

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

PREAMENDED

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

LLS NO. 13-0897.04 Michael Dohr x4347

HOUSE BILL 13-1317

HOUSE SPONSORSHIP

Pabon,

SENATE SPONSORSHIP

(None),

House Committees

State, Veterans, & Military Affairs
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

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

Bill Summary

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

Sections 1 through 4. The bill converts the medical marijuana

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

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

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

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

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

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

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

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

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

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

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

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

3 **12-43.3-501. Marijuana cash fund - repeal.** (1) (a) All moneys
4 collected by the state licensing authority pursuant to this article AND
5 ARTICLE 43.4 OF THIS TITLE shall be transmitted to the state treasurer, who
6 shall credit the same to the ~~medical marijuana license~~ cash fund, which
7 fund is hereby created and referred to in this section as the "fund". THE
8 FUND CONSISTS OF the moneys in the fund SO COLLECTED, ANY
9 ~~APPLICABLE EXCISE TAX OR APPLICABLE ADDITIONAL SALES TAX IMPOSED~~
10 ~~PURSUANT TO SECTION 39-26-106, C.R.S., ON RETAIL SALES OF PRODUCTS~~
11 ~~UNDER THIS ARTICLE OR ARTICLE 43.4 OF THIS TITLE,~~ IMPOSED PURSUANT
12 TO ARTICLE 28.8 OF TITLE 39, C.R.S., ANY OTHER SALES TAX, AND ANY
13 ADDITIONAL GENERAL FUND MONEYS APPROPRIATED TO THE FUND THAT
14 ARE NECESSARY FOR THE OPERATION OF THE STATE LICENSING
15 AUTHORITY. MONEY IN THE FUND shall be subject to annual appropriation
16 by the general assembly to the department of revenue for the direct and
17 indirect costs associated with implementing this article AND ARTICLE 43.4
18 OF THIS TITLE. Any moneys in the fund not expended for the purpose of
19 this article OR ARTICLE 43.4 OF THIS TITLE may be invested by the state
20 treasurer as provided by law. All interest and income derived from the
21 investment and deposit of moneys in the fund shall be credited to the
22 fund. Any unexpended and unencumbered moneys remaining in the fund
23 at the end of a fiscal year shall remain in the fund and shall not be
24 credited or transferred to the general fund or another fund. UPON A
25 DETERMINATION BY THE GENERAL ASSEMBLY THAT THE DEPARTMENT OF
26 REVENUE HAS ESTABLISHED A SUFFICIENT REVENUE STREAM TO FUND THE
27 STATE LICENSING AUTHORITY'S REGULATORY EFFORTS AND ALL OTHER

1 PROGRAMS TO BE FUNDED BY THE FUND, THE GENERAL ASSEMBLY SHALL
2 DIRECT THE STATE TREASURER TO TRANSFER ANY EXCESS BALANCE IN THE
3 FUND TO THE GENERAL FUND TO REPAY ANY APPROPRIATION MADE FROM
4 THE GENERAL FUND TO INITIALLY SUPPORT THE SPENDING AUTHORITY OF
5 THE STATE LICENSING AUTHORITY.

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

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

10 **SECTION 3.** In Colorado Revised Statutes, **amend** 12-43.3-502
11 as follows:

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

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

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

22 **ARTICLE 43.4**

23 **Colorado Retail Marijuana Code**

24 PART 1

25 COLORADO RETAIL MARIJUANA CODE

26 **12-43.4-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND
27 MAY BE CITED AS THE "COLORADO RETAIL MARIJUANA CODE".

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

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

11 **12-43.4-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
12 CONTEXT OTHERWISE REQUIRES:

13 (1) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
14 THE DEPARTMENT OF REVENUE.

15 (2) "GOOD CAUSE", FOR PURPOSES OF REFUSING OR DENYING A
16 LICENSE RENEWAL, REINSTATEMENT, OR INITIAL LICENSE ISSUANCE,
17 MEANS:

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

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

26 (c) THE LICENSED PREMISES HAVE BEEN OPERATED IN A MANNER
27 THAT ADVERSELY AFFECTS THE PUBLIC HEALTH OR THE SAFETY OF THE

1 IMMEDIATE NEIGHBORHOOD IN WHICH THE ESTABLISHMENT IS LOCATED.

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

7 (4) "LICENSE" MEANS TO GRANT A LICENSE OR REGISTRATION
8 PURSUANT TO THIS ARTICLE.

9 (5) "LICENSED PREMISES" MEANS THE PREMISES SPECIFIED IN AN
10 APPLICATION FOR A LICENSE UNDER THIS ARTICLE, WHICH ARE OWNED OR
11 IN POSSESSION OF THE LICENSEE AND WITHIN WHICH THE LICENSEE IS
12 AUTHORIZED TO CULTIVATE, MANUFACTURE, DISTRIBUTE, SELL, OR TEST
13 RETAIL MARIJUANA IN ACCORDANCE WITH THIS ARTICLE.

14 (6) "LICENSEE" MEANS A PERSON LICENSED OR REGISTERED
15 PURSUANT TO THIS ARTICLE.

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

18 (8) "LOCAL LICENSING AUTHORITY" MEANS, FOR ANY LOCAL
19 JURISDICTION THAT HAS CHOSEN TO ADOPT A LOCAL LICENSING
20 REQUIREMENT IN ADDITION TO THE STATE LICENCING REQUIREMENTS OF
21 THIS ARTICLE, AN AUTHORITY DESIGNATED BY MUNICIPAL, COUNTY, OR
22 CITY AND COUNTY CHARTER, ORDINANCE, OR RESOLUTION, OR THE
23 GOVERNING BODY OF A MUNICIPALITY OR CITY AND COUNTY, OR THE
24 BOARD OF COUNTY COMMISSIONERS OF A COUNTY IF NO SUCH AUTHORITY
25 IS DESIGNATED.

26 (9) "LOCATION" MEANS A PARTICULAR PARCEL OF LAND THAT MAY
27 BE IDENTIFIED BY AN ADDRESS OR OTHER DESCRIPTIVE MEANS.

1 (10) "MARIJUANA ACCESSORIES" HAS THE SAME MEANING AS
2 DEFINED IN SECTION 16 (2) (g) OF ARTICLE XVIII OF THE STATE
3 CONSTITUTION.

4 (11) "MARIJUANA PRODUCTS" HAS THE SAME MEANING AS DEFINED
5 IN SECTION 16 (2) (k) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

6 (12) "OPERATING FEES", AS REFERRED TO IN SECTION 16 (5) (f) OF
7 ARTICLE XVIII OF THE STATE CONSTITUTION, MEANS FEES THAT MAY BE
8 CHARGED BY A LOCAL GOVERNMENT FOR COSTS, INCLUDING BUT NOT
9 LIMITED TO INSPECTION, ADMINISTRATION, AND ENFORCEMENT OF
10 BUSINESSES AUTHORIZED PURSUANT TO THIS ARTICLE.

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

13 (14) "PERSON" MEANS A NATURAL PERSON, PARTNERSHIP,
14 ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR
15 ORGANIZATION.

16 (15) "PREMISES" MEANS A DISTINCT AND DEFINITE LOCATION,
17 WHICH MAY INCLUDE A BUILDING, A PART OF A BUILDING, A ROOM, OR ANY
18 OTHER DEFINITE CONTIGUOUS AREA.

19 (16) "RETAIL MARIJUANA" MEANS "MARIJUANA" OR "MARIHUANA"
20 AS DEFINED IN SECTION 16 (2) (f) OF ARTICLE XVIII OF THE STATE
21 CONSTITUTION, AND IS CULTIVATED AND SOLD BY A LICENSED RETAIL
22 MARIJUANA ESTABLISHMENT.

23 (17) "RETAIL MARIJUANA CULTIVATION FACILITY" HAS THE SAME
24 MEANING AS "MARIJUANA CULTIVATION FACILITY" AS DEFINED IN SECTION
25 16 (2) (h) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

26 (18) "RETAIL MARIJUANA ESTABLISHMENT" MEANS A RETAIL
27 MARIJUANA STORE, A RETAIL MARIJUANA CULTIVATION FACILITY, A

1 RETAIL MARIJUANA PRODUCTS MANUFACTURER, OR A RETAIL MARIJUANA
2 TESTING FACILITY.

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

7 (20) "RETAIL MARIJUANA STORE" HAS THE SAME MEANING AS
8 DEFINED IN SECTION 16 (2) (n) OF ARTICLE XVIII OF THE STATE
9 CONSTITUTION.

10 (21) "RETAIL MARIJUANA TESTING FACILITY" HAS THE SAME
11 MEANING AS "MARIJUANA TESTING FACILITY" AS DEFINED IN SECTION 16
12 (2) (l) OF ARTICLE XVIII OF THE STATE CONSTITUTION.

13 (22) "SALE" OR "SELL" INCLUDES TO EXCHANGE, BARTER, OR
14 TRAFFIC IN, TO SOLICIT OR RECEIVE AND ORDER EXCEPT THROUGH A
15 LICENSEE LICENSED UNDER THIS ARTICLE, TO DELIVER FOR VALUE IN ANY
16 WAY OTHER THAN GRATUITOUSLY, TO PEDDLE OR POSSESS WITH INTENT
17 TO SELL, OR TO TRAFFIC IN FOR ANY CONSIDERATION PROMISED OR
18 OBTAINED DIRECTLY OR INDIRECTLY.

19 (23) "SCHOOL" MEANS A PUBLIC OR PRIVATE PRESCHOOL OR A
20 PUBLIC OR PRIVATE ELEMENTARY, MIDDLE, JUNIOR HIGH, OR HIGH SCHOOL.

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

25 **12-43.4-104. Applicability - retail marijuana - repeal.**

26 (1) (a) (I) ON OR AFTER OCTOBER 1, 2013, A PERSON, WHO IS OPERATING
27 IN GOOD STANDING A LICENSED MEDICAL MARIJUANA CENTER, AN

1 OPTIONAL PREMISES CULTIVATION LICENSE, OR A LICENSED MEDICAL
2 MARIJUANA-INFUSED PRODUCTS BUSINESS OR A PERSON WHO HAD A
3 PENDING APPLICATION WITH THE STATE LICENSING AUTHORITY PRIOR TO
4 DECEMBER 10, 2012, HAS PAID ALL APPLICABLE LICENSING FEES, AND HAS
5 NOT YET HAD THAT APPLICATION APPROVED, MAY APPLY FOR A RETAIL
6 MARIJUANA ESTABLISHMENT LICENSE UNDER THIS ARTICLE.

7 (II) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) SHALL
8 INDICATE WHETHER HE OR SHE WANTS TO SURRENDER THE CURRENT
9 MEDICAL MARIJUANA LICENSE ISSUED PURSUANT TO PART 4 OF ARTICLE
10 43.3 OF THIS TITLE, OR INTENDS TO RETAIN THE LICENSE IN ADDITION TO
11 THE RETAIL MARIJUANA ESTABLISHMENT LICENSE.

12 (III) IF THE APPLICANT INDICATES A DESIRE TO SURRENDER THE
13 MEDICAL MARIJUANA LICENSE, THE APPLICANT SHALL CONTINUE TO
14 OPERATE UNDER THAT LICENSE SO LONG AS THE LICENSE REMAINS IN
15 EFFECT UNTIL A RETAIL MARIJUANA ESTABLISHMENT LICENSE IS
16 APPROVED. IF THE RETAIL MARIJUANA ESTABLISHMENT LICENSE IS
17 GRANTED, THE APPLICANT SHALL HAVE FOURTEEN DAYS FROM THE
18 EFFECTIVE DATE OF THE LICENSE TO SURRENDER THE MEDICAL MARIJUANA
19 LICENSE TO THE STATE LICENSING AUTHORITY. IF THE RETAIL MARIJUANA
20 LICENSE IS GRANTED, ON THE EFFECTIVE DATE OF THE LICENSE ALL
21 MEDICAL MARIJUANA PLANTS AND INVENTORY SHALL BECOME RETAIL
22 MARIJUANA PLANTS AND INVENTORY ON THE DATE OF THE RETAIL
23 MARIJUANA ESTABLISHMENT LICENSE.

24 (IV) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) MAY APPLY
25 FOR A RETAIL MARIJUANA ESTABLISHMENT LICENSE AND RETAIN THE
26 MEDICAL MARIJUANA LICENSE. THE APPLICANT MAY APPLY TO HAVE THE
27 MEDICAL MARIJUANA LICENSED OPERATION AND THE RETAIL MARIJUANA

1 ESTABLISHMENT AT THE SAME LOCATION ONLY IF THE LOCAL JURISDICTION
2 PERMITS THE MEDICAL MARIJUANA LICENSED OPERATION AND THE RETAIL
3 MARIJUANA ESTABLISHMENT TO BE OPERATED AT THE SAME LOCATION. AT
4 THE TIME THAT THE RETAIL MARIJUANA ESTABLISHMENT LICENSE
5 BECOMES EFFECTIVE, THE APPLICANT SHALL IDENTIFY THE MEDICAL
6 MARIJUANA INVENTORY THAT WILL BECOME RETAIL MARIJUANA
7 INVENTORY.

