

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

ENGROSSED

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

LLS NO. 13-0897.04 Michael Dohr x4347

HOUSE BILL 13-1317

HOUSE SPONSORSHIP

Pabon,

SENATE SPONSORSHIP

(None),

House Committees

State, Veterans, & Military Affairs
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE RECOMMENDATIONS MADE IN THE PUBLIC PROCESS**
102 **FOR THE PURPOSE OF IMPLEMENTING RETAIL MARIJUANA**
103 **LEGALIZED BY SECTION 16 OF ARTICLE XVIII OF THE**
104 **COLORADO CONSTITUTION, AND, IN CONNECTION THEREWITH,**
105 **MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Sections 1 through 4. The bill converts the medical marijuana

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
April 27, 2013

enforcement division to the marijuana enforcement division and gives the division the authority to regulate medical marijuana and retail marijuana. The bill allows the division to receive moneys from the general fund. The bill deposits all of the application and licensing fees and sales, use, and special marijuana sales taxes from retail marijuana into a cash fund and permits supplementing the fund with moneys from the general fund to allow the division to operate. Once the division achieves a balance of cash funds sufficient to support the division, any excess revenue up to the amount of general fund moneys provided shall be transferred to the general fund. The bill sets the application fees for applicants who are current medical marijuana licensees or applicants at \$500 and at \$5,000 for new applicants. One half of the fee is transferred to the local jurisdiction. On September 30, 2014, and each year thereafter, the state licensing authority must provide a report to the joint budget committee and the finance committees regarding the amount of revenue generated by retail marijuana and its regulatory work.

The bill creates the regulatory framework for retail marijuana. The bill allows an existing medical marijuana licensee or an existing medical marijuana applicant the opportunity to apply for a retail marijuana license with the option of converting its operation to a retail marijuana business or retaining a medical marijuana business and adding a retail marijuana business. The bill places a 3-month moratorium on retail marijuana license applications from individuals who are not currently licensed for medical marijuana or an applicant for a medical marijuana license. The state licensing authority must act upon the applications no sooner than 45 days after receipt and no later than 90 days after receipt. The following businesses must be licensed to operate a retail marijuana business: retail marijuana stores, retail marijuana products manufacturers, retail marijuana cultivation facilities, and marijuana testing facilities. The bill allows the state licensing authority to issue a state license that is conditioned on the local jurisdiction's approval.

The bill requires the state licensing authority to promulgate rules as required by the constitution and authorizes the state licensing authority to promulgate other rules with the assistance of the department of public health and environment.

The bill describes persons who are prohibited from being licensees and requires license applicants to undergo a background check. The bill also limits the areas where a licensed operation may be located. The state licensing authority may set fees for the various types of licenses it issues. The bill requires all officers, managers, and employees of a retail marijuana business to be residents of Colorado. All owners must be residents of Colorado for at least 2 years prior to applying for licensure.

A licensed retail marijuana store and licensed retail marijuana products manufacturer may either grow its own marijuana or purchase it from a retail marijuana cultivation facility.

A retail marijuana store may only sell one-fourth of an ounce of marijuana to a nonresident during a single transaction. A retail marijuana store may not sell any retail marijuana product that contains nicotine or alcohol. A retail marijuana store must place each sold item in a sealed nontransparent container at the point of sale.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-43.3-201, **amend**
3 (1) and (2), as follows:

4 **12-43.3-201. State licensing authority - creation.** (1) For the
5 purpose of regulating and controlling the licensing of the cultivation,
6 manufacture, distribution, and sale of medical marijuana AND RETAIL
7 MARIJUANA in this state, there is hereby created the state licensing
8 authority, which shall be the executive director of the department of
9 revenue or the deputy director of the department of revenue if the
10 executive director so designates. THE STATE LICENSING AUTHORITY SHALL
11 ADOPT REGULATIONS REGARDING RETAIL MARIJUANA BY JULY 1, 2013.

12 (2) The executive director of the department of revenue shall be
13 the chief administrative officer of the state licensing authority and may
14 employ, pursuant to section 13 of article XII of the state constitution, such
15 officers and employees as may be determined to be necessary, which
16 officers and employees shall be part of the department of revenue. ~~The~~
17 ~~state licensing authority shall, at its discretion, based upon workload,~~
18 ~~employ no more than one full-time equivalent employee for each ten~~
19 ~~medical marijuana centers licensed by or making application with the~~
20 ~~authority. No moneys shall be appropriated to the state licensing authority~~
21 ~~from the general fund for the operation of this article, nor shall the state~~
22 ~~licensing authority expend any general fund moneys for the operation of~~
23 ~~this article.~~

1 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-501, **amend**
2 (1) as follows:

3 **12-43.3-501. Marijuana cash fund - repeal.** (1) (a) All moneys
4 collected by the state licensing authority pursuant to this article AND
5 ARTICLE 43.4 OF THIS TITLE shall be transmitted to the state treasurer, who
6 shall credit the same to the ~~medical marijuana license~~ cash fund, which
7 fund is hereby created and referred to in this section as the "fund". THE
8 FUND CONSISTS OF the moneys in the fund SO COLLECTED, ANY
9 ~~APPLICABLE EXCISE TAX OR APPLICABLE ADDITIONAL SALES TAX IMPOSED~~
10 ~~PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S., ANY OTHER SALES TAX~~
11 ~~IMPOSED PURSUANT TO SECTION 39-26-106, C.R.S., ON RETAIL SALES OF~~
12 ~~PRODUCTS UNDER THIS ARTICLE OR ARTICLE 43.4 OF THIS TITLE,~~ AND ANY
13 ADDITIONAL GENERAL FUND MONEYS APPROPRIATED TO THE FUND THAT
14 ARE NECESSARY FOR THE OPERATION OF THE STATE LICENSING
15 AUTHORITY. MONEY IN THE FUND shall be subject to annual appropriation
16 by the general assembly to the department of revenue for the direct and
17 indirect costs associated with implementing this article AND ARTICLE 43.4
18 OF THIS TITLE. Any moneys in the fund not expended for the purpose of
19 this article OR ARTICLE 43.4 OF THIS TITLE may be invested by the state
20 treasurer as provided by law. All interest and income derived from the
21 investment and deposit of moneys in the fund shall be credited to the
22 fund. Any unexpended and unencumbered moneys remaining in the fund
23 at the end of a fiscal year shall remain in the fund and shall not be
24 credited or transferred to the general fund or another fund. UPON A
25 DETERMINATION BY THE GENERAL ASSEMBLY THAT THE DEPARTMENT OF
26 REVENUE HAS ESTABLISHED A SUFFICIENT REVENUE STREAM TO FUND THE
27 STATE LICENSING AUTHORITY'S REGULATORY EFFORTS AND ALL OTHER

1 PROGRAMS TO BE FUNDED BY THE FUND, THE GENERAL ASSEMBLY SHALL
2 DIRECT THE STATE TREASURER TO TRANSFER ANY EXCESS BALANCE IN THE
3 FUND TO THE GENERAL FUND TO REPAY ANY APPROPRIATION MADE FROM
4 THE GENERAL FUND TO INITIALLY SUPPORT THE SPENDING AUTHORITY OF
5 THE STATE LICENSING AUTHORITY.

6 (b) (I) ANY UNEXPENDED AND UNENCUMBERED MONEY IN THE
7 MEDICAL MARIJUANA CASH FUND AS OF JULY 1, 2013, IS APPROPRIATED TO
8 THE STATE LICENSING AUTHORITY FOR THE FISCAL YEAR 2013-2014.

9 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1, 2014.

10 **SECTION 3.** In Colorado Revised Statutes, **amend** 12-43.3-502
11 as follows:

12 **12-43.3-502. Fees - allocation.** (1) Except as otherwise provided,
13 all fees and fines provided for by this article AND ARTICLE 43.4 OF THIS
14 TITLE shall be paid to the department of revenue, which shall transmit the
15 fees to the state treasurer. The state treasurer shall credit the fees to the
16 ~~medical marijuana license~~ cash fund created in section 12-43.3-501.

17 (2) The expenditures of the state licensing authority shall be paid
18 out of appropriations from the ~~medical marijuana license~~ cash fund
19 created in section 12-43.3-501.

20 **SECTION 4.** In Colorado Revised Statutes, **add** article 43.4 to
21 title 12 as follows:

22 **ARTICLE 43.4**

23 **Colorado Retail Marijuana Code**

24 PART 1

25 COLORADO RETAIL MARIJUANA CODE

26 **12-43.4-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND
27 MAY BE CITED AS THE "COLORADO RETAIL MARIJUANA CODE".

1 **12-43.4-102. Legislative declaration.** (1) THE GENERAL
2 ASSEMBLY HEREBY DECLARES THAT THIS ARTICLE SHALL BE DEEMED AN
3 EXERCISE OF THE POLICE POWERS OF THE STATE FOR THE PROTECTION OF
4 THE ECONOMIC AND SOCIAL WELFARE AND THE HEALTH, PEACE, AND
5 MORALS OF THE PEOPLE OF THIS STATE.

6 (2) THE GENERAL ASSEMBLY FURTHER DECLARES THAT IT IS
7 UNLAWFUL UNDER STATE LAW TO CULTIVATE, MANUFACTURE,
8 DISTRIBUTE, OR SELL RETAIL MARIJUANA, EXCEPT IN COMPLIANCE WITH
9 THE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS IN SECTION 16
10 OF ARTICLE XVIII OF THE STATE CONSTITUTION AND THIS ARTICLE.

11 **12-43.4-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
12 CONTEXT OTHERWISE REQUIRES:

13 (1) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
14 THE DEPARTMENT OF REVENUE.

15 (2) "IMMATURE PLANT" MEANS A NONFLOWERING MARIJUANA
16 PLANT THAT IS NO TALLER THAN EIGHT INCHES AND NO WIDER THAN EIGHT
17 INCHES IS PRODUCED FROM A CUTTING, CLIPPING, OR SEEDLING, AND IS IN
18 A CULTIVATING CONTAINER THAT IS NO LARGER THAN TWO INCHES WIDE
19 AND TWO INCHES TALL THAT IS SEALED ON THE SIDES AND BOTTOM.

20 (3) "LICENSE" MEANS TO GRANT A LICENSE OR REGISTRATION
21 PURSUANT TO THIS ARTICLE.

22 (4) "LICENSED PREMISES" MEANS THE PREMISES SPECIFIED IN AN
23 APPLICATION FOR A LICENSE UNDER THIS ARTICLE, WHICH ARE OWNED OR
24 IN POSSESSION OF THE LICENSEE AND WITHIN WHICH THE LICENSEE IS
25 AUTHORIZED TO CULTIVATE, MANUFACTURE, DISTRIBUTE, SELL, OR TEST
26 RETAIL MARIJUANA IN ACCORDANCE WITH THIS ARTICLE.
27

1 (5) "LICENSEE" MEANS A PERSON LICENSED OR REGISTERED
2 PURSUANT TO THIS ARTICLE.

3 (6) "LOCAL JURISDICTION" MEANS A LOCALITY AS DEFINED IN
4 SECTION 16 (2) (e) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

5 (7) "LOCAL LICENSING AUTHORITY" MEANS, FOR ANY LOCAL
6 JURISDICTION THAT HAS CHOSEN TO ADOPT A LOCAL LICENSING
7 REQUIREMENT IN ADDITION TO THE STATE LICENSING REQUIREMENTS OF
8 THIS ARTICLE, AN AUTHORITY DESIGNATED BY MUNICIPAL, COUNTY, OR
9 CITY AND COUNTY CHARTER, ORDINANCE, OR RESOLUTION, OR THE
10 GOVERNING BODY OF A MUNICIPALITY OR CITY AND COUNTY, OR THE
11 BOARD OF COUNTY COMMISSIONERS OF A COUNTY IF NO SUCH AUTHORITY
12 IS DESIGNATED.

13 (8) "LOCATION" MEANS A PARTICULAR PARCEL OF LAND THAT MAY
14 BE IDENTIFIED BY AN ADDRESS OR OTHER DESCRIPTIVE MEANS.

15 (9) "MARIJUANA ACCESSORIES" HAS THE SAME MEANING AS
16 DEFINED IN SECTION 16 (2) (g) OF ARTICLE XVIII OF THE STATE
17 CONSTITUTION.

18 (10) "MARIJUANA PRODUCTS" HAS THE SAME MEANING AS DEFINED
19 IN SECTION 16 (2) (k) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

20 (11) "OPERATING FEES", AS REFERRED TO IN SECTION 16 (5) (f) OF
21 ARTICLE XVIII OF THE STATE CONSTITUTION, MEANS FEES THAT MAY BE
22 CHARGED BY A LOCAL GOVERNMENT FOR COSTS, INCLUDING BUT NOT
23 LIMITED TO INSPECTION, ADMINISTRATION, AND ENFORCEMENT OF
24 BUSINESSES AUTHORIZED PURSUANT TO THIS ARTICLE.

25 (12) "OWNER" MEANS ANY PERSON HAVING A BENEFICIAL
26 INTEREST IN A RETAIL MARIJUANA ESTABLISHMENT.

27 (13) "PERSON" MEANS A NATURAL PERSON, PARTNERSHIP,

1 ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR
2 ORGANIZATION.

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

6 (15) "RETAIL MARIJUANA" MEANS "MARIJUANA" OR "MARIHUANA"
7 AS DEFINED IN SECTION 16 (2) (f) OF ARTICLE XVIII OF THE STATE
8 CONSTITUTION, AND IS CULTIVATED AND SOLD BY A LICENSED RETAIL
9 MARIJUANA ESTABLISHMENT.

10 (16) "RETAIL MARIJUANA CULTIVATION FACILITY" HAS THE SAME
11 MEANING AS "MARIJUANA CULTIVATION FACILITY" AS DEFINED IN SECTION
12 16 (2) (h) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

13 (17) "RETAIL MARIJUANA ESTABLISHMENT" MEANS A RETAIL
14 MARIJUANA STORE, A RETAIL MARIJUANA CULTIVATION FACILITY, A
15 RETAIL MARIJUANA PRODUCTS MANUFACTURER, OR A RETAIL MARIJUANA
16 TESTING FACILITY.

17 (18) "RETAIL MARIJUANA PRODUCTS MANUFACTURER" HAS THE
18 SAME MEANING AS "MARIJUANA PRODUCT MANUFACTURING FACILITY" AS
19 DEFINED IN SECTION 16 (2) (j) OF ARTICLE XVIII OF THE STATE
20 CONSTITUTION.

21 (19) "RETAIL MARIJUANA STORE" HAS THE SAME MEANING AS
22 DEFINED IN SECTION 16 (2) (n) OF ARTICLE XVIII OF THE STATE
23 CONSTITUTION.

24 (20) "RETAIL MARIJUANA TESTING FACILITY" HAS THE SAME
25 MEANING AS "MARIJUANA TESTING FACILITY" AS DEFINED IN SECTION 16
26 (2) (l) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

27 (21) "SALE" OR "SELL" INCLUDES TO EXCHANGE, BARTER, OR

1 TRAFFIC IN, TO SOLICIT OR RECEIVE AND ORDER EXCEPT THROUGH A
2 LICENSEE LICENSED UNDER THIS ARTICLE, TO DELIVER FOR VALUE IN ANY
3 WAY OTHER THAN GRATUITOUSLY, TO PEDDLE OR POSSESS WITH INTENT
4 TO SELL, OR TO TRAFFIC IN FOR ANY CONSIDERATION PROMISED OR
5 OBTAINED DIRECTLY OR INDIRECTLY.

6 (22) "SCHOOL" MEANS A PUBLIC OR PRIVATE PRESCHOOL OR A
7 PUBLIC OR PRIVATE ELEMENTARY, MIDDLE, JUNIOR HIGH, OR HIGH SCHOOL.

8 (23) "STATE LICENSING AUTHORITY" MEANS THE AUTHORITY
9 CREATED FOR THE PURPOSE OF REGULATING AND CONTROLLING THE
10 LICENSING OF THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE
11 OF RETAIL MARIJUANA IN THIS STATE, PURSUANT TO SECTION 12-43.4-201.

12 **12-43.4-104. Applicability - retail marijuana - repeal.**

13 (1) (a) (I) ON OR AFTER OCTOBER 1, 2013, A PERSON, WHO IS OPERATING
14 IN GOOD STANDING A LICENSED MEDICAL MARIJUANA CENTER, AN
15 OPTIONAL PREMISES CULTIVATION LICENSE, OR A LICENSED MEDICAL
16 MARIJUANA-INFUSED PRODUCTS BUSINESS OR A PERSON WHO HAD A
17 PENDING APPLICATION WITH THE STATE LICENSING AUTHORITY PRIOR TO
18 DECEMBER 10, 2012, HAS PAID ALL APPLICABLE LICENSING FEES, AND HAS
19 NOT YET HAD THAT APPLICATION APPROVED, MAY APPLY FOR A RETAIL
20 MARIJUANA ESTABLISHMENT LICENSE UNDER THIS ARTICLE.

21 (II) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) SHALL
22 INDICATE WHETHER HE OR SHE WANTS TO SURRENDER THE CURRENT
23 MEDICAL MARIJUANA LICENSE ISSUED PURSUANT TO PART 4 OF ARTICLE
24 43.3 OF THIS TITLE, OR INTENDS TO RETAIN THE LICENSE IN ADDITION TO
25 THE RETAIL MARIJUANA ESTABLISHMENT LICENSE.

26 (III) IF THE APPLICANT INDICATES A DESIRE TO SURRENDER THE
27 MEDICAL MARIJUANA LICENSE, THE APPLICANT SHALL CONTINUE TO

1 OPERATE UNDER THAT LICENSE SO LONG AS THE LICENSE REMAINS IN
2 EFFECT UNTIL A RETAIL MARIJUANA ESTABLISHMENT LICENSE IS
3 APPROVED. IF THE RETAIL MARIJUANA ESTABLISHMENT LICENSE IS
4 GRANTED, THE APPLICANT SHALL HAVE FOURTEEN DAYS FROM THE
5 EFFECTIVE DATE OF THE LICENSE TO SURRENDER THE MEDICAL MARIJUANA
6 LICENSE TO THE STATE LICENSING AUTHORITY. IF THE RETAIL MARIJUANA
7 LICENSE IS GRANTED, ON THE EFFECTIVE DATE OF THE LICENSE ALL
8 MEDICAL MARIJUANA PLANTS AND INVENTORY SHALL BECOME RETAIL
9 MARIJUANA PLANTS AND INVENTORY ON THE DATE OF THE RETAIL
10 MARIJUANA ESTABLISHMENT LICENSE.

11 (IV) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) MAY APPLY
12 FOR A RETAIL MARIJUANA ESTABLISHMENT LICENSE AND RETAIN THE
13 MEDICAL MARIJUANA LICENSE. THE APPLICANT MAY APPLY TO HAVE THE
14 MEDICAL MARIJUANA LICENSED OPERATION AND THE RETAIL MARIJUANA
15 ESTABLISHMENT AT THE SAME LOCATION ONLY IF THE LOCAL JURISDICTION
16 PERMITS THE MEDICAL MARIJUANA LICENSED OPERATION AND THE RETAIL
17 MARIJUANA ESTABLISHMENT TO BE OPERATED AT THE SAME LOCATION. AT
18 THE TIME THAT THE RETAIL MARIJUANA ESTABLISHMENT LICENSE
19 BECOMES EFFECTIVE, [REDACTED] THE APPLICANT SHALL IDENTIFY THE MEDICAL
20 MARIJUANA INVENTORY THAT WILL BECOME RETAIL MARIJUANA
21 INVENTORY. [REDACTED]

22 (V) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) WHO
23 RETAINS A MEDICAL MARIJUANA LICENSE AND OBTAINS A RETAIL
24 MARIJUANA ESTABLISHMENT LICENSE FOR THE TWO LICENSED PREMISES
25 MUST MAINTAIN ACTUAL PHYSICAL SEPARATION BETWEEN THE TWO OR
26 ONLY SELL MEDICAL MARIJUANA TO PERSONS TWENTY-ONE YEARS OF AGE
27 OR OLDER.

1 (VI) (A) NO RETAIL MARIJUANA LICENSE SHALL BE EFFECTIVE
2 UNTIL JANUARY 1, 2014. NOTWITHSTANDING THE PROVISIONS OF
3 SUBPARAGRAPH (III) OF THIS PARAGRAPH (a), AN APPLICANT MAY
4 CONTINUE TO OPERATE UNDER THE MEDICAL MARIJUANA LICENSE AND ALL
5 PLANTS AND INVENTORY REMAIN MEDICAL MARIJUANA UNTIL THAT DATE.

6 (B) THIS SUBPARAGRAPH (VI) IS REPEALED, EFFECTIVE JULY 1,
7 2014.

8 (b) (I) (A) AFTER JANUARY 1, 2014, PERSONS WHO DID NOT MEET
9 REQUIREMENTS OF SUBSECTION (I) OF PARAGRAPH (a) OF THIS SECTION
10 MAY SUBMIT NOTICE OF INTENT TO APPLY FOR LICENSURE PURSUANT TO
11 THIS ARTICLE. THE STATE LICENSING AUTHORITY SHALL ESTABLISH A
12 FORM FOR THE NOTICE AND MAY COLLECT A NOTICE FEE THAT SHALL BE
13 DEDUCTED FROM THE AMOUNT OF THE LICENSE FEE. THE STATE LICENSING
14 AUTHORITY SHALL FORWARD TO THE LOCAL JURISDICTION THE NOTICE OF
15 INTENT TO APPLY AND ONE-HALF OF THE NOTICE FEE.

16 (B) THIS SUBPARAGRAPH (I) IS REPEALED, EFFECTIVE JULY 1, 2015.

17 (II) ON AND AFTER JULY 1, 2014, PERSONS WHO DID NOT MEET THE
18 REQUIREMENTS OF SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS
19 SUBSECTION (1) MAY APPLY FOR LICENSURE PURSUANT TO THIS ARTICLE.

20 (2) (a) A PERSON APPLYING PURSUANT TO SUBSECTION (1) OF THIS
21 SECTION SHALL COMPLETE FORMS AS PROVIDED BY THE STATE LICENSING
22 AUTHORITY AND SHALL PAY THE APPLICATION FEE AND THE LICENSING
23 FEE, WHICH SHALL BE CREDITED TO THE MARIJUANA CASH FUND
24 ESTABLISHED PURSUANT TO SECTION 12-43.4-501. THE STATE LICENSING
25 AUTHORITY SHALL IMMEDIATELY FORWARD ONE-HALF OF THE LICENSE
26 APPLICATION FEE TO THE LOCAL JURISDICTION. IF THE LICENSE IS DENIED,
27 THE STATE LICENSING AUTHORITY SHALL REFUND THE LICENSING FEE TO

1 THE APPLICANT.

2 (b) (I) THE STATE LICENSING AUTHORITY SHALL ACT UPON AN
3 APPLICATION MADE PURSUANT TO THIS SUBSECTION (1) NO SOONER THAN
4 FORTY-FIVE DAYS AND NO LATER THAN NINETY DAYS AFTER THE DATE OF
5 THE APPLICATION. THE STATE LICENSING AUTHORITY SHALL PROCESS
6 APPLICATIONS IN THE ORDER IN WHICH COMPLETE APPLICATIONS ARE
7 RECEIVED BY THE STATE LICENSING AUTHORITY.

