

HOUSE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

March 22, 2010  
Date

Committee on Judiciary.

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

HB10-1284 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. Title 12, Colorado Revised Statutes, is amended  
4 BY THE ADDITION OF A NEW ARTICLE to read:

5 **ARTICLE 43.3**  
6 **Medical Marijuana**

7 **PART 1**  
8 **COLORADO MEDICAL MARIJUANA CODE**

9 **12-43.3-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND  
10 MAY BE CITED AS THE "COLORADO MEDICAL MARIJUANA CODE".

11 **12-43.3-102. Legislative declaration.** (1) THE GENERAL  
12 ASSEMBLY HEREBY DECLARES THAT THIS ARTICLE SHALL BE DEEMED AN  
13 EXERCISE OF THE POLICE POWERS OF THE STATE FOR THE PROTECTION OF  
14 THE ECONOMIC AND SOCIAL WELFARE AND THE HEALTH, PEACE, AND  
15 MORALS OF THE PEOPLE OF THIS STATE.

16 (2) THE GENERAL ASSEMBLY FURTHER DECLARES THAT IT IS  
17 UNLAWFUL UNDER STATE LAW TO CULTIVATE, MANUFACTURE,  
18 DISTRIBUTE, OR SELL MEDICAL MARIJUANA, EXCEPT IN COMPLIANCE WITH

1 THE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS IN SECTION 14  
2 OF ARTICLE XVIII OF THE STATE CONSTITUTION AND THIS ARTICLE OR  
3 WHEN ACTING AS A PRIMARY CAREGIVER IN COMPLIANCE WITH THE TERMS,  
4 CONDITIONS, LIMITATIONS, AND RESTRICTIONS OF SECTION 25-1.5-106,  
5 C.R.S.

6 **12-43.3-103. Applicability.** (1) (a) AS OF JULY 1, 2011, A  
7 PERSON SHALL NOT OPEN A MEDICAL MARIJUANA CENTER UNTIL THE  
8 CENTER HAS BEEN LICENSED PURSUANT TO THIS ARTICLE.

9 (b) AS OF JULY 1, 2010, A PERSON WHO IS ALREADY OPERATING A  
10 MEDICAL MARIJUANA CENTER MAY CONTINUE TO OPERATE THAT CENTER  
11 UNTIL JULY 1, 2011. AFTER JULY 1, 2011, THE PERSON MAY CONTINUE  
12 OPERATING THE MEDICAL MARIJUANA CENTER ONLY IF THE CENTER IS  
13 LICENSED PURSUANT TO THIS ARTICLE. TO CONTINUE OPERATING THE  
14 MEDICAL MARIJUANA CENTER THAT WAS OPERATING PRIOR TO JULY 1,  
15 2011, THE OWNER OF THE CENTER SHALL, ON OR BEFORE SEPTEMBER 1,  
16 2010, COMPLETE A FORM PROVIDED BY THE DEPARTMENT OF REVENUE  
17 AND MUST PAY A FEE, WHICH SHALL BE CREDITED TO THE MEDICAL  
18 MARIJUANA LICENSE CASH FUND ESTABLISHED PURSUANT TO SECTION  
19 12-43.3-501. THE PURPOSE OF THE FEE SHALL BE TO PAY FOR THE DIRECT  
20 AND INDIRECT COSTS OF THE STATE LICENSING AUTHORITY, AND  
21 DEVELOPMENT OF APPLICATION PROCEDURES AND RULES NECESSARY TO  
22 IMPLEMENT THIS ARTICLE. PAYMENT OF THE FEE AND COMPLETION OF THE  
23 FORM SHALL NOT CREATE A LOCAL OR STATE MEDICAL MARIJUANA CENTER  
24 LICENSE OR A PRESENT OR FUTURE ENTITLEMENT TO RECEIVE A LICENSE.  
25 COMMENCING ON JULY 1, 2011, ALL MEDICAL MARIJUANA CENTERS SHALL  
26 BE SUBJECT TO THE TERMS AND CONDITIONS OF THIS ARTICLE AND ANY  
27 RULES PROMULGATED PURSUANT TO THIS ARTICLE.

28 (2) PRIOR TO JULY 1, 2011, A COUNTY, CITY AND COUNTY, OR  
29 MUNICIPALITY MAY ADOPT AND ENFORCE A RESOLUTION OR ORDINANCE  
30 LICENSING, REGULATING OR PROHIBITING THE CULTIVATION OR SALE OF  
31 MEDICAL MARIJUANA. IN A COUNTY, CITY AND COUNTY, OR  
32 MUNICIPALITY WHERE SUCH AN ORDINANCE OR RESOLUTION HAS BEEN  
33 ADOPTED, A PERSON WHO IS NOT REGISTERED AS A PATIENT OR PRIMARY  
34 CAREGIVER PURSUANT TO SECTION 25-1.5-106, C.R.S., AND WHO IS  
35 CULTIVATING OR SELLING MEDICAL MARIJUANA SHALL NOT BE ENTITLED  
36 TO AN AFFIRMATIVE DEFENSE TO A CRIMINAL PROSECUTION AS PROVIDED  
37 FOR IN SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION  
38 UNLESS THE PERSON IS IN COMPLIANCE WITH THE APPLICABLE COUNTY OR

1 MUNICIPAL LAW.

2 **12-43.3-104. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE  
3 CONTEXT OTHERWISE REQUIRES:

4 (1) "GOOD CAUSE", FOR PURPOSES OF REFUSING OR DENYING A  
5 LICENSE RENEWAL, REINSTATEMENT, OR INITIAL LICENSE ISSUANCE,  
6 MEANS:

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

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

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

18 (2) "LICENSE" MEANS TO GRANT A LICENSE OR REGISTRATION  
19 PURSUANT TO THIS ARTICLE.

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

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

28 (5) "LOCAL LICENSING AUTHORITY" MEANS AN AUTHORITY  
29 DESIGNATED BY MUNICIPAL OR COUNTY CHARTER, MUNICIPAL ORDINANCE,  
30 OR COUNTY RESOLUTION.

31 (6) "LOCATION" MEANS A PARTICULAR PARCEL OF LAND THAT MAY

1 BE IDENTIFIED BY AN ADDRESS OR OTHER DESCRIPTIVE MEANS.

2 (7) "MEDICAL MARIJUANA" MEANS MARIJUANA THAT IS GROWN  
3 AND SOLD PURSUANT TO THE PROVISIONS OF THIS ARTICLE AND FOR A  
4 PURPOSE AUTHORIZED BY SECTION 14 OF ARTICLE XVIII OF THE STATE  
5 CONSTITUTION.

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

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

19 (10) "MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURER"  
20 MEANS A PERSON LICENSED PURSUANT TO THIS ARTICLE TO OPERATE A  
21 BUSINESS AS DESCRIBED IN SECTION 12-43.3-404.

22 (11) "OPTIONAL PREMISES" MEANS THE PREMISES SPECIFIED IN AN  
23 APPLICATION FOR A MEDICAL MARIJUANA CENTER LICENSE WITH RELATED  
24 GROWING FACILITIES IN COLORADO FOR WHICH THE LICENSEE IS  
25 AUTHORIZED TO GROW AND CULTIVATE MARIJUANA FOR A PURPOSE  
26 AUTHORIZED BY SECTION 14 OF ARTICLE XVIII OF THE STATE  
27 CONSTITUTION.

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

31 (13) "PERSON" MEANS A NATURAL PERSON, PARTNERSHIP,  
32 ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR  
33 ORGANIZATION, OR A MANAGER, AGENT, OWNER, DIRECTOR, SERVANT,  
34 OFFICER, OR EMPLOYEE THEREOF.

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

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

6 (16) "STATE LICENSING AUTHORITY" MEANS THE AUTHORITY  
7 CREATED FOR THE PURPOSE OF REGULATING AND CONTROLLING THE  
8 LICENSING OF THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE  
9 OF MEDICAL MARIJUANA IN THIS STATE, PURSUANT TO SECTION  
10 12-43.3-201.

11 **12-43.3-105. Limited access areas.** NOTWITHSTANDING THE  
12 PROVISIONS OF 12-43.3-701, A LIMITED ACCESS AREA SHALL BE A  
13 BUILDING, ROOM, OR OTHER CONTIGUOUS AREA UPON THE LICENSED  
14 PREMISES WHERE MEDICAL MARIJUANA IS GROWN, CULTIVATED, STORED,  
15 WEIGHED, DISPLAYED, PACKAGED, SOLD, OR POSSESSED FOR SALE, UNDER  
16 CONTROL OF THE LICENSEE, WITH LIMITED ACCESS TO ONLY THOSE  
17 PERSONS LICENSED BY THE STATE LICENSING AUTHORITY. ALL AREAS OF  
18 INGRESS OR EGRESS TO LIMITED ACCESS AREAS SHALL BE CLEARLY  
19 IDENTIFIED AS SUCH BY A SIGN AS DESIGNATED BY THE STATE LICENSING  
20 AUTHORITY.

21 PART 2  
22 STATE LICENSING AUTHORITY

23 **12-43.3-201. State licensing authority - creation.** (1) FOR THE  
24 PURPOSE OF REGULATING AND CONTROLLING THE LICENSING OF THE  
25 CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE OF MEDICAL  
26 MARIJUANA IN THIS STATE, THERE IS HEREBY CREATED THE STATE  
27 LICENSING AUTHORITY, WHICH SHALL BE THE EXECUTIVE DIRECTOR OF THE  
28 DEPARTMENT OF REVENUE OR THE DEPUTY DIRECTOR OF THE DEPARTMENT  
29 OF REVENUE IF THE EXECUTIVE DIRECTOR SO DESIGNATES.

30 (2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE  
31 SHALL BE THE CHIEF ADMINISTRATIVE OFFICER OF THE STATE LICENSING  
32 AUTHORITY AND MAY EMPLOY, PURSUANT TO SECTION 13 OF ARTICLE XII  
33 OF THE STATE CONSTITUTION, SUCH OFFICERS AND EMPLOYEES AS MAY BE  
34 DETERMINED TO BE NECESSARY, WHICH OFFICERS AND EMPLOYEES SHALL  
35 BE PART OF THE DEPARTMENT OF REVENUE.

1           **12-43.3-202. Powers and duties of state licensing authority.**

2           (1) THE STATE LICENSING AUTHORITY SHALL:

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

13          (b) PROMULGATE SUCH RULES AND SUCH SPECIAL RULINGS AND  
14          FINDINGS AS NECESSARY FOR THE PROPER REGULATION AND CONTROL OF  
15          THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE OF MEDICAL  
16          MARIJUANA AND FOR THE ENFORCEMENT OF THIS ARTICLE. A COUNTY,  
17          MUNICIPALITY, OR CITY AND COUNTY THAT HAS ADOPTED A TEMPORARY  
18          MORATORIUM REGARDING THE SUBJECT MATTER OF THIS ARTICLE SHALL  
19          BE SPECIFICALLY AUTHORIZED TO EXTEND THE MORATORIUM UNTIL THE  
20          EFFECTIVE DATE OF THE RULES ADOPTED BY THE DEPARTMENT OF  
21          REVENUE IN ACCORDANCE WITH THIS ARTICLE;

22          (c) HEAR AND DETERMINE AT PUBLIC HEARING ANY APPEALS OF A  
23          STATE LICENSE DENIAL AND ANY COMPLAINTS AGAINST A LICENSEE AND  
24          ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF  
25          PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS  
26          NECESSARY TO THE DETERMINATION OF ANY HEARING SO HELD, ALL IN  
27          ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S.;

28          (d) MAINTAIN THE CONFIDENTIALITY OF REPORTS OBTAINED FROM  
29          A LICENSEE SHOWING THE SALES VOLUME OR QUANTITY OF MEDICAL  
30          MARIJUANA SOLD OR ANY OTHER RECORDS THAT ARE EXEMPT FROM  
31          PUBLIC INSPECTION PURSUANT TO STATE LAW;

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

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

7 (g) IN RECOGNITION OF THE POTENTIAL MEDICINAL VALUE OF  
8 MEDICAL MARIJUANA, MAKE A REQUEST BY JANUARY 1, 2012, TO THE  
9 FEDERAL DRUG ENFORCEMENT ADMINISTRATION TO CONSIDER  
10 RESCHEDULING, FOR PHARMACEUTICAL PURPOSES, MEDICAL MARIJUANA  
11 FROM A SCHEDULE I CONTROLLED SUBSTANCE TO A SCHEDULE II  
12 CONTROLLED SUBSTANCE.

