Second Regular Session Seventy-first General Assembly STATE OF COLORADO

REREVISED

This Version Includes All Amendments Adopted in the Second House HOUSE BILL 18-1259

LLS NO. 18-0777.01 Michael Dohr x4347

HOUSE SPONSORSHIP

Gray,

Marble,

SENATE SPONSORSHIP

House Committees Finance Senate Committees Business, Labor, & Technology

A BILL FOR AN ACT

101 CONCERNING PROVIDING MARIJUANA SAMPLES TO EMPLOYEES FOR

102 **BUSINESS PURPOSES.**

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 <u>http://leg.colorado.gov</u>.)

The bill permits a medical marijuana optional premises cultivation licensee, a medical marijuana-infused products manufacturing licensee, a retail marijuana cultivation facility licensee, and a retail marijuana products manufacturing licensee to provide samples to managers for quality control and product development purposes. The bill specifies limits on the amount that can be provided as a sample per batch. The bill SENATE 3rd Reading Unamended April 6, 2018

> Amended 2nd Reading April 5, 2018

Reading Unamended

3rd

Amended 2nd Reading March 16, 2018

HOUSE

HOUSE

March 19, 2018

SENATE

prohibits the licensee from:

- ! Allowing the manager to consume the sample on site;
- ! Allowing the manager to exceed his or her personal possession limits;
- Providing or reselling the sample to another licensed employee, individual, or customer; and
- ! Using the sample as a means of compensating the manager.
- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 SECTION 1. In Colorado Revised Statutes, 12-43.3-403, add (4)
- 3 as follows:

4 12-43.3-403. Optional premises cultivation license - rules.
5 (4) (a) AN OPTIONAL PREMISES CULTIVATION LICENSEE MAY PROVIDE A
6 MEDICAL MARIJUANA SAMPLE AND A MEDICAL MARIJUANA CONCENTRATE
7 SAMPLE TO <u>NO MORE THAN FIVE</u> MANAGERS EMPLOYED BY THE LICENSEE

- 8 FOR PURPOSES OF QUALITY CONTROL AND PRODUCT DEVELOPMENT. <u>AN</u>
- 9 OPTIONAL PREMISES CULTIVATION LICENSEE MAY DESIGNATE NO MORE
- 10 THAN FIVE MANAGERS PER CALENDAR MONTH AS RECIPIENTS OF QUALITY
- 11 CONTROL AND PRODUCT DEVELOPMENT SAMPLES AUTHORIZED PURSUANT
- 12 <u>TO THIS SUBSECTION (4)(a).</u>

(b) MANAGERS WHO RECEIVE A SAMPLE PURSUANT TO SUBSECTION
(4)(a) OF THIS SECTION MUST HAVE A VALID REGISTRY IDENTIFICATION
CARD ISSUED PURSUANT TO SECTION 25-1.5-106 (9).

(c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (4)(a) OF
THIS SECTION IS LIMITED TO ONE GRAM OF MEDICAL MARIJUANA PER
BATCH AS DEFINED IN RULES PROMULGATED BY THE STATE LICENSING
AUTHORITY, AND <u>ONE-QUARTER</u> GRAM OF A MEDICAL MARIJUANA
CONCENTRATE PER BATCH AS DEFINED IN RULES PROMULGATED BY THE
STATE LICENSING <u>AUTHORITY; EXCEPT THAT THE LIMIT IS ONE-HALF GRAM</u>

22 OF MEDICAL MARIJUANA CONCENTRATE IF THE INTENDED USE OF THE

<u>FINAL PRODUCT IS TO BE USED IN A DEVICE THAT CAN BE USED TO DELIVER</u>
 <u>MEDICAL MARIJUANA CONCENTRATE IN A VAPORIZED FORM TO THE</u>
 <u>PERSON INHALING FROM THE DEVICE.</u>

4 (d) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (4)(a) OF
5 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES
6 PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2)(a)(XIV) AND
7 (2)(a)(XIV.5).

