

NOTE: The governor signed this measure on 5/29/2015.

An Act

HOUSE BILL 15-1379

BY REPRESENTATIVE(S) Pabon, Ginal, Melton, Rosenthal;
also SENATOR(S) Hill, Steadman.

CONCERNING CREATION OF MARIJUANA PERMITTED ECONOMIC INTEREST REGISTRATIONS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 12-43.3-104, **add** (12.3) and (12.4) as follows:

12-43.3-104. Definitions. As used in this article, unless the context otherwise requires:

(12.3) "OWNER" MEANS ANY PERSON HAVING A BENEFICIAL INTEREST, AS DEFINED BY THE STATE LICENSING AUTHORITY, IN A MEDICAL MARIJUANA BUSINESS OTHER THAN A HOLDER OF A PERMITTED ECONOMIC INTEREST.

(12.4) "PERMITTED ECONOMIC INTEREST" MEANS ANY UNSECURED CONVERTIBLE DEBT INSTRUMENT, OPTION AGREEMENT, WARRANT, OR ANY OTHER RIGHT TO OBTAIN AN OWNERSHIP INTEREST WHEN THE HOLDER OF

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

SUCH INTEREST IS A NATURAL PERSON WHO IS A LAWFUL UNITED STATES RESIDENT AND WHOSE RIGHT TO CONVERT INTO AN OWNERSHIP INTEREST IS CONTINGENT ON THE HOLDER QUALIFYING AND OBTAINING A LICENSE AS AN OWNER UNDER THIS ARTICLE; OR SUCH OTHER AGREEMENTS AS MAY BE PERMITTED BY RULE OF THE STATE LICENSING AUTHORITY.

SECTION 2. In Colorado Revised Statutes, 12-43.3-202, **add** (2) (a) (XVIII.5) as follows:

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

(2) (a) Rules promulgated pursuant to paragraph (b) of subsection (1) of this section may include, but need not be limited to, the following subjects:

(XVIII.5) RULES EFFECTIVE ON OR BEFORE JANUARY 1, 2016, RELATING TO PERMITTED ECONOMIC INTERESTS INCLUDING: A PROCESS FOR A CRIMINAL HISTORY RECORD CHECK, A REQUIREMENT THAT A PERMITTED ECONOMIC INTEREST APPLICANT SUBMIT TO AND PASS A CRIMINAL HISTORY RECORD CHECK, DIVESTITURE, AND OTHER AGREEMENTS THAT WOULD QUALIFY AS PERMITTED ECONOMIC INTERESTS.

SECTION 3. In Colorado Revised Statutes, 12-43.4-103, **amend** (12); and **add** (12.4) as follows:

12-43.4-103. Definitions. As used in this article, unless the context otherwise requires:

(12) "Owner" means any person having a beneficial interest, as defined by the state licensing authority, in a retail marijuana establishment OTHER THAN A HOLDER OF A PERMITTED ECONOMIC INTEREST.

(12.4) "PERMITTED ECONOMIC INTEREST" MEANS ANY UNSECURED CONVERTIBLE DEBT INSTRUMENT, OPTION AGREEMENT, WARRANT, OR ANY OTHER RIGHT TO OBTAIN AN OWNERSHIP INTEREST WHEN THE HOLDER OF SUCH INTEREST IS A NATURAL PERSON WHO IS A LAWFUL UNITED STATES RESIDENT AND WHOSE RIGHT TO CONVERT INTO AN OWNERSHIP INTEREST IS CONTINGENT ON THE HOLDER QUALIFYING AND OBTAINING A LICENSE AS AN OWNER UNDER THIS ARTICLE OR SUCH OTHER AGREEMENTS AS MAY BE PERMITTED BY RULE BY THE STATE LICENSING AUTHORITY.

SECTION 4. In Colorado Revised Statutes, 12-43.4-202, **add** (3)

(a) (XIV.5) as follows:

12-43.4-202. Powers and duties of state licensing authority - rules. (3) (a) Rules promulgated pursuant to paragraph (b) of subsection (2) of this section must include, but need not be limited to, the following subjects:

(XIV.5) RULES EFFECTIVE ON OR BEFORE JANUARY 1, 2016, RELATING TO PERMITTED ECONOMIC INTERESTS INCLUDING A PROCESS FOR A CRIMINAL HISTORY RECORD CHECK, A REQUIREMENT THAT A PERMITTED ECONOMIC INTEREST APPLICANT SUBMIT TO AND PASS A CRIMINAL HISTORY RECORD CHECK, DIVESTITURE, AND OTHER AGREEMENTS THAT WOULD QUALIFY AS PERMITTED ECONOMIC INTERESTS.

SECTION 5. In Colorado Revised Statutes, 39-28.8-501, **add** (4) (c) as follows:

39-28.8-501. Marijuana tax cash fund - creation - distribution - repeal. (4) The state treasurer shall make the following transfers from the fund to the general fund:

(c) ON AUGUST 15, 2015, ONE HUNDRED THIRTY-EIGHT THOUSAND FOUR HUNDRED SIXTY-SIX DOLLARS.

SECTION 6. Appropriation. (1) For the 2015-16 state fiscal year, \$166,305 is appropriated to the department of revenue for use by the marijuana enforcement division. This appropriation is from the marijuana cash fund created in section 12-43.3-501 (1) (a), C.R.S., and is based on an assumption that the division will require an additional 1.4 FTE. To implement this act, the division may use this appropriation for marijuana enforcement.

(2) For the 2015-16 state fiscal year, \$15,999 is appropriated to the department of public safety for use by the Colorado bureau of investigation. This appropriation is from reappropriated funds received from the department of revenue under subsection (1) of this section. To implement this act, the bureau may use this appropriation for operating expenses related to identification.

(3) For the 2015-16 state fiscal year, \$33,254 is appropriated to the

department of law. This appropriation is from reappropriated funds received from the department of revenue under subsection (1) of this section and is based on an assumption that the department of law will require an additional 0.2 FTE. To implement this act, the department of law may use this appropriation to provide legal services for the department of revenue.

SECTION 7. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless

approved by the people at the general election to be held in November 2016 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Dickey Lee Hullinghorst
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Bill L. Cadman
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO