Second Regular Session Sixty-seventh General Assembly STATE OF COLORADO

REREVISED

This Version Includes All Amendments Adopted in the Second House

LLS NO. 10-0773.02 Michael Dohr

HOUSE BILL 10-1284

HOUSE SPONSORSHIP

Massey and Summers, McCann, Rice

SENATE SPONSORSHIP

Romer and Spence,

House Committees

Judiciary Appropriations

101

Senate Committees

Local Government and Energy Appropriations

A BILL FOR AN ACT

CONCERNING REGULATION OF MEDICAL MARIJUANA, AND MAKING AN

102 APPROPRIATION THEREFOR.

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.)

Section 1. The bill creates the medical marijuana licensing authority (state licensing authority) in the department of revenue. The state licensing authority grants, refuses, or renews a medical marijuana center license after the licensee has received local approval. The state licensing authority also administers aspects of medical marijuana

SENATE Am ended 3rd Reading

SENATE
Am ended 2nd Reading
May 5 2010

HOUSE 3rd Reading Unam ended April22,2010

> HOUSE Am ended 2nd Reading April20,2010

licensure, including rulemaking. Many of the functions and duties of the state licensing authority are similar to those held by the state licensing authority for alcoholic beverages.

Section 2. Under the bill, the department of public health and environment (department) will promulgate new rules related to standards for issuing registry identification cards, documentation for physicians who prescribe medical marijuana, and sanctions for physicians who violate the bill.

A physician who certifies that a patient can use medical marijuana shall certify certain information to the department and maintain a record-keeping system for his or her medical marijuana patients. A physician who certifies that a patient can use medical marijuana shall not receive remuneration from or offer it to a primary caregiver, distributor, or any other provider of medical marijuana.

The bill requires patients under 21 years of age who want to be registered medical marijuana patients to receive recommendations from 2 doctors.

A primary caregiver may serve no more than 5 patients on the registry at one time, unless the department allows more patients due to exceptional circumstances.

A patient who is permitted to use medical marijuana must have in his or her possession a registry identification card at all times when in possession of medical marijuana.

The bill lists various places and situations in which the patient or primary caregiver may not use or possess medical marijuana. A physician who certifies that a patient can use medical marijuana may not receive remuneration from a primary caregiver related to medical marijuana or from a medical marijuana center.

The bill imposes a one-year moratorium on the opening of new medical marijuana centers, but allows current medical marijuana centers to operate for a year before becoming licensed.

Section 3. The bill provides an exception to the adulterated food offenses for medical marijuana centers that manufacture or sell food that contains medical marijuana if the food is labeled as containing medical marijuana and the label specifies the amount of medical marijuana.

Sections 4, 5, and 6 make conforming amendments.

- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 SECTION 1. Title 12, Colorado Revised Statutes, is amended BY
- THE ADDITION OF A NEW ARTICLE to read:
- 4 ARTICLE 43.3

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1	Medical Marijuana
2	PART 1
3	COLORADO MEDICAL MARIJUANA CODE
4	12-43.3-101. Short title. This article shall be known and
5	MAY BE CITED AS THE "COLORADO MEDICAL MARIJUANA CODE".
6	12-43.3-102. Legislative declaration. (1) THE GENERAL
7	ASSEMBLY HEREBY DECLARES THAT THIS ARTICLE SHALL BE DEEMED AN
8	EXERCISE OF THE POLICE POWERS OF THE STATE FOR THE PROTECTION OF
9	THE ECONOMIC AND SOCIAL WELFARE AND THE HEALTH, PEACE, AND
10	MORALS OF THE PEOPLE OF THIS STATE.
11	(2) THE GENERAL ASSEMBLY FURTHER DECLARES THAT IT IS
12	UNLAWFUL UNDER STATE LAW TO CULTIVATE, MANUFACTURE
13	DISTRIBUTE, OR SELL MEDICAL MARIJUANA, EXCEPT IN COMPLIANCE WITH
14	THE TERMS, CONDITIONS, LIMITATIONS, AND RESTRICTIONS IN SECTION 14
15	OF ARTICLE XVIII OF THE STATE CONSTITUTION AND THIS ARTICLE OF
16	WHEN ACTING AS A PRIMARY CAREGIVER IN COMPLIANCE WITH THE TERMS
17	CONDITIONS, LIMITATIONS, AND RESTRICTIONS OF SECTION 25-1.5-106
18	C.R.S.
19	12-43.3-103. Applicability. (1) (a) ON JULY 1, 2010, A PERSON
20	WHO IS OPERATING AN ESTABLISHED, LOCALLY APPROVED BUSINESS FOR
21	THE PURPOSE OF CULTIVATION, MANUFACTURE, OR SALE OF MEDICAL
22	MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCTS OR A PERSON
23	WHO HAS APPLIED TO A LOCAL GOVERNMENT TO OPERATE A LOCALLY
24	APPROVED BUSINESS FOR THE PURPOSE OF CULTIVATION, MANUFACTURE
25	OR SALE OF MEDICAL MARIJUANA OR MEDICAL MARIJUANA-INFUSED
26	PRODUCTS WHICH IS SUBSEQUENTLY GRANTED MAY CONTINUE TO
7	ODED ATE THAT BUSINESS IN ACCORDANCE WITH ANY ADDITION BY ESTATE

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1	OR LOCAL LAWS. "ESTABLISHED", AS USED IN THIS PARAGRAPH (a), SHALL
2	MEAN OWNING OR LEASING A SPACE WITH A STOREFRONT AND REMITTING
3	SALES TAXES IN A TIMELY MANNER ON RETAIL SALES OF THE BUSINESS AS
4	REQUIRED PURSUANT TO 39-26-105, C.R.S., AS WELL AS ANY APPLICABLE
5	LOCAL SALES TAXES.
6	(b) To continue operating a business or operation as
7	DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (1), THE OWNER SHALL,
8	ON OR BEFORE AUGUST 1, 2010, COMPLETE FORMS AS PROVIDED BY THE
9	DEPARTMENT OF REVENUE AND SHALL PAY A FEE, WHICH SHALL BE
10	CREDITED TO THE MEDICAL MARIJUANA LICENSE CASH FUND ESTABLISHED
11	PURSUANT TO SECTION 12-43.3-501. THE PURPOSE OF THE FEE SHALL BE
12	TO PAY FOR THE DIRECT AND INDIRECT COSTS OF THE STATE LICENSING
13	AUTHORITY AND THE DEVELOPMENT OF APPLICATION PROCEDURES AND
14	RULES NECESSARY TO IMPLEMENT THIS ARTICLE. PAYMENT OF THE FEE
15	AND COMPLETION OF THE FORM SHALL NOT CREATE A LOCAL OR STATE
16	LICENSE OR A PRESENT OR FUTURE ENTITLEMENT TO RECEIVE A LICENSE.
17	An owner issued a local license after August 1, 2010, shall
18	COMPLETE THE FORMS AND PAY THE FEE PURSUANT TO THIS PARAGRAPH
19	(b) WITHIN THIRTY DAYS OF ISSUANCE OF THE LOCAL LICENSE. IN
20	ADDITION TO ANY CRIMINAL PENALTIES FOR SELLING WITHOUT A LICENSE,
21	IT SHALL BE UNLAWFUL TO CONTINUE OPERATING A BUSINESS OR
22	OPERATION WITHOUT FILING THE FORMS AND PAYING THE FEE AS
23	DESCRIBED IN THIS SUBSECTION (b), AND ANY VIOLATION OF THIS SECTION
24	SHALL BE PRIMA-FACIE EVIDENCE OF UNSATISFACTORY CHARACTER,
25	RECORD, AND REPUTATION FOR ANY FUTURE APPLICATION FOR LICENSE
26	UNDER THIS ARTICLE.
27	(c) A COUNTY CITY AND COUNTY OR MUNICIPALITY SHALL

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1	PROVIDE TO THE STATE LICENSING AUTHORITY, UPON REQUEST, A LIST
2	THAT INCLUDES THE NAME AND LOCATION OF EACH LOCAL CENTER OR
3	OPERATION LICENSED IN SAID COUNTY, CITY AND COUNTY, OR
4	MUNICIPALITY SO THAT THE STATE LICENSING AUTHORITY CAN IDENTIFY
5	ANY CENTER OR OPERATION OPERATING UNLAWFULLY.
6	(2) (a) Prior to July 1, 2011, a county, city and county, or
7	MUNICIPALITY MAY ADOPT AND ENFORCE A RESOLUTION OR ORDINANCE
8	LICENSING, REGULATING, OR PROHIBITING THE CULTIVATION OR SALE OF
9	MEDICAL MARIJUANA. IN A COUNTY, CITY AND COUNTY, OR MUNICIPALITY
10	WHERE SUCH AN ORDINANCE OR RESOLUTION HAS BEEN ADOPTED, A
11	PERSON WHO IS NOT REGISTERED AS A PATIENT OR PRIMARY CAREGIVER
12	PURSUANT TO SECTION 25-1.5-106, C.R.S., AND WHO IS CULTIVATING OR
13	SELLING MEDICAL MARIJUANA SHALL NOT BE ENTITLED TO AN
14	AFFIRMATIVE DEFENSE TO A CRIMINAL PROSECUTION AS PROVIDED FOR IN
15	SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION UNLESS THE
16	PERSON IS IN COMPLIANCE WITH THE APPLICABLE COUNTY OR MUNICIPAL
17	<u>LAW.</u>
18	(b) On or before September 1, 2010, a business or operation
19	SHALL CERTIFY THAT IT IS CULTIVATING AT LEAST SEVENTY PERCENT OF
20	THE MEDICAL MARIJUANA NECESSARY FOR ITS OPERATION.
21	(c) On and after July 1, 2011, all businesses for the
22	PURPOSE OF CULTIVATION, MANUFACTURE, OR SALE OF MEDICAL
23	MARIJUANA OR MEDICAL MARIJUANA-INFUSED PRODUCTS, AS DEFINED IN
24	THIS ARTICLE, SHALL BE SUBJECT TO THE TERMS AND CONDITIONS OF THIS
25	ARTICLE AND ANY RULES PROMULGATED PURSUANT TO THIS ARTICLE.
26	
27	12-43.3-104. Definitions. As used in this article, unless the

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1	CONTEXT OTHERWISE REQUIRES:
2	(1) "GOOD CAUSE", FOR PURPOSES OF REFUSING OR DENYING A
3	LICENSE RENEWAL, REINSTATEMENT, OR INITIAL LICENSE ISSUANCE
4	MEANS:
5	(a) THE LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET
6	OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OF
7	PROVISIONS OF THIS <u>ARTICLE</u> , ANY RULES PROMULGATED PURSUANT TO
8	THIS ARTICLE, OR ANY SUPPLEMENTAL LOCAL LAW, RULES, OF
9	REGULATIONS;
10	(b) THE LICENSEE OR APPLICANT HAS FAILED TO COMPLY WITH ANY
11	SPECIAL TERMS OR CONDITIONS THAT WERE PLACED ON ITS LICENSE
12	PURSUANT TO AN ORDER OF THE STATE OR LOCAL LICENSING AUTHORITY
13	(c) THE LICENSED PREMISES HAVE BEEN OPERATED IN A MANNER
14	THAT ADVERSELY AFFECTS THE PUBLIC HEALTH OR WELFARE OR THE
15	SAFETY OF THE IMMEDIATE NEIGHBORHOOD IN WHICH THE
16	ESTABLISHMENT IS LOCATED.
17	(2) "LICENSE" MEANS TO GRANT A LICENSE OR REGISTRATION
18	PURSUANT TO THIS ARTICLE.
19	(3) "LICENSED PREMISES" MEANS THE PREMISES SPECIFIED IN AN
20	APPLICATION FOR A LICENSE UNDER THIS ARTICLE, WHICH ARE OWNED OF
21	IN POSSESSION OF THE LICENSEE AND WITHIN WHICH THE LICENSEE IS
22	AUTHORIZED TO CULTIVATE, MANUFACTURE, DISTRIBUTE, OR SELI
23	MEDICAL MARIJUANA IN ACCORDANCE WITH THE PROVISIONS OF THIS
24	ARTICLE.
25	(4) "LICENSEE" MEANS A PERSON LICENSED OR REGISTEREI
26	PURSUANT TO THIS ARTICLE.
27	(5) "LOCAL LICENSING AUTHORITY" MEANS AN AUTHORITY

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1	DESIGNATED BY MUNICIPAL OR COUNTY CHARTER, MUNICIPAL ORDINANCE,
2	OR COUNTY RESOLUTION.
3	(6) "LOCATION" MEANS A PARTICULAR PARCEL OF LAND THAT MAY
4	BE IDENTIFIED BY AN ADDRESS OR OTHER DESCRIPTIVE MEANS.
5	(7) "MEDICAL MARIJUANA" MEANS MARIJUANA THAT IS GROWN
6	AND SOLD PURSUANT TO THE PROVISIONS OF THIS ARTICLE AND FOR A
7	PURPOSE AUTHORIZED BY SECTION 14 OF ARTICLE XVIII OF THE STATE
8	CONSTITUTION.
9	(8) "MEDICAL MARIJUANA CENTER" MEANS A PERSON LICENSED
10	PURSUANT TO THIS ARTICLE TO OPERATE A BUSINESS AS DESCRIBED IN
11	SECTION 12-43.3-402 THAT SELLS MEDICAL MARIJUANA TO REGISTERED
12	PATIENTS OR PRIMARY CAREGIVERS AS DEFINED IN SECTION 14 OF ARTICLE
13	XVIII OF THE STATE CONSTITUTION, BUT IS NOT A PRIMARY CAREGIVER.
14	(9) "MEDICAL MARIJUANA-INFUSED PRODUCT" MEANS A PRODUCT
15	INFUSED WITH MEDICAL MARIJUANA THAT IS INTENDED FOR USE OR
16	CONSUMPTION OTHER THAN BY SMOKING, INCLUDING BUT NOT LIMITED TO
17	EDIBLE PRODUCTS, OINTMENTS, AND TINCTURES. THESE PRODUCTS, WHEN
18	MANUFACTURED OR SOLD BY A LICENSED MEDICAL MARIJUANA CENTER OR
19	A MEDICAL MARIJUANA-INFUSED PRODUCT MANUFACTURER, SHALL NOT
20	BE CONSIDERED A FOOD OR DRUG FOR THE PURPOSES OF THE "COLORADO
21	FOOD AND DRUG ACT", PART 4 OF ARTICLE 5 OF TITLE 25, C.R.S.
22	(10) "MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURER"
23	MEANS A PERSON LICENSED PURSUANT TO THIS ARTICLE TO OPERATE A
24	BUSINESS AS DESCRIBED IN SECTION 12-43.3-404.
25	(11) "OPTIONAL PREMISES" MEANS THE PREMISES SPECIFIED IN AN
26	APPLICATION FOR A MEDICAL MARIJUANA CENTER LICENSE WITH RELATED
27	GROWING EACH ITIES IN COLORADO FOR WHICH THE LICENSEE IS

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1	AUTHORIZED TO GROW AND CULTIVATE MARIJUANA FOR A PURPOSE
2	AUTHORIZED BY SECTION 14 OF ARTICLE XVIII OF THE STATE
3	CONSTITUTION.
4	(12) "OPTIONAL PREMISES CULTIVATION OPERATION" MEANS A
5	PERSON LICENSED PURSUANT TO THIS ARTICLE TO OPERATE A BUSINESS AS
6	DESCRIBED IN SECTION 12-43.3-403.
7	(13) "PERSON" MEANS A NATURAL PERSON, PARTNERSHIP,
8	ASSOCIATION, COMPANY, CORPORATION, LIMITED LIABILITY COMPANY, OR
9	ORGANIZATION, OR A MANAGER, AGENT, OWNER, DIRECTOR, SERVANT,
10	OFFICER, OR EMPLOYEE THEREOF.
11	(14) "Premises" means a distinct and definite location,
12	WHICH MAY INCLUDE A BUILDING, A PART OF A BUILDING, A ROOM, OR ANY
13	OTHER DEFINITE CONTIGUOUS AREA.
14	(15) "SCHOOL" MEANS A PUBLIC OR PRIVATE PRESCHOOL OR A
15	PUBLIC OR PRIVATE ELEMENTARY, MIDDLE, JUNIOR HIGH, OR HIGH SCHOOL.
16	(16) "STATE LICENSING AUTHORITY" MEANS THE AUTHORITY
17	CREATED FOR THE PURPOSE OF REGULATING AND CONTROLLING THE
18	LICENSING OF THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE
19	OF MEDICAL MARIJUANA IN THIS STATE, PURSUANT TO SECTION
20	12-43.3-201.
21	12-43.3-105. Limited access areas. <u>Subject to</u> the provisions
22	OF 12-43.3-701, A LIMITED ACCESS AREA SHALL BE A BUILDING, ROOM, OR
23	OTHER CONTIGUOUS AREA UPON THE LICENSED PREMISES WHERE MEDICAL
24	MARIJUANA IS GROWN, CULTIVATED, STORED, WEIGHED, DISPLAYED,
25	PACKAGED, SOLD, OR POSSESSED FOR SALE, UNDER CONTROL OF THE
26	LICENSEE, WITH LIMITED ACCESS TO ONLY THOSE PERSONS LICENSED BY
27	THE STATE LICENSING AUTHORITY. ALL AREAS OF INGRESS OR EGRESS TO

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1	LIMITED ACCESS AREAS SHALL BE CLEARLY IDENTIFIED AS SUCH BY A SIGN
2	AS DESIGNATED BY THE STATE LICENSING AUTHORITY.
3	12-43.3-106. Local option. The operation of this article
4	SHALL BE STATEWIDE UNLESS A MUNICIPALITY, COUNTY, CITY, OR CITY
5	AND COUNTY, BY EITHER A MAJORITY OF THE REGISTERED ELECTORS OF
6	THE MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY VOTING AT A
7	REGULAR ELECTION OR SPECIAL ELECTION CALLED IN ACCORDANCE WITH
8	THE "COLORADO MUNICIPAL ELECTION CODE OF 1965", ARTICLE 10 OF
9	TITLE 31, C.R.S., OR THE "UNIFORM ELECTION CODE OF 1992", ARTICLES
10	1 to 13 of title 1, C.R.S., as applicable, or a majority of the
11	MEMBERS OF THE GOVERNING BOARD FOR THE MUNICIPALITY, COUNTY,
12	CITY, OR CITY AND COUNTY, VOTE TO PROHIBIT THE OPERATION OF
13	MEDICAL MARIJUANA CENTERS, OPTIONAL PREMISES CULTIVATION
14	OPERATIONS, AND MEDICAL MARIJUANA-INFUSED PRODUCTS
15	MANUFACTURERS' LICENSES.
16	PART 2
17	STATE LICENSING AUTHORITY
18	12-43.3-201. State licensing authority - <u>creation - repeal.</u>
19	(1) FOR THE PURPOSE OF REGULATING AND CONTROLLING THE LICENSING
20	OF THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE OF
21	MEDICAL MARIJUANA IN THIS STATE, THERE IS HEREBY CREATED THE
22	STATE LICENSING AUTHORITY, WHICH SHALL BE THE EXECUTIVE DIRECTOR
23	OF THE DEPARTMENT OF REVENUE OR THE DEPUTY DIRECTOR OF THE
24	DEPARTMENT OF REVENUE IF THE EXECUTIVE DIRECTOR SO DESIGNATES.
25	(2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
26	SHALL BE THE CHIEF ADMINISTRATIVE OFFICER OF THE STATE LICENSING
27	AUTHORITY AND MAY EMPLOY PURSUANT TO SECTION 13 OF ARTICLE XII