8 (e) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (4)(a) OF THIS 9 SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING SYSTEM. 10 PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST BE 11 DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT OF 12 QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A MANAGER 13 RECEIVING A SAMPLE MUST MAKE A VOLUNTARY DECISION TO BE TRACKED 14 IN THE SEED-TO-SALE TRACKING SYSTEM AND IS NOT A CONSUMER 15 PURSUANT TO SECTION 16 (5)(c) OF ARTICLE XVIII OF THE STATE 16 CONSTITUTION. THE OPTIONAL PREMISES CULTIVATION LICENSEE SHALL 17 MAINTAIN DOCUMENTATION OF ALL SAMPLES AND SHALL MAKE THE 18 DOCUMENTATION AVAILABLE TO THE STATE LICENSING AUTHORITY.

(f) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO
SUBSECTION (4)(a) OF THIS SECTION, AN OPTIONAL PREMISES CULTIVATION
LICENSEE SHALL PROVIDE A STANDARD OPERATING PROCEDURE TO THE
MANAGER EXPLAINING REQUIREMENTS PURSUANT TO THIS SECTION AND
PERSONAL POSSESSION LIMITS PURSUANT TO SECTION 18-18-406.

24 (g) A MANAGER <u>SHALL</u> NOT:

(I) RECEIVE MORE THAN ONE OUNCE TOTAL OF MEDICAL
MARIJUANA SAMPLES OR FIFTEEN GRAMS OF MEDICAL MARIJUANA
CONCENTRATE SAMPLES PER CALENDAR MONTH, REGARDLESS OF THE

-3-

1 NUMBER OF LICENSES THAT THE MANAGER IS ASSOCIATED WITH; OR 2 (II) PROVIDE TO OR RESELL THE SAMPLE TO ANOTHER LICENSED 3 EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL. 4 (h) AN OPTIONAL PREMISES CULTIVATION LICENSEE SHALL NOT: 5 (I) ALLOW A MANAGER TO CONSUME THE SAMPLE ON THE 6 LICENSED PREMISES; OR 7 (II) USE THE SAMPLE AS A MEANS OF COMPENSATION TO A 8 MANAGER. 9 (i) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL 10 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL 11 **REPORTING REQUIRED FOR IMPLEMENTATION. THE OPTIONAL PREMISES** 12 CULTIVATION LICENSEE SHALL MAINTAIN THE INFORMATION REQUIRED BY 13 THIS SUBSECTION (4)(i) ON THE LICENSED PREMISES FOR INSPECTION BY 14 THE STATE AND LOCAL LICENSING AUTHORITIES. 15 (i) FOR PURPOSES OF THIS SUBSECTION (4) ONLY, "MANAGER" 16 MEANS AN EMPLOYEE OF THE MEDICAL MARIJUANA BUSINESS WHO HOLDS 17 A VALID KEY LICENSE OR ASSOCIATED KEY LICENSE AND IS CURRENTLY 18 DESIGNATED PURSUANT TO STATE LICENSING AUTHORITY RULES AS THE 19 MANAGER OF THE MEDICAL MARIJUANA BUSINESS. 20 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-404, add (12) as follows: 21 22 12-43.3-404. Medical marijuana-infused products 23 manufacturing license - rules. (12) (a) A MEDICAL MARIJUANA-INFUSED 24 PRODUCTS MANUFACTURING LICENSEE MAY PROVIDE A MEDICAL 25 MARIJUANA CONCENTRATE AND A MEDICAL MARIJUANA-INFUSED PRODUCT 26 SAMPLE TO NO MORE THAN FIVE MANAGERS EMPLOYED BY THE LICENSEE