13 (2) (a) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF  
14 SUBSECTION (1) OF THIS SECTION MAY INCLUDE, BUT NEED NOT BE LIMITED  
15 TO, THE FOLLOWING SUBJECTS:

16 (I) COMPLIANCE WITH, ENFORCEMENT OF, OR VIOLATION OF ANY  
17 PROVISION OF THIS ARTICLE, OR ANY RULE ISSUED PURSUANT TO THIS  
18 ARTICLE, INCLUDING PROCEDURES AND GROUNDS FOR DENYING,  
19 SUSPENDING, FINING, RESTRICTING, OR REVOKING A STATE LICENSE ISSUED  
20 PURSUANT TO THIS ARTICLE;

21 (II) SPECIFICATIONS OF DUTIES OF OFFICERS AND EMPLOYEES OF  
22 THE STATE LICENSING AUTHORITY;

23 (III) INSTRUCTIONS FOR LOCAL LICENSING AUTHORITIES AND LAW  
24 ENFORCEMENT OFFICERS;

25 (IV) REQUIREMENTS FOR INSPECTIONS, INVESTIGATIONS,  
26 SEARCHES, SEIZURES, AND SUCH ADDITIONAL ACTIVITIES AS MAY BECOME  
27 NECESSARY FROM TIME TO TIME;

28 (V) CREATION OF A RANGE OF PENALTIES FOR USE BY THE STATE  
29 LICENSING AUTHORITY;

30 (VI) PROHIBITION OF MISREPRESENTATION AND UNFAIR  
31 PRACTICES;

32 (VII) CONTROL OF INFORMATIONAL AND PRODUCT DISPLAYS ON

1 LICENSED PREMISES;

2 (VIII) DEVELOPMENT OF INDIVIDUAL IDENTIFICATION CARDS FOR  
3 OWNERS, OFFICERS, MANAGERS, CONTRACTORS, EMPLOYEES, AND OTHER  
4 SUPPORT STAFF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE,  
5 INCLUDING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS  
6 MAY BE REQUIRED BY THE STATE LICENSING AUTHORITY PRIOR TO ISSUING  
7 A CARD;

8 (IX) IDENTIFICATION OF STATE LICENSEES AND THEIR OWNERS,  
9 OFFICERS, MANAGERS, AND EMPLOYEES;

10 (X) SECURITY REQUIREMENTS FOR MEDICAL MARIJUANA CENTERS  
11 AND OPTIONAL PREMISES CULTIVATION OPERATIONS, INCLUDING, AT A  
12 MINIMUM, LIGHTING, PHYSICAL SECURITY, VIDEO, ALARM REQUIREMENTS,  
13 AND OTHER MINIMUM PROCEDURES FOR INTERNAL CONTROL AS DEEMED  
14 NECESSARY BY THE STATE LICENSING AUTHORITY TO PROPERLY  
15 ADMINISTER AND ENFORCE THE PROVISIONS OF THIS ARTICLE, INCLUDING  
16 REPORTING REQUIREMENTS FOR CHANGES, ALTERATIONS, OR  
17 MODIFICATIONS TO THE PREMISES;

18 (XI) REGULATION OF THE STORAGE OF, WAREHOUSES FOR, AND  
19 TRANSPORTATION OF MEDICAL MARIJUANA;

20 (XII) SANITARY REQUIREMENTS FOR MEDICAL MARIJUANA  
21 CENTERS, INCLUDING BUT NOT LIMITED TO SANITARY REQUIREMENTS FOR  
22 THE PREPARATION OF MEDICAL MARIJUANA-INFUSED PRODUCTS;

23 (XIII) THE SPECIFICATION OF ACCEPTABLE FORMS OF PICTURE  
24 IDENTIFICATION THAT A MEDICAL MARIJUANA CENTER MAY ACCEPT WHEN  
25 VERIFYING A SALE;

26 (XIV) LABELING STANDARDS;

27 (XV) RECORDS TO BE KEPT BY LICENSEES AND THE REQUIRED  
28 AVAILABILITY OF THE RECORDS;

29 (XVI) STATE LICENSING PROCEDURES, INCLUDING PROCEDURES  
30 FOR RENEWALS, REINSTATEMENTS, INITIAL LICENSES, AND THE PAYMENT  
31 OF LICENSING FEES;



1 (XVII) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES  
2 TAX PAYMENTS BY MEDICAL MARIJUANA CENTERS;

3 (XVIII) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO  
4 HAVE ACCESS TO LICENSING INFORMATION TO ENSURE SALES AND INCOME  
5 TAX PAYMENT AND THE EFFECTIVE ADMINISTRATION OF THIS ARTICLE;

6 (XIX) THE SIZE, DIMENSIONS, AND ACCEPTABLE COLORS FOR A  
7 MEDICAL MARIJUANA CENTER SIGN;

8 (XX) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO  
9 ISSUE ADMINISTRATIVE CITATIONS AND PROCEDURES FOR ISSUING,  
10 APPEALING AND CREATING A CITATION VIOLATION LIST AND SCHEDULE OF  
11 PENALTIES;

12 (XXI) DAYS AND HOURS OF OPERATION; AND

13 (XXII) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR,  
14 IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS  
15 ARTICLE.

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

19 (c) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO LIMIT A  
20 LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL  
21 ACTIVITY IN RELATION TO A MEDICAL MARIJUANA CENTER, OPTIONAL  
22 PREMISES CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED  
23 PRODUCTS MANUFACTURER. A LAW ENFORCEMENT AGENCY SHALL HAVE  
24 THE AUTHORITY TO RUN A COLORADO CRIME INFORMATION CENTER  
25 CRIMINAL HISTORY RECORD CHECK OF A PRIMARY CAREGIVER, LICENSEE,  
26 OR EMPLOYEE OF A LICENSEE DURING AN INVESTIGATION OF UNLAWFUL  
27 ACTIVITY RELATED TO MEDICAL MARIJUANA.

28 PART 3  
29 STATE AND LOCAL LICENSING

30 **12-43.3-301. Local licensing authority - applications - licenses.**  
31 (1) A LOCAL LICENSING AUTHORITY MAY ISSUE ONLY THE FOLLOWING  
32 MEDICAL MARIJUANA LICENSES UPON PAYMENT OF THE FEE AND

1 COMPLIANCE WITH ALL LOCAL LICENSING REQUIREMENTS TO BE  
2 DETERMINED BY THE LOCAL LICENSING AUTHORITY:

3 (a) A MEDICAL MARIJUANA CENTER LICENSE;

4 (b) AN OPTIONAL PREMISES CULTIVATION LICENSE;

5 (c) A MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING  
6 LICENSE.

7 (2) (a) A LOCAL LICENSING AUTHORITY SHALL NOT ISSUE A LOCAL  
8 LICENSE WITHIN A MUNICIPALITY, CITY AND COUNTY, OR THE  
9 UNINCORPORATED PORTION OF A COUNTY UNLESS THE GOVERNING BODY  
10 OF THE MUNICIPALITY OR CITY AND COUNTY HAS ADOPTED AN ORDINANCE,  
11 OR THE GOVERNING BODY OF THE COUNTY HAS ADOPTED A RESOLUTION,  
12 CONTAINING SPECIFIC STANDARDS FOR LICENSE ISSUANCE, OR IF NO SUCH  
13 ORDINANCE OR RESOLUTION IS ADOPTED PRIOR TO JULY 1, 2011, THEN A  
14 LOCAL LICENSING AUTHORITY SHALL CONSIDER THE MINIMUM LICENSING  
15 REQUIREMENTS OF PART 3 OF THIS ARTICLE WHEN ISSUING A LICENSE.

16 (b) IN ADDITION TO ALL OTHER STANDARDS APPLICABLE TO THE  
17 ISSUANCE OF LICENSES UNDER THIS ARTICLE, THE LOCAL GOVERNING BODY  
18 MAY ADOPT ADDITIONAL STANDARDS FOR THE ISSUANCE OF MEDICAL  
19 MARIJUANA CENTER, OPTIONAL PREMISES CULTIVATION, OR MEDICAL  
20 MARIJUANA-INFUSED PRODUCTS MANUFACTURER LICENSES THAT MAY  
21 INCLUDE, BUT NEED NOT BE LIMITED TO:

22 (I) DISTANCE RESTRICTIONS BETWEEN PREMISES FOR WHICH LOCAL  
23 LICENSES ARE ISSUED;

24 (II) REASONABLE RESTRICTIONS ON THE SIZE OF AN APPLICANT'S  
25 LICENSED PREMISES; AND

26 (III) ANY OTHER REQUIREMENTS NECESSARY TO ENSURE THE  
27 CONTROL OF THE PREMISES AND THE EASE OF ENFORCEMENT OF THE  
28 TERMS AND CONDITIONS OF THE LICENSE.

29 (3) AN APPLICATION FOR A LICENSE SPECIFIED IN SUBSECTION (1)  
30 OF THIS SECTION SHALL BE FILED WITH THE APPROPRIATE LOCAL  
31 LICENSING AUTHORITY ON FORMS PROVIDED BY THE STATE LICENSING  
32 AUTHORITY AND SHALL CONTAIN SUCH INFORMATION AS THE STATE

1 LICENSING AUTHORITY MAY REQUIRE AND ANY FORMS AS THE LOCAL  
2 LICENSING AUTHORITY MAY REQUIRE. EACH APPLICATION SHALL BE  
3 VERIFIED BY THE OATH OR AFFIRMATION OF THE PERSONS PRESCRIBED BY  
4 THE STATE LICENSING AUTHORITY.

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

14 **12-43.3-302. Public hearing notice - posting and publication.**

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

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

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

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

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

16 (b) WHEN CONDUCTING A CONCURRENT APPLICATION REVIEW, THE  
17 STATE LICENSING AUTHORITY MAY ADVISE THE LOCAL LICENSING  
18 AUTHORITY OF ANY ITEMS THAT IT FINDS THAT COULD RESULT IN THE  
19 DENIAL OF THE LICENSE APPLICATION. UPON CORRECTION OF THE NOTED  
20 DISCREPANCIES IF THE CORRECTION IS PERMITTED BY THE STATE  
21 LICENSING AUTHORITY, THE STATE LICENSING AUTHORITY SHALL NOTIFY  
22 THE LOCAL LICENSING AUTHORITY OF ITS CONDITIONAL APPROVAL OF THE  
23 LICENSE APPLICATION SUBJECT TO THE FINAL APPROVAL BY THE LOCAL  
24 LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY SHALL THEN  
25 ISSUE THE APPLICANT'S STATE LICENSE UPON RECEIVING EVIDENCE OF  
26 FINAL APPROVAL BY THE LOCAL LICENSING AUTHORITY.

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

33 **12-43.3-303. Results of investigation - decision of authorities.**  
34 (1) NOT LESS THAN FIVE DAYS PRIOR TO THE DATE OF THE PUBLIC  
35 HEARING REQUIRED IN SECTION 12-43.3-302, THE LOCAL LICENSING  
36 AUTHORITY SHALL MAKE KNOWN ITS FINDINGS, BASED ON ITS  
37 INVESTIGATION, IN WRITING TO THE APPLICANT AND OTHER PARTIES OF

1 INTEREST AS DESCRIBED IN SECTION 12-43.3-302 (5). THE LOCAL  
2 LICENSING AUTHORITY HAS AUTHORITY TO REFUSE TO ISSUE A LICENSE  
3 PROVIDED FOR IN THIS SECTION FOR GOOD CAUSE, SUBJECT TO JUDICIAL  
4 REVIEW.

5 (2) BEFORE ENTERING A DECISION APPROVING OR DENYING THE  
6 APPLICATION FOR A LOCAL LICENSE, THE LOCAL LICENSING AUTHORITY  
7 MAY CONSIDER, EXCEPT WHERE THIS ARTICLE SPECIFICALLY PROVIDES  
8 OTHERWISE, THE FACTS AND EVIDENCE ADDUCED AS A RESULT OF ITS  
9 INVESTIGATION, AS WELL AS ANY OTHER FACTS PERTINENT TO THE TYPE  
10 OF LICENSE FOR WHICH APPLICATION HAS BEEN MADE, INCLUDING THE  
11 NUMBER, TYPE, AND AVAILABILITY OF MEDICAL MARIJUANA OUTLETS  
12 LOCATED IN OR NEAR THE PREMISES UNDER CONSIDERATION, AND ANY  
13 OTHER PERTINENT MATTERS AFFECTING THE QUALIFICATIONS OF THE  
14 APPLICANT FOR THE CONDUCT OF THE TYPE OF BUSINESS PROPOSED.

15 (3) WITHIN THIRTY DAYS AFTER THE PUBLIC HEARING OR  
16 COMPLETION OF THE APPLICATION INVESTIGATION, A LOCAL LICENSING  
17 AUTHORITY SHALL ISSUE ITS DECISION APPROVING OR DENYING AN  
18 APPLICATION FOR LOCAL LICENSURE. THE DECISION SHALL BE IN WRITING  
19 AND SHALL STATE THE REASONS FOR THE DECISION. THE LOCAL LICENSING  
20 AUTHORITY SHALL SEND A COPY OF THE DECISION BY CERTIFIED MAIL TO  
21 THE APPLICANT AT THE ADDRESS SHOWN IN THE APPLICATION.