8 (II) (A) THE STATE LICENSING AUTHORITY SHALL PROVIDE
9 PREFERENCE TO APPLICANTS WHO SUBMITTED A NOTICE OF INTENT TO
10 APPLY PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (b) OF
11 SUBSECTION (1) OF THIS SECTION.

12 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JULY 1,
13 2015.

14

15 (3) AS PROVIDED IN SECTION 16 (5) (f) OF ARTICLE XVIII OF THE
16 STATE CONSTITUTION, ANY LOCAL JURISDICTION MAY ENACT ORDINANCES
17 OR REGULATIONS GOVERNING THE TIME, PLACE, MANNER, AND NUMBER OF
18 RETAIL MARIJUANA ESTABLISHMENTS, WHICH MAY INCLUDE A LOCAL
19 LICENSING REQUIREMENT, OR MAY PROHIBIT THE OPERATION OF RETAIL
20 MARIJUANA ESTABLISHMENTS THROUGH THE ENACTMENT OF AN
21 ORDINANCE OR THROUGH A REFERRED OR INITIATED MEASURE.

22 (4) THIS ARTICLE SETS FORTH THE EXCLUSIVE MEANS BY WHICH
23 MANUFACTURE, SALE, DISTRIBUTION, DISPENSING, AND TESTING OF RETAIL
24 MARIJUANA MAY OCCUR IN THE STATE OF COLORADO.

25 (5) (a) NOTHING IN THIS ARTICLE IS INTENDED TO REQUIRE AN
26 EMPLOYER TO PERMIT OR ACCOMMODATE THE USE, CONSUMPTION,
27 POSSESSION, TRANSFER, DISPLAY, TRANSPORTATION, SALE, OR

1 CULTIVATING OF MARIJUANA IN THE WORKPLACE OR TO AFFECT THE
2 ABILITY OF EMPLOYERS TO HAVE POLICIES RESTRICTING THE USE OF
3 MARIJUANA BY EMPLOYEES.

4 (b) NOTHING IN THIS ARTICLE PROHIBITS A PERSON, EMPLOYER,
5 SCHOOL, HOSPITAL, DETENTION FACILITY, CORPORATION, OR ANY OTHER
6 ENTITY WHO OCCUPIES, OWNS, OR CONTROLS A PROPERTY FROM
7 PROHIBITING OR OTHERWISE REGULATING THE POSSESSION, CONSUMPTION,
8 USE, DISPLAY, TRANSFER, DISTRIBUTION, SALE, TRANSPORTATION, OR
9 CULTIVATING OF MARIJUANA ON OR IN THAT PROPERTY.

10 (6) ON OR BEFORE APRIL 1, 2014, AND ON OR BEFORE APRIL 1
11 EACH YEAR THEREAFTER, THE STATE LICENSING AUTHORITY SHALL SUBMIT
12 A REPORT TO THE FINANCE COMMITTEES OF THE SENATE AND HOUSE OF
13 REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, ON:

14 (a) THE PROGRESS THAT THE STATE LICENSING AUTHORITY IS
15 MAKING IN PROCESSING LICENSES;

16 (b) AN OVERVIEW OF THE RETAIL MARIJUANA MARKET, INCLUDING
17 BUT NOT LIMITED TO ACTUAL AND ANTICIPATED MARKET DEMAND AND
18 MARKET SUPPLY;

19 (c) DETAILED INFORMATION ON THE AMOUNT OF REVENUE BEING
20 COLLECTED AND ANTICIPATED;

21 (d) THE NUMBER OF APPLICATIONS FOR CONVERSION FROM
22 MEDICAL MARIJUANA LICENSEES TO RETAIL MARIJUANA ESTABLISHMENTS;

23 (e) THE NUMBER OF PERSONS WHO HAVE FILED A NOTICE OF INTENT
24 TO APPLY FOR LICENSURE PURSUANT TO SUBPARAGRAPH (I) OF
25 PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION; AND

26 (f) THE ENFORCEMENT MEASURES TAKEN AGAINST PERSONS
27 LICENSED PURSUANT TO THIS ARTICLE FOR VIOLATION OF REGULATIONS

1 PROMULGATED PURSUANT TO THIS ARTICLE.

2 **12-43.4-105. Limited access areas.** SUBJECT TO THE PROVISIONS
3 OF SECTION 12-43.3-701, A LIMITED ACCESS AREA SHALL BE A BUILDING,
4 ROOM, OR OTHER CONTIGUOUS AREA UPON THE LICENSED PREMISES
5 WHERE RETAIL MARIJUANA IS CULTIVATED, STORED, WEIGHED,
6 PACKAGED, OR TESTED, UNDER CONTROL OF THE LICENSEE, WITH LIMITED
7 ACCESS TO ONLY THOSE PERSONS LICENSED BY THE STATE LICENSING
8 AUTHORITY. ALL AREAS OF INGRESS OR EGRESS TO LIMITED ACCESS AREAS
9 SHALL BE CLEARLY IDENTIFIED AS SUCH BY A SIGN AS DESIGNATED BY THE
10 STATE LICENSING AUTHORITY.

11 PART 2

12 STATE LICENSING AUTHORITY

13 **12-43.4-201. State licensing authority.** FOR THE PURPOSE OF
14 REGULATING AND CONTROLLING THE LICENSING OF THE CULTIVATION,
15 MANUFACTURE, DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA
16 IN THIS STATE, THE STATE LICENSING AUTHORITY CREATED IN SECTION
17 12-43.3-201, SHALL ALSO HAVE REGULATORY AUTHORITY FOR RETAIL
18 MARIJUANA AS PERMITTED IN SECTION 16 OF ARTICLE XVIII OF THE STATE
19 CONSTITUTION AND THIS ARTICLE.

20 **12-43.4-202. Powers and duties of state licensing authority.**

21 (1) THE STATE LICENSING AUTHORITY SHALL DEVELOP AND MAINTAIN A
22 SEED-TO-SALE TRACKING SYSTEM, THAT TRACKS RETAIL MARIJUANA FROM
23 THE IMMATURE PLANT STAGE UNTIL THE MARIJUANA IS SOLD TO A
24 CUSTOMER AT A RETAIL MARIJUANA STORE, TO ENSURE THAT NO
25 MARIJUANA GROWN OR PROCESSED BY A RETAIL MARIJUANA
26 ESTABLISHMENT IS SOLD OR OTHERWISE TRANSFERRED EXCEPT BY A
27 RETAIL MARIJUANA STORE.

1 (2) THE STATE LICENSING AUTHORITY HAS THE AUTHORITY TO:

2 (a) GRANT OR REFUSE STATE LICENSES FOR THE CULTIVATION,
3 MANUFACTURE, DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA
4 AS PROVIDED BY LAW; SUSPEND, FINE, RESTRICT, OR REVOKE SUCH
5 LICENSES UPON A VIOLATION OF THIS ARTICLE, OR ANY RULE
6 PROMULGATED PURSUANT TO THIS ARTICLE; AND IMPOSE ANY PENALTY
7 AUTHORIZED BY THIS ARTICLE OR ANY RULE PROMULGATED PURSUANT TO
8 THIS ARTICLE. THE STATE LICENSING AUTHORITY MAY TAKE ANY ACTION
9 WITH RESPECT TO A REGISTRATION PURSUANT TO THIS ARTICLE AS IT MAY
10 WITH RESPECT TO A LICENSE PURSUANT TO THIS ARTICLE, IN ACCORDANCE
11 WITH THE PROCEDURES ESTABLISHED PURSUANT TO THIS ARTICLE.

12 (b) PROMULGATE ON OR BEFORE JULY 1, 2013, ALL RULES FOR THE
13 PROPER REGULATION AND CONTROL OF THE CULTIVATION, MANUFACTURE,
14 DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA AND FOR THE
15 ENFORCEMENT OF THIS ARTICLE; AND PROMULGATE AMENDED RULES AND
16 SUCH SPECIAL RULINGS AND FINDINGS AS NECESSARY;

17 (c) HEAR AND DETERMINE AT A PUBLIC HEARING ANY CONTESTED
18 STATE LICENSE DENIAL AND ANY COMPLAINTS AGAINST A LICENSEE AND
19 ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF
20 PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS
21 NECESSARY TO THE DETERMINATION OF ANY HEARING SO HELD, ALL IN
22 ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S. THE STATE LICENSING
23 AUTHORITY MAY, AT ITS DISCRETION, DELEGATE TO THE DEPARTMENT OF
24 REVENUE HEARING OFFICERS THE AUTHORITY TO CONDUCT LICENSING,
25 DISCIPLINARY, AND RULE-MAKING HEARINGS UNDER SECTION 24-4-105,
26 C.R.S. WHEN CONDUCTING SUCH HEARINGS, THE HEARING OFFICERS ARE
27 EMPLOYEES OF THE STATE LICENSING AUTHORITY UNDER THE DIRECTION

1 AND SUPERVISION OF THE EXECUTIVE DIRECTOR AND THE STATE LICENSING
2 AUTHORITY.

3 (d) MAINTAIN THE CONFIDENTIALITY OF REPORTS OR OTHER
4 INFORMATION OBTAINED FROM A LICENSEE SHOWING THE SALES VOLUME
5 OR QUANTITY OF RETAIL MARIJUANA SOLD, OR REVEALING ANY CUSTOMER
6 INFORMATION, OR ANY OTHER RECORDS THAT ARE EXEMPT FROM PUBLIC
7 INSPECTION PURSUANT TO STATE LAW. SUCH REPORTS OR OTHER
8 INFORMATION MAY BE USED ONLY FOR A PURPOSE AUTHORIZED BY THIS
9 ARTICLE OR FOR ANY OTHER STATE OR LOCAL LAW ENFORCEMENT
10 PURPOSE. ANY INFORMATION RELEASED RELATED TO CUSTOMERS MAY BE
11 USED ONLY FOR A PURPOSE AUTHORIZED BY THIS ARTICLE.

12 (e) DEVELOP SUCH FORMS, LICENSES, IDENTIFICATION CARDS, AND
13 APPLICATIONS AS ARE NECESSARY OR CONVENIENT IN THE DISCRETION OF
14 THE STATE LICENSING AUTHORITY FOR THE ADMINISTRATION OF THIS
15 ARTICLE OR ANY OF THE RULES PROMULGATED UNDER THIS ARTICLE; AND

16 (f) PREPARE AND TRANSMIT ANNUALLY, IN THE FORM AND
17 MANNER PRESCRIBED BY THE HEADS OF THE PRINCIPAL DEPARTMENTS
18 PURSUANT TO SECTION 24-1-136, C.R.S., A REPORT ACCOUNTING TO THE
19 GOVERNOR FOR THE EFFICIENT DISCHARGE OF ALL RESPONSIBILITIES
20 ASSIGNED BY LAW OR DIRECTIVE TO THE STATE LICENSING AUTHORITY.

21 (3) (a) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF
22 SUBSECTION (2) OF THIS SECTION MUST INCLUDE, BUT NEED NOT BE
23 LIMITED TO, THE FOLLOWING SUBJECTS:

24 (I) PROCEDURES CONSISTENT WITH THIS ARTICLE FOR THE
25 ISSUANCE, RENEWAL, SUSPENSION, AND REVOCATION OF LICENSES TO
26 OPERATE RETAIL MARIJUANA ESTABLISHMENTS;

27 (II) SUBJECT TO THE LIMITATIONS CONTAINED IN SECTION 16 (5)

1 (a) (II) OF ARTICLE XVIII OF THE STATE CONSTITUTION AND CONSISTENT
2 WITH THIS ARTICLE, A SCHEDULE OF APPLICATION, LICENSING, AND
3 RENEWAL FEES FOR RETAIL MARIJUANA ESTABLISHMENTS;

4 (III) QUALIFICATIONS FOR LICENSURE UNDER THIS ARTICLE,
5 INCLUDING BUT NOT LIMITED TO THE REQUIREMENT FOR A
6 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK FOR ALL OWNERS,
7 OFFICERS, MANAGERS, CONTRACTORS, EMPLOYEES, AND OTHER SUPPORT
8 STAFF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE;

9 (IV) (A) ESTABLISHING AN INDEPENDENT TESTING AND
10 CERTIFICATION PROGRAM TO TEST RETAIL MARIJUANA FROM ANY RETAIL
11 MARIJUANA ESTABLISHMENT AT A FREQUENCY TO BE DETERMINED BY THE
12 AGENCY TO ENSURE AT A MINIMUM THAT PRODUCTS ARE FREE FROM
13 HARMFUL RESIDUAL SOLVENTS, CHEMICALS, OR TOXINS; PRODUCTS ARE
14 FREE OF MOLD AND MILDEW; PRODUCTS ARE FREE OF MICROBIALS SUCH AS
15 E. COLI OR SALMONELLA; PRODUCTS ARE FREE OF PESTICIDES; AND THE
16 THC POTENCY REPRESENTATIONS ON THE PRODUCT LABELS ARE
17 ACCURATE.

18 (B) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
19 SHALL ESTABLISH STANDARDS AND CRITERIA FOR INDEPENDENT TESTING
20 AND CERTIFICATION UNDER SUB-SUBPARAGRAPH (A) OF THIS
21 SUBPARAGRAPH (IV). THE DEPARTMENT OF PUBLIC HEALTH AND
22 ENVIRONMENT SHALL REGULATE ENTITIES PROVIDING INDEPENDENT
23 TESTING AND CERTIFICATION.

24 (V) SECURITY REQUIREMENTS FOR ANY PREMISES LICENSED
25 PURSUANT TO THIS ARTICLE, INCLUDING, AT A MINIMUM, LIGHTING,
26 PHYSICAL SECURITY, VIDEO, AND ALARM REQUIREMENTS, AND OTHER
27 MINIMUM PROCEDURES FOR INTERNAL CONTROL AS DEEMED NECESSARY

1 BY THE STATE LICENSING AUTHORITY TO PROPERLY ADMINISTER AND
2 ENFORCE THE PROVISIONS OF THIS ARTICLE, INCLUDING REPORTING
3 REQUIREMENTS FOR CHANGES, ALTERATIONS, OR MODIFICATIONS TO THE
4 PREMISES;

5 (VI) REQUIREMENTS TO PREVENT THE SALE OR DIVERSION OF
6 RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS TO PERSONS
7 UNDER TWENTY-ONE YEARS OF AGE;

8 (VII) LABELING REQUIREMENTS FOR RETAIL MARIJUANA AND
9 RETAIL MARIJUANA PRODUCTS SOLD BY A RETAIL MARIJUANA
10 ESTABLISHMENT THAT ARE AT LEAST AS STRINGENT AS IMPOSED BY
11 SECTION 25-4-1614 (3) (a), C.R.S., AND INCLUDE BUT ARE NOT LIMITED
12 TO:

13 (A) THE LICENSE NUMBER OF THE RETAIL MARIJUANA
14 CULTIVATION LICENSE;

15 (B) THE LICENSE NUMBER OF THE RETAIL MARIJUANA STORE;

16 (C) AN IDENTITY STATEMENT AND STANDARDIZED GRAPHIC
17 SYMBOL;

18 (D) THE BATCH NUMBER;

19 (E) A NET WEIGHT STATEMENT;

20 (F) THC POTENCY AND THE POTENCY OF SUCH OTHER
21 CANNABANOIDS OR OTHER CHEMICALS, INCLUDING BUT NOT LIMITED TO
22 CBD, AS DETERMINED RELEVANT BY THE STATE LICENSING AUTHORITY;

23 (G) A LIST OF THE NONORGANIC PESTICIDES, FUNGICIDES,
24 HERBICIDES, AND SOLVENTS USED DURING CULTIVATION OR PRODUCTION;

25 (H) A STATEMENT TO THE EFFECT OF "THIS PRODUCT CONTAINS
26 MARIJUANA AND WAS CULTIVATED OR PRODUCED WITHOUT REGULATORY
27 OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY, AND THERE MAY BE

- 1 HEALTH RISKS ASSOCIATED WITH THE CONSUMPTION OF THE PRODUCT";
- 2 (I) WARNING LABELS;
- 3 (J) SOLVENTS USED IN THE EXTRACTION PROCESS;
- 4 (K) AMOUNT OF THC PER SERVING AND THE NUMBER OF SERVINGS
- 5 PER PACKAGE FOR MARIJUANA PRODUCTS;
- 6 (L) A LIST OF INGREDIENTS AND POSSIBLE ALLERGENS FOR
- 7 MARIJUANA PRODUCTS;
- 8 (M) A RECOMMENDED USE BY OR EXPIRATION DATE FOR
- 9 MARIJUANA PRODUCTS;
- 10 (N) A NUTRITIONAL FACT PANEL FOR EDIBLE PRODUCTS; AND
- 11 (O) A UNIVERSAL SYMBOL INDICATING THE PACKAGE CONTAINS
- 12 MARIJUANA OR A MARIJUANA PRODUCT.
- 13 (VIII) HEALTH AND SAFETY REGULATIONS AND STANDARDS FOR
- 14 THE MANUFACTURE OF RETAIL MARIJUANA PRODUCTS AND THE
- 15 CULTIVATION OF RETAIL MARIJUANA;
- 16 (IX) LIMITATIONS ON ADVERTISING AND DISPLAY OF RETAIL
- 17 MARIJUANA AND RETAIL MARIJUANA PRODUCTS;
- 18 (X) REGULATION OF THE STORAGE OF, WAREHOUSES FOR, AND
- 19 TRANSPORTATION OF RETAIL MARIJUANA;
- 20 (XI) SANITARY REQUIREMENTS FOR RETAIL MARIJUANA STORES,
- 21 INCLUDING BUT NOT LIMITED TO SANITARY REQUIREMENTS FOR THE
- 22 PREPARATION OF RETAIL MARIJUANA PRODUCTS;
- 23 (XII) RECORDS TO BE KEPT BY LICENSEES AND THE REQUIRED
- 24 AVAILABILITY OF THE RECORDS;
- 25 (XIII) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES TAX
- 26 PAYMENTS BY RETAIL MARIJUANA STORES;
- 27 (XIV) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO

1 HAVE ACCESS TO LICENSING INFORMATION TO ENSURE SALES, EXCISE, AND
2 INCOME TAX PAYMENT AND THE EFFECTIVE ADMINISTRATION OF THIS
3 ARTICLE;

4 (XV) COMPLIANCE WITH, ENFORCEMENT OF, OR VIOLATION OF
5 ANY PROVISION OF THIS ARTICLE, SECTION 18-18-406.3 (7), C.R.S., OR
6 ANY RULE ISSUED PURSUANT TO THIS ARTICLE, INCLUDING PROCEDURES
7 AND GROUNDS FOR DENYING, SUSPENDING, FINING, RESTRICTING, OR
8 REVOKING A STATE LICENSE ISSUED PURSUANT TO THIS ARTICLE; AND

9 (XVI) CREATION OF A RANGE OF CIVIL PENALTIES FOR USE BY THE
10 STATE LICENSING AUTHORITY.

11 (b) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF
12 SUBSECTION (2) OF THIS SECTION MUST ALSO INCLUDE THE FOLLOWING
13 SUBJECTS:

14 (I) SPECIFICATIONS OF DUTIES OF OFFICERS AND EMPLOYEES OF
15 THE STATE LICENSING AUTHORITY;

16 (II) INSTRUCTIONS FOR LOCAL JURISDICTIONS AND LAW
17 ENFORCEMENT OFFICERS;

18 (III) REQUIREMENTS FOR INSPECTIONS, INVESTIGATIONS,
19 SEARCHES, SEIZURES, FORFEITURES, AND SUCH ADDITIONAL ACTIVITIES AS
20 MAY BECOME NECESSARY FROM TIME TO TIME;

21 (IV) PROHIBITION OF MISREPRESENTATION AND UNFAIR
22 PRACTICES;

23 (V) DEVELOPMENT OF INDIVIDUAL IDENTIFICATION CARDS FOR
24 OWNERS, OFFICERS, MANAGERS, CONTRACTORS, EMPLOYEES, AND OTHER
25 SUPPORT STAFF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE,
26 INCLUDING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS
27 MAY BE REQUIRED BY THE STATE LICENSING AUTHORITY PRIOR TO ISSUING

1 A CARD;

2 (VI) IDENTIFICATION OF STATE LICENSEES AND THEIR OWNERS,
3 OFFICERS, MANAGERS, AND EMPLOYEES;

4

5 (VII) THE SPECIFICATION OF ACCEPTABLE FORMS OF PICTURE
6 IDENTIFICATION THAT A RETAIL MARIJUANA STORE MAY ACCEPT WHEN
7 VERIFYING A SALE, INCLUDING BUT NOT LIMITED TO GOVERNMENT-ISSUED
8 IDENTIFICATION CARDS;

9

10 (VIII) STATE LICENSING PROCEDURES, INCLUDING PROCEDURES
11 FOR RENEWALS, REINSTATEMENTS, INITIAL LICENSES, AND THE PAYMENT
12 OF LICENSING FEES;

13

14 (IX) ESTABLISHING A SCHEDULE OF PENALTIES AND PROCEDURES
15 FOR ISSUING AND APPEALING CITATIONS FOR VIOLATION OF STATUTES AND
16 RULES AND ISSUING ADMINISTRATIVE CITATIONS; AND

17 (X) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR,
18 IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS
19 ARTICLE.