8 (V) AN APPLICANT PURSUANT TO THIS PARAGRAPH (a) WHO
9 RETAINS A MEDICAL MARIJUANA LICENSE AND OBTAINS A RETAIL
10 MARIJUANA ESTABLISHMENT LICENSE FOR THE TWO LICENSED PREMISES
11 MUST MAINTAIN ACTUAL PHYSICAL SEPARATION BETWEEN THE TWO OR
12 ONLY SELL MEDICAL MARIJUANA TO PERSONS TWENTY-ONE YEARS OF AGE
13 OR OLDER.

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

19 (B) THIS SUBPARAGRAPH (VI) IS REPEALED, EFFECTIVE JULY 1,
20 2014.

21 (b) (I) (A) AFTER JANUARY 1, 2014, PERSONS WHO DID NOT MEET
22 REQUIREMENTS OF SUBSECTION (I) OF PARAGRAPH (a) OF THIS SECTION
23 MAY SUBMIT NOTICE OF INTENT TO APPLY FOR LICENSURE PURSUANT TO
24 THIS ARTICLE. THE STATE LICENSING AUTHORITY SHALL ESTABLISH A
25 FORM FOR THE NOTICE AND MAY COLLECT A NOTICE FEE THAT SHALL BE
26 DEDUCTED FROM THE AMOUNT OF THE LICENSE FEE. THE STATE LICENSING
27 AUTHORITY SHALL FORWARD TO THE LOCAL JURISDICTION THE NOTICE OF

1 INTENT TO APPLY AND ONE-HALF OF THE NOTICE FEE.

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

3 (II) ON AND AFTER JULY 1, 2014, PERSONS WHO DID NOT MEET THE
4 REQUIREMENTS OF SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS
5 SUBSECTION (1) MAY APPLY FOR LICENSURE PURSUANT TO THIS ARTICLE.

6 (2) (a) A PERSON APPLYING PURSUANT TO SUBSECTION (1) OF THIS
7 SECTION SHALL COMPLETE FORMS AS PROVIDED BY THE STATE LICENSING
8 AUTHORITY AND SHALL PAY THE APPLICATION FEE AND THE LICENSING
9 FEE, WHICH SHALL BE CREDITED TO THE MARIJUANA CASH FUND
10 ESTABLISHED PURSUANT TO SECTION 12-43.4-501. THE STATE LICENSING
11 AUTHORITY SHALL IMMEDIATELY FORWARD ONE-HALF OF THE LICENSE
12 APPLICATION FEE TO THE LOCAL JURISDICTION. IF THE LICENSE IS DENIED,
13 THE STATE LICENSING AUTHORITY SHALL REFUND THE LICENSING FEE TO
14 THE APPLICANT.

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

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

25 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JULY 1,
26 2015.

27

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

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

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

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

23 (6) (a) ON OR BEFORE APRIL 1, 2014, AND ON OR BEFORE APRIL 1
24 EACH YEAR THEREAFTER, THE STATE LICENSING AUTHORITY SHALL SUBMIT
25 A REPORT TO THE FINANCE COMMITTEES OF THE SENATE AND HOUSE OF
26 REPRESENTATIVES, OR ANY 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 MARKET, INCLUDING
- 3 BUT NOT LIMITED TO ACTUAL AND ANTICIPATED MARKET DEMAND AND
- 4 MARKET SUPPLY;
- 5 (c) DETAILED INFORMATION ON THE AMOUNT OF REVENUE BEING
- 6 COLLECTED AND ANTICIPATED;
- 7 (d) THE NUMBER OF APPLICATIONS FOR CONVERSION FROM
- 8 MEDICAL MARIJUANA LICENSEES TO RETAIL MARIJUANA ESTABLISHMENTS;
- 9 (e) THE NUMBER OF PERSONS WHO HAVE FILED A NOTICE OF INTENT
- 10 TO APPLY FOR LICENSURE PURSUANT TO SUBPARAGRAPH (I) OF
- 11 PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION; AND
- 12 (f) THE ENFORCEMENT MEASURES TAKEN AGAINST PERSONS
- 13 LICENSED PURSUANT TO THIS ARTICLE FOR VIOLATION OF REGULATIONS
- 14 PROMULGATED PURSUANT TO THIS ARTICLE.

15 **12-43.4-105. Limited access areas.** SUBJECT TO THE PROVISIONS

16 OF SECTION 12-43.3-701, A LIMITED ACCESS AREA SHALL BE A BUILDING,

17 ROOM, OR OTHER CONTIGUOUS AREA UPON THE LICENSED PREMISES

18 WHERE RETAIL MARIJUANA IS CULTIVATED, STORED, WEIGHED,

19 PACKAGED, OR TESTED, UNDER CONTROL OF THE LICENSEE, WITH LIMITED

20 ACCESS TO ONLY THOSE PERSONS LICENSED BY THE STATE LICENSING

21 AUTHORITY. ALL AREAS OF INGRESS OR EGRESS TO LIMITED ACCESS AREAS

22 SHALL BE CLEARLY IDENTIFIED AS SUCH BY A SIGN AS DESIGNATED BY THE

23 STATE LICENSING AUTHORITY.

24 PART 2

25 STATE LICENSING AUTHORITY

26 **12-43.4-201. State licensing authority.** FOR THE PURPOSE OF

27 REGULATING AND CONTROLLING THE LICENSING OF THE CULTIVATION,

1 MANUFACTURE, DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA
2 IN THIS STATE, THE STATE LICENSING AUTHORITY CREATED IN SECTION
3 12-43.3-201, SHALL ALSO HAVE REGULATORY AUTHORITY FOR RETAIL
4 MARIJUANA AS PERMITTED IN SECTION 16 OF ARTICLE XVIII OF THE STATE
5 CONSTITUTION AND THIS ARTICLE.

6 **12-43.4-202. Powers and duties of state licensing authority.**

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

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

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

25 (b) PROMULGATE ON OR BEFORE JULY 1, 2013, ALL RULES FOR THE
26 PROPER REGULATION AND CONTROL OF THE CULTIVATION, MANUFACTURE,
27 DISTRIBUTION, SALE, AND TESTING OF RETAIL MARIJUANA AND FOR THE

1 ENFORCEMENT OF THIS ARTICLE; AND PROMULGATE AMENDED RULES AND
2 SUCH SPECIAL RULINGS AND FINDINGS AS NECESSARY;

3 (c) HEAR AND DETERMINE AT A PUBLIC HEARING ANY CONTESTED
4 STATE LICENSE DENIAL AND ANY COMPLAINTS AGAINST A LICENSEE AND
5 ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF
6 PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS
7 NECESSARY TO THE DETERMINATION OF ANY HEARING SO HELD, ALL IN
8 ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S. THE STATE LICENSING
9 AUTHORITY MAY, AT ITS DISCRETION, DELEGATE TO THE DEPARTMENT OF
10 REVENUE HEARING OFFICERS THE AUTHORITY TO CONDUCT LICENSING,
11 DISCIPLINARY, AND RULE-MAKING HEARINGS UNDER SECTION 24-4-105,
12 C.R.S. WHEN CONDUCTING SUCH HEARINGS, THE HEARING OFFICERS ARE
13 EMPLOYEES OF THE STATE LICENSING AUTHORITY UNDER THE DIRECTION
14 AND SUPERVISION OF THE EXECUTIVE DIRECTOR AND THE STATE LICENSING
15 AUTHORITY.

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

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

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

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

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

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

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

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

22 (IV) (A) ESTABLISHING AN INDEPENDENT TESTING AND
23 CERTIFICATION PROGRAM TO TEST RETAIL MARIJUANA FROM ANY RETAIL
24 MARIJUANA ESTABLISHMENT AT A FREQUENCY TO BE DETERMINED BY THE
25 AGENCY TO ENSURE AT A MINIMUM THAT PRODUCTS ARE FREE FROM
26 HARMFUL RESIDUAL SOLVENTS, CHEMICALS, OR TOXINS; PRODUCTS ARE
27 FREE OF MOLD AND MILDEW; PRODUCTS ARE FREE OF MICROBIALS SUCH AS

1 E. COLI OR SALMONELLA; PRODUCTS ARE FREE OF PESTICIDES; AND THE
2 THC POTENCY REPRESENTATIONS ON THE PRODUCT LABELS ARE
3 ACCURATE.

4 (B) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
5 SHALL ESTABLISH STANDARDS AND CRITERIA FOR INDEPENDENT TESTING
6 AND CERTIFICATION UNDER SUB-SUBPARAGRAPH (A) OF THIS
7 SUBPARAGRAPH (IV). THE DEPARTMENT OF PUBLIC HEALTH AND
8 ENVIRONMENT SHALL REGULATE ENTITIES PROVIDING INDEPENDENT
9 TESTING AND CERTIFICATION.

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

18 (VI) REQUIREMENTS TO PREVENT THE SALE OR DIVERSION OF
19 RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS TO PERSONS
20 UNDER TWENTY-ONE YEARS OF AGE;

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

26 (A) THE LICENSE NUMBER OF THE RETAIL MARIJUANA
27 CULTIVATION LICENSE;

- 1 (B) THE LICENSE NUMBER OF THE RETAIL MARIJUANA STORE;
- 2 (C) AN IDENTITY STATEMENT AND STANDARDIZED GRAPHIC
- 3 SYMBOL;
- 4 (D) THE BATCH NUMBER;
- 5 (E) A NET WEIGHT STATEMENT;
- 6 (F) THC POTENCY AND THE POTENCY OF SUCH OTHER
- 7 CANNABANOIDS OR OTHER CHEMICALS, INCLUDING BUT NOT LIMITED TO
- 8 CBD, AS DETERMINED RELEVANT BY THE STATE LICENSING AUTHORITY;
- 9 (G) A LIST OF THE NONORGANIC PESTICIDES, FUNGICIDES,
- 10 HERBICIDES, AND SOLVENTS USED DURING CULTIVATION OR PRODUCTION;
- 11 (H) A STATEMENT TO THE EFFECT OF "THIS PRODUCT CONTAINS
- 12 MARIJUANA AND WAS CULTIVATED OR PRODUCED WITHOUT REGULATORY
- 13 OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY, AND THERE MAY BE
- 14 HEALTH RISKS ASSOCIATED WITH THE CONSUMPTION OF THE PRODUCT";
- 15 (I) WARNING LABELS;
- 16 (J) SOLVENTS USED IN THE EXTRACTION PROCESS;
- 17 (K) AMOUNT OF THC PER SERVING AND THE NUMBER OF SERVINGS
- 18 PER PACKAGE FOR MARIJUANA PRODUCTS;
- 19 (L) A LIST OF INGREDIENTS AND POSSIBLE ALLERGENS FOR
- 20 MARIJUANA PRODUCTS;
- 21 (M) A RECOMMENDED USE BY OR EXPIRATION DATE FOR
- 22 MARIJUANA PRODUCTS;
- 23 (N) A NUTRITIONAL FACT PANEL FOR EDIBLE PRODUCTS; AND
- 24 (O) A UNIVERSAL SYMBOL INDICATING THE PACKAGE CONTAINS
- 25 MARIJUANA OR A MARIJUANA PRODUCT.
- 26 (VIII) HEALTH AND SAFETY REGULATIONS AND STANDARDS FOR
- 27 THE MANUFACTURE OF RETAIL MARIJUANA PRODUCTS AND THE

1 CULTIVATION OF RETAIL MARIJUANA;
2 (IX) LIMITATIONS ON ADVERTISING AND DISPLAY OF RETAIL
3 MARIJUANA AND RETAIL MARIJUANA PRODUCTS;
4 (X) REGULATION OF THE STORAGE OF, WAREHOUSES FOR, AND
5 TRANSPORTATION OF RETAIL MARIJUANA;
6 (XI) SANITARY REQUIREMENTS FOR RETAIL MARIJUANA STORES,
7 INCLUDING BUT NOT LIMITED TO SANITARY REQUIREMENTS FOR THE
8 PREPARATION OF RETAIL MARIJUANA PRODUCTS;
9 (XII) RECORDS TO BE KEPT BY LICENSEES AND THE REQUIRED
10 AVAILABILITY OF THE RECORDS;
11 (XIII) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES TAX
12 PAYMENTS BY RETAIL MARIJUANA STORES;
13 (XIV) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO
14 ISSUE ADMINISTRATIVE CITATIONS AND PROCEDURES FOR ISSUING,
15 APPEALING AND CREATING A CITATION VIOLATION LIST AND SCHEDULE OF
16 PENALTIES; AND
17 (XV) COMPLIANCE WITH, ENFORCEMENT OF, OR VIOLATION OF
18 ANY PROVISION OF THIS ARTICLE, SECTION 18-18-406.3 (7), C.R.S., OR
19 ANY RULE ISSUED PURSUANT TO THIS ARTICLE, INCLUDING PROCEDURES
20 AND GROUNDS FOR DENYING, SUSPENDING, FINING, RESTRICTING, OR
21 REVOKING A STATE LICENSE ISSUED PURSUANT TO THIS ARTICLE; AND
22 (XVI) CREATION OF A RANGE OF CIVIL PENALTIES FOR USE BY THE
23 STATE LICENSING AUTHORITY.
24 (b) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF
25 SUBSECTION (2) OF THIS SECTION MUST ALSO INCLUDE THE FOLLOWING
26 SUBJECTS:
27 (I) SPECIFICATIONS OF DUTIES OF OFFICERS AND EMPLOYEES OF

