

First Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

REVISED

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

LLS NO. 13-0897.04 Michael Dohr x4347

HOUSE BILL 13-1317

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HOUSE SPONSORSHIP

Pabon,

SENATE SPONSORSHIP

Jahn and Baumgardner,

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House Committees

State, Veterans, & Military Affairs  
Finance  
Appropriations

Senate Committees

Finance  
Appropriations

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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.

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Bill Summary

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

SENATE  
Amended 2nd Reading  
May 7, 2013

HOUSE  
3rd Reading Unamended  
April 29, 2013

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.

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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 AND RETAIL  
12 MARIJUANA PRODUCTS BY JULY 1, 2013.

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

1 ~~this article.~~

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

4 **12-43.3-501. Marijuana cash fund - repeal.** (1) (a) All moneys  
5 collected by the state licensing authority pursuant to this article AND  
6 ARTICLE 43.4 OF THIS TITLE shall be transmitted to the state treasurer, who  
7 shall credit the same to the ~~medical marijuana license~~ cash fund, which  
8 fund is hereby created and referred to in this section as the "fund". THE  
9 FUND CONSISTS OF:

10 (I) The moneys in the fund COLLECTED BY THE STATE LICENSING  
11 AUTHORITY;

12 (II) ANY APPLICABLE RETAIL MARIJUANA EXCISE TAX  
13 TRANSFERRED PURSUANT TO SECTION 39-28.8-306 (1) (b), C.R.S.;

14 (III) ANY APPLICABLE RETAIL MARIJUANA SALES TAX  
15 TRANSFERRED PURSUANT TO SECTION 39-28.8-203 (1) (b), C.R.S.;

16 (IV) ANY SALES TAX IMPOSED PURSUANT TO SECTION 39-26-106,  
17 C.R.S., ON THE RETAIL SALE OF MARIJUANA OR MARIJUANA PRODUCTS  
18 UNDER THIS ARTICLE AND ARTICLE 43.4 OF THIS TITLE; AND

19 (V) ANY ADDITIONAL GENERAL FUND MONEYS APPROPRIATED TO  
20 THE FUND THAT ARE NECESSARY FOR THE OPERATION OF THE STATE  
21 LICENSING AUTHORITY.

22 (b) MONEYS IN THE FUND shall be subject to annual appropriation  
23 by the general assembly to:

24 (I) The department of revenue for the direct and indirect costs  
25 associated with implementing this article AND ARTICLE 43.4 OF THIS TITLE;

26 (II) THE DIVISION OF CRIMINAL JUSTICE IN THE DEPARTMENT OF  
27 PUBLIC SAFETY FOR THE STUDY OF MARIJUANA IMPLEMENTATION

1 PURSUANT TO SECTION 24-33.5-514, C.R.S.:

2 (III) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR  
3 THE MONITORING OF THE HEALTH EFFECTS OF MARIJUANA PURSUANT TO  
4 SECTION 25-1.5-111, C.R.S.; \_\_\_

5 (IV) THE DEPARTMENT OF LAW FOR THE TRAINING DESCRIBED IN  
6 SECTION 24-31-313, C.R.S.; AND

7 (V) THE GENERAL FUND TO REPAY TWO MILLION DOLLARS TO THE  
8 GENERAL FUND FOR THE TRANSFERS REQUIRED BY SECTION 39-26-123 (6),  
9 C.R.S.

10 (c) Any moneys in the fund not expended for the purposes of this  
11 article THESE PURPOSES may be invested by the state treasurer as provided  
12 by law. All interest and income derived from the investment and deposit  
13 of moneys in the fund shall be credited to the fund. Any unexpended and  
14 unencumbered moneys remaining in the fund at the end of a fiscal year  
15 shall remain in the fund and shall not be credited or transferred to the  
16 general fund or another fund. UPON A DETERMINATION BY THE GENERAL  
17 ASSEMBLY THAT THE DEPARTMENT OF REVENUE HAS ESTABLISHED A  
18 SUFFICIENT REVENUE STREAM TO FUND THE STATE LICENSING  
19 AUTHORITY'S REGULATORY EFFORTS AND ALL OTHER PROGRAMS TO BE  
20 FUNDED BY THE FUND, THE GENERAL ASSEMBLY SHALL DIRECT THE STATE  
21 TREASURER TO TRANSFER ANY EXCESS BALANCE IN THE FUND TO THE  
22 GENERAL FUND TO REPAY ANY APPROPRIATION MADE FROM THE GENERAL  
23 FUND TO INITIALLY SUPPORT THE SPENDING AUTHORITY OF THE STATE  
24 LICENSING AUTHORITY.

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

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

2 (c) ON JUNE 30, 2014, AND ON EACH JUNE 30 THEREAFTER, THE  
3 STATE TREASURER SHALL TRANSFER TWO MILLION DOLLARS FROM THE  
4 FUND TO THE GENERAL FUND.

5 **SECTION 3.** In Colorado Revised Statutes, 12-43.3-501, **amend**  
6 **as amended by Senate Bill 13-283** (1) as follows:

7 **12-43.3-501. Marijuana cash fund - repeal.** (1) (a) All moneys  
8 collected by the state licensing authority pursuant to this article and article  
9 43.4 of this title shall be transmitted to the state treasurer, who shall credit  
10 the same to the marijuana cash fund, which fund is hereby created and  
11 referred to in this section as the "fund". The fund consists of:

12 (I) The moneys ~~in the fund so~~ collected BY THE STATE LICENSING  
13 AUTHORITY;

14 (II) Any APPLICABLE RETAIL MARIJUANA excise tax ~~or additional~~  
15 sales tax imposed TRANSFERRED pursuant to ~~article 28.8 of title 39~~  
16 SECTION 39-28.8-306 (1) (b), C.R.S.;

17 (III) Any ~~other~~ APPLICABLE RETAIL MARIJUANA sales tax  
18 TRANSFERRED PURSUANT TO SECTION 39-28.8-203 (1) (b), C.R.S.;

19 (IV) ANY SALES TAX IMPOSED PURSUANT TO SECTION 39-26-106,  
20 C.R.S., ON THE RETAIL SALE OF PRODUCTS UNDER THIS ARTICLE AND  
21 ARTICLE 43.4 OF THIS TITLE; and

22 (V) Any additional general fund moneys appropriated to the fund  
23 that are necessary for the operation of the state licensing authority.

24 (b) Moneys in the fund shall be subject to annual appropriation by  
25 the general assembly to:

26 (I) The department of revenue for the direct and indirect costs  
27 associated with implementing this article and article 43.4 of this title;

1           (II) THE DIVISION OF CRIMINAL JUSTICE IN THE DEPARTMENT OF  
2           PUBLIC SAFETY FOR THE STUDY OF MARIJUANA IMPLEMENTATION  
3           PURSUANT TO SECTION 24-33.5-514, C.R.S.;

4           (III) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR  
5           THE MONITORING OF THE HEALTH EFFECTS OF MARIJUANA PURSUANT TO  
6           SECTION 25-1.5-111, C.R.S.;

7           (IV) THE DEPARTMENT OF LAW FOR THE TRAINING DESCRIBED IN  
8           SECTION 24-31-313, C.R.S.; AND

9           (V) THE GENERAL FUND TO REPAY TWO MILLION DOLLARS TO THE  
10          GENERAL FUND FOR THE TRANSFERS REQUIRED BY SECTION 39-26-123 (6),  
11          C.R.S.

12          (c) Any moneys in the fund not expended for the purpose of this  
13          article or article 43.4 of this title THESE PURPOSES may be invested by the  
14          state treasurer as provided by law. All interest and income derived from  
15          the investment and deposit of moneys in the fund shall be credited to the  
16          fund. Any unexpended and unencumbered moneys remaining in the fund  
17          at the end of a fiscal year shall remain in the fund and shall not be  
18          credited or transferred to the general fund or another fund. Upon a  
19          determination by the general assembly that the department of revenue has  
20          established a sufficient revenue stream to fund the state licensing  
21          authority's regulatory efforts and all other programs to be funded by the  
22          fund, the general assembly shall direct the state treasurer to transfer any  
23          excess balance in the fund to the general fund to repay any appropriation  
24          made from the general fund to initially support the spending authority of  
25          the state licensing authority.

26          (b)(d) (I) Any unexpended and unencumbered moneys in the fund  
27          as of July 1, 2013, is ARE appropriated to the state licensing authority for

1 the 2013-14 fiscal year.

2 (II) This paragraph (b) (d) is repealed, effective July 1, 2014.

3 (e) ON JUNE 30, 2014, AND ON EACH JUNE 30 THEREAFTER, THE  
4 STATE TREASURER SHALL TRANSFER TWO MILLION DOLLARS FROM THE  
5 FUND TO THE GENERAL FUND.

6 **SECTION 4.** In Colorado Revised Statutes, **amend** 12-43.3-502  
7 as follows:

8 **12-43.3-502. Fees - allocation.** (1) Except as otherwise provided,  
9 all fees and fines provided for by this article AND ARTICLE 43.4 OF THIS  
10 TITLE shall be paid to the department of revenue, which shall transmit the  
11 fees to the state treasurer. The state treasurer shall credit the fees to the  
12 ~~medical marijuana license~~ cash fund created in section 12-43.3-501.

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

16 **SECTION 5.** In Colorado Revised Statutes, **add** article 43.4 to  
17 title 12 as follows:

18 **ARTICLE 43.4**

19 **Colorado Retail Marijuana Code**

20 **PART 1**

21 **COLORADO RETAIL MARIJUANA CODE**

22 **12-43.4-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND  
23 MAY BE CITED AS THE "COLORADO RETAIL MARIJUANA CODE".

24 **12-43.4-102. Legislative declaration.** (1) THE GENERAL  
25 ASSEMBLY HEREBY DECLARES THAT THIS ARTICLE SHALL BE DEEMED AN  
26 EXERCISE OF THE POLICE POWERS OF THE STATE FOR THE PROTECTION OF  
27 THE ECONOMIC AND SOCIAL WELFARE AND THE HEALTH, PEACE, AND

1 MORALS OF THE PEOPLE OF THIS STATE.

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

8 **12-43.4-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE  
9 CONTEXT OTHERWISE REQUIRES:

10 (1) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF  
11 THE DEPARTMENT OF REVENUE.

12   
13 (2) "IMMATURE PLANT" MEANS A NONFLOWERING MARIJUANA  
14 PLANT THAT IS NO TALLER THAN EIGHT INCHES AND NO WIDER THAN EIGHT  
15 INCHES IS PRODUCED FROM A CUTTING, CLIPPING, OR SEEDLING, AND IS IN  
16 A CULTIVATING CONTAINER.

17 (3) "LICENSE" MEANS TO GRANT A LICENSE OR REGISTRATION  
18 PURSUANT TO THIS ARTICLE.

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

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

27 (6) "LOCAL JURISDICTION" MEANS A LOCALITY AS DEFINED IN

1 SECTION 16 (2) (e) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

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

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

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

15

16 (10) "MOBILE DISTRIBUTION CENTER" MEANS ANY VEHICLE OTHER  
17 THAN A COMMON PASSENGER LIGHT-DUTY VEHICLE WITH A SHORT WHEEL  
18 BASE USED TO CARRY A QUANTITY OF MARIJUANA GREATER THAN ONE  
19 OUNCE.

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 JURISDICTION FOR COSTS, INCLUDING BUT NOT  
23 LIMITED TO INSPECTION, ADMINISTRATION, AND ENFORCEMENT OF RETAIL  
24 MARIJUANA ESTABLISHMENTS AUTHORIZED PURSUANT TO THIS ARTICLE.

25 (12) "OWNER" MEANS ANY PERSON HAVING A BENEFICIAL  
26 INTEREST, AS DEFINED BY THE STATE LICENSING AUTHORITY, IN A RETAIL  
27 MARIJUANA ESTABLISHMENT.

1           (13) "PERSON" MEANS A NATURAL PERSON, PARTNERSHIP,  
2           ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR  
3           ORGANIZATION; EXCEPT THAT "PERSON" DOES NOT INCLUDE ANY  
4           GOVERNMENTAL ORGANIZATION.

5           (14) "PREMISES" MEANS A DISTINCTLY IDENTIFIED AS REQUIRED BY  
6           THE STATE LICENSING AUTHORITY AND DEFINITE LOCATION, WHICH MAY  
7           INCLUDE A BUILDING, A PART OF A BUILDING, A ROOM, OR ANY OTHER  
8           DEFINITE CONTIGUOUS AREA.

9           (15) "RETAIL MARIJUANA" MEANS "MARIJUANA" OR "MARIHUANA"  
10          AS DEFINED IN SECTION 16 (2) (f) OF ARTICLE XVIII OF THE STATE  
11          CONSTITUTION, THAT IS CULTIVATED, MANUFACTURED, DISTRIBUTED, OR  
12          SOLD BY A LICENSED RETAIL MARIJUANA ESTABLISHMENT.

13          (16) "RETAIL MARIJUANA CULTIVATION FACILITY" HAS THE SAME  
14          MEANING AS "MARIJUANA CULTIVATION FACILITY" AS DEFINED IN SECTION  
15          16 (2) (h) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

16          (17) "RETAIL MARIJUANA ESTABLISHMENT" MEANS A RETAIL  
17          MARIJUANA STORE, A RETAIL MARIJUANA CULTIVATION FACILITY, A  
18          RETAIL MARIJUANA PRODUCTS MANUFACTURER, OR A RETAIL MARIJUANA  
19          TESTING FACILITY.

20          (18) "RETAIL MARIJUANA PRODUCTS" MEANS "MARIJUANA  
21          PRODUCTS AS DEFINED IN SECTION 16 (2) (k) OF ARTICLE XVIII OF THE  
22          STATE CONSTITUTION THAT ARE PRODUCED AT A RETAIL MARIJUANA  
23          PRODUCTS MANUFACTURER.

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

1           (20) "RETAIL MARIJUANA STORE" HAS THE SAME MEANING AS  
2           DEFINED IN SECTION 16 (2) (n) OF ARTICLE XVIII OF THE STATE  
3           CONSTITUTION.

4           (21) "RETAIL MARIJUANA TESTING FACILITY" MEANS \_\_\_\_\_  
5           "MARIJUANA TESTING FACILITY" AS DEFINED IN SECTION 16 (2) (l) OF  
6           ARTICLE XVIII OF THE STATE CONSTITUTION THAT IS LICENSED PURSUANT  
7           TO THIS ARTICLE.

8           (22) "SALE" OR "SELL" INCLUDES TO EXCHANGE, BARTER, OR  
9           TRAFFIC IN, TO SOLICIT OR RECEIVE AND ORDER EXCEPT THROUGH A  
10          LICENSEE LICENSED UNDER THIS ARTICLE, TO DELIVER FOR VALUE IN ANY  
11          WAY OTHER THAN GRATUITOUSLY, TO PEDDLE OR POSSESS WITH INTENT  
12          TO SELL, OR TO TRAFFIC IN FOR ANY CONSIDERATION PROMISED OR  
13          OBTAINED DIRECTLY OR INDIRECTLY.

14          (23) "SCHOOL" MEANS A PUBLIC OR PRIVATE PRESCHOOL OR A  
15          PUBLIC OR PRIVATE ELEMENTARY, MIDDLE, JUNIOR HIGH, HIGH SCHOOL, OR  
16          INSTITUTE OF HIGHER EDUCATION.

17          (24) "STATE LICENSING AUTHORITY" MEANS THE AUTHORITY  
18          CREATED FOR THE PURPOSE OF REGULATING AND CONTROLLING THE  
19          LICENSING OF THE CULTIVATION, MANUFACTURE, DISTRIBUTION, SALE,  
20          AND TESTING OF RETAIL MARIJUANA IN THIS STATE, PURSUANT TO SECTION  
21          12-43.4-201.

