

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

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

Finance
Appropriations

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 3rd Reading
April 11, 2018

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 CONCENTRATE AND RETAIL MARIJUANA PRODUCTS FOR
13 CONSUMPTION, OTHER THAN SMOKING, **ON THE PREMISES OF** THE
14 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 AND RESTRICTIONS ON THE TYPES OF RETAIL
25 MARIJUANA, RETAIL MARIJUANA CONCENTRATE, AND RETAIL MARIJUANA
26 PRODUCTS THAT MAY BE SOLD TO A PATRON OF A RETAIL MARIJUANA
27 ACCESSORY CONSUMPTION ESTABLISHMENT; EXCEPT THAT THE SALES

1 LIMIT ESTABLISHED BY THE STATE LICENSING AUTHORITY SHALL NOT BE
2 AN AMOUNT LESS THAN _____ ONE-QUARTER OF ONE GRAM OF RETAIL
3 MARIJUANA CONCENTRATE OR RETAIL MARIJUANA PRODUCT CONTAINING
4 NOT MORE THAN TEN MILLIGRAMS OF ACTIVE THC AND THAT THE
5 RESTRICTIONS ON THE TYPE OF ANY RETAIL MARIJUANA, RETAIL
6 MARIJUANA CONCENTRATE, OR RETAIL MARIJUANA PRODUCTS
7 AUTHORIZED TO BE SOLD MUST INCLUDE THAT THE MARIJUANA,
8 CONCENTRATE, OR PRODUCT BE MEANT FOR CONSUMPTION ON THE
9 PREMISES OF THE ESTABLISHMENT.

10

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

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

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

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

1 (IV) A RETAIL MARIJUANA STORE THAT HAS BEEN APPROVED FOR
2 A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT
3 ENDORSEMENT MAY TRANSFER ITS RETAIL MARIJUANA CONCENTRATE
4 AND RETAIL MARIJUANA PRODUCTS TO ITS RETAIL MARIJUANA ACCESSORY
5 CONSUMPTION ESTABLISHMENT. PRIOR TO ITS TRANSFER TO ITS RETAIL
6 MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT, THE RETAIL
7 MARIJUANA STORE SHALL PACKAGE AND LABEL INDIVIDUALLY RETAIL
8 MARIJUANA CONCENTRATE AND RETAIL MARIJUANA PRODUCT IN
9 QUANTITIES NOT TO EXCEED THE LIMITS ESTABLISHED BY THE STATE
10 LICENSING AUTHORITY PURSUANT TO SECTION 12-43.4-202 (3)(a)(XXI)
11 READY FOR SALE TO A PATRON OF THE ESTABLISHMENT.

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

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

24 (b) (I) IF A MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY
25 AUTHORIZES THE OPERATION OF RETAIL MARIJUANA ACCESSORY
26 CONSUMPTION ESTABLISHMENTS, IT MAY ADOPT AN APPROVAL
27 REQUIREMENT THAT COMPLIES WITH THE REQUIREMENTS OF THIS ARTICLE

1 43.4. THE MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY MAY
2 REQUIRE ADDITIONAL OR MORE STRINGENT REQUIREMENTS THAN THOSE
3 PROVIDED IN THIS SECTION.

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

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

15 [REDACTED]

16 (3) (a) APPLICATIONS FOR AN ENDORSEMENT PURSUANT TO THIS
17 SECTION MUST BE MADE TO THE STATE LICENSING AUTHORITY ON FORMS
18 PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY AND
19 MUST SET FORTH SUCH INFORMATION AS THE STATE LICENSING AUTHORITY
20 MAY REQUIRE TO ENABLE THE STATE LICENSING AUTHORITY TO
21 DETERMINE WHETHER A STATE ENDORSEMENT SHOULD BE GRANTED. THE
22 INFORMATION MUST INCLUDE THE NAME AND ADDRESS OF THE APPLICANT,
23 THE ADDRESS OF THE LICENSED RETAIL MARIJUANA STORE AND THE
24 ENDORSED PREMISES, AND ANY OTHER INFORMATION REQUESTED BY THE
25 STATE LICENSING AUTHORITY. EACH APPLICATION MUST BE VERIFIED BY
26 THE OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE
27 LICENSING AUTHORITY MAY PRESCRIBE. THE STATE ENDORSEMENT IS

1 CONDITIONED UPON LOCAL LICENSING AUTHORITY APPROVAL. AN
2 APPLICANT IS PROHIBITED FROM OPERATING A RETAIL MARIJUANA
3 ACCESSORY CONSUMPTION ESTABLISHMENT WITHOUT STATE AND LOCAL
4 LICENSING AUTHORITY APPROVAL. IF THE APPLICANT DOES NOT RECEIVE
5 LOCAL LICENSING AUTHORITY APPROVAL WITHIN ONE YEAR FROM THE
6 DATE OF STATE LICENSING AUTHORITY APPROVAL, THE STATE
7 ENDORSEMENT EXPIRES AND MAY NOT BE RENEWED. IF AN APPLICATION
8 IS DENIED BY THE LOCAL LICENSING AUTHORITY OR THE APPROVAL OF THE
9 LOCAL LICENSING AUTHORITY IS REVOKED, THE STATE LICENSING
10 AUTHORITY SHALL REVOKE THE STATE-ISSUED ENDORSEMENT.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 PACKAGED AND LABELED PURSUANT TO THE REQUIREMENTS OF SECTION
2 12-43.4-202 (3)(c)(III).