20 (c) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF
21 SUBSECTION (2) OF THIS SECTION MUST ALSO INCLUDE THE FOLLOWING
22 SUBJECTS AND THE STATE LICENSING AUTHORITY MAY SEEK THE
23 ASSISTANCE OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
24 WHEN NECESSARY BEFORE PROMULGATING THE RULES:

25 (I) SIGNAGE, MARKETING, AND ADVERTISING, INCLUDING BUT NOT
26 LIMITED TO:

27 (A) A PROHIBITION ON MASS-MARKET CAMPAIGNS THAT HAVE A

- 1 HIGH LIKELIHOOD OF REACHING MINORS;
- 2 (B) ALLOW PACKAGING AND ACCESSORY BRANDING;
- 3 (C) A PROHIBITION ON HEALTH OR PHYSICAL BENEFIT CLAIMS IN
4 ADVERTISING, MERCHANDISING, AND PACKAGING;
- 5 (D) A PROHIBITION ON UNSOLICITED POP-UP ADVERTISING ON THE
6 INTERNET;
- 7 (E) A PROHIBITION ON BANNER ADS ON MASS-MARKET WEB SITES;
- 8 (F) A PROHIBITION ON OPT-IN MARKETING THAT DOES NOT PERMIT
9 AN EASY AND PERMANENT OPT-OUT FEATURE; ■
- 10 (G) A PROHIBITION ON MARKETING DIRECTED TOWARDS
11 LOCATION-BASED DEVICES, INCLUDING BUT NOT LIMITED TO CELLULAR
12 PHONES; AND
- 13 (H) A REQUIREMENT THAT MAGAZINES WHOSE PRIMARY FOCUS IS
14 MARIJUANA OR MARIJUANA BUSINESSES ARE ONLY SOLD IN RETAIL
15 MARIJUANA STORES OR BEHIND THE COUNTER IN ESTABLISHMENTS WHERE
16 PERSONS UNDER TWENTY-ONE YEARS OF AGE ARE PRESENT.
- 17 (II) PROHIBITING THE SALE OF RETAIL MARIJUANA AND RETAIL
18 MARIJUANA PRODUCTS UNLESS:
- 19 (A) THE PRODUCT IS PACKAGED BY THE RETAIL MARIJUANA STORE
20 OR THE RETAIL MARIJUANA PRODUCTS MANUFACTURER IN PACKAGING
21 MEETING REQUIREMENTS ESTABLISHED BY THE STATE LICENSING
22 AUTHORITY SIMILAR TO THE FEDERAL "POISON PREVENTION PACKAGING
23 ACT OF 1970", 15 U.S.C. SEC. 1471 ET SEQ.; OR
- 24 (B) THE PRODUCT IS PLACED IN AN EXIT PACKAGE OR CONTAINER
25 MEETING REQUIREMENTS ESTABLISHED BY THE STATE LICENSING
26 AUTHORITY AT THE POINT OF SALE PRIOR TO EXITING THE STORE;
- 27 (III) THE SAFE AND LAWFUL TRANSPORT OF RETAIL MARIJUANA

1 AND RETAIL MARIJUANA PRODUCTS BETWEEN THE LICENSED BUSINESS AND
2 TESTING LABS;

3 (IV) A SERVING SIZE FOR EDIBLE RETAIL MARIJUANA PRODUCTS
4 THAT DOES NOT CONTAIN MORE THAN TEN MILLIGRAMS OF ACTIVE THC,
5 LABELING REQUIREMENTS REGARDING SERVINGS FOR EDIBLE RETAIL
6 MARIJUANA PRODUCTS, AND LIMITATIONS ON THE TOTAL AMOUNT OF
7 ACTIVE THC IN A PACKAGE THAT IS NO MORE THAN ONE HUNDRED
8 MILLIGRAMS OF ACTIVE THC;

9 (V) LABELING GUIDELINES CONCERNING THE TOTAL CONTENT OF
10 THC PER UNIT OF WEIGHT;

11 (VI) PROHIBITION OR REGULATION OF ADDITIVES TO ANY
12 MARIJUANA PRODUCT, INCLUDING BUT NOT LIMITED TO THOSE THAT ARE
13 TOXIC, DESIGNED TO MAKE THE PRODUCT MORE ADDICTIVE, DESIGNED TO
14 MAKE THE PRODUCT MORE APPEALING TO CHILDREN, OR MISLEADING TO
15 CONSUMERS; AND

16 (VII) PERMISSION FOR A LOCAL FIRE DEPARTMENT TO CONDUCT AN
17 ANNUAL FIRE INSPECTION OF A RETAIL MARIJUANA CULTIVATION FACILITY.

18 (d) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED AS
19 DELEGATING TO THE STATE LICENSING AUTHORITY THE POWER TO FIX
20 PRICES FOR RETAIL MARIJUANA.

21 (e) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO LIMIT A
22 LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL
23 ACTIVITY IN RELATION TO A RETAIL MARIJUANA ESTABLISHMENT. A LAW
24 ENFORCEMENT AGENCY SHALL HAVE THE AUTHORITY TO RUN A
25 COLORADO CRIME INFORMATION CENTER CRIMINAL HISTORY RECORD
26 CHECK OF A LICENSEE, OR EMPLOYEE OF A LICENSEE, DURING AN
27 INVESTIGATION OF UNLAWFUL ACTIVITY RELATED TO RETAIL MARIJUANA.

1 (4) (a) THE STATE LICENSING AUTHORITY SHALL CREATE A
2 STATEWIDE LICENSURE CLASS SYSTEM FOR RETAIL MARIJUANA
3 CULTIVATION FACILITIES. THE CLASSIFICATIONS MAY BE BASED UPON
4 SQUARE FOOTAGE OF THE FACILITY; LIGHTS, LUMENS, OR WATTAGE; LIT
5 CANOPY; THE NUMBER OF CULTIVATING PLANTS; A COMBINATION OF THE
6 FOREGOING; OR OTHER REASONABLE METRICS. THE STATE LICENSING
7 AUTHORITY SHALL CREATE A FEE STRUCTURE FOR THE LICENSE CLASS
8 SYSTEM.

9 (b) THE STATE LICENSING AUTHORITY SHALL LIMIT OR INCREASE
10 THE LIMIT ON THE NUMBER OF LICENSES THAT IT ISSUES AND SHALL PLACE
11 OR MODIFY A LIMIT ON THE AMOUNT OF PRODUCTION PERMITTED BY A
12 RETAIL MARIJUANA CULTIVATION LICENSEE. THE STATE LICENSING
13 AUTHORITY SHALL LIMIT, AND MAY MODIFY THE LIMIT OF, THE STATEWIDE
14 TOTAL SQUARE FOOTAGE; LIGHTS, LUMENS, OR WATTAGE; LIT CANOPY;
15 THE NUMBER OF CULTIVATING PLANTS; THE NUMBER OF INDIVIDUAL
16 GROWS; A COMBINATION OF THE FORGOING; OR OTHER REASONABLE
17 METRICS. NOTWITHSTANDING ANYTHING CONTAINED IN THIS ARTICLE TO
18 THE CONTRARY, IN CONSIDERING ANY SUCH LIMITATIONS, THE STATE
19 LICENSING AUTHORITY, IN ADDITION TO ANY OTHER RELEVANT
20 CONSIDERATIONS, SHALL:

21 (I) CONSIDER THE TOTAL CURRENT AND ANTICIPATED DEMAND FOR
22 RETAIL MARIJUANA IN COLORADO; AND

23 (II) ATTEMPT TO MINIMIZE THE MARKET FOR UNLAWFUL
24 MARIJUANA.

25 PART 3

26 STATE AND LOCAL LICENSING

27 **12-43.4-301. Local approval - licensing.** (1) WHEN THE STATE

1 LICENSING AUTHORITY RECEIVES AN APPLICATION FOR ORIGINAL
2 LICENSING OR RENEWAL OF AN EXISTING LICENSE FOR ANY MARIJUANA
3 ESTABLISHMENT, THE STATE LICENSING AUTHORITY SHALL PROVIDE A
4 COPY OF THE APPLICATION TO THE LOCAL JURISDICTION IN WHICH THE
5 BUSINESS IS TO BE LOCATED. THE LOCAL JURISDICTION SHALL DETERMINE
6 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON
7 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. THE
8 LOCAL JURISDICTION SHALL INFORM THE STATE LICENSING AUTHORITY
9 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON
10 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES.

11 (2) A LOCAL JURISDICTION MAY IMPOSE A SEPARATE LOCAL
12 LICENSING REQUIREMENT AS A PART OF ITS RESTRICTIONS ON TIME, PLACE,
13 MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. A LOCAL
14 JURISDICTION MAY DECLINE TO IMPOSE ANY LOCAL LICENSING
15 REQUIREMENTS AND SHALL NOTIFY THE STATE LICENSING AUTHORITY
16 THAT IT WILL NOT BE ACTING ON ANY APPLICATIONS IT RECEIVES.

17 **12-43.4-302. Public hearing notice - posting and publication.**

18 (1) IF A LOCAL JURISDICTION ISSUES LOCAL LICENSES FOR A RETAIL
19 MARIJUANA ESTABLISHMENT, A LOCAL JURISDICTION MAY SCHEDULE A
20 PUBLIC HEARING ON THE APPLICATION. IF THE LOCAL JURISDICTION
21 SCHEDULES A HEARING, IT SHALL POST AND PUBLISH PUBLIC NOTICE
22 THEREOF NOT LESS THAN TEN DAYS PRIOR TO THE HEARING. THE LOCAL
23 JURISDICTION SHALL GIVE PUBLIC NOTICE BY POSTING A SIGN IN A
24 CONSPICUOUS PLACE ON THE LICENSE APPLICANT'S PREMISES FOR WHICH
25 A LOCAL LICENSE APPLICATION HAS BEEN MADE AND BY PUBLICATION IN
26 A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY IN WHICH THE
27 APPLICANT'S PREMISES ARE LOCATED.

1 (2) IF A LOCAL JURISDICTION DOES NOT ISSUE LOCAL LICENSES, THE
2 LOCAL JURISDICTION MAY GIVE PUBLIC NOTICE OF THE STATE APPLICATION
3 BY POSTING A SIGN IN A CONSPICUOUS PLACE ON THE STATE LICENSE
4 APPLICANT'S PREMISES FOR WHICH LICENSE APPLICATION HAS BEEN MADE
5 AND BY PUBLICATION IN A NEWSPAPER OF GENERAL CIRCULATION IN THE
6 COUNTY IN WHICH THE APPLICANT'S PREMISES ARE LOCATED.

7 **12-43.4-303. Retail marijuana license bond.** (1) BEFORE THE
8 STATE LICENSING AUTHORITY ISSUES A STATE LICENSE TO AN APPLICANT,
9 THE APPLICANT SHALL PROCURE AND FILE WITH THE STATE LICENSING
10 AUTHORITY EVIDENCE OF A GOOD AND SUFFICIENT BOND IN THE AMOUNT
11 OF FIVE THOUSAND DOLLARS WITH CORPORATE SURETY THEREON DULY
12 LICENSED TO DO BUSINESS WITH THE STATE, APPROVED AS TO FORM BY
13 THE ATTORNEY GENERAL OF THE STATE, AND CONDITIONED THAT THE
14 APPLICANT SHALL REPORT AND PAY ALL SALES AND USE TAXES DUE TO THE
15 STATE, OR FOR WHICH THE STATE IS THE COLLECTOR OR COLLECTING
16 AGENT, IN A TIMELY MANNER, AS PROVIDED IN LAW.

17 (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 IS MADE BY
20 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE OR A COURT
21 OF COMPETENT JURISDICTION.

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

26 **12-43.4-304. State licensing authority - application and**
27 **issuance procedures.** (1) APPLICATIONS FOR A STATE LICENSE UNDER

1 THE PROVISIONS OF THIS ARTICLE MUST BE MADE TO THE STATE LICENSING
2 AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE STATE
3 LICENSING AUTHORITY AND MUST SET FORTH SUCH INFORMATION AS THE
4 STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE
5 LICENSING AUTHORITY TO DETERMINE WHETHER A STATE LICENSE SHOULD
6 BE GRANTED. THE INFORMATION MUST INCLUDE THE NAME AND ADDRESS
7 OF THE APPLICANT AND THE NAMES AND ADDRESSES OF THE OFFICERS,
8 DIRECTORS, OR MANAGERS. EACH APPLICATION MUST BE VERIFIED BY THE
9 OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE
10 LICENSING AUTHORITY MAY PRESCRIBE. THE STATE LICENSING AUTHORITY
11 MAY ISSUE A STATE LICENSE TO AN APPLICANT PURSUANT TO THIS SECTION
12 UPON COMPLETION OF THE APPLICABLE CRIMINAL HISTORY BACKGROUND
13 CHECK ASSOCIATED WITH THE APPLICATION, AND THE STATE LICENSE IS
14 CONDITIONED UPON LOCAL JURISDICTION APPROVAL. A LICENSE
15 APPLICANT IS PROHIBITED FROM OPERATING A LICENSED RETAIL
16 MARIJUANA BUSINESS WITHOUT STATE AND, IF REQUIRED, LOCAL
17 JURISDICTION APPROVAL. IF THE APPLICANT DOES NOT RECEIVE LOCAL
18 JURISDICTION APPROVAL WITHIN ONE YEAR FROM THE DATE OF STATE
19 LICENSING AUTHORITY APPROVAL, THE STATE LICENSE SHALL EXPIRE AND
20 MAY NOT BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL
21 LICENSING AUTHORITY, THE STATE LICENSING AUTHORITY SHALL REVOKE
22 THE STATE-ISSUED LICENSE.

23 (2) NOTHING IN THIS ARTICLE PREEMPTS OR OTHERWISE IMPAIRS
24 THE POWER OF A LOCAL GOVERNMENT TO ENACT ORDINANCES OR
25 RESOLUTIONS CONCERNING MATTERS AUTHORIZED TO LOCAL
26 GOVERNMENTS.

27 **12-43.4-305. Denial of application.** (1) THE STATE LICENSING

1 AUTHORITY SHALL DENY A STATE LICENSE IF THE PREMISES ON WHICH THE
2 APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DOES NOT MEET THE
3 REQUIREMENTS OF THIS ARTICLE OR FOR REASONS SET FORTH IN SECTION
4 12-43.4-104 (1) (c) OR 12-43.4-304. THE STATE LICENSING AUTHORITY
5 MAY REFUSE OR DENY A LICENSE RENEWAL, REINSTATEMENT, OR INITIAL
6 LICENSE ISSUANCE FOR GOOD CAUSE. FOR PURPOSES OF THIS SUBSECTION
7 (1), "GOOD CAUSE" MEANS:

8 (a) THE LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET,
9 OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OR
10 PROVISIONS OF THIS ARTICLE, ANY RULES PROMULGATED PURSUANT TO
11 THIS ARTICLE, OR ANY SUPPLEMENTAL LOCAL LAW, RULES, OR
12 REGULATIONS;

13 (b) THE LICENSEE OR APPLICANT HAS FAILED TO COMPLY WITH ANY
14 SPECIAL TERMS OR CONDITIONS THAT WERE PLACED ON ITS LICENSE
15 PURSUANT TO AN ORDER OF THE STATE OR LOCAL LICENSING AUTHORITY;

16 (c) THE LICENSED PREMISES HAVE BEEN OPERATED IN A MANNER
17 THAT ADVERSELY AFFECTS THE PUBLIC HEALTH OR THE SAFETY OF THE
18 IMMEDIATE NEIGHBORHOOD IN WHICH THE ESTABLISHMENT IS LOCATED.

19 (2) IF THE STATE LICENSING AUTHORITY DENIES A STATE LICENSE
20 PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE APPLICANT SHALL BE
21 ENTITLED TO A HEARING PURSUANT TO SECTION 24-4-104 (9), C.R.S., AND
22 JUDICIAL REVIEW PURSUANT TO SECTION 24-4-106, C.R.S. THE STATE
23 LICENSING AUTHORITY SHALL PROVIDE WRITTEN NOTICE OF THE GROUNDS
24 FOR DENIAL OF THE STATE LICENSE TO THE APPLICANT AND TO THE LOCAL
25 LICENSING AUTHORITY AT LEAST FIFTEEN DAYS PRIOR TO THE HEARING.

26 **12-43.4-306. Persons prohibited as licensees.** (1) A LICENSE
27 PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:

1 (a) A PERSON UNTIL THE ANNUAL FEE THEREFOR HAS BEEN PAID;

2 (b) A PERSON WHOSE CRIMINAL HISTORY INDICATES THAT HE OR
3 SHE IS NOT OF GOOD MORAL CHARACTER;

4 (c) AN ENTITY OTHER THAN A PERSON, IF THE CRIMINAL HISTORY
5 OF ANY OF ITS OFFICERS, DIRECTORS, STOCKHOLDERS, OR OWNERS
6 INDICATES THAT THE OFFICER, DIRECTOR, STOCKHOLDER, OR OWNER IS
7 NOT OF GOOD MORAL CHARACTER;

8 (d) A PERSON ASSISTED BY OR FINANCED IN WHOLE OR IN PART BY
9 ANY OTHER PERSON WHOSE CRIMINAL HISTORY INDICATES HE OR SHE IS
10 NOT OF GOOD CHARACTER AND REPUTATION SATISFACTORY TO THE
11 RESPECTIVE LICENSING AUTHORITY;

12 (e) A PERSON UNDER TWENTY-ONE YEARS OF AGE;

13 (f) A PERSON LICENSED PURSUANT TO THIS ARTICLE WHO, DURING
14 A PERIOD OF LICENSURE, OR WHO, AT THE TIME OF APPLICATION, HAS
15 FAILED TO:

16 (I) PROVIDE A SURETY BOND OR FILE ANY TAX RETURN
17 RELATED TO A RETAIL MARIJUANA ESTABLISHMENT; OR

18 (II) PAY ANY TAXES, INTEREST, OR PENALTIES DUE THE
19 DEPARTMENT OF REVENUE RELATING TO A RETAIL MARIJUANA
20 ESTABLISHMENT;

21 (g) A PERSON WHO HAS DISCHARGED A SENTENCE IN THE FIVE
22 YEARS IMMEDIATELY PRECEDING THE APPLICATION DATE FOR A
23 CONVICTION OF A FELONY OR A PERSON WHO HAS DISCHARGED A
24 SENTENCE IN THE TEN YEARS IMMEDIATELY PRECEDING THE APPLICATION
25 DATE OR FIVE YEARS FROM THE EFFECTIVE DATE OF HOUSE BILL 13-1317,
26 ENACTED IN 2013, WHICHEVER IS LONGER, FOR A CONVICTION OF A FELONY
27 PURSUANT TO ANY STATE OR FEDERAL LAW REGARDING THE POSSESSION,

1 DISTRIBUTION, MANUFACTURING, CULTIVATION, OR USE OF A CONTROLLED
2 SUBSTANCE; EXCEPT THAT THE LICENSING AUTHORITY MAY GRANT A
3 LICENSE TO A PERSON IF THE PERSON HAS A STATE FELONY CONVICTION
4 BASED ON POSSESSION OR USE OF MARIJUANA OR MARIJUANA
5 CONCENTRATE THAT WOULD NOT BE A FELONY IF THE PERSON WERE
6 CONVICTED OF THE OFFENSE ON THE DATE HE OR SHE APPLIED FOR
7 LICENSURE;

8 (h) A PERSON WHO EMPLOYS ANOTHER PERSON AT A RETAIL
9 MARIJUANA FACILITY WHO HAS NOT SUBMITTED FINGERPRINTS FOR A
10 CRIMINAL HISTORY RECORD CHECK OR WHOSE CRIMINAL RECORD HISTORY
11 CHECK REVEALS THAT THE PERSON IS INELIGIBLE;

12 (i) A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR PROSECUTING
13 OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE LICENSING
14 AUTHORITY OR A LOCAL LICENSING AUTHORITY;

15 (j) A PERSON FOR A LICENSE FOR A LOCATION THAT IS CURRENTLY
16 LICENSED AS A RETAIL FOOD ESTABLISHMENT OR WHOLESALE FOOD
17 REGISTRANT; OR

18 (k) AN OWNER, AS DEFINED BY RULE OF THE STATE LICENSING
19 AUTHORITY, WHO HAS NOT BEEN A RESIDENT OF COLORADO FOR AT LEAST
20 TWO YEARS PRIOR TO THE DATE OF THE OWNER'S APPLICATION.

21 (2) (a) IN INVESTIGATING THE QUALIFICATIONS OF AN APPLICANT
22 OR A LICENSEE, THE STATE AND LOCAL LICENSING AUTHORITIES MAY HAVE
23 ACCESS TO CRIMINAL HISTORY RECORD INFORMATION FURNISHED BY A
24 CRIMINAL JUSTICE AGENCY SUBJECT TO ANY RESTRICTIONS IMPOSED BY
25 SUCH AGENCY. IN THE EVENT THE STATE OR LOCAL LICENSING AUTHORITY
26 CONSIDERS THE APPLICANT'S CRIMINAL HISTORY RECORD, THE STATE OR
27 LOCAL LICENSING AUTHORITY SHALL ALSO CONSIDER ANY INFORMATION

1 PROVIDED BY THE APPLICANT REGARDING SUCH CRIMINAL HISTORY
2 RECORD, INCLUDING BUT NOT LIMITED TO EVIDENCE OF REHABILITATION,
3 CHARACTER REFERENCES, ANDEDUCATIONAL ACHIEVEMENTS, ESPECIALLY
4 THOSE ITEMS PERTAINING TO THE TIME BETWEEN THE APPLICANT'S LAST
5 CRIMINAL CONVICTION AND THE CONSIDERATION OF THE APPLICATION FOR
6 A STATE LICENSE.

7 (b) AS USED IN PARAGRAPH (a) OF THIS SUBSECTION (2), "CRIMINAL
8 JUSTICE AGENCY" MEANS ANY FEDERAL, STATE, OR MUNICIPAL COURT OR
9 ANY GOVERNMENTAL AGENCY OR SUBUNIT OF SUCH AGENCY THAT
10 ADMINISTERS CRIMINAL JUSTICE PURSUANT TO A STATUTE OR EXECUTIVE
11 ORDER AND THAT ALLOCATES A SUBSTANTIAL PART OF ITS ANNUAL
12 BUDGET TO THE ADMINISTRATION OF CRIMINAL JUSTICE.

13 (c) AT THE TIME OF FILING AN APPLICATION FOR ISSUANCE OF A
14 STATE A RETAIL MARIJUANA ESTABLISHMENT LICENSE, AN APPLICANT
15 SHALL SUBMIT A SET OF HIS OR HER FINGERPRINTS AND FILE PERSONAL
16 HISTORY INFORMATION CONCERNING THE APPLICANT'S QUALIFICATIONS
17 FOR A STATE LICENSE ON FORMS PREPARED BY THE STATE LICENSING
18 AUTHORITY. THE STATE OR LOCAL LICENSING AUTHORITY SHALL SUBMIT
19 THE FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION FOR THE
20 PURPOSE OF CONDUCTING FINGERPRINT-BASED CRIMINAL HISTORY RECORD
21 CHECKS. THE COLORADO BUREAU OF INVESTIGATION SHALL FORWARD THE
22 FINGERPRINTS TO THE FEDERAL BUREAU OF INVESTIGATION FOR THE
23 PURPOSE OF CONDUCTING FINGERPRINT-BASED CRIMINAL HISTORY RECORD
24 CHECKS. THE STATE OR LOCAL LICENSING AUTHORITY MAY ACQUIRE A
25 NAME-BASED CRIMINAL HISTORY RECORD CHECK FOR AN APPLICANT OR A
26 LICENSE HOLDER WHO HAS TWICE SUBMITTED TO A FINGERPRINT-BASED
27 CRIMINAL HISTORY RECORD CHECK AND WHOSE FINGERPRINTS ARE

1 UNCLASSIFIABLE. AN APPLICANT WHO HAS PREVIOUSLY SUBMITTED
2 FINGERPRINTS FOR STATE LICENSING PURPOSES MAY REQUEST THAT THE
3 FINGERPRINTS ON FILE BE USED. THE STATE OR LOCAL LICENSING
4 AUTHORITY SHALL USE THE INFORMATION RESULTING FROM THE
5 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK TO INVESTIGATE
6 AND DETERMINE WHETHER AN APPLICANT IS QUALIFIED TO HOLD A STATE
7 LICENSE PURSUANT TO THIS ARTICLE. THE STATE OR LOCAL LICENSING
8 AUTHORITY MAY VERIFY ANY OF THE INFORMATION AN APPLICANT IS
9 REQUIRED TO SUBMIT.

