

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 16-0876.01 Michael Dohr x4347

HOUSE BILL 16-1211

HOUSE SPONSORSHIP

Melton,

SENATE SPONSORSHIP

(None),

House Committees
Business Affairs and Labor
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING LICENSING MARIJUANA TRANSPORTERS.**

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>.)

The bill creates a retail marijuana transporter license and a medical marijuana transporter license. The license is valid for 5 years. A licensed marijuana transporter (transporter) provides logistics, distribution, and storage of marijuana and marijuana products. A transporter may contract with multiple businesses and may also hold another marijuana license. A transporter must be licensed by December 31, 2017, in order to continue

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.*

to operate. The bill describes the circumstances under which a business can terminate a contract with a transporter.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-43.3-104, **add**
3 (8.5) as follows:

4 **12-43.3-104. Definitions.** As used in this article, unless the
5 context otherwise requires:

6 (8.5) "MEDICAL MARIJUANA TRANSPORTER" MEANS AN ENTITY OR
7 PERSON THAT IS LICENSED TO TRANSPORT MEDICAL MARIJUANA AND
8 MEDICAL MARIJUANA-INFUSED PRODUCTS FROM ONE MEDICAL MARIJUANA
9 ESTABLISHMENT TO ANOTHER MEDICAL MARIJUANA ESTABLISHMENT AND
10 TO TEMPORARILY STORE THE TRANSPORTED MEDICAL MARIJUANA AND
11 MEDICAL MARIJUANA-INFUSED PRODUCTS AT ITS LICENSED PREMISES, BUT
12 IS NOT AUTHORIZED TO SELL MEDICAL MARIJUANA OR MEDICAL
13 MARIJUANA-INFUSED PRODUCTS UNDER ANY CIRCUMSTANCES.

14 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-202, **add** (2)
15 (a) (XVIII.6) as follows:

16 **12-43.3-202. Powers and duties of state licensing authority -**
17 **rules.** (2) (a) Rules promulgated pursuant to paragraph (b) of subsection
18 (1) of this section may include, but need not be limited to, the following
19 subjects:

20 (XVIII.6) MEDICAL MARIJUANA TRANSPORTER LICENSED
21 BUSINESSES, INCLUDING REQUIREMENTS FOR DRIVERS, INCLUDING
22 OBTAINING AND MAINTAINING A VALID COLORADO DRIVER'S LICENSE;
23 INSURANCE REQUIREMENTS; ACCEPTABLE TIME FRAMES FOR TRANSPORT,
24 STORAGE, AND DELIVERY; REQUIREMENTS FOR TRANSPORT VEHICLES; AND
25 REQUIREMENTS FOR LICENSED PREMISES;

1 **SECTION 3.** In Colorado Revised Statutes, 12-43.3-301, **add** (1)
2 (d) as follows:

3 **12-43.3-301. Local licensing authority - applications - licenses.**

4 (1) A local licensing authority may issue only the following medical
5 marijuana licenses upon payment of the fee and compliance with all local
6 licensing requirements to be determined by the local licensing authority:

7 (d) A MEDICAL MARIJUANA TRANSPORTER LICENSE.

8 **SECTION 4.** In Colorado Revised Statutes, 12-43.3-401, **add** (1)
9 (e) as follows:

10 **12-43.3-401. Classes of licenses.** (1) For the purpose of
11 regulating the cultivation, manufacture, distribution, and sale of medical
12 marijuana, the state licensing authority in its discretion, upon application
13 in the prescribed form made to it, may issue and grant to the applicant a
14 license from any of the following classes, subject to the provisions and
15 restrictions provided by this article:

16 (e) MEDICAL MARIJUANA TRANSPORTER LICENSE.

17 **SECTION 5.** In Colorado Revised Statutes, **add** 12-43.3-406 as
18 follows:

19 **12-43.3-406. Medical marijuana transporter license.** (1)(a) A
20 MEDICAL MARIJUANA TRANSPORTER LICENSE MAY BE ISSUED TO A PERSON
21 TO PROVIDE LOGISTICS, DISTRIBUTION, AND STORAGE OF MEDICAL
22 MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS.
23 NOTWITHSTANDING ANY OTHER PROVISIONS OF LAW, A MEDICAL
24 MARIJUANA TRANSPORTER LICENSE IS VALID FOR **THREE** YEARS, BUT
25 CANNOT BE TRANSFERRED WITH A CHANGE OF OWNERSHIP. A LICENSED
26 MEDICAL MARIJUANA TRANSPORTER IS RESPONSIBLE FOR THE MEDICAL
27 MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS ONCE IT TAKES

1 CONTROL OF THE PRODUCT.

2 (b) A LICENSED MEDICAL MARIJUANA TRANSPORTER MAY
3 CONTRACT WITH MULTIPLE LICENSED MEDICAL MARIJUANA BUSINESSES.

