



## Please Support SB 23-199 Marijuana License Applications and Renewals

**Bill Sponsors:** Sens Hinrichsen and Van Winkle & Reps Lindstedt and Weinberg

### **Bill Summary**

SB 23-199 amends Colorado's Marijuana Code to clarify the Marijuana Enforcement Division's (MED) discretion to issue refunds of licensing fees to create alignment between the treatment of medical marijuana business license applications and retail marijuana business license applications. Additionally, the measure allows licensees who are actively pursuing a local license to maintain their state license while the process is ongoing.

### **Background and Rationale**

MED needs to have clearer discretion to issue refunds for licensing fees to create and ensure alignment between the treatment of medical marijuana business license applications and retail marijuana business license applications. Currently, section 44-10-104(2)(a), which applies broadly to all licenses under article 10, provides that "if the license is denied, the state licensing authority shall refund the licensing fee to the applicant." On the other hand, section 44-10-303(2)(b), which only applies to medical marijuana business licenses, provides that "any applications that are later denied or withdrawn may allow for a refund of license fees only." And finally, section 44-10-303(3), which applies to retail marijuana business licenses only, is silent on the issue of refunds. Current statutory language has created confusion and potential challenges to MED's ability to deny a refund when appropriate. SB 23-199 amends the Marijuana Code to provide clarity and create consistent treatment of license applications.

Additionally, over the years, some licensees have been challenged or restricted by the provision in section 44-10-305(2)(b)(I), which states "If the applicant does not receive local jurisdiction approval within one year from the date of state licensing authority approval, the state license expires and may not be renewed." The MED has had instances where an applicant is actively working towards obtaining local licensure but because of this requirement, some licensees have been unable to actually provide evidence of approval or an issued license within the one year time frame, including where a license is denied but is going through the Administrative Procedure Act hearing and review process. Allowing licensees who are actively pursuing a local license to maintain their state license for an additional 12 months avoids unnecessarily complicated situations where a state-issued license expires only for the local license to be issued later, requiring re-application for the state license.