10 **12-43.4-307. Restrictions for applications for new licenses.**

11 (1) THE STATE LICENSING AUTHORITY SHALL NOT APPROVE AN
12 APPLICATION FOR THE ISSUANCE OF A STATE LICENSE PURSUANT TO
13 THIS ARTICLE:

14 (a) IF THE APPLICATION FOR THE LICENSE CONCERNS A PARTICULAR
15 LOCATION THAT IS THE SAME AS OR WITHIN ONE THOUSAND FEET OF A
16 LOCATION FOR WHICH, WITHIN THE TWO YEARS IMMEDIATELY PRECEDING
17 THE DATE OF THE APPLICATION, THE STATE LICENSING AUTHORITY DENIED
18 AN APPLICATION FOR THE SAME CLASS OF LICENSE DUE TO THE NATURE OF
19 THE USE OR OTHER CONCERN RELATED TO THE LOCATION;

20 (b) UNTIL IT IS ESTABLISHED THAT THE APPLICANT IS, OR WILL BE,
21 ENTITLED TO POSSESSION OF THE PREMISES FOR WHICH APPLICATION IS
22 MADE UNDER A LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT
23 FOR POSSESSION OF THE PREMISES OR BY VIRTUE OF OWNERSHIP OF THE
24 PREMISES;

25 (c) FOR A LOCATION IN AN AREA WHERE THE CULTIVATION,
26 MANUFACTURE, AND SALE OF RETAIL MARIJUANA AS CONTEMPLATED IS
27 NOT PERMITTED UNDER THE APPLICABLE ZONING LAWS OF THE

1 MUNICIPALITY, CITY AND COUNTY, OR COUNTY;

2 (d) (I) IF THE BUILDING IN WHICH RETAIL MARIJUANA IS TO BE SOLD
3 IS LOCATED WITHIN ONE THOUSAND FEET OF A SCHOOL, AN ALCOHOL OR
4 DRUG TREATMENT FACILITY, THE PRINCIPAL CAMPUS OF A COLLEGE,
5 UNIVERSITY, OR SEMINARY, OR A RESIDENTIAL CHILD CARE FACILITY;
6 EXCEPT THAT THIS PROVISION SHALL NOT APPLY TO A PREMISES THAT IS
7 THE LOCATION OF A MEDICAL MARIJUANA FACILITY LICENSED PURSUANT
8 TO PART 4 OF ARTICLE 43.3 OF THIS TITLE. THE PROVISIONS OF THIS
9 SECTION SHALL NOT AFFECT THE RENEWAL OR REISSUANCE OF A LICENSE
10 ONCE GRANTED OR APPLY TO LICENSED PREMISES LOCATED OR TO BE
11 LOCATED ON LAND OWNED BY A MUNICIPALITY, NOR SHALL THE
12 PROVISIONS OF THIS SECTION APPLY TO AN EXISTING LICENSED PREMISES
13 ON LAND OWNED BY THE STATE, OR APPLY TO A LICENSE IN EFFECT AND
14 ACTIVELY DOING BUSINESS BEFORE SAID PRINCIPAL CAMPUS WAS
15 CONSTRUCTED. THE GOVERNING BODY OF A COUNTY, BY RESOLUTION,
16 MAY VARY THE DISTANCE RESTRICTIONS IMPOSED BY THIS SUBPARAGRAPH
17 (I) FOR A LICENSE OR MAY ELIMINATE ONE OR MORE TYPES OF SCHOOLS,
18 CAMPUSES, OR FACILITIES FROM THE APPLICATION OF A DISTANCE
19 RESTRICTION ESTABLISHED BY OR PURSUANT TO THIS SUBPARAGRAPH (I).

20 (II) THE DISTANCES REFERRED TO IN THIS PARAGRAPH (d) ARE TO
21 BE COMPUTED BY DIRECT MEASUREMENT FROM THE NEAREST PROPERTY
22 LINE OF THE LAND USED FOR A SCHOOL OR CAMPUS TO THE NEAREST
23 PORTION OF THE BUILDING IN WHICH RETAIL MARIJUANA IS TO BE SOLD,
24 USING A ROUTE OF DIRECT PEDESTRIAN ACCESS.

25 (III) IN ADDITION TO THE REQUIREMENTS OF SECTION 12-43.4-303
26 (2), THE STATE LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE
27 AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN

1 WHICH THE RETAIL MARIJUANA IS TO BE SOLD IS LOCATED WITHIN ANY
2 DISTANCE RESTRICTIONS ESTABLISHED BY OR PURSUANT TO THIS
3 PARAGRAPH (d).

4 **12-43.4-308. Transfer of ownership.** (1) A STATE LICENSE
5 GRANTED UNDER THE PROVISIONS OF THIS ARTICLE IS NOT TRANSFERABLE
6 EXCEPT AS PROVIDED IN THIS SECTION, BUT THIS SECTION DOES NOT
7 PREVENT A CHANGE OF LOCATION AS PROVIDED IN SECTION 12-43.4-310
8 (13).

9 (2) FOR A TRANSFER OF OWNERSHIP, A LICENSE HOLDER SHALL
10 APPLY TO THE STATE LICENSING AUTHORITY ON FORMS PREPARED AND
11 FURNISHED BY THE STATE LICENSING AUTHORITY. UPON RECEIPT OF AN
12 APPLICATION FOR TRANSFER OF OWNERSHIP, THE STATE LICENSING
13 AUTHORITY SHALL, WITHIN TWO BUSINESS DAYS, SUBMIT A COPY OF THE
14 APPLICATION TO THE LOCAL JURISDICTION TO DETERMINE WHETHER THE
15 TRANSFER COMPLIES WITH LOCAL RESTRICTION ON TRANSFER OF
16 OWNERSHIP. IN DETERMINING WHETHER TO PERMIT A TRANSFER OF
17 OWNERSHIP, THE STATE LICENSING AUTHORITY SHALL CONSIDER ONLY THE
18 REQUIREMENTS OF THIS ARTICLE, ANY RULES PROMULGATED BY THE
19 STATE LICENSING AUTHORITY, AND ANY OTHER LOCAL RESTRICTIONS. THE
20 LOCAL JURISDICTION MAY HOLD A HEARING ON THE APPLICATION FOR
21 TRANSFER OF OWNERSHIP. THE LOCAL JURISDICTION SHALL NOT HOLD A
22 HEARING PURSUANT TO THIS SUBSECTION (2) UNTIL THE LOCAL
23 JURISDICTION HAS POSTED A NOTICE OF HEARING IN THE MANNER
24 DESCRIBED IN SECTION 12-43.4-302 (2) ON THE LICENSED PREMISES FOR A
25 PERIOD OF TEN DAYS AND HAS PROVIDED NOTICE OF THE HEARING TO THE
26 APPLICANT AT LEAST TEN DAYS PRIOR TO THE HEARING. ANY TRANSFER OF
27 OWNERSHIP HEARING BY THE STATE LICENSING AUTHORITY SHALL BE HELD

1 IN COMPLIANCE WITH THE REQUIREMENTS SPECIFIED IN SECTION
2 12-43.4-302.

3 **12-43.4-309. Licensing in general.** (1) LOCAL JURISDICTIONS
4 ARE AUTHORIZED TO ADOPT AND ENFORCE REGULATIONS FOR RETAIL
5 MARIJUANA ESTABLISHMENTS THAT ARE AT LEAST AS RESTRICTIVE AS THE
6 PROVISIONS OF THIS ARTICLE AND ANY RULE PROMULGATED PURSUANT TO
7 THIS ARTICLE.

8 (2) A RETAIL MARIJUANA ESTABLISHMENT MAY NOT OPERATE
9 UNTIL IT IS LICENSED BY THE STATE LICENSING AUTHORITY PURSUANT TO
10 THIS ARTICLE AND APPROVED BY THE LOCAL JURISDICTION. IF THE STATE
11 LICENSING AUTHORITY ISSUES THE APPLICANT A STATE LICENSE AND THE
12 LOCAL JURISDICTION SUBSEQUENTLY DENIES THE APPROVAL, THE STATE
13 LICENSING AUTHORITY SHALL CONSIDER THE LOCAL JURISDICTION DENIAL
14 AS A BASIS FOR THE REVOCATION OF THE STATE-ISSUED LICENSE. IN
15 CONNECTION WITH A LICENSE, THE APPLICANT SHALL PROVIDE A
16 COMPLETE AND ACCURATE APPLICATION AS REQUIRED BY THE STATE
17 LICENSING AUTHORITY.

18 [REDACTED]
19 (3) A RETAIL MARIJUANA ESTABLISHMENT SHALL NOTIFY THE
20 STATE LICENSING AUTHORITY IN WRITING OF THE NAME, ADDRESS, AND
21 DATE OF BIRTH OF AN OWNER, OFFICER OR MANAGER BEFORE THE NEW
22 OWNER OR OFFICER BEGINS [REDACTED] MANAGING, OWNING, OR ASSOCIATING WITH
23 THE OPERATION. THE OWNER, OFFICER, MANAGER, OR EMPLOYEE MUST
24 PASS A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS
25 REQUIRED BY THE STATE LICENSING AUTHORITY AND OBTAIN THE
26 REQUIRED IDENTIFICATION PRIOR TO BEING ASSOCIATED WITH, MANAGING,
27 OWNING, OR WORKING AT THE OPERATION.

1 (4) A RETAIL MARIJUANA ESTABLISHMENT SHALL NOT ACQUIRE,
2 POSSESS, CULTIVATE, DELIVER, TRANSFER, TRANSPORT, SUPPLY, OR
3 DISPENSE MARIJUANA FOR ANY PURPOSE EXCEPT AS AUTHORIZED BY
4 SECTION 16 OF ARTICLE XVIII OF THE STATE CONSTITUTION AND THIS
5 ARTICLE.

6 (5) ALL OFFICERS, MANAGERS, AND EMPLOYEES OF A RETAIL
7 MARIJUANA ESTABLISHMENT SHALL BE RESIDENTS OF COLORADO UPON
8 THE DATE OF THEIR LICENSE APPLICATION. AN OWNER SHALL MEET THE
9 RESIDENCY REQUIREMENTS IN SECTION 12-43.4-306(1)(k). ALL LICENSES
10 GRANTED PURSUANT TO THIS ARTICLE ARE VALID FOR A PERIOD NOT TO
11 EXCEED TWO YEARS AFTER THE DATE OF ISSUANCE UNLESS REVOKED OR
12 SUSPENDED PURSUANT TO THIS ARTICLE OR THE RULES PROMULGATED
13 PURSUANT TO THIS ARTICLE.

14 (6) BEFORE GRANTING A STATE LICENSE, THE STATE LICENSING
15 AUTHORITY MAY CONSIDER, EXCEPT WHEN THIS ARTICLE SPECIFICALLY
16 PROVIDES OTHERWISE, THE REQUIREMENTS OF THIS ARTICLE AND ANY
17 RULES PROMULGATED PURSUANT TO THIS ARTICLE, AND ALL OTHER
18 REASONABLE RESTRICTIONS THAT ARE OR MAY BE PLACED UPON THE
19 LICENSEE BY THE LICENSING AUTHORITY. ■ ■

20 (7) (a) EACH LICENSE ISSUED UNDER THIS ARTICLE IS SEPARATE
21 AND DISTINCT. IT IS UNLAWFUL FOR A PERSON TO EXERCISE ANY OF THE
22 PRIVILEGES GRANTED UNDER A LICENSE OTHER THAN THE LICENSE THAT
23 THE PERSON HOLDS OR FOR A LICENSEE TO ALLOW ANY OTHER PERSON TO
24 EXERCISE THE PRIVILEGES GRANTED UNDER THE LICENSEE'S LICENSE. A
25 SEPARATE LICENSE SHALL BE REQUIRED FOR EACH SPECIFIC BUSINESS OR
26 BUSINESS ENTITY AND EACH GEOGRAPHICAL LOCATION.

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

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

4 (8) THE LICENSES ISSUED PURSUANT TO THIS ARTICLE MUST
5 SPECIFY THE DATE OF ISSUANCE, THE PERIOD OF LICENSURE, THE NAME OF
6 THE LICENSEE, AND THE PREMISES LICENSED. THE LICENSEE SHALL
7 CONSPICUOUSLY PLACE THE LICENSE AT ALL TIMES ON THE LICENSED
8 PREMISES.

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

13 (10) A LICENSEE SHALL REPORT EACH TRANSFER OR CHANGE OF
14 FINANCIAL INTEREST IN THE LICENSE TO THE STATE AND LOCAL LICENSING
15 AUTHORITIES AND RECEIVE APPROVAL PRIOR TO ANY TRANSFER OR
16 CHANGE PURSUANT TO SECTION 12-43.4-308. A REPORT IS REQUIRED FOR
17 TRANSFERS OF CAPITAL STOCK OF ANY CORPORATION REGARDLESS OF
18 SIZE.

19 (11) EACH LICENSEE SHALL MANAGE THE LICENSED PREMISES
20 HIMSELF OR HERSELF OR EMPLOY A SEPARATE AND DISTINCT MANAGER ON
21 THE PREMISES AND SHALL REPORT THE NAME OF THE MANAGER TO THE
22 STATE AND LOCAL LICENSING AUTHORITIES. THE LICENSEE SHALL REPORT
23 ANY CHANGE IN MANAGER TO THE STATE AND LOCAL LICENSING
24 AUTHORITIES WITHIN TWO BUSINESS DAYS AFTER THE CHANGE PURSUANT
25 TO SECTION 12-43.4-308.

26 (12) (a) A LICENSEE MAY MOVE THE PERMANENT LOCATION TO
27 ANY OTHER PLACE IN COLORADO ONCE PERMISSION TO DO SO IS GRANTED

1 BY THE STATE AND LOCAL JURISDICTION PROVIDED FOR IN THIS ARTICLE.
2 UPON RECEIPT OF AN APPLICATION FOR CHANGE OF LOCATION, THE STATE
3 LICENSING AUTHORITY SHALL, WITHIN TWO BUSINESS DAYS, SUBMIT A
4 COPY OF THE APPLICATION TO THE LOCAL JURISDICTION TO DETERMINE
5 WHETHER THE TRANSFER COMPLIES WITH ALL LOCAL RESTRICTIONS ON
6 CHANGE OF LOCATION.

7 (b) IN PERMITTING A CHANGE OF LOCATION, THE LOCAL
8 JURISDICTION SHALL CONSIDER ALL REASONABLE RESTRICTIONS THAT
9 ARE OR MAY BE PLACED UPON THE NEW LOCATION BY THE GOVERNING
10 BOARD OF THE MUNICIPALITY, CITY AND COUNTY, OR COUNTY, AND ANY
11 SUCH CHANGE IN LOCATION SHALL BE IN ACCORDANCE WITH ALL
12 REQUIREMENTS OF THIS ARTICLE AND RULES PROMULGATED PURSUANT TO
13 THIS ARTICLE.

14 **12-43.4-310. License renewal.** (1) NINETY DAYS PRIOR TO THE
15 EXPIRATION DATE OF AN EXISTING LICENSE, THE STATE LICENSING
16 AUTHORITY SHALL NOTIFY THE LICENSEE OF THE EXPIRATION DATE BY
17 FIRST CLASS MAIL AT THE LICENSEE'S ADDRESS OF RECORD WITH THE
18 STATE LICENSING AUTHORITY. A LICENSEE MAY APPLY FOR THE RENEWAL
19 OF AN EXISTING LICENSE TO THE STATE LICENSING AUTHORITY NOT LESS
20 THAN THIRTY DAYS PRIOR TO THE DATE OF EXPIRATION. UPON RECEIPT OF
21 AN APPLICATION FOR RENEWAL OF AN EXISTING LICENSE AND ANY
22 APPLICABLE FEES, THE STATE LICENSING AUTHORITY SHALL, WITHIN TWO
23 BUSINESS DAYS, SUBMIT A COPY OF THE APPLICATION TO THE LOCAL
24 JURISDICTION TO DETERMINE WHETHER THE APPLICATION COMPLIES WITH
25 ALL LOCAL RESTRICTIONS ON RENEWAL OF LICENSES. THE STATE
26 LICENSING AUTHORITY SHALL NOT ACCEPT AN APPLICATION FOR RENEWAL
27 OF A LICENSE AFTER THE DATE OF EXPIRATION, EXCEPT AS PROVIDED IN

1 SUBSECTION (2) OF THIS SECTION. THE STATE LICENSING AUTHORITY MAY
2 EXTEND THE EXPIRATION DATE OF THE LICENSE AND ACCEPT A LATE
3 APPLICATION FOR RENEWAL OF A LICENSE PROVIDED THAT THE APPLICANT
4 HAS FILED A TIMELY RENEWAL APPLICATION WITH THE LOCAL LICENSING
5 AUTHORITY. THE STATE OR THE LOCAL LICENSING AUTHORITY, IN ITS
6 DISCRETION, SUBJECT TO THE REQUIREMENTS OF THIS SUBSECTION (1) AND
7 SUBSECTION (2) OF THIS SECTION AND BASED UPON REASONABLE
8 GROUNDS, MAY WAIVE THE THIRTY-DAY TIME REQUIREMENTS SET FORTH
9 IN THIS SUBSECTION (1).

10 (2) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF
11 THIS SECTION, A LICENSEE WHOSE LICENSE HAS BEEN EXPIRED FOR NOT
12 MORE THAN NINETY DAYS MAY FILE A LATE RENEWAL APPLICATION UPON
13 THE PAYMENT OF A NONREFUNDABLE LATE APPLICATION FEE OF FIVE
14 HUNDRED DOLLARS TO THE STATE LICENSING AUTHORITY. A LICENSEE
15 WHO FILES A LATE RENEWAL APPLICATION AND PAYS THE REQUISITE FEES
16 MAY CONTINUE TO OPERATE UNTIL THE STATE LICENSING AUTHORITY
17 TAKES FINAL ACTION TO APPROVE OR DENY THE LICENSEE'S LATE
18 RENEWAL APPLICATION UNLESS THE STATE LICENSING AUTHORITY
19 SUMMARILY SUSPENDS THE LICENSE PURSUANT TO ARTICLE 4 OF TITLE 24,
20 C.R.S., THIS ARTICLE, AND RULES PROMULGATED PURSUANT TO THIS
21 ARTICLE.

22 (b) THE STATE LICENSING AUTHORITY MAY ADMINISTRATIVELY
23 CONTINUE THE LICENSE AND ACCEPT A LATER APPLICATION FOR RENEWAL
24 OF A LICENSE AT THE DISCRETION OF THE STATE LICENSING AUTHORITY.

25 (c) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE LATE
26 APPLICATION FEE IN PARAGRAPH (a) OF THIS SUBSECTION (2), THE STATE
27 LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY

1 REDUCE THE AMOUNT OF THE FEE IF NECESSARY PURSUANT TO SECTION
2 24-75-402 (3), C.R.S., BY REDUCING THE UNCOMMITTED RESERVES OF THE
3 FUND TO WHICH ALL OR ANY PORTION OF THE FEE IS CREDITED. AFTER THE
4 UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE
5 STATE LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY
6 LAW MAY INCREASE THE AMOUNT OF THE FEE AS PROVIDED IN SECTION
7 24-75-402 (4), C.R.S.

8 **12-43.4-311. Inactive licenses.** THE STATE LICENSING AUTHORITY,
9 IN ITS DISCRETION, MAY REVOKE OR ELECT NOT TO RENEW ANY LICENSE IF
10 IT DETERMINES THAT THE LICENSED PREMISES HAVE BEEN INACTIVE,
11 WITHOUT GOOD CAUSE, FOR AT LEAST ONE YEAR.

12 **12-43.4-312. Unlawful financial assistance.** (1) THE STATE
13 LICENSING AUTHORITY SHALL REQUIRE A COMPLETE DISCLOSURE OF ALL
14 PERSONS HAVING A DIRECT OR INDIRECT FINANCIAL INTEREST, AND THE
15 EXTENT OF SUCH INTEREST, IN EACH LICENSE ISSUED UNDER THIS ARTICLE.

16 (2) THIS SECTION IS INTENDED TO PROHIBIT AND PREVENT THE
17 CONTROL OF THE OUTLETS FOR THE SALE OF RETAIL MARIJUANA BY A
18 PERSON OR PARTY OTHER THAN THE PERSONS LICENSED PURSUANT TO THE
19 PROVISIONS OF THIS ARTICLE.

20 PART 4

21 LICENSE TYPES

22 **12-43.4-401. Classes of licenses.** (1) FOR THE PURPOSE OF
23 REGULATING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, SALE, AND
24 TESTING OF RETAIL MARIJUANA, THE STATE LICENSING AUTHORITY IN ITS
25 DISCRETION, UPON RECEIPT OF AN APPLICATION IN THE PRESCRIBED FORM,
26 MAY ISSUE AND GRANT TO THE APPLICANT A LICENSE FROM ANY OF THE
27 FOLLOWING CLASSES, SUBJECT TO THE PROVISIONS AND RESTRICTIONS

1 PROVIDED BY THIS ARTICLE:

- 2 (a) RETAIL MARIJUANA STORE LICENSE;
- 3 (b) RETAIL MARIJUANA CULTIVATION FACILITY LICENSE;
- 4 (c) RETAIL MARIJUANA PRODUCTS MANUFACTURING LICENSE;
- 5 (d) RETAIL MARIJUANA TESTING FACILITY LICENSE; AND
- 6 (e) OCCUPATIONAL LICENSES AND REGISTRATIONS FOR OWNERS,
7 MANAGERS, OPERATORS, EMPLOYEES, CONTRACTORS, AND OTHER
8 SUPPORT STAFF EMPLOYED BY, WORKING IN, OR HAVING ACCESS TO
9 RESTRICTED AREAS OF THE LICENSED PREMISES, AS DETERMINED BY THE
10 STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY MAY
11 TAKE ANY ACTION WITH RESPECT TO A REGISTRATION PURSUANT TO THIS
12 ARTICLE AS IT MAY WITH RESPECT TO A LICENSE PURSUANT TO THIS
13 ARTICLE, IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED PURSUANT
14 TO THIS ARTICLE.

