HOUSE JOURNAL

SIXTY-SEVENTH GENERAL ASSEMBLY STATE OF COLORADO

Second Regular Session

Seventieth Legislative Day

Tuesday, March 23, 2010

Prayer by Father Tom Carzon, Holy Ghost, Denver. 3 The Speaker called the House to order at 9:00 a.m. 4 5 Pledge of Allegiance led by Jessica Hartman, Colorado State University, 6 Pueblo. 8 The roll was called with the following result: 9 10 Present--63. 11 Excused--Representative(s) Gardner C., Priola--2. Present after roll call--Representative(s) Priola. 12 13 The Speaker declared a quorum present. 14 15 16 17 On motion of Representative King, the reading of the journal of 18 March 22, 2010, was declared dispensed with and approved as corrected 19 by the Chief Clerk. 20 21 22 23 THIRD READING OF BILL(S)--FINAL PASSAGE 24 The following bill(s) was(were) considered on Third Reading. The title(s) was(were) publicly read. Reading of the bill at length was 25 26 27 dispensed with by unanimous consent. 28 29 HB10-1274 by Representative(s) Schafer S., Massey, Benefield, 30 Merrifield, Middleton, Miklosi, Murray, Peniston, Priola, 31 Solano, Stephens, Tipton, Todd; also Senator(s) Johnston, Carroll M., Keller, King K., Newell, Penry, Spence, Steadman--Concerning successful transitions back to the 32 33 34 public school system for students in out-of-home 35 placement who have demonstrated behavior that is detrimental to the safety or welfare of themselves or others 36 during the previous twelve months. 37 38 The question being "Shall the bill pass?". 39

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A roll call vote was taken. As shown by the following recorded vote, a majority of those elected to the House voted in the affirmative and the bill was declared **passed**.

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1	YES	64	NO	0	EXCUSED	1	ABSENT	0
2	Acree	Y	Gerou	Y	McFadyen	Y	Ryden	Y
3	Apuan	Y	Hullinghorst	Y	McKinley	Y	Scanlan	Y
4	Balmer	Y	Judd	Y	McNulty	Y	Schafer S.	Y
5	Baumgardner	Y	Kagan	Y	Merrifield	Y	Solano	Y
6	Benefield	Y	Kefalas	Y	Middleton	Y	Sonnenberg	Y
7	Bradford	Y	Kerr A.	Y	Miklosi	Y	Soper	Y
8	Casso	Y	Kerr J.	Y	Murray	Y	Stephens	Y
9	Court	Y	King S.	Y	Nikkel	Y	Summers	Y
10	Curry	Y	Labuda	Y	Pace	Y	Swalm	Y
11	DelGrosso	Y	Lambert	Y	Peniston	Y	Tipton	Y
12	Ferrandino	Y	Levy	Y	Pommer	Y	Todd	Y
13	Fischer	Y	Liston	Y	Primavera	Y	Tyler	Y
14	Frangas	Y	Looper	Y	Priola	Y	Vaad	Y
15	Gagliardi	Y	Massey	Y	Rice	Y	Vigil	Y
16	Gardner B.	Y	May	Y	Riesberg	Y	Waller	Y
17	Gardner C.	E	McCann	Y	Roberts	Y	Weissmann	Y
18							Speaker	Y

Co-sponsor(s) added: Representative(s) Apuan, Court, Labuda, Pommer, Summers, Vigil

by Representative(s) Looper and Primavera, Frangas, McFadyen, Solano; also Senator(s) Gibbs, Romer, Williams--Concerning increased authority to regulate HB10-1018 waste tires, and making an appropriation therefor.

The question being "Shall the bill pass?". A roll call vote was taken. As shown by the following recorded vote, a majority of those elected to the House voted in the affirmative and the bill was declared **passed**.

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32	YES	61	NO	3	EXCUSED	1	ABSENT	0
33	Acree	Y	Gerou	Y	McFadyen	Y	Ryden	Y
34	Apuan	Y	Hullinghorst	Y	McKinley	N	Scanlan	Y
35	Balmer	Y	Judd	Y	McNulty	Y	Schafer S.	Y
36	Baumgardner	N	Kagan	Y	Merrifield	Y	Solano	Y
37	Benefield	Y	Kefalas	Y	Middleton	Y	Sonnenberg	N
38	Bradford	Y	Kerr A.	Y	Miklosi	Y	Soper	Y
39	Casso	Y	Kerr J.	Y	Murray	Y	Stephens	Y
40	Court	Y	King S.	Y	Nikkel	Y	Summers	Y
41	Curry	Y	Labuda	Y	Pace	Y	Swalm	Y
42	DelGrosso	Y	Lambert	Y	Peniston	Y	Tipton	Y
43	Ferrandino	Y	Levy	Y	Pommer	Y	Todd	Y
44	Fischer	Y	Liston	Y	Primavera	Y	Tyler	Y
45	Frangas	Y	Looper	Y	Priola	Y	Vaad	Y
46	Gagliardi	Y	Massey	Y	Rice	Y	Vigil	Y
47	Gardner B.	Y	May	Y	Riesberg	Y	Waller	Y
48	Gardner C.	E	McCann	Y	Roberts	Y	Weissmann	Y
49							Speaker	Y

Co-sponsor(s) added: Representative(s) Fischer, Gardner B., Kerr J., Labuda, Liston, Stephens, Tyler, Vigil

1		MESSAGE(S) FROM THE SENATE						
2 3 4	The Senate h	as adopted and transmits herewith: SJR10-022.						
5 6 7	INTRODU	CTION AND CONSIDERATION OF RESOLUTION						
8 9		Representative Weissmann, the rules were suspended and resolution was given immediate consideration.						
10 11 12 13	SJR10-022	by Senator(s) Tochtrop; also Representative(s) Levy-Concerning recognition of diabetic peripheral neuropathy as a serious and painful medical condition.						
14 15	(Printed and)	placed in member's file).						
16 17 18 19	On motion of Representative Levy, the resolution was read at length and adopted by viva voce vote.							
20 21 22 23 24 25 26 27 28 29	Current Roll Call added as co-sponsor(s): Representative(s) Acree, Apuan Balmer, Baumgardner, Benefield, Bradford, Casso, Court, Curry, DelGrosso, Ferrandino, Fischer, Frangas, Gagliardi, Gardner B., Gerou, Hullinghorst, Judd, Kagan, Kefalas, Kerr A., Kerr J., King S., Labuda, Lambert, Liston, Looper, Massey, May, McCann, McFadyen, McKinley, McNulty, Merrifield, Middleton, Miklosi, Murray, Nikkel, Pace, Peniston, Pommer, Primavera, Priola, Rice, Riesberg, Roberts, Ryden, Scanlan, Schafer S., Solano, Sonnenberg, Soper, Stephens, Summers, Swalm, Tipton, Todd, Tyler, Vaad, Vigil, Waller, Weissmann, Speaker							
30 31		MESSAGE(S) FROM THE SENATE						
32 33 34	The Senate h	as adopted and transmits herewith: SJM10-001.						
35 36 37	INTRODU	UCTION AND CONSIDERATION OF MEMORIAL						
38 39 40		Representative Weissmann, the rules were suspended and memorial was given immediate consideration.						
41 42 43 44 45	<u>SJM10-001</u>	by Senator(s) Sandoval; also Representative(s) Roberts-Concerning nationwide availability of 2-1-1 telephone service for information and referral on human services and volunteer services.						
45 46 47	(Printed and)	placed in member's file).						
48 49 50		Representative Roberts, the memorial was read at length by viva voce vote.						
51 52 53 54 55 56	Co-sponsor(s) added: Representative(s) Acree, Apuan, Balmer, Benefield, Bradford, Court, Curry, Ferrandino, Gardner B., Gerou, Kagan, Kefalas, Kerr A., Kerr J., Labuda, Levy, Liston, Looper, Massey, May, Middleton, Peniston, Primavera, Priola, Riesberg, Ryden, Scanlan, Schafer S., Solano, Stephens, Summers, Tipton, Todd, Vaad, Vigil, Waller							

Page 898 On motion of Representative Levy, the House resolved itself into Committee of the Whole for consideration of General Orders, and she was called to the Chair to act as Chairman. GENERAL ORDERS--SECOND READING OF BILLS The Committee of the Whole having risen, the Chairman reported the titles of the following bills had been read (reading at length had been dispensed with by unanimous consent), the bills considered and action taken thereon as follows: 14 (Amendments to the committee amendment are to the printed committee 15 report which was printed and placed in the members' bill file.) HB10-1241 by Representative(s) Casso; also Senator(s) Tochtrop--18 Concerning required registration for persons who work on fire suppression systems. Laid over until March 24, retaining place on Calendar. HB10-1351

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> by Representative(s) Ferrandino, Apuan, Casso, Curry, Gagliardi, Hullinghorst, Kerr A., McCann, Merrifield, Miklosi, Pace, Pommer, Ryden, Scanlan, Solano, Tyler, Vigil; also Senator(s) Romer, Carroll M., Foster, Keller, Morse--Concerning the maximum authorized interest rate for a payday loan.

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Laid over until March 24, retaining place on Calendar.

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by Representative(s) Miklosi, Apuan, Benefield, Casso, Court, Curry, Ferrandino, Fischer, Frangas, Gagliardi, Hullinghorst, Kefalas, Kerr A., Labuda, Levy, McCann, McFadyen, Merrifield, Middleton, Peniston, Pommer, Primavera, Ryden, Scanlan, Solano, Todd, Tyler, Vigil, Weissmann; also Senator(s) Schwartz--Concerning the "New Energy Jobs Creation Act of 2010", and, in connection therewith, creating the Colorado new energy improvement district and authorizing the district to fund new energy improvements by issuing special assessment bonds payable from special assessments levied on eligible real property owned by persons who voluntarily join the district in order to have the district help them fund new energy improvements to the eligible real property.

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Laid over until March 26, retaining place on Calendar.

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SB10-047 by Senator(s) King K.; also Representative(s) Looper--Concerning rights relating to the disposition of the last remains of members of the armed forces.

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House Journal--70th Day--March 23, 2010 Page 899 Amendment No. 1, State, Veterans, & Military Affairs Report, dated March 11, 2010, and placed in member's bill file; Report also printed in House Journal, March 12, page 781. 5 <u>Amendment No. 2</u>, by Representative(s) Looper. 6 7 Amend reengrossed bill, page 3, line 9, strike "15-19-103," and substitute "15-19-103 (3)," and strike "amended" and substitute "amended, and the 8 9 said 15-19-103 is further amended". 10 11 Page 3, line 10, strike "SUBSECTION" and substitute "SUBSECTION,". 12 13 Page 3, before line 13 insert: 14 "(3) "Declaration" means a written instrument directing the lawful 15 16 disposition of the declarant's last remains and the ceremonies planned after a declarant's death, in accordance with this article. A declaration 17 may be made within a will; prepaid funeral, burial, or cremation contract; durable or medical power of attorney; a designated beneficiary agreement 19 as described in article 22 of this title; A FEDERAL RECORD OF EMERGENCY 20 DATA; or any other written document, including, but not limited to, a document governing the disposition of last remains under part 7 of article 23 11 of this title.". 24 Page 4, line 2, after "THE" insert "PERSON AUTHORIZED TO DIRECT THE". 25 26 27 Page 4, line 3, strike "REMAINS, INCLUDING" and substitute "REMAINS, 28 EVEN IF THE FEDERAL RECORD OF". 30 Page 4, strike lines 4 and 5. 31 32 Page 4, line 7, strike "PROVISIONS OF THE" and substitute "THE PERSON 33 AUTHORIZED TO DIRECT DISPOSITION OF THE DECEDENT'S LAST REMAINS 34 PURSUANT TO THE FEDERAL RECORD OF EMERGENCY DATA SHALL DO SO 35 IN ACCORDANCE WITH THE PROVISIONS FOR THE DISPOSITION OF THE 36 REMAINS AND THE CEREMONIAL ARRANGEMENTS MADE BY THE DECLARANT IN HIS OR HER MOST RECENT DECLARATION CONCERNING SUCH 38 DISPOSITION AND CEREMONIAL ARRANGEMENTS.". 39 40 Page 4, strike lines 8 through 12. 41 42 As amended, ordered revised and placed on the Calendar for Third 43 Reading and Final Passage.

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by Representative(s) McKinley, McFadyen, Looper, Pace, HB10-1217 Vigil--Concerning the repeal of the authority of the executive director of the department of human services to sell the Trinidad state nursing home.

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Laid over until March 24, retaining place on Calendar.

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HB10-1234 by Representative(s) Primavera--Concerning the fair settlement of claims for benefits under an insurance policy.

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56 Rereferred to the Committee on Judiciary.

1 2 3 4	SB10-007	by Senator(s) Hudak; also Representative(s) Gagliardi- Concerning collaboration in the provision of multi-agency services.							
5 6	Ordered revised and placed on the Calendar for Third Reading and Final Passage.								
7 8 9 10 11	<u>SB10-063</u>	by Senator(s) White; also Representative(s) Waller-Concerning limiting civil liability for attorneys who contract to provide certain services for the office of alternate defense counsel.							
12 13 14 15	Ordered revis Passage.	ed and placed on the Calendar for Third Reading and Final							
16 17 18 19	<u>SB10-130</u>	by Senator(s) Kester; also Representative(s) McCann-Concerning the allocation of powers within the department of corrections.							
20 21	Ordered revis Passage.	ed and placed on the Calendar for Third Reading and Final							
22 23 24 25 26 27 28 29	HB10-1342	by Representative(s) Levy, Benefield, Court, Ferrandino, Fischer, Gagliardi, Hullinghorst, Kagan, Merrifield, Peniston, Pommer, Primavera, Solano, Tyler; also Senator(s) Williams, NewellConcerning measures to encourage additional investment in solar energy generation facilities, and, in connection therewith, authorizing the creation of community solar gardens.							
30 31 32 33	Amendment No. 1, Transportation & Energy Report, dated March 11, 2010, and placed in member's bill file; Report also printed in House Journal, March 12, pages 782-783.								
34 35	Amendment No. 2, by Representative(s) Levy.								
36 37 38 39	Amend the Transportation and Energy Committee Report, dated March 11, 2010, page 2, after line 6 insert:								
40 41 42	"Page 9 of the printed bill, line 23, after "EXCEEDS THE" inser "ELECTRICITY GENERATION CHARGE ON A".".								
43 44	Page 2 of the	report, after line 8 insert:							
45 46 47	"Page 10 of the THE OWNERSH	"Page 10 of the bill, line 26, after "INCENTIVES" insert "AND SUBJECT TO THE OWNERSHIP LIMITATIONS"."							
48 49	Amendment 1	No. 3, by Representative(s) Levy.							
50 51 52		ransportation and Energy Committee Report, dated March ee 2, after line 2 insert:							
53 54 55	"Page 7 of the	e printed bill, line 27, strike "2013" and substitute "2014".".							

<u>Amendment No. 4</u>, by Representative(s) Levy. Amend the Transportation and Energy Committee Report, dated March 11, 2010, page 1, line 1, strike "page 6," and substitute: "page 4, line 15, strike "FACILITIES" AND" and substitute "FACILITIES".". 6 7 8 Page 4 of the bill, strike lines 16 through 21. 10 Page 4 of the bill, line 24, strike "IF HOUSE BILL". 11 12 Page 4 of the bill, strike lines 25 and 26. 13 14 Page 6 of the bill,". 15 16 Page 2 of the report, strike line 1 and substitute: 17 "Page 7 of the bill, line 22, strike "THE QUALIFYING RETAIL". 18 19 20 Page 7 of the bill, strike lines 23 through 25 and substitute "RENEWABLE ENERGY CREDITS GENERATED FROM SOLAR GARDENS SHALL NOT BE USED TO ACHIEVE MORE THAN TWENTY PERCENT OF THE RETAIL DISTRIBUTED GENERATION STANDARD IN YEARS 2011 THROUGH 2014.".". 24 Amendment No. 5, by Representative(s) Vigil. 25 26 27 Amend the Transportation and Energy Committee Report, dated March 11, 2010, page 1, line 1, strike "page 6," and substitute: 28 29 30 "page 5 of the printed bill, line 5, change the period to a semicolon and 31 insert "EXCEPT THAT, IF THE SUBSCRIBER LIVES IN A COUNTY WITH A 32 POPULATION OF LESS THAN TWENTY THOUSAND, ACCORDING TO THE MOST 33 RECENT AVAILABLE CENSUS FIGURES, SUCH PHYSICAL LOCATIONS MAY BE 34 IN A COUNTY ADJACENT TO THAT OF THE COMMUNITY SOLAR GARDEN.". 35 36 Page 6 of the bill,". 37 38 As amended, ordered engrossed and placed on the Calendar for Third 39 Reading and Final Passage. 40 41 **SB10-071** by Senator(s) Morse; also Representative(s) Riesberg--Concerning creation of a lifetime pass to state parks and 42 43 recreation areas that shall be available for purchase by 44 Colorado residents who are of eligible age, and making an 45 appropriation therefor. 46 47 Amendment No. 1, Agriculture, Livestock, & Natural Resources Report, 48 dated March 17, 2010, and placed in member's bill file; Report also printed in House Journal, March 18, page 840. 49 50 As amended, ordered revised and placed on the Calendar for Third Reading and Final Passage. 52 53 54 55 SB10-025 by Senator(s) Whitehead, Brophy, Hodge, Schwartz,

White; also Representative(s) Baumgardner, Curry,

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1 2 3		Fischer, Gardner C., McKinleyConcerning the long-term funding of the water efficiency grant program.						
4 5	Ordered revis Passage.	ed and placed on the Calendar for Third Reading and Final						
6 7 8 9	SB10-098	by Senator(s) Tochtrop; also Representative(s) SonnenbergConcerning the allocation of moneys to promote conservation of the state's natural resources.						
1	Laid over unt	il March 24, retaining place on Calendar.						
12 13 14 15 16 17 18 19	<u>HB10-1242</u>	by Representative(s) Apuan, Court, Gagliardi, Hullinghorst, Kerr A., Labuda, Massey, McKinley, Miklosi, Peniston, Primavera, Priola, Riesberg, Schafer S., Solano, Todd, Tyler, Vigil; also Senator(s) Tochtrop-Concerning the implementation of a uniform application form for individual health benefit plans by the commissioner of insurance.						
21 22 23 24	Amendment No. 1, State, Veterans, & Military Affairs Report, dated March 9, 2010, and placed in member's bill file; Report also printed in House Journal, March 11, page 753.							
24 25 26 27	As amended, ordered engrossed and placed on the Calendar for Third Reading and Final Passage.							
28 29 30	<u>SB10-155</u>	by Senator(s) Tochtrop; also Representative(s) BenefieldConcerning limitations on the issuance of gift cards.						
31	Laid over unt	until March 24, retaining place on Calendar.						
32 33 34 35 36 37	<u>HB10-1214</u>	by Representative(s) McCann; also Senator(s) SchwartzConcerning financial support for efforts to reduce the overpopulation of pets, and, in connection therewith, authorizing the issuance of an adopt a shelter pet license plate.						
39 10 11	March 2, 201	No. 1, Transportation & Energy Report, dated 0, and placed in member's bill file; Report also printed in l, March 3, page 656.						
12 13 14 15 16	Amendment No. 2, Appropriations Report, dated March 19, 2010, and placed in member's bill file; Report also printed in House Journal, March 19, page 852.							
17 18 19	As amended, ordered engrossed and placed on the Calendar for Third Reading and Final Passage.							
50 51 52 53	<u>HB10-1278</u>	by Representative(s) Ryden; also Senator(s) Carroll MConcerning the creation of an ombudsman for matters arising under the "Colorado Common Interest Ownership Act".						

55 Laid over until March 24, retaining place on Calendar. 56

1 HB10-1332 by Representative(s) Miklosi, Apuan, Gagliardi, Kefalas, 2 Primavera, Tyler; also Senator(s) Romer--Concerning the 3 creation of the "Medical Clean Claims Transparency and 4 Uniformity Act". 5 6 Amendment No. 1, Health & Human Services Report, dated 7 February 25, 2010, and placed in member's bill file; Report also printed 8 in House Journal, February 26, pages 590-591. 10 Amendment No. 2, Appropriations Report, dated March 19, 2010, and 11 placed in member's bill file; Report also printed in House Journal, March 19, pages 860-861. 12 13 14 Amendment No. 3, by Representative(s) Miklosi. 15 16 Amend the Health and Human Services Committee Report, dated February 25, 2010, page 1, strike line 6 and substitute "A NEUTRAL PARTY 17 18 IN". 19 20 As amended, ordered engrossed and placed on the Calendar for Third 21 Reading and Final Passage. 23 HB10-1272 by Representative(s) McCann; also Senator(s) Steadman--Concerning the establishment of contribution limits under 24 25 the "Fair Campaign Practices Act" for candidates for 26 certain elected director positions, and, in connection 27 therewith, establishing contribution limits for candidates for boards of education and the board of the regional 28 29 transportation district and specifying requirements 30 affecting the disclosure of such contributions. 31 32 Amendment No. 1, by Representative(s) McCann. 33 Amend printed bill, page 5, line 6, strike "ELECTION;" and substitute 34 35 "ELECTION; EXCEPT THAT THE REQUIREMENTS OF THIS PARAGRAPH (b) SHALL NOT APPLY IN THE CASE OF A SCHOOL DISTRICT WITH A PUPIL 37 ENROLLMENT OF LESS THAN TEN THOUSAND PUPILS FOR THE APPLICABLE CALENDAR YEAR PURSUANT TO SECTION 22-54-103 (10), C.R.S.". 38 39 40 As amended, declared **lost** on Second Reading. 41 **SB10-101** 42 by Senator(s) Gibbs, Schwartz, Romer, Bacon, Cadman, 43 Hudak, Johnston, Kester, Sandoval, Scheffel, Steadman, 44 Tapia, White; also Representative(s) Scanlan and Massey, Balmer, Baumgardner, Curry, Frangas, Liston, Merrifield, 45 46 Pace--Concerning authorizing Colorado mountain college 47 to offer baccalaureate degrees. 48 49 Laid over until March 25, retaining place on Calendar. 50 51 On motion of Representative Weissmann, the remainder of the General 52 Orders Calendar (SB10-016, 038, HB10-1355, SB10-140, 041, 099, 53 **HB10-1348**, **SB10-055**) was laid over until March 24, retaining place on 54

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Calendar.