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

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

35 **12-43.3-304. Medical marijuana license bond.** (1) BEFORE THE  
36 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 HAS BEEN  
12 MADE BY THE STATE LICENSING AUTHORITY OR A COURT OF COMPETENT  
13 JURISDICTION.

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

18 **12-43.3-305. State licensing authority - application and**  
19 **issuance procedures.** (1) APPLICATIONS FOR A STATE LICENSE UNDER  
20 THE PROVISIONS OF THIS ARTICLE SHALL BE MADE TO THE STATE  
21 LICENSING AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE  
22 STATE LICENSING AUTHORITY AND SHALL SET FORTH SUCH INFORMATION  
23 AS THE STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE  
24 LICENSING AUTHORITY TO DETERMINE WHETHER A STATE LICENSE SHOULD  
25 BE GRANTED. THE INFORMATION SHALL INCLUDE THE NAME AND ADDRESS  
26 OF THE APPLICANT, THE NAMES AND ADDRESSES OF THE OFFICERS,  
27 DIRECTORS, OR MANAGERS, AND ALL OTHER INFORMATION DEEMED  
28 NECESSARY BY THE STATE LICENSING AUTHORITY. EACH APPLICATION  
29 SHALL BE VERIFIED BY THE OATH OR AFFIRMATION OF SUCH PERSON OR  
30 PERSONS AS THE STATE LICENSING AUTHORITY MAY PRESCRIBE.

31 (2) THE STATE LICENSING AUTHORITY SHALL NOT ISSUE A STATE  
32 LICENSE PURSUANT TO THIS SECTION UNTIL THE LOCAL LICENSING  
33 AUTHORITY HAS APPROVED THE APPLICATION FOR A LOCAL LICENSE AND  
34 ISSUED A LOCAL LICENSE AS PROVIDED FOR IN SECTIONS 12-43.3-301 TO  
35 12-43.3-303.

36 (3) NOTHING IN THIS ARTICLE SHALL PREEMPT OR OTHERWISE

1 IMPAIR THE POWER OF A LOCAL GOVERNMENT TO ENACT ORDINANCES OR  
2 RESOLUTIONS CONCERNING MATTERS AUTHORIZED TO LOCAL  
3 GOVERNMENTS.

4 **12-43.3-306. Denial of application.** (1) THE STATE LICENSING  
5 AUTHORITY SHALL DENY A STATE LICENSE IF THE PREMISES ON WHICH THE  
6 APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DO NOT MEET THE  
7 REQUIREMENTS OF THIS ARTICLE OR FOR REASONS SET FORTH IN SECTIONS  
8 12-43.3-104 (1) OR 12-43.3-305.

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

16 **12-43.3-307. Persons prohibited as licensees.** (1) (a) A LICENSE  
17 PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:

18 (I) A PERSON UNTIL THE ANNUAL FEE THEREFORE HAS BEEN PAID;

19 (II) A PERSON WHOSE CRIMINAL HISTORY INDICATES THAT HE OR  
20 SHE IS NOT OF GOOD MORAL CHARACTER;

21 (III) A CORPORATION, ANY OF WHOSE OFFICERS, DIRECTORS, OR  
22 STOCKHOLDERS ARE NOT OF GOOD MORAL CHARACTER;

23 (IV) A LICENSED PHYSICIAN MAKING PATIENT  
24 RECOMMENDATIONS;

25 (V) A PERSON EMPLOYING, ASSISTED BY, OR FINANCED IN WHOLE  
26 OR IN PART BY ANY OTHER PERSON WHOSE CRIMINAL HISTORY INDICATES  
27 HE OR SHE IS NOT OF GOOD CHARACTER AND REPUTATION SATISFACTORY  
28 TO THE RESPECTIVE LICENSING AUTHORITY;

29 (VI) A PERSON UNDER TWENTY-ONE YEARS OF AGE;

30 (VII) A PERSON LICENSED PURSUANT TO THIS ARTICLE WHO,  
31 DURING A PERIOD OF LICENSURE, FAILS TO:

1 (A) PROVIDE A SURETY BOND OR FAILS TO FILE ANY TAX RETURN  
2 WITH A TAXING AGENCY;

3 (B) PAY ANY TAXES, INTEREST, OR PENALTIES DUE;

4 (C) PAY ANY JUDGMENTS DUE TO A GOVERNMENT AGENCY;

5 (D) REPAY GOVERNMENT-INSURED STUDENT LOANS; OR

6 (E) PAY CHILD SUPPORT;

7 (IX) A PERSON WHO HAS DISCHARGED A SENTENCE IN THE FIVE  
8 YEARS IMMEDIATELY PRECEDING THE APPLICATION DATE FOR A  
9 CONVICTION OF A FELONY OR A MISDEMEANOR PURSUANT TO ANY STATE  
10 OR FEDERAL LAW REGULATING THE POSSESSION, DISTRIBUTION, OR USE OF  
11 MARIJUANA OR OF ANY CONTROLLED SUBSTANCE, AS DEFINED IN SECTION  
12 18-18-102 (5), C.R.S.;

13 (X) A PERSON WHO EMPLOYEES ANOTHER PERSON AT A MEDICAL  
14 MARIJUANA FACILITY WHO HAS NOT PASSED A CRIMINAL HISTORY RECORD  
15 CHECK;

16 (XI) A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR  
17 PROSECUTING OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE  
18 LICENSING AUTHORITY OR A LOCAL LICENSING AUTHORITY;

19 (XII) A PERSON WHOSE AUTHORITY TO BE A CAREGIVER HAS BEEN  
20 REVOKED BY THE STATE HEALTH AGENCY AS DEFINED IN SECTION  
21 25-1.5-106 (2); OR

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

27 (2) (a) IN INVESTIGATING THE QUALIFICATIONS OF AN APPLICANT  
28 OR A LICENSEE, THE STATE LICENSING AUTHORITY MAY HAVE ACCESS TO  
29 CRIMINAL HISTORY RECORD INFORMATION FURNISHED BY A CRIMINAL  
30 JUSTICE AGENCY SUBJECT TO ANY RESTRICTIONS IMPOSED BY SUCH  
31 AGENCY. IN THE EVENT THE STATE LICENSING AUTHORITY CONSIDERS THE



1 APPLICANT'S CRIMINAL HISTORY RECORD, THE STATE LICENSING  
2 AUTHORITY SHALL ALSO CONSIDER ANY INFORMATION PROVIDED BY THE  
3 APPLICANT REGARDING SUCH CRIMINAL HISTORY RECORD, INCLUDING BUT  
4 NOT LIMITED TO EVIDENCE OF REHABILITATION, CHARACTER REFERENCES,  
5 AN EDUCATIONAL ACHIEVEMENTS, ESPECIALLY THOSE ITEMS PERTAINING  
6 TO THE PERIOD OF TIME BETWEEN THE APPLICANT'S LAST CRIMINAL  
7 CONVICTION AND THE CONSIDERATION OF THE APPLICATION FOR A STATE  
8 LICENSE.

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

15 (c) AT THE TIME OF FILING AN APPLICATION FOR ISSUANCE OR  
16 RENEWAL OF A STATE MEDICAL MARIJUANA CENTER LICENSE, MEDICAL  
17 MARIJUANA-INFUSED PRODUCT MANUFACTURER LICENSE, OR OPTIONAL  
18 PREMISES CULTIVATION LICENSE, AN APPLICANT SHALL SUBMIT A SET OF  
19 HIS OR HER FINGERPRINTS AND FILE PERSONAL HISTORY INFORMATION  
20 CONCERNING THE APPLICANT'S QUALIFICATIONS FOR A STATE LICENSE ON  
21 FORMS PREPARED BY THE STATE LICENSING AUTHORITY. THE STATE  
22 LICENSING AUTHORITY SHALL SUBMIT THE FINGERPRINTS TO THE  
23 COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING  
24 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. THE COLORADO  
25 BUREAU OF INVESTIGATION SHALL FORWARD THE FINGERPRINTS TO THE  
26 FEDERAL BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING  
27 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. THE STATE  
28 LICENSING AUTHORITY MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY  
29 RECORD CHECK FOR AN APPLICANT OR A LICENSE HOLDER WHO HAS TWICE  
30 SUBMITTED TO A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK  
31 AND WHOSE FINGERPRINTS ARE UNCLASSIFIABLE. AN APPLICANT WHO HAS  
32 PREVIOUSLY SUBMITTED FINGERPRINTS FOR STATE LICENSING PURPOSES  
33 MAY REQUEST THAT THE FINGERPRINTS ON FILE BE USED. THE STATE  
34 LICENSING AUTHORITY SHALL USE THE INFORMATION RESULTING FROM  
35 THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK TO  
36 INVESTIGATE AND DETERMINE WHETHER AN APPLICANT IS QUALIFIED TO  
37 HOLD A STATE LICENSE PURSUANT TO THIS ARTICLE. THE STATE  
38 LICENSING AUTHORITY MAY VERIFY ANY OF THE INFORMATION AN  
39 APPLICANT IS REQUIRED TO SUBMIT.

1           **12-43.3-308. Restrictions for applications for new licenses.**  
2 (1) THE STATE OR A LOCAL LICENSING AUTHORITY SHALL NOT RECEIVE OR  
3 ACT UPON AN APPLICATION FOR THE ISSUANCE OF A STATE OR LOCAL  
4 LICENSE PURSUANT TO THIS ARTICLE:

5           (a) IF THE APPLICATION FOR A STATE OR LOCAL LICENSE CONCERNS  
6 A PARTICULAR LOCATION THAT IS THE SAME AS OR WITHIN ONE THOUSAND  
7 FEET OF A LOCATION FOR WHICH, WITHIN THE TWO YEARS IMMEDIATELY  
8 PRECEDING THE DATE OF THE APPLICATION, THE STATE OR A LOCAL  
9 LICENSING AUTHORITY DENIED AN APPLICATION FOR THE SAME CLASS OF  
10 LICENSE DUE TO A USE OR OTHER LOCAL CONCERN;

11           (b) UNTIL IT IS ESTABLISHED THAT THE APPLICANT IS, OR WILL BE,  
12 ENTITLED TO POSSESSION OF THE PREMISES FOR WHICH APPLICATION IS  
13 MADE UNDER A LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT  
14 FOR POSSESSION OF THE PREMISES OR BY VIRTUE OF OWNERSHIP OF THE  
15 PREMISES;

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

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

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

6 (III) IN ADDITION TO THE REQUIREMENTS OF SECTION 12-43.3-303  
7 (2), THE LOCAL LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE  
8 AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN  
9 WHICH THE MEDICAL MARIJUANA IS TO BE SOLD IS LOCATED WITHIN ANY  
10 DISTANCE RESTRICTIONS ESTABLISHED BY OR PURSUANT TO THIS  
11 PARAGRAPH (d).

12 **12-43.3-309. Transfer of ownership.** (1) A STATE OR LOCAL  
13 LICENSE GRANTED UNDER THE PROVISIONS OF THIS ARTICLE SHALL NOT BE  
14 TRANSFERABLE EXCEPT AS PROVIDED IN THIS SECTION, BUT THIS SECTION  
15 SHALL NOT PREVENT A CHANGE OF LOCATION AS PROVIDED IN SECTION  
16 12-43.3-310 (13).

17 (2) FOR A TRANSFER OF OWNERSHIP, A LICENSE HOLDER SHALL  
18 APPLY TO THE STATE AND LOCAL LICENSING AUTHORITIES ON FORMS  
19 PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY. IN  
20 DETERMINING WHETHER TO PERMIT A TRANSFER OF OWNERSHIP, THE  
21 STATE AND LOCAL LICENSING AUTHORITIES SHALL CONSIDER ONLY THE  
22 REQUIREMENTS OF THIS ARTICLE, ANY RULES PROMULGATED BY THE  
23 STATE LICENSING AUTHORITY, AND ANY OTHER LOCAL RESTRICTIONS. THE  
24 LOCAL LICENSING AUTHORITY MAY HOLD A HEARING ON THE APPLICATION  
25 FOR TRANSFER OF OWNERSHIP. THE LOCAL LICENSING AUTHORITY SHALL  
26 NOT HOLD A HEARING PURSUANT TO THIS SUBSECTION (2) UNTIL THE  
27 LOCAL LICENSING AUTHORITY HAS POSTED A NOTICE OF HEARING IN THE  
28 MANNER DESCRIBED IN SECTION 12-43.3-302 (2) ON THE LICENSED  
29 PREMISES FOR A PERIOD OF TEN DAYS AND HAS PROVIDED NOTICE OF THE  
30 HEARING TO THE APPLICANT AT LEAST TEN DAYS PRIOR TO THE HEARING.  
31 ANY TRANSFER OF OWNERSHIP HEARING BY THE STATE LICENSING  
32 AUTHORITY SHALL BE HELD IN COMPLIANCE WITH THE REQUIREMENTS  
33 SPECIFIED IN SECTION 12-43.3-302.

