

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**

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**HOUSE SPONSORSHIP**

**Pabon,**

**SENATE SPONSORSHIP**

**Jahn,**

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**House Committees**

State, Veterans, & Military Affairs  
Finance  
Appropriations

**Senate Committees**

Finance  
Appropriations

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**A BILL FOR AN ACT**

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

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**Bill Summary**

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

**Sections 1 through 4.** The bill converts the medical marijuana

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

HOUSE  
3rd Reading Unamended  
April 29, 2013

HOUSE  
Amended 2nd Reading  
April 27, 2013

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

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

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

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

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

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

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

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

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

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

1 ~~this article.~~

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

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

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

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

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

16 (IV) ANY SALES TAX IMPOSED PURSUANT TO SECTION 39-26-106,  
17 C.R.S., ON THE RETAIL SALE OF 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.;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 the 2013-14 fiscal year.

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

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

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

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

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

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

18 **ARTICLE 43.4**

19 **Colorado Retail Marijuana Code**

20 **PART 1**

21 **COLORADO RETAIL MARIJUANA CODE**

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

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




1 MORALS OF THE PEOPLE OF THIS STATE.

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

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

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

12   
13 (2) "IMMATURE PLANT" MEANS A NONFLOWERING MARIJUANA  
14 PLANT THAT IS NO TALLER THAN EIGHT INCHES AND NO WIDER THAN EIGHT  
15 INCHES IS PRODUCED FROM A CUTTING, CLIPPING, OR SEEDLING, AND IS IN  
16 A CULTIVATING CONTAINER THAT IS NO LARGER THAN TWO INCHES WIDE  
17 AND TWO INCHES TALL THAT IS SEALED ON THE SIDES AND BOTTOM.

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

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

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

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

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

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

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

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

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

24           (12) "PERSON" MEANS A NATURAL PERSON, PARTNERSHIP,  
25 ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR  
26 ORGANIZATION.

27           (13) "PREMISES" MEANS A DISTINCT AND DEFINITE LOCATION,

1 WHICH MAY INCLUDE A BUILDING, A PART OF A BUILDING, A ROOM, OR ANY  
2 OTHER DEFINITE CONTIGUOUS AREA.

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

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

10 (16) "RETAIL MARIJUANA ESTABLISHMENT" MEANS A RETAIL  
11 MARIJUANA STORE, A RETAIL MARIJUANA CULTIVATION FACILITY, A  
12 RETAIL MARIJUANA PRODUCTS MANUFACTURER, OR A RETAIL MARIJUANA  
13 TESTING FACILITY.

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

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

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

25 (20) "RETAIL MARIJUANA TESTING FACILITY" MEANS \_\_\_\_\_  
26 "MARIJUANA TESTING FACILITY" AS DEFINED IN SECTION 16 (2) (l) OF  
27 ARTICLE XVIII OF THE STATE CONSTITUTION THAT IS LICENSED PURSUANT

1 TO THIS ARTICLE.

2 (21) "SALE" OR "SELL" INCLUDES TO EXCHANGE, BARTER, OR  
3 TRAFFIC IN, TO SOLICIT OR RECEIVE AND ORDER EXCEPT THROUGH A  
4 LICENSEE LICENSED UNDER THIS ARTICLE, TO DELIVER FOR VALUE IN ANY  
5 WAY OTHER THAN GRATUITOUSLY, TO PEDDLE OR POSSESS WITH INTENT  
6 TO SELL, OR TO TRAFFIC IN FOR ANY CONSIDERATION PROMISED OR  
7 OBTAINED DIRECTLY OR INDIRECTLY.

8 (22) "SCHOOL" MEANS A PUBLIC OR PRIVATE PRESCHOOL OR A  
9 PUBLIC OR PRIVATE ELEMENTARY, MIDDLE, JUNIOR HIGH, HIGH SCHOOL, OR  
10 INSTITUTE OF HIGHER EDUCATION.

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

15 **12-43.4-104. Applicability - retail marijuana - repeal.**

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

24 (II) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) SHALL  
25 INDICATE WHETHER HE OR SHE WANTS TO SURRENDER THE CURRENT  
26 MEDICAL MARIJUANA LICENSE ISSUED PURSUANT TO PART 4 OF ARTICLE  
27 43.3 OF THIS TITLE, OR INTENDS TO RETAIN THE LICENSE IN ADDITION TO

1 THE RETAIL MARIJUANA ESTABLISHMENT LICENSE.

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

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

25 (V) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) WHO  
26 RETAINS A MEDICAL MARIJUANA LICENSE AND OBTAINS A RETAIL  
27 MARIJUANA ESTABLISHMENT LICENSE FOR THE TWO LICENSED PREMISES

1 MUST MAINTAIN ACTUAL PHYSICAL SEPARATION BETWEEN THE TWO OR  
2 ONLY SELL MEDICAL MARIJUANA TO PERSONS TWENTY-ONE YEARS OF AGE  
3 OR OLDER.

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

9 (B) THIS SUBPARAGRAPH (VI) IS REPEALED, EFFECTIVE JULY 1,  
10 2014.

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

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

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

1 (2) (a) A PERSON APPLYING PURSUANT TO SUBSECTION (1) OF THIS  
2 SECTION SHALL COMPLETE FORMS AS PROVIDED BY THE STATE LICENSING  
3 AUTHORITY AND SHALL PAY THE APPLICATION FEE AND THE LICENSING  
4 FEE, WHICH SHALL BE CREDITED TO THE MARIJUANA CASH FUND  
5 ESTABLISHED PURSUANT TO SECTION 12-43.4-501. THE STATE LICENSING  
6 AUTHORITY SHALL WITHIN SEVEN DAYS FORWARD ONE-HALF OF THE  
7 LICENSE APPLICATION FEE TO THE LOCAL JURISDICTION UNLESS THE LOCAL  
8 JURISDICTION HAS PROHIBITED THE OPERATION OF RETAIL MARIJUANA  
9 ESTABLISHMENTS PURSUANT TO SECTION 16 (5) (f) OF ARTICLE XVIII OF  
10 THE STATE CONSTITUTION. IF THE LICENSE IS DENIED, THE STATE  
11 LICENSING AUTHORITY SHALL REFUND THE LICENSING FEE TO THE  
12 APPLICANT.