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1	OF THE STATE CONSTITUTION, SUCH OFFICERS AND EMPLOYEES AS MAY BE
2	DETERMINED TO BE NECESSARY, WHICH OFFICERS AND EMPLOYEES SHALL
3	BE PART OF THE DEPARTMENT OF REVENUE. THE STATE LICENSING
4	AUTHORITY SHALL, AT ITS DISCRETION, BASED UPON WORKLOAD, EMPLOY
5	NO MORE THAN ONE FULL TIME EQUIVALENT EMPLOYEE FOR EACH TEN
6	MEDICAL MARIJUANA CENTERS LICENSED BY OR MAKING APPLICATION
7	WITH THE AUTHORITY. NO MONEYS SHALL BE APPROPRIATED TO THE
8	STATE LICENSING AUTHORITY FROM THE GENERAL FUND FOR THE
9	OPERATION OF THIS ARTICLE, NOR SHALL THE STATE LICENSING
10	AUTHORITY EXPEND ANY GENERAL FUND MONEYS FOR THE OPERATION OF
11	THIS ARTICLE.
12	(3) (a) During fiscal year 2010-2011, the state licensing
13	<u>AUTHORITY SHALL CONSIDER EMPLOYMENT OF TEMPORARY OR CONTRACT</u>
14	STAFF TO CONDUCT BACKGROUND INVESTIGATIONS. THE ADDITIONAL
15	COST OF THE BACKGROUND INVESTIGATIONS SHALL NOT EXCEED FIVE
16	HUNDRED THOUSAND DOLLARS.
17	(b) On July 1, 2010, the department of public health and
18	ENVIRONMENT SHALL LOAN TO THE STATE LICENSING AUTHORITY,
19	CREATED IN 12-43.3-201, A SUM NOT TO EXCEED ONE MILLION DOLLARS
20	FROM THE MEDICAL MARIJUANA CASH FUND CREATED IN 25-1.5-106. THE
21	STATE LICENSING AUTHORITY SHALL PAY BACK THE ONE MILLION DOLLAR
22	LOAN TO THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT NO
23	LATER THAN DECEMBER 31, 2010.
24	(c) This subsection (3) is repealed, effective July 1, 2011.
25	12-43.3-202. Powers and duties of state licensing authority -
26	<u>repeal.</u> (1) The state licensing authority shall:
27	(a) Grant or refuse state licenses for the cultivation,

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1	MANUFACTURE, DISTRIBUTION, AND SALE OF MEDICAL MARIJUANA AS
2	PROVIDED BY LAW; SUSPEND, FINE, RESTRICT, OR REVOKE SUCH LICENSES
3	UPON A VIOLATION OF THIS ARTICLE, OR A RULE PROMULGATED PURSUANT
4	TO THIS ARTICLE; AND IMPOSE ANY PENALTY AUTHORIZED BY THIS
5	ARTICLE OR ANY RULE PROMULGATED PURSUANT TO THIS ARTICLE. THE
6	STATE LICENSING AUTHORITY MAY TAKE ANY ACTION WITH RESPECT TO A
7	REGISTRATION PURSUANT TO THIS ARTICLE AS IT MAY WITH RESPECT TO A
8	LICENSE PURSUANT TO THIS ARTICLE, IN ACCORDANCE WITH THE
9	PROCEDURES ESTABLISHED PURSUANT TO THIS ARTICLE.
10	(b) (I) PROMULGATE SUCH RULES AND SUCH SPECIAL RULINGS
11	AND FINDINGS AS NECESSARY FOR THE PROPER REGULATION AND CONTROL
12	OF THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE OF
13	MEDICAL MARIJUANA AND FOR THE ENFORCEMENT OF THIS ARTICLE. A
14	COUNTY, MUNICIPALITY, OR CITY AND COUNTY THAT HAS ADOPTED A
15	TEMPORARY MORATORIUM REGARDING THE SUBJECT MATTER OF THIS
16	ARTICLE SHALL BE SPECIFICALLY AUTHORIZED TO EXTEND THE
17	MORATORIUM UNTIL THE EFFECTIVE DATE OF THE RULES ADOPTED BY THE
18	DEPARTMENT OF REVENUE IN ACCORDANCE WITH THIS ARTICLE.
19	(II) (A) THE STATE LICENSING AUTHORITY SHALL CONDUCT A
20	PUBLIC REVIEW HEARING WITH THE DEPARTMENT OF PUBLIC HEALTH AND
21	ENVIRONMENT BY SEPTEMBER 1, 2010, TO RECEIVE PUBLIC INPUT ON ANY
22	EMERGENCY RULES ADOPTED BY THE STATE LICENSING AUTHORITY AND
23	BE PROVIDED WITH AN UPDATE FROM THE INDUSTRY, CAREGIVERS,
24	PATIENTS, AND OTHER STAKEHOLDERS REGARDING THE INDUSTRY'S
25	CURRENT STATUS. THE STATE LICENSING AUTHORITY SHALL PROVIDE AT
26	LEAST FIVE BUSINESS DAYS' NOTICE PRIOR TO THE HEARING.
27	(B) This subparagraph (II) is repealed, effective July 1,

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1	<u>2011.</u>
2	(c) HEAR AND DETERMINE AT A PUBLIC HEARING ANY APPEALS OF
3	A STATE LICENSE DENIAL AND ANY COMPLAINTS AGAINST A LICENSEE AND
4	ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF
5	PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND RECORDS
6	NECESSARY TO THE DETERMINATION OF ANY HEARING SO HELD, ALL IN
7	ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S. THE STATE LICENSING
8	AUTHORITY MAY, AT ITS DISCRETION, DELEGATE TO THE DEPARTMENT OF
9	REVENUE HEARING OFFICERS THE AUTHORITY TO CONDUCT LICENSING,
10	DISCIPLINARY, AND RULEMAKING HEARINGS UNDER SECTION 24-4-105,
11	C.R.S. When conducting such hearings, the hearing officers
12	SHALL BE EMPLOYEES OF THE STATE LICENSING AUTHORITY UNDER THE
13	DIRECTION AND SUPERVISION OF THE EXECUTIVE DIRECTOR AND THE
14	STATE LICENSING AUTHORITY.
15	(d) MAINTAIN THE CONFIDENTIALITY OF REPORTS OBTAINED FROM
16	A LICENSEE SHOWING THE SALES VOLUME OR QUANTITY OF MEDICAL
17	MARIJUANA SOLD OR ANY OTHER RECORDS THAT ARE EXEMPT FROM
18	PUBLIC INSPECTION PURSUANT TO STATE LAW;
19	(e) DEVELOP SUCH FORMS, LICENSES, IDENTIFICATION CARDS, AND
20	APPLICATIONS AS ARE NECESSARY OR CONVENIENT IN THE DISCRETION OF
21	THE STATE LICENSING AUTHORITY FOR THE ADMINISTRATION OF THIS
22	ARTICLE OR ANY OF THE RULES PROMULGATED UNDER THIS ARTICLE;
23	(f) PREPARE AND TRANSMIT ANNUALLY, IN THE FORM AND
24	MANNER PRESCRIBED BY THE HEADS OF THE PRINCIPAL DEPARTMENTS
25	PURSUANT TO SECTION 24-1-136, C.R.S., A REPORT ACCOUNTING TO THE
26	GOVERNOR FOR THE EFFICIENT DISCHARGE OF ALL RESPONSIBILITIES
27	ASSIGNED BY LAW OR DIRECTIVE TO THE STATE LICENSING AUTHORITY;

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1	AND
2	(g) IN RECOGNITION OF THE POTENTIAL MEDICINAL VALUE OF
3	MEDICAL MARIJUANA, MAKE A REQUEST BY JANUARY 1, 2012, TO THE
4	FEDERAL DRUG ENFORCEMENT ADMINISTRATION TO CONSIDER
5	RESCHEDULING, FOR PHARMACEUTICAL PURPOSES, MEDICAL MARIJUANA
6	FROM A SCHEDULE I CONTROLLED SUBSTANCE TO A SCHEDULE II
7	CONTROLLED SUBSTANCE.
8	(2) (a) RULES PROMULGATED PURSUANT TO PARAGRAPH (b) OF
9	SUBSECTION (1) OF THIS SECTION MAY INCLUDE, BUT NEED NOT BE LIMITED
10	TO, THE FOLLOWING SUBJECTS:
11	(I) COMPLIANCE WITH, ENFORCEMENT OF, OR VIOLATION OF ANY
12	PROVISION OF THIS ARTICLE, OR ANY RULE ISSUED PURSUANT TO THIS
13	ARTICLE, INCLUDING PROCEDURES AND GROUNDS FOR DENYING
14	SUSPENDING, FINING, RESTRICTING, OR REVOKING A STATE LICENSE ISSUED
15	PURSUANT TO THIS ARTICLE;
16	(II) SPECIFICATIONS OF DUTIES OF OFFICERS AND EMPLOYEES OF
17	THE STATE LICENSING AUTHORITY;
18	(III) INSTRUCTIONS FOR LOCAL LICENSING AUTHORITIES AND LAW
19	ENFORCEMENT OFFICERS;
20	(IV) REQUIREMENTS FOR INSPECTIONS, INVESTIGATIONS
21	SEARCHES, SEIZURES, AND SUCH ADDITIONAL ACTIVITIES AS MAY BECOME
22	NECESSARY FROM TIME TO TIME;
23	(V) CREATION OF A RANGE OF PENALTIES FOR USE BY THE STATE
24	LICENSING AUTHORITY;
25	(VI) PROHIBITION OF MISREPRESENTATION AND UNFAIR
26	PRACTICES;
27	(VII) CONTROL OF INFORMATIONAL AND PRODUCT DISPLAYS ON

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1	LICENSED PREMISES;
2	(VIII) DEVELOPMENT OF INDIVIDUAL IDENTIFICATION CARDS FOR
3	OWNERS, OFFICERS, MANAGERS, CONTRACTORS, EMPLOYEES, AND OTHER
4	SUPPORT STAFF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE
5	INCLUDING A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK AS
6	MAY BE REQUIRED BY THE STATE LICENSING AUTHORITY PRIOR TO ISSUINCE
7	A CARD;
8	(IX) IDENTIFICATION OF STATE LICENSEES AND THEIR OWNERS
9	OFFICERS, MANAGERS, AND EMPLOYEES;
10	(X) SECURITY REQUIREMENTS FOR ANY PREMISES LICENSEI
11	PURSUANT TO THIS ARTICLE, INCLUDING, AT A MINIMUM, LIGHTING
12	PHYSICAL SECURITY, VIDEO, ALARM REQUIREMENTS, AND OTHER MINIMUM
13	PROCEDURES FOR INTERNAL CONTROL AS DEEMED NECESSARY BY THE
14	STATE LICENSING AUTHORITY TO PROPERLY ADMINISTER AND ENFORCE
15	THE PROVISIONS OF THIS ARTICLE, INCLUDING REPORTING REQUIREMENTS
16	FOR CHANGES, ALTERATIONS, OR MODIFICATIONS TO THE PREMISES;
17	(XI) REGULATION OF THE STORAGE OF, WAREHOUSES FOR, AND
18	TRANSPORTATION OF MEDICAL MARIJUANA;
19	(XII) SANITARY REQUIREMENTS FOR MEDICAL MARIJUANA
20	CENTERS, INCLUDING BUT NOT LIMITED TO SANITARY REQUIREMENTS FOR
21	THE PREPARATION OF MEDICAL MARIJUANA-INFUSED PRODUCTS;
22	(XIII) THE SPECIFICATION OF ACCEPTABLE FORMS OF PICTURE
23	IDENTIFICATION THAT A MEDICAL MARIJUANA CENTER MAY ACCEPT WHEN
24	VERIFYING A SALE;
25	(XIV) LABELING STANDARDS;
26	(XV) RECORDS TO BE KEPT BY LICENSEES AND THE REQUIRED
27	AVAILABILITY OF THE RECORDS:

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1	(XVI) STATE LICENSING PROCEDURES, INCLUDING PROCEDURES
2	FOR RENEWALS, REINSTATEMENTS, INITIAL LICENSES, AND THE PAYMENT
3	OF LICENSING FEES;
4	(XVII) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES
5	TAX PAYMENTS BY MEDICAL MARIJUANA CENTERS;
6	(XVIII) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO
7	HAVE ACCESS TO LICENSING INFORMATION TO ENSURE SALES AND INCOME
8	TAX PAYMENT AND THE EFFECTIVE ADMINISTRATION OF THIS ARTICLE;
9	(XIX) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO
10	ISSUE ADMINISTRATIVE CITATIONS AND PROCEDURES FOR ISSUING,
11	APPEALING AND CREATING A CITATION VIOLATION LIST AND SCHEDULE OF
12	PENALTIES; AND
13	(XX) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR,
14	IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS
15	ARTICLE.
16	(b) Nothing in this article shall be construed as
17	DELEGATING TO THE STATE LICENSING AUTHORITY THE POWER TO FIX
18	PRICES FOR MEDICAL MARIJUANA.
19	(c) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED TO LIMIT A
20	LAW ENFORCEMENT AGENCY'S ABILITY TO INVESTIGATE UNLAWFUL
21	ACTIVITY IN RELATION TO A MEDICAL MARIJUANA CENTER, OPTIONAL
22	PREMISES CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED
23	PRODUCTS MANUFACTURER. A LAW ENFORCEMENT AGENCY SHALL HAVE
24	THE AUTHORITY TO RUN A COLORADO CRIME INFORMATION CENTER
25	CRIMINAL HISTORY RECORD CHECK OF A PRIMARY CAREGIVER, LICENSEE,
26	OR EMPLOYEE OF A LICENSEE DURING AN INVESTIGATION OF UNLAWFUL
27	ACTIVITY RELATED TO MEDICAL MARIJUANA.

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1	PART 3
2	STATE AND LOCAL LICENSING
3	12-43.3-301. Local licensing authority - applications - licenses.
4	(1) A LOCAL LICENSING AUTHORITY MAY ISSUE ONLY THE FOLLOWING
5	MEDICAL MARIJUANA LICENSES UPON PAYMENT OF THE FEE AND
6	COMPLIANCE WITH ALL LOCAL LICENSING REQUIREMENTS TO BE
7	DETERMINED BY THE LOCAL LICENSING AUTHORITY:
8	(a) A MEDICAL MARIJUANA CENTER LICENSE;
9	(b) AN OPTIONAL PREMISES CULTIVATION LICENSE;
10	(c) A MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING
11	LICENSE.
12	(2) (a) A LOCAL LICENSING AUTHORITY SHALL NOT ISSUE A LOCAL
13	LICENSE WITHIN A MUNICIPALITY, CITY AND COUNTY, OR THE
14	UNINCORPORATED PORTION OF A COUNTY UNLESS THE GOVERNING BODY
15	OF THE MUNICIPALITY OR CITY AND COUNTY HAS ADOPTED AN ORDINANCE,
16	OR THE GOVERNING BODY OF THE COUNTY HAS ADOPTED A RESOLUTION,
17	CONTAINING SPECIFIC STANDARDS FOR LICENSE ISSUANCE, OR IF NO SUCH
18	ORDINANCE OR RESOLUTION IS ADOPTED PRIOR TO JULY 1, 2011, THEN A
19	LOCAL LICENSING AUTHORITY SHALL CONSIDER THE MINIMUM LICENSING
20	REQUIREMENTS OF THIS PART 3 WHEN ISSUING A LICENSE.
21	(b) In addition to all other standards applicable to the
22	ISSUANCE OF LICENSES UNDER THIS ARTICLE, THE LOCAL GOVERNING BODY
23	MAY ADOPT ADDITIONAL STANDARDS FOR THE ISSUANCE OF MEDICAL
24	MARIJUANA CENTER, OPTIONAL PREMISES CULTIVATION, OR MEDICAL
25	MARIJUANA-INFUSED PRODUCTS MANUFACTURER LICENSES CONSISTENT
26	WITH THE INTENT OF THIS ARTICLE THAT MAY INCLUDE, BUT NEED NOT BE
27	LIMITED TO:

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1	(I) DISTANCE RESTRICTIONS BETWEEN PREMISES FOR WHICH LOCAL
2	LICENSES ARE ISSUED;
3	(II) REASONABLE RESTRICTIONS ON THE SIZE OF AN APPLICANT'S
4	LICENSED PREMISES; AND
5	(III) ANY OTHER REQUIREMENTS NECESSARY TO ENSURE THE
6	CONTROL OF THE PREMISES AND THE EASE OF ENFORCEMENT OF THE
7	TERMS AND CONDITIONS OF THE LICENSE.
8	(3) AN APPLICATION FOR A LICENSE SPECIFIED IN SUBSECTION (1)
9	OF THIS SECTION SHALL BE FILED WITH THE APPROPRIATE LOCAL
10	LICENSING AUTHORITY ON FORMS PROVIDED BY THE STATE LICENSING
11	AUTHORITY AND SHALL CONTAIN SUCH INFORMATION AS THE STATE
12	LICENSING AUTHORITY MAY REQUIRE AND ANY FORMS AS THE LOCAL
13	LICENSING AUTHORITY MAY REQUIRE. EACH APPLICATION SHALL BE
14	VERIFIED BY THE OATH OR AFFIRMATION OF THE PERSONS PRESCRIBED BY
15	THE STATE LICENSING AUTHORITY.
16	(4) AN APPLICANT SHALL FILE AT THE TIME OF APPLICATION FOR
17	A LOCAL LICENSE PLANS AND SPECIFICATIONS FOR THE INTERIOR OF THE
18	BUILDING IF THE BUILDING TO BE OCCUPIED IS IN EXISTENCE AT THE TIME.
19	IF THE BUILDING IS NOT IN EXISTENCE, THE APPLICANT SHALL FILE A PLOT
20	PLAN AND A DETAILED SKETCH FOR THE INTERIOR AND SUBMIT AN
21	ARCHITECT'S DRAWING OF THE BUILDING TO BE CONSTRUCTED. IN ITS
22	DISCRETION, THE LOCAL OR STATE LICENSING AUTHORITY MAY IMPOSE
23	ADDITIONAL REQUIREMENTS NECESSARY FOR THE APPROVAL OF THE
24	APPLICATION.
25	12-43.3-302. Public hearing notice - posting and publication.
26	(1) UPON RECEIPT OF AN APPLICATION FOR A LOCAL LICENSE, EXCEPT AN
2.7	APPLICATION FOR RENEWAL OR FOR TRANSFER OF OWNERSHIP A LOCAL

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1	LICENSING AUTHORITY MAY SCHEDULE A PUBLIC HEARING UPON THE
2	APPLICATION TO BE HELD NOT LESS THAN THIRTY DAYS AFTER THE DATE
3	OF THE APPLICATION. IF THE LOCAL LICENSING AUTHORITY SCHEDULES A
4	HEARING FOR A MEDICAL MARIJUANA CENTER APPLICATION, IT SHALL POST
5	AND PUBLISH PUBLIC NOTICE THEREOF NOT LESS THAN TEN DAYS PRIOR TO
6	THE HEARING. THE LOCAL LICENSING AUTHORITY SHALL GIVE PUBLIC
7	NOTICE BY THE POSTING OF A SIGN IN A CONSPICUOUS PLACE ON THE
8	MEDICAL MARIJUANA CENTER PREMISES FOR WHICH APPLICATION HAS
9	BEEN MADE AND BY PUBLICATION IN A NEWSPAPER OF GENERAL
10	CIRCULATION IN THE COUNTY IN WHICH THE MEDICAL MARIJUANA CENTER
11	PREMISES ARE LOCATED.
12	(2) PUBLIC NOTICE GIVEN BY POSTING SHALL INCLUDE A SIGN OF
13	SUITABLE MATERIAL, NOT LESS THAN TWENTY-TWO INCHES WIDE AND
14	TWENTY-SIX INCHES HIGH, COMPOSED OF LETTERS NOT LESS THAN ONE
15	INCH IN HEIGHT AND STATING THE TYPE OF LICENSE APPLIED FOR, THE
16	DATE OF THE APPLICATION, THE DATE OF THE HEARING, THE NAME AND
17	ADDRESS OF THE APPLICANT, AND SUCH OTHER INFORMATION AS MAY BE
18	REQUIRED TO FULLY APPRISE THE PUBLIC OF THE NATURE OF THE
19	APPLICATION. THE SIGN SHALL CONTAIN THE NAMES AND ADDRESSES OF
20	THE OFFICERS, DIRECTORS, OR MANAGER OF THE FACILITY TO BE LICENSED.
21	(3) PUBLIC NOTICE GIVEN BY PUBLICATION SHALL CONTAIN THE
22	SAME INFORMATION AS THAT REQUIRED FOR SIGNS.
23	(4) IF THE BUILDING IN WHICH MEDICAL MARIJUANA IS TO BE SOLD
24	IS IN EXISTENCE AT THE TIME OF THE APPLICATION, A SIGN POSTED AS
25	REQUIRED IN SUBSECTIONS (1) AND (2) OF THIS SECTION SHALL BE PLACED
26	SO AS TO BE CONSPICUOUS AND PLAINLY VISIBLE TO THE GENERAL PUBLIC.
27	IF THE BUILDING IS NOT CONSTRUCTED AT THE TIME OF THE APPLICATION,

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1	THE APPLICANT SHALL POST A SIGN AT THE PREMISES UPON WHICH THE
2	BUILDING IS TO BE CONSTRUCTED IN SUCH A MANNER THAT THE NOTICE
3	SHALL BE CONSPICUOUS AND PLAINLY VISIBLE TO THE GENERAL PUBLIC.
4	(5) (a) A LOCAL LICENSING AUTHORITY, OR A LICENSE APPLICANT
5	WITH LOCAL LICENSING AUTHORITY APPROVAL, MAY REQUEST THAT THE
6	STATE LICENSING AUTHORITY CONDUCT A CONCURRENT REVIEW OF A NEW
7	LICENSE APPLICATION PRIOR TO THE LOCAL LICENSING AUTHORITY'S FINAL
8	APPROVAL OF THE LICENSE APPLICATION. LOCAL LICENSING AUTHORITIES
9	WHO PERMIT A CONCURRENT REVIEW WILL CONTINUE TO INDEPENDENTLY
10	REVIEW THE APPLICANT'S LICENSE APPLICATION.
11	(b) WHEN CONDUCTING A CONCURRENT APPLICATION REVIEW, THE
12	STATE LICENSING AUTHORITY MAY ADVISE THE LOCAL LICENSING
13	AUTHORITY OF ANY ITEMS THAT IT FINDS THAT COULD RESULT IN THE
14	DENIAL OF THE LICENSE APPLICATION. UPON CORRECTION OF THE NOTED
15	DISCREPANCIES IF THE CORRECTION IS PERMITTED BY THE STATE
16	LICENSING AUTHORITY, THE STATE LICENSING AUTHORITY SHALL NOTIFY
17	THE LOCAL LICENSING AUTHORITY OF ITS CONDITIONAL APPROVAL OF THE
18	LICENSE APPLICATION SUBJECT TO THE FINAL APPROVAL BY THE LOCAL
19	LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY SHALL THEN
20	ISSUE THE APPLICANT'S STATE LICENSE UPON RECEIVING EVIDENCE OF
21	FINAL APPROVAL BY THE LOCAL LICENSING AUTHORITY.
22	(c) ALL APPLICATIONS SUBMITTED FOR CONCURRENT REVIEW
23	SHALL BE ACCOMPANIED BY ALL APPLICABLE STATE LICENSE AND
24	APPLICATION FEES. ANY APPLICATIONS THAT ARE LATER DENIED OR
25	WITHDRAWN MAY ALLOW FOR A REFUND OF LICENSE FEES ONLY. ALL
26	APPLICATION FEES PROVIDED BY AN APPLICANT SHALL BE RETAINED BY
27	THE RESPECTIVE LICENSING AUTHORITY.