15 (2) (a) A PERSON MAY OPERATE A LICENSED MEDICAL MARIJUANA
16 CENTER, AN OPTIONAL CULTIVATION FACILITY, A MEDICAL
17 MARIJUANA-INFUSED PRODUCTS MANUFACTURING FACILITY, AND ANY
18 RETAIL MARIJUANA ESTABLISHMENT AT THE SAME LOCATION WITH
19 SEPARATE LICENSED PREMISES IF THE LOCAL JURISDICTION PERMITS A
20 DUAL OPERATION.

21 (b) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
22 PARAGRAPH (b), A DUAL MEDICAL MARIJUANA CENTER AND RETAIL
23 MARIJUANA STORE SHALL MAINTAIN SEPARATE LICENSED PREMISES,
24 INCLUDING ENTRANCES AND EXITS, INVENTORY, POINT OF SALE
25 OPERATIONS, AND RECORD KEEPING.

26 (II) FOR A DUAL MEDICAL MARIJUANA CENTER AND A RETAIL
27 MARIJUANA STORE THAT ONLY SELLS MEDICAL MARIJUANA TO PERSONS

1 TWENTY-ONE YEARS OF AGE OR OLDER, THE STATE LICENSING AUTHORITY
2 MUST ADOPT RULES CONCERNING THE LICENSED PREMISES INCLUDING BUT
3 NOT LIMITED TO WHETHER TO ALLOW SINGLE ENTRANCES AND EXITS AND
4 VIRTUAL SEPARATION OF INVENTORY.

5 (c) A DUAL CULTIVATION BUSINESS OPERATION SHALL MAINTAIN
6 EITHER PHYSICAL OR VIRTUAL SEPARATION OF THE TWO FACILITIES AND
7 THE PLANTS AND INVENTORY OF THE TWO FACILITIES.

8 (3) ALL PERSONS LICENSED PURSUANT TO THIS ARTICLE SHALL
9 COLLECT SALES TAX ON ALL RETAIL SALES MADE AT A RETAIL MARIJUANA
10 STORE.

11

12 **12-43.4-402. Retail marijuana store license.** (1) (a) A RETAIL
13 MARIJUANA STORE LICENSE SHALL BE ISSUED ONLY TO A PERSON SELLING
14 RETAIL MARIJUANA PURSUANT TO THE TERMS AND CONDITIONS OF THIS
15 ARTICLE.

16 (b) A RETAIL MARIJUANA STORE MAY CULTIVATE ITS OWN RETAIL
17 MARIJUANA IF IT OBTAINS A RETAIL MARIJUANA CULTIVATION FACILITY
18 LICENSE OR IT MAY PURCHASE RETAIL MARIJUANA FROM A LICENSED
19 RETAIL MARIJUANA CULTIVATION FACILITY. A RETAIL MARIJUANA STORE
20 SHALL TRACK ALL OF ITS RETAIL MARIJUANA FROM THE POINT IT IS EITHER
21 TRANSFERRED FROM ITS RETAIL MARIJUANA CULTIVATION FACILITY OR
22 THE POINT WHEN IT IS DELIVERED TO THE RETAIL MARIJUANA STORE FROM
23 ANOTHER LICENSED RETAIL MARIJUANA CULTIVATION FACILITY TO THE
24 POINT OF SALE.

25 (c) (I) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF
26 THIS SUBSECTION (1), ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL
27 MARIJUANA STORE LICENSEE SHALL ONLY SELL RETAIL MARIJUANA GROWN

1 IN ITS RETAIL MARIJUANA CULTIVATION FACILITY LICENSED PURSUANT TO
2 SECTION 12-43.4-403.

3 (II) NOTWITHSTANDING THE REQUIREMENTS OF PARAGRAPH (b)
4 OF THIS SUBSECTION (1) TO THE CONTRARY, A RETAIL MARIJUANA STORE
5 MAY PURCHASE NOT MORE THAN THIRTY PERCENT OF ITS TOTAL ON-HAND
6 INVENTORY OF RETAIL MARIJUANA FROM ANOTHER LICENSED RETAIL
7 MARIJUANA STORE OR ANOTHER RETAIL MARIJUANA CULTIVATION
8 FACILITY IN COLORADO. A RETAIL MARIJUANA STORE OR ANOTHER RETAIL
9 MARIJUANA CULTIVATION FACILITY MAY SELL NO MORE THAN THIRTY
10 PERCENT OF ITS TOTAL ON-HAND INVENTORY TO ANOTHER COLORADO
11 LICENSED RETAIL MARIJUANA STORE; EXCEPT THAT THE DIRECTOR OF THE
12 STATE LICENSING AUTHORITY MAY GRANT A TEMPORARY WAIVER:

13 (A) TO A RETAIL MARIJUANA STORE OR APPLICANT IF THE RETAIL
14 MARIJUANA STORE OR APPLICANT SUFFERS A CATASTROPHIC EVENT
15 RELATED TO ITS INVENTORY; OR

16 (B) TO A NEW RETAIL MARIJUANA STORE LICENSEE FOR A PERIOD
17 NOT TO EXCEED NINETY DAYS SO THE NEW LICENSEE CAN CULTIVATE THE
18 NECESSARY RETAIL MARIJUANA TO COMPLY WITH THIS PARAGRAPH (c).

19 (III) THE RETAIL MARIJUANA STORE SHALL TRACK ALL OF ITS
20 RETAIL MARIJUANA FROM THE POINT THAT IT IS TRANSFERRED FROM A
21 RETAIL MARIJUANA CULTIVATION FACILITY TO THE POINT OF SALE.

22 (IV) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,
23 2015.

24 (d) A RETAIL MARIJUANA STORE SHALL NOT ACCEPT ANY RETAIL
25 MARIJUANA PURCHASED FROM A RETAIL MARIJUANA CULTIVATION
26 FACILITY UNLESS THE RETAIL MARIJUANA STORE IS PROVIDED WITH
27 EVIDENCE THAT ANY APPLICABLE EXCISE TAX DUE, PURSUANT TO ARTICLE

1 28.8 OF TITLE 39, C.R.S., WAS PAID.

2 (2) (a) NOTWITHSTANDING ANY APPLICABLE PROVISIONS OF THIS
3 SECTION, A RETAIL MARIJUANA STORE LICENSEE MAY ALSO SELL RETAIL
4 MARIJUANA PRODUCTS THAT ARE PREPACKAGED AND LABELED AS
5 REQUIRED BY RULES OF THE STATE LICENSING AUTHORITY PURSUANT TO
6 SECTION 12-43.4-202.

7 (b) A RETAIL MARIJUANA STORE LICENSEE MAY TRANACT WITH
8 A RETAIL MARIJUANA PRODUCTS MANUFACTURING LICENSEE FOR THE
9 PURCHASE OF RETAIL MARIJUANA PRODUCTS UPON A RETAIL MARIJUANA
10 PRODUCTS MANUFACTURING LICENSEE'S LICENSED PREMISES. ■ ■

11 (3) (a) A RETAIL MARIJUANA STORE MAY NOT SELL MORE THAN A
12 QUARTER OF AN OUNCE OF RETAIL MARIJUANA AND NO MORE THAN A
13 QUARTER OF AN OUNCE EQUIVALENT OF A RETAIL MARIJUANA PRODUCTS
14 DURING A SINGLE TRANSACTION TO A PERSON WHO DOES NOT HAVE A
15 VALID IDENTIFICATION CARD SHOWING THAT THE PERSON IS A RESIDENT
16 OF THE STATE OF COLORADO. IF A PERSON UNDER TWENTY-ONE YEARS OF
17 AGE PRESENTS A FRAUDULENT PROOF OF AGE, ANY ACTION RELYING ON
18 THE FRAUDULENT PROOF OF AGE SHALL NOT BE GROUNDS FOR THE
19 REVOCATION OR SUSPENSION OF ANY LICENSE ISSUED UNDER THIS
20 ARTICLE.

21 (b) PRIOR TO INITIATING A SALE, THE EMPLOYEE OF THE RETAIL
22 MARIJUANA STORE MAKING THE SALE SHALL VERIFY THAT THE PURCHASER
23 HAS A VALID IDENTIFICATION CARD SHOWING THE PURCHASER IS
24 TWENTY-ONE YEARS OF AGE OR OLDER.

25 (4) A RETAIL MARIJUANA STORE MAY PROVIDE A SAMPLE OF ITS
26 PRODUCTS TO A FACILITY THAT HAS A MARIJUANA TESTING FACILITY
27 LICENSE FROM THE STATE LICENSING AUTHORITY FOR TESTING AND

1 RESEARCH PURPOSES. A RETAIL MARIJUANA STORE SHALL MAINTAIN A
2 RECORD OF WHAT WAS PROVIDED TO THE TESTING FACILITY AND THE
3 IDENTITY OF THE TESTING FACILITY.

4 (5) ALL RETAIL MARIJUANA SOLD AT A LICENSED RETAIL
5 MARIJUANA STORE SHALL BE PACKAGED AND LABELED AS REQUIRED BY
6 RULES OF THE STATE LICENSING AUTHORITY PURSUANT TO SECTION
7 12-43.4-202.

8 (6) A LICENSED RETAIL MARIJUANA STORE SHALL COMPLY WITH
9 ALL PROVISIONS OF ARTICLE 34 OF TITLE 24, C.R.S., AS THE PROVISIONS
10 RELATE TO PERSONS WITH DISABILITIES.

11 (7) (a) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL
12 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, MARIJUANA
13 ACCESSORIES, AND MARIJUANA RELATED PRODUCTS SUCH AS CHILD PROOF
14 PACKAGING CONTAINERS, BUT SHALL BE PROHIBITED FROM SELLING OR
15 GIVING AWAY ANY CONSUMABLE PRODUCT, INCLUDING BUT NOT LIMITED
16 TO CIGARETTES OR ALCOHOL, OR EDIBLE PRODUCT THAT DOES NOT
17 CONTAIN MARIJUANA, INCLUDING BUT NOT LIMITED TO SODAS, CANDIES,
18 OR BAKED GOODS.

19 (b) A LICENSED RETAIL MARIJUANA STORE MAY NOT SELL ANY
20 RETAIL MARIJUANA PRODUCTS THAT CONTAIN NICOTINE OR ALCOHOL.

21 (c) A LICENSED RETAIL MARIJUANA STORE SHALL NOT SELL RETAIL
22 MARIJUANA OR RETAIL MARIJUANA PRODUCTS OVER THE INTERNET NOR
23 DELIVER RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS TO A
24 PERSON NOT PHYSICALLY PRESENT IN THE RETAIL MARIJUANA STORE'S
25 LICENSED PREMISES.

26 (8) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL RETAIL
27 MARIJUANA AND RETAIL MARIJUANA PRODUCTS IN PACKAGING THAT

1 CONFORMS TO THE REGULATIONS ADOPTED BY THE STATE LICENSING
2 AUTHORITY.

3 (9) THE PREMISES OF A LICENSED RETAIL MARIJUANA STORE IS THE
4 ONLY PLACE WHERE AN AUTOMATIC DISPENSING MACHINE THAT CONTAINS
5 RETAIL MARIJUANA MAY BE LOCATED. IF A LICENSED RETAIL MARIJUANA
6 STORE USES AN AUTOMATIC DISPENSING MACHINE THAT CONTAINS RETAIL
7 MARIJUANA, IT MUST COMPLY WITH THE REGULATIONS PROMULGATED BY
8 THE STATE LICENSING AUTHORITY FOR ITS USE.

9 (10) RETAIL MARIJUANA PRODUCTS MAY NOT BE CONSUMED ON
10 THE PREMISES OF A RETAIL MARIJUANA STORE.

11 **12-43.4-403. Retail marijuana cultivation facility license.** (1) A
12 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY
13 TO A PERSON WHO [REDACTED] CULTIVATES RETAIL MARIJUANA FOR SALE AND
14 DISTRIBUTION TO LICENSED RETAIL MARIJUANA STORES OR RETAIL
15 MARIJUANA PRODUCTS MANUFACTURING LICENSEES.

16 (2) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF
17 THIS SECTION, ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA
18 CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY TO A PERSON WHO
19 HOLDS A RETAIL MARIJUANA STORE LICENSE PURSUANT TO SECTION
20 12-43.4-402 OR A RETAIL MARIJUANA PRODUCTS MANUFACTURING
21 LICENSE PURSUANT TO SECTION 12-43.3-404 AND WHO GROWS AND
22 CULTIVATES RETAIL MARIJUANA AT AN ADDITIONAL LICENSED PREMISES
23 CONTIGUOUS OR NOT CONTIGUOUS WITH THE LICENSED PREMISES OF THE
24 PERSON'S RETAIL MARIJUANA STORE OR THE PERSON'S RETAIL MARIJUANA
25 PRODUCTS MANUFACTURING FACILITY.

26 (b) ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA
27 CULTIVATION FACILITY LICENSEE SHALL ONLY TRANSFER RETAIL

1 MARIJUANA TO ITS RETAIL MARIJUANA STORE OR RETAIL MARIJUANA
2 PRODUCTS MANUFACTURER.

3 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF
4 THIS SUBSECTION (2), A RETAIL MARIJUANA CULTIVATION FACILITY
5 LICENSEE MAY SELL NO MORE THAN THIRTY PERCENT OF ITS INVENTORY
6 TO ANOTHER RETAIL MARIJUANA STORE OR RETAIL MARIJUANA PRODUCTS
7 MANUFACTURER.

8 (d) RETAIL MARIJUANA CULTIVATION FACILITY LICENSES MAY BE
9 COMBINED IN A COMMON AREA SOLELY FOR THE PURPOSES OF GROWING
10 AND CULTIVATING RETAIL MARIJUANA AND USED TO PROVIDE RETAIL
11 MARIJUANA TO MORE THAN ONE LICENSED RETAIL MARIJUANA STORE OR
12 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER SO LONG AS THE
13 HOLDER OF THE RETAIL MARIJUANA CULTIVATION LICENSE IS ALSO A
14 COMMON OWNER OF EACH LICENSED RETAIL MARIJUANA STORE OR
15 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER TO WHICH
16 RETAIL MARIJUANA IS PROVIDED. IN ACCORDANCE WITH PROMULGATED
17 RULES RELATING TO PLANT AND PRODUCT TRACKING REQUIREMENTS,
18 EACH RETAIL MARIJUANA CULTIVATION LICENSEE SHALL SUPPLY RETAIL
19 MARIJUANA ONLY TO ITS ASSOCIATED LICENSED RETAIL MARIJUANA
20 STORES OR LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURERS.

21 (e) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JANUARY 1,
22 2015.

23 (3) A RETAIL MARIJUANA CULTIVATION FACILITY SHALL REMIT
24 ANY APPLICABLE EXCISE TAX DUE IN ACCORDANCE WITH ARTICLE 28.8 OF
25 ARTICLE 39, C.R.S., BASED ON THE AVERAGE WHOLESALE PRICES SET BY
26 THE STATE LICENSING AUTHORITY.

27 (4) A RETAIL MARIJUANA CULTIVATION FACILITY SHALL TRACK

1 THE MARIJUANA IT CULTIVATES FROM SEED TO WHOLESALE PURCHASE.
2 PRIOR TO DELIVERY OF ANY SOLD RETAIL MARIJUANA, THE RETAIL
3 MARIJUANA CULTIVATION FACILITY SHALL PROVIDE EVIDENCE THAT IT
4 PAID ANY APPLICABLE EXCISE TAX ON THE RETAIL MARIJUANA DUE
5 PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S.

6 (5) A RETAIL MARIJUANA CULTIVATION FACILITY MAY PROVIDE A
7 SAMPLE OF ITS PRODUCTS TO A FACILITY THAT HAS A MARIJUANA TESTING
8 FACILITY LICENSE FROM THE STATE LICENSING AUTHORITY FOR TESTING
9 AND RESEARCH PURPOSES. A RETAIL MARIJUANA CULTIVATION FACILITY
10 SHALL MAINTAIN A RECORD OF WHAT WAS PROVIDED TO THE TESTING
11 FACILITY AND THE IDENTITY OF THE TESTING FACILITY.

12 (6) RETAIL MARIJUANA PRODUCTS MAY NOT BE CONSUMED ON THE
13 PREMISES OF A RETAIL MARIJUANA CULTIVATION FACILITY.

14 **12-43.4-404. Retail marijuana products manufacturing**
15 **license.** (1) (a) A RETAIL MARIJUANA PRODUCTS MANUFACTURING
16 LICENSE MAY BE ISSUED TO A PERSON WHO MANUFACTURES RETAIL
17 MARIJUANA PRODUCTS, PURSUANT TO THE TERMS AND CONDITIONS OF
18 THIS ARTICLE.

19 (b) A RETAIL MARIJUANA PRODUCTS MANUFACTURER MAY
20 CULTIVATE ITS OWN RETAIL MARIJUANA IF IT OBTAINS A RETAIL
21 MARIJUANA CULTIVATION FACILITY LICENSE, OR IT MAY PURCHASE RETAIL
22 MARIJUANA FROM A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY.
23 A RETAIL MARIJUANA PRODUCTS MANUFACTURER LICENSEE THAT HAS A
24 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE SHALL NOT SELL ANY
25 OF THE RETAIL MARIJUANA THAT IT CULTIVATES EXCEPT FOR THE RETAIL
26 MARIJUANA THAT IS CONTAINED IN ITS RETAIL MARIJUANA PRODUCTS. A
27 RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL TRACK ALL OF ITS

1 RETAIL MARIJUANA FROM THE POINT IT IS EITHER TRANSFERRED FROM ITS
2 RETAIL MARIJUANA CULTIVATION FACILITY OR THE POINT WHEN IT IS
3 DELIVERED TO THE RETAIL MARIJUANA PRODUCTS MANUFACTURER FROM
4 A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY TO THE POINT OF
5 SALE.

6 (c) A RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL NOT
7 ACCEPT ANY RETAIL MARIJUANA PURCHASED FROM A RETAIL MARIJUANA
8 CULTIVATION FACILITY UNLESS THE RETAIL MARIJUANA PRODUCTS
9 MANUFACTURER IS PROVIDED WITH EVIDENCE THAT THE EXCISE TAX DUE
10 PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S., WAS PAID.

11 (2) RETAIL MARIJUANA PRODUCTS SHALL BE PREPARED ON A
12 LICENSED PREMISES THAT IS USED EXCLUSIVELY FOR THE MANUFACTURE
13 AND PREPARATION OF RETAIL MARIJUANA PRODUCTS AND USING
14 EQUIPMENT THAT IS USED EXCLUSIVELY FOR THE MANUFACTURE AND
15 PREPARATION OF RETAIL MARIJUANA PRODUCTS; EXCEPT THAT, IF
16 PERMITTED BY THE LOCAL JURISDICTION, A RETAIL MARIJUANA PRODUCTS
17 MANUFACTURING LICENSEE MAY SHARE THE SAME PREMISES AS A
18 MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE SO
19 LONG AS A VIRTUAL OR PHYSICAL SEPARATION OF INVENTORY IS
20 MAINTAINED PURSUANT TO RULE OF THE STATE LICENSING AUTHORITY.

21 (3) ALL LICENSED PREMISES ON WHICH RETAIL MARIJUANA
22 PRODUCTS ARE MANUFACTURED SHALL MEET THE SANITARY STANDARDS
23 FOR RETAIL MARIJUANA PRODUCT PREPARATION PROMULGATED PURSUANT
24 TO SECTION 12-43.4-202 (2) (a) (XI).

25 (4) THE RETAIL MARIJUANA PRODUCT SHALL BE SEALED AND
26 CONSPICUOUSLY LABELED IN COMPLIANCE WITH THIS ARTICLE AND ANY
27 RULES PROMULGATED PURSUANT TO THIS ARTICLE. THE LABELING OF

1 RETAIL MARIJUANA PRODUCTS IS A MATTER OF STATEWIDE CONCERN.

2 (5) RETAIL MARIJUANA PRODUCTS MAY NOT BE CONSUMED ON THE
3 PREMISES OF A RETAIL MARIJUANA PRODUCTS MANUFACTURING FACILITY.

4 (6) NOTWITHSTANDING ANY OTHER PROVISION OF STATE LAW,
5 SALES OF RETAIL MARIJUANA PRODUCTS SHALL NOT BE EXEMPT FROM
6 STATE OR LOCAL SALES TAX.

7 (7) A RETAIL MARIJUANA PRODUCTS MANUFACTURER MAY
8 PROVIDE A SAMPLE OF ITS PRODUCTS TO A FACILITY THAT HAS A RETAIL
9 MARIJUANA TESTING FACILITY LICENSE FROM THE STATE LICENSING
10 AUTHORITY FOR TESTING AND RESEARCH PURPOSES. A RETAIL MARIJUANA
11 PRODUCTS MANUFACTURER SHALL MAINTAIN A RECORD OF WHAT WAS
12 PROVIDED TO THE TESTING FACILITY AND THE IDENTITY OF THE TESTING
13 FACILITY.

14 (8) AN EDIBLE RETAIL MARIJUANA PRODUCT MAY LIST ITS
15 INGREDIENTS AND COMPARABILITY WITH DIETARY PRACTICES.

16 (9) A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER
17 SHALL PACKAGE AND LABEL EACH PRODUCT MANUFACTURED AS REQUIRED
18 BY RULES OF THE STATE LICENSING AUTHORITY PURSUANT TO SECTION
19 12-43.4-202.

20 (10) ALL RETAIL MARIJUANA PRODUCTS THAT REQUIRE
21 REFRIGERATION TO PREVENT SPOILAGE MUST BE STORED AND
22 TRANSPORTED IN A REFRIGERATED ENVIRONMENT.

23 **12-43.4-405. Retail marijuana testing facility license - rules.**

24 (1) A RETAIL MARIJUANA TESTING FACILITY LICENSE MAY BE ISSUED TO
25 A PERSON WHO PERFORMS TESTING AND RESEARCH ON RETAIL MARIJUANA.
26 THE FACILITY MAY DEVELOP AND TEST RETAIL MARIJUANA PRODUCTS.

27 (2) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES

1 PURSUANT TO ITS AUTHORITY IN SECTION 12-43.4-202 (1) (b) RELATED TO
2 ACCEPTABLE TESTING AND RESEARCH PRACTICES, INCLUDING BUT NOT
3 LIMITED TO TESTING, STANDARDS, QUALITY CONTROL ANALYSIS,
4 EQUIPMENT CERTIFICATION AND CALIBRATION, AND CHEMICAL
5 IDENTIFICATION AND OTHER SUBSTANCES USED IN BONA FIDE RESEARCH
6 METHODS.

