETAIL MARIJUANA PRODUCT CONTAINING NOT MORE THAN TEN
3 MILLIGRAMS OF ACTIVE THC.

4
5 **SECTION 3.** In Colorado Revised Statutes, 12-43.4-402, **add**
6 (1)(f) as follows:

7 **12-43.4-402. Retail marijuana store license.** (1) (f) (I) ON AND
8 AFTER JANUARY 1, 2019, SUBJECT TO THE RECEIPT OF THE NECESSARY
9 ENDORSEMENT PURSUANT TO SECTION 12-43.4-402.5, A LICENSED RETAIL
10 MARIJUANA STORE MAY OPERATE A RETAIL MARIJUANA ACCESSORY
11 CONSUMPTION ESTABLISHMENT TO SELL RETAIL MARIJUANA, RETAIL
12 MARIJUANA CONCENTRATE, AND RETAIL MARIJUANA PRODUCTS FOR
13 ON-PREMISES CONSUMPTION, OTHER THAN SMOKING, ON THE PREMISES OF
14 THE ESTABLISHMENT.

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

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

22 (IV) A RETAIL MARIJUANA STORE THAT HAS BEEN APPROVED FOR
23 A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT
24 ENDORSEMENT MAY TRANSFER ITS RETAIL MARIJUANA, RETAIL MARIJUANA
25 CONCENTRATE, AND RETAIL MARIJUANA PRODUCTS TO ITS RETAIL
26 MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT. PRIOR TO ITS
27 TRANSFER TO ITS RETAIL MARIJUANA ACCESSORY CONSUMPTION

1 ESTABLISHMENT, THE RETAIL MARIJUANA STORE SHALL PACKAGE AND
2 LABEL INDIVIDUALLY RETAIL MARIJUANA, RETAIL MARIJUANA
3 CONCENTRATE, AND RETAIL MARIJUANA PRODUCT IN QUANTITIES NOT TO
4 EXCEED THE LIMITS ESTABLISHED BY THE STATE LICENSING AUTHORITY
5 PURSUANT TO SECTION 12-43.4-202 (3)(a)(XXI) READY FOR SALE TO A
6 PATRON OF THE ESTABLISHMENT.

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

9 12-43.4-402.5. Retail marijuana accessory consumption
10 establishment endorsement - rules - definition. (1) (a) IN A LOCAL
11 JURISDICTION THAT HAS AUTHORIZED THE ESTABLISHMENT OF RETAIL
12 MARIJUANA STORES, THE LOCAL JURISDICTION MAY AUTHORIZE THE
13 OPERATION OF RETAIL MARIJUANA ACCESSORY CONSUMPTION
14 ESTABLISHMENTS WITHIN ITS JURISDICTION THROUGH THE ENACTMENT OF
15 AN ORDINANCE OR THROUGH A REFERRED OR INITIATED MEASURE. IF A
16 COUNTY ACTS THROUGH AN INITIATED MEASURE, THE PROPONENTS SHALL
17 SUBMIT A PETITION SIGNED BY NOT LESS THAN FIFTEEN PERCENT OF THE
18 REGISTERED ELECTORS IN THE COUNTY.

19 (b) IF A MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY
20 AUTHORIZES THE OPERATION OF RETAIL MARIJUANA ACCESSORY
21 CONSUMPTION ESTABLISHMENTS, IT MAY ADOPT AN APPROVAL
22 REQUIREMENT THAT COMPLIES WITH THE REQUIREMENTS OF THIS ARTICLE
23 43.4. THE MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY MAY
24 REQUIRE ADDITIONAL OR MORE STRINGENT REQUIREMENTS THAN THOSE
25 PROVIDED IN THIS SECTION.

26 (2) ON AND AFTER JANUARY 1, 2019, THE STATE LICENSING
27 AUTHORITY MAY ISSUE A RETAIL MARIJUANA ACCESSORY CONSUMPTION

1 ESTABLISHMENT ENDORSEMENT ONLY TO A RETAIL MARIJUANA STORE
2 LICENSEE TO SELL [REDACTED] RETAIL MARIJUANA, RETAIL CONCENTRATE, OR
3 RETAIL MARIJUANA PRODUCTS FOR ON-PREMISES CONSUMPTION.

4 [REDACTED] [REDACTED]
5 (I) (B) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION
6 (3)(a)(I)(A) OF THIS SECTION, A LOCAL LICENSING AUTHORITY SHALL NOT
7 ALLOW A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT
8 ENDORSEMENT TO A RETAIL MARIJUANA CENTER THAT IS WITHIN ONE
9 THOUSAND FEET OF A BOUNDARY WITH AN ADJOINING JURISDICTION THAT
10 DOES NOT PERMIT RETAIL MARIJUANA CENTERS IN ITS BOUNDARIES.