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1	12-43.3-303. Results of investigation - decision of authorities.
2	(1) Not less than five days prior to the date of the public
3	HEARING AUTHORIZED IN SECTION 12-43.3-302, THE LOCAL LICENSING
4	AUTHORITY SHALL MAKE KNOWN ITS FINDINGS, BASED ON ITS
5	INVESTIGATION, IN WRITING TO THE APPLICANT AND OTHER PARTIES OF
6	INTEREST. THE LOCAL LICENSING AUTHORITY HAS AUTHORITY TO REFUSE
7	TO ISSUE A LICENSE PROVIDED FOR IN THIS SECTION FOR GOOD CAUSE,
8	SUBJECT TO JUDICIAL REVIEW.
9	(2) Before entering a decision approving or denying the
10	APPLICATION FOR A LOCAL LICENSE, THE LOCAL LICENSING AUTHORITY
11	MAY CONSIDER, EXCEPT WHERE THIS ARTICLE SPECIFICALLY PROVIDES
12	OTHERWISE, THE FACTS AND EVIDENCE ADDUCED AS A RESULT OF ITS
13	INVESTIGATION, AS WELL AS ANY OTHER FACTS PERTINENT TO THE TYPE
14	OF LICENSE FOR WHICH APPLICATION HAS BEEN MADE, INCLUDING THE
15	NUMBER, TYPE, AND AVAILABILITY OF MEDICAL MARIJUANA OUTLETS
16	LOCATED IN OR NEAR THE PREMISES UNDER CONSIDERATION, AND ANY
17	OTHER PERTINENT MATTERS AFFECTING THE QUALIFICATIONS OF THE
18	APPLICANT FOR THE CONDUCT OF THE TYPE OF BUSINESS PROPOSED.
19	(3) WITHIN THIRTY DAYS AFTER THE PUBLIC HEARING OR
20	COMPLETION OF THE APPLICATION INVESTIGATION, A LOCAL LICENSING
21	AUTHORITY SHALL ISSUE ITS DECISION APPROVING OR DENYING AN
22	APPLICATION FOR LOCAL LICENSURE. THE DECISION SHALL BE IN WRITING
23	AND SHALL STATE THE REASONS FOR THE DECISION. THE LOCAL LICENSING
24	AUTHORITY SHALL SEND A COPY OF THE DECISION BY CERTIFIED MAIL TO
25	THE APPLICANT AT THE ADDRESS SHOWN IN THE APPLICATION.
26	(4) AFTER APPROVAL OF AN APPLICATION, A LOCAL LICENSING
27	AUTHORITY SHALL NOT ISSUE A LOCAL LICENSE UNTIL THE BUILDING IN

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1	WHICH THE BUSINESS TO BE CONDUCTED IS READY FOR OCCUPANCY WITH
2	SUCH FURNITURE, FIXTURES, AND EQUIPMENT IN PLACE AS ARE NECESSARY
3	TO COMPLY WITH THE APPLICABLE PROVISIONS OF THIS ARTICLE, AND THEN
4	ONLY AFTER THE LOCAL LICENSING AUTHORITY HAS INSPECTED THE
5	PREMISES TO DETERMINE THAT THE APPLICANT HAS COMPLIED WITH THE
6	ARCHITECT'S DRAWING AND THE PLOT PLAN AND DETAILED SKETCH FOR
7	THE INTERIOR OF THE BUILDING SUBMITTED WITH THE APPLICATION.
8	(5) AFTER APPROVAL OF AN APPLICATION FOR LOCAL LICENSURE,
9	THE LOCAL LICENSING AUTHORITY SHALL NOTIFY THE STATE LICENSING
10	AUTHORITY OF SUCH APPROVAL, WHO SHALL INVESTIGATE AND EITHER
11	APPROVE OR DISAPPROVE THE APPLICATION FOR STATE LICENSURE.
12	12-43.3-304. Medical marijuana license bond. (1) Before the
13	STATE LICENSING AUTHORITY ISSUES A STATE LICENSE TO AN APPLICANT,
14	THE APPLICANT SHALL PROCURE AND FILE WITH THE STATE LICENSING
15	AUTHORITY EVIDENCE OF A GOOD AND SUFFICIENT BOND IN THE AMOUNT
16	OF FIVE THOUSAND DOLLARS WITH CORPORATE SURETY THEREON DULY
17	LICENSED TO DO BUSINESS WITH THE STATE, APPROVED AS TO FORM BY
18	THE ATTORNEY GENERAL OF THE STATE, AND CONDITIONED THAT THE
19	APPLICANT SHALL REPORT AND PAY ALL SALES AND USE TAXES DUE TO THE
20	STATE, OR FOR WHICH THE STATE IS THE COLLECTOR OR COLLECTING
21	AGENT, IN A TIMELY MANNER, AS PROVIDED IN LAW.
22	(2) A CORPORATE SURETY SHALL NOT BE REQUIRED TO MAKE
23	PAYMENTS TO THE STATE CLAIMING UNDER SUCH BOND UNTIL A FINAL
24	DETERMINATION OF FAILURE TO PAY TAXES DUE TO THE STATE HAS BEEN
25	MADE BY THE STATE LICENSING AUTHORITY OR A COURT OF COMPETENT
26	JURISDICTION.
27	(3) ALL BONDS REQUIRED PURSUANT TO THIS SECTION SHALL BE

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1	RENEWED AT SUCH TIME AS THE BONDHOLDER'S LICENSE IS RENEWED.
2	THE RENEWAL MAY BE ACCOMPLISHED THROUGH A CONTINUATION
3	CERTIFICATE ISSUED BY THE SURETY.
4	12-43.3-305. State licensing authority - application and
5	issuance procedures. (1) APPLICATIONS FOR A STATE LICENSE UNDER
6	THE PROVISIONS OF THIS ARTICLE SHALL BE MADE TO THE STATE
7	LICENSING AUTHORITY ON FORMS PREPARED AND FURNISHED BY THE
8	STATE LICENSING AUTHORITY AND SHALL SET FORTH SUCH INFORMATION
9	AS THE STATE LICENSING AUTHORITY MAY REQUIRE TO ENABLE THE STATE
10	LICENSING AUTHORITY TO DETERMINE WHETHER A STATE LICENSE SHOULD
11	BE GRANTED. THE INFORMATION SHALL INCLUDE THE NAME AND ADDRESS
12	OF THE APPLICANT, THE NAMES AND ADDRESSES OF THE OFFICERS,
13	DIRECTORS, OR MANAGERS, AND ALL OTHER INFORMATION DEEMED
14	NECESSARY BY THE STATE LICENSING AUTHORITY. EACH APPLICATION
15	SHALL BE VERIFIED BY THE OATH OR AFFIRMATION OF SUCH PERSON OR
16	PERSONS AS THE STATE LICENSING AUTHORITY MAY PRESCRIBE.
17	(2) THE STATE LICENSING AUTHORITY SHALL NOT ISSUE A STATE
18	LICENSE PURSUANT TO THIS SECTION UNTIL THE LOCAL LICENSING
19	AUTHORITY HAS APPROVED THE APPLICATION FOR A LOCAL LICENSE AND
20	ISSUED A LOCAL LICENSE AS PROVIDED FOR IN SECTIONS 12-43.3-301 TO
21	12-43.3-303.
22	(3) NOTHING IN THIS ARTICLE SHALL PREEMPT OR OTHERWISE
23	IMPAIR THE POWER OF A LOCAL GOVERNMENT TO ENACT ORDINANCES OR
24	RESOLUTIONS CONCERNING MATTERS AUTHORIZED TO LOCAL
25	GOVERNMENTS.
26	12-43.3-306. Denial of application. (1) THE STATE LICENSING
27	AUTHORITY SHALL DENY A STATE LICENSE IF THE PREMISES ON WHICH THE

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1	APPLICANT PROPOSES TO CONDUCT ITS BUSINESS DO NOT MEET THE
2	REQUIREMENTS OF THIS ARTICLE OR FOR REASONS SET FORTH IN SECTION
3	12-43.3-104 (1) (c) OR 12-43.3-305.
4	(2) IF THE STATE LICENSING AUTHORITY DENIES A STATE LICENSE
5	PURSUANT TO SUBSECTION (1) OF THIS SECTION, THE APPLICANT SHALL BE
6	ENTITLED TO A HEARING PURSUANT TO ARTICLE 4 OF TITLE 24, C.R.S. THE
7	STATE LICENSING AUTHORITY SHALL PROVIDE WRITTEN NOTICE OF THE
8	GROUNDS FOR DENIAL OF THE STATE LICENSE TO THE APPLICANT AND TO
9	THE LOCAL LICENSING AUTHORITY AT LEAST FIFTEEN DAYS PRIOR TO THE
10	HEARING.
11	12-43.3-307. Persons prohibited as licensees. (1) (a) A LICENSE
12	PROVIDED BY THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:
13	(I) A PERSON UNTIL THE ANNUAL FEE THEREFORE HAS BEEN PAID;
14	(II) A PERSON WHOSE CRIMINAL HISTORY INDICATES THAT HE OR
15	SHE IS NOT OF GOOD MORAL CHARACTER;
16	(III) A CORPORATION, IF THE CRIMINAL HISTORY OF ANY OF ITS
17	OFFICERS, DIRECTORS, OR STOCKHOLDERS INDICATES THAT THE OFFICER,
18	DIRECTOR, OR STOCKHOLDER IS NOT OF GOOD MORAL CHARACTER;
19	(IV) A LICENSED PHYSICIAN MAKING PATIENT
20	RECOMMENDATIONS;
21	(V) A PERSON EMPLOYING, ASSISTED BY, OR FINANCED IN WHOLE
22	OR IN PART BY ANY OTHER PERSON WHOSE CRIMINAL HISTORY INDICATES
23	HE OR SHE IS NOT OF GOOD CHARACTER AND REPUTATION SATISFACTORY
24	TO THE RESPECTIVE LICENSING AUTHORITY;
25	(VI) A PERSON UNDER TWENTY-ONE YEARS OF AGE;
26	(VII) A PERSON LICENSED PURSUANT TO THIS ARTICLE WHO,
27	DURING A PERIOD OF LICENSURE, OR WHO, AT THE TIME OF APPLICATION,

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1	HAS FAILED TO:
2	(A) PROVIDE A SURETY BOND OR FILE ANY TAX RETURN WITH A
3	TAXING AGENCY;
4	(B) PAY ANY TAXES, INTEREST, OR PENALTIES DUE;
5	(C) PAY ANY JUDGMENTS DUE TO A GOVERNMENT AGENCY;
6	(D) STAY OUT OF DEFAULT ON A GOVERNMENT-ISSUED STUDENT
7	<u>LOAN.</u>
8	(E) PAY CHILD SUPPORT; OR
9	(F) REMEDY AN OUTSTANDING DELINQUENCY FOR TAXES OWED,
10	AN OUTSTANDING DELINQUENCY FOR JUDGMENTS OWED TO A
11	GOVERNMENT AGENCY, OR AN OUTSTANDING DELINQUENCY FOR CHILD
12	SUPPORT.
13	(VIII) A PERSON WHO HAS DISCHARGED A SENTENCE IN THE FIVE
14	YEARS IMMEDIATELY PRECEDING THE APPLICATION DATE FOR A
15	CONVICTION OF A FELONY OR A PERSON WHO AT ANY TIME HAS BEEN
16	CONVICTED OF A FELONY PURSUANT TO ANY STATE OR FEDERAL LAW
17	REGARDING THE POSSESSION, DISTRIBUTION, OR USE OF A CONTROLLED
18	SUBSTANCE.
19	(IX) A PERSON WHO EMPLOYS ANOTHER PERSON AT A MEDICAL
20	MARIJUANA FACILITY WHO HAS NOT PASSED A CRIMINAL HISTORY RECORD
21	CHECK;
22	(X) A SHERIFF, DEPUTY SHERIFF, POLICE OFFICER, OR PROSECUTING
23	OFFICER, OR AN OFFICER OR EMPLOYEE OF THE STATE LICENSING
24	AUTHORITY OR A LOCAL LICENSING AUTHORITY;
25	(XI) A PERSON WHOSE AUTHORITY TO BE A PRIMARY CAREGIVER
26	AS DEFINED IN SECTION $25-1.5-106$ (2) HAS BEEN REVOKED BY THE STATE
27	HEALTH AGENCY:

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1	(XII) A PERSON FOR A LICENSE FOR A LOCATION THAT IS
2	CURRENTLY LICENSED AS A RETAIL FOOD ESTABLISHMENT OR WHOLESALE
3	FOOD REGISTRANT; OR
4	(XIII) A PERSON WHO HAS NOT BEEN A RESIDENT OF COLORADO
5	FOR AT LEAST TWO YEARS PRIOR TO THE DATE OF THE PERSON'S
6	APPLICATION; EXCEPT THAT FOR A PERSON WHO SUBMITS AN APPLICATION
7	FOR LICENSURE PURSUANT TO THIS ARTICLE BY DECEMBER 15, 2010, THIS
8	REQUIREMENT SHALL NOT APPLY TO THAT PERSON IF THE PERSON WAS A
9	RESIDENT OF THE STATE OF COLORADO ON DECEMBER 15, 2009.
10	(2) (a) IN INVESTIGATING THE QUALIFICATIONS OF AN APPLICANT
11	OR A LICENSEE, THE STATE LICENSING AUTHORITY MAY HAVE ACCESS TO
12	CRIMINAL HISTORY RECORD INFORMATION FURNISHED BY A CRIMINAL
13	JUSTICE AGENCY SUBJECT TO ANY RESTRICTIONS IMPOSED BY SUCH
14	AGENCY. IN THE EVENT THE STATE LICENSING AUTHORITY CONSIDERS THE
15	APPLICANT'S CRIMINAL HISTORY RECORD, THE STATE LICENSING
16	AUTHORITY SHALL ALSO CONSIDER ANY INFORMATION PROVIDED BY THE
17	APPLICANT REGARDING SUCH CRIMINAL HISTORY RECORD, INCLUDING BUT
18	NOT LIMITED TO EVIDENCE OF REHABILITATION, CHARACTER REFERENCES,
19	AND EDUCATIONAL ACHIEVEMENTS, ESPECIALLY THOSE ITEMS PERTAINING
20	TO THE PERIOD OF TIME BETWEEN THE APPLICANT'S LAST CRIMINAL
21	CONVICTION AND THE CONSIDERATION OF THE APPLICATION FOR A STATE
22	LICENSE.
23	(b) As used in paragraph (a) of this subsection (2),
24	"CRIMINAL JUSTICE AGENCY" MEANS ANY FEDERAL, STATE, OR MUNICIPAL
25	COURT OR ANY GOVERNMENTAL AGENCY OR SUBUNIT OF SUCH AGENCY
26	THAT ADMINISTERS CRIMINAL JUSTICE PURSUANT TO A STATUTE OR
27	EVECUTIVE OPDED AND THAT ALLOCATES A SUBSTANTIAL DADT OF ITS

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1	ANNULAL DUDGET TO THE ADMINISTRATION OF CDIMINAL HISTOR
1	ANNUAL BUDGET TO THE ADMINISTRATION OF CRIMINAL JUSTICE.

2	(c) At the time of filing an application for issuance or
3	RENEWAL OF A STATE MEDICAL MARIJUANA CENTER LICENSE, MEDICAL
4	MARIJUANA-INFUSED PRODUCT MANUFACTURER LICENSE, OR OPTIONAL
5	PREMISES CULTIVATION LICENSE, AN APPLICANT SHALL SUBMIT A SET OF
6	HIS OR HER FINGERPRINTS AND FILE PERSONAL HISTORY INFORMATION
7	CONCERNING THE APPLICANT'S QUALIFICATIONS FOR A STATE LICENSE ON
8	FORMS PREPARED BY THE STATE LICENSING AUTHORITY. THE STATE
9	LICENSING AUTHORITY SHALL SUBMIT THE FINGERPRINTS TO THE
10	COLORADO BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING
11	FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. THE COLORADO
12	BUREAU OF INVESTIGATION SHALL FORWARD THE FINGERPRINTS TO THE
13	FEDERAL BUREAU OF INVESTIGATION FOR THE PURPOSE OF CONDUCTING
14	FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS. THE STATE
15	LICENSING AUTHORITY MAY ACQUIRE A NAME-BASED CRIMINAL HISTORY
16	RECORD CHECK FOR AN APPLICANT OR A LICENSE HOLDER WHO HAS TWICE
17	SUBMITTED TO A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK
18	AND WHOSE FINGERPRINTS ARE UNCLASSIFIABLE. AN APPLICANT WHO HAS
19	PREVIOUSLY SUBMITTED FINGERPRINTS FOR STATE LICENSING PURPOSES
20	MAY REQUEST THAT THE FINGERPRINTS ON FILE BE USED. THE STATE
21	LICENSING AUTHORITY SHALL USE THE INFORMATION RESULTING FROM
22	THE FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK TO
23	INVESTIGATE AND DETERMINE WHETHER AN APPLICANT IS QUALIFIED TO
24	HOLD A STATE LICENSE PURSUANT TO THIS ARTICLE. THE STATE
25	LICENSING AUTHORITY MAY VERIFY ANY OF THE INFORMATION AN
26	APPLICANT IS REQUIRED TO SUBMIT.
27	12-43.3-308. Restrictions for applications for new licenses.