27 For purposes of quality control and product development. \underline{A}

1 MEDICAL MARIJUANA-INFUSED PRODUCT MANUFACTURING LICENSEE MAY 2 DESIGNATE NO MORE THAN FIVE MANAGERS PER CALENDAR MONTH AS 3 RECIPIENTS OF QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES 4 AUTHORIZED PURSUANT TO THIS SUBSECTION (12)(a). 5 (b) MANAGERS WHO RECEIVE A SAMPLE PURSUANT TO SUBSECTION 6 (12)(a) OF THIS SECTION MUST HAVE A VALID REGISTRY IDENTIFICATION 7 CARD ISSUED PURSUANT TO SECTION 25-1.5-106 (9). 8 (c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (12)(a) OF 9 THIS SECTION IS LIMITED TO ONE SERVING SIZE OF EDIBLE MEDICAL 10 MARIJUANA-INFUSED PRODUCT AND ITS APPLICABLE EQUIVALENT SERVING 11 SIZE OF NONEDIBLE MEDICAL MARIJUANA-INFUSED PRODUCT PER BATCH 12 AS DEFINED IN RULES PROMULGATED BY THE STATE LICENSING AUTHORITY 13 AND ONE-QUARTER GRAM OF MEDICAL MARIJUANA CONCENTRATE PER 14 BATCH AS DEFINED IN RULES PROMULGATED BY THE STATE LICENSING 15 AUTHORITY; EXCEPT THAT THE LIMIT IS ONE-HALF GRAM OF MEDICAL 16 MARIJUANA CONCENTRATE IF THE INTENDED USE OF THE FINAL PRODUCT 17 IS TO BE USED IN A DEVICE THAT CAN BE USED TO DELIVER MEDICAL 18 MARIJUANA CONCENTRATE IN A VAPORIZED FORM TO THE PERSON 19 INHALING FROM THE DEVICE. 20 (d) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (12)(a) OF 21 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES 22 PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2)(a)(XIV) AND 23 (2)(a)(XIV.5). 24 (e) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (12)(a) OF THIS 25 SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING SYSTEM. 26 PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST BE

27 DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT OF

1 QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A MANAGER 2 RECEIVING A SAMPLE MUST MAKE A VOLUNTARY DECISION TO BE TRACKED 3 IN THE SEED-TO-SALE TRACKING SYSTEM AND IS NOT A CONSUMER 4 PURSUANT TO SECTION 16 (5)(c) OF ARTICLE XVIII OF THE STATE 5 CONSTITUTION. THE MEDICAL MARIJUANA-INFUSED PRODUCTS 6 MANUFACTURING LICENSEE SHALL MAINTAIN DOCUMENTATION OF ALL 7 SAMPLES AND SHALL MAKE THE DOCUMENTATION AVAILABLE TO THE 8 STATE LICENSING AUTHORITY.

9 (f) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO 10 SUBSECTION (12)(a) OF THIS SECTION, A MEDICAL MARIJUANA-INFUSED 11 PRODUCTS MANUFACTURING LICENSEE SHALL PROVIDE A STANDARD 12 OPERATING PROCEDURE TO THE MANAGER EXPLAINING REQUIREMENTS 13 PURSUANT TO THIS SECTION AND PERSONAL POSSESSION LIMITS PURSUANT 14 TO SECTION 18-18-406.

15

(g) A MANAGER <u>SHALL</u> NOT:

(I) RECEIVE MORE THAN A TOTAL OF FIFTEEN GRAMS OF MEDICAL
MARIJUANA CONCENTRATE OR FOURTEEN INDIVIDUAL SERVING-SIZE
EDIBLES OR ITS APPLICABLE EQUIVALENT IN NONEDIBLE MEDICAL
MARIJUANA-INFUSED PRODUCTS PER CALENDAR MONTH, REGARDLESS OF
THE NUMBER OF LICENSES THAT THE MANAGER IS ASSOCIATED WITH; OR
(II) PROVIDE TO OR RESELL THE SAMPLE TO ANOTHER LICENSED
EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL.

23 (h) A MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING
 24 LICENSEE SHALL NOT:

25 (I) Allow a manager to consume the sample on the26 Licensed premises; or

27 (II) Use the sample as a means of compensation to a

-6-

1259

1 MANAGER.

2 (i) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL 3 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL 4 REPORTING REQUIRED FOR IMPLEMENTATION. THE MEDICAL 5 MARIJUANA-INFUSED PRODUCT MANUFACTURING LICENSEE SHALL 6 MAINTAIN THE INFORMATION REQUIRED BY THIS SUBSECTION (12)(i) ON 7 THE LICENSED PREMISES FOR INSPECTION BY THE STATE AND LOCAL 8 LICENSING AUTHORITIES. 9 (j) FOR PURPOSES OF THIS SUBSECTION (12) ONLY, "MANAGER" 10 MEANS AN EMPLOYEE OF THE MEDICAL MARIJUANA BUSINESS WHO HOLDS 11 A VALID KEY LICENSE OR ASSOCIATED KEY LICENSE AND IS CURRENTLY 12 DESIGNATED PURSUANT TO STATE LICENSING AUTHORITY RULES AS THE 13 MANAGER OF THE MEDICAL MARIJUANA BUSINESS.