1 THE STATE LICENSING AUTHORITY;

2 (II) INSTRUCTIONS FOR LOCAL JURISDICTIONS AND LAW
3 ENFORCEMENT OFFICERS;

4 (III) REQUIREMENTS FOR INSPECTIONS, INVESTIGATIONS,
5 SEARCHES, SEIZURES, FORFEITURES, AND SUCH ADDITIONAL ACTIVITIES AS
6 MAY BECOME NECESSARY FROM TIME TO TIME;

7 (IV) PROHIBITION OF MISREPRESENTATION AND UNFAIR
8 PRACTICES;

9 (V) DEVELOPMENT OF INDIVIDUAL IDENTIFICATION CARDS FOR
10 OWNERS, OFFICERS, MANAGERS, CONTRACTORS, EMPLOYEES, AND OTHER
11 SUPPORT STAFF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE,
12 INCLUDING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS
13 MAY BE REQUIRED BY THE STATE LICENSING AUTHORITY PRIOR TO ISSUING
14 A CARD;

15 (VI) IDENTIFICATION OF STATE LICENSEES AND THEIR OWNERS,
16 OFFICERS, MANAGERS, AND EMPLOYEES;

17 [REDACTED]
18 (VII) THE SPECIFICATION OF ACCEPTABLE FORMS OF PICTURE
19 IDENTIFICATION THAT A RETAIL MARIJUANA STORE MAY ACCEPT WHEN
20 VERIFYING A SALE, INCLUDING BUT NOT LIMITED TO GOVERNMENT-ISSUED
21 IDENTIFICATION CARDS;

22 [REDACTED]
23 (VIII) STATE LICENSING PROCEDURES, INCLUDING PROCEDURES
24 FOR RENEWALS, REINSTATEMENTS, INITIAL LICENSES, AND THE PAYMENT
25 OF LICENSING FEES;

26 [REDACTED]
27 (IX) ESTABLISHING A SCHEDULE OF PENALTIES AND PROCEDURES

1 FOR ISSUING AND APPEALING CITATIONS FOR VIOLATION OF STATUTES AND
2 RULES AND ISSUING ADMINISTRATIVE CITATIONS; AND

3 (X) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR,
4 IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS
5 ARTICLE.

6 (c) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF
7 SUBSECTION (2) OF THIS SECTION MUST ALSO INCLUDE THE FOLLOWING
8 SUBJECTS AND THE STATE LICENSING AUTHORITY MAY SEEK THE
9 ASSISTANCE OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
10 WHEN NECESSARY BEFORE PROMULGATING THE RULES:

11 (I) SIGNAGE, MARKETING, AND ADVERTISING, INCLUDING BUT NOT
12 LIMITED TO:

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

15 (B) ALLOW PACKAGING AND ACCESSORY BRANDING;

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

18 (D) A PROHIBITION ON UNSOLICITED POP-UP ADVERTISING ON THE
19 INTERNET;

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

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

23 (G) A PROHIBITION ON MARKETING DIRECTED TOWARDS
24 LOCATION-BASED DEVICES, INCLUDING BUT NOT LIMITED TO CELLULAR
25 PHONES; AND

26 (H) A REQUIREMENT THAT MAGAZINES WHOSE PRIMARY FOCUS IS
27 MARIJUANA OR MARIJUANA BUSINESSES ARE ONLY SOLD IN RETAIL

1 MARIJUANA STORES OR BEHIND THE COUNTER IN ESTABLISHMENTS WHERE
2 PERSONS UNDER TWENTY-ONE YEARS OF AGE ARE PRESENT.

3 (II) PROHIBITING THE SALE OF RETAIL MARIJUANA AND RETAIL
4 MARIJUANA PRODUCTS UNLESS:

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

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

13 (III) THE SAFE AND LAWFUL TRANSPORT OF RETAIL MARIJUANA
14 AND RETAIL MARIJUANA PRODUCTS BETWEEN THE LICENSED BUSINESS AND
15 TESTING LABS;

16 (IV) A SERVING SIZE FOR EDIBLE RETAIL MARIJUANA PRODUCTS
17 THAT DOES NOT CONTAIN MORE THAN TEN MILLIGRAMS OF ACTIVE THC,
18 LABELING REQUIREMENTS REGARDING SERVINGS FOR EDIBLE RETAIL
19 MARIJUANA PRODUCTS, AND LIMITATIONS ON THE TOTAL AMOUNT OF
20 ACTIVE THC IN A PACKAGE THAT IS NO MORE THAN ONE HUNDRED
21 MILLIGRAMS OF ACTIVE THC;

22 (V) LABELING GUIDELINES CONCERNING THE TOTAL CONTENT OF
23 THC PER UNIT OF WEIGHT;

24 (VI) PROHIBITION OR REGULATION OF ADDITIVES TO ANY
25 MARIJUANA PRODUCT, INCLUDING BUT NOT LIMITED TO THOSE THAT ARE
26 TOXIC, DESIGNED TO MAKE THE PRODUCT MORE ADDICTIVE, DESIGNED TO
27 MAKE THE PRODUCT MORE APPEALING TO CHILDREN, OR MISLEADING TO

1 CONSUMERS; AND

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

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

7 (e) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO LIMIT A
8 LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL
9 ACTIVITY IN RELATION TO A RETAIL MARIJUANA ESTABLISHMENT. A LAW
10 ENFORCEMENT AGENCY SHALL HAVE THE AUTHORITY TO RUN A
11 COLORADO CRIME INFORMATION CENTER CRIMINAL HISTORY RECORD
12 CHECK OF A LICENSEE, OR EMPLOYEE OF A LICENSEE, DURING AN
13 INVESTIGATION OF UNLAWFUL ACTIVITY RELATED TO RETAIL MARIJUANA.

14 (4) (a) THE STATE LICENSING AUTHORITY SHALL CREATE A
15 STATEWIDE LICENSURE CLASS SYSTEM FOR RETAIL MARIJUANA
16 CULTIVATION FACILITIES. THE CLASSIFICATIONS MAY BE BASED UPON
17 SQUARE FOOTAGE OF THE FACILITY; LIGHTS, LUMENS, OR WATTAGE; LIT
18 CANOPY; THE NUMBER OF CULTIVATING PLANTS; A COMBINATION OF THE
19 FOREGOING; OR OTHER REASONABLE METRICS. THE STATE LICENSING
20 AUTHORITY SHALL CREATE A FEE STRUCTURE FOR THE LICENSE CLASS
21 SYSTEM.

22 (b) THE STATE LICENSING AUTHORITY MAY LIMIT OR INCREASE THE
23 LIMIT ON THE NUMBER OF LICENSES THAT IT ISSUES AND MAY PLACE OR
24 MODIFY A LIMIT ON THE AMOUNT OF PRODUCTION PERMITTED BY A RETAIL
25 MARIJUANA CULTIVATION LICENSE. NOTWITHSTANDING ANYTHING
26 CONTAINED IN THIS ARTICLE TO THE CONTRARY, IN CONSIDERING ANY
27 SUCH LIMITATIONS, THE STATE LICENSING AUTHORITY, IN ADDITION TO

1 ANY OTHER RELEVANT CONSIDERATIONS, SHALL:

2 (I) CONSIDER THE TOTAL CURRENT AND ANTICIPATED DEMAND FOR
3 RETAIL MARIJUANA IN COLORADO; AND

4 (II) ATTEMPT TO MINIMIZE THE MARKET FOR UNLAWFUL
5 MARIJUANA IN COLORADO.

6 PART 3

7 STATE AND LOCAL LICENSING

8 **12-43.4-301. Local approval - licensing.** (1) WHEN THE STATE
9 LICENSING AUTHORITY RECEIVES AN APPLICATION FOR ORIGINAL
10 LICENSING OR RENEWAL OF AN EXISTING LICENSE FOR ANY MARIJUANA
11 ESTABLISHMENT, THE STATE LICENSING AUTHORITY SHALL PROVIDE A
12 COPY OF THE APPLICATION TO THE LOCAL JURISDICTION IN WHICH THE
13 BUSINESS IS TO BE LOCATED. THE LOCAL JURISDICTION SHALL DETERMINE
14 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON
15 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. THE
16 LOCAL JURISDICTION SHALL INFORM THE STATE LICENSING AUTHORITY
17 WHETHER THE APPLICATION COMPLIES WITH LOCAL RESTRICTIONS ON
18 TIME, PLACE, MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES.

19 (2) A LOCAL JURISDICTION MAY IMPOSE A SEPARATE LOCAL
20 LICENSING REQUIREMENT AS A PART OF ITS RESTRICTIONS ON TIME, PLACE,
21 MANNER, AND THE NUMBER OF MARIJUANA BUSINESSES. A LOCAL
22 JURISDICTION MAY DECLINE TO IMPOSE ANY LOCAL LICENSING
23 REQUIREMENTS AND SHALL NOTIFY THE STATE LICENSING AUTHORITY
24 THAT IT WILL NOT BE ACTING ON ANY APPLICATIONS IT RECEIVES.

25 **12-43.4-302. Public hearing notice - posting and publication.**

26 (1) IF A LOCAL JURISDICTION ISSUES LOCAL LICENSES FOR A RETAIL
27 MARIJUANA ESTABLISHMENT, A LOCAL JURISDICTION MAY SCHEDULE A

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

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

15 **12-43.4-303. Retail marijuana license bond.** (1) BEFORE THE
16 STATE LICENSING AUTHORITY ISSUES A STATE LICENSE TO AN APPLICANT,
17 THE APPLICANT SHALL PROCURE AND FILE WITH THE STATE LICENSING
18 AUTHORITY EVIDENCE OF A GOOD AND SUFFICIENT BOND IN THE AMOUNT
19 OF FIVE THOUSAND DOLLARS WITH CORPORATE SURETY THEREON DULY
20 LICENSED TO DO BUSINESS WITH THE STATE, APPROVED AS TO FORM BY
21 THE ATTORNEY GENERAL OF THE STATE, AND CONDITIONED THAT THE
22 APPLICANT SHALL REPORT AND PAY ALL SALES AND USE TAXES DUE TO THE
23 STATE, OR FOR WHICH THE STATE IS THE COLLECTOR OR COLLECTING
24 AGENT, IN A TIMELY MANNER, AS PROVIDED IN LAW.

25 (2) A CORPORATE SURETY SHALL NOT BE REQUIRED TO MAKE
26 PAYMENTS TO THE STATE CLAIMING UNDER SUCH BOND UNTIL A FINAL
27 DETERMINATION OF FAILURE TO PAY TAXES DUE TO THE STATE IS MADE BY

1 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE OR A COURT
2 OF COMPETENT JURISDICTION.

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

7 **12-43.4-304. State licensing authority - application and**
8 **issuance procedures.** (1) APPLICATIONS FOR A STATE LICENSE UNDER
9 THE PROVISIONS OF THIS ARTICLE MUST BE MADE TO THE STATE LICENSING
10 AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE STATE
11 LICENSING AUTHORITY AND MUST SET FORTH SUCH INFORMATION AS THE
12 STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE
13 LICENSING AUTHORITY TO DETERMINE WHETHER A STATE LICENSE SHOULD
14 BE GRANTED. THE INFORMATION MUST INCLUDE THE NAME AND ADDRESS
15 OF THE APPLICANT AND THE NAMES AND ADDRESSES OF THE OFFICERS,
16 DIRECTORS, OR MANAGERS. EACH APPLICATION MUST BE VERIFIED BY THE
17 OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE
18 LICENSING AUTHORITY MAY PRESCRIBE. THE STATE LICENSING AUTHORITY
19 MAY ISSUE A STATE LICENSE TO AN APPLICANT PURSUANT TO THIS SECTION
20 UPON COMPLETION OF THE APPLICABLE CRIMINAL HISTORY BACKGROUND
21 CHECK ASSOCIATED WITH THE APPLICATION, AND THE STATE LICENSE IS
22 CONDITIONED UPON LOCAL JURISDICTION APPROVAL. A LICENSE
23 APPLICANT IS PROHIBITED FROM OPERATING A LICENSED RETAIL
24 MARIJUANA BUSINESS WITHOUT STATE AND, IF REQUIRED, LOCAL
25 JURISDICTION APPROVAL. IF THE APPLICANT DOES NOT RECEIVE LOCAL
26 JURISDICTION APPROVAL WITHIN ONE YEAR FROM THE DATE OF STATE
27 LICENSING AUTHORITY APPROVAL, THE STATE LICENSE SHALL EXPIRE AND

1 MAY NOT BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL
2 LICENSING AUTHORITY, THE STATE LICENSING AUTHORITY SHALL REVOKE
3 THE STATE-ISSUED LICENSE.

