

**First Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO**

**REVISED**

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

LLS NO. 19-0365.02 Michael Dohr x4347

**SENATE BILL 19-224**

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**SENATE SPONSORSHIP**

**Gonzales and Fenberg, Tate**

**HOUSE SPONSORSHIP**

**Herod and Van Winkle,**

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**Senate Committees**

Finance  
Appropriations

**House Committees**

Finance  
Appropriations

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**A BILL FOR AN ACT**

101      **CONCERNING THE CONTINUATION OF THE REGULATED MARIJUANA**  
102              **PROGRAMS, AND, IN CONNECTION THEREWITH, IMPLEMENTING**  
103              **THE RECOMMENDATIONS CONTAINED IN THE 2018 SUNSET**  
104              **REPORT BY THE DEPARTMENT OF REGULATORY AGENCIES AND**  
105              **MAKING AN APPROPRIATION.**

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**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/>.)*

**Sunset Process - Senate Finance Committee. Sections 1 to 44**  
of the bill make changes to the retail and medical marijuana codes and

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 29, 2019

SENATE  
Amended 3rd Reading  
April 22, 2019

SENATE  
Amended 2nd Reading  
April 19, 2019

continue those codes until 2028 with a sunset review prior to 2028. The bill requires industrial hemp that is used in medical marijuana-infused products or retail marijuana products to be tested prior to manufacturing the product. The bill allows retail marijuana stores to sell industrial hemp consumables. The bill requires the state licensing authority to adopt equivalency standards for medical marijuana products and concentrate by July 1, 2020.

Under current law, there is an exception to the "Colorado Food and Drug Act" for medical marijuana but not one for retail marijuana. The bill repeals the exception for medical marijuana.

The bill streamlines the statutes related to license renewal by:

- Eliminating statutory timelines for local licensing and allowing local ordinance to determine the application timelines;
- Allowing a licensee that has submitted a timely renewal application to operate until the application is acted upon; and
- Repealing statutes related to the order in which state and local licenses must be processed.

Under current law, there are 2 separate licenses related to research: A research and development license and the research and development cultivation license. The bill merges the 2 licenses into one.

Current law allows medical research facilities and pesticide manufacturers to obtain medical marijuana without a license. The bill repeals that provision.

The bill gives the state licensing authorities the ability to seek injunctive relief and investigatory subpoenas from district courts.

Under current law, there is a broad grant of confidentiality to records and information related to licensees. The bill provides similar protections to applicants, patients, and customers. The bill also makes the following information that was confidential available to the public: Final agency actions, testing records on an aggregated and de-identified basis, applicant and licensee demographic information on an aggregated and de-identified basis, and enforcement forms and compliance checklists.

In both the medical marijuana code and the retail marijuana code, there are unlawful acts sections that create criminal violations, but the provisions in the 2 codes are not the same. The bill makes the unlawful acts consistent.

The bill makes it an unlawful act to engage in a regulated marijuana business without the proper license and to adulterate or alter samples of marijuana or marijuana products to circumvent testing requirements.

Under current law, a person is prohibited from being licensed if the person discharged a sentence for a felony within 5 years of applying for licensure or discharged a drug felony conviction within 10 years of

applying for licensure. The bill changes the law so a person is prohibited from licensure if the person was convicted of a felony within 3 years of applying for licensure or is currently serving a sentence for a felony or a deferred judgment or sentence.

The bill creates the following new categories of ownership: Controlling beneficial owner, passive beneficial owner, and indirect financial interest holder.

Under current law, a patient who has submitted an application to be on the registry but has not received a patient card must present a copy of the application and a certified mail return receipt when purchasing medical marijuana at a center. The bill repeals the requirement for a certified mail return receipt and requires proof of application.

Under current law, all fine revenue in the medical marijuana and retail marijuana programs goes to the marijuana cash fund. Generally, state fine revenue is credited to the general fund. The bill directs all fine revenue to the general fund.

The bill directs the state licensing authorities to track information on license disqualifications based on criminal history.

The bill makes technical changes and repeals obsolete provisions.

**Sections 45 and 47** of the bill combine the laws for regulated medical marijuana and retail marijuana, currently separate articles in title 44, into one article in title 44.

**Sections 48 to 76** of the bill make conforming amendments.

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

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3                   **SECTION 1.** In Colorado Revised Statutes, 44-11-1001, **amend**  
4 (1) as follows:

5                   **44-11-1001. Sunset review - repeal of article.** (1) This article  
6 11 is repealed, effective September 1, ~~2019~~ 2028.

7                   **SECTION 2.** In Colorado Revised Statutes, 44-12-1001, **amend**  
8 (1) as follows:

9                   **44-12-1001. Sunset review - repeal of article.** (1) This article  
10 12 is repealed, effective September 1, ~~2019~~ 2028.

11                   **SECTION 3.** In Colorado Revised Statutes, 24-34-104, **repeal**  
12 (17)(a)(XIII) and (17)(a)(XV); and **add** (29)(a)(V) and (29)(a)(VI) as

1 follows:

2 **24-34-104. General assembly review of regulatory agencies**  
3 **and functions for repeal, continuation, or reestablishment - legislative**  
4 **declaration - repeal.** (17) (a) The following agencies, functions, or both,  
5 are scheduled for repeal on September 1, 2019:

6 (XIII) ~~The regulation of persons licensed in accordance with~~  
7 ~~article 11 of title 44;~~

8 (XV) ~~The regulation of persons licensed pursuant to article 12 of~~  
9 ~~title 44.~~

10 (29) (a) The following agencies, functions, or both, are scheduled  
11 for repeal on September 1, 2028:

12 (V) (A) THE MEDICAL MARIJUANA CODE CREATED IN ARTICLE 11  
13 OF TITLE 44.

14 (B) THIS SUBSECTION (29)(a)(V) IS REPEALED, EFFECTIVE  
15 JANUARY 1, 2020.

16 (VI) (A) THE RETAIL MARIJUANA CODE CREATED IN ARTICLE 12 OF  
17 TITLE 44.

18 (B) THIS SUBSECTION (29)(a)(VI) IS REPEALED, EFFECTIVE  
19 JANUARY 1, 2020.

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21 **SECTION 4.** In Colorado Revised Statutes, 18-18-102, **add**  
22 **(20.3) as follows:**

23 **18-18-102. Definitions.** As used in this article 18:

24 (20.3) (a) "OPEN" OR "OPENLY" MEANS OBSERVABLE BY THE  
25 PUBLIC OR A SUBSTANTIAL NUMBER OF THE PUBLIC.

26 (b) "PUBLIC" OR "PUBLICLY" MEANS A PLACE TO WHICH THE  
27 PUBLIC OR A SUBSTANTIAL NUMBER OF THE PUBLIC HAS ACCESS WITHOUT

1 RESTRICTION, INCLUDING BUT NOT LIMITED TO STREETS AND HIGHWAYS,  
2 TRANSPORTATION FACILITIES, PLACES OF AMUSEMENT, PARKS,  
3 PLAYGROUNDS, AND THE COMMON AREAS OF BUILDINGS AND OTHER  
4 FACILITIES.

5 (c) "OPEN AND PUBLIC" OR "OPENLY AND PUBLICLY" DOES NOT  
6 INCLUDE ANY ACTIVITY OCCURRING ON PRIVATE RESIDENTIAL PROPERTY  
7 BY THE OCCUPANT OR HIS OR HER GUESTS.

8 **SECTION 5.** In Colorado Revised Statutes, **add with amended**  
9 **and relocated provisions**, as those provisions will exist on July 1, 2019,  
10 article 10 to title 44 as follows:

11 **ARTICLE 10**

12 **Regulated Marijuana**

13 **PART 1**

14 **COLORADO MARIJUANA CODE**

15 **44-10-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 10 IS  
16 THE "COLORADO MARIJUANA CODE".

17 **44-10-102. Legislative declaration.** (1) [Formerly 44-11-102 (1)  
18 **and similar to 44-12-102 (1)**] The general assembly hereby declares that  
19 this ~~article 11 shall be~~ ARTICLE 10 IS deemed an exercise of the police  
20 powers of the state for the protection of the economic and social welfare  
21 and the health, peace, and morals of the people of this state.

22 (2) [Formerly 44-11-102 (2)] The general assembly further  
23 declares that it is unlawful under state law to cultivate, manufacture,  
24 distribute, ~~or~~ sell, OR TEST medical marijuana AND MEDICAL MARIJUANA  
25 PRODUCTS, except in compliance with the terms, conditions, limitations,  
26 and restrictions in section 14 of article XVIII of the state constitution and  
27 this ~~article 11~~ ARTICLE 10 or when acting as a primary caregiver in

1 compliance with the terms, conditions, limitations, and restrictions of  
2 section 25-1.5-106.

3 (3) **[Formerly 44-12-102 (2)]** The general assembly further  
4 declares that it is unlawful under state law to cultivate, manufacture,  
5 distribute, or sell retail marijuana and retail marijuana products, except in  
6 compliance with the terms, conditions, limitations, and restrictions in  
7 section 16 of article XVIII of the state constitution and this ~~article 12~~  
8 ARTICLE 10.

9 **44-10-103. Definitions. [Formerly 44-11-104 introductory**  
10 **portion and similar to 44-12-103 introductory portion]** As used in this  
11 ~~article 11~~ ARTICLE 10, unless the context otherwise requires:

12 (1) "ACCELERATOR CULTIVATOR" MEANS A PERSON QUALIFIED FOR  
13 AN ACCELERATOR LICENSE, LICENSED TO CULTIVATE ON THE PREMISES OF  
14 A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE AND DISTRIBUTE  
15 RETAIL MARIJUANA TO RETAIL MARIJUANA PRODUCTS MANUFACTURERS  
16 AND RETAIL MARIJUANA STORES.

17 (2) "ACCELERATOR-ENDORSED LICENSEE" MEANS A RETAIL  
18 MARIJUANA CULTIVATION FACILITY LICENSEE OR RETAIL MARIJUANA  
19 PRODUCTS MANUFACTURER LICENSEE WHO HAS, PURSUANT TO RULE, BEEN  
20 ENDORSED TO HOST AND OFFER TECHNICAL AND CAPITAL SUPPORT TO AN  
21 ACCELERATOR LICENSEE OPERATING ON ITS PREMISES.

22 (3) "ACCELERATOR LICENSEE" MEANS A PERSON WHO HAS RESIDED  
23 IN A CENSUS TRACT DESIGNATED BY THE OFFICE OF ECONOMIC  
24 DEVELOPMENT AND INTERNATIONAL TRADE AS AN OPPORTUNITY ZONE FOR  
25 FIVE OF THE TEN YEARS PRIOR TO APPLICATION AND HAS NOT BEEN THE  
26 BENEFICIAL OWNER OF A LICENSE ISSUED PURSUANT TO THIS ARTICLE 10.

27 (4) "ACCELERATOR MANUFACTURER" MEANS A PERSON QUALIFIED

1 FOR AN ACCELERATOR LICENSE, LICENSED TO MANUFACTURE AND  
2 DISTRIBUTE RETAIL MARIJUANA CONCENTRATES AND RETAIL MARIJUANA  
3 PRODUCTS ON THE PREMISES OF AN ACCELERATOR-ENDORSED  
4 MANUFACTURING LICENSEE.

5 (5) "ACQUIRE", WHEN USED IN CONNECTION WITH THE  
6 ACQUISITION OF AN OWNER'S INTEREST OF A MEDICAL MARIJUANA  
7 BUSINESS OR RETAIL MARIJUANA BUSINESS, MEANS OBTAINING  
8 OWNERSHIP, CONTROL, POWER TO VOTE, OR SOLE POWER OF DISPOSITION  
9 OF THE OWNER'S INTEREST, DIRECTLY OR INDIRECTLY OR THROUGH ONE OR  
10 MORE TRANSACTIONS OR SUBSIDIARIES, THROUGH PURCHASE,  
11 ASSIGNMENT, TRANSFER, EXCHANGE, SUCCESSION, OR OTHER MEANS.

12 (6) "ACTING IN CONCERT" MEANS KNOWING PARTICIPATION IN A  
13 JOINT ACTIVITY OR INTERDEPENDENT CONSCIOUS PARALLEL ACTION  
14 TOWARD A COMMON GOAL, WHETHER OR NOT PURSUANT TO AN EXPRESS  
15 AGREEMENT.

16 (7) "ADVERTISING" MEANS THE ACT OF PROVIDING CONSIDERATION  
17 FOR THE PUBLICATION, DISSEMINATION, SOLICITATION, OR CIRCULATION  
18 OF VISUAL, ORAL, OR WRITTEN COMMUNICATION TO DIRECTLY INDUCE ANY  
19 PERSON TO PATRONIZE A PARTICULAR MEDICAL MARIJUANA BUSINESS OR  
20 RETAIL MARIJUANA BUSINESS OR PURCHASE PARTICULAR REGULATED  
21 MARIJUANA. "ADVERTISING" DOES NOT INCLUDE PACKAGING AND  
22 LABELING, CONSUMER EDUCATION MATERIALS, OR BRANDING.

23 (8) "AFFILIATE" OF, OR PERSON "AFFILIATED WITH", HAS THE SAME  
24 MEANING AS DEFINED IN THE "SECURITIES ACT OF 1933", 17 CFR 230.405,  
25 AS AMENDED.

26 (9) "BENEFICIAL OWNER OF", "BENEFICIAL OWNERSHIP OF", OR  
27 "BENEFICIALLY OWNS AN" OWNER'S INTEREST IS DETERMINED IN

1 ACCORDANCE WITH SECTION 13(d) OF THE FEDERAL "SECURITIES  
2 EXCHANGE ACT OF 1934", AS AMENDED, AND RULE 13d-3 PROMULGATED  
3 THEREUNDER.

4 (10) "BRANDING" MEANS PROMOTION OF A BUSINESS'S BRAND  
5 THROUGH PUBLICIZING THE MEDICAL MARIJUANA BUSINESS'S OR RETAIL  
6 MARIJUANA BUSINESS'S NAME, LOGO, OR DISTINCT DESIGN FEATURES OF  
7 THE BRAND.

8 (11) "CONSUMER EDUCATION MATERIALS" MEANS ANY  
9 INFORMATIONAL MATERIALS THAT SEEK TO EDUCATE CONSUMERS ABOUT  
10 REGULATED MARIJUANA GENERALLY, INCLUDING BUT NOT LIMITED TO  
11 EDUCATION REGARDING THE SAFE CONSUMPTION OF MARIJUANA,  
12 REGULATED MARIJUANA CONCENTRATE, REGULATED MARIJUANA  
13 PRODUCTS, REGULATED MARIJUANA CONCENTRATE, OR REGULATED  
14 MARIJUANA PRODUCTS, PROVIDED IT IS NOT DISTRIBUTED OR MADE  
15 AVAILABLE TO INDIVIDUALS UNDER TWENTY-ONE YEARS OF AGE.

16 (12) "CONTROL", "CONTROLS", "CONTROLLED", "CONTROLLING",  
17 "CONTROLLED BY", AND "UNDER COMMON CONTROL WITH", MEANS THE  
18 POSSESSION, DIRECT OR INDIRECT, OF THE POWER TO DIRECT OR CAUSE THE  
19 DIRECTION OF THE MANAGEMENT OR POLICIES OF A PERSON, WHETHER  
20 THROUGH THE OWNERSHIP OF VOTING OWNER'S INTERESTS, BY CONTRACT,  
21 OR OTHERWISE.

22 (13) "CONTROLLING BENEFICIAL OWNER" IS LIMITED TO A PERSON  
23 THAT SATISFIES ONE OR MORE OF THE FOLLOWING CRITERIA:

24 (a) A NATURAL PERSON, AN ENTITY AS DEFINED IN SECTION  
25 7-90-102 (20) THAT IS ORGANIZED UNDER THE LAWS OF AND FOR WHICH  
26 ITS PRINCIPAL PLACE OF BUSINESS IS LOCATED IN ONE OF THE STATES OR  
27 TERRITORIES OF THE UNITED STATES OR DISTRICT OF COLUMBIA, A



1 PUBLICLY TRADED CORPORATION, OR A QUALIFIED PRIVATE FUND THAT IS  
2 NOT A QUALIFIED INSTITUTIONAL INVESTOR:

3 (I) ACTING ALONE OR ACTING IN CONCERT, THAT OWNS OR  
4 ACQUIRES BENEFICIAL OWNERSHIP OF TEN PERCENT OR MORE OF THE  
5 OWNER'S INTEREST OF A MEDICAL MARIJUANA BUSINESS OR RETAIL  
6 MARIJUANA BUSINESS;

7 (II) THAT IS AN AFFILIATE THAT CONTROLS A MEDICAL MARIJUANA  
8 BUSINESS OR RETAIL MARIJUANA BUSINESS AND INCLUDES, WITHOUT  
9 LIMITATION, ANY MANAGER; OR

10 (III) THAT IS OTHERWISE IN A POSITION TO CONTROL THE MEDICAL  
11 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS EXCEPT AS  
12 AUTHORIZED IN SECTION 44-10-506 OR 44-10-606; OR

13 (b) A QUALIFIED INSTITUTIONAL INVESTOR ACTING ALONE OR  
14 ACTING IN CONCERT THAT OWNS OR ACQUIRES BENEFICIAL OWNERSHIP OF  
15 MORE THAN THIRTY PERCENT OF THE OWNER'S INTEREST OF A MEDICAL  
16 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS.

17 (14) [Formerly 44-12-103 (2)] "Escorted" means appropriately  
18 checked into ~~the~~ A limited access area and accompanied by a person  
19 licensed by the state licensing authority; except that trade craftspeople not  
20 normally engaged in the business of cultivating, processing, ~~or~~ selling, OR  
21 TESTING ~~retail~~ REGULATED marijuana need not be accompanied on a  
22 full-time basis, but only reasonably monitored.

23 (15) [Formerly 44-12-103 (3)] "Executive director" means the  
24 executive director of the department of revenue.

25 (16) [Formerly 44-11-104 (1.7) and similar to 44-12-103  
26 (3.3)] "Fibrous waste" means any roots, stalks, and stems from a medical  
27 OR RETAIL marijuana plant.

1           (17) [Formerly 44-11-104 (2)] "Good cause", for purposes of  
2 refusing or denying a license renewal, reinstatement, or initial license  
3 issuance, means:

4           (a) The licensee or applicant has violated, does not meet, or has  
5 failed to comply with any of the terms, conditions, or provisions of this  
6 ~~article 11~~ ARTICLE 10; any rules promulgated pursuant to this ~~article 11~~  
7 ARTICLE 10; or any supplemental local law, rules, or regulations;

8           (b) The licensee or applicant has failed to comply with any special  
9 terms or conditions that were placed on its license pursuant to an order of  
10 the state or local licensing authority;

11           (c) The licensed premises have been operated in a manner that  
12 adversely affects the public health or welfare or the safety of the  
13 immediate neighborhood in which the establishment is located.

14           (18) [Formerly 44-12-103 (4) and similar to 44-11-104  
15 (3)] "Immature plant" means a nonflowering marijuana plant that is no  
16 taller than eight inches and no wider than eight inches; is produced from  
17 a cutting, clipping, or seedling; and is in a cultivating container.

18           (19) [Formerly 44-11-104 (4) and 44-12-103 (5)] "~~Indirect~~  
19 ~~beneficial interest owner~~" means ~~a holder of a permitted economic~~  
20 ~~interest, a recipient of a commercially reasonable royalty associated with~~  
21 ~~the use of intellectual property by a licensee, a licensed employee who~~  
22 ~~receives a share of the profits from an employee benefit plan, a qualified~~  
23 ~~institutional investor, or another similarly situated person or entity as~~  
24 ~~determined by the state licensing authority.~~ "INDIRECT FINANCIAL  
25 INTEREST HOLDER" MEANS A PERSON THAT IS NOT AN AFFILIATE, A  
26 CONTROLLING BENEFICIAL OWNER, OR A PASSIVE BENEFICIAL OWNER OF  
27 A MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS AND

1 THAT:

2 (a) HOLDS A COMMERCIALY REASONABLE ROYALTY INTEREST IN  
3 EXCHANGE FOR A MEDICAL MARIJUANA BUSINESS'S OR RETAIL MARIJUANA  
4 BUSINESS'S USE OF THE PERSON'S INTELLECTUAL PROPERTY;

5 (b) HOLDS A PERMITTED ECONOMIC INTEREST THAT WAS ISSUED  
6 PRIOR TO JANUARY 1, 2020, AND THAT HAS NOT BEEN CONVERTED INTO AN  
7 OWNER'S INTEREST;

8 (c) IS A CONTRACT COUNTERPARTY WITH A MEDICAL MARIJUANA  
9 BUSINESS OR RETAIL MARIJUANA BUSINESS, OTHER THAN A CUSTOMARY  
10 EMPLOYMENT AGREEMENT, THAT HAS A DIRECT NEXUS TO THE  
11 CULTIVATION, MANUFACTURE, OR SALE OF REGULATED MARIJUANA,  
12 INCLUDING, BUT NOT LIMITED TO, A LEASE OF REAL PROPERTY ON WHICH  
13 THE MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS  
14 OPERATES, A LEASE OF EQUIPMENT USED IN THE CULTIVATION OF  
15 REGULATED MARIJUANA, A SECURED OR UNSECURED FINANCING  
16 AGREEMENT WITH THE MEDICAL MARIJUANA BUSINESS OR RETAIL  
17 MARIJUANA BUSINESS, A SECURITY CONTRACT WITH THE MEDICAL  
18 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS, OR A  
19 MANAGEMENT AGREEMENT WITH THE MEDICAL MARIJUANA BUSINESS OR  
20 RETAIL MARIJUANA BUSINESS, PROVIDED THAT NO SUCH CONTRACT  
21 COMPENSATES THE CONTRACT COUNTERPARTY WITH A PERCENTAGE OF  
22 REVENUE FOR PROFITS OF THE MEDICAL MARIJUANA BUSINESS OR RETAIL  
23 MARIJUANA BUSINESS; OR

24 (d) IS IDENTIFIED BY RULE BY THE STATE LICENSING AUTHORITY AS  
25 AN INDIRECT FINANCIAL INTEREST HOLDER.

26 (20) [Formerly 44-11-104 (4.2) and similar to 44-12-103  
27 (5.2)] "Industrial fiber products" means intermediate or finished products

1 made from fibrous waste that are not intended for human or animal  
2 consumption and are not usable or recognizable as medical OR RETAIL  
3 marijuana. Industrial fiber products include but are not limited to cordage,  
4 paper, fuel, textiles, bedding, insulation, construction materials, compost  
5 materials, and industrial materials.

6 (21) "INDUSTRIAL HEMP" MEANS A PLANT OF THE GENUS CANNABIS  
7 AND ANY PART OF THE PLANT, WHETHER GROWING OR NOT, CONTAINING  
8 A DELTA-9 TETRAHYDROCANNABINOL CONCENTRATION OF NO MORE THAN  
9 THREE-TENTHS OF ONE PERCENT ON A DRY WEIGHT BASIS.

10 (22) "INDUSTRIAL HEMP PRODUCT" MEANS A FINISHED PRODUCT  
11 CONTAINING INDUSTRIAL HEMP THAT:

12 (a) IS A COSMETIC, FOOD, FOOD ADDITIVE, OR HERB;

13 (b) IS FOR HUMAN USE OR CONSUMPTION;

14 (c) CONTAINS ANY PART OF THE HEMP PLANT, INCLUDING  
15 NATURALLY OCCURRING CANNABINOIDS, COMPOUNDS, CONCENTRATES,  
16 EXTRACTS, ISOLATES, RESINS, OR DERIVATIVES; AND

17 (d) CONTAINS A DELTA-9 TETRAHYDROCANNABINOL  
18 CONCENTRATION OF NO MORE THAN THREE-TENTHS OF ONE PERCENT ON  
19 A DRY WEIGHT BASIS.

20 (23) [Formerly 44-11-104 (5) and similar to 44-12-103  
21 (6)] "License" means to grant a license, PERMIT, or registration pursuant  
22 to this ~~article 11~~ ARTICLE 10.

23 (24) [Formerly 44-12-103 (7) and similar to 44-11-104  
24 (6)] "Licensed premises" means the premises specified in an application  
25 for a license under this ~~article 12, which~~ ARTICLE 10 THAT are owned or  
26 in possession of the licensee and within which the licensee is authorized  
27 to cultivate, manufacture, distribute, sell, or test ~~retail~~ REGULATED

1 marijuana and ~~retail-marijuana~~ REGULATED MARIJUANA products in  
2 accordance with this ~~article 12~~ ARTICLE 10.

3 (25) [Formerly 44-11-104 (7) and similar to 44-12-103  
4 (8)] "Licensee" means a person licensed or registered pursuant to this  
5 ~~article 11~~ ARTICLE 10.

6 (26) [Formerly 44-12-105 and similar to 44-11-105] "LIMITED  
7 ACCESS AREAS", subject to the provisions of ~~section 44-12-701~~, a ~~limited~~  
8 ~~access area shall be~~ SECTION 44-10-1001, MEANS a building, room, or  
9 other contiguous area upon the licensed premises where ~~retail~~ REGULATED  
10 marijuana and ~~retail-marijuana~~ REGULATED MARIJUANA products are  
11 cultivated, MANUFACTURED, stored, weighed, packaged, SOLD, POSSESSED  
12 FOR SALE, or tested, under control of the licensee, with access limited to  
13 only those persons licensed by the state licensing authority and those  
14 visitors escorted by a person licensed by the state licensing authority. All  
15 areas of ingress or egress to limited access areas ~~shall~~ MUST be clearly  
16 identified as such by a sign as designated by the state licensing authority.

17 (27) [Formerly 44-12-103 (9)] "Local jurisdiction" means a  
18 locality as defined in section 16 (2)(e) of article XVIII of the state  
19 constitution.

20 (28) [Formerly 44-12-103 (10) and similar to 44-11-104  
21 (8)] "Local licensing authority" means ~~for any local jurisdiction that has~~  
22 ~~chosen to adopt a local licensing requirement in addition to the state~~  
23 ~~licensing requirements of this article 12~~, an authority designated by  
24 municipal, county, or city and county charter, ordinance, or resolution, or  
25 the governing body of a municipality or city and county, or the board of  
26 county commissioners of a county if no such authority is designated.

27 (29) [Formerly 44-11-104 (9) and 44-12-103 (11)] "Location"

1 means a particular parcel of land that may be identified by an address or  
2 other descriptive means.

3 (30) "MANAGER" HAS THE SAME MEANING AS IN SECTION 7-90-102  
4 (35.7)

5 (31) [Formerly 44-12-103 (12)] "Marijuana accessories" has the  
6 same meaning as defined in section 16 (2)(g) of article XVIII of the state  
7 constitution.

8 (32) "MARIJUANA CONSUMER WASTE" MEANS ANY COMPONENT  
9 LEFT AFTER THE CONSUMPTION OF A REGULATED MARIJUANA PRODUCT,  
10 INCLUDING BUT NOT LIMITED TO CONTAINERS, PACKAGES, CARTRIDGES,  
11 PODS, CUPS, BATTERIES, ALL-IN-ONE DISPOSABLE DEVICES, AND ANY  
12 OTHER WASTE COMPONENT LEFT AFTER THE REGULATED MARIJUANA IS  
13 CONSUMED AS DEFINED BY RULES PROMULGATED BY THE STATE LICENSING  
14 AUTHORITY.

15 (33) [Formerly 44-11-104 (10) and similar to 44-12-103  
16 (13)] "Marijuana-based workforce development or training program"  
17 means a program designed to train individuals to work in the legal  
18 medical REGULATED marijuana industry operated by an entity licensed  
19 under this article ~~or~~ ARTICLE 10 or by a school that is authorized by the  
20 private occupational school division.

21 (34) [Formerly 44-11-104 (11)] "Medical marijuana" means  
22 marijuana that is grown and sold pursuant to the provisions of this article  
23 ~~or~~ ARTICLE 10 and for a purpose authorized by section 14 of article XVIII  
24 of the state constitution but shall not be considered a nonprescription drug  
25 for purposes of section 12-42.5-102 (21) or 39-26-717, or an  
26 over-the-counter medication for purposes of section 25.5-5-322. IF THE  
27 CONTEXT REQUIRES, MEDICAL MARIJUANA INCLUDES MEDICAL MARIJUANA

1 CONCENTRATE AND MEDICAL MARIJUANA PRODUCTS.

2 (35) "MEDICAL MARIJUANA BUSINESS" MEANS ANY OF THE  
3 FOLLOWING ENTITIES LICENSED PURSUANT TO THIS ARTICLE 10: A  
4 MEDICAL MARIJUANA STORE, A MEDICAL MARIJUANA CULTIVATION  
5 FACILITY, A MEDICAL MARIJUANA PRODUCTS MANUFACTURER, A MEDICAL  
6 MARIJUANA TESTING FACILITY, A MARIJUANA RESEARCH AND  
7 DEVELOPMENT LICENSEE, A MEDICAL MARIJUANA BUSINESS OPERATOR, OR  
8 A MEDICAL MARIJUANA TRANSPORTER.

9 (36) [Formerly 44-11-104 (12)] "Medical marijuana business  
10 operator" means an entity or person ~~who~~ THAT is not an owner and ~~who~~  
11 THAT is licensed to provide professional operational services to a medical  
12 marijuana ~~establishment~~ BUSINESS for direct remuneration from the  
13 medical marijuana ~~establishment~~ BUSINESS. A MEDICAL MARIJUANA  
14 BUSINESS OPERATOR IS NOT, BY VIRTUE OF ITS STATUS AS A MEDICAL  
15 MARIJUANA BUSINESS OPERATOR, A CONTROLLING BENEFICIAL OWNER OR  
16 A PASSIVE BENEFICIAL OWNER OF ANY MEDICAL MARIJUANA BUSINESS IT  
17 OPERATES.

18 (37) [Formerly 44-11-104 (19)] ~~"Optional premises cultivation~~  
19 ~~operation"~~ "MEDICAL MARIJUANA CULTIVATION FACILITY" means a person  
20 licensed pursuant to this ~~article 11~~ ARTICLE 10 to operate a business as  
21 described in ~~section 44-11-403~~ SECTION 44-10-502.

22 (38) [Formerly 44-11-104 (15)] "Medical ~~marijuana-infused~~  
23 MARIJUANA product" means a product infused with medical marijuana  
24 that is intended for use or consumption other than by smoking, including  
25 but not limited to edible products, ointments, and tinctures. ~~These~~  
26 ~~products, when manufactured or sold by a licensed medical marijuana~~  
27 ~~center or a medical marijuana-infused products manufacturer, shall not be~~

1 considered a food or drug for the purposes of the "Colorado Food and  
2 Drug Act", part 4 of article 5 of title 25.

3 (39) [Formerly 44-11-104 (16)] "Medical ~~marijuana-infused~~  
4 MARIJUANA products manufacturer" means a person licensed pursuant to  
5 this ~~article 11~~ ARTICLE 10 to operate a business as described in ~~section~~  
6 ~~44-11-404~~ SECTION 44-10-503.

7 (40) [Formerly 44-11-104 (13)] "Medical marijuana ~~center~~  
8 STORE" means a person licensed pursuant to this ~~article 11~~ ARTICLE 10 to  
9 operate a business as described in ~~section 44-11-402~~ SECTION 44-10-501  
10 that sells medical marijuana to registered patients or primary caregivers  
11 as defined in section 14 of article XVIII of the state constitution, but is  
12 not a primary caregiver.

13 (41) [Formerly 44-11-104 (14)] "Medical marijuana transporter"  
14 means an entity or person that is licensed to transport medical marijuana  
15 and medical ~~marijuana-infused~~ MARIJUANA products from one medical  
16 marijuana ~~establishment~~ BUSINESS to another medical marijuana  
17 ~~establishment~~ BUSINESS and to temporarily store the transported medical  
18 marijuana and medical ~~marijuana-infused~~ MARIJUANA products at its  
19 licensed premises, but is not authorized to sell medical marijuana or  
20 medical ~~marijuana-infused~~ MARIJUANA products under any circumstances.

21 (42) [Formerly 44-12-103 (14)] "Mobile distribution center"  
22 means any vehicle other than a common passenger light-duty vehicle with  
23 a short wheel base used to carry a quantity of marijuana greater than one  
24 ounce.

25 (43) [Formerly 44-11-104 (17) and 44-12-103 (15)] "Opaque"  
26 means that the packaging does not allow the product to be seen without  
27 opening the packaging material.



1           (44) [Formerly 44-12-103 (16)] "Operating fees", as referred to  
2 in section 16 (5)(f) of article XVIII of the state constitution, means fees  
3 that may be charged by a local jurisdiction for costs, including but not  
4 limited to inspection, administration, and enforcement of retail marijuana  
5 establishments BUSINESSES authorized pursuant to this ~~article 12~~ ARTICLE  
6 10.

7           (45) "OWNER'S INTEREST" HAS THE SAME MEANING AS IN SECTION  
8 7-90-102 (44) AND IS SYNONYMOUS WITH THE TERM "SECURITY" UNLESS  
9 THE CONTEXT OTHERWISE REQUIRES.

10          (46) "PASSIVE BENEFICIAL OWNER" MEANS ANY PERSON  
11 ACQUIRING ANY OWNER'S INTEREST IN A MEDICAL MARIJUANA BUSINESS  
12 OR RETAIL MARIJUANA BUSINESS THAT IS NOT OTHERWISE A CONTROLLING  
13 BENEFICIAL OWNER OR IN CONTROL.

14          (47) [Formerly 44-11-104 (20) and similar to 44-12-103  
15 (17)] "Permitted economic interest" means any unsecured convertible  
16 debt instrument, option agreement, warrant, or any other right to obtain  
17 an ownership interest when the holder of such interest is a natural person  
18 who is a lawful United States resident and whose right to convert into an  
19 ownership interest is contingent on the holder qualifying and obtaining a  
20 license as an owner under this ~~article 11~~ ARTICLE 10, or such other  
21 agreements as may be permitted by rule of the state licensing authority.

22          (48) [Formerly 44-12-103 (18) and similar to 44-11-104  
23 (48) PERSON" HAS THE SAME MEANING AS DEFINED IN SECTION 7-90-102  
24 (49).

25          (49) [Formerly 44-12-103 (19) and similar to 44-11-104  
26 (22)] "Premises" means a distinctly identified, as required by the state  
27 licensing authority, and definite location, which may include a building,

1 a part of a building, a room, or any other definite contiguous area.

2 (50) "PUBLICLY TRADED CORPORATION" MEANS ANY PERSON  
3 OTHER THAN AN INDIVIDUAL THAT IS ORGANIZED UNDER THE LAWS OF AND  
4 FOR WHICH ITS PRINCIPAL PLACE OF BUSINESS IS LOCATED IN ONE OF THE  
5 STATES OR TERRITORIES OF THE UNITED STATES OR DISTRICT OF  
6 COLUMBIA OR ANOTHER COUNTRY THAT AUTHORIZES THE SALE OF  
7 MARIJUANA AND THAT:

8 (a) HAS A CLASS OF SECURITIES REGISTERED PURSUANT TO  
9 SECTION 12 OF THE FEDERAL "SECURITIES EXCHANGE ACT OF 1934", AS  
10 AMENDED, THAT:

11 (I) CONSTITUTES "COVERED SECURITIES" PURSUANT TO SECTION  
12 18 (b)(1)(A) OF THE FEDERAL "SECURITIES ACT OF 1933", AS AMENDED;  
13 OR

14 (II) IS QUALIFIED AND QUOTED ON THE OTCQX OR OTCQB TIER  
15 OF THE OTC MARKETS IF:

16 (A) THE PERSON IS THEN REQUIRED TO FILE REPORTS AND IS FILING  
17 REPORTS ON A CURRENT BASIS WITH THE FEDERAL SECURITIES AND  
18 EXCHANGE COMMISSION PURSUANT TO THE FEDERAL "SECURITIES  
19 EXCHANGE ACT OF 1934", AS AMENDED, AS IF THE SECURITIES  
20 CONSTITUTED "COVERED SECURITIES" AS DESCRIBED IN SUBSECTION  
21 (46)(a)(I) OF THIS SECTION; AND

22 (B) THE PERSON HAS ESTABLISHED AND IS IN COMPLIANCE WITH  
23 CORPORATE GOVERNANCE MEASURES PURSUANT TO CORPORATE  
24 GOVERNANCE OBLIGATIONS IMPOSED ON SECURITIES QUALIFIED AND  
25 QUOTED ON THE OTCQX TIER OF THE OTC MARKETS.

26 (b) IS AN ENTITY THAT HAS A CLASS OF SECURITIES LISTED ON THE  
27 CANADIAN SECURITIES EXCHANGE, TORONTO STOCK EXCHANGE, TSX

1 VENTURE EXCHANGE, OR OTHER EQUITY SECURITIES EXCHANGE  
2 RECOGNIZED BY THE STATE LICENSING AUTHORITY, IF:

3 (I) THE ENTITY CONSTITUTES A "FOREIGN PRIVATE ISSUER", AS  
4 DEFINED IN RULE 405 PROMULGATED PURSUANT TO THE FEDERAL  
5 "SECURITIES ACT OF 1933", AS AMENDED, WHOSE SECURITIES ARE EXEMPT  
6 FROM REGISTRATION PURSUANT TO SECTION 12 OF THE FEDERAL  
7 "SECURITIES EXCHANGE ACT OF 1934", AS AMENDED, PURSUANT TO RULE  
8 12g3-2 (b) PROMULGATED PURSUANT TO THE FEDERAL "SECURITIES  
9 EXCHANGE ACT OF 1934", AS AMENDED; AND

10 (II) THE ENTITY HAS BEEN, FOR THE PRECEDING THREE HUNDRED  
11 SIXTY-FIVE DAYS OR SINCE THE FORMATION OF THE ENTITY, IN  
12 COMPLIANCE WITH ALL GOVERNANCE AND REPORTING OBLIGATIONS  
13 IMPOSED BY THE RELEVANT EXCHANGE ON SUCH ENTITY; OR

14 (c) IS REASONABLY IDENTIFIED AS A PUBLICLY TRADED  
15 CORPORATION BY RULE;

16 (d) A "PUBLICLY TRADED CORPORATION" DESCRIBED IN  
17 SUBSECTION (46)(a), (46)(b), OR (46)(c) OF THIS SECTION DOES NOT  
18 INCLUDE:

19 (I) AN "INELIGIBLE ISSUER", AS DEFINED IN RULE 405  
20 PROMULGATED PURSUANT TO THE FEDERAL "SECURITIES ACT OF 1933",  
21 AS AMENDED, UNLESS SUCH PUBLICLY TRADED CORPORATION SATISFIES  
22 THE DEFINITION OF INELIGIBLE ISSUER SOLELY BECAUSE IT IS ONE OR MORE  
23 OF THE FOLLOWING, AND THE PERSON IS FILING REPORTS ON A CURRENT  
24 BASIS WITH THE FEDERAL SECURITIES AND EXCHANGE COMMISSION  
25 PURSUANT TO THE FEDERAL "SECURITIES EXCHANGE ACT OF 1934", AS  
26 AMENDED, AS IF THE SECURITIES CONSTITUTED "COVERED SECURITIES" AS  
27 DESCRIBED IN SUBSECTION (46)(a)(I) OF THIS SECTION, AND PRIOR TO

1 BECOMING A PUBLICLY TRADED CORPORATION, THE PERSON FOR AT LEAST  
2 TWO YEARS WAS LICENSED BY THE STATE LICENSING AUTHORITY AS A  
3 MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS WITH A  
4 DEMONSTRATED HISTORY OF OPERATIONS IN THE STATE OF COLORADO,  
5 AND DURING SUCH TIME WAS NOT SUBJECT TO SUSPENSION OR  
6 REVOCATION OF THE LICENSE:

7 (A) A "BLANK CHECK COMPANY", AS DEFINED IN RULE 419 (a)(2)  
8 PROMULGATED PURSUANT TO THE FEDERAL "SECURITIES ACT OF 1933",  
9 AS AMENDED;

10 (B) AN ISSUER IN AN OFFERING OF "PENNY STOCK", AS DEFINED IN  
11 RULE 3a51-1 PROMULGATED PURSUANT TO THE FEDERAL "SECURITIES  
12 EXCHANGE ACT OF 1934"; OR

13 (C) A "SHELL COMPANY", AS DEFINED IN RULE 405 PROMULGATED  
14 PURSUANT TO THE FEDERAL "SECURITIES ACT OF 1933", AS AMENDED;  
15 AND

16 (II) A PERSON DISQUALIFIED AS A "BAD ACTOR" UNDER RULE 506  
17 (d) PROMULGATED PURSUANT TO THE FEDERAL "SECURITIES ACT OF  
18 1933", AS AMENDED."

19 (51) "QUALIFIED INSTITUTIONAL INVESTOR" MEANS:

20 (a) A BANK AS DEFINED IN SECTION 3 (a)(6) OF THE FEDERAL  
21 "SECURITIES EXCHANGE ACT OF 1934", AS AMENDED, IF THE BANK IS  
22 CURRENT IN ALL APPLICABLE REPORTING AND RECORD-KEEPING  
23 REQUIREMENTS UNDER SUCH ACT AND RULES PROMULGATED  
24 THEREUNDER;

25 (b) A BANK HOLDING COMPANY AS DEFINED IN THE FEDERAL  
26 "BANK HOLDING COMPANY ACT OF 1956", AS AMENDED, IF THE BANK  
27 HOLDING COMPANY IS REGISTERED AND CURRENT IN ALL APPLICABLE

1 REPORTING AND RECORD-KEEPING REQUIREMENTS UNDER SUCH ACT AND  
2 RULES PROMULGATED THEREUNDER;

3 (c) AN INSURANCE COMPANY AS DEFINED IN SECTION 2 (a)(17) OF  
4 THE FEDERAL "INVESTMENT COMPANY ACT OF 1940", AS AMENDED, IF  
5 THE INSURANCE COMPANY IS CURRENT IN ALL APPLICABLE REPORTING AND  
6 RECORD-KEEPING REQUIREMENTS UNDER SUCH ACT AND RULES  
7 PROMULGATED THEREUNDER;

8 (d) AN INVESTMENT COMPANY REGISTERED UNDER SECTION 8 OF  
9 THE FEDERAL "INVESTMENT COMPANY ACT OF 1940", AS AMENDED, AND  
10 SUBJECT TO 15 U.S.C. SEC. 80a-1 TO 80a-64, IF THE INVESTMENT  
11 COMPANY IS CURRENT IN ALL APPLICABLE REPORTING AND  
12 RECORD-KEEPING REQUIREMENTS UNDER SUCH ACT AND RULES  
13 PROMULGATED THEREUNDER;

14 (e) AN EMPLOYEE BENEFIT PLAN OR PENSION FUND SUBJECT TO THE  
15 FEDERAL "EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974",  
16 EXCLUDING AN EMPLOYEE BENEFIT PLAN OR PENSION FUND SPONSORED BY  
17 A LICENSEE OR AN INTERMEDIARY HOLDING COMPANY LICENSEE THAT  
18 DIRECTLY OR INDIRECTLY OWNS TEN PERCENT OR MORE OF A LICENSEE;

19 (f) A STATE OR FEDERAL GOVERNMENT PENSION PLAN;

20 (g) A GROUP COMPRISED ENTIRELY OF PERSONS SPECIFIED IN  
21 SUBSECTIONS (47)(a) TO (47)(f) OF THIS SECTION; OR

22 (h) ANY OTHER ENTITY IDENTIFIED BY RULE BY THE STATE  
23 LICENSING AUTHORITY.

24 (52) "QUALIFIED PRIVATE FUND" MEANS AN ISSUER THAT WOULD  
25 BE AN INVESTMENT COMPANY, AS DEFINED IN SECTION (3) OF THE FEDERAL  
26 "INVESTMENT COMPANY ACT OF 1940", BUT FOR THE EXCLUSIONS  
27 PROVIDED UNDER SECTIONS 3(c)(1) OR 3(c)(7) OF THAT ACT, AND THAT:

1 (a) IS ADVISED OR MANAGED BY AN INVESTMENT ADVISER AS  
2 DEFINED AND REGISTERED UNDER SECTIONS 80b-1-21, TITLE 15 OF THE  
3 FEDERAL "INVESTMENT ADVISERS ACT OF 1940", AND FOR WHICH THE  
4 REGISTERED INVESTMENT ADVISER IS CURRENT IN ALL APPLICABLE  
5 REPORTING AND RECORD-KEEPING REQUIREMENTS UNDER SUCH ACT AND  
6 RULES PROMULGATED THEREUNDER; AND

7 (b) SATISFIES ONE OR MORE OF THE FOLLOWING:

8 (I) IS ORGANIZED UNDER THE LAW OF A STATE OR THE UNITED  
9 STATES;

10 (II) IS ORGANIZED, OPERATED, OR SPONSORED BY A U.S. PERSON,  
11 AS DEFINED UNDER SUBSECTION 17 CFR 230.902(k), AS AMENDED; OR

12 (III) SELLS SECURITIES TO A U.S. PERSON, AS DEFINED UNDER  
13 SUBSECTION 17 CFR 230.902(k), AS AMENDED.

14 (53) "REASONABLE CAUSE" MEANS JUST OR LEGITIMATE GROUNDS  
15 BASED IN LAW AND IN FACT TO BELIEVE THAT THE PARTICULAR  
16 REQUESTED ACTION FURTHERS THE PURPOSES OF THIS ARTICLE 10 OR  
17 PROTECTS PUBLIC SAFETY.

18 (54) "REGULATED MARIJUANA" MEANS MEDICAL MARIJUANA AND  
19 RETAIL MARIJUANA. IF THE CONTEXT REQUIRES, REGULATED MARIJUANA  
20 INCLUDES MEDICAL MARIJUANA CONCENTRATE, MEDICAL MARIJUANA  
21 PRODUCTS, RETAIL MARIJUANA CONCENTRATE, AND RETAIL MARIJUANA  
22 PRODUCTS.

23 (55) "REGULATED MARIJUANA PRODUCTS" MEANS MEDICAL  
24 MARIJUANA PRODUCTS AND RETAIL MARIJUANA PRODUCTS.

25 (56) [Formerly 44-12-103 (21) and similar to 44-11-104  
26 (24)] "Resealable" means that the package continues to function within  
27 effectiveness specifications, which shall be established by the state

1 licensing authority similar to the federal "Poison Prevention Packaging  
2 Act of 1970", 15 U.S.C. sec. 1471 et seq., for the number of openings and  
3 closings customary for its size and contents, which shall be determined  
4 by the state licensing authority.

5 (57) [Formerly 44-12-103 (22)] "Retail marijuana" means  
6 "marijuana" or "marihuana", as defined in section 16 (2)(f) of article  
7 XVIII of the state constitution, that is cultivated, manufactured,  
8 distributed, or sold by a licensed retail marijuana establishment BUSINESS.  
9 IF THE CONTEXT REQUIRES, RETAIL MARIJUANA INCLUDES RETAIL  
10 MARIJUANA CONCENTRATE AND RETAIL MARIJUANA PRODUCTS.

11 (58) [Formerly 44-12-103 (24)] "Retail marijuana establishment  
12 BUSINESS" means a retail marijuana store, a retail marijuana cultivation  
13 facility, a retail marijuana products manufacturer, or a retail marijuana  
14 testing facility, A RETAIL MARIJUANA BUSINESS OPERATOR, OR A RETAIL  
15 MARIJUANA TRANSPORTER LICENSED PURSUANT TO THIS ARTICLE 10.

16 (59) [Formerly 44-12-103 (25)] "Retail marijuana establishment  
17 BUSINESS operator" means an entity or person that is not an owner and  
18 that is licensed to provide professional operational services to a retail  
19 marijuana establishment BUSINESS for direct remuneration from the retail  
20 marijuana establishment BUSINESS.

21 (60) [Formerly 44-12-103 (23)] "Retail marijuana cultivation  
22 facility" has the same meaning as "marijuana cultivation facility" as  
23 defined in section 16 (2)(h) of article XVIII of the state constitution.

24 (61) [Formerly 44-12-103 (26)] "Retail marijuana products"  
25 means "marijuana products" as defined in section 16 (2)(k) of article  
26 XVIII of the state constitution that are produced at a retail marijuana  
27 products manufacturer.

1           **(62) [Formerly 44-12-103 (27)]** "Retail marijuana products  
2 manufacturer" has the same meaning as "marijuana product  
3 manufacturing facility" as defined in section 16 (2)(j) of article XVIII of  
4 the state constitution.

5           **(63) [Formerly 44-12-103 (28)]** "Retail marijuana store" has the  
6 same meaning as defined in section 16 (2)(n) of article XVIII of the state  
7 constitution.

8           **(64) [Formerly 44-12-103 (29)]** "Retail marijuana testing facility"  
9 means "marijuana testing facility" as defined in section 16 (2)(l) of article  
10 XVIII of the state constitution that is licensed pursuant to this ~~article 12~~  
11 ARTICLE 10.

12           **(65) [Formerly 44-12-103 (30)]** "Retail marijuana transporter"  
13 means an entity or person that is licensed to transport retail marijuana and  
14 retail marijuana products from one retail marijuana ~~establishment~~  
15 BUSINESS to another retail marijuana ~~establishment~~ BUSINESS and to  
16 temporarily store the transported retail marijuana and retail marijuana  
17 products at its licensed premises, but is not authorized to sell retail  
18 marijuana or retail marijuana products under any circumstances.

19           **(66) [Formerly 44-12-103 (31)]** "Sale" or "sell" includes to  
20 exchange, barter, or traffic in; to solicit or receive and order except  
21 through a licensee licensed under this ~~article 12~~ ARTICLE 10; to deliver for  
22 value in any way other than gratuitously; to peddle or possess with intent  
23 to sell; or to traffic in for any consideration promised or obtained directly  
24 or indirectly.

25           **(67) [Formerly 44-12-103 (32) and similar to 44-11-104**  
26 **(25)]** "School" means a public or private preschool or a public or private  
27 elementary, middle, junior high, or high school or institution of higher



1 education.

2 (68) "SECURITY" HAS THE SAME MEANING AS IN SECTION (2)(1) OF  
3 THE FEDERAL "SECURITIES ACT OF 1933", AS AMENDED.

4 (69) [Formerly 44-12-103 (33) and similar to 44-11-104  
5 (26)] "State licensing authority" means the authority created for the  
6 purpose of regulating and controlling the licensing of the cultivation,  
7 manufacture, distribution, sale, and testing of ~~retail~~ REGULATED marijuana  
8 in this state pursuant to ~~section 44-12-201~~ SECTION 44-10-201.

9 **44-10-104. Applicability - medical marijuana - retail**  
10 **marijuana. [Formerly 44-11-103 (1)]** ~~(1) (a) On July 1, 2010, a person~~  
11 ~~who is operating an established, locally approved business for the purpose~~  
12 ~~of cultivation, manufacture, or sale of medical marijuana or medical~~  
13 ~~marijuana-infused products or a person who has applied to a local~~  
14 ~~government to operate a locally approved business for the purpose of~~  
15 ~~cultivation, manufacture, or sale of medical marijuana or medical~~  
16 ~~marijuana-infused products that is subsequently granted may continue to~~  
17 ~~operate that business in accordance with any applicable state or local~~  
18 ~~laws. "Established", as used in this subsection (1)(a), shall mean owning~~  
19 ~~or leasing a space with a storefront and remitting sales taxes in a timely~~  
20 ~~manner on retail sales of the business as required pursuant to section~~  
21 ~~39-26-105, as well as any applicable local sales taxes.~~

22 (b) ~~To continue operating a business or operation as described in~~  
23 ~~subsection (1)(a) of this section, the owner shall, on or before August 1,~~  
24 ~~2010, complete forms as provided by the department of revenue and shall~~  
25 ~~pay a fee, which shall be credited to the medical marijuana license cash~~  
26 ~~fund established pursuant to section 44-11-501. The purpose of the fee~~  
27 ~~shall be to pay for the direct and indirect costs of the state licensing~~

1 ~~authority and the development of application procedures and rules~~  
2 ~~necessary to implement this article 11. Payment of the fee and completion~~  
3 ~~of the form shall not create a local or state license or a present or future~~  
4 ~~entitlement to receive a license. An owner issued a local license after~~  
5 ~~August 1, 2010, shall complete the forms and pay the fee pursuant to this~~  
6 ~~subsection (1)(b) within thirty days after issuance of the local license. In~~  
7 ~~addition to any criminal penalties for selling without a license, it shall be~~  
8 ~~unlawful to continue operating a business or operation without filing the~~  
9 ~~forms and paying the fee as described in this subsection (1)(b), and any~~  
10 ~~violation of this section shall be prima facie evidence of unsatisfactory~~  
11 ~~character, record, and reputation for any future application for license~~  
12 ~~under this article 11.~~

13 ~~(c) A county, city and county, or municipality shall provide to the~~  
14 ~~state licensing authority, upon request, a list that includes the name and~~  
15 ~~location of each local center or operation licensed in said county, city and~~  
16 ~~county, or municipality so that the state licensing authority can identify~~  
17 ~~any center or operation operating unlawfully.~~

18 ~~(2) (1) (a) [Formerly 44-11-103 (2)(a)] Prior to July 1, 2011, A~~  
19 ~~county, city and county, or municipality may adopt and enforce a~~  
20 ~~resolution or ordinance licensing, regulating, or prohibiting the cultivation~~  
21 ~~or sale of medical marijuana. In a county, city and county, or municipality~~  
22 ~~where such an ordinance or resolution has been adopted, a person who is~~  
23 ~~not registered as a patient or primary caregiver pursuant to section~~  
24 ~~25-1.5-106 and who is cultivating or selling medical marijuana shall IS~~  
25 ~~not be entitled to an affirmative defense to a criminal prosecution as~~  
26 ~~provided for in section 14 of article XVIII of the state constitution unless~~  
27 ~~the person is in compliance with the applicable county or municipal law.~~

1           **[Formerly 44-11-103 (2)(b)]** ~~(b) On or before September 1,~~  
2   ~~2010, a business or operation shall certify that it is cultivating at least~~  
3   ~~seventy percent of the medical marijuana necessary for its operation.~~

4           **(b) [Formerly 44-11-106]** The operation of this ~~article 11~~ ARTICLE  
5   10 AS IT RELATES TO MEDICAL MARIJUANA shall be statewide unless a  
6   municipality, county, city, or city and county, by either a majority of the  
7   registered electors of the municipality, county, city, or city and county  
8   voting at a regular election or special election called in accordance with  
9   the "Colorado Municipal Election Code of 1965", article 10 of title 31, or  
10   the "Uniform Election Code of 1992", articles 1 to 13 of title 1, as  
11   applicable, or a majority of the members of the governing board for the  
12   municipality, county, city, or city and county, vote to prohibit the  
13   operation of medical marijuana ~~centers, optional premises cultivation~~  
14   ~~operations~~ STORES, MEDICAL MARIJUANA CULTIVATION FACILITIES, and  
15   medical ~~marijuana-infused~~ MARIJUANA products manufacturers' licenses.

16           **(c) [Formerly 44-11-103 (2)(c)]** ~~On and after July 1, 2011, All~~  
17   businesses for the purpose of cultivation, manufacture, or sale of medical  
18   marijuana or medical ~~marijuana-infused~~ MARIJUANA products, as defined  
19   in this ~~article 11, shall be~~ ARTICLE 10 ARE subject to the terms and  
20   conditions of this ~~article 11~~ ARTICLE 10 and any rules promulgated  
21   pursuant to this ~~article 11, except that a person that has met the deadlines~~  
22   ~~set forth in subsections (1)(a) and (1)(b) of this section that has not had~~  
23   ~~its application acted upon by the state licensing authority may continue to~~  
24   ~~operate until action is taken on the application, unless the person is~~  
25   ~~operating in a jurisdiction that has imposed a prohibition on licensure.~~  
26   ~~While continuing to operate prior to the licensing authority acting on the~~  
27   ~~application, the person shall otherwise be subject to the terms and~~

1 conditions of this article 11 and all rules promulgated pursuant to this  
2 article 11 ARTICLE 10.

