

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

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 13-0897.04 Michael Dohr x4347

HOUSE BILL 13-1317

HOUSE SPONSORSHIP

Pabon,

SENATE SPONSORSHIP

(None),

House Committees

State, Veterans, & Military Affairs
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE RECOMMENDATIONS MADE IN THE PUBLIC PROCESS**
102 **FOR THE PURPOSE OF IMPLEMENTING RETAIL MARIJUANA**
103 **LEGALIZED BY SECTION 16 OF ARTICLE XVIII OF THE**
104 **COLORADO CONSTITUTION.**

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 enforcement division to the marijuana enforcement division and gives the

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.*

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

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

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

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

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

A retail marijuana store may only sell one-fourth of an ounce of

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

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

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

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

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

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

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

1 GENERAL FUND TO REPAY ANY APPROPRIATION MADE FROM THE GENERAL
2 FUND TO INITIALLY SUPPORT THE SPENDING AUTHORITY OF THE STATE
3 LICENSING AUTHORITY.

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

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

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

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

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

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

20 **ARTICLE 43.4**

21 **Colorado Retail Marijuana Code**

22 **PART 1**

23 **COLORADO RETAIL MARIJUANA CODE**

24 **12-43.4-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND
25 MAY BE CITED AS THE "COLORADO RETAIL MARIJUANA CODE".

26 **12-43.4-102. Legislative declaration.** (1) THE GENERAL
27 ASSEMBLY HEREBY DECLARES THAT THIS ARTICLE SHALL BE DEEMED AN

1 EXERCISE OF THE POLICE POWERS OF THE STATE FOR THE PROTECTION OF
2 THE ECONOMIC AND SOCIAL WELFARE AND THE HEALTH, PEACE, AND
3 MORALS OF THE PEOPLE OF THIS STATE.

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

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

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

13 (2) "GOOD CAUSE", FOR PURPOSES OF REFUSING OR DENYING A
14 LICENSE RENEWAL, REINSTATEMENT, OR INITIAL LICENSE ISSUANCE,
15 MEANS:

16 (a) THE LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET,
17 OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OR
18 PROVISIONS OF THIS ARTICLE, ANY RULES PROMULGATED PURSUANT TO
19 THIS ARTICLE, OR ANY SUPPLEMENTAL LOCAL LAW, RULES, OR
20 REGULATIONS;

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

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

27 (3) "IMMATURE PLANT" MEANS A NONFLOWERING MARIJUANA

1 PLANT THAT IS NO TALLER THAN EIGHT INCHES AND NO WIDER THAN EIGHT
2 INCHES IS PRODUCED FROM A CUTTING, CLIPPING, OR SEEDLING, AND IS IN
3 A GROWING CONTAINER THAT IS NO LARGER THAN TWO INCHES WIDE AND
4 TWO INCHES TALL THAT IS SEALED ON THE SIDES AND BOTTOM.

5 (4) "LICENSE" MEANS TO GRANT A LICENSE OR REGISTRATION
6 PURSUANT TO THIS ARTICLE.

7 (5) "LICENSED PREMISES" MEANS THE PREMISES SPECIFIED IN AN
8 APPLICATION FOR A LICENSE UNDER THIS ARTICLE, WHICH ARE OWNED OR
9 IN POSSESSION OF THE LICENSEE AND WITHIN WHICH THE LICENSEE IS
10 AUTHORIZED TO CULTIVATE, MANUFACTURE, DISTRIBUTE, SELL, OR TEST
11 RETAIL MARIJUANA IN ACCORDANCE WITH THIS ARTICLE.

12 (6) "LICENSEE" MEANS A PERSON LICENSED OR REGISTERED
13 PURSUANT TO THIS ARTICLE.

14 (7) "LOCAL JURISDICTION" MEANS A LOCALITY AS DEFINED IN
15 SECTION 16 (2) (e) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

16 (8) "LOCAL LICENSING AUTHORITY" MEANS, FOR ANY LOCAL
17 JURISDICTION THAT HAS CHOSEN TO ADOPT A LOCAL LICENSING
18 REQUIREMENT IN ADDITION TO THE STATE LICENCING REQUIREMENTS OF
19 THIS ARTICLE, AN AUTHORITY DESIGNATED BY MUNICIPAL, COUNTY, OR
20 CITY AND COUNTY CHARTER, ORDINANCE, OR RESOLUTION, OR THE
21 GOVERNING BODY OF A MUNICIPALITY OR CITY AND COUNTY, OR THE
22 BOARD OF COUNTY COMMISSIONERS OF A COUNTY IF NO SUCH AUTHORITY
23 IS DESIGNATED.

24 (9) "LOCATION" MEANS A PARTICULAR PARCEL OF LAND THAT MAY
25 BE IDENTIFIED BY AN ADDRESS OR OTHER DESCRIPTIVE MEANS.

26 (10) "MARIJUANA ACCESSORIES" HAS THE SAME MEANING AS
27 DEFINED IN SECTION 16 (2) (g) OF ARTICLE XVIII OF THE STATE

1 CONSTITUTION.

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

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

9 (13) "OWNER" MEANS ANY PERSON HAVING A BENEFICIAL
10 INTEREST IN A RETAIL MARIJUANA ESTABLISHMENT.

11 (14) "PERSON" MEANS A NATURAL PERSON, PARTNERSHIP,
12 ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR
13 ORGANIZATION.

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

17 (16) "RETAIL MARIJUANA" HAS THE SAME MEANING AS
18 "MARIJUANA" OR "MARIHUANA" AS DEFINED IN SECTION 16 (2) (f) OF
19 ARTICLE XVIII OF THE STATE CONSTITUTION.

20 (17) "RETAIL MARIJUANA CULTIVATION FACILITY" HAS THE SAME
21 MEANING AS "MARIJUANA CULTIVATION FACILITY" AS DEFINED IN SECTION
22 16 (2) (h) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

23 (18) "RETAIL MARIJUANA ESTABLISHMENT" MEANS A RETAIL
24 MARIJUANA STORE, A RETAIL MARIJUANA CULTIVATION FACILITY, A
25 RETAIL MARIJUANA PRODUCTS MANUFACTURER, OR A RETAIL MARIJUANA
26 TESTING FACILITY.

27 (19) "RETAIL MARIJUANA PRODUCTS MANUFACTURER" HAS THE

1 SAME MEANING AS "MARIJUANA PRODUCT MANUFACTURING FACILITY" AS
2 DEFINED IN SECTION 16 (2) (j) OF ARTICLE XVIII OF THE STATE
3 CONSTITUTION.

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

7 (21) "RETAIL MARIJUANA TESTING FACILITY" HAS THE SAME
8 MEANING AS "MARIJUANA TESTING FACILITY" AS DEFINED IN SECTION 16
9 (2) (l) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

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

16 (23) "SCHOOL" MEANS A PUBLIC OR PRIVATE PRESCHOOL OR A
17 PUBLIC OR PRIVATE ELEMENTARY, MIDDLE, JUNIOR HIGH, OR HIGH SCHOOL.

18 (24) "STATE LICENSING AUTHORITY" MEANS THE AUTHORITY
19 CREATED FOR THE PURPOSE OF REGULATING AND CONTROLLING THE
20 LICENSING OF THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE
21 OF RETAIL MARIJUANA IN THIS STATE, PURSUANT TO SECTION 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 UNTIL A RETAIL MARIJUANA
12 ESTABLISHMENT LICENSE IS APPROVED. IF THE RETAIL MARIJUANA
13 ESTABLISHMENT LICENSE IS GRANTED, THE APPLICANT SHALL HAVE
14 FOURTEEN DAYS FROM THE EFFECTIVE DATE OF THE LICENSE TO
15 SURRENDER THE MEDICAL MARIJUANA LICENSE TO THE STATE LICENSING
16 AUTHORITY. IF THE RETAIL MARIJUANA LICENSE IS GRANTED, ON THE
17 EFFECTIVE DATE OF THE LICENSE ALL MEDICAL MARIJUANA PLANTS AND
18 INVENTORY SHALL BECOME RETAIL MARIJUANA PLANTS AND INVENTORY
19 ON THE DATE OF THE RETAIL MARIJUANA ESTABLISHMENT LICENSE.

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

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

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

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

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

17 (b) (I) (A) AFTER JANUARY 1, 2014, PERSONS WHO DID NOT MEET
18 REQUIREMENTS OF SUBSECTION (I) OF PARAGRAPH (a) OF THIS SECTION
19 MAY SUBMIT NOTICE OF INTENT TO APPLY FOR LICENSURE PURSUANT TO
20 THIS ARTICLE. THE STATE LICENSING AUTHORITY SHALL ESTABLISH A
21 FORM FOR THE NOTICE AND MAY COLLECT A NOTICE FEE THAT SHALL BE
22 DEDUCTED FROM THE AMOUNT OF THE LICENSE FEE. THE STATE LICENSING
23 AUTHORITY SHALL FORWARD TO THE LOCAL JURISDICTION THE NOTICE OF
24 INTENT TO APPLY AND ONE-HALF OF THE NOTICE FEE.

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

26 (II) ON AND AFTER JULY 1, 2014, PERSONS WHO DID NOT MEET THE
27 REQUIREMENTS OF SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS

1 SUBSECTION (1) MAY APPLY FOR LICENSURE PURSUANT TO THIS ARTICLE.

2 (2) (a) A PERSON APPLYING PURSUANT TO SUBSECTION (1) OF THIS
3 SECTION SHALL COMPLETE FORMS AS PROVIDED BY THE STATE LICENSING
4 AUTHORITY AND SHALL PAY THE APPLICATION FEE AND THE LICENSING
5 FEE, WHICH SHALL BE CREDITED TO THE MARIJUANA CASH FUND
6 ESTABLISHED PURSUANT TO SECTION 12-43.4-501. THE STATE LICENSING
7 AUTHORITY SHALL IMMEDIATELY FORWARD ONE-HALF OF THE LICENSE
8 APPLICATION FEE TO THE LOCAL JURISDICTION. IF THE LICENSE IS DENIED,
9 THE STATE LICENSING AUTHORITY SHALL REFUND THE LICENSING FEE TO
10 THE APPLICANT.

11 (b) (I) THE STATE LICENSING AUTHORITY SHALL ACT UPON AN
12 APPLICATION MADE PURSUANT TO THIS SUBSECTION (1) NO SOONER THAN
13 FORTY-FIVE DAYS AND NO LATER THAN NINETY DAYS AFTER THE DATE OF
14 THE APPLICATION. THE STATE LICENSING AUTHORITY SHALL PROCESS
15 APPLICATIONS IN THE ORDER IN WHICH COMPLETE APPLICATIONS ARE
16 RECEIVED BY THE STATE LICENSING AUTHORITY.