11 (3) (a) APPLICATIONS FOR AN ENDORSEMENT PURSUANT TO THIS
12 SECTION MUST BE MADE TO THE STATE LICENSING AUTHORITY ON FORMS
13 PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY AND
14 MUST SET FORTH SUCH INFORMATION AS THE STATE LICENSING AUTHORITY
15 MAY REQUIRE TO ENABLE THE STATE LICENSING AUTHORITY TO
16 DETERMINE WHETHER A STATE ENDORSEMENT SHOULD BE GRANTED. THE
17 INFORMATION MUST INCLUDE THE NAME AND ADDRESS OF THE APPLICANT,
18 THE ADDRESS OF THE LICENSED RETAIL MARIJUANA STORE AND THE
19 ENDORSED PREMISES, AND ANY OTHER INFORMATION REQUESTED BY THE
20 STATE LICENSING AUTHORITY. EACH APPLICATION MUST BE VERIFIED BY
21 THE OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE
22 LICENSING AUTHORITY MAY PRESCRIBE. THE STATE ENDORSEMENT IS
23 CONDITIONED UPON LOCAL LICENSING AUTHORITY APPROVAL. AN
24 APPLICANT IS PROHIBITED FROM OPERATING A RETAIL MARIJUANA
25 ACCESSORY CONSUMPTION ESTABLISHMENT WITHOUT STATE AND LOCAL
26 LICENSING AUTHORITY APPROVAL. IF THE APPLICANT DOES NOT RECEIVE
27 LOCAL LICENSING AUTHORITY APPROVAL WITHIN ONE YEAR FROM THE

1 DATE OF STATE LICENSING AUTHORITY APPROVAL, THE STATE
2 ENDORSEMENT EXPIRES AND MAY NOT BE RENEWED. IF AN APPLICATION
3 IS DENIED BY THE LOCAL LICENSING AUTHORITY OR THE APPROVAL OF THE
4 LOCAL LICENSING AUTHORITY IS REVOKED, THE STATE LICENSING
5 AUTHORITY SHALL REVOKE THE STATE-ISSUED ENDORSEMENT.

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

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

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

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

26 (c) THE RETAIL MARIJUANA ACCESSORY CONSUMPTION
27 ESTABLISHMENT ENDORSEMENT IS VALID FOR ONE YEAR AND MAY BE

1 RENEWED ANNUALLY UPON THE RENEWAL OF THE RETAIL MARIJUANA
2 STORE LICENSE. THE STATE LICENSING AUTHORITY SHALL ESTABLISH BY
3 RULE THE AMOUNT OF THE APPLICATION FEE AND RENEWAL FEE FOR THE
4 ENDORSEMENT.

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

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

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

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

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

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

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

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

1 RETAIL MARIJUANA PRODUCTS IN THE ESTABLISHMENT; OR

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

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

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

25 (b) WHEN A PATRON LEAVES A RETAIL MARIJUANA ACCESSORY
26 CONSUMPTION ESTABLISHMENT, THE ESTABLISHMENT SHALL DESTROY
27 ANY REMAINING UNCONSUMED RETAIL MARIJUANA, RETAIL MARIJUANA

1 CONCENTRATE, OR RETAIL MARIJUANA PRODUCTS THAT ARE NOT TAKEN
2 BY A PATRON PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION.

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

5 (I) SHALL OPERATE THE ESTABLISHMENT IN A DECENT, ORDERLY,
6 AND RESPECTABLE MANNER AND SHALL NOT SERVE ANY PATRON WHO
7 DISPLAYS ANY VISIBLE SIGNS OF INTOXICATION;

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

11 (III) SHALL NOT KNOWINGLY PERMIT ANY ACTIVITY OR ACTS OF
12 DISORDERLY CONDUCT AS DEFINED BY AND PROVIDED FOR IN SECTION
13 18-9-106; AND

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

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

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

27 (10)(a) TO EDUCATE CONSUMERS OF RETAIL MARIJUANA, A RETAIL

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

11 (b) A LOCAL JURISDICTION MAY REQUIRE INFORMATION
12 REGARDING THE SAFE CONSUMPTION OF RETAIL MARIJUANA CONCENTRATE
13 OR A RETAIL MARIJUANA PRODUCT IN ADDITION TO THAT REQUIRED BY
14 SUBSECTION (10)(a) OF THIS SECTION.