Representatives McKinley, Waller, Sonnenberg, Soper, J. Kerr, and Tipton moved to amend the Report of the Committee of the Whole to reverse the action taken by the Committee in not adopting the following McKinley amendment, to HB10-1214, to show that said amendment passed, and that **HB10-1214**, as amended, passed.

AMENDMENT(S) TO THE COMMITTEE OF THE WHOLE REPORT

Amend printed bill, page 3, line 14, strike "RESCUES OR TO" and substitute "RESCUES;".

Page 3, line 15, strike "SUPPORT HUMANE EDUCATION PROGRAMS;".

The amendment was declared **lost** by the following roll call vote:

YES	30	NO	34	EXCUSED	1	ABSENT	0
Acree	Y	Gerou	Y	McFadyen	N	Ryden	N
Apuan	N	Hullinghorst	N	McKinley	Y	Scanlan	N
Balmer	N	Judd	N	McNulty	Y	Schafer S.	N
Baumgardner	Y	Kagan	N	Merrifield	N	Solano	N
Benefield	N	Kefalas	N	Middleton	N	Sonnenberg	Y
Bradford	Y	Kerr A.	Y	Miklosi	N	Soper	Y
Casso	Y	Kerr J.	Y	Murray	Y	Stephens	Y
Court	N	King S.	Y	Nikkel	Y	Summers	Y
Curry	Y	Labuda	N	Pace	Y	Swalm	N
DelGrosso	Y	Lambert	Y	Peniston	N	Tipton	Y
Ferrandino	N	Levy	N	Pommer	Y	Todd	N
Fischer	N	Liston	Y	Primavera	N	Tyler	N
Frangas	N	Looper	N	Priola	N	Vaad	Y
Gagliardi	N	Massey	Y	Rice	N	Vigil	Y
Gardner B.	Y	May	Y	Riesberg	N	Waller	Y
Gardner C.	E	McCann	N	Roberts	Y	Weissmann	N
						Speaker	N

ADOPTION OF COMMITTEE OF THE WHOLE REPORT

Passed Second Reading: **SB10-047 amended**, **007**, **063**, **130**, **HB10-1342 amended**, **SB10-071 amended**, **025**, **HB10-1242 amended**, **1214 amended**, **1332 amended**.

Lost on Second Reading: **HB10-1272 amended**.

Laid over until date indicated retaining place on Calendar: **HB10-1241**, 1351, 1217, SB10-098, 155, HB10-1278, SB10-016, 038, HB10-1355, SB10-140, 041, 099, HB10-1348, SB10-055--March 24, 2010. SB10-101--March 25, 2010. HB10-1328--March 26, 2010.

Rereferred to Committee indicated: HB10-1234--Judiciary.

The Chairman moved the adoption of the Committee of the Whole Report. As shown by the following roll call vote, a majority of those elected to the House voted in the affirmative, and the Report was adopted.

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1	YES	64	NO	0	EXCUSED	1	ABSENT	0
2	Acree	Y	Gerou	Y	McFadyen	Y	Ryden	Y
3	Apuan	Y	Hullinghorst	Y	McKinley	Y	Scanlan	Y
4	Balmer	Y	Judd	Y	McNulty	Y	Schafer S.	Y
5	Baumgardner	Y	Kagan	Y	Merrifield	Y	Solano	Y
6	Benefield	Y	Kefalas	Y	Middleton	Y	Sonnenberg	Y
7	Bradford	Y	Kerr A.	Y	Miklosi	Y	Soper	Y
8	Casso	Y	Kerr J.	Y	Murray	Y	Stephens	Y
9	Court	Y	King S.	Y	Nikkel	Y	Summers	Y
10	Curry	Y	Labuda	Y	Pace	Y	Swalm	Y
11	DelGrosso	Y	Lambert	Y	Peniston	Y	Tipton	Y
12	Ferrandino	Y	Levy	Y	Pommer	Y	Todd	Y
13	Fischer	Y	Liston	Y	Primavera	Y	Tyler	Y
14	Frangas	Y	Looper	Y	Priola	Y	Vaad	Y
15	Gagliardi	Y	Massey	Y	Rice	Y	Vigil	Y
16	Gardner B.	Y	May	Y	Riesberg	Y	Waller	Y
17	Gardner C.	E	McCann	Y	Roberts	Y	Weissmann	Y
18							Speaker	Y
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REPORT(S) OF COMMITTEE(S) OF REFERENCE

21 22 23

24 **APPROPRIATIONS**

25 After consideration on the merits, the Committee recommends the 26 following:

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be referred to the Committee of the Whole with favorable 28 **HB10-1372** recommendation.

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34 EDUCATION

35 After consideration on the merits, the Committee recommends the 36 following:

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be postponed indefinitely. 38 **SB10-026**

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41 **SB10-062** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

43 44 45

Amend reengrossed bill, page 2, strike lines 2 through 15.

46 47 48

Strike pages 3 and 4.

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49 Page 5, strike lines 1 through 3.

51 Renumber succeeding sections accordingly.

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53 Page 13, strike lines 23 through 26.

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55 Renumber succeeding section accordingly.

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1 2 3 4 5	SB10-154	be referred to the Committee of the Whole with favorable recommendation.					
6 7 8 9 10	FINANCE After consideration following:	eration on the merits, the Committee recommends the					
11 12 13 14 15	SB10-143	be referred to the Committee of the Whole with favorable recommendation.					
16 17 18 19 20		EHUMAN SERVICES eration on the merits, the Committee recommends the					
21 22 23 24	<u>SB10-152</u>	be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:					
25 26 27	Amend reeng "MEMBERS, A	rossed bill page 3, line 18, strike "MEMBERS." and substitute S DEFINED IN SECTION 19-3-304 (2) (aa) (III).".					
28 29 30 31 32	Page 3, line 21, after "(e.5)," insert "IF A COUNTY DEPARTMENT RECEIVES AFFIRMATION AS PROVIDED BY RULE OF THE STATE BOARD OF HUMAN SERVICES THAT THE MANDATORY REPORTER CONTINUES TO BE OFFICIALLY AND PROFESSIONALLY INVOLVED IN THE ONGOING CARE OF THE CHILD WHO WAS THE SUBJECT OF THE REPORT,".						
33 34 35 36 37	Page 4, line 7 "INFORMATIO THIS SUBPARA	, strike "ADDITIONAL" and substitute "UPDATED", and after N" insert "IDENTIFIED IN SUB-SUBPARAGRAPHS (A) TO (E) OF AGRAPH (II)".					
38 39 40 41 42	Page 4, line 9), strike "ADDITIONAL" and substitute "UPDATED".					
43 44 45 46	JUDICIARY After consideration following:	$\underline{\underline{V}}$ eration on the merits, the Committee recommends the					
47 48 49 50	<u>HB10-1284</u>	be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:					
51 52 53	Amend print substitute:	ed bill, strike everything below the enacting clause and					
54 55 56	" SEC " BY THE AD	FION 1. Title 12, Colorado Revised Statutes, is amended DITION OF A NEW ARTICLE to read:					

1 ARTICLE 43.3 Medical Marijuana

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PART 1 COLORADO MEDICAL MARIJUANA CODE

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12-43.3-101. Short title. This article shall be known and MAY BE CITED AS THE "COLORADO MEDICAL MARIJUANA CODE".

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12-43.3-102. **Legislative declaration.** (1) THE GENERAL ASSEMBLY HEREBY DECLARES THAT THIS ARTICLE SHALL BE DEEMED AN 12 EXERCISE OF THE POLICE POWERS OF THE STATE FOR THE PROTECTION OF THE ECONOMIC AND SOCIAL WELFARE AND THE HEALTH, PEACE, AND 14 MORALS OF THE PEOPLE OF THIS STATE.

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(2) THE GENERAL ASSEMBLY FURTHER DECLARES THAT IT IS UNLAWFUL UNDER STATE LAW TO CULTIVATE, MANUFACTURE, 18 DISTRIBUTE, OR SELL MEDICAL MARIJUANA, EXCEPT IN COMPLIANCE WITH 19 THE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS IN SECTION 14 20 OF ARTICLE XVIII OF THE STATE CONSTITUTION AND THIS ARTICLE OR WHEN ACTING AS A PRIMARY CAREGIVER IN COMPLIANCE WITH THE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS OF SECTION 25-1.5-106, C.R.S.

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12-43.3-103. Applicability. (1) (a) As of July 1, 2011, A 26 PERSON SHALL NOT OPEN A MEDICAL MARIJUANA CENTER UNTIL THE CENTER HAS BEEN LICENSED PURSUANT TO THIS ARTICLE.

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(b) As of July 1, 2010, A person who is already operating A 30 MEDICAL MARIJUANA CENTER MAY CONTINUE TO OPERATE THAT CENTER UNTIL JULY 1, 2011. AFTER JULY 1, 2011, THE PERSON MAY CONTINUE OPERATING THE MEDICAL MARIJUANA CENTER ONLY IF THE CENTER IS 33 LICENSED PURSUANT TO THIS ARTICLE. TO CONTINUE OPERATING THE 34 MEDICAL MARIJUANA CENTER THAT WAS OPERATING PRIOR TO JULY 1, 2011, THE OWNER OF THE CENTER SHALL, ON OR BEFORE SEPTEMBER 1, 36 2010, COMPLETE A FORM PROVIDED BY THE DEPARTMENT OF REVENUE 37 AND MUST PAY A FEE, WHICH SHALL BE CREDITED TO THE MEDICAL 38 MARIJUANA LICENSE CASH FUND ESTABLISHED PURSUANT TO SECTION 12-39 43.3-501. The purpose of the fee shall be to pay for the direct 40 AND INDIRECT COSTS OF THE STATE LICENSING AUTHORITY, AND 41 DEVELOPMENT OF APPLICATION PROCEDURES AND RULES NECESSARY TO 42 IMPLEMENT THIS ARTICLE. PAYMENT OF THE FEE AND COMPLETION OF THE 43 FORM SHALL NOT CREATE A LOCAL OR STATE MEDICAL MARIJUANA CENTER 44 LICENSE OR A PRESENT OR FUTURE ENTITLEMENT TO RECEIVE A LICENSE. 45 COMMENCING ON JULY 1, 2011, ALL MEDICAL MARIJUANA CENTERS SHALL BE SUBJECT TO THE TERMS AND CONDITIONS OF THIS ARTICLE AND ANY RULES PROMULGATED PURSUANT TO THIS ARTICLE.

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(2) Prior to July 1, 2011, a county, city and county, or 50 MUNICIPALITY MAY ADOPT AND ENFORCE A RESOLUTION OR ORDINANCE LICENSING, REGULATING OR PROHIBITING THE CULTIVATION OR SALE OF 52 MEDICAL MARIJUANA. IN A COUNTY, CITY AND COUNTY, OR 53 MUNICIPALITY WHERE SUCH AN ORDINANCE OR RESOLUTION HAS BEEN 54 ADOPTED, A PERSON WHO IS NOT REGISTERED AS A PATIENT OR PRIMARY 55 CAREGIVER PURSUANT TO SECTION 25-1.5-106, C.R.S., AND WHO IS 56 CULTIVATING OR SELLING MEDICAL MARIJUANA SHALL NOT BE ENTITLED 9

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1 TO AN AFFIRMATIVE DEFENSE TO A CRIMINAL PROSECUTION AS PROVIDED 2 FOR IN SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION 3 UNLESS THE PERSON IS IN COMPLIANCE WITH THE APPLICABLE COUNTY OR 4 MUNICIPAL LAW. 6 **12-43.3-104. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE 7 CONTEXT OTHERWISE REQUIRES: 8 (1) "GOOD CAUSE", FOR PURPOSES OF REFUSING OR DENYING A 10 LICENSE RENEWAL, REINSTATEMENT, OR INITIAL LICENSE ISSUANCE, 11 MEANS: 12 13 (a) THE LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET, 14 OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OR 15 PROVISIONS OF THIS ARTICLE OR ANY RULES PROMULGATED PURSUANT TO 16 THIS ARTICLE; 17 18 (b) THE LICENSEE OR APPLICANT HAS FAILED TO COMPLY WITH ANY 19 SPECIAL TERMS OR CONDITIONS THAT WERE PLACED ON ITS LICENSE 20 PURSUANT TO AN ORDER OF THE STATE OR LOCAL LICENSING AUTHORITY; 21 (c) THE LICENSED PREMISES HAVE BEEN OPERATED IN A MANNER 23 THAT ADVERSELY AFFECTS THE PUBLIC HEALTH OR WELFARE OR THE SAFETY OF THE IMMEDIATE NEIGHBORHOOD IN WHICH THE 25 ESTABLISHMENT IS LOCATED. 26 27 (2) "LICENSE" MEANS TO GRANT A LICENSE OR REGISTRATION 28 PURSUANT TO THIS ARTICLE. (3) "LICENSED PREMISES" MEANS THE PREMISES SPECIFIED IN AN 30 31 APPLICATION FOR A LICENSE UNDER THIS ARTICLE, WHICH ARE OWNED OR 32 IN POSSESSION OF THE LICENSEE AND WITHIN WHICH THE LICENSEE IS 33 AUTHORIZED TO CULTIVATE, MANUFACTURE, DISTRIBUTE, OR SELL 34 MEDICAL MARIJUANA IN ACCORDANCE WITH THE PROVISIONS OF THIS 35 ARTICLE. 36 (4) "LICENSEE" MEANS A PERSON LICENSED OR REGISTERED 37 38 PURSUANT TO THIS ARTICLE. 39 (5) "LOCAL LICENSING AUTHORITY" MEANS AN AUTHORITY 40 41 DESIGNATED BY MUNICIPAL OR COUNTY CHARTER, MUNICIPAL ORDINANCE, 42 OR COUNTY RESOLUTION. 43 (6) "LOCATION" MEANS A PARTICULAR PARCEL OF LAND THAT MAY 44 45 BE IDENTIFIED BY AN ADDRESS OR OTHER DESCRIPTIVE MEANS. 46 47 (7) "MEDICAL MARIJUANA" MEANS MARIJUANA THAT IS GROWN 48 AND SOLD PURSUANT TO THE PROVISIONS OF THIS ARTICLE AND FOR A 49 PURPOSE AUTHORIZED BY SECTION 14 OF ARTICLE XVIII OF THE STATE 50 CONSTITUTION.

(8) "MEDICAL MARIJUANA CENTER" MEANS A PERSON LICENSED 53 PURSUANT TO THIS ARTICLE TO OPERATE A BUSINESS AS DESCRIBED IN 54 SECTION 12-43.3-402 THAT SELLS MEDICAL MARIJUANA TO REGISTERED 55 PATIENTS OR PRIMARY CAREGIVERS AS DEFINED IN SECTION 14 OF ARTICLE 56 XVIII OF THE STATE CONSTITUTION, BUT IS NOT A PRIMARY CAREGIVER.

1 (9) "MEDICAL MARIJUANA-INFUSED PRODUCT" MEANS A PRODUCT INFUSED WITH MEDICAL MARIJUANA THAT IS INTENDED FOR USE OR 3 CONSUMPTION OTHER THAN BY SMOKING, INCLUDING BUT NOT LIMITED TO 4 EDIBLE PRODUCTS, OINTMENTS, AND TINCTURES. THESE PRODUCTS, WHEN 5 MANUFACTURED OR SOLD BY A LICENSED MEDICAL MARIJUANA CENTER OR 6 A MEDICAL MARIJUANA-INFUSED PRODUCT MANUFACTURER, SHALL NOT 7 BE CONSIDERED A FOOD OR DRUG FOR THE PURPOSES OF THE "COLORADO 8 FOOD AND DRUG ACT", PART 4 OF ARTICLE 5 OF TITLE 25, C.R.S. 10

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(10) "MEDICALMARIJUANA-INFUSED PRODUCTS MANUFACTURER" 11 MEANS A PERSON LICENSED PURSUANT TO THIS ARTICLE TO OPERATE A 12 BUSINESS AS DESCRIBED IN SECTION 12-43.3-404.

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(11) "OPTIONAL PREMISES" MEANS THE PREMISES SPECIFIED IN AN 15 APPLICATION FOR A MEDICAL MARIJUANA CENTER LICENSE WITH RELATED 16 GROWING FACILITIES IN COLORADO FOR WHICH THE LICENSEE IS 17 AUTHORIZED TO GROW AND CULTIVATE MARIJUANA FOR A PURPOSE 18 AUTHORIZED BY SECTION 14 OF ARTICLE XVIII OF THE STATE 19 CONSTITUTION.

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(12) "OPTIONAL PREMISES CULTIVATION OPERATION" MEANS A 22 PERSON LICENSED PURSUANT TO THIS ARTICLE TO OPERATE A BUSINESS AS 23 DESCRIBED IN SECTION 12-43.3-403.

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"PERSON" MEANS A NATURAL PERSON, PARTNERSHIP, 26 ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR ORGANIZATION, OR A MANAGER, AGENT, OWNER, DIRECTOR, SERVANT, 28 OFFICER, OR EMPLOYEE THEREOF.

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(14) "PREMISES" MEANS A DISTINCT AND DEFINITE LOCATION, WHICH MAY INCLUDE A BUILDING, A PART OF A BUILDING, A ROOM, OR ANY 32 OTHER DEFINITE CONTIGUOUS AREA.

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(15) "SCHOOL" MEANS A PUBLIC OR PRIVATE PRESCHOOL OR A 35 PUBLIC OR PRIVATE ELEMENTARY, MIDDLE, JUNIOR HIGH, OR HIGH SCHOOL.

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(16) "STATE LICENSING AUTHORITY" MEANS THE AUTHORITY 38 CREATED FOR THE PURPOSE OF REGULATING AND CONTROLLING THE 39 LICENSING OF THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE 40 OF MEDICAL MARIJUANA IN THIS STATE, PURSUANT TO SECTION 12-43.3-41 201.

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12-43.3-105. Limited access areas. Notwithstanding the 44 PROVISIONS OF 12-43.3-701, A LIMITED ACCESS AREA SHALL BE A 45 BUILDING, ROOM, OR OTHER CONTIGUOUS AREA UPON THE LICENSED 46 PREMISES WHERE MEDICAL MARIJUANA IS GROWN, CULTIVATED, STORED, 47 WEIGHED, DISPLAYED, PACKAGED, SOLD, OR POSSESSED FOR SALE, UNDER 48 CONTROL OF THE LICENSEE, WITH LIMITED ACCESS TO ONLY THOSE 49 PERSONS LICENSED BY THE STATE LICENSING AUTHORITY. ALL AREAS OF 50 INGRESS OR EGRESS TO LIMITED ACCESS AREAS SHALL BE CLEARLY 51 IDENTIFIED AS SUCH BY A SIGN AS DESIGNATED BY THE STATE LICENSING 52 AUTHORITY.

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PURPOSE OF REGULATING AND CONTROLLING THE LICENSING OF THE 3 CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE OF MEDICAL 4 MARIJUANA IN THIS STATE, THERE IS HEREBY CREATED THE STATE 5 LICENSING AUTHORITY, WHICH SHALL BE THE EXECUTIVE DIRECTOR OF THE 6 DEPARTMENT OF REVENUE OR THE DEPUTY DIRECTOR OF THE DEPARTMENT OF REVENUE IF THE EXECUTIVE DIRECTOR SO DESIGNATES. (2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE

12-43.3-201. State licensing authority - creation. (1) FOR THE

10 SHALL BE THE CHIEF ADMINISTRATIVE OFFICER OF THE STATE LICENSING AUTHORITY AND MAY EMPLOY, PURSUANT TO SECTION 13 OF ARTICLE XII 12 OF THE STATE CONSTITUTION, SUCH OFFICERS AND EMPLOYEES AS MAY BE DETERMINED TO BE NECESSARY, WHICH OFFICERS AND EMPLOYEES SHALL 14 BE PART OF THE DEPARTMENT OF REVENUE.