SECTION 3. In Colorado Revised Statutes, 12-43.4-403, add (7)
as follows:

16 12-43.4-403. Retail marijuana cultivation facility license -17 rules. (7) (a) A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE MAY 18 PROVIDE A RETAIL MARIJUANA SAMPLE AND A RETAIL MARIJUANA 19 CONCENTRATE SAMPLE TO NO MORE THAN FIVE MANAGERS EMPLOYED BY 20 THE LICENSEE FOR PURPOSES OF QUALITY CONTROL AND PRODUCT 21 DEVELOPMENT. A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE 22 MAY DESIGNATE NO MORE THAN FIVE MANAGERS PER CALENDAR MONTH 23 AS RECIPIENTS OF QUALITY CONTROL AND PRODUCT DEVELOPMENT 24 SAMPLES AUTHORIZED PURSUANT TO THIS SUBSECTION (7)(a). 25 (b) AN EXCISE TAX SHALL BE LEVIED AND COLLECTED ON THE

- 26 SAMPLE OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA
- 27 CULTIVATION FACILITY. THE EXCISE TAX MUST BE CALCULATED BASED ON

1 THE AVERAGE MARKET RATE OF THE UNPROCESSED RETAIL MARIJUANA. 2 (c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (7)(a) OF 3 THIS SECTION IS LIMITED TO ONE GRAM OF RETAIL MARIJUANA PER BATCH 4 AS DEFINED IN RULES PROMULGATED BY THE STATE LICENSING 5 AUTHORITY, AND ONE-QUARTER GRAM OF A RETAIL MARIJUANA 6 CONCENTRATE PER BATCH AS DEFINED IN RULES PROMULGATED BY THE 7 STATE LICENSING AUTHORITY; EXCEPT THAT THE LIMIT IS ONE-HALF GRAM 8 OF RETAIL MARIJUANA CONCENTRATE IF THE INTENDED USE OF THE FINAL 9 PRODUCT IS TO BE USED IN A DEVICE THAT CAN BE USED TO DELIVER 10 RETAIL MARIJUANA CONCENTRATE IN A VAPORIZED FORM TO THE PERSON 11 INHALING FROM THE DEVICE.

12 (d) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (7)(a) OF
13 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES
14 PROMULGATED PURSUANT TO SECTION 12-43.4-202 (3)(a)(VII) AND
15 (3)(c)(III).

16 (e) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (7)(a) OF THIS 17 SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING SYSTEM. 18 PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST BE 19 DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT OF 20 QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A MANAGER 21 RECEIVING A SAMPLE MUST MAKE A VOLUNTARY DECISION TO BE TRACKED 22 IN THE SEED-TO-SALE TRACKING SYSTEM AND IS NOT A CONSUMER 23 PURSUANT TO SECTION 16 (5)(c) OF ARTICLE XVIII OF THE STATE 24 CONSTITUTION. THE RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE 25 SHALL MAINTAIN DOCUMENTATION OF ALL SAMPLES AND SHALL MAKE THE 26 DOCUMENTATION AVAILABLE TO THE STATE LICENSING AUTHORITY.