4 (2) NOTHING IN THIS ARTICLE PREEMPTS OR OTHERWISE IMPAIRS
5 THE POWER OF A LOCAL GOVERNMENT TO ENACT ORDINANCES OR
6 RESOLUTIONS CONCERNING MATTERS AUTHORIZED TO LOCAL
7 GOVERNMENTS.

8 **12-43.4-305. Denial of application.** (1) THE STATE LICENSING
9 AUTHORITY SHALL DENY A STATE LICENSE IF THE PREMISES ON WHICH THE
10 APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DOES NOT MEET THE
11 REQUIREMENTS OF THIS ARTICLE OR FOR REASONS SET FORTH IN SECTION
12 12-43.4-104 (1) (c) OR 12-43.4-304. THE STATE LICENSING AUTHORITY
13 MAY REFUSE OR DENY A LICENSE RENEWAL, REINSTATEMENT, OR INITIAL
14 LICENSE ISSUANCE FOR GOOD CAUSE. FOR PURPOSES OF THIS SUBSECTION
15 (1), "GOOD CAUSE" MEANS:

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

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

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

27 (2) IF THE STATE LICENSING AUTHORITY DENIES A STATE LICENSE

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

7 **12-43.4-306. Persons prohibited as licensees.** (1) A LICENSE
8 PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:

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

10 (b) A PERSON WHOSE CRIMINAL HISTORY INDICATES THAT HE OR
11 SHE IS NOT OF GOOD MORAL CHARACTER;

12 (c) AN ENTITY OTHER THAN A PERSON, IF THE CRIMINAL HISTORY
13 OF ANY OF ITS OFFICERS, DIRECTORS, STOCKHOLDERS, OR OWNERS
14 INDICATES THAT THE OFFICER, DIRECTOR, STOCKHOLDER, OR OWNER IS
15 NOT OF GOOD MORAL CHARACTER; ■■■

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

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

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

24 (I) PROVIDE A SURETY BOND OR FILE ANY TAX RETURN ■■■ ■■■
25 RELATED TO A RETAIL MARIJUANA ESTABLISHMENT; OR

26 (II) PAY ANY TAXES, INTEREST, OR PENALTIES DUE THE
27 DEPARTMENT OF REVENUE RELATING TO A RETAIL MARIJUANA

1 ESTABLISHMENT;

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

16 (h) A PERSON WHO EMPLOYS ANOTHER PERSON AT A RETAIL
17 MARIJUANA FACILITY WHO HAS NOT SUBMITTED FINGERPRINTS FOR A
18 CRIMINAL HISTORY RECORD CHECK OR WHOSE CRIMINAL RECORD HISTORY
19 CHECK REVEALS THAT THE PERSON IS INELIGIBLE;

20 (i) A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR PROSECUTING
21 OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE LICENSING
22 AUTHORITY OR A LOCAL LICENSING AUTHORITY;

23 (j) A PERSON FOR A LICENSE FOR A LOCATION THAT IS CURRENTLY
24 LICENSED AS A RETAIL FOOD ESTABLISHMENT OR WHOLESALE FOOD
25 REGISTRANT; OR

26 (k) AN OWNER, AS DEFINED BY RULE OF THE STATE LICENSING
27 AUTHORITY, WHO HAS NOT BEEN A RESIDENT OF COLORADO FOR AT LEAST

1 TWO YEARS PRIOR TO THE DATE OF THE OWNER'S APPLICATION.

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

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

21 (c) AT THE TIME OF FILING AN APPLICATION FOR ISSUANCE OF A
22 STATE A RETAIL MARIJUANA ESTABLISHMENT LICENSE, AN APPLICANT
23 SHALL SUBMIT A SET OF HIS OR HER FINGERPRINTS AND FILE PERSONAL
24 HISTORY INFORMATION CONCERNING THE APPLICANT'S QUALIFICATIONS
25 FOR A STATE LICENSE ON FORMS PREPARED BY THE STATE LICENSING
26 AUTHORITY. THE STATE OR LOCAL LICENSING AUTHORITY SHALL SUBMIT
27 THE FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION FOR THE

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

18 **12-43.4-307. Restrictions for applications for new licenses.**

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

22 (a) IF THE APPLICATION FOR THE LICENSE CONCERNS A PARTICULAR
23 LOCATION THAT IS THE SAME AS OR WITHIN ONE THOUSAND FEET OF A
24 LOCATION FOR WHICH, WITHIN THE TWO YEARS IMMEDIATELY PRECEDING
25 THE DATE OF THE APPLICATION, THE STATE LICENSING AUTHORITY DENIED
26 AN APPLICATION FOR THE SAME CLASS OF LICENSE DUE TO THE NATURE OF
27 THE USE OR OTHER CONCERN RELATED TO THE LOCATION;

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

6 (c) FOR A LOCATION IN AN AREA WHERE THE CULTIVATION,
7 MANUFACTURE, AND SALE OF RETAIL MARIJUANA AS CONTEMPLATED IS
8 NOT PERMITTED UNDER THE APPLICABLE ZONING LAWS OF THE
9 MUNICIPALITY, CITY AND COUNTY, OR COUNTY;

10 (d) (I) IF THE BUILDING IN WHICH RETAIL MARIJUANA IS TO BE SOLD
11 IS LOCATED WITHIN ONE THOUSAND FEET OF A SCHOOL, AN ALCOHOL OR
12 DRUG TREATMENT FACILITY, THE PRINCIPAL CAMPUS OF A COLLEGE,
13 UNIVERSITY, OR SEMINARY, OR A RESIDENTIAL CHILD CARE FACILITY;
14 EXCEPT THAT THIS PROVISION SHALL NOT APPLY TO A PREMISES THAT IS
15 THE LOCATION OF A MEDICAL MARIJUANA FACILITY LICENSED PURSUANT
16 TO PART 4 OF ARTICLE 43.3 OF THIS TITLE. THE PROVISIONS OF THIS
17 SECTION SHALL NOT AFFECT THE RENEWAL OR REISSUANCE OF A LICENSE
18 ONCE GRANTED OR APPLY TO LICENSED PREMISES LOCATED OR TO BE
19 LOCATED ON LAND OWNED BY A MUNICIPALITY, NOR SHALL THE
20 PROVISIONS OF THIS SECTION APPLY TO AN EXISTING LICENSED PREMISES
21 ON LAND OWNED BY THE STATE, OR APPLY TO A LICENSE IN EFFECT AND
22 ACTIVELY DOING BUSINESS BEFORE SAID PRINCIPAL CAMPUS WAS
23 CONSTRUCTED. THE GOVERNING BODY OF A COUNTY, BY RESOLUTION,
24 MAY VARY THE DISTANCE RESTRICTIONS IMPOSED BY THIS SUBPARAGRAPH
25 (I) FOR A LICENSE OR MAY ELIMINATE ONE OR MORE TYPES OF SCHOOLS,
26 CAMPUSES, OR FACILITIES FROM THE APPLICATION OF A DISTANCE
27 RESTRICTION ESTABLISHED BY OR PURSUANT TO THIS SUBPARAGRAPH (I).

1 (II) THE DISTANCES REFERRED TO IN THIS PARAGRAPH (d) ARE TO
2 BE COMPUTED BY DIRECT MEASUREMENT FROM THE NEAREST PROPERTY
3 LINE OF THE LAND USED FOR A SCHOOL OR CAMPUS TO THE NEAREST
4 PORTION OF THE BUILDING IN WHICH RETAIL MARIJUANA IS TO BE SOLD,
5 USING A ROUTE OF DIRECT PEDESTRIAN ACCESS.

6 (III) IN ADDITION TO THE REQUIREMENTS OF SECTION 12-43.4-303
7 (2), THE STATE LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE
8 AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN
9 WHICH THE RETAIL MARIJUANA IS TO BE SOLD IS LOCATED WITHIN ANY
10 DISTANCE RESTRICTIONS ESTABLISHED BY OR PURSUANT TO THIS
11 PARAGRAPH (d).

12 **12-43.4-308. Transfer of ownership.** (1) A STATE LICENSE
13 GRANTED UNDER THE PROVISIONS OF THIS ARTICLE IS NOT TRANSFERABLE
14 EXCEPT AS PROVIDED IN THIS SECTION, BUT THIS SECTION DOES NOT
15 PREVENT A CHANGE OF LOCATION AS PROVIDED IN SECTION 12-43.4-310
16 (13).

17 (2) FOR A TRANSFER OF OWNERSHIP, A LICENSE HOLDER SHALL
18 APPLY TO THE STATE LICENSING AUTHORITY ON FORMS PREPARED AND
19 FURNISHED BY THE STATE LICENSING AUTHORITY. UPON RECEIPT OF AN
20 APPLICATION FOR TRANSFER OF OWNERSHIP, THE STATE LICENSING
21 AUTHORITY SHALL, WITHIN TWO BUSINESS DAYS, SUBMIT A COPY OF THE
22 APPLICATION TO THE LOCAL JURISDICTION TO DETERMINE WHETHER THE
23 TRANSFER COMPLIES WITH LOCAL RESTRICTION ON TRANSFER OF
24 OWNERSHIP. IN DETERMINING WHETHER TO PERMIT A TRANSFER OF
25 OWNERSHIP, THE STATE LICENSING AUTHORITY SHALL CONSIDER ONLY THE
26 REQUIREMENTS OF THIS ARTICLE, ANY RULES PROMULGATED BY THE
27 STATE LICENSING AUTHORITY, AND ANY OTHER LOCAL RESTRICTIONS. THE

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

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

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

26 
27 (3) A RETAIL MARIJUANA ESTABLISHMENT SHALL NOTIFY THE

1 STATE LICENSING AUTHORITY IN WRITING OF THE NAME, ADDRESS, AND
2 DATE OF BIRTH OF AN OWNER, OFFICER OR MANAGER BEFORE THE NEW
3 OWNER OR OFFICER BEGINS MANAGING, OWNING, OR ASSOCIATING WITH
4 THE OPERATION. THE OWNER, OFFICER, MANAGER, OR EMPLOYEE MUST
5 PASS A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS
6 REQUIRED BY THE STATE LICENSING AUTHORITY AND OBTAIN THE
7 REQUIRED IDENTIFICATION PRIOR TO BEING ASSOCIATED WITH, MANAGING,
8 OWNING, OR WORKING AT THE OPERATION.

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

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

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

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

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

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

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

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

27 (11) EACH LICENSEE SHALL MANAGE THE LICENSED PREMISES

1 HIMSELF OR HERSELF OR EMPLOY A SEPARATE AND DISTINCT MANAGER ON
2 THE PREMISES AND SHALL REPORT THE NAME OF THE MANAGER TO THE
3 STATE AND LOCAL LICENSING AUTHORITIES. THE LICENSEE SHALL REPORT
4 ANY CHANGE IN MANAGER TO THE STATE AND LOCAL LICENSING
5 AUTHORITIES WITHIN TWO BUSINESS DAYS AFTER THE CHANGE PURSUANT
6 TO SECTION 12-43.4-308.

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

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

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

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

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

1 C.R.S., THIS ARTICLE, AND RULES PROMULGATED PURSUANT TO THIS
2 ARTICLE.

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

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

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

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

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

1 PART 4

2 LICENSE TYPES

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

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

23 (2) (a) A PERSON MAY OPERATE A LICENSED MEDICAL MARIJUANA
24 CENTER, AN OPTIONAL CULTIVATION FACILITY, A MEDICAL
25 MARIJUANA-INFUSED PRODUCTS MANUFACTURING FACILITY, AND ANY
26 RETAIL MARIJUANA ESTABLISHMENT AT THE SAME LOCATION WITH
27 SEPARATE LICENSED PREMISES IF THE LOCAL JURISDICTION PERMITS A


1 DUAL OPERATION.

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

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

13 (c) A DUAL CULTIVATION BUSINESS OPERATION SHALL MAINTAIN
14 EITHER PHYSICAL OR VIRTUAL SEPARATION OF THE TWO FACILITIES AND
15 THE PLANTS AND INVENTORY OF THE TWO FACILITIES.

16 (3) ALL PERSONS LICENSED PURSUANT TO THIS ARTICLE SHALL
17 COLLECT SALES TAX ON ALL RETAIL SALES MADE AT A RETAIL MARIJUANA
18 STORE.