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

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

23 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JULY 1,  
24 2015.

25  
26 (3) AS PROVIDED IN SECTION 16 (5) (f) OF ARTICLE XVIII OF THE  
27 STATE CONSTITUTION, ANY LOCAL JURISDICTION MAY ENACT ORDINANCES

1 OR REGULATIONS GOVERNING THE TIME, PLACE, MANNER, AND NUMBER OF  
2 RETAIL MARIJUANA ESTABLISHMENTS, WHICH MAY INCLUDE A LOCAL  
3 LICENSING REQUIREMENT, OR MAY PROHIBIT THE OPERATION OF RETAIL  
4 MARIJUANA ESTABLISHMENTS THROUGH THE ENACTMENT OF AN  
5 ORDINANCE OR THROUGH A REFERRED OR INITIATED MEASURE.

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

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

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

22 (6) ON OR BEFORE APRIL 1, 2014, AND ON OR BEFORE APRIL 1  
23 EACH YEAR THEREAFTER, THE STATE LICENSING AUTHORITY SHALL SUBMIT  
24 A REPORT TO THE JOINT BUDGET COMMITTEE AND THE FINANCE  
25 COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES, OR ANY  
26 SUCCESSOR COMMITTEES, ON:

27 (a) THE PROGRESS THAT THE STATE LICENSING AUTHORITY IS



- 1 MAKING IN PROCESSING LICENSES;
- 2 (b) AN OVERVIEW OF THE RETAIL MARIJUANA AND RETAIL  
3 MARIJUANA PRODUCTS MARKETS, INCLUDING BUT NOT LIMITED TO ACTUAL  
4 AND ANTICIPATED MARKET DEMAND AND MARKET SUPPLY;
- 5 (c) DETAILING THE AMOUNT OF REVENUE GENERATED BY MEDICAL  
6 AND RETAIL MARIJUANA, INCLUDING APPLICABLE EXCISE TAXES, SALES  
7 TAXES, APPLICATION AND LICENSE FEES, AND ANY OTHER FEES, AND  
8 DETAILING THE EXPENSES INCURRED BY THE STATE LICENSING AUTHORITY,  
9 BROKEN DOWN INTO CATEGORIES AS DETERMINED BY THE AUTHORITY;
- 10 (d) THE NUMBER OF APPLICATIONS FOR CONVERSION FROM  
11 MEDICAL MARIJUANA LICENSEES TO RETAIL MARIJUANA ESTABLISHMENTS;
- 12 (e) THE NUMBER OF PERSONS WHO HAVE FILED A NOTICE OF INTENT  
13 TO APPLY FOR LICENSURE PURSUANT TO SUBPARAGRAPH (I) OF  
14 PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION; AND
- 15 (f) THE ENFORCEMENT MEASURES TAKEN AGAINST PERSONS  
16 LICENSED PURSUANT TO THIS ARTICLE FOR VIOLATION OF REGULATIONS  
17 PROMULGATED PURSUANT TO THIS ARTICLE.

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

27 PART 2

1 STATE LICENSING AUTHORITY

2 **12-43.4-201. State licensing authority.** FOR THE PURPOSE OF  
3 REGULATING AND CONTROLLING THE LICENSING OF THE CULTIVATION,  
4 MANUFACTURE, DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA  
5 AND RETAIL MARIJUANA PRODUCTS IN THIS STATE, THE STATE LICENSING  
6 AUTHORITY CREATED IN SECTION 12-43.3-201, SHALL ALSO HAVE  
7 REGULATORY AUTHORITY FOR RETAIL MARIJUANA AND RETAIL MARIJUANA  
8 PRODUCTS AS PERMITTED IN SECTION 16 OF ARTICLE XVIII OF THE STATE  
9 CONSTITUTION AND THIS ARTICLE.

10 **12-43.4-202. Powers and duties of state licensing authority.**

11 (1) THE STATE LICENSING AUTHORITY SHALL DEVELOP AND MAINTAIN A  
12 SEED-TO-SALE TRACKING SYSTEM, THAT TRACKS RETAIL MARIJUANA FROM  
13 EITHER SEED OR IMMATURE PLANT STAGE UNTIL THE MARIJUANA OR  
14 RETAIL MARIJUANA PRODUCT IS SOLD TO A CUSTOMER AT A RETAIL  
15 MARIJUANA STORE, TO ENSURE THAT NO MARIJUANA GROWN OR  
16 PROCESSED BY A RETAIL MARIJUANA ESTABLISHMENT IS SOLD OR  
17 OTHERWISE TRANSFERRED EXCEPT BY A RETAIL MARIJUANA STORE.

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

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

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

3 (b) PROMULGATE ON OR BEFORE JULY 1, 2013, RULES FOR THE  
4 PROPER REGULATION AND CONTROL OF THE CULTIVATION, MANUFACTURE,  
5 DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA AND RETAIL  
6 MARIJUANA PRODUCTS AND FOR THE ENFORCEMENT OF THIS ARTICLE; AND  
7 PROMULGATE AMENDED RULES AND SUCH SPECIAL RULINGS AND FINDINGS  
8 AS NECESSARY;

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

21 (d) MAINTAIN THE CONFIDENTIALITY OF REPORTS OR OTHER  
22 INFORMATION OBTAINED FROM A LICENSEE SHOWING THE SALES VOLUME  
23 OR QUANTITY OF RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS  
24 SOLD, OR REVEALING ANY CUSTOMER INFORMATION, OR ANY OTHER  
25 RECORDS THAT ARE EXEMPT FROM PUBLIC INSPECTION PURSUANT TO  
26 STATE LAW. SUCH REPORTS OR OTHER INFORMATION MAY BE USED ONLY  
27 FOR A PURPOSE AUTHORIZED BY THIS ARTICLE OR FOR ANY OTHER STATE

1 OR LOCAL LAW ENFORCEMENT PURPOSE. ANY INFORMATION RELEASED  
2 RELATED TO CUSTOMERS MAY BE USED ONLY FOR A PURPOSE AUTHORIZED  
3 BY THIS ARTICLE.