22           **12-43.4-104. Applicability - retail marijuana - repeal.**

23          (1) (a) (I) ON OR AFTER OCTOBER 1, 2013, A PERSON, WHO IS OPERATING  
24          IN GOOD STANDING A LICENSED MEDICAL MARIJUANA CENTER, AN  
25          OPTIONAL PREMISES CULTIVATION LICENSE, OR A LICENSED MEDICAL  
26          MARIJUANA-INFUSED PRODUCTS BUSINESS OR A PERSON WHO HAD A  
27          PENDING APPLICATION WITH THE STATE LICENSING AUTHORITY PRIOR TO

1 DECEMBER 10, 2012, HAS PAID ALL APPLICABLE LICENSING FEES, AND HAS  
2 NOT YET HAD THAT APPLICATION APPROVED, MAY APPLY FOR A RETAIL  
3 MARIJUANA ESTABLISHMENT LICENSE UNDER THIS ARTICLE.

4 (II) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) SHALL  
5 INDICATE WHETHER HE OR SHE WANTS TO SURRENDER THE CURRENT  
6 MEDICAL MARIJUANA LICENSE ISSUED PURSUANT TO PART 4 OF ARTICLE  
7 43.3 OF THIS TITLE, OR INTENDS TO RETAIN THE LICENSE IN ADDITION TO  
8 THE RETAIL MARIJUANA ESTABLISHMENT LICENSE.

9 (III) IF THE APPLICANT INDICATES A DESIRE TO SURRENDER THE  
10 MEDICAL MARIJUANA LICENSE, THE APPLICANT SHALL CONTINUE TO  
11 OPERATE UNDER THAT LICENSE SO LONG AS THE LICENSE REMAINS IN  
12 EFFECT UNTIL A RETAIL MARIJUANA ESTABLISHMENT LICENSE IS  
13 APPROVED. IF THE RETAIL MARIJUANA ESTABLISHMENT LICENSE IS  
14 GRANTED, THE APPLICANT SHALL HAVE FOURTEEN DAYS FROM THE  
15 EFFECTIVE DATE OF THE LICENSE TO SURRENDER THE MEDICAL MARIJUANA  
16 LICENSE TO THE STATE LICENSING AUTHORITY. IF THE RETAIL MARIJUANA  
17 LICENSE IS GRANTED, ON THE EFFECTIVE DATE OF THE LICENSE ALL  
18 MEDICAL MARIJUANA PLANTS AND INVENTORY SHALL BECOME RETAIL  
19 MARIJUANA PLANTS AND INVENTORY ON THE DATE OF THE RETAIL  
20 MARIJUANA ESTABLISHMENT LICENSE.

21 (IV) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) MAY APPLY  
22 FOR A RETAIL MARIJUANA ESTABLISHMENT LICENSE AND RETAIN THE  
23 MEDICAL MARIJUANA LICENSE. THE APPLICANT MAY APPLY TO HAVE THE  
24 MEDICAL MARIJUANA LICENSED OPERATION AND THE RETAIL MARIJUANA  
25 ESTABLISHMENT AT THE SAME LOCATION ONLY IF THE LOCAL JURISDICTION  
26 PERMITS THE MEDICAL MARIJUANA LICENSED OPERATION AND THE RETAIL  
27 MARIJUANA ESTABLISHMENT TO BE OPERATED AT THE SAME LOCATION. AT

1 THE TIME THAT THE RETAIL MARIJUANA ESTABLISHMENT LICENSE  
2 BECOMES EFFECTIVE, THE APPLICANT SHALL IDENTIFY THE MEDICAL  
3 MARIJUANA INVENTORY THAT WILL BECOME RETAIL MARIJUANA  
4 INVENTORY.

5 (V) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) WHO  
6 RETAINS A MEDICAL MARIJUANA LICENSE AND OBTAINS A RETAIL  
7 MARIJUANA ESTABLISHMENT LICENSE FOR THE TWO LICENSED PREMISES  
8 MUST MAINTAIN ACTUAL PHYSICAL SEPARATION BETWEEN THE TWO OR  
9 ONLY SELL MEDICAL MARIJUANA TO PERSONS TWENTY-ONE YEARS OF AGE  
10 OR OLDER.

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

16 (B) THIS SUBPARAGRAPH (VI) IS REPEALED, EFFECTIVE JULY 1,  
17 2014.

18 (b) (I) (A) AFTER JANUARY 1, 2014, PERSONS WHO DID NOT MEET  
19 REQUIREMENTS OF SUBSECTION (I) OF PARAGRAPH (a) OF THIS SECTION  
20 MAY SUBMIT NOTICE OF INTENT TO APPLY FOR LICENSURE PURSUANT TO  
21 THIS ARTICLE. THE STATE LICENSING AUTHORITY SHALL ESTABLISH A  
22 FORM FOR THE NOTICE AND MAY COLLECT A NOTICE FEE THAT SHALL BE  
23 APPLIED TO THE AMOUNT OF THE APPLICATION FEE. THE STATE LICENSING  
24 AUTHORITY SHALL FORWARD TO THE LOCAL JURISDICTION THE NOTICE OF  
25 INTENT TO APPLY AND ONE-HALF OF THE NOTICE FEE UNLESS THE LOCAL  
26 JURISDICTION HAS PROHIBITED THE OPERATION OF RETAIL MARIJUANA  
27 ESTABLISHMENTS PURSUANT TO SECTION 16 (5) (f) OF ARTICLE XVIII OF

1 THE STATE CONSTITUTION.

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

3 (II) ON AND AFTER JULY 1, 2014, PERSONS WHO DID NOT MEET THE  
4 REQUIREMENTS OF SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS  
5 SUBSECTION (1) MAY APPLY FOR LICENSURE PURSUANT TO THIS ARTICLE.  
6 A LICENSE ISSUED TO A PERSON PURSUANT TO THIS SUBPARAGRAPH (II) IS  
7 NOT EFFECTIVE UNTIL OCTOBER 1, 2014.

8 (c) (I) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPHS (a)  
9 AND (b) OF THIS SUBSECTION (1), ON OR AFTER OCTOBER 1, 2013, A  
10 PERSON MAY APPLY FOR A RETAIL MARIJUANA TESTING FACILITY LICENSE.

11 (II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JULY 1, 2015.

12 (2) (a) A PERSON APPLYING PURSUANT TO SUBSECTION (1) OF THIS  
13 SECTION SHALL COMPLETE FORMS AS PROVIDED BY THE STATE LICENSING  
14 AUTHORITY AND SHALL PAY THE APPLICATION FEE AND THE LICENSING  
15 FEE, WHICH SHALL BE CREDITED TO THE MARIJUANA CASH FUND  
16 ESTABLISHED PURSUANT TO SECTION 12-43.4-501. THE STATE LICENSING  
17 AUTHORITY SHALL WITHIN SEVEN DAYS FORWARD ONE-HALF OF THE  
18 LICENSE APPLICATION FEE TO THE LOCAL JURISDICTION UNLESS THE LOCAL  
19 JURISDICTION HAS PROHIBITED THE OPERATION OF RETAIL MARIJUANA  
20 ESTABLISHMENTS PURSUANT TO SECTION 16 (5) (f) OF ARTICLE XVIII OF  
21 THE STATE CONSTITUTION. IF THE LICENSE IS DENIED, THE STATE  
22 LICENSING AUTHORITY SHALL REFUND THE LICENSING FEE TO THE  
23 APPLICANT.

24 (b) (I) THE STATE LICENSING AUTHORITY SHALL ACT UPON AN  
25 APPLICATION MADE PURSUANT TO THIS SUBSECTION (1) NO SOONER THAN  
26 FORTY-FIVE DAYS AND NO LATER THAN NINETY DAYS AFTER THE DATE OF  
27 THE APPLICATION. THE STATE LICENSING AUTHORITY SHALL PROCESS

1 APPLICATIONS IN THE ORDER IN WHICH COMPLETE APPLICATIONS ARE  
2 RECEIVED BY THE STATE LICENSING AUTHORITY.

3 (II) (A) THE STATE LICENSING AUTHORITY SHALL PROVIDE  
4 PREFERENCE TO APPLICANTS WHO SUBMITTED A NOTICE OF INTENT TO  
5 APPLY PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (b) OF  
6 SUBSECTION (1) OF THIS SECTION.

7 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JULY 1,  
8 2015.

9

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

17 (4) THIS ARTICLE SETS FORTH THE EXCLUSIVE MEANS BY WHICH  
18 CULTIVATION, MANUFACTURE, SALE, DISTRIBUTION, DISPENSING, AND  
19 TESTING OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS MAY  
20 OCCUR IN THE STATE OF COLORADO.

21 (5) (a) NOTHING IN THIS ARTICLE IS INTENDED TO REQUIRE AN  
22 EMPLOYER TO PERMIT OR ACCOMMODATE THE USE, CONSUMPTION,  
23 POSSESSION, TRANSFER, DISPLAY, TRANSPORTATION, SALE, OR  
24 CULTIVATING OF MARIJUANA IN THE WORKPLACE OR TO AFFECT THE  
25 ABILITY OF EMPLOYERS TO HAVE POLICIES RESTRICTING THE USE OF  
26 MARIJUANA BY EMPLOYEES.

27 (b) NOTHING IN THIS ARTICLE PROHIBITS A PERSON, EMPLOYER,

1 SCHOOL, HOSPITAL, DETENTION FACILITY, CORPORATION, OR ANY OTHER  
2 ENTITY WHO OCCUPIES, OWNS, OR CONTROLS A PROPERTY FROM  
3 PROHIBITING OR OTHERWISE REGULATING THE POSSESSION, CONSUMPTION,  
4 USE, DISPLAY, TRANSFER, DISTRIBUTION, SALE, TRANSPORTATION, OR  
5 CULTIVATING OF MARIJUANA ON OR IN THAT PROPERTY.

6 (6) ON OR BEFORE APRIL 1, 2014, AND ON OR BEFORE APRIL 1  
7 EACH YEAR THEREAFTER, THE STATE LICENSING AUTHORITY SHALL SUBMIT  
8 A REPORT TO THE JOINT BUDGET COMMITTEE AND THE FINANCE  
9 COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES, OR ANY  
10 SUCCESSOR COMMITTEES, ON:

11 (a) THE PROGRESS THAT THE STATE LICENSING AUTHORITY IS  
12 MAKING IN PROCESSING LICENSES;

13 (b) AN OVERVIEW OF THE RETAIL MARIJUANA AND RETAIL  
14 MARIJUANA PRODUCTS MARKETS, INCLUDING BUT NOT LIMITED TO ACTUAL  
15 AND ANTICIPATED MARKET DEMAND AND MARKET SUPPLY;

16 (c) DETAILING THE AMOUNT OF REVENUE GENERATED BY MEDICAL  
17 AND RETAIL MARIJUANA, INCLUDING APPLICABLE EXCISE TAXES, SALES  
18 TAXES, APPLICATION AND LICENSE FEES, AND ANY OTHER FEES, AND  
19 DETAILING THE EXPENSES INCURRED BY THE STATE LICENSING AUTHORITY,  
20 BROKEN DOWN INTO CATEGORIES AS DETERMINED BY THE AUTHORITY;

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 AND RETAIL MARIJUANA PRODUCTS ARE  
6 CULTIVATED, STORED, WEIGHED, PACKAGED, OR TESTED, UNDER CONTROL  
7 OF THE LICENSEE, WITH LIMITED ACCESS TO ONLY THOSE PERSONS  
8 LICENSED BY THE STATE LICENSING AUTHORITY. ALL AREAS OF INGRESS  
9 OR EGRESS TO LIMITED ACCESS AREAS SHALL BE CLEARLY IDENTIFIED AS  
10 SUCH BY A SIGN AS DESIGNATED BY THE 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 AND RETAIL MARIJUANA PRODUCTS IN THIS STATE, THE STATE LICENSING  
17 AUTHORITY CREATED IN SECTION 12-43.3-201, SHALL ALSO HAVE  
18 REGULATORY AUTHORITY FOR RETAIL MARIJUANA AND RETAIL MARIJUANA  
19 PRODUCTS AS PERMITTED IN SECTION 16 OF ARTICLE XVIII OF THE STATE  
20 CONSTITUTION AND THIS ARTICLE.

21 **12-43.4-202. Powers and duties of state licensing authority.**

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

1 OTHERWISE TRANSFERRED EXCEPT BY A RETAIL MARIJUANA STORE.

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

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

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

20 (c) HEAR AND DETERMINE AT A PUBLIC HEARING ANY CONTESTED  
21 STATE LICENSE DENIAL AND ANY COMPLAINTS AGAINST A LICENSEE AND  
22 ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF  
23 PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS  
24 NECESSARY TO THE DETERMINATION OF ANY HEARING SO HELD, ALL IN  
25 ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S. THE STATE LICENSING  
26 AUTHORITY MAY, AT ITS DISCRETION, DELEGATE TO THE DEPARTMENT OF  
27 REVENUE HEARING OFFICERS THE AUTHORITY TO CONDUCT LICENSING,

1 DISCIPLINARY, AND RULE-MAKING HEARINGS. WHEN CONDUCTING SUCH  
2 HEARINGS, THE HEARING OFFICERS ARE EMPLOYEES OF THE STATE  
3 LICENSING AUTHORITY UNDER THE DIRECTION AND SUPERVISION OF THE  
4 EXECUTIVE DIRECTOR AND THE STATE LICENSING AUTHORITY.

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

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

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

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

26 (I) PROCEDURES CONSISTENT WITH THIS ARTICLE FOR THE  
27 ISSUANCE, RENEWAL, SUSPENSION, AND REVOCATION OF LICENSES TO

1 OPERATE RETAIL MARIJUANA ESTABLISHMENTS;

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

3 (a) (II) OF ARTICLE XVIII OF THE STATE CONSTITUTION AND CONSISTENT

4 WITH THIS ARTICLE, A SCHEDULE OF APPLICATION, LICENSING, AND

5 RENEWAL FEES FOR RETAIL MARIJUANA ESTABLISHMENTS;

6 (III) QUALIFICATIONS FOR LICENSURE UNDER THIS ARTICLE,

7 INCLUDING BUT NOT LIMITED TO THE REQUIREMENT FOR A

8 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK FOR ALL OWNERS,

9 OFFICERS, MANAGERS, CONTRACTORS, EMPLOYEES, AND OTHER SUPPORT

10 STAFF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE;

11 (IV) (A) ESTABLISHING A MARIJUANA AND MARIJUANA PRODUCTS

12 INDEPENDENT TESTING AND CERTIFICATION PROGRAM, WITHIN AN

13 IMPLEMENTATION TIME FRAME ESTABLISHED BY THE DEPARTMENT,

14 REQUIRING LICENSEES TO TEST MARIJUANA TO ENSURE AT A MINIMUM

15 THAT PRODUCTS SOLD FOR HUMAN CONSUMPTION DO NOT CONTAIN

16 CONTAMINANTS THAT ARE INJURIOUS TO HEALTH AND TO ENSURE

17 CORRECT LABELING.

18 (B) TESTING SHALL INCLUDE, BUT NOT BE LIMITED TO, ANALYSIS

19 FOR RESIDUAL SOLVENTS, POISONS, OR TOXINS; HARMFUL CHEMICALS;

20 DANGEROUS MOLDS OR MILDEW; FILTH; AND HARMFUL MICROBIALS SUCH

21 AS E. COLI OR SALMONELLA AND PESTICIDES.

22 (C) IN THE EVENT THAT TEST RESULTS INDICATE THE PRESENCE OF

23 QUANTITIES OF ANY SUBSTANCE DETERMINED TO BE INJURIOUS TO

24 HEALTH, SUCH PRODUCTS SHALL BE IMMEDIATELY QUARANTINED AND

25 IMMEDIATE NOTIFICATION TO THE MARIJUANA ENFORCEMENT DIVISION

26 SHALL BE MADE. THE ADULTERATED PRODUCT SHALL BE DOCUMENTED

27 AND PROPERLY DESTROYED.

1           (D) TESTING SHALL ALSO VERIFY THC POTENCY  
2           REPRESENTATIONS FOR CORRECT LABELING.