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

24 (b) A RETAIL MARIJUANA STORE MAY CULTIVATE ITS OWN RETAIL
25 MARIJUANA IF IT OBTAINS A RETAIL MARIJUANA CULTIVATION FACILITY
26 LICENSE OR IT MAY PURCHASE RETAIL MARIJUANA FROM A LICENSED
27 RETAIL MARIJUANA CULTIVATION FACILITY. A RETAIL MARIJUANA STORE

1 SHALL TRACK ALL OF ITS RETAIL MARIJUANA FROM THE POINT IT IS EITHER
2 TRANSFERRED FROM ITS RETAIL MARIJUANA CULTIVATION FACILITY OR
3 THE POINT WHEN IT IS DELIVERED TO THE RETAIL MARIJUANA STORE FROM
4 ANOTHER LICENSED RETAIL MARIJUANA CULTIVATION FACILITY TO THE
5 POINT OF SALE.

6 (c) (I) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF
7 THIS SUBSECTION (1), ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL
8 MARIJUANA STORE LICENSEE SHALL ONLY SELL RETAIL MARIJUANA GROWN
9 IN ITS RETAIL MARIJUANA CULTIVATION FACILITY LICENSED PURSUANT TO
10 SECTION 12-43.4-403.

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

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

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

27 (III) THE RETAIL MARIJUANA STORE SHALL TRACK ALL OF ITS

1 RETAIL MARIJUANA FROM THE POINT THAT IT IS TRANSFERRED FROM A
2 RETAIL MARIJUANA CULTIVATION FACILITY TO THE POINT OF SALE.

3 (IV) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JANUARY 1,
4 2015.

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

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

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

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

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

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

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

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

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

22 (b) A LICENSED RETAIL MARIJUANA STORE MAY NOT SELL ANY
23 RETAIL MARIJUANA PRODUCTS THAT CONTAIN NICOTINE OR ALCOHOL.

24 (c) A LICENSED RETAIL MARIJUANA STORE SHALL NOT SELL RETAIL
25 MARIJUANA OR RETAIL MARIJUANA PRODUCTS OVER THE INTERNET NOR
26 DELIVER RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS TO A
27 PERSON NOT PHYSICALLY PRESENT IN THE RETAIL MARIJUANA STORE'S

1 LICENSED PREMISES.

2 (8) A LICENSED RETAIL MARIJUANA STORE MAY ONLY SELL RETAIL
3 MARIJUANA AND RETAIL MARIJUANA PRODUCTS IN PACKAGING THAT
4 CONFORMS TO THE REGULATIONS ADOPTED BY THE STATE LICENSING
5 AUTHORITY.

6 (9) THE PREMISES OF A LICENSED RETAIL MARIJUANA STORE IS THE
7 ONLY PLACE WHERE AN AUTOMATIC DISPENSING MACHINE THAT CONTAINS
8 RETAIL MARIJUANA MAY BE LOCATED. IF A LICENSED RETAIL MARIJUANA
9 STORE USES AN AUTOMATIC DISPENSING MACHINE THAT CONTAINS RETAIL
10 MARIJUANA, IT MUST COMPLY WITH THE REGULATIONS PROMULGATED BY
11 THE STATE LICENSING AUTHORITY FOR ITS USE.

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

14 **12-43.4-403. Retail marijuana cultivation facility license.** (1) A
15 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY
16 TO A PERSON WHO CULTIVATES RETAIL MARIJUANA FOR SALE AND
17 DISTRIBUTION TO LICENSED RETAIL MARIJUANA STORES OR RETAIL
18 MARIJUANA PRODUCTS MANUFACTURING LICENSEES.

19 (2) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF
20 THIS SECTION, ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA
21 CULTIVATION FACILITY LICENSE MAY BE ISSUED ONLY TO A PERSON WHO
22 HOLDS A RETAIL MARIJUANA STORE LICENSE PURSUANT TO SECTION
23 12-43.4-402 OR A RETAIL MARIJUANA PRODUCTS MANUFACTURING
24 LICENSE PURSUANT TO SECTION 12-43.3-404 AND WHO GROWS AND
25 CULTIVATES RETAIL MARIJUANA AT AN ADDITIONAL LICENSED PREMISES
26 CONTIGUOUS OR NOT CONTIGUOUS WITH THE LICENSED PREMISES OF THE
27 PERSON'S RETAIL MARIJUANA STORE OR THE PERSON'S RETAIL MARIJUANA

1 PRODUCTS MANUFACTURING FACILITY.

2 (b) ON AND BEFORE SEPTEMBER 30, 2014, A RETAIL MARIJUANA
3 CULTIVATION FACILITY LICENSEE SHALL ONLY TRANSFER RETAIL
4 MARIJUANA TO ITS RETAIL MARIJUANA STORE OR RETAIL MARIJUANA
5 PRODUCTS MANUFACTURER.

6 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (b) OF
7 THIS SUBSECTION (2), A RETAIL MARIJUANA CULTIVATION FACILITY
8 LICENSEE MAY SELL NO MORE THAN THIRTY PERCENT OF ITS INVENTORY
9 TO ANOTHER RETAIL MARIJUANA STORE OR RETAIL MARIJUANA PRODUCTS
10 MANUFACTURER.

11 (d) RETAIL MARIJUANA CULTIVATION FACILITY LICENSES MAY BE
12 COMBINED IN A COMMON AREA SOLELY FOR THE PURPOSES OF GROWING
13 AND CULTIVATING RETAIL MARIJUANA AND USED TO PROVIDE RETAIL
14 MARIJUANA TO MORE THAN ONE LICENSED RETAIL MARIJUANA STORE OR
15 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER SO LONG AS THE
16 HOLDER OF THE RETAIL MARIJUANA CULTIVATION LICENSE IS ALSO A
17 COMMON OWNER OF EACH LICENSED RETAIL MARIJUANA STORE OR
18 LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER TO WHICH
19 RETAIL MARIJUANA IS PROVIDED. IN ACCORDANCE WITH PROMULGATED
20 RULES RELATING TO PLANT AND PRODUCT TRACKING REQUIREMENTS,
21 EACH RETAIL MARIJUANA CULTIVATION LICENSEE SHALL SUPPLY RETAIL
22 MARIJUANA ONLY TO ITS ASSOCIATED LICENSED RETAIL MARIJUANA
23 STORES OR LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURERS.

24 (e) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JANUARY 1,
25 2015.

26 (3) A RETAIL MARIJUANA CULTIVATION FACILITY SHALL REMIT
27 ANY APPLICABLE EXCISE TAX DUE IN ACCORDANCE WITH ARTICLE 28.8 OF

1 ARTICLE 39, C.R.S., BASED ON THE AVERAGE WHOLESALE PRICES SET BY
2 THE STATE LICENSING AUTHORITY.

3 (4) A RETAIL MARIJUANA CULTIVATION FACILITY SHALL TRACK
4 THE MARIJUANA IT CULTIVATES FROM SEED TO WHOLESALE PURCHASE.
5 PRIOR TO DELIVERY OF ANY SOLD RETAIL MARIJUANA, THE RETAIL
6 MARIJUANA CULTIVATION FACILITY SHALL PROVIDE EVIDENCE THAT IT
7 PAID ANY APPLICABLE EXCISE TAX ON THE RETAIL MARIJUANA DUE
8 PURSUANT TO ARTICLE 28.8 OF TITLE 39, C.R.S.

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

15 (6) RETAIL MARIJUANA PRODUCTS MAY NOT BE CONSUMED ON THE
16 PREMISES OF A RETAIL MARIJUANA CULTIVATION FACILITY.

17 **12-43.4-404. Retail marijuana products manufacturing**
18 **license.** (1) (a) A RETAIL MARIJUANA PRODUCTS MANUFACTURING
19 LICENSE MAY BE ISSUED TO A PERSON WHO MANUFACTURES RETAIL
20 MARIJUANA PRODUCTS, PURSUANT TO THE TERMS AND CONDITIONS OF
21 THIS ARTICLE.

22 (b) A RETAIL MARIJUANA PRODUCTS MANUFACTURER MAY
23 CULTIVATE ITS OWN RETAIL MARIJUANA IF IT OBTAINS A RETAIL
24 MARIJUANA CULTIVATION FACILITY LICENSE, OR IT MAY PURCHASE RETAIL
25 MARIJUANA FROM A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY.
26 A RETAIL MARIJUANA PRODUCTS MANUFACTURER LICENSEE THAT HAS A
27 RETAIL MARIJUANA CULTIVATION FACILITY LICENSE SHALL NOT SELL ANY

1 OF THE RETAIL MARIJUANA THAT IT CULTIVATES EXCEPT FOR THE RETAIL
2 MARIJUANA THAT IS CONTAINED IN ITS RETAIL MARIJUANA PRODUCTS. A
3 RETAIL MARIJUANA PRODUCTS MANUFACTURER SHALL TRACK ALL OF ITS
4 RETAIL MARIJUANA FROM THE POINT IT IS EITHER TRANSFERRED FROM ITS
5 RETAIL MARIJUANA CULTIVATION FACILITY OR THE POINT WHEN IT IS
6 DELIVERED TO THE RETAIL MARIJUANA PRODUCTS MANUFACTURER FROM
7 A LICENSED RETAIL MARIJUANA CULTIVATION FACILITY TO THE POINT OF
8 SALE.

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

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

24 (3) ALL LICENSED PREMISES ON WHICH RETAIL MARIJUANA
25 PRODUCTS ARE MANUFACTURED SHALL MEET THE SANITARY STANDARDS
26 FOR RETAIL MARIJUANA PRODUCT PREPARATION PROMULGATED PURSUANT
27 TO SECTION 12-43.4-202 (2) (a) (XI).

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

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

7 (6) NOTWITHSTANDING ANY OTHER PROVISION OF STATE LAW,
8 SALES OF RETAIL MARIJUANA PRODUCTS SHALL NOT BE EXEMPT FROM
9 STATE OR LOCAL SALES TAX.

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

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

19 (9) A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER
20 SHALL PACKAGE AND LABEL EACH PRODUCT MANUFACTURED AS REQUIRED
21 BY RULES OF THE STATE LICENSING AUTHORITY PURSUANT TO SECTION
22 12-43.4-202.

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

26 **12-43.4-405. Retail marijuana testing facility license - rules.**

27 (1) A RETAIL MARIJUANA TESTING FACILITY LICENSE MAY BE ISSUED TO

1 A PERSON WHO PERFORMS TESTING AND RESEARCH ON RETAIL MARIJUANA.
2 THE FACILITY MAY DEVELOP AND TEST RETAIL MARIJUANA PRODUCTS.

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

10 (3) A PERSON WHO HAS AN INTEREST IN A RETAIL MARIJUANA
11 TESTING FACILITY LICENSE FROM THE STATE LICENSING AUTHORITY FOR
12 TESTING PURPOSES SHALL NOT HAVE ANY INTEREST IN A LICENSED
13 MEDICAL MARIJUANA CENTER, A LICENSED OPTIONAL PREMISE
14 CULTIVATION OPERATION, A LICENSED MEDICAL MARIJUANA-INFUSED
15 PRODUCTS MANUFACTURER, A LICENSED RETAIL MARIJUANA STORE, A
16 LICENSED RETAIL MARIJUANA CULTIVATION FACILITY, OR A LICENSED
17 RETAIL MARIJUANA PRODUCTS MANUFACTURER. A PERSON THAT HAS AN
18 INTEREST IN A LICENSED MEDICAL MARIJUANA CENTER, A LICENSED
19 OPTIONAL PREMISE CULTIVATION OPERATION, A LICENSED MEDICAL
20 MARIJUANA-INFUSED PRODUCTS MANUFACTURER, A LICENSED RETAIL
21 MARIJUANA STORE, A LICENSED RETAIL MARIJUANA CULTIVATION
22 FACILITY, OR A LICENSED RETAIL MARIJUANA PRODUCTS MANUFACTURER
23 SHALL NOT HAVE AN INTEREST IN A FACILITY THAT HAS A RETAIL
24 MARIJUANA TESTING FACILITY LICENSE.

25 PART 5

26 FEES

27 **12-43.4-501. Fees.** (1) THE STATE LICENSING AUTHORITY MAY

1 CHARGE AND COLLECT FEES UNDER THIS ARTICLE. THE APPLICATION FEE
2 FOR A PERSON APPLYING PURSUANT TO SECTION 12-43.4-104 (1) (a) SHALL
3 BE FIVE HUNDRED DOLLARS. THE STATE LICENSING AUTHORITY SHALL
4 TRANSFER TWO HUNDRED FIFTY DOLLARS OF THE FEE TO THE MARIJUANA
5 CASH FUND AND SUBMIT TWO HUNDRED FIFTY DOLLARS TO THE LOCAL
6 JURISDICTION IN WHICH THE LICENSE IS PROPOSED TO BE ISSUED.