12-43.3-202. Powers and duties of state licensing authority. (1) THE STATE LICENSING AUTHORITY SHALL:

- (a) Grant or refuse state licenses for the cultivation, 20 MANUFACTURE, DISTRIBUTION, AND SALE OF MEDICAL MARIJUANA AS PROVIDED BY LAW; SUSPEND, FINE, RESTRICT, OR REVOKE SUCH LICENSES 22 UPON A VIOLATION OF THIS ARTICLE, OR A RULE PROMULGATED PURSUANT TO THIS ARTICLE; AND IMPOSE ANY PENALTY AUTHORIZED BY THIS ARTICLE OR ANY RULE PROMULGATED PURSUANT TO THIS ARTICLE. THE 25 STATE LICENSING AUTHORITY MAY TAKE ANY ACTION WITH RESPECT TO A 26 REGISTRATION PURSUANT TO THIS ARTICLE AS IT MAY WITH RESPECT TO A LICENSE PURSUANT TO THIS ARTICLE, IN ACCORDANCE WITH THE 28 PROCEDURES ESTABLISHED PURSUANT TO THIS ARTICLE;
- (b) Promulgate such rules and such special rulings and FINDINGS AS NECESSARY FOR THE PROPER REGULATION AND CONTROL OF 32 THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE OF MEDICAL 33 MARIJUANA AND FOR THE ENFORCEMENT OF THIS ARTICLE. A COUNTY, 34 MUNICIPALITY, OR CITY AND COUNTY THAT HAS ADOPTED A TEMPORARY MORATORIUM REGARDING THE SUBJECT MATTER OF THIS ARTICLE SHALL 36 BE SPECIFICALLY AUTHORIZED TO EXTEND THE MORATORIUM UNTIL THE EFFECTIVE DATE OF THE RULES ADOPTED BY THE DEPARTMENT OF REVENUE IN ACCORDANCE WITH THIS ARTICLE;
- (c) HEAR AND DETERMINE AT PUBLIC HEARING ANY APPEALS OF A 41 STATE LICENSE DENIAL AND ANY COMPLAINTS AGAINST A LICENSEE AND ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF 43 PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS 44 NECESSARY TO THE DETERMINATION OF ANY HEARING SO HELD, ALL IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S.;
- (d) Maintain the confidentiality of reports obtained from 48 A LICENSEE SHOWING THE SALES VOLUME OR QUANTITY OF MEDICAL MARIJUANA SOLD OR ANY OTHER RECORDS THAT ARE EXEMPT FROM 50 PUBLIC INSPECTION PURSUANT TO STATE LAW;
- (e) DEVELOP SUCH FORMS, LICENSES, IDENTIFICATION CARDS, AND APPLICATIONS AS ARE NECESSARY OR CONVENIENT IN THE DISCRETION OF THE STATE LICENSING AUTHORITY FOR THE ADMINISTRATION OF THIS 55 ARTICLE OR ANY OF THE RULES PROMULGATED UNDER THIS ARTICLE;

PREPARE AND TRANSMIT ANNUALLY, IN THE FORM AND 2 MANNER PRESCRIBED BY THE HEADS OF THE PRINCIPAL DEPARTMENTS 3 PURSUANT TO SECTION 24-1-136, C.R.S., A REPORT ACCOUNTING TO THE 4 GOVERNOR FOR THE EFFICIENT DISCHARGE OF ALL RESPONSIBILITIES 5 ASSIGNED BY LAW OR DIRECTIVE TO THE STATE LICENSING AUTHORITY; 6 AND 7 8 (g) IN RECOGNITION OF THE POTENTIAL MEDICINAL VALUE OF 9 MEDICAL MARIJUANA, MAKE A REQUEST BY JANUARY 1, 2012, TO THE 10 FEDERAL DRUG ENFORCEMENT ADMINISTRATION TO CONSIDER 11 RESCHEDULING, FOR PHARMACEUTICAL PURPOSES, MEDICAL MARIJUANA 12 FROM A SCHEDULE I CONTROLLED SUBSTANCE TO A SCHEDULE II 13 CONTROLLED SUBSTANCE. 14 15 (2) (a) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF 16 SUBSECTION (1) OF THIS SECTION MAY INCLUDE, BUT NEED NOT BE LIMITED 17 TO, THE FOLLOWING SUBJECTS: 18 19 (I) COMPLIANCE WITH, ENFORCEMENT OF, OR VIOLATION OF ANY 20 PROVISION OF THIS ARTICLE, OR ANY RULE ISSUED PURSUANT TO THIS ARTICLE, INCLUDING PROCEDURES AND GROUNDS FOR DENYING, 22 SUSPENDING, FINING, RESTRICTING, OR REVOKING A STATE LICENSE ISSUED 23 PURSUANT TO THIS ARTICLE; 24 25 (II) SPECIFICATIONS OF DUTIES OF OFFICERS AND EMPLOYEES OF 26 THE STATE LICENSING AUTHORITY; 27 28 (III) INSTRUCTIONS FOR LOCAL LICENSING AUTHORITIES AND LAW 29 ENFORCEMENT OFFICERS; 30 31 (IV) REQUIREMENTS FOR INSPECTIONS, INVESTIGATIONS, 32 SEARCHES, SEIZURES, AND SUCH ADDITIONAL ACTIVITIES AS MAY BECOME 33 NECESSARY FROM TIME TO TIME; 34 35 (V) CREATION OF A RANGE OF PENALTIES FOR USE BY THE STATE 36 LICENSING AUTHORITY; 37 38 (VI) PROHIBITION OF MISREPRESENTATION AND UNFAIR 39 PRACTICES; 40 41 (VII) CONTROL OF INFORMATIONAL AND PRODUCT DISPLAYS ON 42 LICENSED PREMISES; 43 44 (VIII) DEVELOPMENT OF INDIVIDUAL IDENTIFICATION CARDS FOR 45 OWNERS, OFFICERS, MANAGERS, CONTRACTORS, EMPLOYEES, AND OTHER 46 SUPPORT STAFF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE, 47 INCLUDING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS 48 MAY BE REQUIRED BY THE STATE LICENSING AUTHORITY PRIOR TO ISSUING 49 A CARD; 50

52 OFFICERS, MANAGERS, AND EMPLOYEES; 53 54 (X) SECURITY REOUIREMENTS FOR

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54 (X) SECURITY REQUIREMENTS FOR MEDICAL MARIJUANA CENTERS 55 AND OPTIONAL PREMISES CULTIVATION OPERATIONS, INCLUDING, AT A 56 MINIMUM, LIGHTING, PHYSICAL SECURITY, VIDEO, ALARM REQUIREMENTS,

(IX) IDENTIFICATION OF STATE LICENSEES AND THEIR OWNERS,

1 2 3 4 5 6	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, INCLUDING REPORTING REQUIREMENTS FOR CHANGES, ALTERATIONS, OR MODIFICATIONS TO THE PREMISES;
7 8 9	(XI) REGULATION OF THE STORAGE OF, WAREHOUSES FOR, AND TRANSPORTATION OF MEDICAL MARIJUANA;
10 11 12 13	(XII) SANITARY REQUIREMENTS FOR MEDICAL MARIJUANA CENTERS, INCLUDING BUT NOT LIMITED TO SANITARY REQUIREMENTS FOR THE PREPARATION OF MEDICAL MARIJUANA-INFUSED PRODUCTS;
13 14 15 16 17	(XIII) THE SPECIFICATION OF ACCEPTABLE FORMS OF PICTURE IDENTIFICATION THAT A MEDICAL MARIJUANA CENTER MAY ACCEPT WHEN VERIFYING A SALE;
18	(XIV) Labeling standards;
19 20 21 22	(XV) Records to be kept by licensees and the required availability of the records;
23 24 25	(XVI) STATE LICENSING PROCEDURES, INCLUDING PROCEDURES FOR RENEWALS, REINSTATEMENTS, INITIAL LICENSES, AND THE PAYMENT OF LICENSING FEES;
26 27 28 29	(XVII) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES TAX PAYMENTS BY MEDICAL MARIJUANA CENTERS;
30 31 32	(XVIII) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO HAVE ACCESS TO LICENSING INFORMATION TO ENSURE SALES AND INCOME TAX PAYMENT AND THE EFFECTIVE ADMINISTRATION OF THIS ARTICLE;
33 34 35 36	(XIX) THE SIZE, DIMENSIONS, AND ACCEPTABLE COLORS FOR A MEDICAL MARIJUANA CENTER SIGN;
37 38 39 40 41	(XX) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO ISSUE ADMINISTRATIVE CITATIONS AND PROCEDURES FOR ISSUING, APPEALING AND CREATING A CITATION VIOLATION LIST AND SCHEDULE OF PENALTIES;
42 43	(XXI) DAYS AND HOURS OF OPERATION; AND
44 45 46 47	(XXII) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR, IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS ARTICLE.
48 49 50	(b) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED AS DELEGATING TO THE STATE LICENSING AUTHORITY THE POWER TO FIX PRICES FOR MEDICAL MARIJUANA.
51 52 53	(c) Nothing in this article shall be construed to limit a law enforcement agency's ability to investigate unlawful

52 (c) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO LIMIT A
53 LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL
54 ACTIVITY IN RELATION TO A MEDICAL MARIJUANA CENTER, OPTIONAL
55 PREMISES CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED
56 PRODUCTS MANUFACTURER. A LAW ENFORCEMENT AGENCY SHALL HAVE

THE AUTHORITY TO RUN A COLORADO CRIME INFORMATION CENTER CRIMINAL HISTORY RECORD CHECK OF A PRIMARY CAREGIVER, LICENSEE, 3 OR EMPLOYEE OF A LICENSEE DURING AN INVESTIGATION OF UNLAWFUL 4 ACTIVITY RELATED TO MEDICAL MARIJUANA. 6 PART 3 7 STATE AND LOCAL LICENSING 8 12-43.3-301. Local licensing authority - applications - licenses. 9 10 (1) A LOCAL LICENSING AUTHORITY MAY ISSUE ONLY THE FOLLOWING 11 MEDICAL MARIJUANA LICENSES UPON PAYMENT OF THE FEE AND 12 COMPLIANCE WITH ALL LOCAL LICENSING REQUIREMENTS TO BE 13 DETERMINED BY THE LOCAL LICENSING AUTHORITY: 14 15 (a) A MEDICAL MARIJUANA CENTER LICENSE; 16 17 (b) AN OPTIONAL PREMISES CULTIVATION LICENSE; 18 19 (c) A MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING 20 LICENSE. 21 (2) (a) A LOCAL LICENSING AUTHORITY SHALL NOT ISSUE A LOCAL 23 LICENSE WITHIN A MUNICIPALITY, CITY AND COUNTY, OR THE UNINCORPORATED PORTION OF A COUNTY UNLESS THE GOVERNING BODY 25 OF THE MUNICIPALITY OR CITY AND COUNTY HAS ADOPTED AN ORDINANCE, 26 OR THE GOVERNING BODY OF THE COUNTY HAS ADOPTED A RESOLUTION, 27 CONTAINING SPECIFIC STANDARDS FOR LICENSE ISSUANCE, OR IF NO SUCH 28 ORDINANCE OR RESOLUTION IS ADOPTED PRIOR TO JULY 1, 2011, THEN A 29 LOCAL LICENSING AUTHORITY SHALL CONSIDER THE MINIMUM LICENSING 30 REQUIREMENTS OF PART 3 OF THIS ARTICLE WHEN ISSUING A LICENSE. 31 32 (b) IN ADDITION TO ALL OTHER STANDARDS APPLICABLE TO THE 33 ISSUANCE OF LICENSES UNDER THIS ARTICLE, THE LOCAL GOVERNING BODY 34 MAY ADOPT ADDITIONAL STANDARDS FOR THE ISSUANCE OF MEDICAL 35 MARIJUANA CENTER, OPTIONAL PREMISES CULTIVATION, OR MEDICAL 36 Marijuana-infused products manufacturer licenses that may 37 INCLUDE, BUT NEED NOT BE LIMITED TO: 38 39 (I) DISTANCE RESTRICTIONS BETWEEN PREMISES FOR WHICH LOCAL 40 LICENSES ARE ISSUED: 41 42 (II) REASONABLE RESTRICTIONS ON THE SIZE OF AN APPLICANT'S 43 LICENSED PREMISES; AND 44 45 (III) ANY OTHER REQUIREMENTS NECESSARY TO ENSURE THE 46 CONTROL OF THE PREMISES AND THE EASE OF ENFORCEMENT OF THE 47 TERMS AND CONDITIONS OF THE LICENSE. 48 49 (3) AN APPLICATION FOR A LICENSE SPECIFIED IN SUBSECTION (1) 50 OF THIS SECTION SHALL BE FILED WITH THE APPROPRIATE LOCAL 51 LICENSING AUTHORITY ON FORMS PROVIDED BY THE STATE LICENSING

49 (3) AN APPLICATION FOR A LICENSE SPECIFIED IN SUBSECTION (1)
50 OF THIS SECTION SHALL BE FILED WITH THE APPROPRIATE LOCAL
51 LICENSING AUTHORITY ON FORMS PROVIDED BY THE STATE LICENSING
52 AUTHORITY AND SHALL CONTAIN SUCH INFORMATION AS THE STATE
53 LICENSING AUTHORITY MAY REQUIRE AND ANY FORMS AS THE LOCAL
54 LICENSING AUTHORITY MAY REQUIRE. EACH APPLICATION SHALL BE
55 VERIFIED BY THE OATH OR AFFIRMATION OF THE PERSONS PRESCRIBED BY
56 THE STATE LICENSING AUTHORITY.

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(4) AN APPLICANT SHALL FILE AT THE TIME OF APPLICATION FOR A LOCAL LICENSE PLANS AND SPECIFICATIONS FOR THE INTERIOR OF THE BUILDING IF THE BUILDING TO BE OCCUPIED IS IN EXISTENCE AT THE TIME. 4 IF THE BUILDING IS NOT IN EXISTENCE, THE APPLICANT SHALL FILE A PLOT 5 PLAN AND A DETAILED SKETCH FOR THE INTERIOR AND SUBMIT AN 6 ARCHITECT'S DRAWING OF THE BUILDING TO BE CONSTRUCTED. IN ITS DISCRETION, THE LOCAL OR STATE LICENSING AUTHORITY MAY IMPOSE ADDITIONAL REQUIREMENTS NECESSARY FOR THE APPROVAL OF THE APPLICATION.

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12-43.3-302. Public hearing notice - posting and publication. (1) UPON RECEIPT OF AN APPLICATION FOR A LOCAL LICENSE, EXCEPT AN APPLICATION FOR RENEWAL OR FOR TRANSFER OF OWNERSHIP, A LOCAL 14 LICENSING AUTHORITY MAY SCHEDULE A PUBLIC HEARING UPON THE 15 APPLICATION TO BE HELD NOT LESS THAN THIRTY DAYS AFTER THE DATE 16 OF THE APPLICATION. IF THE LOCAL LICENSING AUTHORITY SCHEDULES A HEARING FOR A MEDICAL MARIJUANA CENTER APPLICATION, IT SHALL POST 18 AND PUBLISH PUBLIC NOTICE THEREOF NOT LESS THAN TEN DAYS PRIOR TO 19 THE HEARING. THE LOCAL LICENSING AUTHORITY SHALL GIVE PUBLIC 20 NOTICE BY THE POSTING OF A SIGN IN A CONSPICUOUS PLACE ON THE 21 PREMISES FOR WHICH APPLICATION HAS BEEN MADE AND BY PUBLICATION 22 IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY IN WHICH THE 23 PREMISES ARE LOCATED.

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(2) PUBLIC NOTICE GIVEN BY POSTING SHALL INCLUDE A SIGN OF 26 SUITABLE MATERIAL, NOT LESS THAN TWENTY-TWO INCHES WIDE AND TWENTY-SIX INCHES HIGH, COMPOSED OF LETTERS NOT LESS THAN ONE 28 INCH IN HEIGHT AND STATING THE TYPE OF LICENSE APPLIED FOR, THE 29 DATE OF THE APPLICATION, THE DATE OF THE HEARING, THE NAME AND 30 ADDRESS OF THE APPLICANT, AND SUCH OTHER INFORMATION AS MAY BE REQUIRED TO FULLY APPRISE THE PUBLIC OF THE NATURE OF THE APPLICATION. THE SIGN SHALL CONTAIN THE NAMES AND ADDRESSES OF THE OFFICERS, DIRECTORS, OR MANAGER OF THE FACILITY TO BE LICENSED.

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(3) PUBLIC NOTICE GIVEN BY PUBLICATION SHALL CONTAIN THE SAME INFORMATION AS THAT REQUIRED FOR SIGNS.

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(4) IF THE BUILDING IN WHICH MEDICAL MARIJUANA IS TO BE SOLD IS IN EXISTENCE AT THE TIME OF THE APPLICATION, A SIGN POSTED AS 40 REQUIRED IN SUBSECTIONS (1) AND (2) OF THIS SECTION SHALL BE PLACED SO AS TO BE CONSPICUOUS AND PLAINLY VISIBLE TO THE GENERAL PUBLIC. IF THE BUILDING IS NOT CONSTRUCTED AT THE TIME OF THE APPLICATION, 43 THE APPLICANT SHALL POST A SIGN AT THE PREMISES UPON WHICH THE 44 BUILDING IS TO BE CONSTRUCTED IN SUCH A MANNER THAT THE NOTICE SHALL BE CONSPICUOUS AND PLAINLY VISIBLE TO THE GENERAL PUBLIC.

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(5) (a) A LOCAL LICENSING AUTHORITY, OR A LICENSE APPLICANT 48 WITH LOCAL LICENSING AUTHORITY APPROVAL, MAY REQUEST THAT THE STATE LICENSING AUTHORITY CONDUCT A CONCURRENT REVIEW OF A NEW 50 LICENSE APPLICATION PRIOR TO THE LOCAL LICENSING AUTHORITY'S FINAL APPROVAL OF THE LICENSE APPLICATION. LOCAL LICENSING AUTHORITIES WHO PERMIT A CONCURRENT REVIEW WILL CONTINUE TO INDEPENDENTLY REVIEW THE APPLICANT'S LICENSE APPLICATION.

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(b) WHEN CONDUCTING A CONCURRENT APPLICATION REVIEW, THE 56 STATE LICENSING AUTHORITY MAY ADVISE THE LOCAL LICENSING

AUTHORITY OF ANY ITEMS THAT IT FINDS THAT COULD RESULT IN THE DENIAL OF THE LICENSE APPLICATION. UPON CORRECTION OF THE NOTED 3 DISCREPANCIES IF THE CORRECTION IS PERMITTED BY THE STATE 4 LICENSING AUTHORITY, THE STATE LICENSING AUTHORITY SHALL NOTIFY THE LOCAL LICENSING AUTHORITY OF ITS CONDITIONAL APPROVAL OF THE 6 LICENSE APPLICATION SUBJECT TO THE FINAL APPROVAL BY THE LOCAL 7 LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY SHALL THEN 8 ISSUE THE APPLICANT'S STATE LICENSE UPON RECEIVING EVIDENCE OF FINAL APPROVAL BY THE LOCAL LICENSING AUTHORITY.

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(c) ALL APPLICATIONS SUBMITTED FOR CONCURRENT REVIEW 12 SHALL BE ACCOMPANIED BY ALL APPLICABLE STATE LICENSE AND APPLICATION FEES. ANY APPLICATIONS THAT ARE LATER DENIED OR 14 WITHDRAWN MAY ALLOW FOR A REFUND OF LICENSE FEES ONLY. ALL 15 APPLICATION FEES PROVIDED BY AN APPLICANT SHALL BE RETAINED BY THE RESPECTIVE LICENSING AUTHORITY.

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19 (1) Not less than five days prior to the date of the public 20 HEARING REQUIRED IN SECTION 12-43.3-302, THE LOCAL LICENSING AUTHORITY SHALL MAKE KNOWN ITS FINDINGS, BASED ON ITS 22 INVESTIGATION, IN WRITING TO THE APPLICANT AND OTHER PARTIES OF 23 INTEREST AS DESCRIBED IN SECTION 12-43.3-302 (5). THE LOCAL

12-43.3-303. Results of investigation - decision of authorities.

24 LICENSING AUTHORITY HAS AUTHORITY TO REFUSE TO ISSUE A LICENSE 25 PROVIDED FOR IN THIS SECTION FOR GOOD CAUSE, SUBJECT TO JUDICIAL 26 REVIEW.

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(2) Before entering a decision approving or denying the 29 APPLICATION FOR A LOCAL LICENSE, THE LOCAL LICENSING AUTHORITY 30 MAY CONSIDER, EXCEPT WHERE THIS ARTICLE SPECIFICALLY PROVIDES OTHERWISE, THE FACTS AND EVIDENCE ADDUCED AS A RESULT OF ITS 32 INVESTIGATION, AS WELL AS ANY OTHER FACTS PERTINENT TO THE TYPE 33 OF LICENSE FOR WHICH APPLICATION HAS BEEN MADE, INCLUDING THE 34 NUMBER, TYPE, AND AVAILABILITY OF MEDICAL MARIJUANA OUTLETS 35 LOCATED IN OR NEAR THE PREMISES UNDER CONSIDERATION, AND ANY 36 OTHER PERTINENT MATTERS AFFECTING THE QUALIFICATIONS OF THE 37 APPLICANT FOR THE CONDUCT OF THE TYPE OF BUSINESS PROPOSED.

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WITHIN THIRTY DAYS AFTER THE PUBLIC HEARING OR 40 COMPLETION OF THE APPLICATION INVESTIGATION, A LOCAL LICENSING 41 AUTHORITY SHALL ISSUE ITS DECISION APPROVING OR DENYING AN 42 APPLICATION FOR LOCAL LICENSURE. THE DECISION SHALL BE IN WRITING 43 AND SHALL STATE THE REASONS FOR THE DECISION. THE LOCAL LICENSING 44 AUTHORITY SHALL SEND A COPY OF THE DECISION BY CERTIFIED MAIL TO THE APPLICANT AT THE ADDRESS SHOWN IN THE APPLICATION.

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(4) AFTER APPROVAL OF AN APPLICATION, A LOCAL LICENSING 48 AUTHORITY SHALL NOT ISSUE A LOCAL LICENSE UNTIL THE BUILDING IN WHICH THE BUSINESS TO BE CONDUCTED IS READY FOR OCCUPANCY WITH 50 SUCH FURNITURE, FIXTURES, AND EQUIPMENT IN PLACE AS ARE NECESSARY TO COMPLY WITH THE APPLICABLE PROVISIONS OF THIS ARTICLE, AND THEN 52 ONLY AFTER THE LOCAL LICENSING AUTHORITY HAS INSPECTED THE PREMISES TO DETERMINE THAT THE APPLICANT HAS COMPLIED WITH THE ARCHITECT'S DRAWING AND THE PLOT PLAN AND DETAILED SKETCH FOR THE INTERIOR OF THE BUILDING SUBMITTED WITH THE APPLICATION.

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(5) AFTER APPROVAL OF AN APPLICATION FOR LOCAL LICENSURE, THE LOCAL LICENSING AUTHORITY SHALL NOTIFY THE STATE LICENSING AUTHORITY OF SUCH APPROVAL, WHO SHALL INVESTIGATE AND EITHER APPROVE OR DISAPPROVE THE APPLICATION FOR STATE LICENSURE.

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12-43.3-304. Medical marijuana license bond. (1) BEFORE THE STATE LICENSING AUTHORITY ISSUES A STATE LICENSE TO AN APPLICANT. 8 THE APPLICANT SHALL PROCURE AND FILE WITH THE STATE LICENSING AUTHORITY EVIDENCE OF A GOOD AND SUFFICIENT BOND IN THE AMOUNT 10 OF FIVE THOUSAND DOLLARS WITH CORPORATE SURETY THEREON DULY 11 LICENSED TO DO BUSINESS WITH THE STATE, APPROVED AS TO FORM BY 12 THE ATTORNEY GENERAL OF THE STATE, AND CONDITIONED THAT THE 13 APPLICANT SHALL REPORT AND PAY ALL SALES AND USE TAXES DUE TO THE 14 STATE, OR FOR WHICH THE STATE IS THE COLLECTOR OR COLLECTING 15 AGENT, IN A TIMELY MANNER, AS PROVIDED IN LAW.

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(2) A CORPORATE SURETY SHALL NOT BE REQUIRED TO MAKE 18 PAYMENTS TO THE STATE CLAIMING UNDER SUCH BOND UNTIL A FINAL 19 DETERMINATION OF FAILURE TO PAY TAXES DUE TO THE STATE HAS BEEN 20 MADE BY THE STATE LICENSING AUTHORITY OR A COURT OF COMPETENT 21 JURISDICTION.