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1	(1) THE STATE OR A LOCAL LICENSING AUTHORITY SHALL NOT RECEIVE OR
2	ACT UPON AN APPLICATION FOR THE ISSUANCE OF A STATE OR LOCAL
3	LICENSE PURSUANT TO THIS ARTICLE:
4	(a) IF THE APPLICATION FOR A STATE OR LOCAL LICENSE CONCERNS
5	A PARTICULAR LOCATION THAT IS THE SAME AS OR WITHIN ONE THOUSAND
6	FEET OF A LOCATION FOR WHICH, WITHIN THE TWO YEARS IMMEDIATELY
7	PRECEDING THE DATE OF THE APPLICATION, THE STATE OR A LOCAL
8	LICENSING AUTHORITY DENIED AN APPLICATION FOR THE SAME CLASS OF
9	LICENSE DUE TO THE NATURE OF THE USE OR OTHER CONCERN RELATED
10	TO THE LOCATION;
11	(b) Until it is established that the applicant is, or will be,
12	ENTITLED TO POSSESSION OF THE PREMISES FOR WHICH APPLICATION IS
13	MADE UNDER A LEASE, RENTAL AGREEMENT, OR OTHER ARRANGEMENT
14	FOR POSSESSION OF THE PREMISES OR BY VIRTUE OF OWNERSHIP OF THE
15	PREMISES;
16	(c) FOR A LOCATION IN AN AREA WHERE THE CULTIVATION,
17	MANUFACTURE, AND SALE OF MEDICAL MARIJUANA AS CONTEMPLATED IS
18	NOT PERMITTED UNDER THE APPLICABLE ZONING LAWS OF THE
19	MUNICIPALITY, CITY AND COUNTY, OR COUNTY;
20	(d) (I) IF THE BUILDING IN WHICH MEDICAL MARIJUANA IS TO BE
21	SOLD IS LOCATED WITHIN ONE THOUSAND FEET OF A SCHOOL, AN ALCOHOL
22	OR DRUG TREATMENT FACILITY, OR THE PRINCIPAL CAMPUS OF A COLLEGE,
23	UNIVERSITY, OR SEMINARY, OR A RESIDENTIAL CHILD CARE FACILITY. THE
24	PROVISIONS OF THIS SECTION SHALL NOT AFFECT THE RENEWAL OR
25	RE-ISSUANCE OF A LICENSE ONCE GRANTED OR APPLY TO LICENSED
26	PREMISES LOCATED OR TO BE LOCATED ON LAND OWNED BY A
27	MUNICIPALITY, NOR SHALL THE PROVISIONS OF THIS SECTION APPLY TO AN

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1	EXISTING LICENSED PREMISES ON LAND OWNED BY THE STATE, OR APPLY
2	TO A LICENSE IN EFFECT AND ACTIVELY DOING BUSINESS BEFORE SAID
3	PRINCIPAL CAMPUS WAS CONSTRUCTED. THE LOCAL LICENSING
4	AUTHORITY OF A CITY AND COUNTY, BY RULE OR REGULATION, THE
5	GOVERNING BODY OF A MUNICIPALITY, BY ORDINANCE, AND THE
6	GOVERNING BODY OF A COUNTY, BY RESOLUTION, MAY VARY THE
7	DISTANCE RESTRICTIONS IMPOSED BY THIS SUBPARAGRAPH $\overline{(I)}$ FOR A
8	LICENSE OR MAY ELIMINATE ONE OR MORE TYPES OF <u>SCHOOLS</u> , <u>CAMPUSES</u> ,
9	OR FACILITIES FROM THE APPLICATION OF A DISTANCE RESTRICTION
10	ESTABLISHED BY OR PURSUANT TO THIS SUBPARAGRAPH (I).
11	(II) THE DISTANCES REFERRED TO IN THIS PARAGRAPH (d) ARE TO
12	BE COMPUTED BY DIRECT MEASUREMENT FROM THE NEAREST PROPERTY
13	LINE OF THE LAND USED FOR A SCHOOL OR CAMPUS TO THE NEAREST
14	PORTION OF THE BUILDING IN WHICH MEDICAL MARIJUANA IS TO BE SOLD,
15	USING A ROUTE OF DIRECT PEDESTRIAN ACCESS.
16	(III) IN ADDITION TO THE REQUIREMENTS OF SECTION 12-43.3-303
17	(2), THE LOCAL LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE
18	AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN
19	WHICH THE MEDICAL MARIJUANA IS TO BE SOLD IS LOCATED WITHIN ANY
20	DISTANCE RESTRICTIONS ESTABLISHED BY OR PURSUANT TO THIS
21	PARAGRAPH (d).
22	12-43.3-309. Transfer of ownership. (1) A STATE OR LOCAL
23	LICENSE GRANTED UNDER THE PROVISIONS OF THIS ARTICLE SHALL NOT BE
24	TRANSFERABLE EXCEPT AS PROVIDED IN THIS SECTION, BUT THIS SECTION
25	SHALL NOT PREVENT A CHANGE OF LOCATION AS PROVIDED IN SECTION
26	12-43.3-310 (13).
27	(2) FOR A TRANSFER OF OWNERSHIP, A LICENSE HOLDER SHALL

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1	APPLY TO THE STATE AND LOCAL LICENSING AUTHORITIES ON FORMS
2	PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY. IN
3	DETERMINING WHETHER TO PERMIT A TRANSFER OF OWNERSHIP, THE
4	STATE AND LOCAL LICENSING AUTHORITIES SHALL CONSIDER ONLY THE
5	REQUIREMENTS OF THIS ARTICLE, ANY RULES PROMULGATED BY THE
6	STATE LICENSING AUTHORITY, AND ANY OTHER LOCAL RESTRICTIONS. THE
7	LOCAL LICENSING AUTHORITY MAY HOLD A HEARING ON THE APPLICATION
8	FOR TRANSFER OF OWNERSHIP. THE LOCAL LICENSING AUTHORITY SHALL
9	NOT HOLD A HEARING PURSUANT TO THIS SUBSECTION (2) UNTIL THE
10	LOCAL LICENSING AUTHORITY HAS POSTED A NOTICE OF HEARING IN THE
11	MANNER DESCRIBED IN SECTION 12-43.3-302 (2) ON THE LICENSED
12	MEDICAL MARIJUANA CENTER PREMISES FOR A PERIOD OF TEN DAYS AND
13	HAS PROVIDED NOTICE OF THE HEARING TO THE APPLICANT AT LEAST TEN
14	DAYS PRIOR TO THE HEARING. ANY TRANSFER OF OWNERSHIP HEARING BY
15	THE STATE LICENSING AUTHORITY SHALL BE HELD IN COMPLIANCE WITH
16	THE REQUIREMENTS SPECIFIED IN SECTION 12-43.3-302.
17	12-43.3-310. Licensing in general. (1) This article
18	AUTHORIZES A COUNTY, MUNICIPALITY, OR CITY AND COUNTY TO PROHIBIT
19	THE OPERATION OF MEDICAL MARIJUANA CENTERS, OPTIONAL PREMISES
20	CULTIVATION OPERATIONS, AND MEDICAL MARIJUANA-INFUSED PRODUCTS
21	MANUFACTURERS' LICENSES AND TO ENACT REASONABLE REGULATIONS OR
22	OTHER RESTRICTIONS APPLICABLE TO MEDICAL MARIJUANA CENTERS.
23	OPTIONAL PREMISES CULTIVATION LICENSES, AND MEDICAL
24	MARIJUANA-INFUSED PRODUCTS MANUFACTURERS' LICENSES BASED ON
25	LOCAL GOVERNMENT ZONING, HEALTH, SAFETY, AND PUBLIC WELFARE
26	LAWS FOR THE DISTRIBUTION OF MEDICAL MARIJUANA THAT ARE MORE
27	RESTRICTIVE THAN THIS ARTICLE.

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1	(2) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES
2	CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS
3	MANUFACTURER MAY NOT OPERATE UNTIL IT HAS BEEN LICENSED BY THE
4	LOCAL LICENSING AUTHORITY AND THE STATE LICENSING AUTHORITY
5	PURSUANT TO THIS ARTICLE. IN CONNECTION WITH A LICENSE, THE
6	APPLICANT SHALL PROVIDE A COMPLETE AND ACCURATE LIST OF ALL
7	OWNERS, OFFICERS, AND EMPLOYEES WHO WORK AT, MANAGE, OWN, OR
8	ARE OTHERWISE ASSOCIATED WITH THE OPERATION AND SHALL PROVIDE
9	A COMPLETE AND ACCURATE APPLICATION AS REQUIRED BY THE STATE
10	LICENSING AUTHORITY.
11	(3) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES
12	CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS
13	MANUFACTURER SHALL NOTIFY THE STATE LICENSING AUTHORITY IN
14	WRITING WITHIN TEN DAYS AFTER AN OWNER, OFFICER, OR EMPLOYEE
15	CEASES TO WORK AT, MANAGE, OWN, OR OTHERWISE BE ASSOCIATED WITH
16	THE OPERATION. THE OWNER, OFFICER, OR EMPLOYEE SHALL SURRENDER
17	HIS OR HER IDENTIFICATION CARD TO THE STATE LICENSING AUTHORITY ON
18	OR BEFORE THE DATE OF THE NOTIFICATION.
19	(4) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES
20	CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS
21	MANUFACTURER SHALL NOTIFY THE STATE LICENSING AUTHORITY IN
22	WRITING OF THE NAME, ADDRESS, AND DATE OF BIRTH OF AN OWNER,
23	OFFICER, MANAGER, OR EMPLOYEE BEFORE THE NEW OWNER, OFFICER, OR
24	EMPLOYEE BEGINS WORKING AT, MANAGING, OWNING, OR BEING
25	ASSOCIATED WITH THE OPERATION. THE OWNER, OFFICER, MANAGER, OR
26	EMPLOYEE SHALL PASS A FINGERPRINT-BASED CRIMINAL HISTORY RECORD
27	CHECK AS REQUIRED BY THE STATE LICENSING AUTHORITY AND OBTAIN

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1	THE REQUIRED IDENTIFICATION PRIOR TO BEING ASSOCIATED WITH,
2	MANAGING, OWNING, OR WORKING AT THE OPERATION.
3	(5) A MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES
4	CULTIVATION OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS
5	MANUFACTURER SHALL NOT ACQUIRE, POSSESS, CULTIVATE, DELIVER,
6	TRANSFER, TRANSPORT, SUPPLY, OR DISPENSE MARIJUANA FOR ANY
7	PURPOSE EXCEPT TO ASSIST PATIENTS, AS DEFINED BY SECTION $14(1)$ OF
8	ARTICLE XVIII OF THE STATE CONSTITUTION.
9	(6) ALL OWNERS, OFFICERS, MANAGERS, AND EMPLOYEES OF A
10	MEDICAL MARIJUANA CENTER, OPTIONAL PREMISES CULTIVATION
11	OPERATION, OR MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURER
12	SHALL BE RESIDENTS OF COLORADO. A LOCAL LICENSING AUTHORITY
13	SHALL NOT ISSUE A LICENSE PROVIDED FOR IN THIS ARTICLE UNTIL THAT
14	SHARE OF THE LICENSE APPLICATION FEE DUE TO THE STATE HAS BEEN
15	RECEIVED BY THE DEPARTMENT OF REVENUE. ALL LICENSES GRANTED
16	PURSUANT TO THIS ARTICLE SHALL BE VALID FOR A PERIOD NOT TO EXCEED
17	TWO YEARS FROM THE DATE OF ISSUANCE UNLESS REVOKED OR
18	SUSPENDED PURSUANT TO THIS ARTICLE OR THE RULES PROMULGATED
19	PURSUANT TO THIS ARTICLE.
20	(7) BEFORE GRANTING A LOCAL OR STATE LICENSE, THE
21	RESPECTIVE LICENSING AUTHORITY MAY CONSIDER, EXCEPT WHERE THIS
22	ARTICLE SPECIFICALLY PROVIDES OTHERWISE, THE REQUIREMENTS OF THIS
23	ARTICLE AND ANY RULES PROMULGATED PURSUANT TO THIS ARTICLE, AND
24	ALL OTHER REASONABLE RESTRICTIONS THAT ARE OR MAY BE PLACED
25	UPON THE LICENSEE BY THE LICENSING AUTHORITY. WITH RESPECT TO A

SECOND OR ADDITIONAL LICENSE FOR THE SAME LICENSEE OR THE SAME

OWNER OF ANOTHER LICENSED BUSINESS PURSUANT TO THIS ARTICLE,

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1	EACH LICENSING AUTHORITY SHALL CONSIDER THE EFFECT ON
2	COMPETITION OF GRANTING OR DENYING THE ADDITIONAL LICENSES TO
3	SUCH LICENSEE AND SHALL NOT APPROVE AN APPLICATION FOR A SECOND
4	OR ADDITIONAL LICENSE THAT WOULD HAVE THE EFFECT OF RESTRAINING
5	COMPETITION.
6	(8) (a) EACH LICENSE ISSUED UNDER THIS ARTICLE IS SEPARATE
7	AND DISTINCT. IT IS UNLAWFUL FOR A PERSON TO EXERCISE ANY OF THE
8	PRIVILEGES GRANTED UNDER A LICENSE OTHER THAN THE LICENSE THAT
9	THE PERSON HOLDS OR FOR A LICENSEE TO ALLOW ANY OTHER PERSON TO
10	EXERCISE THE PRIVILEGES GRANTED UNDER THE LICENSEE'S LICENSE. A
11	SEPARATE LICENSE SHALL BE REQUIRED FOR EACH SPECIFIC BUSINESS OR
12	BUSINESS ENTITY AND EACH GEOGRAPHICAL LOCATION.
13	(b) AT ALL TIMES, A LICENSEE SHALL POSSESS AND MAINTAIN
14	POSSESSION OF THE PREMISES OR OPTIONAL PREMISES FOR WHICH THE
15	LICENSE IS ISSUED BY OWNERSHIP, LEASE, RENTAL, OR OTHER
16	ARRANGEMENT FOR POSSESSION OF THE PREMISES.
17	(9) (a) THE LICENSES PROVIDED PURSUANT TO THIS ARTICLE SHALL
18	SPECIFY THE DATE OF ISSUANCE, THE PERIOD OF LICENSURE, THE NAME OF
19	THE LICENSEE, AND THE PREMISES OR OPTIONAL PREMISES LICENSED. THE
20	LICENSEE SHALL CONSPICUOUSLY PLACE THE LICENSE AT ALL TIMES ON
21	THE LICENSED PREMISES OR OPTIONAL PREMISES.
22	(b) A LOCAL LICENSING AUTHORITY SHALL NOT TRANSFER
23	LOCATION OF OR RENEW A LICENSE TO SELL MEDICAL MARIJUANA UNTIL
24	THE APPLICANT FOR THE LICENSE PRODUCES A LICENSE ISSUED AND
25	GRANTED BY THE STATE LICENSING AUTHORITY COVERING THE WHOLE
26	PERIOD FOR WHICH A LICENSE OR LICENSE RENEWAL IS SOUGHT.
27	(10) IN COMPUTING ANY PERIOD OF TIME PRESCRIBED BY THIS

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1	ARTICLE, THE DAY OF THE ACT, EVENT, OR DEFAULT FROM WHICH THE
2	DESIGNATED PERIOD OF TIME BEGINS TO RUN SHALL NOT BE INCLUDED.
3	SATURDAYS, SUNDAYS, AND LEGAL HOLIDAYS SHALL BE COUNTED AS ANY
4	OTHER DAY.
5	(11) A LICENSEE SHALL REPORT EACH TRANSFER OR CHANGE OF
6	FINANCIAL INTEREST IN THE LICENSE TO THE STATE AND LOCAL LICENSING
7	AUTHORITIES, THIRTY DAYS PRIOR TO ANY TRANSFER OR CHANGE
8	PURSUANT TO SECTION 12-43.3-309. A REPORT SHALL BE REQUIRED FOR
9	TRANSFERS OF CAPITAL STOCK OF ANY CORPORATION REGARDLESS OF
10	SIZE.
11	(12) EACH LICENSEE SHALL MANAGE THE LICENSED PREMISES
12	HIMSELF OR HERSELF OR EMPLOY A SEPARATE AND DISTINCT MANAGER ON
13	THE PREMISES AND SHALL REPORT THE NAME OF THE MANAGER TO THE
14	STATE AND LOCAL LICENSING AUTHORITIES. THE LICENSEE SHALL REPORT
15	ANY CHANGE IN MANAGER TO THE STATE AND LOCAL LICENSING
16	AUTHORITIES THIRTY DAYS PRIOR TO THE CHANGE PURSUANT TO SECTION
17	12-43.3-309.
18	(13) (a) A LICENSEE MAY MOVE HIS OR HER PERMANENT LOCATION
19	TO ANY OTHER PLACE IN THE SAME MUNICIPALITY OR CITY AND COUNTY
20	FOR WHICH THE LICENSE WAS ORIGINALLY GRANTED, OR IN THE SAME
21	COUNTY IF THE LICENSE WAS GRANTED FOR A PLACE OUTSIDE THE
22	CORPORATE LIMITS OF A MUNICIPALITY OR CITY AND COUNTY, BUT IT
23	SHALL BE UNLAWFUL TO CULTIVATE, MANUFACTURE, DISTRIBUTE OR SELL
24	MEDICAL MARIJUANA AT ANY SUCH PLACE UNTIL PERMISSION TO DO SO IS
25	GRANTED BY THE STATE AND LOCAL LICENSING AUTHORITIES PROVIDED
26	FOR IN THIS ARTICLE.
27	(b) IN PERMITTING A CHANGE OF LOCATION, THE STATE AND LOCAL

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1	LICENSING AUTHORITIES SHALL CONSIDER ALL REASONABLE RESTRICTIONS
2	THAT ARE OR MAY BE PLACED UPON THE NEW LOCATION BY THE
3	GOVERNING BOARD OR LOCAL LICENSING AUTHORITY OF THE
4	MUNICIPALITY, CITY AND COUNTY, OR COUNTY AND ANY SUCH CHANGE IN
5	LOCATION SHALL BE IN ACCORDANCE WITH ALL REQUIREMENTS OF THIS
6	ARTICLE AND RULES PROMULGATED PURSUANT TO THIS ARTICLE.
7	(14) The location of an optional premises cultivation
8	OPERATION AS DESCRIBED IN SECTION 12-43.3-403 SHALL BE A
9	CONFIDENTIAL RECORD AND SHALL BE EXEMPT FROM THE COLORADO
10	OPEN RECORDS ACT. STATE AND LOCAL LICENSING AUTHORITIES SHALL
11	KEEP THE LOCATION OF AN OPTIONAL PREMISES CULTIVATION OPERATION
12	CONFIDENTIAL AND SHALL REDACT THE LOCATION FROM ALL PUBLIC
13	RECORDS. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY,
14	A STATE OR LOCAL LICENSING AGENCY MAY SHARE INFORMATION
15	REGARDING THE LOCATION OF AN OPTIONAL PREMISES CULTIVATION
16	OPERATION WITH A PEACE OFFICER OR A LAW ENFORCEMENT AGENCY.
17	12-43.3-311. License renewal. (1) NINETY DAYS PRIOR TO THE
18	EXPIRATION DATE OF AN EXISTING LICENSE, THE STATE LICENSING
19	AUTHORITY SHALL NOTIFY THE LICENSEE OF THE EXPIRATION DATE BY
20	FIRST CLASS MAIL AT THE LICENSEE'S ADDRESS OF RECORD WITH THE
21	STATE LICENSING AUTHORITY. A LICENSEE SHALL APPLY FOR THE
22	RENEWAL OF AN EXISTING LICENSE TO THE LOCAL LICENSING AUTHORITY
23	NOT LESS THAN FORTY-FIVE DAYS AND TO THE STATE LICENSING
24	AUTHORITY NOT LESS THAN THIRTY DAYS PRIOR TO THE DATE OF
25	EXPIRATION. A LOCAL LICENSING AUTHORITY SHALL NOT ACCEPT AN
26	APPLICATION FOR RENEWAL OF A LICENSE AFTER THE DATE OF EXPIRATION,
27	EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION. THE STATE

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1	LICENSING AUTHORITY MAY EXTEND THE EXPIRATION DATE OF THE
2	LICENSE AND ACCEPT A LATE APPLICATION FOR RENEWAL OF A LICENSE
3	PROVIDED THAT THE APPLICANT HAS FILED A TIMELY RENEWAL
4	APPLICATION WITH THE LOCAL LICENSING AUTHORITY. ALL RENEWALS
5	FILED WITH THE LOCAL LICENSING AUTHORITY AND SUBSEQUENTLY
6	APPROVED BY THE LOCAL LICENSING AUTHORITY SHALL NEXT BE
7	PROCESSED BY THE STATE LICENSING AUTHORITY. THE STATE OR THE
8	LOCAL LICENSING AUTHORITY, IN ITS DISCRETION, SUBJECT TO THE
9	REQUIREMENTS OF THIS SUBSECTION (1) AND SUBSECTION (2) OF THIS
10	SECTION AND BASED UPON REASONABLE GROUNDS, MAY WAIVE THE
11	FORTY-FIVE-DAY OR THIRTY-DAY TIME REQUIREMENTS SET FORTH IN THIS
12	SUBSECTION (1). THE LOCAL LICENSING AUTHORITY MAY HOLD A HEARING
13	ON THE APPLICATION FOR RENEWAL ONLY IF THE LICENSEE HAS HAD
14	COMPLAINTS FILED AGAINST IT, HAS A HISTORY OF VIOLATIONS, OR THERE
15	ARE ALLEGATIONS AGAINST THE LICENSEE THAT WOULD CONSTITUTE
16	GOOD CAUSE. THE LOCAL LICENSING AUTHORITY SHALL NOT HOLD A
17	RENEWAL HEARING PROVIDED FOR BY THIS SUBSECTION (1) FOR A MEDICAL
18	MARIJUANA CENTER UNTIL IT HAS POSTED A NOTICE OF HEARING ON THE
19	LICENSED <u>MEDICAL MARIJUANA CENTER</u> PREMISES IN THE MANNER
20	DESCRIBED IN SECTION 12-43.3-302 (2) FOR A PERIOD OF TEN DAYS AND
21	PROVIDED NOTICE TO THE APPLICANT AT LEAST TEN DAYS PRIOR TO THE
22	HEARING. THE LOCAL LICENSING AUTHORITY MAY REFUSE TO RENEW ANY
23	LICENSE FOR GOOD CAUSE, SUBJECT TO JUDICIAL REVIEW.
24	(2) (a) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF
25	THIS SECTION, A LICENSEE WHOSE LICENSE HAS BEEN EXPIRED FOR NOT
26	MORE THAN NINETY DAYS MAY FILE A LATE RENEWAL APPLICATION UPON
2.7	THE PAYMENT OF A NONREFLINDABLE LATE APPLICATION FEE OF FIVE