3           (E) THE AGENCY SHALL DETERMINE AN ACCEPTABLE VARIANCE  
4           FOR POTENCY REPRESENTATIONS AND PROCEDURES TO ADDRESS POTENCY  
5           MISREPRESENTATIONS.

6           (F) THE AGENCY SHALL DETERMINE THE PROTOCOLS AND  
7           FREQUENCY OF MARIJUANA TESTING BY LICENSEES.

8           (G) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC  
9           HEALTH AND ENVIRONMENT SHALL PROVIDE TO THE STATE LICENSING  
10          AUTHORITY STANDARDS FOR LICENSING LABORATORIES PURSUANT TO THE  
11          REQUIREMENTS AS OUTLINED IN SUB-SUBPARAGRAPH (A) OF THIS  
12          SUBPARAGRAPH (IV) FOR MARIJUANA AND MARIJUANA PRODUCTS.

13          (V) SECURITY REQUIREMENTS FOR ANY PREMISES LICENSED  
14          PURSUANT TO THIS ARTICLE, INCLUDING, AT A MINIMUM, LIGHTING,  
15          PHYSICAL SECURITY, VIDEO, AND ALARM REQUIREMENTS, AND OTHER  
16          MINIMUM PROCEDURES FOR INTERNAL CONTROL AS DEEMED NECESSARY  
17          BY THE STATE LICENSING AUTHORITY TO PROPERLY ADMINISTER AND  
18          ENFORCE THE PROVISIONS OF THIS ARTICLE, INCLUDING REPORTING  
19          REQUIREMENTS FOR CHANGES, ALTERATIONS, OR MODIFICATIONS TO THE  
20          PREMISES;

21          (VI) REQUIREMENTS TO PREVENT THE SALE OR DIVERSION OF  
22          RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS TO PERSONS  
23          UNDER TWENTY-ONE YEARS OF AGE;

24          (VII) LABELING REQUIREMENTS FOR RETAIL MARIJUANA AND  
25          RETAIL MARIJUANA PRODUCTS SOLD BY A RETAIL MARIJUANA  
26          ESTABLISHMENT THAT ARE AT LEAST AS STRINGENT AS IMPOSED BY  
27          SECTION 25-4-1614 (3) (a), C.R.S., AND INCLUDE BUT ARE NOT LIMITED

1 TO:

2 (A) THE LICENSE NUMBER OF THE RETAIL MARIJUANA  
3 CULTIVATION LICENSE;

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

5 (C) AN IDENTITY STATEMENT AND STANDARDIZED GRAPHIC  
6 SYMBOL;

7 (D) THE BATCH NUMBER;

8 (E) A NET WEIGHT STATEMENT;

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

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

14 (H) A STATEMENT TO THE EFFECT OF "THIS PRODUCT CONTAINS  
15 MARIJUANA AND WAS CULTIVATED OR PRODUCED WITHOUT REGULATORY  
16 OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY, AND THERE MAY BE  
17 HEALTH RISKS ASSOCIATED WITH THE CONSUMPTION OF THE PRODUCT.";

18 (I) WARNING LABELS;

19 (J) SOLVENTS USED IN THE EXTRACTION PROCESS;

20 (K) AMOUNT OF THC PER SERVING AND THE NUMBER OF SERVINGS  
21 PER PACKAGE FOR MARIJUANA PRODUCTS;

22 (L) A LIST OF INGREDIENTS AND POSSIBLE ALLERGENS FOR RETAIL  
23 MARIJUANA PRODUCTS;

24 (M) A RECOMMENDED USE BY OR EXPIRATION DATE FOR RETAIL  
25 MARIJUANA PRODUCTS;

26 (N) A NUTRITIONAL FACT PANEL FOR EDIBLE MARIJUANA  
27 PRODUCTS; AND

1 (O) A UNIVERSAL SYMBOL INDICATING THE PACKAGE CONTAINS  
2 MARIJUANA.

3 (VIII) HEALTH AND SAFETY REGULATIONS AND STANDARDS FOR  
4 THE MANUFACTURE OF RETAIL MARIJUANA PRODUCTS AND THE  
5 CULTIVATION OF RETAIL MARIJUANA;

6 (IX) LIMITATIONS ON THE DISPLAY OF RETAIL MARIJUANA AND  
7 RETAIL MARIJUANA PRODUCTS;

8 (X) REGULATION OF THE STORAGE OF, WAREHOUSES FOR, AND  
9 TRANSPORTATION OF RETAIL MARIJUANA AND RETAIL MARIJUANA  
10 PRODUCTS;

11 (XI) SANITARY REQUIREMENTS FOR RETAIL MARIJUANA  
12 ESTABLISHMENTS, INCLUDING BUT NOT LIMITED TO SANITARY  
13 REQUIREMENTS FOR THE PREPARATION OF RETAIL MARIJUANA PRODUCTS;

14 (XII) RECORDS TO BE KEPT BY LICENSEES AND THE REQUIRED  
15 AVAILABILITY OF THE RECORDS;

16 (XIII) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES TAX  
17 PAYMENTS BY RETAIL MARIJUANA STORES AND ANY APPLICABLE EXCISE  
18 TAX PAYMENTS BY RETAIL MARIJUANA CULTIVATION FACILITIES;

19 (XIV) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO  
20 HAVE ACCESS TO LICENSING INFORMATION TO ENSURE SALES, EXCISE, AND  
21 INCOME TAX PAYMENT AND THE EFFECTIVE ADMINISTRATION OF THIS  
22 ARTICLE;

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

1                   (XVI) ESTABLISHING A SCHEDULE OF PENALTIES AND PROCEDURES  
2                   FOR ISSUING AND APPEALING CITATIONS FOR VIOLATION OF STATUTES AND  
3                   RULES AND ISSUING ADMINISTRATIVE CITATIONS.

4                   (b) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF  
5                   SUBSECTION (2) OF THIS SECTION MUST ALSO INCLUDE THE FOLLOWING  
6                   SUBJECTS:

7                   (I) SPECIFICATIONS OF DUTIES OF OFFICERS AND EMPLOYEES OF  
8                   THE STATE LICENSING AUTHORITY;

9                   (II) INSTRUCTIONS FOR LOCAL JURISDICTIONS AND LAW  
10                  ENFORCEMENT OFFICERS;

11                  (III) REQUIREMENTS FOR INSPECTIONS, INVESTIGATIONS,  
12                  SEARCHES, SEIZURES, FORFEITURES, AND SUCH ADDITIONAL ACTIVITIES AS  
13                  MAY BECOME NECESSARY FROM TIME TO TIME;

14                  (IV) PROHIBITION OF MISREPRESENTATION AND UNFAIR  
15                  PRACTICES;

16                  (V) DEVELOPMENT OF INDIVIDUAL IDENTIFICATION CARDS FOR  
17                  OWNERS, OFFICERS, MANAGERS, CONTRACTORS, EMPLOYEES, AND OTHER  
18                  SUPPORT STAFF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE,  
19                  INCLUDING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS  
20                  MAY BE REQUIRED BY THE STATE LICENSING AUTHORITY PRIOR TO ISSUING  
21                  A CARD;

22                  (VI) IDENTIFICATION OF STATE LICENSEES AND THEIR OWNERS,  
23                  OFFICERS, MANAGERS, AND EMPLOYEES;

24                  (VII) THE SPECIFICATION OF ACCEPTABLE FORMS OF PICTURE  
25                  IDENTIFICATION THAT A RETAIL MARIJUANA STORE MAY ACCEPT WHEN  
26                  VERIFYING A SALE, INCLUDING BUT NOT LIMITED TO GOVERNMENT-ISSUED  
27

1 IDENTIFICATION CARDS;

2 [REDACTED]

3 (VIII) STATE LICENSING PROCEDURES, INCLUDING PROCEDURES  
4 FOR RENEWALS, REINSTATEMENTS, INITIAL LICENSES, AND THE PAYMENT  
5 OF LICENSING FEES; AND

6 [REDACTED]

7 ==

8 (IX) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR,  
9 IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS  
10 ARTICLE.

11 (c) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF  
12 SUBSECTION (2) OF THIS SECTION MUST ALSO INCLUDE THE FOLLOWING  
13 SUBJECTS AND THE STATE LICENSING AUTHORITY MAY SEEK THE  
14 ASSISTANCE OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT  
15 WHEN NECESSARY BEFORE PROMULGATING THE RULES:

16 (I) SIGNAGE, MARKETING, AND ADVERTISING, INCLUDING BUT NOT  
17 LIMITED TO A PROHIBITION ON MASS-MARKET CAMPAIGNS THAT HAVE A  
18 HIGH LIKELIHOOD OF REACHING MINORS AND OTHER SUCH RULES THAT  
19 MAY INCLUDE:

20 (A) ALLOW PACKAGING AND ACCESSORY BRANDING;

21 (B) A PROHIBITION ON HEALTH OR PHYSICAL BENEFIT CLAIMS IN  
22 ADVERTISING, MERCHANDISING, AND PACKAGING;

23 (C) A PROHIBITION ON UNSOLICITED POP-UP ADVERTISING ON THE  
24 INTERNET;

25 (D) A PROHIBITION ON BANNER ADS ON MASS-MARKET WEB SITES;

26 (E) A PROHIBITION ON OPT-IN MARKETING THAT DOES NOT PERMIT  
27 AN EASY AND PERMANENT OPT-OUT FEATURE; AND [REDACTED]

1           (F) A PROHIBITION ON MARKETING DIRECTED TOWARDS  
2 LOCATION-BASED DEVICES, INCLUDING BUT NOT LIMITED TO CELLULAR  
3 PHONES, UNLESS THE MARKETING IS A MOBILE DEVICE APPLICATION  
4 INSTALLED ON THE DEVICE BY THE OWNER OF THE DEVICE WHO IS  
5 TWENTY-ONE YEARS OF AGE OR OLDER AND INCLUDES A PERMANENT AND  
6 EASY OPT-OUT FEATURE; ==

7           (II) REQUIRING THAT MAGAZINES WHOSE PRIMARY FOCUS IS  
8 MARIJUANA OR MARIJUANA BUSINESSES ARE ONLY SOLD IN RETAIL  
9 MARIJUANA STORES OR BEHIND THE COUNTER IN ESTABLISHMENTS WHERE  
10 PERSONS UNDER TWENTY-ONE YEARS OF AGE ARE PRESENT.

11           (III) PROHIBITING THE SALE OF RETAIL MARIJUANA AND RETAIL  
12 MARIJUANA PRODUCTS UNLESS:

13           (A) THE PRODUCT IS PACKAGED BY THE RETAIL MARIJUANA STORE  
14 OR THE RETAIL MARIJUANA PRODUCTS MANUFACTURER IN PACKAGING  
15 MEETING REQUIREMENTS ESTABLISHED BY THE STATE LICENSING  
16 AUTHORITY SIMILAR TO THE FEDERAL "POISON PREVENTION PACKAGING  
17 ACT OF 1970", 15 U.S.C. SEC. 1471 ET SEQ.; OR

18           (B) THE PRODUCT IS PLACED IN AN EXIT PACKAGE OR CONTAINER  
19 MEETING REQUIREMENTS ESTABLISHED BY THE STATE LICENSING  
20 AUTHORITY AT THE POINT OF SALE PRIOR TO EXITING THE STORE;

21           (IV) THE SAFE AND LAWFUL TRANSPORT OF RETAIL MARIJUANA  
22 AND RETAIL MARIJUANA PRODUCTS BETWEEN THE LICENSED BUSINESS AND  
23 TESTING LABS;

24           (V) A STANDARDIZED MARIJUANA SERVING SIZE AMOUNT FOR  
25 EDIBLE RETAIL MARIJUANA PRODUCTS THAT DOES NOT CONTAIN MORE  
26 THAN TEN MILLIGRAMS OF ACTIVE THC DESIGNED ONLY TO PROVIDE  
27 CONSUMERS WITH INFORMATION ABOUT THE TOTAL NUMBER OF SERVINGS

1 OF ACTIVE THC IN A PARTICULAR RETAIL MARIJUANA PRODUCT, NOT AS  
2 A LIMITATION ON THE TOTAL AMOUNT OF THC IN ANY PARTICULAR ITEM,  
3 LABELING REQUIREMENTS REGARDING SERVINGS FOR EDIBLE RETAIL  
4 MARIJUANA PRODUCTS, AND LIMITATIONS ON THE TOTAL AMOUNT OF  
5 ACTIVE THC IN A SEALED INTERNAL PACKAGE THAT IS NO MORE THAN ONE  
6 HUNDRED MILLIGRAMS OF ACTIVE THC;

7 (VI) LABELING GUIDELINES CONCERNING THE TOTAL CONTENT OF  
8 THC PER UNIT OF WEIGHT;

9 (VII) PROHIBITION OR REGULATION OF ADDITIVES TO ANY RETAIL  
10 MARIJUANA PRODUCT, INCLUDING BUT NOT LIMITED TO THOSE THAT ARE  
11 TOXIC, DESIGNED TO MAKE THE PRODUCT MORE ADDICTIVE, DESIGNED TO  
12 MAKE THE PRODUCT MORE APPEALING TO CHILDREN, OR MISLEADING TO  
13 CONSUMERS, BUT NOT INCLUDING COMMON BAKING AND COOKING ITEMS;

14 AND

15 (VIII) PERMISSION FOR A LOCAL FIRE DEPARTMENT TO CONDUCT  
16 AN ANNUAL FIRE INSPECTION OF A RETAIL MARIJUANA CULTIVATION  
17 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 AND RETAIL MARIJUANA PRODUCTS.

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

10 (b) (I) THE STATE LICENSING AUTHORITY MAY ESTABLISH  
11 LIMITATIONS UPON RETAIL MARIJUANA PRODUCTION THROUGH ONE OR  
12 MORE OF THE FOLLOWING METHODS:

13 (A) PLACING OR MODIFYING A LIMIT ON THE NUMBER OF LICENSES  
14 THAT IT ISSUES, BY CLASS OR OVERALL, BUT IN PLACING OR MODIFYING  
15 THE LIMITS, THE AUTHORITY SHALL CONSIDER THE REASONABLE  
16 AVAILABILITY OF NEW LICENSES AFTER A LIMIT IS ESTABLISHED OR  
17 MODIFIED;

18 (B) PLACING OR MODIFYING A LIMIT ON THE AMOUNT OF  
19 PRODUCTION PERMITTED BY A RETAIL MARIJUANA CULTIVATION LICENSE  
20 OR CLASS OF LICENSES BASED UPON SOME REASONABLE METRIC OR SET OF  
21 METRICS INCLUDING, BUT NOT LIMITED TO, THOSE ITEMS DETAILED IN  
22 PARAGRAPH (a) OF THIS SUBSECTION (4), PREVIOUS MONTHS' SALES,  
23 PENDING SALES, OR OTHER REASONABLE METRICS AS DETERMINED BY THE  
24 STATE LICENSING AUTHORITY; AND

25 (C) PLACING OR MODIFYING A LIMIT ON THE TOTAL AMOUNT OF  
26 PRODUCTION BY RETAIL MARIJUANA CULTIVATION LICENSEES IN THE  
27 STATE, COLLECTIVELY, BASED UPON SOME REASONABLE METRIC OR SET OF

1 METRICS INCLUDING, BUT NOT LIMITED TO, THOSE ITEMS DETAILED IN  
2 PARAGRAPH (a) OF THIS SUBSECTION (4), AS DETERMINED BY THE STATE  
3 LICENSING AUTHORITY.