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(3) ALL BONDS REQUIRED PURSUANT TO THIS SECTION SHALL BE RENEWED AT SUCH TIME AS THE BONDHOLDER'S LICENSE IS RENEWED. THE RENEWAL MAY BE ACCOMPLISHED THROUGH A CONTINUATION 26 CERTIFICATE ISSUED BY THE SURETY.

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12-43.3-305. State licensing authority - application and 29 **issuance procedures.** (1) APPLICATIONS FOR A STATE LICENSE UNDER 30 THE PROVISIONS OF THIS ARTICLE SHALL BE MADE TO THE STATE 31 LICENSING AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE 32 STATE LICENSING AUTHORITY AND SHALL SET FORTH SUCH INFORMATION 33 AS THE STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE 34 LICENSING AUTHORITY TO DETERMINE WHETHER A STATE LICENSE SHOULD 35 BE GRANTED. THE INFORMATION SHALL INCLUDE THE NAME AND ADDRESS 36 OF THE APPLICANT, THE NAMES AND ADDRESSES OF THE OFFICERS, 37 DIRECTORS, OR MANAGERS, AND ALL OTHER INFORMATION DEEMED 38 NECESSARY BY THE STATE LICENSING AUTHORITY. EACH APPLICATION SHALL BE VERIFIED BY THE OATH OR AFFIRMATION OF SUCH PERSON OR 40 PERSONS AS THE STATE LICENSING AUTHORITY MAY PRESCRIBE.

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(2) THE STATE LICENSING AUTHORITY SHALL NOT ISSUE A STATE 43 LICENSE PURSUANT TO THIS SECTION UNTIL THE LOCAL LICENSING 44 AUTHORITY HAS APPROVED THE APPLICATION FOR A LOCAL LICENSE AND 45 ISSUED A LOCAL LICENSE AS PROVIDED FOR IN SECTIONS 12-43.3-301 TO 46 12-43.3-303.

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(3) NOTHING IN THIS ARTICLE SHALL PREEMPT OR OTHERWISE 49 IMPAIR THE POWER OF A LOCAL GOVERNMENT TO ENACT ORDINANCES OR 50 RESOLUTIONS CONCERNING MATTERS AUTHORIZED TO LOCAL GOVERNMENTS.

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12-43.3-306. Denial of application. (1) THE STATE LICENSING 54 AUTHORITY SHALL DENY A STATE LICENSE IF THE PREMISES ON WHICH THE 55 APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DO NOT MEET THE 56 REQUIREMENTS OF THIS ARTICLE OR FOR REASONS SET FORTH IN SECTIONS

12-43.3-104 (1) OR 12-43.3-305. 3 (2) If the state licensing authority denies a state license 4 PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE APPLICANT SHALL BE 5 ENTITLED TO A HEARING PURSUANT TO ARTICLE 4 OF TITLE 24, C.R.S. THE 6 STATE LICENSING AUTHORITY SHALL PROVIDE WRITTEN NOTICE OF THE 7 GROUNDS FOR DENIAL OF THE STATE LICENSE TO THE APPLICANT AND TO 8 THE LOCAL LICENSING AUTHORITY AT LEAST FIFTEEN DAYS PRIOR TO THE 9 HEARING. 10 11 **12-43.3-307.** Persons prohibited as licensees. (1) (a) A LICENSE 12 PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY: 13 14 (I) A PERSON UNTIL THE ANNUAL FEE THEREFORE HAS BEEN PAID; 15 16 (II) A PERSON WHOSE CRIMINAL HISTORY INDICATES THAT HE OR 17 SHE IS NOT OF GOOD MORAL CHARACTER; 18 19 (III) A CORPORATION, ANY OF WHOSE OFFICERS, DIRECTORS, OR 20 STOCKHOLDERS ARE NOT OF GOOD MORAL CHARACTER; 21 (IV) A LICENSED PHYSICIAN MAKING PATIENT 23 RECOMMENDATIONS; 24 25 (V) A PERSON EMPLOYING, ASSISTED BY, OR FINANCED IN WHOLE 26 OR IN PART BY ANY OTHER PERSON WHOSE CRIMINAL HISTORY INDICATES 27 HE OR SHE IS NOT OF GOOD CHARACTER AND REPUTATION SATISFACTORY 28 TO THE RESPECTIVE LICENSING AUTHORITY; 29 30 (VI) A PERSON UNDER TWENTY-ONE YEARS OF AGE; 31 32 (VII) A PERSON LICENSED PURSUANT TO THIS ARTICLE WHO, 33 DURING A PERIOD OF LICENSURE, FAILS TO: 34 35 (A) PROVIDE A SURETY BOND OR FAILS TO FILE ANY TAX RETURN 36 WITH A TAXING AGENCY; 37 38 (B) PAY ANY TAXES, INTEREST, OR PENALTIES DUE; 39 40 (C) PAY ANY JUDGMENTS DUE TO A GOVERNMENT AGENCY; 41 (D) REPAY GOVERNMENT-INSURED STUDENT LOANS; OR 42 43 44 (E) PAY CHILD SUPPORT; 45 46 (IX) A PERSON WHO HAS DISCHARGED A SENTENCE IN THE FIVE 47 YEARS IMMEDIATELY PRECEDING THE APPLICATION DATE FOR A 48 CONVICTION OF A FELONY OR A MISDEMEANOR PURSUANT TO ANY STATE 49 OR FEDERAL LAW REGULATING THE POSSESSION, DISTRIBUTION, OR USE OF 50 MARIJUANA OR OF ANY CONTROLLED SUBSTANCE, AS DEFINED IN SECTION 51 18-18-102 (5), C.R.S.;

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53 (X) A PERSON WHO EMPLOYEES ANOTHER PERSON AT A MEDICAL 54 MARIJUANA FACILITY WHO HAS NOT PASSED A CRIMINAL HISTORY RECORD 55 CHECK;

A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR PROSECUTING OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE LICENSING AUTHORITY OR A LOCAL LICENSING AUTHORITY;

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(XII) A PERSON WHOSE AUTHORITY TO BE A CAREGIVER HAS BEEN REVOKED BY THE STATE HEALTH AGENCY AS DEFINED IN SECTION 25-1.5-106 (2); OR

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(XIII) A PERSON WHO HAS A LICENSE FOR A PROPERTY AS A RETAIL 10 FOOD ESTABLISHMENT OR A WHOLESALE FOOD REGISTRANT SHALL NOT OBTAIN A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES, OR INFUSED 12 PRODUCTS MANUFACTURERS LICENSE FOR THE SAME PROPERTY OR PREMISES.

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(2) (a) IN INVESTIGATING THE QUALIFICATIONS OF AN APPLICANT 16 OR A LICENSEE, THE STATE LICENSING AUTHORITY MAY HAVE ACCESS TO CRIMINAL HISTORY RECORD INFORMATION FURNISHED BY A CRIMINAL 18 JUSTICE AGENCY SUBJECT TO ANY RESTRICTIONS IMPOSED BY SUCH 19 AGENCY. IN THE EVENT THE STATE LICENSING AUTHORITY CONSIDERS THE 20 APPLICANT'S CRIMINAL HISTORY RECORD, THE STATE LICENSING 21 AUTHORITY SHALL ALSO CONSIDER ANY INFORMATION PROVIDED BY THE 22 APPLICANT REGARDING SUCH CRIMINAL HISTORY RECORD, INCLUDING BUT 23 NOT LIMITED TO EVIDENCE OF REHABILITATION, CHARACTER REFERENCES, AND EDUCATIONAL ACHIEVEMENTS, ESPECIALLY THOSE ITEMS PERTAINING 25 TO THE PERIOD OF TIME BETWEEN THE APPLICANT'S LAST CRIMINAL 26 CONVICTION AND THE CONSIDERATION OF THE APPLICATION FOR A STATE LICENSE.

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(b) As used in paragraph (a) of this subsection (2), "CRIMINAL JUSTICE AGENCY" MEANS ANY FEDERAL, STATE, OR MUNICIPAL COURT OR ANY GOVERNMENTAL AGENCY OR SUBUNIT OF SUCH AGENCY THAT ADMINISTERS CRIMINAL JUSTICE PURSUANT TO A STATUTE OR 33 EXECUTIVE ORDER AND THAT ALLOCATES A SUBSTANTIAL PART OF ITS 34 ANNUAL BUDGET TO THE ADMINISTRATION OF CRIMINAL JUSTICE.

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(c) AT THE TIME OF FILING AN APPLICATION FOR ISSUANCE OR 37 RENEWAL OF A STATE MEDICAL MARIJUANA CENTER LICENSE, MEDICAL MARIJUANA-INFUSED PRODUCT MANUFACTURER LICENSE, OR OPTIONAL 39 PREMISES CULTIVATION LICENSE, AN APPLICANT SHALL SUBMIT A SET OF 40 HIS OR HER FINGERPRINTS AND FILE PERSONAL HISTORY INFORMATION 41 CONCERNING THE APPLICANT'S QUALIFICATIONS FOR A STATE LICENSE ON 42 FORMS PREPARED BY THE STATE LICENSING AUTHORITY. THE STATE 43 LICENSING AUTHORITY SHALL SUBMIT THE FINGERPRINTS TO THE 44 COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING 45 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. THE COLORADO 46 BUREAU OF INVESTIGATION SHALL FORWARD THE FINGERPRINTS TO THE 47 FEDERAL BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING 48 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. THE STATE LICENSING AUTHORITY MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY 50 RECORD CHECK FOR AN APPLICANT OR A LICENSE HOLDER WHO HAS TWICE SUBMITTED TO A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK 52 AND WHOSE FINGERPRINTS ARE UNCLASSIFIABLE. AN APPLICANT WHO HAS PREVIOUSLY SUBMITTED FINGERPRINTS FOR STATE LICENSING PURPOSES 54 MAY REQUEST THAT THE FINGERPRINTS ON FILE BE USED. THE STATE 55 LICENSING AUTHORITY SHALL USE THE INFORMATION RESULTING FROM 56 THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK TO 1 INVESTIGATE AND DETERMINE WHETHER AN APPLICANT IS QUALIFIED TO 2 HOLD A STATE LICENSE PURSUANT TO THIS ARTICLE. THE STATE 3 LICENSING AUTHORITY MAY VERIFY ANY OF THE INFORMATION AN 4 APPLICANT IS REQUIRED TO SUBMIT.

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12-43.3-308. Restrictions for applications for new licenses. (1) The state or a local licensing authority shall not receive or act upon an application for the issuance of a state or local license pursuant to this article:

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(a) If the application for a state or local license concerns
A particular location that is the same as or within one thousand
FEET OF A LOCATION FOR WHICH, WITHIN THE TWO YEARS IMMEDIATELY
PRECEDING THE DATE OF THE APPLICATION, THE STATE OR A LOCAL
LICENSING AUTHORITY DENIED AN APPLICATION FOR THE SAME CLASS OF
LICENSE DUE TO A USE OR OTHER LOCAL CONCERN;

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18 (b) Until it is established that the applicant is, or will be, 19 Entitled to Possession of the premises for which application is 20 Made under a lease, rental agreement, or other arrangement 21 For Possession of the premises or by virtue of ownership of the 22 Premises;

23 24

24 (c) FOR A LOCATION IN AN AREA WHERE THE CULTIVATION, 25 MANUFACTURE, AND SALE OF MEDICAL MARIJUANA AS CONTEMPLATED IS 26 NOT PERMITTED UNDER THE APPLICABLE ZONING LAWS OF THE 27 MUNICIPALITY, CITY AND COUNTY, OR COUNTY;

27 28 29

(d) (I) IF THE BUILDING IN WHICH MEDICAL MARIJUANA IS TO BE 30 SOLD IS LOCATED WITHIN ONE THOUSAND FEET OF A SCHOOL, OR THE PRINCIPAL CAMPUS OF A COLLEGE, UNIVERSITY, OR SEMINARY. THE 32 PROVISIONS OF THIS SECTION SHALL NOT AFFECT THE RENEWAL OR 33 RE-ISSUANCE OF A LICENSE ONCE GRANTED OR APPLY TO LICENSED 34 PREMISES LOCATED OR TO BE LOCATED ON LAND OWNED BY A 35 MUNICIPALITY, NOR SHALL THE PROVISIONS OF THIS SECTION APPLY TO AN 36 EXISTING LICENSED PREMISES ON LAND OWNED BY THE STATE, OR APPLY 37 TO A LICENSE IN EFFECT AND ACTIVELY DOING BUSINESS BEFORE SAID 38 PRINCIPAL CAMPUS WAS CONSTRUCTED. THE LOCAL LICENSING 39 AUTHORITY OF A CITY AND COUNTY, BY RULE OR REGULATION, THE 40 GOVERNING BODY OF A MUNICIPALITY, BY ORDINANCE, AND THE 41 GOVERNING BODY OF A COUNTY, BY RESOLUTION, MAY VARY THE 42 DISTANCE RESTRICTIONS IMPOSED BY THIS SUBPARAGRAPH (I) FOR A 43 LICENSE OR MAY ELIMINATE ONE OR MORE TYPES OF SCHOOLS OR 44 CAMPUSES FROM THE APPLICATION OF A DISTANCE RESTRICTION 45 ESTABLISHED BY OR PURSUANT TO THIS SUBPARAGRAPH (I).

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47 (II) THE DISTANCES REFERRED TO IN THIS PARAGRAPH (d) ARE TO
48 BE COMPUTED BY DIRECT MEASUREMENT FROM THE NEAREST PROPERTY
49 LINE OF THE LAND USED FOR A SCHOOL OR CAMPUS TO THE NEAREST
50 PORTION OF THE BUILDING IN WHICH MEDICAL MARIJUANA IS TO BE SOLD,
51 USING A ROUTE OF DIRECT PEDESTRIAN ACCESS.

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(III) IN ADDITION TO THE REQUIREMENTS OF SECTION 12-43.3-303
(2), THE LOCAL LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE
AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN
WHICH THE MEDICAL MARIJUANA IS TO BE SOLD IS LOCATED WITHIN ANY

DISTANCE RESTRICTIONS ESTABLISHED BY OR PURSUANT TO THIS PARAGRAPH (d).

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12-43.3-309. Transfer of ownership. (1) A STATE OR LOCAL LICENSE GRANTED UNDER THE PROVISIONS OF THIS ARTICLE SHALL NOT BE TRANSFERABLE EXCEPT AS PROVIDED IN THIS SECTION, BUT THIS SECTION SHALL NOT PREVENT A CHANGE OF LOCATION AS PROVIDED IN SECTION 12-43.3-310 (13).

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(2) FOR A TRANSFER OF OWNERSHIP, A LICENSE HOLDER SHALL 11 APPLY TO THE STATE AND LOCAL LICENSING AUTHORITIES ON FORMS 12 PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY. IN 13 DETERMINING WHETHER TO PERMIT A TRANSFER OF OWNERSHIP, THE 14 STATE AND LOCAL LICENSING AUTHORITIES SHALL CONSIDER ONLY THE 15 REQUIREMENTS OF THIS ARTICLE, ANY RULES PROMULGATED BY THE 16 STATE LICENSING AUTHORITY, AND ANY OTHER LOCAL RESTRICTIONS. THE 17 LOCAL LICENSING AUTHORITY MAY HOLD A HEARING ON THE APPLICATION 18 FOR TRANSFER OF OWNERSHIP. THE LOCAL LICENSING AUTHORITY SHALL 19 NOT HOLD A HEARING PURSUANT TO THIS SUBSECTION (2) UNTIL THE 20 LOCAL LICENSING AUTHORITY HAS POSTED A NOTICE OF HEARING IN THE 21 Manner described in section 12-43.3-302 (2) on the licensed 22 PREMISES FOR A PERIOD OF TEN DAYS AND HAS PROVIDED NOTICE OF THE 23 HEARING TO THE APPLICANT AT LEAST TEN DAYS PRIOR TO THE HEARING. 24 ANY TRANSFER OF OWNERSHIP HEARING BY THE STATE LICENSING 25 AUTHORITY SHALL BE HELD IN COMPLIANCE WITH THE REQUIREMENTS 26 SPECIFIED IN SECTION 12-43.3-302.

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12-43.3-310. Licensing in general. (1) This article authorizes a county, municipality, or city and county to prohibit the operation of medical marijuana centers, optional premises cultivation operations, and medical marijuana-infused products manufacturers' licenses and to enact reasonable regulations or other restrictions applicable to medical marijuana centers, optional premises cultivation licenses, and medical marijuana-infused products manufacturers' licenses based on local government zoning, health, safety, and public welfare laws for the distribution of medical marijuana that are more restrictive than this article.

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40 (2) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES
41 CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS
42 MANUFACTURER MAY NOT OPERATE UNTIL IT HAS BEEN LICENSED BY THE
43 LOCAL LICENSING AUTHORITY AND THE STATE LICENSING AUTHORITY
44 PURSUANT TO THIS ARTICLE. IN CONNECTION WITH A LICENSE, THE
45 APPLICANT SHALL PROVIDE A COMPLETE AND ACCURATE LIST OF ALL
46 OWNERS, OFFICERS, AND EMPLOYEES WHO WORK AT, MANAGE, OWN, OR
47 ARE OTHERWISE ASSOCIATED WITH THE OPERATION AND SHALL PROVIDE
48 A COMPLETE AND ACCURATE APPLICATION AS REQUIRED BY THE STATE
49 LICENSING AUTHORITY.

50 51

51 (3) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES
52 CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS
53 MANUFACTURER SHALL NOTIFY THE STATE LICENSING AUTHORITY IN
54 WRITING WITHIN TEN DAYS AFTER AN OWNER, OFFICER, OR EMPLOYEE
55 CEASES TO WORK AT, MANAGE, OWN, OR OTHERWISE BE ASSOCIATED WITH
56 THE OPERATION. THE OWNER, OFFICER, OR EMPLOYEE SHALL SURRENDER

HIS OR HER IDENTIFICATION CARD TO THE STATE AUTHORITY ON OR BEFORE THE DATE OF THE NOTIFICATION.

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A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURER SHALL NOTIFY THE STATE LICENSING AUTHORITY IN WRITING OF THE NAME, ADDRESS, AND DATE OF BIRTH OF AN OWNER, 8 OFFICER, MANAGER, OR EMPLOYEE BEFORE THE NEW OWNER, OFFICER, OR EMPLOYEE BEGINS WORKING AT, MANAGING, OWNING, OR BEING 10 ASSOCIATED WITH THE OPERATION. THE OWNER, OFFICER, MANAGER, OR 11 EMPLOYEE SHALL PASS A FINGERPRINT-BASED CRIMINAL HISTORY RECORD 12 CHECK AS REQUIRED BY THE STATE LICENSING AUTHORITY AND OBTAIN THE REQUIRED IDENTIFICATION PRIOR TO BEING ASSOCIATED WITH, 14 MANAGING, OWNING, OR WORKING AT THE OPERATION.

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A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS 18 MANUFACTURER SHALL NOT ACQUIRE, POSSESS, CULTIVATE, DELIVER, TRANSFER, TRANSPORT, SUPPLY, OR DISPENSE MARIJUANA FOR ANY 20 PURPOSE EXCEPT TO ASSIST PATIENTS, AS DEFINED BY SECTION 14(1) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

(6) ALL OPERATORS OF A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED 25 PRODUCTS MANUFACTURER SHALL BE RESIDENTS OF COLORADO. A LOCAL 26 LICENSING AUTHORITY SHALL NOT ISSUE A LICENSE PROVIDED FOR IN THIS ARTICLE UNTIL THAT SHARE OF THE LICENSE APPLICATION FEE DUE TO THE 28 STATE HAS BEEN RECEIVED BY THE DEPARTMENT OF REVENUE. ALL 29 LICENSES GRANTED PURSUANT TO THIS ARTICLE SHALL BE VALID FOR A 30 PERIOD NOT TO EXCEED TWO YEARS FROM THE DATE OF ISSUANCE UNLESS REVOKED OR SUSPENDED PURSUANT TO THIS ARTICLE OR THE RULES 32 PROMULGATED PURSUANT TO THIS ARTICLE.

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BEFORE GRANTING A LOCAL OR STATE LICENSE, THE 35 RESPECTIVE LICENSING AUTHORITY MAY CONSIDER, EXCEPT WHERE THIS ARTICLE SPECIFICALLY PROVIDES OTHERWISE, THE REQUIREMENTS OF THIS ARTICLE AND ANY RULES PROMULGATED PURSUANT TO THIS ARTICLE, AND 38 ALL OTHER REASONABLE RESTRICTIONS THAT ARE OR MAY BE PLACED 39 UPON THE LICENSEE BY THE LICENSING AUTHORITY. WITH RESPECT TO A 40 SECOND OR ADDITIONAL LICENSE FOR THE SAME LICENSEE OR THE SAME 41 OWNER OF ANOTHER LICENSED BUSINESS PURSUANT TO THIS ARTICLE, 42 EACH LICENSING AUTHORITY SHALL CONSIDER THE EFFECT ON COMPETITION OF GRANTING OR DENYING THE ADDITIONAL LICENSES TO 44 SUCH LICENSEE AND SHALL NOT APPROVE AN APPLICATION FOR A SECOND OR ADDITIONAL LICENSE THAT WOULD HAVE THE EFFECT OF RESTRAINING COMPETITION.

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(8) (a) EACH LICENSE ISSUED UNDER THIS ARTICLE IS SEPARATE AND DISTINCT. IT IS UNLAWFUL FOR A PERSON TO EXERCISE ANY OF THE 50 PRIVILEGES GRANTED UNDER A LICENSE OTHER THAN THE LICENSE THAT THE PERSON HOLDS OR FOR A LICENSEE TO ALLOW ANY OTHER PERSON TO 52 EXERCISE THE PRIVILEGES GRANTED UNDER THE LICENSEE'S LICENSE. A SEPARATE LICENSE SHALL BE REQUIRED FOR EACH SPECIFIC BUSINESS OR 54 BUSINESS ENTITY AND EACH GEOGRAPHICAL LOCATION.