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

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

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

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

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

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

1 (IV) (A) ESTABLISHING AN INDEPENDENT TESTING AND  
2 CERTIFICATION PROGRAM TO TEST RETAIL MARIJUANA AND RETAIL  
3 MARIJUANA PRODUCTS FROM ANY RETAIL MARIJUANA ESTABLISHMENT AT  
4 A FREQUENCY TO BE DETERMINED BY THE STATE LICENSING AUTHORITY TO  
5 ENSURE AT A MINIMUM THAT PRODUCTS DO NOT CONTAIN HARMFUL  
6 LEVELS OF RESIDUAL SOLVENTS, CHEMICALS, OR TOXINS; PRODUCTS  
7 ARE FREE OF MOLD AND MILDEW; PRODUCTS ARE FREE OF MICROBIALS  
8 SUCH AS E. COLI OR SALMONELLA; PRODUCTS ARE FREE OF PESTICIDES;  
9 AND THE THC POTENCY REPRESENTATIONS ON THE PRODUCT LABELS ARE  
10 CORRECT. IN THE EVENT THAT TEST RESULTS FOR AN END PRODUCT VARY  
11 FROM LABELED LEVELS BY FIFTEEN PERCENT OR MORE, THE PRODUCER  
12 SHALL DOCUMENT THE STEPS TAKEN TO BRING THE VARIANCE WITHIN THE  
13 ALLOWABLE LEVEL. THIS TESTING IS TO BE INITIATED AND PAID FOR BY  
14 THE PERTINENT PRODUCTION ENTITY AND COMPLETED AT A LICENSED  
15 TESTING FACILITY.

16 (B) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT  
17 SHALL RECOMMEND TO THE STATE LICENSING AUTHORITY STANDARDS  
18 AND CRITERIA FOR INDEPENDENT TESTING AND CERTIFICATION UNDER  
19 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV).

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

1 (VI) REQUIREMENTS TO PREVENT THE SALE OR DIVERSION OF  
2 RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS TO PERSONS  
3 UNDER TWENTY-ONE YEARS OF AGE;

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

9 (A) THE LICENSE NUMBER OF THE RETAIL MARIJUANA  
10 CULTIVATION LICENSE;

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

12 (C) AN IDENTITY STATEMENT AND STANDARDIZED GRAPHIC  
13 SYMBOL;

14 (D) THE BATCH NUMBER;

15 (E) A NET WEIGHT STATEMENT;

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

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

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

25 (I) WARNING LABELS;

26 (J) SOLVENTS USED IN THE EXTRACTION PROCESS;

27 (K) AMOUNT OF THC PER SERVING AND THE NUMBER OF SERVINGS

- 1 PER PACKAGE FOR MARIJUANA PRODUCTS;
- 2 (L) A LIST OF INGREDIENTS AND POSSIBLE ALLERGENS FOR RETAIL
- 3 MARIJUANA PRODUCTS;
- 4 (M) A RECOMMENDED USE BY OR EXPIRATION DATE FOR
- 5 MARIJUANA PRODUCTS;
- 6 (N) A NUTRITIONAL FACT PANEL FOR EDIBLE MARIJUANA
- 7 PRODUCTS; AND
- 8 (O) A UNIVERSAL SYMBOL INDICATING THE PACKAGE CONTAINS
- 9 MARIJUANA.
- 10 (VIII) HEALTH AND SAFETY REGULATIONS AND STANDARDS FOR
- 11 THE MANUFACTURE OF RETAIL MARIJUANA PRODUCTS AND THE
- 12 CULTIVATION OF RETAIL MARIJUANA;
- 13 (IX) LIMITATIONS ON ADVERTISING AND DISPLAY OF RETAIL
- 14 MARIJUANA AND RETAIL MARIJUANA PRODUCTS;
- 15 (X) REGULATION OF THE STORAGE OF, WAREHOUSES FOR, AND
- 16 TRANSPORTATION OF RETAIL MARIJUANA AND RETAIL MARIJUANA
- 17 PRODUCTS;
- 18 (XI) SANITARY REQUIREMENTS FOR RETAIL MARIJUANA
- 19 ESTABLISHMENTS, INCLUDING BUT NOT LIMITED TO SANITARY
- 20 REQUIREMENTS FOR THE PREPARATION OF RETAIL MARIJUANA PRODUCTS;
- 21 (XII) RECORDS TO BE KEPT BY LICENSEES AND THE REQUIRED
- 22 AVAILABILITY OF THE RECORDS;
- 23 (XIII) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES TAX
- 24 PAYMENTS BY RETAIL MARIJUANA STORES AND ANY APPLICABLE EXCISE
- 25 TAX PAYMENTS BY RETAIL MARIJUANA CULTIVATION FACILITIES;
- 26 (XIV) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO
- 27 HAVE ACCESS TO LICENSING INFORMATION TO ENSURE SALES, EXCISE, AND

1 INCOME TAX PAYMENT AND THE EFFECTIVE ADMINISTRATION OF THIS  
2 ARTICLE;

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

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

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

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

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

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

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

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



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

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

8 [REDACTED]  
9 (VIII) STATE LICENSING PROCEDURES, INCLUDING PROCEDURES  
10 FOR RENEWALS, REINSTATEMENTS, INITIAL LICENSES, AND THE PAYMENT  
11 OF LICENSING FEES;

12 [REDACTED]  
13 (IX) ESTABLISHING A SCHEDULE OF PENALTIES AND PROCEDURES  
14 FOR ISSUING AND APPEALING CITATIONS FOR VIOLATION OF STATUTES AND  
15 RULES AND ISSUING ADMINISTRATIVE CITATIONS; AND [REDACTED]

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

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

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

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

1 (B) ALLOW PACKAGING AND ACCESSORY BRANDING;

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

4 (D) A PROHIBITION ON UNSOLICITED POP-UP ADVERTISING ON THE  
5 INTERNET;

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

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

9 (G) A PROHIBITION ON MARKETING DIRECTED TOWARDS  
10 LOCATION-BASED DEVICES, INCLUDING BUT NOT LIMITED TO CELLULAR  
11 PHONES; AND

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

16 (II) PROHIBITING THE SALE OF RETAIL MARIJUANA AND RETAIL  
17 MARIJUANA PRODUCTS UNLESS:

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

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

26 (III) THE SAFE AND LAWFUL TRANSPORT OF RETAIL MARIJUANA  
27 AND RETAIL MARIJUANA PRODUCTS BETWEEN THE LICENSED BUSINESS AND