3 **[Formerly 44-11-103 (2)(d)]** ~~(d) (I) On and after July 1, 2012,~~  
4 ~~persons who did not meet all requirements of subsection (1)(a) of this~~  
5 ~~section as of July 1, 2010, may begin to apply for a license pursuant to~~  
6 ~~this article 11. A business or operation that applies and is approved for its~~  
7 ~~license after July 1, 2012, shall certify to the state licensing authority that~~  
8 ~~it is cultivating at least seventy percent of the medical marijuana~~  
9 ~~necessary for its operation within ninety days after being licensed.~~

10 ~~(H) For those persons that are licensed prior to July 1, 2012, the~~  
11 ~~person may apply to the local and state licensing authorities regarding~~  
12 ~~changes to its license and may apply for a new license if the license is for~~  
13 ~~a business that has been licensed and the person is purchasing that~~  
14 ~~business or if the business is changing license type.~~

15 ~~(HH) For a person who has met the deadlines set forth in~~  
16 ~~subsections (1)(a) and (1)(b) of this section and who has lost his or her~~  
17 ~~location because a city or county has voted pursuant to section 44-11-106~~  
18 ~~to ban his or her operation, the person may apply for a new license with~~  
19 ~~a local licensing authority and transfer the location of its pending~~  
20 ~~application with the state licensing authority.~~

21 **[Formerly 44-11-103 (2)(e)]** ~~(e) This article 11 sets forth the~~  
22 ~~exclusive means by which manufacture, sale, distribution, and dispensing~~  
23 ~~of medical marijuana may occur in the state of Colorado. Licensees shall~~  
24 ~~not be subject to the terms of section 14 of article XVIII of the state~~  
25 ~~constitution, except where specifically referenced in this article 11.~~

26 **[Formerly 44-12-104 (1)]** ~~(1)(a) (I) On or after October 1, 2013,~~  
27 ~~a person who is operating in good standing a licensed medical marijuana~~

1 center, an optional premises cultivation license, or a licensed medical  
2 marijuana-infused products business or a person who had a pending  
3 application with the state licensing authority prior to December 10, 2012,  
4 has paid all applicable licensing fees, and has not yet had that application  
5 approved may apply for a retail marijuana establishment license under  
6 this article 12.

7 (H) An applicant pursuant to this subsection (1)(a) shall indicate  
8 whether he or she wants to surrender the current medical marijuana  
9 license issued pursuant to part 4 of article 11 of this title 44 or intends to  
10 retain the license in addition to the retail marijuana establishment license.

11 (HH) If the applicant indicates a desire to surrender the medical  
12 marijuana license, the applicant shall continue to operate under that  
13 license so long as the license remains in effect until a retail marijuana  
14 establishment license is approved. If the retail marijuana establishment  
15 license is granted, the applicant shall have fourteen days from the  
16 effective date of the license to surrender the medical marijuana license to  
17 the state licensing authority. If the retail marijuana license is granted, on  
18 the effective date of the license, all medical marijuana plants and  
19 inventory shall become retail marijuana plants and inventory on the date  
20 of the retail marijuana establishment license; except that beginning on  
21 July 1, 2016, an applicant shall not be allowed to transfer medical  
22 marijuana plants and inventory from a medical marijuana center or from  
23 a medical marijuana-infused products manufacturer to any retail  
24 marijuana establishment. Beginning on July 1, 2016, the only transfer of  
25 medical marijuana allowed pursuant to this subsection (1)(a)(HH) is the  
26 transfer of medical marijuana plants and inventory from a medical  
27 marijuana cultivation facility to a retail marijuana cultivation facility.

1           ~~(IV) An applicant pursuant to this subsection (1)(a) may apply for~~  
2           ~~a retail marijuana establishment license and retain the medical marijuana~~  
3           ~~license. The applicant may apply to have the medical marijuana licensed~~  
4           ~~operation and the retail marijuana establishment at the same location only~~  
5           ~~if the local jurisdiction permits the medical marijuana licensed operation~~  
6           ~~and the retail marijuana establishment to be operated at the same location.~~  
7           ~~At the time that the retail marijuana establishment license becomes~~  
8           ~~effective, the applicant shall identify the medical marijuana inventory that~~  
9           ~~will become retail marijuana inventory; except that beginning on July 1,~~  
10           ~~2016, an applicant shall not be allowed to transfer medical marijuana~~  
11           ~~inventory from a medical marijuana center or from a medical~~  
12           ~~marijuana-infused products manufacturer to any retail marijuana~~  
13           ~~establishment. Beginning on July 1, 2016, the only transfer of medical~~  
14           ~~marijuana allowed pursuant to this subsection (1)(a)(IV) is the transfer of~~  
15           ~~medical marijuana inventory from a medical marijuana cultivation facility~~  
16           ~~to a retail marijuana cultivation facility.~~

17           ~~(V) An applicant pursuant to this subsection (1)(a) who retains a~~  
18           ~~medical marijuana license and obtains a retail marijuana establishment~~  
19           ~~license for the two licensed premises must maintain actual physical~~  
20           ~~separation between the two or only sell medical marijuana to persons~~  
21           ~~twenty-one years of age or older.~~

22           ~~(b) On and after July 1, 2014, persons who did not meet the~~  
23           ~~requirements of subsection (1)(a)(I) of this section may apply for~~  
24           ~~licensure pursuant to this article 12. A license issued to a person pursuant~~  
25           ~~to this subsection (1)(b) is not effective until October 1, 2014.~~

26           **(2) [Formerly 44-12-104 (2)] (a)** A person applying pursuant to  
27           ~~subsection (1) of this section shall FOR LICENSURE PURSUANT TO THIS~~

1 ARTICLE 10 MUST complete forms as provided by the state licensing  
2 authority and ~~shall~~ MUST pay the application fee and the licensing fee,  
3 which ~~shall~~ MUST be credited to the marijuana cash fund established  
4 pursuant to ~~section 44-11-501~~ SECTION 44-10-801. The state licensing  
5 authority shall forward, within seven days, one-half of the RETAIL  
6 MARIJUANA BUSINESS license application fee to the local jurisdiction  
7 unless the local jurisdiction has prohibited the operation of retail  
8 marijuana ~~establishments~~ BUSINESSES pursuant to section 16 (5)(f) of  
9 article XVIII of the state constitution. If the license is denied, the state  
10 licensing authority shall refund the licensing fee to the applicant.

11 (b) The state licensing authority shall act upon ~~an~~ A RETAIL  
12 MARIJUANA BUSINESS LICENSE application made pursuant to ~~subsection~~  
13 ~~(1)~~ SUBSECTION (1)(a) of this section no sooner than forty-five days and  
14 no later than ninety days after the date of the RETAIL MARIJUANA  
15 BUSINESS LICENSE application. The state licensing authority shall process  
16 RETAIL MARIJUANA BUSINESS LICENSE applications in the order in which  
17 complete applications are received by the state licensing authority.

18 (3) **[Formerly 44-12-104 (3)]** As provided in section 16 (5)(f) of  
19 article XVIII of the state constitution, any local jurisdiction may enact  
20 ordinances or regulations governing the time, place, manner, and number  
21 of retail marijuana ~~establishments~~ BUSINESSES, which may include a local  
22 licensing requirement, or may prohibit the operation of retail marijuana  
23 ~~establishments~~ BUSINESSES through the enactment of an ordinance or  
24 through a referred or initiated measure. If a county acts through an  
25 initiated measure, the proponents shall submit a petition signed by not  
26 less than fifteen percent of the registered electors in the county.

27 (4) **[Formerly 44-12-104 (4) and similar to 44-11-103**

1     ~~(2)(e)]~~ This ~~article 12~~ ARTICLE 10 sets forth the exclusive means by which  
2     cultivation, manufacture, sale, distribution, dispensing, and testing of  
3     ~~retail~~ REGULATED marijuana and ~~retail~~ REGULATED marijuana products  
4     may occur in the state of Colorado.

5             (5) (a) **[Formerly 44-12-104 (5)]** Nothing in this ~~article 12~~  
6     ARTICLE 10 is intended to require an employer to permit or accommodate  
7     the use, consumption, possession, transfer, display, transportation, sale,  
8     or cultivating of REGULATED marijuana in the workplace or to affect the  
9     ability of employers to have policies restricting the use of marijuana by  
10    employees.

11            (b) Nothing in this ~~article 12~~ ARTICLE 10 prohibits a person,  
12    employer, school, hospital, detention facility, corporation, or any other  
13    entity ~~who~~ THAT occupies, owns, or controls a property from prohibiting  
14    or otherwise regulating the possession, consumption, use, display,  
15    transfer, distribution, sale, transportation, or cultivating of REGULATED  
16    marijuana on or in that property.

17            (c) NOTWITHSTANDING ANY OTHER PROVISION OF THIS  
18    SUBSECTION (5), HOLDING OR EXERCISING THE PRIVILEGES OF ANY LICENSE  
19    ISSUED PURSUANT TO THIS ARTICLE 10 SHALL NOT CONSTITUTE AN  
20    UNSUITABLE OR UNLAWFUL ACT OR PRACTICE WITHIN THE MEANING OF  
21    THE STATUTES AND RULES GOVERNING THE COLORADO LIMITED GAMING  
22    CONTROL COMMISSION.

23            **44-10-105. Marijuana employee designation.** AN EMPLOYEE OF  
24    A LICENSEE IS NOT AN AGRICULTURAL WORKER UNLESS THE EMPLOYEE IS  
25    A FARM LABORER AS DESCRIBED IN SECTION 8-3-104 (11).

26            **44-10-106. Marijuana employee labor rights.** IF THE NATIONAL  
27    LABOR RELATIONS BOARD OR A COURT RULES THAT MARIJUANA OR



1 MARIJUANA-RELATED BUSINESSES ARE NOT COVERED BY THE FEDERAL  
2 "NATIONAL LABOR RELATIONS ACT", 29 U.S.C. SEC. 151 ET SEQ., THEN  
3 A MARIJUANA BUSINESS OR MARIJUANA-RELATED BUSINESS AND ITS  
4 EMPLOYEES DOING BUSINESS IN COLORADO ARE COVERED BY THE "LABOR  
5 PEACE ACT", PART 1 OF ARTICLE 3 OF TITLE 8, TO THE SAME EXTENT THAT  
6 A BUSINESS WOULD BE COVERED BY THE FEDERAL "NATIONAL LABOR  
7 RELATIONS ACT", 29 U.S.C. SEC. 151 ET SEQ., ABSENT SUCH A RULING.

8 PART 2

9 STATE LICENSING AUTHORITY

10 **44-10-201. State licensing authority - creation.**

11 (1) (a) [Formerly 44-11-201 (1) and similar to 44-12-201] For the  
12 purpose of regulating and controlling the licensing of the cultivation,  
13 manufacture, distribution, and sale, AND TESTING of ~~medical marijuana~~  
14 ~~and retail marijuana~~ REGULATED MARIJUANA in this state, there is hereby  
15 created the state licensing authority, which ~~shall be~~ IS the executive  
16 director or the deputy director of the department if the executive director  
17 so designates. ~~The state licensing authority shall adopt regulations~~  
18 ~~regarding retail marijuana and retail marijuana products by July 1, 2013.~~

19 (b) [Formerly 44-12-201] ~~For the purpose of regulating and~~  
20 ~~controlling the licensing of the cultivation, manufacture, distribution,~~  
21 ~~sale, and testing of retail marijuana and retail marijuana products in this~~  
22 ~~state,~~ The state licensing authority ~~created in section 44-11-201~~ shall also  
23 ~~have~~ ALSO HAS regulatory authority for retail marijuana and retail  
24 marijuana products as permitted in section 16 of article XVIII of the state  
25 constitution and this ~~article 12~~ ARTICLE 10.

26 (2) [Formerly 44-11-201 (2)] The executive director ~~shall be~~ IS  
27 the chief administrative officer of the state licensing authority and may

1 employ, pursuant to section 13 of article XII of the state constitution, such  
2 officers and employees as may be determined to be necessary, which  
3 officers and employees ~~shall be~~ ARE part of the department.

4 (3) **[Formerly 44-11-201 (3)]** A state licensing authority employee  
5 with regulatory oversight responsibilities for marijuana businesses  
6 licensed by the state licensing authority shall not work for, represent, or  
7 provide consulting services to or otherwise derive pecuniary gain from a  
8 MEDICAL OR RETAIL marijuana business licensed by the state licensing  
9 authority or other business entity established for the primary purpose of  
10 providing services to the marijuana industry for a period of six months  
11 following his or her last day of employment with the state licensing  
12 authority.

13 (4) **[Formerly 44-11-201 (4)]** Any person who discloses  
14 confidential records or information in violation of the provisions of this  
15 ~~article - H~~ ARTICLE 10 commits a class 1 misdemeanor and shall be  
16 punished as provided in section 18-1.3-501. Any criminal prosecution  
17 pursuant to the provisions of this section must be brought within five  
18 years from the date the violation occurred.

19 **44-10-202. Powers and duties of state licensing authority -**  
20 **rules - legislative declaration - repeal. [Formerly 44-12-202 (2)**  
21 **introductory portion] (1) Powers and duties.** The state licensing  
22 authority ~~has the authority to~~ SHALL:

23 (a) DEVELOP AND MAINTAIN A SEED-TO-SALE TRACKING SYSTEM  
24 THAT TRACKS REGULATED MARIJUANA FROM EITHER THE SEED OR  
25 IMMATURE PLANT STAGE UNTIL THE REGULATED MARIJUANA OR  
26 REGULATED MARIJUANA PRODUCT IS SOLD TO A PATIENT AT A MEDICAL  
27 MARIJUANA STORE OR TO A CUSTOMER AT A RETAIL MARIJUANA STORE TO

1 ENSURE THAT NO REGULATED MARIJUANA GROWN OR PROCESSED BY A  
2 MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS IS SOLD  
3 OR OTHERWISE TRANSFERRED EXCEPT BY A MEDICAL OR RETAIL  
4 MARIJUANA STORE; EXCEPT THAT THE MEDICAL MARIJUANA OR MEDICAL  
5 MARIJUANA PRODUCT IS NO LONGER SUBJECT TO THE TRACKING SYSTEM  
6 ONCE THE MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCT HAS  
7 BEEN:

8 (I) TRANSFERRED TO A MEDICAL RESEARCH FACILITY PURSUANT  
9 TO SECTION 25-1.5-106.5 (5)(b); OR

10 (II) TRANSFERRED TO A PESTICIDE MANUFACTURER IN QUANTITIES  
11 THAT ARE LIMITED AS SPECIFIED IN RULES PROMULGATED BY THE STATE  
12 LICENSING AUTHORITY, IN CONSULTATION WITH THE DEPARTMENTS OF  
13 PUBLIC HEALTH AND ENVIRONMENT AND AGRICULTURE. THE RULES MUST  
14 DEFINE A PESTICIDE MANUFACTURER THAT IS AUTHORIZED TO CONDUCT  
15 RESEARCH AND MUST AUTHORIZE A PESTICIDE MANUFACTURER TO  
16 CONDUCT RESEARCH TO ESTABLISH SAFE AND EFFECTIVE PROTOCOLS FOR  
17 THE USE OF PESTICIDES ON MEDICAL MARIJUANA. NOTWITHSTANDING ANY  
18 OTHER PROVISION OF LAW, A PESTICIDE MANUFACTURER AUTHORIZED  
19 PURSUANT TO THIS SUBSECTION (1)(a)(II) TO CONDUCT PESTICIDE  
20 RESEARCH REGARDING MARIJUANA MUST BE LOCATED IN COLORADO,  
21 MUST CONDUCT THE RESEARCH IN COLORADO, AND IS EXEMPT FROM ALL  
22 OTHERWISE APPLICABLE RESTRICTIONS ON THE POSSESSION AND USE OF  
23 MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCTS;  
24 EXCEPT THAT THE MANUFACTURER SHALL:

25 (A) NOT POSSESS AT ANY TIME A QUANTITY OF MEDICAL  
26 MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCT IN EXCESS OF THE  
27 LIMIT ESTABLISHED IN RULES PROMULGATED BY THE STATE LICENSING

1 AUTHORITY:

2 (B) USE THE MEDICAL MARIJUANA AND MEDICAL  
3 MARIJUANA-INFUSED PRODUCT ONLY FOR THE PESTICIDE RESEARCH  
4 AUTHORIZED PURSUANT TO THIS SUBSECTION (1)(a)(II):

5 (C) DESTROY, IN COMPLIANCE WITH RULES PROMULGATED BY THE  
6 STATE LICENSING AUTHORITY, ALL MEDICAL MARIJUANA AND MEDICAL  
7 MARIJUANA-INFUSED PRODUCTS REMAINING AFTER THE RESEARCH HAS  
8 BEEN COMPLETED; AND

9 (D) NOT APPLY PESTICIDES FOR RESEARCH PURPOSES ON THE  
10 LICENSED PREMISES OF A MEDICAL MARIJUANA BUSINESS.

11 (b) [Formerly 44-12-202 (2)(a)] Grant or refuse state licenses for  
12 the cultivation, manufacture, distribution, sale, and testing of ~~retail~~  
13 REGULATED marijuana and ~~retail~~ REGULATED marijuana products as  
14 provided by law; suspend, fine, restrict, or revoke such licenses, whether  
15 active, expired, or surrendered, upon a violation of this ~~article 12~~ ARTICLE  
16 10 or any rule promulgated pursuant to this ~~article 12~~ ARTICLE 10; and  
17 impose any penalty authorized by this ~~article 12~~ ARTICLE 10 or any rule  
18 promulgated pursuant to this ~~article 12~~ ARTICLE 10. The state licensing  
19 authority may take any action with respect to a registration OR PERMIT  
20 pursuant to this ~~article 12~~ ARTICLE 10 as it may with respect to a license  
21 pursuant to this ~~article 12~~ ARTICLE 10, in accordance with the procedures  
22 established pursuant to this ~~article 12~~ ARTICLE 10.

23 (c) [Formerly 44-12-202 (2)(b)] Promulgate, ~~on or before July 1,~~  
24 ~~2013,~~ rules for the proper regulation and control of the cultivation,  
25 manufacture, distribution, sale, and testing of ~~retail~~ REGULATED marijuana  
26 and ~~retail~~ REGULATED marijuana products and for the enforcement of this  
27 ~~article 12~~ ARTICLE 10 and promulgate amended rules and such special

1 rulings and findings as necessary;

2 (d) **[Formerly 44-11-202 (1)(c)]** Hear and determine at a public  
3 hearing any contested state license denial and any complaints against a  
4 licensee and administer oaths and issue subpoenas to require the presence  
5 of persons and the production of papers, books, and records necessary to  
6 the determination of any hearing so held, all in accordance with article 4  
7 of title 24. The state licensing authority may, at its discretion, delegate to  
8 the department hearing officers the authority to conduct licensing,  
9 disciplinary, and rule-making hearings ~~under~~ PURSUANT TO section  
10 24-4-105. When conducting the hearings, the hearing officers ~~shall be~~  
11 ARE employees of the state licensing authority under the direction and  
12 supervision of the executive director and the state licensing authority.

13 (e) **[Formerly 44-11-202 (1)(e)]** Develop such forms, licenses,  
14 identification cards, and applications as are necessary or convenient in the  
15 discretion of the state licensing authority for the administration of this  
16 ~~article 11~~ ARTICLE 10 or any of the rules promulgated ~~under~~ PURSUANT TO  
17 this ~~article 11~~ ARTICLE 10;

18 (f) **[Formerly 44-11-202 (1)(f)]** Prepare and transmit annually, in  
19 the form and manner prescribed by the heads of the principal departments  
20 pursuant to section 24-1-136, a report accounting to the governor for the  
21 efficient discharge of all responsibilities assigned by law or directive to  
22 the state licensing authority; AND

23 (g) COLLECT AND MAINTAIN DATA RELATED TO LICENSING  
24 DISQUALIFICATIONS AND ALL SANCTIONS BASED ON PAST CRIMINAL  
25 HISTORY PURSUANT TO THE REQUIREMENTS IN SECTION 24-34-104  
26 (6)(b)(IX).

27 (2) NOTHING IN THIS ARTICLE 10 DELEGATES TO THE STATE

1 LICENSING AUTHORITY THE POWER TO FIX PRICES FOR REGULATED  
2 MARIJUANA.

3 (3) NOTHING IN THIS ARTICLE 10 LIMITS A LAW ENFORCEMENT  
4 AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL ACTIVITY IN RELATION TO  
5 A MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS. A LAW  
6 ENFORCEMENT AGENCY HAS THE AUTHORITY TO RUN A COLORADO CRIME  
7 INFORMATION CENTER CRIMINAL HISTORY RECORD CHECK OF A PRIMARY  
8 CAREGIVER, LICENSEE, OR EMPLOYEE OF A LICENSEE DURING AN  
9 INVESTIGATION OF UNLAWFUL ACTIVITY RELATED TO MEDICAL  
10 MARIJUANA. A LAW ENFORCEMENT AGENCY HAS THE AUTHORITY TO RUN  
11 A COLORADO CRIME INFORMATION CENTER CRIMINAL HISTORY RECORD  
12 CHECK OF A LICENSEE OR EMPLOYEE OF A LICENSEE DURING AN  
13 INVESTIGATION OF UNLAWFUL ACTIVITY RELATED TO REGULATED  
14 MARIJUANA AND REGULATED MARIJUANA PRODUCTS.

15 (4) [Formerly 44-12-202 (3)(a)(IV)(G)] The executive director  
16 of the department of public health and environment shall provide to the  
17 state licensing authority standards for licensing laboratories pursuant to  
18 the requirements as outlined in ~~subsection (3)(a)(IV)(A) of this section~~  
19 SECTION 44-10-203 (2)(d)(II) for REGULATED marijuana and REGULATED  
20 marijuana products.

21 (5) (a) THE STATE LICENSING AUTHORITY HAS THE AUTHORITY TO  
22 PETITION A DISTRICT COURT FOR AN INVESTIGATIVE SUBPOENA  
23 APPLICABLE TO A PERSON WHO IS NOT LICENSED PURSUANT TO THIS  
24 ARTICLE 10 TO OBTAIN DOCUMENTS OR INFORMATION NECESSARY TO  
25 ENFORCE THE PROVISIONS OF THIS ARTICLE 10 AND ANY RULES  
26 PROMULGATED PURSUANT TO THIS ARTICLE 10 AFTER REASONABLE  
27 EFFORTS HAVE BEEN MADE TO OBTAIN REQUESTED DOCUMENTS OR

1 INFORMATION WITHOUT A SUBPOENA.

2 (b) THE STATE LICENSING AUTHORITY MAY APPLY TO ANY COURT  
3 OF COMPETENT JURISDICTION TO TEMPORARILY RESTRAIN OR  
4 PRELIMINARILY OR PERMANENTLY ENJOIN THE ACT IN QUESTION OF A  
5 PERSON WHO IS NOT LICENSED PURSUANT TO THIS ARTICLE 10 AND TO  
6 ENFORCE COMPLIANCE WITH THIS ARTICLE 10 OR ANY RULE OR ORDER  
7 ISSUED PURSUANT TO THIS ARTICLE 10 WHENEVER IT APPEARS TO THE  
8 STATE LICENSING AUTHORITY UPON SUFFICIENT EVIDENCE SATISFACTORY  
9 TO THE STATE LICENSING AUTHORITY THAT ANY PERSON HAS BEEN OR IS  
10 COMMITTING AN ACT PROHIBITED BY THIS ARTICLE 10, A RULE  
11 PROMULGATED PURSUANT TO THIS ARTICLE 10, A RULE OR AN ORDER  
12 ISSUED PURSUANT TO THIS ARTICLE 10, AND THE ACT:

13 (I) THREATENS PUBLIC HEALTH OR SAFETY;

14 (II) CONSTITUTES AN UNLAWFUL ACT FOR WHICH THE PERSON  
15 DOES NOT HOLD THE REQUIRED LICENSE UNDER THIS ARTICLE 10; OR

16 (III) CONSTITUTES A VIOLATION OF AN ORDER OF THE STATE  
17 LICENSING AUTHORITY.

18 (6) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT MATTERS  
19 RELATED TO LABELING AS REGULATED PURSUANT TO THIS SECTION AND  
20 SECTION 44-10-203 (2)(f), PACKAGING AS REGULATED PURSUANT TO THIS  
21 SECTION AND SECTION 44-10-203 (3)(b), AND TESTING AS REGULATED  
22 PURSUANT TO THIS SECTION AND SECTION 44-10-203 (2)(d) ARE MATTERS  
23 OF STATEWIDE CONCERN AND THE SOLE REGULATORY AUTHORITY FOR  
24 LABELING, PACKAGING, AND TESTING IS SECTION 44-10-203.

25 (7) (a) THE STATE LICENSING AUTHORITY SHALL CONVENE A  
26 STAKEHOLDER WORK GROUP OF LICENSED MARIJUANA BUSINESSES AND  
27 REGISTERED HEMP PRODUCTS MANUFACTURERS TO ADVISE THE STATE

1 LICENSING AUTHORITY ON THE RULE-MAKING PROCESS RELATED TO  
2 SECTIONS 44-10-501(3)(e), 44-10-503 (5)(b), 44-10-601 (3)(c), AND  
3 44-10-603 (11).

4 (b) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE JULY 1, 2021.

5 **44-10-203. State licensing authority - rules. (1) Permissive**  
6 **rule-making.** RULES PROMULGATED PURSUANT TO SECTION 44-10-202  
7 (1)(c) MAY INCLUDE BUT NEED NOT BE LIMITED TO THE FOLLOWING  
8 SUBJECTS:

9 (a) [Formerly 44-12-202 (3)(d)(V)] Labeling guidelines  
10 concerning the total content of THC per unit of weight;

11 (b) [Formerly 44-11-202 (2)(a)(VII)] Control of informational  
12 and product displays on licensed premises;

13 (c) [Formerly 44-11-202 (2)(a)(XVI) and 44-12-202  
14 (3)(a)(XII)] Records to be kept by licensees and the required availability  
15 of the records;

16 (d) [Formerly 44-11-202 (2)(a)(XX) and 44-12-202  
17 (3)(a)(XV)] ~~Rules effective on or before January 1, 2016, relating to~~  
18 Permitted economic interests ISSUED PRIOR TO JANUARY 1, 2020,  
19 including a process for a criminal history record check, a requirement that  
20 a permitted economic interest applicant submit to and pass a criminal  
21 history record check, a divestiture, and other agreements that would  
22 qualify as permitted economic interests;

23 (e) [Formerly 44-11-202 (2)(a)(II) and 44-12-202  
24 (3)(c)(I)] Specifications of duties of officers and employees of the state  
25 licensing authority;

26 (f) [Formerly 44-11-202 (2)(a)(III) and similar to 44-12-202  
27 (3)(c)(II)] Instructions for local licensing authorities and law enforcement



1 officers;

2 (g) [Formerly 44-11-202 (2)(a)(IV) and 44-12-202

3 (3)(c)(III)] Requirements for inspections, investigations, searches,

4 seizures, forfeitures, and such additional activities as may become

5 necessary from time to time;

6 (h) [Formerly 44-11-202 (2)(a)(VI)] Prohibition of

7 misrepresentation and unfair practices;

8 (i) [Formerly 44-11-202 (2)(a)(XXVI)] Marijuana research and

9 development licenses, ~~and marijuana research and development~~

10 ~~cultivation licenses~~, including application requirements; renewal

11 requirements, including whether additional research projects may be

12 added or considered; conditions for license revocation; security measures

13 to ensure marijuana is not diverted to purposes other than research or

14 diverted outside of the regulated marijuana market; the amount of plants,

15 useable marijuana, marijuana concentrates, or ~~marijuana-infused~~

16 MARIJUANA products a licensee may have on its premises; licensee

17 reporting requirements; the conditions under which marijuana possessed

18 by medical marijuana licensees may be donated to marijuana research and

19 development licensees ~~and marijuana research and development~~

20 ~~cultivation licensees~~ or transferred to a nonmetric-based research facility;

21 provisions to prevent contamination; requirements for destruction or

22 transfer of marijuana after the research is concluded; and any additional

23 requirements; AND

24 (j) [Formerly 44-11-202 (2)(a)(XXIV) and similar to 44-12-202

25 (3)(c)(VIII)] Such other matters as are necessary for the fair, impartial,

26 stringent, and comprehensive administration of this ~~article~~ ~~11~~ ARTICLE 10.

27 (2) **Mandatory rule-making.** RULES PROMULGATED PURSUANT

1 TO SECTION 44-10-202 (1)(c) MUST INCLUDE BUT NEED NOT BE LIMITED TO  
2 THE FOLLOWING SUBJECTS:

3 (a) **[Formerly 44-12-202 (3)(a)(I)]** Procedures consistent with this  
4 ~~article 12~~ ARTICLE 10 for the issuance, renewal, suspension, and  
5 revocation of licenses to operate MEDICAL MARIJUANA BUSINESSES AND  
6 retail marijuana ~~establishments~~ BUSINESSES;

7 (b) **[Formerly 44-12-202 (3)(a)(II)]** Subject to the limitations  
8 contained in section 16 (5)(a)(II) of article XVIII of the state constitution  
9 and consistent with this ~~article 12~~ ARTICLE 10, a schedule of application,  
10 licensing, and renewal fees for MEDICAL MARIJUANA BUSINESSES AND  
11 retail marijuana ~~establishments~~ BUSINESSES;

12 (c) **[Formerly 44-12-202 (3)(a)(III)]** Qualifications for licensure  
13 ~~under~~ PURSUANT TO this ~~article 12~~ ARTICLE 10, including but not limited  
14 to the requirement for a fingerprint-based criminal history record check  
15 for all CONTROLLING BENEFICIAL owners, ~~officers~~ PASSIVE BENEFICIAL  
16 OWNERS, managers, contractors, employees, and other support staff of  
17 entities licensed pursuant to this ~~article 12~~ ARTICLE 10;

18 (d) (I) **[Similar to 44-11-202 (3)(a)(I) and 44-12-202**  
19 **(3)(a)(IV)]** ESTABLISHMENT OF A MARIJUANA AND MARIJUANA PRODUCTS  
20 INDEPENDENT TESTING AND CERTIFICATION PROGRAM FOR MARIJUANA  
21 BUSINESS LICENSEES, WITHIN AN IMPLEMENTATION TIME FRAME  
22 ESTABLISHED BY THE DEPARTMENT, REQUIRING LICENSEES TO TEST  
23 MARIJUANA AND INDUSTRIAL HEMP PRODUCTS TO ENSURE, AT A MINIMUM,  
24 THAT PRODUCTS SOLD FOR HUMAN CONSUMPTION BY PERSONS LICENSED  
25 PURSUANT TO THIS ARTICLE 10 DO NOT CONTAIN CONTAMINANTS THAT  
26 ARE INJURIOUS TO HEALTH AND TO ENSURE CORRECT LABELING.

27 (II) TESTING MAY INCLUDE ANALYSIS FOR MICROBIAL AND

1 RESIDUAL SOLVENTS AND CHEMICAL AND BIOLOGICAL CONTAMINANTS  
2 DEEMED TO BE PUBLIC HEALTH HAZARDS BY THE COLORADO DEPARTMENT  
3 OF PUBLIC HEALTH AND ENVIRONMENT BASED ON MEDICAL REPORTS AND  
4 PUBLISHED SCIENTIFIC LITERATURE.

5 (III) (A) IF TEST RESULTS INDICATE THE PRESENCE OF QUANTITIES  
6 OF ANY SUBSTANCE DETERMINED TO BE INJURIOUS TO HEALTH, THE  
7 MEDICAL MARIJUANA OR RETAIL MARIJUANA LICENSEE SHALL  
8 IMMEDIATELY QUARANTINE THE PRODUCTS AND NOTIFY THE STATE  
9 LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY SHALL GIVE THE  
10 LICENSEE AN OPPORTUNITY TO REMEDIATE THE PRODUCT IF THE TEST  
11 INDICATED THE PRESENCE OF A MICROBIAL. IF THE LICENSEE IS UNABLE TO  
12 REMEDIATE THE PRODUCT, THE LICENSEE SHALL DOCUMENT AND  
13 PROPERLY DESTROY THE ADULTERATED PRODUCT.

14 (B) IF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCT TEST  
15 RESULTS INDICATE THE PRESENCE OF QUANTITIES OF ANY SUBSTANCE  
16 DETERMINED TO BE INJURIOUS TO HEALTH, THE STATE LICENSING  
17 AUTHORITY SHALL GIVE THE LICENSEE AN OPPORTUNITY TO RETEST THE  
18 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCT.

19 (C) IF TWO ADDITIONAL TESTS OF THE RETAIL MARIJUANA OR  
20 RETAIL MARIJUANA PRODUCT DO NOT INDICATE THE PRESENCE OF  
21 QUANTITIES OF ANY SUBSTANCE DETERMINED TO BE INJURIOUS TO  
22 HEALTH, THE PRODUCT MAY BE USED OR SOLD BY THE RETAIL MARIJUANA  
23 LICENSEE.

24 (IV) (A) TESTING MUST ALSO VERIFY THC POTENCY  
25 REPRESENTATIONS AND HOMOGENEITY FOR CORRECT LABELING AND  
26 PROVIDE A CANNABINOID PROFILE FOR THE REGULATED MARIJUANA  
27 PRODUCT.

1 (B) AN INDIVIDUAL RETAIL MARIJUANA PIECE OF TEN MILLIGRAMS  
2 OR LESS THAT HAS GONE THROUGH PROCESS VALIDATION IS EXEMPT FROM  
3 CONTINUED HOMOGENEITY TESTING.

4 (C) HOMOGENEITY TESTING FOR ONE HUNDRED MILLIGRAM  
5 SERVINGS OF RETAIL MARIJUANA MAY UTILIZE VALIDATION MEASURES.

6 (V) THE STATE LICENSING AUTHORITY SHALL DETERMINE AN  
7 ACCEPTABLE VARIANCE FOR POTENCY REPRESENTATIONS AND  
8 PROCEDURES TO ADDRESS POTENCY MISREPRESENTATIONS. THE STATE  
9 LICENSING AUTHORITY SHALL DETERMINE AN ACCEPTABLE VARIANCE OF  
10 AT LEAST PLUS OR MINUS FIFTEEN PERCENT FOR POTENCY  
11 REPRESENTATIONS AND PROCEDURES TO ADDRESS POTENCY  
12 MISREPRESENTATIONS.

13 (VI) THE STATE LICENSING AUTHORITY SHALL DETERMINE THE  
14 PROTOCOLS AND FREQUENCY OF REGULATED MARIJUANA TESTING BY  
15 LICENSEES.

16 (VII) A STATE, LOCAL, OR MUNICIPAL AGENCY SHALL NOT EMPLOY  
17 OR USE THE RESULTS OF ANY TEST OF REGULATED MARIJUANA OR  
18 REGULATED MARIJUANA PRODUCTS CONDUCTED BY AN ANALYTICAL  
19 LABORATORY THAT IS NOT CERTIFIED PURSUANT TO THIS SUBSECTION  
20 (2)(d)(VII) FOR THE PARTICULAR TESTING CATEGORY OR THAT IS NOT  
21 ACCREDITED TO THE INTERNATIONAL ORGANIZATION FOR  
22 STANDARDIZATION/INTERNATIONAL ELECTROTECHNICAL COMMISSION  
23 17025:2005 STANDARD, OR ANY SUBSEQUENT SUPERSEDING STANDARD,  
24 IN THAT FIELD OF TESTING. STARTING JANUARY 1, 2018, A STATE, LOCAL,  
25 OR MUNICIPAL AGENCY MAY USE OR EMPLOY THE RESULTS OF ANY TEST  
26 OF REGULATED MARIJUANA OR REGULATED MARIJUANA PRODUCTS  
27 CONDUCTED ON OR AFTER JANUARY 1, 2018, BY AN ANALYTICAL

1 LABORATORY THAT IS CERTIFIED PURSUANT TO THIS SUBSECTION  
2 (2)(d)(VII) FOR THE PARTICULAR TESTING CATEGORY OR IS ACCREDITED  
3 PURSUANT TO THE INTERNATIONAL ORGANIZATION FOR  
4 STANDARDIZATION/ INTERNATIONAL ELECTROTECHNICAL COMMISSION  
5 17025:2005 STANDARD, OR ANY SUBSEQUENT SUPERSEDING STANDARD,  
6 IN THAT FIELD OF TESTING.

7 (VIII) ON OR BEFORE JANUARY 1, 2019, THE STATE LICENSING  
8 AUTHORITY SHALL REQUIRE A MEDICAL MARIJUANA TESTING FACILITY OR  
9 RETAIL MARIJUANA TESTING FACILITY TO BE ACCREDITED BY A BODY THAT  
10 IS ITSELF RECOGNIZED BY THE INTERNATIONAL LABORATORY  
11 ACCREDITATION COOPERATION IN A CATEGORY OF TESTING PURSUANT TO  
12 THE INTERNATIONAL ORGANIZATION FOR  
13 STANDARDIZATION/INTERNATIONAL ELECTROTECHNICAL COMMISSION  
14 17025:2005 STANDARD, OR A SUBSEQUENT SUPERSEDING STANDARD, IN  
15 ORDER TO RECEIVE CERTIFICATION OR MAINTAIN CERTIFICATION; EXCEPT  
16 THAT THE STATE LICENSING AUTHORITY MAY BY RULE ESTABLISH  
17 CONDITIONS FOR PROVIDING EXTENSIONS TO A NEWLY LICENSED MEDICAL  
18 MARIJUANA TESTING FACILITY OR RETAIL MARIJUANA TESTING FACILITY  
19 FOR A PERIOD NOT TO EXCEED TWELVE MONTHS OR A MEDICAL MARIJUANA  
20 TESTING FACILITY OR RETAIL MARIJUANA TESTING FACILITY FOR GOOD  
21 CAUSE AS DEFINED BY RULES PROMULGATED BY THE STATE LICENSING  
22 AUTHORITY, WHICH MUST INCLUDE BUT MAY NOT BE LIMITED TO WHEN AN  
23 APPLICATION FOR ACCREDITATION HAS BEEN SUBMITTED AND IS PENDING  
24 WITH A RECOGNIZED ACCREDITING BODY.

25 (IX) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES  
26 THAT PREVENT REDUNDANT TESTING OF MARIJUANA AND MARIJUANA  
27 CONCENTRATE, INCLUDING, BUT NOT LIMITED TO, POTENCY TESTING OF

MARIJUANA ALLOCATED TO EXTRACTIONS, AND RESIDUAL SOLVENT  
TESTING OF MARIJUANA CONCENTRATE WHEN ALL INPUTS OF THE  
MARIJUANA CONCENTRATE HAVE PASSED RESIDUAL SOLVENT TESTING  
PURSUANT TO THIS SUBSECTION (2)(d).

(e) [**Formerly 44-12-202 (3)(a)(V) and similar to 44-11-202 (2)(a)(X)**] Security requirements for any premises licensed pursuant to this ~~article 12~~ ARTICLE 10, including, at a minimum, lighting, physical security, video, and alarm requirements, and other minimum procedures for internal control as deemed necessary by the state licensing authority to properly administer and enforce the provisions of this ~~article 12~~ ARTICLE 10, including reporting requirements for changes, alterations, or modifications to the premises;

(f) [**Similar to 44-11-202 (2)(a)(XIV) and 44-12-202 (3)(a)(VII)**] LABELING REQUIREMENTS FOR REGULATED MARIJUANA AND REGULATED MARIJUANA PRODUCTS SOLD BY A MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS THAT ARE AT LEAST AS STRINGENT AS THOSE IMPOSED BY SECTION 25-4-1614 (3)(a) AND INCLUDE BUT ARE NOT LIMITED TO:

- (I) WARNING LABELS;
- (II) AMOUNT OF THC PER SERVING AND THE NUMBER OF SERVINGS PER PACKAGE FOR REGULATED MARIJUANA PRODUCTS;
- (III) A UNIVERSAL SYMBOL INDICATING THAT THE PACKAGE CONTAINS MARIJUANA; AND
- (IV) POTENCY OF THE REGULATED MARIJUANA AND REGULATED MARIJUANA PRODUCTS;

(g) [**Formerly 44-12-202 (3)(a)(VIII)**] Health and safety regulations and standards for the manufacture of ~~retail~~ REGULATED

1 marijuana products and the cultivation of ~~retail~~ REGULATED marijuana;

2 (h) [**Formerly 44-12-202 (3)(a)(X) and similar to 44-11-202**

3 **(2)(a)(XI)**] Regulation of the storage of, warehouses for, and

4 transportation of ~~retail~~ REGULATED marijuana and ~~retail~~ REGULATED

5 marijuana products;

6 (i) [**Formerly 44-12-202 (3)(a)(XI) and similar to 44-11-202**

7 **(2)(a)(XII)**] Sanitary requirements for MEDICAL MARIJUANA BUSINESSES

8 AND retail marijuana ~~establishments~~ BUSINESSES, including but not

9 limited to sanitary requirements for the preparation of ~~retail~~ REGULATED

10 marijuana products;

11 (j) [**Formerly 44-12-202 (3)(a)(XIII) and similar to 44-11-202**

12 **(2)(a)(XVIII)**] The reporting and transmittal of monthly sales tax

13 payments by MEDICAL MARIJUANA STORES AND retail marijuana stores and

14 any applicable excise tax payments by retail marijuana cultivation

15 facilities;

16 (k) [**Formerly 44-12-202 (3)(a)(XIV) and similar to 44-11-202**

17 **(2)(a)(XIX)**] Authorization for the department of ~~revenue~~ to have access

18 to licensing information to ensure sales, excise, and income tax payment

19 and the effective administration of this ~~article-12~~ ARTICLE 10;

20 (l) [**Formerly 44-12-202 (3)(a)(XVI) and similar to 44-11-202**

21 **(2)(a)(I)**] Compliance with, enforcement of, or violation of any provision

22 of this ~~article-12~~ ARTICLE 10, section 18-18-406.3 (7), or any rule ~~issued~~

23 PROMULGATED pursuant to this ~~article-12~~ ARTICLE 10, including

24 procedures and grounds for denying, suspending, fining, restricting, or

25 revoking a state license issued pursuant to this ~~article-12~~ ARTICLE 10;

26 (m) [**Formerly 44-12-202 (3)(a)(XVII)**] Establishing a schedule

27 of penalties and procedures for issuing and appealing citations for

1 violation of statutes and rules and issuing administrative citations;

2 (n) **[Formerly 44-12-202 (3)(a)(XVIII) and similar to 44-11-202**

3 **(2)(a)(XXI)]** MEDICAL MARIJUANA TRANSPORTER LICENSED BUSINESSES

4 AND retail marijuana transporter licensed businesses, including

5 requirements for drivers, including obtaining and maintaining a valid

6 Colorado driver's license; insurance requirements; acceptable time frames

7 for transport, storage, and delivery; requirements for transport vehicles;

8 REQUIREMENTS FOR DELIVERIES; and requirements for licensed premises;

9 (o) **[Formerly 44-12-202 (3)(a)(XIX) and similar to 44-11-202**

10 **(2)(a)(XXII)]** MEDICAL MARIJUANA BUSINESS OPERATOR LICENSES AND

11 retail marijuana ~~establishment~~ BUSINESS operator licensees, including the

12 form and structure of allowable agreements between operators and

13 ~~owners~~ THE MEDICAL OR RETAIL MARIJUANA BUSINESS;

14 (p) **[Formerly 44-12-202 (3)(a)(XX)]** Nonescorted visitors in

15 limited access areas;

16 (q) **[Formerly 44-12-202 (3)(a)(XXII) and similar to 44-11-202**

17 **(2)(a)(XXVII)]** Temporary appointee registrations issued pursuant to

18 ~~section 44-12-401 (1.5)~~ SECTION 44-10-401 (2), including occupational

19 and business registration requirements; application time frames;

20 notification requirements; issuance, expiration, renewal, suspension, and

21 revocation of a temporary appointee registration; and conditions of

22 registration;

23 (r) **[Formerly 44-12-202 (3)(a)(XXIII) and similar to 44-11-202**

24 **(2)(a)(XXVIII)]** Requirements for a centralized distribution permit for

25 MEDICAL MARIJUANA CULTIVATION FACILITIES OR retail marijuana

26 cultivation facilities issued pursuant to ~~section 44-12-403 (7)~~ SECTION

27 44-10-503 (6) OR 44-10-602 (7), including but not limited to permit



1 application requirements and privileges and restrictions of a centralized  
2 distribution permit; and

3 (s) [Formerly 44-12-202 (3)(a)(XXIV) and similar to 44-11-202  
4 (2)(a)(XXIX)] Requirements for issuance of colocation permits to a  
5 marijuana research and development licensee ~~or a marijuana research and~~  
6 ~~development cultivation licensee~~ authorizing colocation with a MEDICAL  
7 MARIJUANA PRODUCTS MANUFACTURER OR retail marijuana products  
8 manufacturing MANUFACTURER licensed premises, including application  
9 requirements, eligibility, restrictions to prevent cross-contamination and  
10 to ensure physical separation of inventory and research activities, and  
11 other privileges and restrictions of permits;

12 (t) [Formerly 44-12-202 (3)(c)(IV) and similar to 44-11-202  
13 (2)(a)(VIII)] Development of individual identification cards for ~~owners,~~  
14 ~~officers,~~ NATURAL PERSONS WHO ARE CONTROLLING BENEFICIAL OWNERS,  
15 ~~managers, contractors, employees, and other support staff of entities~~  
16 ~~licensed pursuant to this article 12,~~ AND ANY PERSON OPERATING,  
17 WORKING IN, OR HAVING UNESCORTED ACCESS TO THE LIMITED ACCESS  
18 AREAS OF THE LICENSED PREMISES OF A MEDICAL MARIJUANA BUSINESS OR  
19 RETAIL MARIJUANA BUSINESS including a fingerprint-based criminal  
20 history record check as may be required by the state licensing authority  
21 prior to issuing a card;

22 (u) [Formerly 44-11-202 (2)(a)(IX) and 44-12-202 (3)(c)(V)]  
23 Identification of state licensees and their ~~owners, officers~~ CONTROLLING  
24 BENEFICIAL OWNERS, PASSIVE BENEFICIAL OWNERS, managers, and  
25 employees;

26 (v) [Formerly 44-12-202 (3)(c)(VI) and similar to 44-11-202  
27 (2)(a)(XIII)] The specification of acceptable forms of picture

1 identification that a MEDICAL MARIJUANA STORE OR retail marijuana store  
2 may accept when verifying a sale, including but not limited to  
3 government-issued identification cards;

4 (w) [Formerly 44-11-202 (2)(a)(XVII) and similar to 44-12-202  
5 (3)(c)(VII)] State licensing procedures, including procedures for  
6 renewals, reinstatements, initial licenses, and the payment of licensing  
7 fees;

8 (x) [Formerly 44-11-202 (3)(a)(IV) and 44-12-202 (5)] THE  
9 conditions under which a licensee is authorized to transfer fibrous waste  
10 to a person for the purpose of producing only industrial fiber products.  
11 The conditions must include contract requirements that stipulate that the  
12 fibrous waste will only be used to produce industrial fiber products;  
13 record-keeping requirements; security measures related to the transport  
14 and transfer of fibrous waste; REQUIREMENTS FOR handling contaminated  
15 fibrous waste; ~~requirements~~; and processes associated with handling  
16 fibrous waste. The rules ~~shall~~ MUST not require licensees to alter fibrous  
17 waste from its natural state prior to transfer.

18 (y) [Similar to 44-12-202 (3)(e)] REQUIRING THAT EDIBLE  
19 REGULATED MARIJUANA PRODUCTS BE CLEARLY IDENTIFIABLE, WHEN  
20 PRACTICABLE, WITH A STANDARD SYMBOL INDICATING THAT THEY  
21 CONTAIN MARIJUANA AND ARE NOT FOR CONSUMPTION BY CHILDREN. THE  
22 SYMBOLS PROMULGATED BY RULE OF THE STATE LICENSING AUTHORITY  
23 MUST NOT APPROPRIATE SIGNS OR SYMBOLS ASSOCIATED WITH ANOTHER  
24 COLORADO BUSINESS OR INDUSTRY;

25 (z) [Formerly 44-12-202 (3)(a)(VI)] Requirements to prevent the  
26 sale or diversion of retail marijuana and retail marijuana products to  
27 persons under twenty-one years of age;

1           (aa) THE IMPLEMENTATION OF AN ACCELERATOR PROGRAM  
2           INCLUDING BUT NOT LIMITED TO RULES TO ESTABLISH SEVERED LIABILITY  
3           FOR LICENSEES OPERATING ON THE SAME PHYSICAL PREMISES, SEVERED  
4           CUSTODIANSHIP OF REGULATED PRODUCTS, PROTECTIONS OF THE  
5           INTELLECTUAL PROPERTY OF THE ACCELERATOR LICENSEE, INCENTIVES  
6           FOR LICENSEES ENDORSED AS ACCELERATORS, AND ADDITIONAL  
7           REQUIREMENTS IF A PERSON APPLYING FOR AN ACCELERATOR  
8           ENDORSEMENT HAS LESS THAN TWO YEARS EXPERIENCE OPERATING A  
9           LICENSED FACILITY UNDER THIS TITLE 10:

10           (bb) CONDITIONS UNDER WHICH A LICENSEE IS AUTHORIZED TO  
11           COLLECT MARIJUANA CONSUMER WASTE AND TRANSFER IT TO A PERSON  
12           FOR THE PURPOSES OF REUSE OR RECYCLING IN ACCORDANCE WITH ALL  
13           REQUIREMENTS ESTABLISHED BY THE DEPARTMENT OF PUBLIC HEALTH  
14           AND ENVIRONMENT PERTAINING TO WASTE DISPOSAL AND RECYCLING. THE  
15           CONDITIONS MUST INCLUDE:

16           (I) THAT THE PERSON RECEIVING MARIJUANA CONSUMER WASTE  
17           FROM A LICENSEE IS, TO THE EXTENT REQUIRED BY LAW, REGISTERED WITH  
18           THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT;

19           (II) RECORD-KEEPING REQUIREMENTS;

20           (III) SECURITY MEASURES RELATED TO THE COLLECTION AND  
21           TRANSFER OF MARIJUANA CONSUMER WASTE;

22           (IV) HEALTH AND SAFETY REQUIREMENTS, INCLUDING  
23           REQUIREMENTS FOR THE HANDLING OF MARIJUANA CONSUMER WASTE;  
24           AND

25           (V) PROCESSES ASSOCIATED WITH HANDLING MARIJUANA  
26           CONSUMER WASTE, INCLUDING DESTRUCTION OF ANY REMAINING  
27           REGULATED MARIJUANA IN THE MARIJUANA CONSUMER WASTE.

1 (cc) REQUIREMENTS FOR A TRANSITION PERMIT FOR MEDICAL  
2 MARIJUANA CULTIVATION FACILITIES OR RETAIL MARIJUANA CULTIVATION  
3 FACILITIES ISSUED PURSUANT TO SECTION 44-10-311 (13)(c), INCLUDING  
4 BUT NOT LIMITED TO PERMIT APPLICATION REQUIREMENTS AND  
5 RESTRICTIONS OF A TRANSITION PERMIT.

6 (dd) REQUIREMENTS FOR MEDICAL MARIJUANA AND MEDICAL  
7 MARIJUANA PRODUCTS DELIVERY AS DESCRIBED IN SECTION 44-10-501  
8 (11) AND SECTION 44-10-505 (5) AND RETAIL MARIJUANA AND RETAIL  
9 MARIJUANA PRODUCTS DELIVERY AS DESCRIBED IN SECTION 44-10-601  
10 (13) AND SECTION 44-10-605 (5), INCLUDING:

11 (A) QUALIFICATIONS AND ELIGIBILITY REQUIREMENTS FOR  
12 LICENSED MEDICAL MARIJUANA STORES, RETAIL MARIJUANA STORES,  
13 MEDICAL MARIJUANA TRANSPORTERS, AND RETAIL MARIJUANA  
14 TRANSPORTERS APPLYING FOR A MEDICAL MARIJUANA DELIVERY PERMIT;

15 (B) TRAINING REQUIREMENTS FOR PERSONNEL OF MEDICAL  
16 MARIJUANA STORES, RETAIL MARIJUANA STORES, MEDICAL MARIJUANA  
17 TRANSPORTERS, AND RETAIL MARIJUANA TRANSPORTERS THAT HOLD A  
18 MEDICAL MARIJUANA OR RETAIL MARIJUANA DELIVERY PERMIT WHO WILL  
19 DELIVER MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS OR  
20 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS PURSUANT TO THIS  
21 ARTICLE 10 AND REQUIREMENTS THAT MEDICAL MARIJUANA STORES,  
22 RETAIL MARIJUANA STORES, MEDICAL MARIJUANA TRANSPORTERS, AND  
23 RETAIL MARIJUANA TRANSPORTERS OBTAIN A RESPONSIBLE VENDOR  
24 DESIGNATION PURSUANT TO SECTION 44-10-1201 PRIOR TO CONDUCTING  
25 A DELIVERY;

26 (C) PROCEDURES FOR PROOF OF MEDICAL MARIJUANA REGISTRY  
27 AND AGE IDENTIFICATION AND VERIFICATION;

- 1 (D) SECURITY REQUIREMENTS;
- 2 (E) DELIVERY VEHICLE REQUIREMENTS, INCLUDING  
3 REQUIREMENTS FOR SURVEILLANCE;
- 4 (F) RECORD-KEEPING REQUIREMENTS;
- 5 (G) LIMITS ON THE AMOUNT OF MEDICAL MARIJUANA AND  
6 MEDICAL MARIJUANA PRODUCTS AND RETAIL MARIJUANA AND RETAIL  
7 MARIJUANA PRODUCTS THAT MAY BE CARRIED IN A DELIVERY VEHICLE  
8 AND DELIVERED TO A PATIENT OR PARENT OR GUARDIAN OR INDIVIDUAL,  
9 WHICH CANNOT EXCEED LIMITS PLACED ON SALES AT LICENSED MEDICAL  
10 MARIJUANA STORES;
- 11 (H) LIMITS ON THE AMOUNT OF RETAIL MARIJUANA AND RETAIL  
12 MARIJUANA PRODUCTS THAT MAY BE CARRIED IN A DELIVERY VEHICLE  
13 AND DELIVERED TO AN INDIVIDUAL, WHICH CANNOT EXCEED LIMITS  
14 PLACED ON SALES AT RETAIL MARIJUANA STORES;
- 15 (I) INVENTORY TRACKING SYSTEM REQUIREMENTS;
- 16 (J) HEALTH AND SAFETY REQUIREMENTS FOR MEDICAL MARIJUANA  
17 AND MEDICAL MARIJUANA PRODUCTS DELIVERED TO A PATIENT OR PARENT  
18 OR GUARDIAN AND FOR RETAIL MARIJUANA AND RETAIL MARIJUANA  
19 PRODUCTS DELIVERED TO AN INDIVIDUAL;
- 20 (K) CONFIDENTIALITY REQUIREMENTS TO ENSURE THAT PERSONS  
21 DELIVERING MEDICAL MARIJUANA AND MEDICAL MARIJUANA PRODUCTS  
22 OR RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS PURSUANT TO  
23 THIS ARTICLE 10 DO NOT DISCLOSE PERSONAL IDENTIFYING INFORMATION  
24 TO ANY PERSON OTHER THAN THOSE WHO NEED THAT INFORMATION IN  
25 ORDER TO TAKE, PROCESS, OR DELIVER THE ORDER OR AS OTHERWISE  
26 REQUIRED OR AUTHORIZED BY THIS ARTICLE 10, TITLE 18, OR TITLE 25;
- 27 (L) AN APPLICATION FEE AND ANNUAL RENEWAL FEE FOR THE

1 MEDICAL MARIJUANA DELIVERY PERMIT AND THE RETAIL MARIJUANA  
2 DELIVERY PERMIT. THE AMOUNT OF THE FEE MUST REFLECT THE EXPECTED  
3 COSTS OF ADMINISTERING THE MEDICAL MARIJUANA DELIVERY PERMIT  
4 AND THE RETAIL MARIJUANA DELIVERY PERMIT AND MAY BE ADJUSTED BY  
5 THE STATE LICENSING AUTHORITY TO REFLECT THE PERMIT'S ACTUAL  
6 DIRECT AND INDIRECT COSTS.