34 **12-43.3-310. Licensing in general.** (1) THIS ARTICLE  
35 AUTHORIZES A COUNTY, MUNICIPALITY, OR CITY AND COUNTY TO PROHIBIT  
36 THE OPERATION OF MEDICAL MARIJUANA CENTERS, OPTIONAL PREMISES  
37 CULTIVATION OPERATIONS, AND MEDICAL MARIJUANA-INFUSED PRODUCTS

1 MANUFACTURERS' LICENSES AND TO ENACT REASONABLE REGULATIONS OR  
2 OTHER RESTRICTIONS APPLICABLE TO MEDICAL MARIJUANA CENTERS,  
3 OPTIONAL PREMISES CULTIVATION LICENSES, AND MEDICAL  
4 MARIJUANA-INFUSED PRODUCTS MANUFACTURERS' LICENSES BASED ON  
5 LOCAL GOVERNMENT ZONING, HEALTH, SAFETY, AND PUBLIC WELFARE  
6 LAWS FOR THE DISTRIBUTION OF MEDICAL MARIJUANA THAT ARE MORE  
7 RESTRICTIVE THAN THIS ARTICLE.

8 (2) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES  
9 CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS  
10 MANUFACTURER MAY NOT OPERATE UNTIL IT HAS BEEN LICENSED BY THE  
11 LOCAL LICENSING AUTHORITY AND THE STATE LICENSING AUTHORITY  
12 PURSUANT TO THIS ARTICLE. IN CONNECTION WITH A LICENSE, THE  
13 APPLICANT SHALL PROVIDE A COMPLETE AND ACCURATE LIST OF ALL  
14 OWNERS, OFFICERS, AND EMPLOYEES WHO WORK AT, MANAGE, OWN, OR  
15 ARE OTHERWISE ASSOCIATED WITH THE OPERATION AND SHALL PROVIDE  
16 A COMPLETE AND ACCURATE APPLICATION AS REQUIRED BY THE STATE  
17 LICENSING AUTHORITY.

18 (3) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES  
19 CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS  
20 MANUFACTURER SHALL NOTIFY THE STATE LICENSING AUTHORITY IN  
21 WRITING WITHIN TEN DAYS AFTER AN OWNER, OFFICER, OR EMPLOYEE  
22 CEASES TO WORK AT, MANAGE, OWN, OR OTHERWISE BE ASSOCIATED WITH  
23 THE OPERATION. THE OWNER, OFFICER, OR EMPLOYEE SHALL SURRENDER  
24 HIS OR HER IDENTIFICATION CARD TO THE STATE AUTHORITY ON OR  
25 BEFORE THE DATE OF THE NOTIFICATION.

26 (4) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES  
27 CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS  
28 MANUFACTURER SHALL NOTIFY THE STATE LICENSING AUTHORITY IN  
29 WRITING OF THE NAME, ADDRESS, AND DATE OF BIRTH OF AN OWNER,  
30 OFFICER, MANAGER, OR EMPLOYEE BEFORE THE NEW OWNER, OFFICER, OR  
31 EMPLOYEE BEGINS WORKING AT, MANAGING, OWNING, OR BEING  
32 ASSOCIATED WITH THE OPERATION. THE OWNER, OFFICER, MANAGER, OR  
33 EMPLOYEE SHALL PASS A FINGERPRINT-BASED CRIMINAL HISTORY RECORD  
34 CHECK AS REQUIRED BY THE STATE LICENSING AUTHORITY AND OBTAIN  
35 THE REQUIRED IDENTIFICATION PRIOR TO BEING ASSOCIATED WITH,  
36 MANAGING, OWNING, OR WORKING AT THE OPERATION.

37 (5) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES

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

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

16 (7) BEFORE GRANTING A LOCAL OR STATE LICENSE, THE  
17 RESPECTIVE LICENSING AUTHORITY MAY CONSIDER, EXCEPT WHERE THIS  
18 ARTICLE SPECIFICALLY PROVIDES OTHERWISE, THE REQUIREMENTS OF THIS  
19 ARTICLE AND ANY RULES PROMULGATED PURSUANT TO THIS ARTICLE, AND  
20 ALL OTHER REASONABLE RESTRICTIONS THAT ARE OR MAY BE PLACED  
21 UPON THE LICENSEE BY THE LICENSING AUTHORITY. WITH RESPECT TO A  
22 SECOND OR ADDITIONAL LICENSE FOR THE SAME LICENSEE OR THE SAME  
23 OWNER OF ANOTHER LICENSED BUSINESS PURSUANT TO THIS ARTICLE,  
24 EACH LICENSING AUTHORITY SHALL CONSIDER THE EFFECT ON  
25 COMPETITION OF GRANTING OR DENYING THE ADDITIONAL LICENSES TO  
26 SUCH LICENSEE AND SHALL NOT APPROVE AN APPLICATION FOR A SECOND  
27 OR ADDITIONAL LICENSE THAT WOULD HAVE THE EFFECT OF RESTRAINING  
28 COMPETITION.

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

36 (b) AT ALL TIMES, A LICENSEE SHALL POSSESS AND MAINTAIN  
37 POSSESSION OF THE PREMISES OR OPTIONAL PREMISES FOR WHICH THE

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

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

8 (b) A LOCAL LICENSING AUTHORITY SHALL NOT TRANSFER  
9 LOCATION OF OR RENEW A LICENSE TO SELL MEDICAL MARIJUANA UNTIL  
10 THE APPLICANT FOR THE LICENSE PRODUCES A LICENSE ISSUED AND  
11 GRANTED BY THE STATE LICENSING AUTHORITY COVERING THE WHOLE  
12 PERIOD FOR WHICH A LICENSE OR LICENSE RENEWAL IS SOUGHT.

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

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

24 (12) 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  
28 ANY CHANGE IN MANAGER TO THE STATE AND LOCAL LICENSING  
29 AUTHORITIES THIRTY DAYS PRIOR TO THE CHANGE PURSUANT TO SECTION  
30 12-43.3-309.

31 (13) (a) A LICENSEE MAY MOVE HIS OR HER PERMANENT LOCATION  
32 TO ANY OTHER PLACE IN THE SAME MUNICIPALITY OR CITY AND COUNTY  
33 FOR WHICH THE LICENSE WAS ORIGINALLY GRANTED, OR IN THE SAME  
34 COUNTY IF THE LICENSE WAS GRANTED FOR A PLACE OUTSIDE THE  
35 CORPORATE LIMITS OF A MUNICIPALITY OR CITY AND COUNTY, BUT IT

1 SHALL BE UNLAWFUL TO CULTIVATE, MANUFACTURE, DISTRIBUTE OR SELL  
2 MEDICAL MARIJUANA AT ANY SUCH PLACE UNTIL PERMISSION TO DO SO IS  
3 GRANTED BY THE STATE AND LOCAL LICENSING AUTHORITIES PROVIDED  
4 FOR IN THIS ARTICLE.

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

12 **12-43.3-311. License renewal.** (1) NINETY DAYS PRIOR TO THE  
13 EXPIRATION DATE OF AN EXISTING LICENSE, THE STATE LICENSING  
14 AUTHORITY SHALL NOTIFY THE LICENSEE OF THE EXPIRATION DATE BY  
15 FIRST CLASS MAIL AT THE LICENSEE'S ADDRESS OF RECORD WITH THE  
16 STATE LICENSING AUTHORITY. A LICENSEE SHALL APPLY FOR THE  
17 RENEWAL OF AN EXISTING LICENSE TO THE LOCAL LICENSING AUTHORITY  
18 NOT LESS THAN FORTY-FIVE DAYS AND TO THE STATE LICENSING  
19 AUTHORITY NOT LESS THAN THIRTY DAYS PRIOR TO THE DATE OF  
20 EXPIRATION. A LOCAL LICENSING AUTHORITY SHALL NOT ACCEPT AN  
21 APPLICATION FOR RENEWAL OF A LICENSE AFTER THE DATE OF EXPIRATION,  
22 EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION. THE STATE  
23 LICENSING AUTHORITY MAY EXTEND THE EXPIRATION DATE OF THE  
24 LICENSE AND ACCEPT A LATE APPLICATION FOR RENEWAL OF A LICENSE  
25 PROVIDED THAT THE APPLICANT HAS FILED A TIMELY RENEWAL  
26 APPLICATION WITH THE LOCAL LICENSING AUTHORITY. ALL RENEWALS  
27 FILED WITH THE LOCAL LICENSING AUTHORITY AND SUBSEQUENTLY  
28 APPROVED BY THE LOCAL LICENSING AUTHORITY SHALL NEXT BE  
29 PROCESSED BY THE STATE LICENSING AUTHORITY. THE STATE OR THE  
30 LOCAL LICENSING AUTHORITY, IN ITS DISCRETION, SUBJECT TO THE  
31 REQUIREMENTS OF THIS SUBSECTION (1) AND SUBSECTION (2) OF THIS  
32 SECTION AND BASED UPON REASONABLE GROUNDS, MAY WAIVE THE  
33 FORTY-FIVE-DAY OR THIRTY-DAY TIME REQUIREMENTS SET FORTH IN THIS  
34 SUBSECTION (1). THE LOCAL LICENSING AUTHORITY MAY HOLD A HEARING  
35 ON THE APPLICATION FOR RENEWAL ONLY IF THE LICENSEE HAS HAD  
36 COMPLAINTS FILED AGAINST IT, HAS A HISTORY OF VIOLATIONS, OR THERE  
37 ARE ALLEGATIONS AGAINST THE LICENSEE THAT WOULD CONSTITUTE  
38 GOOD CAUSE. THE LOCAL LICENSING AUTHORITY SHALL NOT HOLD A  
39 RENEWAL HEARING PROVIDED FOR BY THIS SUBSECTION (1) UNTIL IT HAS

1 POSTED A NOTICE OF HEARING ON THE LICENSED PREMISES IN THE MANNER  
2 DESCRIBED IN SECTION 12-43.3-302 (2) FOR A PERIOD OF TEN DAYS AND  
3 PROVIDED NOTICE TO THE APPLICANT AT LEAST TEN DAYS PRIOR TO THE  
4 HEARING. THE LOCAL LICENSING AUTHORITY MAY REFUSE TO RENEW ANY  
5 LICENSE FOR GOOD CAUSE, SUBJECT TO JUDICIAL REVIEW.

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

18 (b) THE STATE AND LOCAL LICENSING AUTHORITIES MAY NOT  
19 ACCEPT A LATE RENEWAL APPLICATION MORE THAN NINETY DAYS AFTER  
20 THE EXPIRATION OF A LICENSEE'S PERMANENT ANNUAL LICENSE. A  
21 LICENSEE WHOSE PERMANENT ANNUAL LICENSE HAS BEEN EXPIRED FOR  
22 MORE THAN NINETY DAYS SHALL NOT CULTIVATE, MANUFACTURE,  
23 DISTRIBUTE, OR SELL ANY MEDICAL MARIJUANA UNTIL ALL REQUIRED  
24 LICENSES HAVE BEEN OBTAINED.

25 (c) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE LATE  
26 APPLICATION FEE IN PARAGRAPH (a) OF THIS SUBSECTION (2), THE STATE  
27 LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY  
28 REDUCE THE AMOUNT OF THE FEE IF NECESSARY PURSUANT TO SECTION  
29 24-75-402 (3), C.R.S., BY REDUCING THE UNCOMMITTED RESERVES OF THE  
30 FUND TO WHICH ALL OR ANY PORTION OF THE FEE IS CREDITED. AFTER THE  
31 UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE  
32 STATE LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY  
33 LAW MAY INCREASE THE AMOUNT OF THE FEE AS PROVIDED IN SECTION  
34 24-75-402 (4), C.R.S.

35 **12-43.3-312. Inactive licenses.** THE STATE OR LOCAL LICENSING  
36 AUTHORITY, IN ITS DISCRETION, MAY REVOKE OR ELECT NOT TO RENEW  
37 ANY LICENSE IF IT DETERMINES THAT THE LICENSED PREMISES HAVE BEEN



1 INACTIVE, WITHOUT GOOD CAUSE, FOR AT LEAST ONE YEAR.

2 **12-43.3-313. Unlawful financial assistance.** (1) THE STATE  
3 LICENSING AUTHORITY, BY RULE AND REGULATION, SHALL REQUIRE A  
4 COMPLETE DISCLOSURE OF ALL PERSONS HAVING A DIRECT OR INDIRECT  
5 FINANCIAL INTEREST, AND THE EXTENT OF SUCH INTEREST, IN EACH  
6 LICENSE ISSUED UNDER THIS ARTICLE.