7 (3) A PERSON WHO HAS AN INTEREST IN A RETAIL MARIJUANA
8 TESTING FACILITY LICENSE FROM THE STATE LICENSING AUTHORITY FOR
9 TESTING PURPOSES SHALL NOT HAVE ANY INTEREST IN A LICENSED
10 MEDICAL MARIJUANA CENTER, A LICENSED OPTIONAL PREMISE
11 CULTIVATION OPERATION, A LICENSED MEDICAL MARIJUANA-INFUSED
12 PRODUCTS MANUFACTURER, A LICENSED RETAIL MARIJUANA STORE, A
13 LICENSED RETAIL MARIJUANA CULTIVATION FACILITY, OR A LICENSED
14 RETAIL MARIJUANA PRODUCTS MANUFACTURER. A PERSON THAT HAS AN
15 INTEREST IN A LICENSED MEDICAL MARIJUANA CENTER, A LICENSED
16 OPTIONAL PREMISE CULTIVATION OPERATION, A LICENSED MEDICAL
17 MARIJUANA-INFUSED PRODUCTS MANUFACTURER, A LICENSED RETAIL
18 MARIJUANA STORE, A LICENSED RETAIL MARIJUANA CULTIVATION
19 FACILITY, OR A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER
20 SHALL NOT HAVE AN INTEREST IN A FACILITY THAT HAS A RETAIL
21 MARIJUANA TESTING FACILITY LICENSE.

22 PART 5

23 FEES

24 **12-43.4-501. Fees.** (1) THE STATE LICENSING AUTHORITY MAY
25 CHARGE AND COLLECT FEES UNDER THIS ARTICLE. THE APPLICATION FEE
26 FOR A PERSON APPLYING PURSUANT TO SECTION 12-43.4-104 (1)(a) SHALL
27 BE FIVE HUNDRED DOLLARS. THE STATE LICENSING AUTHORITY SHALL

1 TRANSFER TWO HUNDRED FIFTY DOLLARS OF THE FEE TO THE MARIJUANA
2 CASH FUND AND SUBMIT TWO HUNDRED FIFTY DOLLARS TO THE LOCAL
3 JURISDICTION IN WHICH THE LICENSE IS PROPOSED TO BE ISSUED.

4 (2) THE APPLICATION FEE FOR A PERSON APPLYING PURSUANT TO
5 SECTION 12-43.4-104 (1) (b) SHALL BE FIVE THOUSAND DOLLARS. THE
6 STATE LICENSING AUTHORITY SHALL TRANSFER TWO THOUSAND FIVE
7 HUNDRED DOLLARS OF THE FEE TO THE MARIJUANA CASH FUND AND REMIT
8 TWO THOUSAND FIVE HUNDRED DOLLARS TO THE LOCAL JURISDICTION IN
9 WHICH THE LICENSE IS PROPOSED TO BE ISSUED. THE STATE LICENSING
10 AUTHORITY IS CONSIDERING RAISING THE FIVE THOUSAND DOLLAR
11 APPLICATION FEE IT SHALL CONFER WITH EACH LOCAL JURISDICTION IN
12 WHICH A LICENSE UNDER THIS ARTICLE IS ISSUED PRIOR TO RAISING THE
13 APPLICATION FEE. IF THE APPLICATION FEE AMOUNT IS CHANGED, IT MUST
14 BE SPLIT EVENLY BETWEEN THE MARIJUANA CASH FUND AND THE LOCAL
15 JURISDICTION IN WHICH THE LICENSE IS PROPOSED TO BE ISSUED.

16 (3) ON OR BEFORE SEPTEMBER 30, 2014, AND ON OR BEFORE EACH
17 SEPTEMBER 30 THEREAFTER, THE STATE LICENSING AUTHORITY SHALL
18 PROVIDE A WRITTEN REPORT TO THE JOINT BUDGET COMMITTEE AND THE
19 FINANCE COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE
20 SENATE, OR THEIR SUCCESSOR COMMITTEES, DETAILING THE AMOUNT OF
21 REVENUE GENERATED BY MEDICAL AND RETAIL MARIJUANA, INCLUDING
22 APPLICABLE EXCISE TAXES, SALES TAXES, APPLICATION AND LICENSE FEES,
23 AND ANY OTHER FEES. THE REPORT MUST ALSO INCLUDE A REPORT ON THE
24 PROGRESS OF THE REGULATORY ENVIRONMENT FOR MARIJUANA IN
25 COLORADO.

26 (4) A LOCAL JURISDICTION IN WHICH A LICENSE UNDER THIS
27 ARTICLE MAY BE PERMITTED MAY ADOPT AND IMPOSE OPERATING FEES IN

1 AN AMOUNT DETERMINED BY THE LOCAL JURISDICTION ON MARIJUANA
2 ESTABLISHMENTS LOCATED WITHIN THE LOCAL JURISDICTION.

3 PART 6

4 DISCIPLINARY ACTIONS

5 **12-43.4-601. Suspension - revocation - fines.**(1) IN ADDITION TO
6 ANY OTHER SANCTIONS PRESCRIBED BY THIS ARTICLE OR RULES
7 PROMULGATED PURSUANT TO THIS ARTICLE, THE STATE LICENSING
8 AUTHORITY HAS THE POWER, ON ITS OWN MOTION OR ON COMPLAINT,
9 AFTER INVESTIGATION AND OPPORTUNITY FOR A PUBLIC HEARING AT
10 WHICH THE LICENSEE MUST BE AFFORDED AN OPPORTUNITY TO BE HEARD,
11 TO FINE A LICENSEE OR TO SUSPEND OR REVOKE A LICENSE ISSUED BY THE
12 AUTHORITY FOR A VIOLATION BY THE LICENSEE OR BY ANY OF THE AGENTS
13 OR EMPLOYEES OF THE LICENSEE OF THE PROVISIONS OF THIS ARTICLE, OR
14 ANY OF THE RULES PROMULGATED PURSUANT TO THIS ARTICLE, OR OF ANY
15 OF THE TERMS, CONDITIONS, OR PROVISIONS OF THE LICENSE ISSUED BY
16 THE STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY HAS
17 THE POWER TO ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE
18 PRESENCE OF PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND
19 RECORDS NECESSARY TO THE DETERMINATION OF A HEARING THAT THE
20 STATE AUTHORITY IS AUTHORIZED TO CONDUCT.

21 (2) THE STATE LICENSING AUTHORITY SHALL PROVIDE NOTICE OF
22 SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL AS THE
23 REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1) OF THIS
24 SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT THE
25 ADDRESS CONTAINED IN THE LICENSE AND, IF DIFFERENT, AT THE LAST
26 ADDRESS OF RECORD. EXCEPT IN THE CASE OF A SUMMARY SUSPENSION,
27 A SUSPENSION SHALL NOT BE FOR A PERIOD LONGER THAN SIX MONTHS. IF

1 A LICENSE IS SUSPENDED OR REVOKED, A PART OF THE FEES PAID
2 THEREFOR SHALL NOT BE RETURNED TO THE LICENSEE. ANY LICENSE
3 MAY BE SUMMARILY SUSPENDED BY THE STATE LICENSING AUTHORITY
4 WITHOUT NOTICE PENDING ANY PROSECUTION, INVESTIGATION, OR PUBLIC
5 HEARING PURSUANT TO THE TERMS OF SECTION 24-4-104 (4), C.R.S.
6 NOTHING IN THIS SECTION SHALL PREVENT THE SUMMARY SUSPENSION OF
7 A LICENSE PURSUANT TO SECTION 24-4-104 (4), C.R.S.

8 (3) (a) WHENEVER A DECISION OF THE STATE LICENSING
9 AUTHORITY SUSPENDING A LICENSE FOR FOURTEEN DAYS OR LESS
10 BECOMES FINAL, THE LICENSEE MAY, BEFORE THE OPERATIVE DATE OF THE
11 SUSPENSION, PETITION FOR PERMISSION TO PAY A FINE IN LIEU OF HAVING
12 THE LICENSE SUSPENDED FOR ALL OR PART OF THE SUSPENSION PERIOD.
13 UPON THE RECEIPT OF THE PETITION, THE STATE AUTHORITY MAY, IN ITS
14 SOLE DISCRETION, STAY THE PROPOSED SUSPENSION AND CAUSE ANY
15 INVESTIGATION TO BE MADE WHICH IT DEEMS DESIRABLE AND MAY, IN ITS
16 SOLE DISCRETION, GRANT THE PETITION IF THE STATE LICENSING
17 AUTHORITY IS SATISFIED THAT:

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

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

26
27 (b) THE FINE ACCEPTED SHALL BE NOT LESS THAN FIVE HUNDRED

1 DOLLARS NOR MORE THAN ONE HUNDRED THOUSAND DOLLARS.

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

6 (4) UPON PAYMENT OF THE FINE PURSUANT TO SUBSECTION (3) OF
7 THIS SECTION, THE STATE LICENSING AUTHORITY SHALL ENTER ITS
8 FURTHER ORDER PERMANENTLY STAYING THE IMPOSITION OF THE
9 SUSPENSION. FINES PAID TO THE STATE LICENSING AUTHORITY PURSUANT
10 TO SUBSECTION (3) OF THIS SECTION SHALL BE TRANSMITTED TO THE
11 STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE MARIJUANA
12 CASH FUND CREATED IN SECTION 12-43.3-501.

13 (5) IN CONNECTION WITH A PETITION PURSUANT TO SUBSECTION (3)
14 OF THIS SECTION, THE AUTHORITY OF THE STATE LICENSING AUTHORITY IS
15 LIMITED TO THE GRANTING OF SUCH STAYS AS ARE NECESSARY FOR THE
16 AUTHORITY TO COMPLETE ITS INVESTIGATION AND MAKE ITS FINDINGS
17 AND, IF THE AUTHORITY MAKES SUCH FINDINGS, TO THE GRANTING OF AN
18 ORDER PERMANENTLY STAYING THE IMPOSITION OF THE ENTIRE
19 SUSPENSION OR THAT PORTION OF THE SUSPENSION NOT OTHERWISE
20 CONDITIONALLY STAYED.

21 (6) IF THE STATE LICENSING AUTHORITY DOES NOT MAKE THE
22 FINDINGS REQUIRED IN PARAGRAPH (a) OF SUBSECTION (3) OF THIS
23 SECTION AND DOES NOT ORDER THE SUSPENSION PERMANENTLY STAYED,
24 THE SUSPENSION SHALL GO INTO EFFECT ON THE OPERATIVE DATE FINALLY
25 SET BY THE STATE LICENSING AUTHORITY.

26 (7) NO LATER THAN JANUARY 15 OF EACH YEAR, THE STATE
27 LICENSING AUTHORITY SHALL COMPILE A REPORT OF THE PRECEDING

1 YEAR'S ACTIONS IN WHICH FINES, SUSPENSIONS, OR REVOCATIONS WERE
2 IMPOSED BY THE STATE LICENSING AUTHORITY. THE STATE LICENSING
3 AUTHORITY SHALL FILE ONE COPY OF THE REPORT WITH THE CHIEF CLERK
4 OF THE HOUSE OF REPRESENTATIVES, ONE COPY WITH THE SECRETARY OF
5 THE SENATE, AND SIX COPIES IN THE JOINT LEGISLATIVE LIBRARY.

6 **12-43.4-602. Disposition of unauthorized marijuana or**
7 **marijuana products and related materials.** (1) THE PROVISIONS OF
8 THIS SECTION SHALL APPLY IN ADDITION TO ANY CRIMINAL, CIVIL, OR
9 ADMINISTRATIVE PENALTIES AND IN ADDITION TO ANY OTHER PENALTIES
10 PRESCRIBED BY THIS ARTICLE OR ANY RULES PROMULGATED PURSUANT TO
11 THIS ARTICLE. ANY PROVISIONS IN THIS ARTICLE RELATED TO LAW
12 ENFORCEMENT SHALL BE CONSIDERED A CUMULATIVE RIGHT OF THE
13 PEOPLE IN THE ENFORCEMENT OF THE CRIMINAL LAWS.

14 (2) EVERY LICENSEE LICENSED UNDER THIS ARTICLE SHALL BE
15 DEEMED, BY VIRTUE OF APPLYING FOR, HOLDING, OR RENEWING SUCH
16 PERSON'S LICENSE, TO HAVE EXPRESSLY CONSENTED TO THE PROCEDURES
17 SET FORTH IN THIS SECTION.

18 (3) A STATE OR LOCAL AGENCY SHALL NOT BE REQUIRED TO
19 CULTIVATE OR CARE FOR ANY RETAIL MARIJUANA OR RETAIL MARIJUANA
20 PRODUCT BELONGING TO OR SEIZED FROM A LICENSEE. A STATE OR LOCAL
21 AGENCY SHALL NOT BE AUTHORIZED TO SELL MARIJUANA, RETAIL OR
22 OTHERWISE.

23 (4) IF THE STATE LICENSING AUTHORITY ISSUES A FINAL AGENCY
24 ORDER IMPOSING A DISCIPLINARY ACTION AGAINST A LICENSEE PURSUANT
25 TO SECTION 12-43.4-601, THEN, IN ADDITION TO ANY OTHER REMEDIES,
26 THE LICENSING AUTHORITY'S FINAL AGENCY ORDER MAY SPECIFY THAT
27 SOME OR ALL OF THE LICENSEE'S MARIJUANA OR MARIJUANA PRODUCT IS

1 NOT RETAIL MARIJUANA OR A RETAIL MARIJUANA PRODUCT AND IS AN
2 ILLEGAL CONTROLLED SUBSTANCE. THE ORDER MAY FURTHER SPECIFY
3 THAT THE LICENSEE SHALL LOSE ANY INTEREST IN ANY OF THE MARIJUANA
4 OR MARIJUANA PRODUCT EVEN IF THE MARIJUANA OR MARIJUANA
5 PRODUCT PREVIOUSLY QUALIFIED AS RETAIL MARIJUANA OR A RETAIL
6 MARIJUANA PRODUCT. THE FINAL AGENCY ORDER MAY DIRECT THE
7 DESTRUCTION OF ANY SUCH MARIJUANA AND MARIJUANA PRODUCTS,
8 EXCEPT AS PROVIDED IN SUBSECTIONS (5) AND (6) OF THIS SECTION. THE
9 AUTHORIZED DESTRUCTION MAY INCLUDE THE INCIDENTAL DESTRUCTION
10 OF ANY CONTAINERS, EQUIPMENT, SUPPLIES, AND OTHER PROPERTY
11 ASSOCIATED WITH THE MARIJUANA OR MARIJUANA PRODUCT.

12 (5) FOLLOWING THE ISSUANCE OF A FINAL AGENCY ORDER BY THE
13 STATE LICENSING AUTHORITY AGAINST A LICENSEE AND ORDERING
14 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION, A
15 LICENSEE SHALL HAVE FIFTEEN DAYS WITHIN WHICH TO FILE A PETITION
16 FOR STAY OF AGENCY ACTION WITH THE DISTRICT COURT. THE ACTION
17 SHALL BE FILED IN THE CITY AND COUNTY OF DENVER, WHICH SHALL BE
18 DEEMED TO BE THE RESIDENCE OF THE STATE LICENSING AUTHORITY FOR
19 PURPOSES OF THIS SECTION. THE LICENSEE SHALL SERVE THE PETITION IN
20 ACCORDANCE WITH THE COLORADO RULES OF CIVIL PROCEDURE. THE
21 DISTRICT COURT SHALL PROMPTLY RULE UPON THE PETITION AND
22 DETERMINE WHETHER THE LICENSEE HAS A SUBSTANTIAL LIKELIHOOD OF
23 SUCCESS ON JUDICIAL REVIEW SO AS TO WARRANT DELAY OF THE
24 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION OR
25 WHETHER OTHER CIRCUMSTANCES, INCLUDING BUT NOT LIMITED TO THE
26 NEED FOR PRESERVATION OF EVIDENCE, WARRANT DELAY OF SUCH
27 DESTRUCTION. IF DESTRUCTION IS SO DELAYED PURSUANT TO JUDICIAL

1 ORDER, THE COURT SHALL ISSUE AN ORDER SETTING FORTH TERMS AND
2 CONDITIONS PURSUANT TO WHICH THE LICENSEE MAY MAINTAIN THE
3 RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCT PENDING JUDICIAL
4 REVIEW, AND PROHIBITING THE LICENSEE FROM USING OR DISTRIBUTING
5 THE RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCT PENDING THE
6 REVIEW. THE LICENSING AUTHORITY SHALL NOT CARRY OUT THE
7 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION UNTIL
8 FIFTEEN DAYS HAVE PASSED WITHOUT THE FILING OF A PETITION FOR STAY
9 OF AGENCY ACTION, OR UNTIL THE COURT HAS ISSUED AN ORDER DENYING
10 STAY OF AGENCY ACTION PURSUANT TO THIS SUBSECTION (5).

11 (6) A DISTRICT ATTORNEY SHALL NOTIFY THE STATE LICENSING
12 AUTHORITY IF IT BEGINS INVESTIGATING A RETAIL MARIJUANA
13 ESTABLISHMENT. IF THE STATE LICENSING AUTHORITY HAS RECEIVED
14 NOTIFICATION FROM A DISTRICT ATTORNEY THAT AN INVESTIGATION IS
15 BEING CONDUCTED, THE STATE LICENSING AUTHORITY SHALL NOT
16 DESTROY ANY MARIJUANA OR MARIJUANA PRODUCTS FROM THE RETAIL
17 MARIJUANA ESTABLISHMENT UNTIL THE DESTRUCTION IS APPROVED BY
18 THE DISTRICT ATTORNEY.

19 (7) ON OR BEFORE JANUARY 1, 2014, THE STATE LICENSING
20 AUTHORITY SHALL PROMULGATE RULES GOVERNING THE IMPLEMENTATION
21 OF THIS SECTION.

22 PART 7

23 INSPECTION OF BOOKS AND RECORDS

24 **12-43.4-701. Inspection procedures.** (1) EACH LICENSEE SHALL
25 KEEP A COMPLETE SET OF ALL RECORDS NECESSARY TO SHOW FULLY THE
26 BUSINESS TRANSACTIONS OF THE LICENSEE, ALL OF WHICH SHALL BE OPEN
27 AT ALL TIMES DURING BUSINESS HOURS FOR THE INSPECTION AND

1 EXAMINATION BY THE STATE LICENSING AUTHORITY OR ITS DULY
2 AUTHORIZED REPRESENTATIVES. THE STATE LICENSING AUTHORITY MAY
3 REQUIRE ANY LICENSEE TO FURNISH SUCH INFORMATION AS IT CONSIDERS
4 NECESSARY FOR THE PROPER ADMINISTRATION OF THIS ARTICLE AND MAY
5 REQUIRE AN AUDIT TO BE MADE OF THE BOOKS OF ACCOUNT AND RECORDS
6 ON SUCH OCCASIONS AS IT MAY CONSIDER NECESSARY BY AN AUDITOR TO
7 BE SELECTED BY THE STATE LICENSING AUTHORITY WHO SHALL LIKEWISE
8 HAVE ACCESS TO ALL BOOKS AND RECORDS OF THE LICENSEE, AND THE
9 EXPENSE THEREOF SHALL BE PAID BY THE LICENSEE.

10 (2) THE LICENSED PREMISES, INCLUDING ANY PLACES OF STORAGE
11 WHERE RETAIL MARIJUANA IS STORED, CULTIVATED, SOLD, DISPENSED,
12 OR TESTED SHALL BE SUBJECT TO INSPECTION BY THE STATE OR LOCAL
13 JURISDICTIONS AND THEIR INVESTIGATORS, DURING ALL BUSINESS HOURS
14 AND OTHER TIMES OF APPARENT ACTIVITY, FOR THE PURPOSE OF
15 INSPECTION OR INVESTIGATION. ACCESS SHALL BE REQUIRED DURING
16 BUSINESS HOURS FOR EXAMINATION OF ANY INVENTORY OR BOOKS AND
17 RECORDS REQUIRED TO BE KEPT BY THE LICENSEES. WHEN ANY PART OF
18 THE LICENSED PREMISES CONSISTS OF A LOCKED AREA, UPON DEMAND TO
19 THE LICENSEE, SUCH AREA SHALL BE MADE AVAILABLE FOR INSPECTION
20 WITHOUT DELAY, AND, UPON REQUEST BY AUTHORIZED REPRESENTATIVES
21 OF THE STATE OR LOCAL JURISDICTION, THE LICENSEE SHALL OPEN THE
22 AREA FOR INSPECTION.

23 (3) EACH LICENSEE SHALL RETAIN ALL BOOKS AND RECORDS
24 NECESSARY TO SHOW FULLY THE BUSINESS TRANSACTIONS OF THE
25 LICENSEE FOR A PERIOD OF THE CURRENT TAX YEAR AND THE THREE
26 IMMEDIATELY PRIOR TAX YEARS.

27

PART 8

1 JUDICIAL REVIEW

2 **12-43.4-801. Judicial review.** DECISIONS BY THE STATE
3 LICENSING AUTHORITY ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO
4 SECTION 24-4-106, C.R.S.

5 PART 9

6 UNLAWFUL ACTS

7 **12-43.4-901. Unlawful acts - exceptions.** (1) EXCEPT AS
8 OTHERWISE PROVIDED IN THIS ARTICLE, IT IS UNLAWFUL FOR A PERSON TO
9 CONSUME RETAIL MARIJUANA IN A LICENSED RETAIL MARIJUANA
10 ESTABLISHMENT, AND IT IS UNLAWFUL FOR A RETAIL MARIJUANA LICENSEE
11 TO ALLOW RETAIL MARIJUANA TO BE CONSUMED UPON ITS LICENSED
12 PREMISES.

13 (2) IT IS UNLAWFUL FOR A PERSON TO:

14 (a) BUY, SELL, TRANSFER, GIVE AWAY, OR ACQUIRE RETAIL
15 MARIJUANA EXCEPT AS ALLOWED PURSUANT TO THIS ARTICLE OR SECTION
16 16 OF ARTICLE XVIII OF THE STATE CONSTITUTION; OR

17 (b) HAVE AN UNREPORTED FINANCIAL INTEREST OR A DIRECT
18 INTEREST IN A LICENSE PURSUANT TO THIS ARTICLE; EXCEPT THAT THIS
19 PARAGRAPH (b) DOES NOT APPLY TO BANKS, SAVINGS AND LOAN
20 ASSOCIATIONS, OR INDUSTRIAL BANKS SUPERVISED AND REGULATED BY
21 AN AGENCY OF THE STATE OR FEDERAL GOVERNMENT, OR TO
22 FHA-APPROVED MORTGAGEES, OR TO STOCKHOLDERS, DIRECTORS, OR
23 OFFICERS THEREOF.