4 (II) NOTWITHSTANDING ANYTHING CONTAINED IN THIS ARTICLE TO  
5 THE CONTRARY, IN CONSIDERING ANY SUCH LIMITATIONS, THE STATE  
6 LICENSING AUTHORITY, IN ADDITION TO ANY OTHER RELEVANT  
7 CONSIDERATIONS, SHALL:

8 (A) CONSIDER THE TOTAL CURRENT AND ANTICIPATED DEMAND  
9 FOR RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS IN COLORADO;  
10 AND

11 (B) ATTEMPT TO MINIMIZE THE MARKET FOR UNLAWFUL  
12 MARIJUANA.

13 PART 3

14 STATE AND LOCAL LICENSING

15 **12-43.4-301. Local approval - licensing.** (1) WHEN THE STATE  
16 LICENSING AUTHORITY RECEIVES AN APPLICATION FOR ORIGINAL  
17 LICENSING OR RENEWAL OF AN EXISTING LICENSE FOR ANY MARIJUANA  
18 ESTABLISHMENT, THE STATE LICENSING AUTHORITY SHALL WITHIN SEVEN  
19 DAYS PROVIDE A COPY OF THE APPLICATION TO THE LOCAL JURISDICTION  
20 IN WHICH THE ESTABLISHMENT IS TO BE LOCATED UNLESS THE LOCAL  
21 JURISDICTION HAS PROHIBITED THE OPERATION OF RETAIL MARIJUANA  
22 ESTABLISHMENTS PURSUANT TO SECTION 16 (5) (f) OF ARTICLE XVIII OF  
23 THE STATE CONSTITUTION. THE LOCAL JURISDICTION SHALL DETERMINE  
24 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON  
25 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. THE  
26 LOCAL JURISDICTION SHALL INFORM THE STATE LICENSING AUTHORITY  
27 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON

1 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES.

2 (2) A LOCAL JURISDICTION MAY IMPOSE A SEPARATE LOCAL  
3 LICENSING REQUIREMENT AS A PART OF ITS RESTRICTIONS ON TIME, PLACE,  
4 MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. A LOCAL  
5 JURISDICTION MAY DECLINE TO IMPOSE ANY LOCAL LICENSING  
6 REQUIREMENTS, BUT A LOCAL JURISDICTION SHALL NOTIFY THE STATE  
7 LICENSING AUTHORITY THAT IT EITHER APPROVES OR DENIES EACH  
8 APPLICATION FORWARDED TO IT.

9 **12-43.4-302. Public hearing notice - posting and publication.**

10 (1) IF A LOCAL JURISDICTION ISSUES LOCAL LICENSES FOR A RETAIL  
11 MARIJUANA ESTABLISHMENT, A LOCAL JURISDICTION MAY SCHEDULE A  
12 PUBLIC HEARING ON THE APPLICATION. IF THE LOCAL JURISDICTION  
13 SCHEDULES A HEARING, IT SHALL POST AND PUBLISH PUBLIC NOTICE  
14 THEREOF NOT LESS THAN TEN DAYS PRIOR TO THE HEARING. THE LOCAL  
15 JURISDICTION SHALL GIVE PUBLIC NOTICE BY POSTING A SIGN IN A  
16 CONSPICUOUS PLACE ON THE LICENSE APPLICANT'S PREMISES FOR WHICH  
17 A LOCAL LICENSE APPLICATION HAS BEEN MADE AND BY PUBLICATION IN  
18 A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY IN WHICH THE  
19 APPLICANT'S PREMISES ARE LOCATED.

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

26 **12-43.4-303. Retail marijuana license bond.** (1) BEFORE THE  
27 STATE LICENSING AUTHORITY ISSUES A STATE LICENSE TO AN APPLICANT,

1 THE APPLICANT SHALL PROCURE AND FILE WITH THE STATE LICENSING  
2 AUTHORITY EVIDENCE OF A GOOD AND SUFFICIENT BOND IN THE AMOUNT  
3 OF FIVE THOUSAND DOLLARS WITH CORPORATE SURETY THEREON DULY  
4 LICENSED TO DO BUSINESS WITH THE STATE, APPROVED AS TO FORM BY  
5 THE ATTORNEY GENERAL OF THE STATE, AND CONDITIONED THAT THE  
6 APPLICANT SHALL REPORT AND PAY ALL SALES AND USE TAXES DUE TO THE  
7 STATE, OR FOR WHICH THE STATE IS THE COLLECTOR OR COLLECTING  
8 AGENT, IN A TIMELY MANNER, AS PROVIDED IN LAW.

9 (2) A CORPORATE SURETY SHALL NOT BE REQUIRED TO MAKE  
10 PAYMENTS TO THE STATE CLAIMING UNDER SUCH BOND UNTIL A FINAL  
11 DETERMINATION OF FAILURE TO PAY TAXES DUE TO THE STATE IS MADE BY  
12 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE OR A COURT  
13 OF COMPETENT JURISDICTION.

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

18 **12-43.4-304. State licensing authority - application and**  
19 **issuance procedures.** (1) APPLICATIONS FOR A STATE LICENSE UNDER  
20 THE PROVISIONS OF THIS ARTICLE MUST BE MADE TO THE STATE LICENSING  
21 AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE STATE  
22 LICENSING AUTHORITY AND MUST SET FORTH SUCH INFORMATION AS THE  
23 STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE  
24 LICENSING AUTHORITY TO DETERMINE WHETHER A STATE LICENSE SHOULD  
25 BE GRANTED. THE INFORMATION MUST INCLUDE THE NAME AND ADDRESS  
26 OF THE APPLICANT AND THE NAMES AND ADDRESSES OF THE OFFICERS,  
27 DIRECTORS, OR MANAGERS. EACH APPLICATION MUST BE VERIFIED BY THE

1 OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE  
2 LICENSING AUTHORITY MAY PRESCRIBE. THE STATE LICENSING AUTHORITY  
3 MAY ISSUE A STATE LICENSE TO AN APPLICANT PURSUANT TO THIS SECTION  
4 UPON COMPLETION OF THE APPLICABLE CRIMINAL HISTORY BACKGROUND  
5 CHECK ASSOCIATED WITH THE APPLICATION, AND THE STATE LICENSE IS  
6 CONDITIONED UPON LOCAL JURISDICTION APPROVAL. A LICENSE  
7 APPLICANT IS PROHIBITED FROM OPERATING A LICENSED RETAIL  
8 MARIJUANA BUSINESS WITHOUT STATE AND LOCAL JURISDICTION  
9 APPROVAL. IF THE APPLICANT DOES NOT RECEIVE LOCAL JURISDICTION  
10 APPROVAL WITHIN ONE YEAR FROM THE DATE OF STATE LICENSING  
11 AUTHORITY APPROVAL, THE STATE LICENSE SHALL EXPIRE AND MAY NOT  
12 BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL LICENSING  
13 AUTHORITY, THE STATE LICENSING AUTHORITY SHALL REVOKE THE  
14 STATE-ISSUED LICENSE.

15 (2) NOTHING IN THIS ARTICLE PREEMPTS OR OTHERWISE IMPAIRS  
16 THE POWER OF A LOCAL GOVERNMENT TO ENACT ORDINANCES OR  
17 RESOLUTIONS CONCERNING MATTERS AUTHORIZED TO LOCAL  
18 GOVERNMENTS.

19 **12-43.4-305. Denial of application.** (1) THE STATE LICENSING  
20 AUTHORITY SHALL DENY A STATE LICENSE IF THE PREMISES ON WHICH THE  
21 APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DOES NOT MEET THE  
22 REQUIREMENTS OF THIS ARTICLE OR FOR REASONS SET FORTH IN SECTION  
23 12-43.4-304. THE STATE LICENSING AUTHORITY MAY REFUSE OR DENY  
24 A LICENSE RENEWAL, REINSTATEMENT, OR INITIAL LICENSE ISSUANCE FOR  
25 GOOD CAUSE. FOR PURPOSES OF THIS SUBSECTION (1), "GOOD CAUSE"  
26 MEANS:

27 (a) THE LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET,

1 OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OR  
2 PROVISIONS OF THIS ARTICLE, ANY RULES PROMULGATED PURSUANT TO  
3 THIS ARTICLE, OR ANY SUPPLEMENTAL LOCAL LAW, RULES, OR  
4 REGULATIONS;

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

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

11 (2) IF THE STATE LICENSING AUTHORITY DENIES A STATE LICENSE  
12 PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE APPLICANT SHALL BE  
13 ENTITLED TO A HEARING PURSUANT TO SECTION 24-4-104 (9), C.R.S., AND  
14 JUDICIAL REVIEW PURSUANT TO SECTION 24-4-106, C.R.S. THE STATE  
15 LICENSING AUTHORITY SHALL PROVIDE WRITTEN NOTICE OF THE GROUNDS  
16 FOR DENIAL OF THE STATE LICENSE TO THE APPLICANT AND TO THE LOCAL  
17 JURISDICTION AT LEAST FIFTEEN DAYS PRIOR TO THE HEARING.

18 **12-43.4-306. Persons prohibited as licensees.** (1) A LICENSE  
19 PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:

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

21 (b) AN INDIVIDUAL WHOSE CRIMINAL HISTORY INDICATES THAT HE  
22 OR SHE IS NOT OF GOOD MORAL CHARACTER AFTER CONSIDERING THE  
23 FACTORS IN SECTION 24-5-101 (2), C.R.S.

24 (c) A PERSON OTHER THAN AN INDIVIDUAL IF THE CRIMINAL  
25 HISTORY OF ANY OF ITS OFFICERS, DIRECTORS, STOCKHOLDERS, OR  
26 OWNERS INDICATES THAT THE OFFICER, DIRECTOR, STOCKHOLDER, OR  
27 OWNER IS NOT OF GOOD MORAL CHARACTER AFTER CONSIDERING THE

1 FACTORS IN SECTION 24-5-101 (2), C.R.S. [REDACTED]

2 (d) A PERSON     FINANCED IN WHOLE OR IN PART BY ANY OTHER  
3 PERSON WHOSE CRIMINAL HISTORY INDICATES HE OR SHE IS NOT OF GOOD  
4 MORAL CHARACTER AFTER CONSIDERING THE FACTORS IN SECTION  
5 24-5-101 (2), C.R.S., AND REPUTATION SATISFACTORY TO THE RESPECTIVE  
6 LICENSING AUTHORITY;

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

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

11 (I) PROVIDE A SURETY BOND OR FILE ANY TAX RETURN [REDACTED] [REDACTED]  
12 RELATED TO A RETAIL MARIJUANA ESTABLISHMENT; OR

13 (II) PAY ANY TAXES, INTEREST, OR PENALTIES DUE THE  
14 DEPARTMENT OF REVENUE RELATING TO A RETAIL MARIJUANA  
15 ESTABLISHMENT;

16 (g) A PERSON WHO:

17 (I) HAS DISCHARGED A SENTENCE FOR A CONVICTION OF A FELONY  
18 IN THE FIVE YEARS IMMEDIATELY PRECEDING HIS OR HER APPLICATION  
19 DATE; OR

20 (II) HAS DISCHARGED A SENTENCE FOR A CONVICTION OF A FELONY  
21 PURSUANT TO ANY STATE OR FEDERAL LAW REGARDING THE POSSESSION,  
22 DISTRIBUTION, MANUFACTURING, CULTIVATION, OR USE OF A CONTROLLED  
23 SUBSTANCE IN THE TEN YEARS IMMEDIATELY PRECEDING HIS OR HER  
24 APPLICATION DATE     FIVE YEARS FROM THE EFFECTIVE DATE OF HOUSE  
25 BILL 13-1317, ENACTED IN 2013, WHICHEVER IS LONGER; EXCEPT THAT  
26 THE LICENSING AUTHORITY MAY GRANT A LICENSE TO A PERSON IF THE  
27 PERSON HAS A STATE FELONY CONVICTION BASED ON POSSESSION OR USE

1 OF MARIJUANA OR MARIJUANA CONCENTRATE THAT WOULD NOT BE A  
2 FELONY IF THE PERSON WERE CONVICTED OF THE OFFENSE ON THE DATE HE  
3 OR SHE APPLIED FOR LICENSURE; \_\_\_\_\_

4 (h) A PERSON WHO EMPLOYS ANOTHER PERSON AT A RETAIL  
5 MARIJUANA ESTABLISHMENT WHO HAS NOT SUBMITTED FINGERPRINTS FOR  
6 A CRIMINAL HISTORY RECORD CHECK OR WHOSE CRIMINAL RECORD  
7 HISTORY CHECK REVEALS THAT THE PERSON IS INELIGIBLE;

8 (i) A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR PROSECUTING  
9 OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE LICENSING  
10 AUTHORITY OR A LOCAL LICENSING AUTHORITY;

11 (j) A PERSON FOR A LICENSE FOR A LOCATION THAT IS CURRENTLY  
12 LICENSED AS A RETAIL FOOD ESTABLISHMENT OR WHOLESALE FOOD  
13 REGISTRANT; OR

14 (k) AN OWNER WHO HAS NOT BEEN A RESIDENT OF COLORADO FOR  
15 AT LEAST TWO YEARS PRIOR TO THE DATE OF THE OWNER'S APPLICATION.

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

1 A STATE LICENSE.

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

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

1 WHETHER AN APPLICANT IS QUALIFIED TO HOLD A STATE LICENSE  
2 PURSUANT TO THIS ARTICLE. THE STATE OR LOCAL LICENSING AUTHORITY  
3 MAY VERIFY ANY OF THE INFORMATION AN APPLICANT IS REQUIRED TO  
4 SUBMIT.

5 **12-43.4-307. Restrictions for applications for new licenses.**

6 (1) THE STATE LICENSING AUTHORITY SHALL NOT APPROVE AN  
7 APPLICATION FOR THE ISSUANCE OF A STATE LICENSE PURSUANT TO  
8 THIS ARTICLE:

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

15 (b) UNTIL IT IS ESTABLISHED THAT THE APPLICANT IS, OR WILL BE,  
16 ENTITLED TO POSSESSION OF THE PREMISES FOR WHICH APPLICATION IS  
17 MADE UNDER A LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT  
18 FOR POSSESSION OF THE PREMISES OR BY VIRTUE OF OWNERSHIP OF THE  
19 PREMISES.

20 == ===== ==

21 **12-43.4-308. Transfer of ownership.** (1) A STATE LICENSE  
22 GRANTED UNDER THE PROVISIONS OF THIS ARTICLE IS NOT TRANSFERABLE  
23 EXCEPT AS PROVIDED IN THIS SECTION, BUT THIS SECTION DOES NOT  
24 PREVENT A CHANGE OF LOCATION AS PROVIDED IN SECTION 12-43.4-310  
25 (12).

26 (2) FOR A TRANSFER OF OWNERSHIP, A LICENSE HOLDER SHALL  
27 APPLY TO THE STATE LICENSING AUTHORITY ON FORMS PREPARED AND

1 FURNISHED BY THE STATE LICENSING AUTHORITY. UPON RECEIPT OF AN  
2 APPLICATION FOR TRANSFER OF OWNERSHIP, THE STATE LICENSING  
3 AUTHORITY SHALL, WITHIN SEVEN DAYS, SUBMIT A COPY OF THE  
4 APPLICATION TO THE LOCAL JURISDICTION TO DETERMINE WHETHER THE  
5 TRANSFER COMPLIES WITH LOCAL RESTRICTION ON TRANSFER OF  
6 OWNERSHIP. IN DETERMINING WHETHER TO PERMIT A TRANSFER OF  
7 OWNERSHIP, THE STATE LICENSING AUTHORITY SHALL CONSIDER ONLY THE  
8 REQUIREMENTS OF THIS ARTICLE, ANY RULES PROMULGATED BY THE  
9 STATE LICENSING AUTHORITY, AND ANY OTHER LOCAL RESTRICTIONS. THE  
10 LOCAL JURISDICTION MAY HOLD A HEARING ON THE APPLICATION FOR  
11 TRANSFER OF OWNERSHIP. THE LOCAL JURISDICTION SHALL NOT HOLD A  
12 HEARING PURSUANT TO THIS SUBSECTION (2) UNTIL THE LOCAL  
13 JURISDICTION HAS POSTED A NOTICE OF HEARING IN THE MANNER  
14 DESCRIBED IN SECTION 12-43.4-302 (1) ON THE LICENSED PREMISES FOR A  
15 PERIOD OF TEN DAYS AND HAS PROVIDED NOTICE OF THE HEARING TO THE  
16 APPLICANT AT LEAST TEN DAYS PRIOR TO THE HEARING. ANY TRANSFER OF  
17 OWNERSHIP HEARING BY THE STATE LICENSING AUTHORITY SHALL BE HELD  
18 IN COMPLIANCE WITH THE REQUIREMENTS SPECIFIED IN SECTION  
19 12-43.4-304.