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

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

20 PART 4  
21 LICENSE TYPES

22 **12-43.3-401. Classes of licenses.** (1) FOR THE PURPOSE OF  
23 REGULATING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE  
24 OF MEDICAL MARIJUANA, THE STATE LICENSING AUTHORITY IN ITS  
25 DISCRETION, UPON APPLICATION IN THE PRESCRIBED FORM MADE TO IT,  
26 MAY ISSUE AND GRANT TO THE APPLICANT A LICENSE FROM ANY OF THE  
27 FOLLOWING CLASSES, SUBJECT TO THE PROVISIONS AND RESTRICTIONS  
28 PROVIDED BY THIS ARTICLE:

29 (a) MEDICAL MARIJUANA CENTER LICENSE;

30 (b) OPTIONAL PREMISES CULTIVATION LICENSE;

31 (c) MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING  
32 LICENSE; AND

1 (d) OCCUPATIONAL LICENSES AND REGISTRATIONS FOR OWNERS,  
2 MANAGERS, OPERATORS, EMPLOYEES, CONTRACTORS, AND OTHER  
3 SUPPORT STAFF EMPLOYED BY, WORKING IN, OR HAVING ACCESS TO  
4 RESTRICTED AREAS OF THE LICENSED PREMISES, AS DETERMINED BY THE  
5 STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY MAY  
6 TAKE ANY ACTION WITH RESPECT TO A REGISTRATION PURSUANT TO THIS  
7 ARTICLE AS IT MAY WITH RESPECT TO A LICENSE PURSUANT TO THIS  
8 ARTICLE, IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED PURSUANT  
9 TO THIS ARTICLE.

10 (2) ALL PERSONS LICENSED PURSUANT TO THIS ARTICLE SHALL  
11 COLLECT SALES TAX ON ALL SALES MADE PURSUANT TO THE LICENSING  
12 ACTIVITIES.

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

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

21 (I) THAT THE PRODUCT CONTAINS MEDICAL MARIJUANA;

22 (II) THAT THE PRODUCT IS MANUFACTURED WITHOUT ANY  
23 REGULATORY OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY; AND

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

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

30 (c) A MEDICAL MARIJUANA LICENSEE MAY CONTRACT WITH  
31 MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE FOR  
32 THE MANUFACTURE OF MEDICAL MARIJUANA-INFUSED PRODUCTS UPON A  
33 MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE'S

1 LICENSED PREMISES.

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

6 (4) NOTWITHSTANDING THE REQUIREMENTS OF SUBSECTION (3) OF  
7 THIS SECTION, A MEDICAL MARIJUANA LICENSEE MAY PURCHASE NOT  
8 MORE THAN THIRTY PERCENT OF ITS TOTAL ON-HAND INVENTORY OF  
9 MEDICAL MARIJUANA FROM ANOTHER LICENSED MEDICAL MARIJUANA  
10 CENTER IN COLORADO. A MEDICAL MARIJUANA CENTER MAY SELL NO  
11 MORE THAN THIRTY PERCENT OF ITS TOTAL ON-HAND INVENTORY TO  
12 ANOTHER COLORADO LICENSED MEDICAL MARIJUANA LICENSEE.

13 (5) PRIOR TO CONCLUDING A SALE, THE EMPLOYEE OF THE  
14 MEDICAL MARIJUANA CENTER MAKING THE SALE SHALL VERIFY THAT THE  
15 PURCHASER HAS A VALID REGISTRATION CARD ISSUED PURSUANT TO  
16 SECTION 25-1.5-105, C.R.S., AND A VALID PICTURE IDENTIFICATION CARD  
17 THAT MATCHES THE NAME ON THE REGISTRATION CARD.

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

23 **12-43.3-403. Optional premises cultivation license.** AN  
24 OPTIONAL PREMISES CULTIVATION LICENSE MAY BE ISSUED ONLY TO A  
25 PERSON LICENSED PURSUANT TO 12-43.3-402 (1) WHO GROWS AND  
26 CULTIVATES MEDICAL MARIJUANA AT AN ADDITIONAL COLORADO  
27 LICENSED PREMISES CONTIGUOUS OR NOT CONTIGUOUS WITH THE  
28 LICENSED PREMISES OF THE PERSON'S MEDICAL MARIJUANA CENTER  
29 LICENSE.

30 **12-43.3-404. Medical marijuana-infused products**  
31 **manufacturing license.** (1) A MEDICAL MARIJUANA-INFUSED PRODUCTS  
32 MANUFACTURING LICENSE MAY BE ISSUED TO A PERSON WHO  
33 MANUFACTURES MEDICAL MARIJUANA-INFUSED PRODUCTS, PURSUANT TO  
34 THE TERMS AND CONDITIONS OF THIS ARTICLE.

1 (2) MEDICAL MARIJUANA-INFUSED PRODUCTS SHALL BE PREPARED  
2 ON A LICENSED PREMISES THAT IS USED EXCLUSIVELY FOR THE  
3 MANUFACTURE AND PREPARATION OF MEDICAL MARIJUANA-INFUSED  
4 PRODUCTS AND USING EQUIPMENT THAT IS USED EXCLUSIVELY FOR THE  
5 MANUFACTURE AND PREPARATION OF MEDICAL MARIJUANA-INFUSED  
6 PRODUCTS.

7 (3) A MEDICAL MARIJUANA-INFUSED PRODUCTS LICENSEE SHALL  
8 HAVE A WRITTEN AGREEMENT OR CONTRACT WITH A MEDICAL MARIJUANA  
9 CENTER LICENSEE, WHICH CONTRACT SHALL AT A MINIMUM SET FORTH THE  
10 TOTAL AMOUNT OF MEDICAL MARIJUANA OBTAINED FROM A MEDICAL  
11 MARIJUANA CENTER LICENSEE TO BE USED IN THE MANUFACTURING  
12 PROCESS, AND THE TOTAL AMOUNT OF MEDICAL MARIJUANA-INFUSED  
13 PRODUCTS TO BE EXCLUSIVELY MANUFACTURED FROM THE MEDICAL  
14 MARIJUANA OBTAINED FROM THE MEDICAL MARIJUANA CENTER. THE  
15 MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE MAY  
16 SELL ITS PRODUCTS TO ANY LICENSED MEDICAL MARIJUANA CENTER.

17 (4) ALL LICENSED PREMISES ON WHICH MEDICAL  
18 MARIJUANA-INFUSED PRODUCTS ARE MANUFACTURED SHALL MEET THE  
19 SANITARY STANDARDS FOR MEDICAL MARIJUANA-INFUSED PRODUCT  
20 PREPARATION PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2) (a)  
21 (XII).

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

25 (6) MEDICAL MARIJUANA-INFUSED PRODUCTS MAY NOT BE  
26 UNSEALED OR CONSUMED ON A PREMISES LICENSED PURSUANT TO THIS  
27 ARTICLE.

28 (7) NOTWITHSTANDING ANY OTHER PROVISION OF STATE LAW,  
29 SALES OF MEDICAL MARIJUANA-INFUSED PRODUCTS SHALL NOT BE EXEMPT  
30 FROM STATE OR LOCAL SALES TAX.

31 PART 5  
32 FEES

33 **12-43.3-501. Medical marijuana license cash fund.** ALL  
34 MONEYS COLLECTED BY THE STATE LICENSING AUTHORITY PURSUANT TO

1 THIS ARTICLE SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO  
2 SHALL CREDIT THE SAME TO THE MEDICAL MARIJUANA LICENSE CASH  
3 FUND, WHICH FUND IS HEREBY CREATED AND REFERRED TO IN THIS  
4 SECTION AS THE "FUND". THE MONEYS IN THE FUND SHALL BE SUBJECT TO  
5 ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE  
6 DEPARTMENT OF REVENUE FOR THE DIRECT AND INDIRECT COSTS  
7 ASSOCIATED WITH IMPLEMENTING THIS ARTICLE. ANY MONEYS IN THE  
8 FUND NOT EXPENDED FOR THE PURPOSE OF THIS ARTICLE MAY BE  
9 INVESTED BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST  
10 AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS  
11 IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND  
12 UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A  
13 FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR  
14 TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

15 (2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE  
16 BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY REDUCE THE AMOUNT  
17 OF ONE OR MORE OF THE FEES IF NECESSARY PURSUANT TO SECTION  
18 24-75-402 (3), C.R.S., TO REDUCE THE UNCOMMITTED RESERVES OF THE  
19 FUND TO WHICH ALL OR ANY PORTION OF ONE OR MORE OF THE FEES IS  
20 CREDITED. AFTER THE UNCOMMITTED RESERVES OF THE FUND ARE  
21 SUFFICIENTLY REDUCED, THE EXECUTIVE DIRECTOR BY RULE OR AS  
22 OTHERWISE PROVIDED BY LAW MAY INCREASE THE AMOUNT OF ONE OR  
23 MORE OF THE FEES AS PROVIDED IN SECTION 24-75-402 (4), C.R.S.

24 (3) (a) THE STATE LICENSING AUTHORITY SHALL ESTABLISH FEES  
25 FOR PROCESSING THE FOLLOWING TYPES OF APPLICATIONS, LICENSES,  
26 NOTICES, OR REPORTS REQUIRED TO BE SUBMITTED TO THE STATE  
27 LICENSING AUTHORITY:

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

30 (II) APPLICATIONS TO CHANGE LOCATION PURSUANT TO SECTION  
31 12-43.3-310 AND RULES PROMULGATED PURSUANT TO THAT SECTION;

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

35 (IV) LICENSE RENEWAL AND EXPIRED LICENSE RENEWAL

1 APPLICATIONS PURSUANT TO SECTION 12-43.3-311; AND

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

3 (b) THE AMOUNTS OF SUCH FEES, WHEN ADDED TO THE OTHER FEES  
4 TRANSFERRED TO THE FUND PURSUANT TO THIS SECTION SHALL REFLECT  
5 THE DIRECT AND INDIRECT COSTS OF THE STATE LICENSING AUTHORITY IN  
6 THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE.

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

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

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

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

30 **12-43.3-502. Fees - allocation.** (1) EXCEPT AS OTHERWISE  
31 PROVIDED, ALL FEES AND FINES PROVIDED FOR BY THIS ARTICLE SHALL BE  
32 PAID TO THE DEPARTMENT OF REVENUE, WHICH SHALL TRANSMIT THE FEES  
33 TO THE STATE TREASURER. THE STATE TREASURER SHALL CREDIT THE  
34 FEES AND TAXES TO THE MEDICAL MARIJUANA LICENSE CASH FUND

1 CREATED IN SECTION 12-43.3-501.

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

5 **12-43.3-503. Local license fees.** (1) EACH APPLICATION FOR A  
6 LOCAL LICENSE PROVIDED FOR IN THIS ARTICLE FILED WITH A LOCAL  
7 LICENSING AUTHORITY SHALL BE ACCOMPANIED BY AN APPLICATION FEE  
8 IN AN AMOUNT DETERMINED BY THE LOCAL LICENSING AUTHORITY.

9 (2) LICENSE FEES AS DETERMINED BY THE LOCAL LICENSING  
10 AUTHORITY SHALL BE PAID TO THE TREASURER OF THE MUNICIPALITY,  
11 CITY AND COUNTY, OR COUNTY WHERE THE LICENSED PREMISES IS  
12 LOCATED IN ADVANCE OF THE APPROVAL, DENIAL, OR RENEWAL OF THE  
13 LICENSE.

14 PART 6  
15 DISCIPLINARY ACTIONS

16 **12-43.3-601. Suspension - revocation - fines.** (1) IN ADDITION  
17 TO ANY OTHER SANCTIONS PRESCRIBED BY THIS ARTICLE OR RULES  
18 PROMULGATED PURSUANT TO THIS ARTICLE, THE STATE LICENSING  
19 AUTHORITY OR A LOCAL LICENSING AUTHORITY HAS THE POWER, ON ITS  
20 OWN MOTION OR ON COMPLAINT, AFTER INVESTIGATION AND OPPORTUNITY  
21 FOR A PUBLIC HEARING AT WHICH THE LICENSEE SHALL BE AFFORDED AN  
22 OPPORTUNITY TO BE HEARD, TO SUSPEND OR REVOKE A LICENSE ISSUED BY  
23 THE RESPECTIVE AUTHORITY FOR A VIOLATION BY THE LICENSEE OR BY  
24 ANY OF THE AGENTS OR EMPLOYEES OF THE LICENSEE OF THE PROVISIONS  
25 OF THIS ARTICLE, OR ANY OF THE RULES PROMULGATED PURSUANT TO THIS  
26 ARTICLE, OR OF ANY OF THE TERMS, CONDITIONS, OR PROVISIONS OF THE  
27 LICENSE ISSUED BY THE STATE OR LOCAL LICENSING AUTHORITY. THE  
28 STATE LICENSING AUTHORITY OR A LOCAL LICENSING AUTHORITY HAS THE  
29 POWER TO ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE  
30 PRESENCE OF PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND  
31 RECORDS NECESSARY TO THE DETERMINATION OF A HEARING THAT THE  
32 STATE OR LOCAL LICENSING AUTHORITY IS AUTHORIZED TO CONDUCT.