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(b) AT ALL TIMES, A LICENSEE SHALL POSSESS AND MAINTAIN

POSSESSION OF THE PREMISES OR OPTIONAL PREMISES FOR WHICH THE LICENSE IS ISSUED BY OWNERSHIP, LEASE, RENTAL, OR OTHER ARRANGEMENT FOR POSSESSION OF THE PREMISES.

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(9) (a) THE LICENSES PROVIDED PURSUANT TO THIS ARTICLE SHALL 6 SPECIFY THE DATE OF ISSUANCE, THE PERIOD OF LICENSURE, THE NAME OF THE LICENSEE, AND THE PREMISES OR OPTIONAL PREMISES LICENSED. THE 8 LICENSEE SHALL CONSPICUOUSLY PLACE THE LICENSE AT ALL TIMES ON THE LICENSED PREMISES OR OPTIONAL PREMISES.

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A LOCAL LICENSING AUTHORITY SHALL NOT TRANSFER 12 LOCATION OF OR RENEW A LICENSE TO SELL MEDICAL MARIJUANA UNTIL THE APPLICANT FOR THE LICENSE PRODUCES A LICENSE ISSUED AND 14 GRANTED BY THE STATE LICENSING AUTHORITY COVERING THE WHOLE 15 PERIOD FOR WHICH A LICENSE OR LICENSE RENEWAL IS SOUGHT.

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(10) IN COMPUTING ANY PERIOD OF TIME PRESCRIBED BY THIS 18 ARTICLE, THE DAY OF THE ACT, EVENT, OR DEFAULT FROM WHICH THE DESIGNATED PERIOD OF TIME BEGINS TO RUN SHALL NOT BE INCLUDED. SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS SHALL BE COUNTED AS ANY OTHER DAY.

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(11) A LICENSEE SHALL REPORT EACH TRANSFER OR CHANGE OF 24 FINANCIAL INTEREST IN THE LICENSE TO THE STATE AND LOCAL LICENSING 25 AUTHORITIES, THIRTY DAYS PRIOR TO ANY TRANSFER OR CHANGE 26 PURSUANT TO SECTION 12-43.3-309. A REPORT SHALL BE REQUIRED FOR TRANSFERS OF CAPITAL STOCK OF ANY CORPORATION REGARDLESS OF 28 SIZE.

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(12) EACH LICENSEE SHALL MANAGE THE LICENSED PREMISES HIMSELF OR HERSELF OR EMPLOY A SEPARATE AND DISTINCT MANAGER ON 32 THE PREMISES AND SHALL REPORT THE NAME OF THE MANAGER TO THE 33 STATE AND LOCAL LICENSING AUTHORITIES. THE LICENSEE SHALL REPORT 34 ANY CHANGE IN MANAGER TO THE STATE AND LOCAL LICENSING 35 AUTHORITIES THIRTY DAYS PRIOR TO THE CHANGE PURSUANT TO SECTION 12-43.3-309.

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(13) (a) A LICENSEE MAY MOVE HIS OR HER PERMANENT LOCATION 39 TO ANY OTHER PLACE IN THE SAME MUNICIPALITY OR CITY AND COUNTY 40 FOR WHICH THE LICENSE WAS ORIGINALLY GRANTED, OR IN THE SAME 41 COUNTY IF THE LICENSE WAS GRANTED FOR A PLACE OUTSIDE THE CORPORATE LIMITS OF A MUNICIPALITY OR CITY AND COUNTY, BUT IT 43 SHALL BE UNLAWFUL TO CULTIVATE, MANUFACTURE, DISTRIBUTE OR SELL 44 MEDICAL MARIJUANA AT ANY SUCH PLACE UNTIL PERMISSION TO DO SO IS GRANTED BY THE STATE AND LOCAL LICENSING AUTHORITIES PROVIDED 46 FOR IN THIS ARTICLE.

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(b) IN PERMITTING A CHANGE OF LOCATION, THE STATE AND LOCAL 49 LICENSING AUTHORITIES SHALL CONSIDER ALL REASONABLE RESTRICTIONS 50 THAT ARE OR MAY BE PLACED UPON THE NEW LOCATION BY THE GOVERNING BOARD OR LOCAL LICENSING AUTHORITY OF THE MUNICIPALITY, CITY AND COUNTY, OR COUNTY AND ANY SUCH CHANGE IN LOCATION SHALL BE IN ACCORDANCE WITH ALL REQUIREMENTS OF THIS ARTICLE AND RULES PROMULGATED PURSUANT TO THIS ARTICLE.

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EXPIRATION DATE OF AN EXISTING LICENSE, THE STATE LICENSING AUTHORITY SHALL NOTIFY THE LICENSEE OF THE EXPIRATION DATE BY 3 FIRST CLASS MAIL AT THE LICENSEE'S ADDRESS OF RECORD WITH THE 4 STATE LICENSING AUTHORITY. A LICENSEE SHALL APPLY FOR THE RENEWAL OF AN EXISTING LICENSE TO THE LOCAL LICENSING AUTHORITY 6 NOT LESS THAN FORTY-FIVE DAYS AND TO THE STATE LICENSING AUTHORITY NOT LESS THAN THIRTY DAYS PRIOR TO THE DATE OF 8 EXPIRATION. A LOCAL LICENSING AUTHORITY SHALL NOT ACCEPT AN 9 APPLICATION FOR RENEWAL OF A LICENSE AFTER THE DATE OF EXPIRATION, 10 EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION. THE STATE 11 LICENSING AUTHORITY MAY EXTEND THE EXPIRATION DATE OF THE 12 LICENSE AND ACCEPT A LATE APPLICATION FOR RENEWAL OF A LICENSE 13 PROVIDED THAT THE APPLICANT HAS FILED A TIMELY RENEWAL 14 APPLICATION WITH THE LOCAL LICENSING AUTHORITY. ALL RENEWALS 15 FILED WITH THE LOCAL LICENSING AUTHORITY AND SUBSEQUENTLY 16 APPROVED BY THE LOCAL LICENSING AUTHORITY SHALL NEXT BE 17 PROCESSED BY THE STATE LICENSING AUTHORITY. THE STATE OR THE 18 LOCAL LICENSING AUTHORITY, IN ITS DISCRETION, SUBJECT TO THE 19 REQUIREMENTS OF THIS SUBSECTION (1) AND SUBSECTION (2) OF THIS 20 SECTION AND BASED UPON REASONABLE GROUNDS, MAY WAIVE THE 21 FORTY-FIVE-DAY OR THIRTY-DAY TIME REQUIREMENTS SET FORTH IN THIS SUBSECTION (1). THE LOCAL LICENSING AUTHORITY MAY HOLD A HEARING ON THE APPLICATION FOR RENEWAL ONLY IF THE LICENSEE HAS HAD COMPLAINTS FILED AGAINST IT, HAS A HISTORY OF VIOLATIONS, OR THERE ARE ALLEGATIONS AGAINST THE LICENSEE THAT WOULD CONSTITUTE 26 GOOD CAUSE. THE LOCAL LICENSING AUTHORITY SHALL NOT HOLD A RENEWAL HEARING PROVIDED FOR BY THIS SUBSECTION (1) UNTIL IT HAS 28 POSTED A NOTICE OF HEARING ON THE LICENSED PREMISES IN THE MANNER 29 DESCRIBED IN SECTION 12-43.3-302 (2) FOR A PERIOD OF TEN DAYS AND 30 PROVIDED NOTICE TO THE APPLICANT AT LEAST TEN DAYS PRIOR TO THE HEARING. THE LOCAL LICENSING AUTHORITY MAY REFUSE TO RENEW ANY 32 LICENSE FOR GOOD CAUSE, SUBJECT TO JUDICIAL REVIEW.

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(2) (a) Notwithstanding the provisions of subsection (1) of this section, a licensee whose license has been expired for not more than ninety days may file a late renewal application upon the payment of a nonrefundable late application fee of five hundred dollars to the local licensing authority. A licensee who files a late renewal application and pays the requisite fees may continue to operate until both the state and local licensing authorities have taken final action to approve or deny the licensee's late renewal application unless the state or local licensing authority summarily suspends the license pursuant to article 4 of title 24, C.R.S., this article, and rules promulgated pursuant to this article.

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(b) The state and local licensing authorities may not accept a late renewal application more than ninety days after the expiration of a licensee's permanent annual license. A licensee whose permanent annual license has been expired for more than ninety days shall not cultivate, manufacture, distribute, or sell any medical marijuana until all required licenses have been obtained.

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55 (c) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE LATE 56 APPLICATION FEE IN PARAGRAPH (a) OF THIS SUBSECTION (2), THE STATE

1 LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY REDUCE THE AMOUNT OF THE FEE IF NECESSARY PURSUANT TO SECTION 3 24-75-402(3), C.R.S., BY REDUCING THE UNCOMMITTED RESERVES OF THE 4 FUND TO WHICH ALL OR ANY PORTION OF THE FEE IS CREDITED. AFTER THE 5 UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE 6 STATE LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY 7 LAW MAY INCREASE THE AMOUNT OF THE FEE AS PROVIDED IN SECTION 24-8 75-402 (4), C.R.S.

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12-43.3-312. Inactive licenses. THE STATE OR LOCAL LICENSING 11 AUTHORITY, IN ITS DISCRETION, MAY REVOKE OR ELECT NOT TO RENEW 12 ANY LICENSE IF IT DETERMINES THAT THE LICENSED PREMISES HAVE BEEN 13 INACTIVE, WITHOUT GOOD CAUSE, FOR AT LEAST ONE YEAR.

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12-43.3-313. Unlawful financial assistance. (1) THE STATE 16 LICENSING AUTHORITY, BY RULE AND REGULATION, SHALL REQUIRE A 17 COMPLETE DISCLOSURE OF ALL PERSONS HAVING A DIRECT OR INDIRECT 18 FINANCIAL INTEREST, AND THE EXTENT OF SUCH INTEREST, IN EACH 19 LICENSE ISSUED UNDER THIS ARTICLE.

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(2) A PERSON SHALL NOT HAVE AN UNREPORTED FINANCIAL 22 INTEREST IN A LICENSE PURSUANT TO THIS ARTICLE UNLESS THAT PERSON 23 HAS UNDERGONE A FINGERPRINT-BASED CRIMINAL HISTORY RECORD 24 CHECK AS PROVIDED FOR BY THE STATE LICENSING AUTHORITY IN ITS 25 RULES; EXCEPT THAT THIS SUBSECTION (2) SHALL NOT APPLY TO BANKS, 26 SAVINGS AND LOAN ASSOCIATIONS, OR INDUSTRIAL BANKS SUPERVISED AND REGULATED BY AN AGENCY OF THE STATE OR FEDERAL GOVERNMENT, 28 OR TO FHA-APPROVED MORTGAGEES, OR TO STOCKHOLDERS, DIRECTORS, 29 OR OFFICERS THEREOF.

30 31

(3) This section is intended to prohibit and prevent the 32 CONTROL OF THE OUTLETS FOR THE SALE OF MEDICAL MARIJUANA BY A 33 PERSON OR PARTY OTHER THAN THE PERSONS LICENSED PURSUANT TO THE 34 PROVISIONS OF THIS ARTICLE.

35 36

PART 4 LICENSE TYPES

37 38 39

12-43.3-401. Classes of licenses. (1) FOR THE PURPOSE OF 40 REGULATING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE 41 OF MEDICAL MARIJUANA, THE STATE LICENSING AUTHORITY IN ITS 42 DISCRETION, UPON APPLICATION IN THE PRESCRIBED FORM MADE TO IT, 43 MAY ISSUE AND GRANT TO THE APPLICANT A LICENSE FROM ANY OF THE 44 FOLLOWING CLASSES, SUBJECT TO THE PROVISIONS AND RESTRICTIONS 45 PROVIDED BY THIS ARTICLE:

46 47

(a) MEDICAL MARIJUANA CENTER LICENSE;

48 49

(b) OPTIONAL PREMISES CULTIVATION LICENSE;

50 51

(c) Medical Marijuana-Infused Products Manufacturing 52 LICENSE; AND

53 54

(d) OCCUPATIONAL LICENSES AND REGISTRATIONS FOR OWNERS, 55 MANAGERS, OPERATORS, EMPLOYEES, CONTRACTORS, AND OTHER 56 SUPPORT STAFF EMPLOYED BY, WORKING IN, OR HAVING ACCESS TO

1 RESTRICTED AREAS OF THE LICENSED PREMISES, AS DETERMINED BY THE 2 STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY MAY 3 TAKE ANY ACTION WITH RESPECT TO A REGISTRATION PURSUANT TO THIS 4 ARTICLE AS IT MAY WITH RESPECT TO A LICENSE PURSUANT TO THIS 5 ARTICLE, IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED PURSUANT 6 TO THIS ARTICLE. 7 8 (2) ALL PERSONS LICENSED PURSUANT TO THIS ARTICLE SHALL 9 COLLECT SALES TAX ON ALL SALES MADE PURSUANT TO THE LICENSING 10 ACTIVITIES.

11 12

12-43.3-402. Medical marijuana center license. (1) A MEDICAL 13 MARIJUANA CENTER LICENSE SHALL BE ISSUED ONLY TO A PERSON SELLING 14 MEDICAL MARIJUANA PURSUANT TO THE TERMS AND CONDITIONS OF THIS 15 ARTICLE.

16 17

(2) (a) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, A 18 MEDICAL MARIJUANA CENTER LICENSEE MAY ALSO SELL EDIBLE MEDICAL 19 MARIJUANA-INFUSED PRODUCTS THAT ARE PREPACKAGED AND LABELED 20 SO AS TO CLEARLY INDICATE ALL OF THE FOLLOWING:

21 22

(I) THAT THE PRODUCT CONTAINS MEDICAL MARIJUANA;

23 24

THAT THE PRODUCT IS MANUFACTURED WITHOUT ANY 25 REGULATORY OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY; AND

26 27

(III) THAT THERE MAY BE HEALTH RISKS ASSOCIATED WITH THE 28 CONSUMPTION OR USE OF THE PRODUCT.

29 30

(b) A LICENSED MEDICAL MARIJUANA CENTER MAY PERMIT THE 31 CONSUMPTION OF EDIBLE MEDICAL MARIJUANA-INFUSED PRODUCTS ON ITS 32 PREMISES AS LONG AS THE CONSUMPTION TAKES PLACE IN AN AREA 33 SEPARATE FROM WHERE MEDICAL MARIJUANA IS SOLD ON THE PREMISES.

34 35

(c) A MEDICAL MARIJUANA LICENSEE MAY CONTRACT WITH 36 MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE FOR THE MANUFACTURE OF MEDICAL MARIJUANA-INFUSED PRODUCTS UPON A 38 MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE'S 39 LICENSED PREMISES.

40 41

(3) EVERY PERSON SELLING MEDICAL MARIJUANA AS PROVIDED 42 FOR IN THIS ARTICLE SHALL SELL ONLY MEDICAL MARIJUANA GROWN IN ITS 43 MEDICAL MARIJUANA OPTIONAL PREMISES LICENSED PURSUANT TO THIS 44 ARTICLE.

45 46

(4) NOTWITHSTANDING THE REQUIREMENTS OF SUBSECTION (3) OF 47 THIS SECTION, A MEDICAL MARIJUANA LICENSEE MAY PURCHASE NOT 48 MORE THAN THIRTY PERCENT OF ITS TOTAL ON-HAND INVENTORY OF 49 MEDICAL MARIJUANA FROM ANOTHER LICENSED MEDICAL MARIJUANA 50 CENTER IN COLORADO. A MEDICAL MARIJUANA CENTER MAY SELL NO 51 MORE THAN THIRTY PERCENT OF ITS TOTAL ON-HAND INVENTORY TO 52 ANOTHER COLORADO LICENSED MEDICAL MARIJUANA LICENSEE.

53 54

PRIOR TO CONCLUDING A SALE, THE EMPLOYEE OF THE 55 MEDICAL MARIJUANA CENTER MAKING THE SALE SHALL VERIFY THAT THE 56 PURCHASER HAS A VALID REGISTRATION CARD ISSUED PURSUANT TO SECTION 25-1.5-105, C.R.S., AND A VALID PICTURE IDENTIFICATION CARD THAT MATCHES THE NAME ON THE REGISTRATION CARD.

5 SMALL AMOUNT OF ITS MEDICAL MARIJUANA FOR TESTING TO A 6 LABORATORY THAT IS LICENSED PURSUANT TO THE OCCUPATIONAL LICENSING RULES PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2) (a) (VIII), C.R.S.

(6) A LICENSED MEDICAL MARIJUANA CENTER MAY PROVIDE A

9 10

Optional premises cultivation license. 12-43.3-403. 11 OPTIONAL PREMISES CULTIVATION LICENSE MAY BE ISSUED ONLY TO A 12 PERSON LICENSED PURSUANT TO 12-43.3-402 (1) WHO GROWS AND 13 CULTIVATES MEDICAL MARIJUANA AT AN ADDITIONAL COLORADO 14 LICENSED PREMISES CONTIGUOUS OR NOT CONTIGUOUS WITH THE 15 LICENSED PREMISES OF THE PERSON'S MEDICAL MARIJUANA CENTER 16 LICENSE.

17 18

12-43.3-404. Medical marijuana-infused 19 **manufacturing license.** (1) A MEDICAL MARIJUANA-INFUSED PRODUCTS 20 MANUFACTURING LICENSE MAY BE ISSUED TO A PERSON WHO MANUFACTURES MEDICAL MARIJUANA-INFUSED PRODUCTS, PURSUANT TO THE TERMS AND CONDITIONS OF THIS ARTICLE.

23 24

(2) MEDICAL MARIJUANA-INFUSED PRODUCTS SHALL BE PREPARED 25 ON A LICENSED PREMISES THAT IS USED EXCLUSIVELY FOR THE 26 MANUFACTURE AND PREPARATION OF MEDICAL MARIJUANA-INFUSED PRODUCTS AND USING EQUIPMENT THAT IS USED EXCLUSIVELY FOR THE 28 MANUFACTURE AND PREPARATION OF MEDICAL MARIJUANA-INFUSED 29 PRODUCTS.

30 31

(3) A MEDICAL MARIJUANA-INFUSED PRODUCTS LICENSEE SHALL 32 HAVE A WRITTEN AGREEMENT OR CONTRACT WITH A MEDICAL MARIJUANA 33 CENTER LICENSEE, WHICH CONTRACT SHALL AT A MINIMUM SET FORTH THE 34 TOTAL AMOUNT OF MEDICAL MARIJUANA OBTAINED FROM A MEDICAL 35 MARIJUANA CENTER LICENSEE TO BE USED IN THE MANUFACTURING 36 PROCESS, AND THE TOTAL AMOUNT OF MEDICAL MARIJUANA-INFUSED 37 PRODUCTS TO BE EXCLUSIVELY MANUFACTURED FROM THE MEDICAL 38 MARIJUANA OBTAINED FROM THE MEDICAL MARIJUANA CENTER. THE 39 MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE MAY 40 SELL ITS PRODUCTS TO ANY LICENSED MEDICAL MARIJUANA CENTER.

41 42

ALL LICENSED PREMISES ON WHICH MEDICAL 43 MARIJUANA-INFUSED PRODUCTS ARE MANUFACTURED SHALL MEET THE 44 SANITARY STANDARDS FOR MEDICAL MARIJUANA-INFUSED PRODUCT 45 PREPARATION PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2) (a) 46 (XII).

47 48

(5) THE MEDICAL MARIJUANA-INFUSED PRODUCT SHALL BE SEALED 49 AND CONSPICUOUSLY LABELED IN COMPLIANCE WITH THIS ARTICLE AND 50 ANY RULES PROMULGATED PURSUANT TO THIS ARTICLE.

51 52 53

MEDICAL MARIJUANA-INFUSED PRODUCTS MAY NOT BE UNSEALED OR CONSUMED ON A PREMISES LICENSED PURSUANT TO THIS ARTICLE.

54 55 56

(7) NOTWITHSTANDING ANY OTHER PROVISION OF STATE LAW,

SALES OF MEDICAL MARIJUANA-INFUSED PRODUCTS SHALL NOT BE EXEMPT FROM STATE OR LOCAL SALES TAX.

3 4

PART 5 FEES

5 6 7

12-43.3-501. Medical marijuana license cash fund. MONEYS COLLECTED BY THE STATE LICENSING AUTHORITY PURSUANT TO THIS ARTICLE SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE MEDICAL MARIJUANA LICENSE CASH 11 FUND, WHICH FUND IS HEREBY CREATED AND REFERRED TO IN THIS 12 SECTION AS THE "FUND". THE MONEYS IN THE FUND SHALL BE SUBJECT TO 13 ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE 14 DEPARTMENT OF REVENUE FOR THE DIRECT AND INDIRECT COSTS 15 ASSOCIATED WITH IMPLEMENTING THIS ARTICLE. ANY MONEYS IN THE 16 FUND NOT EXPENDED FOR THE PURPOSE OF THIS ARTICLE MAY BE 17 INVESTED BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST 18 AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS 19 IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND 20 UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A 21 FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR 22 TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

23 24

24 (2) The executive director of the department of revenue By rule or as otherwise provided by law may reduce the amount Of one or more of the fees if necessary pursuant to section 24-75-402 (3), C.R.S., to reduce the uncommitted reserves of the fund to Which all or any portion of one or more of the fees is credited. After the uncommitted reserves of the fund are sufficiently Reduced, the executive director by rule or as otherwise Provided by Law may increase the amount of one or more of the fees as provided in section 24-75-402 (4), C.R.S.

33 34

34 (3) (a) THE STATE LICENSING AUTHORITY SHALL ESTABLISH FEES 35 FOR PROCESSING THE FOLLOWING TYPES OF APPLICATIONS, LICENSES, 36 NOTICES, OR REPORTS REQUIRED TO BE SUBMITTED TO THE STATE 37 LICENSING AUTHORITY:

38 39

39 (I) APPLICATIONS FOR LICENSES LISTED IN SECTION 12-43.3-401 40 AND RULES PROMULGATED PURSUANT TO THAT SECTION;

41 42

(II) APPLICATIONS TO CHANGE LOCATION PURSUANT TO SECTION 12-43.3-310 AND RULES PROMULGATED PURSUANT TO THAT SECTION;

43 44 45

46

(III) APPLICATIONS FOR TRANSFER OF OWNERSHIP PURSUANT TO SECTION 12-43.3-310 AND RULES PROMULGATED PURSUANT TO THAT SECTION;

47 48 49

(IV) LICENSE RENEWAL AND EXPIRED LICENSE RENEWAL APPLICATIONS PURSUANT TO SECTION 12-43.3-311; AND

50 51 52

(V) LICENSES AS DEFINED IN SECTION 12-43.3-401.