20 **12-43.4-309. Licensing in general.** (1) LOCAL JURISDICTIONS  
21 ARE AUTHORIZED TO ADOPT AND ENFORCE REGULATIONS FOR RETAIL  
22 MARIJUANA ESTABLISHMENTS THAT ARE AT LEAST AS RESTRICTIVE AS THE  
23 PROVISIONS OF THIS ARTICLE AND ANY RULE PROMULGATED PURSUANT TO  
24 THIS ARTICLE.

25 (2) A RETAIL MARIJUANA ESTABLISHMENT MAY NOT OPERATE  
26 UNTIL IT IS LICENSED BY THE STATE LICENSING AUTHORITY PURSUANT TO  
27 THIS ARTICLE AND APPROVED BY THE LOCAL JURISDICTION. IF AN

1     APPLICATION IS DENIED BY THE LOCAL LICENSING AUTHORITY, THE STATE  
2     LICENSING AUTHORITY SHALL REVOKE THE STATE-ISSUED LICENSE. IN  
3     CONNECTION WITH A LICENSE, THE APPLICANT SHALL PROVIDE A  
4     COMPLETE AND ACCURATE APPLICATION AS REQUIRED BY THE STATE  
5     LICENSING AUTHORITY.

6     [REDACTED]

7     (3) A RETAIL MARIJUANA ESTABLISHMENT SHALL NOTIFY THE  
8     STATE LICENSING AUTHORITY IN WRITING OF THE NAME, ADDRESS, AND  
9     DATE OF BIRTH OF AN OWNER, OFFICER OR MANAGER BEFORE THE NEW  
10    OWNER, OFFICER, OR MANAGER BEGINS [REDACTED] MANAGING, OWNING, OR  
11    ASSOCIATING WITH THE OPERATION. THE OWNER, OFFICER, MANAGER, OR  
12    EMPLOYEE MUST PASS A FINGERPRINT-BASED CRIMINAL HISTORY RECORD  
13    CHECK AS REQUIRED BY THE STATE LICENSING AUTHORITY AND OBTAIN  
14    THE REQUIRED IDENTIFICATION PRIOR TO BEING ASSOCIATED WITH,  
15    MANAGING, OWNING, OR WORKING AT THE OPERATION.

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

21    (5) ALL OFFICERS, MANAGERS, AND EMPLOYEES OF A RETAIL  
22    MARIJUANA ESTABLISHMENT SHALL BE RESIDENTS OF COLORADO UPON  
23    THE DATE OF THEIR LICENSE APPLICATION. AN OWNER SHALL MEET THE  
24    RESIDENCY REQUIREMENTS IN SECTION 12-43.4-306 (1) (k). ALL LICENSES  
25    GRANTED PURSUANT TO THIS ARTICLE ARE VALID FOR A PERIOD OF ONE  
26    YEAR AFTER THE DATE OF ISSUANCE UNLESS REVOKED OR SUSPENDED  
27    PURSUANT TO THIS ARTICLE OR THE RULES PROMULGATED PURSUANT TO

1 THIS ARTICLE.

2 (6) BEFORE GRANTING A STATE LICENSE, THE STATE LICENSING  
3 AUTHORITY MAY CONSIDER, EXCEPT WHEN THIS ARTICLE SPECIFICALLY  
4 PROVIDES OTHERWISE, THE REQUIREMENTS OF THIS ARTICLE AND ANY  
5 RULES PROMULGATED PURSUANT TO THIS ARTICLE, AND ALL OTHER  
6 REASONABLE RESTRICTIONS THAT ARE OR MAY BE PLACED UPON THE  
7 LICENSEE BY THE LICENSING AUTHORITY. ■ ■

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

15 (b) AT ALL TIMES, A LICENSEE SHALL POSSESS AND MAINTAIN  
16 POSSESSION OF THE PREMISES FOR WHICH THE LICENSE IS ISSUED BY  
17 OWNERSHIP, LEASE, RENTAL, OR OTHER ARRANGEMENT FOR POSSESSION  
18 OF THE PREMISES.

19 (8) THE LICENSES ISSUED PURSUANT TO THIS ARTICLE MUST  
20 SPECIFY THE DATE OF ISSUANCE, THE PERIOD OF LICENSURE, THE NAME OF  
21 THE LICENSEE, AND THE PREMISES LICENSED. THE LICENSEE SHALL  
22 CONSPICUOUSLY PLACE THE LICENSE AT ALL TIMES ON THE LICENSED  
23 PREMISES.

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

1           (10) A LICENSEE SHALL REPORT EACH TRANSFER OR CHANGE OF  
2 FINANCIAL INTEREST IN THE LICENSE TO THE STATE AND LOCAL LICENSING  
3 AUTHORITIES AND RECEIVE APPROVAL PRIOR TO ANY TRANSFER OR  
4 CHANGE PURSUANT TO SECTION 12-43.4-308. A REPORT IS REQUIRED FOR  
5 TRANSFERS OF CAPITAL STOCK OF ANY CORPORATION REGARDLESS OF  
6 SIZE.

7           (11) EACH LICENSEE SHALL MANAGE THE LICENSED PREMISES  
8 HIMSELF OR HERSELF OR EMPLOY A SEPARATE AND DISTINCT MANAGER ON  
9 THE PREMISES AND SHALL REPORT THE NAME OF THE MANAGER TO THE  
10 STATE AND LOCAL LICENSING AUTHORITIES. THE LICENSEE SHALL REPORT  
11 ANY CHANGE IN MANAGER TO THE STATE AND LOCAL LICENSING  
12 AUTHORITIES WITHIN TWO BUSINESS DAYS AFTER THE CHANGE PURSUANT  
13 TO SECTION 12-43.4-308.

14           (12) (a) A LICENSEE MAY MOVE THE PERMANENT LOCATION TO  
15 ANY OTHER PLACE IN COLORADO ONCE PERMISSION TO DO SO IS GRANTED  
16 BY THE STATE AND LOCAL JURISDICTION PROVIDED FOR IN THIS ARTICLE.  
17 UPON RECEIPT OF AN APPLICATION FOR CHANGE OF LOCATION, THE STATE  
18 LICENSING AUTHORITY SHALL, WITHIN SEVEN DAYS, SUBMIT A COPY OF  
19 THE APPLICATION TO THE LOCAL JURISDICTION TO DETERMINE WHETHER  
20 THE TRANSFER COMPLIES WITH ALL LOCAL RESTRICTIONS ON CHANGE OF  
21 LOCATION.

22           (b) IN PERMITTING A CHANGE OF LOCATION, THE LOCAL  
23 JURISDICTION SHALL CONSIDER ALL REASONABLE RESTRICTIONS THAT  
24 ARE OR MAY BE PLACED UPON THE NEW LOCATION BY THE GOVERNING  
25 BOARD OF THE MUNICIPALITY, CITY AND COUNTY, OR COUNTY, AND ANY  
26 SUCH CHANGE IN LOCATION SHALL BE IN ACCORDANCE WITH ALL  
27 REQUIREMENTS OF THIS ARTICLE AND RULES PROMULGATED PURSUANT TO

1 THIS ARTICLE.

2 **12-43.4-310. License renewal.** (1) NINETY DAYS PRIOR TO THE  
3 EXPIRATION DATE OF AN EXISTING LICENSE, THE STATE LICENSING  
4 AUTHORITY SHALL NOTIFY THE LICENSEE OF THE EXPIRATION DATE BY  
5 FIRST CLASS MAIL AT THE LICENSEE'S ADDRESS OF RECORD WITH THE  
6 STATE LICENSING AUTHORITY. A LICENSEE MAY APPLY FOR THE RENEWAL  
7 OF AN EXISTING LICENSE TO THE STATE LICENSING AUTHORITY NOT LESS  
8 THAN THIRTY DAYS PRIOR TO THE DATE OF EXPIRATION. UPON RECEIPT OF  
9 AN APPLICATION FOR RENEWAL OF AN EXISTING LICENSE AND ANY  
10 APPLICABLE FEES, THE STATE LICENSING AUTHORITY SHALL, WITHIN SEVEN  
11        DAYS, SUBMIT A COPY OF THE APPLICATION TO THE LOCAL  
12 JURISDICTION TO DETERMINE WHETHER THE APPLICATION COMPLIES WITH  
13 ALL LOCAL RESTRICTIONS ON RENEWAL OF LICENSES. THE STATE  
14 LICENSING AUTHORITY SHALL NOT ACCEPT AN APPLICATION FOR RENEWAL  
15 OF A LICENSE AFTER THE DATE OF EXPIRATION, EXCEPT AS PROVIDED IN  
16 SUBSECTION (2) OF THIS SECTION. THE STATE LICENSING AUTHORITY MAY  
17 EXTEND THE EXPIRATION DATE OF THE LICENSE AND ACCEPT A LATE  
18 APPLICATION FOR RENEWAL OF A LICENSE PROVIDED THAT THE APPLICANT  
19 HAS FILED A TIMELY RENEWAL APPLICATION WITH THE LOCAL LICENSING  
20 AUTHORITY. THE STATE OR THE LOCAL LICENSING AUTHORITY, IN ITS  
21 DISCRETION, SUBJECT TO THE REQUIREMENTS OF THIS SUBSECTION (1) AND  
22 SUBSECTION (2) OF THIS SECTION AND BASED UPON REASONABLE  
23 GROUNDS, MAY WAIVE THE THIRTY-DAY TIME REQUIREMENTS SET FORTH  
24 IN THIS SUBSECTION (1).

25 (2) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF  
26 THIS SECTION, A LICENSEE WHOSE LICENSE HAS BEEN EXPIRED FOR NOT  
27 MORE THAN NINETY DAYS MAY FILE A LATE RENEWAL APPLICATION UPON

1 THE PAYMENT OF A NONREFUNDABLE LATE APPLICATION FEE OF FIVE  
2 HUNDRED DOLLARS TO THE STATE LICENSING AUTHORITY. A LICENSEE  
3 WHO FILES A LATE RENEWAL APPLICATION AND PAYS THE REQUISITE FEES  
4 MAY CONTINUE TO OPERATE UNTIL THE STATE LICENSING AUTHORITY  
5 TAKES FINAL ACTION TO APPROVE OR DENY THE LICENSEE'S LATE  
6 RENEWAL APPLICATION UNLESS THE STATE LICENSING AUTHORITY  
7 SUMMARILY SUSPENDS THE LICENSE PURSUANT TO ARTICLE 4 OF TITLE 24,  
8 C.R.S., THIS ARTICLE, AND RULES PROMULGATED PURSUANT TO THIS  
9 ARTICLE.

10 (b) THE STATE LICENSING AUTHORITY MAY ADMINISTRATIVELY  
11 CONTINUE THE LICENSE AND ACCEPT A LATER APPLICATION FOR RENEWAL  
12 OF A LICENSE AT THE DISCRETION OF THE STATE LICENSING AUTHORITY.

13 (c) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE LATE  
14 APPLICATION FEE IN PARAGRAPH (a) OF THIS SUBSECTION (2), THE STATE  
15 LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY  
16 REDUCE THE AMOUNT OF THE FEE IF NECESSARY PURSUANT TO SECTION  
17 24-75-402 (3), C.R.S., BY REDUCING THE UNCOMMITTED RESERVES OF THE  
18 FUND TO WHICH ALL OR ANY PORTION OF THE FEE IS CREDITED. AFTER THE  
19 UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE  
20 STATE LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY  
21 LAW MAY INCREASE THE AMOUNT OF THE FEE AS PROVIDED IN SECTION  
22 24-75-402 (4), C.R.S.

23 **12-43.4-311. Inactive licenses.** THE STATE LICENSING AUTHORITY,  
24 IN ITS DISCRETION, MAY REVOKE OR ELECT NOT TO RENEW ANY LICENSE IF  
25 IT DETERMINES THAT THE LICENSED PREMISES HAVE BEEN INACTIVE,  
26 WITHOUT GOOD CAUSE, FOR AT LEAST ONE YEAR.

27 **12-43.4-312. Unlawful financial assistance.** (1) THE STATE

1 LICENSING AUTHORITY SHALL REQUIRE A COMPLETE DISCLOSURE OF ALL  
2 PERSONS HAVING A DIRECT OR INDIRECT FINANCIAL INTEREST, AND THE  
3 EXTENT OF SUCH INTEREST, IN EACH LICENSE ISSUED UNDER THIS ARTICLE.

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

8 PART 4

9 LICENSE TYPES

10 **12-43.4-401. Classes of licenses.** (1) FOR THE PURPOSE OF  
11 REGULATING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, SALE, AND  
12 TESTING OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS, THE  
13 STATE LICENSING AUTHORITY IN ITS DISCRETION, UPON RECEIPT OF AN  
14 APPLICATION IN THE PRESCRIBED FORM, MAY ISSUE AND GRANT TO THE  
15 APPLICANT A LICENSE FROM ANY OF THE FOLLOWING CLASSES, SUBJECT TO  
16 THE PROVISIONS AND RESTRICTIONS PROVIDED BY THIS ARTICLE:

- 17 (a) RETAIL MARIJUANA STORE LICENSE;
- 18 (b) RETAIL MARIJUANA CULTIVATION FACILITY LICENSE;
- 19 (c) RETAIL MARIJUANA PRODUCTS MANUFACTURING LICENSE;
- 20 (d) RETAIL MARIJUANA TESTING FACILITY LICENSE; AND
- 21 (e) OCCUPATIONAL LICENSES AND REGISTRATIONS FOR OWNERS,  
22 MANAGERS, OPERATORS, EMPLOYEES, CONTRACTORS, AND OTHER  
23 SUPPORT STAFF EMPLOYED BY, WORKING IN, OR HAVING ACCESS TO  
24 RESTRICTED AREAS OF THE LICENSED PREMISES, AS DETERMINED BY THE  
25 STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY MAY  
26 TAKE ANY ACTION WITH RESPECT TO A REGISTRATION PURSUANT TO THIS  
27 ARTICLE AS IT MAY WITH RESPECT TO A LICENSE PURSUANT TO THIS

1 ARTICLE, IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED PURSUANT  
2 TO THIS ARTICLE.

3 (2) (a) A PERSON MAY OPERATE A LICENSED MEDICAL MARIJUANA  
4 CENTER, AN OPTIONAL CULTIVATION FACILITY, A MEDICAL  
5 MARIJUANA-INFUSED PRODUCTS MANUFACTURING FACILITY, AND ANY  
6 RETAIL MARIJUANA ESTABLISHMENT AT THE SAME LOCATION   IF THE  
7 LOCAL JURISDICTION PERMITS A DUAL OPERATION.

8 (b) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
9 PARAGRAPH (b), A DUAL MEDICAL MARIJUANA CENTER AND RETAIL  
10 MARIJUANA STORE SHALL MAINTAIN SEPARATE LICENSED PREMISES,  
11 INCLUDING ENTRANCES AND EXITS, INVENTORY, POINT OF SALE  
12 OPERATIONS, AND RECORD KEEPING.