33 (2) THE STATE OR LOCAL LICENSING AUTHORITY SHALL PROVIDE  
34 NOTICE OF SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL  
35 AS THE REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1)

1 OF THIS SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT  
2 THE ADDRESS CONTAINED IN THE LICENSE. A SUSPENSION SHALL NOT BE  
3 FOR A LONGER PERIOD THAN SIX MONTHS. IF A LICENSE IS SUSPENDED OR  
4 REVOKED, A PART OF THE FEES PAID THEREFORE SHALL NOT BE RETURNED  
5 TO THE LICENSEE. ANY LICENSE OR PERMIT MAY BE SUMMARILY  
6 SUSPENDED BY THE ISSUING LICENSING AUTHORITY WITHOUT NOTICE  
7 PENDING ANY PROSECUTION, INVESTIGATION, OR PUBLIC HEARING  
8 PURSUANT TO THE TERMS OF SECTION 24-4-104 (4), C.R.S. NOTHING IN  
9 THIS SECTION SHALL PREVENT THE SUMMARY SUSPENSION OF A LICENSE  
10 PURSUANT TO SECTION 24-4-104 (4), C.R.S. EACH PATIENT REGISTERED  
11 WITH A MEDICAL MARIJUANA CENTER THAT HAS HAD ITS LICENSE  
12 SUMMARILY SUSPENDED MAY IMMEDIATELY TRANSFER HIS OR HER  
13 PRIMARY CENTER TO ANOTHER LICENSED MEDICAL MARIJUANA CENTER.

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

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

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

33 (III) THE LICENSEE HAS NOT HAD HIS OR HER LICENSE SUSPENDED  
34 OR REVOKED, NOR HAD ANY SUSPENSION STAYED BY PAYMENT OF A FINE,  
35 DURING THE TWO YEARS IMMEDIATELY PRECEDING THE DATE OF THE  
36 MOTION OR COMPLAINT THAT RESULTED IN A FINAL DECISION TO SUSPEND  
37 THE LICENSE OR PERMIT.



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

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

7 (4) UPON PAYMENT OF THE FINE PURSUANT TO SUBSECTION (3) OF  
8 THIS SECTION, THE STATE OR LOCAL LICENSING AUTHORITY SHALL ENTER  
9 ITS FURTHER ORDER PERMANENTLY STAYING THE IMPOSITION OF THE  
10 SUSPENSION. IF THE FINE IS PAID TO A LOCAL LICENSING AUTHORITY, THE  
11 GOVERNING BODY OF THE AUTHORITY SHALL CAUSE THE MONEYS TO BE  
12 PAID INTO THE GENERAL FUND OF THE LOCAL LICENSING AUTHORITY.  
13 FINES PAID TO THE STATE LICENSING AUTHORITY PURSUANT TO  
14 SUBSECTION (3) OF THIS SECTION SHALL BE TRANSMITTED TO THE STATE  
15 TREASURER WHO SHALL CREDIT THE SAME TO THE MEDICAL MARIJUANA  
16 LICENSE CASH FUND CREATED IN SECTION 12-43.3-501.

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

25 (6) IF THE STATE OR LOCAL LICENSING AUTHORITY DOES NOT MAKE  
26 THE FINDINGS REQUIRED IN PARAGRAPH (a) OF SUBSECTION (3) OF THIS  
27 SECTION AND DOES NOT ORDER THE SUSPENSION PERMANENTLY STAYED,  
28 THE SUSPENSION SHALL GO INTO EFFECT ON THE OPERATIVE DATE FINALLY  
29 SET BY THE STATE OR LOCAL LICENSING AUTHORITY.

30 (7) EACH LOCAL LICENSING AUTHORITY SHALL REPORT ALL  
31 ACTIONS TAKEN TO IMPOSE FINES, SUSPENSIONS, AND REVOCATIONS TO  
32 THE STATE LICENSING AUTHORITY IN A MANNER REQUIRED BY THE STATE  
33 LICENSING AUTHORITY. NO LATER THAN JANUARY 15 OF EACH YEAR, THE  
34 STATE LICENSING AUTHORITY SHALL COMPILE A REPORT OF THE  
35 PRECEDING YEAR'S ACTIONS IN WHICH FINES, SUSPENSIONS, OR  
36 REVOCATIONS WERE IMPOSED BY LOCAL LICENSING AUTHORITIES AND BY

1 THE STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY  
2 SHALL FILE ONE COPY OF THE REPORT WITH THE CHIEF CLERK OF THE  
3 HOUSE OF REPRESENTATIVES, ONE COPY WITH THE SECRETARY OF THE  
4 SENATE, AND SIX COPIES IN THE JOINT LEGISLATIVE LIBRARY.

5 PART 7  
6 INSPECTION OF BOOKS AND RECORDS

7 **12-43.3-701. Inspection procedures.** (1) EACH LICENSEE SHALL  
8 KEEP A COMPLETE SET OF ALL RECORDS NECESSARY TO SHOW FULLY THE  
9 BUSINESS TRANSACTIONS OF THE LICENSEE, ALL OF WHICH SHALL BE OPEN  
10 AT ALL TIMES DURING BUSINESS HOURS FOR THE INSPECTION AND  
11 EXAMINATION OF THE STATE LICENSING AUTHORITY OR ITS DULY  
12 AUTHORIZED REPRESENTATIVES. THE STATE LICENSING AUTHORITY MAY  
13 REQUIRE ANY LICENSEE TO FURNISH SUCH INFORMATION AS IT CONSIDERS  
14 NECESSARY FOR THE PROPER ADMINISTRATION OF THIS ARTICLE AND MAY  
15 REQUIRE AN AUDIT TO BE MADE OF THE BOOKS OF ACCOUNT AND RECORDS  
16 ON SUCH OCCASIONS AS IT MAY CONSIDER NECESSARY BY AN AUDITOR TO  
17 BE SELECTED BY THE STATE LICENSING AUTHORITY WHO SHALL LIKEWISE  
18 HAVE ACCESS TO ALL BOOKS AND RECORDS OF THE LICENSEE, AND THE  
19 EXPENSE THEREOF SHALL BE PAID BY THE LICENSEE.

20 (2) THE LICENSED PREMISES, INCLUDING ANY PLACES OF STORAGE  
21 WHERE MEDICAL MARIJUANA IS GROWN, STORED, CULTIVATED, SOLD, OR  
22 DISPENSED, SHALL BE SUBJECT TO INSPECTION BY THE STATE OR LOCAL  
23 LICENSING AUTHORITIES AND THEIR INVESTIGATORS, DURING ALL  
24 BUSINESS HOURS AND OTHER TIMES OF APPARENT ACTIVITY, FOR THE  
25 PURPOSE OF INSPECTION OR INVESTIGATION. FOR EXAMINATION OF ANY  
26 INVENTORY OR BOOKS AND RECORDS REQUIRED TO BE KEPT BY THE  
27 LICENSEES, ACCESS SHALL BE REQUIRED DURING BUSINESS HOURS. WHERE  
28 ANY PART OF THE LICENSED PREMISES CONSISTS OF A LOCKED AREA, UPON  
29 DEMAND TO THE LICENSEE, SUCH AREA SHALL BE MADE AVAILABLE FOR  
30 INSPECTION WITHOUT DELAY, AND, UPON REQUEST BY AUTHORIZED  
31 REPRESENTATIVES OF THE STATE OR LOCAL LICENSING AUTHORITY, THE  
32 LICENSEE SHALL OPEN THE AREA FOR INSPECTION.

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

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PART 8  
JUDICIAL REVIEW

**12-43.3-801. Judicial review.** DECISIONS BY THE STATE LICENSING AUTHORITY OR A LOCAL LICENSING AUTHORITY SHALL BE SUBJECT TO JUDICIAL REVIEW PURSUANT TO SECTION 24-4-106, C.R.S.

PART 9  
UNLAWFUL ACTS - ENFORCEMENT

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

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

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

(2) IT IS UNLAWFUL FOR A PERSON TO BUY, SELL, TRANSFER, GIVE AWAY, OR ACQUIRE MEDICAL MARIJUANA EXCEPT AS ALLOWED PURSUANT TO THIS ARTICLE.

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

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

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

(c) TO FAIL TO REPORT A TRANSFER REQUIRED BY SECTION 12-43.3-310 (11); OR

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

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

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

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

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

13 (d) (I) TO SELL MEDICAL MARIJUANA TO A PERSON NOT LICENSED  
14 PURSUANT TO THIS ARTICLE OR TO A PERSON NOT ABLE TO PRODUCE A  
15 VALID PATIENT REGISTRY IDENTIFICATION CARD. NOTWITHSTANDING ANY  
16 PROVISION IN THIS SUBPARAGRAPH (I) TO THE CONTRARY, A PERSON  
17 UNDER TWENTY-ONE YEARS OF AGE SHALL NOT BE EMPLOYED TO SELL OR  
18 DISPENSE MEDICAL MARIJUANA AT A MEDICAL MARIJUANA CENTER OR  
19 GROW OR CULTIVATE MEDICAL MARIJUANA AT AN OPTIONAL PREMISES  
20 CULTIVATION OPERATION.

21 (II) IF A LICENSEE OR A LICENSEE'S EMPLOYEE HAS REASONABLE  
22 CAUSE TO BELIEVE THAT A PERSON IS EXHIBITING A FRAUDULENT PATIENT  
23 REGISTRY IDENTIFICATION CARD IN AN ATTEMPT TO OBTAIN MEDICAL  
24 MARIJUANA, THE LICENSEE OR EMPLOYEE SHALL BE AUTHORIZED TO  
25 CONFISCATE THE FRAUDULENT PATIENT REGISTRY IDENTIFICATION CARD,  
26 IF POSSIBLE, AND SHALL, WITHIN SEVENTY-TWO HOURS AFTER THE  
27 CONFISCATION, TURN IT OVER TO THE STATE HEALTH DEPARTMENT OR  
28 LOCAL LAW ENFORCEMENT AGENCY. THE FAILURE TO CONFISCATE THE  
29 FRAUDULENT PATIENT REGISTRY IDENTIFICATION CARD OR TO TURN IT  
30 OVER TO THE STATE HEALTH DEPARTMENT OR A STATE OR LOCAL LAW  
31 ENFORCEMENT AGENCY WITHIN SEVENTY-TWO HOURS AFTER THE  
32 CONFISCATION SHALL NOT CONSTITUTE A CRIMINAL OFFENSE.

33 (e) TO POSSESS MORE THAN SIX MEDICAL MARIJUANA PLANTS AND  
34 TWO OUNCES OF MEDICAL MARIJUANA FOR EACH PATIENT WHO HAS

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

10 (f) TO OFFER FOR SALE OR SOLICIT AN ORDER FOR MEDICAL  
11 MARIJUANA IN PERSON EXCEPT WITHIN THE LICENSED PREMISES;

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

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

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

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

22 (k) TO REQUIRE A MEDICAL MARIJUANA CENTER OR MEDICAL  
23 MARIJUANA CENTER WITH AN OPTIONAL PREMISES CULTIVATION LICENSE  
24 TO MAKE DELIVERY TO ANY PREMISES OTHER THAN THE SPECIFIC LICENSED  
25 PREMISES WHERE THE MEDICAL MARIJUANA IS TO BE SOLD.

26 (5) EXCEPT FOR AS PROVIDED IN SECTIONS 12-43.3-402 (4),  
27 12-43.3-403, AND 12-43.3-404, IT IS UNLAWFUL FOR A MEDICAL  
28 MARIJUANA CENTER OR MEDICAL MARIJUANA CENTER WITH AN OPTIONAL  
29 PREMISES CULTIVATION LICENSE TO SELL, DELIVER, OR CAUSE TO BE  
30 DELIVERED TO A LICENSEE ANY MEDICAL MARIJUANA NOT GROWN UPON  
31 ITS LICENSED PREMISES, OR FOR A LICENSEE OR MEDICAL MARIJUANA  
32 CENTER WITH AN OPTIONAL PREMISES CULTIVATION LICENSE TO SELL,  
33 POSSESS, OR PERMIT SALE OF MEDICAL MARIJUANA NOT GROWN UPON ITS  
34 LICENSED PREMISES. A VIOLATION OF THE PROVISIONS OF THIS

1 SUBSECTION (5) BY A LICENSEE SHALL BE GROUNDS FOR THE IMMEDIATE  
2 REVOCATION OF THE LICENSE GRANTED UNDER THIS ARTICLE.