17 (II) (A) THE STATE LICENSING AUTHORITY SHALL PROVIDE
18 PREFERENCE TO APPLICANTS WHO SUBMITTED A NOTICE OF INTENT TO
19 APPLY PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (b) OF
20 SUBSECTION (1) OF THIS SECTION.

21 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JULY 1,
22 2015.

23
24 (3) AS PROVIDED IN SECTION 16 (5) (f) OF ARTICLE XVIII OF THE
25 STATE CONSTITUTION, ANY LOCAL JURISDICTION MAY ENACT ORDINANCES
26 OR REGULATIONS GOVERNING THE TIME, PLACE, MANNER, AND NUMBER OF
27 RETAIL MARIJUANA ESTABLISHMENTS, WHICH MAY INCLUDE A LOCAL

1 LICENSING REQUIREMENT, OR MAY PROHIBIT THE OPERATION OF RETAIL
2 MARIJUANA ESTABLISHMENTS THROUGH THE ENACTMENT OF AN
3 ORDINANCE OR THROUGH A REFERRED OR INITIATED MEASURE.

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

7 (5) (a) NOTHING IN THIS ARTICLE IS INTENDED TO REQUIRE AN
8 EMPLOYER TO PERMIT OR ACCOMMODATE THE USE, CONSUMPTION,
9 POSSESSION, TRANSFER, DISPLAY, TRANSPORTATION, SALE, OR GROWING
10 OF MARIJUANA IN THE WORKPLACE OR TO AFFECT THE ABILITY OF
11 EMPLOYERS TO HAVE POLICIES RESTRICTING THE USE OF MARIJUANA BY
12 EMPLOYEES.

13 (b) NOTHING IN THIS ARTICLE PROHIBITS A PERSON, EMPLOYER,
14 SCHOOL, HOSPITAL, DETENTION FACILITY, CORPORATION, OR ANY OTHER
15 ENTITY WHO OCCUPIES, OWNS, OR CONTROLS A PROPERTY FROM
16 PROHIBITING OR OTHERWISE REGULATING THE POSSESSION, CONSUMPTION,
17 USE, DISPLAY, TRANSFER, DISTRIBUTION, SALE, TRANSPORTATION, OR
18 GROWING OF MARIJUANA ON OR IN THAT PROPERTY.

19 (6) (a) ON OR BEFORE APRIL 1, 2014, THE STATE LICENSING
20 AUTHORITY SHALL SUBMIT A REPORT TO THE FINANCE COMMITTEES OF THE
21 SENATE AND HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR
22 COMMITTEES, ON THE STATUS OF APPLICATIONS FOR LICENSURE UNDER
23 THIS ARTICLE, INCLUDING BUT NOT LIMITED TO THE NUMBER OF
24 APPLICATIONS RECEIVED, THE NUMBER OF APPLICATIONS APPROVED BY
25 THE STATE, THE NUMBER OF APPLICATIONS DENIED BY THE STATE, THE
26 NUMBER OF APPLICATIONS PENDING, AND THE NUMBER OF NOTICES OF
27 INTENT TO APPLY RECEIVED.

1 (b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2014.

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

11 PART 2

12 STATE LICENSING AUTHORITY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 (D) THE BATCH NUMBER;

19 (E) A NET WEIGHT STATEMENT;

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

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

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

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

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

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

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

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

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

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

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

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

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

1 A CARD;

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

4

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

9

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

13

14 (IX) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO ISSUE
15 ADMINISTRATIVE CITATIONS AND PROCEDURES FOR ISSUING, APPEALING,
16 AND CREATING A CITATION VIOLATION LIST AND SCHEDULE OF PENALTIES;
17 AND

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

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

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

1 (A) MASS-MARKET CAMPAIGNS THAT HAVE A HIGH LIKELIHOOD OF
2 REACHING MINORS;

3 (B) ALLOW PACKAGING AND ACCESSORY BRANDING;

4 (C) A PROHIBITION ON HEALTH OR PHYSICAL BENEFIT CLAIMS IN
5 ADVERTISING, MERCHANDISING, AND PACKAGING;

6 (D) A PROHIBITION ON UNSOLICITED POP-UP ADVERTISING ON THE
7 INTERNET;

8 (E) A PROHIBITION ON BANNER ADS ON MASS-MARKET WEB SITES;

9 (F) A PROHIBITION ON OPT-IN MARKETING THAT DOES NOT PERMIT
10 AN EASY AND PERMANENT OPT-OUT FEATURE; AND

11 (G) A PROHIBITION ON MARKETING DIRECTED TOWARDS
12 LOCATION-BASED DEVICES, INCLUDING BUT NOT LIMITED TO CELLULAR
13 PHONES.

14 (II) PROHIBITING THE SALE OF RETAIL MARIJUANA AND RETAIL
15 MARIJUANA PRODUCTS UNLESS:

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

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

24 (III) THE SAFE AND LAWFUL TRANSPORT OF RETAIL MARIJUANA
25 AND RETAIL MARIJUANA PRODUCTS BETWEEN THE LICENSED BUSINESS AND
26 TESTING LABS;

27 (IV) A SERVING SIZE FOR EDIBLE RETAIL MARIJUANA PRODUCTS

1 THAT DOES NOT CONTAIN MORE THAN TEN MILLIGRAMS OF ACTIVE THC,
2 LABELING REQUIREMENTS REGARDING SERVINGS FOR EDIBLE RETAIL
3 MARIJUANA PRODUCTS, AND LIMITATIONS ON THE TOTAL AMOUNT OF
4 ACTIVE THC IN A PACKAGE THAT IS NO MORE THAN ONE HUNDRED
5 MILLIGRAMS OF ACTIVE THC;

6 (V) LABELING GUIDELINES CONCERNING THE TOTAL CONTENT OF
7 THC PER UNIT OF WEIGHT;

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

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

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

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

25 (4) (a) THE STATE LICENSING AUTHORITY SHALL CREATE A
26 STATEWIDE LICENSURE CLASS SYSTEM FOR RETAIL MARIJUANA
27 CULTIVATION FACILITIES. THE CLASSIFICATIONS MAY BE BASED UPON

1 SQUARE FOOTAGE OF THE FACILITY; LIGHTS, LUMENS, OR WATTAGE; LIT
2 CANOPY; THE NUMBER OF CULTIVATING PLANTS; A COMBINATION OF THE
3 FOREGOING; OR OTHER REASONABLE METRICS. THE STATE LICENSING
4 AUTHORITY SHALL CREATE A FEE STRUCTURE FOR THE LICENSE CLASS
5 SYSTEM.

6 (b) THE STATE LICENSING AUTHORITY MAY LIMIT OR INCREASE THE
7 LIMIT ON THE NUMBER OF LICENSES THAT IT ISSUES AND MAY PLACE OR
8 MODIFY A LIMIT ON THE AMOUNT OF PRODUCTION PERMITTED BY A RETAIL
9 MARIJUANA CULTIVATION LICENSE. NOTWITHSTANDING ANYTHING
10 CONTAINED IN THIS ARTICLE TO THE CONTRARY, IN CONSIDERING ANY
11 SUCH LIMITATIONS, THE STATE LICENSING AUTHORITY, IN ADDITION TO
12 ANY OTHER RELEVANT CONSIDERATIONS, SHALL:

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

15 (II) ATTEMPT TO MINIMIZE THE MARKET FOR UNLAWFUL
16 MARIJUANA IN COLORADO.

17 PART 3

18 STATE AND LOCAL LICENSING

19 **12-43.4-301. Local approval - licensing.** (1) WHEN THE STATE
20 LICENSING AUTHORITY RECEIVES AN APPLICATION FOR ORIGINAL
21 LICENSING OR RENEWAL OF AN EXISTING LICENSE FOR ANY MARIJUANA
22 ESTABLISHMENT, THE STATE LICENSING AUTHORITY SHALL PROVIDE A
23 COPY OF THE APPLICATION TO THE LOCAL JURISDICTION IN WHICH THE
24 BUSINESS IS TO BE LOCATED. THE LOCAL JURISDICTION SHALL DETERMINE
25 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON
26 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. THE
27 LOCAL JURISDICTION SHALL INFORM THE STATE LICENSING AUTHORITY

1 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON
2 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES.

3 (2) A LOCAL JURISDICTION MAY IMPOSE A SEPARATE LOCAL
4 LICENSING REQUIREMENT AS A PART OF ITS RESTRICTIONS ON TIME, PLACE,
5 MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. A LOCAL
6 JURISDICTION MAY DECLINE TO IMPOSE ANY LOCAL LICENSING
7 REQUIREMENTS AND SHALL NOTIFY THE STATE LICENSING AUTHORITY
8 THAT IT WILL NOT BE ACTING ON ANY APPLICATIONS IT RECEIVES.

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 STATE LICENSING AUTHORITY OR A COURT OF COMPETENT
13 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, IF REQUIRED, LOCAL
9 JURISDICTION APPROVAL. IF THE APPLICANT DOES NOT RECEIVE LOCAL
10 JURISDICTION APPROVAL WITHIN ONE YEAR FROM THE DATE OF STATE
11 LICENSING AUTHORITY APPROVAL, THE STATE LICENSE SHALL EXPIRE AND
12 MAY NOT BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL
13 LICENSING AUTHORITY, THE STATE LICENSING AUTHORITY SHALL REVOKE
14 THE 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 12-43.4-104 (1) (c) OR 12-43.4-304, AND THE STATE LICENSING
24 AUTHORITY MAY DENY A LICENSE FOR GOOD CAUSE AS DEFINED BY
25 SECTION 12-43.4-104 (1) (a) OR (1) (b).

26 (2) IF THE STATE LICENSING AUTHORITY DENIES A STATE LICENSE
27 PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE APPLICANT SHALL BE

1 ENTITLED TO A HEARING PURSUANT TO SECTION 24-4-104 (9), C.R.S., AND
2 JUDICIAL REVIEW PURSUANT TO SECTION 24-4-106, C.R.S. THE STATE
3 LICENSING AUTHORITY SHALL PROVIDE WRITTEN NOTICE OF THE GROUNDS
4 FOR DENIAL OF THE STATE LICENSE TO THE APPLICANT AND TO THE LOCAL
5 LICENSING AUTHORITY AT LEAST FIFTEEN DAYS PRIOR TO THE HEARING.