27 (f) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO

1259

1 SUBSECTION (7)(a) OF THIS SECTION, A RETAIL MARIJUANA CULTIVATION 2 FACILITY LICENSEE SHALL PROVIDE A STANDARD OPERATING PROCEDURE 3 TO THE MANAGER EXPLAINING REQUIREMENTS PURSUANT TO THIS SECTION 4 AND PERSONAL POSSESSION LIMITS PURSUANT TO SECTION 18-18-406. 5 (g) A MANAGER SHALL NOT: 6 (I) RECEIVE MORE THAN ONE OUNCE TOTAL OF RETAIL MARIJUANA 7 OR EIGHT GRAMS OF RETAIL MARIJUANA CONCENTRATE SAMPLES PER 8 CALENDAR MONTH, REGARDLESS OF THE NUMBER OF LICENSES THAT THE 9 MANAGER IS ASSOCIATED WITH; OR 10 (II) PROVIDE TO OR RESELL THE SAMPLE TO ANOTHER LICENSED 11 EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL. 12 (h) A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE SHALL 13 NOT: 14 ALLOW A MANAGER TO CONSUME THE SAMPLE ON THE (I) 15 LICENSED PREMISES; OR 16 (II) USE THE SAMPLE AS A MEANS OF COMPENSATION TO A 17 MANAGER. 18 (i) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL 19 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL 20 REPORTING REQUIRED FOR IMPLEMENTATION. THE RETAIL MARIJUANA 21 CULTIVATION FACILITY LICENSEE SHALL MAINTAIN THE INFORMATION 22 REQUIRED BY THIS SUBSECTION (7)(i) ON THE LICENSED PREMISES FOR 23 INSPECTION BY THE STATE AND LOCAL LICENSING AUTHORITIES. 24 (i) FOR PURPOSES OF THIS SUBSECTION (7) ONLY, "MANAGER" 25 MEANS AN EMPLOYEE OF THE RETAIL MARIJUANA BUSINESS WHO HOLDS A 26 VALID KEY LICENSE OR ASSOCIATED KEY LICENSE AND IS CURRENTLY 27 DESIGNATED PURSUANT TO STATE LICENSING AUTHORITY RULES AS THE

1259

1 MANAGER OF THE RETAIL MARIJUANA BUSINESS.

2 SECTION 4. In Colorado Revised Statutes, 12-43.4-404, add
3 (10) as follows:

4 12-43.4-404. Retail marijuana products manufacturing license 5 - rules. (10) (a) A RETAIL MARIJUANA PRODUCTS MANUFACTURING 6 LICENSEE MAY PROVIDE A RETAIL MARIJUANA PRODUCT SAMPLE AND A 7 RETAIL MARIJUANA CONCENTRATE SAMPLE TO NO MORE THAN FIVE 8 MANAGERS EMPLOYED BY THE LICENSEE FOR PURPOSES OF QUALITY 9 CONTROL AND PRODUCT DEVELOPMENT. A RETAIL MARIJUANA PRODUCTS 10 MANUFACTURING LICENSEE MAY DESIGNATE NO MORE THAN FIVE 11 MANAGERS PER CALENDAR MONTH AS RECIPIENTS OF QUALITY CONTROL 12 AND PRODUCT DEVELOPMENT SAMPLES AUTHORIZED PURSUANT TO THIS 13 SUBSECTION (10)(a). 14 (b) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (10)(a) OF 15 THIS SECTION IS LIMITED TO ONE SERVING SIZE OF AN EDIBLE RETAIL 16 MARIJUANA PRODUCT NOT EXCEEDING TEN MILLIGRAMS OF THC AND ITS 17 APPLICABLE EQUIVALENT SERVING SIZE OF NONEDIBLE RETAIL MARIJUANA 18 PRODUCT PER BATCH AS DEFINED IN RULES PROMULGATED BY THE STATE 19 LICENSING AUTHORITY AND ONE-QUARTER GRAM OF RETAIL MARIJUANA 20 CONCENTRATE PER BATCH AS DEFINED IN RULES PROMULGATED BY THE 21 STATE LICENSING AUTHORITY; EXCEPT THAT THE LIMIT IS ONE-HALF GRAM 22 OF RETAIL MARIJUANA CONCENTRATE IF THE INTENDED USE OF THE FINAL 23 PRODUCT IS TO BE USED IN A DEVICE THAT CAN BE USED TO DELIVER 24 RETAIL MARIJUANA CONCENTRATE IN A VAPORIZED FORM TO THE PERSON 25 INHALING FROM THE DEVICE. 26 (c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (10)(a) OF 27 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES PROMULGATED PURSUANT TO SECTION 12-43.4-202 (3)(a)(VII) AND
 (3)(c)(III).