1 TESTING LABS;

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

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

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

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

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

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

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

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

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

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

24           (C) PLACING OR MODIFYING A LIMIT ON THE TOTAL AMOUNT OF  
25 PRODUCTION BY RETAIL MARIJUANA CULTIVATION LICENSEES IN THE  
26 STATE, COLLECTIVELY, BASED UPON SOME REASONABLE METRIC OR SET OF  
27 METRICS INCLUDING, BUT NOT LIMITED TO, THOSE ITEMS DETAILED IN

1 PARAGRAPH (a) OF THIS SUBSECTION (4), AS DETERMINED BY THE STATE  
2 LICENSING AUTHORITY.

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

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

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

### 12 PART 3

#### 13 STATE AND LOCAL LICENSING

14 **12-43.4-301. Local approval - licensing.** (1) WHEN THE STATE  
15 LICENSING AUTHORITY RECEIVES AN APPLICATION FOR ORIGINAL  
16 LICENSING OR RENEWAL OF AN EXISTING LICENSE FOR ANY MARIJUANA  
17 ESTABLISHMENT, THE STATE LICENSING AUTHORITY SHALL WITHIN SEVEN  
18 DAYS PROVIDE A COPY OF THE APPLICATION TO THE LOCAL JURISDICTION  
19 IN WHICH THE ESTABLISHMENT IS TO BE LOCATED UNLESS THE LOCAL  
20 JURISDICTION HAS PROHIBITED THE OPERATION OF RETAIL MARIJUANA  
21 ESTABLISHMENTS PURSUANT TO SECTION 16 (5) (f) OF ARTICLE XVIII OF  
22 THE STATE CONSTITUTION. THE LOCAL JURISDICTION SHALL DETERMINE  
23 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON  
24 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. THE  
25 LOCAL JURISDICTION SHALL INFORM THE STATE LICENSING AUTHORITY  
26 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON  
27 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES.

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

8 **12-43.4-302. Public hearing notice - posting and publication.**

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

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

25 **12-43.4-303. Retail marijuana license bond.** (1) BEFORE THE

26 STATE LICENSING AUTHORITY ISSUES A STATE LICENSE TO AN APPLICANT,  
27 THE APPLICANT SHALL PROCURE AND FILE WITH THE STATE LICENSING

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

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

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

17 **12-43.4-304. State licensing authority - application and**  
18 **issuance procedures.** (1) APPLICATIONS FOR A STATE LICENSE UNDER  
19 THE PROVISIONS OF THIS ARTICLE MUST BE MADE TO THE STATE LICENSING  
20 AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE STATE  
21 LICENSING AUTHORITY AND MUST SET FORTH SUCH INFORMATION AS THE  
22 STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE  
23 LICENSING AUTHORITY TO DETERMINE WHETHER A STATE LICENSE SHOULD  
24 BE GRANTED. THE INFORMATION MUST INCLUDE THE NAME AND ADDRESS  
25 OF THE APPLICANT AND THE NAMES AND ADDRESSES OF THE OFFICERS,  
26 DIRECTORS, OR MANAGERS. EACH APPLICATION MUST BE VERIFIED BY THE  
27 OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE

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

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

18 **12-43.4-305. Denial of application.** (1) THE STATE LICENSING  
19 AUTHORITY SHALL DENY A STATE LICENSE IF THE PREMISES ON WHICH THE  
20 APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DOES NOT MEET THE  
21 REQUIREMENTS OF THIS ARTICLE OR FOR REASONS SET FORTH IN SECTION  
22 12-43.4-304. THE STATE LICENSING AUTHORITY MAY REFUSE OR DENY  
23 A LICENSE RENEWAL, REINSTATEMENT, OR INITIAL LICENSE ISSUANCE FOR  
24 GOOD CAUSE. FOR PURPOSES OF THIS SUBSECTION (1), "GOOD CAUSE"  
25 MEANS:

26 (a) THE LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET,  
27 OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OR



1 PROVISIONS OF THIS ARTICLE, ANY RULES PROMULGATED PURSUANT TO  
2 THIS ARTICLE, OR ANY SUPPLEMENTAL LOCAL LAW, RULES, OR  
3 REGULATIONS;

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

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

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

17 **12-43.4-306. Persons prohibited as licensees.** (1) A LICENSE  
18 PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:

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

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

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

26 (d) A PERSON ASSISTED BY OR FINANCED IN WHOLE OR IN PART BY  
27 ANY OTHER PERSON WHOSE CRIMINAL HISTORY INDICATES HE OR SHE IS

1 NOT OF GOOD CHARACTER AND REPUTATION SATISFACTORY TO THE  
2 RESPECTIVE LICENSING AUTHORITY;

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

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

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

9 (II) PAY ANY TAXES, INTEREST, OR PENALTIES DUE THE  
10 DEPARTMENT OF REVENUE RELATING TO A RETAIL MARIJUANA  
11 ESTABLISHMENT;

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

26 (h) A PERSON WHO EMPLOYS ANOTHER PERSON AT A RETAIL  
27 MARIJUANA ESTABLISHMENT WHO HAS NOT SUBMITTED FINGERPRINTS FOR

1 A CRIMINAL HISTORY RECORD CHECK OR WHOSE CRIMINAL RECORD  
2 HISTORY CHECK REVEALS THAT THE PERSON IS INELIGIBLE;

3 (i) A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR PROSECUTING  
4 OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE LICENSING  
5 AUTHORITY OR A LOCAL LICENSING AUTHORITY;

6 (j) A PERSON FOR A LICENSE FOR A LOCATION THAT IS CURRENTLY  
7 LICENSED AS A RETAIL FOOD ESTABLISHMENT OR WHOLESALE FOOD  
8 REGISTRANT; OR

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

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

24 (b) AS USED IN PARAGRAPH (a) OF THIS SUBSECTION (2), "CRIMINAL  
25 JUSTICE AGENCY" MEANS ANY FEDERAL, STATE, OR MUNICIPAL COURT OR  
26 ANY GOVERNMENTAL AGENCY OR SUBUNIT OF SUCH AGENCY THAT  
27 ADMINISTERS CRIMINAL JUSTICE PURSUANT TO A STATUTE OR EXECUTIVE

1 ORDER AND THAT ALLOCATES A SUBSTANTIAL PART OF ITS ANNUAL  
2 BUDGET TO THE ADMINISTRATION OF CRIMINAL JUSTICE.

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

27 **12-43.4-307. Restrictions for applications for new licenses.**

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

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

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

15 == ===== ==

16 **12-43.4-308. Transfer of ownership.** (1) A STATE LICENSE  
17 GRANTED UNDER THE PROVISIONS OF THIS ARTICLE IS NOT TRANSFERABLE  
18 EXCEPT AS PROVIDED IN THIS SECTION, BUT THIS SECTION DOES NOT  
19 PREVENT A CHANGE OF LOCATION AS PROVIDED IN SECTION 12-43.4-310  
20 (12).

