

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

PREAMENDED

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

LLS NO. 13-0897.04 Michael Dohr x4347

HOUSE BILL 13-1317

HOUSE SPONSORSHIP

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SENATE SPONSORSHIP

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House Committees

State, Veterans, & Military Affairs
Finance
Appropriations

Senate Committees

Finance
Appropriations

A BILL FOR AN ACT

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

Bill Summary

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

Sections 1 through 4. The bill converts the medical marijuana

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

HOUSE
3rd Reading Unamended
April 29, 2013

HOUSE
Amended 2nd Reading
April 27, 2013

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

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

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

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

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

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

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

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

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

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

1 ~~this article.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27 **SECTION 3.** In Colorado Revised Statutes, **amend** 12-43.3-502

1 as follows:

2 **12-43.3-502. Fees - allocation.** (1) Except as otherwise provided,
3 all fees and fines provided for by this article AND ARTICLE 43.4 OF THIS
4 TITLE shall be paid to the department of revenue, which shall transmit the
5 fees to the state treasurer. The state treasurer shall credit the fees to the
6 ~~medical marijuana license~~ cash fund created in section 12-43.3-501.

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

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

12 **ARTICLE 43.4**

13 **Colorado Retail Marijuana Code**

14 **PART 1**

15 **COLORADO RETAIL MARIJUANA CODE**

16 **12-43.4-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND
17 MAY BE CITED AS THE "COLORADO RETAIL MARIJUANA CODE".

18 **12-43.4-102. Legislative declaration.** (1) THE GENERAL
19 ASSEMBLY HEREBY DECLARES THAT THIS ARTICLE SHALL BE DEEMED AN
20 EXERCISE OF THE POLICE POWERS OF THE STATE FOR THE PROTECTION OF
21 THE ECONOMIC AND SOCIAL WELFARE AND THE HEALTH, PEACE, AND
22 MORALS OF THE PEOPLE OF THIS STATE.

23 (2) THE GENERAL ASSEMBLY FURTHER DECLARES THAT IT IS
24 UNLAWFUL UNDER STATE LAW TO CULTIVATE, MANUFACTURE,
25 DISTRIBUTE, OR SELL RETAIL MARIJUANA AND RETAIL MARIJUANA
26 PRODUCTS, EXCEPT IN COMPLIANCE WITH THE TERMS, CONDITIONS,
27 LIMITATIONS, AND RESTRICTIONS IN SECTION 16 OF ARTICLE XVIII OF THE

1 STATE CONSTITUTION AND THIS ARTICLE.

2 **12-43.4-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
3 CONTEXT OTHERWISE REQUIRES:

4 (1) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
5 THE DEPARTMENT OF REVENUE.

6
7 (2) "IMMATURE PLANT" MEANS A NONFLOWERING MARIJUANA
8 PLANT THAT IS NO TALLER THAN EIGHT INCHES AND NO WIDER THAN EIGHT
9 INCHES IS PRODUCED FROM A CUTTING, CLIPPING, OR SEEDLING, AND IS IN
10 A CULTIVATING CONTAINER THAT IS NO LARGER THAN TWO INCHES WIDE
11 AND TWO INCHES TALL THAT IS SEALED ON THE SIDES AND BOTTOM.

12 (3) "LICENSE" MEANS TO GRANT A LICENSE OR REGISTRATION
13 PURSUANT TO THIS ARTICLE.

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

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

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

24 (7) "LOCAL LICENSING AUTHORITY" MEANS, FOR ANY LOCAL
25 JURISDICTION THAT HAS CHOSEN TO ADOPT A LOCAL LICENSING
26 REQUIREMENT IN ADDITION TO THE STATE LICENCING REQUIREMENTS OF
27 THIS ARTICLE, AN AUTHORITY DESIGNATED BY MUNICIPAL, COUNTY, OR

1 CITY AND COUNTY CHARTER, ORDINANCE, OR RESOLUTION, OR THE
2 GOVERNING BODY OF A MUNICIPALITY OR CITY AND COUNTY, OR THE
3 BOARD OF COUNTY COMMISSIONERS OF A COUNTY IF NO SUCH AUTHORITY
4 IS DESIGNATED.

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

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

10

11 (10) "OPERATING FEES", AS REFERRED TO IN SECTION 16 (5) (f) OF
12 ARTICLE XVIII OF THE STATE CONSTITUTION, MEANS FEES THAT MAY BE
13 CHARGED BY A LOCAL JURISDICTION FOR COSTS, INCLUDING BUT NOT
14 LIMITED TO INSPECTION, ADMINISTRATION, AND ENFORCEMENT OF RETAIL
15 MARIJUANA ESTABLISHMENTS AUTHORIZED PURSUANT TO THIS ARTICLE.

16 (11) "OWNER" MEANS ANY PERSON HAVING A BENEFICIAL
17 INTEREST IN A RETAIL MARIJUANA ESTABLISHMENT.

18 (12) "PERSON" MEANS A NATURAL PERSON, PARTNERSHIP,
19 ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR
20 ORGANIZATION.

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

24 (14) "RETAIL MARIJUANA" MEANS "MARIJUANA" OR "MARIHUANA"
25 AS DEFINED IN SECTION 16 (2) (f) OF ARTICLE XVIII OF THE STATE
26 CONSTITUTION, THAT IS CULTIVATED AND SOLD BY A LICENSED RETAIL
27 MARIJUANA ESTABLISHMENT.

1 (15) "RETAIL MARIJUANA CULTIVATION FACILITY" HAS THE SAME
2 MEANING AS "MARIJUANA CULTIVATION FACILITY" AS DEFINED IN SECTION
3 16 (2) (h) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

4 (16) "RETAIL MARIJUANA ESTABLISHMENT" MEANS A RETAIL
5 MARIJUANA STORE, A RETAIL MARIJUANA CULTIVATION FACILITY, A
6 RETAIL MARIJUANA PRODUCTS MANUFACTURER, OR A RETAIL MARIJUANA
7 TESTING FACILITY.

8 (17) "RETAIL MARIJUANA PRODUCTS" MEANS "MARIJUANA
9 PRODUCTS AS DEFINED IN SECTION 16 (2) (k) OF ARTICLE XVIII OF THE
10 STATE CONSTITUTION THAT ARE PRODUCED AT A RETAIL MARIJUANA
11 PRODUCTS MANUFACTURER.

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

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

19 (20) "RETAIL MARIJUANA TESTING FACILITY" MEANS _____
20 "MARIJUANA TESTING FACILITY" AS DEFINED IN SECTION 16 (2) (l) OF
21 ARTICLE XVIII OF THE STATE CONSTITUTION THAT IS LICENSED PURSUANT
22 TO THIS ARTICLE.

23 (21) "SALE" OR "SELL" INCLUDES TO EXCHANGE, BARTER, OR
24 TRAFFIC IN, TO SOLICIT OR RECEIVE AND ORDER EXCEPT THROUGH A
25 LICENSEE LICENSED UNDER THIS ARTICLE, TO DELIVER FOR VALUE IN ANY
26 WAY OTHER THAN GRATUITOUSLY, TO PEDDLE OR POSSESS WITH INTENT
27 TO SELL, OR TO TRAFFIC IN FOR ANY CONSIDERATION PROMISED OR

1 OBTAINED DIRECTLY OR INDIRECTLY.

2 (22) "SCHOOL" MEANS A PUBLIC OR PRIVATE PRESCHOOL OR A
3 PUBLIC OR PRIVATE ELEMENTARY, MIDDLE, JUNIOR HIGH, HIGH SCHOOL, OR
4 INSTITUTE OF HIGHER EDUCATION.

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

9 **12-43.4-104. Applicability - retail marijuana - repeal.**

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

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

23 (III) IF THE APPLICANT INDICATES A DESIRE TO SURRENDER THE
24 MEDICAL MARIJUANA LICENSE, THE APPLICANT SHALL CONTINUE TO
25 OPERATE UNDER THAT LICENSE SO LONG AS THE LICENSE REMAINS IN
26 EFFECT UNTIL A RETAIL MARIJUANA ESTABLISHMENT LICENSE IS
27 APPROVED. IF THE RETAIL MARIJUANA ESTABLISHMENT LICENSE IS

1 GRANTED, THE APPLICANT SHALL HAVE FOURTEEN DAYS FROM THE
2 EFFECTIVE DATE OF THE LICENSE TO SURRENDER THE MEDICAL MARIJUANA
3 LICENSE TO THE STATE LICENSING AUTHORITY. IF THE RETAIL MARIJUANA
4 LICENSE IS GRANTED, ON THE EFFECTIVE DATE OF THE LICENSE ALL
5 MEDICAL MARIJUANA PLANTS AND INVENTORY SHALL BECOME RETAIL
6 MARIJUANA PLANTS AND INVENTORY ON THE DATE OF THE RETAIL
7 MARIJUANA ESTABLISHMENT LICENSE.