6 **12-43.4-306. Persons prohibited as licensees.** (1) A LICENSE
7 PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:

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

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

11 (c) A CORPORATION, IF THE CRIMINAL HISTORY OF ANY OF ITS
12 OFFICERS, DIRECTORS, OR STOCKHOLDERS INDICATES THAT THE OFFICER,
13 DIRECTOR, OR STOCKHOLDER IS NOT OF GOOD MORAL CHARACTER;

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

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

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

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

24 (II) PAY ANY TAXES, INTEREST, OR PENALTIES DUE THE
25 DEPARTMENT OF REVENUE RELATING TO A RETAIL MARIJUANA
26 ESTABLISHMENT;

27 (g) A PERSON WHO HAS DISCHARGED A SENTENCE IN THE FIVE

1 YEARS IMMEDIATELY PRECEDING THE APPLICATION DATE FOR A
2 CONVICTION OF A FELONY OR A PERSON WHO HAS DISCHARGED A
3 SENTENCE IN THE TEN YEARS IMMEDIATELY PRECEDING THE APPLICATION
4 DATE OR FIVE YEARS FROM THE EFFECTIVE DATE OF HOUSE BILL 13-1317,
5 ENACTED IN 2013, WHICHEVER IS LONGER, FOR A CONVICTION OF A FELONY
6 PURSUANT TO ANY STATE OR FEDERAL LAW REGARDING THE POSSESSION,
7 DISTRIBUTION, MANUFACTURING, CULTIVATION, OR USE OF A CONTROLLED
8 SUBSTANCE; EXCEPT THAT THE LICENSING AUTHORITY MAY GRANT A
9 LICENSE TO A PERSON IF THE PERSON HAS A STATE FELONY CONVICTION
10 BASED ON POSSESSION OR USE OF MARIJUANA OR MARIJUANA
11 CONCENTRATE THAT WOULD NOT BE A FELONY IF THE PERSON WERE
12 CONVICTED OF THE OFFENSE ON THE DATE HE OR SHE APPLIED FOR
13 LICENSURE;

14 (h) A PERSON WHO EMPLOYS ANOTHER PERSON AT A RETAIL
15 MARIJUANA FACILITY WHO HAS NOT SUBMITTED FINGERPRINTS FOR A
16 CRIMINAL HISTORY RECORD CHECK OR WHOSE CRIMINAL RECORD HISTORY
17 CHECK REVEALS THAT THE PERSON IS INELIGIBLE;

18 (i) A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR PROSECUTING
19 OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE LICENSING
20 AUTHORITY OR A LOCAL LICENSING AUTHORITY;

21 (j) A PERSON FOR A LICENSE FOR A LOCATION THAT IS CURRENTLY
22 LICENSED AS A RETAIL FOOD ESTABLISHMENT OR WHOLESALE FOOD
23 REGISTRANT; OR

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

27 (2) (a) IN INVESTIGATING THE QUALIFICATIONS OF AN APPLICANT

1 OR A LICENSEE, THE STATE AND LOCAL LICENSING AUTHORITIES MAY HAVE
2 ACCESS TO CRIMINAL HISTORY RECORD INFORMATION FURNISHED BY A
3 CRIMINAL JUSTICE AGENCY SUBJECT TO ANY RESTRICTIONS IMPOSED BY
4 SUCH AGENCY. IN THE EVENT THE STATE OR LOCAL LICENSING AUTHORITY
5 CONSIDERS THE APPLICANT'S CRIMINAL HISTORY RECORD, THE STATE OR
6 LOCAL LICENSING AUTHORITY SHALL ALSO CONSIDER ANY INFORMATION
7 PROVIDED BY THE APPLICANT REGARDING SUCH CRIMINAL HISTORY
8 RECORD, INCLUDING BUT NOT LIMITED TO EVIDENCE OF REHABILITATION,
9 CHARACTER REFERENCES, AND EDUCATIONAL ACHIEVEMENTS, ESPECIALLY
10 THOSE ITEMS PERTAINING TO THE TIME BETWEEN THE APPLICANT'S LAST
11 CRIMINAL CONVICTION AND THE CONSIDERATION OF THE APPLICATION FOR
12 A STATE LICENSE.

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

19 (c) AT THE TIME OF FILING AN APPLICATION FOR ISSUANCE OF A
20 STATE A RETAIL MARIJUANA ESTABLISHMENT LICENSE, AN APPLICANT
21 SHALL SUBMIT A SET OF HIS OR HER FINGERPRINTS AND FILE PERSONAL
22 HISTORY INFORMATION CONCERNING THE APPLICANT'S QUALIFICATIONS
23 FOR A STATE LICENSE ON FORMS PREPARED BY THE STATE LICENSING
24 AUTHORITY. THE STATE OR LOCAL LICENSING AUTHORITY SHALL SUBMIT
25 THE FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION FOR THE
26 PURPOSE OF CONDUCTING FINGERPRINT-BASED CRIMINAL HISTORY RECORD
27 CHECKS. THE COLORADO BUREAU OF INVESTIGATION SHALL FORWARD THE

1 FINGERPRINTS TO THE FEDERAL BUREAU OF INVESTIGATION FOR THE
2 PURPOSE OF CONDUCTING FINGERPRINT-BASED CRIMINAL HISTORY RECORD
3 CHECKS. THE STATE OR LOCAL LICENSING AUTHORITY MAY ACQUIRE A
4 NAME-BASED CRIMINAL HISTORY RECORD CHECK FOR AN APPLICANT OR A
5 LICENSE HOLDER WHO HAS TWICE SUBMITTED TO A FINGERPRINT-BASED
6 CRIMINAL HISTORY RECORD CHECK AND WHOSE FINGERPRINTS ARE
7 UNCLASSIFIABLE. AN APPLICANT WHO HAS PREVIOUSLY SUBMITTED
8 FINGERPRINTS FOR STATE LICENSING PURPOSES MAY REQUEST THAT THE
9 FINGERPRINTS ON FILE BE USED. THE STATE OR LOCAL LICENSING
10 AUTHORITY SHALL USE THE INFORMATION RESULTING FROM THE
11 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK TO INVESTIGATE
12 AND DETERMINE WHETHER AN APPLICANT IS QUALIFIED TO HOLD A STATE
13 LICENSE PURSUANT TO THIS ARTICLE. THE STATE OR LOCAL LICENSING
14 AUTHORITY MAY VERIFY ANY OF THE INFORMATION AN APPLICANT IS
15 REQUIRED TO SUBMIT.

16 **12-43.4-307. Restrictions for applications for new licenses.**

17 (1) THE STATE LICENSING AUTHORITY SHALL NOT APPROVE AN
18 APPLICATION FOR THE ISSUANCE OF A STATE LICENSE PURSUANT TO
19 THIS ARTICLE:

20 (a) IF THE APPLICATION FOR THE LICENSE CONCERNS A PARTICULAR
21 LOCATION THAT IS THE SAME AS OR WITHIN ONE THOUSAND FEET OF A
22 LOCATION FOR WHICH, WITHIN THE TWO YEARS IMMEDIATELY PRECEDING
23 THE DATE OF THE APPLICATION, THE STATE LICENSING AUTHORITY DENIED
24 AN APPLICATION FOR THE SAME CLASS OF LICENSE DUE TO THE NATURE OF
25 THE USE OR OTHER CONCERN RELATED TO THE LOCATION;

26 (b) UNTIL IT IS ESTABLISHED THAT THE APPLICANT IS, OR WILL BE,
27 ENTITLED TO POSSESSION OF THE PREMISES FOR WHICH APPLICATION IS

1 MADE UNDER A LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT
2 FOR POSSESSION OF THE PREMISES OR BY VIRTUE OF OWNERSHIP OF THE
3 PREMISES;

4 (c) FOR A LOCATION IN AN AREA WHERE THE CULTIVATION,
5 MANUFACTURE, AND SALE OF RETAIL MARIJUANA AS CONTEMPLATED IS
6 NOT PERMITTED UNDER THE APPLICABLE ZONING LAWS OF THE
7 MUNICIPALITY, CITY AND COUNTY, OR COUNTY;

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

26 (II) THE DISTANCES REFERRED TO IN THIS PARAGRAPH (d) ARE TO
27 BE COMPUTED BY DIRECT MEASUREMENT FROM THE NEAREST PROPERTY

1 LINE OF THE LAND USED FOR A SCHOOL OR CAMPUS TO THE NEAREST
2 PORTION OF THE BUILDING IN WHICH RETAIL MARIJUANA IS TO BE SOLD,
3 USING A ROUTE OF DIRECT PEDESTRIAN ACCESS.

4 (III) IN ADDITION TO THE REQUIREMENTS OF SECTION 12-43.4-303
5 (2), THE STATE LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE
6 AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN
7 WHICH THE RETAIL MARIJUANA IS TO BE SOLD IS LOCATED WITHIN ANY
8 DISTANCE RESTRICTIONS ESTABLISHED BY OR PURSUANT TO THIS
9 PARAGRAPH (d).


10 **12-43.4-308. Transfer of ownership.** (1) A STATE LICENSE
11 GRANTED UNDER THE PROVISIONS OF THIS ARTICLE IS NOT TRANSFERABLE
12 EXCEPT AS PROVIDED IN THIS SECTION, BUT THIS SECTION DOES NOT
13 PREVENT A CHANGE OF LOCATION AS PROVIDED IN SECTION 12-43.4-310
14 (13).


15 (2) FOR A TRANSFER OF OWNERSHIP, A LICENSE HOLDER SHALL
16 APPLY TO THE STATE LICENSING AUTHORITY ON FORMS PREPARED AND
17 FURNISHED BY THE STATE LICENSING AUTHORITY. UPON RECEIPT OF AN
18 APPLICATION FOR TRANSFER OF OWNERSHIP, THE STATE LICENSING
19 AUTHORITY SHALL IMMEDIATELY SUBMIT A COPY OF THE APPLICATION TO
20 THE LOCAL JURISDICTION TO DETERMINE WHETHER THE TRANSFER
21 COMPLIES WITH LOCAL RESTRICTION ON TRANSFER OF OWNERSHIP. IN
22 DETERMINING WHETHER TO PERMIT A TRANSFER OF OWNERSHIP, THE
23 STATE LICENSING AUTHORITY SHALL CONSIDER ONLY THE REQUIREMENTS
24 OF THIS ARTICLE, ANY RULES PROMULGATED BY THE STATE LICENSING
25 AUTHORITY, AND ANY OTHER LOCAL RESTRICTIONS. THE LOCAL
26 JURISDICTION MAY HOLD A HEARING ON THE APPLICATION FOR TRANSFER
27 OF OWNERSHIP. THE LOCAL JURISDICTION SHALL NOT HOLD A HEARING

1 PURSUANT TO THIS SUBSECTION (2) UNTIL THE LOCAL JURISDICTION HAS
2 POSTED A NOTICE OF HEARING IN THE MANNER DESCRIBED IN SECTION
3 12-43.4-302 (2) ON THE LICENSED PREMISES FOR A PERIOD OF TEN DAYS
4 AND HAS PROVIDED NOTICE OF THE HEARING TO THE APPLICANT AT LEAST
5 TEN DAYS PRIOR TO THE HEARING. ANY TRANSFER OF OWNERSHIP HEARING
6 BY THE STATE LICENSING AUTHORITY SHALL BE HELD IN COMPLIANCE WITH
7 THE REQUIREMENTS SPECIFIED IN SECTION 12-43.4-302.