7 (M) THE PERMITTED HOURS OF DELIVERY OF MEDICAL MARIJUANA  
8 AND MEDICAL MARIJUANA PRODUCTS AND RETAIL MARIJUANA AND RETAIL  
9 MARIJUANA PRODUCTS;

10 (N) REQUIREMENTS FOR AREAS WHERE MEDICAL MARIJUANA AND  
11 MEDICAL MARIJUANA PRODUCTS OR RETAIL MARIJUANA AND RETAIL  
12 MARIJUANA PRODUCTS ORDERS ARE STORED, WEIGHED, PACKAGED,  
13 PREPARED, AND TAGGED, INCLUDING REQUIREMENTS THAT MEDICAL  
14 MARIJUANA AND MEDICAL MARIJUANA PRODUCTS OR RETAIL MARIJUANA  
15 AND RETAIL MARIJUANA PRODUCTS CANNOT BE PLACED INTO A DELIVERY  
16 VEHICLE UNTIL AFTER AN ORDER HAS BEEN PLACED AND THAT ALL  
17 DELIVERY ORDERS MUST BE PACKAGED ON THE LICENSED PREMISES OF A  
18 MEDICAL MARIJUANA STORE OR RETAIL MARIJUANA STORE OR ITS  
19 ASSOCIATED STATE LICENSING AUTHORITY-AUTHORIZED STORAGE  
20 FACILITY AS DEFINED BY RULE AFTER AN ORDER HAS BEEN RECEIVED; AND

21 (O) PAYMENT METHODS, INCLUDING BUT NOT LIMITED TO THE USE  
22 OF GIFT CARDS AND PREPAYMENT ACCOUNTS.

23 (ee) (I) (A) OWNERSHIP AND FINANCIAL DISCLOSURE PROCEDURES  
24 AND REQUIREMENTS PURSUANT TO THIS ARTICLE 10;

25 (B) RECORDS A MEDICAL MARIJUANA BUSINESS OR RETAIL  
26 MARIJUANA BUSINESS IS REQUIRED TO MAINTAIN REGARDING ITS  
27 CONTROLLING BENEFICIAL OWNERS, PASSIVE BENEFICIAL OWNERS, AND

1 INDIRECT FINANCIAL INTEREST HOLDERS THAT MAY BE SUBJECT TO  
2 DISCLOSURE AT RENEWAL OR AS PART OF ANY OTHER INVESTIGATION  
3 FOLLOWING INITIAL LICENSURE OF A MEDICAL MARIJUANA BUSINESS OR  
4 RETAIL MARIJUANA BUSINESS;

5 (C) PROCEDURES AND REQUIREMENTS FOR FINDINGS OF  
6 SUITABILITY PURSUANT TO THIS ARTICLE 10, INCLUDING FEES NECESSARY  
7 TO COVER THE DIRECT AND INDIRECT COSTS OF ANY SUITABILITY  
8 INVESTIGATION;

9 (D) PROCEDURES AND REQUIREMENTS CONCERNING THE  
10 DIVESTITURE OF THE BENEFICIAL OWNERSHIP OF A PERSON FOUND  
11 UNSUITABLE BY THE STATE LICENSING AUTHORITY;

12 (E) PROCEDURES, PROCESSES, AND REQUIREMENTS FOR TRANSFERS  
13 OF OWNERSHIP INVOLVING A PUBLICLY TRADED CORPORATION, INCLUDING  
14 BUT NOT LIMITED TO MERGERS WITH A PUBLICLY TRADED CORPORATION,  
15 INVESTMENT BY A PUBLICLY TRADED CORPORATION, AND PUBLIC  
16 OFFERINGS;

17 (F) DESIGNATION OF PERSONS THAT BY VIRTUE OF COMMON  
18 CONTROL CONSTITUTE CONTROLLING BENEFICIAL OWNERS;

19 (G) MODIFICATION OF THE PERCENTAGE OF OWNER'S INTERESTS  
20 THAT MAY BE HELD BY A CONTROLLING BENEFICIAL OWNER AND PASSIVE  
21 BENEFICIAL OWNER;

22 (H) DESIGNATION OF PERSONS THAT QUALIFY FOR AN EXEMPTION  
23 FROM AN OTHERWISE REQUIRED FINDING OF SUITABILITY; AND

24 (I) DESIGNATION OF INDIRECT FINANCIAL INTEREST HOLDERS AND  
25 QUALIFIED INSTITUTIONAL INVESTORS.

26 (II) RULES PROMULGATED PURSUANT TO THIS SUBSECTION (2)(ee)  
27 MUST NOT BE ANY MORE RESTRICTIVE THAN THE REQUIREMENTS

1 EXPRESSLY ESTABLISHED UNDER THIS ARTICLE 10.

2 (3) IN PROMULGATING RULES PURSUANT TO THIS SECTION, THE  
3 STATE LICENSING AUTHORITY MAY SEEK THE ASSISTANCE OF THE  
4 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT WHEN NECESSARY  
5 BEFORE PROMULGATING RULES ON THE FOLLOWING SUBJECTS:

6 (a) [Similar to 44-11-202 (3)(a)(II) and 44-12-202  
7 (3)(d)(I)] SIGNAGE, MARKETING, AND ADVERTISING, INCLUDING BUT NOT  
8 LIMITED TO A PROHIBITION ON MASS-MARKET CAMPAIGNS THAT HAVE A  
9 HIGH LIKELIHOOD OF REACHING PERSONS UNDER EIGHTEEN YEARS OF AGE  
10 FOR MEDICAL MARIJUANA AND HAVE A HIGH LIKELIHOOD OF REACHING  
11 PERSONS UNDER TWENTY-ONE YEARS OF AGE FOR RETAIL MARIJUANA AND  
12 OTHER SUCH RULES THAT MAY INCLUDE:

13 (I) ALLOWING PACKAGING AND ACCESSORY BRANDING;

14 (II) PROHIBITING HEALTH OR PHYSICAL BENEFIT CLAIMS IN  
15 ADVERTISING, MERCHANDISING, AND PACKAGING;

16 (III) PROHIBITING UNSOLICITED POP-UP ADVERTISING ON THE  
17 INTERNET;

18 (IV) PROHIBITING BANNER ADS ON MASS-MARKET WEBSITES;

19 (V) PROHIBITING OPT-IN MARKETING THAT DOES NOT PERMIT AN  
20 EASY AND PERMANENT OPT-OUT FEATURE; AND

21 (VI) PROHIBITING MARKETING DIRECTED TOWARD  
22 LOCATION-BASED DEVICES, INCLUDING BUT NOT LIMITED TO CELLULAR  
23 PHONES, UNLESS THE MARKETING IS A MOBILE DEVICE APPLICATION  
24 INSTALLED ON THE DEVICE BY THE OWNER OF THE DEVICE WHO IS  
25 EIGHTEEN YEARS OF AGE OR OLDER FOR MEDICAL MARIJUANA AND  
26 TWENTY-ONE YEARS OF AGE OR OLDER FOR RETAIL MARIJUANA AND  
27 INCLUDES A PERMANENT AND EASY OPT-OUT FEATURE;



1           (b) **[Similar to 44-11-202 (2)(a)(XV) and 44-12-202 (3)(d)(II)]** A  
2 PROHIBITION ON THE SALE OF REGULATED MARIJUANA AND REGULATED  
3 MARIJUANA PRODUCTS UNLESS THE PRODUCT IS:

4           (I) PACKAGED IN PACKAGING MEETING REQUIREMENTS  
5 ESTABLISHED BY THE STATE LICENSING AUTHORITY SIMILAR TO THE  
6 FEDERAL "POISON PREVENTION PACKAGING ACT OF 1970", 15 U.S.C. SEC.  
7 1471 ET SEQ., AS AMENDED; AND

8           (II) PLACED IN AN OPAQUE AND RESEALABLE EXIT PACKAGE OR  
9 CONTAINER MEETING REQUIREMENTS ESTABLISHED BY THE STATE  
10 LICENSING AUTHORITY AT THE POINT OF SALE PRIOR TO EXITING THE  
11 STORE;

12           (c) **[Formerly 44-12-202 (3)(d)(III)]** The safe and lawful  
13 transport of ~~retail~~ REGULATED marijuana and ~~retail~~ REGULATED marijuana  
14 products between the licensed business and testing laboratories;

15           (d) **[Formerly 44-12-202 (3)(d)(IV)]** A standardized marijuana  
16 serving size amount for edible retail marijuana products that does not  
17 contain more than ten milligrams of active THC, designed only to provide  
18 consumers with information about the total number of servings of active  
19 THC in a particular retail marijuana product, not as a limitation on the  
20 total amount of THC in any particular item; labeling requirements  
21 regarding servings for edible retail marijuana products; and limitations on  
22 the total amount of active THC in a sealed internal package that is no  
23 more than one hundred milligrams of active THC;

24           (e) **[Formerly 44-12-202 (3)(d)(VI)]** Prohibition ON or regulation  
25 of additives to any ~~retail~~ REGULATED marijuana product, including but not  
26 limited to those that are toxic, designed to make the product more  
27 addictive, designed to make the product more appealing to children, or

1 misleading to consumers, but not including common baking and cooking  
2 items;

3 (f) **[Formerly 44-12-202 (3)(d)(VII)]** Permission for a local fire  
4 department to conduct an annual fire inspection of a MEDICAL MARIJUANA  
5 CULTIVATION FACILITY OR retail marijuana cultivation facility; and

6 (g) **[Formerly 44-12-202 (3)(d)(VIII)(A) and similar to**  
7 **44-11-202 (3)(a)(III)(A)]** A prohibition on the production and sale of  
8 edible ~~retail~~ REGULATED marijuana products that are in the distinct shape  
9 of a human, animal, or fruit. Geometric shapes and products that are  
10 simply fruit flavored are not considered fruit. Products in the shape of a  
11 marijuana leaf are permissible. Nothing in this ~~subsection (3)(a)(VIII)~~  
12 SUBSECTION (3)(g) applies to a company logo.

13 (h) A REQUIREMENT THAT EVERY MEDICAL MARIJUANA STORE AND  
14 RETAIL MARIJUANA STORE POST, AT ALL TIMES AND IN A PROMINENT  
15 PLACE, A WARNING THAT HAS A MINIMUM HEIGHT OF THREE INCHES AND  
16 A WIDTH OF SIX INCHES AND THAT READS:

17 **WARNING: USING MARIJUANA, IN ANY FORM, WHILE YOU**  
18 **ARE PREGNANT OR BREASTFEEDING PASSES THC TO YOUR**  
19 **BABY AND MAY BE HARMFUL TO YOUR BABY. THERE IS NO**  
20 **KNOWN SAFE AMOUNT OF MARIJUANA USE DURING**  
21 **PREGNANCY OR BREASTFEEDING.**

22 **(4) [Similar to 44-12-202 (3)(b)(I)] Equivalency. RULES**  
23 **PROMULGATED PURSUANT TO SECTION 44-10-202 (1)(c) MUST ALSO**  
24 **INCLUDE ESTABLISHING THE EQUIVALENT OF ONE OUNCE OF RETAIL**  
25 **MARIJUANA FLOWER IN VARIOUS RETAIL MARIJUANA PRODUCTS,**  
26 **INCLUDING RETAIL MARIJUANA CONCENTRATE. PRIOR TO PROMULGATING**  
27 **THE RULES REQUIRED BY THIS SUBSECTION (4)(b), THE STATE LICENSING**

1 AUTHORITY MAY CONTRACT FOR A SCIENTIFIC STUDY TO DETERMINE THE  
2 EQUIVALENCY OF MARIJUANA FLOWER IN RETAIL MARIJUANA PRODUCTS,  
3 INCLUDING RETAIL MARIJUANA CONCENTRATE.

4 (5) [Formerly 44-11-202 (4)] **Statewide class system cultivation**  
5 **facility rules - medical marijuana.** ~~Rules promulgated pursuant to~~  
6 ~~subsection (1)(b) of this section must include, but need not be limited to,~~  
7 ~~the following subjects:~~

8 (a) The state licensing authority shall create a statewide licensure  
9 class system for ~~optional premises~~ MEDICAL MARIJUANA cultivation  
10 facility licenses. The classifications may be based upon square footage of  
11 the facility; lights, lumens, or wattage; lit canopy; the number of  
12 cultivating plants; other reasonable metrics; or any combination thereof.  
13 The state licensing authority shall create a fee structure for the licensure  
14 class system.

15 (b) (I) The state licensing authority may establish limitations ~~upon~~  
16 ON medical marijuana production through one or more of the following  
17 methods:

18 (A) Placing or modifying a limit on the number of licenses that it  
19 issues, by class or overall, but in placing or modifying the limits, the  
20 STATE LICENSING authority shall consider the reasonable availability of  
21 new licenses after a limit is established or modified;

22 (B) Placing or modifying a limit on the amount of production  
23 permitted by ~~an optional premises~~ A MEDICAL MARIJUANA cultivation  
24 facility license or class of licenses based upon some reasonable metric or  
25 set of metrics, including but not limited to those items detailed in  
26 ~~subsection (4)(a)~~ SUBSECTION (5)(a) of this section, previous months'  
27 sales, pending sales, or other reasonable metrics as determined by the

1 state licensing authority; and

2 (C) Placing or modifying a limit on the total amount of production  
3 by ~~optional premises~~ MEDICAL MARIJUANA cultivation facility licensees  
4 in the state collectively, based upon some reasonable metric or set of  
5 metrics including but not limited to those items detailed in ~~subsection~~  
6 ~~(4)(a)~~ SUBSECTION (5)(a) of this section, as determined by the state  
7 licensing authority.

8 (II) When considering any such limitations, the state licensing  
9 authority shall:

10 (A) Consider the total current and anticipated demand for medical  
11 marijuana and medical ~~marijuana-infused~~ MARIJUANA products in  
12 Colorado;

13 (B) Consider any other relevant factors; and

14 (C) Attempt to minimize the market for unlawful marijuana; and

15 (c) The state licensing authority may adopt ~~regulations~~ RULES that  
16 limit the amount of medical marijuana inventory that a medical marijuana  
17 ~~center~~ STORE may have on hand. If the state licensing authority adopts a  
18 limitation, the limitation must be commercially reasonable and consider  
19 factors including a medical marijuana ~~center's~~ STORE'S sales history and  
20 the number of patients ~~that~~ WHO are registered at a medical marijuana  
21 ~~center~~ STORE as their primary ~~center~~ STORE.

22 (6) **[Formerly 44-12-202 (4)] Statewide class system cultivation**  
23 **facility rules - retail marijuana.** (a) The state licensing authority shall  
24 create a statewide licensure class system for retail marijuana cultivation  
25 ~~facilities~~ FACILITY LICENSES. The classifications may be based upon  
26 square footage of the facility; lights, lumens, or wattage; lit canopy; the  
27 number of cultivating plants; ~~a combination of the foregoing; or other~~

1 reasonable metrics; OR ANY COMBINATION THEREOF. The state licensing  
2 authority shall create a fee structure for the ~~license~~ LICENSURE class  
3 system.

4 (b) ~~(F)~~ The state licensing authority may establish limitations ~~upon~~  
5 ON retail marijuana production through one or more of the following  
6 methods:

7 ~~(A)~~ (I) Placing or modifying a limit on the number of licenses that  
8 it issues, by class or overall, but in placing or modifying the limits, the  
9 authority shall consider the reasonable availability of new licenses after  
10 a limit is established or modified;

11 ~~(B)~~ (II) Placing or modifying a limit on the amount of production  
12 permitted by a retail marijuana cultivation facility license or class of  
13 licenses based upon some reasonable metric or set of metrics including  
14 but not limited to those items detailed in ~~subsection (4)(a)~~ SUBSECTION  
15 (6)(a) of this section, previous months' sales, pending sales, or other  
16 reasonable metrics as determined by the state licensing authority; and

17 ~~(C)~~ (III) Placing or modifying a limit on the total amount of  
18 production by retail marijuana cultivation facility licensees in the state  
19 collectively, based upon some reasonable metric or set of metrics  
20 including but not limited to those items detailed in ~~subsection (4)(a)~~  
21 SUBSECTION (6)(a) of this section, as determined by the state licensing  
22 authority.

23 ~~(H)~~ (c) Notwithstanding anything contained in this ~~article 12~~  
24 ARTICLE 10 to the contrary, in considering any such limitations, the state  
25 licensing authority, in addition to any other relevant considerations, shall:

26 ~~(A)~~ (I) Consider the total current and anticipated demand for retail  
27 marijuana and retail marijuana products in Colorado; and

1           ~~(B)~~ (II) Attempt to minimize the market for unlawful marijuana.

2           (7) THE STATE LICENSING AUTHORITY MAY DENY, SUSPEND,  
3 REVOKE, FINE, OR IMPOSE OTHER SANCTIONS AGAINST A PERSON'S LICENSE  
4 ISSUED PURSUANT TO THIS ARTICLE 10 IF THE STATE LICENSING  
5 AUTHORITY FINDS THE PERSON OR THE PERSON'S CONTROLLING  
6 BENEFICIAL OWNER, PASSIVE BENEFICIAL OWNER, OR INDIRECT FINANCIAL  
7 INTEREST HOLDER FAILED TO TIMELY FILE ANY REPORT, DISCLOSURE,  
8 REGISTRATION STATEMENT, OR OTHER SUBMISSION REQUIRED BY ANY  
9 STATE OR FEDERAL REGULATORY AUTHORITY THAT IS RELATED TO THE  
10 CONDUCT OF THEIR BUSINESS.

11           (8) THE STATE LICENSING AUTHORITY SHALL TREAT A  
12 METERED-DOSE INHALER THE SAME AS A VAPORIZED DELIVERY DEVICE  
13 FOR PURPOSES OF REGULATION AND TESTING.

14           **44-10-204. Confidentiality.** (1) THE STATE LICENSING  
15 AUTHORITY SHALL MAINTAIN THE CONFIDENTIALITY OF:

16           (a) REPORTS OR OTHER INFORMATION OBTAINED FROM A MEDICAL  
17 MARIJUANA OR RETAIL MARIJUANA LICENSEE OR A MEDICAL MARIJUANA  
18 OR RETAIL MARIJUANA LICENSE APPLICANT CONTAINING ANY  
19 INDIVIDUALIZED DATA, INFORMATION, OR RECORDS RELATED TO THE  
20 APPLICANT OR LICENSEE OR ITS OPERATION, INCLUDING SALES  
21 INFORMATION, LEASES, BUSINESS ORGANIZATION RECORDS, FINANCIAL  
22 RECORDS, TAX RETURNS, CREDIT REPORTS, CULTIVATION INFORMATION,  
23 TESTING RESULTS, AND SECURITY INFORMATION AND PLANS, OR  
24 REVEALING ANY CUSTOMER INFORMATION, OR ANY OTHER RECORDS THAT  
25 ARE EXEMPT FROM PUBLIC INSPECTION PURSUANT TO STATE LAW. SUCH  
26 REPORTS OR OTHER INFORMATION MAY BE USED ONLY FOR A PURPOSE  
27 AUTHORIZED BY THIS ARTICLE 10, FOR INVESTIGATION OR ENFORCEMENT

1 OF ANY INTERNATIONAL, FEDERAL, STATE, OR LOCAL SECURITIES LAW OR  
2 REGULATIONS, OR FOR ANY OTHER STATE OR LOCAL LAW ENFORCEMENT  
3 PURPOSE. ANY INFORMATION RELEASED RELATED TO PATIENTS MAY BE  
4 USED ONLY FOR A PURPOSE AUTHORIZED BY THIS ARTICLE 10, \_\_\_\_\_ TO  
5 VERIFY THAT A PERSON WHO PRESENTED A REGISTRY IDENTIFICATION  
6 CARD ISSUED PURSUANT TO SECTION 25-1.5-106(9) TO A STATE OR LOCAL  
7 LAW ENFORCEMENT OFFICIAL IS LAWFULLY IN POSSESSION OF SUCH CARD,  
8 AS A PART OF AN ACTIVE INVESTIGATION, AS A PART OF A PROCEEDING  
9 AUTHORIZED BY THIS ARTICLE 10 OR ARTICLE 1.5 OF TITLE 25, OR FOR ANY  
10 STATE OR LOCAL LAW ENFORCEMENT PURPOSE INVOLVING EVIDENCE OF  
11 SALES TRANSACTIONS IN VIOLATION OF THIS ARTICLE 10 OR EVIDENCE OF  
12 CRIMINAL ACTIVITY. THE INFORMATION OR RECORDS RELATED TO A  
13 PATIENT CONSTITUTE MEDICAL DATA AS DESCRIBED BY SECTION  
14 24-72-204 (3)(a)(I), AND THE INFORMATION OR RECORDS MAY ONLY BE  
15 DISCLOSED TO THOSE PERSONS DIRECTLY INVOLVED WITH AN ACTIVE  
16 INVESTIGATION OR PROCEEDING. ANY CUSTOMER INFORMATION MAY BE  
17 USED ONLY FOR A PURPOSE AUTHORIZED BY THIS ARTICLE 10.

18 (b) INVESTIGATIVE RECORDS AND DOCUMENTS RELATED TO  
19 ONGOING INVESTIGATIONS. THOSE RECORDS AND DOCUMENTS MAY BE  
20 USED ONLY FOR A PURPOSE AUTHORIZED BY THIS ARTICLE 10, OR FOR ANY  
21 OTHER STATE OR LOCAL LAW ENFORCEMENT PURPOSE.

22 (c) COMPUTER SYSTEMS MAINTAINED BY THE STATE LICENSING  
23 AUTHORITY AND THE VENDORS WITH WHICH THE STATE LICENSING  
24 AUTHORITY HAS CONTRACTED.

25 (2) THE STATE LICENSING AUTHORITY SHALL MAKE AVAILABLE  
26 FOR PUBLIC INSPECTION:

27 (a) DOCUMENTS RELATED TO FINAL AGENCY ACTIONS AND

- 1 ORDERS;
- 2 (b) RECORDS RELATED TO TESTING ON AN AGGREGATED AND
- 3 DE-IDENTIFIED BASIS;
- 4 (c) DEMOGRAPHIC INFORMATION RELATED TO APPLICANTS AND
- 5 LICENSEES AVAILABLE ON AN AGGREGATED AND DE-IDENTIFIED BASIS;
- 6 AND
- 7 (d) ENFORCEMENT FORMS AND COMPLIANCE CHECKLISTS.

8 PART 3

9 LICENSING PROCEDURES

10 **44-10-301. [Formerly 44-11-301] Local licensing authority -**

11 **applications - licenses.** (1) A local licensing authority may issue only the

12 following medical marijuana licenses upon payment of the fee and

13 compliance with all local licensing requirements to be determined by the

14 local licensing authority:

- 15 (a) A medical marijuana ~~center~~ STORE license;
- 16 (b) ~~An optional premises cultivation~~ A MEDICAL MARIJUANA
- 17 CULTIVATION FACILITY license;
- 18 (c) A medical ~~marijuana-infused~~ MARIJUANA products
- 19 ~~manufacturing~~ MANUFACTURER license;
- 20 (d) A medical marijuana testing facility license;
- 21 (e) A medical marijuana transporter license;
- 22 (f) A medical marijuana business operator license; ■
- 23 (g) A marijuana research and development license; and
- 24 (h) ~~A marijuana research and development cultivation license.~~
- 25 (i) A MEDICAL MARIJUANA DELIVERY PERMIT.
- 26 (2) (a) (I) A local licensing authority shall not issue a local license
- 27 TO A MEDICAL MARIJUANA BUSINESS within a municipality, city and



1 county, or the unincorporated portion of a county unless the governing  
2 body of the municipality or city and county has adopted an ordinance, or  
3 the governing body of the county has adopted a resolution, containing  
4 specific standards for license issuance, or if no such ordinance or  
5 resolution is adopted prior to July 1, 2012, then a local licensing authority  
6 shall consider the minimum licensing requirements of this part 3 when  
7 issuing a license.

8 ~~(b)~~ (II) In addition to all other standards applicable to the issuance  
9 of licenses under this ~~article 11~~ ARTICLE 10, the local governing body may  
10 adopt additional standards for the issuance of medical marijuana ~~center~~  
11 STORE, ~~optional premises cultivation~~ MEDICAL MARIJUANA CULTIVATION  
12 FACILITY, or medical ~~marijuana-infused~~ MARIJUANA products  
13 manufacturer licenses consistent with the intent of this ~~article 11~~ ARTICLE  
14 10 that may include, but need not be limited to:

15 ~~(H)~~ (A) Distance restrictions between premises for which local  
16 licenses are issued;

17 ~~(H)~~ (B) Reasonable restrictions on the size of an applicant's  
18 licensed premises; and

19 ~~(HH)~~ (C) Any other requirements necessary to ensure the control  
20 of the premises and the ease of enforcement of the terms and conditions  
21 of the license.

22 ~~(3)~~ (b) An application for a license specified in subsection (1) of  
23 this section ~~shall~~ MUST be filed with the state licensing authority and the  
24 appropriate local licensing authority on forms provided by the state  
25 licensing authority and ~~shall~~ MUST contain such information as the state  
26 licensing authority may require and any forms as the local licensing  
27 authority may require. Each application ~~shall~~ MUST be verified by the oath

1 or affirmation of the persons prescribed by the state licensing authority.

2 (4) (c) An applicant shall file, at the time of application for a  
3 license, plans and specifications for the interior of the building if the  
4 building to be occupied is in existence at the time. If the building is not  
5 in existence, the applicant shall file a plot plan and a detailed sketch for  
6 the interior and submit an architect's drawing of the building to be  
7 constructed. In its discretion, the local or state licensing authority may  
8 impose additional requirements necessary for the approval of the  
9 application.

10 (3) [Formerly 44-12-301 (1)] **Retail marijuana businesses.**

11 (a) When the state licensing authority receives an application for original  
12 licensing or renewal of an existing license OR PERMIT for any RETAIL  
13 marijuana establishment BUSINESS, the state licensing authority shall  
14 provide, within seven days, a copy of the application to the local  
15 jurisdiction in which the establishment BUSINESS is to be located unless  
16 the local jurisdiction has prohibited the operation of retail marijuana  
17 establishments BUSINESSES pursuant to section 16 (5)(f) of article XVIII  
18 of the state constitution. The local jurisdiction shall determine whether  
19 the application complies with local restrictions on time, place, manner,  
20 and the number of RETAIL marijuana businesses. The local jurisdiction  
21 shall inform the state licensing authority whether the application complies  
22 with local restrictions on time, place, manner, and the number of RETAIL  
23 marijuana businesses.

24 (b) [Formerly 44-12-301 (2)] A local jurisdiction may impose a  
25 separate local licensing requirement FOR RETAIL MARIJUANA BUSINESSES  
26 as a part of its restrictions on time, place, manner, and the number of  
27 marijuana businesses. A local jurisdiction may decline to impose any

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

4 **44-10-302. [Formerly 44-11-503] Local license fees - medical**  
5 **marijuana.** (1) Each application for a local license FOR A MEDICAL  
6 MARIJUANA BUSINESS provided for in ~~this article~~ ~~11~~ SECTION 44-10-301  
7 (1) filed with a local licensing authority ~~shall~~ MUST be accompanied by  
8 an application fee in an amount determined by the local licensing  
9 authority.

10 (2) License fees as determined by the local licensing authority  
11 ~~shall~~ MUST be paid to the treasurer of the municipality, city and county,  
12 or county where the licensed premises is located in advance of the  
13 approval, denial, or renewal of the license.

14 **44-10-303. [Formerly 44-11-302] Public hearing notice -**  
15 **posting and publication. (1) Medical marijuana business licenses.**

16 (a) Upon receipt of an application for a local license FOR A MEDICAL  
17 MARIJUANA BUSINESS, except an application for renewal or for transfer of  
18 ownership, a local licensing authority may schedule a public hearing upon  
19 the application to be held not less than thirty days after the date of the  
20 application. If the local licensing authority schedules a hearing for a  
21 MEDICAL MARIJUANA BUSINESS license application, it shall post and  
22 publish public notice thereof not less than ten days prior to the hearing.  
23 The local licensing authority shall give public notice by posting a sign in  
24 a conspicuous place on the license applicant's premises for which license  
25 application has been made and by publication in a newspaper of general  
26 circulation in the county in which the applicant's premises are located.

27 ~~(2)~~ (b) Public notice given by posting ~~shall~~ MUST include a sign

1 of suitable material, not less than twenty-two inches wide and twenty-six  
2 inches high, composed of letters not less than one inch in height and  
3 stating the type of license applied for, the date of the application, the date  
4 of the hearing, the name and address of the applicant, and such other  
5 information as may be required to fully apprise the public of the nature of  
6 the application. The sign ~~shall~~ MUST contain the names and addresses of  
7 the officers, directors, or manager of the facility to be licensed.

8 (3) (c) Public notice given by publication ~~shall~~ MUST contain the  
9 same information as that required for signs.

10 (4) (d) If the building in which medical marijuana is to be  
11 cultivated, manufactured, or distributed is in existence at the time of the  
12 application, a sign posted as required in subsections (1) and (2) of this  
13 section ~~shall~~ MUST be placed so as to be conspicuous and plainly visible  
14 to the general public. If the building is not constructed at the time of the  
15 application, the applicant shall post a sign at the premises upon which the  
16 building is to be constructed in such a manner that the notice ~~shall be~~ IS  
17 conspicuous and plainly visible to the general public.

18 (5) (2) **Medical marijuana application review.** (a) When  
19 conducting its application review, the state licensing authority may advise  
20 the local licensing authority of any items that it finds that could result in  
21 the denial of the license application. Upon correction of the noted  
22 discrepancies, if the correction is permitted by the state licensing  
23 authority, the state licensing authority shall notify the local licensing  
24 authority of its conditional approval of the license application  
25 amendments. The state licensing authority shall then issue the applicant's  
26 state license, which ~~shall remain~~ IS conditioned upon local authority  
27 approval.

1 (b) All applications submitted for review ~~shall~~ MUST be  
2 accompanied by all applicable state and local license and application fees.  
3 Any applications that are later denied or withdrawn may allow for a  
4 refund of license fees only. All application fees provided by an applicant  
5 ~~shall~~ MUST be retained by the respective licensing authority.

6 (3) **[Formerly 44-12-302 (1)] Retail marijuana business**  
7 **licenses.** (a) If a local jurisdiction issues local licenses for a retail  
8 marijuana ~~establishment~~ BUSINESS, a local jurisdiction may schedule a  
9 public hearing on the application. If the local jurisdiction schedules a  
10 hearing, it shall post and publish public notice thereof not less than ten  
11 days prior to the hearing. The local jurisdiction shall give public notice by  
12 posting a sign in a conspicuous place on the license applicant's premises  
13 for which a local license application has been made and by publication in  
14 a newspaper of general circulation in the county in which the applicant's  
15 premises are located.

16 (b) **[Formerly 44-12-302 (2)]** If a local jurisdiction does not issue  
17 local RETAIL MARIJUANA BUSINESS licenses, the local jurisdiction may  
18 give public notice of the state license application by posting a sign in a  
19 conspicuous place on the state license applicant's premises for which a  
20 state license application has been made and by publication in a newspaper  
21 of general circulation in the county in which the applicant's premises are  
22 located.

23 **44-10-304. [Formerly 44-11-303] Results of investigation -**  
24 **decision of authorities - medical marijuana.** (1) Not less than five days  
25 prior to the date of the public hearing authorized in ~~section 44-11-302~~  
26 SECTION 44-10-303, the local licensing authority shall make known its  
27 findings, based on its investigation, in writing to the applicant and other

1 parties of interest. The local licensing authority has authority to refuse to  
2 issue a license provided for in this section for good cause, subject to  
3 judicial review.

4 (2) Before entering a decision approving or denying the  
5 application for a local MEDICAL MARIJUANA BUSINESS license, the local  
6 licensing authority may consider, except where this ~~article 11~~ ARTICLE 10  
7 specifically provides otherwise, the facts and evidence adduced as a result  
8 of its investigation, as well as any other facts pertinent to the type of  
9 license for which application has been made, including the number, type,  
10 and availability of medical marijuana ~~centers, optional premises~~  
11 ~~cultivation operations~~ STORES, MEDICAL MARIJUANA CULTIVATION  
12 FACILITIES, or medical ~~marijuana-infused~~ MARIJUANA products  
13 manufacturers located in or near the premises under consideration, and  
14 any other pertinent matters affecting the qualifications of the applicant for  
15 the conduct of the type of business proposed.

16 (3) Within thirty days after the public hearing or completion of the  
17 application investigation, a local licensing authority shall issue its  
18 decision approving or denying an application for local licensure. The  
19 decision ~~shall~~ MUST be in writing and ~~shall~~ MUST state the reasons for the  
20 decision. The local licensing authority shall send a copy of the decision  
21 by certified mail to the applicant at the address shown in the application.

22 (4) After approval of an application, the local licensing authority  
23 shall not issue a local license until the building in which the business to  
24 be conducted is ready for occupancy with such furniture, fixtures, and  
25 equipment in place as are necessary to comply with the applicable  
26 provisions of this ~~article 11~~ ARTICLE 10, and then only after the state or  
27 local licensing authority has inspected the premises to determine that the

1 applicant has complied with the architect's drawing and the plot plan and  
2 detailed sketch for the interior of the building submitted with the  
3 application PURSUANT TO SECTION 44-10-301 (4).

4 (5) After approval of an application for conditional state licensure,  
5 the state licensing authority shall notify the local licensing authority of  
6 such approval. After approval of an application for local licensure, the  
7 local licensing authority shall notify the state licensing authority of such  
8 approval, ~~who~~ AND THE STATE LICENSING AUTHORITY shall investigate  
9 and either approve or disapprove the application for state licensure.

10 **44-10-305. [Formerly 44-11-304 (1)] State licensing authority**  
11 **- application and issuance procedures.** (1) Applications for a state  
12 MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS license  
13 under the provisions of this ~~article 11 shall~~ ARTICLE 10 MUST be made to  
14 the state licensing authority on forms prepared and furnished by the state  
15 licensing authority and ~~shall~~ MUST set forth such information as the state  
16 licensing authority may require to enable the state licensing authority to  
17 determine whether a state MEDICAL MARIJUANA BUSINESS OR RETAIL  
18 MARIJUANA BUSINESS license should be granted. The information ~~shall~~  
19 MUST include the name and address of the applicant, ~~the names and~~  
20 ~~addresses of the officers, directors, or managers,~~ DISCLOSURES REQUIRED  
21 BY SECTION 44-10-309, and all other information deemed necessary by the  
22 state licensing authority. Each application ~~shall~~ MUST be verified by the  
23 oath or affirmation of such person or persons as the state licensing  
24 authority may prescribe.

25 (2) (a) **[Formerly 44-11-304 (2)]** The state licensing authority  
26 shall issue a state license to a medical marijuana ~~center, an optional~~  
27 ~~premises cultivation operation~~ STORE, A MEDICAL MARIJUANA

1 CULTIVATION FACILITY, ~~or a medical marijuana-infused~~ MARIJUANA  
2 products manufacturer, A MEDICAL MARIJUANA TESTING FACILITY, A  
3 MEDICAL MARIJUANA TRANSPORTER, A MEDICAL MARIJUANA BUSINESS  
4 OPERATOR, OR A MARIJUANA RESEARCH AND DEVELOPMENT FACILITY  
5 pursuant to this section upon satisfactory completion of the applicable  
6 criminal history background check associated with the application, and  
7 the state license is conditioned upon local licensing authority approval. A  
8 license applicant is prohibited from operating a licensed medical  
9 marijuana business without both state and local licensing authority  
10 approval. The denial of an application by the local licensing authority  
11 ~~shall be~~ IS considered as a basis for the state licensing authority to revoke  
12 the state-issued license.

13 (b) **[Similar to 44-12-303 (1)]** THE STATE LICENSING AUTHORITY  
14 MAY ISSUE A STATE LICENSE TO AN APPLICANT PURSUANT TO THIS SECTION  
15 FOR A RETAIL MARIJUANA BUSINESS UPON COMPLETION OF THE  
16 APPLICABLE CRIMINAL HISTORY BACKGROUND CHECK ASSOCIATED WITH  
17 THE APPLICATION, AND THE STATE LICENSE IS CONDITIONED UPON LOCAL  
18 JURISDICTION APPROVAL. A LICENSE APPLICANT IS PROHIBITED FROM  
19 OPERATING A LICENSED RETAIL MARIJUANA BUSINESS WITHOUT STATE AND  
20 LOCAL JURISDICTION APPROVAL. IF THE APPLICANT DOES NOT RECEIVE  
21 LOCAL JURISDICTION APPROVAL WITHIN ONE YEAR FROM THE DATE OF  
22 STATE LICENSING AUTHORITY APPROVAL, THE STATE LICENSE EXPIRES AND  
23 MAY NOT BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL  
24 LICENSING AUTHORITY, THE STATE LICENSING AUTHORITY SHALL REVOKE  
25 THE STATE-ISSUED LICENSE.

26 **[Formerly 44-11-304 (3)]** ~~(3) An applicant that has been~~  
27 ~~permitted to operate a medical marijuana business under the provisions~~



1 of section ~~44-11-103 (1)(b)~~ and has been issued a conditional license by  
2 the state licensing authority pursuant to subsection (2) of this section may  
3 continue to operate the business while an application is pending with the  
4 local licensing authority. If the local licensing authority denies the license  
5 application, the medical marijuana business shall cease operations upon  
6 receiving the denial. The denial of an application by the local licensing  
7 authority shall be considered as a basis for the state licensing authority to  
8 revoke the state-issued license.

9 (4) (3) [Formerly 44-11-304 (4)] Nothing in this article 11 shall  
10 preempt ARTICLE 10 PREEMPTS or otherwise impair IMPAIRS the power of  
11 a local government to enact ordinances or resolutions concerning matters  
12 authorized to local governments.

13 (4) PRIOR TO ACCEPTING AN APPLICATION FOR A LICENSE,  
14 REGISTRATION, OR PERMIT, THE STATE LICENSING AUTHORITY SHALL  
15 INFORM THE APPLICANT THAT HAVING A MEDICAL MARIJUANA OR RETAIL  
16 MARIJUANA LICENSE AND WORKING IN THE MEDICAL MARIJUANA OR  
17 RETAIL MARIJUANA INDUSTRY MAY HAVE ADVERSE FEDERAL  
18 IMMIGRATION CONSEQUENCES.

19 44-10-306. [Formerly 44-11-305 and similar to  
20 44-12-304] Denial of application. (1) The state licensing authority shall  
21 deny a state license if the premises on which the applicant proposes to  
22 conduct its business does not meet the requirements of this article 11  
23 ARTICLE 10 or for reasons set forth in section ~~44-11-104 (2)(c)~~ or  
24 ~~44-11-304~~ SECTION 44-10-103 (19)(c) OR 44-10-305, and the state  
25 licensing authority may REFUSE OR deny a license, RENEWAL,  
26 REINSTATEMENT, OR INITIAL LICENSE for good cause as defined by section  
27 ~~44-11-104 (2)(a) or (2)(b)~~ SECTION 44-10-103 (19)(a) OR (19)(b).

1 (2) If the state licensing authority denies a state license pursuant  
2 to subsection (1) of this section, the applicant ~~shall be~~ IS entitled to a  
3 hearing pursuant to section 24-4-104 (9) and judicial review pursuant to  
4 section 24-4-106. The state licensing authority shall provide written  
5 notice of the grounds for denial of the state license to the applicant and  
6 to the local licensing authority at least fifteen days prior to the hearing.

7 **44-10-307. [Formerly 44-11-306 and similar to**  
8 **44-12-305] Persons prohibited as licensees - definition.** (1) A license  
9 provided by this ~~article~~ ~~11~~ ARTICLE 10 shall not be issued to or held by:

10 (a) A person until the fee therefore has been paid;

11 (b) ~~A person~~ AN INDIVIDUAL whose criminal history indicates that  
12 he or she is not of good moral character AFTER CONSIDERING THE  
13 FACTORS IN SECTION 24-5-101 (2);

14 (c) ~~A corporation,~~ PERSON OTHER THAN AN INDIVIDUAL if the  
15 criminal history of any of its ~~officers, directors, or stockholders~~  
16 CONTROLLING BENEFICIAL OWNERS   indicates that ~~the officer, director,~~  
17 ~~or stockholder~~ A CONTROLLING BENEFICIAL OWNER   is not of good  
18 moral character AFTER CONSIDERING THE FACTORS IN SECTION 24-5-101  
19 (2);

20 ~~(d) A licensed physician making patient recommendations;~~

21 ~~(e) A person employing, assisted by, or financed in whole or in~~  
22 ~~part by any other person whose criminal history indicates he or she is not~~  
23 ~~of good character and reputation satisfactory to the respective licensing~~  
24 ~~authority;~~

25 ~~(f)~~ (e) A person under twenty-one years of age;

26 ~~(g)~~ (f) A person licensed pursuant to this ~~article~~ ~~11~~ ARTICLE 10  
27 who, during a period of licensure, or who, at the time of application, has

1 failed to:

2 (I) File any tax return with a taxing agency related to a medical  
3 marijuana business or retail marijuana ~~establishment~~ BUSINESS;

4 (II) Pay any taxes, interest, or penalties due AS DETERMINED BY  
5 FINAL AGENCY ACTION related to a medical marijuana business or retail  
6 marijuana ~~establishment~~ BUSINESS;

7 ~~(h)~~ (g) A person who fails to meet qualifications for licensure that  
8 directly and demonstrably relate to the operation of a medical marijuana  
9 ~~establishment~~ BUSINESS;

10 ~~(i)~~ (h) (I) A person who ~~has discharged a sentence for a conviction~~  
11 WAS CONVICTED of a felony in the ~~five~~ THREE years immediately  
12 preceding his or her application date OR WHO IS CURRENTLY SUBJECT TO  
13 A SENTENCE FOR A FELONY CONVICTION; EXCEPT FOR AN ACCELERATOR  
14 LICENSE, A MARIJUANA CONVICTION IS NOT THE SOLE BASIS FOR LICENSE  
15 DENIAL; or

16 (II) A person who ~~has discharged a sentence for a conviction of~~  
17 ~~a felony pursuant to any state or federal law regarding the possession,~~  
18 ~~distribution, manufacturing, cultivation, or use of a controlled substance~~  
19 ~~in the ten years immediately preceding his or her application date or five~~  
20 ~~years from May 28, 2013, whichever is longer, except that the licensing~~  
21 ~~authority may grant a license to a person if the person has a state felony~~  
22 ~~conviction based on possession or use of marijuana or marijuana~~  
23 ~~concentrate that would not be a felony if the person were convicted of the~~  
24 ~~offense on the date he or she applied for licensure~~ IS CURRENTLY SUBJECT  
25 TO A DEFERRED JUDGMENT OR SENTENCE FOR A FELONY;

26 ~~(j)~~ (i) ~~A person who employs another person at a medical~~  
27 ~~marijuana facility who has not passed a criminal history record check~~ A

1 PERSON WHO EMPLOYS ANOTHER PERSON AT A MEDICAL MARIJUANA  
2 BUSINESS OR RETAIL MARIJUANA BUSINESS WHO HAS NOT SUBMITTED  
3 FINGERPRINTS FOR A CRIMINAL HISTORY RECORD CHECK OR WHOSE  
4 CRIMINAL HISTORY RECORD CHECK REVEALS THAT THE PERSON IS  
5 INELIGIBLE;

6 ~~(k)~~ (j) A sheriff, deputy sheriff, police officer, or prosecuting  
7 officer, or an officer or employee of the state licensing authority or a local  
8 licensing authority;

9 ~~(l) A person whose authority to be a primary caregiver as defined~~  
10 ~~in section 25-1.5-106 (2) has been revoked by the state health agency;~~

11 ~~(m)~~ (k) A person APPLYING for a license for a location that is  
12 currently licensed as a retail food establishment; ~~or wholesale food~~  
13 ~~registrant; or~~

14 ~~(n)~~ (l) A publicly traded ~~company~~ ENTITY THAT DOES NOT  
15 CONSTITUTE A PUBLICLY TRADED CORPORATION AS DEFINED IN THIS  
16 ARTICLE 10;

17 (m) A PERSON THAT IS OR HAS A CONTROLLING BENEFICIAL  
18 OWNER, PASSIVE BENEFICIAL OWNER, OR INDIRECT FINANCIAL INTEREST  
19 HOLDER THAT IS ORGANIZED OR FORMED UNDER THE LAWS OF A COUNTRY  
20 DETERMINED BY THE UNITED STATES SECRETARY OF STATE TO HAVE  
21 REPEATEDLY PROVIDED SUPPORT FOR ACTS OF INTERNATIONAL TERRORISM  
22 OR IS INCLUDED AMONG THE LIST OF "COVERED COUNTRIES" IN SECTION  
23 1502 OF THE FEDERAL "DODD-FRANK WALL STREET REFORM AND  
24 CONSUMER PROTECTION ACT", PUB.L. 111-203;

25 (n) A PERSON THAT IS OR HAS A CONTROLLING BENEFICIAL OWNER  
26 THAT IS AN "INELIGIBLE ISSUER" PURSUANT TO SECTION 44-10-103 (46)

27 (d)(1);

1 (o) A PERSON THAT IS OR HAS A CONTROLLING BENEFICIAL OWNER  
2 THAT IS DISQUALIFIED AS A "BAD ACTOR" UNDER RULE 506 (d)  
3 PROMULGATED PURSUANT TO THE FEDERAL "SECURITIES ACT OF 1933",  
4 AS AMENDED, AND SUBJECT TO 17 CFR 230.506 (d)(1);

5 (p) A PERSON THAT IS NOT A PUBLICLY TRADED CORPORATION  
6 THAT IS OR HAS A PASSIVE BENEFICIAL OWNER OR INDIRECT FINANCIAL  
7 INTEREST HOLDER THAT IS DISQUALIFIED AS A "BAD ACTOR" UNDER RULE  
8 506 (d) PROMULGATED PURSUANT TO THE FEDERAL "SECURITIES ACT OF  
9 1933", AS AMENDED, AND SUBJECT TO 17 CFR 230.506 (d)(1);

10 (q) A PERSON THAT IS A PUBLICLY TRADED CORPORATION THAT IS  
11 OR HAS A NONOBJECTING PASSIVE BENEFICIAL OWNER OR INDIRECT  
12 FINANCIAL INTEREST HOLDER THAT IS DISQUALIFIED AS A "BAD ACTOR"  
13 UNDER RULE 506 (d) PROMULGATED PURSUANT TO THE FEDERAL  
14 "SECURITIES ACT OF 1933", AS AMENDED, AND SUBJECT TO 17 CFR  
15 230.506 (d)(1); OR

16 (r) A PERSON THAT IS OR HAS A CONTROLLING BENEFICIAL OWNER,  
17 PASSIVE BENEFICIAL OWNER, OR INDIRECT FINANCIAL INTEREST HOLDER  
18 THAT IS PROHIBITED FROM ENGAGING IN TRANSACTIONS PURSUANT TO  
19 THIS ARTICLE 10 DUE TO ITS DESIGNATION ON THE "SPECIALLY  
20 DESIGNATED NATIONALS AND BLOCKED PERSONS" LIST MAINTAINED BY  
21 THE FEDERAL OFFICE OF FOREIGN ASSETS CONTROL.

22 (2) THE STATE LICENSING AUTHORITY MAY DENY OR REVOKE A  
23 LICENSE IF THE APPLICANT OR LICENSEE'S CRIMINAL CHARACTER OR  
24 CRIMINAL RECORD POSES A THREAT TO THE REGULATION OR CONTROL OF  
25 MARIJUANA.

26 (3) A MEDICAL MARIJUANA LICENSE PROVIDED BY THIS ARTICLE 10  
27 SHALL NOT BE ISSUED TO OR HELD BY:

1 (a) A LICENSED PHYSICIAN MAKING PATIENT RECOMMENDATIONS;  
2 OR

3 (b) A PERSON WHOSE AUTHORITY TO BE A PRIMARY CAREGIVER AS  
4 DEFINED IN SECTION 25-1.5-106 (2) HAS BEEN REVOKED BY THE STATE  
5 HEALTH AGENCY.

6 ~~(2)~~ (4) (a) In investigating the qualifications of an applicant or a  
7 licensee, the state and local licensing authorities may have access to  
8 criminal history record information furnished by a criminal justice agency  
9 subject to any restrictions imposed by such agency. In the event the state  
10 or local licensing authority considers the applicant's criminal history  
11 record, the state or local licensing authority shall also consider any  
12 information provided by the applicant regarding such criminal history  
13 record, including but not limited to evidence of rehabilitation, character  
14 references, and educational achievements, especially those items  
15 pertaining to the period of time between the applicant's last criminal  
16 conviction and the consideration of the application for a state license.

17 (b) As used in ~~subsection (2)(a)~~ SUBSECTION (4)(a) of this section,  
18 "criminal justice agency" means any federal, state, or municipal court or  
19 any governmental agency or subunit of such agency that administers  
20 criminal justice pursuant to a statute or executive order and that allocates  
21 a substantial part of its annual budget to the administration of criminal  
22 justice.

23 (c) At the time of filing an application for issuance or renewal of  
24 a state medical marijuana ~~center~~ BUSINESS license ~~medical~~  
25 ~~marijuana-infused product manufacturer license, or optional premises~~  
26 ~~cultivation~~ OR RETAIL MARIJUANA BUSINESS license, an applicant shall  
27 submit a set of his or her fingerprints and file personal history information

1 concerning the applicant's qualifications for a state license on forms  
2 prepared by the state licensing authority. The state or local licensing  
3 authority OR LOCAL JURISDICTION shall submit the fingerprints to the  
4 Colorado bureau of investigation for the purpose of conducting  
5 fingerprint-based criminal history record checks. The Colorado bureau of  
6 investigation shall forward the fingerprints to the federal bureau of  
7 investigation for the purpose of conducting fingerprint-based criminal  
8 history record checks. The state or local licensing authority OR LOCAL  
9 JURISDICTION may acquire a name-based criminal history record check for  
10 an applicant or a license holder who has twice submitted to a  
11 fingerprint-based criminal history record check and whose fingerprints  
12 are unclassifiable. An applicant who has previously submitted  
13 fingerprints for state OR LOCAL licensing purposes may request that the  
14 fingerprints on file be used. The state or local licensing authority OR  
15 LOCAL JURISDICTION shall use the information resulting from the  
16 fingerprint-based criminal history record check to investigate and  
17 determine whether an applicant is qualified to hold a state OR LOCAL  
18 license pursuant to this ~~article 11~~ ARTICLE 10. The state or local licensing  
19 authority OR LOCAL JURISDICTION may verify any of the information an  
20 applicant is required to submit.

21 **44-10-308. [Formerly 44-11-307 and similar to**  
22 **44-12-306] Business and owner requirements - legislative declaration**  
23 **- definition.** (1) (a) The general assembly hereby finds and declares that:

24 (I) Medical marijuana businesses AND RETAIL MARIJUANA  
25 BUSINESSES need to be able to access capital in order to effectively grow  
26 their businesses and remain competitive in the marketplace;

27 (II) The current regulatory structure for ~~medical~~ REGULATED

1 marijuana AND REGULATED MARIJUANA PRODUCTS creates a substantial  
2 barrier to investment from out-of-state interests AND PUBLICLY TRADED  
3 CORPORATIONS;

4 (III) There is insufficient capital in the state to properly fund the  
5 capital needs of Colorado medical marijuana businesses AND RETAIL  
6 MARIJUANA BUSINESSES;

7 (IV) Colorado medical marijuana businesses AND RETAIL  
8 MARIJUANA BUSINESSES need to have ready access to capital from  
9 investors in states FROM outside of Colorado; and

10 (IV.5) UNDER CERTAIN CIRCUMSTANCES, PERMITTING PUBLICLY  
11 TRADED CORPORATIONS TO HOLD AN INTEREST IN MEDICAL MARIJUANA  
12 BUSINESSES WILL BENEFIT COLORADO'S MEDICAL MARIJUANA MARKET;

13 (V) Providing access to legitimate sources of capital helps prevent  
14 the opportunity for those who engage in illegal activity to gain entry into  
15 the state's regulated medical AND RETAIL marijuana market.

16 (VI) PUBLICLY TRADED CORPORATIONS OFFERING SECURITIES FOR  
17 INVESTMENT IN MEDICAL MARIJUANA BUSINESSES OR RETAIL MARIJUANA  
18 BUSINESSES MUST TELL THE PUBLIC THE TRUTH ABOUT THEIR BUSINESS,  
19 THE SECURITIES THEY ARE SELLING, AND THE RISKS INVOLVED WITH  
20 INVESTING IN MEDICAL MARIJUANA BUSINESSES OR RETAIL MARIJUANA  
21 BUSINESSES, AND PERSONS THAT SELL AND TRADE SECURITIES RELATED TO  
22 MEDICAL MARIJUANA BUSINESSES OR RETAIL MARIJUANA BUSINESSES ARE  
23 PROHIBITED FROM ENGAGING IN DECEIT, MISREPRESENTATIONS, AND  
24 OTHER FRAUD IN THE SALE OF THE SECURITIES; AND

25 (VII) RECOGNIZING THAT PARTICIPATION BY PUBLICLY TRADED  
26 CORPORATIONS IN COLORADO'S MEDICAL MARIJUANA INDUSTRY AND  
27 RETAIL MARIJUANA INDUSTRY CREATES AN INCREASED NEED TO ASSESS



1 BARRIERS OF ENTRY FOR MINORITY- AND WOMAN-OWNED BUSINESSES,  
2 WITH SUCH EFFORTS BEING MADE TO IDENTIFY SOLUTIONS TO ARRIVE AT  
3 A GREATER BALANCE AND FOR FURTHER EQUITY FOR MINORITY- AND  
4 WOMAN-OWNED BUSINESSES, AND IN A MANNER THAT IS CONSISTENT WITH  
5 THE PUBLIC SAFETY AND ENFORCEMENT GOALS AS STATED HEREIN, IT IS  
6 THEREFORE OF SUBSTANTIVE IMPORTANCE TO ADDRESS THE LACK OF  
7 MINORITY- AND WOMAN-OWNED BUSINESSES' INCLUSION IN COLORADO'S  
8 MEDICAL MARIJUANA INDUSTRY AND RETAIL MARIJUANA INDUSTRY,  
9 SOCIAL JUSTICE ISSUES ASSOCIATED WITH MARIJUANA PROHIBITION,  
10 SUITABILITY ISSUES RELATING TO PAST CONVICTIONS FOR POTENTIAL  
11 LICENSEES, LICENSING FEES, AND ECONOMIC CHALLENGES THAT ARISE  
12 WITH THE APPLICATION PROCESSES.

13 (b) Therefore, the general assembly is providing a mechanism for  
14 Colorado medical marijuana businesses AND RETAIL MARIJUANA  
15 BUSINESSES to access capital from investors in other states AND FROM  
16 CERTAIN PUBLICLY TRADED CORPORATIONS PURSUANT TO THIS ARTICLE  
17 10.

18 (2) ~~A direct beneficial interest owner who is a natural person must~~  
19 ~~either:~~

20 (a) ~~Have been a resident of Colorado for at least one year prior to~~  
21 ~~the date of the application; or~~

22 (b) ~~Be a United States citizen prior to the date of the application.~~

23 (3) (a) ~~A medical marijuana business may be comprised of an~~  
24 ~~unlimited number of direct beneficial interest owners that have been~~  
25 ~~residents of Colorado for at least one year prior to the date of the~~  
26 ~~application.~~

27 (a) (b) ~~On and after January 1, 2017, a medical marijuana~~

1 business that is composed of one or more direct beneficial interest owners  
2 who have not been Colorado residents for at least one year prior to  
3 application shall have at least one officer who has been a Colorado  
4 resident for at least one year prior to application, and All officers  
5 NATURAL PERSONS with day-to-day operational control over the business  
6 must be Colorado residents. for at least one year prior to application. A  
7 medical marijuana business under this subsection (3)(b) is limited to no  
8 more than fifteen direct beneficial interest owners, including all parent  
9 and subsidiary entities, all of whom are natural persons.