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

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

25 (VI) (A) NO RETAIL MARIJUANA LICENSE SHALL BE EFFECTIVE
26 UNTIL JANUARY 1, 2014. NOTWITHSTANDING THE PROVISIONS OF
27 SUBPARAGRAPH (III) OF THIS PARAGRAPH (a), AN APPLICANT MAY

1 CONTINUE TO OPERATE UNDER THE MEDICAL MARIJUANA LICENSE AND ALL
2 PLANTS AND INVENTORY REMAIN MEDICAL MARIJUANA UNTIL THAT DATE.

3 (B) THIS SUBPARAGRAPH (VI) IS REPEALED, EFFECTIVE JULY 1,
4 2014.

5 (b) (I) (A) AFTER JANUARY 1, 2014, PERSONS WHO DID NOT MEET
6 REQUIREMENTS OF SUBSECTION (I) OF PARAGRAPH (a) OF THIS SECTION
7 MAY SUBMIT NOTICE OF INTENT TO APPLY FOR LICENSURE PURSUANT TO
8 THIS ARTICLE. THE STATE LICENSING AUTHORITY SHALL ESTABLISH A
9 FORM FOR THE NOTICE AND MAY COLLECT A NOTICE FEE THAT SHALL BE
10 APPLIED TO THE AMOUNT OF THE APPLICATION FEE. THE STATE LICENSING
11 AUTHORITY SHALL FORWARD TO THE LOCAL JURISDICTION THE NOTICE OF
12 INTENT TO APPLY AND ONE-HALF OF THE NOTICE FEE UNLESS THE LOCAL
13 JURISDICTION HAS PROHIBITED THE OPERATION OF RETAIL MARIJUANA
14 ESTABLISHMENTS PURSUANT TO SECTION 16 (5) (f) OF ARTICLE XVIII OF
15 THE STATE CONSTITUTION.

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

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

22 (2) (a) A PERSON APPLYING PURSUANT TO SUBSECTION (1) OF THIS
23 SECTION SHALL COMPLETE FORMS AS PROVIDED BY THE STATE LICENSING
24 AUTHORITY AND SHALL PAY THE APPLICATION FEE AND THE LICENSING
25 FEE, WHICH SHALL BE CREDITED TO THE MARIJUANA CASH FUND
26 ESTABLISHED PURSUANT TO SECTION 12-43.4-501. THE STATE LICENSING
27 AUTHORITY SHALL WITHIN SEVEN DAYS FORWARD ONE-HALF OF THE

1 LICENSE APPLICATION FEE TO THE LOCAL JURISDICTION UNLESS THE LOCAL
2 JURISDICTION HAS PROHIBITED THE OPERATION OF RETAIL MARIJUANA
3 ESTABLISHMENTS PURSUANT TO SECTION 16 (5) (f) OF ARTICLE XVIII OF
4 THE STATE CONSTITUTION. IF THE LICENSE IS DENIED, THE STATE
5 LICENSING AUTHORITY SHALL REFUND THE LICENSING FEE TO THE
6 APPLICANT.

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

13 (II) (A) THE STATE LICENSING AUTHORITY SHALL PROVIDE
14 PREFERENCE TO APPLICANTS WHO SUBMITTED A NOTICE OF INTENT TO
15 APPLY PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (b) OF
16 SUBSECTION (1) OF THIS SECTION.

17 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JULY 1,
18 2015.

19

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

27 (4) THIS ARTICLE SETS FORTH THE EXCLUSIVE MEANS BY WHICH

1 MANUFACTURE, SALE, DISTRIBUTION, DISPENSING, AND TESTING OF RETAIL
2 MARIJUANA AND RETAIL MARIJUANA PRODUCTS MAY OCCUR IN THE STATE
3 OF COLORADO.

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

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

16 (6) ON OR BEFORE APRIL 1, 2014, AND ON OR BEFORE APRIL 1
17 EACH YEAR THEREAFTER, THE STATE LICENSING AUTHORITY SHALL SUBMIT
18 A REPORT TO THE JOINT BUDGET COMMITTEE AND THE FINANCE
19 COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES, OR ANY
20 SUCCESSOR COMMITTEES, ON:

21 (a) THE PROGRESS THAT THE STATE LICENSING AUTHORITY IS
22 MAKING IN PROCESSING LICENSES;

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

26 (c) DETAILING THE AMOUNT OF REVENUE GENERATED BY MEDICAL
27 AND RETAIL MARIJUANA, INCLUDING APPLICABLE EXCISE TAXES, SALES

1 TAXES, APPLICATION AND LICENSE FEES, AND ANY OTHER FEES, AND
2 DETAILING THE EXPENSES INCURRED BY THE STATE LICENSING AUTHORITY,
3 BROKEN DOWN INTO CATEGORIES AS DETERMINED BY THE AUTHORITY;

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

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

9 (f) THE ENFORCEMENT MEASURES TAKEN AGAINST PERSONS
10 LICENSED PURSUANT TO THIS ARTICLE FOR VIOLATION OF REGULATIONS
11 PROMULGATED PURSUANT TO THIS ARTICLE.

12 **12-43.4-105. Limited access areas.** SUBJECT TO THE PROVISIONS
13 OF SECTION 12-43.3-701, A LIMITED ACCESS AREA SHALL BE A BUILDING,
14 ROOM, OR OTHER CONTIGUOUS AREA UPON THE LICENSED PREMISES
15 WHERE RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS ARE
16 CULTIVATED, STORED, WEIGHED, PACKAGED, OR TESTED, UNDER CONTROL
17 OF THE LICENSEE, WITH LIMITED ACCESS TO ONLY THOSE PERSONS
18 LICENSED BY THE STATE LICENSING AUTHORITY. ALL AREAS OF INGRESS
19 OR EGRESS TO LIMITED ACCESS AREAS SHALL BE CLEARLY IDENTIFIED AS
20 SUCH BY A SIGN AS DESIGNATED BY THE STATE LICENSING AUTHORITY.

21 PART 2

22 STATE LICENSING AUTHORITY

23 **12-43.4-201. State licensing authority.** FOR THE PURPOSE OF
24 REGULATING AND CONTROLLING THE LICENSING OF THE CULTIVATION,
25 MANUFACTURE, DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA
26 AND RETAIL MARIJUANA PRODUCTS IN THIS STATE, THE STATE LICENSING
27 AUTHORITY CREATED IN SECTION 12-43.3-201, SHALL ALSO HAVE

1 REGULATORY AUTHORITY FOR RETAIL MARIJUANA AND RETAIL MARIJUANA
2 PRODUCTS AS PERMITTED IN SECTION 16 OF ARTICLE XVIII OF THE STATE
3 CONSTITUTION AND THIS ARTICLE.

4 **12-43.4-202. Powers and duties of state licensing authority.**

5 (1) THE STATE LICENSING AUTHORITY SHALL DEVELOP AND MAINTAIN A
6 SEED-TO-SALE TRACKING SYSTEM, THAT TRACKS RETAIL MARIJUANA FROM
7 EITHER SEED OR IMMATURE PLANT STAGE UNTIL THE MARIJUANA OR
8 RETAIL MARIJUANA PRODUCT IS SOLD TO A CUSTOMER AT A RETAIL
9 MARIJUANA STORE, TO ENSURE THAT NO MARIJUANA GROWN OR
10 PROCESSED BY A RETAIL MARIJUANA ESTABLISHMENT IS SOLD OR
11 OTHERWISE TRANSFERRED EXCEPT BY A RETAIL MARIJUANA STORE.

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

13 (a) GRANT OR REFUSE STATE LICENSES FOR THE CULTIVATION,
14 MANUFACTURE, DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA
15 AND RETAIL MARIJUANA PRODUCTS AS PROVIDED BY LAW; SUSPEND, FINE,
16 RESTRICT, OR REVOKE SUCH LICENSES UPON A VIOLATION OF THIS ARTICLE,
17 OR ANY RULE PROMULGATED PURSUANT TO THIS ARTICLE; AND IMPOSE
18 ANY PENALTY AUTHORIZED BY THIS ARTICLE OR ANY RULE PROMULGATED
19 PURSUANT TO THIS ARTICLE. THE STATE LICENSING AUTHORITY MAY TAKE
20 ANY ACTION WITH RESPECT TO A REGISTRATION PURSUANT TO THIS
21 ARTICLE AS IT MAY WITH RESPECT TO A LICENSE PURSUANT TO THIS
22 ARTICLE, IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED PURSUANT
23 TO THIS ARTICLE.