8 **12-43.4-309. Licensing in general.** (1) LOCAL JURISDICTIONS
9 ARE AUTHORIZED TO ADOPT AND ENFORCE REGULATIONS FOR RETAIL
10 MARIJUANA ESTABLISHMENTS THAT ARE AT LEAST AS RESTRICTIVE AS THE
11 PROVISIONS OF THIS ARTICLE AND ANY RULE PROMULGATED PURSUANT TO
12 THIS ARTICLE.

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

23 

24 (3) A RETAIL MARIJUANA ESTABLISHMENT SHALL NOTIFY THE
25 STATE LICENSING AUTHORITY IN WRITING OF THE NAME, ADDRESS, AND
26 DATE OF BIRTH OF AN OWNER, OFFICER OR MANAGER BEFORE THE NEW
27 OWNER OR OFFICER BEGINS  MANAGING, OWNING, OR ASSOCIATING WITH

1 THE OPERATION. THE OWNER, OFFICER, MANAGER, OR EMPLOYEE MUST
2 PASS A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS
3 REQUIRED BY THE STATE LICENSING AUTHORITY AND OBTAIN THE
4 REQUIRED IDENTIFICATION PRIOR TO BEING ASSOCIATED WITH, MANAGING,
5 OWNING, OR WORKING AT THE OPERATION.

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

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

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

25 (7) (a) EACH LICENSE ISSUED UNDER THIS ARTICLE IS SEPARATE
26 AND DISTINCT. IT IS UNLAWFUL FOR A PERSON TO EXERCISE ANY OF THE
27 PRIVILEGES GRANTED UNDER A LICENSE OTHER THAN THE LICENSE THAT

1 THE PERSON HOLDS OR FOR A LICENSEE TO ALLOW ANY OTHER PERSON TO
2 EXERCISE THE PRIVILEGES GRANTED UNDER THE LICENSEE'S LICENSE. A
3 SEPARATE LICENSE SHALL BE REQUIRED FOR EACH SPECIFIC BUSINESS OR
4 BUSINESS ENTITY AND EACH GEOGRAPHICAL LOCATION.

5 (b) AT ALL TIMES, A LICENSEE SHALL POSSESS AND MAINTAIN
6 POSSESSION OF THE PREMISES FOR WHICH THE LICENSE IS ISSUED BY
7 OWNERSHIP, LEASE, RENTAL, OR OTHER ARRANGEMENT FOR POSSESSION
8 OF THE PREMISES.

9 (8) THE LICENSES ISSUED PURSUANT TO THIS ARTICLE MUST
10 SPECIFY THE DATE OF ISSUANCE, THE PERIOD OF LICENSURE, THE NAME OF
11 THE LICENSEE, AND THE PREMISES LICENSED. THE LICENSEE SHALL
12 CONSPICUOUSLY PLACE THE LICENSE AT ALL TIMES ON THE LICENSED
13 PREMISES.

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

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

24 (11) EACH LICENSEE SHALL MANAGE THE LICENSED PREMISES
25 HIMSELF OR HERSELF OR EMPLOY A SEPARATE AND DISTINCT MANAGER ON
26 THE PREMISES AND SHALL REPORT THE NAME OF THE MANAGER TO THE
27 STATE AND LOCAL LICENSING AUTHORITIES. THE LICENSEE SHALL REPORT

1 ANY CHANGE IN MANAGER TO THE STATE AND LOCAL LICENSING
2 AUTHORITIES WITHIN TWO BUSINESS DAYS AFTER THE CHANGE PURSUANT
3 TO SECTION 12-43.4-308.

4 (12) (a) A LICENSEE MAY MOVE THE PERMANENT LOCATION TO
5 ANY OTHER PLACE IN COLORADO ONCE PERMISSION TO DO SO IS GRANTED
6 BY THE STATE AND LOCAL JURISDICTION PROVIDED FOR IN THIS ARTICLE.
7 UPON RECEIPT OF AN APPLICATION FOR CHANGE OF LOCATION, THE STATE
8 LICENSING AUTHORITY SHALL IMMEDIATELY SUBMIT A COPY OF THE
9 APPLICATION TO THE LOCAL JURISDICTION TO DETERMINE WHETHER THE
10 TRANSFER COMPLIES WITH ALL LOCAL RESTRICTIONS ON CHANGE OF
11 LOCATION.

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

19 **12-43.4-310. License renewal.** (1) NINETY DAYS PRIOR TO THE
20 EXPIRATION DATE OF AN EXISTING LICENSE, THE STATE LICENSING
21 AUTHORITY SHALL NOTIFY THE LICENSEE OF THE EXPIRATION DATE BY
22 FIRST CLASS MAIL AT THE LICENSEE'S ADDRESS OF RECORD WITH THE
23 STATE LICENSING AUTHORITY. A LICENSEE MAY APPLY FOR THE RENEWAL
24 OF AN EXISTING LICENSE TO THE STATE LICENSING AUTHORITY NOT LESS
25 THAN THIRTY DAYS PRIOR TO THE DATE OF EXPIRATION. UPON RECEIPT OF
26 AN APPLICATION FOR RENEWAL OF AN EXISTING LICENSE, THE STATE
27 LICENSING AUTHORITY SHALL IMMEDIATELY SUBMIT A COPY OF THE

1 APPLICATION TO THE LOCAL JURISDICTION TO DETERMINE WHETHER THE
2 APPLICATION COMPLIES WITH ALL LOCAL RESTRICTIONS ON RENEWAL OF
3 LICENSES. THE STATE LICENSING AUTHORITY SHALL NOT ACCEPT AN
4 APPLICATION FOR RENEWAL OF A LICENSE AFTER THE DATE OF EXPIRATION,
5 EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION. THE STATE
6 LICENSING AUTHORITY MAY EXTEND THE EXPIRATION DATE OF THE
7 LICENSE AND ACCEPT A LATE APPLICATION FOR RENEWAL OF A LICENSE
8 PROVIDED THAT THE APPLICANT HAS FILED A TIMELY RENEWAL
9 APPLICATION WITH THE LOCAL LICENSING AUTHORITY. THE STATE OR THE
10 LOCAL LICENSING AUTHORITY, IN ITS DISCRETION, SUBJECT TO THE
11 REQUIREMENTS OF THIS SUBSECTION (1) AND SUBSECTION (2) OF THIS
12 SECTION AND BASED UPON REASONABLE GROUNDS, MAY WAIVE THE
13 THIRTY-DAY TIME REQUIREMENTS SET FORTH IN THIS SUBSECTION (1).

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

26 (b) THE STATE LICENSING AUTHORITY MAY ADMINISTRATIVELY
27 CONTINUE THE LICENSE AND ACCEPT A LATER APPLICATION FOR RENEWAL

1 OF A LICENSE AT THE DISCRETION OF THE STATE LICENSING AUTHORITY.

2 (c) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE LATE
3 APPLICATION FEE IN PARAGRAPH (a) OF THIS SUBSECTION (2), THE STATE
4 LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY
5 REDUCE THE AMOUNT OF THE FEE IF NECESSARY PURSUANT TO SECTION
6 24-75-402 (3), C.R.S., BY REDUCING THE UNCOMMITTED RESERVES OF THE
7 FUND TO WHICH ALL OR ANY PORTION OF THE FEE IS CREDITED. AFTER THE
8 UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE
9 STATE LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY
10 LAW MAY INCREASE THE AMOUNT OF THE FEE AS PROVIDED IN SECTION
11 24-75-402 (4), C.R.S.

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

16 **12-43.4-312. Unlawful financial assistance.** (1) THE STATE
17 LICENSING AUTHORITY SHALL REQUIRE A COMPLETE DISCLOSURE OF ALL
18 PERSONS HAVING A DIRECT OR INDIRECT FINANCIAL INTEREST, AND THE
19 EXTENT OF SUCH INTEREST, IN EACH LICENSE ISSUED UNDER THIS ARTICLE.

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

24 PART 4

25 LICENSE TYPES

26 **12-43.4-401. Classes of licenses.** (1) FOR THE PURPOSE OF
27 REGULATING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, SALE, AND

1 TESTING OF RETAIL MARIJUANA, THE STATE LICENSING AUTHORITY IN ITS
2 DISCRETION, UPON RECEIPT OF AN APPLICATION IN THE PRESCRIBED FORM,
3 MAY ISSUE AND GRANT TO THE APPLICANT A LICENSE FROM ANY OF THE
4 FOLLOWING CLASSES, SUBJECT TO THE PROVISIONS AND RESTRICTIONS
5 PROVIDED BY THIS ARTICLE:

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

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


25 (b) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
26 PARAGRAPH (b), A DUAL MEDICAL MARIJUANA CENTER AND RETAIL
27 MARIJUANA STORE SHALL MAINTAIN SEPARATE LICENSED PREMISES,

1 INCLUDING ENTRANCES AND EXITS, INVENTORY, POINT OF SALE
2 OPERATIONS, AND RECORD KEEPING.

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

9 (c) A DUAL CULTIVATION BUSINESS OPERATION SHALL MAINTAIN
10 EITHER PHYSICAL OR VIRTUAL SEPARATION OF THE TWO FACILITIES AND
11 THE PLANTS AND INVENTORY OF THE TWO FACILITIES.

12 (3) ALL PERSONS LICENSED PURSUANT TO THIS ARTICLE SHALL
13 COLLECT SALES TAX ON ALL RETAIL SALES MADE AT A RETAIL MARIJUANA
14 STORE.

15 
16 **12-43.4-402. Retail marijuana store license.** (1) (a) A RETAIL
17 MARIJUANA STORE LICENSE SHALL BE ISSUED ONLY TO A PERSON SELLING
18 RETAIL MARIJUANA PURSUANT TO THE TERMS AND CONDITIONS OF THIS
19 ARTICLE.

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

1 POINT OF SALE.

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

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

17 (A) TO A RETAIL MARIJUANA STORE OR APPLICANT IF THE RETAIL
18 MARIJUANA STORE OR APPLICANT SUFFERS A CATASTROPHIC EVENT
19 RELATED TO ITS INVENTORY; OR

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

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

26 (IV) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,
27 2015.