13 (II) FOR A DUAL MEDICAL MARIJUANA CENTER AND A RETAIL  
14 MARIJUANA STORE THAT ONLY SELLS MEDICAL MARIJUANA TO PERSONS  
15 TWENTY-ONE YEARS OF AGE OR OLDER, THE STATE LICENSING AUTHORITY  
16 MUST ADOPT RULES CONCERNING THE LICENSED PREMISES INCLUDING BUT  
17 NOT LIMITED TO WHETHER TO ALLOW SINGLE ENTRANCES AND EXITS AND  
18 VIRTUAL SEPARATION OF INVENTORY.

19 (c) A DUAL CULTIVATION BUSINESS OPERATION SHALL MAINTAIN  
20 EITHER PHYSICAL OR VIRTUAL SEPARATION OF THE TWO FACILITIES AND  
21 THE PLANTS AND INVENTORY OF THE TWO FACILITIES.

22 (3) ALL PERSONS LICENSED PURSUANT TO THIS ARTICLE SHALL  
23 COLLECT SALES TAX ON ALL RETAIL SALES MADE AT A RETAIL MARIJUANA  
24 STORE.

25   
26 **12-43.4-402. Retail marijuana store license.** (1) (a) A RETAIL  
27 MARIJUANA STORE LICENSE SHALL BE ISSUED ONLY TO A PERSON SELLING

1     RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS PURSUANT TO THE  
2     TERMS AND CONDITIONS OF THIS ARTICLE.

3             (b) A RETAIL MARIJUANA STORE MAY CULTIVATE ITS OWN RETAIL  
4     MARIJUANA IF IT OBTAINS A RETAIL MARIJUANA CULTIVATION FACILITY  
5     LICENSE OR IT MAY PURCHASE RETAIL MARIJUANA FROM A LICENSED  
6     RETAIL MARIJUANA CULTIVATION FACILITY.     

7             (c) (I) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF  
8     THIS SUBSECTION (1), ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL  
9     MARIJUANA STORE LICENSEE SHALL ONLY SELL RETAIL MARIJUANA GROWN  
10    IN ITS RETAIL MARIJUANA CULTIVATION FACILITY LICENSED PURSUANT TO  
11    SECTION 12-43.4-403.

12            (II) NOTWITHSTANDING THE REQUIREMENTS OF PARAGRAPH (b)  
13    OF THIS SUBSECTION (1) OR SUBPARAGRAPH (I) OF THIS PARAGRAPH (c) TO  
14    THE CONTRARY, A RETAIL MARIJUANA STORE MAY PURCHASE NOT MORE  
15    THAN THIRTY PERCENT OF ITS TOTAL ON-HAND INVENTORY OF RETAIL  
16    MARIJUANA FROM ANOTHER LICENSED RETAIL MARIJUANA  
17    ESTABLISHMENT NOT OWNED BY THE RETAIL MARIJUANA STORE.      A  
18    RETAIL MARIJUANA STORE OR ANOTHER RETAIL MARIJUANA CULTIVATION  
19    FACILITY MAY SELL NO MORE THAN THIRTY PERCENT OF ITS TOTAL  
20    ON-HAND INVENTORY TO ANOTHER COLORADO LICENSED RETAIL  
21    MARIJUANA STORE. NOTWITHSTANDING THE PROVISIONS OF THIS  
22    SUBPARAGRAPH (II), THE DIRECTOR OF THE STATE LICENSING AUTHORITY  
23    MAY GRANT A TEMPORARY WAIVER:

24            (A) TO A RETAIL MARIJUANA STORE OR APPLICANT IF THE RETAIL  
25    MARIJUANA STORE OR APPLICANT SUFFERS A CATASTROPHIC EVENT  
26    RELATED TO ITS INVENTORY; OR

27            (B) TO A NEW RETAIL MARIJUANA STORE LICENSEE FOR A PERIOD

1 NOT TO EXCEED NINETY DAYS SO THE NEW LICENSEE CAN CULTIVATE THE  
2 NECESSARY RETAIL MARIJUANA TO COMPLY WITH THIS PARAGRAPH (c).

3  
4 (III) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,  
5 2015.

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

11 (e) THE RETAIL MARIJUANA STORE SHALL TRACK ALL OF ITS RETAIL  
12 MARIJUANA FROM THE POINT THAT IT IS TRANSFERRED FROM A RETAIL  
13 MARIJUANA CULTIVATION FACILITY TO THE POINT OF SALE.

14 (2) (a) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, A  
15 RETAIL MARIJUANA STORE LICENSEE MAY ALSO SELL RETAIL MARIJUANA  
16 PRODUCTS THAT ARE PREPACKAGED AND LABELED AS REQUIRED BY RULES  
17 OF THE STATE LICENSING AUTHORITY PURSUANT TO SECTION 12-43.4-202.

18 (b) A RETAIL MARIJUANA STORE LICENSEE MAY TRANACT WITH  
19 A RETAIL MARIJUANA PRODUCTS MANUFACTURING LICENSEE FOR THE  
20 PURCHASE OF RETAIL MARIJUANA PRODUCTS UPON A RETAIL MARIJUANA  
21 PRODUCTS MANUFACTURING LICENSEE'S LICENSED PREMISES OR A RETAIL  
22 MARIJUANA STORE'S LICENSED PREMISES. ■ ■

23 (3) (a) A RETAIL MARIJUANA STORE MAY NOT SELL MORE THAN A  
24 QUARTER OF AN OUNCE OF RETAIL MARIJUANA AND NO MORE THAN A  
25 QUARTER OF AN OUNCE EQUIVALENT OF A RETAIL MARIJUANA PRODUCTS  
26 DURING A SINGLE TRANSACTION TO A PERSON WHO DOES NOT HAVE A  
27 VALID IDENTIFICATION CARD SHOWING THAT THE PERSON IS A RESIDENT

1 OF THE STATE OF COLORADO.

2 (b) PRIOR TO INITIATING A SALE, THE EMPLOYEE OF THE RETAIL  
3 MARIJUANA STORE MAKING THE SALE SHALL VERIFY THAT THE PURCHASER  
4 HAS A VALID IDENTIFICATION CARD SHOWING THE PURCHASER IS  
5 TWENTY-ONE YEARS OF AGE OR OLDER. IF A PERSON UNDER TWENTY-ONE  
6 YEARS OF AGE PRESENTS A FRAUDULENT PROOF OF AGE, ANY ACTION  
7 RELYING ON THE FRAUDULENT PROOF OF AGE SHALL NOT BE GROUNDS FOR  
8 THE REVOCATION OR SUSPENSION OF ANY LICENSE ISSUED UNDER THIS  
9 ARTICLE.

10 (4) A RETAIL MARIJUANA STORE MAY PROVIDE, EXCEPT AS  
11 REQUIRED BY 12-43.4-202 (3) (a) (IV), A SAMPLE OF ITS PRODUCTS TO A  
12 FACILITY THAT HAS A MARIJUANA TESTING FACILITY LICENSE FROM THE  
13 STATE LICENSING AUTHORITY FOR TESTING AND RESEARCH PURPOSES. A  
14 RETAIL MARIJUANA STORE SHALL MAINTAIN A RECORD OF WHAT WAS  
15 PROVIDED TO THE TESTING FACILITY, THE IDENTITY OF THE TESTING  
16 FACILITY, AND THE RESULTS OF THE TESTING.

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

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

24 (7) (a) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL  
25 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, MARIJUANA  
26 ACCESSORIES, NON-CONSUMABLE PRODUCTS SUCH AS APPAREL, AND  
27 MARIJUANA RELATED PRODUCTS SUCH AS CHILD PROOF PACKAGING

1 CONTAINERS, BUT SHALL BE PROHIBITED FROM SELLING OR GIVING AWAY  
2 ANY CONSUMABLE PRODUCT, INCLUDING BUT NOT LIMITED TO CIGARETTES  
3 OR ALCOHOL, OR EDIBLE PRODUCT THAT DOES NOT CONTAIN MARIJUANA,  
4 INCLUDING BUT NOT LIMITED TO SODAS, CANDIES, OR BAKED GOODS.

5 (b) A LICENSED RETAIL MARIJUANA STORE MAY NOT SELL ANY  
6 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS THAT CONTAIN  
7 NICOTINE OR ALCOHOL, IF THE SALE OF THE ALCOHOL WOULD REQUIRE A  
8 LICENSE PURSUANT TO ARTICLE 46 OR 47 OF TITLE 12, C.R.S.

9 (c) A LICENSED RETAIL MARIJUANA STORE SHALL NOT SELL RETAIL  
10 MARIJUANA OR RETAIL MARIJUANA PRODUCTS OVER THE INTERNET NOR  
11 DELIVER RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS TO A  
12 PERSON NOT PHYSICALLY PRESENT IN THE RETAIL MARIJUANA STORE'S  
13 LICENSED PREMISES.

14 == ==  
15 (8) THE PREMISES OF A LICENSED RETAIL MARIJUANA STORE IS THE  
16 ONLY PLACE WHERE AN AUTOMATIC DISPENSING MACHINE THAT CONTAINS  
17 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS MAY BE LOCATED.  
18 IF A LICENSED RETAIL MARIJUANA STORE USES AN AUTOMATIC DISPENSING  
19 MACHINE THAT CONTAINS RETAIL MARIJUANA AND RETAIL MARIJUANA  
20 PRODUCTS, IT MUST COMPLY WITH THE REGULATIONS PROMULGATED BY  
21 THE STATE LICENSING AUTHORITY FOR ITS USE.

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

24 (10) NOTWITHSTANDING ANY OTHER PROVISION OF STATE LAW,  
25 SALES OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS ARE NOT  
26 EXEMPT FROM STATE OR LOCAL SALES TAX.

27 **12-43.4-403. Retail marijuana cultivation facility license.** (1) A

1 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY  
2 TO A PERSON WHO █ CULTIVATES RETAIL MARIJUANA FOR SALE AND  
3 DISTRIBUTION TO LICENSED RETAIL MARIJUANA STORES, RETAIL  
4 MARIJUANA PRODUCTS MANUFACTURING LICENSEES, OR OTHER RETAIL  
5 MARIJUANA CULTIVATION FACILITIES.

6 (2) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF  
7 THIS SECTION, ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA  
8 CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY TO A PERSON WHO  
9 HOLDS A RETAIL MARIJUANA STORE LICENSE PURSUANT TO SECTION  
10 12-43.4-402 OR A RETAIL MARIJUANA PRODUCTS MANUFACTURING  
11 LICENSE PURSUANT TO SECTION 12-43.3-404 AND WHO GROWS AND  
12 CULTIVATES RETAIL MARIJUANA AT AN ADDITIONAL LICENSED PREMISES  
13 CONTIGUOUS OR NOT CONTIGUOUS WITH THE LICENSED PREMISES OF THE  
14 PERSON'S RETAIL MARIJUANA STORE OR THE PERSON'S RETAIL MARIJUANA  
15 PRODUCTS MANUFACTURING FACILITY.

16 (b) ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA  
17 CULTIVATION FACILITY LICENSEE SHALL ONLY TRANSFER RETAIL  
18 MARIJUANA TO ITS RETAIL MARIJUANA STORE, RETAIL MARIJUANA  
19 PRODUCTS MANUFACTURER, OR ANOTHER OF ITS RETAIL MARIJUANA  
20 CULTIVATION FACILITIES.

21 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OR (d)  
22 OF THIS SUBSECTION (2), A RETAIL MARIJUANA CULTIVATION FACILITY  
23 LICENSEE MAY SELL NO MORE THAN THIRTY PERCENT OF THE RETAIL  
24 MARIJUANA IT CULTIVATES TO ANOTHER RETAIL MARIJUANA STORE OR  
25 RETAIL MARIJUANA PRODUCTS MANUFACTURER.

26 (d) RETAIL MARIJUANA CULTIVATION FACILITY LICENSES MAY BE  
27 COMBINED IN A COMMON AREA SOLELY FOR THE PURPOSES OF GROWING

1 AND CULTIVATING RETAIL MARIJUANA AND USED TO PROVIDE RETAIL  
2 MARIJUANA TO MORE THAN ONE LICENSED RETAIL MARIJUANA STORE OR  
3 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER SO LONG AS THE  
4 HOLDER OF THE RETAIL MARIJUANA CULTIVATION LICENSE IS ALSO A  
5 COMMON OWNER OF EACH LICENSED RETAIL MARIJUANA STORE OR  
6 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER TO WHICH  
7 RETAIL MARIJUANA IS PROVIDED. IN ACCORDANCE WITH PROMULGATED  
8 RULES RELATING TO PLANT AND PRODUCT TRACKING REQUIREMENTS,  
9 EACH RETAIL MARIJUANA CULTIVATION LICENSEE SHALL SUPPLY RETAIL  
10 MARIJUANA ONLY TO ITS ASSOCIATED LICENSED RETAIL MARIJUANA  
11 STORES OR LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURERS.

12 (e) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JANUARY 1,  
13 2015.

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

18 (4) A RETAIL MARIJUANA CULTIVATION FACILITY SHALL TRACK  
19 THE MARIJUANA IT CULTIVATES FROM SEED OR IMMATURE PLANT TO  
20 WHOLESALE PURCHASE. PRIOR TO DELIVERY OF ANY SOLD RETAIL  
21 MARIJUANA, THE RETAIL MARIJUANA CULTIVATION FACILITY SHALL  
22 PROVIDE EVIDENCE THAT IT PAID ANY APPLICABLE EXCISE TAX ON THE  
23 RETAIL MARIJUANA DUE PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S.

24 (5) A RETAIL MARIJUANA CULTIVATION FACILITY MAY PROVIDE,  
25 EXCEPT AS REQUIRED BY 12-43.4-202 (3) (a) (IV), 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 CULTIVATION FACILITY SHALL  
2 MAINTAIN A RECORD OF WHAT WAS PROVIDED TO THE TESTING FACILITY,  
3 THE IDENTITY OF THE TESTING FACILITY, AND THE TESTING RESULTS.

4 (6) RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS MAY  
5 NOT BE CONSUMED ON THE PREMISES OF A RETAIL MARIJUANA  
6 CULTIVATION FACILITY.

7 **12-43.4-404. Retail marijuana products manufacturing**  
8 **license.** (1) (a) A RETAIL MARIJUANA PRODUCTS MANUFACTURING  
9 LICENSE MAY BE ISSUED TO A PERSON WHO MANUFACTURES RETAIL  
10 MARIJUANA PRODUCTS, PURSUANT TO THE TERMS AND CONDITIONS OF  
11 THIS ARTICLE.

12 (b) A RETAIL MARIJUANA PRODUCTS MANUFACTURER MAY  
13 CULTIVATE ITS OWN RETAIL MARIJUANA IF IT OBTAINS A RETAIL  
14 MARIJUANA CULTIVATION FACILITY LICENSE, OR IT MAY PURCHASE RETAIL  
15 MARIJUANA FROM A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY.  
16 A RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL TRACK ALL OF  
17 ITS RETAIL MARIJUANA FROM THE POINT IT IS EITHER TRANSFERRED FROM  
18 ITS RETAIL MARIJUANA CULTIVATION FACILITY OR THE POINT WHEN IT IS  
19 DELIVERED TO THE RETAIL MARIJUANA PRODUCTS MANUFACTURER FROM  
20 A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY TO THE POINT OF  
21 TRANSFER TO A LICENSED RETAIL MARIJUANA STORE.

22 (c) (I) BEFORE OCTOBER 1, 2014, EXCEPT AS PERMITTED BY  
23 SECTION 12-43.4-402 (1) (c) (II), A RETAIL MARIJUANA PRODUCTS  
24 MANUFACTURER LICENSEE THAT HAS A RETAIL MARIJUANA CULTIVATION  
25 FACILITY LICENSE SHALL NOT SELL ANY OF THE RETAIL MARIJUANA THAT  
26 IT CULTIVATES EXCEPT FOR THE RETAIL MARIJUANA THAT IS CONTAINED  
27 IN ITS RETAIL MARIJUANA PRODUCTS.