3 (d) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (10)(a) OF 4 THIS SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING 5 SYSTEM. PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST 6 BE DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT 7 OF QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A 8 MANAGER RECEIVING A SAMPLE MUST MAKE A VOLUNTARY DECISION TO 9 BE TRACKED IN THE SEED-TO-SALE TRACKING SYSTEM AND IS NOT A 10 CONSUMER PURSUANT TO SECTION 16 (5)(c) OF ARTICLE XVIII OF THE 11 STATE CONSTITUTION. THE RETAIL MARIJUANA PRODUCTS 12 MANUFACTURING LICENSEE SHALL MAINTAIN DOCUMENTATION OF ALL 13 SAMPLES AND SHALL MAKE THE DOCUMENTATION AVAILABLE TO THE 14 STATE LICENSING AUTHORITY.

(e) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO
SUBSECTION (10)(a) OF THIS SECTION, A RETAIL MARIJUANA PRODUCTS
MANUFACTURING LICENSEE SHALL PROVIDE A STANDARD OPERATING
PROCEDURE TO THE MANAGER EXPLAINING REQUIREMENTS PURSUANT TO
THIS SECTION AND PERSONAL POSSESSION LIMITS PURSUANT TO SECTION
18-18-406.

21

(f) A MANAGER <u>SHALL</u> NOT:

(I) RECEIVE MORE THAN A TOTAL OF EIGHT GRAMS OF RETAIL
MARIJUANA CONCENTRATE OR FOURTEEN INDIVIDUAL SERVING-SIZE
EDIBLES OR ITS APPLICABLE EQUIVALENT IN NONEDIBLE RETAIL
MARIJUANA PRODUCTS PER CALENDAR MONTH, REGARDLESS OF THE
NUMBER OF LICENSES THAT THE MANAGER IS ASSOCIATED WITH; OR

27 (II) PROVIDE TO OR RESELL THE SAMPLE TO ANOTHER LICENSED

-11-

1 EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL.

2 (g) A RETAIL MARIJUANA PRODUCTS MANUFACTURING LICENSEE
3 SHALL NOT:

4 (I) ALLOW A MANAGER TO CONSUME THE SAMPLE ON THE 5 LICENSED PREMISES; OR

6 (II) USE THE SAMPLE AS A MEANS OF COMPENSATION TO A 7 MANAGER.

8 (h) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL 9 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL 10 REPORTING REQUIRED FOR IMPLEMENTATION. <u>THE RETAIL MARIJUANA</u> 11 <u>PRODUCTS MANUFACTURING LICENSEE SHALL MAINTAIN THE</u> 12 <u>INFORMATION REQUIRED BY THIS SUBSECTION (10)(h) ON THE LICENSED</u> 13 <u>PREMISES FOR INSPECTION BY THE STATE AND LOCAL LICENSING</u> 14 <u>AUTHORITIES.</u>

(i) FOR PURPOSES OF THIS SUBSECTION (10) ONLY, "MANAGER"
MEANS AN EMPLOYEE OF THE RETAIL MARIJUANA BUSINESS WHO HOLDS A
VALID KEY LICENSE OR ASSOCIATED KEY LICENSE AND IS CURRENTLY
DESIGNATED PURSUANT TO STATE LICENSING AUTHORITY RULES AS THE
MANAGER OF THE RETAIL MARIJUANA BUSINESS.

20 **SECTION 5.** Act subject to petition - effective date. This act 21 takes effect at 12:01 a.m. on the day following the expiration of the 22 ninety-day period after final adjournment of the general assembly (August 23 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a 24 referendum petition is filed pursuant to section 1 (3) of article V of the 25 state constitution against this act or an item, section, or part of this act 26 within such period, then the act, item, section, or part will not take effect 27 unless approved by the people at the general election to be held in

- 1 November 2018 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.