21 (2) FOR A TRANSFER OF OWNERSHIP, A LICENSE HOLDER SHALL  
22 APPLY TO THE STATE LICENSING AUTHORITY ON FORMS PREPARED AND  
23 FURNISHED BY THE STATE LICENSING AUTHORITY. UPON RECEIPT OF AN  
24 APPLICATION FOR TRANSFER OF OWNERSHIP, THE STATE LICENSING  
25 AUTHORITY SHALL, WITHIN TWO BUSINESS DAYS, SUBMIT A COPY OF THE  
26 APPLICATION TO THE LOCAL JURISDICTION TO DETERMINE WHETHER THE  
27 TRANSFER COMPLIES WITH LOCAL RESTRICTION ON TRANSFER OF

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

15 **12-43.4-309. Licensing in general.** (1) LOCAL JURISDICTIONS  
16 ARE AUTHORIZED TO ADOPT AND ENFORCE REGULATIONS FOR RETAIL  
17 MARIJUANA ESTABLISHMENTS THAT ARE AT LEAST AS RESTRICTIVE AS THE  
18 PROVISIONS OF THIS ARTICLE AND ANY RULE PROMULGATED PURSUANT TO  
19 THIS ARTICLE.

20 (2) A RETAIL MARIJUANA ESTABLISHMENT MAY NOT OPERATE  
21 UNTIL IT IS LICENSED BY THE STATE LICENSING AUTHORITY PURSUANT TO  
22 THIS ARTICLE AND APPROVED BY THE LOCAL JURISDICTION. IF THE STATE  
23 LICENSING AUTHORITY ISSUES THE APPLICANT A STATE LICENSE AND THE  
24 LOCAL JURISDICTION SUBSEQUENTLY DENIES THE APPROVAL, THE STATE  
25 LICENSING AUTHORITY SHALL CONSIDER THE LOCAL JURISDICTION DENIAL  
26 AS A BASIS FOR THE REVOCATION OF THE STATE-ISSUED LICENSE. IN  
27 CONNECTION WITH A LICENSE, THE APPLICANT SHALL PROVIDE A

1 COMPLETE AND ACCURATE APPLICATION AS REQUIRED BY THE STATE  
2 LICENSING AUTHORITY.

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

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

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

26 (6) BEFORE GRANTING A STATE LICENSE, THE STATE LICENSING  
27 AUTHORITY MAY CONSIDER, EXCEPT WHEN THIS ARTICLE SPECIFICALLY

1 PROVIDES OTHERWISE, THE REQUIREMENTS OF THIS ARTICLE AND ANY  
2 RULES PROMULGATED PURSUANT TO THIS ARTICLE, AND ALL OTHER  
3 REASONABLE RESTRICTIONS THAT ARE OR MAY BE PLACED UPON THE  
4 LICENSEE BY THE LICENSING AUTHORITY. ■ ■

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

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

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

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

25 (10) A LICENSEE SHALL REPORT EACH TRANSFER OR CHANGE OF  
26 FINANCIAL INTEREST IN THE LICENSE TO THE STATE AND LOCAL LICENSING  
27 AUTHORITIES AND RECEIVE APPROVAL PRIOR TO ANY TRANSFER OR



1 CHANGE PURSUANT TO SECTION 12-43.4-308. A REPORT IS REQUIRED FOR  
2 TRANSFERS OF CAPITAL STOCK OF ANY CORPORATION REGARDLESS OF  
3 SIZE.

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

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

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

26 **12-43.4-310. License renewal.** (1) NINETY DAYS PRIOR TO THE  
27 EXPIRATION DATE OF AN EXISTING LICENSE, THE STATE LICENSING

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

22 (2) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF  
23 THIS SECTION, A LICENSEE WHOSE LICENSE HAS BEEN EXPIRED FOR NOT  
24 MORE THAN NINETY DAYS MAY FILE A LATE RENEWAL APPLICATION UPON  
25 THE PAYMENT OF A NONREFUNDABLE LATE APPLICATION FEE OF FIVE  
26 HUNDRED DOLLARS TO THE STATE LICENSING AUTHORITY. A LICENSEE  
27 WHO FILES A LATE RENEWAL APPLICATION AND PAYS THE REQUISITE FEES

1 MAY CONTINUE TO OPERATE UNTIL THE STATE LICENSING AUTHORITY  
2 TAKES FINAL ACTION TO APPROVE OR DENY THE LICENSEE'S LATE  
3 RENEWAL APPLICATION UNLESS THE STATE LICENSING AUTHORITY  
4 SUMMARILY SUSPENDS THE LICENSE PURSUANT TO ARTICLE 4 OF TITLE 24,  
5 C.R.S., THIS ARTICLE, AND RULES PROMULGATED PURSUANT TO THIS  
6 ARTICLE.

7 (b) THE STATE LICENSING AUTHORITY MAY ADMINISTRATIVELY  
8 CONTINUE THE LICENSE AND ACCEPT A LATER APPLICATION FOR RENEWAL  
9 OF A LICENSE AT THE DISCRETION OF THE STATE LICENSING AUTHORITY.

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

20 **12-43.4-311. Inactive licenses.** THE STATE LICENSING AUTHORITY,  
21 IN ITS DISCRETION, MAY REVOKE OR ELECT NOT TO RENEW ANY LICENSE IF  
22 IT DETERMINES THAT THE LICENSED PREMISES HAVE BEEN INACTIVE,  
23 WITHOUT GOOD CAUSE, FOR AT LEAST ONE YEAR.