10 (b) (c) Notwithstanding the requirements of subsection (3)(b) of  
11 this section, the state licensing authority may review the limitation on the  
12 number of direct beneficial interest owners and may increase the number  
13 of allowable interests above fifteen based on reasonable considerations  
14 such as developments in state and federal financial regulations, market  
15 conditions, and the licensee's ability to access legitimate sources of  
16 capital. A PERSON, OTHER THAN AN INDIVIDUAL, THAT IS A MEDICAL  
17 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS OR A CONTROLLING  
18 BENEFICIAL OWNER SHALL APPOINT AND CONTINUOUSLY MAINTAIN A  
19 REGISTERED AGENT THAT SATISFIES THE REQUIREMENTS OF SECTION  
20 7-90-701. THE MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA  
21 BUSINESS SHALL INFORM THE STATE LICENSING AUTHORITY OF A CHANGE  
22 IN THE REGISTERED AGENT WITHIN TEN DAYS AFTER THE CHANGE.

23 (d) A direct beneficial interest owner that is a closely held  
24 business entity must consist entirely of natural persons who are United  
25 States citizens prior to the date of the application, including all parent and  
26 subsidiary entities.

27 (4) A medical marijuana business may include qualified

1 ~~institutional investors that own thirty percent or less of the medical~~  
2 ~~marijuana business.~~

3 ~~(5) (a) A person who intends to apply as a direct beneficial~~  
4 ~~interest owner and is not a Colorado resident for at least one year prior to~~  
5 ~~the date of application shall first submit a request to the state licensing~~  
6 ~~authority for a finding of suitability as a direct beneficial interest owner.~~  
7 ~~The person shall receive a finding of suitability prior to submitting an~~  
8 ~~application to the state licensing authority to be a direct beneficial interest~~  
9 ~~owner. Failure to receive a finding of suitability prior to application is~~  
10 ~~grounds for denial by the state licensing authority.~~

11 ~~(b) The state licensing authority shall perform a limited initial~~  
12 ~~background check on qualified limited passive investors. If the initial~~  
13 ~~background check provides reasonable cause for additional investigation,~~  
14 ~~the state licensing authority may require a full background check.~~

15

16 ~~(6) The state licensing authority shall review the medical~~  
17 ~~marijuana business's operating documents to ensure compliance with this~~  
18 ~~section.~~

19

20 ~~(7) For purposes of this section, unless the context otherwise~~  
21 ~~requires, "institutional investor" means:~~

22 ~~(a) A bank as defined in section 3 (a)(6) of the federal "Securities~~  
23 ~~Exchange Act of 1934", as amended;~~

24 ~~(b) An insurance company as defined in section 2 (a)(17) of the~~  
25 ~~federal "Investment Company Act of 1940", as amended;~~

26 ~~(c) An investment company registered under section 8 of the~~  
27 ~~federal "Investment Company Act of 1940", as amended;~~

1           ~~(d) An investment adviser registered under section 203 of the~~  
2           ~~federal "Investment Advisers Act of 1940", as amended;~~

3           ~~(e) Collective trust funds as defined in section 3 (c)(11) of the~~  
4           ~~federal "Investment Company Act of 1940", as amended;~~

5           ~~(f) An employee benefit plan or pension fund that is subject to the~~  
6           ~~federal "Employee Retirement Income Security Act of 1974", as~~  
7           ~~amended, excluding an employee benefit plan or pension fund sponsored~~  
8           ~~by a licensee or an intermediary or holding company licensee that directly~~  
9           ~~or indirectly owns five percent or more of a licensee;~~

10           ~~(g) A state or federal government pension plan;~~

11           ~~(h) A group comprised entirely of persons specified in subsections~~  
12           ~~(7)(a) to (7)(g) of this section; or~~

13           ~~(i) Any other entity identified through rule by the state licensing~~  
14           ~~authority.~~

15           **44-10-309. Business owner and financial interest disclosure**  
16           **requirements. (1) APPLICANTS FOR THE ISSUANCE OF A STATE LICENSE**  
17           **SHALL DISCLOSE TO THE STATE LICENSING AUTHORITY THE FOLLOWING:**

18           **(a) A COMPLETE AND ACCURATE ORGANIZATIONAL CHART OF THE**  
19           **MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS**  
20           **REFLECTING THE IDENTITY AND OWNERSHIP PERCENTAGES OF ITS**  
21           **CONTROLLING BENEFICIAL OWNERS;**

22           **(b) THE FOLLOWING INFORMATION REGARDING ALL CONTROLLING**  
23           **BENEFICIAL OWNERS OF THE MEDICAL MARIJUANA BUSINESS OR RETAIL**  
24           **MARIJUANA BUSINESS:**

25           **(I) IF THE CONTROLLING BENEFICIAL OWNER IS A PUBLICLY**  
26           **TRADED CORPORATION, THE APPLICANT SHALL DISCLOSE THE**  
27           **CONTROLLING BENEFICIAL OWNERS' MANAGERS AND ANY BENEFICIAL**

1 OWNERS THAT DIRECTLY OR INDIRECTLY BENEFICIALLY OWN TEN PERCENT  
2 OR MORE OF THE OWNER'S INTEREST IN THE CONTROLLING BENEFICIAL  
3 OWNER;

4 (II) IF THE CONTROLLING BENEFICIAL OWNER IS NOT A PUBLICLY  
5 TRADED CORPORATION AND IS NOT A QUALIFIED PRIVATE FUND, THE  
6 APPLICANT SHALL DISCLOSE THE CONTROLLING BENEFICIAL OWNER'S  
7 MANAGERS AND ANY BENEFICIAL OWNERS THAT DIRECTLY OR INDIRECTLY  
8 BENEFICIALLY OWN TEN PERCENT OR MORE OF THE OWNER'S INTEREST IN  
9 THE CONTROLLING BENEFICIAL OWNER;

10 (III) IF THE CONTROLLING BENEFICIAL OWNER IS A QUALIFIED  
11 PRIVATE FUND, THE APPLICANT SHALL DISCLOSE A COMPLETE AND  
12 ACCURATE ORGANIZATIONAL CHART OF THE QUALIFIED PRIVATE FUND  
13 REFLECTING THE IDENTITY AND OWNERSHIP PERCENTAGES OF THE  
14 QUALIFIED PRIVATE FUND'S MANAGERS, INVESTMENT ADVISERS,  
15 INVESTMENT ADVISER REPRESENTATIVES, ANY TRUSTEE OR EQUIVALENT,  
16 AND ANY OTHER PERSON THAT CONTROLS THE INVESTMENT IN, OR  
17 MANAGEMENT OR OPERATIONS OF, THE MEDICAL MARIJUANA BUSINESS OR  
18 RETAIL MARIJUANA BUSINESS;

19 (IV) IF THE CONTROLLING BENEFICIAL OWNER IS A NATURAL  
20 PERSON, THE APPLICANT SHALL DISCLOSE THE NATURAL PERSON'S  
21 IDENTIFYING INFORMATION;

22 (c) A PERSON THAT IS BOTH A PASSIVE BENEFICIAL OWNER AND AN  
23 INDIRECT FINANCIAL INTEREST HOLDER IN THE MEDICAL MARIJUANA  
24 BUSINESS OR RETAIL MARIJUANA BUSINESS; AND

25 (d) ANY INDIRECT FINANCIAL INTEREST HOLDER THAT HOLDS TWO  
26 OR MORE INDIRECT FINANCIAL INTERESTS IN THE MEDICAL MARIJUANA  
27 BUSINESS OR RETAIL MARIJUANA BUSINESS OR THAT IS CONTRIBUTING

1 OVER FIFTY PERCENT OF THE OPERATING CAPITAL OF THE MEDICAL  
2 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS.

3 (2) THE STATE LICENSING AUTHORITY MAY REQUEST THAT THE  
4 MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS DISCLOSE  
5 THE FOLLOWING:

6 (a) EACH BENEFICIAL OWNER AND AFFILIATE OF AN APPLICANT,  
7 MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS, OR  
8 CONTROLLING BENEFICIAL OWNER THAT IS NOT A PUBLICLY TRADED  
9 CORPORATION OR A QUALIFIED PRIVATE FUND; AND

10 (b) EACH AFFILIATE OF A CONTROLLING BENEFICIAL OWNER THAT  
11 IS A QUALIFIED PRIVATE FUND.

12 (3) FOR REASONABLE CAUSE, THE STATE LICENSING AUTHORITY  
13 MAY REQUIRE DISCLOSURE OF:

14 (a) A COMPLETE AND ACCURATE LIST OF EACH NONOBJECTING  
15 BENEFICIAL INTEREST OWNER OF AN APPLICANT, MEDICAL MARIJUANA  
16 BUSINESS OR RETAIL MARIJUANA BUSINESS, OR CONTROLLING BENEFICIAL  
17 OWNER THAT IS A PUBLICLY TRADED CORPORATION;

18 (b) PASSIVE BENEFICIAL OWNERS OF THE MEDICAL MARIJUANA  
19 BUSINESS OR RETAIL MARIJUANA BUSINESS, AND FOR ANY PASSIVE  
20 BENEFICIAL OWNER THAT IS NOT A NATURAL PERSON, THE MEMBERS OF  
21 THE BOARD OF DIRECTORS, GENERAL PARTNERS, MANAGING MEMBERS, OR  
22 MANAGERS AND TEN PERCENT OR MORE OWNERS OF THE PASSIVE  
23 BENEFICIAL OWNER;

24 (c) A LIST OF EACH BENEFICIAL OWNER IN A QUALIFIED PRIVATE  
25 FUND THAT IS A CONTROLLING BENEFICIAL OWNER;

26 (d) ALL INDIRECT FINANCIAL INTEREST HOLDERS OF THE MEDICAL  
27 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS, AND FOR ANY

1 INDIRECT FINANCIAL INTEREST HOLDER THAT IS NOT A NATURAL PERSON  
2 AND TEN PERCENT OR MORE BENEFICIAL OWNERS OF THE INDIRECT  
3 FINANCIAL INTEREST HOLDER.

4 (4) AN APPLICANT OR MEDICAL MARIJUANA BUSINESS OR RETAIL  
5 MARIJUANA BUSINESS THAT IS NOT A PUBLICLY TRADED CORPORATION  
6 SHALL AFFIRM UNDER PENALTY OF PERJURY THAT IT EXERCISED  
7 REASONABLE CARE TO CONFIRM THAT ITS PASSIVE BENEFICIAL OWNERS,  
8 INDIRECT FINANCIAL INTEREST HOLDERS, AND QUALIFIED INSTITUTIONAL  
9 INVESTORS ARE NOT PERSONS PROHIBITED PURSUANT TO SECTION  
10 44-10-307, OR OTHERWISE RESTRICTED FROM HOLDING AN INTEREST  
11 UNDER THIS ARTICLE 10. AN APPLICANT'S OR MEDICAL MARIJUANA  
12 BUSINESS'S OR RETAIL MARIJUANA BUSINESS'S FAILURE TO EXERCISE  
13 REASONABLE CARE IS A BASIS FOR DENIAL, FINE, SUSPENSION,  
14 REVOCATION, OR OTHER SANCTION BY THE STATE LICENSING AUTHORITY.

15 (5) AN APPLICANT OR MEDICAL MARIJUANA BUSINESS OR RETAIL  
16 MARIJUANA BUSINESS THAT IS A PUBLICLY TRADED CORPORATION SHALL  
17 AFFIRM UNDER PENALTY OF PERJURY THAT IT EXERCISED REASONABLE  
18 CARE TO CONFIRM THAT ITS NONOBJECTING PASSIVE BENEFICIAL OWNERS,  
19 INDIRECT FINANCIAL INTEREST HOLDERS, AND QUALIFIED INSTITUTIONAL  
20 INVESTORS ARE NOT PERSONS PROHIBITED PURSUANT TO SECTION  
21 44-10-307, OR OTHERWISE RESTRICTED FROM HOLDING AN INTEREST  
22 UNDER THIS ARTICLE 10. AN APPLICANT'S OR MEDICAL MARIJUANA  
23 BUSINESS'S OR RETAIL MARIJUANA BUSINESS'S FAILURE TO EXERCISE  
24 REASONABLE CARE IS A BASIS FOR DENIAL, FINE, SUSPENSION,  
25 REVOCATION, OR OTHER SANCTION BY THE STATE LICENSING AUTHORITY.

26 (6) THIS SECTION DOES NOT RESTRICT THE STATE LICENSING  
27 AUTHORITY'S ABILITY TO REASONABLY REQUEST INFORMATION OR

1 RECORDS AT RENEWAL OR AS PART OF ANY OTHER INVESTIGATION  
2 FOLLOWING INITIAL LICENSURE OF A MEDICAL MARIJUANA BUSINESS OR  
3 RETAIL MARIJUANA BUSINESS.

4 (7) THE SECURITIES COMMISSIONER MAY, BY RULE OR ORDER,  
5 REQUIRE ADDITIONAL DISCLOSURES IF SUCH INFORMATION IS FULL AND  
6 FAIR WITH RESPECT TO THE INVESTMENT OR IN THE INTEREST OF INVESTOR  
7 PROTECTION.

8 **44-10-310. Business owner and financial interest suitability**  
9 **requirements.** (1) THIS SECTION APPLIES TO ALL PERSONS REQUIRED TO  
10 SUBMIT A FINDING OF SUITABILITY.

11 (2) ANY PERSON INTENDING TO BECOME A CONTROLLING  
12 BENEFICIAL OWNER OF ANY MEDICAL MARIJUANA BUSINESS OR RETAIL  
13 MARIJUANA BUSINESS, EXCEPT AS OTHERWISE PROVIDED IN SECTION  
14 44-10-310 (4), SHALL FIRST SUBMIT A REQUEST TO THE STATE LICENSING  
15 AUTHORITY FOR A FINDING OF SUITABILITY OR AN EXEMPTION FROM AN  
16 OTHERWISE REQUIRED FINDING OF SUITABILITY.

17 (3) FOR REASONABLE CAUSE, ANY OTHER PERSON THAT WAS  
18 DISCLOSED OR THAT SHOULD HAVE BEEN DISCLOSED PURSUANT TO  
19 SECTION 44-10-309, INCLUDING BUT NOT LIMITED TO A PASSIVE  
20 BENEFICIAL OWNER, SHALL SUBMIT A REQUEST FOR A FINDING OF  
21 SUITABILITY.

22 (4) FAILURE TO PROVIDE ALL REQUESTED INFORMATION IN  
23 CONNECTION WITH A REQUEST FOR A FINDING OF SUITABILITY IS GROUNDS  
24 FOR DENIAL OF THAT FINDING OF SUITABILITY.

25 (5) FAILURE TO RECEIVE ALL REQUIRED FINDINGS OF SUITABILITY  
26 IS GROUNDS FOR DENIAL OF AN APPLICATION OR FOR SUSPENSION,  
27 REVOCATION, OR OTHER SANCTION AGAINST THE LICENSE BY THE STATE



1 LICENSING AUTHORITY. FOR INITIAL APPLICATIONS, THE FINDING OF  
2 SUITABILITY SHALL BE REQUIRED PRIOR TO SUBMITTING THE APPLICATION  
3 FOR LICENSURE.

4 (6) ANY PERSON REQUIRED TO OBTAIN A FINDING OF SUITABILITY  
5 SHALL DO SO ON FORMS PROVIDED BY THE STATE LICENSING AUTHORITY  
6 AND THE FORMS MUST CONTAIN SUCH INFORMATION AS THE STATE  
7 LICENSING AUTHORITY MAY REQUIRE. EACH SUITABILITY APPLICATION  
8 MUST BE VERIFIED BY THE OATH OR AFFIRMATION OF THE PERSONS  
9 PRESCRIBED BY THE STATE LICENSING AUTHORITY.

10 (7) A PERSON REQUESTING A FINDING OF SUITABILITY SHALL  
11 PROVIDE THE STATE LICENSING AUTHORITY WITH A DEPOSIT TO COVER THE  
12 DIRECT AND INDIRECT COSTS OF ANY INVESTIGATION NECESSARY TO  
13 DETERMINE ANY REQUIRED FINDING OF SUITABILITY UNLESS OTHERWISE  
14 ESTABLISHED BY RULE. THE STATE LICENSING AUTHORITY MAY MAKE  
15 FURTHER RULES REGARDING THE DEPOSIT AND DIRECT AND INDIRECT  
16 COSTS THAT MUST BE BILLED AGAINST THE DEPOSIT, UNLESS OTHERWISE  
17 ESTABLISHED BY RULE.

18 (8) WHEN DETERMINING WHETHER A PERSON IS SUITABLE OR  
19 UNSUITABLE FOR LICENSURE, THE STATE LICENSING AUTHORITY MAY  
20 CONSIDER THE PERSON'S CRIMINAL CHARACTER OR RECORD, LICENSING  
21 CHARACTER OR RECORD, OR FINANCIAL CHARACTER OR RECORD.

22 (9) A PERSON THAT WOULD OTHERWISE BE REQUIRED TO OBTAIN  
23 A FINDING OF SUITABILITY MAY REQUEST AN EXEMPTION FROM THE STATE  
24 LICENSING AUTHORITY AS DETERMINED BY RULE.

25 (10) ABSENT REASONABLE CAUSE, THE STATE LICENSING  
26 AUTHORITY SHALL APPROVE OR DENY A REQUEST FOR A FINDING OF  
27 SUITABILITY WITHIN ONE HUNDRED TWENTY DAYS FROM THE DATE OF

1 SUBMISSION OF THE REQUEST FOR SUCH FINDING.

2 (11) THE STATE LICENSING AUTHORITY MAY DENY, SUSPEND,  
3 REVOKE, FINE, OR IMPOSE OTHER SANCTIONS AGAINST A PERSON'S LICENSE  
4 ISSUED PURSUANT TO THIS ARTICLE 10 IF THE STATE LICENSING  
5 AUTHORITY FINDS THE PERSON OR THE PERSON'S CONTROLLING  
6 BENEFICIAL OWNER, PASSIVE BENEFICIAL OWNER, OR INDIRECT FINANCIAL  
7 INTEREST HOLDER TO BE UNSUITABLE PURSUANT TO THIS SECTION.

8 **44-10-311. [Formerly 44-11-308] Restrictions for applications**  
9 **for new licenses.** (1) The state or a local licensing authority shall not  
10 receive or act upon an application for the issuance of a state or local  
11 MEDICAL MARIJUANA BUSINESS license pursuant to this ~~article 11~~ ARTICLE  
12 10:

13 (a) If the application for a state or local license concerns a  
14 particular location that is the same as or within one thousand feet of a  
15 location for which, within the two years immediately preceding the date  
16 of the application, the state or a local licensing authority denied an  
17 application for the same class of license due to the nature of the use or  
18 other concern related to the location;

19 (b) Until it is established that the applicant is, or will be, entitled  
20 to possession of the premises for which application is made under a lease,  
21 rental agreement, or other arrangement for possession of the premises or  
22 by virtue of ownership of the premises;

23 (c) For a location in an area where the cultivation, manufacture,  
24 and sale of medical marijuana as contemplated is not permitted under the  
25 applicable zoning laws of the municipality, city and county, or county;

26 (d) (I) If the building in which medical marijuana is to be sold is  
27 located within one thousand feet of a school; an alcohol or drug treatment

1 facility; the principal campus of a college, university, or seminary; or a  
2 residential child care facility. The provisions of this section ~~shall~~ DO not  
3 affect the renewal or reissuance of a license once granted or apply to  
4 licensed premises located or to be located on land owned by a  
5 municipality, nor ~~shall~~ DO the provisions of this section apply to an  
6 existing licensed premises on land owned by the state or apply to a license  
7 in effect and actively doing business before said principal campus was  
8 constructed. The local licensing authority of a city and county, by rule or  
9 regulation; the governing body of a municipality, by ordinance; and the  
10 governing body of a county, by resolution, may vary the distance  
11 restrictions imposed by this subsection (1)(d)(I) for a license or may  
12 eliminate one or more types of schools, campuses, or facilities from the  
13 application of a distance restriction established by or pursuant to this  
14 subsection (1)(d)(I).

15 (II) The distances referred to in this subsection (1)(d) are to be  
16 computed by direct measurement from the nearest property line of the  
17 land used for a school or campus to the nearest portion of the building in  
18 which medical marijuana is to be sold, using a route of direct pedestrian  
19 access.

20 (III) In addition to the requirements of ~~section 44-11-303 (2)~~  
21 SECTION 44-10-304 (2), the local licensing authority shall consider the  
22 evidence and make a specific finding of fact as to whether the building in  
23 which the medical marijuana is to be sold is located within any distance  
24 restrictions established by or pursuant to this subsection (1)(d).

25 (2) **[Formerly 44-12-307]** The state licensing authority shall not  
26 approve an application for the issuance of a state RETAIL MARIJUANA  
27 BUSINESS license pursuant to this ~~article 12~~ ARTICLE 10 until it is

1 established that the applicant is, or will be, entitled to possession of the  
2 premises for which application is made under a lease, rental agreement,  
3 or other arrangement for possession of the premises or by virtue of  
4 ownership of the premises.

5 **44-10-312. [Formerly 44-11-309 and similar to**  
6 **44-12-308] Transfer of ownership.** (1) A state or local license granted  
7 under the provisions of this ~~article 11 shall not be~~ ARTICLE 10 ARE NOT  
8 transferable except as provided in this section, but this section ~~shall~~ DOES  
9 not prevent a change of location as provided in ~~section 44-11-310 (13)~~  
10 SECTION **44-10-313** (13).

11 (2) For a transfer of **ownership INVOLVING A CONTROLLING**  
12 **BENEFICIAL OWNER**, a license holder shall apply to the state and local  
13 licensing authorities on forms prepared and furnished by the state  
14 licensing authority. In determining whether to permit a transfer of  
15 ownership, the state and local licensing authorities shall consider only the  
16 requirements of this ~~article 11~~ ARTICLE 10, any rules promulgated by the  
17 state licensing authority, and any other local restrictions. The local  
18 licensing authority OR LOCAL JURISDICTION may hold a hearing on the  
19 application for transfer of ownership. The local licensing authority OR  
20 LOCAL JURISDICTION shall not hold a hearing pursuant to this subsection  
21 (2) until the local licensing authority OR LOCAL JURISDICTION has posted  
22 a notice of hearing in the manner described in ~~section 44-11-302 (2)~~  
23 SECTION **44-10-303** (2) on the licensed ~~medical marijuana center~~ premises  
24 for a period of ten days and has provided notice of the hearing to the  
25 applicant at least ten days prior to the hearing. Any transfer of ownership  
26 hearing by the state licensing authority ~~shall~~ MUST be held in compliance  
27 with the requirements specified in ~~section 44-11-302~~ SECTION **44-10-303**.

1           (3) FOR A TRANSFER OF OWNERSHIP INVOLVING A PASSIVE  
2 BENEFICIAL OWNER, THE LICENSE HOLDER SHALL NOTIFY THE STATE  
3 LICENSING AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE  
4 STATE LICENSING AUTHORITY WITHIN FORTY-FIVE DAYS TO THE EXTENT  
5 DISCLOSURE IS REQUIRED BY SECTION 44-10-309.

6           (4) A PERSON THAT BECOMES A CONTROLLING BENEFICIAL OWNER  
7 OF A PUBLICLY TRADED CORPORATION THAT IS A MEDICAL MARIJUANA  
8 BUSINESS OR RETAIL MARIJUANA BUSINESS OR THAT BECOMES A  
9 BENEFICIAL OWNER, THROUGH DIRECT OR INDIRECT OWNERSHIP OF A  
10 CONTROLLING BENEFICIAL OWNER, OF TEN PERCENT OR MORE OF A  
11 MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS THAT IS  
12 A PUBLICLY TRADED CORPORATION MUST DISCLOSE THE INFORMATION  
13 REQUIRED BY SECTION 44-10-309 AND APPLY TO THE STATE LICENSING  
14 AUTHORITY FOR A FINDING OF SUITABILITY OR EXEMPTION FROM A  
15 FINDING OF SUITABILITY PURSUANT TO SECTION 44-10-310 WITHIN  
16 FORTY-FIVE DAYS AFTER BECOMING SUCH A CONTROLLING BENEFICIAL  
17 OWNER. A MEDICAL MARIJUANA BUSINESS OR RETAIL MARIJUANA  
18 BUSINESS SHALL NOTIFY EACH PERSON THAT IS SUBJECT TO THIS  
19 SUBSECTION (4) OF ITS REQUIREMENTS AS SOON AS THE MEDICAL  
20 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS BECOMES AWARE  
21 OF THE BENEFICIAL OWNERSHIP TRIGGERING THE REQUIREMENT, PROVIDED  
22 THAT THE OBLIGATIONS OF THE PERSON SUBJECT TO THIS SUBSECTION (4)  
23 ARE INDEPENDENT OF, AND UNAFFECTED BY, THE MEDICAL MARIJUANA  
24 BUSINESS'S OR RETAIL MARIJUANA BUSINESS'S FAILURE TO GIVE THE  
25 NOTICE.

26           **44-10-313. [Formerly 44-11-310 and similar to**  
27 **44-12-309] Licensing in general.** (1) (a) This ~~article~~ ~~11~~ ARTICLE 10

1 authorizes a county, municipality, or city and county to prohibit the  
2 operation of ~~medical marijuana centers, optional premises cultivation~~  
3 ~~operations, and medical marijuana-infused products manufacturers'~~  
4 ~~licenses~~ A MEDICAL MARIJUANA BUSINESS and to enact reasonable  
5 regulations or other restrictions applicable to medical marijuana ~~centers,~~  
6 ~~optional premises cultivation licenses, and medical marijuana-infused~~  
7 ~~products manufacturers' licenses~~ BUSINESSES based on local government  
8 zoning, health, safety, and public welfare laws for the distribution of  
9 medical marijuana that are more restrictive than this ~~article 11~~ ARTICLE  
10 10.

11 (b) LOCAL JURISDICTIONS ARE AUTHORIZED TO ADOPT AND  
12 ENFORCE REGULATIONS FOR RETAIL MARIJUANA BUSINESSES THAT ARE AT  
13 LEAST AS RESTRICTIVE AS THE PROVISIONS OF THIS ARTICLE 10 AND ANY  
14 RULE PROMULGATED PURSUANT TO THIS ARTICLE 10.

15 (2) (a) A medical marijuana ~~center, optional premises cultivation~~  
16 ~~operation, or medical marijuana-infused products manufacturer~~ BUSINESS  
17 may not operate until it has been licensed by the local licensing authority  
18 and the state licensing authority pursuant to this ~~article 11~~ ARTICLE 10. If  
19 the state licensing authority issues the applicant a state license and the  
20 local licensing authority subsequently denies the applicant a license, the  
21 state licensing authority shall consider the local licensing authority denial  
22 as a basis for the revocation of the state-issued license. In connection with  
23 a license, the applicant shall provide a complete and accurate list of all  
24 CONTROLLING BENEFICIAL OWNERS, PASSIVE BENEFICIAL ~~owners officers,~~  
25 ~~TO THE EXTENT DISCLOSURE IS REQUIRED BY SECTION 44-10-309,~~ and  
26 employees who manage, own, or are otherwise substantially associated  
27 with the operation and shall provide a complete and accurate application

1 as required by the state licensing authority.

2 (b) A RETAIL MARIJUANA BUSINESS MAY NOT OPERATE UNTIL IT IS  
3 LICENSED BY THE STATE LICENSING AUTHORITY PURSUANT TO THIS  
4 ARTICLE 10 AND APPROVED BY THE LOCAL JURISDICTION. IF AN  
5 APPLICATION IS DENIED BY THE LOCAL LICENSING AUTHORITY, THE STATE  
6 LICENSING AUTHORITY SHALL REVOKE THE STATE-ISSUED LICENSE. IN  
7 CONNECTION WITH A LICENSE, THE APPLICANT SHALL PROVIDE A  
8 COMPLETE AND ACCURATE APPLICATION AS REQUIRED BY THE STATE  
9 LICENSING AUTHORITY.

10 (3) A medical marijuana ~~center, optional premises cultivation~~  
11 ~~operation, or medical marijuana-infused products manufacturer~~ BUSINESS  
12 THAT IS NOT A PUBLICLY TRADED CORPORATION shall notify the state  
13 licensing authority in writing within ten days after ~~an~~ A CONTROLLING  
14 BENEFICIAL owner, ~~officer~~ PASSIVE BENEFICIAL OWNER, or manager  
15 ceases to work at, manage, own, or otherwise be associated with the  
16 operation. The CONTROLLING BENEFICIAL owner, ~~officer~~ PASSIVE  
17 BENEFICIAL OWNER, or manager shall surrender to the state licensing  
18 authority any identification card that may have been issued by the state  
19 licensing authority on or before the date of the notification.

20 (4) A medical marijuana ~~center, optional premises cultivation~~  
21 ~~operation, or medical marijuana-infused products manufacturer~~ BUSINESS  
22 OR RETAIL MARIJUANA BUSINESS THAT IS NOT A PUBLICLY TRADED  
23 CORPORATION shall notify the state licensing authority in writing of the  
24 name, address, and date of birth of ~~an~~ A CONTROLLING BENEFICIAL owner,  
25 ~~officer~~ PASSIVE BENEFICIAL OWNER, or manager before the new  
26 CONTROLLING BENEFICIAL owner, ~~officer~~ PASSIVE BENEFICIAL OWNER, or  
27 manager begins managing ~~owning~~, or associating with the operation. Any

1 CONTROLLING BENEFICIAL owner, ~~officer~~ PASSIVE BENEFICIAL OWNER,  
2 manager, or employee ~~shall~~ MUST pass a fingerprint-based criminal  
3 history record check as required by the state licensing authority and obtain  
4 the required identification prior to being associated with, managing,  
5 owning, or working at the operation.

6 (5) (a) A medical marijuana ~~center, optional premises cultivation~~  
7 ~~operation, or medical marijuana-infused products manufacturer~~ BUSINESS  
8 shall not acquire, possess, cultivate, deliver, transfer, transport, supply, or  
9 dispense marijuana for any purpose except to assist patients, as defined  
10 by section 14 (1) of article XVIII of the state constitution.

11 (b) A RETAIL MARIJUANA BUSINESS SHALL NOT ACQUIRE, POSSESS,  
12 CULTIVATE, DELIVER, TRANSFER, TRANSPORT, SUPPLY, OR DISPENSE  
13 MARIJUANA FOR ANY PURPOSE EXCEPT AS AUTHORIZED BY SECTION 16 OF  
14 ARTICLE XVIII OF THE STATE CONSTITUTION AND THIS ARTICLE 10.

15 (6) (a) All managers and employees of a medical marijuana ~~center,~~  
16 ~~optional premises cultivation operation, or medical marijuana-infused~~  
17 ~~products manufacturer~~ BUSINESS shall be residents of Colorado upon the  
18 date of their license application. All licenses granted pursuant to this  
19 ~~article 11 shall be~~ ARTICLE 10 ARE valid for a period not to exceed two  
20 years after the date of issuance unless revoked or suspended pursuant to  
21 this ~~article 11~~ ARTICLE 10 or the rules promulgated pursuant to this ~~article~~  
22 ~~11~~ ARTICLE 10.

23 (b) ALL MANAGERS AND EMPLOYEES WITH DAY-TO-DAY  
24 OPERATIONAL CONTROL OF A MEDICAL MARIJUANA BUSINESS OR RETAIL  
25 MARIJUANA BUSINESS SHALL BE RESIDENTS OF COLORADO UPON THE DATE  
26 OF THEIR LICENSE APPLICATION. ALL LICENSES GRANTED PURSUANT TO  
27 THIS ARTICLE 10 ARE VALID FOR A PERIOD OF ONE YEAR AFTER THE DATE



1 OF ISSUANCE UNLESS REVOKED OR SUSPENDED PURSUANT TO THIS ARTICLE  
2 10 OR THE RULES PROMULGATED PURSUANT TO THIS ARTICLE 10.

3 (7) Before granting a local or state license, the respective  
4 licensing authority may consider, except where this ~~article 11~~ ARTICLE 10  
5 specifically provides otherwise, the requirements of this ~~article 11~~  
6 ARTICLE 10 and any rules promulgated pursuant to this ~~article 11~~ ARTICLE  
7 10, and all other reasonable restrictions that are or may be placed upon  
8 the licensee by the licensing authority. With respect to a second or  
9 additional license for the same MEDICAL MARIJUANA BUSINESS licensee  
10 or the same owner of another licensed MEDICAL MARIJUANA business  
11 pursuant to this ~~article 11~~ ARTICLE 10, each licensing authority shall  
12 consider the effect on competition of granting or denying the additional  
13 licenses to such licensee and shall not approve an application for a second  
14 or additional license that would have the effect of restraining competition.

15 (8) (a) Each license issued under this ~~article 11~~ ARTICLE 10 is  
16 separate and distinct. It is unlawful for a person to exercise any of the  
17 privileges granted under a license other than the license that the person  
18 holds or for a licensee to allow any other person to exercise the privileges  
19 granted under the licensee's license. A separate license ~~shall be~~ IS required  
20 for each specific business or business entity and each geographical  
21 location.

22 (b) At all times, a licensee shall possess and maintain possession  
23 of the premises ~~or optional premises~~ for which the license is issued by  
24 ownership, lease, rental, or other arrangement for possession of the  
25 premises.

26 (9) (a) The licenses provided pursuant to this ~~article 11~~ shall  
27 ARTICLE 10 MUST specify the date of issuance, the period of licensure, the

1 name of the licensee, and the premises ~~or optional premises~~ licensed. The  
2 licensee shall conspicuously place the license at all times on the licensed  
3 premises. ~~or optional premises.~~

4 (b) A local licensing authority shall not transfer location of or  
5 renew a license to sell medical marijuana until the applicant for the  
6 license provides verification that a license was issued and granted by the  
7 state licensing authority for the previous license term. The state licensing  
8 authority shall not transfer location of or renew a state license until the  
9 applicant provides verification that a license was issued and granted by  
10 the local licensing authority for the previous license term.

11 (10) In computing any period of time prescribed by this ~~article 11~~  
12 ARTICLE 10, the day of the act, event, or default from which the  
13 designated period of time begins to run ~~shall~~ IS not ~~be~~ included.  
14 Saturdays, Sundays, and legal holidays ~~shall be~~ ARE counted as any other  
15 day.

16 (11) (a) ~~EXCEPT FOR A PUBLICLY TRADED CORPORATION, A~~  
17 MEDICAL MARIJUANA BUSINESS licensee shall report each transfer or  
18 change of financial interest in the license to the state and local licensing  
19 authorities thirty days prior to any transfer or change pursuant to ~~section~~  
20 ~~44-11-309~~ SECTION 44-10-312. ~~EXCEPT FOR A PUBLICLY TRADED~~  
21 CORPORATION, a report ~~shall be~~ IS required for transfers of ~~capital stock~~  
22 ~~of any corporation~~ AN OWNER'S INTEREST OF ANY ENTITY regardless of  
23 size.

24 (b) ~~EXCEPT FOR A PUBLICLY TRADED CORPORATION, A RETAIL~~  
25 MARIJUANA BUSINESS LICENSEE SHALL REPORT EACH TRANSFER OR  
26 CHANGE OF FINANCIAL INTEREST IN THE LICENSE TO THE STATE AND LOCAL  
27 LICENSING AUTHORITIES AND RECEIVE APPROVAL PRIOR TO ANY TRANSFER

1 OR CHANGE PURSUANT TO SECTION 44-10-312. EXCEPT FOR A PUBLICLY  
2 TRADED CORPORATION, A REPORT IS REQUIRED FOR TRANSFERS OF AN  
3 OWNER'S INTEREST OF ANY ENTITY REGARDLESS OF SIZE.

4 (12) Each licensee shall manage the licensed premises himself or  
5 herself or employ a separate and distinct manager on the premises and  
6 shall report the name of the manager to the state and local licensing  
7 authorities. The licensee shall report any change in manager to the state  
8 and local licensing authorities prior to the change pursuant to subsection  
9 (4) of this section.

10 (13) (a) A licensee may move ~~his or her~~ THE permanent location  
11 to any other place in Colorado once permission to do so is granted by the  
12 state and local licensing authorities OR LOCAL JURISDICTION provided for  
13 in this ~~article 11~~ ARTICLE 10. Upon receipt of an application for change  
14 of location, the state licensing authority shall, within seven days, submit  
15 a copy of the application to the local licensing authority OR LOCAL  
16 JURISDICTION to determine whether the transfer complies with all local  
17 restrictions on change of location.

18 (b) In permitting a change of location, the state and local licensing  
19 authorities OR LOCAL JURISDICTION shall consider all reasonable  
20 restrictions that are or may be placed upon the new location by the  
21 governing board or local licensing authority of the municipality, city and  
22 county, or county, and any such change in location ~~shall~~ MUST be in  
23 accordance with all requirements of this ~~article 11~~ ARTICLE 10 and rules  
24 promulgated pursuant to this ~~article 11~~ ARTICLE 10.

25 (c) (I) A MEDICAL MARIJUANA CULTIVATION FACILITY OR RETAIL  
26 MARIJUANA CULTIVATION FACILITY THAT HAS OBTAINED AN APPROVED  
27 CHANGE OF LOCATION FROM THE STATE LICENSING AUTHORITY MAY

1 OPERATE ONE LICENSE AT TWO GEOGRAPHICAL LOCATIONS FOR THE  
2 PURPOSE OF TRANSITIONING OPERATIONS FROM ONE LOCATION TO  
3 ANOTHER IF:

4 (A) THE TOTAL PLANTS CULTIVATED AT BOTH LOCATIONS DO NOT  
5 EXCEED ANY PLANT COUNT LIMIT IMPOSED ON THE LICENSE BY THIS  
6 ARTICLE 10 AND ANY RULES PROMULGATED BY THE STATE LICENSING  
7 AUTHORITY;

8 (B) THE LICENSED PREMISES OF BOTH GEOGRAPHICAL LOCATIONS  
9 COMPLY WITH ALL SURVEILLANCE, SECURITY, AND INVENTORY TRACKING  
10 REQUIREMENTS IMPOSED BY THIS ARTICLE 10 AND ANY RULES  
11 PROMULGATED BY THE STATE LICENSING AUTHORITY;

12 (C) BOTH THE TRANSFERRING LOCATION AND THE RECEIVING  
13 LOCATION TRACK ALL PLANTS VIRTUALLY IN TRANSITION IN THE  
14 SEED-TO-SALE TRACKING SYSTEM TO ENSURE PROPER TRACKING FOR  
15 TAXATION AND TRACKING PURPOSES;

16 (D) OPERATION AT BOTH GEOGRAPHICAL LOCATIONS DOES NOT  
17 EXCEED ONE HUNDRED EIGHTY DAYS, UNLESS FOR GOOD CAUSE SHOWN,  
18 THE ONE-HUNDRED-EIGHTY-DAY DEADLINE MAY BE EXTENDED FOR AN  
19 ADDITIONAL ONE HUNDRED TWENTY DAYS; AND

20 (E) THE MEDICAL MARIJUANA CULTIVATION FACILITY OR RETAIL  
21 MARIJUANA CULTIVATION FACILITY LICENSEE OBTAINS THE PROPER STATE  
22 PERMIT AND LOCAL PERMIT OR LICENSE. IF THE CHANGE OF LOCATION IS  
23 WITHIN THE SAME LOCAL JURISDICTION, THE LICENSEE MUST FIRST OBTAIN  
24 A TRANSITION PERMIT FROM THE STATE LICENSING AUTHORITY AND, IF  
25 REQUIRED BY THE LOCAL JURISDICTION, A TRANSITION PERMIT OR OTHER  
26 FORM OF APPROVAL FROM THE LOCAL LICENSING AUTHORITY OR LOCAL  
27 JURISDICTION. IF THE CHANGE OF LOCATION IS TO A DIFFERENT LOCAL

1 JURISDICTION, THE LICENSEE MUST FIRST OBTAIN A LICENSE FROM THE  
2 LOCAL LICENSING AUTHORITY OR LOCAL JURISDICTION WHERE IT INTENDS  
3 TO LOCATE, A TRANSITION PERMIT FROM THE STATE LICENSING  
4 AUTHORITY, AND, IF REQUIRED BY THE LOCAL JURISDICTION, A TRANSITION  
5 PERMIT OR OTHER FORM OF APPROVAL FROM THE LOCAL LICENSING  
6 AUTHORITY OR LOCAL JURISDICTION FOR THE LOCAL JURISDICTION WHERE  
7 IT INTENDS TO LOCATE.

8 (II) CONDUCT AT EITHER LOCATION MAY BE BASIS FOR FINE,  
9 SUSPENSION, REVOCATION, OR OTHER SANCTION AGAINST THE LICENSE.

10 **44-10-314. License renewal.** (1) [Formerly 44-11-311  
11 (1)] Ninety days prior to the expiration date of an existing MEDICAL  
12 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS license, the state  
13 licensing authority shall notify the licensee of the expiration date by  
14 first-class mail at the licensee's address of record with the state licensing  
15 authority. A licensee ~~shall~~ MUST apply for the renewal of an existing  
16 license to the local licensing authority ~~not less than forty-five days and to~~  
17 ~~the state licensing authority not less than thirty days prior to the date of~~  
18 ~~expiration. A local licensing authority shall not accept an application for~~  
19 ~~renewal of a license after the date of expiration, except as provided in~~  
20 ~~subsection (3) of this section. The state licensing authority may extend the~~  
21 ~~expiration date of the license and accept a late application for renewal of~~  
22 ~~a license provided that the applicant has filed a timely renewal application~~  
23 ~~with the local licensing authority. All renewals filed with the local~~  
24 ~~licensing authority and subsequently approved by the local licensing~~  
25 ~~authority shall next be processed by the state licensing authority. The state~~  
26 ~~licensing authority may administratively continue the license and accept~~  
27 ~~a later application for renewal of a license at the discretion of the state~~

1     ~~licensing authority~~ WITHIN THE TIME FRAME REQUIRED BY LOCAL  
2     ORDINANCE OR REGULATION AND TO THE STATE LICENSING AUTHORITY  
3     PRIOR TO THE EXPIRATION OF THE LICENSE. THE LICENSEE SHALL PROVIDE  
4     THE STATE LICENSING AUTHORITY WITH INFORMATION ESTABLISHING THAT  
5     THE APPLICATION COMPLIES WITH ALL LOCAL REQUIREMENTS FOR THE  
6     RENEWAL OF A LICENSE. IF A LICENSEE SUBMITS A TIMELY AND SUFFICIENT  
7     RENEWAL APPLICATION, THE LICENSEE MAY CONTINUE TO OPERATE UNTIL  
8     THE APPLICATION IS FINALLY ACTED UPON BY THE STATE LICENSING  
9     AUTHORITY. The local licensing authority may hold a hearing on the  
10    application for renewal OF A MEDICAL MARIJUANA BUSINESS LICENSE only  
11    if the licensee has had complaints filed against it, has a history of  
12    violations, or there are allegations against the licensee that would  
13    constitute good cause. The local licensing authority shall not hold a  
14    renewal hearing provided for by this subsection (1) for a medical  
15    marijuana ~~center~~ STORE until it has posted a notice of hearing on the  
16    licensed medical marijuana ~~center~~ STORE premises in the manner  
17    described in ~~section 44-11-302. (2)~~ SECTION 44-10-303 (2) for a period of  
18    ten days and provided notice to the applicant at least ten days prior to the  
19    hearing. The local licensing authority may refuse to renew any license for  
20    good cause, subject to judicial review.

21           **[Formerly 44-12-310 (1)]** ~~Ninety days prior to the expiration date~~  
22    ~~of an existing license, the state licensing authority shall notify the licensee~~  
23    ~~of the expiration date by first-class mail at the licensee's address of record~~  
24    ~~with the state licensing authority. A licensee may apply for the renewal~~  
25    ~~of an existing license to the state licensing authority not less than thirty~~  
26    ~~days prior to the date of expiration. Upon receipt of an application for~~  
27    ~~renewal of an existing license and any applicable fees, the state licensing~~

1 authority shall submit, within seven days, a copy of the application to the  
2 local jurisdiction to determine whether the application complies with all  
3 local restrictions on renewal of licenses. The state licensing authority  
4 shall not accept an application for renewal of a license after the date of  
5 expiration, except as provided in subsection (3) of this section. The state  
6 licensing authority may extend the expiration date of the license and  
7 accept a late application for renewal of a license if the applicant has filed  
8 a timely renewal application with the local licensing authority. The state  
9 or the local licensing authority, in its discretion, subject to the  
10 requirements of this subsection (1) and subsection (3) of this section and  
11 based upon reasonable grounds, may waive the thirty-day time  
12 requirements set forth in this subsection (1).

13 (2) [Formerly 44-11-311 (2)] The state licensing authority may  
14 require an additional fingerprint request when there is a demonstrated  
15 investigative need.

16 **44-10-315. [Formerly 44-11-312 and similar to**  
17 **44-12-311] Inactive licenses.** The state or local licensing authority, in its  
18 discretion, may revoke or elect not to renew any license if it determines  
19 that the licensed premises have been inactive, without good cause, for at  
20 least one year.

21 **44-10-316. [Formerly 44-11-313 and similar to**  
22 **44-12-312] Unlawful financial assistance.** (1) The state licensing  
23 authority, by rule, shall require a complete disclosure of all persons  
24 having a direct or indirect financial interest, and the extent of such  
25 interest, in each license issued under this article 11 PURSUANT TO SECTION  
26 44-10-309 IN CONNECTION WITH EACH LICENSE ISSUED UNDER THIS  
27 ARTICLE 10.

~~(2) A person shall not have an unreported financial interest in a license pursuant to this article 11 unless that person has undergone a fingerprint-based criminal history record check as provided for by the state licensing authority in its rules; except that this subsection (2) does not apply to banks or savings and loan associations supervised and regulated by an agency of the state or federal government, or to FHA-approved mortgagees, or to stockholders, directors, or officers thereof.~~

(3) (2) This section is intended to prohibit and prevent the control of the outlets for the sale of ~~medical~~ REGULATED marijuana AND REGULATED MARIJUANA PRODUCTS by a person or party other than the persons licensed pursuant to the provisions of this ~~article~~ ~~11~~ ARTICLE 10.

## PART 4

## LICENSE TYPES

**44-10-401. [Formerly 44-11-401 and similar to 44-12-401] Classes of licenses.** (1) For the purpose of regulating the cultivation, manufacture, distribution, and sale of ~~medical~~ REGULATED marijuana AND REGULATED MARIJUANA PRODUCTS, the state licensing authority in its discretion, upon application in the prescribed form made to it, may issue and grant to the applicant a license from any of the following classes, subject to the provisions and restrictions provided by this ~~article~~ **ARTICLE 10**.

(2) (a) THE FOLLOWING ARE MEDICAL MARIJUANA LICENSES:

(a) (I) Medical marijuana center STORE license;

(b) (II) ~~Optional premises cultivation~~ MEDICAL MARIJUANA  
CULTIVATION FACILITY license;

(e) (III) Medical ~~marijuana-infused~~ MARIJUANA products



1     ~~manufacturing~~ MANUFACTURER license;

2             ~~(d)~~ (IV) Medical marijuana testing facility license;

3             ~~(e)~~ Occupational licenses and registrations for owners, managers,

4     ~~operators, employees, contractors, and other support staff employed by,~~

5     ~~working in, or having access to restricted areas of the licensed premises,~~

6     ~~as determined by the state licensing authority. Upon receipt of an~~

7     ~~affirmation under penalty of perjury that the applicant is enrolled in a~~

8     ~~marijuana-based workforce development or training program operated by~~

9     ~~an entity licensed under this article 11 or by a school that is authorized by~~

10    ~~the private occupational school division in Colorado that will require~~

11    ~~access or employment within a premises licensed pursuant to this article~~

12    ~~11 or article 12 of this title 44, the state licensing authority may exempt~~

13    ~~for up to two years based on the length of the program the residency~~

14    ~~requirement in section 44-11-310 (6) for a person applying for an~~

15    ~~occupational license for participation in a marijuana-based workforce~~

16    ~~development or training program. The state licensing authority may take~~

17    ~~any action with respect to a registration pursuant to this article 11 as it~~

18    ~~may with respect to a license pursuant to this article 11, in accordance~~

19    ~~with the procedures established pursuant to this article 11.~~

20             ~~(f)~~ (V) Medical marijuana transporter license;

21             ~~(g)~~ (VI) Medical marijuana business operator license; AND

22             ~~(h)~~ (VII) Marijuana research and development license. ~~and~~

23             ~~(i) Marijuana research and development cultivation license.~~

24             (b) THE FOLLOWING ARE RETAIL MARIJUANA LICENSES:

25                 (I) RETAIL MARIJUANA STORE LICENSE;

26                 (II) RETAIL MARIJUANA CULTIVATION FACILITY LICENSE;

27                 (III) RETAIL MARIJUANA PRODUCTS MANUFACTURER LICENSE;

- 1 (IV) RETAIL MARIJUANA TESTING FACILITY LICENSE;  
2 (V) RETAIL MARIJUANA TRANSPORTER LICENSE; ==  
3 (VI) RETAIL MARIJUANA BUSINESS OPERATOR LICENSE;  
4 (VII) RETAIL MARIJUANA ACCELERATOR CULTIVATOR LICENSE;  
5 AND  
6 (VIII) RETAIL MARIJUANA ACCELERATOR MANUFACTURER  
7 LICENSE;

8 (c) OCCUPATIONAL LICENSES AND REGISTRATIONS FOR OWNERS,  
9 MANAGERS, OPERATORS, EMPLOYEES, CONTRACTORS, AND OTHER  
10 SUPPORT STAFF EMPLOYED BY, WORKING IN, OR HAVING ACCESS TO  
11 RESTRICTED AREAS OF THE LICENSED PREMISES, AS DETERMINED BY THE  
12 STATE LICENSING AUTHORITY. UPON RECEIPT OF AN AFFIRMATION UNDER  
13 PENALTY OF PERJURY THAT THE APPLICANT IS ENROLLED IN A  
14 MARIJUANA-BASED WORKFORCE DEVELOPMENT OR TRAINING PROGRAM  
15 OPERATED BY AN ENTITY LICENSED UNDER THIS ARTICLE 10 OR BY A  
16 SCHOOL THAT IS AUTHORIZED BY THE PRIVATE OCCUPATIONAL SCHOOL  
17 DIVISION IN COLORADO THAT WILL REQUIRE ACCESS OR EMPLOYMENT  
18 WITHIN A PREMISES LICENSED PURSUANT TO THIS ARTICLE 10, THE STATE  
19 LICENSING AUTHORITY MAY EXEMPT FOR UP TO TWO YEARS BASED ON THE  
20 LENGTH OF THE PROGRAM THE RESIDENCY REQUIREMENT IN SECTION  
21 44-10-313 (6) FOR A PERSON APPLYING FOR AN OCCUPATIONAL LICENSE  
22 FOR PARTICIPATION IN A MARIJUANA-BASED WORKFORCE DEVELOPMENT  
23 OR TRAINING PROGRAM. THE STATE LICENSING AUTHORITY MAY TAKE ANY  
24 ACTION WITH RESPECT TO A REGISTRATION OR PERMIT PURSUANT TO THIS  
25 ARTICLE 10 AS IT MAY WITH RESPECT TO A LICENSE PURSUANT TO THIS  
26 ARTICLE 10, IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED  
27 PURSUANT TO THIS ARTICLE 10.

1           ~~(1.5)~~ (3) (a) Prior to accepting a court appointment as a receiver,  
2       personal representative, executor, administrator, guardian, conservator,  
3       trustee, or any other similarly situated person to take possession of,  
4       operate, manage, or control a licensed medical marijuana business, the  
5       proposed appointee shall certify to the court that the proposed appointee  
6       is not prohibited from being issued a medical marijuana license pursuant  
7       to ~~section 44-11-306 (1)~~ SECTION 44-10-307 (1). Within the time frame  
8       established by rules promulgated by the state licensing authority pursuant  
9       to ~~section 44-11-202 (2)(a)(XXVII)~~ SECTION 44-10-203 (2)(q), an  
10      appointee shall notify the state and local licensing authorities of the  
11      appointment and shall apply to the state licensing authority for a finding  
12      of suitability.

13           (b) Upon notification of an appointment required by ~~subsection~~  
14      ~~(1.5)(a)~~ SUBSECTION (3)(a) of this section, the state licensing authority  
15      shall issue a temporary appointee registration to the appointee effective  
16      as of the date of the appointment. Pursuant to ~~sections 44-11-202 (1)(a),~~  
17      ~~44-11-601, and 24-4-104~~ SECTIONS 24-4-104, 44-10-202 (1)(b), AND  
18      44-10-901, the appointee's temporary appointee registration may be  
19      suspended, revoked, or subject to other sanction if the state licensing  
20      authority finds the appointee to be unsuitable or if the appointee fails to  
21      comply with this ~~article 11 or article 12 of this title 44~~ ARTICLE 10, the  
22      rules promulgated pursuant thereto, or any order of the state licensing  
23      authority. If an appointee's temporary appointee registration is suspended  
24      or revoked, the appointee shall immediately cease performing all  
25      activities for which a license is required by this ~~article 11~~ ARTICLE 10. For  
26      purposes of ~~section 44-11-601 (1)~~ SECTION 44-10-901 (1), the appointee  
27      is deemed an agent of the licensed medical marijuana business.

1 (c) The appointee shall inform the court of any action taken  
2 against the temporary appointee registration by the state licensing  
3 authority pursuant to ~~section 44-11-601 or 24-4-104~~ SECTION 24-4-104 OR  
4 44-10-901 within two business days of any such action.

5 (d) Unless otherwise permitted by this ~~article 11~~ ARTICLE 10 and  
6 rules promulgated pursuant to this ~~article 11~~ ARTICLE 10, a person shall  
7 not take possession of, operate, manage, or control a medical marijuana  
8 business on behalf of another except by court appointment and in  
9 accordance with this ~~subsection (1.5)~~ SUBSECTION (3) and rules  
10 promulgated pursuant thereto.

11 ~~(2)~~ (4) All persons licensed pursuant to this ~~article 11~~ ARTICLE 10  
12 shall collect sales tax on all sales made pursuant to the licensing  
13 activities.

14 ~~(3)~~ (5) A state chartered bank or a credit union may loan money  
15 to any person licensed pursuant to this ~~article 11~~ ARTICLE 10 for the  
16 operation of a licensed MEDICAL OR RETAIL MARIJUANA business. A  
17 marijuana financial services cooperative organized pursuant to article 33  
18 of title 11 may accept as a member, loan money to, and accept deposits  
19 from any entity licensed pursuant to this ~~article 11~~ ARTICLE 10 for the  
20 operation of a licensed MEDICAL OR RETAIL MARIJUANA business.

21 (6) FOR A PERSON APPLYING FOR AN ACCELERATOR LICENSE, THE  
22 STATE LICENSING AUTHORITY SHALL NOT DENY AN APPLICATION ON THE  
23 SOLE BASIS OF THE PRIOR MARIJUANA CONVICTION OF THE APPLICANT AND  
24 AT ITS DISCRETION MAY WAIVE OTHER REQUIREMENTS.

25 PART 5

26 MEDICAL MARIJUANA LICENSE TYPES

27 **44-10-501. [Formerly 44-11-402] Medical marijuana store**

1 **license.** (1) (a) A medical marijuana ~~center~~ STORE license ~~shall~~ MAY be  
2 issued only to a person selling medical marijuana pursuant to the terms  
3 and conditions of this ~~article~~ ~~11~~ ARTICLE 10.

4 (b) The medical marijuana ~~center~~ STORE shall track all of its  
5 medical marijuana and medical ~~marijuana-infused~~ MARIJUANA products  
6 from the point that they are transferred from a ~~medical marijuana optional~~  
7 ~~premises cultivation facility~~ MEDICAL MARIJUANA CULTIVATION FACILITY  
8 or medical ~~marijuana-infused~~ MARIJUANA products manufacturer to the  
9 point of sale.

10 (2) (a) Notwithstanding the provisions of this section, a medical  
11 marijuana ~~center~~ STORE licensee may also sell medical ~~marijuana-infused~~  
12 MARIJUANA products that are prepackaged and labeled so as to clearly  
13 indicate all of the following:

14 (I) That the product contains medical marijuana;

15 (II) That the product is manufactured without any regulatory  
16 oversight for health, safety, or efficacy; and

17 (III) That there may be health risks associated with the  
18 consumption or use of the product.