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1	HUNDRED DOLLARS TO THE LOCAL LICENSING AUTHORITY. A LICENSEE
2	WHO FILES A LATE RENEWAL APPLICATION AND PAYS THE REQUISITE FEES
3	MAY CONTINUE TO OPERATE UNTIL BOTH THE STATE AND LOCAL LICENSING
4	AUTHORITIES HAVE TAKEN FINAL ACTION TO APPROVE OR DENY THE
5	LICENSEE'S LATE RENEWAL APPLICATION UNLESS THE STATE OR LOCAL
6	LICENSING AUTHORITY SUMMARILY SUSPENDS THE LICENSE PURSUANT TO
7	ARTICLE 4 OF TITLE 24, C.R.S., THIS ARTICLE, AND RULES PROMULGATED
8	PURSUANT TO THIS ARTICLE.
9	(b) THE STATE AND LOCAL LICENSING AUTHORITIES MAY NOT
10	ACCEPT A LATE RENEWAL APPLICATION MORE THAN NINETY DAYS AFTER
11	THE EXPIRATION OF A LICENSEE'S PERMANENT ANNUAL LICENSE. A
12	LICENSEE WHOSE PERMANENT ANNUAL LICENSE HAS BEEN EXPIRED FOR
13	MORE THAN NINETY DAYS SHALL NOT CULTIVATE, MANUFACTURE,
14	DISTRIBUTE, OR SELL ANY MEDICAL MARIJUANA UNTIL ALL REQUIRED
15	LICENSES HAVE BEEN OBTAINED.
16	(c) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE LATE
17	APPLICATION FEE IN PARAGRAPH (a) OF THIS SUBSECTION (2), THE STATE
18	LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY
19	REDUCE THE AMOUNT OF THE FEE IF NECESSARY PURSUANT TO SECTION
20	24-75-402(3), C.R.S., BY REDUCING THE UNCOMMITTED RESERVES OF THE
21	FUND TO WHICH ALL OR ANY PORTION OF THE FEE IS CREDITED. AFTER THE
22	UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE
23	STATE LICENSING AUTHORITY BY RULE OR AS OTHERWISE PROVIDED BY
24	LAW MAY INCREASE THE AMOUNT OF THE FEE AS PROVIDED IN SECTION
25	24-75-402 (4), C.R.S.
26	12-43.3-312. Inactive licenses. The STATE OR LOCAL LICENSING
27	AUTHORITY, IN ITS DISCRETION, MAY REVOKE OR ELECT NOT TO RENEW

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1	ANY LICENSE IF IT DETERMINES THAT THE LICENSED PREMISES HAVE BEEN
2	INACTIVE, WITHOUT GOOD CAUSE, FOR AT LEAST ONE YEAR.
3	12-43.3-313. Unlawful financial assistance. (1) The state
4	LICENSING AUTHORITY, BY RULE AND REGULATION, SHALL REQUIRE A
5	COMPLETE DISCLOSURE OF ALL PERSONS HAVING A DIRECT OR INDIRECT
6	FINANCIAL INTEREST, AND THE EXTENT OF SUCH INTEREST, IN EACH
7	LICENSE ISSUED UNDER THIS ARTICLE.
8	(2) A PERSON SHALL NOT HAVE AN UNREPORTED FINANCIAL
9	INTEREST IN A LICENSE PURSUANT TO THIS ARTICLE UNLESS THAT PERSON
10	HAS UNDERGONE A FINGERPRINT-BASED CRIMINAL HISTORY RECORD
11	CHECK AS PROVIDED FOR BY THE STATE LICENSING AUTHORITY IN ITS
12	RULES; EXCEPT THAT THIS SUBSECTION (2) SHALL NOT APPLY TO BANKS,
13	SAVINGS AND LOAN ASSOCIATIONS, OR INDUSTRIAL BANKS SUPERVISED
14	AND REGULATED BY AN AGENCY OF THE STATE OR FEDERAL GOVERNMENT,
15	OR TO FHA-APPROVED MORTGAGEES, OR TO STOCKHOLDERS, DIRECTORS,
16	OR OFFICERS THEREOF.
17	(3) This section is intended to prohibit and prevent the
18	CONTROL OF THE OUTLETS FOR THE SALE OF MEDICAL MARIJUANA BY A
19	PERSON OR PARTY OTHER THAN THE PERSONS LICENSED PURSUANT TO THE
20	PROVISIONS OF THIS ARTICLE.
21	PART 4
22	LICENSE TYPES
23	12-43.3-401. Classes of licenses. (1) FOR THE PURPOSE OF
24	REGULATING THE CULTIVATION, MANUFACTURE, DISTRIBUTION, AND SALE
25	OF MEDICAL MARIJUANA, THE STATE LICENSING AUTHORITY IN ITS
26	DISCRETION, UPON APPLICATION IN THE PRESCRIBED FORM MADE TO IT,
27	MAY ISSUE AND GRANT TO THE APPLICANT A LICENSE FROM ANY OF THE

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1	FOLLOWING CLASSES, SUBJECT TO THE PROVISIONS AND RESTRICTIONS
2	PROVIDED BY THIS ARTICLE:
3	(a) MEDICAL MARIJUANA CENTER LICENSE;
4	(b) OPTIONAL PREMISES CULTIVATION LICENSE;
5	(c) MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING
6	LICENSE; AND
7	(d) OCCUPATIONAL LICENSES AND REGISTRATIONS FOR OWNERS
8	MANAGERS, OPERATORS, EMPLOYEES, CONTRACTORS, AND OTHER
9	SUPPORT STAFF EMPLOYED BY, WORKING IN, OR HAVING ACCESS TO
10	RESTRICTED AREAS OF THE LICENSED PREMISES, AS DETERMINED BY THI
11	STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY MAY
12	TAKE ANY ACTION WITH RESPECT TO A REGISTRATION PURSUANT TO THIS
13	ARTICLE AS IT MAY WITH RESPECT TO A LICENSE PURSUANT TO THIS
14	ARTICLE, IN ACCORDANCE WITH THE PROCEDURES ESTABLISHED PURSUANT
15	TO THIS ARTICLE.
16	(2) ALL PERSONS LICENSED PURSUANT TO THIS ARTICLE SHALL
17	COLLECT SALES TAX ON ALL SALES MADE PURSUANT TO THE LICENSING
18	ACTIVITIES.
19	(3) A STATE CHARTERED BANK OR A CREDIT UNION MAY LOAD
20	MONEY TO ANY PERSON LICENSED PURSUANT TO THIS ARTICLE FOR THI
21	OPERATION OF A LICENSED BUSINESS.
22	12-43.3-402. Medical marijuana center license. (1) A MEDICAL
23	MARIJUANA CENTER LICENSE SHALL BE ISSUED ONLY TO A PERSON SELLING
24	MEDICAL MARIJUANA PURSUANT TO THE TERMS AND CONDITIONS OF THIS
25	ARTICLE.
26	(2) (a) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, A
2.7	MEDICAL MARIJIJANA CENTER LICENSEE MAY ALSO SELL. MEDICAL

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1	MARIJUANA-INFUSED PRODUCTS THAT ARE PREPACKAGED AND LABELED
2	SO AS TO CLEARLY INDICATE ALL OF THE FOLLOWING:
3	(I) THAT THE PRODUCT CONTAINS MEDICAL MARIJUANA;
4	(II) THAT THE PRODUCT IS MANUFACTURED WITHOUT ANY
5	REGULATORY OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY; AND
6	(III) THAT THERE MAY BE HEALTH RISKS ASSOCIATED WITH THE
7	CONSUMPTION OR USE OF THE PRODUCT.
8	(b) A MEDICAL MARIJUANA LICENSEE MAY CONTRACT WITH A
9	MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE FOR
10	THE MANUFACTURE OF MEDICAL MARIJUANA-INFUSED PRODUCTS UPON A
11	MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSEE'S
12	LICENSED PREMISES.
13	(3) EVERY PERSON SELLING MEDICAL MARIJUANA AS PROVIDED
14	FOR IN THIS ARTICLE SHALL SELL ONLY MEDICAL MARIJUANA GROWN IN ITS
15	MEDICAL MARIJUANA OPTIONAL PREMISES LICENSED PURSUANT TO THIS
16	ARTICLE. THE PROVISIONS OF THIS SUBSECTION (3) SHALL NOT APPLY TO
17	MEDICAL MARIJUANA-INFUSED PRODUCTS.
18	(4) NOTWITHSTANDING THE REQUIREMENTS OF SUBSECTION (3) OF
19	THIS SECTION TO THE CONTRARY, A MEDICAL MARIJUANA LICENSEE MAY
20	PURCHASE NOT MORE THAN THIRTY PERCENT OF ITS TOTAL ON-HAND
21	INVENTORY OF MEDICAL MARIJUANA FROM ANOTHER LICENSED MEDICAL
22	MARIJUANA CENTER IN COLORADO. A MEDICAL MARIJUANA CENTER MAY
23	SELL NO MORE THAN THIRTY PERCENT OF ITS TOTAL ON-HAND INVENTORY
24	TO ANOTHER COLORADO LICENSED MEDICAL MARIJUANA LICENSEE.
25	(5) PRIOR TO INITIATING A SALE, THE EMPLOYEE OF THE MEDICAL
26	MARIJUANA CENTER MAKING THE SALE SHALL VERIFY THAT THE
27	DIDCHASED HAS A VALID DECISTRATION CARD ISSUED DIDSHANT TO

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1	SECTION 25-1.5-106, C.R.S., AND A VALID PICTURE IDENTIFICATION CARD
2	THAT MATCHES THE NAME ON THE REGISTRATION CARD.
3	(6) A LICENSED MEDICAL MARIJUANA CENTER MAY PROVIDE A
4	SMALL AMOUNT OF ITS MEDICAL MARIJUANA FOR TESTING TO A
5	LABORATORY THAT IS LICENSED PURSUANT TO THE OCCUPATIONAL
6	LICENSING RULES PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2)
7	(a) <u>(IV).</u>
8	(7) ALL MEDICAL MARIJUANA SOLD AT A LICENSED MEDICAL
9	MARIJUANA CENTER SHALL BE LABELED WITH A LIST OF ALL CHEMICAL
10	ADDITIVES, INCLUDING BUT NOT LIMITED TO NONORGANIC PESTICIDES,
11	HERBICIDES, AND FERTILIZERS, THAT WERE USED IN THE CULTIVATION AND
12	THE PRODUCTION OF THE MEDICAL MARIJUANA.
13	(8) A LICENSED MEDICAL MARIJUANA CENTER SHALL COMPLY WITH
14	ALL PROVISIONS OF ARTICLE 34 OF TITLE 24, C.R.S., AS THE PROVISIONS
15	RELATE TO PERSONS WITH DISABILITIES.
16	12-43.3-403. Optional premises cultivation license. AN
17	OPTIONAL PREMISES CULTIVATION LICENSE MAY BE ISSUED ONLY TO A
18	PERSON LICENSED PURSUANT TO SECTION 12-43.3-402 (1) OR
19	12-43.3-404 (1) WHO GROWS AND CULTIVATES MEDICAL MARIJUANA AT
20	AN ADDITIONAL COLORADO LICENSED PREMISES CONTIGUOUS OR NOT
21	CONTIGUOUS WITH THE LICENSED PREMISES OF THE PERSON'S MEDICAL
22	MARIJUANA CENTER <u>LICENSE OR THE PERSON'S MEDICAL</u>
23	MARIJUANA-INFUSED PRODUCTS MANUFACTURING LICENSE.
24	12-43.3-404. Medical marijuana-infused products
25	manufacturing license. (1) A MEDICAL MARIJUANA-INFUSED PRODUCTS
26	MANUFACTURING LICENSE MAY BE ISSUED TO A PERSON WHO
27	MANUFACTURES MEDICAL MARIJUANA-INFUSED PRODUCTS, PURSUANT TO

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1	THE TERMS AND CONDITIONS OF THIS ARTICLE.
2	(2) MEDICAL MARIJUANA-INFUSED PRODUCTS SHALL BE PREPARED
3	ON A LICENSED PREMISES THAT IS USED EXCLUSIVELY FOR THE
4	MANUFACTURE AND PREPARATION OF MEDICAL MARIJUANA-INFUSED
5	PRODUCTS AND USING EQUIPMENT THAT IS USED EXCLUSIVELY FOR THE
6	MANUFACTURE AND PREPARATION OF MEDICAL MARIJUANA-INFUSED
7	PRODUCTS.
8	(3) A MEDICAL MARIJUANA-INFUSED PRODUCTS LICENSEE SHALL
9	HAVE A WRITTEN AGREEMENT OR CONTRACT WITH A MEDICAL MARIJUANA
10	CENTER LICENSEE, WHICH CONTRACT SHALL AT A MINIMUM SET FORTH THE
11	TOTAL AMOUNT OF MEDICAL MARIJUANA OBTAINED FROM A MEDICAL
12	MARIJUANA CENTER LICENSEE TO BE USED IN THE MANUFACTURING
13	PROCESS, AND THE TOTAL AMOUNT OF MEDICAL MARIJUANA-INFUSED
14	PRODUCTS TO BE MANUFACTURED FROM THE MEDICAL MARIJUANA
15	OBTAINED FROM THE MEDICAL MARIJUANA CENTER. A MEDICAL
16	MARIJUANA-INFUSED PRODUCTS LICENSEE SHALL NOT USE MEDICAL
17	MARIJUANA FROM MORE THAN FIVE DIFFERENT MEDICAL MARIJUANA
18	CENTERS IN THE PRODUCTION OF ONE MEDICAL MARIJUANA-INFUSED
19	PRODUCT. THE MEDICAL MARIJUANA-INFUSED PRODUCTS
20	MANUFACTURING LICENSEE MAY SELL ITS PRODUCTS TO ANY LICENSED
21	MEDICAL MARIJUANA CENTER.
22	(4) ALL LICENSED PREMISES ON WHICH MEDICAL
23	MARIJUANA-INFUSED PRODUCTS ARE MANUFACTURED SHALL MEET THE
24	SANITARY STANDARDS FOR MEDICAL MARIJUANA-INFUSED PRODUCT
25	PREPARATION PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2) (a)
26	(XII).
27	(5) THE MEDICAL MARIJUANA-INFUSED PRODUCT SHALL BE SEALED

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1	AND CONSPICUOUSLY LABELED IN COMPLIANCE WITH THIS ARTICLE AND
2	ANY RULES PROMULGATED PURSUANT TO THIS ARTICLE.
3	(6) MEDICAL MARIJUANA-INFUSED PRODUCTS MAY NOT BE
4	CONSUMED ON A PREMISES LICENSED PURSUANT TO THIS ARTICLE.
5	(7) Notwithstanding any other provision of state law,
6	SALES OF MEDICAL MARIJUANA-INFUSED PRODUCTS SHALL NOT BE EXEMPT
7	FROM STATE OR LOCAL SALES TAX.
8	(8) A MEDICAL MARIJUANA-INFUSED PRODUCTS LICENSEE THAT
9	HAS AN OPTIONAL PREMISES CULTIVATION LICENSE SHALL NOT SELL ANY
10	OF THE MEDICAL MARIJUANA THAT IT CULTIVATES.
11	PART 5
12	FEES
13	12-43.3-501. Medical marijuana license cash fund. (1) ALL
14	MONEYS COLLECTED BY THE STATE LICENSING AUTHORITY PURSUANT TO
15	THIS ARTICLE SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO
16	SHALL CREDIT THE SAME TO THE MEDICAL MARIJUANA LICENSE CASH
17	FUND, WHICH FUND IS HEREBY CREATED AND REFERRED TO IN THIS
18	SECTION AS THE "FUND". THE MONEYS IN THE FUND SHALL BE SUBJECT TO
19	ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY TO THE
20	DEPARTMENT OF REVENUE FOR THE DIRECT AND INDIRECT COSTS
21	ASSOCIATED WITH IMPLEMENTING THIS ARTICLE. ANY MONEYS IN THE
22	FUND NOT EXPENDED FOR THE PURPOSE OF THIS ARTICLE MAY BE
23	INVESTED BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST
24	AND INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS
25	IN THE FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND
26	UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF A
27	FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR

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1	TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.
2	(2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
3	BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY REDUCE THE AMOUNT
4	OF ONE OR MORE OF THE FEES IF NECESSARY PURSUANT TO SECTION
5	24-75-402 (3), C.R.S., TO REDUCE THE UNCOMMITTED RESERVES OF THE
6	FUND TO WHICH ALL OR ANY PORTION OF ONE OR MORE OF THE FEES IS
7	CREDITED. AFTER THE UNCOMMITTED RESERVES OF THE FUND ARE
8	SUFFICIENTLY REDUCED, THE EXECUTIVE DIRECTOR BY RULE OR AS
9	OTHERWISE PROVIDED BY LAW MAY INCREASE THE AMOUNT OF ONE OF
10	MORE OF THE FEES AS PROVIDED IN SECTION $24-75-402$ (4), C.R.S.
11	(3) (a) THE STATE LICENSING AUTHORITY SHALL ESTABLISH FEES
12	FOR PROCESSING THE FOLLOWING TYPES OF APPLICATIONS, LICENSES
13	NOTICES, OR REPORTS REQUIRED TO BE SUBMITTED TO THE STATE
14	LICENSING AUTHORITY:
15	(I) APPLICATIONS FOR LICENSES LISTED IN SECTION 12-43.3-401
16	AND RULES PROMULGATED PURSUANT TO THAT SECTION;
17	(II) APPLICATIONS TO CHANGE LOCATION PURSUANT TO SECTION
18	12-43.3-310 AND RULES PROMULGATED PURSUANT TO THAT SECTION;
19	(III) APPLICATIONS FOR TRANSFER OF OWNERSHIP PURSUANT TO
20	SECTION 12-43.3-310 AND RULES PROMULGATED PURSUANT TO THAT
21	SECTION;
22	(IV) LICENSE RENEWAL AND EXPIRED LICENSE RENEWAL
23	APPLICATIONS PURSUANT TO SECTION 12-43.3-311; AND
24	(V) LICENSES AS LISTED IN SECTION 12-43.3-401.
25	(b) THE AMOUNTS OF SUCH FEES, WHEN ADDED TO THE OTHER FEES
26	TRANSFERRED TO THE FUND PURSUANT TO THIS SECTION SHALL REFLECT
7	THE ACTUAL DIDECT AND INDIDECT COSTS OF THE STATE LICENSING

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1	AUTHORITY IN THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE
2	SO THAT THE FEES AVOID EXCEEDING THE STATUTORY LIMIT ON
3	UNCOMMITTED RESERVES IN ADMINISTRATIVE AGENCY CASH FUNDS AS SET
4	FORTH IN SECTION 24-75-402 (3), C.R.S.
5	(c) THE STATE LICENSING AUTHORITY MAY CHARGE APPLICANTS
6	LICENSED UNDER THIS ARTICLE A FEE FOR THE COST OF EACH FINGERPRINT
7	ANALYSIS AND BACKGROUND INVESTIGATION UNDERTAKEN TO QUALIFY
8	NEW OFFICERS, DIRECTORS, MANAGERS, OR EMPLOYEES.
9	(d) AT LEAST ANNUALLY, THE STATE LICENSING AUTHORITY SHALL
10	REVIEW THE AMOUNTS OF THE FEES AND, IF NECESSARY, ADJUST THE
11	AMOUNTS TO REFLECT THE DIRECT AND INDIRECT COSTS OF THE STATE
12	LICENSING AUTHORITY.
13	(3) EXCEPT AS PROVIDED IN SUBSECTION (4) OF THIS SECTION, THE
14	STATE LICENSING AUTHORITY SHALL ESTABLISH A BASIC FEE THAT SHALL
15	BE PAID AT THE TIME OF SERVICE OF ANY SUBPOENA UPON THE STATE
16	LICENSING AUTHORITY, PLUS A FEE FOR MEALS AND A FEE FOR MILEAGE AT
17	THE RATE PRESCRIBED FOR STATE OFFICERS AND EMPLOYEES IN SECTION
18	24-9-104, C.R.S., FOR EACH MILE ACTUALLY AND NECESSARILY TRAVELED
19	IN GOING TO AND RETURNING FROM THE PLACE NAMED IN THE SUBPOENA.
20	IF THE PERSON NAMED IN THE SUBPOENA IS REQUIRED TO ATTEND THE
21	PLACE NAMED IN THE SUBPOENA FOR MORE THAN ONE DAY, THERE SHALL
22	BE PAID, IN ADVANCE, A SUM TO BE ESTABLISHED BY THE STATE LICENSING
23	AUTHORITY FOR EACH DAY OF ATTENDANCE TO COVER THE EXPENSES OF
24	THE PERSON NAMED IN THE SUBPOENA.
25	(4) THE SUBPOENA FEE ESTABLISHED PURSUANT TO SUBSECTION
26	(3) OF THIS SECTION SHALL NOT BE APPLICABLE TO ANY FEDERAL, STATE
27	OR LOCAL GOVERNMENTAL AGENCY.