3 (6) IT SHALL BE UNLAWFUL FOR A PHYSICIAN WHO MAKES PATIENT  
4 REFERRALS TO A LICENSED MEDICAL MARIJUANA CENTER TO RECEIVE  
5 ANYTHING OF VALUE FROM THE MEDICAL MARIJUANA CENTER LICENSEE  
6 OR ITS AGENTS, SERVANTS, OFFICERS, OR OWNERS OR ANYONE  
7 FINANCIALLY INTERESTED IN THE LICENSEE, AND IT SHALL BE UNLAWFUL  
8 FOR A LICENSEE LICENSED PURSUANT TO THIS ARTICLE TO OFFER  
9 ANYTHING OF VALUE TO A MEDICAL DOCTOR FOR MAKING PATIENT  
10 REFERRALS TO THE LICENSED MEDICAL MARIJUANA CENTER.

11 (7) A PERSON WHO COMMITS ANY OF THE UNLAWFUL ACTS IN THIS  
12 SECTION COMMITS A CLASS 2 MISDEMEANOR AND SHALL BE PUNISHED AS  
13 PROVIDED IN SECTION 18-1.3-501, C.R.S.

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

16 **25-1.5-106. Medical marijuana program - powers and duties**  
17 **of the state health agency.** (1) **Legislative declaration.** (a) THE  
18 GENERAL ASSEMBLY HEREBY DECLARES THAT IT IS NECESSARY TO  
19 IMPLEMENT RULES TO ENSURE THAT PATIENTS SUFFERING FROM  
20 LEGITIMATE DEBILITATING MEDICAL CONDITIONS ARE ABLE TO SAFELY  
21 GAIN ACCESS TO MEDICAL MARIJUANA AND TO ENSURE THAT THESE  
22 PATIENTS:

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

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

31 (b) THE GENERAL ASSEMBLY HEREBY DECLARES THAT IT IS  
32 NECESSARY TO IMPLEMENT RULES TO PREVENT PERSONS WHO DO NOT  
33 SUFFER FROM LEGITIMATE DEBILITATING MEDICAL CONDITIONS FROM  
34 USING SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION AS A

1 MEANS TO SELL, ACQUIRE, POSSESS, PRODUCE, USE, OR TRANSPORT  
2 MARIJUANA IN VIOLATION OF STATE AND FEDERAL LAWS.

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

10 ~~(1)~~ (3) **Rule-making.** THE STATE HEALTH AGENCY MAY  
11 PROMULGATE RULES REGARDING THE FOLLOWING:

12 (I) WHAT CONSTITUTES "SIGNIFICANT RESPONSIBILITY FOR  
13 MANAGING THE WELL-BEING OF A PATIENT";

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

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

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

31 (4) NOTWITHSTANDING ANY OTHER REQUIREMENTS TO THE  
32 CONTRARY, NOTICE ISSUED BY THE STATE HEALTH AGENCY FOR A  
33 RULEMAKING HEARING PURSUANT TO SECTION 24-4-103, C.R.S., FOR  
34 RULES CONCERNING THE MEDICAL MARIJUANA PROGRAM SHALL BE

1 SUFFICIENT IF THE STATE HEALTH AGENCY PROVIDES THE NOTICE NO  
2 LATER THAN FORTY-FIVE DAYS IN ADVANCE OF THE RULEMAKING HEARING  
3 IN AT LEAST ONE PUBLICATION IN A NEWSPAPER OF GENERAL  
4 DISTRIBUTION IN THE STATE AND POSTS THE NOTICE ON THE STATE HEALTH  
5 AGENCY'S WEB SITE; EXCEPT THAT EMERGENCY RULES PURSUANT TO  
6 SECTION 24-4-103 (6), C.R.S., SHALL NOT REQUIRE ADVANCE NOTICE.

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

12 (b) TWO OR MORE PRIMARY CAREGIVERS SHALL NOT JOIN  
13 TOGETHER FOR THE PURPOSE OF CULTIVATING MEDICAL MARIJUANA.

14 (c) ONLY A MEDICAL MARIJUANA CENTER WITH AN OPTIONAL  
15 PREMISES CULTIVATION LICENSE OR A PRIMARY CAREGIVER FOR HIS OR  
16 HER PATIENTS OR A PATIENT FOR HIMSELF OR HERSELF MAY CULTIVATE OR  
17 PROVIDE MARIJUANA AND ONLY FOR MEDICAL USE.

18 (d) A PRIMARY CAREGIVER SHALL PROVIDE TO A LAW  
19 ENFORCEMENT AGENCY, UPON INQUIRY, THE REGISTRY IDENTIFICATION  
20 CARD NUMBER OF EACH OF HIS OR HER PATIENTS. THE STATE HEALTH  
21 AGENCY SHALL MAINTAIN A REGISTRY OF THIS INFORMATION AND MAKE  
22 IT AVAILABLE TWENTY-FOUR HOURS PER DAY AND SEVEN DAYS A WEEK TO  
23 LAW ENFORCEMENT FOR VERIFICATION PURPOSES. UPON INQUIRY BY A  
24 LAW ENFORCEMENT OFFICER AS TO AN INDIVIDUAL'S STATUS AS A PATIENT  
25 OR PRIMARY CAREGIVER, THE STATE HEALTH AGENCY SHALL CHECK THE  
26 REGISTRY. IF THE INDIVIDUAL IS NOT REGISTERED AS A PATIENT OR  
27 PRIMARY CAREGIVER, THE STATE HEALTH AGENCY MAY PROVIDE THAT  
28 RESPONSE TO LAW ENFORCEMENT. IF THE PERSON IS A REGISTERED  
29 PATIENT OR PRIMARY CAREGIVER, THE STATE HEALTH AGENCY MAY NOT  
30 RELEASE INFORMATION UNLESS CONSISTENT WITH SECTION 14 OF ARTICLE  
31 XVIII OF THE STATE CONSTITUTION. THE STATE HEALTH AGENCY MAY  
32 PROMULGATE RULES TO PROVIDE FOR THE EFFICIENT ADMINISTRATION OF  
33 THIS PARAGRAPH (d).

34 (6) **Patient - primary caregiver relationship.** (a) A PERSON  
35 SHALL BE LISTED AS A PRIMARY CAREGIVER FOR NO MORE THAN FIVE  
36 PATIENTS ON THE MEDICAL MARIJUANA PROGRAM REGISTRY AT ANY GIVEN



1 TIME; EXCEPT THAT THE STATE HEALTH AGENCY MAY ALLOW A PRIMARY  
2 CAREGIVER TO CIRCUMSTANCES, AND A PRIMARY CAREGIVER MAY SERVE  
3 NO MORE THAN SIXTEEN PATIENTS IF THE LOCALITY WHERE THE PRIMARY  
4 CAREGIVER LIVES HAS BANNED MEDICAL MARIJUANA CENTERS. IN  
5 DETERMINING WHETHER EXCEPTIONAL CIRCUMSTANCES EXIST, THE STATE  
6 HEALTH AGENCY MAY CONSIDER THE PROXIMITY OF MEDICAL MARIJUANA  
7 CENTERS TO THE PATIENT. A PRIMARY CAREGIVER SHALL MAINTAIN A LIST  
8 OF HIS OR HER PATIENTS INCLUDING THE REGISTRY IDENTIFICATION CARD  
9 NUMBER OF EACH PATIENT AT ALL TIMES.

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

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

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

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

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

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

31 (IV) A PATIENT-PRIMARY CAREGIVER ARRANGEMENT SECURED  
32 PURSUANT TO THIS PARAGRAPH (e) SHALL BE STRICTLY BETWEEN THE  
33 PATIENT AND THE POTENTIAL PRIMARY CAREGIVER. THE STATE HEALTH  
34 AGENCY, BY PROVIDING THE INFORMATION REQUIRED BY THIS PARAGRAPH

1 (e), SHALL NOT ENDORSE OR VOUCH FOR A PRIMARY CAREGIVER. TO PASS  
2 THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK, THE  
3 PRIMARY CAREGIVER SHALL NOT HAVE BEEN CONVICTED OF A FELONY  
4 PURSUANT TO PART 4 OF ARTICLE 18 OF TITLE 18, C.R.S., WITHIN THE FIVE  
5 YEARS PRECEDING THE CRIMINAL HISTORY RECORD CHECK.

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

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

19 (7) **Registry identification card required - denial - revocation**  
20 **- renewal.** (a) TO BE CONSIDERED IN COMPLIANCE WITH THE PROVISIONS  
21 OF SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS  
22 SECTION, AND THE RULES OF THE STATE HEALTH AGENCY, A PATIENT OR  
23 PRIMARY CAREGIVER SHALL HAVE HIS OR HER REGISTRY IDENTIFICATION  
24 CARD IN HIS OR HER POSSESSION AT ALL TIMES THAT HE OR SHE IS IN  
25 POSSESSION OF ANY FORM OF MEDICAL MARIJUANA AND PRODUCE THE  
26 SAME UPON REQUEST OF A LAW ENFORCEMENT OFFICER TO DEMONSTRATE  
27 THAT THE PATIENT OR PRIMARY CAREGIVER IS NOT IN VIOLATION OF THE  
28 LAW; EXCEPT THAT, IF MORE THAN THIRTY-FIVE DAYS HAVE PASSED SINCE  
29 THE DATE THE PATIENT OR PRIMARY CAREGIVER FILED HIS OR HER  
30 MEDICAL MARIJUANA PROGRAM APPLICATION AND THE STATE HEALTH  
31 AGENCY HAS NOT YET ISSUED OR DENIED A REGISTRY IDENTIFICATION  
32 CARD, A COPY OF THE PATIENT'S OR PRIMARY CAREGIVER'S APPLICATION  
33 ALONG WITH PROOF OF THE DATE OF SUBMISSION SHALL BE IN THE  
34 PATIENT'S OR PRIMARY CAREGIVER'S POSSESSION AT ALL TIMES THAT HE  
35 OR SHE IS IN POSSESSION OF ANY FORM OF MEDICAL MARIJUANA UNTIL THE  
36 STATE HEALTH AGENCY ISSUES OR DENIES THE REGISTRY IDENTIFICATION  
37 CARD. A PERSON WHO VIOLATES SECTION 14 OF ARTICLE XVIII OF THE  
38 STATE CONSTITUTION, THIS SECTION, OR THE RULES PROMULGATED BY THE

1 STATE HEALTH AGENCY MAY BE SUBJECT TO CRIMINAL PROSECUTION FOR  
2 VIOLATIONS OF SECTION 18-18-406, C.R.S.

3 (b) THE STATE HEALTH AGENCY MAY DENY A PATIENT'S OR  
4 PRIMARY CAREGIVER'S APPLICATION FOR A REGISTRY IDENTIFICATION  
5 CARD OR REVOKE THE CARD IF THE STATE HEALTH AGENCY, IN  
6 ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., DETERMINES THAT THE  
7 PHYSICIAN WHO DIAGNOSED THE PATIENT'S DEBILITATING MEDICAL  
8 CONDITION, THE PATIENT, OR THE PRIMARY CAREGIVER VIOLATED SECTION  
9 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, OR THE  
10 RULES PROMULGATED BY THE STATE HEALTH AGENCY PURSUANT TO THIS  
11 SECTION; EXCEPT THAT A PATIENT'S APPLICATION OR REGISTRY  
12 IDENTIFICATION CARD MAY ONLY BE DENIED OR REVOKED BASED ON A  
13 PHYSICIAN'S VIOLATION THAT IS RELATED TO THE ISSUANCE OF A MEDICAL  
14 MARIJUANA RECOMMENDATION.

15 (c) A PATIENT OR PRIMARY CAREGIVER REGISTRY IDENTIFICATION  
16 CARD SHALL BE VALID FOR ONE YEAR AND SHALL CONTAIN A UNIQUE  
17 IDENTIFICATION NUMBER. IT SHALL BE THE RESPONSIBILITY OF THE  
18 PATIENT OR PRIMARY CAREGIVER TO APPLY TO RENEW HIS OR HER  
19 REGISTRY IDENTIFICATION CARD PRIOR TO THE DATE ON WHICH THE CARD  
20 EXPIRES. THE STATE HEALTH AGENCY SHALL DEVELOP A FORM FOR A  
21 PATIENT OR PRIMARY CAREGIVER TO USE IN RENEWING HIS OR HER  
22 REGISTRY IDENTIFICATION CARD.

23 (8) **Use of medical marijuana.** (a) THE USE OF MEDICAL  
24 MARIJUANA IS ALLOWED UNDER STATE LAW TO THE EXTENT THAT IT IS  
25 CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 14 OF  
26 ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, AND THE  
27 RULES OF THE STATE HEALTH AGENCY.