24 (b) PROMULGATE ON OR BEFORE JULY 1, 2013, ___ RULES FOR THE
25 PROPER REGULATION AND CONTROL OF THE CULTIVATION, MANUFACTURE,
26 DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA AND RETAIL
27 MARIJUANA PRODUCTS AND FOR THE ENFORCEMENT OF THIS ARTICLE; AND

1 PROMULGATE AMENDED RULES AND SUCH SPECIAL RULINGS AND FINDINGS
2 AS NECESSARY;

3 (c) HEAR AND DETERMINE AT A PUBLIC HEARING ANY CONTESTED
4 STATE LICENSE DENIAL AND ANY COMPLAINTS AGAINST A LICENSEE AND
5 ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF
6 PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS
7 NECESSARY TO THE DETERMINATION OF ANY HEARING SO HELD, ALL IN
8 ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S. THE STATE LICENSING
9 AUTHORITY MAY, AT ITS DISCRETION, DELEGATE TO THE DEPARTMENT OF
10 REVENUE HEARING OFFICERS THE AUTHORITY TO CONDUCT LICENSING,
11 DISCIPLINARY, AND RULE-MAKING HEARINGS. WHEN CONDUCTING SUCH
12 HEARINGS, THE HEARING OFFICERS ARE EMPLOYEES OF THE STATE
13 LICENSING AUTHORITY UNDER THE DIRECTION AND SUPERVISION OF THE
14 EXECUTIVE DIRECTOR AND THE STATE LICENSING AUTHORITY.

15 (d) MAINTAIN THE CONFIDENTIALITY OF REPORTS OR OTHER
16 INFORMATION OBTAINED FROM A LICENSEE SHOWING THE SALES VOLUME
17 OR QUANTITY OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS
18 SOLD, OR REVEALING ANY CUSTOMER INFORMATION, OR ANY OTHER
19 RECORDS THAT ARE EXEMPT FROM PUBLIC INSPECTION PURSUANT TO
20 STATE LAW. SUCH REPORTS OR OTHER INFORMATION MAY BE USED ONLY
21 FOR A PURPOSE AUTHORIZED BY THIS ARTICLE OR FOR ANY OTHER STATE
22 OR LOCAL LAW ENFORCEMENT PURPOSE. ANY INFORMATION RELEASED
23 RELATED TO CUSTOMERS MAY BE USED ONLY FOR A PURPOSE AUTHORIZED
24 BY THIS ARTICLE.

25 (e) DEVELOP SUCH FORMS, LICENSES, IDENTIFICATION CARDS, AND
26 APPLICATIONS AS ARE NECESSARY OR CONVENIENT IN THE DISCRETION OF
27 THE STATE LICENSING AUTHORITY FOR THE ADMINISTRATION OF THIS

1 ARTICLE OR ANY OF THE RULES PROMULGATED UNDER THIS ARTICLE; AND

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

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

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

13 (II) SUBJECT TO THE LIMITATIONS CONTAINED IN SECTION 16 (5)
14 (a) (II) OF ARTICLE XVIII OF THE STATE CONSTITUTION AND CONSISTENT
15 WITH THIS ARTICLE, A SCHEDULE OF APPLICATION, LICENSING, AND
16 RENEWAL FEES FOR RETAIL MARIJUANA ESTABLISHMENTS;

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

22 (IV) (A) ESTABLISHING AN INDEPENDENT TESTING AND
23 CERTIFICATION PROGRAM TO TEST RETAIL MARIJUANA AND RETAIL
24 MARIJUANA PRODUCTS FROM ANY RETAIL MARIJUANA ESTABLISHMENT AT
25 A FREQUENCY TO BE DETERMINED BY THE STATE LICENSING AUTHORITY TO
26 ENSURE AT A MINIMUM THAT PRODUCTS DO NOT CONTAIN HARMFUL
27 LEVELS OF RESIDUAL SOLVENTS, CHEMICALS, OR TOXINS; PRODUCTS

1 ARE FREE OF MOLD AND MILDEW; PRODUCTS ARE FREE OF MICROBIALS
2 SUCH AS E. COLI OR SALMONELLA; PRODUCTS ARE FREE OF PESTICIDES;
3 AND THE THC POTENCY REPRESENTATIONS ON THE PRODUCT LABELS ARE
4 CORRECT. IN THE EVENT THAT TEST RESULTS FOR AN END PRODUCT VARY
5 FROM LABELED LEVELS BY FIFTEEN PERCENT OR MORE, THE PRODUCER
6 SHALL DOCUMENT THE STEPS TAKEN TO BRING THE VARIANCE WITHIN THE
7 ALLOWABLE LEVEL. THIS TESTING IS TO BE INITIATED AND PAID FOR BY
8 THE PERTINENT PRODUCTION ENTITY AND COMPLETED AT A LICENSED
9 TESTING FACILITY.

10 (B) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
11 SHALL RECOMMEND TO THE STATE LICENSING AUTHORITY STANDARDS
12 AND CRITERIA FOR INDEPENDENT TESTING AND CERTIFICATION UNDER
13 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV).

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

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

25 (VII) LABELING REQUIREMENTS FOR RETAIL MARIJUANA AND
26 RETAIL MARIJUANA PRODUCTS SOLD BY A RETAIL MARIJUANA
27 ESTABLISHMENT THAT ARE AT LEAST AS STRINGENT AS IMPOSED BY

1 SECTION 25-4-1614 (3) (a), C.R.S., AND INCLUDE BUT ARE NOT LIMITED
2 TO:

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

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

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

8 (D) THE BATCH NUMBER;

9 (E) A NET WEIGHT STATEMENT;

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

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

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

19 (I) WARNING LABELS;

20 (J) SOLVENTS USED IN THE EXTRACTION PROCESS;

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

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

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

27 (N) A NUTRITIONAL FACT PANEL FOR EDIBLE MARIJUANA

1 PRODUCTS; AND

2 (O) A UNIVERSAL SYMBOL INDICATING THE PACKAGE CONTAINS

3 MARIJUANA.

4 (VIII) HEALTH AND SAFETY REGULATIONS AND STANDARDS FOR

5 THE MANUFACTURE OF RETAIL MARIJUANA PRODUCTS AND THE

6 CULTIVATION OF RETAIL MARIJUANA;

7 (IX) LIMITATIONS ON ADVERTISING AND DISPLAY OF RETAIL

8 MARIJUANA AND RETAIL MARIJUANA PRODUCTS;

9 (X) REGULATION OF THE STORAGE OF, WAREHOUSES FOR, AND

10 TRANSPORTATION OF RETAIL MARIJUANA AND RETAIL MARIJUANA

11 PRODUCTS;

12 (XI) SANITARY REQUIREMENTS FOR RETAIL MARIJUANA

13 ESTABLISHMENTS, INCLUDING BUT NOT LIMITED TO SANITARY

14 REQUIREMENTS FOR THE PREPARATION OF RETAIL MARIJUANA PRODUCTS;

15 (XII) RECORDS TO BE KEPT BY LICENSEES AND THE REQUIRED

16 AVAILABILITY OF THE RECORDS;

17 (XIII) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES TAX

18 PAYMENTS BY RETAIL MARIJUANA STORES AND ANY APPLICABLE EXCISE

19 TAX PAYMENTS BY RETAIL MARIJUANA CULTIVATION FACILITIES;

20 (XIV) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO

21 HAVE ACCESS TO LICENSING INFORMATION TO ENSURE SALES, EXCISE, AND

22 INCOME TAX PAYMENT AND THE EFFECTIVE ADMINISTRATION OF THIS

23 ARTICLE;

24 (XV) COMPLIANCE WITH, ENFORCEMENT OF, OR VIOLATION OF

25 ANY PROVISION OF THIS ARTICLE, SECTION 18-18-406.3 (7), C.R.S., OR

26 ANY RULE ISSUED PURSUANT TO THIS ARTICLE, INCLUDING PROCEDURES

27 AND GROUNDS FOR DENYING, SUSPENDING, FINING, RESTRICTING, OR

1 REVOKING A STATE LICENSE ISSUED PURSUANT TO THIS ARTICLE; AND
2 (XVI) CREATION OF A RANGE OF CIVIL PENALTIES FOR USE BY THE
3 STATE LICENSING AUTHORITY.

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

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

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

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

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

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

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

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

1 IDENTIFICATION CARDS;

2

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

6

7 (IX) ESTABLISHING A SCHEDULE OF PENALTIES AND PROCEDURES
8 FOR ISSUING AND APPEALING CITATIONS FOR VIOLATION OF STATUTES AND
9 RULES AND ISSUING ADMINISTRATIVE CITATIONS; AND

10 (X) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR,
11 IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS
12 ARTICLE.