53 54

54 (b) THE AMOUNTS OF SUCH FEES, WHEN ADDED TO THE OTHER FEES
55 TRANSFERRED TO THE FUND PURSUANT TO THIS SECTION SHALL REFLECT
56 THE DIRECT AND INDIRECT COSTS OF THE STATE LICENSING AUTHORITY IN

THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE.

3

(c) THE STATE LICENSING AUTHORITY MAY CHARGE APPLICANTS 4 LICENSED UNDER THIS ARTICLE A FEE FOR THE COST OF EACH FINGERPRINT ANALYSIS AND BACKGROUND INVESTIGATION UNDERTAKEN TO QUALIFY 6 NEW OFFICERS, DIRECTORS, MANAGERS, OR EMPLOYEES.

7 8

9

(d) AT LEAST ANNUALLY, THE STATE LICENSING AUTHORITY SHALL REVIEW THE AMOUNTS OF THE FEES AND, IF NECESSARY, ADJUST THE 10 AMOUNTS TO REFLECT THE DIRECT AND INDIRECT COSTS OF THE STATE 11 LICENSING AUTHORITY.

12 13

(3) EXCEPT AS PROVIDED IN SUBSECTION (4) OF THIS SECTION, THE 14 STATE LICENSING AUTHORITY SHALL ESTABLISH A BASIC FEE THAT SHALL 15 BE PAID AT THE TIME OF SERVICE OF ANY SUBPOENA UPON THE STATE 16 LICENSING AUTHORITY, PLUS A FEE FOR MEALS AND A FEE FOR MILEAGE AT 17 THE RATE PRESCRIBED FOR STATE OFFICERS AND EMPLOYEES IN SECTION 18 24-9-104, C.R.S., FOR EACH MILE ACTUALLY AND NECESSARILY TRAVELED 19 IN GOING TO AND RETURNING FROM THE PLACE NAMED IN THE SUBPOENA. 20 If the person named in the subpoena is required to attend the 21 PLACE NAMED IN THE SUBPOENA FOR MORE THAN ONE DAY, THERE SHALL 22 BE PAID, IN ADVANCE, A SUM TO BE ESTABLISHED BY THE STATE LICENSING 23 AUTHORITY FOR EACH DAY OF ATTENDANCE TO COVER THE EXPENSES OF 24 THE PERSON NAMED IN THE SUBPOENA.

25 26 27

(4) THE SUBPOENA FEE ESTABLISHED PURSUANT TO SUBSECTION (3) OF THIS SECTION SHALL NOT BE APPLICABLE TO ANY FEDERAL, STATE OR LOCAL GOVERNMENTAL AGENCY.

28 29 30

12-43.3-502. Fees - allocation. (1) EXCEPT AS OTHERWISE 31 PROVIDED, ALL FEES AND FINES PROVIDED FOR BY THIS ARTICLE SHALL BE 32 PAID TO THE DEPARTMENT OF REVENUE, WHICH SHALL TRANSMIT THE FEES 33 TO THE STATE TREASURER. THE STATE TREASURER SHALL CREDIT THE 34 FEES AND TAXES TO THE MEDICAL MARIJUANA LICENSE CASH FUND 35 CREATED IN SECTION 12-43.3-501.

36 37

(2) THE EXPENDITURES OF THE STATE LICENSING AUTHORITY 38 SHALL BE PAID OUT OF APPROPRIATIONS FROM MEDICAL MARIJUANA 39 LICENSE CASH FUND CREATED IN SECTION 12-43.3-501.

40 41

12-43.3-503. Local license fees. (1) EACH APPLICATION FOR A 42 LOCAL LICENSE PROVIDED FOR IN THIS ARTICLE FILED WITH A LOCAL 43 LICENSING AUTHORITY SHALL BE ACCOMPANIED BY AN APPLICATION FEE 44 IN AN AMOUNT DETERMINED BY THE LOCAL LICENSING AUTHORITY.

45 46

(2) LICENSE FEES AS DETERMINED BY THE LOCAL LICENSING 47 AUTHORITY SHALL BE PAID TO THE TREASURER OF THE MUNICIPALITY, 48 CITY AND COUNTY, OR COUNTY WHERE THE LICENSED PREMISES IS 49 LOCATED IN ADVANCE OF THE APPROVAL, DENIAL, OR RENEWAL OF THE 50 LICENSE.

51 52

PART 6 DISCIPLINARY ACTIONS

53 54

12-43.3-601. Suspension - revocation - fines. (1) IN ADDITION 56 TO ANY OTHER SANCTIONS PRESCRIBED BY THIS ARTICLE OR RULES

PROMULGATED PURSUANT TO THIS ARTICLE, THE STATE LICENSING AUTHORITY OR A LOCAL LICENSING AUTHORITY HAS THE POWER, ON ITS OWN MOTION OR ON COMPLAINT, AFTER INVESTIGATION AND OPPORTUNITY 4 FOR A PUBLIC HEARING AT WHICH THE LICENSEE SHALL BE AFFORDED AN OPPORTUNITY TO BE HEARD, TO SUSPEND OR REVOKE A LICENSE ISSUED BY 6 THE RESPECTIVE AUTHORITY FOR A VIOLATION BY THE LICENSEE OR BY ANY OF THE AGENTS OR EMPLOYEES OF THE LICENSEE OF THE PROVISIONS 8 OF THIS ARTICLE, OR ANY OF THE RULES PROMULGATED PURSUANT TO THIS ARTICLE, OR OF ANY OF THE TERMS, CONDITIONS, OR PROVISIONS OF THE 10 LICENSE ISSUED BY THE STATE OR LOCAL LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY OR A LOCAL LICENSING AUTHORITY HAS THE 12 POWER TO ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND 14 RECORDS NECESSARY TO THE DETERMINATION OF A HEARING THAT THE STATE OR LOCAL LICENSING AUTHORITY IS AUTHORIZED TO CONDUCT.

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(2) THE STATE OR LOCAL LICENSING AUTHORITY SHALL PROVIDE 18 NOTICE OF SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL AS THE REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1) OF THIS SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT THE ADDRESS CONTAINED IN THE LICENSE. A SUSPENSION SHALL NOT BE FOR A LONGER PERIOD THAN SIX MONTHS. IF A LICENSE IS SUSPENDED OR REVOKED, A PART OF THE FEES PAID THEREFORE SHALL NOT BE RETURNED TO THE LICENSEE. ANY LICENSE OR PERMIT MAY BE SUMMARILY SUSPENDED BY THE ISSUING LICENSING AUTHORITY WITHOUT NOTICE 26 PENDING ANY PROSECUTION, INVESTIGATION, OR PUBLIC HEARING PURSUANT TO THE TERMS OF SECTION 24-4-104 (4), C.R.S. NOTHING IN 28 THIS SECTION SHALL PREVENT THE SUMMARY SUSPENSION OF A LICENSE 29 PURSUANT TO SECTION 24-4-104 (4), C.R.S. EACH PATIENT REGISTERED 30 WITH A MEDICAL MARIJUANA CENTER THAT HAS HAD ITS LICENSE SUMMARILY SUSPENDED MAY IMMEDIATELY TRANSFER HIS OR HER 32 PRIMARY CENTER TO ANOTHER LICENSED MEDICAL MARIJUANA CENTER.

33 34

27

WHENEVER A DECISION OF THE STATE LICENSING (3) (a) 35 AUTHORITY OR A LOCAL LICENSING AUTHORITY SUSPENDING A LICENSE 36 FOR FOURTEEN DAYS OR LESS BECOMES FINAL, THE LICENSEE MAY, BEFORE THE OPERATIVE DATE OF THE SUSPENSION, PETITION FOR PERMISSION TO 38 PAY A FINE IN LIEU OF HAVING THE LICENSE SUSPENDED FOR ALL OR PART OF THE SUSPENSION PERIOD. UPON THE RECEIPT OF THE PETITION, THE 40 STATE OR LOCAL LICENSING AUTHORITY MAY, IN ITS SOLE DISCRETION, 41 STAY THE PROPOSED SUSPENSION AND CAUSE ANY INVESTIGATION TO BE 42 MADE WHICH IT DEEMS DESIRABLE AND MAY, IN ITS SOLE DISCRETION, GRANT THE PETITION IF THE STATE OR LOCAL LICENSING AUTHORITY IS 44 SATISFIED THAT:

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47

48

(I) THE PUBLIC WELFARE AND MORALS WOULD NOT BE IMPAIRED BY PERMITTING THE LICENSEE TO OPERATE DURING THE PERIOD SET FOR SUSPENSION AND THAT THE PAYMENT OF THE FINE WILL ACHIEVE THE DESIRED DISCIPLINARY PURPOSES;

49 50 51

(II) THE BOOKS AND RECORDS OF THE LICENSEE ARE KEPT IN SUCH A MANNER THAT THE LOSS OF SALES THAT THE LICENSEE WOULD HAVE SUFFERED HAD THE SUSPENSION GONE INTO EFFECT CAN BE DETERMINED WITH REASONABLE ACCURACY; AND

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53

(III) THE LICENSEE HAS NOT HAD HIS OR HER LICENSE SUSPENDED

OR REVOKED, NOR HAD ANY SUSPENSION STAYED BY PAYMENT OF A FINE,
DURING THE TWO YEARS IMMEDIATELY PRECEDING THE DATE OF THE
MOTION OR COMPLAINT THAT RESULTED IN A FINAL DECISION TO SUSPEND
THE LICENSE OR PERMIT.

(b) THE FINE ACCEPTED SHALL BE NOT LESS THAN FIVE HUNDRED DOLLARS NOR MORE THAN ONE HUNDRED THOUSAND DOLLARS.

9 (c) PAYMENT OF A FINE PURSUANT TO THE PROVISIONS OF THIS
10 SUBSECTION (3) SHALL BE IN THE FORM OF CASH OR IN THE FORM OF A
11 CERTIFIED CHECK OR CASHIER'S CHECK MADE PAYABLE TO THE STATE OR
12 LOCAL LICENSING AUTHORITY, WHICHEVER IS APPROPRIATE.

(4) Upon payment of the fine pursuant to subsection (3) of this section, the state or local licensing authority shall enter its further order permanently staying the imposition of the suspension. If the fine is paid to a local licensing authority, the governing body of the authority shall cause the moneys to be paid into the general fund of the local licensing authority. Fines paid to the state licensing authority pursuant to subsection (3) of this section shall be transmitted to the state treasurer who shall credit the same to the medical marijuana license cash fund created in section 12-43.3-501.

25 (5) IN CONNECTION WITH A PETITION PURSUANT TO SUBSECTION (3)
26 OF THIS SECTION, THE AUTHORITY OF THE STATE OR LOCAL LICENSING
27 AUTHORITY IS LIMITED TO THE GRANTING OF SUCH STAYS AS ARE
28 NECESSARY FOR THE AUTHORITY TO COMPLETE ITS INVESTIGATION AND
29 MAKE ITS FINDINGS AND, IF THE AUTHORITY MAKES SUCH FINDINGS, TO
30 THE GRANTING OF AN ORDER PERMANENTLY STAYING THE IMPOSITION OF
31 THE ENTIRE SUSPENSION OR THAT PORTION OF THE SUSPENSION NOT
32 OTHERWISE CONDITIONALLY STAYED.

(6) If the state or local licensing authority does not make the findings required in paragraph (a) of subsection (3) of this section and does not order the suspension permanently stayed, the suspension shall go into effect on the operative date finally set by the state or local licensing authority.

40 (7) EACH LOCAL LICENSING AUTHORITY SHALL REPORT ALL
41 ACTIONS TAKEN TO IMPOSE FINES, SUSPENSIONS, AND REVOCATIONS TO
42 THE STATE LICENSING AUTHORITY IN A MANNER REQUIRED BY THE STATE
43 LICENSING AUTHORITY. NO LATER THAN JANUARY 15 OF EACH YEAR, THE
44 STATE LICENSING AUTHORITY SHALL COMPILE A REPORT OF THE
45 PRECEDING YEAR'S ACTIONS IN WHICH FINES, SUSPENSIONS, OR
46 REVOCATIONS WERE IMPOSED BY LOCAL LICENSING AUTHORITIES AND BY
47 THE STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY
48 SHALL FILE ONE COPY OF THE REPORT WITH THE CHIEF CLERK OF THE
49 HOUSE OF REPRESENTATIVES, ONE COPY WITH THE SECRETARY OF THE
50 SENATE, AND SIX COPIES IN THE JOINT LEGISLATIVE LIBRARY.

PART 7 INSPECTION OF BOOKS AND RECORDS

12-43.3-701. Inspection procedures. (1) EACHLICENSEE SHALL 56 KEEP A COMPLETE SET OF ALL RECORDS NECESSARY TO SHOW FULLY THE

BUSINESS TRANSACTIONS OF THE LICENSEE, ALL OF WHICH SHALL BE OPEN
AT ALL TIMES DURING BUSINESS HOURS FOR THE INSPECTION AND
EXAMINATION OF 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 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 BE PAID BY THE LICENSEE.

12 13

(2) The Licensed Premises, including any places of Storage where medical marijuana is grown, stored, cultivated, sold, or dispensed, shall be subject to inspection by the state or local licensing authorities and their investigators, during all business hours and other times of apparent activity, for the purpose of inspection or investigation. For examination of any inventory or books and records required to be kept by the licensees, access shall be required during business hours. Where any part of the licensee premises consists of a locked area, upon demand to the licensee, such area shall be made available for inspection without delay, and, upon request by authorized representatives of the state or local licensing authority, the licensee shall open the area for inspection.

26 27

27 (3) EACH LICENSEE SHALL RETAIN ALL BOOKS AND RECORDS 28 NECESSARY TO SHOW FULLY THE BUSINESS TRANSACTIONS OF THE 29 LICENSEE FOR A PERIOD OF THE CURRENT TAX YEAR AND THE THREE 30 IMMEDIATELY PRIOR TAX YEARS.

31 32

PART 8 JUDICIAL REVIEW

33 34 35

12-43.3-801. Judicial review. Decisions by the state Licensing authority or a local licensing authority shall be subject to judicial review pursuant to section 24-4-106, C.R.S.

37 38 39

PART 9 UNLAWFUL ACTS - ENFORCEMENT

40 41 42

42 **12-43.3-901. Unlawful acts - exceptions.** (1) EXCEPT AS 43 OTHERWISE PROVIDED IN THIS ARTICLE, IT IS UNLAWFUL FOR A PERSON:

44 45

(a) TO CONSUME MEDICAL MARIJUANA IN A LICENSED MEDICAL MARIJUANA CENTER, AND IT SHALL BE UNLAWFUL FOR A MEDICAL MARIJUANA LICENSEE TO ALLOW MEDICAL MARIJUANA TO BE CONSUMED UPON ITS LICENSED PREMISES; EXCEPT THAT EDIBLE MEDICAL MARIJUANA-INFUSED PRODUCTS MAY BE CONSUMED ON THE PREMISES PURSUANT TO SECTION 12-43.3-402 (2) (b); OR

51 52

52 (b) WITH KNOWLEDGE, TO PERMIT OR FAIL TO PREVENT THE USE OF 53 HIS OR HER REGISTRY IDENTIFICATION BY ANY OTHER PERSON FOR THE 54 UNLAWFUL PURCHASING OF MEDICAL MARIJUANA.

55 56

(2) IT IS UNLAWFUL FOR A PERSON TO BUY, SELL, TRANSFER, GIVE

AWAY, OR ACQUIRE MEDICAL MARIJUANA EXCEPT AS ALLOWED PURSUANT TO THIS ARTICLE.

(3) It is unlawful for a person licensed pursuant to this ARTICLE:

5 6 7

3

(a) TO BE WITHIN A LIMITED-ACCESS AREA UNLESS THE PERSON'S 8 LICENSE BADGE IS DISPLAYED AS REQUIRED BY THIS ARTICLE, EXCEPT AS PROVIDED IN SECTION 12-43.3-701;

9 10 11

(b) TO FAIL TO DESIGNATE AREAS OF INGRESS AND EGRESS FOR 12 LIMITED-ACCESS AREAS AND POST SIGNS IN CONSPICUOUS LOCATIONS AS REQUIRED BY THIS ARTICLE;

13 14 15

(c) To fail to report a transfer required by section 12-16 43.3-310 (11); OR

17 18

(d) TO FAIL TO REPORT THE NAME OF OR A CHANGE IN MANAGERS 19 AS REQUIRED BY SECTION 12-43.3-310 (12).

20 21

(4) IT IS UNLAWFUL FOR ANY PERSON LICENSED TO SELL MEDICAL 22 MARIJUANA PURSUANT TO THIS ARTICLE:

23 24

(a) TO DISPLAY ANY SIGNS THAT ARE INCONSISTENT WITH STATE 25 OR LOCAL LAWS OR REGULATIONS;

26 27

TO USE ADVERTISING MATERIAL THAT IS MISLEADING, 28 DECEPTIVE, OR FALSE, OR THAT IS DESIGNED TO APPEAL TO MINORS;

29 30

(c) TO PROVIDE PUBLIC PREMISES, OR ANY PORTION THEREOF, FOR 31 THE PURPOSE OF CONSUMPTION OF MEDICAL MARIJUANA IN ANY FORM; 32 EXCEPT THAT EDIBLE MEDICAL MARIJUANA-INFUSED PRODUCTS MAY BE 33 CONSUMED ON THE PREMISES PURSUANT TO SECTION 12-43.3-402 (2) (b);

34 35

(d) (I) TO SELL MEDICAL MARIJUANA TO A PERSON NOT LICENSED 36 PURSUANT TO THIS ARTICLE OR TO A PERSON NOT ABLE TO PRODUCE A VALID PATIENT REGISTRY IDENTIFICATION CARD. NOTWITHSTANDING ANY 38 PROVISION IN THIS SUBPARAGRAPH (I) TO THE CONTRARY, A PERSON 39 UNDER TWENTY-ONE YEARS OF AGE SHALL NOT BE EMPLOYED TO SELL OR 40 DISPENSE MEDICAL MARIJUANA AT A MEDICAL MARIJUANA CENTER OR 41 GROW OR CULTIVATE MEDICAL MARIJUANA AT AN OPTIONAL PREMISES 42 CULTIVATION OPERATION.

43 44

(II) IF A LICENSEE OR A LICENSEE'S EMPLOYEE HAS REASONABLE 45 CAUSE TO BELIEVE THAT A PERSON IS EXHIBITING A FRAUDULENT PATIENT 46 REGISTRY IDENTIFICATION CARD IN AN ATTEMPT TO OBTAIN MEDICAL 47 MARIJUANA, THE LICENSEE OR EMPLOYEE SHALL BE AUTHORIZED TO 48 CONFISCATE THE FRAUDULENT PATIENT REGISTRY IDENTIFICATION CARD, 49 IF POSSIBLE, AND SHALL, WITHIN SEVENTY-TWO HOURS AFTER THE 50 CONFISCATION, TURN IT OVER TO THE STATE HEALTH DEPARTMENT OR 51 LOCAL LAW ENFORCEMENT AGENCY. THE FAILURE TO CONFISCATE THE 52 FRAUDULENT PATIENT REGISTRY IDENTIFICATION CARD OR TO TURN IT OVER TO THE STATE HEALTH DEPARTMENT OR A STATE OR LOCAL LAW 54 ENFORCEMENT AGENCY WITHIN SEVENTY-TWO HOURS AFTER THE 55 CONFISCATION SHALL NOT CONSTITUTE A CRIMINAL OFFENSE.

(e) TO POSSESS MORE THAN SIX MEDICAL MARIJUANA PLANTS AND TWO OUNCES OF MEDICAL MARIJUANA FOR EACH PATIENT WHO HAS REGISTERED THE CENTER AS HIS OR HER PRIMARY CENTER PURSUANT TO SECTION 25-1.5-106 (6) (f), C.R.S.; EXCEPT THAT A MEDICAL MARIJUANA CENTER MAY HAVE AN AMOUNT THAT EXCEEDS THE SIX-PLANT AND TWO-6 OUNCE PRODUCT PER PATIENT LIMIT IF THE CENTER SELLS TO PATIENTS 7 THAT ARE AUTHORIZED TO HAVE MORE THAN SIX PLANTS AND TWO 8 OUNCES OF PRODUCT. IN THE CASE OF A PATIENT AUTHORIZED TO EXCEED THE SIX-PLANT AND TWO-OUNCE LIMIT, THE CENTER SHALL OBTAIN 10 DOCUMENTATION FROM THE PATIENT'S PHYSICIAN THAT THE PATIENT 11 NEEDS MORE THAN SIX PLANTS AND TWO OUNCES OF PRODUCT.

12 13

1

(f) To offer for sale or solicit an order for medical 14 MARIJUANA IN PERSON EXCEPT WITHIN THE LICENSED PREMISES;

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(g) TO HAVE IN POSSESSION OR UPON THE LICENSED PREMISES ANY MEDICAL MARIJUANA, THE SALE OF WHICH IS NOT PERMITTED BY THE 18 LICENSE:

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(h) TO BUY MEDICAL MARIJUANA FROM A PERSON NOT LICENSED 21 TO SELL AS PROVIDED BY THIS ARTICLE;

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(i) TO SELL MEDICAL MARIJUANA EXCEPT IN THE PERMANENT 24 LOCATION SPECIFICALLY DESIGNATED IN THE LICENSE FOR SALE;

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(j) TO HAVE ON THE LICENSED PREMISES ANY MEDICAL MARIJUANA OR MARIJUANA PARAPHERNALIA THAT SHOWS EVIDENCE OF THE MEDICAL MARIJUANA HAVING BEEN CONSUMED OR PARTIALLY CONSUMED; OR

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(k) To require a medical marijuana center or medical MARIJUANA CENTER WITH AN OPTIONAL PREMISES CULTIVATION LICENSE TO MAKE DELIVERY TO ANY PREMISES OTHER THAN THE SPECIFIC LICENSED 33 PREMISES WHERE THE MEDICAL MARIJUANA IS TO BE SOLD.