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1	12-43.3-502. Fees - allocation. (1) EXCEPT AS OTHERWISE
2	PROVIDED, ALL FEES AND FINES PROVIDED FOR BY THIS ARTICLE SHALL BE
3	PAID TO THE DEPARTMENT OF REVENUE, WHICH SHALL TRANSMIT THE FEES
4	TO THE STATE TREASURER. THE STATE TREASURER SHALL CREDIT THE
5	FEES TO THE MEDICAL MARIJUANA LICENSE CASH FUND CREATED IN
6	SECTION 12-43.3-501.
7	(2) The expenditures of the state licensing authority
8	SHALL BE PAID OUT OF APPROPRIATIONS FROM MEDICAL MARIJUANA
9	LICENSE CASH FUND CREATED IN SECTION 12-43.3-501.
10	12-43.3-503. Local license fees. (1) EACH APPLICATION FOR A
11	LOCAL LICENSE PROVIDED FOR IN THIS ARTICLE FILED WITH A LOCAL
12	LICENSING AUTHORITY SHALL BE ACCOMPANIED BY AN APPLICATION FEE
13	IN AN AMOUNT DETERMINED BY THE LOCAL LICENSING AUTHORITY.
14	(2) License fees as determined by the local licensing
15	AUTHORITY SHALL BE PAID TO THE TREASURER OF THE MUNICIPALITY,
16	CITY AND COUNTY, OR COUNTY WHERE THE LICENSED PREMISES IS
17	LOCATED IN ADVANCE OF THE APPROVAL, DENIAL, OR RENEWAL OF THE
18	LICENSE.
19	PART 6
20	DISCIPLINARY ACTIONS
21	12-43.3-601. Suspension - revocation - fines. (1) IN ADDITION
22	TO ANY OTHER SANCTIONS PRESCRIBED BY THIS ARTICLE OR RULES
23	PROMULGATED PURSUANT TO THIS ARTICLE, THE STATE LICENSING
24	AUTHORITY OR A LOCAL LICENSING AUTHORITY HAS THE POWER, ON ITS
25	OWN MOTION OR ON COMPLAINT, AFTER INVESTIGATION AND OPPORTUNITY
26	FOR A PUBLIC HEARING AT WHICH THE LICENSEE SHALL BE AFFORDED AN
27	ODDODTI NITY TO BE HEADD. TO SUSDEND OD DEVOKE A LICENSE ISSUED BY

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1	THE RESPECTIVE AUTHORITY FOR A VIOLATION BY THE LICENSEE OR BY
2	ANY OF THE AGENTS OR EMPLOYEES OF THE LICENSEE OF THE PROVISIONS
3	OF THIS ARTICLE, OR ANY OF THE RULES PROMULGATED PURSUANT TO THIS
4	ARTICLE, OR OF ANY OF THE TERMS, CONDITIONS, OR PROVISIONS OF THE
5	LICENSE ISSUED BY THE STATE OR LOCAL LICENSING AUTHORITY. THE
6	STATE LICENSING AUTHORITY OR A LOCAL LICENSING AUTHORITY HAS THE
7	POWER TO ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE
8	PRESENCE OF PERSONS AND THE PRODUCTION OF PAPERS, BOOKS, AND
9	RECORDS NECESSARY TO THE DETERMINATION OF A HEARING THAT THE
10	STATE OR LOCAL LICENSING AUTHORITY IS AUTHORIZED TO CONDUCT.
11	(2) THE STATE OR LOCAL LICENSING AUTHORITY SHALL PROVIDE
12	NOTICE OF SUSPENSION, REVOCATION, FINE, OR OTHER SANCTION, AS WELL
13	AS THE REQUIRED NOTICE OF THE HEARING PURSUANT TO SUBSECTION (1)
14	OF THIS SECTION, BY MAILING THE SAME IN WRITING TO THE LICENSEE AT
15	THE ADDRESS CONTAINED IN THE LICENSE. EXCEPT IN THE CASE OF A
16	SUMMARY SUSPENSION, A SUSPENSION SHALL NOT BE FOR A LONGER
17	PERIOD THAN SIX MONTHS. IF A LICENSE IS SUSPENDED OR REVOKED, A
18	PART OF THE FEES PAID THEREFORE SHALL NOT BE RETURNED TO THE
19	LICENSEE. ANY LICENSE OR PERMIT MAY BE SUMMARILY SUSPENDED BY
20	THE ISSUING LICENSING AUTHORITY WITHOUT NOTICE PENDING ANY
21	PROSECUTION, INVESTIGATION, OR PUBLIC HEARING PURSUANT TO THE
22	TERMS OF SECTION 24-4-104 (4), C.R.S. NOTHING IN THIS SECTION SHALL
23	PREVENT THE SUMMARY SUSPENSION OF A LICENSE PURSUANT TO SECTION
24	24-4-104 (4), C.R.S. EACH PATIENT REGISTERED WITH A MEDICAL
25	MARIJUANA CENTER THAT HAS HAD ITS LICENSE SUMMARILY SUSPENDED
26	MAY IMMEDIATELY TRANSFER HIS OR HER PRIMARY CENTER TO ANOTHER
27	LICENSED MEDICAL MARIJUANA CENTER.

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1	(3) (a) Whenever a decision of the state licensing
2	AUTHORITY OR A LOCAL LICENSING AUTHORITY SUSPENDING A LICENSE
3	FOR FOURTEEN DAYS OR LESS BECOMES FINAL, THE LICENSEE MAY, BEFORE
4	THE OPERATIVE DATE OF THE SUSPENSION, PETITION FOR PERMISSION TO
5	PAY A FINE IN LIEU OF HAVING THE LICENSE SUSPENDED FOR ALL OR PART
6	OF THE SUSPENSION PERIOD. UPON THE RECEIPT OF THE PETITION, THE
7	STATE OR LOCAL LICENSING AUTHORITY MAY, IN ITS SOLE DISCRETION,
8	STAY THE PROPOSED SUSPENSION AND CAUSE ANY INVESTIGATION TO BE
9	MADE WHICH IT DEEMS DESIRABLE AND MAY, IN ITS SOLE DISCRETION,
10	GRANT THE PETITION IF THE STATE OR LOCAL LICENSING AUTHORITY IS
11	SATISFIED THAT:
12	(I) THE PUBLIC WELFARE AND MORALS WOULD NOT BE IMPAIRED
13	BY PERMITTING THE LICENSEE TO OPERATE DURING THE PERIOD SET FOR
14	SUSPENSION AND THAT THE PAYMENT OF THE FINE WILL ACHIEVE THE
15	DESIRED DISCIPLINARY PURPOSES;
16	(II) THE BOOKS AND RECORDS OF THE LICENSEE ARE KEPT IN SUCH
17	A MANNER THAT THE LOSS OF SALES THAT THE LICENSEE WOULD HAVE
18	SUFFERED HAD THE SUSPENSION GONE INTO EFFECT CAN BE DETERMINED
19	WITH REASONABLE ACCURACY; AND
20	(III) THE LICENSEE HAS NOT HAD HIS OR HER LICENSE SUSPENDED
21	OR REVOKED, NOR HAD ANY SUSPENSION STAYED BY PAYMENT OF A FINE,
22	DURING THE TWO YEARS IMMEDIATELY PRECEDING THE DATE OF THE
23	MOTION OR COMPLAINT THAT RESULTED IN A FINAL DECISION TO SUSPEND
24	THE LICENSE OR PERMIT.
25	(b) THE FINE ACCEPTED SHALL BE NOT LESS THAN FIVE HUNDRED
26	DOLLARS NOR MORE THAN ONE HUNDRED THOUSAND DOLLARS.
27	(c) PAYMENT OF A FINE PURSUANT TO THE PROVISIONS OF THIS

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1	SUBSECTION (3) SHALL BE IN THE FORM OF CASH OR IN THE FORM OF A
2	CERTIFIED CHECK OR CASHIER'S CHECK MADE PAYABLE TO THE STATE OR
3	LOCAL LICENSING AUTHORITY, WHICHEVER IS APPROPRIATE.
4	(4) Upon payment of the fine pursuant to subsection (3) of
5	THIS SECTION, THE STATE OR LOCAL LICENSING AUTHORITY SHALL ENTER
6	ITS FURTHER ORDER PERMANENTLY STAYING THE IMPOSITION OF THE
7	SUSPENSION. IF THE FINE IS PAID TO A LOCAL LICENSING AUTHORITY, THE
8	GOVERNING BODY OF THE AUTHORITY SHALL CAUSE THE MONEYS TO BE
9	PAID INTO THE GENERAL FUND OF THE LOCAL LICENSING AUTHORITY.
10	FINES PAID TO THE STATE LICENSING AUTHORITY PURSUANT TO
11	SUBSECTION (3) OF THIS SECTION SHALL BE TRANSMITTED TO THE STATE
12	TREASURER WHO SHALL CREDIT THE SAME TO THE MEDICAL MARIJUANA
13	LICENSE CASH FUND CREATED IN SECTION 12-43.3-501.
14	(5) IN CONNECTION WITH A PETITION PURSUANT TO SUBSECTION (3)
15	OF THIS SECTION, THE AUTHORITY OF THE STATE OR LOCAL LICENSING
16	AUTHORITY IS LIMITED TO THE GRANTING OF SUCH STAYS AS ARE
17	NECESSARY FOR THE AUTHORITY TO COMPLETE ITS INVESTIGATION AND
18	MAKE ITS FINDINGS AND, IF THE AUTHORITY MAKES SUCH FINDINGS, TO
19	THE GRANTING OF AN ORDER PERMANENTLY STAYING THE IMPOSITION OF
20	THE ENTIRE SUSPENSION OR THAT PORTION OF THE SUSPENSION NOT
21	OTHERWISE CONDITIONALLY STAYED.
22	(6) IF THE STATE OR LOCAL LICENSING AUTHORITY DOES NOT MAKE
23	THE FINDINGS REQUIRED IN PARAGRAPH (a) OF SUBSECTION (3) OF THIS
24	SECTION AND DOES NOT ORDER THE SUSPENSION PERMANENTLY STAYED,
25	THE SUSPENSION SHALL GO INTO EFFECT ON THE OPERATIVE DATE FINALLY
26	SET BY THE STATE OR LOCAL LICENSING AUTHORITY.
27	(7) EACH LOCAL LICENSING AUTHORITY SHALL REPORT ALL

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1	ACTIONS TAKEN TO IMPOSE FINES, SUSPENSIONS, AND REVOCATIONS TO
2	THE STATE LICENSING AUTHORITY IN A MANNER REQUIRED BY THE STATE
3	LICENSING AUTHORITY. NO LATER THAN JANUARY 15 OF EACH YEAR, THE
4	STATE LICENSING AUTHORITY SHALL COMPILE A REPORT OF THE
5	PRECEDING YEAR'S ACTIONS IN WHICH FINES, SUSPENSIONS, OR
6	REVOCATIONS WERE IMPOSED BY LOCAL LICENSING AUTHORITIES AND BY
7	THE STATE LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY
8	SHALL FILE ONE COPY OF THE REPORT WITH THE CHIEF CLERK OF THE
9	HOUSE OF REPRESENTATIVES, ONE COPY WITH THE SECRETARY OF THE
10	SENATE, AND SIX COPIES IN THE JOINT LEGISLATIVE LIBRARY.
11	PART 7
12	INSPECTION OF BOOKS AND RECORDS
13	12-43.3-701. Inspection procedures. (1) EACH LICENSEE SHALL
14	KEEP A COMPLETE SET OF ALL RECORDS NECESSARY TO SHOW FULLY THE
15	BUSINESS TRANSACTIONS OF THE LICENSEE, ALL OF WHICH SHALL BE OPEN
16	AT ALL TIMES DURING BUSINESS HOURS FOR THE INSPECTION AND
17	EXAMINATION OF THE STATE LICENSING AUTHORITY OR ITS DULY
18	AUTHORIZED REPRESENTATIVES. THE STATE LICENSING AUTHORITY MAY
19	REQUIRE ANY LICENSEE TO FURNISH SUCH INFORMATION AS IT CONSIDERS
20	NECESSARY FOR THE PROPER ADMINISTRATION OF THIS ARTICLE AND MAY
21	REQUIRE AN AUDIT TO BE MADE OF THE BOOKS OF ACCOUNT AND RECORDS
22	ON SUCH OCCASIONS AS IT MAY CONSIDER NECESSARY BY AN AUDITOR TO
23	BE SELECTED BY THE STATE LICENSING AUTHORITY WHO SHALL LIKEWISE
24	HAVE ACCESS TO ALL BOOKS AND RECORDS OF THE LICENSEE, AND THE
25	EXPENSE THEREOF SHALL BE PAID BY THE LICENSEE.
26	(2) THE LICENSED PREMISES, INCLUDING ANY PLACES OF STORAGE
27	WHERE MEDICAL MARIJUANA IS GROWN, STORED, CULTIVATED, SOLD, OR

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1	DISPENSED, SHALL BE SUBJECT TO INSPECTION BY THE STATE OR LOCAL
2	LICENSING AUTHORITIES AND THEIR INVESTIGATORS, DURING ALL
3	BUSINESS HOURS AND OTHER TIMES OF APPARENT ACTIVITY, FOR THE
4	PURPOSE OF INSPECTION OR INVESTIGATION. FOR EXAMINATION OF ANY
5	INVENTORY OR BOOKS AND RECORDS REQUIRED TO BE KEPT BY THE
6	LICENSEES, ACCESS SHALL BE REQUIRED DURING BUSINESS HOURS. WHERE
7	ANY PART OF THE LICENSED PREMISES CONSISTS OF A LOCKED AREA, UPON
8	DEMAND TO THE LICENSEE, SUCH AREA SHALL BE MADE AVAILABLE FOR
9	INSPECTION WITHOUT DELAY, AND, UPON REQUEST BY AUTHORIZED
10	REPRESENTATIVES OF THE STATE OR LOCAL LICENSING AUTHORITY, THE
11	LICENSEE SHALL OPEN THE AREA FOR INSPECTION.
12	(3) EACH LICENSEE SHALL RETAIN ALL BOOKS AND RECORDS
13	NECESSARY TO SHOW FULLY THE BUSINESS TRANSACTIONS OF THE
14	LICENSEE FOR A PERIOD OF THE CURRENT TAX YEAR AND THE THREE
15	IMMEDIATELY PRIOR TAX YEARS.
16	PART 8
17	JUDICIAL REVIEW
18	12-43.3-801. Judicial review. Decisions by the state
19	LICENSING AUTHORITY OR A LOCAL LICENSING AUTHORITY SHALL BE
20	SUBJECT TO JUDICIAL REVIEW PURSUANT TO SECTION 24-4-106, C.R.S.
21	PART 9
22	UNLAWFUL ACTS - ENFORCEMENT
23	12-43.3-901. Unlawful acts - exceptions. (1) EXCEPT AS
24	OTHERWISE PROVIDED IN THIS ARTICLE, IT IS UNLAWFUL FOR A PERSON:
25	(a) To consume medical marijuana in a licensed medical
26	MARIJUANA CENTER, AND IT SHALL BE UNLAWFUL FOR A MEDICAL
27	MARIJUANA LICENSEE TO ALLOW MEDICAL MARIJUANA TO BE CONSUMED

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1	UPON ITS LICENSED PREMISES;
2	(b) WITH KNOWLEDGE, TO PERMIT OR FAIL TO PREVENT THE USE OF
3	HIS OR HER REGISTRY IDENTIFICATION BY ANY OTHER PERSON FOR THE
4	UNLAWFUL PURCHASING OF MEDICAL MARIJUANA; OR
5	(c) To continue operating a business for the purpose of
6	CULTIVATION, MANUFACTURE, OR SALE OF MEDICAL MARIJUANA OR
7	MEDICAL MARIJUANA-INFUSED PRODUCTS WITHOUT FILING THE FORMS
8	AND PAYING THE FEE AS DESCRIBED IN SECTION 12-43.3-103 (1) (b).
9	(d) TO CONTINUE A OPERATING A BUSINESS FOR THE PURPOSE OF
10	CULTIVATION, MANUFACTURE, OR SALE OF MEDICAL MARIJUANA OR
11	MEDICAL MARIJUANA-INFUSED PRODUCTS WITHOUT SATISFYING THE
12	CONDITIONS OF SECTION 12-43.3-103 (2) (b).
13	(2) It is unlawful for a person to buy, sell, transfer, give
14	AWAY, OR ACQUIRE MEDICAL MARIJUANA EXCEPT AS ALLOWED PURSUANT
15	TO THIS ARTICLE.
16	(3) It is unlawful for a person licensed pursuant to this
17	ARTICLE:
18	(a) TO BE WITHIN A LIMITED-ACCESS AREA UNLESS THE PERSON'S
19	LICENSE BADGE IS DISPLAYED AS REQUIRED BY THIS ARTICLE, EXCEPT AS
20	PROVIDED IN SECTION 12-43.3-701;
21	(b) To fail to designate areas of ingress and egress for
22	LIMITED-ACCESS AREAS AND POST SIGNS IN CONSPICUOUS LOCATIONS AS
23	REQUIRED BY THIS ARTICLE;
24	(c) To fail to report a transfer required by section
25	12-43.3-310 (11); OR
26	(d) TO FAIL TO REPORT THE NAME OF OR A CHANGE IN MANAGERS
27	AS REQUIRED BY SECTION 12-43.3-310 (12).

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1	(4) IT IS UNLAWFUL FOR ANY PERSON LICENSED TO SELL MEDICAL
2	MARIJUANA PURSUANT TO THIS ARTICLE:
3	(a) TO DISPLAY ANY SIGNS THAT ARE INCONSISTENT WITH
4	LOCAL LAWS OR REGULATIONS;
5	(b) TO USE ADVERTISING MATERIAL THAT IS MISLEADING,
6	DECEPTIVE, OR FALSE, OR THAT IS DESIGNED TO APPEAL TO MINORS;
7	(c) TO PROVIDE PUBLIC PREMISES, OR ANY PORTION THEREOF, FOR
8	THE PURPOSE OF CONSUMPTION OF MEDICAL MARIJUANA IN ANY FORM;
9	(d) (I) TO SELL MEDICAL MARIJUANA TO A PERSON NOT LICENSED
10	PURSUANT TO THIS ARTICLE OR TO A PERSON NOT ABLE TO PRODUCE A
11	VALID PATIENT REGISTRY IDENTIFICATION CARD. NOTWITHSTANDING ANY
12	PROVISION IN THIS SUBPARAGRAPH (I) TO THE CONTRARY, A PERSON
13	UNDER TWENTY-ONE YEARS OF AGE SHALL NOT BE EMPLOYED TO SELL OR
14	DISPENSE MEDICAL MARIJUANA AT A MEDICAL MARIJUANA CENTER OR
15	GROW OR CULTIVATE MEDICAL MARIJUANA AT AN OPTIONAL PREMISES
16	CULTIVATION OPERATION.
17	(II) IF A LICENSEE OR A LICENSEE'S EMPLOYEE HAS REASONABLE
18	CAUSE TO BELIEVE THAT A PERSON IS EXHIBITING A FRAUDULENT PATIENT
19	REGISTRY IDENTIFICATION CARD IN AN ATTEMPT TO OBTAIN MEDICAL
20	MARIJUANA, THE LICENSEE OR EMPLOYEE SHALL BE AUTHORIZED TO
21	CONFISCATE THE FRAUDULENT PATIENT REGISTRY IDENTIFICATION CARD,
22	IF POSSIBLE, AND SHALL, WITHIN SEVENTY-TWO HOURS AFTER THE
23	CONFISCATION, TURN IT OVER TO THE STATE HEALTH DEPARTMENT OR
24	LOCAL LAW ENFORCEMENT AGENCY. THE FAILURE TO CONFISCATE THE
25	FRAUDULENT PATIENT REGISTRY IDENTIFICATION CARD OR TO TURN IT
26	OVER TO THE STATE HEALTH DEPARTMENT OR A STATE OR LOCAL LAW
77	ENEODCEMENT AGENCY WITHIN SEVENTY-TWO HOLDS AFTED THE

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1	CONFISCATION SHALL NOT CONSTITUTE A CRIMINAL OFFENSE.
2	(e) TO POSSESS MORE THAN SIX MEDICAL MARIJUANA PLANTS AND
3	TWO OUNCES OF MEDICAL MARIJUANA FOR EACH PATIENT WHO HAS
4	REGISTERED THE CENTER AS HIS OR HER PRIMARY CENTER PURSUANT TO
5	SECTION 25-1.5-106 (6) (f), C.R.S.; EXCEPT THAT A MEDICAL MARIJUANA
6	CENTER MAY HAVE AN AMOUNT THAT EXCEEDS THE SIX-PLANT AND
7	TWO-OUNCE PRODUCT PER PATIENT LIMIT IF THE CENTER SELLS TO
8	PATIENTS THAT ARE AUTHORIZED TO HAVE MORE THAN SIX PLANTS AND
9	TWO OUNCES OF PRODUCT. IN THE CASE OF A PATIENT AUTHORIZED TO
10	EXCEED THE SIX-PLANT AND TWO-OUNCE LIMIT, THE CENTER SHALI
11	OBTAIN DOCUMENTATION FROM THE PATIENT'S PHYSICIAN THAT THE
12	PATIENT NEEDS MORE THAN SIX PLANTS AND TWO OUNCES OF PRODUCT.
13	(f) To offer for sale or solicit an order for medical
14	MARIJUANA IN PERSON EXCEPT WITHIN THE LICENSED PREMISES;
15	(g) TO HAVE IN POSSESSION OR UPON THE LICENSED PREMISES ANY
16	MEDICAL MARIJUANA, THE SALE OF WHICH IS NOT PERMITTED BY THE
17	LICENSE;
18	(h) TO BUY MEDICAL MARIJUANA FROM A PERSON NOT LICENSEI
19	TO SELL AS PROVIDED BY THIS ARTICLE;
20	(i) TO SELL MEDICAL MARIJUANA EXCEPT IN THE PERMANENT
21	LOCATION SPECIFICALLY DESIGNATED IN THE LICENSE FOR SALE;
22	(j) TO HAVE ON THE LICENSED PREMISES ANY MEDICAL MARIJUANA
23	OR MARIJUANA PARAPHERNALIA THAT SHOWS EVIDENCE OF THE MEDICAL
24	MARIJUANA HAVING BEEN CONSUMED OR PARTIALLY CONSUMED;
25	(k) To require a medical marijuana center or medical
26	MARIJUANA CENTER WITH AN OPTIONAL PREMISES CULTIVATION LICENSE
27	TO MAKE DELIVERY TO ANY PREMISES OTHER THAN THE SPECIFIC LICENSED

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1	PREMISES WHERE THE MEDICAL MARIJUANA IS TO BE SOLD; OR
2	(1) TO SELL, SERVE, OR DISTRIBUTE MEDICAL MARIJUANA AT ANY
3	TIME OTHER THAN BETWEEN THE HOURS OF 8:00 A.M. AND 7:00 P.M.
4	MONDAY THROUGH SUNDAY.
5	(m) TO VIOLATE THE PROVISIONS OF SECTION 6-2-103 OR 6-2-105,
6	<u>C.R.S.</u>
7	(5) EXCEPT AS PROVIDED IN SECTIONS 12-43.3-402 (4),
8	12-43.3-403, AND 12-43.3-404, IT IS UNLAWFUL FOR A MEDICAL
9	MARIJUANA CENTER, MEDICAL MARIJUANA-INFUSED PRODUCTS
10	MANUFACTURING OPERATION WITH AN OPTIONAL PREMISES CULTIVATION
11	<u>LICENSE</u> , OR MEDICAL MARIJUANA CENTER WITH AN OPTIONAL PREMISES
12	CULTIVATION LICENSE TO SELL, DELIVER, OR CAUSE TO BE DELIVERED TO
13	A LICENSEE ANY MEDICAL MARIJUANA NOT GROWN UPON ITS LICENSED
14	PREMISES, OR FOR A LICENSEE OR MEDICAL MARIJUANA CENTER WITH AN
15	OPTIONAL PREMISES CULTIVATION LICENSE OR MEDICAL
16	MARIJUANA-INFUSED PRODUCTS MANUFACTURING OPERATION WITH AN
17	OPTIONAL PREMISES CULTIVATION LICENSE TO SELL, POSSESS, OR PERMIT
18	SALE OF MEDICAL MARIJUANA NOT GROWN UPON ITS LICENSED PREMISES.
19	A VIOLATION OF THE PROVISIONS OF THIS SUBSECTION (5) BY A LICENSEE
20	SHALL BE GROUNDS FOR THE IMMEDIATE REVOCATION OF THE LICENSE
21	GRANTED UNDER THIS ARTICLE.
22	(6) IT SHALL BE UNLAWFUL FOR A PHYSICIAN WHO MAKES PATIENT
23	REFERRALS TO A LICENSED MEDICAL MARIJUANA CENTER TO RECEIVE
24	ANYTHING OF VALUE FROM THE MEDICAL MARIJUANA CENTER LICENSEE
25	OR ITS AGENTS, SERVANTS, OFFICERS, OR OWNERS OR ANYONE
26	FINANCIALLY INTERESTED IN THE LICENSEE, AND IT SHALL BE UNLAWFUL
2.7	FOR A LICENSEE LICENSED PURSUANT TO THIS ARTICLE TO OFFER

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1	ANYTHING OF VALUE TO A PHYSICIAN FOR MAKING PATIENT REFERRALS TO
2	THE LICENSED MEDICAL MARIJUANA CENTER.
3	(7) A PERSON WHO COMMITS ANY ACTS THAT ARE UNLAWFUL
4	PURSUANT TO THIS SECTION COMMITS A CLASS 2 MISDEMEANOR AND
5	SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, <u>C.R.S.</u> ; <u>EXCEPT</u>
6	FOR VIOLATIONS THAT WOULD ALSO CONSTITUTE A VIOLATION OF TITLE
7	18, C.R.S., WHICH VIOLATION SHALL BE CHARGED AND PROSECUTED
8	PURSUANT TO TITLE 18, C.R.S.
9	PART 10
10	<u>SUNSET</u> REVIEW
11	12-43.3-1001. Sunset review - article repeal. (1) This article
12	IS REPEALED, EFFECTIVE JULY 1, 2015.
13	(2) PRIOR TO THE REPEAL OF THIS ARTICLE, THE DEPARTMENT OF
14	REGULATORY AGENCIES SHALL CONDUCT A <u>SUNSET</u> REVIEW AS DESCRIBED
15	IN SECTION <u>24-34-104 (8)</u> , C.R.S.
16	SECTION 2. 25-1.5-106, Colorado Revised Statutes, is amended
17	to read:
18	25-1.5-106. Medical marijuana program - powers and duties
19	of the state health <u>agency - repeal.</u> (1) Legislative declaration.
20	(a) THE GENERAL ASSEMBLY HEREBY DECLARES THAT IT IS NECESSARY TO
21	IMPLEMENT RULES TO ENSURE THAT PATIENTS SUFFERING FROM
22	LEGITIMATE DEBILITATING MEDICAL CONDITIONS ARE ABLE TO SAFELY
23	GAIN ACCESS TO MEDICAL MARIJUANA AND TO ENSURE THAT THESE
24	PATIENTS:
25	(I) ARE NOT SUBJECT TO CRIMINAL PROSECUTION FOR THEIR USE
26	OF MEDICAL MARIJUANA IN ACCORDANCE WITH SECTION 14 OF ARTICLE
77	XVIII OF THE STATE CONSTITUTION THIS SECTION AND THE DUI ES OF THE

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1	STATE HEALTH AGENCY; AND
2	(II) ARE ABLE TO ESTABLISH AN AFFIRMATIVE DEFENSE TO THEIR
3	USE OF MEDICAL MARIJUANA IN ACCORDANCE WITH SECTION 14 OF
4	ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, AND THE
5	RULES OF THE STATE HEALTH AGENCY.
6	(b) THE GENERAL ASSEMBLY HEREBY DECLARES THAT IT IS
7	NECESSARY TO IMPLEMENT RULES TO PREVENT PERSONS WHO DO NOT
8	SUFFER FROM LEGITIMATE DEBILITATING MEDICAL CONDITIONS FROM
9	USING SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION AS A
10	MEANS TO SELL, ACQUIRE, POSSESS, PRODUCE, USE, OR TRANSPORT
11	MARIJUANA IN VIOLATION OF STATE AND FEDERAL LAWS.
12	(2) Definitions. In addition to the definitions set forth in
13	SECTION 14 (1) OF ARTICLE XVIII OF THE STATE CONSTITUTION, AS USED
14	IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "PRIMARY
15	CAREGIVER" MEANS A NATURAL PERSON, OTHER THAN THE PATIENT OR
16	THE PATIENT'S PHYSICIAN, WHO IS EIGHTEEN YEARS OF AGE OR OLDER AND
17	HAS SIGNIFICANT RESPONSIBILITY FOR MANAGING THE WELL-BEING OF A
18	PATIENT WHO HAS A DEBILITATING MEDICAL CONDITION.
19	(1) (3) Rule-making. (a) The department shall, pursuant to
20	section 14 of article XVIII of the state constitution, promulgate rules of
21	administration concerning the implementation of the medical marijuana
22	program established by such section and that specifically govern the
23	following:
24	(a) (I) The establishment and maintenance of a confidential
25	registry of patients who have applied for and are entitled to receive a
26	registry identification card;
27	(b) (II) The development by the department of an application form

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1	and making such form available to residents of this state seeking to be
2	listed on the confidential registry of patients who are entitled to receive
3	a registry identification card;
4	(c) (III) The verification by the department of medical information
5	concerning patients who have applied for a confidential registry card;
6	(d) (IV) The issuance and form of confidential registry
7	identification cards;
8	(e) (V) Communications with law enforcement officials about
9	confidential registry identification cards that have been suspended where
10	a patient is no longer diagnosed as having a debilitating medical
11	condition; <u>and</u>
12	(f) (VI) The manner in which the department may consider adding
13	debilitating medical conditions to the list of debilitating medical
14	conditions contained in section 14 of article XVIII of the state
15	constitution; AND
16	(VII) A WAIVER PROCESS TO ALLOW A HOMEBOUND PATIENT WHO
17	IS ON THE REGISTRY TO HAVE A PRIMARY CAREGIVER TRANSPORT THE
18	PATIENT'S MEDICAL MARIJUANA FROM A LICENSED MEDICAL MARIJUANA
19	CENTER TO THE PATIENT.
20	
21	(b) THE STATE HEALTH AGENCY MAY PROMULGATE RULES
22	REGARDING THE FOLLOWING:
23	(I) WHAT CONSTITUTES "SIGNIFICANT RESPONSIBILITY FOR
24	MANAGING THE WELL-BEING OF A PATIENT"; EXCEPT THAT THE ACT OF
25	SUPPLYING MEDICAL MARIJUANA OR MARIJUANA PARAPHERNALIA, BY
26	ITSELF, IS INSUFFICIENT TO CONSTITUTE "SIGNIFICANT RESPONSIBILITY FOR
27	MANAGING THE WELL-BEING OF A PATIENT";

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1	(II) THE DEVELOPMENT OF A FORM FOR A PRIMARY CAREGIVER TO
2	USE IN APPLYING TO THE REGISTRY, WHICH FORM SHALL REQUIRE, AT A
3	MINIMUM, THAT THE APPLICANT PROVIDE HIS OR HER FULL NAME, HOME
4	ADDRESS, DATE OF BIRTH, AND AN ATTESTATION THAT THE APPLICANT HAS
5	A SIGNIFICANT RESPONSIBILITY FOR MANAGING THE WELL-BEING OF THE
6	PATIENT FOR WHOM HE OR SHE IS DESIGNATED AS THE PRIMARY
7	CAREGIVER AND THAT HE OR SHE UNDERSTANDS AND WILL ABIDE BY
8	SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION,
9	AND THE RULES PROMULGATED BY THE STATE HEALTH AGENCY PURSUANT
10	TO THIS SECTION;
11	(III) THE DEVELOPMENT OF A FORM THAT CONSTITUTES "WRITTEN
12	DOCUMENTATION", AS DEFINED AND USED IN SECTION 14 OF ARTICLE
13	XVIII OF THE STATE CONSTITUTION, WHICH FORM A PHYSICIAN SHALL USE
14	WHEN MAKING A MEDICAL MARIJUANA RECOMMENDATION FOR A PATIENT;
15	AND
16	(IV) THE GROUNDS AND PROCEDURE FOR A PATIENT TO CHANGE
17	HIS OR HER DESIGNATED PRIMARY CAREGIVER.
18	(c) (I) THE STATE HEALTH AGENCY SHALL CONDUCT A PUBLIC
19	REVIEW HEARING WITH THE DEPARTMENT OF REVENUE BY SEPTEMBER 1,
20	2010, TO RECEIVE PUBLIC INPUT ON ANY EMERGENCY RULES ADOPTED BY
21	THE STATE HEALTH AGENCY AND BE PROVIDED WITH AN UPDATE FROM THE
22	INDUSTRY, CAREGIVERS, PATIENTS, AND OTHER STAKEHOLDERS
23	REGARDING THE INDUSTRY'S CURRENT STATUS. THE STATE HEALTH
24	AGENCY SHALL PROVIDE AT LEAST FIVE BUSINESS DAYS' NOTICE PRIOR TO
25	THE HEARING.
26	(II) This paragraph (c) is repealed, effective July 1, 2011.
27	(4) Notwithstanding any other requirements to the

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1	CONTRARY, NOTICE ISSUED BY THE STATE HEALTH AGENCY FOR A
2	RULEMAKING HEARING PURSUANT TO SECTION 24-4-103, C.R.S., FOR
3	RULES CONCERNING THE MEDICAL MARIJUANA PROGRAM SHALL BE
4	SUFFICIENT IF THE STATE HEALTH AGENCY PROVIDES THE NOTICE NO
5	LATER THAN FORTY-FIVE DAYS IN ADVANCE OF THE RULEMAKING HEARING
6	IN AT LEAST ONE PUBLICATION IN A NEWSPAPER OF GENERAL
7	DISTRIBUTION IN THE STATE AND POSTS THE NOTICE ON THE STATE HEALTH
8	AGENCY'S WEB SITE; EXCEPT THAT EMERGENCY RULES PURSUANT TO
9	SECTION 24-4-103 (6), C.R.S., SHALL NOT REQUIRE ADVANCE NOTICE.
10	(5) Primary caregivers. (a) A PRIMARY CAREGIVER MAY NOT
11	DELEGATE TO ANY OTHER PERSON HIS OR HER AUTHORITY TO PROVIDE
12	MEDICAL MARIJUANA TO A PATIENT NOR MAY A PRIMARY CAREGIVER
13	ENGAGE OTHERS TO ASSIST IN PROVIDING MEDICAL MARIJUANA TO A
14	PATIENT.
15	(b) Two or more primary caregivers shall not join
16	TOGETHER FOR THE PURPOSE OF CULTIVATING MEDICAL MARIJUANA.
17	(c) ONLY A MEDICAL MARIJUANA CENTER WITH AN OPTIONAL
18	PREMISES CULTIVATION <u>LICENSE</u> , <u>A MEDICAL MARIJUANA-INFUSED</u>
19	PRODUCTS MANUFACTURING OPERATION WITH AN OPTIONAL PREMISES
20	CULTIVATION LICENSE, OR A PRIMARY CAREGIVER FOR HIS OR HER
21	PATIENTS OR A PATIENT FOR HIMSELF OR HERSELF MAY CULTIVATE OR
22	PROVIDE MARIJUANA AND ONLY FOR MEDICAL USE.
23	(d) A PRIMARY CAREGIVER SHALL PROVIDE TO A LAW
24	ENFORCEMENT AGENCY, UPON INQUIRY, THE REGISTRY IDENTIFICATION
25	CARD NUMBER OF EACH OF HIS OR HER PATIENTS. THE STATE HEALTH
26	AGENCY SHALL MAINTAIN A REGISTRY OF THIS INFORMATION AND MAKE
27	IT AVAILABLE TWENTY-FOUR HOURS PER DAY AND SEVEN DAYS A WEEK TO

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1	LAW ENFORCEMENT FOR VERIFICATION PURPOSES. UPON INQUIRY BY A
2	LAW ENFORCEMENT OFFICER AS TO AN INDIVIDUAL S STATUS AS A PATIENT
3	OR PRIMARY CAREGIVER, THE STATE HEALTH AGENCY SHALL CHECK THE
4	REGISTRY. IF THE INDIVIDUAL IS NOT REGISTERED AS A PATIENT OR
5	PRIMARY CAREGIVER, THE STATE HEALTH AGENCY MAY PROVIDE THAT
6	RESPONSE TO LAW ENFORCEMENT. IF THE PERSON IS A REGISTERED
7	PATIENT OR PRIMARY CAREGIVER, THE STATE HEALTH AGENCY MAY NOT
8	RELEASE INFORMATION UNLESS CONSISTENT WITH SECTION 14 OF ARTICLE
9	XVIII OF THE STATE CONSTITUTION. THE STATE HEALTH AGENCY MAY
10	PROMULGATE RULES TO PROVIDE FOR THE EFFICIENT ADMINISTRATION OF
11	THIS PARAGRAPH (d).
12	(6) Patient - primary caregiver relationship. (a) A PERSON
13	SHALL BE LISTED AS A PRIMARY CAREGIVER FOR NO MORE THAN FIVE
14	PATIENTS ON THE MEDICAL MARIJUANA PROGRAM REGISTRY AT ANY GIVEN
15	TIME; EXCEPT THAT THE STATE HEALTH AGENCY MAY ALLOW A PRIMARY
16	CAREGIVER TO SERVE MORE THAN FIVE PATIENTS IN EXCEPTIONAL
17	CIRCUMSTANCES. IN DETERMINING WHETHER EXCEPTIONAL
18	CIRCUMSTANCES EXIST, THE STATE HEALTH AGENCY MAY CONSIDER THE
19	PROXIMITY OF MEDICAL MARIJUANA CENTERS TO THE PATIENT. A
20	PRIMARY CAREGIVER SHALL MAINTAIN A LIST OF HIS OR HER PATIENTS
21	INCLUDING THE REGISTRY IDENTIFICATION CARD NUMBER OF EACH
22	PATIENT AT ALL TIMES.
23	(b) A PATIENT SHALL HAVE ONLY ONE PRIMARY CAREGIVER AT
24	ANY GIVEN TIME.
25	(c) A PATIENT WHO HAS DESIGNATED A PRIMARY CAREGIVER FOR
26	HIMSELF OR HERSELF MAY NOT BE DESIGNATED AS A PRIMARY CAREGIVER
27	FOR ANOTHER PATIENT.

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1	(d) A PRIMARY CAREGIVER MAY NOT CHARGE A PATIENT MORE
2	THAN THE COST OF CULTIVATING OR PURCHASING THE MEDICAL
3	MARIJUANA, BUT MAY CHARGE FOR CAREGIVER SERVICES.
4	(e) (I) THE STATE HEALTH AGENCY SHALL MAINTAIN A SECURE
5	AND CONFIDENTIAL REGISTRY OF AVAILABLE PRIMARY CAREGIVERS FOR
6	THOSE PATIENTS WHO ARE UNABLE TO SECURE THE SERVICES OF A
7	PRIMARY CAREGIVER.
8	(II) AN EXISTING PRIMARY CAREGIVER MAY INDICATE AT THE TIME
9	OF REGISTRATION WHETHER HE OR SHE WOULD BE WILLING TO HANDLE
10	ADDITIONAL PATIENTS AND WAIVE CONFIDENTIALITY TO ALLOW RELEASE
11	OF HIS OR HER CONTACT INFORMATION TO PHYSICIANS OR REGISTERED
12	PATIENTS ONLY.
13	(III) AN INDIVIDUAL WHO IS NOT REGISTERED BUT IS WILLING TO
14	PROVIDE PRIMARY CAREGIVING SERVICES MAY SUBMIT HIS OR HER
15	CONTACT INFORMATION TO BE PLACED ON THE PRIMARY CAREGIVER
16	REGISTRY.
17	(IV) A PATIENT-PRIMARY CAREGIVER ARRANGEMENT SECURED
18	PURSUANT TO THIS PARAGRAPH (e) SHALL BE STRICTLY BETWEEN THE
19	PATIENT AND THE POTENTIAL PRIMARY CAREGIVER. THE STATE HEALTH
20	AGENCY, BY PROVIDING THE INFORMATION REQUIRED BY THIS PARAGRAPH
21	(e), SHALL NOT ENDORSE OR VOUCH FOR A PRIMARY CAREGIVER.
22	(V) THE STATE HEALTH AGENCY MAY MAKE AN EXCEPTION, BASED
23	ON A REQUEST FROM A PATIENT, TO PARAGRAPH (a) OF THIS SUBSECTION
24	(6) LIMITING PRIMARY CAREGIVERS TO FIVE PATIENTS. IF THE STATE
25	HEALTH AGENCY MAKES AN EXCEPTION TO THE LIMIT, THE STATE HEALTH
26	AGENCY SHALL NOTE THE EXCEPTION ON THE PRIMARY CAREGIVER'S
27	RECORD IN THE REGISTRY.