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

18 (I) SIGNAGE, MARKETING, AND ADVERTISING, INCLUDING BUT NOT
19 LIMITED TO:

20 (A) A PROHIBITION ON MASS-MARKET CAMPAIGNS THAT HAVE A
21 HIGH LIKELIHOOD OF REACHING MINORS;

22 (B) ALLOW PACKAGING AND ACCESSORY BRANDING;

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

25 (D) A PROHIBITION ON UNSOLICITED POP-UP ADVERTISING ON THE
26 INTERNET;

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

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

3 (G) A PROHIBITION ON MARKETING DIRECTED TOWARDS
4 LOCATION-BASED DEVICES, INCLUDING BUT NOT LIMITED TO CELLULAR
5 PHONES; AND

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

10 (II) PROHIBITING THE SALE OF RETAIL MARIJUANA AND RETAIL
11 MARIJUANA PRODUCTS UNLESS:

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

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

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

23 (IV) A SERVING SIZE FOR EDIBLE RETAIL MARIJUANA PRODUCTS
24 THAT DOES NOT CONTAIN MORE THAN TEN MILLIGRAMS OF ACTIVE THC,
25 LABELING REQUIREMENTS REGARDING SERVINGS FOR EDIBLE RETAIL
26 MARIJUANA PRODUCTS, AND LIMITATIONS ON THE TOTAL AMOUNT OF
27 ACTIVE THC IN A PACKAGE THAT IS NO MORE THAN ONE HUNDRED

1 MILLIGRAMS OF ACTIVE THC;

2 (V) LABELING GUIDELINES CONCERNING THE TOTAL CONTENT OF
3 THC PER UNIT OF WEIGHT;

4 (VI) PROHIBITION OR REGULATION OF ADDITIVES TO ANY RETAIL
5 MARIJUANA PRODUCT, INCLUDING BUT NOT LIMITED TO THOSE THAT ARE
6 TOXIC, DESIGNED TO MAKE THE PRODUCT MORE ADDICTIVE, DESIGNED TO
7 MAKE THE PRODUCT MORE APPEALING TO CHILDREN, OR MISLEADING TO
8 CONSUMERS; AND

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

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

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

22 (4) (a) THE STATE LICENSING AUTHORITY SHALL CREATE A
23 STATEWIDE LICENSURE CLASS SYSTEM FOR RETAIL MARIJUANA
24 CULTIVATION FACILITIES. THE CLASSIFICATIONS MAY BE BASED UPON
25 SQUARE FOOTAGE OF THE FACILITY; LIGHTS, LUMENS, OR WATTAGE; LIT
26 CANOPY; THE NUMBER OF CULTIVATING PLANTS; A COMBINATION OF THE
27 FOREGOING; OR OTHER REASONABLE METRICS. THE STATE LICENSING

1 AUTHORITY SHALL CREATE A FEE STRUCTURE FOR THE LICENSE CLASS
2 SYSTEM.

3 (b) (I) THE STATE LICENSING AUTHORITY MAY ESTABLISH
4 LIMITATIONS UPON RETAIL MARIJUANA PRODUCTION THROUGH ONE OR
5 MORE OF THE FOLLOWING METHODS:

6 (A) PLACING OR MODIFYING A LIMIT ON THE NUMBER OF LICENSES
7 THAT IT ISSUES, BY CLASS OR OVERALL, BUT IN PLACING OR MODIFYING
8 THE LIMITS, THE AUTHORITY SHALL CONSIDER THE REASONABLE
9 AVAILABILITY OF NEW LICENSES AFTER A LIMIT IS ESTABLISHED OR
10 MODIFIED;

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

18 (C) PLACING OR MODIFYING A LIMIT ON THE TOTAL AMOUNT OF
19 PRODUCTION BY RETAIL MARIJUANA CULTIVATION LICENSEES IN THE
20 STATE, COLLECTIVELY, BASED UPON SOME REASONABLE METRIC OR SET OF
21 METRICS INCLUDING, BUT NOT LIMITED TO, THOSE ITEMS DETAILED IN
22 PARAGRAPH (a) OF THIS SUBSECTION (4), AS DETERMINED BY THE STATE
23 LICENSING AUTHORITY.

24 (II) NOTWITHSTANDING ANYTHING CONTAINED IN THIS ARTICLE TO
25 THE CONTRARY, IN CONSIDERING ANY SUCH LIMITATIONS, THE STATE
26 LICENSING AUTHORITY, IN ADDITION TO ANY OTHER RELEVANT
27 CONSIDERATIONS, SHALL:

1 APPLICATION FORWARDED TO IT.

2 **12-43.4-302. Public hearing notice - posting and publication.**

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

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

19 **12-43.4-303. Retail marijuana license bond.** (1) BEFORE THE
20 STATE LICENSING AUTHORITY ISSUES A STATE LICENSE TO AN APPLICANT,
21 THE APPLICANT SHALL PROCURE AND FILE WITH THE STATE LICENSING
22 AUTHORITY EVIDENCE OF A GOOD AND SUFFICIENT BOND IN THE AMOUNT
23 OF FIVE THOUSAND DOLLARS WITH CORPORATE SURETY THEREON DULY
24 LICENSED TO DO BUSINESS WITH THE STATE, APPROVED AS TO FORM BY
25 THE ATTORNEY GENERAL OF THE STATE, AND CONDITIONED THAT THE
26 APPLICANT SHALL REPORT AND PAY ALL SALES AND USE TAXES DUE TO THE
27 STATE, OR FOR WHICH THE STATE IS THE COLLECTOR OR COLLECTING

1 AGENT, IN A TIMELY MANNER, AS PROVIDED IN LAW.

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

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

11 **12-43.4-304. State licensing authority - application and**
12 **issuance procedures.** (1) APPLICATIONS FOR A STATE LICENSE UNDER
13 THE PROVISIONS OF THIS ARTICLE MUST BE MADE TO THE STATE LICENSING
14 AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE STATE
15 LICENSING AUTHORITY AND MUST SET FORTH SUCH INFORMATION AS THE
16 STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE
17 LICENSING AUTHORITY TO DETERMINE WHETHER A STATE LICENSE SHOULD
18 BE GRANTED. THE INFORMATION MUST INCLUDE THE NAME AND ADDRESS
19 OF THE APPLICANT AND THE NAMES AND ADDRESSES OF THE OFFICERS,
20 DIRECTORS, OR MANAGERS. EACH APPLICATION MUST BE VERIFIED BY THE
21 OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE
22 LICENSING AUTHORITY MAY PRESCRIBE. THE STATE LICENSING AUTHORITY
23 MAY ISSUE A STATE LICENSE TO AN APPLICANT PURSUANT TO THIS SECTION
24 UPON COMPLETION OF THE APPLICABLE CRIMINAL HISTORY BACKGROUND
25 CHECK ASSOCIATED WITH THE APPLICATION, AND THE STATE LICENSE IS
26 CONDITIONED UPON LOCAL JURISDICTION APPROVAL. A LICENSE
27 APPLICANT IS PROHIBITED FROM OPERATING A LICENSED RETAIL

1 MARIJUANA BUSINESS WITHOUT STATE AND LOCAL JURISDICTION
2 APPROVAL. IF THE APPLICANT DOES NOT RECEIVE LOCAL JURISDICTION
3 APPROVAL WITHIN ONE YEAR FROM THE DATE OF STATE LICENSING
4 AUTHORITY APPROVAL, THE STATE LICENSE SHALL EXPIRE AND MAY NOT
5 BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL LICENSING
6 AUTHORITY, THE STATE LICENSING AUTHORITY SHALL REVOKE THE
7 STATE-ISSUED LICENSE.

8 (2) NOTHING IN THIS ARTICLE PREEMPTS OR OTHERWISE IMPAIRS
9 THE POWER OF A LOCAL GOVERNMENT TO ENACT ORDINANCES OR
10 RESOLUTIONS CONCERNING MATTERS AUTHORIZED TO LOCAL
11 GOVERNMENTS.

12 **12-43.4-305. Denial of application.** (1) THE STATE LICENSING
13 AUTHORITY SHALL DENY A STATE LICENSE IF THE PREMISES ON WHICH THE
14 APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DOES NOT MEET THE
15 REQUIREMENTS OF THIS ARTICLE OR FOR REASONS SET FORTH IN SECTION
16 12-43.4-304. THE STATE LICENSING AUTHORITY MAY REFUSE OR DENY
17 A LICENSE RENEWAL, REINSTATEMENT, OR INITIAL LICENSE ISSUANCE FOR
18 GOOD CAUSE. FOR PURPOSES OF THIS SUBSECTION (1), "GOOD CAUSE"
19 MEANS:

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

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

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

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

11 **12-43.4-306. Persons prohibited as licensees.** (1) A LICENSE
12 PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:

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

14 (b) AN INDIVIDUAL WHOSE CRIMINAL HISTORY INDICATES THAT HE
15 OR SHE IS NOT OF GOOD MORAL CHARACTER;

16 (c) A PERSON OTHER THAN AN INDIVIDUAL IF THE CRIMINAL
17 HISTORY OF ANY OF ITS OFFICERS, DIRECTORS, STOCKHOLDERS, OR
18 OWNERS INDICATES THAT THE OFFICER, DIRECTOR, STOCKHOLDER, OR
19 OWNER IS NOT OF GOOD MORAL CHARACTER;

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

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

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

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

3 (II) PAY ANY TAXES, INTEREST, OR PENALTIES DUE THE
4 DEPARTMENT OF REVENUE RELATING TO A RETAIL MARIJUANA
5 ESTABLISHMENT;

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

20 (h) A PERSON WHO EMPLOYS ANOTHER PERSON AT A RETAIL
21 MARIJUANA ESTABLISHMENT WHO HAS NOT SUBMITTED FINGERPRINTS FOR
22 A CRIMINAL HISTORY RECORD CHECK OR WHOSE CRIMINAL RECORD
23 HISTORY CHECK REVEALS THAT THE PERSON IS INELIGIBLE;

24 (i) A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR PROSECUTING
25 OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE LICENSING
26 AUTHORITY OR A LOCAL LICENSING AUTHORITY;