4

5 (c) ON AND AFTER JULY 1, 2017, ALL MEDICAL MARIJUANA
6 TRANSPORTERS SHALL HOLD A VALID MEDICAL MARIJUANA TRANSPORTER
7 LICENSE; EXCEPT THAT AN ENTITY LICENSED PURSUANT TO THIS ARTICLE
8 THAT PROVIDES ITS OWN DISTRIBUTION IS NOT REQUIRED TO HAVE A
9 MEDICAL MARIJUANA TRANSPORTER LICENSE TO TRANSPORT AND
10 DISTRIBUTE ITS PRODUCTS. THE STATE LICENSING AUTHORITY SHALL
11 BEGIN ACCEPTING APPLICATIONS AFTER JANUARY 1, 2017.

12 (2) A MEDICAL MARIJUANA TRANSPORTER LICENSEE MAY
13 MAINTAIN A LICENSED PREMISES TO TEMPORARILY STORE MEDICAL
14 MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS AND TO USE AS
15 A CENTRALIZED DISTRIBUTION POINT. THE LICENSED PREMISES MUST BE
16 LOCATED IN A JURISDICTION THAT PERMITS THE OPERATION OF MEDICAL
17 MARIJUANA CENTERS. A LICENSED MEDICAL MARIJUANA TRANSPORTER
18 MAY STORE AND DISTRIBUTE MEDICAL MARIJUANA AND MEDICAL
19 MARIJUANA-INFUSED PRODUCTS FROM THIS LOCATION. A STORAGE
20 FACILITY MUST MEET THE SAME SECURITY REQUIREMENTS THAT ARE
21 REQUIRED TO OBTAIN A MEDICAL MARIJUANA OPTIONAL PREMISE
22 CULTIVATION LICENSE.

23 (3) A MEDICAL MARIJUANA TRANSPORTER LICENSEE SHALL USE
24 THE SEED-TO-SALE TRACKING SYSTEM DEVELOPED PURSUANT TO SECTION
25 12-43.4-202 (1) TO CREATE SHIPPING MANIFESTS DOCUMENTING THE
26 TRANSPORT OF MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED
27 PRODUCTS THROUGHOUT THE STATE.

- 1 (4) A MEDICAL MARIJUANA TRANSPORTER LICENSEE MAY:
2 (a) MAINTAIN AND OPERATE ONE OR MORE WAREHOUSES IN THE
3 STATE TO HANDLE MEDICAL MARIJUANA AND MEDICAL
4 MARIJUANA-INFUSED PRODUCTS; AND
5 (b) DELIVER MEDICAL MARIJUANA AND MEDICAL
6 MARIJUANA-INFUSED PRODUCTS ON ORDERS PREVIOUSLY TAKEN IF THE
7 PLACE WHERE ORDERS ARE TAKEN AND DELIVERED IS LICENSED.

8
9 **SECTION 6.** In Colorado Revised Statutes, 12-43.4-103, add
10 (21.5) as follows:

11 **12-43.4-103. Definitions.** As used in this article, unless the
12 context otherwise requires:

13 (21.5) "RETAIL MARIJUANA TRANSPORTER" MEANS AN ENTITY OR
14 PERSON THAT IS LICENSED TO TRANSPORT RETAIL MARIJUANA AND RETAIL
15 MARIJUANA PRODUCTS FROM ONE RETAIL MARIJUANA ESTABLISHMENT TO
16 ANOTHER RETAIL MARIJUANA ESTABLISHMENT AND TO TEMPORARILY
17 STORE THE TRANSPORTED RETAIL MARIJUANA AND RETAIL MARIJUANA
18 PRODUCTS AT ITS LICENSED PREMISES, BUT IS NOT AUTHORIZED TO SELL
19 RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS UNDER ANY
20 CIRCUMSTANCES.

21 **SECTION 7.** In Colorado Revised Statutes, 12-43.4-202, add (3)
22 (a) (XVII) as follows:

23 **12-43.4-202. Powers and duties of state licensing authority -**
24 **rules.** (3) (a) Rules promulgated pursuant to paragraph (b) of subsection
25 (2) of this section must include, but need not be limited to, the following
26 subjects:

27 (XVII) RETAIL MARIJUANA TRANSPORTER LICENSED BUSINESSES,

1 INCLUDING REQUIREMENTS FOR DRIVERS, INCLUDING OBTAINING AND
2 MAINTAINING A VALID COLORADO DRIVER'S LICENSE; INSURANCE
3 REQUIREMENTS; ACCEPTABLE TIME FRAMES FOR TRANSPORT, STORAGE,
4 AND DELIVERY; REQUIREMENTS FOR TRANSPORT VEHICLES; AND
5 REQUIREMENTS FOR LICENSED PREMISES;

6 **SECTION 8.** In Colorado Revised Statutes, 12-43.4-401, **amend**
7 (1) (d); and **add** (1) (f) as follows:

8 **12-43.4-401. Classes of licenses.** (1) For the purpose of
9 regulating the cultivation, manufacture, distribution, sale, and testing of
10 retail marijuana and retail marijuana products, the state licensing
11 authority in its discretion, upon receipt of an application in the prescribed
12 form, may issue and grant to the applicant a license from any of the
13 following classes, subject to the provisions and restrictions provided by
14 this article:

- 15 (d) Retail marijuana testing facility license; ~~and~~
- 16 (f) RETAIL MARIJUANA TRANSPORTER LICENSE.