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

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

10 (b) A RETAIL MARIJUANA STORE LICENSEE MAY TRANSACT WITH
11 A RETAIL MARIJUANA PRODUCTS MANUFACTURING LICENSEE FOR THE
12 PURCHASE OF RETAIL MARIJUANA PRODUCTS UPON A RETAIL MARIJUANA
13 PRODUCTS MANUFACTURING LICENSEE'S LICENSED PREMISES. ■ ■

14 (3) (a) A RETAIL MARIJUANA STORE MAY NOT SELL MORE THAN A
15 QUARTER OF AN OUNCE OF RETAIL MARIJUANA AND NO MORE THAN A
16 QUARTER OF AN OUNCE EQUIVALENT OF A RETAIL MARIJUANA PRODUCTS
17 DURING A SINGLE TRANSACTION TO A PERSON WHO DOES NOT HAVE A
18 VALID IDENTIFICATION CARD SHOWING THAT THE PERSON IS A RESIDENT
19 OF THE STATE OF COLORADO.

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

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

1 RECORD OF WHAT WAS PROVIDED TO THE TESTING FACILITY AND THE
2 IDENTITY OF THE TESTING FACILITY.

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

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

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

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

20 (8) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL RETAIL
21 MARIJUANA AND RETAIL MARIJUANA PRODUCTS IN PACKAGING THAT
22 CONFORMS TO THE REGULATIONS ADOPTED BY THE STATE LICENSING
23 AUTHORITY.

24 (9) THE PREMISES OF A LICENSED RETAIL MARIJUANA STORE IS THE
25 ONLY PLACE WHERE AN AUTOMATIC DISPENSING MACHINE THAT CONTAINS
26 RETAIL MARIJUANA MAY BE LOCATED. IF A LICENSED RETAIL MARIJUANA
27 STORE USES AN AUTOMATIC DISPENSING MACHINE THAT CONTAINS RETAIL

1 MARIJUANA, IT MUST COMPLY WITH THE REGULATIONS PROMULGATED BY
2 THE STATE LICENSING AUTHORITY FOR ITS USE.

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

5 **12-43.4-403. Retail marijuana cultivation facility license.** (1) A
6 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY
7 TO A PERSON WHO GROWS AND CULTIVATES RETAIL MARIJUANA FOR SALE
8 AND DISTRIBUTION TO LICENSED RETAIL MARIJUANA STORES OR RETAIL
9 MARIJUANA PRODUCTS MANUFACTURING LICENSEES.

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

20 (b) ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA
21 CULTIVATION FACILITY LICENSEE SHALL ONLY TRANSFER RETAIL
22 MARIJUANA TO ITS RETAIL MARIJUANA STORE OR RETAIL MARIJUANA
23 PRODUCTS MANUFACTURER.

24 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF
25 THIS SUBSECTION (2), A RETAIL MARIJUANA CULTIVATION FACILITY
26 LICENSEE MAY SELL NO MORE THAN THIRTY PERCENT OF ITS INVENTORY
27 TO ANOTHER RETAIL MARIJUANA STORE OR RETAIL MARIJUANA PRODUCTS

1 MANUFACTURER.

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

15 (e) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JANUARY 1,
16 2015.

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

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

27 (5) A RETAIL MARIJUANA CULTIVATION FACILITY MAY PROVIDE A

1 SAMPLE OF ITS PRODUCTS TO A FACILITY THAT HAS A MARIJUANA TESTING
2 FACILITY LICENSE FROM THE STATE LICENSING AUTHORITY FOR TESTING
3 AND RESEARCH PURPOSES. A RETAIL MARIJUANA CULTIVATION FACILITY
4 SHALL MAINTAIN A RECORD OF WHAT WAS PROVIDED TO THE TESTING
5 FACILITY AND THE IDENTITY OF THE TESTING FACILITY.

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

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

13 (b) A RETAIL MARIJUANA PRODUCTS MANUFACTURER MAY
14 CULTIVATE ITS OWN RETAIL MARIJUANA IF IT OBTAINS A RETAIL
15 MARIJUANA CULTIVATION FACILITY LICENSE, OR IT MAY PURCHASE RETAIL
16 MARIJUANA FROM A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY.
17 A RETAIL MARIJUANA PRODUCTS MANUFACTURER LICENSEE THAT HAS A
18 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE SHALL NOT SELL ANY
19 OF THE RETAIL MARIJUANA THAT IT CULTIVATES EXCEPT FOR THE RETAIL
20 MARIJUANA THAT IS CONTAINED IN ITS RETAIL MARIJUANA PRODUCTS. A
21 RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL TRACK ALL OF ITS
22 RETAIL MARIJUANA FROM THE POINT IT IS EITHER TRANSFERRED FROM ITS
23 RETAIL MARIJUANA CULTIVATION FACILITY OR THE POINT WHEN IT IS
24 DELIVERED TO THE RETAIL MARIJUANA PRODUCTS MANUFACTURER FROM
25 A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY TO THE POINT OF
26 SALE.

27 (c) A RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL NOT

1 ACCEPT ANY RETAIL MARIJUANA PURCHASED FROM A RETAIL MARIJUANA
2 CULTIVATION FACILITY UNLESS THE RETAIL MARIJUANA PRODUCTS
3 MANUFACTURER IS PROVIDED WITH EVIDENCE THAT ANY EXCISE TAX DUE
4 PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S., WAS PAID.

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

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

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

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

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

1 (7) A RETAIL MARIJUANA PRODUCTS MANUFACTURER MAY
2 PROVIDE A SAMPLE OF ITS PRODUCTS TO A FACILITY THAT HAS A RETAIL
3 MARIJUANA TESTING FACILITY LICENSE FROM THE STATE LICENSING
4 AUTHORITY FOR TESTING AND RESEARCH PURPOSES. A RETAIL MARIJUANA
5 PRODUCTS MANUFACTURER SHALL MAINTAIN A RECORD OF WHAT WAS
6 PROVIDED TO THE TESTING FACILITY AND THE IDENTITY OF THE TESTING
7 FACILITY.

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

10 (9) A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER
11 SHALL PACKAGE AND LABEL EACH PRODUCT MANUFACTURED AS REQUIRED
12 BY RULES OF THE STATE LICENSING AUTHORITY PURSUANT TO SECTION
13 12-43.4-202.

14 (10) ALL RETAIL MARIJUANA PRODUCTS THAT REQUIRE
15 REFRIGERATION TO PREVENT SPOILAGE MUST BE STORED AND
16 TRANSPORTED IN A REFRIGERATED ENVIRONMENT.

17 **12-43.4-405. Retail marijuana testing facility license - rules.**

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

21 (2) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES
22 PURSUANT TO ITS AUTHORITY IN SECTION 12-43.4-202 (1) (b) RELATED TO
23 ACCEPTABLE TESTING AND RESEARCH PRACTICES, INCLUDING BUT NOT
24 LIMITED TO TESTING, STANDARDS, QUALITY CONTROL ANALYSIS,
25 EQUIPMENT CERTIFICATION AND CALIBRATION, AND CHEMICAL
26 IDENTIFICATION AND OTHER SUBSTANCES USED IN BONA FIDE RESEARCH
27 METHODS.

1 HUNDRED DOLLARS OF THE FEE TO THE MARIJUANA CASH FUND AND REMIT
2 TWO THOUSAND FIVE HUNDRED DOLLARS TO THE LOCAL JURISDICTION IN
3 WHICH THE LICENSE IS PROPOSED TO BE ISSUED. THE STATE LICENSING
4 AUTHORITY IS CONSIDERING RAISING THE FIVE THOUSAND DOLLAR
5 APPLICATION FEE IT SHALL CONFER WITH EACH LOCAL JURISDICTION IN
6 WHICH A LICENSE UNDER THIS ARTICLE IS ISSUED PRIOR TO RAISING THE
7 APPLICATION FEE. IF THE APPLICATION FEE AMOUNT IS CHANGED, IT MUST
8 BE SPLIT EVENLY BETWEEN THE MARIJUANA CASH FUND AND THE LOCAL
9 JURISDICTION IN WHICH THE LICENSE IS PROPOSED TO BE ISSUED.

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

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

24 PART 6

25 DISCIPLINARY ACTIONS

26 **12-43.4-601. Suspension - revocation - fines.** (1) IN ADDITION TO
27 ANY OTHER SANCTIONS PRESCRIBED BY THIS ARTICLE OR RULES

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


15 (2) THE STATE LICENSING AUTHORITY SHALL PROVIDE NOTICE OF
16 SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL AS THE
17 REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1) OF THIS
18 SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT THE
19 ADDRESS CONTAINED IN THE LICENSE. EXCEPT IN THE CASE OF A SUMMARY
20 SUSPENSION, A SUSPENSION SHALL NOT BE FOR A PERIOD LONGER THAN SIX
21 MONTHS. IF A LICENSE IS SUSPENDED OR REVOKED, A PART OF THE FEES
22 PAID THEREFOR SHALL NOT BE RETURNED TO THE LICENSEE. ANY LICENSE
23 OR PERMIT MAY BE SUMMARILY SUSPENDED BY THE STATE LICENSING
24 AUTHORITY WITHOUT NOTICE PENDING ANY PROSECUTION,
25 INVESTIGATION, OR PUBLIC HEARING PURSUANT TO THE TERMS OF SECTION
26 24-4-104 (4), C.R.S. NOTHING IN THIS SECTION SHALL PREVENT THE
27 SUMMARY SUSPENSION OF A LICENSE PURSUANT TO SECTION 24-4-104 (4),

1 C.R.S.

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

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

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

20 
21 (b) THE FINE ACCEPTED SHALL BE NOT LESS THAN FIVE HUNDRED
22 DOLLARS NOR MORE THAN ONE HUNDRED THOUSAND DOLLARS.

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

27 (4) UPON PAYMENT OF THE FINE PURSUANT TO SUBSECTION (3) OF

1 THIS SECTION, THE STATE LICENSING AUTHORITY SHALL ENTER ITS
2 FURTHER ORDER PERMANENTLY STAYING THE IMPOSITION OF THE
3 SUSPENSION. FINES PAID TO THE STATE LICENSING AUTHORITY PURSUANT
4 TO SUBSECTION (3) OF THIS SECTION SHALL BE TRANSMITTED TO THE
5 STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE MARIJUANA
6 CASH FUND CREATED IN SECTION 12-43.3-501.

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

15 (6) IF THE STATE LICENSING AUTHORITY DOES NOT MAKE THE
16 FINDINGS REQUIRED IN PARAGRAPH (a) OF SUBSECTION (3) OF THIS
17 SECTION AND DOES NOT ORDER THE SUSPENSION PERMANENTLY STAYED,
18 THE SUSPENSION SHALL GO INTO EFFECT ON THE OPERATIVE DATE FINALLY
19 SET BY THE STATE LICENSING AUTHORITY.