27 (j) A PERSON FOR A LICENSE FOR A LOCATION THAT IS CURRENTLY

1 LICENSED AS A RETAIL FOOD ESTABLISHMENT OR WHOLESALE FOOD
2 REGISTRANT; OR

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

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

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

24 (c) AT THE TIME OF FILING AN APPLICATION FOR ISSUANCE OF A
25 STATE RETAIL MARIJUANA ESTABLISHMENT LICENSE, AN APPLICANT
26 SHALL SUBMIT A SET OF HIS OR HER FINGERPRINTS AND FILE PERSONAL
27 HISTORY INFORMATION CONCERNING THE APPLICANT'S QUALIFICATIONS

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

21 **12-43.4-307. Restrictions for applications for new licenses.**

22 (1) THE STATE LICENSING AUTHORITY SHALL NOT APPROVE AN
23 APPLICATION FOR THE ISSUANCE OF A STATE LICENSE PURSUANT TO
24 THIS ARTICLE:

25 (a) IF THE APPLICATION FOR THE LICENSE CONCERNS A PARTICULAR
26 LOCATION THAT IS THE SAME AS OR WITHIN ONE THOUSAND FEET OF A
27 LOCATION FOR WHICH, WITHIN THE TWO YEARS IMMEDIATELY PRECEDING

1 THE DATE OF THE APPLICATION, THE STATE LICENSING AUTHORITY DENIED
2 AN APPLICATION FOR THE SAME CLASS OF LICENSE DUE TO THE NATURE OF
3 THE USE OR OTHER CONCERN RELATED TO THE LOCATION; OR

4 (b) UNTIL IT IS ESTABLISHED THAT THE APPLICANT IS, OR WILL BE,
5 ENTITLED TO POSSESSION OF THE PREMISES FOR WHICH APPLICATION IS
6 MADE UNDER A LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT
7 FOR POSSESSION OF THE PREMISES OR BY VIRTUE OF OWNERSHIP OF THE
8 PREMISES.

9 == =====


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

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

1 HEARING PURSUANT TO THIS SUBSECTION (2) UNTIL THE LOCAL
2 JURISDICTION HAS POSTED A NOTICE OF HEARING IN THE MANNER
3 DESCRIBED IN SECTION 12-43.4-302 (2) ON THE LICENSED PREMISES FOR A
4 PERIOD OF TEN DAYS AND HAS PROVIDED NOTICE OF THE HEARING TO THE
5 APPLICANT AT LEAST TEN DAYS PRIOR TO THE HEARING. ANY TRANSFER OF
6 OWNERSHIP HEARING BY THE STATE LICENSING AUTHORITY SHALL BE HELD
7 IN COMPLIANCE WITH THE REQUIREMENTS SPECIFIED IN SECTION
8 12-43.4-304.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (b) THE STATE LICENSING AUTHORITY MAY ADMINISTRATIVELY
2 CONTINUE THE LICENSE AND ACCEPT A LATER APPLICATION FOR RENEWAL
3 OF A LICENSE AT THE DISCRETION OF THE STATE LICENSING AUTHORITY.

4 (c) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE LATE
5 APPLICATION FEE IN PARAGRAPH (a) OF THIS SUBSECTION (2), THE STATE
6 LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY
7 REDUCE THE AMOUNT OF THE FEE IF NECESSARY PURSUANT TO SECTION
8 24-75-402 (3), C.R.S., BY REDUCING THE UNCOMMITTED RESERVES OF THE
9 FUND TO WHICH ALL OR ANY PORTION OF THE FEE IS CREDITED. AFTER THE
10 UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE
11 STATE LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY
12 LAW MAY INCREASE THE AMOUNT OF THE FEE AS PROVIDED IN SECTION
13 24-75-402 (4), C.R.S.

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

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

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

26 PART 4
27 LICENSE TYPES

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

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

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


26 (b) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
27 PARAGRAPH (b), A DUAL MEDICAL MARIJUANA CENTER AND RETAIL

1 MARIJUANA STORE SHALL MAINTAIN SEPARATE LICENSED PREMISES,
2 INCLUDING ENTRANCES AND EXITS, INVENTORY, POINT OF SALE
3 OPERATIONS, AND RECORD KEEPING.

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

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

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

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

21 (b) (I) A RETAIL MARIJUANA STORE MAY CULTIVATE ITS OWN
22 RETAIL MARIJUANA IF IT OBTAINS A RETAIL MARIJUANA CULTIVATION
23 FACILITY LICENSE OR IT MAY PURCHASE RETAIL MARIJUANA FROM A
24 LICENSED RETAIL MARIJUANA CULTIVATION FACILITY.

25 (II) A RETAIL MARIJUANA STORE SHALL TRACK ALL OF ITS RETAIL
26 MARIJUANA FROM THE POINT IT IS EITHER TRANSFERRED FROM ITS RETAIL
27 MARIJUANA CULTIVATION FACILITY OR THE POINT WHEN IT IS DELIVERED

1 TO THE RETAIL MARIJUANA STORE FROM ANOTHER LICENSED RETAIL
2 MARIJUANA CULTIVATION FACILITY TO THE POINT OF SALE.

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

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

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

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

25 ==
26 (III) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,
27 2015.

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

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

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

13 (b) A RETAIL MARIJUANA STORE LICENSEE MAY TRANACT WITH
14 A RETAIL MARIJUANA PRODUCTS MANUFACTURING LICENSEE FOR THE
15 PURCHASE OF RETAIL MARIJUANA PRODUCTS UPON A RETAIL MARIJUANA
16 PRODUCTS MANUFACTURING LICENSEE'S LICENSED PREMISES. ■ ■

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

23 (b) PRIOR TO INITIATING A SALE, THE EMPLOYEE OF THE RETAIL
24 MARIJUANA STORE MAKING THE SALE SHALL VERIFY THAT THE PURCHASER
25 HAS A VALID IDENTIFICATION CARD SHOWING THE PURCHASER IS
26 TWENTY-ONE YEARS OF AGE OR OLDER. IF A PERSON UNDER TWENTY-ONE
27 YEARS OF AGE PRESENTS A FRAUDULENT PROOF OF AGE, ANY ACTION

1 RELYING ON THE FRAUDULENT PROOF OF AGE SHALL NOT BE GROUNDS FOR
2 THE REVOCATION OR SUSPENSION OF ANY LICENSE ISSUED UNDER THIS
3 ARTICLE.

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

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

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

17 (7) (a) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL
18 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, [REDACTED] MARIJUANA
19 ACCESSORIES, AND MARIJUANA RELATED PRODUCTS SUCH AS CHILD PROOF
20 PACKAGING CONTAINERS, BUT SHALL BE PROHIBITED FROM SELLING OR
21 GIVING AWAY ANY CONSUMABLE PRODUCT, INCLUDING BUT NOT LIMITED
22 TO CIGARETTES OR ALCOHOL, OR EDIBLE PRODUCT THAT DOES NOT
23 CONTAIN MARIJUANA, INCLUDING BUT NOT LIMITED TO SODAS, CANDIES,
24 OR BAKED GOODS.

25 (b) A LICENSED RETAIL MARIJUANA STORE MAY NOT SELL ANY
26 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS THAT CONTAIN
27 NICOTINE OR ALCOHOL.

1 (c) A LICENSED RETAIL MARIJUANA STORE SHALL NOT SELL RETAIL
2 MARIJUANA OR RETAIL MARIJUANA PRODUCTS OVER THE INTERNET NOR
3 DELIVER RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS TO A
4 PERSON NOT PHYSICALLY PRESENT IN THE RETAIL MARIJUANA STORE'S
5 LICENSED PREMISES.

6 (8) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL RETAIL
7 MARIJUANA AND RETAIL MARIJUANA PRODUCTS IN PACKAGING THAT
8 CONFORMS TO THE REGULATIONS ADOPTED BY THE STATE LICENSING
9 AUTHORITY.

10 (9) THE PREMISES OF A LICENSED RETAIL MARIJUANA STORE IS THE
11 ONLY PLACE WHERE AN AUTOMATIC DISPENSING MACHINE THAT CONTAINS
12 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS MAY BE LOCATED.
13 IF A LICENSED RETAIL MARIJUANA STORE USES AN AUTOMATIC DISPENSING
14 MACHINE THAT CONTAINS RETAIL MARIJUANA AND RETAIL MARIJUANA
15 PRODUCTS, IT MUST COMPLY WITH THE REGULATIONS PROMULGATED BY
16 THE STATE LICENSING AUTHORITY FOR ITS USE.

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

19 (11) NOTWITHSTANDING ANY OTHER PROVISION OF STATE LAW,
20 SALES OF RETAIL MARIJUANA PRODUCTS ARE NOT EXEMPT FROM STATE OR
21 LOCAL SALES TAX.

22 **12-43.4-403. Retail marijuana cultivation facility license.** (1) A
23 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY
24 TO A PERSON WHO CULTIVATES RETAIL MARIJUANA FOR SALE AND
25 DISTRIBUTION TO LICENSED RETAIL MARIJUANA STORES OR RETAIL
26 MARIJUANA PRODUCTS MANUFACTURING LICENSEES.