19 (b) A medical marijuana STORE licensee may contract with a  
20 medical ~~marijuana-infused~~ MARIJUANA products ~~manufacturing~~  
21 MANUFACTURER licensee for the manufacture of medical  
22 ~~marijuana-infused~~ MARIJUANA products upon a medical  
23 ~~marijuana-infused~~ MARIJUANA products ~~manufacturing~~ MANUFACTURER  
24 licensee's licensed premises.

25 (3) (a) Every person selling medical marijuana as provided for in  
26 this ~~article~~ ~~11~~ ARTICLE 10 shall sell only medical marijuana acquired from  
27 ~~an optional premises cultivation facility~~ A MEDICAL MARIJUANA

1 CULTIVATION FACILITY licensee, medical ~~marijuana-infused~~ MARIJUANA  
2 products manufacturer licensee, or another medical marijuana ~~center~~  
3 STORE.

4 (b) A medical marijuana ~~center~~ STORE may not sell more than two  
5 ounces of medical marijuana to a patient or caregiver; except that a  
6 medical marijuana ~~center~~ STORE may sell more than two ounces to a  
7 patient or caregiver who has been recommended an extended ounce count  
8 by his or her recommending physician in accordance with regulations  
9 adopted by the state licensing authority.

10 (c) In addition to medical marijuana, a medical marijuana ~~center~~  
11 STORE may sell no more than six immature plants to a patient; except that  
12 a medical marijuana ~~center~~ STORE may sell more than six immature  
13 plants, but may not exceed half the recommended plant count, to a patient  
14 who has been recommended an expanded plant count by his or her  
15 recommending physician in accordance with regulations adopted by the  
16 state licensing authority. A medical marijuana ~~center~~ STORE may sell  
17 immature plants to a primary caregiver, another medical marijuana ~~center~~  
18 STORE, or a medical ~~marijuana-infused~~ MARIJUANA products manufacturer  
19 pursuant to rules promulgated by the state licensing authority.

20 (d) A medical marijuana ~~center~~ STORE may sell medical marijuana  
21 to another medical marijuana ~~center~~, ~~an optional premises cultivation~~  
22 ~~facility~~ STORE, A MEDICAL MARIJUANA CULTIVATION FACILITY, or a  
23 medical ~~marijuana-infused~~ MARIJUANA products manufacturer pursuant  
24 to rules promulgated by the state licensing authority.

25 (e) (I) A MEDICAL MARIJUANA STORE THAT SELLS AN INDUSTRIAL  
26 HEMP PRODUCT SHALL ENSURE THAT THE INDUSTRIAL HEMP PRODUCT HAS  
27 PASSED ALL TESTING REQUIRED BY RULES PROMULGATED BY THE STATE

1 LICENSING AUTHORITY PURSUANT TO SECTION 44-10-203 (2)(d). PRIOR TO  
2 TAKING POSSESSION OF THE INDUSTRIAL HEMP PRODUCT, A MEDICAL  
3 MARIJUANA STORE SHALL VERIFY THE INDUSTRIAL HEMP PRODUCT PASSED  
4 ALL TESTING REQUIRED FOR MEDICAL MARIJUANA PRODUCTS AT A  
5 LICENSED MEDICAL MARIJUANA TESTING FACILITY AND THAT THE PERSON  
6 TRANSFERRING THE INDUSTRIAL HEMP PRODUCT HAS RECEIVED A  
7 REGISTRATION FROM THE DEPARTMENT OF PUBLIC HEALTH AND  
8 ENVIRONMENT PURSUANT TO SECTION 25-5-426.

9 (II) ABSENT SAMPLING AND TESTING STANDARDS ESTABLISHED BY  
10 THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR THE  
11 SAMPLING AND TESTING OF AN INDUSTRIAL HEMP PRODUCT, A PERSON  
12 TRANSFERRING AN INDUSTRIAL HEMP PRODUCT TO A MEDICAL MARIJUANA  
13 STORE PURSUANT TO THIS SECTION SHALL COMPLY WITH SAMPLING AND  
14 TESTING STANDARDS CONSISTENT WITH THOSE ESTABLISHED BY THE  
15 STATE LICENSING AUTHORITY PURSUANT TO THIS ARTICLE 10. THE STATE  
16 LICENSING AUTHORITY SHALL REPORT TO THE DEPARTMENT OF PUBLIC  
17 HEALTH AND ENVIRONMENT ANY INVESTIGATIONS OR FINDINGS OF  
18 VIOLATIONS OF THIS SECTION BY A PERSON REGISTERED PURSUANT TO  
19 SECTION 25-5-426.

20 ~~(e)~~ (f) The provisions of this subsection (3) do not apply to  
21 medical ~~marijuana-infused~~ MARIJUANA products.

22 ~~(4) Repealed.~~

23 ~~(5)~~ (4) Prior to initiating a sale, the employee of the medical  
24 ~~marijuana center~~ STORE making the sale shall verify that the purchaser has  
25 a valid registry identification card issued pursuant to section 25-1.5-106  
26 or a copy of a current and complete new application for the medical  
27 marijuana registry administered by the department of public health and

1 environment that is documented by a ~~certified mail return receipt~~ PROOF  
2 as having been submitted to the department of public health and  
3 environment within the preceding thirty-five days, and a valid picture  
4 identification card that matches the name on the registry identification  
5 card. A purchaser may not provide a copy of a renewal application in  
6 order to make a purchase at a medical marijuana ~~center~~ STORE. A  
7 purchaser may only make a purchase using a copy of his or her  
8 application from 8 a.m. to 5 p.m., Monday through Friday. If the  
9 purchaser presents a copy of his or her application at the time of purchase,  
10 the employee must contact the department of public health and  
11 environment to determine whether the purchaser's application has been  
12 denied. The employee shall not complete the transaction if the purchaser's  
13 application has been denied. If the purchaser's application has been  
14 denied, the employee ~~shall be~~ IS authorized to confiscate the purchaser's  
15 copy of the application and the documentation of the ~~certified mail return~~  
16 ~~receipt~~ PROOF OF SUBMITTAL, if possible, and shall, within seventy-two  
17 hours after the confiscation, turn it over to the department of public health  
18 and environment or a local law enforcement agency. The failure to  
19 confiscate the copy of the application and document of the ~~certified mail~~  
20 ~~return receipt~~ PROOF OF SUBMITTAL or to turn it over to the state health  
21 department or a state or local law enforcement agency within seventy-two  
22 hours after the confiscation ~~shall not constitute~~ IS NOT a criminal offense.

23 (6) (5) Transactions for the sale of medical marijuana or a medical  
24 ~~marijuana-infused~~ MARIJUANA product at a medical marijuana ~~center~~  
25 STORE may be completed by using an automated machine that is in a  
26 restricted access area of the ~~center~~ STORE if the machine complies with  
27 the rules promulgated by the state licensing authority regarding the



1 transaction of sale of product at a medical marijuana ~~center~~ STORE and the  
2 transaction complies with ~~subsection (5)~~ SUBSECTION (4) of this section.

3 ~~(7)~~ (6) A medical marijuana ~~center~~ STORE may provide, except as  
4 required by ~~section 44-11-202 (3)(a)(i)~~ SECTION 44-10-203 (2)(d), a  
5 sample of its products to a facility that has a medical marijuana testing  
6 facility license from the state licensing authority for testing and research  
7 purposes. A medical marijuana ~~center~~ STORE shall maintain a record of  
8 what was provided to the testing facility, the identity of the testing  
9 facility, and the results of the testing.

10 ~~(8)~~ (7) All medical marijuana sold at a licensed medical marijuana  
11 center shall be labeled with a list of all chemical additives, including but  
12 not limited to nonorganic pesticides, herbicides, and fertilizers, that were  
13 used in the cultivation and the production of the medical marijuana.

14 ~~(9)~~ (8) A licensed medical marijuana ~~center~~ STORE shall comply  
15 with all provisions of article 34 of title 24, as the provisions relate to  
16 persons with disabilities.

17 ~~(10)~~ (9) Notwithstanding the provisions of ~~section 44-11-901~~  
18 ~~(4)(i)~~ SECTION 44-10-701 (3)(g), a medical marijuana ~~center~~ STORE may  
19 sell below cost or donate to a patient who has been designated indigent  
20 by the state health agency or who is in hospice care:

21 (a) Medical marijuana; or

22 (b) No more than six immature plants; except that a medical  
23 marijuana ~~center~~ STORE may sell or donate more than six immature plants,  
24 but may not exceed half the recommended plant count, to a patient who  
25 has been recommended an expanded plant count by his or her  
26 recommending physician; or

27 (c) Medical ~~marijuana-infused~~ MARIJUANA products to patients.

1           (10) (a) EXCEPT AS PROVIDED IN SUBSECTION (10)(b) OF THIS  
2           SECTION, A MEDICAL MARIJUANA STORE SHALL NOT SELL, INDIVIDUALLY  
3           OR IN ANY COMBINATION, MORE THAN TWO OUNCES OF MEDICAL  
4           MARIJUANA FLOWER, FORTY GRAMS OF MEDICAL MARIJUANA  
5           CONCENTRATE, OR MEDICAL MARIJUANA PRODUCTS CONTAINING A  
6           COMBINED TOTAL OF TWENTY THOUSAND MILLIGRAMS TO A PATIENT IN A  
7           SINGLE BUSINESS DAY.

8           (b) (I) A MEDICAL MARIJUANA STORE MAY SELL MEDICAL  
9           MARIJUANA FLOWER IN AN AMOUNT THAT EXCEEDS THE SALES LIMITATION  
10           ESTABLISHED PURSUANT TO SUBSECTION (10)(a) OF THIS SECTION ONLY TO  
11           A PATIENT WHO HAS A PHYSICIAN RECOMMENDATION FOR MORE THAN TWO  
12           OUNCES OF FLOWER AND IS REGISTERED WITH THE MEDICAL MARIJUANA  
13           STORE.

14           (II) A MEDICAL MARIJUANA STORE MAY SELL MEDICAL MARIJUANA  
15           CONCENTRATE OR MEDICAL MARIJUANA PRODUCTS IN AN AMOUNT THAT  
16           EXCEEDS THE SALES LIMITATION PURSUANT TO SUBSECTION (10)(a) OF  
17           THIS SECTION ONLY TO A PATIENT WHO HAS A PHYSICIAN EXEMPTION FROM  
18           THE SALES LIMITATION AND IS REGISTERED WITH THE MEDICAL MARIJUANA  
19           STORE. A PHYSICIAN MAKING MEDICAL MARIJUANA RECOMMENDATIONS  
20           FOR A DEBILITATING MEDICAL CONDITION OR DISABLING MEDICAL  
21           CONDITION PURSUANT TO ARTICLE 1.5 OF TITLE 25 MAY EXEMPT A PATIENT  
22           FROM THE MEDICAL MARIJUANA CONCENTRATE OR MEDICAL MARIJUANA  
23           PRODUCTS SALES LIMITATION ESTABLISHED IN SUBSECTION (10)(a) OF THIS  
24           SECTION. A PHYSICIAN PROVIDING AN EXEMPTION SHALL DOCUMENT AND  
25           MAINTAIN THE EXEMPTION IN THE PHYSICIAN'S RECORD-KEEPING SYSTEM  
26           FOR THE PATIENT AND SHALL PROVIDE WRITTEN DOCUMENTATION TO THE  
27           PATIENT TO ALLOW A MEDICAL MARIJUANA STORE TO VERIFY THE

1 EXEMPTION. THE WRITTEN DOCUMENTATION OF THE EXEMPTION PROVIDED  
2 TO A PATIENT MUST, AT A MINIMUM, INCLUDE THE PATIENT'S NAME AND  
3 REGISTRY NUMBER, THE PHYSICIAN'S NAME, VALID LICENSE NUMBER,  
4 PHYSICAL BUSINESS ADDRESS, ANY ELECTRONIC MAILING ADDRESS, AND  
5 PHONE NUMBER. THE STATE HEALTH AGENCY MAY REQUIRE A PHYSICIAN  
6 PROVIDING AN EXEMPTION TO THE SALES LIMITATION TO DOCUMENT THE  
7 EXEMPTION IN THE MEDICAL MARIJUANA REGISTRY.

8 (c) THE STATE LICENSING AUTHORITY MAY PROMULGATE RULES TO  
9 ESTABLISH CERTAIN EXEMPTIONS TO THE MEDICAL MARIJUANA  
10 CONCENTRATE OR MEDICAL MARIJUANA PRODUCTS SALES LIMITATION AND  
11 MAY ESTABLISH RECORD-KEEPING REQUIREMENTS FOR MEDICAL  
12 MARIJUANA STORES ENGAGING IN SALES TRANSACTIONS PURSUANT TO  
13 ANY EXEMPTION TO THE SALES LIMITATION. WHEN ESTABLISHING ANY  
14 EXEMPTIONS, THE STATE LICENSING AUTHORITY SHALL CONSULT WITH  
15 MEMBERS OF THE MEDICAL MARIJUANA PATIENT COMMUNITY AND  
16 PHYSICIANS MAKING MEDICAL MARIJUANA RECOMMENDATIONS PURSUANT  
17 TO SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION AND  
18 ARTICLE 1.5 OF TITLE 25.

19 (d) A MEDICAL MARIJUANA STORE SHALL NOT ENGAGE IN SALES  
20 TRANSACTIONS TO THE SAME PATIENT DURING THE SAME BUSINESS DAY  
21 WHEN THE MEDICAL MARIJUANA STORE OR ITS EMPLOYEE KNOWS OR  
22 REASONABLY SHOULD HAVE KNOWN THAT THE SALES TRANSACTION  
23 WOULD RESULT IN THE PATIENT POSSESSING MORE THAN THE SALES  
24 LIMITATION ESTABLISHED BY THIS SUBSECTION SUBSECTION (10)(a) OF  
25 THIS SECTION.

26 (11) (a) (I) THERE IS AUTHORIZED A MEDICAL MARIJUANA  
27 DELIVERY PERMIT TO A MEDICAL MARIJUANA STORE LICENSE AUTHORIZING

1 THE PERMIT HOLDER TO DELIVER MEDICAL MARIJUANA AND MEDICAL  
2 MARIJUANA PRODUCTS.

3 (II) A MEDICAL MARIJUANA DELIVERY PERMIT IS VALID FOR ONE  
4 YEAR AND MAY BE RENEWED ANNUALLY UPON RENEWAL OF THE MEDICAL  
5 MARIJUANA STORE LICENSE.

6 (III) A MEDICAL MARIJUANA DELIVERY PERMIT ISSUED PURSUANT  
7 TO THIS SECTION APPLIES TO ONLY ONE MEDICAL MARIJUANA STORE;  
8 EXCEPT THAT, A SINGLE MEDICAL MARIJUANA DELIVERY PERMIT MAY  
9 APPLY TO MULTIPLE MEDICAL MARIJUANA STORES PROVIDED THAT THE  
10 MEDICAL MARIJUANA STORES ARE IN THE SAME LOCAL JURISDICTION AND  
11 ARE IDENTICALLY OWNED, AS DEFINED BY THE STATE LICENSING  
12 AUTHORITY FOR PURPOSES OF THIS SECTION.

13 (IV) THE STATE LICENSING AUTHORITY MAY ISSUE A MEDICAL  
14 MARIJUANA DELIVERY PERMIT TO A QUALIFIED APPLICANT, AS  
15 DETERMINED BY THE STATE LICENSING AUTHORITY, THAT HOLDS A  
16 MEDICAL MARIJUANA STORE LICENSE ISSUED PURSUANT TO THIS ARTICLE  
17 10. THE STATE LICENSING AUTHORITY HAS DISCRETION IN DETERMINING  
18 WHETHER AN APPLICANT IS QUALIFIED TO RECEIVE A MEDICAL MARIJUANA  
19 DELIVERY PERMIT. A MEDICAL MARIJUANA DELIVERY PERMIT ISSUED BY  
20 THE STATE LICENSING AUTHORITY IS DEEMED A REVOCABLE PRIVILEGE OF  
21 A LICENSED MEDICAL MARIJUANA STORE. A VIOLATION RELATED TO A  
22 MEDICAL MARIJUANA DELIVERY PERMIT IS GROUNDS FOR A FINE OR  
23 SUSPENSION OR REVOCATION OF THE DELIVERY PERMIT OR MEDICAL  
24 MARIJUANA STORE LICENSE.

25 (b) A MEDICAL MARIJUANA STORE LICENSEE SHALL NOT MAKE  
26 DELIVERIES OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS  
27 TO PATIENTS OR PARENTS OR GUARDIANS WHILE ALSO TRANSPORTING

1 MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS BETWEEN  
2 LICENSED PREMISES IN THE SAME VEHICLE.

3 (c) A LICENSED MEDICAL MARIJUANA STORE SHALL CHARGE A  
4 ONE-DOLLAR SURCHARGE ON EACH DELIVERY. THE LICENSED MEDICAL  
5 MARIJUANA STORE SHALL REMIT THE SURCHARGES COLLECTED ON A  
6 MONTHLY BASIS TO THE MUNICIPALITY WHERE THE LICENSED MEDICAL  
7 MARIJUANA STORE IS LOCATED, OR TO THE COUNTY IF THE LICENSED  
8 MEDICAL MARIJUANA STORE IS IN AN UNINCORPORATED AREA, FOR LOCAL  
9 LAW ENFORCEMENT COSTS RELATED TO MARIJUANA ENFORCEMENT.  
10 FAILURE TO COMPLY WITH THIS SUBSECTION (11)(c) MAY RESULT IN  
11 NONRENEWAL OF THE MEDICAL MARIJUANA DELIVERY PERMIT.

12 (d) A LICENSED MEDICAL MARIJUANA STORE WITH A MEDICAL  
13 MARIJUANA DELIVERY PERMIT MAY DELIVER MEDICAL MARIJUANA AND  
14 MEDICAL MARIJUANA PRODUCTS ONLY TO THE PATIENT OR PARENT OR  
15 GUARDIAN WHO PLACED THE ORDER AND WHO:

16 (I) IS A CURRENT REGISTRANT OF THE MEDICAL MARIJUANA  
17 PATIENT REGISTRY AND IS TWENTY-ONE YEARS OF AGE OR OLDER OR THE  
18 PARENT OR GUARDIAN OF A PATIENT WHO IS ALSO THE PATIENT'S PRIMARY  
19 CAREGIVER;

20 (II) RECEIVES THE DELIVERY OF MEDICAL MARIJUANA OR MEDICAL  
21 MARIJUANA PRODUCTS PURSUANT TO RULES; AND

22 (III) POSSESSES AN ACCEPTABLE FORM OF IDENTIFICATION.

23 (e) ANY PERSON DELIVERING MEDICAL MARIJUANA OR MEDICAL  
24 MARIJUANA PRODUCTS MUST POSSESS A VALID OCCUPATIONAL LICENSE  
25 AND BE A CURRENT EMPLOYEE OF THE LICENSED MEDICAL MARIJUANA  
26 STORE OR MEDICAL MARIJUANA TRANSPORTER LICENSEE WITH A VALID  
27 MEDICAL MARIJUANA DELIVERY PERMIT; MUST HAVE UNDERGONE

1 TRAINING REGARDING PROOF-OF-AGE IDENTIFICATION AND VERIFICATION,  
2 INCLUDING ALL FORMS OF IDENTIFICATION THAT ARE DEEMED  
3 ACCEPTABLE BY THE STATE LICENSING AUTHORITY; AND MUST HAVE ANY  
4 OTHER TRAINING REQUIRED BY THE STATE LICENSING AUTHORITY.

5 (f) IN ACCORDANCE WITH THIS SUBSECTION (11) AND RULES  
6 ADOPTED TO IMPLEMENT THIS SUBSECTION (11), A LICENSED MEDICAL  
7 MARIJUANA STORE WITH A VALID MEDICAL MARIJUANA DELIVERY PERMIT  
8 MAY:

9 (I) RECEIVE AN ORDER BY ELECTRONIC OR OTHER MEANS FROM A  
10 PATIENT OR THE PARENT OR GUARDIAN FOR THE PURCHASE AND DELIVERY  
11 OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS. WHEN USING  
12 AN ONLINE PLATFORM FOR MARIJUANA DELIVERY, THE PLATFORM MUST  
13 REQUIRE THE PATIENT OR PARENT OR GUARDIAN TO CHOOSE A MEDICAL  
14 MARIJUANA STORE BEFORE VIEWING THE PRICE.

15 (II) DELIVER MEDICAL MARIJUANA AND MEDICAL MARIJUANA  
16 PRODUCTS NOT IN EXCESS OF THE AMOUNTS ESTABLISHED BY THE STATE  
17 LICENSING AUTHORITY;

18 (III) DELIVER ONLY TO A PATIENT OR A PARENT OR GUARDIAN AT  
19 THE ADDRESS PROVIDED IN THE ORDER;

20 (IV) DELIVER NO MORE THAN ONCE PER DAY TO THE SAME  
21 PATIENT OR PARENT OR GUARDIAN OR RESIDENCE;

22 (V) (A) DELIVER ONLY TO PRIVATE RESIDENCES;

23 (B) FOR PURPOSES OF THIS SECTION, "PRIVATE RESIDENCES"  
24 MEANS PRIVATE PREMISES WHERE A PERSON LIVES, SUCH AS A PRIVATE  
25 DWELLING PLACE OR PLACE OF HABITATION, AND SPECIFICALLY EXCLUDES  
26 ANY PREMISES LOCATED AT A SCHOOL OR ON THE CAMPUS OF AN  
27 INSTITUTION OF HIGHER EDUCATION, OR ANY OTHER PUBLIC PROPERTY.

1 (VI) DELIVER MEDICAL MARIJUANA OR MEDICAL MARIJUANA  
2 PRODUCTS ONLY BY A MOTOR VEHICLE THAT COMPLIES WITH THIS SECTION  
3 AND THE RULES PROMULGATED PURSUANT TO THIS SECTION AND SECTION  
4 44-10-203 (2)(cc); AND

5 (VII) USE AN EMPLOYEE TO CONDUCT DELIVERIES, OR CONTRACT  
6 WITH A MEDICAL MARIJUANA TRANSPORTER THAT HAS A VALID MEDICAL  
7 MARIJUANA DELIVERY PERMIT TO CONDUCT DELIVERIES ON ITS BEHALF,  
8 FROM ITS MEDICAL MARIJUANA STORE OR ITS ASSOCIATED STATE  
9 LICENSING AUTHORITY-AUTHORIZED STORAGE FACILITY AS DEFINED BY  
10 RULE.

11 (g) (I) AT THE TIME OF THE ORDER, THE MEDICAL MARIJUANA  
12 STORE SHALL REQUIRE THE PATIENT OR PARENT OR GUARDIAN TO PROVIDE  
13 INFORMATION NECESSARY TO VERIFY THE PATIENT IS QUALIFIED TO  
14 PURCHASE AND RECEIVE A DELIVERY OF MEDICAL MARIJUANA AND  
15 MEDICAL MARIJUANA PRODUCTS PURSUANT TO THIS SECTION. THE  
16 PROVIDED INFORMATION MUST, AT A MINIMUM, INCLUDE THE FOLLOWING:

17 (A) THE PATIENT'S NAME AND DATE OF BIRTH;

18 (B) THE REGISTRATION NUMBER REFLECTED ON THE PATIENT'S  
19 REGISTRY IDENTIFICATION CARD ISSUED PURSUANT TO SECTION  
20 25-1.5-106;

21 (C) IF THE PATIENT IS UNDER EIGHTEEN YEARS OF AGE, THE NAME  
22 AND DATE OF BIRTH OF THE PARENT OR GUARDIAN DESIGNATED AS THE  
23 PATIENT'S PRIMARY CAREGIVER, AND IF APPLICABLE, THE REGISTRATION  
24 NUMBER OF THE PRIMARY CAREGIVER;

25 (D) THE ADDRESS OF THE RESIDENCE WHERE THE ORDER WILL BE  
26 DELIVERED; AND

27 (E) ANY OTHER INFORMATION REQUIRED BY STATE LICENSING

1 AUTHORITY RULE.

2 (II) PRIOR TO TRANSFERRING POSSESSION OF THE ORDER TO A  
3 PATIENT OR A PARENT OR GUARDIAN, THE PERSON DELIVERING THE ORDER  
4 SHALL INSPECT THE PATIENT'S OR PARENT'S OR GUARDIAN'S  
5 IDENTIFICATION AND REGISTRY IDENTIFICATION CARD ISSUED PURSUANT  
6 TO SECTION 25-1.5-106, VERIFY THE POSSESSION OF A VALID REGISTRY  
7 IDENTIFICATION CARD ISSUED PURSUANT TO SECTION 25-1.5-106, AND  
8 VERIFY THAT THE INFORMATION PROVIDED AT THE TIME OF THE ORDER  
9 MATCH THE NAME AND AGE ON THE PATIENT'S OR PARENT'S OR  
10 GUARDIAN'S IDENTIFICATION.

11 (h) (I) UNLESS OTHERWISE PROVIDED BY THE STATE LICENSING  
12 AUTHORITY BY RULES PROMULGATED PURSUANT TO THIS ARTICLE 10, ALL  
13 REQUIREMENTS APPLICABLE TO OTHER LICENSES ISSUED PURSUANT TO  
14 THIS ARTICLE 10 APPLY TO THE DELIVERY OF MEDICAL MARIJUANA AND  
15 MEDICAL MARIJUANA PRODUCTS, INCLUDING BUT NOT LIMITED TO  
16 INVENTORY TRACKING, TRANSPORTATION, AND PACKAGING AND LABELING  
17 REQUIREMENTS.

18 (II) THE ADVERTISING REGULATIONS AND PROHIBITIONS ADOPTED  
19 PURSUANT TO SECTION 44-10-203 (3)(a) APPLY TO MEDICAL MARIJUANA  
20 DELIVERY OPERATIONS PURSUANT TO THIS SUBSECTION (11).

21 (i) IT IS NOT A VIOLATION OF ANY PROVISION OF STATE, CIVIL, OR  
22 CRIMINAL LAW FOR A LICENSED MEDICAL MARIJUANA STORE OR MEDICAL  
23 MARIJUANA TRANSPORTER LICENSEE WITH A VALID MEDICAL MARIJUANA  
24 DELIVERY PERMIT, OR SUCH PERSON WHO HAS MADE TIMELY AND  
25 SUFFICIENT APPLICATION FOR THE RENEWAL OF THE PERMIT, OR ITS  
26 LICENSEES TO POSSESS, TRANSPORT, AND DELIVER MEDICAL MARIJUANA  
27 AND MEDICAL MARIJUANA PRODUCTS PURSUANT TO A MEDICAL



1 MARIJUANA DELIVERY PERMIT IN AMOUNTS THAT DO NOT EXCEED  
2 AMOUNTS ESTABLISHED BY THE STATE LICENSING AUTHORITY.

3 (j) A LOCAL LAW ENFORCEMENT AGENCY MAY REQUEST STATE  
4 LICENSING AUTHORITY REPORTS, INCLUDING COMPLAINTS, INVESTIGATIVE  
5 ACTIONS, AND FINAL AGENCY ACTION ORDERS, RELATED TO CRIMINAL  
6 ACTIVITY MATERIALLY RELATED TO MEDICAL MARIJUANA DELIVERY IN  
7 THE LAW ENFORCEMENT AGENCY'S JURISDICTION, AND THE STATE  
8 LICENSING AUTHORITY SHALL PROMPTLY PROVIDE ANY REPORTS IN ITS  
9 POSSESSION FOR THE LAW ENFORCEMENT AGENCY'S JURISDICTION.

10 (k) (I) NOTWITHSTANDING ANY PROVISIONS OF THIS SECTION,  
11 DELIVERY OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS IS  
12 NOT PERMITTED IN ANY MUNICIPALITY, COUNTY, OR CITY AND COUNTY  
13 UNLESS THE MUNICIPALITY, COUNTY, OR CITY AND COUNTY, BY EITHER A  
14 MAJORITY OF THE REGISTERED ELECTORS OF THE MUNICIPALITY, COUNTY,  
15 OR CITY AND COUNTY VOTING AT A REGULAR ELECTION OR SPECIAL  
16 ELECTION CALLED IN ACCORDANCE WITH THE "COLORADO MUNICIPAL  
17 ELECTION CODE OF 1965", ARTICLE 10 OF TITLE 31, OR THE "UNIFORM  
18 ELECTION CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, AS APPLICABLE,  
19 OR A MAJORITY OF THE MEMBERS OF THE GOVERNING BOARD FOR THE  
20 MUNICIPALITY, COUNTY, OR CITY AND COUNTY, VOTE TO ALLOW THE  
21 DELIVERY OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS  
22 PURSUANT TO THIS SECTION.

23 (II) AN ORDINANCE ADOPTED PURSUANT TO SUBSECTION (11)(k)(I)  
24 OF THIS SECTION MAY PROHIBIT DELIVERY OF MEDICAL MARIJUANA OR  
25 MEDICAL MARIJUANA PRODUCTS FROM A MEDICAL MARIJUANA STORE  
26 THAT IS OUTSIDE A MUNICIPALITY'S, COUNTY'S, CITY'S, OR CITY AND  
27 COUNTY'S JURISDICTIONAL BOUNDARIES TO AN ADDRESS WITHIN ITS

1 JURISDICTIONAL BOUNDARIES.

2 (l) NOTWITHSTANDING ANY PROVISIONS OF THIS SECTION,  
3 DELIVERY OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS IS NOT  
4 PERMITTED AT ANY SCHOOL OR ON THE CAMPUS OF ANY INSTITUTION OF  
5 HIGHER EDUCATION.

6 (m) (I) THE STATE LICENSING AUTHORITY SHALL BEGIN ISSUING  
7 MEDICAL MARIJUANA DELIVERY PERMITS TO QUALIFIED MEDICAL  
8 MARIJUANA STORE APPLICANTS ON, BUT NOT EARLIER THAN, JANUARY 2,  
9 2020.

10 (II) NO LATER THAN JANUARY 2, 2021, THE STATE LICENSING  
11 AUTHORITY SHALL SUBMIT A REPORT TO THE FINANCE COMMITTEES OF THE  
12 HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR  
13 COMMITTEES, REGARDING THE NUMBER OF MEDICAL MARIJUANA  
14 DELIVERY APPLICATIONS SUBMITTED, THE NUMBER OF MEDICAL  
15 MARIJUANA DELIVERY PERMITS ISSUED, ANY FINDINGS BY THE STATE  
16 LICENSING AUTHORITY OF CRIMINAL ACTIVITY MATERIALLY RELATED TO  
17 MEDICAL MARIJUANA DELIVERY, AND ANY INCIDENT REPORTS THAT  
18 INCLUDE FELONY CHARGES MATERIALLY RELATED TO MEDICAL  
19 MARIJUANA DELIVERY, WHICH WERE FILED AND REPORTED TO THE STATE  
20 LICENSING AUTHORITY BY THE LAW ENFORCEMENT AGENCY, DISTRICT  
21 ATTORNEY, OR OTHER AGENCY RESPONSIBLE FOR FILING THE FELONY  
22 CHARGES. THE STATE LICENSING AUTHORITY MAY CONSULT WITH THE  
23 DIVISION OF CRIMINAL JUSTICE IN THE DEPARTMENT OF PUBLIC SAFETY IN  
24 THE COLLECTION AND ANALYSIS OF ADDITIONAL CRIME DATA MATERIALLY  
25 RELATED TO MEDICAL MARIJUANA DELIVERY.

26 (12) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
27 CONTRARY, A LICENSED MEDICAL MARIJUANA STORE MAY COMPENSATE

1 ITS EMPLOYEES USING PERFORMANCE-BASED INCENTIVES, INCLUDING  
2 SALES-BASED PERFORMANCE-BASED INCENTIVES.

3 **44-10-502. [Formerly 44-11-403] Medical marijuana**  
4 **cultivation facility license - rules - definitions.** (1) ~~An optional~~  
5 ~~premises cultivation facility license~~ A MEDICAL MARIJUANA CULTIVATION  
6 FACILITY may be issued only to a person who cultivates medical  
7 marijuana for sale and distribution to licensed medical marijuana ~~centers~~  
8 STORES, medical ~~marijuana-infused~~ MARIJUANA products manufacturer  
9 licensees, or other ~~optional premises cultivation facilities~~ MEDICAL  
10 MARIJUANA CULTIVATION FACILITIES.

11 (2) ~~An optional premises cultivation facility~~ A MEDICAL  
12 MARIJUANA CULTIVATION FACILITY shall track the marijuana it cultivates  
13 from seed or immature plant to wholesale purchase.

14 (3) ~~An optional premises cultivation facility~~ A MEDICAL  
15 MARIJUANA CULTIVATION FACILITY may provide, except as required by  
16 ~~section 44-11-202 (3)(a)(i)~~ SECTION 44-10-203 (2)(d), a sample of its  
17 products to a facility that has a MEDICAL marijuana testing facility license  
18 from the state licensing authority for testing and research purposes. ~~An~~  
19 ~~optional premises cultivation facility~~ A MEDICAL MARIJUANA  
20 CULTIVATION FACILITY shall maintain a record of what was provided to  
21 the testing facility, the identity of the testing facility, and the testing  
22 results.

23 (4) Medical marijuana or medical ~~marijuana-infused~~ MARIJUANA  
24 products may not be consumed on the premises of ~~an optional premises~~  
25 ~~cultivation facility~~ A MEDICAL MARIJUANA CULTIVATION FACILITY.

26 (5) (a) A MEDICAL MARIJUANA CULTIVATION FACILITY LICENSEE  
27 MAY PROVIDE A MEDICAL MARIJUANA SAMPLE AND A MEDICAL MARIJUANA

1 CONCENTRATE SAMPLE TO NO MORE THAN FIVE MANAGERS EMPLOYED BY  
2 THE LICENSEE FOR PURPOSES OF QUALITY CONTROL AND PRODUCT  
3 DEVELOPMENT. A MEDICAL MARIJUANA CULTIVATION FACILITY LICENSEE  
4 MAY DESIGNATE NO MORE THAN FIVE MANAGERS PER CALENDAR MONTH  
5 AS RECIPIENTS OF QUALITY CONTROL AND PRODUCT DEVELOPMENT  
6 SAMPLES AUTHORIZED PURSUANT TO THIS SUBSECTION (5)(a).

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

10 (c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (5)(a) OF  
11 THIS SECTION IS LIMITED TO ONE GRAM OF MEDICAL MARIJUANA PER  
12 BATCH AS DEFINED IN RULES PROMULGATED BY THE STATE LICENSING  
13 AUTHORITY AND ONE-QUARTER GRAM OF A MEDICAL MARIJUANA  
14 CONCENTRATE PER BATCH AS DEFINED IN RULES PROMULGATED BY THE  
15 STATE LICENSING AUTHORITY; EXCEPT THAT THE LIMIT IS ONE-HALF GRAM  
16 OF MEDICAL MARIJUANA CONCENTRATE IF THE INTENDED USE OF THE  
17 FINAL MEDICAL MARIJUANA PRODUCT IS TO BE USED IN A DEVICE THAT  
18 CAN DELIVER MEDICAL MARIJUANA CONCENTRATE IN A VAPORIZED FORM  
19 TO THE PERSON INHALING FROM THE DEVICE.

20 (d) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (5)(a) OF  
21 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES  
22 PROMULGATED PURSUANT TO SECTION 44-10-203 (2)(f) AND (3)(b).

23 (e) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (5)(a) OF THIS  
24 SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING SYSTEM.  
25 PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST BE  
26 DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT OF  
27 QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A MANAGER

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

8 (f) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO  
9 SUBSECTION (5)(a) OF THIS SECTION, A MEDICAL MARIJUANA CULTIVATION  
10 FACILITY LICENSEE SHALL PROVIDE A STANDARD OPERATING PROCEDURE  
11 TO THE MANAGER EXPLAINING REQUIREMENTS PURSUANT TO THIS SECTION  
12 AND PERSONAL POSSESSION LIMITS PURSUANT TO SECTION 18-18-406.

13 (g) A MANAGER SHALL NOT:

14 (I) RECEIVE MORE THAN ONE OUNCE TOTAL OF MEDICAL  
15 MARIJUANA SAMPLES OR FIFTEEN GRAMS OF MEDICAL MARIJUANA  
16 CONCENTRATE SAMPLES PER CALENDAR MONTH, REGARDLESS OF THE  
17 NUMBER OF LICENSES THAT THE MANAGER IS ASSOCIATED WITH; OR

18 (II) PROVIDE OR RESELL THE SAMPLE TO ANOTHER LICENSED  
19 EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL.

20 (h) A MEDICAL MARIJUANA CULTIVATION FACILITY LICENSEE  
21 SHALL NOT:

22 (I) ALLOW A MANAGER TO CONSUME THE SAMPLE ON THE  
23 LICENSED PREMISES; OR

24 (II) USE THE SAMPLE AS A MEANS OF COMPENSATION TO A  
25 MANAGER.

26 (i) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL  
27 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL

1 REPORTING REQUIRED FOR IMPLEMENTATION. THE MEDICAL MARIJUANA  
2 CULTIVATION FACILITY LICENSEE SHALL MAINTAIN THE INFORMATION  
3 REQUIRED BY THIS SUBSECTION (5)(i) ON THE LICENSED PREMISES FOR  
4 INSPECTION BY THE STATE AND LOCAL LICENSING AUTHORITIES.

5 (j) FOR PURPOSES OF THIS SUBSECTION (5) ONLY, "MANAGER"  
6 MEANS AN EMPLOYEE OF THE MEDICAL MARIJUANA BUSINESS WHO HOLDS  
7 A VALID KEY LICENSE OR ASSOCIATED KEY LICENSE AND IS CURRENTLY  
8 DESIGNATED PURSUANT TO STATE LICENSING AUTHORITY RULES AS THE  
9 MANAGER OF THE MEDICAL MARIJUANA BUSINESS.

10 (6) (a) THE STATE LICENSING AUTHORITY MAY ISSUE A  
11 CENTRALIZED DISTRIBUTION PERMIT TO A MEDICAL MARIJUANA  
12 CULTIVATION FACILITY AUTHORIZING TEMPORARY STORAGE ON ITS  
13 LICENSED PREMISES OF MEDICAL MARIJUANA CONCENTRATE AND MEDICAL  
14 MARIJUANA PRODUCTS RECEIVED FROM A MEDICAL MARIJUANA PRODUCTS  
15 MANUFACTURER FOR THE SOLE PURPOSE OF TRANSFER TO THE PERMIT  
16 HOLDER'S COMMONLY OWNED MEDICAL MARIJUANA STORES. PRIOR TO  
17 EXERCISING THE PRIVILEGES OF A CENTRALIZED DISTRIBUTION PERMIT, A  
18 MEDICAL MARIJUANA CULTIVATION FACILITY LICENSED PURSUANT TO THIS  
19 SECTION SHALL, AT THE TIME OF APPLICATION TO THE STATE LICENSING  
20 AUTHORITY, SEND A COPY OF THE APPLICATION OR SUPPLEMENTAL  
21 APPLICATION FOR A CENTRALIZED DISTRIBUTION PERMIT TO THE LOCAL  
22 LICENSING AUTHORITY IN THE JURISDICTION IN WHICH THE CENTRALIZED  
23 DISTRIBUTION PERMIT IS PROPOSED. THE STATE LICENSING AUTHORITY  
24 SHALL NOTIFY THE LOCAL LICENSING AUTHORITY OF ITS DECISION  
25 REGARDING THE CENTRALIZED DISTRIBUTION PERMIT.

26 (b) A MEDICAL MARIJUANA CULTIVATION FACILITY SHALL NOT  
27 STORE MEDICAL MARIJUANA CONCENTRATE OR MEDICAL MARIJUANA

1 PRODUCTS PURSUANT TO A CENTRALIZED DISTRIBUTION PERMIT FOR MORE  
2 THAN NINETY DAYS.

3 (c) A MEDICAL MARIJUANA CULTIVATION FACILITY SHALL NOT  
4 ACCEPT ANY MEDICAL MARIJUANA CONCENTRATE OR MEDICAL MARIJUANA  
5 PRODUCTS PURSUANT TO A CENTRALIZED DISTRIBUTION PERMIT UNLESS  
6 THE MEDICAL MARIJUANA CONCENTRATE AND MEDICAL MARIJUANA  
7 PRODUCTS ARE PACKAGED AND LABELED FOR SALE TO A PATIENT AS  
8 REQUIRED BY RULES PROMULGATED BY THE STATE LICENSING AUTHORITY  
9 PURSUANT TO SECTION 44-10-203 (2)(f) AND (3)(b).

10 (d) ALL MEDICAL MARIJUANA CONCENTRATE AND MEDICAL  
11 MARIJUANA PRODUCTS STORED AND PREPARED FOR TRANSPORT ON A  
12 MEDICAL MARIJUANA CULTIVATION FACILITY'S LICENSED PREMISES  
13 PURSUANT TO A CENTRALIZED DISTRIBUTION PERMIT MUST ONLY BE  
14 TRANSFERRED TO A MEDICAL MARIJUANA CULTIVATION FACILITY  
15 LICENSEE'S COMMONLY OWNED MEDICAL MARIJUANA STORES. ALL  
16 TRANSFERS OF MEDICAL MARIJUANA CONCENTRATE AND MEDICAL  
17 MARIJUANA PRODUCTS BY A MEDICAL MARIJUANA CULTIVATION FACILITY  
18 PURSUANT TO A CENTRALIZED DISTRIBUTION PERMIT ARE WITHOUT  
19 CONSIDERATION.

20 (e) ALL SECURITY AND SURVEILLANCE REQUIREMENTS THAT APPLY  
21 TO A MEDICAL MARIJUANA CULTIVATION FACILITY APPLY TO ACTIVITIES  
22 CONDUCTED PURSUANT TO THE PRIVILEGES OF A CENTRALIZED  
23 DISTRIBUTION PERMIT.

24 (f) A MEDICAL MARIJUANA CULTIVATION FACILITY SHALL TRACK  
25 ALL MEDICAL MARIJUANA CONCENTRATE AND MEDICAL MARIJUANA  
26 PRODUCTS POSSESSED PURSUANT TO A CENTRALIZED DISTRIBUTION PERMIT  
27 IN THE SEED-TO-SALE TRACKING SYSTEM FROM THE POINT THEY ARE

1 RECEIVED FROM A MEDICAL MARIJUANA PRODUCTS MANUFACTURER TO  
2 THE POINT OF TRANSFER TO A MEDICAL MARIJUANA CULTIVATION FACILITY  
3 LICENSEE'S COMMONLY OWNED MEDICAL MARIJUANA STORES.

4 (g) FOR PURPOSES OF THIS SUBSECTION (6) ONLY, "COMMONLY  
5 OWNED" MEANS LICENSES THAT HAVE AN OWNERSHIP STRUCTURE WITH AT  
6 LEAST ONE NATURAL PERSON WITH A MINIMUM OF FIVE PERCENT  
7 OWNERSHIP IN EACH LICENSE.

8 (7) A MEDICAL MARIJUANA CULTIVATION FACILITY SHALL ONLY  
9 OBTAIN MEDICAL MARIJUANA SEEDS OR IMMATURE PLANTS FROM ITS OWN  
10 MEDICAL MARIJUANA, COMMONLY OWNED FROM THE RETAIL MARIJUANA  
11 OF AN IDENTICAL DIRECT BENEFICIAL OWNER, OR MARIJUANA THAT IS  
12 PROPERLY TRANSFERRED FROM ANOTHER MEDICAL MARIJUANA BUSINESS  
13 PURSUANT TO THE INVENTORY TRACKING REQUIREMENTS IMPOSED BY  
14 RULE.

15 (8) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
16 CONTRARY, A LICENSED MEDICAL MARIJUANA CULTIVATION FACILITY MAY  
17 COMPENSATE ITS EMPLOYEES USING PERFORMANCE-BASED INCENTIVES,  
18 INCLUDING SALES-BASED PERFORMANCE-BASED INCENTIVES.

19 **44-10-503. [Formerly 44-11-404] Medical marijuana products**  
20 **manufacturer license - rules - definition.** (1) (a) A medical  
21 ~~marijuana-infused~~ MARIJUANA products ~~manufacturing~~ MANUFACTURER  
22 license may be issued to a person ~~who~~ THAT manufactures medical  
23 ~~marijuana-infused~~ MARIJUANA products, pursuant to the terms and  
24 conditions of this ~~article 11~~ ARTICLE 10.

25 (b) A medical ~~marijuana-infused~~ MARIJUANA products  
26 manufacturer may cultivate its own medical marijuana if it obtains a  
27 ~~medical marijuana optional premises cultivation facility~~ MEDICAL



1 MARIJUANA CULTIVATION FACILITY license, it may purchase medical  
2 marijuana from a medical marijuana ~~center~~ STORE pursuant to subsection  
3 (3) of this section, it may purchase medical marijuana from ~~an optional~~  
4 ~~premises cultivation facility~~ A MEDICAL MARIJUANA CULTIVATION  
5 FACILITY licensee, or it may purchase medical marijuana from another  
6 medical ~~marijuana-infused~~ MARIJUANA products manufacturer. A medical  
7 ~~marijuana-infused~~ MARIJUANA products manufacturer shall track all of its  
8 medical marijuana from the point it is either transferred from its ~~medical~~  
9 ~~marijuana optional premises cultivation facility~~ MEDICAL MARIJUANA  
10 CULTIVATION FACILITY or the point when it is delivered to the medical  
11 ~~marijuana-infused~~ MARIJUANA products manufacturer from a medical  
12 marijuana ~~center, a medical marijuana optional premises cultivation~~  
13 ~~facility~~ STORE, MEDICAL MARIJUANA CULTIVATION FACILITY licensee, OR  
14 a medical ~~marijuana-infused~~ MARIJUANA products manufacturer ~~or one of~~  
15 ~~their medical marijuana optional premises cultivation facilities~~ to the  
16 point of transfer to a medical marijuana ~~center~~ STORE or a medical  
17 ~~marijuana-infused~~ MARIJUANA products manufacturer OR A MEDICAL  
18 MARIJUANA CULTIVATION FACILITY THAT HAS OBTAINED A CENTRALIZED  
19 DISTRIBUTION PERMIT.

20 (2) Medical ~~marijuana-infused~~ MARIJUANA products ~~shall~~ MUST  
21 be prepared on a licensed premises that is used exclusively for the  
22 manufacture and preparation of medical ~~marijuana-infused~~ MARIJUANA  
23 products and using equipment that is used exclusively for the manufacture  
24 and preparation of medical ~~marijuana-infused~~ MARIJUANA products;  
25 except that, subject to rules of the state licensing authority, a medical  
26 ~~marijuana-infused~~ MARIJUANA products ~~manufacturing~~ MANUFACTURER  
27 licensee may share the same premises as a commonly owned marijuana

1 research and development licensee ~~or marijuana research and~~  
2 ~~development cultivation licensee~~ so long as virtual or physical separation  
3 of inventory and research activity is maintained.

4 (3) A medical ~~marijuana-infused~~ MARIJUANA products  
5 manufacturer shall have a written agreement or contract with a medical  
6 marijuana ~~center~~ STORE or a medical ~~marijuana-infused~~ MARIJUANA  
7 products manufacturer, which contract ~~shall~~ MUST at a minimum set forth  
8 the total amount of medical marijuana obtained from the medical  
9 marijuana ~~center~~ STORE or the medical ~~marijuana-infused~~ MARIJUANA  
10 products manufacturer to be used in the manufacturing process, and the  
11 total amount of medical ~~marijuana-infused~~ MARIJUANA products to be  
12 manufactured from the medical marijuana obtained from the medical  
13 marijuana ~~center~~ STORE or the medical ~~marijuana-infused~~ MARIJUANA  
14 products manufacturer. A medical marijuana-infused products  
15 manufacturer shall not use medical marijuana from more than five  
16 different medical marijuana centers or medical marijuana-infused  
17 products manufacturers in total in the production of one medical  
18 marijuana-infused product. The medical ~~marijuana-infused~~ MARIJUANA  
19 products manufacturer may sell its products to any medical marijuana  
20 ~~center~~ STORE or to any medical ~~marijuana-infused~~ MARIJUANA products  
21 manufacturer.

22 (4) All licensed premises on which medical ~~marijuana-infused~~  
23 MARIJUANA products are manufactured ~~shall~~ MUST meet the sanitary  
24 standards for medical ~~marijuana-infused~~ MARIJUANA product preparation  
25 promulgated pursuant to ~~section 44-11-202 (2)(a)(XH)~~ SECTION  
26 44-10-203 (2)(i).

27 (5) (a) The medical ~~marijuana-infused~~ MARIJUANA product ~~shall~~

1 MUST be sealed and conspicuously labeled in compliance with this ~~article~~  
2 ~~++ ARTICLE 10~~ and any rules promulgated pursuant to this ~~article~~ ~~++~~  
3 ARTICLE 10. The labeling of medical ~~marijuana-infused~~ MARIJUANA  
4 products is a matter of statewide concern.

5 (b) (I) A MEDICAL MARIJUANA PRODUCTS MANUFACTURER THAT  
6 USES AN INDUSTRIAL HEMP PRODUCT AS AN INGREDIENT IN A MEDICAL  
7 MARIJUANA PRODUCT SHALL ENSURE THAT THE INDUSTRIAL HEMP  
8 PRODUCT HAS PASSED ALL TESTING REQUIRED BY RULES PROMULGATED BY  
9 THE STATE LICENSING AUTHORITY PURSUANT TO SECTION 44-10-203  
10 (2)(d). PRIOR TO TAKING POSSESSION OF THE INDUSTRIAL HEMP PRODUCT,  
11 A MEDICAL MARIJUANA PRODUCTS MANUFACTURER SHALL VERIFY THE  
12 INDUSTRIAL HEMP PRODUCT PASSED ALL TESTING REQUIRED FOR MEDICAL  
13 MARIJUANA PRODUCTS AT A LICENSED MEDICAL MARIJUANA TESTING  
14 FACILITY AND THAT THE PERSON TRANSFERRING THE INDUSTRIAL HEMP  
15 PRODUCT HAS RECEIVED A REGISTRATION FROM THE DEPARTMENT OF  
16 PUBLIC HEALTH AND ENVIRONMENT PURSUANT TO SECTION 25-5-426.

17 (II) ABSENT SAMPLING AND TESTING STANDARDS ESTABLISHED BY  
18 THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR THE  
19 SAMPLING AND TESTING OF AN INDUSTRIAL HEMP PRODUCT, A PERSON  
20 TRANSFERRING AN INDUSTRIAL HEMP PRODUCT TO A MEDICAL MARIJUANA  
21 PRODUCTS MANUFACTURER PURSUANT TO THIS SECTION SHALL COMPLY  
22 WITH SAMPLING AND TESTING STANDARDS CONSISTENT WITH THOSE  
23 ESTABLISHED BY THE STATE LICENSING AUTHORITY PURSUANT TO THIS  
24 ARTICLE 10. THE STATE LICENSING AUTHORITY SHALL REPORT TO THE  
25 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT ANY INVESTIGATIONS  
26 OR FINDINGS OF VIOLATIONS OF THIS SECTION BY A PERSON REGISTERED  
27 PURSUANT TO SECTION 25-5-426.

1           (6) MEDICAL MARIJUANA OR medical ~~marijuana-infused~~  
2 MARIJUANA products may not be consumed on a premises licensed  
3 pursuant to this ~~article 11~~ ARTICLE 10.

4           (7) Notwithstanding any other provision of state law, sales of  
5 medical ~~marijuana-infused~~ MARIJUANA products shall not be exempt from  
6 state or local sales tax.

7           ~~(8) Repealed.~~

8           ~~(9) (a) A medical marijuana-infused products manufacturer may~~  
9 ~~not have more than five hundred medical marijuana plants on its premises~~  
10 ~~or at its optional premises cultivation operation; except that the director~~  
11 ~~of the division that regulates medical marijuana may grant a waiver in~~  
12 ~~excess of five hundred marijuana plants based on the consideration of the~~  
13 ~~factors in subsection (9)(b) of this section.~~

14           ~~(b) The director of the division that regulates medical marijuana~~  
15 ~~shall consider the following factors in determining whether to grant the~~  
16 ~~waiver described in subsection (9)(a) of this section:~~

17           ~~(I) The nature of the products manufactured;~~

18           ~~(II) The business need;~~

19           ~~(III) Existing business contracts with licensed medical marijuana~~  
20 ~~centers for the production of medical marijuana-infused products; and~~

21           ~~(IV) The ability to contract with licensed medical marijuana~~  
22 ~~centers for the production of medical marijuana-infused products.~~

23           ~~(10)~~ (8) A medical ~~marijuana-infused~~ MARIJUANA products  
24 manufacturer may provide, except as required by ~~section 44-11-202~~  
25 ~~(3)(a)(i)~~ SECTION 44-10-203 (2)(d), a sample of its products to a facility  
26 that has a medical marijuana testing facility license from the state  
27 licensing authority for testing and research purposes. A medical

1 marijuana products manufacturer shall maintain a record of what was  
2 provided to the testing facility, the identity of the testing facility, and the  
3 results of the testing.

4 ~~(11)~~ (9) A medical ~~marijuana-infused~~ MARIJUANA products  
5 manufacturer shall not:

6 (a) Add any medical marijuana to a food product where the  
7 manufacturer of the food product holds a trademark to the food product's  
8 name; except that a MEDICAL MARIJUANA PRODUCTS manufacturer may  
9 use a trademarked food product if the manufacturer uses the product as  
10 a component or as part of a recipe and where the medical  
11 ~~marijuana-infused~~ MARIJUANA products manufacturer does not state or  
12 advertise to the ~~consumer~~ PATIENT that the final medical  
13 ~~marijuana-infused~~ MARIJUANA product contains a trademarked food  
14 product;

15 (b) Intentionally or knowingly label or package a medical  
16 ~~marijuana-infused~~ MARIJUANA product in a manner that would cause a  
17 reasonable ~~consumer~~ PATIENT confusion as to whether the medical  
18 ~~marijuana-infused~~ MARIJUANA product was a trademarked food product;  
19 or

20 (c) Label or package a medical ~~marijuana-infused~~ MARIJUANA  
21 product in a manner that violates any federal trademark law or regulation.

22 ~~(12)~~ (10) (a) A medical ~~marijuana-infused~~ MARIJUANA products  
23 ~~manufacturing~~ MANUFACTURER licensee may provide a medical marijuana  
24 concentrate and a medical ~~marijuana-infused~~ MARIJUANA product sample  
25 to no more than five managers employed by the licensee for purposes of  
26 quality control and product development. A medical ~~marijuana-infused~~  
27 MARIJUANA products ~~manufacturing~~ MANUFACTURER licensee may

1 designate no more than five managers per calendar month as recipients  
2 of quality control and product development samples authorized pursuant  
3 to this ~~subsection (12)(a)~~ SUBSECTION (10)(a).

4 (b) Managers who receive a sample pursuant to ~~subsection (12)(a)~~  
5 SUBSECTION (10)(a) of this section must have a valid registry  
6 identification card issued pursuant to section 25-1.5-106 (9).

7 (c) A sample authorized pursuant to ~~subsection (12)(a)~~  
8 SUBSECTION (10)(a) of this section is limited to one serving size of edible  
9 medical ~~marijuana-infused~~ MARIJUANA product and its applicable  
10 equivalent serving size of nonedible medical ~~marijuana-infused~~  
11 MARIJUANA product per batch as defined in rules promulgated by the state  
12 licensing authority and one-quarter gram of medical marijuana  
13 concentrate per batch as defined in rules promulgated by the state  
14 licensing authority; except that the limit is one-half gram of medical  
15 marijuana concentrate if the intended use of the final product is to be used  
16 in a device that can be used to deliver medical marijuana concentrate in  
17 a vaporized form to the person inhaling from the device.

18 (d) A sample authorized pursuant to ~~subsection (12)(a)~~  
19 SUBSECTION (10)(a) of this section must be labeled and packaged  
20 pursuant to the rules promulgated pursuant to ~~section 44-11-202~~  
21 ~~(2)(a)(XIV) and (2)(a)(XV)~~ SECTION 44-10-203 (2)(f) AND (3)(b).

