

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

April 25, 2013
Date

Committee on Finance.

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

HB13-1317 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend printed bill, page 10, line 23, strike "FACILITIES." and substitute
- 2 "OR ONLY SELL MEDICAL MARIJUANA TO PERSONS TWENTY-ONE YEARS OF
- 3 AGE OR OLDER."

- 4 Page 11, line 4, after "(b)" insert "(I) (A)".

- 5 Page 11, strike line 6 and substitute "MAY SUBMIT NOTICE OF INTENT TO
- 6 APPLY FOR LICENSURE PURSUANT TO THIS ARTICLE. THE STATE LICENSING
- 7 AUTHORITY SHALL ESTABLISH A FORM FOR THE NOTICE AND MAY COLLECT
- 8 A NOTICE FEE THAT SHALL BE DEDUCTED FROM THE AMOUNT OF THE
- 9 LICENSE FEE. THE STATE LICENSING AUTHORITY SHALL FORWARD TO THE
- 10 LOCAL JURISDICTION THE NOTICE OF INTENT TO APPLY AND ONE-HALF OF
- 11 THE NOTICE FEE.
- 12 (B) THIS SUBPARAGRAPH (I) IS REPEALED, EFFECTIVE JULY 1, 2015.
- 13 (II) ON AND AFTER JULY 1, 2014, PERSONS WHO DID NOT MEET THE
- 14 REQUIREMENTS OF SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS
- 15 SUBSECTION (1) MAY APPLY FOR LICENSURE PURSUANT TO THIS ARTICLE."

- 16 Page 11, line 14, after "(b)" insert "(I)".

- 17 Page 11, line 17, after "APPLICATION." add "THE STATE LICENSING
- 18 AUTHORITY SHALL PROCESS APPLICATIONS IN THE ORDER IN WHICH
- 19 COMPLETE APPLICATIONS ARE RECEIVED BY THE STATE LICENSING
- 20 AUTHORITY."

1 Page 11, after line 17, insert:

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

6 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JULY 1,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

8 Page 12, after line 17 insert:

9 "(6) (a) ON OR BEFORE APRIL 1, 2014, THE STATE LICENSING
10 AUTHORITY SHALL SUBMIT A REPORT TO THE FINANCE COMMITTEES OF THE
11 SENATE AND HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR
12 COMMITTEES, ON THE STATUS OF APPLICATIONS FOR LICENSURE UNDER
13 THIS ARTICLE, INCLUDING BUT NOT LIMITED TO THE NUMBER OF
14 APPLICATIONS RECEIVED, THE NUMBER OF APPLICATIONS APPROVED BY
15 THE STATE, THE NUMBER OF APPLICATIONS DENIED BY THE STATE, THE
16 NUMBER OF APPLICATIONS PENDING, AND THE NUMBER OF NOTICES OF
17 INTENT TO APPLY RECEIVED.

18 (b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2014."

19 Page 13, strike lines 21 through 24 and substitute:

20 "(b) PROMULGATE ON OR BEFORE JULY 1, 2013, ALL RULES FOR THE
21 PROPER REGULATION AND CONTROL OF THE CULTIVATION, MANUFACTURE,
22 DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA AND FOR THE
23 ENFORCEMENT OF THIS ARTICLE; AND PROMULGATE AMENDED RULES AND
24 SUCH SPECIAL RULINGS AND FINDINGS AS NECESSARY;"

25 Page 26, line 23, strike "AN EMPLOYEE IF THE EMPLOYEE" and substitute
26 "A PERSON IF THE PERSON".

27 Page 26, line 24, strike "A CONTROLLED SUBSTANCE" and substitute
28 "MARIJUANA OR MARIJUANA CONCENTRATE".

29 Page 33, line 14, strike "WITH RESPECT TO A SECOND OR".

30 Page 33, strike lines 15 through 18.

31 Page 38, line 21, strike "A" and substitute "(I) EXCEPT AS PROVIDED IN
32 SUBPARAGRAPH (II) OF THIS PARAGRAPH (b), A".

1 Page 38, after line 24 insert:

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

8 Page 39, after line 19 insert:

9 "(c) (I) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF
10 THIS SUBSECTION (1), 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; EXCEPT THAT THE DIRECTOR OF THE
23 STATE LICENSING AUTHORITY MAY GRANT A TEMPORARY WAIVER:

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

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

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

33 (IV) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,
34 2015."

35 Reletter succeeding paragraph accordingly.

36 Page 41, line 5, strike "AND".

1 Page 41, strike lines 6 and 7 and substitute:

2 "ACCESSORIES, AND MARIJUANA RELATED PRODUCTS SUCH AS CHILD
3 PROOF PACKAGING CONTAINERS, BUT SHALL BE PROHIBITED FROM SELLING
4 OR GIVING AWAY ANY CONSUMABLE PRODUCT, INCLUDING BUT NOT
5 LIMITED TO CIGARETTES OR ALCOHOL, OR EDIBLE PRODUCT THAT DOES
6 NOT CONTAIN MARIJUANA, INCLUDING BUT NOT LIMITED TO SODAS,
7 CANDIES, OR BAKED GOODS."

8 Page 41, after line 24 insert:

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

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

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

28 (d) RETAIL MARIJUANA CULTIVATION FACILITY LICENSES MAY BE
29 COMBINED IN A COMMON AREA SOLELY FOR THE PURPOSES OF GROWING
30 AND CULTIVATING RETAIL MARIJUANA AND USED TO PROVIDE RETAIL
31 MARIJUANA TO MORE THAN ONE LICENSED RETAIL MARIJUANA STORE OR
32 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER SO LONG AS THE
33 HOLDER OF THE RETAIL MARIJUANA CULTIVATION LICENSE IS ALSO A
34 COMMON OWNER OF EACH LICENSED RETAIL MARIJUANA STORE OR
35 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER TO WHICH
36 RETAIL MARIJUANA IS PROVIDED. IN ACCORDANCE WITH PROMULGATED
37 RULES RELATING TO PLANT AND PRODUCT TRACKING REQUIREMENTS,
38 EACH RETAIL MARIJUANA CULTIVATION LICENSEE SHALL SUPPLY RETAIL

1 MARIJUANA ONLY TO ITS ASSOCIATED LICENSED RETAIL MARIJUANA
2 STORES OR LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURERS.
3 (e) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JANUARY 1,
4 2015."

5 Renumber succeeding subsections accordingly.

6 Page 42, line 14, after "FACILITY." insert "A RETAIL MARIJUANA
7 PRODUCTS MANUFACTURER LICENSEE THAT HAS A RETAIL MARIJUANA
8 CULTIVATION FACILITY LICENSE SHALL NOT SELL ANY OF THE RETAIL
9 MARIJUANA THAT IT CULTIVATES EXCEPT FOR THE RETAIL MARIJUANA
10 THAT IS CONTAINED IN ITS RETAIL MARIJUANA PRODUCTS."

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