27 (2) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF

1 THIS SECTION, ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA
2 CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY TO A PERSON WHO
3 HOLDS A RETAIL MARIJUANA STORE LICENSE PURSUANT TO SECTION
4 12-43.4-402 OR A RETAIL MARIJUANA PRODUCTS MANUFACTURING
5 LICENSE PURSUANT TO SECTION 12-43.3-404 AND WHO GROWS AND
6 CULTIVATES RETAIL MARIJUANA AT AN ADDITIONAL LICENSED PREMISES
7 CONTIGUOUS OR NOT CONTIGUOUS WITH THE LICENSED PREMISES OF THE
8 PERSON'S RETAIL MARIJUANA STORE OR THE PERSON'S RETAIL MARIJUANA
9 PRODUCTS MANUFACTURING FACILITY.

10 (b) ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA
11 CULTIVATION FACILITY LICENSEE SHALL ONLY TRANSFER RETAIL
12 MARIJUANA TO ITS RETAIL MARIJUANA STORE OR RETAIL MARIJUANA
13 PRODUCTS MANUFACTURER.

14 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF
15 THIS SUBSECTION (2), A RETAIL MARIJUANA CULTIVATION FACILITY
16 LICENSEE MAY SELL NO MORE THAN THIRTY PERCENT OF ITS INVENTORY
17 TO ANOTHER RETAIL MARIJUANA STORE OR RETAIL MARIJUANA PRODUCTS
18 MANUFACTURER.

19 (d) RETAIL MARIJUANA CULTIVATION FACILITY LICENSES MAY BE
20 COMBINED IN A COMMON AREA SOLELY FOR THE PURPOSES OF GROWING
21 AND CULTIVATING RETAIL MARIJUANA AND USED TO PROVIDE RETAIL
22 MARIJUANA TO MORE THAN ONE LICENSED RETAIL MARIJUANA STORE OR
23 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER SO LONG AS THE
24 HOLDER OF THE RETAIL MARIJUANA CULTIVATION LICENSE IS ALSO A
25 COMMON OWNER OF EACH LICENSED RETAIL MARIJUANA STORE OR
26 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER TO WHICH
27 RETAIL MARIJUANA IS PROVIDED. IN ACCORDANCE WITH PROMULGATED

1 RULES RELATING TO PLANT AND PRODUCT TRACKING REQUIREMENTS,
2 EACH RETAIL MARIJUANA CULTIVATION LICENSEE SHALL SUPPLY RETAIL
3 MARIJUANA ONLY TO ITS ASSOCIATED LICENSED RETAIL MARIJUANA
4 STORES OR LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURERS.

5 (e) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JANUARY 1,
6 2015.

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

11 (4) A RETAIL MARIJUANA CULTIVATION FACILITY SHALL TRACK
12 THE MARIJUANA IT CULTIVATES FROM SEED TO WHOLESALE PURCHASE.
13 PRIOR TO DELIVERY OF ANY SOLD RETAIL MARIJUANA, THE RETAIL
14 MARIJUANA CULTIVATION FACILITY SHALL PROVIDE EVIDENCE THAT IT
15 PAID ANY APPLICABLE EXCISE TAX ON THE RETAIL MARIJUANA DUE
16 PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S.

17 (5) A RETAIL MARIJUANA CULTIVATION FACILITY MAY PROVIDE A
18 SAMPLE OF ITS PRODUCTS TO A FACILITY THAT HAS A MARIJUANA TESTING
19 FACILITY LICENSE FROM THE STATE LICENSING AUTHORITY FOR TESTING
20 AND RESEARCH PURPOSES. A RETAIL MARIJUANA CULTIVATION FACILITY
21 SHALL MAINTAIN A RECORD OF WHAT WAS PROVIDED TO THE TESTING
22 FACILITY, THE IDENTITY OF THE TESTING FACILITY, AND THE TESTING
23 RESULTS.

24 (6) RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS MAY
25 NOT BE CONSUMED ON THE PREMISES OF A RETAIL MARIJUANA
26 CULTIVATION FACILITY.

27 **12-43.4-404. Retail marijuana products manufacturing**

1 **license.** (1) (a) A RETAIL MARIJUANA PRODUCTS MANUFACTURING
2 LICENSE MAY BE ISSUED TO A PERSON WHO MANUFACTURES RETAIL
3 MARIJUANA PRODUCTS, PURSUANT TO THE TERMS AND CONDITIONS OF
4 THIS ARTICLE.

5 (b) A RETAIL MARIJUANA PRODUCTS MANUFACTURER MAY
6 CULTIVATE ITS OWN RETAIL MARIJUANA IF IT OBTAINS A RETAIL
7 MARIJUANA CULTIVATION FACILITY LICENSE, OR IT MAY PURCHASE RETAIL
8 MARIJUANA FROM A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY.

9 A RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL TRACK ALL OF
10 ITS RETAIL MARIJUANA FROM THE POINT IT IS EITHER TRANSFERRED FROM
11 ITS RETAIL MARIJUANA CULTIVATION FACILITY OR THE POINT WHEN IT IS
12 DELIVERED TO THE RETAIL MARIJUANA PRODUCTS MANUFACTURER FROM
13 A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY TO THE POINT OF
14 TRANSFER TO A LICENSED RETAIL MARIJUANA STORE.

15 (c) (I) BEFORE OCTOBER 1, 2014, EXCEPT AS PERMITTED BY
16 SECTION 12-43.4-402 (1) (c) (II), A RETAIL MARIJUANA PRODUCTS
17 MANUFACTURER LICENSEE THAT HAS A RETAIL MARIJUANA CULTIVATION
18 FACILITY LICENSE SHALL NOT SELL ANY OF THE RETAIL MARIJUANA THAT
19 IT CULTIVATES EXCEPT FOR THE RETAIL MARIJUANA THAT IS CONTAINED
20 IN ITS RETAIL MARIJUANA PRODUCTS.

21 (II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,
22 2015.

23 (d) A RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL NOT
24 ACCEPT ANY RETAIL MARIJUANA PURCHASED FROM A RETAIL MARIJUANA
25 CULTIVATION FACILITY UNLESS THE RETAIL MARIJUANA PRODUCTS
26 MANUFACTURER IS PROVIDED WITH EVIDENCE THAT ANY APPLICABLE
27 EXCISE TAX DUE PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S., WAS

1 PAID.

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

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

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

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

22

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

1 PROVIDED TO THE TESTING FACILITY AND THE IDENTITY OF THE TESTING
2 FACILITY.

3 (7) AN EDIBLE RETAIL MARIJUANA PRODUCT MAY LIST ITS
4 INGREDIENTS AND COMPARABILITY WITH DIETARY PRACTICES.

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

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

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

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

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

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

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

11 PART 5

12 FEES

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

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

1 WHICH A LICENSE UNDER THIS ARTICLE IS ISSUED PRIOR TO RAISING THE
2 APPLICATION FEE. IF THE APPLICATION FEE AMOUNT IS CHANGED, IT MUST
3 BE SPLIT EVENLY BETWEEN THE MARIJUANA CASH FUND AND THE LOCAL
4 JURISDICTION IN WHICH THE LICENSE IS PROPOSED TO BE ISSUED.

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

10 PART 6

11 DISCIPLINARY ACTIONS

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

1 (2) THE STATE LICENSING AUTHORITY SHALL PROVIDE NOTICE OF
2 SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL AS THE
3 REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1) OF THIS
4 SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT THE
5 ADDRESS CONTAINED IN THE LICENSE AND, IF DIFFERENT, AT THE LAST
6 ADDRESS FURNISHED TO THE AUTHORITY BY THE LICENSEE. EXCEPT IN THE
7 CASE OF A SUMMARY SUSPENSION, A SUSPENSION SHALL NOT BE FOR A
8 PERIOD LONGER THAN SIX MONTHS. IF A LICENSE IS SUSPENDED OR
9 REVOKED, A PART OF THE FEES PAID THEREFOR SHALL NOT BE RETURNED
10 TO THE LICENSEE. ANY LICENSE █ MAY BE SUMMARILY SUSPENDED BY
11 THE STATE LICENSING AUTHORITY WITHOUT NOTICE PENDING ANY
12 PROSECUTION, INVESTIGATION, OR PUBLIC HEARING PURSUANT TO THE
13 TERMS OF SECTION 24-4-104 (4), C.R.S. NOTHING IN THIS SECTION SHALL
14 PREVENT THE SUMMARY SUSPENSION OF A LICENSE PURSUANT TO SECTION
15 24-4-104 (4), C.R.S.

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

26 (I) THE PUBLIC WELFARE WOULD NOT BE IMPAIRED BY PERMITTING
27 THE LICENSEE TO OPERATE DURING THE PERIOD SET FOR SUSPENSION AND

1 THAT THE PAYMENT OF THE FINE WILL ACHIEVE THE DESIRED
2 DISCIPLINARY PURPOSES; AND

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

7
8 (b) THE FINE ACCEPTED SHALL BE NOT LESS THAN FIVE HUNDRED
9 DOLLARS NOR MORE THAN ONE HUNDRED THOUSAND DOLLARS.