7 (2) THE APPLICATION FEE FOR A PERSON APPLYING PURSUANT TO
8 SECTION 12-43.4-104 (1) (b) SHALL BE FIVE THOUSAND DOLLARS. THE
9 STATE LICENSING AUTHORITY SHALL TRANSFER TWO THOUSAND FIVE
10 HUNDRED DOLLARS OF THE FEE TO THE MARIJUANA CASH FUND AND REMIT
11 TWO THOUSAND FIVE HUNDRED DOLLARS TO THE LOCAL JURISDICTION IN
12 WHICH THE LICENSE IS PROPOSED TO BE ISSUED. THE STATE LICENSING
13 AUTHORITY IS CONSIDERING RAISING THE FIVE THOUSAND DOLLAR
14 APPLICATION FEE IT SHALL CONFER WITH EACH LOCAL JURISDICTION IN
15 WHICH A LICENSE UNDER THIS ARTICLE IS ISSUED PRIOR TO RAISING THE
16 APPLICATION FEE. IF THE APPLICATION FEE AMOUNT IS CHANGED, IT MUST
17 BE SPLIT EVENLY BETWEEN THE MARIJUANA CASH FUND AND THE LOCAL
18 JURISDICTION IN WHICH THE LICENSE IS PROPOSED TO BE ISSUED.

19 (3) ON OR BEFORE SEPTEMBER 30, 2014, AND ON OR BEFORE EACH
20 SEPTEMBER 30 THEREAFTER, THE STATE LICENSING AUTHORITY SHALL
21 PROVIDE A WRITTEN REPORT TO THE JOINT BUDGET COMMITTEE AND THE
22 FINANCE COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE
23 SENATE, OR THEIR SUCCESSOR COMMITTEES, DETAILING THE AMOUNT OF
24 REVENUE GENERATED BY MEDICAL AND RETAIL MARIJUANA, INCLUDING
25 APPLICABLE EXCISE TAXES, SALES TAXES, APPLICATION AND LICENSE FEES,
26 AND ANY OTHER FEES. THE REPORT MUST ALSO INCLUDE A REPORT ON THE
27 PROGRESS OF THE REGULATORY ENVIRONMENT FOR MARIJUANA IN

1 COLORADO.

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

6 PART 6

7 DISCIPLINARY ACTIONS

8 **12-43.4-601. Suspension - revocation - fines.** (1) IN ADDITION TO
9 ANY OTHER SANCTIONS PRESCRIBED BY THIS ARTICLE OR RULES
10 PROMULGATED PURSUANT TO THIS ARTICLE, THE STATE LICENSING
11 AUTHORITY HAS THE POWER, ON ITS OWN MOTION OR ON COMPLAINT,
12 AFTER INVESTIGATION AND OPPORTUNITY FOR A PUBLIC HEARING AT
13 WHICH THE LICENSEE MUST BE AFFORDED AN OPPORTUNITY TO BE HEARD,
14 TO FINE A LICENSEE OR TO SUSPEND OR REVOKE A LICENSE ISSUED BY THE
15 AUTHORITY FOR A VIOLATION BY THE LICENSEE OR BY ANY OF THE AGENTS
16 OR EMPLOYEES OF THE LICENSEE OF THE PROVISIONS OF THIS ARTICLE, OR
17 ANY OF THE RULES PROMULGATED PURSUANT TO THIS ARTICLE, OR OF ANY
18 OF THE TERMS, CONDITIONS, OR PROVISIONS OF THE LICENSE ISSUED BY
19 THE STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY HAS
20 THE POWER TO ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE
21 PRESENCE OF PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND
22 RECORDS NECESSARY TO THE DETERMINATION OF A HEARING THAT THE
23 STATE AUTHORITY IS AUTHORIZED TO CONDUCT.

24 (2) THE STATE LICENSING AUTHORITY SHALL PROVIDE NOTICE OF
25 SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL AS THE
26 REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1) OF THIS
27 SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT THE

1 ADDRESS CONTAINED IN THE LICENSE AND, IF DIFFERENT, AT THE LAST
2 ADDRESS OF RECORD. EXCEPT IN THE CASE OF A SUMMARY SUSPENSION,
3 A SUSPENSION SHALL NOT BE FOR A PERIOD LONGER THAN SIX MONTHS. IF
4 A LICENSE IS SUSPENDED OR REVOKED, A PART OF THE FEES PAID
5 THEREFOR SHALL NOT BE RETURNED TO THE LICENSEE. ANY LICENSE
6 MAY BE SUMMARILY SUSPENDED BY THE STATE LICENSING AUTHORITY
7 WITHOUT NOTICE PENDING ANY PROSECUTION, INVESTIGATION, OR PUBLIC
8 HEARING PURSUANT TO THE TERMS OF SECTION 24-4-104 (4), C.R.S.
9 NOTHING IN THIS SECTION SHALL PREVENT THE SUMMARY SUSPENSION OF
10 A LICENSE PURSUANT TO SECTION 24-4-104 (4), C.R.S.

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

21 (I) THE PUBLIC WELFARE WOULD NOT BE IMPAIRED BY PERMITTING
22 THE LICENSEE TO OPERATE DURING THE PERIOD SET FOR SUSPENSION AND
23 THAT THE PAYMENT OF THE FINE WILL ACHIEVE THE DESIRED
24 DISCIPLINARY PURPOSES; AND

25 (II) THE BOOKS AND RECORDS OF THE LICENSEE ARE KEPT IN SUCH
26 A MANNER THAT THE LOSS OF SALES THAT THE LICENSEE WOULD HAVE
27 SUFFERED HAD THE SUSPENSION GONE INTO EFFECT CAN BE DETERMINED

1 WITH REASONABLE ACCURACY.

2

3 (b) THE FINE ACCEPTED SHALL BE NOT LESS THAN FIVE HUNDRED
4 DOLLARS NOR MORE THAN ONE HUNDRED THOUSAND DOLLARS.

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

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

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

24 (6) IF THE STATE LICENSING AUTHORITY DOES NOT MAKE THE
25 FINDINGS REQUIRED IN PARAGRAPH (a) OF SUBSECTION (3) OF THIS
26 SECTION AND DOES NOT ORDER THE SUSPENSION PERMANENTLY STAYED,
27 THE SUSPENSION SHALL GO INTO EFFECT ON THE OPERATIVE DATE FINALLY

1 SET BY THE STATE LICENSING AUTHORITY.

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

9 **12-43.4-602. Disposition of unauthorized marijuana or**
10 **marijuana products and related materials.** (1) THE PROVISIONS OF
11 THIS SECTION SHALL APPLY IN ADDITION TO ANY CRIMINAL, CIVIL, OR
12 ADMINISTRATIVE PENALTIES AND IN ADDITION TO ANY OTHER PENALTIES
13 PRESCRIBED BY THIS ARTICLE OR ANY RULES PROMULGATED PURSUANT TO
14 THIS ARTICLE. ANY PROVISIONS IN THIS ARTICLE RELATED TO LAW
15 ENFORCEMENT SHALL BE CONSIDERED A CUMULATIVE RIGHT OF THE
16 PEOPLE IN THE ENFORCEMENT OF THE CRIMINAL LAWS.

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

21 (3) A STATE OR LOCAL AGENCY SHALL NOT BE REQUIRED TO
22 CULTIVATE OR CARE FOR ANY RETAIL MARIJUANA OR RETAIL MARIJUANA
23 PRODUCT BELONGING TO OR SEIZED FROM A LICENSEE. A STATE OR LOCAL
24 AGENCY SHALL NOT BE AUTHORIZED TO SELL MARIJUANA, RETAIL OR
25 OTHERWISE.

26 (4) IF THE STATE LICENSING AUTHORITY ISSUES A FINAL AGENCY
27 ORDER IMPOSING A DISCIPLINARY ACTION AGAINST A LICENSEE PURSUANT

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

15 (5) FOLLOWING THE ISSUANCE OF A FINAL AGENCY ORDER BY THE
16 STATE LICENSING AUTHORITY AGAINST A LICENSEE AND ORDERING
17 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION, A
18 LICENSEE SHALL HAVE FIFTEEN DAYS WITHIN WHICH TO FILE A PETITION
19 FOR STAY OF AGENCY ACTION WITH THE DISTRICT COURT. THE ACTION
20 SHALL BE FILED IN THE CITY AND COUNTY OF DENVER, WHICH SHALL BE
21 DEEMED TO BE THE RESIDENCE OF THE STATE LICENSING AUTHORITY FOR
22 PURPOSES OF THIS SECTION. THE LICENSEE SHALL SERVE THE PETITION IN
23 ACCORDANCE WITH THE COLORADO RULES OF CIVIL PROCEDURE. THE
24 DISTRICT COURT SHALL PROMPTLY RULE UPON THE PETITION AND
25 DETERMINE WHETHER THE LICENSEE HAS A SUBSTANTIAL LIKELIHOOD OF
26 SUCCESS ON JUDICIAL REVIEW SO AS TO WARRANT DELAY OF THE
27 DESTRUCTION AUTHORIZED BY SUBSECTION (4) OF THIS SECTION OR

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

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

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

25 PART 7

26 INSPECTION OF BOOKS AND RECORDS

27 **12-43.4-701. Inspection procedures.** (1) EACH LICENSEE SHALL

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

13 (2) THE LICENSED PREMISES, INCLUDING ANY PLACES OF STORAGE
14 WHERE RETAIL MARIJUANA IS STORED, CULTIVATED, SOLD, DISPENSED,
15 OR TESTED SHALL BE SUBJECT TO INSPECTION BY THE STATE OR LOCAL
16 JURISDICTIONS AND THEIR INVESTIGATORS, DURING ALL BUSINESS HOURS
17 AND OTHER TIMES OF APPARENT ACTIVITY, FOR THE PURPOSE OF
18 INSPECTION OR INVESTIGATION. ACCESS SHALL BE REQUIRED DURING
19 BUSINESS HOURS FOR EXAMINATION OF ANY INVENTORY OR BOOKS AND
20 RECORDS REQUIRED TO BE KEPT BY THE LICENSEES. WHEN ANY PART OF
21 THE LICENSED PREMISES CONSISTS OF A LOCKED AREA, UPON DEMAND TO
22 THE LICENSEE, SUCH AREA SHALL BE MADE AVAILABLE FOR INSPECTION
23 WITHOUT DELAY, AND, UPON REQUEST BY AUTHORIZED REPRESENTATIVES
24 OF THE STATE OR LOCAL JURISDICTION, THE LICENSEE SHALL OPEN THE
25 AREA FOR INSPECTION.

26 (3) EACH LICENSEE SHALL RETAIN ALL BOOKS AND RECORDS
27 NECESSARY TO SHOW FULLY THE BUSINESS TRANSACTIONS OF THE

1 LICENSEE FOR A PERIOD OF THE CURRENT TAX YEAR AND THE THREE
2 IMMEDIATELY PRIOR TAX YEARS.

3 PART 8

4 JUDICIAL REVIEW

5 **12-43.4-801. Judicial review.** DECISIONS BY THE STATE
6 LICENSING AUTHORITY ARE SUBJECT TO JUDICIAL REVIEW PURSUANT TO
7 SECTION 24-4-106, C.R.S.

8 PART 9

9 UNLAWFUL ACTS

10 **12-43.4-901. Unlawful acts - exceptions.** (1) EXCEPT AS
11 OTHERWISE PROVIDED IN THIS ARTICLE, IT IS UNLAWFUL FOR A PERSON TO
12 CONSUME RETAIL MARIJUANA IN A LICENSED RETAIL MARIJUANA
13 ESTABLISHMENT, AND IT IS UNLAWFUL FOR A RETAIL MARIJUANA LICENSEE
14 TO ALLOW RETAIL MARIJUANA TO BE CONSUMED UPON ITS LICENSED
15 PREMISES.

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

17 (a) BUY, SELL, TRANSFER, GIVE AWAY, OR ACQUIRE RETAIL
18 MARIJUANA EXCEPT AS ALLOWED PURSUANT TO THIS ARTICLE OR SECTION
19 16 OF ARTICLE XVIII OF THE STATE CONSTITUTION; OR

20 (b) HAVE AN UNREPORTED FINANCIAL INTEREST OR A DIRECT
21 INTEREST IN A LICENSE PURSUANT TO THIS ARTICLE; EXCEPT THAT THIS
22 PARAGRAPH (b) DOES NOT APPLY TO BANKS, SAVINGS AND LOAN
23 ASSOCIATIONS, OR INDUSTRIAL BANKS SUPERVISED AND REGULATED BY
24 AN AGENCY OF THE STATE OR FEDERAL GOVERNMENT, OR TO
25 FHA-APPROVED MORTGAGEES, OR TO STOCKHOLDERS, DIRECTORS, OR
26 OFFICERS THEREOF.