20 (7) NO LATER THAN JANUARY 15 OF EACH YEAR, THE STATE
21 LICENSING AUTHORITY SHALL COMPILE A REPORT OF THE PRECEDING
22 YEAR'S ACTIONS IN WHICH FINES, SUSPENSIONS, OR REVOCATIONS WERE
23 IMPOSED BY THE STATE LICENSING AUTHORITY. THE STATE LICENSING
24 AUTHORITY SHALL FILE ONE COPY OF THE REPORT WITH THE CHIEF CLERK
25 OF THE HOUSE OF REPRESENTATIVES, ONE COPY WITH THE SECRETARY OF
26 THE SENATE, AND SIX COPIES IN THE JOINT LEGISLATIVE LIBRARY.

27 **12-43.4-602. Disposition of unauthorized marijuana or**

1 **marijuana products and related materials.** (1) THE PROVISIONS OF
2 THIS SECTION SHALL APPLY IN ADDITION TO ANY CRIMINAL, CIVIL, OR
3 ADMINISTRATIVE PENALTIES AND IN ADDITION TO ANY OTHER PENALTIES
4 PRESCRIBED BY THIS ARTICLE OR ANY RULES PROMULGATED PURSUANT TO
5 THIS ARTICLE. ANY PROVISIONS IN THIS ARTICLE RELATED TO LAW
6 ENFORCEMENT SHALL BE CONSIDERED A CUMULATIVE RIGHT OF THE
7 PEOPLE IN THE ENFORCEMENT OF THE CRIMINAL LAWS.

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

12 (3) A STATE OR LOCAL AGENCY SHALL NOT BE REQUIRED TO
13 CULTIVATE OR CARE FOR ANY RETAIL MARIJUANA OR RETAIL MARIJUANA
14 PRODUCT BELONGING TO OR SEIZED FROM A LICENSEE. A STATE OR LOCAL
15 AGENCY SHALL NOT BE AUTHORIZED TO SELL MARIJUANA, RETAIL OR
16 OTHERWISE.

17 (4) IF THE STATE LICENSING AUTHORITY ISSUES A FINAL AGENCY
18 ORDER IMPOSING A DISCIPLINARY ACTION AGAINST A LICENSEE PURSUANT
19 TO SECTION 12-43.4-601, THEN, IN ADDITION TO ANY OTHER REMEDIES,
20 THE LICENSING AUTHORITY'S FINAL AGENCY ORDER MAY SPECIFY THAT
21 SOME OR ALL OF THE LICENSEE'S MARIJUANA OR MARIJUANA PRODUCT IS
22 NOT RETAIL MARIJUANA OR A RETAIL MARIJUANA PRODUCT AND IS AN
23 ILLEGAL CONTROLLED SUBSTANCE. THE ORDER MAY FURTHER SPECIFY
24 THAT THE LICENSEE SHALL LOSE ANY INTEREST IN ANY OF THE MARIJUANA
25 OR MARIJUANA PRODUCT EVEN IF THE MARIJUANA OR MARIJUANA
26 PRODUCT PREVIOUSLY QUALIFIED AS RETAIL MARIJUANA OR A RETAIL
27 MARIJUANA PRODUCT. THE FINAL AGENCY ORDER MAY DIRECT THE

1 DESTRUCTION OF ANY SUCH MARIJUANA AND MARIJUANA PRODUCTS,
2 EXCEPT AS PROVIDED IN SUBSECTIONS (5) AND (6) OF THIS SECTION. THE
3 AUTHORIZED DESTRUCTION MAY INCLUDE THE INCIDENTAL DESTRUCTION
4 OF ANY CONTAINERS, EQUIPMENT, SUPPLIES, AND OTHER PROPERTY
5 ASSOCIATED WITH THE MARIJUANA OR MARIJUANA PRODUCT.

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

1 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION UNTIL
2 FIFTEEN DAYS HAVE PASSED WITHOUT THE FILING OF A PETITION FOR STAY
3 OF AGENCY ACTION, OR UNTIL THE COURT HAS ISSUED AN ORDER DENYING
4 STAY OF AGENCY ACTION PURSUANT TO THIS SUBSECTION (5).

5 (6) A DISTRICT ATTORNEY SHALL NOTIFY THE STATE LICENSING
6 AUTHORITY IF IT BEGINS INVESTIGATING A RETAIL MARIJUANA
7 ESTABLISHMENT. IF THE STATE LICENSING AUTHORITY HAS RECEIVED
8 NOTIFICATION FROM A DISTRICT ATTORNEY THAT AN INVESTIGATION IS
9 BEING CONDUCTED, THE STATE LICENSING AUTHORITY SHALL NOT
10 DESTROY ANY MARIJUANA OR MARIJUANA PRODUCTS FROM THE RETAIL
11 MARIJUANA ESTABLISHMENT UNTIL THE DESTRUCTION IS APPROVED BY
12 THE DISTRICT ATTORNEY.

13 (7) ON OR BEFORE JANUARY 1, 2014, THE STATE LICENSING
14 AUTHORITY SHALL PROMULGATE RULES GOVERNING THE IMPLEMENTATION
15 OF THIS SECTION.

16 PART 7

17 INSPECTION OF BOOKS AND RECORDS

18 **12-43.4-701. Inspection procedures.** (1) EACH LICENSEE SHALL
19 KEEP A COMPLETE SET OF ALL RECORDS NECESSARY TO SHOW FULLY THE
20 BUSINESS TRANSACTIONS OF THE LICENSEE, ALL OF WHICH SHALL BE OPEN
21 AT ALL TIMES DURING BUSINESS HOURS FOR THE INSPECTION AND
22 EXAMINATION BY THE STATE LICENSING AUTHORITY OR ITS DULY
23 AUTHORIZED REPRESENTATIVES. THE STATE LICENSING AUTHORITY MAY
24 REQUIRE ANY LICENSEE TO FURNISH SUCH INFORMATION AS IT CONSIDERS
25 NECESSARY FOR THE PROPER ADMINISTRATION OF THIS ARTICLE AND MAY
26 REQUIRE AN AUDIT TO BE MADE OF THE BOOKS OF ACCOUNT AND RECORDS
27 ON SUCH OCCASIONS AS IT MAY CONSIDER NECESSARY BY AN AUDITOR TO

1 BE SELECTED BY THE STATE LICENSING AUTHORITY WHO SHALL LIKEWISE
2 HAVE ACCESS TO ALL BOOKS AND RECORDS OF THE LICENSEE, AND THE
3 EXPENSE THEREOF SHALL BE PAID BY THE LICENSEE.

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

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

21 PART 8

22 JUDICIAL REVIEW

23 **12-43.4-801. Judicial review.** DECISIONS BY THE STATE
24 LICENSING AUTHORITY ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO
25 SECTION 24-4-106, C.R.S.

26 PART 9

27 UNLAWFUL ACTS

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

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

8 (a) BUY, SELL, TRANSFER, GIVE AWAY, OR ACQUIRE RETAIL
9 MARIJUANA EXCEPT AS ALLOWED PURSUANT TO THIS ARTICLE OR SECTION
10 16 OF ARTICLE XVIII OF THE STATE CONSTITUTION; OR

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

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

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

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

26 (c) TO FAIL TO REPORT A TRANSFER REQUIRED BY SECTION
27 12-43.4-309 (11); OR

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

3 [REDACTED]

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

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

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

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

12 [REDACTED]

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

16 [REDACTED]

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

21 (f) TO HAVE ON THE LICENSED PREMISES ANY RETAIL MARIJUANA
22 OR MARIJUANA PARAPHERNALIA THAT SHOWS EVIDENCE OF THE RETAIL
23 MARIJUANA HAVING BEEN CONSUMED OR PARTIALLY CONSUMED;

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

26 [REDACTED]

27 (h) TO ABANDON A LICENSED PREMISES OR OTHERWISE CEASE

1 OPERATION WITHOUT NOTIFYING THE STATE AND LOCAL LICENSING
2 AUTHORITIES AT LEAST FORTY-EIGHT HOURS IN ADVANCE AND WITHOUT
3 ACCOUNTING FOR AND FORFEITING TO THE STATE LICENSING AUTHORITY
4 FOR DESTRUCTION ALL MARIJUANA OR PRODUCTS CONTAINING
5 MARIJUANA.

6 (5) A PERSON WHO COMMITS ANY ACTS THAT ARE UNLAWFUL
7 PURSUANT TO THIS ARTICLE OR THE RULES AUTHORIZED AND ADOPTED
8 PURSUANT TO THIS ARTICLE COMMITS A CLASS 2 MISDEMEANOR AND
9 SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., EXCEPT
10 FOR VIOLATIONS THAT WOULD ALSO CONSTITUTE A VIOLATION OF TITLE
11 18, C.R.S., WHICH VIOLATION SHALL BE CHARGED AND PROSECUTED
12 PURSUANT TO TITLE 18, C.R.S.

13 PART 10

14 SUNSET REVIEWS

15 **12-43.4-1001. Sunset review - article repeal.** (1) THIS ARTICLE
16 IS REPEALED, EFFECTIVE JULY 1, 2015.

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

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

22 **16-2.5-124.5. Director of marijuana enforcement and medical**
23 **marijuana enforcement INVESTIGATOR.** THE DIRECTOR OF THE
24 MARIJUANA ENFORCEMENT DIVISION OR A **medical marijuana enforcement**
25 **investigator** is a peace officer while engaged in the performance of his or
26 **her duties and while acting under proper orders or rules pursuant to article**
27 **43.3 OR 43.4 of title 12, C.R.S., and shall also include the enforcement of**

1 all laws of the state of Colorado and who may be certified by the P.O.S.T.
2 board.

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

6 **42-4-1301. Driving under the influence - driving while**
7 **impaired - driving with excessive alcoholic content - definitions -**
8 **penalties.** (1) (c) ~~It is a misdemeanor for any person who is an habitual~~
9 ~~user of any controlled substance defined in section 18-18-102 (5), C.R.S.,~~
10 ~~to drive a motor vehicle, vehicle, or low-power scooter in this state.~~

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

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

26 (4) No court shall accept a plea of guilty to a non-alcohol-related
27 or non-drug-related traffic offense or guilty to the offense of UDD from

1 a person charged with DUI OR DUI per se; ~~or habitual user~~; except that
2 the court may accept a plea of guilty to a non-alcohol-related or
3 non-drug-related traffic offense or to UDD upon a good faith
4 representation by the prosecuting attorney that the attorney could not
5 establish a prima facie case if the defendant were brought to trial on the
6 original alcohol-related or drug-related offense.