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

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

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

1 CONDITIONALLY STAYED.

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

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

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

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

26 (3) A STATE OR LOCAL AGENCY SHALL NOT BE REQUIRED TO
27 CULTIVATE OR CARE FOR ANY RETAIL MARIJUANA OR RETAIL MARIJUANA

1 PRODUCT BELONGING TO OR SEIZED FROM A LICENSEE. A STATE OR LOCAL
2 AGENCY SHALL NOT BE AUTHORIZED TO SELL MARIJUANA, RETAIL OR
3 OTHERWISE.

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

20 (5) FOLLOWING THE ISSUANCE OF A FINAL AGENCY ORDER BY THE
21 STATE LICENSING AUTHORITY AGAINST A LICENSEE AND ORDERING
22 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION, A
23 LICENSEE SHALL HAVE FIFTEEN DAYS WITHIN WHICH TO FILE A PETITION
24 FOR STAY OF AGENCY ACTION WITH THE DISTRICT COURT. THE ACTION
25 SHALL BE FILED IN THE CITY AND COUNTY OF DENVER, WHICH SHALL BE
26 DEEMED TO BE THE RESIDENCE OF THE STATE LICENSING AUTHORITY FOR
27 PURPOSES OF THIS SECTION. THE LICENSEE SHALL SERVE THE PETITION IN

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

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

27 (7) ON OR BEFORE JANUARY 1, 2014, THE STATE LICENSING

1 AUTHORITY SHALL PROMULGATE RULES GOVERNING THE IMPLEMENTATION
2 OF THIS SECTION.

3 PART 7

4 INSPECTION OF BOOKS AND RECORDS

5 **12-43.4-701. Inspection procedures.** (1) EACH LICENSEE SHALL
6 KEEP A COMPLETE SET OF ALL RECORDS NECESSARY TO SHOW FULLY THE
7 BUSINESS TRANSACTIONS OF THE LICENSEE, ALL OF WHICH SHALL BE OPEN
8 AT ALL TIMES DURING BUSINESS HOURS FOR THE INSPECTION AND
9 EXAMINATION BY THE STATE LICENSING AUTHORITY OR ITS DULY
10 AUTHORIZED REPRESENTATIVES. THE STATE LICENSING AUTHORITY MAY
11 REQUIRE ANY LICENSEE TO FURNISH SUCH INFORMATION AS IT CONSIDERS
12 NECESSARY FOR THE PROPER ADMINISTRATION OF THIS ARTICLE AND MAY
13 REQUIRE AN AUDIT TO BE MADE OF THE BOOKS OF ACCOUNT AND RECORDS
14 ON SUCH OCCASIONS AS IT MAY CONSIDER NECESSARY BY AN AUDITOR TO
15 BE SELECTED BY THE STATE LICENSING AUTHORITY WHO SHALL LIKEWISE
16 HAVE ACCESS TO ALL BOOKS AND RECORDS OF THE LICENSEE, AND THE
17 EXPENSE THEREOF SHALL BE PAID BY THE LICENSEE.

18 (2) THE LICENSED PREMISES, INCLUDING ANY PLACES OF STORAGE
19 WHERE RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS ARE
20 STORED, CULTIVATED, SOLD, DISPENSED, OR TESTED SHALL BE SUBJECT TO
21 INSPECTION BY THE STATE OR LOCAL JURISDICTIONS AND THEIR
22 INVESTIGATORS, DURING ALL BUSINESS HOURS AND OTHER TIMES OF
23 APPARENT ACTIVITY, FOR THE PURPOSE OF INSPECTION OR INVESTIGATION.
24 ACCESS SHALL BE REQUIRED DURING BUSINESS HOURS FOR EXAMINATION
25 OF ANY INVENTORY OR BOOKS AND RECORDS REQUIRED TO BE KEPT BY
26 THE LICENSEES. WHEN ANY PART OF THE LICENSED PREMISES CONSISTS OF
27 A LOCKED AREA, UPON DEMAND TO THE LICENSEE, SUCH AREA SHALL BE

1 MADE AVAILABLE FOR INSPECTION WITHOUT DELAY, AND, UPON REQUEST
2 BY AUTHORIZED REPRESENTATIVES OF THE STATE OR LOCAL JURISDICTION,
3 THE LICENSEE SHALL OPEN THE AREA FOR INSPECTION.

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

8 PART 8

9 JUDICIAL REVIEW

10 **12-43.4-801. Judicial review.** DECISIONS BY THE STATE
11 LICENSING AUTHORITY ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO
12 SECTION 24-4-106, C.R.S.

13 PART 9

14 UNLAWFUL ACTS

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

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

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

26 (b) HAVE AN UNREPORTED FINANCIAL INTEREST OR A DIRECT
27 INTEREST IN A LICENSE PURSUANT TO THIS ARTICLE; EXCEPT THAT THIS

1 PARAGRAPH (b) DOES NOT APPLY TO BANKS, SAVINGS AND LOAN
2 ASSOCIATIONS, OR INDUSTRIAL BANKS SUPERVISED AND REGULATED BY
3 AN AGENCY OF THE STATE OR FEDERAL GOVERNMENT, OR TO
4 FHA-APPROVED MORTGAGEES, OR TO STOCKHOLDERS, DIRECTORS, OR
5 OFFICERS THEREOF.

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

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

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

14 (c) TO FAIL TO REPORT A TRANSFER REQUIRED BY SECTION
15 12-43.4-309 (10); OR

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

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

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

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

25 (c) TO PROVIDE PUBLIC PREMISES, OR ANY PORTION THEREOF, FOR
26 THE PURPOSE OF CONSUMPTION OF RETAIL MARIJUANA OR RETAIL
27 MARIJUANA PRODUCTS IN ANY FORM;

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

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

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

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

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

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

1 PURSUANT TO TITLE 18, C.R.S.

2 PART 10

3 SUNSET REVIEWS

4 **12-43.4-1001. Sunset review - article repeal.** (1) THIS ARTICLE
5 IS REPEALED, EFFECTIVE JULY 1, 2016.

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

9 PART 11

10 SEVERABILITY

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

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

24 **16-2.5-124.5. Director of marijuana enforcement and medical**
25 **marijuana enforcement INVESTIGATOR.** THE DIRECTOR OF THE
26 MARIJUANA ENFORCEMENT DIVISION OR A **medical marijuana enforcement**
27 **investigator** is a peace officer while engaged in the performance of his or

1 her duties and while acting under proper orders or rules pursuant to article
2 43.3 OR 43.4 of title 12, C.R.S., and shall also include the enforcement of
3 all laws of the state of Colorado and who may be certified by the P.O.S.T.
4 board.

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

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

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

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

1 (4) No court shall accept a plea of guilty to a non-alcohol-related
2 or non-drug-related traffic offense or guilty to the offense of UDD from
3 a person charged with DUI OR DUI per se; ~~or habitual user~~; except that
4 the court may accept a plea of guilty to a non-alcohol-related or
5 non-drug-related traffic offense or to UDD upon a good faith
6 representation by the prosecuting attorney that the attorney could not
7 establish a prima facie case if the defendant were brought to trial on the
8 original alcohol-related or drug-related offense.

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

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

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

27 (j) IN ANY TRIAL FOR A VIOLATION OF THIS SECTION, IF, AT THE

1 TIME OF THE ALLEGED OFFENSE, THE PERSON POSSESSED A VALID MEDICAL
2 MARIJUANA REGISTRY IDENTIFICATION CARD, AS DEFINED IN SECTION
3 25-1.5-106 (2) (e), C.R.S., ISSUED TO HIMSELF OR HERSELF, THE
4 PROSECUTION SHALL NOT USE SUCH FACT AS PART OF THE PROSECUTION'S
5 CASE IN CHIEF.

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

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

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

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

26 (c) If there was at such time 0.08 or more grams of alcohol per
27 one hundred milliliters of blood, or if there was at such time 0.08 or more

1 grams of alcohol per two hundred ten liters of breath, ~~it shall be presumed~~
2 SUCH FACT GIVES RISE TO THE PERMISSIBLE INFERENCE that the defendant
3 was under the influence of alcohol.

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

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

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

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

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

1 was under the influence of alcohol.