27 (3) IT IS UNLAWFUL FOR A PERSON LICENSED PURSUANT TO THIS

1 ARTICLE:

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

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

8 (c) TO FAIL TO REPORT A TRANSFER REQUIRED BY SECTION
9 12-43.4-309 (11); OR

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

12 [REDACTED]

13 (4) IT IS UNLAWFUL FOR ANY PERSON LICENSED TO SELL RETAIL
14 MARIJUANA PURSUANT TO THIS ARTICLE:

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

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

19 (c) TO PROVIDE PUBLIC PREMISES, OR ANY PORTION THEREOF, FOR
20 THE PURPOSE OF CONSUMPTION OF RETAIL MARIJUANA IN ANY FORM;

21 [REDACTED]

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

25 [REDACTED]

26 (e) TO SELL MORE THAN A QUARTER OF AN OUNCE OF RETAIL
27 MARIJUANA AND NO MORE THAN A QUARTER OF AN OUNCE EQUIVALENT OF

1 A RETAIL MARIJUANA PRODUCT DURING A SINGLE TRANSACTION TO A
2 NONRESIDENT OF THE STATE;

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

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

8 [REDACTED]

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

15 (5) A PERSON WHO COMMITS ANY ACTS THAT ARE UNLAWFUL
16 PURSUANT TO THIS ARTICLE OR THE RULES AUTHORIZED AND ADOPTED
17 PURSUANT TO THIS ARTICLE COMMITS A CLASS 2 MISDEMEANOR AND
18 SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., EXCEPT
19 FOR VIOLATIONS THAT WOULD ALSO CONSTITUTE A VIOLATION OF TITLE
20 18, C.R.S., WHICH VIOLATION SHALL BE CHARGED AND PROSECUTED
21 PURSUANT TO TITLE 18, C.R.S.

22 PART 10

23 SUNSET REVIEWS

24 **12-43.4-1001. Sunset review - article repeal.** (1) THIS ARTICLE
25 IS REPEALED, EFFECTIVE JULY 1, 2016.

26 (2) PRIOR TO THE REPEAL OF THIS ARTICLE, THE DEPARTMENT OF
27 REGULATORY AGENCIES SHALL CONDUCT A SUNSET REVIEW AS DESCRIBED

1 IN SECTION 24-34-104 (8), C.R.S.

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

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

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

15 **42-4-1301. Driving under the influence - driving while**
16 **impaired - driving with excessive alcoholic content - definitions -**
17 **penalties.** (1) (c) ~~It is a misdemeanor for any person who is an habitual~~
18 ~~user of any controlled substance defined in section 18-18-102 (5), C.R.S.,~~
19 ~~to drive a motor vehicle, vehicle, or low-power scooter in this state.~~

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

27 (2) (b) In any prosecution for the offense of DUI per se, the

1 defendant shall be entitled to offer direct and circumstantial evidence to
2 show that there is a disparity between what ~~the~~ ANY tests show and other
3 facts so that the trier of fact could infer that the tests were in some way
4 defective or inaccurate. Such evidence may include testimony of
5 nonexpert witnesses relating to the absence of any or all of the common
6 symptoms or signs of intoxication for the purpose of impeachment of the
7 accuracy of the analysis of the person's blood or breath.

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

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

20 (IV) IF AT SUCH TIME THE DRIVER'S BLOOD CONTAINED FIVE
21 NANOGRAMS OR MORE OF DELTA 9-TETRAHYDROCANNABINOL PER
22 MILLILITER IN WHOLE BLOOD, AS SHOWN BY ANALYSIS OF THE
23 DEFENDANT'S BLOOD, SUCH FACT GIVES RISE TO A PERMISSIBLE INFERENCE
24 THAT THE DEFENDANT WAS UNDER THE INFLUENCE OF ONE OR MORE
25 DRUGS.

26 (e) **Involuntary blood test - admissibility.** Evidence acquired
27 through an involuntary blood test pursuant to section 42-4-1301.1 (3)

1 shall be admissible in any prosecution for DUI, DUI per se, DWAI,
2 ~~habitual user~~, or UDD, and in any prosecution for criminally negligent
3 homicide pursuant to section 18-3-105, C.R.S., vehicular homicide
4 pursuant to section 18-3-106 (1) (b), C.R.S., assault in the third degree
5 pursuant to section 18-3-204, C.R.S., or vehicular assault pursuant to
6 section 18-3-205 (1) (b), C.R.S.

7 (j) IN ANY TRIAL FOR A VIOLATION OF THIS SECTION, IF, AT THE
8 TIME OF THE ALLEGED OFFENSE, THE PERSON POSSESSED A VALID MEDICAL
9 MARIJUANA REGISTRY IDENTIFICATION CARD, AS DEFINED IN SECTION
10 25-1.5-106 (2) (e), C.R.S., ISSUED TO HIMSELF OR HERSELF, THE
11 PROSECUTION SHALL NOT USE SUCH FACT AS PART OF THE PROSECUTION'S
12 CASE IN CHIEF.

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

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

21 **18-3-106. Vehicular homicide.** (1) (b) (II) For the purposes of
22 this subsection (1), one or more drugs ~~shall mean all substances defined~~
23 ~~as a~~ MEANS ANY drug, AS DEFINED in section 27-80-203 (13), C.R.S., and
24 ~~all controlled substances~~ ANY CONTROLLED SUBSTANCE, AS defined in
25 section 18-18-102 (5), and ~~glue-sniffing, aerosol inhalation, or the~~
26 ~~inhalation of~~ any INHALED GLUE, AEROSOL, OR other toxic vapor or
27 vapors, as defined in section 18-18-412.

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

6 (c) If there was at such time 0.08 or more grams of alcohol per
7 one hundred milliliters of blood, or if there was at such time 0.08 or more
8 grams of alcohol per two hundred ten liters of breath, it shall be presumed
9 SUCH FACT GIVES RISE TO THE PERMISSIBLE INFERENCE that the defendant
10 was under the influence of alcohol.

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

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

19 **18-3-205. Vehicular assault.** (1) (b) (II) For the purposes of this
20 subsection (1), one or more drugs shall mean all substances defined as a
21 MEANS ANY drug, AS DEFINED in section 27-80-203 (13), C.R.S., and all
22 ~~controlled substances~~ ANY CONTROLLED SUBSTANCE, AS defined in
23 section 18-18-102 (5), and ~~glue-sniffing, aerosol inhalation, or the~~
24 ~~inhalation of~~ any INHALED GLUE, AEROSOL, OR other toxic vapor or
25 vapors, as defined in section 18-18-412.

26 (2) In any prosecution for a violation of subsection (1) of this
27 section, the amount of alcohol in the defendant's blood or breath at the

1 time of the commission of the alleged offense, or within a reasonable time
2 thereafter, as shown by analysis of the defendant's blood or breath, shall
3 ~~give~~ GIVES rise to the following: ~~presumptions:~~

4 (c) If there was at such time 0.08 or more grams of alcohol per
5 one hundred milliliters of blood, or if there was at such time 0.08 or more
6 grams of alcohol per two hundred ten liters of breath, ~~it shall be presumed~~
7 SUCH FACT GIVES RISE TO THE PERMISSIBLE INFERENCE that the defendant
8 was under the influence of alcohol.

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

15 **SECTION 9.** In Colorado Revised Statutes, 42-1-102, **repeal**
16 (41.7) as follows:

17 **42-1-102. Definitions.** As used in articles 1 to 4 of this title,
18 unless the context otherwise requires:

19 (41.7) "~~Habitual user~~" ~~shall incorporate by reference the offense~~
20 ~~described in section 42-4-1301 (1) (c).~~

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

23 **42-2-121. Records to be kept by department - admission of**
24 **records in court.** (2) (b) The department shall also keep a separate file
25 of all abstracts of court records of dismissals of DUI, DUI per se, DWAI,
26 ~~habitual user~~, and UDD charges and all abstracts of records in cases
27 where the original charges were for DUI, DUI per se, DWAI, ~~habitual~~

1 ~~user~~, and UDD and the convictions were for nonalcohol- or
2 nondrug-related traffic offenses. This file shall be made available only to
3 criminal justice agencies, as defined in section 24-72-302 (3), C.R.S.

4 (5) (a) Upon application by a person, the department shall
5 expunge all records concerning a conviction of a person for UDD with a
6 BAC of at least 0.02 but not more than 0.05 and any records concerning
7 an administrative determination resulting in a revocation under section
8 42-2-126 (3) (b) or (3) (e) if:

9 (III) The person has not been convicted for any other DUI, DUI
10 per se, DWAI, ~~habitual user~~, or UDD offense that was committed while
11 such person was under twenty-one years of age and is not subject to any
12 other administrative determination resulting in a revocation under section
13 42-2-126 for any other occurrence while such person was under
14 twenty-one years of age;

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

17 **42-2-129. Mandatory surrender of license or permit for**
18 **driving under the influence or with excessive alcoholic content.** Upon
19 a plea of guilty or nolo contendere, or a verdict of guilty by the court or
20 a jury, to DUI, OR DUI per se, ~~or habitual user~~, or, for a person under
21 twenty-one years of age, to DUI, DUI per se, DWAI, ~~habitual user~~, or
22 UDD, the court shall require the offender to immediately surrender the
23 offender's driver's, minor driver's, or temporary driver's license or
24 instruction permit to the court. The court shall forward to the department
25 a notice of plea or verdict, on the form prescribed by the department,
26 together with the offender's license or permit, not later than ten days after
27 the surrender of the license or permit. Any person who does not

1 immediately surrender the license or permit to the court, except for good
2 cause shown, commits a class 2 misdemeanor traffic offense.

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

5 **42-2-125. Mandatory revocation of license and permit.** (1) The
6 department shall immediately revoke the license or permit of any driver
7 or minor driver upon receiving a record showing that such driver has:

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

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

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

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

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

3 **42-2-127. Authority to suspend license - to deny license - type**
4 **of conviction - points.** (1) (a) Except as provided in paragraph (b) of
5 subsection (8) of this section, the department has the authority to suspend
6 the license of any driver who, in accordance with the schedule of points
7 set forth in this section, has been convicted of traffic violations resulting
8 in the accumulation of twelve points or more within any twelve
9 consecutive months or eighteen points or more within any twenty-four
10 consecutive months, or, in the case of a minor driver eighteen years of age
11 or older, who has accumulated nine points or more within any twelve
12 consecutive months, or twelve points or more within any twenty-four
13 consecutive months, or fourteen points or more for violations occurring
14 after reaching the age of eighteen years, or, in the case of a minor driver
15 under the age of eighteen years, who has accumulated more than five
16 points within any twelve consecutive months or more than six points for
17 violations occurring prior to reaching the age of eighteen years; except
18 that the accumulation of points causing the subjection to suspension of
19 the license of a chauffeur who, in the course of employment, has as a
20 principal duty the operation of a motor vehicle shall be sixteen points in
21 one year, twenty-four points in two years, or twenty-eight points in four
22 years, if all the points are accumulated while said chauffeur is in the
23 course of employment. Any provision of this section to the contrary
24 notwithstanding, the license of a chauffeur who is convicted of DUI, DUI
25 per se, DWAI, ~~habitual user~~, UDD, or leaving the scene of an accident
26 shall be suspended in the same manner as if the offense occurred outside
27 the course of employment. Whenever a minor driver under the age of

1 eighteen years receives a summons for a traffic violation, the minor's
2 parent or legal guardian or, if the minor is without parents or guardian,
3 the person who signed the minor driver's application for a license shall
4 immediately be notified by the court from which the summons was
5 issued.

6 (5) Point system schedule:

Type of conviction	Points
(b) (II) Habitual user	12

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

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

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

27 (IV) Any person whose license or privilege to drive a motor

1 vehicle on the public highways has been revoked under section 42-2-125
2 (1) (g) (I) or (1) (i) or 42-2-203 where the revocation was due in part to
3 a DUI, DUI per se, OR DWAI or ~~habitual user~~ conviction shall be
4 required to present an affidavit stating that the person has obtained at the
5 person's own expense a signed lease agreement for the installation and
6 use of an approved ignition interlock device, as defined in section
7 42-2-132.5 (9) (a), in each motor vehicle on which the person's name
8 appears on the registration and any other vehicle that the person may
9 drive during the period of the interlock-restricted license.

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

12 **42-2-132.5. Mandatory and voluntary restricted licenses**
13 **following alcohol convictions - rules.** (1) **Persons required to hold an**
14 **interlock-restricted license.** The following persons shall be required to
15 hold an interlock-restricted license pursuant to this section for at least one
16 year following reinstatement prior to being eligible to obtain any other
17 driver's license issued under this article:

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

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

24 (4) **Persons who may acquire an interlock-restricted license**
25 **prior to serving a full-term revocation.** (c) In order to be eligible for
26 early reinstatement pursuant to this subsection (4), a person who has been
27 designated an habitual offender under the provisions of section 42-2-202

1 must have at least one conviction for DUI, DUI per se, OR DWAI or
2 ~~habitual user~~ under section 42-4-1301, and no contributing violations
3 other than violations for driving under restraint under section 42-2-138
4 or reckless driving under section 42-4-1401.

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

7 **42-2-138. Driving under restraint - penalty.** (1) (a) Any person
8 who drives a motor vehicle or off-highway vehicle upon any highway of
9 this state with knowledge that the person's license or privilege to drive,
10 either as a resident or a nonresident, is under restraint for any reason other
11 than conviction of DUI, DUI per se, DWAI, ~~habitual user~~, or UDD is
12 guilty of a misdemeanor. A court may sentence a person convicted of this
13 misdemeanor to imprisonment in the county jail for a period of not more
14 than six months and may impose a fine of not more than five hundred
15 dollars.