22 (e) A sample provided pursuant to ~~subsection (12)(a)~~ SUBSECTION  
23 (10)(a) of this section must be tracked with the seed-to-sale tracking  
24 system. Prior to a manager receiving a sample, a manager must be  
25 designated in the seed-to-sale tracking system as a recipient of quality  
26 control and product development samples. A manager receiving a sample  
27 must make a voluntary decision to be tracked in the seed-to-sale tracking

1 system and is not a consumer pursuant to section 16 (5)(c) of article  
2 XVIII of the state constitution. The medical ~~marijuana-infused~~  
3 MARIJUANA products ~~manufacturing~~ MANUFACTURER licensee shall  
4 maintain documentation of all samples and shall make the documentation  
5 available to the state licensing authority.

6 (f) Prior to a manager receiving a sample pursuant to ~~subsection~~  
7 ~~(12)(a)~~ SUBSECTION (10)(a) of this section, a medical ~~marijuana-infused~~  
8 MARIJUANA products ~~manufacturing~~ MANUFACTURER licensee shall  
9 provide a standard operating procedure to the manager explaining  
10 requirements pursuant to this section and personal possession limits  
11 pursuant to section 18-18-406.

12 (g) A manager shall not:

13 (I) Receive more than a total of fifteen grams of medical  
14 marijuana concentrate or fourteen individual serving-size edibles or its  
15 applicable equivalent in nonedible medical ~~marijuana-infused~~ MARIJUANA  
16 products per calendar month, regardless of the number of licenses that the  
17 manager is associated with; or

18 (II) Provide to or resell the sample to another licensed employee,  
19 a customer, or any other individual.

20 (h) A medical ~~marijuana-infused~~ MARIJUANA products  
21 ~~manufacturing~~ MANUFACTURER licensee shall not:

22 (I) Allow a manager to consume the sample on the licensed  
23 premises; or

24 (II) Use the sample as a means of compensation to a manager.

25 (i) The state licensing authority may establish additional inventory  
26 tracking and record keeping, including additional reporting required for  
27 implementation. The medical ~~marijuana-infused~~ MARIJUANA products

1 ~~manufacturing~~ MANUFACTURER licensee shall maintain the information  
2 required by this ~~subsection (12)(i)~~ SUBSECTION (10)(i) on the licensed  
3 premises for inspection by the state and local licensing authorities.

4 (j) For purposes of this ~~subsection (12)~~ SUBSECTION (10) only,  
5 "manager" means an employee of the medical ~~marijuana business~~  
6 MARIJUANA PRODUCTS MANUFACTURER who holds a valid key license or  
7 associated key license and is currently designated pursuant to state  
8 licensing authority rules as the manager of the medical ~~marijuana~~  
9 ~~business~~ MARIJUANA PRODUCTS MANUFACTURER.

10 (11) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
11 CONTRARY, A LICENSED MEDICAL MARIJUANA PRODUCTS MANUFACTURER  
12 MAY COMPENSATE ITS EMPLOYEES USING PERFORMANCE-BASED  
13 INCENTIVES, INCLUDING SALES-BASED PERFORMANCE-BASED INCENTIVES.

14 **44-10-504. [Formerly 44-11-405] Medical marijuana testing**  
15 **facility license - rules.** (1) (a) A medical marijuana testing facility  
16 license may be issued to a person who performs testing and research on  
17 medical marijuana, INDUSTRIAL HEMP PRODUCTS AS REGULATED BY PART  
18 4 OF ARTICLE 5 OF TITLE 25, for medical marijuana licensees, medical  
19 marijuana and medical ~~marijuana-infused~~ MARIJUANA products for  
20 marijuana and research development licensees, ~~and marijuana research~~  
21 ~~and development cultivation licensees~~, and marijuana or  
22 ~~marijuana-infused~~ MARIJUANA products grown or produced by a  
23 registered patient or registered primary caregiver on behalf of a registered  
24 patient, upon verification of registration pursuant to section 25-1.5-106  
25 (7)(e) and verification that the patient is a participant in a clinical or  
26 observational study conducted by a marijuana research and development  
27 licensee, AND INDUSTRIAL HEMP PRODUCTS AS REGULATED BY PART 4 OF



1 ARTICLE 5 OF TITLE 25. ~~or marijuana research and development cultivation~~  
2 ~~licensee~~. The facility may develop and test medical marijuana products.

3 (b) The testing of medical marijuana, medical ~~marijuana-infused~~  
4 MARIJUANA products, and medical marijuana concentrate, and the  
5 associated standards, is a matter of statewide concern.

6 (2) The state licensing authority shall promulgate rules pursuant  
7 to its authority in ~~section 44-11-202 (1)(b)~~ SECTION 44-10-202 (1)(c)  
8 related to acceptable testing and research practices, including but not  
9 limited to testing, standards, quality control analysis, equipment  
10 certification and calibration, and chemical identification and other  
11 substances used in bona fide research methods.

12 (3) A person who has an interest in a medical marijuana testing  
13 facility license from the state licensing authority for testing purposes shall  
14 not have any interest in a licensed medical marijuana ~~center~~ STORE, a  
15 licensed ~~optional premises cultivation operation~~ MEDICAL MARIJUANA  
16 CULTIVATION FACILITY, a licensed medical ~~marijuana-infused~~ MARIJUANA  
17 products manufacturer, a licensed retail marijuana store, a licensed retail  
18 marijuana cultivation facility, or a licensed retail marijuana products  
19 manufacturer. A person that has an interest in a licensed medical  
20 marijuana ~~center~~ STORE, a licensed ~~optional premises cultivation~~  
21 ~~operation~~ MEDICAL MARIJUANA CULTIVATION FACILITY, a licensed  
22 medical ~~marijuana-infused~~ MARIJUANA products manufacturer, a licensed  
23 retail marijuana store, a licensed retail marijuana cultivation facility, or  
24 a licensed retail marijuana products manufacturer shall not have an  
25 interest in a facility that has a medical marijuana testing facility license.

26 **44-10-505. [Formerly 44-11-406] Medical marijuana**  
27 **transporter license.** (1) (a) A medical marijuana transporter license may

1 be issued to a person to provide logistics, distribution, DELIVERY, and  
2 storage of medical marijuana and medical ~~marijuana-infused~~ MARIJUANA  
3 products. Notwithstanding any other provisions of law, a medical  
4 marijuana transporter license is valid for two years but cannot be  
5 transferred with a change of ownership. A licensed medical marijuana  
6 transporter is responsible for the medical marijuana and medical  
7 ~~marijuana-infused~~ MARIJUANA products once it takes control of the  
8 product.

9 (b) A licensed medical marijuana transporter may contract with  
10 multiple licensed medical marijuana businesses.

11 (c) On and after July 1, 2017, all medical marijuana transporters  
12 shall hold a valid medical marijuana transporter license; except that an  
13 entity licensed pursuant to this ~~article 11~~ ARTICLE 10 that provides its own  
14 distribution is not required to have a medical marijuana transporter  
15 license to transport and distribute its products. The state licensing  
16 authority shall begin accepting applications after January 1, 2017.

17 (2) A medical marijuana transporter licensee may maintain a  
18 licensed premises to temporarily store medical marijuana and medical  
19 ~~marijuana-infused~~ MARIJUANA products and to use as a centralized  
20 distribution point. The licensed premises must be located in a jurisdiction  
21 that permits the operation of medical marijuana ~~centers~~ STORES. A  
22 licensed medical marijuana transporter may store and distribute medical  
23 marijuana and medical ~~marijuana-infused~~ MARIJUANA products from this  
24 location. A storage facility must meet the same security requirements that  
25 are required to obtain a medical marijuana ~~optional premise cultivation~~  
26 CULTIVATION FACILITY license.

27 (3) A medical marijuana transporter licensee shall use the

1 seed-to-sale tracking system developed pursuant to ~~section 44-12-202 (1)~~  
2 SECTION 44-10-202 (1)(a) to create shipping manifests documenting the  
3 transport of medical marijuana and medical ~~marijuana-infused~~  
4 MARIJUANA products throughout the state.

5 (4) A medical marijuana transporter licensee may:

6 (a) Maintain and operate one or more warehouses in the state to  
7 handle medical marijuana and medical ~~marijuana-infused~~ MARIJUANA  
8 products; and

9 (b) Deliver medical marijuana and medical ~~marijuana-infused~~  
10 MARIJUANA products on orders previously taken if the place where orders  
11 are taken and delivered is licensed.

12 (5)(a)(I) THERE IS AUTHORIZED A MEDICAL MARIJUANA DELIVERY  
13 PERMIT TO A MEDICAL MARIJUANA TRANSPORTER LICENSE AUTHORIZING  
14 THE PERMIT HOLDER TO DELIVER MEDICAL MARIJUANA AND MEDICAL  
15 MARIJUANA PRODUCTS.

16 (II) A MEDICAL MARIJUANA DELIVERY PERMIT IS VALID FOR ONE  
17 YEAR AND MAY BE RENEWED ANNUALLY UPON RENEWAL OF THE MEDICAL  
18 MARIJUANA TRANSPORTER LICENSE.

19 (III) A MEDICAL MARIJUANA DELIVERY PERMIT ISSUED PURSUANT  
20 TO THIS SECTION APPLIES TO ONLY ONE MEDICAL MARIJUANA  
21 TRANSPORTER; EXCEPT THAT, A SINGLE MEDICAL MARIJUANA DELIVERY  
22 PERMIT MAY APPLY TO MULTIPLE MEDICAL MARIJUANA TRANSPORTERS  
23 PROVIDED THAT THE MEDICAL MARIJUANA TRANSPORTERS ARE IN THE  
24 SAME LOCAL JURISDICTION AND ARE IDENTICALLY OWNED, AS DEFINED BY  
25 THE STATE LICENSING AUTHORITY FOR PURPOSES OF THIS SECTION.

26 (IV) THE STATE LICENSING AUTHORITY MAY ISSUE A MEDICAL  
27 MARIJUANA DELIVERY PERMIT TO A QUALIFIED APPLICANT, AS

1 DETERMINED BY THE STATE LICENSING AUTHORITY, THAT HOLDS A  
2 MEDICAL MARIJUANA TRANSPORTER LICENSE ISSUED PURSUANT TO THIS  
3 ARTICLE 10. THE STATE LICENSING AUTHORITY HAS DISCRETION IN  
4 DETERMINING WHETHER AN APPLICANT IS QUALIFIED TO RECEIVE A  
5 MEDICAL MARIJUANA DELIVERY PERMIT. A MEDICAL MARIJUANA  
6 DELIVERY PERMIT ISSUED BY THE STATE LICENSING AUTHORITY IS DEEMED  
7 A REVOCABLE PRIVILEGE OF A LICENSED MEDICAL MARIJUANA  
8 TRANSPORTER. A VIOLATION RELATED TO A MEDICAL MARIJUANA  
9 DELIVERY PERMIT IS GROUNDS FOR A FINE OR SUSPENSION OR REVOCATION  
10 OF THE DELIVERY PERMIT OR MEDICAL MARIJUANA TRANSPORTER LICENSE.

11 (b) A MEDICAL MARIJUANA TRANSPORTER LICENSEE SHALL NOT  
12 MAKE DELIVERIES OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA  
13 PRODUCTS TO PATIENTS OR PARENTS OR GUARDIANS WHILE ALSO  
14 TRANSPORTING MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS  
15 BETWEEN LICENSED PREMISES IN THE SAME VEHICLE.

16 (c) A LICENSED MEDICAL MARIJUANA TRANSPORTER WITH A  
17 MEDICAL MARIJUANA DELIVERY PERMIT MAY DELIVER MEDICAL  
18 MARIJUANA AND MEDICAL MARIJUANA PRODUCTS ON BEHALF OF A  
19 MEDICAL MARIJUANA STORE ONLY TO THE PATIENT OR PARENT OR  
20 GUARDIAN WHO PLACED THE ORDER WITH A MEDICAL MARIJUANA STORE  
21 AND WHO:

22 (I) IS A CURRENT REGISTRANT OF THE MEDICAL MARIJUANA  
23 PATIENT REGISTRY AND IS TWENTY-ONE YEARS OF AGE OR OLDER OR THE  
24 PARENT OR GUARDIAN OF A PATIENT WHO IS ALSO THE PATIENT'S PRIMARY  
25 CAREGIVER;

26 (II) RECEIVES THE DELIVERY OF MEDICAL MARIJUANA OR MEDICAL  
27 MARIJUANA PRODUCTS PURSUANT TO RULES; AND

1 (III) POSSESSES AN ACCEPTABLE FORM OF IDENTIFICATION.

2 (d) IN ACCORDANCE WITH THIS SUBSECTION (5) AND RULES

3 ADOPTED TO IMPLEMENT THIS SUBSECTION (5), A LICENSED MEDICAL

4 MARIJUANA TRANSPORTER WITH A VALID MEDICAL MARIJUANA DELIVERY

5 PERMIT MAY:

6 (I) NOT ACCEPT ORDERS ON BEHALF OF A MEDICAL MARIJUANA

7 STORE AND MAY ONLY PICK UP ALREADY PACKAGED MEDICAL MARIJUANA

8 DELIVERY ORDERS FROM A MEDICAL MARIJUANA STORE OR ITS

9 ASSOCIATED STATE LICENSING AUTHORITY-AUTHORIZED STORAGE

10 FACILITY AS DEFINED BY RULE AND DELIVER THOSE ORDERS TO THE

11 APPROPRIATE PATIENT, PARENT, OR GUARDIAN;

12 (II) DELIVER MEDICAL MARIJUANA AND MEDICAL MARIJUANA

13 PRODUCTS NOT IN EXCESS OF THE AMOUNTS ESTABLISHED BY THE STATE

14 LICENSING AUTHORITY;

15 (III) DELIVER ONLY TO A PATIENT OR PARENT OR GUARDIAN AT

16 THE ADDRESS PROVIDED IN THE ORDER;

17 (IV) DELIVER NO MORE THAN ONCE PER DAY TO THE SAME

18 PATIENT OR RESIDENCE;

19 (V) (A) DELIVER ONLY TO A PRIVATE RESIDENCE;

20 (B) FOR PURPOSES OF THIS SECTION, "PRIVATE RESIDENCES"

21 MEANS PRIVATE PREMISES WHERE A PERSON LIVES, SUCH AS A PRIVATE

22 DWELLING PLACE OR PLACE OF HABITATION, AND SPECIFICALLY EXCLUDES

23 ANY PREMISES LOCATED AT A SCHOOL OR ON THE CAMPUS OF AN

24 INSTITUTION OF HIGHER EDUCATION, OR ANY OTHER PUBLIC PROPERTY.

25 (VI) DELIVER MEDICAL MARIJUANA OR MEDICAL MARIJUANA

26 PRODUCTS ONLY BY A MOTOR VEHICLE THAT COMPLIES WITH THIS SECTION

27 AND THE RULES PROMULGATED PURSUANT TO THIS SECTION AND SECTION

1 44-10-203 (2)(cc); AND

2 (VII) USE AN EMPLOYEE TO CONDUCT DELIVERIES ON BEHALF OF,  
3 AND PURSUANT TO A CONTRACT WITH, A MEDICAL MARIJUANA STORE THAT  
4 HAS A VALID MEDICAL MARIJUANA DELIVERY PERMIT FROM ITS MEDICAL  
5 MARIJUANA STORE OR ITS ASSOCIATED STATE LICENSING  
6 AUTHORITY-AUTHORIZED STORAGE FACILITY AS DEFINED BY RULE.

7 (e) PRIOR TO TRANSFERRING POSSESSION OF THE ORDER TO A  
8 PATIENT OR A PARENT OR GUARDIAN, THE PERSON DELIVERING THE ORDER  
9 SHALL INSPECT THE PATIENT'S OR PARENT'S OR GUARDIAN'S  
10 IDENTIFICATION AND REGISTRY IDENTIFICATION CARD ISSUED PURSUANT  
11 TO SECTION 25-1.5-106, VERIFY THE POSSESSION OF A VALID REGISTRY  
12 IDENTIFICATION CARD ISSUED PURSUANT TO SECTION 25-1.5-106, AND  
13 VERIFY THAT THE INFORMATION PROVIDED AT THE TIME OF THE ORDER  
14 MATCH THE NAME AND AGE ON THE PATIENT'S OR PARENT'S OR  
15 GUARDIAN'S IDENTIFICATION.

16 (f) ANY PERSON DELIVERING MEDICAL MARIJUANA OR MEDICAL  
17 MARIJUANA PRODUCTS FOR A MEDICAL MARIJUANA TRANSPORTER MUST  
18 POSSESS A VALID OCCUPATIONAL LICENSE AND BE A CURRENT EMPLOYEE  
19 OF THE MEDICAL MARIJUANA TRANSPORTER LICENSEE WITH A VALID  
20 MEDICAL MARIJUANA DELIVERY PERMIT; MUST HAVE UNDERGONE  
21 TRAINING REGARDING PROOF-OF-AGE IDENTIFICATION AND VERIFICATION,  
22 INCLUDING ALL FORMS OF IDENTIFICATION THAT ARE DEEMED  
23 ACCEPTABLE BY THE STATE LICENSING AUTHORITY; AND MUST HAVE ANY  
24 OTHER TRAINING REQUIRED BY THE STATE LICENSING AUTHORITY.

25 (g) (I) UNLESS OTHERWISE PROVIDED BY THE STATE LICENSING  
26 AUTHORITY BY RULES PROMULGATED PURSUANT TO THIS ARTICLE 10, ALL  
27 REQUIREMENTS APPLICABLE TO OTHER LICENSES ISSUED PURSUANT TO

1 THIS ARTICLE 10 APPLY TO THE DELIVERY OF MEDICAL MARIJUANA AND  
2 MEDICAL MARIJUANA PRODUCTS, INCLUDING BUT NOT LIMITED TO  
3 INVENTORY TRACKING, TRANSPORTATION, AND PACKAGING AND LABELING  
4 REQUIREMENTS.

5 (II) THE ADVERTISING REGULATIONS AND PROHIBITIONS ADOPTED  
6 PURSUANT TO SECTION 44-10-203 (3)(a) APPLY TO MEDICAL MARIJUANA  
7 DELIVERY OPERATIONS PURSUANT TO THIS SUBSECTION (5).

8 (h) IT IS NOT A VIOLATION OF ANY PROVISION OF STATE, CIVIL, OR  
9 CRIMINAL LAW FOR A LICENSED MEDICAL MARIJUANA TRANSPORTER  
10 LICENSEE WITH A VALID MEDICAL MARIJUANA DELIVERY PERMIT, OR SUCH  
11 PERSON WHO HAS MADE TIMELY AND SUFFICIENT APPLICATION FOR THE  
12 RENEWAL OF THE PERMIT, OR ITS LICENSEES TO POSSESS, TRANSPORT, AND  
13 DELIVER MEDICAL MARIJUANA AND MEDICAL MARIJUANA PRODUCTS  
14 PURSUANT TO A MEDICAL MARIJUANA DELIVERY PERMIT IN AMOUNTS  
15 THAT DO NOT EXCEED AMOUNTS ESTABLISHED BY THE STATE LICENSING  
16 AUTHORITY.

17 (i) (I) NOTWITHSTANDING ANY PROVISIONS OF THIS SECTION,  
18 DELIVERY OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS IS  
19 NOT PERMITTED IN ANY MUNICIPALITY, COUNTY, OR CITY AND COUNTY  
20 UNLESS THE MUNICIPALITY, COUNTY, OR CITY AND COUNTY, BY EITHER A  
21 MAJORITY OF THE REGISTERED ELECTORS OF THE MUNICIPALITY, COUNTY,  
22 OR CITY AND COUNTY VOTING AT A REGULAR ELECTION OR SPECIAL  
23 ELECTION CALLED IN ACCORDANCE WITH THE "COLORADO MUNICIPAL  
24 ELECTION CODE OF 1965", ARTICLE 10 OF TITLE 31, OR THE "UNIFORM  
25 ELECTION CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, AS APPLICABLE,  
26 OR A MAJORITY OF THE MEMBERS OF THE GOVERNING BOARD FOR THE  
27 MUNICIPALITY, COUNTY, OR CITY AND COUNTY, VOTE TO ALLOW THE

1 DELIVERY OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA PRODUCTS  
2 PURSUANT TO THIS SECTION.

3 (II) AN ORDINANCE ADOPTED PURSUANT TO SUBSECTION (5)(i)(I)  
4 OF THIS SECTION MAY PROHIBIT DELIVERY OF MEDICAL MARIJUANA OR  
5 MEDICAL MARIJUANA PRODUCTS FROM A MEDICAL MARIJUANA STORE  
6 THAT IS OUTSIDE A MUNICIPALITY'S, COUNTY'S, CITY'S, OR CITY AND  
7 COUNTY'S JURISDICTIONAL BOUNDARIES TO AN ADDRESS WITHIN ITS  
8 JURISDICTIONAL BOUNDARIES.

9 (j) THE STATE LICENSING AUTHORITY SHALL BEGIN ISSUING  
10 MEDICAL MARIJUANA DELIVERY PERMITS TO QUALIFIED MEDICAL  
11 MARIJUANA TRANSPORTER APPLICANTS ON, BUT NOT EARLIER THAN,  
12 JANUARY 2, 2021.

13 **44-10-506. [Formerly 44-11-407] Medical marijuana business**  
14 **operator license.** A medical marijuana business operator license may be  
15 issued to an entity or person who operates a medical marijuana  
16 ~~establishment~~ BUSINESS licensed pursuant to this ~~article 11~~ ARTICLE 10,  
17 for ~~an owner~~ ANOTHER MEDICAL MARIJUANA BUSINESS OR RETAIL  
18 MARIJUANA BUSINESS licensed pursuant to this ~~article 11~~ ARTICLE 10, and  
19 who may receive a portion of the profits as compensation.

20 **44-10-507. [Formerly 44-11-408] Marijuana research and**  
21 **development license.** (1) ~~(a)~~ A marijuana research and development  
22 license may be issued to a person to ~~possess marijuana for the limited~~  
23 ~~research purposes identified in subsection (2) of this section~~ GROW,  
24 CULTIVATE, POSSESS, AND TRANSFER, BY SALE OR DONATION, MARIJUANA  
25 PURSUANT TO SECTION 44-10-203 (1)(i) OR SUBSECTION (4) OF THIS  
26 SECTION FOR THE LIMITED RESEARCH PURPOSES IDENTIFIED IN SUBSECTION  
27 (2) OF THIS SECTION.



1           ~~(b) A marijuana research and development cultivation license may~~  
2 ~~be issued to a person to grow, cultivate, possess, and transfer, by sale or~~  
3 ~~donation, marijuana pursuant to section 44-11-202 (2)(a)(XXVI) or~~  
4 ~~subsection (4) of this section for the limited research purposes identified~~  
5 ~~in subsection (2) of this section.~~

6           (2) A license identified in subsection (1) of this section may be  
7 issued for the following limited research purposes:

8           (a) To test chemical potency and composition levels;

9           (b) To conduct clinical investigations of marijuana-derived  
10 medicinal products;

11           (c) To conduct research on the efficacy and safety of  
12 administering marijuana as part of medical treatment;

13           (d) To conduct genomic, horticultural, or agricultural research;  
14 and

15           (e) To conduct research on marijuana-affiliated products or  
16 systems.

17           (3) (a) As part of the application process for a marijuana research  
18 and development license, ~~or marijuana research and development~~  
19 ~~cultivation license~~, an applicant shall submit to the state licensing  
20 authority a description of the research that the applicant intends to  
21 conduct and whether the research will be conducted with a public  
22 institution or using public money. If the research will not be conducted  
23 with a public institution or with public money, the state licensing  
24 authority shall grant the application if it determines that the application  
25 meets the criteria in subsection (2) of this section.

26           (b) If the research will be conducted with a public institution or  
27 public money, the scientific advisory council established in section

1 25-1.5-106.5 (3) shall review an applicant's research project to determine  
2 that it meets the requirements of subsection (2) of this section and to  
3 assess the following:

4 (I) The project's quality, study design, value, or impact;

5 (II) Whether the applicant has the appropriate personnel;  
6 expertise; facilities; infrastructure; funding; and human, animal, or other  
7 approvals in place to successfully conduct the project; and

8 (III) Whether the amount of marijuana to be grown by the  
9 applicant is consistent with the project's scope and goals.

10 (c) If the scientific advisory council determines that the research  
11 project does not meet the requirements of subsection (2) of this section or  
12 assesses the criteria in this subsection (3) to be inadequate, the application  
13 must be denied.

14 (4) A marijuana research and development ~~cultivation~~ licensee  
15 may only transfer, by sale or donation, marijuana grown within its  
16 operation to other marijuana research and development licensees. ~~or~~  
17 ~~marijuana research and development cultivation licensees.~~ The state  
18 licensing authority may ~~revoke~~ IMPOSE SANCTIONS ON a marijuana  
19 research and development ~~cultivation~~ license for violations of this  
20 subsection (4) and any other violation of this ~~article~~ ~~11~~ ARTICLE 10.

21 (5) A marijuana research and development licensee ~~or marijuana~~  
22 ~~research and development cultivation licensee~~ may contract to perform  
23 research in conjunction with a public higher education research institution  
24 or another marijuana research and development licensee. ~~or marijuana~~  
25 ~~research and development cultivation licensee.~~

26 (6) The growing, cultivating, possessing, or transferring, by sale  
27 or donation, of marijuana in accordance with this section and the rules

1 adopted pursuant to it, by a marijuana research and development licensee,  
2 ~~or marijuana research and development cultivation licensee~~, is not a  
3 criminal or civil offense under state law. A marijuana research and  
4 development license ~~or marijuana research and development cultivation~~  
5 ~~license~~ must be issued in the name of the applicant and must specify the  
6 location in Colorado at which the marijuana research and development  
7 licensee ~~or marijuana research and development cultivation licensee~~  
8 intends to operate. A marijuana research and development licensee ~~or~~  
9 ~~marijuana research and development cultivation licensee~~ shall not allow  
10 any other person to exercise the privilege of the license.

11 (7) If the research conducted includes a public institution or public  
12 money, the scientific advisory council shall review any reports made by  
13 marijuana research and development licensees ~~and marijuana research~~  
14 ~~and development cultivation licensees~~ under state licensing authority rule  
15 and provide the state licensing authority with its determination on  
16 whether the research project continues to meet research qualifications  
17 pursuant to this section.

## 18 PART 6

### 19 RETAIL MARIJUANA LICENSE TYPES

20 **44-10-601. [Formerly 44-12-402] Retail marijuana store license**  
21 **- rules - definition.** (1) (a) A retail marijuana store license ~~shall~~ MAY be  
22 issued only to a person selling retail marijuana or retail marijuana  
23 products pursuant to the terms and conditions of this ~~article 12~~ ARTICLE  
24 10.

25 (b) A retail marijuana store may cultivate its own retail marijuana  
26 if it obtains a retail marijuana cultivation facility license, or it may  
27 purchase retail marijuana from a licensed retail marijuana cultivation

1 facility.

2 (c) A retail marijuana store shall not accept any retail marijuana  
3 purchased from a retail marijuana cultivation facility unless the retail  
4 marijuana store is provided with evidence that any applicable excise tax  
5 due, pursuant to article 28.8 of title 39, was paid.

6 (d) The retail marijuana store shall track all of its retail marijuana  
7 and retail marijuana products from the point that they are transferred from  
8 a retail marijuana cultivation facility or retail marijuana products  
9 manufacturer to the point of sale.

10 (2) (a) Notwithstanding the provisions of this section, a retail  
11 marijuana store licensee may also sell retail marijuana products that are  
12 prepackaged and labeled as required by rules of the state licensing  
13 authority pursuant to ~~section 44-12-202~~ SECTION 44-10-203 (2)(f) AND  
14 (3)(b).

15 (b) A retail marijuana store licensee may transact with a retail  
16 marijuana products ~~manufacturing~~ MANUFACTURER licensee for the  
17 purchase of retail marijuana products upon a retail marijuana products  
18 ~~manufacturing~~ MANUFACTURER licensee's licensed premises or a retail  
19 marijuana store's licensed premises.

20 (3) (a) (I) A retail marijuana store may not sell more than one  
21 ounce of retail marijuana or its equivalent in retail marijuana products,  
22 including retail marijuana concentrate, except for nonedible,  
23 nonpsychoactive retail marijuana products, including ointments, lotions,  
24 balms, and other nontransdermal topical products, during a single  
25 transaction to a person.

26 (II) As used in this subsection (3)(a), "equivalent in retail  
27 marijuana products" has the same meaning as established by the state

1     licensing authority by rule pursuant to ~~section 44-12-202 (3)(b)~~ SECTION  
2     44-10-203 (4).

3           (b) (I) Prior to initiating a sale, the employee of the retail  
4     marijuana store making the sale shall verify that the purchaser has a valid  
5     identification card showing the purchaser is twenty-one years of age or  
6     older. If a person under twenty-one years of age presents a fraudulent  
7     proof of age, any action relying on the fraudulent proof of age shall not  
8     be grounds for the revocation or suspension of any license issued under  
9     this ~~article 12~~ ARTICLE 10.

10          (II) (A) If a retail marijuana store licensee or employee has  
11     reasonable cause to believe that a person is under twenty-one years of age  
12     and is exhibiting fraudulent proof of age in an attempt to obtain any retail  
13     marijuana or ~~marijuana-infused~~ MARIJUANA product, the licensee or  
14     employee is authorized to confiscate such fraudulent proof of age, if  
15     possible, and shall, within seventy-two hours after the confiscation, remit  
16     to a state or local law enforcement agency. The failure to confiscate such  
17     fraudulent proof of age or to remit to a state or local law enforcement  
18     agency within seventy-two hours after the confiscation does not constitute  
19     a criminal offense.

20          (B) If a retail marijuana store licensee or employee believes that  
21     a person is under twenty-one years of age and is exhibiting fraudulent  
22     proof of age in an attempt to obtain any retail marijuana or retail  
23     ~~marijuana-infused~~ MARIJUANA product, the licensee or employee or any  
24     peace or police officer, acting in good faith and upon probable cause  
25     based upon reasonable grounds therefor, may detain and question such  
26     person in a reasonable manner for the purpose of ascertaining whether the  
27     person is guilty of any unlawful act regarding the purchase of retail

1 marijuana. The questioning of a person by an employee or a peace or  
2 police officer does not render the licensee, the employee, or the peace or  
3 police officer civilly or criminally liable for slander, false arrest, false  
4 imprisonment, malicious prosecution, or unlawful detention.

5 (c) (I) A RETAIL MARIJUANA STORE THAT SELLS AN INDUSTRIAL  
6 HEMP PRODUCT SHALL ENSURE THAT THE INDUSTRIAL HEMP PRODUCT HAS  
7 PASSED ALL TESTING REQUIRED BY RULES PROMULGATED BY THE STATE  
8 LICENSING AUTHORITY PURSUANT TO SECTION 44-10-203 (2)(d). PRIOR TO  
9 TAKING POSSESSION OF THE INDUSTRIAL HEMP PRODUCT, A RETAIL  
10 MARIJUANA STORE SHALL VERIFY THE INDUSTRIAL HEMP PRODUCT PASSED  
11 ALL TESTING REQUIRED FOR RETAIL MARIJUANA PRODUCTS AT A LICENSED  
12 RETAIL MARIJUANA TESTING FACILITY AND THAT THE PERSON  
13 TRANSFERRING THE INDUSTRIAL HEMP PRODUCT HAS RECEIVED A  
14 REGISTRATION FROM THE DEPARTMENT OF PUBLIC HEALTH AND  
15 ENVIRONMENT PURSUANT TO SECTION 25-5-426.

16 (II) ABSENT SAMPLING AND TESTING STANDARDS ESTABLISHED BY  
17 THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR THE  
18 SAMPLING AND TESTING OF AN INDUSTRIAL HEMP PRODUCT, A PERSON  
19 TRANSFERRING AN INDUSTRIAL HEMP PRODUCT TO A RETAIL MARIJUANA  
20 STORE PURSUANT TO THIS SECTION SHALL COMPLY WITH SAMPLING AND  
21 TESTING STANDARDS CONSISTENT WITH THOSE ESTABLISHED BY THE  
22 STATE LICENSING AUTHORITY PURSUANT TO THIS ARTICLE 10. THE STATE  
23 LICENSING AUTHORITY SHALL REPORT TO THE DEPARTMENT OF PUBLIC  
24 HEALTH AND ENVIRONMENT ANY INVESTIGATIONS OR FINDINGS OF  
25 VIOLATIONS OF THIS SECTION BY A PERSON REGISTERED PURSUANT TO  
26 SECTION 25-5-426.

27 (4) A retail marijuana store may provide, except as required by

1 ~~section 44-12-202 (3)(a)(IV)~~ SECTION 44-10-203 (2)(d), a sample of its  
2 products to a facility that has a marijuana testing facility license from the  
3 state licensing authority for testing and research purposes. A retail  
4 marijuana store shall maintain a record of what was provided to the  
5 testing facility, the identity of the testing facility, and the results of the  
6 testing.

7 (5) All retail marijuana and retail marijuana products sold at a  
8 licensed retail marijuana store shall be packaged and labeled as required  
9 by rules of the state licensing authority pursuant to ~~section 44-12-202~~  
10 SECTION 44-10-203 (2)(f) AND (3)(b).

11 (6) A licensed retail marijuana store shall comply with all  
12 provisions of article 34 of title 24, as the provisions relate to persons with  
13 disabilities.

14 (7) (a) A licensed retail marijuana store may only sell retail  
15 marijuana, retail marijuana products, marijuana accessories,  
16 nonconsumable products such as apparel, and marijuana related products  
17 such as childproof packaging containers, but ~~shall be~~ IS prohibited from  
18 selling or giving away any consumable product, including but not limited  
19 to cigarettes or alcohol, or edible product that does not contain marijuana,  
20 including but not limited to sodas, candies, or baked goods; EXCEPT THAT  
21 A RETAIL MARIJUANA STORE MAY SELL INDUSTRIAL HEMP PRODUCTS.

22 (b) A licensed retail marijuana store may not sell any retail  
23 marijuana or retail marijuana products that contain nicotine or alcohol, if  
24 the sale of the alcohol would require a license pursuant to article 3 or 4  
25 of this title 44.

26 (c) A licensed retail marijuana store shall not sell retail marijuana  
27 or retail marijuana products over the internet nor deliver retail marijuana

1 or retail marijuana products to a person not physically present in the retail  
2 marijuana store's licensed premises.

3 (8) The premises of a licensed retail marijuana store is the only  
4 place where an automatic dispensing machine that contains retail  
5 marijuana or retail marijuana products may be located. If a licensed retail  
6 marijuana store uses an automatic dispensing machine that contains retail  
7 marijuana and retail marijuana products, it must comply with the  
8 regulations promulgated by the state licensing authority for its use.

9 (9) Retail marijuana or retail marijuana products may not be  
10 consumed on the premises of a retail marijuana store.

11 (10) Notwithstanding any other provision of state law, sales of  
12 retail marijuana and retail marijuana products are not exempt from state  
13 or local sales tax.

14 (11) A display case containing marijuana concentrate must include  
15 the potency of the marijuana concentrate next to the name of the product.

16 (12) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
17 CONTRARY, A LICENSED RETAIL MARIJUANA STORE MAY COMPENSATE ITS  
18 EMPLOYEES USING PERFORMANCE-BASED INCENTIVES, INCLUDING  
19 SALES-BASED PERFORMANCE-BASED INCENTIVES.

20 (13) (a) (I) THERE IS AUTHORIZED A RETAIL MARIJUANA DELIVERY  
21 PERMIT TO A RETAIL MARIJUANA STORE LICENSE AUTHORIZING THE PERMIT  
22 HOLDER TO DELIVER RETAIL MARIJUANA AND RETAIL MARIJUANA  
23 PRODUCTS.

24 (II) A RETAIL MARIJUANA DELIVERY PERMIT IS VALID FOR ONE  
25 YEAR AND MAY BE RENEWED ANNUALLY UPON RENEWAL OF THE RETAIL  
26 MARIJUANA STORE LICENSE OR RETAIL MARIJUANA TRANSPORTER LICENSE.

27 (III) A RETAIL MARIJUANA DELIVERY PERMIT ISSUED PURSUANT TO



1 THIS SECTION APPLIES TO ONLY ONE RETAIL MARIJUANA STORE; EXCEPT  
2 THAT, A SINGLE RETAIL MARIJUANA DELIVERY PERMIT MAY APPLY TO  
3 MULTIPLE RETAIL MARIJUANA STORES PROVIDED THAT THE RETAIL  
4 MARIJUANA STORES ARE IN THE SAME LOCAL JURISDICTION AND ARE  
5 IDENTICALLY OWNED, AS DEFINED BY THE STATE LICENSING AUTHORITY  
6 FOR PURPOSES OF THIS SECTION.

7 (IV) THE STATE LICENSING AUTHORITY MAY ISSUE A RETAIL  
8 MARIJUANA DELIVERY PERMIT TO A QUALIFIED APPLICANT, AS  
9 DETERMINED BY THE STATE LICENSING AUTHORITY, THAT HOLDS A RETAIL  
10 MARIJUANA STORE LICENSE ISSUED PURSUANT TO THIS ARTICLE 10. A  
11 PERMIT APPLICANT IS PROHIBITED FROM DELIVERING RETAIL MARIJUANA  
12 AND RETAIL MARIJUANA PRODUCTS WITHOUT STATE AND LOCAL  
13 JURISDICTION APPROVAL. IF THE APPLICANT DOES NOT RECEIVE LOCAL  
14 JURISDICTION APPROVAL WITHIN ONE YEAR FROM THE DATE OF THE STATE  
15 LICENSING AUTHORITY APPROVAL, THE STATE PERMIT EXPIRES AND MAY  
16 NOT BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL LICENSING  
17 AUTHORITY, THE STATE LICENSING AUTHORITY SHALL REVOKE THE  
18 STATE-ISSUED PERMIT. THE STATE LICENSING AUTHORITY HAS DISCRETION  
19 IN DETERMINING WHETHER AN APPLICANT IS QUALIFIED TO RECEIVE A  
20 RETAIL MARIJUANA DELIVERY PERMIT. A RETAIL MARIJUANA DELIVERY  
21 PERMIT ISSUED BY THE STATE LICENSING AUTHORITY IS DEEMED A  
22 REVOCABLE PRIVILEGE OF A LICENSED RETAIL MARIJUANA STORE OR  
23 RETAIL MARIJUANA TRANSPORTER LICENSEE. A VIOLATION RELATED TO A  
24 RETAIL MARIJUANA DELIVERY PERMIT IS GROUNDS FOR A FINE OR  
25 SUSPENSION OR REVOCATION OF THE DELIVERY PERMIT OR RETAIL  
26 MARIJUANA STORE LICENSE.

27 (b) A RETAIL MARIJUANA STORE LICENSEE SHALL NOT MAKE

1 DELIVERIES OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS TO  
2 INDIVIDUALS WHILE ALSO TRANSPORTING RETAIL MARIJUANA OR RETAIL  
3 MARIJUANA PRODUCTS BETWEEN LICENSED PREMISES IN THE SAME  
4 VEHICLE.

5 (c) THE LICENSED RETAIL MARIJUANA STORE SHALL CHARGE A  
6 ONE-DOLLAR SURCHARGE ON EACH DELIVERY. THE LICENSED RETAIL  
7 MARIJUANA STORE SHALL REMIT THE SURCHARGES COLLECTED ON A  
8 MONTHLY BASIS TO THE MUNICIPALITY WHERE THE LICENSED RETAIL  
9 MARIJUANA STORE IS LOCATED, OR TO THE COUNTY IF THE LICENSED  
10 RETAIL MARIJUANA STORE IS IN AN UNINCORPORATED AREA, FOR LOCAL  
11 LAW ENFORCEMENT COSTS RELATED TO MARIJUANA ENFORCEMENT.  
12 FAILURE TO COMPLY WITH THIS SUBSECTION (13)(c) MAY RESULT IN  
13 NONRENEWAL OF THE RETAIL MARIJUANA DELIVERY PERMIT.

14 (d) A LICENSED RETAIL MARIJUANA STORE WITH A RETAIL  
15 MARIJUANA DELIVERY PERMIT MAY DELIVER RETAIL MARIJUANA AND  
16 RETAIL MARIJUANA PRODUCTS ONLY TO THE INDIVIDUAL WHO PLACED THE  
17 ORDER AND WHO:

18 (I) IS TWENTY-ONE YEARS OF AGE OR OLDER;

19 (II) RECEIVES THE DELIVERY OF RETAIL MARIJUANA OR RETAIL  
20 MARIJUANA PRODUCTS PURSUANT TO RULES; AND

21 (III) POSSESSES AN ACCEPTABLE FORM OF IDENTIFICATION.

22 (e) ANY PERSON DELIVERING RETAIL MARIJUANA OR RETAIL  
23 MARIJUANA PRODUCTS MUST POSSESS A VALID OCCUPATIONAL LICENSE  
24 AND BE A CURRENT EMPLOYEE OF THE LICENSED RETAIL MARIJUANA STORE  
25 OR RETAIL MARIJUANA TRANSPORTER LICENSEE WITH A VALID RETAIL  
26 MARIJUANA DELIVERY PERMIT; MUST HAVE UNDERGONE TRAINING  
27 REGARDING PROOF-OF-AGE IDENTIFICATION AND VERIFICATION,

1 INCLUDING ALL FORMS OF IDENTIFICATION THAT ARE DEEMED  
2 ACCEPTABLE BY THE STATE LICENSING AUTHORITY; AND MUST HAVE ANY  
3 OTHER TRAINING REQUIRED BY THE STATE LICENSING AUTHORITY.

4 (f) IN ACCORDANCE WITH THIS SUBSECTION (13) AND RULES  
5 ADOPTED TO IMPLEMENT THIS SUBSECTION (13), A LICENSED RETAIL  
6 MARIJUANA STORE WITH A VALID RETAIL MARIJUANA DELIVERY PERMIT  
7 MAY:

8 (I) RECEIVE AN ORDER THROUGH ELECTRONIC OR OTHER MEANS  
9 FOR THE PURCHASE AND DELIVERY OF RETAIL MARIJUANA OR RETAIL  
10 MARIJUANA PRODUCTS. WHEN USING AN ONLINE PLATFORM FOR  
11 MARIJUANA DELIVERY, THE PLATFORM MUST REQUIRE THE INDIVIDUAL TO  
12 CHOOSE A RETAIL MARIJUANA STORE BEFORE VIEWING THE PRICE.

13 (II) DELIVER RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS  
14 NOT IN EXCESS OF THE AMOUNTS ESTABLISHED BY THE STATE LICENSING  
15 AUTHORITY;

16 (III) DELIVER ONLY TO AN INDIVIDUAL AT THE ADDRESS PROVIDED  
17 IN THE ORDER;

18 (IV) DELIVER NO MORE THAN ONCE PER DAY TO THE SAME  
19 INDIVIDUAL OR RESIDENCE;

20 (V) (A) DELIVER ONLY TO PRIVATE RESIDENCES;

21 (B) FOR PURPOSES OF THIS SECTION, "PRIVATE RESIDENCES"  
22 MEANS PRIVATE PREMISES WHERE A PERSON LIVES, SUCH AS A PRIVATE  
23 DWELLING PLACE OR PLACE OF HABITATION, AND SPECIFICALLY EXCLUDES  
24 ANY PREMISES LOCATED AT A SCHOOL OR ON THE CAMPUS OF AN  
25 INSTITUTION OF HIGHER EDUCATION, OR ANY OTHER PUBLIC PROPERTY.

26 (VI) DELIVER RETAIL MARIJUANA OR RETAIL MARIJUANA  
27 PRODUCTS ONLY BY A MOTOR VEHICLE THAT COMPLIES WITH THIS SECTION

1 AND THE RULES PROMULGATED PURSUANT TO THIS SECTION AND SECTION  
2 44-10-203 (2)(cc); AND

3 (VII) USE AN EMPLOYEE TO CONDUCT DELIVERIES, OR CONTRACT  
4 WITH A RETAIL MARIJUANA TRANSPORTER THAT HAS A VALID RETAIL  
5 MARIJUANA DELIVERY PERMIT TO CONDUCT DELIVERIES ON ITS BEHALF,  
6 FROM ITS RETAIL MARIJUANA STORE OR ITS ASSOCIATED STATE LICENSING  
7 AUTHORITY-AUTHORIZED STORAGE FACILITY AS DEFINED BY RULE.

8 (g) (I) AT THE TIME OF THE ORDER, THE RETAIL MARIJUANA STORE  
9 SHALL REQUIRE THE INDIVIDUAL TO PROVIDE INFORMATION NECESSARY TO  
10 VERIFY THE INDIVIDUAL IS AT LEAST TWENTY-ONE YEARS OF AGE. THE  
11 PROVIDED INFORMATION MUST, AT A MINIMUM, INCLUDE THE FOLLOWING:

12 (A) THE INDIVIDUAL'S NAME AND DATE OF BIRTH;

13 (B) THE ADDRESS OF THE RESIDENCE WHERE THE ORDER WILL BE  
14 DELIVERED; AND

15 (C) ANY OTHER INFORMATION REQUIRED BY STATE LICENSING  
16 AUTHORITY RULE.

17 (II) PRIOR TO TRANSFERRING POSSESSION OF THE ORDER TO AN  
18 INDIVIDUAL, THE PERSON DELIVERING THE ORDER SHALL INSPECT THE  
19 INDIVIDUAL'S IDENTIFICATION AND VERIFY THAT THE INFORMATION  
20 PROVIDED AT THE TIME OF THE ORDER MATCH THE NAME AND AGE ON THE  
21 INDIVIDUAL'S IDENTIFICATION.

22 (h) (I) UNLESS OTHERWISE PROVIDED BY THE STATE LICENSING  
23 AUTHORITY BY RULES PROMULGATED PURSUANT TO THIS ARTICLE 10, ALL  
24 REQUIREMENTS APPLICABLE TO OTHER LICENSES ISSUED PURSUANT TO  
25 THIS ARTICLE 10 APPLY TO THE DELIVERY OF RETAIL MARIJUANA AND  
26 RETAIL MARIJUANA PRODUCTS, INCLUDING BUT NOT LIMITED TO  
27 INVENTORY TRACKING, TRANSPORTATION, AND PACKAGING AND LABELING

1 REQUIREMENTS.

2 (II) THE ADVERTISING REGULATIONS AND PROHIBITIONS ADOPTED  
3 PURSUANT TO SECTION 44-10-203 (3)(a) APPLY TO RETAIL MARIJUANA  
4 DELIVERY OPERATIONS PURSUANT TO THIS SUBSECTION (13).

5 (i) IT IS NOT A VIOLATION OF ANY PROVISION OF STATE, CIVIL, OR  
6 CRIMINAL LAW FOR A LICENSED RETAIL MARIJUANA STORE OR RETAIL  
7 MARIJUANA TRANSPORTER LICENSEE WITH A VALID RETAIL MARIJUANA  
8 DELIVERY PERMIT, OR SUCH PERSON WHO HAS MADE TIMELY AND  
9 SUFFICIENT APPLICATION FOR THE RENEWAL OF THE PERMIT, OR ITS  
10 LICENSEES TO POSSESS, TRANSPORT, AND DELIVER RETAIL MARIJUANA OR  
11 RETAIL MARIJUANA PRODUCTS PURSUANT TO A RETAIL MARIJUANA  
12 DELIVERY PERMIT IN AMOUNTS THAT DO NOT EXCEED AMOUNTS  
13 ESTABLISHED BY THE STATE LICENSING AUTHORITY.

14 (j) A LOCAL LAW ENFORCEMENT AGENCY MAY REQUEST STATE  
15 LICENSING AUTHORITY REPORTS, INCLUDING COMPLAINTS, INVESTIGATIVE  
16 ACTION, AND FINAL AGENCY ACTION ORDERS, RELATED TO CRIMINAL  
17 ACTIVITY MATERIALLY RELATED TO RETAIL MARIJUANA DELIVERY IN THE  
18 LAW ENFORCEMENT AGENCY'S JURISDICTION, AND THE STATE LICENSING  
19 AUTHORITY SHALL PROMPTLY PROVIDE ANY REPORTS IN ITS POSSESSION  
20 FOR THE LAW ENFORCEMENT AGENCY'S JURISDICTION.

21 (k) (I) NOTWITHSTANDING ANY PROVISIONS OF THIS SECTION,  
22 DELIVERY OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS IS NOT  
23 PERMITTED IN ANY MUNICIPALITY, COUNTY, OR CITY AND COUNTY UNLESS  
24 THE MUNICIPALITY, COUNTY, OR CITY AND COUNTY, BY EITHER A  
25 MAJORITY OF THE REGISTERED ELECTORS OF THE MUNICIPALITY, COUNTY,  
26 OR CITY AND COUNTY VOTING AT A REGULAR ELECTION OR SPECIAL  
27 ELECTION CALLED IN ACCORDANCE WITH THE "COLORADO MUNICIPAL

1 ELECTION CODE OF 1965", ARTICLE 10 OF TITLE 31, OR THE "UNIFORM  
2 ELECTION CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, AS APPLICABLE,  
3 OR A MAJORITY OF THE MEMBERS OF THE GOVERNING BOARD FOR THE  
4 MUNICIPALITY, COUNTY, OR CITY AND COUNTY, VOTE TO ALLOW THE  
5 DELIVERY OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS  
6 PURSUANT TO THIS SECTION.

7 (II) AN ORDINANCE ADOPTED PURSUANT TO SUBSECTION (13)(k)(I)  
8 OF THIS SECTION MAY PROHIBIT DELIVERY OF RETAIL MARIJUANA AND  
9 RETAIL MARIJUANA PRODUCTS FROM A RETAIL MARIJUANA STORE THAT IS  
10 OUTSIDE A MUNICIPALITY'S, COUNTY'S, CITY'S, OR CITY AND COUNTY'S  
11 JURISDICTIONAL BOUNDARIES TO AN ADDRESS WITHIN ITS JURISDICTIONAL  
12 BOUNDARIES.

13 (I) NOTWITHSTANDING ANY PROVISIONS OF THIS SECTION,  
14 DELIVERY OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS IS NOT  
15 PERMITTED AT ANY SCHOOL OR ON THE CAMPUS OF ANY INSTITUTION OF  
16 HIGHER EDUCATION.

17 (m) THE STATE LICENSING AUTHORITY SHALL BEGIN ISSUING  
18 RETAIL MARIJUANA DELIVERY PERMITS TO QUALIFIED RETAIL MARIJUANA  
19 STORE APPLICANTS ON, BUT NOT EARLIER THAN, JANUARY 2, 2021.

20 **44-10-602. [Formerly 44-12-403] Retail marijuana cultivation**  
21 **facility license - rules - definitions.** (1) A retail marijuana cultivation  
22 facility license may be issued only to a person who cultivates retail  
23 marijuana for sale and distribution to licensed retail marijuana stores,  
24 retail marijuana products ~~manufacturing~~ MANUFACTURER licensees, or  
25 other retail marijuana cultivation facilities.

26 (2) A retail marijuana cultivation facility shall remit any  
27 applicable excise tax due in accordance with article 28.8 of title 39, based

1 on the average wholesale prices set by the state licensing authority.

2 (3) A retail marijuana cultivation facility shall track the marijuana  
3 it cultivates from seed or immature plant to wholesale purchase. Prior to  
4 delivery of any sold retail marijuana, the retail marijuana cultivation  
5 facility shall provide evidence that it paid any applicable excise tax on the  
6 retail marijuana due pursuant to article 28.8 of title 39.

7 (4) A retail marijuana cultivation facility may provide, except as  
8 required by ~~section 44-12-202 (3)(a)(IV)~~ SECTION 44-10-203 (2)(d), a  
9 sample of its products to a facility that has a RETAIL marijuana testing  
10 facility license from the state licensing authority for testing and research  
11 purposes. A retail marijuana cultivation facility shall maintain a record of  
12 what was provided to the testing facility, the identity of the testing  
13 facility, and the testing results.

14 (5) Retail marijuana or retail marijuana products may not be  
15 consumed on the premises of a retail marijuana cultivation facility.

16 (6) (a) A retail marijuana cultivation facility licensee may provide  
17 a retail marijuana sample and a retail marijuana concentrate sample to no  
18 more than five managers employed by the licensee for purposes of quality  
19 control and product development. A retail marijuana cultivation facility  
20 licensee may designate no more than five managers per calendar month  
21 as recipients of quality control and product development samples  
22 authorized pursuant to this subsection (6)(a).

23 (b) An excise tax shall be levied and collected on the sample of  
24 unprocessed retail marijuana by a retail marijuana cultivation facility. The  
25 excise tax must be calculated based on the average market rate of the  
26 unprocessed retail marijuana.

27 (c) A sample authorized pursuant to subsection (6)(a) of this

1 section is limited to one gram of retail marijuana per batch as defined in  
2 rules promulgated by the state licensing authority, and one-quarter gram  
3 of a retail marijuana concentrate per batch as defined in rules  
4 promulgated by the state licensing authority; except that the limit is  
5 one-half gram of retail marijuana concentrate if the intended use of the  
6 final product is to be used in a device that can be used to deliver retail  
7 marijuana concentrate in a vaporized form to the person inhaling from the  
8 device.

9 (d) A sample authorized pursuant to subsection (6)(a) of this  
10 section must be labeled and packaged pursuant to the rules promulgated  
11 pursuant to ~~section 44-12-202 (3)(a)(VII) and (3)(d)(H)~~ SECTION  
12 44-10-203 (2)(f) AND (3)(b).

13 (e) A sample provided pursuant to subsection (6)(a) of this section  
14 must be tracked with the seed-to-sale tracking system. Prior to a manager  
15 receiving a sample, a manager must be designated in the seed-to-sale  
16 tracking system as a recipient of quality control and product development  
17 samples. A manager receiving a sample must make a voluntary decision  
18 to be tracked in the seed-to-sale tracking system and is not a consumer  
19 pursuant to section 16 (5)(c) of article XVIII of the state constitution. The  
20 retail marijuana cultivation facility licensee shall maintain documentation  
21 of all samples and shall make the documentation available to the state  
22 licensing authority.

23 (f) Prior to a manager receiving a sample pursuant to subsection  
24 (6)(a) of this section, a retail marijuana cultivation facility licensee shall  
25 provide a standard operating procedure to the manager explaining  
26 requirements pursuant to this section and personal possession limits  
27 pursuant to section 18-18-406.



1 (g) A manager shall not:

2 (I) Receive more than one ounce total of retail marijuana or eight  
3 grams of retail marijuana concentrate samples per calendar month,  
4 regardless of the number of licenses that the manager is associated with;  
5 or

6 (II) Provide to or resell the sample to another licensed employee,  
7 a customer, or any other individual.

8 (h) A retail marijuana cultivation facility licensee shall not:

9 (I) Allow a manager to consume the sample on the licensed  
10 premises; or

11 (II) Use the sample as a means of compensation to a manager.

12 (i) The state licensing authority may establish additional inventory  
13 tracking and record keeping, including additional reporting required for  
14 implementation. The retail marijuana cultivation facility licensee shall  
15 maintain the information required by this subsection (6)(i) on the licensed  
16 premises for inspection by the state and local licensing authorities.

17 (j) For purposes of this subsection (6) only, "manager" means an  
18 employee of the retail marijuana ~~business~~ CULTIVATION FACILITY who  
19 holds a valid key license or associated key license and is currently  
20 designated pursuant to state licensing authority rules as the manager of  
21 the retail marijuana ~~business~~ CULTIVATION FACILITY.

22 (7) (a) The state licensing authority may issue a centralized  
23 distribution permit to a retail marijuana cultivation facility authorizing  
24 temporary storage on its licensed premises of retail marijuana concentrate  
25 and retail marijuana products received from a retail marijuana  
26 ~~establishment~~ BUSINESS for the sole purpose of transfer to the permit  
27 holder's commonly owned retail marijuana stores. Prior to exercising the

1 privileges of a centralized distribution permit, a retail marijuana  
2 cultivation facility licensed pursuant to this section shall, at the time of  
3 application to the state licensing authority, send a copy of the application  
4 or supplemental application for a centralized distribution permit to the  
5 local jurisdiction in which the centralized distribution permit is proposed.  
6 The state licensing authority shall notify the local jurisdiction of its  
7 decision regarding the centralized distribution permit.