7 (6) (a) In any prosecution for DUI or DWAI, the defendant's BAC
8 OR DRUG CONTENT at the time of the commission of the alleged offense
9 or within a reasonable time thereafter gives rise to the following
10 presumptions or inferences:

11 (IV) IF AT SUCH TIME THE DRIVER'S BLOOD CONTAINED FIVE
12 NANOGRAMS OR MORE OF DELTA 9-TETRAHYDROCANNABINOL PER
13 MILLILITER IN WHOLE BLOOD, AS SHOWN BY ANALYSIS OF THE
14 DEFENDANT'S BLOOD, SUCH FACT GIVES RISE TO A PERMISSIBLE INFERENCE
15 THAT THE DEFENDANT WAS UNDER THE INFLUENCE OF ONE OR MORE
16 DRUGS.

17 (e) **Involuntary blood test - admissibility.** Evidence acquired
18 through an involuntary blood test pursuant to section 42-4-1301.1 (3)
19 shall be admissible in any prosecution for DUI, DUI per se, DWAI,
20 ~~habitual user~~, or UDD, and in any prosecution for criminally negligent
21 homicide pursuant to section 18-3-105, C.R.S., vehicular homicide
22 pursuant to section 18-3-106 (1) (b), C.R.S., assault in the third degree
23 pursuant to section 18-3-204, C.R.S., or vehicular assault pursuant to
24 section 18-3-205 (1) (b), C.R.S.

25 (j) IN ANY TRIAL FOR A VIOLATION OF THIS SECTION, IF, AT THE
26 TIME OF THE ALLEGED OFFENSE, THE PERSON POSSESSED A VALID MEDICAL
27 MARIJUANA REGISTRY IDENTIFICATION CARD, AS DEFINED IN SECTION

1 25-1.5-106 (2) (e), C.R.S., ISSUED TO HIMSELF OR HERSELF, THE
2 PROSECUTION SHALL NOT USE SUCH FACT AS PART OF THE PROSECUTION'S
3 CASE IN CHIEF.

4 (k) IN ANY TRAFFIC STOP, THE DRIVER'S POSSESSION OF A VALID
5 MEDICAL MARIJUANA REGISTRY IDENTIFICATION CARD, AS DEFINED IN
6 SECTION 25-1.5-106(2) (e), C.R.S., ISSUED TO HIMSELF OR HERSELF SHALL
7 NOT, IN THE ABSENCE OF OTHER CONTRIBUTING FACTORS, CONSTITUTE
8 PROBABLE CAUSE FOR A PEACE OFFICER TO REQUIRE THE DRIVER TO
9 SUBMIT TO AN ANALYSIS OF HIS OR HER BLOOD.

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

12 **18-3-106. Vehicular homicide.** (1) (b) (II) For the purposes of
13 this subsection (1), one or more drugs ~~shall mean all substances defined~~
14 ~~as a~~ MEANS ANY drug, AS DEFINED in section 27-80-203 (13), C.R.S., and
15 ~~all controlled substances~~ ANY CONTROLLED SUBSTANCE, AS defined in
16 section 18-18-102 (5), and ~~glue-sniffing, aerosol inhalation, or the~~
17 ~~inhalation of~~ any INHALED GLUE, AEROSOL, OR other toxic vapor or
18 vapors, as defined in section 18-18-412.

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

24 (c) If there was at such time 0.08 or more grams of alcohol per
25 one hundred milliliters of blood, or if there was at such time 0.08 or more
26 grams of alcohol per two hundred ten liters of breath, ~~it shall be presumed~~
27 SUCH FACT GIVES RISE TO THE PERMISSIBLE INFERENCE that the defendant

1 was under the influence of alcohol.

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

8 **SECTION 8.** In Colorado Revised Statutes, 18-3-205, **amend** (1)
9 (b) (II), (2) introductory portion, and (2) (c); and **add** (2) (d) as follows:

10 **18-3-205. Vehicular assault.** (1) (b) (II) For the purposes of this
11 subsection (1), one or more drugs ~~shall mean all substances defined as a~~
12 **MEANS ANY drug, AS DEFINED in section 27-80-203 (13), C.R.S., and all**
13 ~~controlled substances~~ **ANY CONTROLLED SUBSTANCE, AS defined in**
14 **section 18-18-102 (5), and ~~glue-sniffing, aerosol inhalation, or the~~**
15 **~~inhalation~~ of any INHALED GLUE, AEROSOL, OR other toxic vapor or**
16 **vapors, as defined in section 18-18-412.**

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

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

27 (d) IF AT SUCH TIME THE DRIVER'S BLOOD CONTAINED FIVE

1 NANOGRAMS OR MORE OF DELTA 9-TETRAHYDROCANNABINOL PER
2 MILLILITER IN WHOLE BLOOD, AS SHOWN BY ANALYSIS OF THE
3 DEFENDANT'S BLOOD, SUCH FACT GIVES RISE TO A PERMISSIBLE INFERENCE
4 THAT THE DEFENDANT WAS UNDER THE INFLUENCE OF ONE OR MORE
5 DRUGS.

6 **SECTION 9.** In Colorado Revised Statutes, 42-1-102, **repeal**
7 (41.7) as follows:

8 **42-1-102. Definitions.** As used in articles 1 to 4 of this title,
9 unless the context otherwise requires:

10 (41.7) "~~Habitual user~~" shall incorporate by reference the offense
11 ~~described in section 42-4-1301 (1) (c).~~

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

14 **42-2-121. Records to be kept by department - admission of**
15 **records in court.** (2) (b) The department shall also keep a separate file
16 of all abstracts of court records of dismissals of DUI, DUI per se, DWAI,
17 ~~habitual user~~, and UDD charges and all abstracts of records in cases
18 where the original charges were for DUI, DUI per se, DWAI, ~~habitual~~
19 ~~user~~, and UDD and the convictions were for nonalcohol- or
20 nondrug-related traffic offenses. This file shall be made available only to
21 criminal justice agencies, as defined in section 24-72-302 (3), C.R.S.

22 (5) (a) Upon application by a person, the department shall
23 expunge all records concerning a conviction of a person for UDD with a
24 BAC of at least 0.02 but not more than 0.05 and any records concerning
25 an administrative determination resulting in a revocation under section
26 42-2-126 (3) (b) or (3) (e) if:

27 (III) The person has not been convicted for any other DUI, DUI

1 per se, DWAI, ~~habitual user~~, or UDD offense that was committed while
2 such person was under twenty-one years of age and is not subject to any
3 other administrative determination resulting in a revocation under section
4 42-2-126 for any other occurrence while such person was under
5 twenty-one years of age;

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

8 **42-2-129. Mandatory surrender of license or permit for**
9 **driving under the influence or with excessive alcoholic content.** Upon
10 a plea of guilty or nolo contendere, or a verdict of guilty by the court or
11 a jury, to DUI, OR DUI per se, ~~or habitual user~~, or, for a person under
12 twenty-one years of age, to DUI, DUI per se, DWAI, ~~habitual user~~, or
13 UDD, the court shall require the offender to immediately surrender the
14 offender's driver's, minor driver's, or temporary driver's license or
15 instruction permit to the court. The court shall forward to the department
16 a notice of plea or verdict, on the form prescribed by the department,
17 together with the offender's license or permit, not later than ten days after
18 the surrender of the license or permit. Any person who does not
19 immediately surrender the license or permit to the court, except for good
20 cause shown, commits a class 2 misdemeanor traffic offense.

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

23 **42-2-125. Mandatory revocation of license and permit.** (1) The
24 department shall immediately revoke the license or permit of any driver
25 or minor driver upon receiving a record showing that such driver has:

26 (b) Been convicted of driving a motor vehicle while under the
27 influence of a controlled substance, as defined in section 18-18-102 (5),

1 C.R.S.; or while an habitual user of such a controlled substance;
2 (g) (I) Been twice convicted of any combination of DUI, DUI per
3 se, OR DWAI or habitual user for acts committed within a period of five
4 years;
5 (II) In the case of a minor driver, been convicted of DUI, DUI per
6 se, OR DWAI or habitual user committed while such driver was under
7 twenty-one years of age;
8 (i) Been convicted of DUI, DUI per se, OR DWAI or habitual user
9 and has two previous convictions of any of such offenses. The license of
10 any driver shall be revoked for an indefinite period and shall only be
11 reissued upon proof to the department that said driver has completed a
12 level II alcohol and drug education and treatment program certified by the
13 unit in the department of human services that administers behavioral
14 health programs and services, including those related to mental health and
15 substance abuse, pursuant to section 42-4-1301.3 and that said driver has
16 demonstrated knowledge of the laws and driving ability through the
17 regular motor vehicle testing process. In no event shall such license be
18 reissued in less than two years.

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

21 **42-2-127. Authority to suspend license - to deny license - type**
22 **of conviction - points.** (1) (a) Except as provided in paragraph (b) of
23 subsection (8) of this section, the department has the authority to suspend
24 the license of any driver who, in accordance with the schedule of points
25 set forth in this section, has been convicted of traffic violations resulting
26 in the accumulation of twelve points or more within any twelve
27 consecutive months or eighteen points or more within any twenty-four

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

24 (5) Point system schedule:

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

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

27 (6) (b) For the purposes of this article, a plea of no contest

1 accepted by the court or the forfeiture of any bail or collateral deposited
2 to secure a defendant's appearance in court or the failure to appear in
3 court by a defendant charged with DUI, DUI per se, ~~habitual user~~, or
4 UDD who has been issued a summons and notice to appear pursuant to
5 section 42-4-1707 as evidenced by records forwarded to the department
6 in accordance with the provisions of section 42-2-124 shall be considered
7 as a conviction.

8 **SECTION 14.** In Colorado Revised Statutes, 42-2-132, **amend**
9 (2) (a) (III) and (2) (a) (IV) as follows:

10 **42-2-132. Period of suspension or revocation.** (2) (a) (III) In the
11 case of a minor driver whose license has been revoked as a result of one
12 conviction for DUI, DUI per se, DWAI, ~~habitual user~~, or UDD, the minor
13 driver, unless otherwise required after an evaluation made pursuant to
14 section 42-4-1301.3, must complete a level I alcohol and drug education
15 program certified by the unit in the department of human services that
16 administers behavioral health programs and services, including those
17 related to mental health and substance abuse.

18 (IV) Any person whose license or privilege to drive a motor
19 vehicle on the public highways has been revoked under section 42-2-125
20 (1) (g) (I) or (1) (i) or 42-2-203 where the revocation was due in part to
21 a DUI, DUI per se, OR DWAI or ~~habitual user~~ conviction shall be
22 required to present an affidavit stating that the person has obtained at the
23 person's own expense a signed lease agreement for the installation and
24 use of an approved ignition interlock device, as defined in section
25 42-2-132.5 (9) (a), in each motor vehicle on which the person's name
26 appears on the registration and any other vehicle that the person may
27 drive during the period of the interlock-restricted license.