24 **12-43.4-312. Unlawful financial assistance.** (1) THE STATE  
25 LICENSING AUTHORITY SHALL REQUIRE A COMPLETE DISCLOSURE OF ALL  
26 PERSONS HAVING A DIRECT OR INDIRECT FINANCIAL INTEREST, AND THE  
27 EXTENT OF SUCH INTEREST, IN EACH LICENSE ISSUED UNDER THIS ARTICLE.

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

5 PART 4

6 LICENSE TYPES

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

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

27 (2) (a) A PERSON MAY OPERATE A LICENSED MEDICAL MARIJUANA

1 CENTER, AN OPTIONAL CULTIVATION FACILITY, A MEDICAL  
2 MARIJUANA-INFUSED PRODUCTS MANUFACTURING FACILITY, AND ANY  
3 RETAIL MARIJUANA ESTABLISHMENT AT THE SAME LOCATION == IF THE  
4 LOCAL JURISDICTION PERMITS A DUAL OPERATION.

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

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

16 (c) A DUAL CULTIVATION BUSINESS OPERATION SHALL MAINTAIN  
17 EITHER PHYSICAL OR VIRTUAL SEPARATION OF THE TWO FACILITIES AND  
18 THE PLANTS AND INVENTORY OF THE TWO FACILITIES.

19 (3) ALL PERSONS LICENSED PURSUANT TO THIS ARTICLE SHALL  
20 COLLECT SALES TAX ON ALL RETAIL SALES MADE AT A RETAIL MARIJUANA  
21 STORE.

22 **12-43.4-402. Retail marijuana store license.** (1) (a) A RETAIL  
23 MARIJUANA STORE LICENSE SHALL BE ISSUED ONLY TO A PERSON SELLING  
24 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS PURSUANT TO THE  
25 TERMS AND CONDITIONS OF THIS ARTICLE.

26 (b) (I) A RETAIL MARIJUANA STORE MAY CULTIVATE ITS OWN  
27

1 RETAIL MARIJUANA IF IT OBTAINS A RETAIL MARIJUANA CULTIVATION  
2 FACILITY LICENSE OR IT MAY PURCHASE RETAIL MARIJUANA FROM A  
3 LICENSED RETAIL MARIJUANA CULTIVATION FACILITY.

4 (II) A RETAIL MARIJUANA STORE SHALL TRACK ALL OF ITS RETAIL  
5 MARIJUANA FROM THE POINT IT IS EITHER TRANSFERRED FROM ITS RETAIL  
6 MARIJUANA CULTIVATION FACILITY OR THE POINT WHEN IT IS DELIVERED  
7 TO THE RETAIL MARIJUANA STORE FROM ANOTHER LICENSED RETAIL  
8 MARIJUANA CULTIVATION FACILITY TO THE POINT OF SALE.

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

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

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

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

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5 (III) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,  
6 2015.

7 (d) A RETAIL MARIJUANA STORE SHALL NOT ACCEPT ANY RETAIL  
8 MARIJUANA PURCHASED FROM A RETAIL MARIJUANA CULTIVATION  
9 FACILITY UNLESS THE RETAIL MARIJUANA STORE IS PROVIDED WITH  
10 EVIDENCE THAT ANY APPLICABLE EXCISE TAX DUE, PURSUANT TO ARTICLE  
11 28.8 OF TITLE 39, C.R.S., WAS PAID.

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

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

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

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

1 OF THE STATE OF COLORADO.

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

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

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

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

23 (7) (a) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL  
24 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS,  MARIJUANA  
25 ACCESSORIES, AND MARIJUANA RELATED PRODUCTS SUCH AS CHILD PROOF  
26 PACKAGING CONTAINERS, BUT SHALL BE PROHIBITED FROM SELLING OR  
27 GIVING AWAY ANY CONSUMABLE PRODUCT, INCLUDING BUT NOT LIMITED



1 TO CIGARETTES OR ALCOHOL, OR EDIBLE PRODUCT THAT DOES NOT  
2 CONTAIN MARIJUANA, INCLUDING BUT NOT LIMITED TO SODAS, CANDIES,  
3 OR BAKED GOODS.

4 (b) A LICENSED RETAIL MARIJUANA STORE MAY NOT SELL ANY  
5 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS THAT CONTAIN  
6 NICOTINE OR ALCOHOL.

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

12 (8) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL RETAIL  
13 MARIJUANA AND RETAIL MARIJUANA PRODUCTS IN PACKAGING THAT  
14 CONFORMS TO THE REGULATIONS ADOPTED BY THE STATE LICENSING  
15 AUTHORITY.

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

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

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

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

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

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

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

25           (d) RETAIL MARIJUANA CULTIVATION FACILITY LICENSES MAY BE  
26 COMBINED IN A COMMON AREA SOLELY FOR THE PURPOSES OF GROWING  
27 AND CULTIVATING RETAIL MARIJUANA AND USED TO PROVIDE RETAIL

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

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

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

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

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

1 FACILITY, THE IDENTITY OF THE TESTING FACILITY, AND THE TESTING  
2 RESULTS.

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

6 **12-43.4-404. Retail marijuana products manufacturing**  
7 **license.** (1) (a) A RETAIL MARIJUANA PRODUCTS MANUFACTURING  
8 LICENSE MAY BE ISSUED TO A PERSON WHO MANUFACTURES RETAIL  
9 MARIJUANA PRODUCTS, PURSUANT TO THE TERMS AND CONDITIONS OF  
10 THIS ARTICLE.

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

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

27 (II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,

1     2015.

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

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

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

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

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

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

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

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

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

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

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

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

1 METHODS.

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

17 PART 5

18 FEES

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

26 (2) THE APPLICATION FEE FOR A PERSON APPLYING PURSUANT TO  
27 SECTION 12-43.4-104 (1) (b) SHALL BE FIVE THOUSAND DOLLARS. THE

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

11  
12 (3) A LOCAL JURISDICTION IN WHICH A LICENSE UNDER THIS  
13 ARTICLE MAY BE PERMITTED MAY ADOPT AND IMPOSE OPERATING FEES IN  
14 AN AMOUNT DETERMINED BY THE LOCAL JURISDICTION ON MARIJUANA  
15 ESTABLISHMENTS LOCATED WITHIN THE LOCAL JURISDICTION.