8 (b) A retail marijuana cultivation facility shall not store retail  
9 marijuana concentrate or retail marijuana products pursuant to a  
10 centralized distribution permit for more than ninety days.

11 (c) A retail marijuana cultivation facility shall not accept any retail  
12 marijuana concentrate or retail marijuana products pursuant to a  
13 centralized distribution permit unless the retail marijuana concentrate and  
14 retail marijuana products are packaged and labeled for sale to a consumer  
15 as required by rules promulgated by the state licensing authority pursuant  
16 to ~~section 44-12-202~~ SECTION 44-10-203 (2)(f) AND (3)(b).

17 (d) All retail marijuana concentrate and retail marijuana products  
18 stored and prepared for transport on a retail marijuana cultivation  
19 facility's licensed premises pursuant to a centralized distribution permit  
20 must only be transferred to a retail marijuana cultivation facility licensee's  
21 commonly owned retail marijuana stores. All transfers of retail marijuana  
22 concentrate and retail marijuana products by a retail marijuana cultivation  
23 facility pursuant to a centralized distribution permit are without  
24 consideration.

25 (e) All security and surveillance requirements that apply to a retail  
26 marijuana cultivation facility apply to activities conducted pursuant to the  
27 privileges of a centralized distribution permit.

1 (f) A retail marijuana cultivation facility shall track all retail  
2 marijuana concentrate and retail marijuana products possessed pursuant  
3 to a centralized distribution permit in the seed-to-sale tracking system  
4 from the point it is received from a retail marijuana establishment  
5 BUSINESS to the point of transfer to a retail marijuana cultivation facility  
6 licensee's commonly owned retail marijuana stores.

7 (g) For purposes of this section only, "commonly owned" means  
8 licenses that have an ownership structure with at least one natural person  
9 with a minimum of five percent ownership in each license.

10 (8) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
11 CONTRARY, A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY MAY  
12 COMPENSATE ITS EMPLOYEES USING PERFORMANCE-BASED INCENTIVES,  
13 INCLUDING SALES-BASED PERFORMANCE-BASED INCENTIVES.

14 (9) AN ACCELERATOR CULTIVATOR LICENSEE MAY OPERATE ON  
15 THE PREMISES OF A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE  
16 IF BEFORE EACH ACCELERATOR LICENSEE OPERATES, THE RETAIL  
17 MARIJUANA CULTIVATION FACILITY LICENSEE HAS ITS PREMISES ENDORSED  
18 PURSUANT TO RULE AND EACH ACCELERATOR LICENSEE IS LICENSED TO  
19 OPERATE ON THAT PREMISES.

20 (10) A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE THAT  
21 HOSTS AN ACCELERATOR LICENSEE MAY, PURSUANT TO RULE, PROVIDE  
22 TECHNICAL AND COMPLIANCE ASSISTANCE TO AN ACCELERATOR LICENSEE  
23 OPERATING ON ITS PREMISES. A RETAIL MARIJUANA PRODUCTS  
24 MANUFACTURER LICENSEE THAT HOSTS AN ACCELERATOR LICENSEE MAY,  
25 PURSUANT TO RULE, PROVIDE CAPITAL ASSISTANCE TO AN ACCELERATOR  
26 LICENSEE OPERATING ON ITS PREMISES.

27 (11) A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE THAT

1 HOSTS AN ACCELERATOR LICENSEE, PURSUANT TO RULE AND AGENCY  
2 DISCRETION, MAY BE ELIGIBLE FOR REDUCTION IN LICENSE FEES OR OTHER  
3 INCENTIVES AVAILABLE THROUGH THE DEPARTMENT OF REVENUE OR THE  
4 OFFICE OF ECONOMIC DEVELOPMENT AND INTERNATIONAL TRADE.

5 (12) A RETAIL MARIJUANA CULTIVATION FACILITY SHALL ONLY  
6 OBTAIN RETAIL MARIJUANA SEEDS OR IMMATURE PLANTS FROM ITS OWN  
7 RETAIL MARIJUANA, COMMONLY OWNED FROM THE MEDICAL MARIJUANA  
8 OF AN IDENTICAL DIRECT BENEFICIAL OWNER, OR MARIJUANA THAT IS  
9 PROPERLY TRANSFERRED FROM ANOTHER RETAIL MARIJUANA BUSINESS  
10 PURSUANT TO THE INVENTORY TRACKING REQUIREMENTS IMPOSED BY  
11 RULE.

12 **44-10-603. [Formerly 44-12-404] Retail marijuana products**  
13 **manufacturer license - rules - definition.** (1) (a) A retail marijuana  
14 products ~~manufacturing~~ MANUFACTURER license may be issued to a  
15 person who manufactures retail marijuana products pursuant to the terms  
16 and conditions of this ~~article 12~~ ARTICLE 10.

17 (b) A retail marijuana products manufacturer may cultivate its  
18 own retail marijuana if it obtains a retail marijuana cultivation facility  
19 license, or it may purchase retail marijuana from a licensed retail  
20 marijuana cultivation facility. A retail marijuana products manufacturer  
21 shall track all of its retail marijuana from the point it is either transferred  
22 from its retail marijuana cultivation facility or the point when it is  
23 delivered to the retail marijuana products manufacturer from a licensed  
24 retail marijuana cultivation facility to the point of transfer to a licensed  
25 retail marijuana store, a licensed retail marijuana products manufacturer,  
26 a retail marijuana testing facility, or a licensed retail marijuana cultivation  
27 facility with a centralized distribution permit pursuant to ~~section~~

1     ~~44-12-403 (7)~~ SECTION 44-10-602 (7).

2           (c) A retail marijuana products manufacturer shall not accept any  
3     retail marijuana purchased from a retail marijuana cultivation facility  
4     unless the retail marijuana products manufacturer is provided with  
5     evidence that any applicable excise tax due pursuant to article 28.8 of title  
6     39 was paid.

7           (d) A retail marijuana products manufacturer shall not:

8           (I) Add any marijuana to a food product where the manufacturer  
9     of the food product holds a trademark to the food product's name; except  
10    that a RETAIL MARIJUANA PRODUCTS manufacturer may use a trademarked  
11    food product if the manufacturer uses the product as a component or as  
12    part of a recipe and where the RETAIL marijuana ~~product~~ PRODUCTS  
13    manufacturer does not state or advertise to the consumer that the final  
14    retail marijuana product contains a trademarked food product;

15          (II) Intentionally or knowingly label or package a retail marijuana  
16    product in a manner that would cause a reasonable consumer confusion  
17    as to whether the retail marijuana product was a trademarked food  
18    product; or

19          (III) Label or package a product in a manner that violates any  
20    federal trademark law or regulation.

21          (2) Retail marijuana products ~~shall~~ MUST be prepared on a  
22    licensed premises that is used exclusively for the manufacture and  
23    preparation of retail marijuana or retail marijuana products and using  
24    equipment that is used exclusively for the manufacture and preparation  
25    of retail marijuana products; except that, if permitted by the local  
26    jurisdiction and subject to rules of the state licensing authority, a retail  
27    marijuana products ~~manufacturing~~ MANUFACTURER licensee may share

1 the same premises as a:

2 (a) Medical ~~marijuana-infused~~ MARIJUANA products  
3 ~~manufacturing~~ MANUFACTURER licensee so long as a virtual or physical  
4 separation of inventory is maintained; or

5 (b) Commonly owned marijuana research and development  
6 licensee ~~or marijuana research and development cultivation licensee~~ so  
7 long as virtual or physical separation of inventory and research activity  
8 is maintained; OR

9 (c) ACCELERATOR MANUFACTURER LICENSEE IF THE RETAIL  
10 MARIJUANA PRODUCTS MANUFACTURER HAS ITS PREMISES ENDORSED  
11 PURSUANT TO RULE BEFORE EACH ACCELERATOR MANUFACTURER  
12 LICENSEE OPERATES AND EACH ACCELERATOR LICENSEE IS LICENSED TO  
13 OPERATE ON THAT PREMISES.

14 (3) All licensed premises on which retail marijuana products are  
15 manufactured ~~shall~~ MUST meet the sanitary standards for retail marijuana  
16 product preparation promulgated pursuant to ~~section 44-12-202 (3)(a)(XI)~~  
17 SECTION 44-10-203 (2)(i).

18 (4) (a) The retail marijuana product ~~shall~~ MUST be sealed and  
19 conspicuously labeled in compliance with this ~~article 12~~ ARTICLE 10 and  
20 any rules promulgated pursuant to this ~~article 12~~ ARTICLE 10. The labeling  
21 of retail marijuana products is a matter of statewide concern.

22 (b) The standard symbol requirements as promulgated pursuant to  
23 ~~section 44-12-202 (3)(c)~~ SECTION 44-10-203 (2)(y) do not apply to a  
24 multi-serving liquid retail marijuana product, which is impracticable to  
25 mark, if the product complies with all statutory and rule packaging  
26 requirements for multi-serving edibles and complies with the following  
27 enhanced requirements to reduce the risk of accidental ingestion. A

1 multi-serving liquid must:

2 (I) Be packaged in a structure that uses a single mechanism to  
3 achieve both child-resistance and accurate pouring measurement of each  
4 liquid serving in increments equal to or less than ten milligrams of active  
5 THC per serving, with no more than one hundred milligrams of active  
6 THC total per package; and

7 (II) The measurement component is within the child-resistant cap  
8 or closure of the bottle and is not a separate component.

9 (5) Retail marijuana or retail marijuana products may not be  
10 consumed on the premises of a retail marijuana products ~~manufacturing~~  
11 ~~facility~~ MANUFACTURER.

12 (6) A retail marijuana products manufacturer may provide, except  
13 as required by ~~section 44-12-202 (3)(a)(IV)~~ SECTION 44-10-203 (2)(d), a  
14 sample of its products to a facility that has a retail marijuana testing  
15 facility license from the state licensing authority for testing and research  
16 purposes. A retail marijuana products manufacturer shall maintain a  
17 record of what was provided to the testing facility, the identity of the  
18 testing facility, and the results of the testing.

19 (7) An edible retail marijuana product may list its ingredients and  
20 compatibility with dietary practices.

21 (8) A licensed retail marijuana products manufacturer shall  
22 package and label each product manufactured as required by rules of the  
23 state licensing authority pursuant to ~~section 44-12-202~~ SECTION  
24 44-10-203 (2)(f) AND (3)(b).

25 (9) All retail marijuana products that require refrigeration to  
26 prevent spoilage must be stored and transported in a refrigerated  
27 environment.

1           (10) (a) A retail marijuana products ~~manufacturing~~  
2 MANUFACTURER licensee may provide a retail marijuana product sample  
3 and a retail marijuana concentrate sample to no more than five managers  
4 employed by the licensee for purposes of quality control and product  
5 development. A retail marijuana products ~~manufacturing~~ MANUFACTURER  
6 licensee may designate no more than five managers per calendar month  
7 as recipients of quality control and product development samples  
8 authorized pursuant to this subsection (10)(a).

9           (b) A sample authorized pursuant to subsection (10)(a) of this  
10 section is limited to one serving size of an edible retail marijuana product  
11 not exceeding ten milligrams of THC and its applicable equivalent  
12 serving size of nonedible retail marijuana product per batch as defined in  
13 rules promulgated by the state licensing authority and one-quarter gram  
14 of retail marijuana concentrate per batch as defined in rules promulgated  
15 by the state licensing authority; except that the limit is one-half gram of  
16 retail marijuana concentrate if the intended use of the final product is to  
17 be used in a device that can be used to deliver retail marijuana  
18 concentrate in a vaporized form to the person inhaling from the device.

19           (c) A sample authorized pursuant to subsection (10)(a) of this  
20 section must be labeled and packaged pursuant to the rules promulgated  
21 pursuant to ~~section 44-12-202 (3)(a)(VII) and (3)(d)(H)~~ SECTION  
22 44-10-203 (2)(f) AND (3)(b).

23           (d) A sample provided pursuant to subsection (10)(a) of this  
24 section must be tracked with the seed-to-sale tracking system. Prior to a  
25 manager receiving a sample, a manager must be designated in the  
26 seed-to-sale tracking system as a recipient of quality control and product  
27 development samples. A manager receiving a sample must make a



1 voluntary decision to be tracked in the seed-to-sale tracking system and  
2 is not a consumer pursuant to section 16 (5)(c) of article XVIII of the  
3 state constitution. The retail marijuana products manufacturing  
4 MANUFACTURER licensee shall maintain documentation of all samples and  
5 shall make the documentation available to the state licensing authority.

6 (e) Prior to a manager receiving a sample pursuant to subsection  
7 (10)(a) of this section, a retail marijuana products manufacturing  
8 MANUFACTURER licensee shall provide a standard operating procedure to  
9 the manager explaining requirements pursuant to this section and personal  
10 possession limits pursuant to section 18-18-406.

11 (f) A manager shall not:

12 (I) Receive more than a total of eight grams of retail marijuana  
13 concentrate or fourteen individual serving-size edibles or its applicable  
14 equivalent in nonedible retail marijuana products per calendar month,  
15 regardless of the number of licenses that the manager is associated with;  
16 or

17 (II) Provide to or resell the sample to another licensed employee,  
18 a customer, or any other individual.

19 (g) A retail marijuana products manufacturing licensee shall not:

20 (I) Allow a manager to consume the sample on the licensed  
21 premises; or

22 (II) Use the sample as a means of compensation to a manager.

23 (h) The state licensing authority may establish additional  
24 inventory tracking and record keeping, including additional reporting  
25 required for implementation. The retail marijuana products manufacturing  
26 MANUFACTURER licensee shall maintain the information required by this  
27 subsection (10)(h) on the licensed premises for inspection by the state and

1 local licensing authorities.

2 (i) For purposes of this subsection (10) only, "manager" means an  
3 employee of the retail marijuana ~~business~~ PRODUCTS MANUFACTURER  
4 who holds a valid key license or associated key license and is currently  
5 designated pursuant to state licensing authority rules as the manager of  
6 the retail marijuana ~~business~~ PRODUCTS MANUFACTURER.

7 (11) (a) A RETAIL MARIJUANA PRODUCTS MANUFACTURER THAT  
8 USES AN INDUSTRIAL HEMP PRODUCT AS AN INGREDIENT IN A RETAIL  
9 MARIJUANA PRODUCT SHALL ENSURE THAT THE INDUSTRIAL HEMP  
10 PRODUCT HAS PASSED ALL TESTING REQUIRED BY RULES PROMULGATED BY  
11 THE STATE LICENSING AUTHORITY PURSUANT TO SECTION 44-10-203  
12 (2)(d). PRIOR TO TAKING POSSESSION OF THE INDUSTRIAL HEMP PRODUCT,  
13 A RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL VERIFY THAT THE  
14 INDUSTRIAL HEMP PRODUCT PASSED ALL TESTING REQUIRED FOR RETAIL  
15 MARIJUANA PRODUCTS AT A LICENSED RETAIL MARIJUANA TESTING  
16 FACILITY AND THAT THE PERSON TRANSFERRING THE INDUSTRIAL HEMP  
17 PRODUCT HAS RECEIVED A REGISTRATION FROM THE DEPARTMENT OF  
18 PUBLIC HEALTH AND ENVIRONMENT PURSUANT TO SECTION 25-5-426.

19 (b) ABSENT SAMPLING AND TESTING STANDARDS ESTABLISHED BY  
20 THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR THE  
21 SAMPLING AND TESTING OF AN INDUSTRIAL HEMP PRODUCT, A PERSON  
22 TRANSFERRING INDUSTRIAL HEMP PRODUCT TO A RETAIL MARIJUANA  
23 PRODUCTS MANUFACTURER PURSUANT TO THIS SECTION SHALL COMPLY  
24 WITH SAMPLING AND TESTING STANDARDS CONSISTENT WITH THOSE  
25 ESTABLISHED BY THE STATE LICENSING AUTHORITY PURSUANT TO THIS  
26 ARTICLE 10. THE STATE LICENSING AUTHORITY SHALL REPORT TO THE  
27 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT ANY INVESTIGATIONS

1 OR FINDINGS IN VIOLATION OF THIS SECTION BY A PERSON REGISTERED  
2 PURSUANT TO SECTION 25-5-426.

3 (12) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE  
4 CONTRARY, A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER  
5 MAY COMPENSATE ITS EMPLOYEES USING PERFORMANCE-BASED  
6 INCENTIVES, INCLUDING SALES-BASED PERFORMANCE-BASED INCENTIVES.

7 (13) A RETAIL MARIJUANA PRODUCTS MANUFACTURER LICENSEE  
8 THAT HOSTS AN ACCELERATOR MANUFACTURER LICENSEE MAY, PURSUANT  
9 TO RULE, PROVIDE TECHNICAL AND COMPLIANCE ASSISTANCE TO AN  
10 ACCELERATOR LICENSEE OPERATING ON ITS PREMISES. A RETAIL  
11 MARIJUANA PRODUCTS MANUFACTURER LICENSEE THAT HOSTS AN  
12 ACCELERATOR LICENSEE MAY, PURSUANT TO RULE, PROVIDE CAPITAL  
13 ASSISTANCE TO AN ACCELERATOR LICENSEE OPERATING ON ITS PREMISES.

14 (14) A RETAIL MARIJUANA PRODUCTS MANUFACTURER LICENSEE,  
15 PURSUANT TO RULE AND AGENCY DISCRETION, MAY BE ELIGIBLE FOR  
16 REDUCTION IN LICENSE FEES AND FOR GRANTS THROUGH THE OFFICE OF  
17 ECONOMIC DEVELOPMENT AND INTERNATIONAL TRADE.

18 **44-10-604. [Formerly 44-12-405] Retail marijuana testing**  
19 **facility license - rules.** (1) (a) A retail marijuana testing facility license  
20 may be issued to a person who performs testing and research on retail  
21 marijuana and industrial hemp as regulated by article 61 of title 35 AND  
22 INDUSTRIAL HEMP PRODUCTS AS REGULATED BY PART 4 OF ARTICLE 5 OF  
23 TITLE 25. The facility may develop and test retail marijuana products, ~~and~~  
24 industrial hemp as regulated by article 61 of title 35, AND INDUSTRIAL  
25 HEMP PRODUCTS AS REGULATED BY PART 4 OF ARTICLE 5 OF TITLE 25.  
26 Prior to performing testing on industrial hemp, a facility shall verify that  
27 the person requesting the testing has received a registration from the

1 commissioner as required by section 35-61-104. PRIOR TO PERFORM  
2 TESTING ON INDUSTRIAL HEMP PRODUCTS, A FACILITY SHALL VERIFY THAT  
3 THE PERSON REQUESTING THE TESTING HAS RECEIVED A REGISTRATION AS  
4 REQUIRED BY SECTION 25-5-426.

5 (b) The testing of retail marijuana, retail marijuana products, and  
6 retail marijuana concentrate, and the associated standards, is a matter of  
7 statewide concern.

8 (2) The state licensing authority shall promulgate rules pursuant  
9 to its authority in ~~section 44-12-202 (1)(b)~~ SECTION 44-10-202 (1)(c)  
10 related to acceptable testing and research practices, including but not  
11 limited to testing, standards, quality control analysis, equipment  
12 certification and calibration, and chemical identification and other  
13 substances used in bona fide research methods.

14 (3) A person who has an interest in a retail marijuana testing  
15 facility license from the state licensing authority for testing purposes shall  
16 not have any interest in a licensed medical marijuana ~~center~~ STORE, a  
17 licensed ~~optional premises cultivation operation~~ MEDICAL MARIJUANA  
18 CULTIVATION FACILITY, a licensed medical ~~marijuana-infused~~ MARIJUANA  
19 products manufacturer, a licensed retail marijuana store, a licensed retail  
20 marijuana cultivation facility, or a licensed retail marijuana products  
21 manufacturer. A person that has an interest in a licensed medical  
22 marijuana ~~center~~ STORE, a licensed ~~optional premises cultivation~~  
23 ~~operation~~ MEDICAL MARIJUANA CULTIVATION FACILITY, a licensed  
24 medical ~~marijuana-infused~~ MARIJUANA products manufacturer, a licensed  
25 retail marijuana store, a licensed retail marijuana cultivation facility, or  
26 a licensed retail marijuana products manufacturer shall not have an  
27 interest in a facility that has a retail marijuana testing facility license.

1           **44-10-605. [Formerly 44-12-406] Retail marijuana transporter**

2   **license.** (1) (a) A retail marijuana transporter license may be issued to a  
3   person to provide logistics, distribution, DELIVERY, and storage of retail  
4   marijuana and retail marijuana products. Notwithstanding any other  
5   provisions of law, a retail marijuana transporter license is valid for two  
6   years but cannot be transferred with a change of ownership. A licensed  
7   retail marijuana transporter is responsible for the retail marijuana and  
8   retail marijuana products once it takes control of the product.

9           (b) A licensed retail marijuana transporter may contract with  
10   multiple licensed retail marijuana businesses.

11           (c) On and after July 1, 2017, all retail marijuana transporters shall  
12   hold a valid retail marijuana transporter license; except that an entity  
13   licensed pursuant to this ~~article 12~~ ARTICLE 10 that provides its own  
14   distribution is not required to have a retail marijuana transporter license  
15   to transport and distribute its products. The state licensing authority shall  
16   begin accepting applications after January 1, 2017.

17           (2) A retail marijuana transporter licensee may maintain a licensed  
18   premises to temporarily store retail marijuana and retail marijuana  
19   products and to use as a centralized distribution point. The licensed  
20   premises must be located in a jurisdiction that permits the operation of  
21   retail marijuana stores. A licensed retail marijuana transporter may store  
22   and distribute retail marijuana and retail marijuana products from this  
23   location. A storage facility must meet the same security requirements that  
24   are required to obtain a retail marijuana cultivation FACILITY license.

25           (3) A retail marijuana transporter licensee shall use the  
26   seed-to-sale tracking system developed pursuant to ~~section 44-12-202 (1)~~  
27   SECTION 44-10-202 (1)(a) to create shipping manifests documenting the

1 transport of retail marijuana and retail marijuana products throughout the  
2 state.

3 (4) A retail marijuana transporter licensee may:

4 (a) Maintain and operate one or more warehouses in the state to  
5 handle retail marijuana and retail marijuana products; and

6 (b) Deliver retail marijuana products on orders previously taken  
7 if the place where orders are taken and delivered is licensed.

8 (5) (a) (I) THERE IS AUTHORIZED A RETAIL MARIJUANA DELIVERY  
9 PERMIT TO A RETAIL MARIJUANA TRANSPORTER LICENSE AUTHORIZING THE  
10 PERMIT HOLDER TO DELIVER RETAIL MARIJUANA AND RETAIL MARIJUANA  
11 PRODUCTS.

12 (II) A RETAIL MARIJUANA DELIVERY PERMIT IS VALID FOR ONE  
13 YEAR AND MAY BE RENEWED ANNUALLY UPON RENEWAL OF THE RETAIL  
14 MARIJUANA TRANSPORTER LICENSE.

15 (III) A RETAIL MARIJUANA DELIVERY PERMIT ISSUED PURSUANT TO  
16 THIS SECTION APPLIES TO ONLY ONE RETAIL MARIJUANA TRANSPORTER;  
17 EXCEPT THAT A SINGLE RETAIL MARIJUANA DELIVERY PERMIT MAY APPLY  
18 TO MULTIPLE RETAIL MARIJUANA TRANSPORTERS PROVIDED THAT THE  
19 RETAIL MARIJUANA TRANSPORTERS ARE IN THE SAME LOCAL JURISDICTION  
20 AND ARE IDENTICALLY OWNED, AS DEFINED BY THE STATE LICENSING  
21 AUTHORITY FOR PURPOSES OF THIS SECTION.

22 (IV) THE STATE LICENSING AUTHORITY MAY ISSUE A RETAIL  
23 MARIJUANA DELIVERY PERMIT TO A QUALIFIED APPLICANT, AS  
24 DETERMINED BY THE STATE LICENSING AUTHORITY, THAT HOLDS A RETAIL  
25 MARIJUANA TRANSPORTER LICENSE ISSUED PURSUANT TO THIS ARTICLE 10.  
26 A PERMIT APPLICANT IS PROHIBITED FROM DELIVERING RETAIL MARIJUANA  
27 AND RETAIL MARIJUANA PRODUCTS WITHOUT STATE AND LOCAL

1 JURISDICTION APPROVAL. IF THE APPLICANT DOES NOT RECEIVE LOCAL  
2 JURISDICTION APPROVAL WITHIN ONE YEAR FROM THE DATE OF THE STATE  
3 LICENSING AUTHORITY APPROVAL, THE STATE PERMIT EXPIRES AND MAY  
4 NOT BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL LICENSING  
5 AUTHORITY, THE STATE LICENSING AUTHORITY SHALL REVOKE THE  
6 STATE-ISSUED PERMIT. THE STATE LICENSING AUTHORITY HAS DISCRETION  
7 IN DETERMINING WHETHER AN APPLICANT IS QUALIFIED TO RECEIVE A  
8 RETAIL MARIJUANA DELIVERY PERMIT. A RETAIL MARIJUANA DELIVERY  
9 PERMIT ISSUED BY THE STATE LICENSING AUTHORITY IS DEEMED A  
10 REVOCABLE PRIVILEGE OF A LICENSED RETAIL MARIJUANA TRANSPORTER.  
11 A VIOLATION RELATED TO A RETAIL MARIJUANA DELIVERY PERMIT IS  
12 GROUNDS FOR A FINE OR SUSPENSION OR REVOCATION OF THE DELIVERY  
13 PERMIT OR RETAIL MARIJUANA TRANSPORTER LICENSE.

14 (b) A RETAIL MARIJUANA TRANSPORTER LICENSEE SHALL NOT  
15 MAKE DELIVERIES OF RETAIL MARIJUANA OR RETAIL MARIJUANA  
16 PRODUCTS TO INDIVIDUALS WHILE ALSO TRANSPORTING RETAIL  
17 MARIJUANA OR RETAIL MARIJUANA PRODUCTS BETWEEN LICENSED  
18 PREMISES IN THE SAME VEHICLE.

19 (c) A LICENSED RETAIL MARIJUANA TRANSPORTER WITH A RETAIL  
20 MARIJUANA DELIVERY PERMIT MAY DELIVER RETAIL MARIJUANA AND  
21 RETAIL MARIJUANA PRODUCTS ON BEHALF OF A RETAIL MARIJUANA STORE  
22 ONLY TO THE INDIVIDUAL WHO PLACED THE ORDER WITH A RETAIL  
23 MARIJUANA STORE AND WHO:

24 (I) IS TWENTY-ONE YEARS OF AGE OR OLDER;

25 (II) RECEIVES THE DELIVERY OF RETAIL MARIJUANA OR RETAIL  
26 MARIJUANA PRODUCTS PURSUANT TO RULES; AND

27 (III) POSSESSES AN ACCEPTABLE FORM OF IDENTIFICATION.

1 (d) IN ACCORDANCE WITH THIS SUBSECTION (5) AND RULES  
2 ADOPTED TO IMPLEMENT THIS SUBSECTION (5), A LICENSED RETAIL  
3 MARIJUANA TRANSPORTER WITH A VALID RETAIL MARIJUANA DELIVERY  
4 PERMIT MAY:

5 (I) NOT ACCEPT ORDERS ON BEHALF OF A RETAIL MARIJUANA  
6 STORE AND MAY ONLY PICK UP ALREADY PACKAGED RETAIL MARIJUANA  
7 DELIVERY ORDERS FROM A RETAIL MARIJUANA STORE OR ITS ASSOCIATED  
8 STATE LICENSING AUTHORITY-AUTHORIZED STORAGE FACILITY AS DEFINED  
9 BY RULE AND DELIVER THOSE ORDERS TO THE APPROPRIATE INDIVIDUAL;

10 (II) DELIVER RETAIL MARIJUANA AND RETAIL MARIJUANA  
11 PRODUCTS NOT IN EXCESS OF THE AMOUNTS ESTABLISHED BY THE STATE  
12 LICENSING AUTHORITY;

13 (III) DELIVER ONLY TO AN INDIVIDUAL AT THE ADDRESS PROVIDED  
14 IN THE ORDER;

15 (IV) DELIVER NO MORE THAN ONCE PER DAY TO THE SAME  
16 INDIVIDUAL OR RESIDENCE;

17 (V) (A) DELIVER ONLY TO A PRIVATE RESIDENCE;

18 (B) FOR PURPOSES OF THIS SECTION, "PRIVATE RESIDENCES"  
19 MEANS PRIVATE PREMISES WHERE A PERSON LIVES, SUCH AS A PRIVATE  
20 DWELLING PLACE OR PLACE OF HABITATION, AND SPECIFICALLY EXCLUDES  
21 ANY PREMISES LOCATED AT A SCHOOL OR ON THE CAMPUS OF AN  
22 INSTITUTION OF HIGHER EDUCATION, OR ANY OTHER PUBLIC PROPERTY.

23 (VI) DELIVER RETAIL MARIJUANA OR RETAIL MARIJUANA  
24 PRODUCTS ONLY BY A MOTOR VEHICLE THAT COMPLIES WITH THIS SECTION  
25 AND THE RULES PROMULGATED PURSUANT TO THIS SECTION AND SECTION  
26 44-10-203 (2)(cc); AND

27 (VII) USE AN EMPLOYEE TO CONDUCT DELIVERIES ON BEHALF OF,



1 AND PURSUANT TO A CONTRACT WITH, A RETAIL MARIJUANA STORE THAT  
2 HAS A VALID RETAIL MARIJUANA DELIVERY PERMIT FROM ITS RETAIL  
3 MARIJUANA STORE OR ITS ASSOCIATED STATE LICENSING  
4 AUTHORITY-AUTHORIZED STORAGE FACILITY AS DEFINED BY RULE.

5 (e) PRIOR TO TRANSFERRING POSSESSION OF THE ORDER TO AN  
6 INDIVIDUAL, THE PERSON DELIVERING THE ORDER SHALL INSPECT THE  
7 INDIVIDUAL'S IDENTIFICATION AND VERIFY THAT THE INFORMATION  
8 PROVIDED AT THE TIME OF THE ORDER MATCH THE NAME AND AGE ON THE  
9 INDIVIDUAL'S IDENTIFICATION.

10 (f) ANY PERSON DELIVERING RETAIL MARIJUANA OR RETAIL  
11 MARIJUANA PRODUCTS FOR A RETAIL MARIJUANA TRANSPORTER MUST  
12 POSSESS A VALID OCCUPATIONAL LICENSE AND BE A CURRENT EMPLOYEE  
13 OF THE RETAIL MARIJUANA TRANSPORTER LICENSEE WITH A VALID RETAIL  
14 MARIJUANA DELIVERY PERMIT; MUST HAVE UNDERGONE TRAINING  
15 REGARDING PROOF-OF-AGE IDENTIFICATION AND VERIFICATION,  
16 INCLUDING ALL FORMS OF IDENTIFICATION THAT ARE DEEMED  
17 ACCEPTABLE BY THE STATE LICENSING AUTHORITY; AND MUST HAVE ANY  
18 OTHER TRAINING REQUIRED BY THE STATE LICENSING AUTHORITY.

19 (g) (I) UNLESS OTHERWISE PROVIDED BY THE STATE LICENSING  
20 AUTHORITY BY RULES PROMULGATED PURSUANT TO THIS ARTICLE 10, ALL  
21 REQUIREMENTS APPLICABLE TO OTHER LICENSES ISSUED PURSUANT TO  
22 THIS ARTICLE 10 APPLY TO THE DELIVERY OF RETAIL MARIJUANA AND  
23 RETAIL MARIJUANA PRODUCTS, INCLUDING BUT NOT LIMITED TO  
24 INVENTORY TRACKING, TRANSPORTATION, AND PACKAGING AND LABELING  
25 REQUIREMENTS.

26 (II) THE ADVERTISING REGULATIONS AND PROHIBITIONS ADOPTED  
27 PURSUANT TO SECTION 44-10-203 (3)(a) APPLY TO RETAIL MARIJUANA

1 DELIVERY OPERATIONS PURSUANT TO THIS SUBSECTION (5).

2 (h) IT IS NOT A VIOLATION OF ANY PROVISION OF STATE, CIVIL, OR  
3 CRIMINAL LAW FOR A LICENSED RETAIL MARIJUANA TRANSPORTER  
4 LICENSEE WITH A VALID RETAIL MARIJUANA DELIVERY PERMIT, OR SUCH  
5 PERSON WHO HAS MADE TIMELY AND SUFFICIENT APPLICATION FOR THE  
6 RENEWAL OF THE PERMIT, OR ITS LICENSEES TO POSSESS, TRANSPORT, AND  
7 DELIVER RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS  
8 PURSUANT TO A RETAIL MARIJUANA DELIVERY PERMIT IN AMOUNTS THAT  
9 DO NOT EXCEED AMOUNTS ESTABLISHED BY THE STATE LICENSING  
10 AUTHORITY.

11 (i) (I) NOTWITHSTANDING ANY PROVISIONS OF THIS SECTION,  
12 DELIVERY OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS IS NOT  
13 PERMITTED IN ANY MUNICIPALITY, COUNTY, OR CITY AND COUNTY UNLESS  
14 THE MUNICIPALITY, COUNTY, OR CITY AND COUNTY, BY EITHER A  
15 MAJORITY OF THE REGISTERED ELECTORS OF THE MUNICIPALITY, COUNTY,  
16 OR CITY AND COUNTY VOTING AT A REGULAR ELECTION OR SPECIAL  
17 ELECTION CALLED IN ACCORDANCE WITH THE "COLORADO MUNICIPAL  
18 ELECTION CODE OF 1965", ARTICLE 10 OF TITLE 31, OR THE "UNIFORM  
19 ELECTION CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, AS APPLICABLE,  
20 OR A MAJORITY OF THE MEMBERS OF THE GOVERNING BOARD FOR THE  
21 MUNICIPALITY, COUNTY, OR CITY AND COUNTY, VOTE TO ALLOW THE  
22 DELIVERY OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS  
23 PURSUANT TO THIS SECTION.

24 (II) AN ORDINANCE ADOPTED PURSUANT TO SUBSECTION (5)(i)(I)  
25 OF THIS SECTION MAY PROHIBIT DELIVERY OF RETAIL MARIJUANA AND  
26 RETAIL MARIJUANA PRODUCTS FROM A RETAIL MARIJUANA STORE THAT IS  
27 OUTSIDE A MUNICIPALITY'S, COUNTY'S, CITY'S, OR CITY AND COUNTY'S

1 JURISDICTIONAL BOUNDARIES TO AN ADDRESS WITHIN ITS JURISDICTIONAL  
2 BOUNDARIES.

3 (j) THE STATE LICENSING AUTHORITY SHALL BEGIN ISSUING RETAIL  
4 MARIJUANA DELIVERY PERMITS TO QUALIFIED RETAIL MARIJUANA  
5 TRANSPORTER APPLICANTS ON, BUT NOT EARLIER THAN, JANUARY 2, 2021.

6 **44-10-606. [Formerly 44-12-407] Retail marijuana business**  
7 **operator license.** A retail marijuana business operator license may be  
8 issued to a person who operates a retail marijuana ~~establishment~~ BUSINESS  
9 licensed pursuant to this ~~article 12~~ ARTICLE 10, for an owner licensed  
10 pursuant to this ~~article 12~~ ARTICLE 10, and who may receive a portion of  
11 the profits as compensation.

12 **44-10-607. Retail marijuana accelerator cultivator**  
13 **license.** (1) A RETAIL MARIJUANA ACCELERATOR CULTIVATOR LICENSE  
14 MAY BE ISSUED TO A PERSON TO OPERATE A CULTIVATION OPERATION ON  
15 THE SITE OF RETAIL MARIJUANA CULTIVATION FACILITY WITH AN  
16 ACCELERATOR ENDORSEMENT. THE RETAIL MARIJUANA ACCELERATOR  
17 CULTIVATOR MAY RECEIVE TECHNICAL ASSISTANCE AND FINANCIAL  
18 SUPPORT FROM THE RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE  
19 WITH AN ACCELERATOR ENDORSEMENT.

20 (2) THE STATE LICENSING AUTHORITY SHALL BEGIN ACCEPTING  
21 APPLICATIONS FOR RETAIL MARIJUANA ACCELERATOR CULTIVATOR  
22 LICENSES ON JULY 1, 2020.

23 **44-10-608. Retail marijuana accelerator manufacturer**  
24 **license.** (1) A RETAIL MARIJUANA ACCELERATOR MANUFACTURER  
25 LICENSE MAY BE ISSUED TO A PERSON TO OPERATE A RETAIL MARIJUANA  
26 PRODUCTS MANUFACTURING OPERATION ON THE SITE OF RETAIL  
27 MARIJUANA PRODUCTS MANUFACTURING FACILITY WITH AN ACCELERATOR

1 ENDORSEMENT. THE RETAIL MARIJUANA ACCELERATOR MANUFACTURER  
2 MAY RECEIVE TECHNICAL ASSISTANCE AND FINANCIAL SUPPORT FROM THE  
3 RETAIL MARIJUANA PRODUCTS MANUFACTURER WITH AN ACCELERATOR  
4 ENDORSEMENT.

5 (2) THE STATE LICENSING AUTHORITY SHALL BEGIN ACCEPTING  
6 APPLICATIONS FOR RETAIL MARIJUANA ACCELERATOR MANUFACTURER  
7 LICENSES ON JULY 1, 2020.

8 PART 7

9 UNLAWFUL ACTS

10 **44-10-701. [Similar to 44-11-901 and 44-12-901] Unlawful acts**  
11 **- exceptions.** (1) EXCEPT AS OTHERWISE PROVIDED IN THIS ARTICLE 10,  
12 IT IS UNLAWFUL FOR A PERSON:

13 (a) TO CONSUME REGULATED MARIJUANA OR REGULATED  
14 MARIJUANA PRODUCTS IN A LICENSED MEDICAL MARIJUANA BUSINESS OR  
15 RETAIL MARIJUANA BUSINESS, AND IT SHALL BE UNLAWFUL FOR A MEDICAL  
16 MARIJUANA BUSINESS OR RETAIL MARIJUANA BUSINESS TO ALLOW  
17 REGULATED MARIJUANA OR REGULATED MARIJUANA PRODUCTS TO BE  
18 CONSUMED UPON ITS LICENSED PREMISES;

19 (b) WITH KNOWLEDGE, TO PERMIT OR FAIL TO PREVENT THE USE OF  
20 HIS OR HER MEDICAL MARIJUANA PATIENT REGISTRY IDENTIFICATION BY  
21 ANY OTHER PERSON FOR THE UNLAWFUL PURCHASING OF MEDICAL  
22 MARIJUANA.

23 (2) IT IS UNLAWFUL FOR A PERSON TO:

24 (a) BUY, SELL, TRANSFER, GIVE AWAY, OR ACQUIRE REGULATED  
25 MARIJUANA OR REGULATED MARIJUANA PRODUCTS EXCEPT AS ALLOWED  
26 PURSUANT TO THIS ARTICLE 10 OR SECTION 14 OR SECTION 16 OF ARTICLE  
27 XVIII OF THE STATE CONSTITUTION;

1           (b) HAVE A CONTROLLING BENEFICIAL OWNERSHIP, PASSIVE  
2 BENEFICIAL OWNERSHIP, OR INDIRECT FINANCIAL INTEREST IN A LICENSE  
3 PURSUANT TO THIS ARTICLE 10 THAT WAS NOT DISCLOSED IN ACCORDANCE  
4 WITH SECTION 44-10-309; EXCEPT THAT THIS SUBSECTION (2)(b) DOES NOT  
5 APPLY TO BANKS OR SAVINGS AND LOAN ASSOCIATIONS SUPERVISED AND  
6 REGULATED BY AN AGENCY OF THE STATE OR FEDERAL GOVERNMENT, OR  
7 TO FHA-APPROVED MORTGAGEES, OR TO STOCKHOLDERS, DIRECTORS, OR  
8 OFFICERS THEREOF;

9           (c) EXERCISE ANY PRIVILEGE OF A LICENSE ISSUED PURSUANT TO  
10 THIS ARTICLE 10 THAT THE PERSON DOES NOT HOLD;

11           (d) EXERCISE ANY PRIVILEGE ASSOCIATED WITH HOLDING A  
12 CONTROLLING BENEFICIAL OWNERSHIP, PASSIVE BENEFICIAL OWNERSHIP,  
13 OR INDIRECT FINANCIAL INTEREST IN A LICENSE THAT WAS NOT DISCLOSED  
14 IN ACCORDANCE WITH SECTION 44-10-309; OR

15           (e) ENGAGE IN TRANSFER OF OWNERSHIP WITHOUT PRIOR  
16 APPROVAL AS REQUIRED BY THIS ARTICLE 10, INCLUDING BUT NOT LIMITED  
17 TO:

18           (I) A PROPOSED TRANSFEREE OPERATING A MEDICAL MARIJUANA  
19 BUSINESS OR RETAIL MARIJUANA BUSINESS BEFORE A TRANSFER OF  
20 OWNERSHIP REQUEST FOR THAT BUSINESS IS APPROVED IN WRITING BY THE  
21 STATE LICENSING AUTHORITY; OR

22           (II) A CURRENT CONTROLLING BENEFICIAL OWNER, PASSIVE  
23 BENEFICIAL OWNER, OR PROPOSED TRANSFEROR FAILING TO RETAIN FULL  
24 RESPONSIBILITY FOR A MEDICAL MARIJUANA BUSINESS OR RETAIL  
25 MARIJUANA BUSINESS IDENTIFIED IN THE TRANSFER OF OWNERSHIP  
26 APPLICATION UNTIL THE TRANSFER REQUEST IS APPROVED IN WRITING BY  
27 THE STATE LICENSING AUTHORITY.

1           (3) IT IS UNLAWFUL FOR A PERSON LICENSED PURSUANT TO THIS  
2 ARTICLE 10:

3           (a) TO FAIL TO REPORT A TRANSFER REQUIRED BY SECTION  
4 44-10-313 (11);

5           (b) TO KNOWINGLY ADULTERATE OR ALTER, OR TO ATTEMPT TO  
6 ADULTERATE OR ALTER, ANY SAMPLES OF REGULATED MARIJUANA OR  
7 REGULATED MARIJUANA PRODUCTS FOR THE PURPOSE OF CIRCUMVENTING  
8 CONTAMINANT TESTING DETECTION LIMITS OR POTENCY TESTING  
9 REQUIREMENTS;

10          (c) TO USE ADVERTISING MATERIAL THAT IS MISLEADING,  
11 DECEPTIVE, OR FALSE, OR THAT IS DESIGNED TO APPEAL TO MINORS;

12          (d) TO PROVIDE PUBLIC PREMISES, OR ANY PORTION THEREOF, FOR  
13 THE PURPOSE OF CONSUMPTION OF REGULATED MARIJUANA IN ANY FORM;

14          (e) TO HAVE IN POSSESSION OR UPON THE LICENSED PREMISES ANY  
15 REGULATED MARIJUANA, THE SALE OF WHICH IS NOT PERMITTED BY THE  
16 LICENSE; EXCEPT IF IT IS FOR PURPOSES OF RECYCLING;

17          (f) TO HAVE ON THE LICENSED PREMISES ANY REGULATED  
18 MARIJUANA OR MARIJUANA PARAPHERNALIA THAT SHOWS EVIDENCE OF  
19 THE REGULATED MARIJUANA HAVING BEEN CONSUMED OR PARTIALLY  
20 CONSUMED; EXCEPT IF IT IS FOR PURPOSES OF RECYCLING;

21          (g) TO VIOLATE THE PROVISIONS OF SECTION 6-2-103 OR 6-2-105;

22          (h) TO ABANDON A LICENSED PREMISES OR OTHERWISE CEASE  
23 OPERATION WITHOUT NOTIFYING THE STATE AND LOCAL LICENSING  
24 AUTHORITIES AT LEAST FORTY-EIGHT HOURS IN ADVANCE AND WITHOUT  
25 ACCOUNTING FOR AND FORFEITING TO THE STATE LICENSING AUTHORITY  
26 FOR DESTRUCTION ALL REGULATED MARIJUANA OR REGULATED  
27 MARIJUANA PRODUCTS;

1           (i) TO OFFER FOR SALE OR SOLICIT AN ORDER FOR REGULATED  
2 MARIJUANA IN PERSON EXCEPT WITHIN THE LICENSED PREMISES;

3           (j) TO BUY REGULATED MARIJUANA FROM A PERSON NOT LICENSED  
4 TO SELL AS PROVIDED BY THIS ARTICLE 10;

5           (k) TO SELL REGULATED MARIJUANA EXCEPT IN THE PERMANENT  
6 LOCATION SPECIFICALLY DESIGNATED IN THE LICENSE FOR SALE; OR

7           (l) TO BURN OR OTHERWISE DESTROY REGULATED MARIJUANA OR  
8 ANY SUBSTANCE CONTAINING REGULATED MARIJUANA FOR THE PURPOSE  
9 OF EVADING AN INVESTIGATION OR PREVENTING SEIZURE.

10          (4) IT IS UNLAWFUL FOR ANY PERSON LICENSED TO SELL MEDICAL  
11 MARIJUANA PURSUANT TO THIS ARTICLE 10:

12           (a) (I) TO SELL MEDICAL MARIJUANA TO A PERSON NOT LICENSED  
13 PURSUANT TO THIS ARTICLE 10 OR TO A PERSON NOT ABLE TO PRODUCE A  
14 VALID PATIENT REGISTRY IDENTIFICATION CARD, UNLESS THE PERSON HAS  
15 A COPY OF A CURRENT AND COMPLETE NEW APPLICATION FOR THE  
16 MEDICAL MARIJUANA REGISTRY ADMINISTERED BY THE DEPARTMENT OF  
17 PUBLIC HEALTH AND ENVIRONMENT THAT IS DOCUMENTED BY A CERTIFIED  
18 MAIL RETURN RECEIPT AS HAVING BEEN SUBMITTED TO THE DEPARTMENT  
19 OF PUBLIC HEALTH AND ENVIRONMENT WITHIN THE PRECEDING  
20 THIRTY-FIVE DAYS AND THE EMPLOYEE ASSISTING THE PERSON HAS  
21 CONTACTED THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT  
22 AND, AS A RESULT, DETERMINED THE PERSON'S APPLICATION HAS NOT  
23 BEEN DENIED. NOTWITHSTANDING ANY PROVISION IN THIS SUBSECTION  
24 (4)(a)(I) TO THE CONTRARY, A PERSON UNDER TWENTY-ONE YEARS OF AGE  
25 SHALL NOT BE EMPLOYED TO SELL OR DISPENSE MEDICAL MARIJUANA AT  
26 A MEDICAL MARIJUANA STORE OR GROW OR CULTIVATE MEDICAL  
27 MARIJUANA AT A MEDICAL MARIJUANA CULTIVATION FACILITY.

1           (II) IF A LICENSEE OR A LICENSEE'S EMPLOYEE HAS REASONABLE  
2 CAUSE TO BELIEVE THAT A PERSON IS EXHIBITING A FRAUDULENT PATIENT  
3 REGISTRY IDENTIFICATION CARD IN AN ATTEMPT TO OBTAIN MEDICAL  
4 MARIJUANA, THE LICENSEE OR EMPLOYEE IS AUTHORIZED TO CONFISCATE  
5 THE FRAUDULENT PATIENT REGISTRY IDENTIFICATION CARD, IF POSSIBLE,  
6 AND SHALL, WITHIN SEVENTY-TWO HOURS AFTER THE CONFISCATION,  
7 TURN IT OVER TO THE STATE HEALTH DEPARTMENT OR LOCAL LAW  
8 ENFORCEMENT AGENCY. THE FAILURE TO CONFISCATE THE FRAUDULENT  
9 PATIENT REGISTRY IDENTIFICATION CARD OR TO TURN IT OVER TO THE  
10 STATE HEALTH DEPARTMENT OR A STATE OR LOCAL LAW ENFORCEMENT  
11 AGENCY WITHIN SEVENTY-TWO HOURS AFTER THE CONFISCATION DOES  
12 NOT CONSTITUTE A CRIMINAL OFFENSE.

13           (b) TO REQUIRE A MEDICAL MARIJUANA STORE OR MEDICAL  
14 MARIJUANA STORE WITH A MEDICAL MARIJUANA CULTIVATION FACILITY  
15 LICENSE TO MAKE DELIVERY TO ANY PREMISES OTHER THAN THE SPECIFIC  
16 LICENSED PREMISES WHERE THE MEDICAL MARIJUANA IS TO BE SOLD.

17           (5) **[Formerly 44-12-901 (4)]** It is unlawful for any person  
18 licensed to sell retail marijuana or retail marijuana products pursuant to  
19 this ~~article 12~~ ARTICLE 10:

20           ~~(a) To display any signs that are inconsistent with local laws or~~  
21 ~~regulations;~~

22           ~~(b) To use advertising material that is misleading, deceptive, or~~  
23 ~~false, or that is designed to appeal to minors;~~

24           ~~(c) To provide public premises, or any portion thereof, for the~~  
25 ~~purpose of consumption of retail marijuana or retail marijuana products~~  
26 ~~in any form;~~

27           ~~(d) To have in possession or upon the licensed premises any~~



1     ~~marijuana, the sale of which is not permitted by the license;~~

2             ~~(e) (a) To sell or permit the sale of retail marijuana or retail~~  
3     ~~marijuana products to a person under twenty-one years of age; OR~~

4             ~~(f) To sell more than a quarter of an ounce of retail marijuana and~~  
5     ~~no more than a quarter of an ounce equivalent of a retail marijuana~~  
6     ~~product during a single transaction to a nonresident of the state;~~

7             ~~(g) To have on the licensed premises any retail marijuana, retail~~  
8     ~~marijuana products, or marijuana paraphernalia that shows evidence of~~  
9     ~~the retail marijuana having been consumed or partially consumed;~~

10            ~~(h) (b) To distribute marijuana or marijuana products, with or~~  
11     ~~without remuneration, directly to another person using a mobile~~  
12     ~~distribution center STORE.~~

13            ~~(i) To violate the provisions of section 6-2-103 or 6-2-105; or~~

14            ~~(j) To abandon a licensed premises or otherwise cease operation~~  
15     ~~without notifying the state and local licensing authorities at least~~  
16     ~~forty-eight hours in advance and without accounting for and forfeiting to~~  
17     ~~the state licensing authority for destruction all marijuana or products~~  
18     ~~containing marijuana;~~

19            **(6) [Formerly 44-11-901 (6)]** It shall be unlawful for a physician  
20     who makes patient referrals to a licensed medical marijuana ~~center~~ STORE  
21     to receive anything of value from the medical marijuana ~~center~~ STORE  
22     licensee or its agents, servants, officers, or owners or anyone financially  
23     interested in the licensee, and it shall be unlawful for a licensee licensed  
24     pursuant to this ~~article 11~~ ARTICLE 10 to offer anything of value to a  
25     physician for making patient referrals to the licensed medical marijuana  
26     ~~center~~ STORE.

27            **(7) [Formerly 44-11-901 (7)]** A peace officer or a law

1 enforcement agency shall not use any patient information to make traffic  
2 stops pursuant to section 42-4-1302.

3 (8) (a) IT IS UNLAWFUL FOR A PERSON TO ENGAGE IN ANY ACT OR  
4 OMISSION WITH THE INTENT TO EVADE DISCLOSURE, REPORTING, RECORD  
5 KEEPING, OR SUITABILITY REQUIREMENTS PURSUANT TO THIS ARTICLE 10,  
6 INCLUDING BUT NOT LIMITED TO THE FOLLOWING:

7 (I) FAILING TO FILE A REPORT REQUIRED UNDER THIS ARTICLE 10  
8 OR CAUSING OR ATTEMPTING TO CAUSE A PERSON TO FAIL TO FILE SUCH A  
9 REPORT;

10 (II) FILING OR CAUSING OR ATTEMPTING TO CAUSE A PERSON TO  
11 FILE A REPORT REQUIRED UNDER THIS ARTICLE 10 THAT CONTAINS A  
12 MATERIAL OMISSION OR MISSTATEMENT OF FACT;

13 (III) MAKING FALSE OR MISLEADING STATEMENTS REGARDING THE  
14 OFFERING OF AN OWNER'S INTEREST IN A MEDICAL MARIJUANA BUSINESS  
15 OR RETAIL MARIJUANA BUSINESS; OR

16 (IV) STRUCTURING ANY TRANSACTION WITH THE INTENT TO EVADE  
17 DISCLOSURE, REPORTING, RECORD KEEPING, OR SUITABILITY  
18 REQUIREMENTS PURSUANT TO THIS ARTICLE 10.

19 (b) THE STATE LICENSING AUTHORITY MAY DENY, SUSPEND,  
20 REVOKE, FINE, OR IMPOSE OTHER SANCTIONS AGAINST A PERSON'S LICENSE  
21 ISSUED UNDER THIS ARTICLE 10 IF THE STATE LICENSING AUTHORITY FINDS  
22 A VIOLATION OF THIS SUBSECTION (8) BY THE PERSON, THE PERSON'S  
23 CONTROLLING BENEFICIAL OWNER, PASSIVE BENEFICIAL OWNER, INDIRECT  
24 FINANCIAL INTEREST HOLDER, OR ANY AGENT OR EMPLOYEE THEREOF.

25 (9) [Formerly 44-11-901 (8)] A person who commits any acts that  
26 are unlawful pursuant to this ~~article 11 or the rules authorized and~~  
27 ~~adopted pursuant to this article 11~~ ARTICLE 10 commits a class 2

1 misdemeanor and shall be punished as provided in section 18-1.3-501;  
2 except ~~for~~; THAT A VIOLATION OF SUBSECTION (5)(a) OF THIS SECTION IS  
3 A CLASS 1 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN  
4 SECTION 18-1.3-501. For violations that would also constitute a violation  
5 of title 18, ~~which~~ THE violation shall be charged and prosecuted pursuant  
6 to title 18.

7 **44-10-702. Unlawful open and public consumption.** (1) THE  
8 OPEN AND PUBLIC, AS DEFINED IN SECTION 18-18-102 (20.3),  
9 CONSUMPTION OF MARIJUANA IS PROHIBITED.

10 (2) THE GOVERNING BODY OF A COUNTY, CITY, CITY AND COUNTY,  
11 OR MUNICIPALITY MAY ADOPT AN ORDINANCE OR RESOLUTION  
12 AUTHORIZING MARIJUANA CONSUMPTION LOCATIONS OR CIRCUMSTANCES  
13 THAT ARE EXCEPTIONS TO THE PROHIBITION DESCRIBED IN SUBSECTION (1)  
14 OF THIS SECTION IF THE LOCATIONS ARE NOT ACCESSIBLE TO THE PUBLIC  
15 OR A SUBSTANTIAL NUMBER OF THE PUBLIC WITHOUT RESTRICTION,  
16 INCLUDING BUT NOT LIMITED TO RESTRICTIONS ON THE AGE OF THE  
17 MEMBERS OF THE PUBLIC WHO ARE ALLOWED ACCESS TO SUCH LOCATION.

18 (3) THE PROHIBITION IN SUBSECTION (1) OF THIS SECTION DOES  
19 NOT APPLY TO ANY BUSINESS LICENSED PURSUANT TO THIS ARTICLE 10  
20 THAT PERMITS CONSUMPTION ON ITS PREMISES IF THE BUSINESS IS  
21 OPERATING WITHIN THE CONDITIONS OF LICENSURE.

22 PART 8

23 FEES

24 **44-10-801. [Formerly 44-11-501] Marijuana cash fund.**

25 (1) (a) All money collected by the state licensing authority pursuant to  
26 this ~~article 11 and article 12 of this title 44~~ shall ARTICLE 10 MUST be  
27 transmitted to the state treasurer, who shall credit the same to the

1 marijuana cash fund, which fund is hereby created and referred to in this  
2 section as the "fund". The fund consists of:

3 (I) The money collected by the state licensing authority; and

4 (II) Any additional general fund money appropriated to the fund  
5 that is necessary for the operation of the state licensing authority.

6 (b) Money in the fund is subject to annual appropriation by the  
7 general assembly to the department for the direct and indirect costs  
8 associated with implementing this ~~article 11, article 12 of this title 44~~  
9 ARTICLE 10 and article 28.8 of title 39.