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(5) EXCEPT FOR AS PROVIDED IN SECTIONS 12-43.3-402 (4), 12-36 43.3-403, AND 12-43.3-404, IT IS UNLAWFUL FOR A MEDICAL MARIJUANA CENTER OR MEDICAL MARIJUANA CENTER WITH AN OPTIONAL PREMISES 38 CULTIVATION LICENSE TO SELL, DELIVER, OR CAUSE TO BE DELIVERED TO 39 A LICENSEE ANY MEDICAL MARIJUANA NOT GROWN UPON ITS LICENSED 40 PREMISES, OR FOR A LICENSEE OR MEDICAL MARIJUANA CENTER WITH AN 41 OPTIONAL PREMISES CULTIVATION LICENSE TO SELL, POSSESS, OR PERMIT 42 SALE OF MEDICAL MARIJUANA NOT GROWN UPON ITS LICENSED PREMISES. 43 A VIOLATION OF THE PROVISIONS OF THIS SUBSECTION (5) BY A LICENSEE 44 SHALL BE GROUNDS FOR THE IMMEDIATE REVOCATION OF THE LICENSE 45 GRANTED UNDER THIS ARTICLE.

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(6) IT SHALL BE UNLAWFUL FOR A PHYSICIAN WHO MAKES PATIENT 48 REFERRALS TO A LICENSED MEDICAL MARIJUANA CENTER TO RECEIVE ANYTHING OF VALUE FROM THE MEDICAL MARIJUANA CENTER LICENSEE 50 OR ITS AGENTS, SERVANTS, OFFICERS, OR OWNERS OR ANYONE 51 FINANCIALLY INTERESTED IN THE LICENSEE, AND IT SHALL BE UNLAWFUL 52 FOR A LICENSEE LICENSED PURSUANT TO THIS ARTICLE TO OFFER ANYTHING OF VALUE TO A MEDICAL DOCTOR FOR MAKING PATIENT 54 REFERRALS TO THE LICENSED MEDICAL MARIJUANA CENTER.

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(7) A PERSON WHO COMMITS ANY OF THE UNLAWFUL ACTS IN THIS

SECTION COMMITS A CLASS 2 MISDEMEANOR AND SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S.

SECTION 2. 25-1.5-106, Colorado Revised Statutes, is amended to read:

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25-1.5-106. Medical marijuana program - powers and duties of the state health agency. (1) Legislative declaration. (a) THE GENERAL ASSEMBLY HEREBY DECLARES THAT IT IS NECESSARY TO 10 IMPLEMENT RULES TO ENSURE THAT PATIENTS SUFFERING FROM 11 LEGITIMATE DEBILITATING MEDICAL CONDITIONS ARE ABLE TO SAFELY 12 GAIN ACCESS TO MEDICAL MARIJUANA AND TO ENSURE THAT THESE 13 PATIENTS:

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(I) ARE NOT SUBJECT TO CRIMINAL PROSECUTION FOR THEIR USE 16 OF MEDICAL MARIJUANA IN ACCORDANCE WITH SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, AND THE RULES OF THE 18 STATE HEALTH AGENCY; AND

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(II) ARE ABLE TO ESTABLISH AN AFFIRMATIVE DEFENSE TO THEIR 21 USE OF MEDICAL MARIJUANA IN ACCORDANCE WITH SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, AND THE RULES OF THE STATE HEALTH AGENCY.

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(b) The General assembly hereby declares that it is 26 NECESSARY TO IMPLEMENT RULES TO PREVENT PERSONS WHO DO NOT SUFFER FROM LEGITIMATE DEBILITATING MEDICAL CONDITIONS FROM 28 USING SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION AS A 29 MEANS TO SELL, ACQUIRE, POSSESS, PRODUCE, USE, OR TRANSPORT 30 MARIJUANA IN VIOLATION OF STATE AND FEDERAL LAWS.

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(2) **Definitions.** IN ADDITION TO THE DEFINITIONS SET FORTH IN 33 SECTION 14 (1) OF ARTICLE XVIII OF THE STATE CONSTITUTION, AS USED 34 IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "PRIMARY 35 CAREGIVER" MEANS A NATURAL PERSON, OTHER THAN THE PATIENT OR 36 THE PATIENT'S PHYSICIAN, WHO IS EIGHTEEN YEARS OF AGE OR OLDER AND 37 HAS SIGNIFICANT RESPONSIBILITY FOR MANAGING THE WELL-BEING OF A 38 PATIENT WHO HAS A DEBILITATING MEDICAL CONDITION.

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(1) (3) Rule-making. THE STATE HEALTH AGENCY MAY 41 PROMULGATE RULES REGARDING THE FOLLOWING:

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WHAT CONSTITUTES "SIGNIFICANT RESPONSIBILITY FOR 44 MANAGING THE WELL-BEING OF A PATIENT";

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(II) THE DEVELOPMENT OF A FORM FOR A PRIMARY CAREGIVER TO 47 USE IN APPLYING TO THE REGISTRY, WHICH FORM SHALL REQUIRE, AT A 48 MINIMUM, THAT THE APPLICANT PROVIDE HIS OR HER FULL NAME, HOME ADDRESS, DATE OF BIRTH, AND AN ATTESTATION THAT THE APPLICANT HAS 50 A SIGNIFICANT RESPONSIBILITY FOR MANAGING THE WELL-BEING OF THE 51 PATIENT FOR WHOM HE OR SHE IS DESIGNATED AS THE PRIMARY 52 CAREGIVER AND THAT HE OR SHE UNDERSTANDS AND WILL ABIDE BY SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, 54 AND THE RULES PROMULGATED BY THE STATE HEALTH AGENCY PURSUANT 55 TO THIS SECTION;

1 (III) THE DEVELOPMENT OF A FORM THAT CONSTITUTES "WRITTEN DOCUMENTATION", AS DEFINED AND USED IN SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, WHICH FORM A PHYSICIAN SHALL USE 4 WHEN MAKING A MEDICAL MARIJUANA RECOMMENDATION FOR A PATIENT; 5 AND

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(IV) THE GROUNDS AND PROCEDURE FOR A PATIENT TO CHANGE HIS OR HER DESIGNATED PRIMARY CAREGIVER.

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NOTWITHSTANDING ANY OTHER REQUIREMENTS TO THE (4) 11 CONTRARY, NOTICE ISSUED BY THE STATE HEALTH AGENCY FOR A 12 RULEMAKING HEARING PURSUANT TO SECTION 24-4-103, C.R.S., FOR RULES CONCERNING THE MEDICAL MARIJUANA PROGRAM SHALL BE 14 SUFFICIENT IF THE STATE HEALTH AGENCY PROVIDES THE NOTICE NO 15 LATER THAN FORTY-FIVE DAYS IN ADVANCE OF THE RULEMAKING HEARING 16 IN AT LEAST ONE PUBLICATION IN A NEWSPAPER OF GENERAL 17 DISTRIBUTION IN THE STATE AND POSTS THE NOTICE ON THE STATE HEALTH 18 AGENCY'S WEB SITE; EXCEPT THAT EMERGENCY RULES PURSUANT TO SECTION 24-4-103 (6), C.R.S., SHALL NOT REQUIRE ADVANCE NOTICE.

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(5) **Primary caregivers.** (a) A PRIMARY CAREGIVER MAY NOT 22 DELEGATE TO ANY OTHER PERSON HIS OR HER AUTHORITY TO PROVIDE MEDICAL MARIJUANA TO A PATIENT NOR MAY A PRIMARY CAREGIVER ENGAGE OTHERS TO ASSIST IN PROVIDING MEDICAL MARIJUANA TO A 25 PATIENT.

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TWO OR MORE PRIMARY CAREGIVERS SHALL NOT JOIN 28 TOGETHER FOR THE PURPOSE OF CULTIVATING MEDICAL MARIJUANA.

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(c) Only a medical marijuana center with an optional PREMISES CULTIVATION LICENSE OR A PRIMARY CAREGIVER FOR HIS OR 32 HER PATIENTS OR A PATIENT FOR HIMSELF OR HERSELF MAY CULTIVATE OR 33 PROVIDE MARIJUANA AND ONLY FOR MEDICAL USE.

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A PRIMARY CAREGIVER SHALL PROVIDE TO A LAW 36 ENFORCEMENT AGENCY, UPON INQUIRY, THE REGISTRY IDENTIFICATION CARD NUMBER OF EACH OF HIS OR HER PATIENTS. THE STATE HEALTH 38 AGENCY SHALL MAINTAIN A REGISTRY OF THIS INFORMATION AND MAKE 39 IT AVAILABLE TWENTY-FOUR HOURS PER DAY AND SEVEN DAYS A WEEK TO 40 LAW ENFORCEMENT FOR VERIFICATION PURPOSES. UPON INQUIRY BY A 41 LAW ENFORCEMENT OFFICER AS TO AN INDIVIDUAL'S STATUS AS A PATIENT 42 OR PRIMARY CAREGIVER, THE STATE HEALTH AGENCY SHALL CHECK THE 43 REGISTRY. IF THE INDIVIDUAL IS NOT REGISTERED AS A PATIENT OR 44 PRIMARY CAREGIVER, THE STATE HEALTH AGENCY MAY PROVIDE THAT 45 RESPONSE TO LAW ENFORCEMENT. IF THE PERSON IS A REGISTERED 46 PATIENT OR PRIMARY CAREGIVER, THE STATE HEALTH AGENCY MAY NOT RELEASE INFORMATION UNLESS CONSISTENT WITH SECTION 14 OF ARTICLE 48 XVIII OF THE STATE CONSTITUTION. THE STATE HEALTH AGENCY MAY 49 PROMULGATE RULES TO PROVIDE FOR THE EFFICIENT ADMINISTRATION OF 50 THIS PARAGRAPH (d).

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(6) **Patient - primary caregiver relationship.** (a) A PERSON SHALL BE LISTED AS A PRIMARY CAREGIVER FOR NO MORE THAN FIVE 54 PATIENTS ON THE MEDICAL MARIJUANA PROGRAM REGISTRY AT ANY GIVEN 55 TIME; EXCEPT THAT THE STATE HEALTH AGENCY MAY ALLOW A PRIMARY 56 CAREGIVER TO CIRCUMSTANCES, AND A PRIMARY CAREGIVER MAY SERVE 1 NO MORE THAN SIXTEEN PATIENTS IF THE LOCALITY WHERE THE PRIMARY CAREGIVER LIVES HAS BANNED MEDICAL MARIJUANA CENTERS. IN 3 DETERMINING WHETHER EXCEPTIONAL CIRCUMSTANCES EXIST, THE STATE 4 HEALTH AGENCY MAY CONSIDER THE PROXIMITY OF MEDICAL MARIJUANA 5 CENTERS TO THE PATIENT. A PRIMARY CAREGIVER SHALL MAINTAIN A LIST 6 OF HIS OR HER PATIENTS INCLUDING THE REGISTRY IDENTIFICATION CARD 7 NUMBER OF EACH PATIENT AT ALL TIMES.

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(b) A PATIENT SHALL HAVE ONLY ONE PRIMARY CAREGIVER AT 10 ANY GIVEN TIME.

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(c) A PATIENT WHO HAS DESIGNATED A PRIMARY CAREGIVER FOR 13 HIMSELF OR HERSELF MAY NOT BE DESIGNATED AS A PRIMARY CAREGIVER 14 FOR ANOTHER PATIENT.

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(d) A PRIMARY CAREGIVER MAY NOT CHARGE A PATIENT MORE 17 THAN THE COST OF CULTIVATING OR PURCHASING THE MEDICAL 18 MARIJUANA, BUT MAY CHARGE FOR CAREGIVER SERVICES.

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(e) (I) THE STATE HEALTH AGENCY SHALL MAINTAIN A SECURE 21 AND CONFIDENTIAL REGISTRY OF AVAILABLE PRIMARY CAREGIVERS FOR 22 THOSE PATIENTS WHO ARE UNABLE TO SECURE THE SERVICES OF A 23 PRIMARY CAREGIVER.

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(II) AN EXISTING PRIMARY CAREGIVER MAY INDICATE AT THE TIME 26 OF REGISTRATION WHETHER HE OR SHE WOULD BE WILLING TO HANDLE 27 ADDITIONAL PATIENTS AND WAIVE CONFIDENTIALITY TO ALLOW RELEASE 28 OF HIS OR HER CONTACT INFORMATION TO PHYSICIANS OR REGISTERED 29 PATIENTS ONLY.

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(III) AN INDIVIDUAL WHO IS NOT REGISTERED BUT IS WILLING TO 32 PROVIDE PRIMARY CAREGIVING SERVICES MAY SUBMIT HIS OR HER 33 CONTACT INFORMATION TO BE PLACED ON THE PRIMARY CAREGIVER 34 REGISTRY.

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(IV) A PATIENT-PRIMARY CAREGIVER ARRANGEMENT SECURED 37 PURSUANT TO THIS PARAGRAPH (e) SHALL BE STRICTLY BETWEEN THE 38 PATIENT AND THE POTENTIAL PRIMARY CAREGIVER. THE STATE HEALTH 39 AGENCY, BY PROVIDING THE INFORMATION REQUIRED BY THIS PARAGRAPH 40 (e), SHALL NOT ENDORSE OR VOUCH FOR A PRIMARY CAREGIVER. TO PASS 41 THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK, THE 42 PRIMARY CAREGIVER SHALL NOT HAVE BEEN CONVICTED OF A FELONY 43 PURSUANT TO PART 4 OF ARTICLE 18 OF TITLE 18, C.R.S., WITHIN THE FIVE 44 YEARS PRECEDING THE CRIMINAL HISTORY RECORD CHECK.

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(V) THE STATE HEALTH AGENCY MAY MAKE AN EXCEPTION, BASED 47 ON A REQUEST FROM A PATIENT, TO PARAGRAPH (a) OF THIS SUBSECTION 48 (6) LIMITING PRIMARY CAREGIVERS TO FIVE PATIENTS. IF THE STATE 49 HEALTH AGENCY MAKES AN EXCEPTION TO THE LIMIT, THE STATE HEALTH 50 AGENCY SHALL NOTE THE EXCEPTION ON THE PRIMARY CAREGIVER'S 51 RECORD IN THE REGISTRY.

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(f) AT THE TIME A PATIENT APPLIES FOR INCLUSION ON THE 54 CONFIDENTIAL REGISTRY, THE PATIENT SHALL INDICATE WHETHER THE 55 PATIENT INTENDS TO CULTIVATE HIS OR HER OWN MEDICAL MARIJUANA OR 56 INTENDS TO OBTAIN IT FROM EITHER A PRIMARY CAREGIVER OR A LICENSED MEDICAL MARIJUANA CENTER. IF THE PATIENT ELECTS TO USE A LICENSED MEDICAL MARIJUANA CENTER, THE PATIENT SHALL REGISTER THE PRIMARY CENTER HE OR SHE INTENDS TO USE.

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(7) Registry identification card required - denial - revocation renewal. (a) TO BE CONSIDERED IN COMPLIANCE WITH THE PROVISIONS OF SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, AND THE RULES OF THE STATE HEALTH AGENCY, A PATIENT OR PRIMARY CAREGIVER SHALL HAVE HIS OR HER REGISTRY IDENTIFICATION CARD IN HIS OR HER POSSESSION AT ALL TIMES THAT HE OR SHE IS IN 11 POSSESSION OF ANY FORM OF MEDICAL MARIJUANA AND PRODUCE THE 12 SAME UPON REQUEST OF A LAW ENFORCEMENT OFFICER TO DEMONSTRATE THAT THE PATIENT OR PRIMARY CAREGIVER IS NOT IN VIOLATION OF THE 14 LAW; EXCEPT THAT, IF MORE THAN THIRTY-FIVE DAYS HAVE PASSED SINCE 15 THE DATE THE PATIENT OR PRIMARY CAREGIVER FILED HIS OR HER 16 MEDICAL MARIJUANA PROGRAM APPLICATION AND THE STATE HEALTH AGENCY HAS NOT YET ISSUED OR DENIED A REGISTRY IDENTIFICATION 18 CARD, A COPY OF THE PATIENT'S OR PRIMARY CAREGIVER'S APPLICATION 19 ALONG WITH PROOF OF THE DATE OF SUBMISSION SHALL BE IN THE 20 PATIENT'S OR PRIMARY CAREGIVER'S POSSESSION AT ALL TIMES THAT HE 21 OR SHE IS IN POSSESSION OF ANY FORM OF MEDICAL MARIJUANA UNTIL THE 22 STATE HEALTH AGENCY ISSUES OR DENIES THE REGISTRY IDENTIFICATION CARD. A PERSON WHO VIOLATES SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, OR THE RULES PROMULGATED BY THE STATE HEALTH AGENCY MAY BE SUBJECT TO CRIMINAL PROSECUTION FOR 26 VIOLATIONS OF SECTION 18-18-406, C.R.S.

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(b) THE STATE HEALTH AGENCY MAY DENY A PATIENT'S OR 29 PRIMARY CAREGIVER'S APPLICATION FOR A REGISTRY IDENTIFICATION 30 CARD OR REVOKE THE CARD IF THE STATE HEALTH AGENCY, IN 31 ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., DETERMINES THAT THE 32 PHYSICIAN WHO DIAGNOSED THE PATIENT'S DEBILITATING MEDICAL 33 CONDITION, THE PATIENT, OR THE PRIMARY CAREGIVER VIOLATED SECTION 14 of article XVIII of the state constitution, this section, or the 35 RULES PROMULGATED BY THE STATE HEALTH AGENCY PURSUANT TO THIS 36 SECTION; EXCEPT THAT A PATIENT'S APPLICATION OR REGISTRY IDENTIFICATION CARD MAY ONLY BE DENIED OR REVOKED BASED ON A PHYSICIAN'S VIOLATION THAT IS RELATED TO THE ISSUANCE OF A MEDICAL MARIJUANA RECOMMENDATION.

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(c) A PATIENT OR PRIMARY CAREGIVER REGISTRY IDENTIFICATION 42 CARD SHALL BE VALID FOR ONE YEAR AND SHALL CONTAIN A UNIQUE 43 IDENTIFICATION NUMBER. IT SHALL BE THE RESPONSIBILITY OF THE 44 PATIENT OR PRIMARY CAREGIVER TO APPLY TO RENEW HIS OR HER 45 REGISTRY IDENTIFICATION CARD PRIOR TO THE DATE ON WHICH THE CARD 46 EXPIRES. THE STATE HEALTH AGENCY SHALL DEVELOP A FORM FOR A PATIENT OR PRIMARY CAREGIVER TO USE IN RENEWING HIS OR HER REGISTRY IDENTIFICATION CARD.

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(8) Use of medical marijuana. (a) The use of medical 51 MARIJUANA IS ALLOWED UNDER STATE LAW TO THE EXTENT THAT IT IS CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, AND THE RULES OF THE STATE HEALTH AGENCY.

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(b) A PATIENT OR PRIMARY CAREGIVER SHALL NOT:

1 2 3	(I) ENGAGE IN THE MEDICAL USE OF MARIJUANA IN A WAY THAT ENDANGERS THE HEALTH AND WELL-BEING OF A PERSON;
4 5 6	(II) ENGAGE IN THE MEDICAL USE OF MARIJUANA IN PLAIN VIEW OF OR IN A PLACE OPEN TO THE GENERAL PUBLIC;
7 8 9 10	(III) UNDERTAKE ANY TASK WHILE UNDER THE INFLUENCE OF MEDICAL MARIJUANA, WHEN DOING SO WOULD CONSTITUTE NEGLIGENCE OR PROFESSIONAL MALPRACTICE;
11 12 13	(IV) Possess medical marijuana or otherwise engage in the use of medical marijuana in a school bus;
14 15	(V) ENGAGE IN THE USE OF MEDICAL MARIJUANA WHILE:
16 17	(A) In a correctional facility or a community corrections facility;
18 19 20	(B) SUBJECT TO A SENTENCE TO INCARCERATION; OR
21 22	(C) IN A VEHICLE, AIRCRAFT, OR MOTORBOAT;
23 24 25	(VI) OPERATE, NAVIGATE, OR BE IN ACTUAL PHYSICAL CONTROL OF ANY VEHICLE, AIRCRAFT, OR MOTORBOAT WHILE UNDER THE INFLUENCE OF MEDICAL MARIJUANA; OR
26 27 28 29 30 31 32	(VII) USE MEDICAL MARIJUANA IF THE PERSON DOES NOT HAVE A DEBILITATING MEDICAL CONDITION AS DIAGNOSED BY THE PERSON'S PHYSICIAN IN THE COURSE OF A BONA FIDE PHYSICIAN-PATIENT RELATIONSHIP AND FOR WHICH THE PHYSICIAN HAS RECOMMENDED THE USE OF MEDICAL MARIJUANA.
32 33 34 35 36	(c) A PERSON SHALL NOT ESTABLISH A BUSINESS TO PERMIT PATIENTS TO CONGREGATE AND SMOKE OR OTHERWISE CONSUME MEDICAL MARIJUANA.
37	(9) Limit on cultivation of medical marijuana. Only registered patients, licensed primary caregivers, and licensed medical marijuana centers with optional premises cultivation licenses may cultivate medical marijuana.
42	(10) Affirmative defense. IF A PATIENT OR PRIMARY CAREGIVER
43	RAISES AN AFFIRMATIVE DEFENSE AS PROVIDED IN SECTION 14 (4) (b) OF
44	ARTICLE XVIII OF THE STATE CONSTITUTION, THE PATIENT'S PHYSICIAN
45	SHALL CERTIFY THE SPECIFIC AMOUNTS IN EXCESS OF TWO OUNCES THAT
46	ARE NECESSARY TO ADDRESS THE PATIENT'S DEBILITATING MEDICAL
47	CONDITION AND WHY SUCH AMOUNTS ARE NECESSARY. A PATIENT WHO
48	ASSERTS THIS AFFIRMATIVE DEFENSE SHALL WAIVE CONFIDENTIALITY
49 50	PRIVILEGES RELATED TO THE CONDITION OR CONDITIONS THAT WERE THE
50 51	BASIS FOR THE RECOMMENDATION. IF A PATIENT, PRIMARY CAREGIVER, OR PHYSICIAN RAISES AN EXCEPTION TO THE STATE CRIMINAL LAWS AS
52	PROVIDED IN SECTION 14 (2) (b) OR (c) OF ARTICLE XVIII OF THE STATE
53	CONSTITUTION, THE PATIENT, PRIMARY CAREGIVER OR PHYSICIAN WAIVES
54	THE CONFIDENTIALITY OF HIS OR HER RECORDS RELATED TO THE
55	CONDITION OR CONDITIONS THAT WERE THE BASIS FOR THE

56 RECOMMENDATION MAINTAINED BY THE STATE HEALTH AGENCY FOR THE

MEDICAL MARIJUANA PROGRAM. UPON REQUEST OF A LAW ENFORCEMENT AGENCY FOR SUCH RECORDS, THE STATE HEALTH AGENCY SHALL ONLY PROVIDE RECORDS PERTAINING TO THE INDIVIDUAL RAISING THE EXCEPTION, AND SHALL REDACT ALL OTHER PATIENT, PRIMARY CAREGIVER, OR PHYSICIAN IDENTIFYING INFORMATION.