1           (II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,  
2           2015.

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

9           (e) A RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL NOT:

10           (I) ADD ANY MARIJUANA TO A FOOD PRODUCT WHERE THE  
11           MANUFACTURER OF THE FOOD PRODUCT HOLDS A TRADEMARK TO THE  
12           FOOD PRODUCT'S NAME; EXCEPT THAT A MANUFACTURER MAY USE A  
13           TRADEMARKED FOOD PRODUCT IF THE MANUFACTURER USES THE PRODUCT  
14           AS A COMPONENT OR AS PART OF A RECIPE AND WHERE THE MARIJUANA  
15           PRODUCT MANUFACTURER DOES NOT STATE OR ADVERTISE TO THE  
16           CONSUMER THAT THE FINAL RETAIL MARIJUANA PRODUCT CONTAINS A  
17           TRADEMARKED FOOD PRODUCT;

18           (II) INTENTIONALLY OR KNOWINGLY LABEL OR PACKAGE A RETAIL  
19           MARIJUANA PRODUCT IN A MANNER THAT WOULD CAUSE A REASONABLE  
20           CONSUMER CONFUSION AS TO WHETHER THE RETAIL MARIJUANA PRODUCT  
21           WAS A TRADEMARKED FOOD PRODUCT; OR

22           (III) LABEL OR PACKAGE A PRODUCT IN A MANNER THAT VIOLATES  
23           ANY FEDERAL TRADEMARK LAW OR REGULATION.

24           (2) RETAIL MARIJUANA PRODUCTS SHALL BE PREPARED ON A  
25           LICENSED PREMISES THAT IS USED EXCLUSIVELY FOR THE MANUFACTURE  
26           AND PREPARATION OF RETAIL MARIJUANA OR RETAIL MARIJUANA  
27           PRODUCTS AND USING EQUIPMENT THAT IS USED EXCLUSIVELY FOR THE

1 MANUFACTURE AND PREPARATION OF RETAIL MARIJUANA PRODUCTS;  
2 EXCEPT THAT, IF PERMITTED BY THE LOCAL JURISDICTION, A RETAIL  
3 MARIJUANA PRODUCTS MANUFACTURING LICENSEE MAY SHARE THE SAME  
4 PREMISES AS A MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING  
5 LICENSEE SO LONG AS A VIRTUAL OR PHYSICAL SEPARATION OF INVENTORY  
6 IS MAINTAINED PURSUANT TO RULE OF THE STATE LICENSING AUTHORITY.

7 (3) ALL LICENSED PREMISES ON WHICH RETAIL MARIJUANA  
8 PRODUCTS ARE MANUFACTURED SHALL MEET THE SANITARY STANDARDS  
9 FOR RETAIL MARIJUANA PRODUCT PREPARATION PROMULGATED PURSUANT  
10 TO SECTION 12-43.4-202 (3) (a) (XI).

11 (4) THE RETAIL MARIJUANA PRODUCT SHALL BE SEALED AND  
12 CONSPICUOUSLY LABELED IN COMPLIANCE WITH THIS ARTICLE AND ANY  
13 RULES PROMULGATED PURSUANT TO THIS ARTICLE. THE LABELING OF  
14 RETAIL MARIJUANA PRODUCTS IS A MATTER OF STATEWIDE CONCERN.

15 (5) RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS MAY  
16 NOT BE CONSUMED ON THE PREMISES OF A RETAIL MARIJUANA PRODUCTS  
17 MANUFACTURING FACILITY.

18 ==  
19 (6) A RETAIL MARIJUANA PRODUCTS MANUFACTURER MAY  
20 PROVIDE, EXCEPT AS REQUIRED BY 12-43.4-202 (3) (a) (IV), A SAMPLE OF  
21 ITS PRODUCTS TO A FACILITY THAT HAS A RETAIL MARIJUANA TESTING  
22 FACILITY LICENSE FROM THE STATE LICENSING AUTHORITY FOR TESTING  
23 AND RESEARCH PURPOSES. A RETAIL MARIJUANA PRODUCTS  
24 MANUFACTURER SHALL MAINTAIN A RECORD OF WHAT WAS PROVIDED TO  
25 THE TESTING FACILITY, THE IDENTITY OF THE TESTING FACILITY, AND THE  
26 RESULTS OF THE TESTING.

27 (7) AN EDIBLE RETAIL MARIJUANA PRODUCT MAY LIST ITS

1 INGREDIENTS AND COMPATIBILITY WITH DIETARY PRACTICES.

2 (8) A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER  
3 SHALL PACKAGE AND LABEL EACH PRODUCT MANUFACTURED AS REQUIRED  
4 BY RULES OF THE STATE LICENSING AUTHORITY PURSUANT TO SECTION  
5 12-43.4-202.

6 (9) ALL RETAIL MARIJUANA PRODUCTS THAT REQUIRE  
7 REFRIGERATION TO PREVENT SPOILAGE MUST BE STORED AND  
8 TRANSPORTED IN A REFRIGERATED ENVIRONMENT.

9 **12-43.4-405. Retail marijuana testing facility license - rules.**

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

13 (2) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES  
14 PURSUANT TO ITS AUTHORITY IN SECTION 12-43.4-202 (1) (b) RELATED TO  
15 ACCEPTABLE TESTING AND RESEARCH PRACTICES, INCLUDING BUT NOT  
16 LIMITED TO TESTING, STANDARDS, QUALITY CONTROL ANALYSIS,  
17 EQUIPMENT CERTIFICATION AND CALIBRATION, AND CHEMICAL  
18 IDENTIFICATION AND OTHER SUBSTANCES USED IN BONA FIDE RESEARCH  
19 METHODS.

20 (3) A PERSON WHO HAS AN INTEREST IN A RETAIL MARIJUANA  
21 TESTING FACILITY LICENSE FROM THE STATE LICENSING AUTHORITY FOR  
22 TESTING PURPOSES SHALL NOT HAVE ANY INTEREST IN A LICENSED  
23 MEDICAL MARIJUANA CENTER, A LICENSED OPTIONAL PREMISE  
24 CULTIVATION OPERATION, A LICENSED MEDICAL MARIJUANA-INFUSED  
25 PRODUCTS MANUFACTURER, A LICENSED RETAIL MARIJUANA STORE, A  
26 LICENSED RETAIL MARIJUANA CULTIVATION FACILITY, OR A LICENSED  
27 RETAIL MARIJUANA PRODUCTS MANUFACTURER. A PERSON THAT HAS AN

1 INTEREST IN A LICENSED MEDICAL MARIJUANA CENTER, A LICENSED  
2 OPTIONAL PREMISE CULTIVATION OPERATION, A LICENSED MEDICAL  
3 MARIJUANA-INFUSED PRODUCTS MANUFACTURER, A LICENSED RETAIL  
4 MARIJUANA STORE, A LICENSED RETAIL MARIJUANA CULTIVATION  
5 FACILITY, OR A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER  
6 SHALL NOT HAVE AN INTEREST IN A FACILITY THAT HAS A RETAIL  
7 MARIJUANA TESTING FACILITY LICENSE.

8 PART 5

9 FEES

10 **12-43.4-501. Fees.** (1) THE STATE LICENSING AUTHORITY MAY  
11 CHARGE AND COLLECT FEES UNDER THIS ARTICLE. THE APPLICATION FEE  
12 FOR A PERSON APPLYING PURSUANT TO SECTION 12-43.4-104 (1)(a) SHALL  
13 BE FIVE HUNDRED DOLLARS. THE STATE LICENSING AUTHORITY SHALL  
14 TRANSFER TWO HUNDRED FIFTY DOLLARS OF THE FEE TO THE MARIJUANA  
15 CASH FUND AND SUBMIT TWO HUNDRED FIFTY DOLLARS TO THE LOCAL  
16 JURISDICTION IN WHICH THE LICENSE IS PROPOSED TO BE ISSUED.

17 (2) THE APPLICATION FEE FOR A PERSON APPLYING PURSUANT TO  
18 SECTION 12-43.4-104 (1) (b) SHALL BE FIVE THOUSAND DOLLARS. THE  
19 STATE LICENSING AUTHORITY SHALL TRANSFER TWO THOUSAND FIVE  
20 HUNDRED DOLLARS OF THE FEE TO THE MARIJUANA CASH FUND AND REMIT  
21 TWO THOUSAND FIVE HUNDRED DOLLARS TO THE LOCAL JURISDICTION IN  
22 WHICH THE LICENSE IS PROPOSED TO BE ISSUED. THE STATE LICENSING  
23 AUTHORITY IS CONSIDERING RAISING THE FIVE THOUSAND DOLLAR  
24 APPLICATION FEE IT SHALL CONFER WITH EACH LOCAL JURISDICTION IN  
25 WHICH A LICENSE UNDER THIS ARTICLE IS ISSUED PRIOR TO RAISING THE  
26 APPLICATION FEE. IF THE APPLICATION FEE AMOUNT IS CHANGED, IT MUST  
27 BE SPLIT EVENLY BETWEEN THE MARIJUANA CASH FUND AND THE LOCAL

1 JURISDICTION IN WHICH THE LICENSE IS PROPOSED TO BE ISSUED.

2

3 (3) A LOCAL JURISDICTION IN WHICH A LICENSE UNDER THIS  
4 ARTICLE MAY BE PERMITTED MAY ADOPT AND IMPOSE OPERATING FEES IN  
5 AN AMOUNT DETERMINED BY THE LOCAL JURISDICTION ON MARIJUANA  
6 ESTABLISHMENTS LOCATED WITHIN THE LOCAL JURISDICTION.

7

## PART 6

8

### DISCIPLINARY ACTIONS

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

25 (2) THE STATE LICENSING AUTHORITY SHALL PROVIDE NOTICE OF  
26 SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL AS THE  
27 REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1) OF THIS

1 SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT THE  
2 ADDRESS CONTAINED IN THE LICENSE AND, IF DIFFERENT, AT THE LAST  
3 ADDRESS FURNISHED TO THE AUTHORITY BY THE LICENSEE. EXCEPT IN THE  
4 CASE OF A SUMMARY SUSPENSION, A SUSPENSION SHALL NOT BE FOR A  
5 PERIOD LONGER THAN SIX MONTHS. IF A LICENSE IS SUSPENDED OR  
6 REVOKED, A PART OF THE FEES PAID THEREFOR SHALL NOT BE RETURNED  
7 TO THE LICENSEE. ANY LICENSE MAY BE SUMMARILY SUSPENDED BY  
8 THE STATE LICENSING AUTHORITY WITHOUT NOTICE PENDING ANY  
9 PROSECUTION, INVESTIGATION, OR PUBLIC HEARING PURSUANT TO THE  
10 TERMS OF SECTION 24-4-104 (4), C.R.S. NOTHING IN THIS SECTION SHALL  
11 PREVENT THE SUMMARY SUSPENSION OF A LICENSE PURSUANT TO SECTION  
12 24-4-104 (4), C.R.S.

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

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

27 (II) THE BOOKS AND RECORDS OF THE LICENSEE ARE KEPT IN SUCH

1 A MANNER THAT THE LOSS OF SALES THAT THE LICENSEE WOULD HAVE  
2 SUFFERED HAD THE SUSPENSION GONE INTO EFFECT CAN BE DETERMINED  
3 WITH REASONABLE ACCURACY.

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

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

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

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

26 (6) IF THE STATE LICENSING AUTHORITY DOES NOT MAKE THE  
27 FINDINGS REQUIRED IN PARAGRAPH (a) OF SUBSECTION (3) OF THIS

1 SECTION AND DOES NOT ORDER THE SUSPENSION PERMANENTLY STAYED,  
2 THE SUSPENSION SHALL GO INTO EFFECT ON THE OPERATIVE DATE FINALLY  
3 SET BY THE STATE LICENSING AUTHORITY.

4 (7) NO LATER THAN JANUARY 15 OF EACH YEAR, THE STATE  
5 LICENSING AUTHORITY SHALL COMPILE A REPORT OF THE PRECEDING  
6 YEAR'S ACTIONS IN WHICH FINES, SUSPENSIONS, OR REVOCATIONS WERE  
7 IMPOSED BY THE STATE LICENSING AUTHORITY. THE STATE LICENSING  
8 AUTHORITY SHALL FILE ONE COPY OF THE REPORT WITH THE CHIEF CLERK  
9 OF THE HOUSE OF REPRESENTATIVES, ONE COPY WITH THE SECRETARY OF  
10 THE SENATE, AND SIX COPIES IN THE JOINT LEGISLATIVE LIBRARY.

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

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

23 (3) A STATE OR LOCAL AGENCY SHALL NOT BE REQUIRED TO  
24 CULTIVATE OR CARE FOR ANY RETAIL MARIJUANA OR RETAIL MARIJUANA  
25 PRODUCT BELONGING TO OR SEIZED FROM A LICENSEE. A STATE OR LOCAL  
26 AGENCY SHALL NOT BE AUTHORIZED TO SELL MARIJUANA, RETAIL OR  
27 OTHERWISE.

1           (4) IF THE STATE LICENSING AUTHORITY ISSUES A FINAL AGENCY  
2 ORDER IMPOSING A DISCIPLINARY ACTION AGAINST A LICENSEE PURSUANT  
3 TO SECTION 12-43.4-601, THEN, IN ADDITION TO ANY OTHER REMEDIES,  
4 THE LICENSING AUTHORITY'S FINAL AGENCY ORDER MAY SPECIFY THAT  
5 SOME OR ALL OF THE LICENSEE'S MARIJUANA OR MARIJUANA PRODUCT IS  
6 NOT RETAIL MARIJUANA OR A RETAIL MARIJUANA PRODUCT AND IS AN  
7 ILLEGAL CONTROLLED SUBSTANCE. THE ORDER MAY FURTHER SPECIFY  
8 THAT THE LICENSEE SHALL LOSE ANY INTEREST IN ANY OF THE MARIJUANA  
9 OR MARIJUANA PRODUCT EVEN IF THE MARIJUANA OR MARIJUANA  
10 PRODUCT PREVIOUSLY QUALIFIED AS RETAIL MARIJUANA OR A RETAIL  
11 MARIJUANA PRODUCT. THE FINAL AGENCY ORDER MAY DIRECT THE  
12 DESTRUCTION OF ANY SUCH MARIJUANA AND MARIJUANA PRODUCTS,  
13 EXCEPT AS PROVIDED IN SUBSECTIONS (5) AND (6) OF THIS SECTION. THE  
14 AUTHORIZED DESTRUCTION MAY INCLUDE THE INCIDENTAL DESTRUCTION  
15 OF ANY CONTAINERS, EQUIPMENT, SUPPLIES, AND OTHER PROPERTY  
16 ASSOCIATED WITH THE MARIJUANA OR MARIJUANA PRODUCT.