10 (c) Any money in the fund not expended for these purposes may  
11 be invested by the state treasurer as provided by law. All interest and  
12 income derived from the investment and deposit of money in the fund  
13 shall be credited to the fund. Any unexpended and unencumbered money  
14 remaining in the fund at the end of a fiscal year ~~shall remain~~ REMAINS in  
15 the fund and shall not be credited or transferred to the general fund or  
16 another fund.

17 (d) (I) On July 1, 2014, the state treasurer shall transfer to the  
18 marijuana tax cash fund created in section 39-28.8-501 any money in the  
19 fund that is attributable to the retail marijuana excise tax transferred  
20 pursuant to section 39-28.8-305 (1)(b), the retail marijuana sales tax  
21 transferred pursuant to section 39-28.8-203 (1)(b), or the sales tax  
22 imposed pursuant to section 39-26-106, on the retail sale of marijuana  
23 products ~~under this article 11 and article 12 of this title 44~~ PURSUANT TO  
24 THIS ARTICLE 10.

25 (II) On the date on which the state controller publishes the  
26 comprehensive annual financial report of the state for the 2013-14 state  
27 fiscal year, the state treasurer shall transfer to the marijuana tax cash fund

1 created in section 39-28.8-501 any remaining money in the fund that is  
2 attributable to the retail marijuana excise tax transferred pursuant to  
3 section 39-28.8-305 (1)(b), the retail marijuana sales tax transferred  
4 pursuant to section 39-28.8-203 (1)(b), or the sales tax imposed pursuant  
5 to section 39-26-106, on the retail sale of marijuana products under this  
6 ~~article 11 and article 12 of this title 44~~ ARTICLE 10.

7 (2) The executive director by rule or as otherwise provided by law  
8 may reduce the amount of one or more of the fees if necessary pursuant  
9 to section 24-75-402 (3) to reduce the uncommitted reserves of the fund  
10 to which all or any portion of one or more of the fees is credited. After the  
11 uncommitted reserves of the fund are sufficiently reduced, the executive  
12 director by rule or as otherwise provided by law may increase the amount  
13 of one or more of the fees as provided in section 24-75-402 (4).

14 (3) (a) The state licensing authority shall establish fees for  
15 processing the following types of applications, licenses, notices, or  
16 reports required to be submitted to the state licensing authority:

17 (I) Applications for licenses listed in ~~section 44-11-401~~ SECTION  
18 44-10-401 and rules promulgated pursuant to that section;

19 (II) Applications to change location pursuant to ~~section 44-11-310~~  
20 SECTIONS 44-10-313 (13) and rules promulgated pursuant to that section;

21 (III) Applications for transfer of ownership pursuant to ~~section~~  
22 ~~44-11-310~~ SECTION 44-10-312 and rules promulgated pursuant to that  
23 section;

24 (IV) License renewal and expired license renewal applications  
25 pursuant to ~~section 44-11-311~~ SECTION 44-10-314 and

26 (V) Licenses as listed in ~~section 44-11-401~~ SECTION 44-10-401.

27 (b) The amounts of such fees, when added to the other fees

1 transferred to the fund pursuant to this section, ~~shall~~ MUST reflect the  
2 actual direct and indirect costs of the state licensing authority in the  
3 administration and enforcement of this ~~article 11~~ ARTICLE 10 so that the  
4 fees avoid exceeding the statutory limit on uncommitted reserves in  
5 administrative agency cash funds as set forth in section 24-75-402 (3).

6 (c) The state licensing authority may charge applicants licensed  
7 under this ~~article 11~~ ARTICLE 10 a fee for the cost of each fingerprint  
8 analysis and background investigation undertaken to qualify new officers,  
9 directors, managers, or employees.

10 (d) At least annually, the state licensing authority shall review the  
11 amounts of the fees and, if necessary, adjust the amounts to reflect the  
12 direct and indirect costs of the state licensing authority.

13 (4) Except as provided in subsection (5) of this section, the state  
14 licensing authority shall establish a basic fee that shall be paid at the time  
15 of service of any subpoena upon the state licensing authority, plus a fee  
16 for meals and a fee for mileage at the rate prescribed for state officers and  
17 employees in section 24-9-104 for each mile actually and necessarily  
18 traveled in going to and returning from the place named in the subpoena.  
19 If the person named in the subpoena is required to attend the place named  
20 in the subpoena for more than one day, there ~~shall~~ MUST be paid, in  
21 advance, a sum to be established by the state licensing authority for each  
22 day of attendance to cover the expenses of the person named in the  
23 subpoena.

24 (5) The subpoena fee established pursuant to subsection (4) of this  
25 section ~~shall~~ IS not ~~be~~ applicable to any federal, state or local  
26 governmental agency.

27 **44-10-802. [Formerly 44-11-502] Fees - allocation.** (1) Except

1 as otherwise provided, all fees and fines provided for by this ~~article 11~~  
2 ~~and article 12 of this title 44~~ ARTICLE 10 shall be paid to the department,  
3 which shall transmit the fees to the state treasurer. The state treasurer  
4 shall credit the fees to the marijuana cash fund created in ~~section~~  
5 ~~44-11-501~~ SECTION 44-10-801.==

6 (2) The expenditures of the state licensing authority ~~shall be~~ ARE  
7 paid out of appropriations from the marijuana cash fund created in ~~section~~  
8 ~~44-11-501~~ SECTION 44-10-801.

9 **44-10-803. [Formerly 44-12-501] Fees.** (1) The state licensing  
10 authority may charge and collect fees ~~under~~ PURSUANT TO this ~~article 12.~~  
11 ~~The application fee for a person applying pursuant to section 44-12-104~~  
12 ~~(1)(a) shall be five hundred dollars~~ ARTICLE 10. FOR A PERSON LICENSED  
13 TO CULTIVATE OR SELL MEDICAL MARIJUANA OR TO MANUFACTURE  
14 MEDICAL MARIJUANA PRODUCTS ON OR BEFORE DECEMBER 10, 2012, THE  
15 APPLICATION FEE FOR A RETAIL MARIJUANA BUSINESS IS FIVE HUNDRED  
16 DOLLARS. The state licensing authority shall transfer two hundred fifty  
17 dollars of the fee to the marijuana cash fund and submit two hundred fifty  
18 dollars to the local jurisdiction in which the license is proposed to be  
19 issued.

20 (2) EXCEPT AS PROVIDED IN SUBSECTION (1) OF THIS SECTION, the  
21 application fee for a ~~person applying pursuant to section 44-12-104(1)(b)~~  
22 ~~shall be~~ RETAIL MARIJUANA BUSINESS IS five thousand dollars. The state  
23 licensing authority shall transfer two thousand five hundred dollars of the  
24 fee to the marijuana cash fund and remit two thousand five hundred  
25 dollars to the local jurisdiction in which the license is proposed to be  
26 issued. If the state licensing authority is considering raising the  
27 five-thousand-dollar application fee, it shall confer with each local

1 jurisdiction in which a license ~~under~~ PURSUANT TO this ~~article 12~~ ARTICLE  
2 10 is issued prior to raising the application fee. If the application fee  
3 amount is changed, it must be split evenly between the marijuana cash  
4 fund and the local jurisdiction in which the license is proposed to be  
5 issued.

6 (3) A local jurisdiction in which a license under this ~~article 12~~  
7 ARTICLE 10 may be permitted may adopt and impose operating fees in an  
8 amount determined by the local jurisdiction on marijuana BUSINESSES  
9 AND establishments located within the local jurisdiction.

## 10 PART 9

### 11 DISCIPLINARY ACTIONS

12 **44-10-901. [Formerly 44-12-601 and similar to**  
13 **44-11-601] Suspension - revocation - fines.** (1) In addition to any other  
14 sanctions prescribed by this ~~article 12~~ ARTICLE 10 or rules promulgated  
15 pursuant to this ~~article 12~~ ARTICLE 10, the state licensing authority OR  
16 LOCAL LICENSING AUTHORITY has the power, on its own motion or on  
17 complaint, after investigation and opportunity for a public hearing at  
18 which the licensee must be afforded an opportunity to be heard, to fine a  
19 licensee or to suspend or revoke a license issued by the authority for a  
20 violation by the licensee or by any of the agents or employees of the  
21 licensee of the provisions of this ~~article 12~~ ARTICLE 10, or any of the rules  
22 promulgated pursuant to this ~~article 12~~ ARTICLE 10, or of any of the terms,  
23 conditions, or provisions of the license issued by the state OR LOCAL  
24 licensing authority. The state OR LOCAL licensing authority has the power  
25 to administer oaths and issue subpoenas to require the presence of persons  
26 and the production of papers, books, and records necessary to the  
27 determination of a hearing that the state OR LOCAL LICENSING authority is



1 authorized to conduct.

2 (2) The state OR LOCAL licensing authority shall provide notice of  
3 suspension, revocation, fine, or other sanction, as well as the required  
4 notice of the hearing pursuant to subsection (1) of this section, by mailing  
5 the same in writing to the licensee at the address contained in the license  
6 and, if different, at the last address furnished to the authority by the  
7 licensee. Except in the case of a summary suspension, a suspension ~~shall~~  
8 ~~IS not be~~ for a period longer than six months. If a license is suspended or  
9 revoked, a part of the fees paid therefor ~~shall~~ ARE not ~~be~~ returned to the  
10 licensee. Any license, REGISTRATION, OR PERMIT may be summarily  
11 suspended by the ~~state licensing~~ ISSUING authority without notice pending  
12 any prosecution, investigation, or public hearing pursuant to the terms of  
13 section 24-4-104 (4). Nothing in this section ~~shall prevent~~ PREVENTS the  
14 summary suspension of a license pursuant to section 24-4-104 (4). EACH  
15 PATIENT REGISTERED WITH A MEDICAL MARIJUANA STORE THAT HAS HAD  
16 ITS LICENSE SUMMARILY SUSPENDED MAY IMMEDIATELY TRANSFER HIS OR  
17 HER PRIMARY STORE TO ANOTHER LICENSED MEDICAL MARIJUANA STORE.

18 (3) (a) Whenever a decision of the state OR LOCAL licensing  
19 authority suspending a license for fourteen days or less becomes final, the  
20 licensee may, before the operative date of the suspension, petition for  
21 permission to pay a fine in lieu of having the license suspended for all or  
22 part of the suspension period. Upon the receipt of the petition, the state  
23 OR LOCAL LICENSING authority may, in its sole discretion, stay the  
24 proposed suspension and cause any investigation to be made ~~which~~ THAT  
25 it deems desirable and may, in its sole discretion, grant the petition if the  
26 state OR LOCAL licensing authority is satisfied that:

27 (I) The public welfare would not be impaired by permitting the

1 licensee to operate during the period set for suspension and that the  
2 payment of the fine will achieve the desired disciplinary purposes; and

3 (II) The books and records of the licensee are kept in such a  
4 manner that the loss of sales that the licensee would have suffered had the  
5 suspension gone into effect can be determined with reasonable accuracy;  
6 AND

7 (III) THE LICENSEE HAS NOT HAD HIS OR HER LICENSE SUSPENDED  
8 OR REVOKED, NOR HAD ANY SUSPENSION STAYED BY PAYMENT OF A FINE,  
9 DURING THE TWO YEARS IMMEDIATELY PRECEDING THE DATE OF THE  
10 MOTION OR COMPLAINT THAT RESULTED IN A FINAL DECISION TO SUSPEND  
11 THE LICENSE OR PERMIT.

12 (b) The fine accepted ~~shall~~ MUST be not less than five hundred  
13 dollars nor more than one hundred thousand dollars.

14 (c) Payment of a fine pursuant to the provisions of this subsection  
15 (3) ~~shall~~ MUST be in the form of cash or in the form of a certified check  
16 or cashier's check made payable to the state or local licensing authority,  
17 whichever is appropriate.

18 (4) Upon payment of the fine pursuant to subsection (3) of this  
19 section, the state licensing authority shall enter its further order  
20 permanently staying the imposition of the suspension. Fines paid to the  
21 state licensing authority pursuant to subsection (3) of this section ~~shall be~~  
22 ARE transmitted to the state treasurer, who shall credit the same to the  
23 ~~marijuana cash fund created in section 44-11-501~~ GENERAL FUND.

24 (5) In connection with a petition pursuant to subsection (3) of this  
25 section, the authority of the state OR LOCAL licensing authority is limited  
26 to the granting of such stays as are necessary for the authority to complete  
27 its investigation and make its findings and, if the authority makes such

1 findings, to the granting of an order permanently staying the imposition  
2 of the entire suspension or that portion of the suspension not otherwise  
3 conditionally stayed.

4 (6) If the state OR LOCAL licensing authority does not make the  
5 findings required in subsection (3)(a) of this section and does not order  
6 the suspension permanently stayed, the suspension ~~shall go~~ GOES into  
7 effect on the operative date finally set by the state OR LOCAL licensing  
8 authority.

9 (7) EACH LOCAL LICENSING AUTHORITY SHALL REPORT ALL  
10 ACTIONS TAKEN TO IMPOSE FINES, SUSPENSIONS, AND REVOCATIONS TO  
11 THE STATE LICENSING AUTHORITY IN A MANNER REQUIRED BY THE STATE  
12 LICENSING AUTHORITY. No later than January 15 of each year, the state  
13 licensing authority shall compile a report of the preceding year's actions  
14 in which fines, suspensions, or revocations were imposed by the state  
15 licensing authority. The state licensing authority shall file one copy of the  
16 report with the chief clerk of the house of representatives, one copy with  
17 the secretary of the senate, and six copies in the joint legislative library.

18 **44-10-902. [Formerly 44-12-602 and similar to**  
19 **44-11-602] Disposition of unauthorized marijuana or marijuana**  
20 **products and related materials - rules.** (1) The provisions of this  
21 section ~~shall~~ apply in addition to any criminal, civil, or administrative  
22 penalties and in addition to any other penalties prescribed by this ~~article~~  
23 ~~12~~ ARTICLE 10 or any rules promulgated pursuant to this ~~article 12~~  
24 ARTICLE 10. Any provisions in this ~~article 12~~ ARTICLE 10 related to law  
25 enforcement ~~shall be~~ ARE considered a cumulative right of the people in  
26 the enforcement of the criminal laws.

27 (2) Every licensee licensed under this ~~article 12~~ ~~shall be~~ ARTICLE

1 10 IS deemed, by virtue of applying for, holding, or renewing such  
2 person's license, to have expressly consented to the procedures set forth  
3 in this section.

4 (3) A state or local agency ~~shall~~ IS not ~~be~~ required to cultivate or  
5 care for any ~~retail~~ REGULATED marijuana or ~~retail~~ REGULATED marijuana  
6 product belonging to or seized from a licensee. A state or local agency  
7 ~~shall~~ IS not ~~be~~ authorized to sell marijuana, ~~retail~~ REGULATED or  
8 otherwise.

9 (4) If the state OR LOCAL licensing authority issues a final agency  
10 order imposing a disciplinary action against a licensee pursuant to ~~section~~  
11 ~~44-12-601~~ SECTION 44-10-901, then, in addition to any other remedies,  
12 the licensing authority's final agency order may specify that some or all  
13 of the licensee's marijuana or marijuana product is not ~~retail~~ REGULATED  
14 marijuana or a ~~retail~~ REGULATED marijuana product and is an illegal  
15 controlled substance. The order may further specify that the licensee ~~shall~~  
16 ~~lose~~ LOSES any interest in any of the marijuana or marijuana product even  
17 if the marijuana or marijuana product previously qualified as ~~retail~~  
18 REGULATED marijuana or a ~~retail~~ REGULATED marijuana product. The  
19 final agency order may direct the destruction of any such marijuana and  
20 marijuana products, except as provided in subsections (5) and (6) of this  
21 section. The authorized destruction may include the incidental destruction  
22 of any containers, equipment, supplies, and other property associated with  
23 the marijuana or marijuana product.

24 (5) Following the issuance of a final agency order by the state OR  
25 LOCAL licensing authority against a licensee and ordering destruction  
26 authorized by subsection (4) of this section, a licensee ~~shall have~~ HAS  
27 fifteen days within which to file a petition for stay of agency action with

1 the district court. The action ~~shall~~ MUST be filed in the city and county of  
2 Denver, which ~~shall be~~ IS deemed to be the residence of the state  
3 licensing authority for purposes of this section. The licensee shall serve  
4 the petition in accordance with the Colorado rules of civil procedure. The  
5 district court shall promptly rule upon the petition and determine whether  
6 the licensee has a substantial likelihood of success on judicial review so  
7 as to warrant delay of the destruction authorized by subsection (4) of this  
8 section or whether other circumstances, including but not limited to the  
9 need for preservation of evidence, warrant delay of such destruction. If  
10 destruction is so delayed pursuant to judicial order, the court shall issue  
11 an order setting forth terms and conditions pursuant to which the licensee  
12 may maintain the ~~retail~~ REGULATED marijuana and ~~retail~~ REGULATED  
13 marijuana product pending judicial review and prohibiting the licensee  
14 from using or distributing the ~~retail~~ REGULATED marijuana or ~~retail~~  
15 REGULATED marijuana product pending the review. The licensing  
16 authority shall not carry out the destruction authorized by subsection (4)  
17 of this section until fifteen days have passed without the filing of a  
18 petition for stay of agency action or until the court has issued an order  
19 denying stay of agency action pursuant to this subsection (5).

20 (6) A district attorney shall notify the state licensing authority if  
21 it begins investigating a MEDICAL MARIJUANA BUSINESS OR retail  
22 marijuana ~~establishment~~ BUSINESS. If the state licensing authority has  
23 received notification from a district attorney that an investigation is being  
24 conducted, the state licensing authority shall not destroy any marijuana or  
25 marijuana products from the MEDICAL MARIJUANA BUSINESS OR retail  
26 marijuana ~~establishment~~ BUSINESS until the destruction is approved by the  
27 district attorney.

(7) ~~On or before January 1, 2014,~~ The state licensing authority shall promulgate rules governing the implementation of this section.

## PART 10

## INSPECTION OF BOOKS AND RECORDS

**44-10-1001. [Formerly 44-12-701 and similar to 44-11-701] Inspection procedures.** (1) Each licensee shall keep a complete set of all records necessary to show fully the business transactions of the licensee, all of which ~~shall be~~ ARE open at all times during business hours for the inspection and examination by the state licensing authority or its duly authorized representatives. The state licensing authority may require any licensee to furnish such information as it considers necessary for the proper administration of this ~~article 12~~ ARTICLE 10 and may require an audit to be made of the books of account and records on such occasions as it may consider necessary by an auditor to be selected by the state licensing authority who shall likewise have access to all books and records of the licensee, and the expense thereof ~~shall~~ MUST be paid by the licensee.

(2) The licensed premises, including any places of storage where ~~retail~~ REGULATED marijuana or ~~retail~~ REGULATED marijuana products are stored, cultivated, sold, dispensed, or tested ~~shall be~~ ARE subject to inspection by the state or local LICENSING AUTHORITY, OR LOCAL jurisdictions and their investigators, during all business hours and other times of apparent activity, for the purpose of inspection or investigation. Access ~~shall be~~ IS required during business hours for examination of any inventory or books and records required to be kept by the licensees. When any part of the licensed premises consists of a locked area, upon demand to the licensee, such area ~~shall~~ MUST be made available for inspection

1 without delay, and, upon request by authorized representatives of the state  
2 or local jurisdiction, the licensee shall open the area for inspection.

3 (3) Each licensee shall retain all books and records necessary to  
4 show fully the business transactions of the licensee for a period of the  
5 current tax year and the three immediately prior tax years.

6 PART 11

7 JUDICIAL REVIEW

8 **44-10-1101. [Formerly 44-12-801 and similar to**  
9 **44-11-801] Judicial review.** Decisions by the state licensing authority are  
10 subject to judicial review pursuant to section 24-4-106.

11 PART 12

12 RESPONSIBLE VENDOR STANDARDS

13 **44-10-1201. [Formerly 44-11-1101] Responsible vendor**  
14 **program - standards - designation.** (1) A person who wants to offer a  
15 responsible medical or retail marijuana vendor server and seller training  
16 program must submit an application to the state licensing authority for  
17 approval, which program is referred to in this ~~part 11~~ PART 10 as an  
18 "approved training program". The state licensing authority, in  
19 consultation with the department of public health and environment, shall  
20 approve the submitted program if the submitted program meets the  
21 minimum criteria described in subsection (2) of this section. The  
22 department of public health and environment shall review each submitted  
23 program and shall provide the state licensing authority with the  
24 department's analysis of whether the portions of the program related to  
25 the department's oversight meet the minimum criteria described in this  
26 section.

27 (2) An approved training program ~~shall~~ MUST contain, at a

1 minimum, the following standards and shall be taught in a classroom  
2 setting in a minimum of a two-hour period:

3 (a) Program standards that specify, at a minimum, who must  
4 attend, the time frame for new staff to attend, recertification requirements,  
5 record keeping, testing and assessment protocols, and effectiveness  
6 evaluations; and

7 (b) A core curriculum of pertinent statutory and regulatory  
8 provisions, which curriculum includes but need not be limited to:

9 (I) Information on required licenses, age requirements, patient  
10 registry cards issued by the department of public health and environment,  
11 maintenance of records, privacy issues, and unlawful acts;

12 (II) Administrative and criminal liability and license and court  
13 sanctions;

14 (III) Statutory and regulatory requirements for employees and  
15 owners;

16 (III.5) STATUTORY AND REGULATORY REQUIREMENTS RELATED TO  
17 MARIJUANA DELIVERY;

18 (IV) Acceptable forms of identification, including patient registry  
19 cards and associated documents and procedures; and

20 (V) Local and state licensing and enforcement, which may include  
21 but need not be limited to key statutes and rules affecting patients,  
22 owners, managers, and employees.

23 (3) When promulgating program standards pursuant to subsection  
24 (2) of this section, the state licensing authority shall consider input from  
25 other state agencies, local jurisdictions, the medical and retail marijuana  
26 industry, and any other state or national seller server program.

27 (4) A provider of an approved training program shall maintain its



1 training records at its principal place of business during the applicable  
2 year and for the preceding three years, and the provider shall make the  
3 records available for inspection by the licensing authority during normal  
4 business hours.

5 **44-10-1202. [Formerly 44-11-1102] Responsible vendor -**  
6 **designation.** (1) (a) A medical marijuana business licensed pursuant to  
7 ~~this article 11~~ or a retail marijuana business licensed pursuant to ~~article~~  
8 ~~12 of this title 44~~ THIS ARTICLE 10 may receive a responsible vendor  
9 designation from the program vendor after successfully completing a  
10 responsible medical or retail marijuana vendor server and seller training  
11 program approved by the state licensing authority. A responsible vendor  
12 designation is valid for two years from the date of issuance.

13 (b) Successful completion of an approved training program is  
14 achieved when the program has been attended by and, as determined by  
15 the program provider, satisfactorily completed by all employees selling  
16 and handling medical or retail marijuana, all managers, and all resident  
17 on-site owners, if any.

18 (c) In order to maintain the responsible vendor designation, the  
19 licensed medical MARIJUANA BUSINESS or retail marijuana business must  
20 have each new employee who sells or handles medical or retail marijuana,  
21 manager, or resident on-site owner attend and satisfactorily complete a  
22 responsible medical or retail marijuana vendor server and seller training  
23 program within ninety days after being employed or becoming an owner.  
24 The licensed medical MARIJUANA BUSINESS or retail marijuana business  
25 shall maintain documentation of completion of the program by new  
26 employees, managers, or owners.

27 (2) A licensed medical MARIJUANA BUSINESS or retail marijuana

1 business that receives a responsible vendor designation from the program  
2 vendor shall maintain information on all persons licensed pursuant to this  
3 ~~article 11~~ ARTICLE 10 who are in its employment and who have been  
4 trained in an approved training program. The information includes the  
5 date, place, time, and duration of training and a list of all licensed persons  
6 attending each specific training class, which class includes a training  
7 examination or assessment that demonstrates proficiency.

8 (3) If a local or state licensing authority initiates an administrative  
9 action against a licensee who has complied with the requirements of this  
10 section and has been designated a responsible vendor, the licensing  
11 authority shall consider the designation as a mitigating factor when  
12 imposing sanctions or penalties on the licensee.

#### 13 PART 13

#### 14 SEVERABILITY

15 **44-10-1301. [Formerly 44-12-1101] Severability.** If any  
16 provision of this ~~article 12~~ ARTICLE 10 is found by a court of competent  
17 jurisdiction to be unconstitutional, the remaining provisions of this ~~article~~  
18 ~~12~~ ARTICLE 10 are valid, unless it appears to the court that the valid  
19 provisions of the statute are so essentially and inseparably connected  
20 with, and so dependent upon, the void provision that it cannot be  
21 presumed that the legislature would have enacted the valid provisions  
22 without the void one; or unless the court determines that the valid  
23 provisions, standing alone, are incomplete and are incapable of being  
24 executed in accordance with the legislative intent.

#### 25 PART 14

#### 26 SUNSET REVIEW - ARTICLE REPEAL

27 **44-10-1401. [Formerly 44-11-1001 and similar to**

1     ~~44-12-1001]~~ **Sunset review - repeal of article.** (1) This ~~article 11~~  
2     ARTICLE 10 is repealed, effective September 1, ~~2019~~ 2028.

3             (2) Prior to the repeal of this ~~article 11~~ ARTICLE 10, the department  
4     of regulatory agencies shall conduct a sunset review as described in  
5     section 24-34-104 (5).

6             **SECTION 6. Repeal of provisions being relocated in this act.**

7     In Colorado Revised Statutes, **repeal** sections 44-11-102, 44-11-103,  
8     44-11-104, 44-11-105, and 44-11-106; parts 2, 3, 4, 5, 6, 7, 8, 9, 10, and  
9     11 of article 11 of title 44; sections 44-12-102, 44-12-103, 44-12-104, and  
10    44-12-105; and parts 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11 of article 12 of title  
11    44.

12            **SECTION 7. Repeal of provisions not being relocated in this**  
13    **act.** In Colorado Revised Statutes, **repeal** sections 44-11-101 and  
14    44-12-101 that were not relocated.

15            **SECTION 8.** In Colorado Revised Statutes, 6-1-105, **amend**  
16    (1)(hhh) as follows:

17            **6-1-105. Deceptive trade practices.** (1) A person engages in a  
18    deceptive trade practice when, in the course of the person's business,  
19    vocation, or occupation, the person:

20            (hhh) Knowingly represents that hemp, hemp oil, or any derivative  
21    of a hemp plant constitutes retail marijuana or medical marijuana unless  
22    it fully satisfies the definition of such products pursuant to ~~section~~  
23    ~~44-12-103 (22) or section 44-11-104 (11)~~ SECTION 44-10-103 (34) OR  
24    (57);

25            **SECTION 9.** In Colorado Revised Statutes, 11-33-103, **amend**  
26    (4) as follows:

27            **11-33-103. Definitions.** As used in this article 33, unless the

1 context otherwise requires:

2 (4) "Licensed marijuana business" means an entity licensed  
3 pursuant to ~~section 44-11-402, 44-11-403, 44-11-404, 44-12-402,~~  
4 ~~44-12-403, 44-12-404, or 44-12-405~~ PARTS 5 AND 6 OF ARTICLE 10 OF  
5 TITLE 44.

6 **SECTION 10.** In Colorado Revised Statutes, 11-33-104, **amend**  
7 (2)(a)(II) as follows:

8 **11-33-104. Organization - charter - investigation.** (2) A co-op  
9 may be organized in the following manner:

10 (a) (II) A co-op may be incorporated and organized for the  
11 purpose of providing financial services to licensed marijuana businesses  
12 in good standing with the executive director of the state licensing  
13 authority created in ~~section 44-11-201~~ SECTION 44-10-201, industrial  
14 hemp businesses, and entities that provide goods or services to licensed  
15 marijuana businesses and that provide documentation to the co-op of an  
16 inability to get comparable services from a bank or credit union.

17 **SECTION 11.** In Colorado Revised Statutes, 11-33-106, **amend**  
18 (2) as follows:

19 **11-33-106. Membership - disclosures.** (2) (a) Co-op  
20 membership is limited to only entities that own, operate, or are licensed  
21 marijuana businesses in good standing with the executive director of the  
22 state licensing authority created in ~~section 44-11-201~~ SECTION 44-10-201,  
23 industrial hemp businesses, and entities that provide goods or services to  
24 licensed marijuana businesses and that provide documentation to the  
25 co-op of an inability to get comparable services from a bank or credit  
26 union.

27 (b) An individual is not qualified to be a member of a co-op,

1 regardless of whether the individual is licensed, including pursuant to  
2 ~~section 44-11-401 (1)(c) or 44-12-401 (1)(c)~~ SECTION 44-10-401 (2)(c),  
3 to own, operate, manage, or be employed by a licensed marijuana  
4 business, either as a sole proprietor or any other form of ownership that  
5 gives the individual sole control over the licensed marijuana business.

6 **SECTION 12.** In Colorado Revised Statutes, 13-21-121, **amend**  
7 (2)(b) as follows:

8 **13-21-121. Agricultural recreation or agritourism activities -**  
9 **legislative declaration - inherent risks - limitation of civil liability -**  
10 **duty to post warning notice - definitions.** (2) As used in this section,  
11 unless the context otherwise requires:

12 (b) "Agricultural recreation or agritourism activity" means an  
13 activity related to the normal course of agriculture, as defined in section  
14 35-1-102 (1), which activity is engaged in by participants for  
15 entertainment, pleasure, or other recreational purposes, or for educational  
16 purposes, regardless of whether a fee is charged to the participants.  
17 "Agricultural recreation or agritourism activity" also means hunting,  
18 shooting, swimming, diving, tubing, and riding or operating a motorized  
19 recreational vehicle that occurs on or in proximity to the property of an  
20 agricultural operation or an adjacent roadway. "Agricultural recreation or  
21 agritourism activity" includes, but is not limited to, planting, cultivation,  
22 irrigation, or harvesting of crops; acceptable practices of animal  
23 husbandry; rodeo and livestock activities; and maintenance of farm or  
24 ranch equipment. "Agricultural recreation or agritourism activity" does  
25 not include any activity related to or associated with medical marijuana  
26 as defined in ~~section 44-11-104~~ SECTION 44-10-103 (34) or retail  
27 marijuana as defined in ~~section 44-12-103~~ SECTION 44-10-103 (57).

1           **SECTION 13.** In Colorado Revised Statutes, **amend** 13-22-601  
2 as follows:

3           **13-22-601. Contracts pertaining to marijuana enforceable.** It  
4 is the public policy of the state of Colorado that a contract is not void or  
5 voidable as against public policy if it pertains to lawful activities  
6 authorized by section 16 of article XVIII of the state constitution and  
7 ~~article 12~~ ARTICLE 10 of title 44.

8           **SECTION 14.** In Colorado Revised Statutes, **amend** 16-2.5-121  
9 as follows:

10           **16-2.5-121. Executive director of the department of revenue**  
11 **- senior director of enforcement for the department of revenue.** The  
12 executive director and the senior director of enforcement of the  
13 department of revenue are peace officers while engaged in the  
14 performance of their duties whose authority includes the enforcement of  
15 laws and rules regarding automobile dealers pursuant to section  
16 44-20-105 (3), the lottery pursuant to sections 44-40-106 (3) and  
17 44-40-107 (8), medical marijuana pursuant to ~~article 11~~ ARTICLE 10 of  
18 title 44, limited gaming pursuant to article 30 of title 44, liquor pursuant  
19 to section 44-3-905 (1), and racing events pursuant to section 44-32-203  
20 (1), and the enforcement of all laws of the state of Colorado and who may  
21 be certified by the P.O.S.T. board.

22           **SECTION 15.** In Colorado Revised Statutes, **amend**  
23 16-2.5-124.5 as follows:

24           **16-2.5-124.5. Director of marijuana enforcement and**  
25 **marijuana enforcement investigator.** The director of the marijuana  
26 enforcement division or a marijuana enforcement investigator is a peace  
27 officer while engaged in the performance of his or her duties and while

1 acting under proper orders or rules pursuant to ~~article 11 or 12~~ ARTICLE 10  
2 of title 44, and shall also include the enforcement of all laws of the state  
3 of Colorado and who may be certified by the P.O.S.T. board.

4 **SECTION 16.** In Colorado Revised Statutes, 18-1.3-204, **amend**  
5 (1)(b) and (2)(a)(VIII)(A) as follows:

6 **18-1.3-204. Conditions of probation - interstate compact**  
7 **probation transfer cash fund - creation.** (1) (b) Notwithstanding the  
8 provisions of subsection (1)(a) of this section, unless the defendant is  
9 sentenced to probation for a conviction of a crime under ~~article 11~~  
10 ARTICLE 10 of title 44, the possession or use of medical marijuana, as  
11 authorized pursuant to section 14 of article XVIII of the state constitution,  
12 shall not be considered another offense such that its use constitutes a  
13 violation of the terms of probation.

14 (2) (a) When granting probation, the court may, as a condition of  
15 probation, require that the defendant:

16 (VIII) Refrain from excessive use of alcohol or any unlawful use  
17 of controlled substances, as defined in section 18-18-102 (5), or of any  
18 other dangerous or abusable drug without a prescription; except that the  
19 court shall not, as a condition of probation, prohibit the possession or use  
20 of medical marijuana, as authorized pursuant to section 14 of article  
21 XVIII of the state constitution, unless:

22 (A) The defendant is sentenced to probation for conviction of a  
23 crime under ~~article 11~~ ARTICLE 10 of title 44; or

24 **SECTION 17.** In Colorado Revised Statutes, 18-18-406.3,  
25 **amend** (7) as follows:

26 **18-18-406.3. Medical use of marijuana by persons diagnosed**  
27 **with debilitating medical conditions - unlawful acts - penalty -**

1 **medical marijuana program cash fund.** (7) An owner, officer, or  
2 employee of a business licensed pursuant to ~~article 11~~ ARTICLE 10 of title  
3 44, or an employee of the state medical marijuana licensing authority, a  
4 local medical marijuana licensing authority, or the department of public  
5 health and environment, who releases or makes public a patient's medical  
6 record or any confidential information contained in any such record that  
7 is provided to or by the business licensed pursuant to ~~article 11~~ ARTICLE  
8 10 of title 44, without the written authorization of the patient commits a  
9 class 1 misdemeanor; except that the owner, officer, or employee shall  
10 release the records or information upon request by the state or local  
11 medical marijuana licensing authority. The records or information  
12 produced for review by the state or local licensing authority shall not  
13 become public records by virtue of the disclosure and may be used only  
14 for a purpose authorized by ~~article 11~~ ARTICLE 10 of title 44, or for  
15 another state or local law enforcement purpose. The records or  
16 information shall constitute medical data as defined by section 24-72-204  
17 (3)(a)(I). The state or local medical marijuana licensing authority may  
18 disclose any records or information so obtained only to those persons  
19 directly involved with any investigation or proceeding authorized by  
20 ~~article 11~~ ARTICLE 10 of title 44, or for any state or local law enforcement  
21 purpose.

22 **SECTION 18.** In Colorado Revised Statutes, 18-18-406.4,  
23 **amend** (1) as follows:

24 **18-18-406.4. Unlawful advertising of marijuana - exception.**

25 (1) A person who is not licensed to sell medical marijuana pursuant to  
26 ~~article 43.3 of title 12~~ or retail marijuana pursuant to ~~article 43.4 of title~~  
27 ~~12~~ ARTICLE 10 OF TITLE 44, or pursuant to the laws regarding medical or



1 retail marijuana under the laws of another state, who knowingly  
2 advertises in a newspaper, magazine, handbill, or other publication or on  
3 the internet the unlawful sale of marijuana, marijuana concentrate, or a  
4 ~~marijuana-infused~~ MARIJUANA product by a person not licensed to sell  
5 marijuana, marijuana concentrate, or a ~~marijuana-infused~~ MARIJUANA  
6 product commits a level 2 drug misdemeanor.

7 **SECTION 19.** In Colorado Revised Statutes, 18-18-406.6,  
8 **amend** (1) and (2) as follows:

9 **18-18-406.6. Extraction of marijuana concentrate - definitions.**

10 (1) It shall be unlawful for any person who is not licensed pursuant to  
11 ~~article 11 or 12~~ ARTICLE 10 of title 44 to knowingly manufacture  
12 marijuana concentrate using an inherently hazardous substance.

13 (2) It shall be unlawful for any person who is not licensed  
14 pursuant to ~~article 11 or 12~~ ARTICLE 10 of title 44 who owns, manages,  
15 operates, or otherwise controls the use of any premises to knowingly  
16 allow marijuana concentrate to be manufactured on the premises using an  
17 inherently hazardous substance.

18 **SECTION 20.** In Colorado Revised Statutes, 24-20-112, **amend**  
19 (1) and (2) as follows:

20 **24-20-112. Implementation of section 16 of article XVIII of the**  
21 **Colorado constitution - criteria for pesticide use - education oversight**  
22 **and materials - rules.** (1) The governor shall designate a state agency  
23 to promulgate rules to designate criteria that identify pesticides that may  
24 be used in the cultivation of marijuana as authorized pursuant to ~~article~~  
25 ~~12~~ ARTICLE 10 of title 44. The designated agency may consult with other  
26 state agencies in promulgating the rules. The agency shall publish a list  
27 of pesticides that meet the criteria on its website.

1           (2) The governor shall designate a state agency to work with a  
2 private advisory group to develop good cultivation and handling practices  
3 for the marijuana industry. The designated agency is encouraged to assist  
4 in the formation of a private advisory group. If a private advisory group  
5 develops good cultivation and handling practices, an entity licensed  
6 pursuant to ~~article 12~~ ARTICLE 10 of title 44 that follows those practices  
7 may include a statement of compliance on its label after receiving  
8 certification of compliance. The designated agency may consult with  
9 other state agencies to receive technical assistance.

10           **SECTION 21.** In Colorado Revised Statutes, 24-33.5-516,  
11 **amend** (3) as follows:

12           **24-33.5-516. Study marijuana implementation.** (3) The  
13 division is not required to perform the duties required by this section until  
14 the marijuana cash fund, created in ~~section 44-11-501~~ SECTION  
15 44-10-801, has received sufficient revenue to fully fund the  
16 appropriations made to the department of revenue related to ~~articles 11~~  
17 ~~and 12~~ ARTICLE 10 of title 44, and the general assembly has appropriated  
18 sufficient money from the fund for such duties.

19           **SECTION 22.** In Colorado Revised Statutes, 24-34-104, **add**  
20 (29)(a)(VII) as follows:

21           **24-34-104. General assembly review of regulatory agencies**  
22 **and functions for repeal, continuation, or reestablishment - legislative**  
23 **declaration - repeal.** (29) (a) The following agencies, functions, or both,  
24 are scheduled for repeal on September 1, 2028:

25           (VII) THE "COLORADO MARIJUANA CODE", ARTICLE 10 OF TITLE  
26 44.

27           **SECTION 23.** In Colorado Revised Statutes, 25-1.5-106, **amend**

1 (3.5)(b), (3.7), (3.8)(a), (7)(e)(I)(A), (8.5)(b), and (8.6)(b) as follows:

2 **25-1.5-106. Medical marijuana program - powers and duties**  
3 **of state health agency - rules - medical review board - medical**  
4 **marijuana program cash fund - subaccount - created - repeal.**

5 (3.5) **Marijuana laboratory testing reference library.** (b) The  
6 reference library must contain a library of methodologies for marijuana  
7 testing in the areas of potency, homogeneity, contaminants, and solvents  
8 consistent with the laboratory requirements set by the department of  
9 revenue pursuant to ~~article 11 or 12~~ ARTICLE 10 of title 44.

10 (3.7) The state health agency shall convene a group of interested  
11 parties including representatives from the state licensing authority,  
12 primary caregivers, patients, marijuana testing laboratory licensees, and  
13 any other interested persons to explore laboratory testing options for  
14 medical marijuana not produced by someone licensed pursuant to ~~article~~  
15 ~~11~~ ARTICLE 10 of title 44.

16 (3.8) (a) The state health agency or an organization with whom the  
17 state health agency contracts shall be responsible for proficiency testing  
18 and remediating problems with laboratories licensed pursuant to ~~article~~  
19 ~~11 or 12~~ ARTICLE 10 of title 44.

20 (7) **Primary caregivers.** (e) (I) (A) In order to be a primary  
21 caregiver who cultivates medical marijuana for his or her patients or  
22 transports medical marijuana for his or her patients, he or she shall also  
23 register with the state licensing authority and comply with all local laws,  
24 regulations, and zoning and use restrictions. A person may not register as  
25 a primary caregiver if he or she is licensed as a medical marijuana  
26 business as described in part 4 of ~~article 11~~ of title 44 or a retail marijuana  
27 business as described in part 4 of ~~article 12~~ ARTICLE 10 of title 44. An

1 employee, contractor, or other support staff employed by a licensed entity  
2 ~~pursuant to article 11 or 12 of title 44~~, or working in or having access to  
3 a restricted area of a licensed premises pursuant to ~~article 11 or 12~~  
4 ARTICLE 10 of title 44, may be a primary caregiver.

5 **(8.5) Encourage patient voluntary registration - plant limits.**

6 (b) A patient shall not cultivate more than ninety-nine plants. Only a  
7 medical marijuana business licensed and properly authorized pursuant to  
8 ~~article 11~~ ARTICLE 10 of title 44 may cultivate more than ninety-nine  
9 plants.

10 **(8.6) Primary caregiver plant limits - exceptional**

11 **circumstances.** (b) A primary caregiver shall not cultivate more than  
12 ninety-nine plants. Only a medical marijuana business licensed and  
13 properly authorized pursuant to ~~article 11~~ ARTICLE 10 of title 44 may  
14 cultivate more than ninety-nine plants. The primary caregiver is not  
15 allowed to grow additional plants until he or she is licensed by the state  
16 licensing authority.

17 **SECTION 24.** In Colorado Revised Statutes, 25-1.5-106.5,  
18 **repeal** (5)(b) as follows:

19 **25-1.5-106.5. Medical marijuana research grant program. (5)**

20 **Sources of marijuana.** (b) ~~A person who holds an optional premises~~  
21 ~~cultivation license or medical marijuana-infused products manufacturing~~  
22 ~~license issued pursuant to part 4 of article 43.3 of title 12 or a retail~~  
23 ~~marijuana cultivation facility license or a retail marijuana products~~  
24 ~~manufacturing license issued pursuant to part 4 of article 43.4 of title 12~~  
25 ~~may transfer marijuana to a medical research facility, including at an~~  
26 ~~institution of higher education, for use in research studies funded pursuant~~  
27 ~~to this section. Notwithstanding any other provision of law, a medical~~

1     ~~research facility authorized pursuant to this section to conduct medical~~  
2     ~~research regarding marijuana is exempt from all otherwise applicable~~  
3     ~~restrictions on the possession and use of marijuana; except that the~~  
4     ~~facility shall use the marijuana only for the medical research authorized~~  
5     ~~pursuant to this section, shall not possess at any time a quantity of~~  
6     ~~medical marijuana or medical marijuana-infused product in excess of the~~  
7     ~~limit established in rules promulgated by the state licensing authority, and~~  
8     ~~shall destroy all marijuana remaining after the research has been~~  
9     ~~completed. For the fiscal years beginning on or after July 1, 2017, the~~  
10    ~~general assembly may annually appropriate up to one percent of the~~  
11    ~~available money in the marijuana tax cash fund created in section~~  
12    ~~39-28.8-501 to the department to be used to award grants pursuant to this~~  
13    ~~section to medical research facilities so that a facility may:~~

14             ~~(I) Purchase marijuana from a licensee specified in this subsection~~  
15    ~~(5)(b) that will be used in the research; and~~

16             ~~(H) Conduct the medical research.~~

17             **SECTION 25.** In Colorado Revised Statutes, 25-5-403, **repeal** (3)  
18    as follows:

19             **25-5-403. Offenses.** (3) ~~The provisions of this section shall not~~  
20    ~~apply to a medical marijuana center or a medical marijuana-infused~~  
21    ~~products manufacturer licensed pursuant to article 11 of title 44 that~~  
22    ~~manufactures or sells a food product that contains medical marijuana so~~  
23    ~~long as the food product is labeled as containing medical marijuana and~~  
24    ~~the label specifies that the product is manufactured without any regulatory~~  
25    ~~oversight for health, safety, or efficacy, and that there may be health risks~~  
26    ~~associated with the consumption or use of the product.~~

27             **SECTION 26.** In Colorado Revised Statutes, 25-14-103.5,

1       **amend** (3)(a)(I) as follows:

2               **25-14-103.5. Prohibition against the use of tobacco products**  
3       **and retail marijuana on school property - legislative declaration -**  
4       **education program - special account - definitions.** (3) (a) (I) The board  
5       of education of each school district shall adopt appropriate policies and  
6       rules that mandate a prohibition against the use of all tobacco products  
7       and all retail marijuana or retail marijuana products authorized pursuant  
8       to ~~article 12~~ ARTICLE 10 of title 44 on all school property by students,  
9       teachers, staff, and visitors and that provide for the enforcement of such  
10      policies and rules.

11              **SECTION 27.** In Colorado Revised Statutes, 26-2-104, **amend**  
12      (2)(a)(II)(D) and (2)(h)(I)(C) as follows:

13              **26-2-104. Public assistance programs - electronic benefits**  
14      **transfer service - joint reports with department of revenue - signs -**  
15      **rules - repeal.** (2) (a) (II) Only those businesses that offer products or  
16      services related to the purpose of the public assistance benefits are  
17      allowed to participate in the electronic benefits transfer service through  
18      the use of point-of-sale terminals. Clients shall not be allowed to access  
19      cash benefits through the electronic benefits transfer service from  
20      automated teller machines in this state located in:

21              (D) Establishments licensed to sell medical marijuana or medical  
22      ~~marijuana-infused~~ MARIJUANA products pursuant to ~~article 11 of title 44~~  
23      or retail marijuana or retail marijuana products pursuant to ~~article 12~~  
24      ARTICLE 10 of title 44; except that the prohibition for these establishments  
25      does not take effect until sixty days after May 1, 2015; or

26              (h) (I) On or before January 1, 2016, the department of revenue  
27      shall adopt rules pursuant to the "State Administrative Procedure Act",

1 article 4 of title 24, that relate to a client's use of automated teller  
2 machines at locations where the use is prohibited. The rules must apply  
3 to the following establishments:

4 (C) Establishments licensed to sell medical marijuana or medical  
5 ~~marijuana-infused~~ MARIJUANA products ~~pursuant to article 11 of title 44~~  
6 or retail marijuana or retail ~~marijuana-infused~~ MARIJUANA products  
7 pursuant to ~~article 12~~ ARTICLE 10 of title 44; and

8 **SECTION 28.** In Colorado Revised Statutes, 29-2-114, **amend**  
9 (7) as follows:

10 **29-2-114. Retail marijuana excise tax - county - municipality**  
11 **- election - repeal.** (7) If a retail marijuana cultivation facility uses a  
12 retail marijuana transporter, as defined in ~~section 12-43.4-103 (21.5)~~  
13 SECTION 44-10-103 (65), to transport unprocessed retail marijuana being  
14 sold or transferred by the retail marijuana cultivation facility to a retail  
15 marijuana product ~~manufacturing~~ MANUFACTURER facility, a retail  
16 marijuana store, or another retail marijuana cultivation facility, the  
17 transportation of the unprocessed retail marijuana by the retail marijuana  
18 transporter is not a transfer of unprocessed retail marijuana for the  
19 purpose of levying any excise tax imposed pursuant to this section.

20 **SECTION 29.** In Colorado Revised Statutes, 29-2-115, **amend**  
21 (3)(a) introductory portion and (4)(a) as follows:

22 **29-2-115. Retail marijuana sales tax - county - municipality -**  
23 **election - legislative declaration - definition.** (3) (a) Each county in the  
24 state is authorized to levy, collect, and enforce a county special sales tax  
25 upon all sales of retail marijuana and retail marijuana products, as those  
26 terms are defined in ~~section 12-43.4-103~~ SECTION 44-10-103, under the  
27 following circumstances:

1 (4) (a) Each municipality in the state is authorized to levy, collect,  
2 and enforce a municipal special sales tax upon all sales of retail marijuana  
3 and retail marijuana products, as those terms are defined in ~~section~~  
4 ~~12-43.4-103~~ SECTION 44-10-103.

5 **SECTION 30.** In Colorado Revised Statutes, **amend** 35-61-105.5  
6 as follows:

7 **35-61-105.5. Testing laboratories.** If a person registered pursuant  
8 to this article 61 wants a licensed retail marijuana testing facility to  
9 perform testing on the industrial hemp that the registrant is cultivating,  
10 that person shall use a radio frequency identification-based inventory  
11 tracking system approved by the commissioner for a sample of the  
12 registrant's industrial hemp crop. The commissioner shall only approve  
13 an inventory tracking system if that system is compatible with the state  
14 licensing authority's seed-to-sale tracking system required pursuant to  
15 ~~section 44-12-202 (1)~~ SECTION 44-10-202 (1)(a). A licensed retail testing  
16 facility shall provide the test results to the registrant and the  
17 commissioner. All test results ~~shall be~~ ARE considered confidential  
18 business information. This section ~~shall not be construed to~~ DOES NOT  
19 prevent the use of the tracking system for other purposes.

20 **SECTION 31.** In Colorado Revised Statutes, 39-22-104, **amend**  
21 (4)(r); and **repeal** (4)(s) as follows:

22 **39-22-104. Income tax imposed on individuals, estates, and**  
23 **trusts - single rate - legislative declaration - definitions - repeal.**

24 (4) There shall be subtracted from federal taxable income:

25 (r) For income tax years commencing on or after January 1, 2014,  
26 if a taxpayer is licensed under the "~~Colorado Medical Marijuana Code~~",  
27 ~~article 11~~ "COLORADO MARIJUANA CODE", ARTICLE 10 of title 44, OR ITS



1 PREDECESSOR CODES, an amount equal to any expenditure that is eligible  
2 to be claimed as a federal income tax deduction but is disallowed by  
3 section 280E of the internal revenue code because marijuana is a  
4 controlled substance under federal law;

5 ~~(s) For income tax years commencing on or after January 1, 2014,~~  
6 ~~if a taxpayer is licensed under the "Colorado Retail Marijuana Code",~~  
7 ~~article 12 of title 44, an amount equal to any expenditure that is eligible~~  
8 ~~to be claimed as a federal income tax deduction but is disallowed by~~  
9 ~~section 280E of the federal internal revenue code because marijuana is a~~  
10 ~~controlled substance under federal law;~~

11 **SECTION 32.** In Colorado Revised Statutes, 39-22-304, **amend**  
12 **(3)(m); and repeal (3)(n) as follows:**

13 **39-22-304. Net income of corporation - legislative declaration**  
14 **- definitions - repeal.** (3) There shall be subtracted from federal taxable  
15 income:

16 (m) For income tax years commencing on or after January 1,  
17 2014, if a taxpayer is licensed under the ~~"Colorado Medical Marijuana~~  
18 ~~Code", article 11 "COLORADO MARIJUANA CODE", ARTICLE 10 of title 44,~~  
19 OR ITS PREDECESSOR CODES, an amount equal to any expenditure that is  
20 eligible to be claimed as a federal income tax deduction but is disallowed  
21 by section 280E of the internal revenue code because marijuana is a  
22 controlled substance under federal law;

23 ~~(n) For income tax years commencing on or after January 1, 2014,~~  
24 ~~if a taxpayer is licensed under the "Colorado Retail Marijuana Code",~~  
25 ~~article 12 of title 44, an amount equal to any expenditure that is eligible~~  
26 ~~to be claimed as a federal income tax deduction but is disallowed by~~  
27 ~~section 280E of the federal internal revenue code because marijuana is a~~

1     ~~controlled substance under federal law;~~

2             **SECTION 33.** In Colorado Revised Statutes, 39-26-102, **amend**  
3     (5.8) as follows:

4             **39-26-102. Definitions.** As used in this article 26, unless the  
5     context otherwise requires:

6             (5.8) "Medical marijuana" shall have the same meaning as set  
7     forth in ~~section 44-11-104 (11)~~ **SECTION 44-10-103 (34).**

8             **SECTION 34.** In Colorado Revised Statutes, 39-28.8-101,  
9     **amend** (6) as follows:

10            **39-28.8-101. Definitions.** Unless the context otherwise requires,  
11     any terms not defined in this article 28.8 have the meanings set forth in  
12     article 26 of this title 39. As used in this article 28.8, unless the context  
13     otherwise requires:

14            (6) "Medical marijuana ~~center~~ STORE" means an entity licensed by  
15     the department to sell marijuana and marijuana products pursuant to  
16     section 14 of article XVIII of the state constitution and the "~~Colorado~~  
17     ~~Medical Marijuana Code~~", ~~article 11~~ "COLORADO MARIJUANA CODE",  
18     ARTICLE 10 of title 44, OR ITS PREDECESSOR CODES.

19            **SECTION 35.** In Colorado Revised Statutes, 39-28.8-501,  
20     **amend** (1) and (2)(a)(I) as follows:

21            **39-28.8-501. Marijuana tax cash fund - creation - distribution**  
22     **- legislative declaration.** (1) The marijuana tax cash fund, referred to in  
23     this part 5 as the "fund", is created in the state treasury. The fund consists  
24     of any applicable retail marijuana sales tax transferred pursuant to section  
25     39-28.8-203 (1)(b) on or after July 1, 2014, and any revenues transferred  
26     to the fund from any sales tax imposed pursuant to section 39-26-106 on  
27     the retail sale of products under ~~articles 43.3 and 43.4 of title 12, C.R.S.~~

1 ARTICLE 10 OF TITLE 44.

2 (2) (a) The general assembly shall not appropriate the money in  
3 the fund for the fiscal year in which it was received by the state; except  
4 that:

5 (I) The general assembly may appropriate money in the fund to  
6 the department of revenue for the fiscal years in which it was received by  
7 the state for the direct and indirect costs associated with implementing  
8 this article 28.8 and ~~articles 11 and 12~~ ARTICLE 10 of title 44; and

9 **SECTION 36.** In Colorado Revised Statutes, 39-28.8-502,  
10 **amend** (2) as follows:

11 **39-28.8-502. Marijuana tax cash fund - budget requests.**

12 (2) Beginning with the budget request required to be submitted to the  
13 joint budget committee by November 1, 2014, and for each budget  
14 request required to be submitted each November thereafter, the executive  
15 director of the department of revenue shall include in its budget request  
16 for the direct and indirect costs associated with implementing this article  
17 28.8 and ~~articles 11 and 12~~ ARTICLE 10 of title 44 the amount that the  
18 department requests from the money in the marijuana cash fund created  
19 in ~~section 44-11-501~~ SECTION 44-10-801, and the amount that the  
20 department requests from the marijuana tax cash fund.

21 **SECTION 37. Appropriation.** (1) For the 2019-20 state fiscal  
22 year, \$396,604 is appropriated to the department of revenue. This  
23 appropriation is from the marijuana cash fund created in section  
24 44-11-501 (1)(a), C.R.S. To implement this act, the department may use  
25 this appropriation as follows:

26 (a) \$292,974 for marijuana enforcement, which amount is based  
27 on an assumption that the department will require an additional 1.8 FTE;

1     and

2             (b) \$103,630 for the purchase of legal services.

3             (2) For the 2019-20 state fiscal year, \$103,630 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 0.6 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 38. Act subject to petition - effective date.** Sections  
11 5 through 37 of this act take effect January 1, 2020; except that sections  
12 44-10-501 (3)(e), 44-10-503 (5)(b), 44-10-601 (3)(c), and 44-10-603 (11)  
13 of section 5 of this act take effect July 1, 2020, and the remainder of this  
14 act takes effect at 12:01 a.m. on the day following the expiration of the  
15 ninety-day period after final adjournment of the general assembly (August  
16 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a  
17 referendum petition is filed pursuant to section 1 (3) of article V of the  
18 state constitution against this act or an item, section, or part of this act  
19 within the ninety-day period after final adjournment of the general  
20 assembly, then the act, item, section, or part will not take effect unless  
21 approved by the people at the general election to be held in November  
22 2020 and, in such case, will take effect on the date of the official  
23 declaration of the vote thereon by the governor. ■■■