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(11) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (11), THE STATE HEALTH AGENCY SHALL ESTABLISH A BASIC FEE THAT SHALL BE PAID AT THE TIME OF SERVICE OF ANY SUBPOENA UPON 10 THE STATE HEALTH AGENCY, PLUS A FEE FOR MEALS AND A FEE FOR 11 MILEAGE AT THE RATE PRESCRIBED FOR STATE OFFICERS AND EMPLOYEES 12 IN SECTION 24-9-104, C.R.S., FOR EACH MILE ACTUALLY AND 13 NECESSARILY TRAVELED IN GOING TO AND RETURNING FROM THE PLACE 14 NAMED IN THE SUBPOENA. IF THE PERSON NAMED IN THE SUBPOENA IS 15 REQUIRED TO ATTEND THE PLACE NAMED IN THE SUBPOENA FOR MORE 16 THAN ONE DAY, THERE SHALL BE PAID, IN ADVANCE, A SUM TO BE 17 ESTABLISHED BY THE STATE HEALTH AGENCY FOR EACH DAY OF 18 ATTENDANCE TO COVER THE EXPENSES OF THE PERSON NAMED IN THE SUBPOENA.

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(b) THE SUBPOENA FEE ESTABLISHED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (11) SHALL NOT BE APPLICABLE TO ANY FEDERAL, STATE, OR LOCAL GOVERNMENTAL AGENCY.

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(2) (12) **Fees.** The department STATE HEALTH AGENCY may 26 collect fees from patients who, pursuant to section 14 of article XVIII of the state constitution, apply to the medical marijuana program established by such section for a marijuana registry identification CARD for the purpose of offsetting the department's STATE HEALTH AGENCY'S direct and 30 indirect costs of administering the program. The amount of such THE fees shall be set by rule of the state board of health STATE HEALTH AGENCY. All fees collected by the department STATE HEALTH AGENCY through the medical marijuana program shall be transferred to the state treasurer who shall credit the same to the medical marijuana program cash fund, which fund is hereby created.

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(3) (13) Cash fund. (a) The medical marijuana program cash fund shall be subject to annual appropriation by the general assembly to the department STATE HEALTH AGENCY for the purpose of establishing, operating, and maintaining the medical marijuana program. established by section 14 of article XVIII of the state constitution. All moneys credited to the medical marijuana program cash fund and all interest derived from the deposit of such moneys that are not expended during the fiscal year shall be retained in the fund for future use and shall not be credited or transferred to the general fund or any other fund.

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(b) Notwithstanding any provision of paragraph (a) of this subsection (3) to the contrary, on April 20, 2009, the state treasurer shall deduct two hundred fifty-eight thousand seven hundred thirty-five dollars from the medical marijuana program cash fund and transfer such sum to the general fund.

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SECTION 3. 25-5-403, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

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25-5-403. Offenses. (3) THE PROVISIONS OF THIS SECTION SHALL

NOT APPLY TO A MEDICAL MARIJUANA CENTER OR A MEDICAL-MARIJUANA-INFUSED PRODUCTS MANUFACTURER LICENSED PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., THAT MANUFACTURES OR SELLS A FOOD PRODUCT THAT CONTAINS MEDICAL MARIJUANA SO LONG AS THE FOOD PRODUCT IS LABELED AS CONTAINING MEDICAL MARIJUANA AND 6 THE LABEL SPECIFIES THAT THE PRODUCT IS MANUFACTURED WITHOUT ANY REGULATORY OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY, AND THAT THERE MAY BE HEALTH RISKS ASSOCIATED WITH THE CONSUMPTION OR USE OF THE PRODUCT.

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SECTION 4. 16-2.5-121, Colorado Revised Statutes, is amended 12 to read:

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16-2.5-121. Executive director of the department of revenue 15 - senior director of enforcement for the department of revenue. The executive director and the senior director of enforcement of the department of revenue are peace officers while engaged in the performance of their duties whose authority includes the enforcement of laws and rules regarding automobile dealers pursuant to section 12-6-105 20 (1) (d) (II), C.R.S., the lottery pursuant to sections 24-35-205 (3) and 24-35-206 (7), C.R.S., MEDICAL MARIJUANA PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., limited gaming pursuant to section 12-47.1-204, C.R.S., liquor pursuant to section 12-47-904 (1), C.R.S., and racing events pursuant to section 12-60-203 (1), C.R.S., and the enforcement of all laws of the state of Colorado and who may be certified by the P.O.S.T. board.

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SECTION 5. Part 1 of article 2.5 of title 16, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

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16-2.5-124.5. Medical marijuana enforcement investigator. A 33 MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER 34 WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE 35 ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF 36 TITLE 12, C.R.S., AND SHALL ALSO INCLUDE THE ENFORCEMENT OF ALL LAWS OF THE STATE OF COLORADO AND WHO MAY BE CERTIFIED BY THE 38 P.O.S.T. BOARD.

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SECTION 6. 24-75-402 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

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24-75-402. Cash funds - limit on uncommitted reserves **reduction in amount of fees - exclusions.** (5) Notwithstanding any provision of this section to the contrary, the following cash funds are excluded from the limitations specified in this section:

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(z) THE MEDICAL MARIJUANA LICENSE CASH FUND CREATED IN SECTION 12-43.3-501, C.R.S.

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SECTION 7. 39-26-102, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

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39-26-102. Definitions. As used in this article, unless the context otherwise requires:

(5.8) "Medical marijuana" shall have the same meaning as set forth in section 12-43.3-104 (6), C.R.S.

SECTION 8. 39-26-123 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

39-26-123. Receipts - disposition - transfers of general fund surplus - sales and use tax holding fund - creation - definitions - repeal. (1) As used in this section, unless the context otherwise requires:

11 (a.5) "SALES AND USE TAXES ATTRIBUTABLE TO SALES OR USE OF MEDICAL MARIJUANA" MEANS THE NET REVENUE RAISED FROM THE STATE SALES AND USE TAXES IMPOSED PURSUANT TO THIS ARTICLE ON THE SALES OR USE OF MEDICAL MARIJUANA.

SECTION 9. 39-26-123, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

39-26-123. Receipts - disposition - transfers of general fund surplus - sales and use tax holding fund - creation - definitions - repeal. (6) (a) FOR ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2010, THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE THE FIRST TWO MILLION DOLLARS OF SALES AND USE TAXES ATTRIBUTABLE TO SALES OR USE OF MEDICAL MARIJUANA OR EQUALLY APPROPRIATE THE SALES AND USE TAXES ATTRIBUTABLE TO SALES AND USE OF MEDICAL MARIJUANA IFTWO MILLION DOLLARS IS NOT GENERATED.

- (b) (I) ONE HALF OF THE MONEYS DESCRIBED IN PARAGRAPH (a) OF
 THIS SUBSECTION (6) SHALL BE APPROPRIATED TO THE DEPARTMENT OF
 HUMAN SERVICES TO BE USED TO PROVIDE SERVICES FOR ADULTS WITH COOCCURRING MENTAL HEALTH AND SUBSTANCE ABUSE DISORDERS WHO ARE
 INVOLVED WITH THE CRIMINAL JUSTICE SYSTEM. THE APPROPRIATION
 SHALL BE INCLUDED IN THE LINE ITEM OF THE ANNUAL GENERAL
 APPROPRIATION BILL FOR INDIGENT MENTALLY ILL CLIENTS UNDER
 MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE SERVICES, MENTAL
 HEALTH COMMUNITY PROGRAMS, AND THE AMOUNT APPROPRIATED TO THE
 DEPARTMENT FOR SUCH USE SHALL BE SPECIFIED IN A FOOTNOTE. ANY
 MONEYS APPROPRIATED PURSUANT TO THIS SUBSECTION (6) SHALL BE IN
 ADDITION TO ANY OTHER APPROPRIATION REQUIRED BY LAW.
- 41 (II) ONE HALF OF THE MONEYS DESCRIBED IN PARAGRAPH (a) OF
 42 THIS SUBSECTION (6) SHALL BE APPROPRIATED TO THE DEPARTMENT OF
 43 HEALTH CARE POLICY AND FINANCING FOR SCREENING, BRIEF
 44 INTERVENTION, AND REFERRAL TO TREATMENT FOR INDIVIDUALS AT RISK
 45 OF SUBSTANCE ABUSE PURSUANT TO SECTION 25.5-5-202 (1) (u), C.R.S.

SECTION 10. 25-14-203 (16), Colorado Revised Statutes, is amended to read:

25-14-203. Definitions. As used in this part 2, unless the context otherwise requires:

(16) "Smoking" means the burning of a lighted cigarette, cigar, pipe, or any other matter or substance that contains tobacco OR MEDICAL MARIJUANA AS DEFINED BY SECTION 12-43.3-104 (6), C.R.S.

56 CONTAINS ANY QUANTITY OF A CONTROLLED SUBSTANCE LISTED IN

SCHEDULE III, IV, OR V OF PART 2 OF THIS ARTICLE EXCEPT FLUNITRAZEPAM OR KETAMINE COMMITS A CLASS 1 MISDEMEANOR.". Strike page 8 and substitute: 5 6 "SECTION 5. 18-18-405, Colorado Revised Statutes, is amended 7 BY THE ADDITION OF A NEW SUBSECTION to read: 8 9 18-18-405. Unlawful distribution, manufacturing, dispensing, 10 sale, or possession. (7) NOTWITHSTANDING THE PROVISIONS OF 11 SUBSECTION (2) OF THIS SECTION, AND EXCEPT AS OTHERWISE PROVIDED 12 IN SUB-SUBPARAGRAPH (B) OF SUBPARAGRAPH (I) OF PARAGRAPH (a) OF 13 SUBSECTION (2) OR PARAGRAPH (a) OF SUBSECTION (2.5) OF THIS SECTION, 14 A PERSON VIOLATES SUBSECTION (1) OF THIS SECTION BY SELLING, 15 DISPENSING, OR DISTRIBUTING A CONTROLLED SUBSTANCE OTHER THAN 16 MARIJUANA OR MARIJUANA CONCENTRATE TO A MINOR UNDER EIGHTEEN 17 YEARS OF AGE AND WHO IS AT LEAST EIGHTEEN YEARS OF AGE AND AT 18 LEAST TWO YEARS OLDER THAN THE MINOR COMMITS A CLASS 3 FELONY 19 AND, UNLESS A GREATER SENTENCE IS PROVIDED UNDER ANY OTHER 20 STATUTE, SHALL BE SENTENCED TO THE DEPARTMENT OF CORRECTIONS 21 FOR TERM OF AT LEAST THE MINIMUM, BUT NOT MORE THAN TWICE THE 22 MAXIMUM, OF THE PRESUMPTIVE RANGE PROVIDED FOR SUCH OFFENSE IN SECTION 18-1.3-401 (1) (a) AS MODIFIED PURSUANT TO SECTION 18-1.3-24 410 (10).". 25 26 Page 9, strike lines 1 through 10. 27 28 Renumber succeeding sections accordingly. 30 Page 12, line 27, strike "transfers" and substitute "SELLS, transfers,". 31 32 Page 13, line 3, strike "any amount" and substitute "any amount LESS 33 THAN ONE POUND". 34 35 Page 13, after line 9 insert: 36 37 "(b) THE SALE, TRANSFER, OR DISPENSING OF FIVE OR MORE POUNDS OF MARIJUANA OR ONE POUND OR MORE OF MARIJUANA CONCENTRATE TO A PERSON UNDER EIGHTEEN YEARS OF AGE BUT AT 40 LEAST FIFTEEN YEARS OF AGE IS A CLASS 3 FELONY.". 41 42 Reletter succeeding paragraphs accordingly. 43 44 Page 13, line 10, strike "transfers" and substitute "SELLS, transfers,". 45 46 Page 14, strike lines 5 through 8. 47 48 Page 17, strike lines 9 through 12 and substitute: 49 "**SECTION 9.** 18-19-103 (4) (a) and (5.5), Colorado Revised 50 Statutes, are amended, and the said 18-19-103 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read: 52 53 54 18-19-103. Source of revenues - allocation of moneys. (3.5) MONEYS APPROPRIATED BY THE GENERAL ASSEMBLY PURSUANT TO

56 HOUSE BILL 10-1352, ENACTED IN 2010, SHALL BE DEPOSITED INTO THE

DRUG OFFENDER SURCHARGE FUND CREATED PURSUANT TO SUBSECTION 2 (4) OF THIS SECTION AND SHALL BE ALLOCATED PURSUANT TO SECTION 16-3 11.5-102 (3) (c), C.R.S. 4 5 (4) (a) There is hereby created in the state treasury a drug offender 6 surcharge fund, which shall consist of moneys received by the state treasurer pursuant to paragraph (d) of subsection (3) of this section AND SUBSECTION (3.5) OF THIS SECTION. All interest derived from the deposit

9 and investment of moneys in the fund shall be credited to the fund. Any 10 12 13 14

moneys not appropriated by the general assembly shall remain in the drug offender surcharge fund and shall not be transferred or revert to the general fund of the state at the end of any fiscal year. All moneys in the fund shall be subject to annual appropriation by the general assembly to the judicial department, the department of corrections, the division of 15 criminal justice of the department of public safety, and the department of 16 human services, after consideration of the plan developed pursuant to section 16-11.5-102 (3), C.R.S., to cover the costs associated with 17 18 substance abuse assessment, testing, education, and treatment.

19 20

(5.5) (a) There is hereby created".

21

Page 17, line 25, strike "A PORTION OF", and strike "SENATE BILL 10-___," and substitute "HOUSE BILL 10-1352,".

23 24 25

Page 18, after line 5 insert:

26 27

"SECTION 10. 16-11.5-102 (3), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

28 29 30

32

16-11.5-102. Substance abuse assessment - standardized **procedure.** (3) (c) (I) THE MONEYS ALLOCATED TO THE DRUG OFFENDER SURCHARGE FUND PURSUANT TO SECTION 18-19-103 (3.5), C.R.S., SHALL ONLY BE USED TO COVER THE COSTS ASSOCIATED WITH THE TREATMENT 34 OF SUBSTANCE ABUSE OR CO-OCCURRING DISORDERS OF ADULT OFFENDERS WHO ARE ASSESSED TO BE IN NEED OF TREATMENT AND WHO ARE:

36 37 38

35

(A) ON DIVERSION;

39 40

(B) ON PROBATION;

41 42

(C) ON PAROLE;

43 44

(D) IN COMMUNITY CORRECTIONS; OR

45 46

(E) IN JAIL.

47 48 49

(II) THE PLAN TO ALLOCATE MONEYS DEPOSITED IN THE DRUG OFFENDER SURCHARGE FUND PURSUANT TO SECTION 18-19-103 (3.5), 50 C.R.S., SHALL BE DEVELOPED PURSUANT TO PARAGRAPH (a) OF SUBSECTION (3) AND SHALL ALSO INCLUDE A REPRESENTATIVE DESIGNATED BY THE COLORADO DISTRICT ATTORNEY'S COUNCIL, THE STATE PUBLIC DEFENDER, A REPRESENTATIVE FROM A STATEWIDE 54 ASSOCIATION REPRESENTING COUNTY SHERIFFS, AND REPRESENTATIVE 55 FROM A STATEWIDE ASSOCIATION REPRESENTING COUNTIES.".

56

1	Renumber succeeding sections accordingly.						
2 3	Page 18, line 10, strike "SENATE" and substitute "HOUSE".						
4 5 6 7	Page 18, line	11, strike "10," and substitute "10-1352,".					
8 9 10 11	SB10-042	be referred to the Committee of the Whole with favorable recommendation.					
12 13 14	SB10-048	be referred to the Committee of the Whole with favorable recommendation.					
15 16 17 18 19	SB10-066	be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:					
20 21 Amend reengrossed bill, page 2, strike lines 21 through 24 and sub 22							
23	"PERPETRATO	OR OF THE SUSPECTED ABUSE OR NEGLECT:					
24 25 26 27 28 29	26 EIGHTEEN YEARS OF AGE TO ABUSE OR NEGLECT OR TO CIRCUMSTA 27 OR CONDITIONS THAT WOULD LIKELY RESULT IN ABUSE OR NEGLEC 28						
30	18-3-401 (3.5	(), C.R.S., WITH REGARD TO ANY CHILD CURRENTLY UNDER					
31 32	EIGHTEEN YE	ARS OF AGE.".					
33 34							
35 36		PRINTING REPORT					
37 38	The Chief Clerk reports the following bill has been correctly printed: HB10-1372 .						
39 40							
41 42		MESSAGE(S) FROM THE SENATE					
43 44	The Senate has passed on Third Reading and transmitted to the Reviso						
45	of Statutes:						
46 47 48 49	SB10-070	amended as printed in Senate Journal, March 19,2010, page 610.					
50 51	The Senate has passed on Third Reading and transmitted to the Rev of Statutes:						
52 53	HB10-1212	amended as printed in Senate Journal, March 22, 2010,					
54 55 56	HB10-1211	page 633. amended as printed in Senate Journal, March 22, 2010, pages 633-634 and March 23, 2010.					

1 2 3	HB10-1044	amended as printed in Senate Journal, March 22, 2010, pages 634-635.					
4 5	4 The Senate has passed on Third Reading and returns herewith: H						
6							
7 8 9		MESSAGE(S) FROM THE REVISOR					
10	We herewith	transmit:					
11		nent, as amended, HB10-1212, 1211, and 1044.					
12		ment, as amended, SB10-070.					
13							
14							
15 16	1	MESSAGE(S) FROM THE GOVERNOR					
17]	WESSAGE(S) FROM THE GOVERNOR					
18	I certify I rec	eived the following on the 22nd day of March, 2010, at					
19	4:45 p.m. 7	The original is on file in the records of the House of					
20	Representativ	es of the General Assembly.					
21		M '1 F11'					
22 23		Marilyn Eddins, Chief Clerk of the House					
24	March 22, 201						
25	Water 22, 201	O					
26	To the Honoral	ble House of Representatives					
27	Sixty-seventh (General Assembly					
28	Second Regula	r Session					
29	State Capitol	0202					
30 31	Denver, CO 8	0203					
32	Ladies and Ger	ntlemen:					
33	Ladies and Ger	ittemen.					
34	I have t	he honor to inform you that I have approved and filed with the					
35	Secretary of St	ate the following Acts:					
36							
37	<u>HB10-1001</u>	CONCERNING INCENTIVES FOR THE INSTALLATION OF					
38 39		NEW DISTRIBUTED RENEWABLE ENERGY GENERATION					
40		FACILITIES IN COLORADO, AND, IN CONNECTION THEREWITH, INCREASING THE TARGET PERCENTAGES					
41	UNDER THE ELECTRIC UTILITY PORTFOLIO STANDARD TO						
42	ENCOURAGE COLORADO UTILITIES TO GENERATE THREE						
43		PERCENT OF THEIR RETAIL ELECTRICITY SALES FROM					
44	DISTRIBUTED RENEWABLE SOURCES BY THE YEAR 2020,						
45	ADOPTING STANDARDS FOR THE INSTALLATION OF						
46 47	DISTRIBUTED SOLAR ELECTRIC GENERATION						
48	EQUIPMENT, AND MAKING AN APPROPRIATION THEREFOR.						
49		TILKLI OK.					
50		Approved March 22, 2010 at 3:27 p.m.					
51		1					
52	Sincerely,						
53	(signed)						
54 55	Bill Ritter, Jr.						
55 56	Governor						
20							

1 2 3	INTRODUCTION OF BILLS First Reading					
4 5	The following indicated:	g bills were read by title a	nd referred to the committees			
6 7 8 9	<u>HB10-1373</u>	Concerning changes to secrimes.	oll T.; also Senator(s) Hudak ntencing provisions for escape			
10 11	Committee on Judiciary					
12 13 14	HB10-1374 Committee on	Senator(s) Penry, Morse, S	randino, Levy, Waller; also SteadmanConcerning parole.			
15 16 17 18	<u>HB10-1375</u>	by Representative(s) Riesb Bacon, SchwartzConcern	erg, McFadyen; also Senator(s) ning the necessary authority for of Denver to access favorable			
19 20 21	Committee on	financing.				
22 23 24	SB10-073	by Senator(s) Tapia; also Concerning the nurse hom health sciences facility at t	Representative(s) McFadyen le visitor program duties of the lhe university of Colorado.			
25	Committee on Health and Human Services					
26 27 28 29 30 31 32 33 34 35 36 37	SB10-166 Committee on	Riesberg and Sonnenberg				
	SB10-176 Committee on	Concerning the require	o Representative(s) Gagliardiments for inclusion of a dvanced practice nurse registry.			
38 39 40		LAY OVER OF CALEN	DAR ITEM(S)			
41 42 43 44			n, the following item(s) on the farch 24, retaining place on			
45 46 47 48 49	Consideration of Resolution(s)HJR10-1016, 1017. Consideration of Senate Amendment(s)HB10-1021, 1137, 1233, 1245, 1010, 1108, 1128, 1132, 1135, 1188.					
50 51 52	On motion of 9:00 a.m., Ma		nn, the House adjourned until			
53 54 55 56	Attest: MARILYN E Chief Clerk	DDINS,	Approved: TERRANCE D. CARROLL, Speaker			