28 (b) A PATIENT OR PRIMARY CAREGIVER SHALL NOT:

29 (I) ENGAGE IN THE MEDICAL USE OF MARIJUANA IN A WAY THAT  
30 ENDANGERS THE HEALTH AND WELL-BEING OF A PERSON;

31 (II) ENGAGE IN THE MEDICAL USE OF MARIJUANA IN PLAIN VIEW OF  
32 OR IN A PLACE OPEN TO THE GENERAL PUBLIC;

33 (III) UNDERTAKE ANY TASK WHILE UNDER THE INFLUENCE OF  
34 MEDICAL MARIJUANA, WHEN DOING SO WOULD CONSTITUTE NEGLIGENCE

1 OR PROFESSIONAL MALPRACTICE;

2 (IV) POSSESS MEDICAL MARIJUANA OR OTHERWISE ENGAGE IN THE  
3 USE OF MEDICAL MARIJUANA IN A SCHOOL BUS;

4 (V) ENGAGE IN THE USE OF MEDICAL MARIJUANA WHILE:

5 (A) IN A CORRECTIONAL FACILITY OR A COMMUNITY CORRECTIONS  
6 FACILITY;

7 (B) SUBJECT TO A SENTENCE TO INCARCERATION; OR

8 (C) IN A VEHICLE, AIRCRAFT, OR MOTORBOAT;

9 (VI) OPERATE, NAVIGATE, OR BE IN ACTUAL PHYSICAL CONTROL  
10 OF ANY VEHICLE, AIRCRAFT, OR MOTORBOAT WHILE UNDER THE  
11 INFLUENCE OF MEDICAL MARIJUANA; OR

12 (VII) USE MEDICAL MARIJUANA IF THE PERSON DOES NOT HAVE A  
13 DEBILITATING MEDICAL CONDITION AS DIAGNOSED BY THE PERSON'S  
14 PHYSICIAN IN THE COURSE OF A BONA FIDE PHYSICIAN-PATIENT  
15 RELATIONSHIP AND FOR WHICH THE PHYSICIAN HAS RECOMMENDED THE  
16 USE OF MEDICAL MARIJUANA.

17 (c) A PERSON SHALL NOT ESTABLISH A BUSINESS TO PERMIT  
18 PATIENTS TO CONGREGATE AND SMOKE OR OTHERWISE CONSUME MEDICAL  
19 MARIJUANA.

20 (9) **Limit on cultivation of medical marijuana.** ONLY  
21 REGISTERED PATIENTS, LICENSED PRIMARY CAREGIVERS, AND LICENSED  
22 MEDICAL MARIJUANA CENTERS WITH OPTIONAL PREMISES CULTIVATION  
23 LICENSES MAY CULTIVATE MEDICAL MARIJUANA.

24 (10) **Affirmative defense.** IF A PATIENT OR PRIMARY CAREGIVER  
25 RAISES AN AFFIRMATIVE DEFENSE AS PROVIDED IN SECTION 14 (4) (b) OF  
26 ARTICLE XVIII OF THE STATE CONSTITUTION, THE PATIENT'S PHYSICIAN  
27 SHALL CERTIFY THE SPECIFIC AMOUNTS IN EXCESS OF TWO OUNCES THAT  
28 ARE NECESSARY TO ADDRESS THE PATIENT'S DEBILITATING MEDICAL  
29 CONDITION AND WHY SUCH AMOUNTS ARE NECESSARY. A PATIENT WHO  
30 ASSERTS THIS AFFIRMATIVE DEFENSE SHALL WAIVE CONFIDENTIALITY  
31 PRIVILEGES RELATED TO THE CONDITION OR CONDITIONS THAT WERE THE

1 BASIS FOR THE RECOMMENDATION. IF A PATIENT, PRIMARY CAREGIVER, OR  
2 PHYSICIAN RAISES AN EXCEPTION TO THE STATE CRIMINAL LAWS AS  
3 PROVIDED IN SECTION 14 (2) (b) OR (c) OF ARTICLE XVIII OF THE STATE  
4 CONSTITUTION, THE PATIENT, PRIMARY CAREGIVER OR PHYSICIAN WAIVES  
5 THE CONFIDENTIALITY OF HIS OR HER RECORDS RELATED TO THE  
6 CONDITION OR CONDITIONS THAT WERE THE BASIS FOR THE  
7 RECOMMENDATION MAINTAINED BY THE STATE HEALTH AGENCY FOR THE  
8 MEDICAL MARIJUANA PROGRAM. UPON REQUEST OF A LAW ENFORCEMENT  
9 AGENCY FOR SUCH RECORDS, THE STATE HEALTH AGENCY SHALL ONLY  
10 PROVIDE RECORDS PERTAINING TO THE INDIVIDUAL RAISING THE  
11 EXCEPTION, AND SHALL REDACT ALL OTHER PATIENT, PRIMARY  
12 CAREGIVER, OR PHYSICIAN IDENTIFYING INFORMATION.

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

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

29 ~~(2)~~ (12) **Fees.** The ~~department~~ STATE HEALTH AGENCY may  
30 collect fees from patients who, pursuant to section 14 of article XVIII of  
31 the state constitution, apply to the medical marijuana program established  
32 ~~by such section~~ for a ~~marijuana~~ registry identification CARD for the  
33 purpose of offsetting the ~~department's~~ STATE HEALTH AGENCY'S direct and  
34 indirect costs of administering the program. The amount of ~~such~~ THE fees  
35 shall be set by rule of the ~~state board of health~~ STATE HEALTH AGENCY.  
36 All fees collected by the ~~department~~ STATE HEALTH AGENCY through the  
37 medical marijuana program shall be transferred to the state treasurer who  
38 shall credit the same to the medical marijuana program cash fund, which

1 fund is hereby created.

2 ~~(3)~~ (13) **Cash fund.** (a) The medical marijuana program cash  
3 fund shall be subject to annual appropriation by the general assembly to  
4 the ~~department~~ STATE HEALTH AGENCY for the purpose of establishing,  
5 operating, and maintaining the medical marijuana program. ~~established~~  
6 ~~by section 14 of article XVIII of the state constitution.~~ All moneys  
7 credited to the medical marijuana program cash fund and all interest  
8 derived from the deposit of such moneys that are not expended during the  
9 fiscal year shall be retained in the fund for future use and shall not be  
10 credited or transferred to the general fund or any other fund.

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

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

18 **25-5-403. Offenses.** (3) THE PROVISIONS OF THIS SECTION SHALL  
19 NOT APPLY TO A MEDICAL MARIJUANA CENTER OR A  
20 MEDICAL-MARIJUANA-INFUSED PRODUCTS MANUFACTURER LICENSED  
21 PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., THAT MANUFACTURES OR  
22 SELLS A FOOD PRODUCT THAT CONTAINS MEDICAL MARIJUANA SO LONG AS  
23 THE FOOD PRODUCT IS LABELED AS CONTAINING MEDICAL MARIJUANA AND  
24 THE LABEL SPECIFIES THAT THE PRODUCT IS MANUFACTURED WITHOUT  
25 ANY REGULATORY OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY, AND  
26 THAT THERE MAY BE HEALTH RISKS ASSOCIATED WITH THE CONSUMPTION  
27 OR USE OF THE PRODUCT.

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

30 **16-2.5-121. Executive director of the department of revenue**  
31 **- senior director of enforcement for the department of revenue.** The  
32 executive director and the senior director of enforcement of the  
33 department of revenue are peace officers while engaged in the  
34 performance of their duties whose authority includes the enforcement of  
35 laws and rules regarding automobile dealers pursuant to section 12-6-105

1 (1) (d) (II), C.R.S., the lottery pursuant to sections 24-35-205 (3) and  
2 24-35-206 (7), C.R.S., MEDICAL MARIJUANA PURSUANT TO ARTICLE 43.3  
3 OF TITLE 12, C.R.S., limited gaming pursuant to section 12-47.1-204,  
4 C.R.S., liquor pursuant to section 12-47-904 (1), C.R.S., and racing  
5 events pursuant to section 12-60-203 (1), C.R.S., and the enforcement of  
6 all laws of the state of Colorado and who may be certified by the P.O.S.T.  
7 board.

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

11 **16-2.5-124.5. Medical marijuana enforcement investigator.** A  
12 MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER  
13 WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE  
14 ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF  
15 TITLE 12, C.R.S., AND SHALL ALSO INCLUDE THE ENFORCEMENT OF ALL  
16 LAWS OF THE STATE OF COLORADO AND WHO MAY BE CERTIFIED BY THE  
17 P.O.S.T. BOARD.

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

20 **24-75-402. Cash funds - limit on uncommitted reserves -**  
21 **reduction in amount of fees - exclusions.** (5) Notwithstanding any  
22 provision of this section to the contrary, the following cash funds are  
23 excluded from the limitations specified in this section:

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

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

28 **39-26-102. Definitions.** As used in this article, unless the context  
29 otherwise requires:

30 (5.8) "MEDICAL MARIJUANA" SHALL HAVE THE SAME MEANING AS  
31 SET FORTH IN SECTION 12-43.3-104 (6), C.R.S.

32 **SECTION 8.** 39-26-123 (1), Colorado Revised Statutes, is

1 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

2 **39-26-123. Receipts - disposition - transfers of general fund**  
3 **surplus - sales and use tax holding fund - creation - definitions -**  
4 **repeal.** (1) As used in this section, unless the context otherwise requires:

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

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

11 **39-26-123. Receipts - disposition - transfers of general fund**  
12 **surplus - sales and use tax holding fund - creation - definitions -**  
13 **repeal.** (6) (a) FOR ANY STATE FISCAL YEAR COMMENCING ON OR AFTER  
14 JULY 1, 2010, THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE  
15 THE FIRST TWO MILLION DOLLARS OF SALES AND USE TAXES  
16 ATTRIBUTABLE TO SALES OR USE OF MEDICAL MARIJUANA OR EQUALLY  
17 APPROPRIATE THE SALES AND USE TAXES ATTRIBUTABLE TO SALES AND  
18 USE OF MEDICAL MARIJUANA IF TWO MILLION DOLLARS IS NOT GENERATED.

19 (b) (I) ONE HALF OF THE MONEYS DESCRIBED IN PARAGRAPH (a) OF  
20 THIS SUBSECTION (6) SHALL BE APPROPRIATED TO THE DEPARTMENT OF  
21 HUMAN SERVICES TO BE USED TO PROVIDE SERVICES FOR ADULTS WITH  
22 CO-OCCURRING MENTAL HEALTH AND SUBSTANCE ABUSE DISORDERS WHO  
23 ARE INVOLVED WITH THE CRIMINAL JUSTICE SYSTEM. THE APPROPRIATION  
24 SHALL BE INCLUDED IN THE LINE ITEM OF THE ANNUAL GENERAL  
25 APPROPRIATION BILL FOR INDIGENT MENTALLY ILL CLIENTS UNDER  
26 MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE SERVICES, MENTAL  
27 HEALTH COMMUNITY PROGRAMS, AND THE AMOUNT APPROPRIATED TO THE  
28 DEPARTMENT FOR SUCH USE SHALL BE SPECIFIED IN A FOOTNOTE. ANY  
29 MONEYS APPROPRIATED PURSUANT TO THIS SUBSECTION (6) SHALL BE IN  
30 ADDITION TO ANY OTHER APPROPRIATION REQUIRED BY LAW.

31 (II) ONE HALF OF THE MONEYS DESCRIBED IN PARAGRAPH (a) OF  
32 THIS SUBSECTION (6) SHALL BE APPROPRIATED TO THE DEPARTMENT OF  
33 HEALTH CARE POLICY AND FINANCING FOR SCREENING, BRIEF  
34 INTERVENTION, AND REFERRAL TO TREATMENT FOR INDIVIDUALS AT RISK  
35 OF SUBSTANCE ABUSE PURSUANT TO SECTION 25.5-5-202 (1) (u), C.R.S.



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

3           **25-14-203. Definitions.** As used in this part 2, unless the context  
4 otherwise requires:

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

8           **SECTION 11. Specified effective date.** (1) Except as otherwise  
9 provided in subsection (2) of this section, this act shall take effect July 1,  
10 2011.

11           (2) (a) Sections 12-43.3-103 and 12-43.3-104 and parts 2 and 5 of  
12 article 43.3 of title 12, set forth in section 1 of this act shall take effect  
13 July 1, 2010.

14           (b) Sections 2, 7, 8, 9, 10, 11, and 12 of this act shall take effect  
15 July 1, 2010.

16           **SECTION 12. Safety clause.** The general assembly hereby finds,  
17 determines, and declares that this act is necessary for the immediate  
18 preservation of the public peace, health, and safety.".

\*\* \*\*\* \*\* \*\*\* \*\*