24 (3) IT IS UNLAWFUL FOR A PERSON LICENSED PURSUANT TO THIS
25 ARTICLE:

26 (a) TO BE WITHIN A LIMITED-ACCESS AREA UNLESS THE PERSON'S
27 LICENSE BADGE IS DISPLAYED AS REQUIRED BY THIS ARTICLE, EXCEPT AS

1 PROVIDED IN SECTION 12-43.4-701;

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

5 (c) TO FAIL TO REPORT A TRANSFER REQUIRED BY SECTION
6 12-43.4-309 (11); OR

7 (d) TO FAIL TO REPORT THE NAME OF OR A CHANGE IN MANAGERS
8 AS REQUIRED BY SECTION 12-43.4-309 (12).

9

10 (4) IT IS UNLAWFUL FOR ANY PERSON LICENSED TO SELL RETAIL
11 MARIJUANA PURSUANT TO THIS ARTICLE:

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

14 (b) TO USE ADVERTISING MATERIAL THAT IS MISLEADING,
15 DECEPTIVE, OR FALSE, OR THAT IS DESIGNED TO APPEAL TO MINORS;

16 (c) TO PROVIDE PUBLIC PREMISES, OR ANY PORTION THEREOF, FOR
17 THE PURPOSE OF CONSUMPTION OF RETAIL MARIJUANA IN ANY FORM;

18

19 (d) TO HAVE IN POSSESSION OR UPON THE LICENSED PREMISES ANY
20 RETAIL MARIJUANA, THE SALE OF WHICH IS NOT PERMITTED BY THE
21 LICENSE;

22

23 (e) TO SELL MORE THAN A QUARTER OF AN OUNCE OF RETAIL
24 MARIJUANA AND NO MORE THAN A QUARTER OF AN OUNCE EQUIVALENT OF
25 A RETAIL MARIJUANA PRODUCT DURING A SINGLE TRANSACTION TO A
26 NONRESIDENT OF THE STATE;

27 (f) TO HAVE ON THE LICENSED PREMISES ANY RETAIL MARIJUANA

1 OR MARIJUANA PARAPHERNALIA THAT SHOWS EVIDENCE OF THE RETAIL
2 MARIJUANA HAVING BEEN CONSUMED OR PARTIALLY CONSUMED;

3 (g) TO VIOLATE THE PROVISIONS OF SECTION 6-2-103 OR 6-2-105,
4 C.R.S.; OR

5
6 (h) TO ABANDON A LICENSED PREMISES OR OTHERWISE CEASE
7 OPERATION WITHOUT NOTIFYING THE STATE AND LOCAL LICENSING
8 AUTHORITIES AT LEAST FORTY-EIGHT HOURS IN ADVANCE AND WITHOUT
9 ACCOUNTING FOR AND FORFEITING TO THE STATE LICENSING AUTHORITY
10 FOR DESTRUCTION ALL MARIJUANA OR PRODUCTS CONTAINING
11 MARIJUANA.

12 (5) A PERSON WHO COMMITS ANY ACTS THAT ARE UNLAWFUL
13 PURSUANT TO THIS ARTICLE OR THE RULES AUTHORIZED AND ADOPTED
14 PURSUANT TO THIS ARTICLE COMMITS A CLASS 2 MISDEMEANOR AND
15 SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., EXCEPT
16 FOR VIOLATIONS THAT WOULD ALSO CONSTITUTE A VIOLATION OF TITLE
17 18, C.R.S., WHICH VIOLATION SHALL BE CHARGED AND PROSECUTED
18 PURSUANT TO TITLE 18, C.R.S.

19 PART 10

20 SUNSET REVIEWS

21 **12-43.4-1001. Sunset review - article repeal.** (1) THIS ARTICLE
22 IS REPEALED, EFFECTIVE JULY 1, 2016.

23 (2) PRIOR TO THE REPEAL OF THIS ARTICLE, THE DEPARTMENT OF
24 REGULATORY AGENCIES SHALL CONDUCT A SUNSET REVIEW AS DESCRIBED
25 IN SECTION 24-34-104 (8), C.R.S.

26 PART 11

27 SEVERABILITY

1 **12-43.4-1101. Severability.** IF ANY PROVISION OF THIS ARTICLE
2 FOUND BY A COURT OF COMPETENT JURISDICTION TO BE
3 UNCONSTITUTIONAL, THE REMAINING PROVISIONS OF THIS ARTICLE ARE
4 VALID, UNLESS IT APPEARS TO THE COURT THAT THE VALID PROVISIONS OF
5 THE STATUTE ARE SO ESSENTIALLY AND INSEPARABLY CONNECTED WITH,
6 AND SO DEPENDENT UPON, THE VOID PROVISION THAT IT CANNOT BE
7 PRESUMED THAT THE LEGISLATURE WOULD HAVE ENACTED THE VALID
8 PROVISIONS WITHOUT THE VOID ONE; OR UNLESS THE COURT DETERMINES
9 THAT THE VALID PROVISIONS, STANDING ALONE, ARE INCOMPLETE AND
10 ARE INCAPABLE OF BEING EXECUTED IN ACCORDANCE WITH THE
11 LEGISLATIVE INTENT.

12 **SECTION 5.** In Colorado Revised Statutes, **amend** 16-2.5-124.5
13 as follows:

14 **16-2.5-124.5. Director of marijuana enforcement and medical**
15 **marijuana enforcement INVESTIGATOR.** THE DIRECTOR OF THE
16 MARIJUANA ENFORCEMENT DIVISION OR A **medical** marijuana enforcement
17 investigator is a peace officer while engaged in the performance of his or
18 her duties and while acting under proper orders or rules pursuant to article
19 43.3 OR 43.4 of title 12, C.R.S., and shall also include the enforcement of
20 all laws of the state of Colorado and who may be certified by the P.O.S.T.
21 board.

22 **SECTION 6.** In Colorado Revised Statutes, 42-4-1301, **amend**
23 (1) (d), (2) (b), (4), (6) (a) introductory portion, and (6) (e); **repeal** (1) (c);
24 and **add** (6) (a) (IV), (6) (j), and (6) (k) as follows:

25 **42-4-1301. Driving under the influence - driving while**
26 **impaired - driving with excessive alcoholic content - definitions -**
27 **penalties.** (1) (c) ~~It is a misdemeanor for any person who is an habitual~~

1 ~~user of any controlled substance defined in section 18-18-102 (5), C.R.S.,~~
2 ~~to drive a motor vehicle, vehicle, or low-power scooter in this state.~~

3 (d) ~~For the purposes of this subsection (1) AS USED IN THIS~~
4 ~~SECTION, one or more drugs shall mean all substances defined as a MEANS~~
5 ~~ANY drug, AS DEFINED in section 27-80-203 (13), C.R.S., and all~~
6 ~~controlled substances ANY CONTROLLED SUBSTANCE, AS defined in~~
7 ~~section 18-18-102 (5), C.R.S., and glue-sniffing, aerosol inhalation, and~~
8 ~~the inhalation of any INHALED GLUE, AEROSOL, OR other toxic vapor or~~
9 ~~vapors, AS DEFINED IN SECTION 18-18-412, C.R.S.~~

10 (2) (b) In any prosecution for the offense of DUI per se, the
11 defendant shall be entitled to offer direct and circumstantial evidence to
12 show that there is a disparity between what ~~the~~ ANY tests show and other
13 facts so that the trier of fact could infer that the tests were in some way
14 defective or inaccurate. Such evidence may include testimony of
15 nonexpert witnesses relating to the absence of any or all of the common
16 symptoms or signs of intoxication for the purpose of impeachment of the
17 accuracy of the analysis of the person's blood or breath.

18 (4) No court shall accept a plea of guilty to a non-alcohol-related
19 or non-drug-related traffic offense or guilty to the offense of UDD from
20 a person charged with DUI OR DUI per se; ~~or habitual user;~~ except that
21 the court may accept a plea of guilty to a non-alcohol-related or
22 non-drug-related traffic offense or to UDD upon a good faith
23 representation by the prosecuting attorney that the attorney could not
24 establish a prima facie case if the defendant were brought to trial on the
25 original alcohol-related or drug-related offense.

26 (6) (a) In any prosecution for DUI or DWAI, the defendant's BAC
27 OR DRUG CONTENT at the time of the commission of the alleged offense

1 or within a reasonable time thereafter gives rise to the following
2 presumptions or inferences:

3 (IV) IF AT SUCH TIME THE DRIVER'S BLOOD CONTAINED FIVE
4 NANOGRAMS OR MORE OF DELTA 9-TETRAHYDROCANNABINOL PER
5 MILLILITER IN WHOLE BLOOD, AS SHOWN BY ANALYSIS OF THE
6 DEFENDANT'S BLOOD, SUCH FACT GIVES RISE TO A PERMISSIBLE INFERENCE
7 THAT THE DEFENDANT WAS UNDER THE INFLUENCE OF ONE OR MORE
8 DRUGS.

9 (e) **Involuntary blood test - admissibility.** Evidence acquired
10 through an involuntary blood test pursuant to section 42-4-1301.1 (3)
11 shall be admissible in any prosecution for DUI, DUI per se, DWAI,
12 ~~habitual user~~, or UDD, and in any prosecution for criminally negligent
13 homicide pursuant to section 18-3-105, C.R.S., vehicular homicide
14 pursuant to section 18-3-106 (1) (b), C.R.S., assault in the third degree
15 pursuant to section 18-3-204, C.R.S., or vehicular assault pursuant to
16 section 18-3-205 (1) (b), C.R.S.

17 (j) IN ANY TRIAL FOR A VIOLATION OF THIS SECTION, IF, AT THE
18 TIME OF THE ALLEGED OFFENSE, THE PERSON POSSESSED A VALID MEDICAL
19 MARIJUANA REGISTRY IDENTIFICATION CARD, AS DEFINED IN SECTION
20 25-1.5-106 (2) (e), C.R.S., ISSUED TO HIMSELF OR HERSELF, THE
21 PROSECUTION SHALL NOT USE SUCH FACT AS PART OF THE PROSECUTION'S
22 CASE IN CHIEF.

23 (k) IN ANY TRAFFIC STOP, THE DRIVER'S POSSESSION OF A VALID
24 MEDICAL MARIJUANA REGISTRY IDENTIFICATION CARD, AS DEFINED IN
25 SECTION 25-1.5-106(2) (e), C.R.S., ISSUED TO HIMSELF OR HERSELF SHALL
26 NOT, IN THE ABSENCE OF OTHER CONTRIBUTING FACTORS, CONSTITUTE
27 PROBABLE CAUSE FOR A PEACE OFFICER TO REQUIRE THE DRIVER TO

1 SUBMIT TO AN ANALYSIS OF HIS OR HER BLOOD.

2 **SECTION 7.** In Colorado Revised Statutes, 18-3-106, **amend** (1)
3 (b) (II), (2) introductory portion, and (2) (c); and **add** (2) (d) as follows:

4 **18-3-106. Vehicular homicide.** (1) (b) (II) For the purposes of
5 this subsection (1), one or more drugs ~~shall mean all substances defined~~
6 ~~as a~~ MEANS ANY drug, AS DEFINED in section 27-80-203 (13), C.R.S., and
7 ~~all controlled substances~~ ANY CONTROLLED SUBSTANCE, AS defined in
8 section 18-18-102 (5), and ~~glue-sniffing, aerosol inhalation, or the~~
9 ~~inhalation of~~ any INHALED GLUE, AEROSOL, OR other toxic vapor or
10 vapors, as defined in section 18-18-412.

11 (2) In any prosecution for a violation of subsection (1) of this
12 section, the amount of alcohol in the defendant's blood or breath at the
13 time of the commission of the alleged offense, or within a reasonable time
14 thereafter, as shown by analysis of the defendant's blood or breath, ~~shall~~
15 ~~give~~ GIVES rise to the following: ~~presumptions:~~

16 (c) If there was at such time 0.08 or more grams of alcohol per
17 one hundred milliliters of blood, or if there was at such time 0.08 or more
18 grams of alcohol per two hundred ten liters of breath, ~~it shall be presumed~~
19 SUCH FACT GIVES RISE TO THE PERMISSIBLE INFERENCE that the defendant
20 was under the influence of alcohol.

21 (d) IF AT SUCH TIME THE DRIVER'S BLOOD CONTAINED FIVE
22 NANOGRAMS OR MORE OF DELTA 9-TETRAHYDROCANNABINOL PER
23 MILLILITER IN WHOLE BLOOD, AS SHOWN BY ANALYSIS OF THE
24 DEFENDANT'S BLOOD, SUCH FACT GIVES RISE TO A PERMISSIBLE INFERENCE
25 THAT THE DEFENDANT WAS UNDER THE INFLUENCE OF ONE OR MORE
26 DRUGS.

27 **SECTION 8.** In Colorado Revised Statutes, 18-3-205, **amend** (1)

1 (b) (II), (2) introductory portion, and (2) (c); and **add** (2) (d) as follows:

2 **18-3-205. Vehicular assault.** (1) (b) (II) For the purposes of this
3 subsection (1), one or more drugs ~~shall mean all substances defined as a~~
4 ~~MEANS ANY drug, AS DEFINED in section 27-80-203 (13), C.R.S., and all~~
5 ~~controlled substances~~ ANY CONTROLLED SUBSTANCE, AS defined in
6 section 18-18-102 (5), and ~~glue-sniffing, aerosol inhalation, or the~~
7 ~~inhalation of~~ any INHALED GLUE, AEROSOL, OR other toxic vapor or
8 vapors, as defined in section 18-18-412.

9 (2) In any prosecution for a violation of subsection (1) of this
10 section, the amount of alcohol in the defendant's blood or breath at the
11 time of the commission of the alleged offense, or within a reasonable time
12 thereafter, as shown by analysis of the defendant's blood or breath, ~~shall~~
13 ~~give~~ GIVES rise to the following: ~~presumptions:~~

14 (c) If there was at such time 0.08 or more grams of alcohol per
15 one hundred milliliters of blood, or if there was at such time 0.08 or more
16 grams of alcohol per two hundred ten liters of breath, ~~it shall be presumed~~
17 ~~SUCH FACT GIVES RISE TO THE PERMISSIBLE INFERENCE~~ that the defendant
18 was under the influence of alcohol.

19 (d) ~~IF AT SUCH TIME THE DRIVER'S BLOOD CONTAINED FIVE~~
20 ~~NANOGRAMS OR MORE OF DELTA 9-TETRAHYDROCANNABINOL PER~~
21 ~~MILLILITER IN WHOLE BLOOD, AS SHOWN BY ANALYSIS OF THE~~
22 ~~DEFENDANT'S BLOOD, SUCH FACT GIVES RISE TO A PERMISSIBLE INFERENCE~~
23 ~~THAT THE DEFENDANT WAS UNDER THE INFLUENCE OF ONE OR MORE~~
24 ~~DRUGS.~~

25 **SECTION 9.** In Colorado Revised Statutes, 42-1-102, **repeal**
26 (41.7) as follows:

27 **42-1-102. Definitions.** As used in articles 1 to 4 of this title,

1 unless the context otherwise requires:

2 (41.7) "Habitual user" shall incorporate by reference the offense
3 described in section ~~42-4-1301 (1) (c)~~.

4 **SECTION 10.** In Colorado Revised Statutes, 42-2-121, **amend**
5 (2) (b) and (5) (a) (III) as follows:

6 **42-2-121. Records to be kept by department - admission of**
7 **records in court.** (2) (b) The department shall also keep a separate file
8 of all abstracts of court records of dismissals of DUI, DUI per se, DWAI,
9 ~~habitual user~~, and UDD charges and all abstracts of records in cases
10 where the original charges were for DUI, DUI per se, DWAI, ~~habitual~~
11 ~~user~~, and UDD and the convictions were for nonalcohol- or
12 nondrug-related traffic offenses. This file shall be made available only to
13 criminal justice agencies, as defined in section 24-72-302 (3), C.R.S.

14 (5) (a) Upon application by a person, the department shall
15 expunge all records concerning a conviction of a person for UDD with a
16 BAC of at least 0.02 but not more than 0.05 and any records concerning
17 an administrative determination resulting in a revocation under section
18 42-2-126 (3) (b) or (3) (e) if:

19 (III) The person has not been convicted for any other DUI, DUI
20 per se, DWAI, ~~habitual user~~, or UDD offense that was committed while
21 such person was under twenty-one years of age and is not subject to any
22 other administrative determination resulting in a revocation under section
23 42-2-126 for any other occurrence while such person was under
24 twenty-one years of age;

25 **SECTION 11.** In Colorado Revised Statutes, **amend** 42-2-129 as
26 follows:

27 **42-2-129. Mandatory surrender of license or permit for**

1 **driving under the influence or with excessive alcoholic content.** Upon
2 a plea of guilty or nolo contendere, or a verdict of guilty by the court or
3 a jury, to DUI, OR DUI per se, ~~or habitual user~~, or, for a person under
4 twenty-one years of age, to DUI, DUI per se, DWAI, ~~habitual user~~, or
5 UDD, the court shall require the offender to immediately surrender the
6 offender's driver's, minor driver's, or temporary driver's license or
7 instruction permit to the court. The court shall forward to the department
8 a notice of plea or verdict, on the form prescribed by the department,
9 together with the offender's license or permit, not later than ten days after
10 the surrender of the license or permit. Any person who does not
11 immediately surrender the license or permit to the court, except for good
12 cause shown, commits a class 2 misdemeanor traffic offense.

13 **SECTION 12.** In Colorado Revised Statutes, 42-2-125, **amend**
14 (1) (b), (1) (g), and (1) (i) as follows:

15 **42-2-125. Mandatory revocation of license and permit.** (1) The
16 department shall immediately revoke the license or permit of any driver
17 or minor driver upon receiving a record showing that such driver has:

18 (b) Been convicted of driving a motor vehicle while under the
19 influence of a controlled substance, as defined in section 18-18-102 (5),
20 C.R.S.; ~~or while an habitual user of such a controlled substance;~~

21 (g) (I) Been twice convicted of any combination of DUI, DUI per
22 se, OR DWAI ~~or habitual user~~ for acts committed within a period of five
23 years;

24 (II) In the case of a minor driver, been convicted of DUI, DUI per
25 se, OR DWAI ~~or habitual user~~ committed while such driver was under
26 twenty-one years of age;

27 (i) Been convicted of DUI, DUI per se, OR DWAI ~~or habitual user~~

1 and has two previous convictions of any of such offenses. The license of
2 any driver shall be revoked for an indefinite period and shall only be
3 reissued upon proof to the department that said driver has completed a
4 level II alcohol and drug education and treatment program certified by the
5 unit in the department of human services that administers behavioral
6 health programs and services, including those related to mental health and
7 substance abuse, pursuant to section 42-4-1301.3 and that said driver has
8 demonstrated knowledge of the laws and driving ability through the
9 regular motor vehicle testing process. In no event shall such license be
10 reissued in less than two years.

11 **SECTION 13.** In Colorado Revised Statutes, 42-2-127, **amend**
12 (1) (a) and (6) (b); and **repeal** (5) (b) (II) as follows:

13 **42-2-127. Authority to suspend license - to deny license - type**
14 **of conviction - points.** (1) (a) Except as provided in paragraph (b) of
15 subsection (8) of this section, the department has the authority to suspend
16 the license of any driver who, in accordance with the schedule of points
17 set forth in this section, has been convicted of traffic violations resulting
18 in the accumulation of twelve points or more within any twelve
19 consecutive months or eighteen points or more within any twenty-four
20 consecutive months, or, in the case of a minor driver eighteen years of age
21 or older, who has accumulated nine points or more within any twelve
22 consecutive months, or twelve points or more within any twenty-four
23 consecutive months, or fourteen points or more for violations occurring
24 after reaching the age of eighteen years, or, in the case of a minor driver
25 under the age of eighteen years, who has accumulated more than five
26 points within any twelve consecutive months or more than six points for
27 violations occurring prior to reaching the age of eighteen years; except

1 that the accumulation of points causing the subjection to suspension of
2 the license of a chauffeur who, in the course of employment, has as a
3 principal duty the operation of a motor vehicle shall be sixteen points in
4 one year, twenty-four points in two years, or twenty-eight points in four
5 years, if all the points are accumulated while said chauffeur is in the
6 course of employment. Any provision of this section to the contrary
7 notwithstanding, the license of a chauffeur who is convicted of DUI, DUI
8 per se, DWAI, ~~habitual user~~, UDD, or leaving the scene of an accident
9 shall be suspended in the same manner as if the offense occurred outside
10 the course of employment. Whenever a minor driver under the age of
11 eighteen years receives a summons for a traffic violation, the minor's
12 parent or legal guardian or, if the minor is without parents or guardian,
13 the person who signed the minor driver's application for a license shall
14 immediately be notified by the court from which the summons was
15 issued.

16 (5) Point system schedule:

Type of conviction	Points
--------------------	--------

(b) (II) Habitual user	12
-----------------------------------	----

19 (6) (b) For the purposes of this article, a plea of no contest
20 accepted by the court or the forfeiture of any bail or collateral deposited
21 to secure a defendant's appearance in court or the failure to appear in
22 court by a defendant charged with DUI, DUI per se, ~~habitual user~~, or
23 UDD who has been issued a summons and notice to appear pursuant to
24 section 42-4-1707 as evidenced by records forwarded to the department
25 in accordance with the provisions of section 42-2-124 shall be considered
26 as a conviction.

27 **SECTION 14.** In Colorado Revised Statutes, 42-2-132, **amend**

1 (2) (a) (III) and (2) (a) (IV) as follows:

2 **42-2-132. Period of suspension or revocation.** (2) (a) (III) In the
3 case of a minor driver whose license has been revoked as a result of one
4 conviction for DUI, DUI per se, DWAI, ~~habitual user~~, or UDD, the minor
5 driver, unless otherwise required after an evaluation made pursuant to
6 section 42-4-1301.3, must complete a level I alcohol and drug education
7 program certified by the unit in the department of human services that
8 administers behavioral health programs and services, including those
9 related to mental health and substance abuse.

10 (IV) Any person whose license or privilege to drive a motor
11 vehicle on the public highways has been revoked under section 42-2-125
12 (1) (g) (I) or (1) (i) or 42-2-203 where the revocation was due in part to
13 a DUI, DUI per se, OR DWAI ~~or habitual user~~ conviction shall be
14 required to present an affidavit stating that the person has obtained at the
15 person's own expense a signed lease agreement for the installation and
16 use of an approved ignition interlock device, as defined in section
17 42-2-132.5 (9) (a), in each motor vehicle on which the person's name
18 appears on the registration and any other vehicle that the person may
19 drive during the period of the interlock-restricted license.