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

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

10 **42-1-102. Definitions.** As used in articles 1 to 4 of this title,
11 unless the context otherwise requires:

12 (41.7) "~~Habitual user~~" ~~shall incorporate by reference the offense~~
13 ~~described in section 42-4-1301 (1) (c).~~

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

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

24 (5) (a) Upon application by a person, the department shall
25 expunge all records concerning a conviction of a person for UDD with a
26 BAC of at least 0.02 but not more than 0.05 and any records concerning
27 an administrative determination resulting in a revocation under section

1 42-2-126 (3) (b) or (3) (e) if:

2 (III) The person has not been convicted for any other DUI, DUI
3 per se, DWAI, ~~habitual user~~, or UDD offense that was committed while
4 such person was under twenty-one years of age and is not subject to any
5 other administrative determination resulting in a revocation under section
6 42-2-126 for any other occurrence while such person was under
7 twenty-one years of age;

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

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

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

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

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

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

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

10 (i) Been convicted of DUI, DUI per se, OR DWAI ~~or habitual user~~
11 and has two previous convictions of any of such offenses. The license of
12 any driver shall be revoked for an indefinite period and shall only be
13 reissued upon proof to the department that said driver has completed a
14 level II alcohol and drug education and treatment program certified by the
15 unit in the department of human services that administers behavioral
16 health programs and services, including those related to mental health and
17 substance abuse, pursuant to section 42-4-1301.3 and that said driver has
18 demonstrated knowledge of the laws and driving ability through the
19 regular motor vehicle testing process. In no event shall such license be
20 reissued in less than two years.

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

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

1 (b) (II) ~~Habitual user~~ 12

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

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

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

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

1 appears on the registration and any other vehicle that the person may
2 drive during the period of the interlock-restricted license.

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

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

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

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

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

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

27 **42-2-138. Driving under restraint - penalty.** (1) (a) Any person

1 who drives a motor vehicle or off-highway vehicle upon any highway of
2 this state with knowledge that the person's license or privilege to drive,
3 either as a resident or a nonresident, is under restraint for any reason other
4 than conviction of DUI, DUI per se, DWAI, ~~habitual user~~, or UDD is
5 guilty of a misdemeanor. A court may sentence a person convicted of this
6 misdemeanor to imprisonment in the county jail for a period of not more
7 than six months and may impose a fine of not more than five hundred
8 dollars.

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

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

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

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

25 **42-2-202. Habitual offenders - frequency and type of**
26 **violations.** (2) (a) An habitual offender is a person having three or more
27 convictions of any of the following separate and distinct offenses arising

1 out of separate acts committed within a period of seven years:

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

3 **SECTION 18.** In Colorado Revised Statutes, 42-2-405, **amend**

4 (3) (a) as follows:

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

9 (a) A conviction for DUI, DUI per se, OR DWAI, ~~or habitual user,~~
10 or a substantially similar law of any other state pertaining to drinking and
11 driving, or an administrative determination of a violation of section
12 42-2-126 (3) (a) or (3) (b) shall be deemed driving under the influence;
13 and

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

16 **42-4-1301.1. Expressed consent for the taking of blood, breath,**
17 **urine, or saliva sample - testing.** (2) (a) (I) A person who drives a
18 motor vehicle upon the streets and highways and elsewhere throughout
19 this state shall be required to take and complete, and to cooperate in the
20 taking and completing of, any test or tests of the person's breath or blood
21 for the purpose of determining the alcoholic content of the person's blood
22 or breath when so requested and directed by a law enforcement officer
23 having probable cause to believe that the person was driving a motor
24 vehicle in violation of the prohibitions against DUI, DUI per se, DWAI,
25 ~~habitual user,~~ or UDD. Except as otherwise provided in this section, if a
26 person who is twenty-one years of age or older requests that the test be a
27 blood test, then the test shall be of his or her blood; but, if the person

1 requests that a specimen of his or her blood not be drawn, then a
2 specimen of the person's breath shall be obtained and tested. A person
3 who is under twenty-one years of age shall be entitled to request a blood
4 test unless the alleged violation is UDD, in which case a specimen of the
5 person's breath shall be obtained and tested, except as provided in
6 subparagraph (II) of this paragraph (a).

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

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

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

1 by:

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

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

26 (6) **Third and subsequent offenses.** (a) A person who is
27 convicted of DUI, DUI per se, OR DWAI or ~~habitual user~~ who, at the time

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

8 (9) **Previous convictions.** (a) For the purposes of subsections (5)
9 and (6) of this section, a person shall be deemed to have a previous
10 conviction for DUI, DUI per se, DWAI, ~~habitual user~~, vehicular homicide
11 pursuant to section 18-3-106 (1) (b), C.R.S., vehicular assault pursuant to
12 section 18-3-205 (1) (b), C.R.S., aggravated driving with a revoked
13 license pursuant to section 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or
14 driving while the person's driver's license was under restraint pursuant to
15 section 42-2-138 (1) (d), if the person has been convicted under the laws
16 of this state or under the laws of any other state, the United States, or any
17 territory subject to the jurisdiction of the United States, of an act that, if
18 committed within this state, would constitute the offense of DUI, DUI per
19 se, DWAI, ~~habitual user~~, vehicular homicide pursuant to section 18-3-106
20 (1) (b), C.R.S., vehicular assault pursuant to section 18-3-205 (1) (b),
21 C.R.S., aggravated driving with a revoked license pursuant to section
22 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the person's
23 driver's license was under restraint pursuant to section 42-2-138 (1) (d).

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

26 (a) Persons convicted of DUI, DUI per se, DWAI, ~~habitual user~~,
27 and UDD are subject to the costs imposed by section 24-4.1-119 (1) (c),

1 C.R.S., relating to the crime victim compensation fund;

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

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

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

26 (12) **Victim impact panels.** In addition to any other penalty
27 provided by law, the court may sentence a person convicted of DUI, DUI

1 per se, DWAI, ~~habitual user~~, or UDD to attend and pay for one
2 appearance at a victim impact panel approved by the court, for which the
3 fee assessed to the person shall not exceed twenty-five dollars.

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

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

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

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

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

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

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

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

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

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

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

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

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

27 **SECTION 25.** In Colorado Revised Statutes, 40-10.1-110,

1 **amend** (3) (c) (I) as follows:

2 **40-10.1-110. Criminal history record check.** (3) An individual
3 whose criminal history record is checked pursuant to this section is
4 disqualified and prohibited from driving motor vehicles for the motor
5 carrier described in subsection (1) of this section if the criminal history
6 record check reflects that:

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

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

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

17 **24-34-104. General assembly review of regulatory agencies**
18 **and functions for termination, continuation, or reestablishment.**

19 (47) The following agencies, functions, or both shall terminate on July
20 1, 2016:

21 (d) THE REGULATION OF PERSONS LICENSED PURSUANT TO ARTICLE
22 43.4 OF TITLE 12, C.R.S.

23 **SECTION 27. Appropriation.** (1) In addition to any other
24 appropriation, for the fiscal year beginning July 1, 2013, there is hereby
25 appropriated, out of any moneys in the general fund not otherwise
26 appropriated, to the department of revenue to be credited to the marijuana
27 cash fund established created in section 12-43.3-501 (1) (a), Colorado

1 Revised Statutes, the sum of \$4,154,759, to be used for purposes
2 consistent with the creation of the fund.

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

10 (a) \$407,702 and 2.7 FTE for the executive director's office,
11 including \$70,684 for the purchase of legal services;

12 (b) \$56,492 for the information technology division for the
13 purchase of computer center services;

14 (c) \$48,000 for the taxation business group, administration, CITA
15 annual maintenance and support; and

16 (d) \$116,832 for the enforcement business group.

17 (3) In addition to any other appropriation, there is hereby
18 appropriated to the department of law, for the fiscal year beginning July
19 1, 2013, the sum of \$70,684 and 0.5 FTE, or so much thereof as may be
20 necessary, for the provision of legal services for the department of
21 revenue related to the implementation of this act. Said sum is from
22 reappropriated funds received from the department of revenue out of the
23 appropriation made in paragraph (a) of subsection (2) of this section.

24 (4) In addition to any other appropriation, there is hereby
25 appropriated to the governor - lieutenant governor - state planning and
26 budgeting, for the fiscal year beginning July 1, 2013, the sum of \$56,492,
27 or so much thereof as may be necessary, for allocation to the office of

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

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

14 (6) In addition to any other appropriation, there is hereby
15 appropriated, out of any moneys in the general fund not otherwise
16 appropriated, to the judicial department, for the fiscal year beginning July
17 1, 2013, the sum of \$12,000, or so much thereof as may be necessary, for
18 allocation to the office of the state public defender for mandated costs
19 related to the implementation of this act.

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

22 **17-18-108. Appropriation to comply with section 2-2-703 - HB**
23 **13-1317 - repeal.** (1) PURSUANT TO SECTION 2-2-703, C.R.S., THE
24 FOLLOWING STATUTORY APPROPRIATIONS, OR SO MUCH THEREOF AS MAY
25 BE NECESSARY, ARE MADE IN ORDER TO IMPLEMENT HOUSE BILL 13-1317,
26 ENACTED IN 2013:

27 (a) FOR THE FISCAL YEAR BEGINNING JULY 1, 2014, IN ADDITION

1 TO ANY OTHER APPROPRIATION, THERE IS HEREBY APPROPRIATED TO THE
2 DEPARTMENT, OUT OF ANY MONEYS IN THE GENERAL FUND NOT
3 OTHERWISE APPROPRIATED, THE SUM OF TWENTY THOUSAND EIGHT
4 HUNDRED SIXTEEN DOLLARS (\$20,816).

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

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

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