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

3 **42-2-132.5. Mandatory and voluntary restricted licenses**
4 **following alcohol convictions - rules.** (1) **Persons required to hold an**
5 **interlock-restricted license.** The following persons shall be required to
6 hold an interlock-restricted license pursuant to this section for at least one
7 year following reinstatement prior to being eligible to obtain any other
8 driver's license issued under this article:

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

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

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

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

25 **42-2-138. Driving under restraint - penalty.** (1) (a) Any person
26 who drives a motor vehicle or off-highway vehicle upon any highway of
27 this state with knowledge that the person's license or privilege to drive,

1 either as a resident or a nonresident, is under restraint for any reason other
2 than conviction of DUI, DUI per se, DWAI, ~~habitual user~~, or UDD is
3 guilty of a misdemeanor. A court may sentence a person convicted of this
4 misdemeanor to imprisonment in the county jail for a period of not more
5 than six months and may impose a fine of not more than five hundred
6 dollars.

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

1 county jail for a period of not more than one year and, in the discretion of
2 the court, a fine of not more than one thousand dollars, and, for a second
3 or subsequent conviction, the court may impose a sentence of
4 imprisonment in the county jail for a period of not more than two years
5 and, in the discretion of the court, a fine of not more than three thousand
6 dollars.

7 (II) In any trial for a violation of subparagraph (I) of this
8 paragraph (d), a duly authenticated copy of the record of the defendant's
9 former convictions and judgments for DUI, DUI per se, DWAI, ~~habitual~~
10 ~~user~~, or UDD or an alcohol-related offense committed in another state
11 from any court of record or a certified copy of the record of any denial or
12 revocation of the defendant's driving privilege under section 42-2-126 (3)
13 from the department shall be prima facie evidence of the convictions,
14 judgments, denials, or revocations and may be used in evidence against
15 the defendant. Identification photographs and fingerprints that are part of
16 the record of the former convictions, judgments, denials, or revocations
17 and the defendant's incarceration after sentencing for any of the former
18 convictions, judgments, denials, or revocations shall be prima facie
19 evidence of the identity of the defendant and may be used in evidence
20 against the defendant.

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

23 **42-2-202. Habitual offenders - frequency and type of**
24 **violations.** (2) (a) An habitual offender is a person having three or more
25 convictions of any of the following separate and distinct offenses arising
26 out of separate acts committed within a period of seven years:

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

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

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

7 (a) A conviction for DUI, DUI per se, OR DWAI, ~~or habitual user,~~
8 or a substantially similar law of any other state pertaining to drinking and
9 driving, or an administrative determination of a violation of section
10 42-2-126 (3) (a) or (3) (b) shall be deemed driving under the influence;
11 and

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

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

1 who is under twenty-one years of age shall be entitled to request a blood
2 test unless the alleged violation is UDD, in which case a specimen of the
3 person's breath shall be obtained and tested, except as provided in
4 subparagraph (II) of this paragraph (a).

5 (b) (I) Any person who drives any motor vehicle upon the streets
6 and highways and elsewhere throughout this state shall be required to
7 submit to and to complete, and to cooperate in the completing of, a test
8 or tests of such person's blood, saliva, and urine for the purpose of
9 determining the drug content within the person's system when so
10 requested and directed by a law enforcement officer having probable
11 cause to believe that the person was driving a motor vehicle in violation
12 of the prohibitions against DUI, OR DWAI or ~~habitual user~~ and when it
13 is reasonable to require such testing of blood, saliva, and urine to
14 determine whether such person was under the influence of, or impaired
15 by, one or more drugs, or one or more controlled substances, or a
16 combination of both alcohol and one or more drugs, or a combination of
17 both alcohol and one or more controlled substances.

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

22 **42-4-1307. Penalties for traffic offenses involving alcohol and**
23 **drugs - repeal.** (3) **First offenses - DUI and DUI per se.** (a) Except as
24 otherwise provided in subsections (5) and (6) of this section, a person
25 who is convicted of DUI OR DUI per se or ~~habitual user~~ shall be punished
26 by:

27 (5) **Second offenses.** (a) Except as otherwise provided in

1 subsection (6) of this section, a person who is convicted of DUI, DUI per
2 se, OR DWAI or ~~habitual user~~ who, at the time of sentencing, has a prior
3 conviction of DUI, DUI per se, DWAI, ~~habitual user~~, vehicular homicide
4 pursuant to section 18-3-106 (1) (b), C.R.S., vehicular assault pursuant to
5 section 18-3-205 (1) (b), C.R.S., aggravated driving with a revoked
6 license pursuant to section 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or
7 driving while the person's driver's license was under restraint pursuant to
8 section 42-2-138 (1) (d), shall be punished by:

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

24 (6) **Third and subsequent offenses.** (a) A person who is
25 convicted of DUI, DUI per se, OR DWAI or ~~habitual user~~ who, at the time
26 of sentencing, has two or more prior convictions of DUI, DUI per se,
27 DWAI, ~~habitual user~~, vehicular homicide pursuant to section 18-3-106 (1)

1 (b), C.R.S., vehicular assault pursuant to section 18-3-205 (1) (b), C.R.S.,
2 aggravated driving with a revoked license pursuant to section 42-2-206
3 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the person's driver's
4 license was under restraint pursuant to section 42-2-138 (1) (d) shall be
5 punished by:

6 (9) **Previous convictions.** (a) For the purposes of subsections (5)
7 and (6) of this section, a person shall be deemed to have a previous
8 conviction for DUI, DUI per se, DWAI, ~~habitual user~~, vehicular homicide
9 pursuant to section 18-3-106 (1) (b), C.R.S., vehicular assault pursuant to
10 section 18-3-205 (1) (b), C.R.S., aggravated driving with a revoked
11 license pursuant to section 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or
12 driving while the person's driver's license was under restraint pursuant to
13 section 42-2-138 (1) (d), if the person has been convicted under the laws
14 of this state or under the laws of any other state, the United States, or any
15 territory subject to the jurisdiction of the United States, of an act that, if
16 committed within this state, would constitute the offense of DUI, DUI per
17 se, DWAI, ~~habitual user~~, vehicular homicide pursuant to section 18-3-106
18 (1) (b), C.R.S., vehicular assault pursuant to section 18-3-205 (1) (b),
19 C.R.S., aggravated driving with a revoked license pursuant to section
20 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the person's
21 driver's license was under restraint pursuant to section 42-2-138 (1) (d).

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

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

27 (b) Persons convicted of DUI, DUI per se, AND DWAI and

1 ~~habitual user~~ are subject to a surcharge of at least one hundred dollars but
2 no more than five hundred dollars to fund programs to reduce the number
3 of persistent drunk drivers. The surcharge shall be mandatory, and the
4 court shall not have discretion to suspend or waive the surcharge; except
5 that the court may suspend or waive the surcharge if the court determines
6 that a person is indigent. Moneys collected for the surcharge shall be
7 transmitted to the state treasurer, who shall credit the amount collected to
8 the persistent drunk driver cash fund created in section 42-3-303.

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

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

24 (12) **Victim impact panels.** In addition to any other penalty
25 provided by law, the court may sentence a person convicted of DUI, DUI
26 per se, DWAI, ~~habitual user~~, or UDD to attend and pay for one
27 appearance at a victim impact panel approved by the court, for which the

1 fee assessed to the person shall not exceed twenty-five dollars.

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

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

9 **42-4-1702. Alcohol- or drug-related traffic offenses - collateral**
10 **attack.** (1) ~~Except as otherwise provided in paragraph (b) of this~~
11 ~~subsection (1),~~ No person against whom a judgment has been entered for
12 DUI, DUI per se, DWAI, ~~habitual user~~, or UDD shall collaterally attack
13 the validity of that judgment unless such attack is commenced within six
14 months after the date of entry of the judgment.

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

17 **42-4-1705. Person arrested to be taken before the proper**
18 **court.** (1) Whenever a person is arrested for any violation of this article
19 punishable as a misdemeanor, the arrested person shall be taken without
20 unnecessary delay before a county judge who has jurisdiction of such
21 offense as provided by law, in any of the following cases:

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

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

26 **42-4-1715. Convictions, judgments, and charges recorded -**
27 **public inspection.** (1) (b) (II) Upon receiving a request for

1 expungement, the court may delay consideration of such request until
2 sufficient time has elapsed to ensure that the person is not convicted for
3 any additional offense of DUI, DUI per se, DWAI, ~~habitual user~~, or UDD
4 committed while the person was under twenty-one years of age.

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

7 (II) Upon the dismissal of a charge for DUI, DUI per se, DWAI,
8 ~~habitual user~~, or UDD or if the original charge was for DUI, DUI per se,
9 DWAI, ~~habitual user~~, or UDD and the conviction was for a nonalcohol-
10 or nondrug-related traffic offense.

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

13 **42-7-408. Proof of financial responsibility - methods of giving**
14 **proof - duration - exception.** (1) (c) Notwithstanding the three-year
15 requirement in paragraph (b) of this subsection (1):

16 (I) If an insured has been found guilty of DUI, DUI per se, OR
17 DWAI or ~~habitual user~~ or if the insured's license has been revoked
18 pursuant to section 42-2-126, other than a revocation under section
19 42-2-126 (3) (b) or (3) (e), only one time and no accident was involved
20 in such offense, proof of financial responsibility for the future shall be
21 required to be maintained only for as long as the insured's driving
22 privilege is ordered to be under restraint, up to a maximum of three years.
23 The time period for maintaining the future proof of liability insurance
24 shall begin at the time the driver reinstates his or her driving privilege.

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

27 **40-10.1-110. Criminal history record check.** (3) An individual

1 whose criminal history record is checked pursuant to this section is
2 disqualified and prohibited from driving motor vehicles for the motor
3 carrier described in subsection (1) of this section if the criminal history
4 record check reflects that:

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

7 (I) Convicted in this state of driving under the influence, as
8 defined in section 42-4-1301 (1) (f), C.R.S.; driving with excessive
9 alcoholic content, as described in section 42-4-1301 (2) (a), C.R.S.; OR
10 driving while ability impaired, as defined in section 42-4-1301 (1) (g),
11 C.R.S.; ~~or driving while an habitual user of a controlled substance, as~~
12 ~~described in section 42-4-1301 (1) (c), C.R.S.;~~ or

13 **SECTION 26.** In Colorado Revised Statutes, 24-34-104, **add** (46)
14 (o) as follows:

15 **24-34-104. General assembly review of regulatory agencies**
16 **and functions for termination, continuation, or reestablishment.**

17 (46) The following agencies, functions, or both shall terminate on July
18 1, 2015:

19 (o) THE REGULATION OF PERSONS LICENSED PURSUANT TO ARTICLE
20 43.4 OF TITLE 12, C.R.S.

21 **SECTION 27. 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.