20 **SECTION 15.** In Colorado Revised Statutes, 42-2-132.5, **amend**
21 (1) (a), (1) (c), and (4) (c) as follows:

22 **42-2-132.5. Mandatory and voluntary restricted licenses**
23 **following alcohol convictions - rules.** (1) **Persons required to hold an**
24 **interlock-restricted license.** The following persons shall be required to
25 hold an interlock-restricted license pursuant to this section for at least one
26 year following reinstatement prior to being eligible to obtain any other
27 driver's license issued under this article:

1 (a) A person whose privilege to drive was revoked for multiple
2 convictions for any combination of a DUI, DUI per se, OR DWAI or
3 ~~habitual user~~ pursuant to section 42-2-125 (1) (g) (I) or (1) (i);

4 (c) A person whose privilege to drive was revoked as an habitual
5 offender under section 42-2-203 in which the revocation was due in part
6 to a DUI, DUI per se, OR DWAI or ~~habitual user~~ conviction; or

7 (4) **Persons who may acquire an interlock-restricted license**
8 **prior to serving a full-term revocation.** (c) In order to be eligible for
9 early reinstatement pursuant to this subsection (4), a person who has been
10 designated an habitual offender under the provisions of section 42-2-202
11 must have at least one conviction for DUI, DUI per se, OR DWAI or
12 ~~habitual user~~ under section 42-4-1301, and no contributing violations
13 other than violations for driving under restraint under section 42-2-138
14 or reckless driving under section 42-4-1401.

15 **SECTION 16.** In Colorado Revised Statutes, 42-2-138, **amend**
16 (1) (a) and (1) (d) as follows:

17 **42-2-138. Driving under restraint - penalty.** (1) (a) Any person
18 who drives a motor vehicle or off-highway vehicle upon any highway of
19 this state with knowledge that the person's license or privilege to drive,
20 either as a resident or a nonresident, is under restraint for any reason other
21 than conviction of DUI, DUI per se, DWAI, ~~habitual user~~, or UDD is
22 guilty of a misdemeanor. A court may sentence a person convicted of this
23 misdemeanor to imprisonment in the county jail for a period of not more
24 than six months and may impose a fine of not more than five hundred
25 dollars.

26 (d) (I) A person who drives a motor vehicle or off-highway
27 vehicle upon any highway of this state with knowledge that the person's

1 license or privilege to drive, either as a resident or nonresident, is
2 restrained under section 42-2-126 (3), is restrained solely or partially
3 because of a conviction of DUI, DUI per se, DWAI, ~~habitual user~~, or
4 UDD, or is restrained in another state solely or partially because of an
5 alcohol-related driving offense is guilty of a misdemeanor and, upon
6 conviction thereof, shall be punished by imprisonment in the county jail
7 for not less than thirty days nor more than one year and, in the discretion
8 of the court, by a fine of not less than five hundred dollars nor more than
9 one thousand dollars. Upon a second or subsequent conviction, the person
10 shall be punished by imprisonment in the county jail for not less than
11 ninety days nor more than two years and, in the discretion of the court, by
12 a fine of not less than five hundred dollars nor more than three thousand
13 dollars. The minimum county jail sentence imposed by this subparagraph
14 (I) shall be mandatory, and the court shall not grant probation or a
15 suspended sentence thereof; but, in a case where the defendant is
16 convicted although the defendant established that he or she had to drive
17 the motor vehicle in violation of this subparagraph (I) because of an
18 emergency, the mandatory jail sentence, if any, shall not apply, and, for
19 a first conviction, the court may impose a sentence of imprisonment in the
20 county jail for a period of not more than one year and, in the discretion of
21 the court, a fine of not more than one thousand dollars, and, for a second
22 or subsequent conviction, the court may impose a sentence of
23 imprisonment in the county jail for a period of not more than two years
24 and, in the discretion of the court, a fine of not more than three thousand
25 dollars.

26 (II) In any trial for a violation of subparagraph (I) of this
27 paragraph (d), a duly authenticated copy of the record of the defendant's

1 former convictions and judgments for DUI, DUI per se, DWAI, ~~habitual~~
2 ~~user~~, or UDD or an alcohol-related offense committed in another state
3 from any court of record or a certified copy of the record of any denial or
4 revocation of the defendant's driving privilege under section 42-2-126 (3)
5 from the department shall be prima facie evidence of the convictions,
6 judgments, denials, or revocations and may be used in evidence against
7 the defendant. Identification photographs and fingerprints that are part of
8 the record of the former convictions, judgments, denials, or revocations
9 and the defendant's incarceration after sentencing for any of the former
10 convictions, judgments, denials, or revocations shall be prima facie
11 evidence of the identity of the defendant and may be used in evidence
12 against the defendant.

13 **SECTION 17.** In Colorado Revised Statutes, 42-2-202, **amend**
14 (2) (a) (I) as follows:

15 **42-2-202. Habitual offenders - frequency and type of**
16 **violations.** (2) (a) An habitual offender is a person having three or more
17 convictions of any of the following separate and distinct offenses arising
18 out of separate acts committed within a period of seven years:

19 (I) DUI, DUI per se, OR DWAI; ~~or habitual user~~;

20 **SECTION 18.** In Colorado Revised Statutes, 42-2-405, **amend**
21 (3) (a) as follows:

22 **42-2-405. Driver's license disciplinary actions - grounds for**
23 **denial - suspension - revocation - disqualification.** (3) For purposes of
24 the imposition of restraints and sanctions against commercial driving
25 privileges:

26 (a) A conviction for DUI, DUI per se, OR DWAI, ~~or habitual user~~,
27 or a substantially similar law of any other state pertaining to drinking and

1 driving, or an administrative determination of a violation of section
2 42-2-126 (3) (a) or (3) (b) shall be deemed driving under the influence;
3 and

4 **SECTION 19.** In Colorado Revised Statutes, 42-4-1301.1,
5 **amend** (2) (a) (I) and (2) (b) (I) as follows:

6 **42-4-1301.1. Expressed consent for the taking of blood, breath,**
7 **urine, or saliva sample - testing.** (2) (a) (I) A person who drives a
8 motor vehicle upon the streets and highways and elsewhere throughout
9 this state shall be required to take and complete, and to cooperate in the
10 taking and completing of, any test or tests of the person's breath or blood
11 for the purpose of determining the alcoholic content of the person's blood
12 or breath when so requested and directed by a law enforcement officer
13 having probable cause to believe that the person was driving a motor
14 vehicle in violation of the prohibitions against DUI, DUI per se, DWAI,
15 ~~habitual user~~, or UDD. Except as otherwise provided in this section, if a
16 person who is twenty-one years of age or older requests that the test be a
17 blood test, then the test shall be of his or her blood; but, if the person
18 requests that a specimen of his or her blood not be drawn, then a
19 specimen of the person's breath shall be obtained and tested. A person
20 who is under twenty-one years of age shall be entitled to request a blood
21 test unless the alleged violation is UDD, in which case a specimen of the
22 person's breath shall be obtained and tested, except as provided in
23 subparagraph (II) of this paragraph (a).

24 (b) (I) Any person who drives any motor vehicle upon the streets
25 and highways and elsewhere throughout this state shall be required to
26 submit to and to complete, and to cooperate in the completing of, a test
27 or tests of such person's blood, saliva, and urine for the purpose of

1 determining the drug content within the person's system when so
2 requested and directed by a law enforcement officer having probable
3 cause to believe that the person was driving a motor vehicle in violation
4 of the prohibitions against DUI, OR DWAI or ~~habitual user~~ and when it
5 is reasonable to require such testing of blood, saliva, and urine to
6 determine whether such person was under the influence of, or impaired
7 by, one or more drugs, or one or more controlled substances, or a
8 combination of both alcohol and one or more drugs, or a combination of
9 both alcohol and one or more controlled substances.

10 **SECTION 20.** In Colorado Revised Statutes, 42-4-1307, **amend**
11 (3) (a) introductory portion, (5) (a) introductory portion, (5) (b)
12 introductory portion, (6) (a) introductory portion, (9) (a), (10) (a), (10)
13 (b), (10) (c), (10) (d) (I), (12), and (13) as follows:

14 **42-4-1307. Penalties for traffic offenses involving alcohol and**
15 **drugs - repeal.** (3) **First offenses - DUI and DUI per se.** (a) Except as
16 otherwise provided in subsections (5) and (6) of this section, a person
17 who is convicted of DUI OR DUI per se or ~~habitual user~~ shall be punished
18 by:

19 (5) **Second offenses.** (a) Except as otherwise provided in
20 subsection (6) of this section, a person who is convicted of DUI, DUI per
21 se, OR DWAI or ~~habitual user~~ who, at the time of sentencing, has a prior
22 conviction of DUI, DUI per se, DWAI, ~~habitual user~~, vehicular homicide
23 pursuant to section 18-3-106 (1) (b), C.R.S., vehicular assault pursuant to
24 section 18-3-205 (1) (b), C.R.S., aggravated driving with a revoked
25 license pursuant to section 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or
26 driving while the person's driver's license was under restraint pursuant to
27 section 42-2-138 (1) (d), shall be punished by:

1 (b) If a person is convicted of DUI, DUI per se, OR DWAI or
2 ~~habitual user~~ and the violation occurred less than five years after the date
3 of a previous violation for which the person was convicted of DUI, DUI
4 per se, DWAI, ~~habitual user~~, vehicular homicide pursuant to section
5 18-3-106 (1) (b), C.R.S., vehicular assault pursuant to section 18-3-205
6 (1) (b), C.R.S., aggravated driving with a revoked license pursuant to
7 section 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the
8 person's driver's license was under restraint pursuant to section 42-2-138
9 (1) (d), the court shall not have discretion to employ any sentencing
10 alternatives described in section 18-1.3-106, C.R.S., during the minimum
11 period of imprisonment described in subparagraph (I) of paragraph (a) of
12 this subsection (5); except that a court may allow the person to participate
13 in a program pursuant to section 18-1.3-106 (1) (a) (II), (1) (a) (IV), or (1)
14 (a) (V), C.R.S., only if the program is available through the county in
15 which the person is imprisoned and only for the purpose of:

16 (6) **Third and subsequent offenses.** (a) A person who is
17 convicted of DUI, DUI per se, OR DWAI or ~~habitual user~~ who, at the time
18 of sentencing, has two or more prior convictions of DUI, DUI per se,
19 DWAI, ~~habitual user~~, vehicular homicide pursuant to section 18-3-106 (1)
20 (b), C.R.S., vehicular assault pursuant to section 18-3-205 (1) (b), C.R.S.,
21 aggravated driving with a revoked license pursuant to section 42-2-206
22 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the person's driver's
23 license was under restraint pursuant to section 42-2-138 (1) (d) shall be
24 punished by:

25 (9) **Previous convictions.** (a) For the purposes of subsections (5)
26 and (6) of this section, a person shall be deemed to have a previous
27 conviction for DUI, DUI per se, DWAI, ~~habitual user~~, vehicular homicide

1 pursuant to section 18-3-106 (1) (b), C.R.S., vehicular assault pursuant to
2 section 18-3-205 (1) (b), C.R.S., aggravated driving with a revoked
3 license pursuant to section 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or
4 driving while the person's driver's license was under restraint pursuant to
5 section 42-2-138 (1) (d), if the person has been convicted under the laws
6 of this state or under the laws of any other state, the United States, or any
7 territory subject to the jurisdiction of the United States, of an act that, if
8 committed within this state, would constitute the offense of DUI, DUI per
9 se, DWAI, ~~habitual user~~, vehicular homicide pursuant to section 18-3-106
10 (1) (b), C.R.S., vehicular assault pursuant to section 18-3-205 (1) (b),
11 C.R.S., aggravated driving with a revoked license pursuant to section
12 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the person's
13 driver's license was under restraint pursuant to section 42-2-138 (1) (d).

14 (10) **Additional costs and surcharges.** In addition to the
15 penalties prescribed in this section:

16 (a) Persons convicted of DUI, DUI per se, DWAI, ~~habitual user~~,
17 and UDD are subject to the costs imposed by section 24-4.1-119 (1) (c),
18 C.R.S., relating to the crime victim compensation fund;

19 (b) Persons convicted of DUI, DUI per se, AND DWAI and
20 ~~habitual user~~ are subject to a surcharge of at least one hundred dollars but
21 no more than five hundred dollars to fund programs to reduce the number
22 of persistent drunk drivers. The surcharge shall be mandatory, and the
23 court shall not have discretion to suspend or waive the surcharge; except
24 that the court may suspend or waive the surcharge if the court determines
25 that a person is indigent. Moneys collected for the surcharge shall be
26 transmitted to the state treasurer, who shall credit the amount collected to
27 the persistent drunk driver cash fund created in section 42-3-303.

1 (c) Persons convicted of DUI, DUI per se, DWAI, ~~habitual user~~,
2 and UDD are subject to a surcharge of twenty dollars to be transmitted to
3 the state treasurer who shall deposit moneys collected for the surcharge
4 in the Colorado traumatic brain injury trust fund created pursuant to
5 section 26-1-309, C.R.S.;

6 (d) (I) Persons convicted of DUI, DUI per se, AND DWAI ~~and~~
7 ~~habitual user~~ are subject to a surcharge of at least one dollar but no more
8 than ten dollars for programs to fund efforts to address alcohol and
9 substance abuse problems among persons in rural areas. The surcharge
10 shall be mandatory, and the court shall not have discretion to suspend or
11 waive the surcharge; except that the court may suspend or waive the
12 surcharge if the court determines that a person is indigent. Any moneys
13 collected for the surcharge shall be transmitted to the state treasurer, who
14 shall credit the same to the rural alcohol and substance abuse cash fund
15 created in section 27-80-117 (3), C.R.S.

16 (12) **Victim impact panels.** In addition to any other penalty
17 provided by law, the court may sentence a person convicted of DUI, DUI
18 per se, DWAI, ~~habitual user~~, or UDD to attend and pay for one
19 appearance at a victim impact panel approved by the court, for which the
20 fee assessed to the person shall not exceed twenty-five dollars.

21 (13) **Alcohol and drug evaluation and supervision costs.** In
22 addition to any fines, fees, or costs levied against a person convicted of
23 DUI, DUI per se, DWAI, ~~habitual user~~, or UDD, the judge shall assess
24 each such person for the cost of the presentence or postsentence alcohol
25 and drug evaluation and supervision services.

26 **SECTION 21.** In Colorado Revised Statutes, 42-4-1702, **amend**
27 (1) as follows:

1 **42-4-1702. Alcohol- or drug-related traffic offenses - collateral**
2 **attack.** (1) ~~Except as otherwise provided in paragraph (b) of this~~
3 ~~subsection (1),~~ No person against whom a judgment has been entered for
4 DUI, DUI per se, DWAI, ~~habitual user,~~ or UDD shall collaterally attack
5 the validity of that judgment unless such attack is commenced within six
6 months after the date of entry of the judgment.

7 **SECTION 22.** In Colorado Revised Statutes, 42-4-1705, **amend**
8 (1) (c) as follows:

9 **42-4-1705. Person arrested to be taken before the proper**
10 **court.** (1) Whenever a person is arrested for any violation of this article
11 punishable as a misdemeanor, the arrested person shall be taken without
12 unnecessary delay before a county judge who has jurisdiction of such
13 offense as provided by law, in any of the following cases:

14 (c) When the person is arrested and charged with DUI, DUI per
15 se, ~~habitual user,~~ or UDD;

16 **SECTION 23.** In Colorado Revised Statutes, 42-4-1715, **amend**
17 (1) (b) (II) and (4) (a) (II) as follows:

18 **42-4-1715. Convictions, judgments, and charges recorded -**
19 **public inspection.** (1) (b) (II) Upon receiving a request for
20 expungement, the court may delay consideration of such request until
21 sufficient time has elapsed to ensure that the person is not convicted for
22 any additional offense of DUI, DUI per se, DWAI, ~~habitual user,~~ or UDD
23 committed while the person was under twenty-one years of age.

24 (4) (a) Every court of record shall also forward a like report to the
25 department:

26 (II) Upon the dismissal of a charge for DUI, DUI per se, DWAI,
27 ~~habitual user,~~ or UDD or if the original charge was for DUI, DUI per se,

1 DWAI, ~~habitual user~~, or UDD and the conviction was for a nonalcohol-
2 or nondrug-related traffic offense.

3 **SECTION 24.** In Colorado Revised Statutes, 42-7-408, **amend**
4 (1) (c) (I) as follows:

5 **42-7-408. Proof of financial responsibility - methods of giving**
6 **proof - duration - exception.** (1) (c) Notwithstanding the three-year
7 requirement in paragraph (b) of this subsection (1):

8 (I) If an insured has been found guilty of DUI, DUI per se, OR
9 DWAI or ~~habitual user~~ or if the insured's license has been revoked
10 pursuant to section 42-2-126, other than a revocation under section
11 42-2-126 (3) (b) or (3) (e), only one time and no accident was involved
12 in such offense, proof of financial responsibility for the future shall be
13 required to be maintained only for as long as the insured's driving
14 privilege is ordered to be under restraint, up to a maximum of three years.
15 The time period for maintaining the future proof of liability insurance
16 shall begin at the time the driver reinstates his or her driving privilege.

17 **SECTION 25.** In Colorado Revised Statutes, 40-10.1-110,
18 **amend** (3) (c) (I) as follows:

19 **40-10.1-110. Criminal history record check.** (3) An individual
20 whose criminal history record is checked pursuant to this section is
21 disqualified and prohibited from driving motor vehicles for the motor
22 carrier described in subsection (1) of this section if the criminal history
23 record check reflects that:

24 (c) Within the two years immediately preceding the date the
25 criminal history record check is completed, the individual was:

26 (I) Convicted in this state of driving under the influence, as
27 defined in section 42-4-1301 (1) (f), C.R.S.; driving with excessive

1 alcoholic content, as described in section 42-4-1301 (2) (a), C.R.S.; OR
2 driving while ability impaired, as defined in section 42-4-1301 (1) (g),
3 C.R.S.; or driving while an habitual user of a controlled substance, as
4 described in section 42-4-1301 (1) (c), C.R.S.; or

5 **SECTION 26.** In Colorado Revised Statutes, 24-34-104, add (47)
6 (d) as follows:

7 **24-34-104. General assembly review of regulatory agencies**
8 **and functions for termination, continuation, or reestablishment.**

9 (47) The following agencies, functions, or both shall terminate on July
10 1, 2016:

11 (d) THE REGULATION OF PERSONS LICENSED PURSUANT TO ARTICLE
12 43.4 OF TITLE 12, C.R.S.

13 **SECTION 27. Appropriation.** (1) In addition to any other
14 appropriation, for the fiscal year beginning July 1, 2013, there is hereby
15 appropriated, out of any moneys in the general fund not otherwise
16 appropriated, to the department of revenue to be credited to the marijuana
17 cash fund established created in section 12-43.3-501 (1) (a), Colorado
18 Revised Statutes, the sum of \$4,154,759, to be used for purposes
19 consistent with the creation of the fund.

20 (2) In addition to any other appropriation, there is hereby
21 appropriated, out of any moneys in the marijuana cash fund created in
22 section 12-43.3-501 (1) (a), Colorado Revised Statutes, not otherwise
23 appropriated, to the department of revenue, for the fiscal year beginning
24 July 1, 2013, the sum of \$629,026 and 2.7 FTE, or so much thereof as
25 may be necessary, to be allocated for the implementation of this act as
26 follows:

27 (a) \$407,702 and 2.7 FTE for the executive director's office,

- 1 including \$70,684 for the purchase of legal services;
- 2 (b) \$56,492 for the information technology division for the
- 3 purchase of computer center services;
- 4 (c) \$48,000 for the taxation business group, administration, CITA
- 5 annual maintenance and support; and
- 6 (d) \$116,832 for the enforcement business group.

7 (3) In addition to any other appropriation, there is hereby

8 appropriated to the department of law, for the fiscal year beginning July

9 1, 2013, the sum of \$70,684 and 0.5 FTE, or so much thereof as may be

10 necessary, for the provision of legal services for the department of

11 revenue related to the implementation of this act. Said sum is from

12 reappropriated funds received from the department of revenue out of the

13 appropriation made in paragraph (a) of subsection (2) of this section.

14 (4) In addition to any other appropriation, there is hereby

15 appropriated to the governor - lieutenant governor - state planning and

16 budgeting, for the fiscal year beginning July 1, 2013, the sum of \$56,492,

17 or so much thereof as may be necessary, for allocation to the office of

18 information technology, for the provision of computer center services for

19 the department of revenue related to the implementation of this act. Said

20 sum is from reappropriated funds received from the department of

21 revenue out of the appropriation made in paragraph (b) of subsection (2)

22 of this section.

23 (5) In addition to any other appropriation, there is hereby

24 appropriated, out of any moneys in the Colorado bureau of investigation

25 identification unit fund created in section 24-33.5-426, Colorado Revised

26 Statutes, not otherwise appropriated, to the department of public safety,

27 for the fiscal year beginning July 1, 2013, the sum of \$155,760 and 0.7

1 FTE, or so much thereof as may be necessary, for allocation to Colorado
2 bureau of investigation for fingerprint-based background checks related
3 to the implementation of this act.

4 (6) In addition to any other appropriation, there is hereby
5 appropriated, out of any moneys in the general fund not otherwise
6 appropriated, to the judicial department, for the fiscal year beginning July
7 1, 2013, the sum of \$12,000, or so much thereof as may be necessary, for
8 allocation to the office of the state public defender for mandated costs
9 related to the implementation of this act.

10 **SECTION 28.** In Colorado Revised Statutes, **add** 17-18-108 as
11 follows:

12 **17-18-108. Appropriation to comply with section 2-2-703 - HB**
13 **13-1317 - repeal.** (1) PURSUANT TO SECTION 2-2-703, C.R.S., THE
14 FOLLOWING STATUTORY APPROPRIATIONS, OR SO MUCH THEREOF AS MAY
15 BE NECESSARY, ARE MADE IN ORDER TO IMPLEMENT HOUSE BILL 13-1317,
16 ENACTED IN 2013:

17 (a) FOR THE FISCAL YEAR BEGINNING JULY 1, 2014, IN ADDITION
18 TO ANY OTHER APPROPRIATION, THERE IS HEREBY APPROPRIATED TO THE
19 DEPARTMENT, OUT OF ANY MONEYS IN THE GENERAL FUND NOT
20 OTHERWISE APPROPRIATED, THE SUM OF TWENTY THOUSAND EIGHT
21 HUNDRED SIXTEEN DOLLARS (\$20,816).

22 (b) FOR THE FISCAL YEAR BEGINNING JULY 1, 2015, IN ADDITION TO
23 ANY OTHER APPROPRIATION, THERE IS HEREBY APPROPRIATED TO THE
24 DEPARTMENT, OUT OF ANY MONEYS IN THE GENERAL FUND NOT
25 OTHERWISE APPROPRIATED, THE SUM OF FIVE THOUSAND FIVE HUNDRED
26 FIFTY-ONE DOLLARS (\$5,551).

27 (2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2016.

1 **SECTION 29. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.