## 16 PART 6

### 17 DISCIPLINARY ACTIONS

18 **12-43.4-601. Suspension - revocation - fines.** (1) IN ADDITION TO  
19 ANY OTHER SANCTIONS PRESCRIBED BY THIS ARTICLE OR RULES  
20 PROMULGATED PURSUANT TO THIS ARTICLE, THE STATE LICENSING  
21 AUTHORITY HAS THE POWER, ON ITS OWN MOTION OR ON COMPLAINT,  
22 AFTER INVESTIGATION AND OPPORTUNITY FOR A PUBLIC HEARING AT  
23 WHICH THE LICENSEE MUST BE AFFORDED AN OPPORTUNITY TO BE HEARD,  
24 TO FINE A LICENSEE OR TO SUSPEND OR REVOKE A LICENSE ISSUED BY THE  
25 AUTHORITY FOR A VIOLATION BY THE LICENSEE OR BY ANY OF THE AGENTS  
26 OR EMPLOYEES OF THE LICENSEE OF THE PROVISIONS OF THIS ARTICLE, OR  
27 ANY OF THE RULES PROMULGATED PURSUANT TO THIS ARTICLE, OR OF ANY



1 OF THE TERMS, CONDITIONS, OR PROVISIONS OF THE LICENSE ISSUED BY  
2 THE STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY HAS  
3 THE POWER TO ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE  
4 PRESENCE OF PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND  
5 RECORDS NECESSARY TO THE DETERMINATION OF A HEARING THAT THE  
6 STATE AUTHORITY IS AUTHORIZED TO CONDUCT.


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

22 (3) (a) WHENEVER A DECISION OF THE STATE LICENSING  
23 AUTHORITY SUSPENDING A LICENSE FOR FOURTEEN DAYS OR LESS  
24 BECOMES FINAL, THE LICENSEE MAY, BEFORE THE OPERATIVE DATE OF THE  
25 SUSPENSION, PETITION FOR PERMISSION TO PAY A FINE IN LIEU OF HAVING  
26 THE LICENSE SUSPENDED FOR ALL OR PART OF THE SUSPENSION PERIOD.  
27 UPON THE RECEIPT OF THE PETITION, THE STATE AUTHORITY MAY, IN ITS

1 SOLE DISCRETION, STAY THE PROPOSED SUSPENSION AND CAUSE ANY  
2 INVESTIGATION TO BE MADE WHICH IT DEEMS DESIRABLE AND MAY, IN ITS  
3 SOLE DISCRETION, GRANT THE PETITION IF THE STATE LICENSING  
4 AUTHORITY IS SATISFIED THAT:

5 (I) THE PUBLIC WELFARE WOULD NOT BE IMPAIRED BY PERMITTING  
6 THE LICENSEE TO OPERATE DURING THE PERIOD SET FOR SUSPENSION AND  
7 THAT THE PAYMENT OF THE FINE WILL ACHIEVE THE DESIRED  
8 DISCIPLINARY PURPOSES; AND

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

13   
14 (b) THE FINE ACCEPTED SHALL BE NOT LESS THAN FIVE HUNDRED  
15 DOLLARS NOR MORE THAN ONE HUNDRED THOUSAND DOLLARS.

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

20 (4) UPON PAYMENT OF THE FINE PURSUANT TO SUBSECTION (3) OF  
21 THIS SECTION, THE STATE LICENSING AUTHORITY SHALL ENTER ITS  
22 FURTHER ORDER PERMANENTLY STAYING THE IMPOSITION OF THE  
23 SUSPENSION. FINES PAID TO THE STATE LICENSING AUTHORITY PURSUANT  
24 TO SUBSECTION (3) OF THIS SECTION SHALL BE TRANSMITTED TO THE  
25 STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE MARIJUANA  
26 CASH FUND CREATED IN SECTION 12-43.3-501.

27 (5) IN CONNECTION WITH A PETITION PURSUANT TO SUBSECTION (3)

1 OF THIS SECTION, THE AUTHORITY OF THE STATE LICENSING AUTHORITY IS  
2 LIMITED TO THE GRANTING OF SUCH STAYS AS ARE NECESSARY FOR THE  
3 AUTHORITY TO COMPLETE ITS INVESTIGATION AND MAKE ITS FINDINGS  
4 AND, IF THE AUTHORITY MAKES SUCH FINDINGS, TO THE GRANTING OF AN  
5 ORDER PERMANENTLY STAYING THE IMPOSITION OF THE ENTIRE  
6 SUSPENSION OR THAT PORTION OF THE SUSPENSION NOT OTHERWISE  
7 CONDITIONALLY STAYED.

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

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

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

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

5           (3) A STATE OR LOCAL AGENCY SHALL NOT BE REQUIRED TO  
6 CULTIVATE OR CARE FOR ANY RETAIL MARIJUANA OR RETAIL MARIJUANA  
7 PRODUCT BELONGING TO OR SEIZED FROM A LICENSEE. A STATE OR LOCAL  
8 AGENCY SHALL NOT BE AUTHORIZED TO SELL MARIJUANA, RETAIL OR  
9 OTHERWISE.

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

26           (5) FOLLOWING THE ISSUANCE OF A FINAL AGENCY ORDER BY THE  
27 STATE LICENSING AUTHORITY AGAINST A LICENSEE AND ORDERING

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

25 (6) A DISTRICT ATTORNEY SHALL NOTIFY THE STATE LICENSING  
26 AUTHORITY IF IT BEGINS INVESTIGATING A RETAIL MARIJUANA  
27 ESTABLISHMENT. IF THE STATE LICENSING AUTHORITY HAS RECEIVED

1 NOTIFICATION FROM A DISTRICT ATTORNEY THAT AN INVESTIGATION IS  
2 BEING CONDUCTED, THE STATE LICENSING AUTHORITY SHALL NOT  
3 DESTROY ANY MARIJUANA OR MARIJUANA PRODUCTS FROM THE RETAIL  
4 MARIJUANA ESTABLISHMENT UNTIL THE DESTRUCTION IS APPROVED BY  
5 THE DISTRICT ATTORNEY.