17           (5) FOLLOWING THE ISSUANCE OF A FINAL AGENCY ORDER BY THE  
18 STATE LICENSING AUTHORITY AGAINST A LICENSEE AND ORDERING  
19 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION, A  
20 LICENSEE SHALL HAVE FIFTEEN DAYS WITHIN WHICH TO FILE A PETITION  
21 FOR STAY OF AGENCY ACTION WITH THE DISTRICT COURT. THE ACTION  
22 SHALL BE FILED IN THE CITY AND COUNTY OF DENVER, WHICH SHALL BE  
23 DEEMED TO BE THE RESIDENCE OF THE STATE LICENSING AUTHORITY FOR  
24 PURPOSES OF THIS SECTION. THE LICENSEE SHALL SERVE THE PETITION IN  
25 ACCORDANCE WITH THE COLORADO RULES OF CIVIL PROCEDURE. THE  
26 DISTRICT COURT SHALL PROMPTLY RULE UPON THE PETITION AND  
27 DETERMINE WHETHER THE LICENSEE HAS A SUBSTANTIAL LIKELIHOOD OF

1 SUCCESS ON JUDICIAL REVIEW SO AS TO WARRANT DELAY OF THE  
2 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION OR  
3 WHETHER OTHER CIRCUMSTANCES, INCLUDING BUT NOT LIMITED TO THE  
4 NEED FOR PRESERVATION OF EVIDENCE, WARRANT DELAY OF SUCH  
5 DESTRUCTION. IF DESTRUCTION IS SO DELAYED PURSUANT TO JUDICIAL  
6 ORDER, THE COURT SHALL ISSUE AN ORDER SETTING FORTH TERMS AND  
7 CONDITIONS PURSUANT TO WHICH THE LICENSEE MAY MAINTAIN THE  
8 RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCT PENDING JUDICIAL  
9 REVIEW, AND PROHIBITING THE LICENSEE FROM USING OR DISTRIBUTING  
10 THE RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCT PENDING THE  
11 REVIEW. THE LICENSING AUTHORITY SHALL NOT CARRY OUT THE  
12 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION UNTIL  
13 FIFTEEN DAYS HAVE PASSED WITHOUT THE FILING OF A PETITION FOR STAY  
14 OF AGENCY ACTION, OR UNTIL THE COURT HAS ISSUED AN ORDER DENYING  
15 STAY OF AGENCY ACTION PURSUANT TO THIS SUBSECTION (5).

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

24 (7) ON OR BEFORE JANUARY 1, 2014, THE STATE LICENSING  
25 AUTHORITY SHALL PROMULGATE RULES GOVERNING THE IMPLEMENTATION  
26 OF THIS SECTION.

27 PART 7

1 INSPECTION OF BOOKS AND RECORDS

2 **12-43.4-701. Inspection procedures.** (1) EACH LICENSEE SHALL

3 KEEP A COMPLETE SET OF ALL RECORDS NECESSARY TO SHOW FULLY THE  
4 BUSINESS TRANSACTIONS OF THE LICENSEE, ALL OF WHICH SHALL BE OPEN  
5 AT ALL TIMES DURING BUSINESS HOURS FOR THE INSPECTION AND  
6 EXAMINATION BY THE STATE LICENSING AUTHORITY OR ITS DULY  
7 AUTHORIZED REPRESENTATIVES. THE STATE LICENSING AUTHORITY MAY  
8 REQUIRE ANY LICENSEE TO FURNISH SUCH INFORMATION AS IT CONSIDERS  
9 NECESSARY FOR THE PROPER ADMINISTRATION OF THIS ARTICLE AND MAY  
10 REQUIRE AN AUDIT TO BE MADE OF THE BOOKS OF ACCOUNT AND RECORDS  
11 ON SUCH OCCASIONS AS IT MAY CONSIDER NECESSARY BY AN AUDITOR TO  
12 BE SELECTED BY THE STATE LICENSING AUTHORITY WHO SHALL LIKEWISE  
13 HAVE ACCESS TO ALL BOOKS AND RECORDS OF THE LICENSEE, AND THE  
14 EXPENSE THEREOF SHALL BE PAID BY THE LICENSEE.

15 (2) THE LICENSED PREMISES, INCLUDING ANY PLACES OF STORAGE

16 WHERE RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS ARE  
17 STORED, CULTIVATED, SOLD, DISPENSED, OR TESTED SHALL BE SUBJECT TO  
18 INSPECTION BY THE STATE OR LOCAL JURISDICTIONS AND THEIR  
19 INVESTIGATORS, DURING ALL BUSINESS HOURS AND OTHER TIMES OF  
20 APPARENT ACTIVITY, FOR THE PURPOSE OF INSPECTION OR INVESTIGATION.  
21 ACCESS SHALL BE REQUIRED DURING BUSINESS HOURS FOR EXAMINATION  
22 OF ANY INVENTORY OR BOOKS AND RECORDS REQUIRED TO BE KEPT BY  
23 THE LICENSEES. WHEN ANY PART OF THE LICENSED PREMISES CONSISTS OF  
24 A LOCKED AREA, UPON DEMAND TO THE LICENSEE, SUCH AREA SHALL BE  
25 MADE AVAILABLE FOR INSPECTION WITHOUT DELAY, AND, UPON REQUEST  
26 BY AUTHORIZED REPRESENTATIVES OF THE STATE OR LOCAL JURISDICTION,  
27 THE LICENSEE SHALL OPEN THE AREA FOR INSPECTION.

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

5 PART 8

6 JUDICIAL REVIEW

7 **12-43.4-801. Judicial review.** DECISIONS BY THE STATE  
8 LICENSING AUTHORITY ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO  
9 SECTION 24-4-106, C.R.S.

10 PART 9

11 UNLAWFUL ACTS

12 **12-43.4-901. Unlawful acts - exceptions.** (1) EXCEPT AS  
13 OTHERWISE PROVIDED IN THIS ARTICLE, IT IS UNLAWFUL FOR A PERSON TO  
14 CONSUME RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS IN A  
15 LICENSED RETAIL MARIJUANA ESTABLISHMENT, AND IT IS UNLAWFUL FOR  
16 A RETAIL MARIJUANA LICENSEE TO ALLOW RETAIL MARIJUANA OR RETAIL  
17 MARIJUANA PRODUCTS TO BE CONSUMED UPON ITS LICENSED PREMISES.

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

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

23 (b) HAVE AN UNREPORTED FINANCIAL INTEREST OR A DIRECT  
24 INTEREST IN A LICENSE PURSUANT TO THIS ARTICLE; EXCEPT THAT THIS  
25 PARAGRAPH (b) DOES NOT APPLY TO BANKS, SAVINGS AND LOAN  
26 ASSOCIATIONS, OR INDUSTRIAL BANKS SUPERVISED AND REGULATED BY  
27 AN AGENCY OF THE STATE OR FEDERAL GOVERNMENT, OR TO

1 FHA-APPROVED MORTGAGEES, OR TO STOCKHOLDERS, DIRECTORS, OR  
2 OFFICERS THEREOF.

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

5 (a) TO BE WITHIN A LIMITED-ACCESS AREA UNLESS THE PERSON'S  
6 LICENSE BADGE IS DISPLAYED AS REQUIRED BY THIS ARTICLE, EXCEPT AS  
7 PROVIDED IN SECTION 12-43.4-701;

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

11 (c) TO FAIL TO REPORT A TRANSFER REQUIRED BY SECTION  
12 12-43.4-309 (10); OR

13 (d) TO FAIL TO REPORT THE NAME OF OR A CHANGE IN MANAGERS  
14 AS REQUIRED BY SECTION 12-43.4-309 (11).

15 

16 (4) IT IS UNLAWFUL FOR ANY PERSON LICENSED TO SELL RETAIL  
17 MARIJUANA OR RETAIL MARIJUANA PRODUCTS PURSUANT TO THIS ARTICLE:

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

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

22 (c) TO PROVIDE PUBLIC PREMISES, OR ANY PORTION THEREOF, FOR  
23 THE PURPOSE OF CONSUMPTION OF RETAIL MARIJUANA OR RETAIL  
24 MARIJUANA PRODUCTS IN ANY FORM;

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26 (d) TO HAVE IN POSSESSION OR UPON THE LICENSED PREMISES ANY  
27 \_\_\_\_\_ MARIJUANA, THE SALE OF WHICH IS NOT PERMITTED BY THE LICENSE;

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(e) TO SELL RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS TO A PERSON UNDER TWENTY-ONE YEARS OF AGE WITHOUT CHECKING THE PERSON'S IDENTIFICATION;

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

(g) TO HAVE ON THE LICENSED PREMISES ANY RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, OR MARIJUANA PARAPHERNALIA THAT SHOWS EVIDENCE OF THE RETAIL MARIJUANA HAVING BEEN CONSUMED OR PARTIALLY CONSUMED;

(h) DISTRIBUTE MARIJUANA OR MARIJUANA PRODUCTS, WITH OR WITHOUT REMUNERATION, DIRECTLY TO ANOTHER PERSON USING A MOBILE DISTRIBUTION CENTER;

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

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

(5) (a) NOTWITHSTANDING THE PROVISIONS OF SECTION 24-14-103.5, C.R.S., NO PERSON SHALL FORM A BUSINESS OR NON-PROFIT, INCLUDING BUT NOT LIMITED TO A SOLE PROPRIETORSHIP, CORPORATIONS,

1 OR OTHER BUSINESS ENTERPRISE, WITH THE PURPOSE OR INTENT, IN WHOLE  
2 OR IN PART, OF TRANSPORTING, CULTIVATING, PROCESSING,  
3 TRANSFERRING, OR DISTRIBUTING MARIJUANA OR MARIJUANA PRODUCTS  
4 WITHOUT PRIOR APPROVAL OF THE STATE LICENSING AUTHORITY AND THE  
5 LOCAL JURISDICTION.

6 (b) NOTHING IN THIS SUBSECTION (5) SHALL LIMIT AN INDIVIDUAL  
7 FROM TAKING ACTIONS CONSISTENT WITH SECTION 16 (3) (b) OF ARTICLE  
8 XVIII OF THE STATE CONSTITUTION.

9 (c) A VIOLATION OF THE PROVISIONS OF THIS SUBSECTION (5) SHALL  
10 RESULT IN A FINE OF UP TO FIVE THOUSAND DOLLARS FOR EACH PERSON  
11 INVOLVED.

12 (d) A VIOLATION OF THIS SUBSECTION (5) SHALL RESULT IN THE  
13 AUTOMATIC REVOCATION OF ANY LICENSE ISSUED PURSUANT TO THIS  
14 ARTICLE AND THE DENIAL OF ANY FUTURE LICENSE ISSUED PURSUANT TO  
15 THIS ARTICLE.

16 (e) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2015.

17 (6) A PERSON WHO COMMITS ANY ACTS THAT ARE UNLAWFUL  
18 PURSUANT TO THIS ARTICLE OR THE RULES AUTHORIZED AND ADOPTED  
19 PURSUANT TO THIS ARTICLE COMMITS A CLASS 2 MISDEMEANOR AND  
20 SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., EXCEPT  
21 FOR VIOLATIONS THAT WOULD ALSO CONSTITUTE A VIOLATION OF TITLE  
22 18, C.R.S., WHICH VIOLATION SHALL BE CHARGED AND PROSECUTED  
23 PURSUANT TO TITLE 18, C.R.S.

24 PART 10

25 SUNSET REVIEWS

26 **12-43.4-1001. Sunset review - article repeal.** (1) THIS ARTICLE  
27 IS REPEALED, EFFECTIVE JULY 1, 2016.

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

4 **PART 11**

5 **SEVERABILITY**

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

17 **SECTION 6.** In Colorado Revised Statutes, **amend** 16-2.5-124.5  
18 as follows:

19 **16-2.5-124.5. Director of marijuana enforcement and medical**  
20 **marijuana enforcement INVESTIGATOR.** THE DIRECTOR OF THE  
21 MARIJUANA ENFORCEMENT DIVISION OR A ~~medical~~ marijuana enforcement  
22 investigator is a peace officer while engaged in the performance of his or  
23 her duties and while acting under proper orders or rules pursuant to article  
24 43.3 OR 43.4 of title 12, C.R.S., and shall also include the enforcement of  
25 all laws of the state of Colorado and who may be certified by the P.O.S.T.  
26 board.

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1           **SECTION 7.** In Colorado Revised Statutes, 24-34-104, add (47)

2 (d) as follows:

3           **24-34-104. General assembly review of regulatory agencies**  
4 **and functions for termination, continuation, or reestablishment.**

5 (47) The following agencies, functions, or both shall terminate on July  
6 1, 2016:

7           (d) THE REGULATION OF PERSONS LICENSED PURSUANT TO ARTICLE  
8 43.4 OF TITLE 12, C.R.S.

9           **SECTION 8. Appropriation.** (1) In addition to any other  
10 appropriation, there is hereby appropriated, out of any moneys in the  
11 marijuana cash fund created in section 12-43.3-501 (1) (a), Colorado  
12 Revised Statutes, not otherwise appropriated, to the department of  
13 revenue, for the fiscal year beginning July 1, 2013, the sum of \$1,227,026  
14 and 2.7 FTE, or so much thereof as may be necessary, for personal  
15 services, legal services, the purchase of computer center services and  
16 other costs related to the implementation of this act.

17           (2) In addition to any other appropriation, there is hereby  
18 appropriated to the governor - lieutenant governor - state planning and  
19 budgeting, for the fiscal year beginning July 1, 2013, the sum of \$73,700,  
20 or so much thereof as may be necessary, for allocation to the office of  
21 information technology, for the provision of computer center services for  
22 the department of revenue related to the implementation of this act. Said  
23 sum is from reappropriated funds received from the department of  
24 revenue out of the appropriation made in subsection (1) of this section.

25           (3) In addition to any other appropriation, there is hereby  
26 appropriated to the department of law, for the fiscal year beginning July  
27 1, 2013, the sum of \$70,684 and 0.5 FTE, or so much thereof as may be

1 necessary, for the provision of legal services for the department of  
2 revenue related to the implementation of this act. Said sum is from  
3 reappropriated funds received from the department of revenue out of the  
4 appropriation made in subsection (1) of this section.

5 (4) In addition to any other appropriation, there is hereby  
6 appropriated, out of any moneys in the marijuana cash fund created in  
7 section 12-43.3-501 (1) (a), Colorado Revised Statutes, not otherwise  
8 appropriated, to the department of law, for the fiscal year beginning July  
9 1, 2013, the sum of \$76,000, or so much thereof as may be necessary, for  
10 allocation to the criminal justice and appellate unit for peace officers  
11 standards and training board support expenses related to the  
12 implementation of section 24-31-313, Colorado Revised Statutes.

13 (5) In addition to any other appropriation, there is hereby  
14 appropriated, out of any moneys in the laboratory cash fund created in  
15 section 25-1.5-101 (1) (e) (II), Colorado Revised Statutes, not otherwise  
16 appropriated, to the department of public health and environment, for the  
17 fiscal year beginning July 1, 2013, the sum of \$87,615 and 1.0 FTE, or so  
18 much thereof as may be necessary, to be allocated to laboratory services  
19 for chemistry and microbiology operating expenses for the  
20 implementation of this act as follows:

21 (a) \$72,815 and 1.0 FTE for personal services and operating  
22 expenses; and

23 (b) \$14,800 for the purchase of computer center services.

24 (6) In addition to any other appropriation, there is hereby  
25 appropriated to the governor - lieutenant governor - state planning and  
26 budgeting, for the fiscal year beginning July 1, 2013, the sum of \$14,800,  
27 or so much thereof as may be necessary, for allocation to the office of

1 information technology, for the provision of computer center services for  
2 the department of public health and environment related to the  
3 implementation of this act. Said sum is from reappropriated funds  
4 received from the department of public health and environment out of the  
5 appropriation made in paragraph (b) of subsection (6) of this section.

6 (7) In addition to any other appropriation, there is hereby  
7 appropriated, out of any moneys in the Colorado bureau of investigation  
8 identification unit fund created in section 24-33.5-426, Colorado Revised  
9 Statutes, not otherwise appropriated, to the department of public safety,  
10 for the fiscal year beginning July 1, 2013, the sum of \$155,760 and 0.7  
11 FTE, or so much thereof as may be necessary, for allocation to the  
12 Colorado bureau of investigation for fingerprint-based background checks  
13 related to the implementation of this act.

14 \_\_\_\_\_  
15 **SECTION 9. Effective date.** (1) Except as otherwise provided  
16 in this section, this act takes effect upon passage.

17 (2) Section 2 of this act takes effect only if Senate Bill 13-283  
18 does not become law.

19 (3) Section 3 of this act takes effect only if Senate Bill 13-283  
20 becomes law.

21 **SECTION 10. Safety clause.** The general assembly hereby finds,  
22 determines, and declares that this act is necessary for the immediate  
23 preservation of the public peace, health, and safety.