16 (d) (I) A person who drives a motor vehicle or off-highway
17 vehicle upon any highway of this state with knowledge that the person's
18 license or privilege to drive, either as a resident or nonresident, is
19 restrained under section 42-2-126 (3), is restrained solely or partially
20 because of a conviction of DUI, DUI per se, DWAI, ~~habitual user~~, or
21 UDD, or is restrained in another state solely or partially because of an
22 alcohol-related driving offense is guilty of a misdemeanor and, upon
23 conviction thereof, shall be punished by imprisonment in the county jail
24 for not less than thirty days nor more than one year and, in the discretion
25 of the court, by a fine of not less than five hundred dollars nor more than
26 one thousand dollars. Upon a second or subsequent conviction, the person
27 shall be punished by imprisonment in the county jail for not less than

1 ninety days nor more than two years and, in the discretion of the court, by
2 a fine of not less than five hundred dollars nor more than three thousand
3 dollars. The minimum county jail sentence imposed by this subparagraph
4 (I) shall be mandatory, and the court shall not grant probation or a
5 suspended sentence thereof; but, in a case where the defendant is
6 convicted although the defendant established that he or she had to drive
7 the motor vehicle in violation of this subparagraph (I) because of an
8 emergency, the mandatory jail sentence, if any, shall not apply, and, for
9 a first conviction, the court may impose a sentence of imprisonment in the
10 county jail for a period of not more than one year and, in the discretion of
11 the court, a fine of not more than one thousand dollars, and, for a second
12 or subsequent conviction, the court may impose a sentence of
13 imprisonment in the county jail for a period of not more than two years
14 and, in the discretion of the court, a fine of not more than three thousand
15 dollars.

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

1 evidence of the identity of the defendant and may be used in evidence
2 against the defendant.

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

5 **42-2-202. Habitual offenders - frequency and type of**
6 **violations.** (2) (a) An habitual offender is a person having three or more
7 convictions of any of the following separate and distinct offenses arising
8 out of separate acts committed within a period of seven years:

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

10 **SECTION 18.** In Colorado Revised Statutes, 42-2-405, **amend**
11 (3) (a) as follows:

12 **42-2-405. Driver's license disciplinary actions - grounds for**
13 **denial - suspension - revocation - disqualification.** (3) For purposes of
14 the imposition of restraints and sanctions against commercial driving
15 privileges:

16 (a) A conviction for DUI, DUI per se, OR DWAI, ~~or habitual user,~~
17 or a substantially similar law of any other state pertaining to drinking and
18 driving, or an administrative determination of a violation of section
19 42-2-126 (3) (a) or (3) (b) shall be deemed driving under the influence;
20 and

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

23 **42-4-1301.1. Expressed consent for the taking of blood, breath,**
24 **urine, or saliva sample - testing.** (2) (a) (I) A person who drives a
25 motor vehicle upon the streets and highways and elsewhere throughout
26 this state shall be required to take and complete, and to cooperate in the
27 taking and completing of, any test or tests of the person's breath or blood

1 for the purpose of determining the alcoholic content of the person's blood
2 or breath when so requested and directed by a law enforcement officer
3 having probable cause to believe that the person was driving a motor
4 vehicle in violation of the prohibitions against DUI, DUI per se, DWAI,
5 ~~habitual user~~, or UDD. Except as otherwise provided in this section, if a
6 person who is twenty-one years of age or older requests that the test be a
7 blood test, then the test shall be of his or her blood; but, if the person
8 requests that a specimen of his or her blood not be drawn, then a
9 specimen of the person's breath shall be obtained and tested. A person
10 who is under twenty-one years of age shall be entitled to request a blood
11 test unless the alleged violation is UDD, in which case a specimen of the
12 person's breath shall be obtained and tested, except as provided in
13 subparagraph (II) of this paragraph (a).

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

27 **SECTION 20.** In Colorado Revised Statutes, 42-4-1307, **amend**

1 (3) (a) introductory portion, (5) (a) introductory portion, (5) (b)
2 introductory portion, (6) (a) introductory portion, (9) (a), (10) (a), (10)
3 (b), (10) (c), (10) (d) (I), (12), and (13) as follows:

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

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

18 (b) If a person is convicted of DUI, DUI per se, OR DWAI ~~or~~
19 ~~habitual user~~ and the violation occurred less than five years after the date
20 of a previous violation for which the person was convicted of DUI, DUI
21 per se, DWAI, ~~habitual user~~, vehicular homicide pursuant to section
22 18-3-106 (1) (b), C.R.S., vehicular assault pursuant to section 18-3-205
23 (1) (b), C.R.S., aggravated driving with a revoked license pursuant to
24 section 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the
25 person's driver's license was under restraint pursuant to section 42-2-138
26 (1) (d), the court shall not have discretion to employ any sentencing
27 alternatives described in section 18-1.3-106, C.R.S., during the minimum

1 period of imprisonment described in subparagraph (I) of paragraph (a) of
2 this subsection (5); except that a court may allow the person to participate
3 in a program pursuant to section 18-1.3-106 (1) (a) (II), (1) (a) (IV), or (1)
4 (a) (V), C.R.S., only if the program is available through the county in
5 which the person is imprisoned and only for the purpose of:

6 (6) **Third and subsequent offenses.** (a) A person who is
7 convicted of DUI, DUI per se, OR DWAI or habitual user who, at the time
8 of sentencing, has two or more prior convictions of DUI, DUI per se,
9 DWAI, habitual user, vehicular homicide pursuant to section 18-3-106 (1)
10 (b), C.R.S., vehicular assault pursuant to section 18-3-205 (1) (b), C.R.S.,
11 aggravated driving with a revoked license pursuant to section 42-2-206
12 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the person's driver's
13 license was under restraint pursuant to section 42-2-138 (1) (d) shall be
14 punished by:

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

1 C.R.S., aggravated driving with a revoked license pursuant to section
2 42-2-206 (1) (b) (I) (A) or (1) (b) (I) (B), or driving while the person's
3 driver's license was under restraint pursuant to section 42-2-138 (1) (d).

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

6 (a) Persons convicted of DUI, DUI per se, DWAI, ~~habitual user~~,
7 and UDD are subject to the costs imposed by section 24-4.1-119 (1) (c),
8 C.R.S., relating to the crime victim compensation fund;

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

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

23 (d) (I) Persons convicted of DUI, DUI per se, AND DWAI and
24 ~~habitual user~~ are subject to a surcharge of at least one dollar but no more
25 than ten dollars for programs to fund efforts to address alcohol and
26 substance abuse problems among persons in rural areas. The surcharge
27 shall be mandatory, and the court shall not have discretion to suspend or

1 waive the surcharge; except that the court may suspend or waive the
2 surcharge if the court determines that a person is indigent. Any moneys
3 collected for the surcharge shall be transmitted to the state treasurer, who
4 shall credit the same to the rural alcohol and substance abuse cash fund
5 created in section 27-80-117 (3), C.R.S.

6 (12) **Victim impact panels.** In addition to any other penalty
7 provided by law, the court may sentence a person convicted of DUI, DUI
8 per se, DWAI, ~~habitual user~~, or UDD to attend and pay for one
9 appearance at a victim impact panel approved by the court, for which the
10 fee assessed to the person shall not exceed twenty-five dollars.

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

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

18 **42-4-1702. Alcohol- or drug-related traffic offenses - collateral**
19 **attack.** (1) ~~Except as otherwise provided in paragraph (b) of this~~
20 ~~subsection (1),~~ No person against whom a judgment has been entered for
21 DUI, DUI per se, DWAI, ~~habitual user~~, or UDD shall collaterally attack
22 the validity of that judgment unless such attack is commenced within six
23 months after the date of entry of the judgment.

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

26 **42-4-1705. Person arrested to be taken before the proper**
27 **court.** (1) Whenever a person is arrested for any violation of this article

1 punishable as a misdemeanor, the arrested person shall be taken without
2 unnecessary delay before a county judge who has jurisdiction of such
3 offense as provided by law, in any of the following cases:

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

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

8 **42-4-1715. Convictions, judgments, and charges recorded -**
9 **public inspection.** (1) (b) (II) Upon receiving a request for
10 expungement, the court may delay consideration of such request until
11 sufficient time has elapsed to ensure that the person is not convicted for
12 any additional offense of DUI, DUI per se, DWAI, ~~habitual user~~, or UDD
13 committed while the person was under twenty-one years of age.

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

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

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

22 **42-7-408. Proof of financial responsibility - methods of giving**
23 **proof - duration - exception.** (1) (c) Notwithstanding the three-year
24 requirement in paragraph (b) of this subsection (1):

25 (I) If an insured has been found guilty of DUI, DUI per se, OR
26 DWAI or ~~habitual user~~ or if the insured's license has been revoked
27 pursuant to section 42-2-126, other than a revocation under section

1 42-2-126 (3) (b) or (3) (e), only one time and no accident was involved
2 in such offense, proof of financial responsibility for the future shall be
3 required to be maintained only for as long as the insured's driving
4 privilege is ordered to be under restraint, up to a maximum of three years.
5 The time period for maintaining the future proof of liability insurance
6 shall begin at the time the driver reinstates his or her driving privilege.

7 **SECTION 25.** In Colorado Revised Statutes, 40-10.1-110,
8 **amend** (3) (c) (I) as follows:

9 **40-10.1-110. Criminal history record check.** (3) An individual
10 whose criminal history record is checked pursuant to this section is
11 disqualified and prohibited from driving motor vehicles for the motor
12 carrier described in subsection (1) of this section if the criminal history
13 record check reflects that:

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

16 (I) Convicted in this state of driving under the influence, as
17 defined in section 42-4-1301 (1) (f), C.R.S.; driving with excessive
18 alcoholic content, as described in section 42-4-1301 (2) (a), C.R.S.; OR
19 driving while ability impaired, as defined in section 42-4-1301 (1) (g),
20 C.R.S.; ~~or driving while an habitual user of a controlled substance, as~~
21 ~~described in section 42-4-1301 (1) (c), C.R.S.; or~~

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

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

26 (47) The following agencies, functions, or both shall terminate on July
27 1, 2016:

1 (d) THE REGULATION OF PERSONS LICENSED PURSUANT TO ARTICLE
2 43.4 OF TITLE 12, C.R.S.

3 **SECTION 27. Appropriation.** (1) In addition to any other
4 appropriation, for the fiscal year beginning July 1, 2013, there is hereby
5 appropriated, out of any moneys in the general fund not otherwise
6 appropriated, to the department of revenue to be credited to the marijuana
7 cash fund established created in section 12-43.3-501 (1) (a), Colorado
8 Revised Statutes, the sum of \$4,154,759, to be used for purposes
9 consistent with the creation of the fund.

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

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

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

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

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

24 (3) In addition to any other appropriation, there is hereby
25 appropriated to the department of law, for the fiscal year beginning July
26 1, 2013, the sum of \$70,684 and 0.5 FTE, or so much thereof as may be
27 necessary, for the provision of legal services for the department of

1 revenue related to the implementation of this act. Said sum is from
2 reappropriated funds received from the department of revenue out of the
3 appropriation made in paragraph (a) of subsection (2) of this section.

4 (4) In addition to any other appropriation, there is hereby
5 appropriated to the governor - lieutenant governor - state planning and
6 budgeting, for the fiscal year beginning July 1, 2013, the sum of \$56,492,
7 or so much thereof as may be necessary, for allocation to the office of
8 information technology, for the provision of computer center services for
9 the department of revenue related to the implementation of this act. Said
10 sum is from reappropriated funds received from the department of
11 revenue out of the appropriation made in paragraph (b) of subsection (2)
12 of this section.

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

21 (6) In addition to any other appropriation, there is hereby
22 appropriated, out of any moneys in the general fund not otherwise
23 appropriated, to the judicial department, for the fiscal year beginning July
24 1, 2013, the sum of \$12,000, or so much thereof as may be necessary, for
25 allocation to the office of the state public defender for mandated costs
26 related to the implementation of this act.

27 **SECTION 28.** In Colorado Revised Statutes, **add** 17-18-108 as

1 follows:

2 **17-18-108. Appropriation to comply with section 2-2-703 - HB**

3 **13-1317 - repeal.** (1) PURSUANT TO SECTION 2-2-703, C.R.S., THE
4 FOLLOWING STATUTORY APPROPRIATIONS, OR SO MUCH THEREOF AS MAY
5 BE NECESSARY, ARE MADE IN ORDER TO IMPLEMENT HOUSE BILL 13-1317,
6 ENACTED IN 2013:

7 (a) FOR THE FISCAL YEAR BEGINNING JULY 1, 2014, IN ADDITION
8 TO ANY OTHER APPROPRIATION, THERE IS HEREBY APPROPRIATED TO THE
9 DEPARTMENT, OUT OF ANY MONEYS IN THE GENERAL FUND NOT
10 OTHERWISE APPROPRIATED, THE SUM OF TWENTY THOUSAND EIGHT
11 HUNDRED SIXTEEN DOLLARS (\$20,816).

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

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

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