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

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

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

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

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

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

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

27 (9) A RETAIL MARIJUANA ACCESSORY CONSUMPTION

1 ESTABLISHMENT AND ALL OF ITS EMPLOYEES WHO WORK AT THE
2 ENDORSED PREMISES SHALL SUCCESSFULLY COMPLETE AN ANNUAL
3 RESPONSIBLE VENDOR TRAINING PROGRAM AUTHORIZED PURSUANT TO
4 SECTION 12-43.3-1102.

5 (10) (a) TO EDUCATE CONSUMERS OF RETAIL MARIJUANA
6 CONCENTRATE AND RETAIL MARIJUANA PRODUCTS. A RETAIL MARIJUANA
7 ACCESSORY CONSUMPTION ESTABLISHMENT SHALL PROVIDE INFORMATION
8 REGARDING THE SAFE CONSUMPTION OF RETAIL MARIJUANA
9 CONCENTRATE OR A RETAIL MARIJUANA PRODUCT AT THE POINT OF SALE
10 TO ALL PATRONS WHO PURCHASE SUCH A PRODUCT. THE REQUIREMENTS
11 FOR SUCH INFORMATION SHALL BE ESTABLISHED BY THE MARIJUANA
12 EDUCATION OVERSIGHT COMMITTEE, ESTABLISHED PURSUANT TO SECTION
13 24-12-112 (4). THE CONTENT OF THE INFORMATION ON HEALTH AND
14 SAFETY MUST BE BASED ON THE RELEVANT RESEARCH FROM THE PANEL OF
15 HEALTH CARE PROFESSIONALS APPOINTED PURSUANT TO SECTION
16 25-1.5-110.

17 (b) A LOCAL JURISDICTION MAY REQUIRE INFORMATION
18 REGARDING THE SAFE CONSUMPTION OF RETAIL MARIJUANA CONCENTRATE
19 OR A RETAIL MARIJUANA PRODUCT IN ADDITION TO THAT REQUIRED BY
20 SUBSECTION (10)(a) OF THIS SECTION.

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

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

1 ESTABLISHMENT.

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

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

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

25 (2) A local jurisdiction may impose a separate local licensing ~~OR~~
26 ENDORSEMENT requirement as a part of its restrictions on time, place,
27 manner, and the number of marijuana businesses. A local jurisdiction may

1 decline to impose any local licensing OR ENDORSEMENT requirements, but
2 a local jurisdiction shall notify the state licensing authority that it either
3 approves or denies each application forwarded to it.

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

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

9 **12-43.4-302. Public hearing notice - posting and publication.**

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

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

27 **SECTION 7.** In Colorado Revised Statutes, 12-43.4-901, **amend**

1 (1) as follows:

2 **12-43.4-901. Unlawful acts - exceptions.** (1) Except as
3 otherwise provided in this ~~article~~ ARTICLE 43.4, it is unlawful for a person
4 to consume retail marijuana or retail marijuana products in a licensed
5 retail marijuana establishment, OTHER THAN A RETAIL MARIJUANA
6 ACCESSORY CONSUMPTION ESTABLISHMENT AUTHORIZED PURSUANT TO
7 SECTION 12-43.4-402.5, and it is unlawful for a retail marijuana licensee
8 to allow retail marijuana or retail marijuana products to be consumed
9 upon its licensed premises, OTHER THAN A RETAIL MARIJUANA ACCESSORY
10 CONSUMPTION ESTABLISHMENT.

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

13 **18-18-406. Offenses relating to marijuana and marijuana**
14 **concentrate - definitions.** (5) (b) (IV) EXCEPT AS DESCRIBED IN SECTION
15 12-43.4-402.5 (12), PUBLIC DISPLAY, CONSUMPTION, OR USE OF UP TO
16 ONE-QUARTER OF ONE GRAM OF RETAIL MARIJUANA CONCENTRATE OR
17 RETAIL MARIJUANA PRODUCT CONTAINING NOT MORE THAN TEN
18 MILLIGRAMS OF ACTIVE THC IN A [REDACTED] RETAIL MARIJUANA ACCESSORY
19 CONSUMPTION ESTABLISHMENT LICENSED PURSUANT TO SECTION [REDACTED]
20 12-43.4-402.5 IS NOT A VIOLATION OF THIS SUBSECTION (5)(b).

21 [REDACTED]

22 **SECTION 9. Appropriation.** (1) For the 2018-19 state fiscal
23 year, \$99,637 is appropriated to the department of revenue. This
24 appropriation is from the marijuana cash fund created in section
25 12-43.3-501 (1)(a), C.R.S. To implement this act, the department may use
26 this appropriation as follows:

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

1 and

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

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

10 **SECTION 10. Act subject to petition - effective date.** This act
11 takes effect at 12:01 a.m. on the day following the expiration of the
12 ninety-day period after final adjournment of the general assembly (August
13 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
14 referendum petition is filed pursuant to section 1 (3) of article V of the
15 state constitution against this act or an item, section, or part of this act
16 within such period, then the act, item, section, or part will not take effect
17 unless approved by the people at the general election to be held in
18 November 2018 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.