17 **SECTION 9.** In Colorado Revised Statutes, **add** 12-43.4-406 as
18 follows:

19 **12-43.4-406. Retail marijuana transporter license.** (1) (a) A
20 RETAIL MARIJUANA TRANSPORTER LICENSE MAY BE ISSUED TO A PERSON
21 TO PROVIDE LOGISTICS, DISTRIBUTION, AND STORAGE OF RETAIL
22 MARIJUANA AND RETAIL MARIJUANA PRODUCTS. NOTWITHSTANDING ANY
23 OTHER PROVISIONS OF LAW, A RETAIL MARIJUANA TRANSPORTER LICENSE
24 IS VALID FOR THREE YEARS, BUT CANNOT BE TRANSFERRED WITH A
25 CHANGE OF OWNERSHIP. A LICENSED RETAIL MARIJUANA TRANSPORTER IS
26 RESPONSIBLE FOR THE RETAIL MARIJUANA AND RETAIL MARIJUANA
27 PRODUCTS ONCE IT TAKES CONTROL OF THE PRODUCT.

1 (b) A LICENSED RETAIL MARIJUANA TRANSPORTER MAY CONTRACT
2 WITH MULTIPLE LICENSED RETAIL MARIJUANA BUSINESSES. ■ ■

3 (c) ON AND AFTER JULY 1, 2017, ALL RETAIL MARIJUANA
4 TRANSPORTERS SHALL HOLD A VALID RETAIL MARIJUANA TRANSPORTER
5 LICENSE; EXCEPT THAT AN ENTITY LICENSED PURSUANT TO THIS ARTICLE
6 THAT PROVIDES ITS OWN DISTRIBUTION IS NOT REQUIRED TO HAVE A
7 RETAIL MARIJUANA TRANSPORTER LICENSE TO TRANSPORT AND
8 DISTRIBUTE ITS PRODUCTS. THE STATE LICENSING AUTHORITY SHALL
9 BEGIN ACCEPTING APPLICATIONS AFTER JANUARY 1, 2017.

10 (2) A RETAIL MARIJUANA TRANSPORTER LICENSEE MAY MAINTAIN
11 A LICENSED PREMISES TO TEMPORARILY STORE RETAIL MARIJUANA AND
12 RETAIL MARIJUANA PRODUCTS AND TO USE AS A CENTRALIZED
13 DISTRIBUTION POINT. THE LICENSED PREMISES MUST BE LOCATED IN A
14 JURISDICTION THAT PERMITS THE OPERATION OF RETAIL MARIJUANA
15 STORES. A LICENSED RETAIL MARIJUANA TRANSPORTER MAY STORE AND
16 DISTRIBUTE RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS FROM
17 THIS LOCATION. A STORAGE FACILITY MUST MEET THE SAME SECURITY
18 REQUIREMENTS THAT ARE REQUIRED TO OBTAIN A RETAIL MARIJUANA
19 CULTIVATION LICENSE.

20 (3) A RETAIL MARIJUANA TRANSPORTER LICENSEE ■ SHALL USE
21 THE SEED-TO-SALE TRACKING SYSTEM DEVELOPED PURSUANT TO SECTION
22 12-43.4-202 (1) TO CREATE SHIPPING MANIFESTS DOCUMENTING THE
23 TRANSPORT OF RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS
24 THROUGHOUT THE STATE.

25 (4) A RETAIL MARIJUANA TRANSPORTER LICENSEE MAY:
26 (a) MAINTAIN AND OPERATE ONE OR MORE WAREHOUSES IN THE
27 STATE TO HANDLE RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS;

1 AND

2 (b) DELIVER RETAIL MARIJUANA PRODUCTS ON ORDERS
3 PREVIOUSLY TAKEN IF THE PLACE WHERE ORDERS ARE TAKEN AND
4 DELIVERED IS LICENSED.

5

6 **SECTION 10. Act subject to petition - effective date.** This act
7 takes effect at 12:01 a.m. on the day following the expiration of the
8 ninety-day period after final adjournment of the general assembly (August
9 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
10 referendum petition is filed pursuant to section 1 (3) of article V of the
11 state constitution against this act or an item, section, or part of this act
12 within such period, then the act, item, section, or part will not take effect
13 unless approved by the people at the general election to be held in
14 November 2016 and, in such case, will take effect on the date of the
15 official declaration of the vote thereon by the governor.