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

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

23 (12) IF AN EMERGENCY REQUIRES LAW ENFORCEMENT,
24 FIREFIGHTERS, EMERGENCY MEDICAL SERVICES PROVIDERS, OR OTHER
25 PUBLIC SAFETY PERSONNEL TO ENTER A RETAIL MARIJUANA ACCESSORY
26 CONSUMPTION ESTABLISHMENT, EMPLOYEES OF THE ESTABLISHMENT
27 SHALL CEASE ALL ON-SITE SALES AND PROHIBIT ON-SITE CONSUMPTION

1 UNTIL SUCH PERSONNEL HAVE COMPLETED THEIR INVESTIGATION OR
2 SERVICES AND HAVE LEFT THE PREMISES.

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

5 **12-43.4-301. Local approval - licensing.** (1) When the state
6 licensing authority receives an application for original licensing, ~~or~~
7 renewal of an existing license for any marijuana establishment, OR
8 ENDORSEMENT FOR AN ESTABLISHMENT PURSUANT TO SECTION
9 12-43.4-402.5, the state licensing authority shall provide, within seven
10 days, a copy of the application to the local jurisdiction in which the
11 establishment is to be located unless the local jurisdiction has prohibited
12 the operation of retail marijuana establishments pursuant to section 16
13 (5)(f) of article XVIII of the state constitution. The local jurisdiction shall
14 determine whether the application complies with local restrictions on
15 time, place, manner, and the number of marijuana businesses. The local
16 jurisdiction shall inform the state licensing authority whether the
17 application complies with local restrictions on time, place, manner, and
18 the number of marijuana businesses.

19 (2) A local jurisdiction may impose a separate local licensing OR
20 ENDORSEMENT requirement as a part of its restrictions on time, place,
21 manner, and the number of marijuana businesses. A local jurisdiction may
22 decline to impose any local licensing OR ENDORSEMENT requirements, but
23 a local jurisdiction shall notify the state licensing authority that it either
24 approves or denies each application forwarded to it.

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

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

3 **12-43.4-302. Public hearing notice - posting and publication.**

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

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

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

23 **12-43.4-901. Unlawful acts - exceptions.** (1) Except as
24 otherwise provided in this ~~article~~ ARTICLE 43.4, it is unlawful for a person
25 to consume retail marijuana or retail marijuana products in a licensed
26 retail marijuana establishment, OTHER THAN A RETAIL MARIJUANA
27 ACCESSORY CONSUMPTION ESTABLISHMENT AUTHORIZED PURSUANT TO

1 SECTION 12-43.4-402.5, and it is unlawful for a retail marijuana licensee
2 to allow retail marijuana or retail marijuana products to be consumed
3 upon its licensed premises, OTHER THAN A RETAIL MARIJUANA ACCESSORY
4 CONSUMPTION ESTABLISHMENT.

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

7 **18-18-406. Offenses relating to marijuana and marijuana**
8 **concentrate - definitions.** (5) (b) (IV) EXCEPT AS DESCRIBED IN SECTION
9 12-43.4-402.5 (12), PUBLIC DISPLAY, CONSUMPTION, OR USE OF UP TO ONE
10 OUNCE OF MARIJUANA IN A [REDACTED] RETAIL MARIJUANA ACCESSORY
11 CONSUMPTION ESTABLISHMENT LICENSED PURSUANT TO SECTION [REDACTED]
12 12-43.4-402.5 IS NOT A VIOLATION OF THIS SUBSECTION (5)(b).

13 [REDACTED]
14 **SECTION 9. Appropriation.** (1) For the 2018-19 state fiscal
15 year, \$99,637 is appropriated to the department of revenue. This
16 appropriation is from the marijuana cash fund created in section
17 12-43.3-501 (1)(a), C.R.S. To implement this act, the department may use
18 this appropriation as follows:

19 (a) \$59,677 for tax administration IT system (GenTax) support;
20 and

21 (b) \$39,960 for the purchase of legal services.

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

1 department of revenue.

2 **SECTION 10. Act subject to petition - effective date.** This act
3 takes effect at 12:01 a.m. on the day following the expiration of the
4 ninety-day period after final adjournment of the general assembly (August
5 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
6 referendum petition is filed pursuant to section 1 (3) of article V of the
7 state constitution against this act or an item, section, or part of this act
8 within such period, then the act, item, section, or part will not take effect
9 unless approved by the people at the general election to be held in
10 November 2018 and, in such case, will take effect on the date of the
11 official declaration of the vote thereon by the governor.