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

9 PART 7

10 INSPECTION OF BOOKS AND RECORDS

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

24 (2) THE LICENSED PREMISES, INCLUDING ANY PLACES OF STORAGE  
25 WHERE RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS ARE  
26 STORED, CULTIVATED, SOLD, DISPENSED, OR TESTED SHALL BE SUBJECT TO  
27 INSPECTION BY THE STATE OR LOCAL JURISDICTIONS AND THEIR

1 INVESTIGATORS, DURING ALL BUSINESS HOURS AND OTHER TIMES OF  
2 APPARENT ACTIVITY, FOR THE PURPOSE OF INSPECTION OR INVESTIGATION.  
3 ACCESS SHALL BE REQUIRED DURING BUSINESS HOURS FOR EXAMINATION  
4 OF ANY INVENTORY OR BOOKS AND RECORDS REQUIRED TO BE KEPT BY  
5 THE LICENSEES. WHEN ANY PART OF THE LICENSED PREMISES CONSISTS OF  
6 A LOCKED AREA, UPON DEMAND TO THE LICENSEE, SUCH AREA SHALL BE  
7 MADE AVAILABLE FOR INSPECTION WITHOUT DELAY, AND, UPON REQUEST  
8 BY AUTHORIZED REPRESENTATIVES OF THE STATE OR LOCAL JURISDICTION,  
9 THE LICENSEE SHALL OPEN THE AREA FOR INSPECTION.

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

#### 14 PART 8

#### 15 JUDICIAL REVIEW

16 **12-43.4-801. Judicial review.** DECISIONS BY THE STATE  
17 LICENSING AUTHORITY ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO  
18 SECTION 24-4-106, C.R.S.

#### 19 PART 9

#### 20 UNLAWFUL ACTS

21 **12-43.4-901. Unlawful acts - exceptions.** (1) EXCEPT AS  
22 OTHERWISE PROVIDED IN THIS ARTICLE, IT IS UNLAWFUL FOR A PERSON TO  
23 CONSUME RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS IN A  
24 LICENSED RETAIL MARIJUANA ESTABLISHMENT, AND IT IS UNLAWFUL FOR  
25 A RETAIL MARIJUANA LICENSEE TO ALLOW RETAIL MARIJUANA OR RETAIL  
26 MARIJUANA PRODUCTS TO BE CONSUMED UPON ITS LICENSED PREMISES.

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

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

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


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

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

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

20 (c) TO FAIL TO REPORT A TRANSFER REQUIRED BY SECTION  
21 12-43.4-309 (10); OR

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

24   
25 (4) IT IS UNLAWFUL FOR ANY PERSON LICENSED TO SELL RETAIL  
26 MARIJUANA OR RETAIL MARIJUANA PRODUCTS PURSUANT TO THIS ARTICLE:

27 (a) TO DISPLAY ANY SIGNS THAT ARE INCONSISTENT WITH LOCAL



1 LAWS OR REGULATIONS;

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

4 (c) TO PROVIDE PUBLIC PREMISES, OR ANY PORTION THEREOF, FOR  
5 THE PURPOSE OF CONSUMPTION OF RETAIL MARIJUANA OR RETAIL  
6 MARIJUANA PRODUCTS IN ANY FORM;

7

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

10

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

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

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

21

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

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

8 PART 10

9 SUNSET REVIEWS

10 **12-43.4-1001. Sunset review - article repeal.** (1) THIS ARTICLE  
11 IS REPEALED, EFFECTIVE JULY 1, 2016.

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

15 PART 11

16 SEVERABILITY

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

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

3           **16-2.5-124.5. Director of marijuana enforcement and medical**  
4 **marijuana enforcement INVESTIGATOR.** THE DIRECTOR OF THE  
5 MARIJUANA ENFORCEMENT DIVISION OR A ~~medical~~ marijuana enforcement  
6 investigator is a peace officer while engaged in the performance of his or  
7 her duties and while acting under proper orders or rules pursuant to article  
8 43.3 OR 43.4 of title 12, C.R.S., and shall also include the enforcement of  
9 all laws of the state of Colorado and who may be certified by the P.O.S.T.  
10 board.

11           == ==  
12           **SECTION 7.** In Colorado Revised Statutes, 24-34-104, **add** (47)  
13 (d) as follows:

14           **24-34-104. General assembly review of regulatory agencies**  
15 **and functions for termination, continuation, or reestablishment.**  
16 (47) The following agencies, functions, or both shall terminate on July  
17 1, 2016:

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

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

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

9           (3) In addition to any other appropriation, there is hereby  
10 appropriated to the department of law, for the fiscal year beginning July  
11 1, 2013, the sum of \$70,684 and 0.5 FTE, or so much thereof as may be  
12 necessary, for the provision of legal services for the department of  
13 revenue related to the implementation of this act. Said sum is from  
14 reappropriated funds received from the department of revenue out of the  
15 appropriation made in subsection (1) of this section.

16           (4) In addition to any other appropriation, there is hereby  
17 appropriated, out of any moneys in the marijuana cash fund created in  
18 section 12-43.3-501 (1) (a), Colorado Revised Statutes, not otherwise  
19 appropriated, to the department of law, for the fiscal year beginning July  
20 1, 2013, the sum of \$76,000, or so much thereof as may be necessary, for  
21 allocation to the criminal justice and appellate unit for peace officers  
22 standards and training board support expenses related to the  
23 implementation of section 24-31-313, Colorado Revised Statutes.

24           (5) In addition to any other appropriation, there is hereby  
25 appropriated, out of any moneys in the laboratory cash fund created in  
26 section 25-1.5-101 (1) (e) (II), Colorado Revised Statutes, not otherwise  
27 appropriated, to the department of public health and environment, for the

1 fiscal year beginning July 1, 2013, the sum of \$87,615 and 1.0 FTE, or so  
2 much thereof as may be necessary, to be allocated to laboratory services  
3 for chemistry and microbiology operating expenses for the  
4 implementation of this act as follows:

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

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

8 (6) In addition to any other appropriation, there is hereby  
9 appropriated to the governor - lieutenant governor - state planning and  
10 budgeting, for the fiscal year beginning July 1, 2013, the sum of \$14,800,  
11 or so much thereof as may be necessary, for allocation to the office of  
12 information technology, for the provision of computer center services for  
13 the department of public health and environment related to the  
14 implementation of this act. Said sum is from reappropriated funds  
15 received from the department of public health and environment out of the  
16 appropriation made in paragraph (b) of subsection (6) of this section.

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

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

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

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

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