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2	CONFIDENTIAL REGISTRY, THE PATIENT SHALL INDICATE WHETHER THE
3	PATIENT INTENDS TO CULTIVATE HIS OR HER OWN MEDICAL MARIJUANA
4	BOTH CULTIVATE HIS OR HER OWN MEDICAL MARIJUANA AND OBTAIN IT
5	FROM EITHER A PRIMARY CAREGIVER OR LICENSED MEDICAL MARIJUANA
6	CENTER, OR INTENDS TO OBTAIN IT FROM EITHER A PRIMARY CAREGIVER
7	OR A LICENSED MEDICAL MARIJUANA CENTER. IF THE PATIENT ELECTS TO
8	USE A LICENSED MEDICAL MARIJUANA CENTER, THE PATIENT SHALL
9	REGISTER THE PRIMARY CENTER HE OR SHE INTENDS TO USE.
10	(7) Registry identification card required - denial - revocation
11	- renewal. (a) TO BE CONSIDERED IN COMPLIANCE WITH THE PROVISIONS
12	OF SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS
13	SECTION, AND THE RULES OF THE STATE HEALTH AGENCY, A PATIENT OR
14	PRIMARY CAREGIVER SHALL HAVE HIS OR HER REGISTRY IDENTIFICATION
15	CARD IN HIS OR HER POSSESSION AT ALL TIMES THAT HE OR SHE IS IN
16	POSSESSION OF ANY FORM OF MEDICAL MARIJUANA AND PRODUCE THE
17	SAME UPON REQUEST OF A LAW ENFORCEMENT OFFICER TO DEMONSTRATE
18	THAT THE PATIENT OR PRIMARY CAREGIVER IS NOT IN VIOLATION OF THE
19	LAW; EXCEPT THAT, IF MORE THAN THIRTY-FIVE DAYS HAVE PASSED SINCE
20	THE DATE THE PATIENT OR PRIMARY CAREGIVER FILED HIS OR HER
21	MEDICAL MARIJUANA PROGRAM APPLICATION AND THE STATE HEALTH
22	AGENCY HAS NOT YET ISSUED OR DENIED A REGISTRY IDENTIFICATION
23	CARD, A COPY OF THE PATIENT'S OR PRIMARY CAREGIVER'S APPLICATION
24	ALONG WITH PROOF OF THE DATE OF SUBMISSION SHALL BE IN THE
25	PATIENT'S OR PRIMARY CAREGIVER'S POSSESSION AT ALL TIMES THAT HE
26	OR SHE IS IN POSSESSION OF ANY FORM OF MEDICAL MARIJUANA UNTIL THE
27	STATE HEALTH AGENCY ISSUES OR DENIES THE REGISTRY IDENTIFICATION

(f) AT THE TIME A PATIENT APPLIES FOR INCLUSION ON THE

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1	CARD. A PERSON WHO VIOLATES SECTION 14 OF ARTICLE X VIII OF THE
2	STATE CONSTITUTION, THIS SECTION, OR THE RULES PROMULGATED BY THE
3	STATE HEALTH AGENCY MAY BE SUBJECT TO CRIMINAL PROSECUTION FOR
4	VIOLATIONS OF SECTION 18-18-406, C.R.S.
5	(b) THE STATE HEALTH AGENCY MAY DENY A PATIENT'S OR
6	PRIMARY CAREGIVER'S APPLICATION FOR A REGISTRY IDENTIFICATION
7	CARD OR REVOKE THE CARD IF THE STATE HEALTH AGENCY, IN
8	ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., DETERMINES THAT THE
9	PHYSICIAN WHO DIAGNOSED THE PATIENT'S DEBILITATING MEDICAL
10	CONDITION, THE PATIENT, OR THE PRIMARY CAREGIVER VIOLATED SECTION
11	14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, OR THE
12	RULES PROMULGATED BY THE STATE HEALTH AGENCY PURSUANT TO THIS
13	SECTION; EXCEPT THAT, WHEN A PHYSICIAN'S VIOLATION IS THE BASIS FOR
14	ADVERSE ACTION, THE STATE HEALTH AGENCY MAY ONLY DENY OR
15	REVOKE A PATIENT'S APPLICATION OR REGISTRY IDENTIFICATION CARD
16	WHEN THE PHYSICIAN'S VIOLATION IS RELATED TO THE ISSUANCE OF A
17	MEDICAL MARIJUANA RECOMMENDATION.
18	(c) A PATIENT OR PRIMARY CAREGIVER REGISTRY IDENTIFICATION
19	CARD SHALL BE VALID FOR ONE YEAR AND SHALL CONTAIN A UNIQUE
20	IDENTIFICATION NUMBER. IT SHALL BE THE RESPONSIBILITY OF THE
21	PATIENT OR PRIMARY CAREGIVER TO APPLY TO RENEW HIS OR HER
22	REGISTRY IDENTIFICATION CARD PRIOR TO THE DATE ON WHICH THE CARD
23	EXPIRES. THE STATE HEALTH AGENCY SHALL DEVELOP A FORM FOR A
24	PATIENT OR PRIMARY CAREGIVER TO USE IN RENEWING HIS OR HER
25	REGISTRY IDENTIFICATION CARD.
26	(d) IF THE STATE HEALTH AGENCY GRANTS A PATIENT A WAIVER TO
27	ALLOW A PRIMARY CAREGIVER TO TRANSPORT THE PATIENT'S MEDICAL

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1	MARIJUANA FROM A MEDICAL MARIJUANA CENTER TO THE PATIENT, THE
2	STATE HEALTH AGENCY SHALL DESIGNATE THE WAIVER ON THE PATIENT'S
3	REGISTRY IDENTIFICATION CARD.
4	(e) A HOMEBOUND PATIENT WHO RECEIVES A WAIVER FROM THE
5	STATE HEALTH AGENCY TO ALLOW A PRIMARY CAREGIVER TO TRANSPORT
6	THE PATIENT'S MEDICAL MARIJUANA TO THE PATIENT FROM A MEDICAL
7	MARIJUANA CENTER SHALL PROVIDE THE PRIMARY CAREGIVER WITH THE
8	PATIENT'S REGISTRY IDENTIFICATION CARD, WHICH THE PRIMARY
9	CAREGIVER SHALL CARRY WHEN THE PRIMARY CAREGIVER IS
10	TRANSPORTING THE MEDICAL MARIJUANA. A MEDICAL MARIJUANA
11	CENTER MAY PROVIDE THE MEDICAL MARIJUANA TO THE PRIMARY
12	CAREGIVER FOR TRANSPORT TO THE PATIENT IF THE PRIMARY CAREGIVER
13	PRODUCES THE PATIENT'S REGISTRY IDENTIFICATION CARD.
14	(8) Use of medical marijuana. (a) The use of medical
15	MARIJUANA IS ALLOWED UNDER STATE LAW TO THE EXTENT THAT IT IS
16	CARRIED OUT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 14 OF
17	ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, AND THE
18	RULES OF THE STATE HEALTH AGENCY.
19	(b) A PATIENT OR PRIMARY CAREGIVER SHALL NOT:
20	(I) ENGAGE IN THE MEDICAL USE OF MARIJUANA IN A WAY THAT
21	ENDANGERS THE HEALTH AND WELL-BEING OF A PERSON;
22	(II) ENGAGE IN THE MEDICAL USE OF MARIJUANA IN PLAIN VIEW OF
23	OR IN A PLACE OPEN TO THE GENERAL PUBLIC;
24	(III) UNDERTAKE ANY TASK WHILE UNDER THE INFLUENCE OF
25	MEDICAL MARIJUANA, WHEN DOING SO WOULD CONSTITUTE NEGLIGENCE
26	OR PROFESSIONAL MALPRACTICE;
27	(IV) Possess medical marijuana or otherwise engage in the

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1	USE OF MEDICAL MARIJUANA <u>IN OR ON THE GROUNDS OF A SCHOOL OR</u> IN
2	A SCHOOL BUS;
3	(V) ENGAGE IN THE USE OF MEDICAL MARIJUANA WHILE:
4	(A) IN A CORRECTIONAL FACILITY OR A COMMUNITY CORRECTIONS
5	FACILITY;
6	(B) SUBJECT TO A SENTENCE TO INCARCERATION; OR
7	(C) IN A VEHICLE, AIRCRAFT, OR MOTORBOAT;
8	(VI) OPERATE, NAVIGATE, OR BE IN ACTUAL PHYSICAL CONTROL
9	OF ANY VEHICLE, AIRCRAFT, OR MOTORBOAT WHILE UNDER THE
10	INFLUENCE OF MEDICAL MARIJUANA; OR
11	(VII) USE MEDICAL MARIJUANA IF THE PERSON DOES NOT HAVE A
12	DEBILITATING MEDICAL CONDITION AS DIAGNOSED BY THE PERSON'S
13	PHYSICIAN IN THE COURSE OF A BONA FIDE PHYSICIAN-PATIENT
14	RELATIONSHIP AND FOR WHICH THE PHYSICIAN HAS RECOMMENDED THE
15	USE OF MEDICAL MARIJUANA.
16	(c) A PERSON SHALL NOT ESTABLISH A BUSINESS TO PERMIT
17	PATIENTS TO CONGREGATE AND SMOKE OR OTHERWISE CONSUME MEDICAL
18	MARIJUANA.
19	(9) Limit on cultivation of medical marijuana. ONLY
20	REGISTERED PATIENTS, LICENSED PRIMARY CAREGIVERS, <u>MEDICAL</u>
21	MARIJUANA-INFUSED PRODUCTS MANUFACTURING OPERATIONS WITH AN
22	OPTIONAL PREMISES CULTIVATION LICENSE, AND LICENSED MEDICAL
23	MARIJUANA CENTERS WITH OPTIONAL PREMISES CULTIVATION LICENSES
24	MAY CULTIVATE MEDICAL MARIJUANA.
25	(10) Affirmative defense. If a patient or primary caregiver
26	RAISES AN AFFIRMATIVE DEFENSE AS PROVIDED IN SECTION 14 (4) (b) OF
27	ARTICLE XVIII OF THE STATE CONSTITUTION, THE PATIENT'S PHYSICIAN

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2	ARE NECESSARY TO ADDRESS THE PATIENT'S DEBILITATING MEDICAL
3	CONDITION AND WHY SUCH AMOUNTS ARE NECESSARY. A PATIENT WHO
4	ASSERTS THIS AFFIRMATIVE DEFENSE SHALL WAIVE CONFIDENTIALITY
5	PRIVILEGES RELATED TO THE CONDITION OR CONDITIONS THAT WERE THE
6	BASIS FOR THE RECOMMENDATION. IF A PATIENT, PRIMARY CAREGIVER, OR
7	PHYSICIAN RAISES AN EXCEPTION TO THE STATE CRIMINAL LAWS AS
8	PROVIDED IN SECTION 14 (2) (b) OR (c) OF ARTICLE XVIII OF THE STATE
9	CONSTITUTION, THE PATIENT, PRIMARY CAREGIVER OR PHYSICIAN WAIVES
10	THE CONFIDENTIALITY OF HIS OR HER RECORDS RELATED TO THE
11	CONDITION OR CONDITIONS THAT WERE THE BASIS FOR THE
12	RECOMMENDATION MAINTAINED BY THE STATE HEALTH AGENCY FOR THE
13	MEDICAL MARIJUANA PROGRAM. UPON REQUEST OF A LAW ENFORCEMENT
14	AGENCY FOR SUCH RECORDS, THE STATE HEALTH AGENCY SHALL ONLY
15	PROVIDE RECORDS PERTAINING TO THE INDIVIDUAL RAISING THE
16	EXCEPTION, AND SHALL REDACT ALL OTHER PATIENT, PRIMARY
17	CAREGIVER, OR PHYSICIAN IDENTIFYING INFORMATION.
18	(11) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
19	SUBSECTION (11), THE STATE HEALTH AGENCY SHALL ESTABLISH A BASIC
20	FEE THAT SHALL BE PAID AT THE TIME OF SERVICE OF ANY SUBPOENA UPON
21	THE STATE HEALTH AGENCY, PLUS A FEE FOR MEALS AND A FEE FOR
22	MILEAGE AT THE RATE PRESCRIBED FOR STATE OFFICERS AND EMPLOYEES
23	IN SECTION 24-9-104, C.R.S., FOR EACH MILE ACTUALLY AND
24	NECESSARILY TRAVELED IN GOING TO AND RETURNING FROM THE PLACE
25	NAMED IN THE SUBPOENA. IF THE PERSON NAMED IN THE SUBPOENA IS
26	REQUIRED TO ATTEND THE PLACE NAMED IN THE SUBPOENA FOR MORE
27	THAN ONE DAY, THERE SHALL BE PAID, IN ADVANCE, A SUM TO BE

SHALL CERTIFY THE SPECIFIC AMOUNTS IN EXCESS OF TWO OUNCES THAT

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1	ESTABLISHED BY THE STATE HEALTH AGENCY FOR EACH DAY OF
2	ATTENDANCE TO COVER THE EXPENSES OF THE PERSON NAMED IN THE
3	SUBPOENA.
4	(b) THE SUBPOENA FEE ESTABLISHED PURSUANT TO PARAGRAPH
5	(a) OF THIS SUBSECTION (11) SHALL NOT BE APPLICABLE TO ANY FEDERAL,
6	STATE, OR LOCAL GOVERNMENTAL AGENCY.
7	(2) (12) Fees. The department STATE HEALTH AGENCY may
8	collect fees from patients who, pursuant to section 14 of article XVIII of
9	the state constitution, apply to the medical marijuana program established
10	by such section for a marijuana registry identification CARD for the
11	purpose of offsetting the department's STATE HEALTH AGENCY'S direct and
12	indirect costs of administering the program. The amount of such THE fees
13	shall be set by rule of the state board of health STATE HEALTH AGENCY.
14	THE AMOUNT OF THE FEES SET PURSUANT TO THIS SECTION SHALL REFLECT
15	THE ACTUAL DIRECT AND INDIRECT COSTS OF THE STATE LICENSING
16	<u>AUTHORITY IN THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE</u>
17	SO THAT THE FEES AVOID EXCEEDING THE STATUTORY LIMIT ON
18	<u>UNCOMMITTED RESERVES IN ADMINISTRATIVE AGENCY CASH FUNDS AS SET</u>
19	FORTH IN SECTION 24-75-402 (3), C.R.S. All fees collected by the
20	department STATE HEALTH AGENCY through the medical marijuana
21	program shall be transferred to the state treasurer who shall credit the
22	same to the medical marijuana program cash fund, which fund is hereby
23	created.
24	(3) (13) Cash fund. (a) The medical marijuana program cash
25	fund shall be subject to annual appropriation by the general assembly to
26	the department STATE HEALTH AGENCY for the purpose of establishing,
27	operating, and maintaining the medical marijuana program. established

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1	by section 14 of article XVIII of the state constitution. All moneys
2	credited to the medical marijuana program cash fund and all interest
3	derived from the deposit of such moneys that are not expended during the
4	fiscal year shall be retained in the fund for future use and shall not be
5	credited or transferred to the general fund or any other fund.
6	(b) Notwithstanding any provision of paragraph (a) of this
7	subsection (3) to the contrary, on April 20, 2009, the state treasurer shall
8	deduct two hundred fifty-eight thousand seven hundred thirty-five dollars
9	from the medical marijuana program cash fund and transfer such sum to
10	the general fund.
11	SECTION 3. 25-5-403, Colorado Revised Statutes, is amended
12	BY THE ADDITION OF A NEW SUBSECTION to read:
13	25-5-403. Offenses. (3) The provisions of this section shall
14	NOT APPLY TO A MEDICAL MARIJUANA CENTER OR A
15	MEDICAL-MARIJUANA-INFUSED PRODUCTS MANUFACTURER LICENSED
16	PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., THAT MANUFACTURES OR
17	SELLS A FOOD PRODUCT THAT CONTAINS MEDICAL MARIJUANA SO LONG AS
18	THE FOOD PRODUCT IS LABELED AS CONTAINING MEDICAL MARIJUANA AND
19	THE LABEL SPECIFIES THAT THE PRODUCT IS MANUFACTURED WITHOUT
20	ANY REGULATORY OVERSIGHT FOR HEALTH, SAFETY, OR EFFICACY, AND
21	THAT THERE MAY BE HEALTH RISKS ASSOCIATED WITH THE CONSUMPTION
22	OR USE OF THE PRODUCT.
23	SECTION 4. 16-2.5-121, Colorado Revised Statutes, is amended
24	to read:
25	16-2.5-121. Executive director of the department of revenue
26	- senior director of enforcement for the department of revenue. The
27	executive director and the senior director of enforcement of the

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1	department of revenue are peace officers while engaged in the
2	performance of their duties whose authority includes the enforcement of
3	laws and rules regarding automobile dealers pursuant to section 12-6-105
4	(1) (d) (II), C.R.S., the lottery pursuant to sections 24-35-205 (3) and
5	24-35-206 (7), C.R.S., MEDICAL MARIJUANA PURSUANT TO ARTICLE 43.3
6	OF TITLE 12, C.R.S., limited gaming pursuant to section 12-47.1-204,
7	C.R.S., liquor pursuant to section 12-47-904 (1), C.R.S., and racing
8	events pursuant to section 12-60-203 (1), C.R.S., and the enforcement of
9	all laws of the state of Colorado and who may be certified by the P.O.S.T.
10	board.
11	SECTION 5. Part 1 of article 2.5 of title 16, Colorado Revised
12	Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION
13	to read:
14	16-2.5-124.5. <u>Director of marijuana enforcement and medical</u>
14 15	16-2.5-124.5. <u>Director of marijuana enforcement and medical marijuana enforcement</u> investigator. A MEDICAL MARIJUANA
15	marijuana enforcement investigator. A MEDICAL MARIJUANA
15 16	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE
15 16 17	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE ACTING UNDER PROPER
15 16 17 18	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., AND
15 16 17 18 19	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., AND SHALL ALSO INCLUDE THE ENFORCEMENT OF ALL LAWS OF THE STATE OF
15 16 17 18 19 20	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., AND SHALL ALSO INCLUDE THE ENFORCEMENT OF ALL LAWS OF THE STATE OF COLORADO AND WHO MAY BE CERTIFIED BY THE P.O.S.T. BOARD.
15 16 17 18 19 20 21	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., AND SHALL ALSO INCLUDE THE ENFORCEMENT OF ALL LAWS OF THE STATE OF COLORADO AND WHO MAY BE CERTIFIED BY THE P.O.S.T. BOARD. SECTION 6. 24-75-402 (5), Colorado Revised Statutes, is
15 16 17 18 19 20 21 22	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., AND SHALL ALSO INCLUDE THE ENFORCEMENT OF ALL LAWS OF THE STATE OF COLORADO AND WHO MAY BE CERTIFIED BY THE P.O.S.T. BOARD. SECTION 6. 24-75-402 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:
15 16 17 18 19 20 21 22 23	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., AND SHALL ALSO INCLUDE THE ENFORCEMENT OF ALL LAWS OF THE STATE OF COLORADO AND WHO MAY BE CERTIFIED BY THE P.O.S.T. BOARD. SECTION 6. 24-75-402 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read: 24-75-402. Cash funds - limit on uncommitted reserves -
15 16 17 18 19 20 21 22 23 24	marijuana enforcement investigator. A MEDICAL MARIJUANA ENFORCEMENT INVESTIGATOR IS A PEACE OFFICER WHILE ENGAGED IN THE PERFORMANCE OF HIS OR HER DUTIES AND WHILE ACTING UNDER PROPER ORDERS OR RULES PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., AND SHALL ALSO INCLUDE THE ENFORCEMENT OF ALL LAWS OF THE STATE OF COLORADO AND WHO MAY BE CERTIFIED BY THE P.O.S.T. BOARD. SECTION 6. 24-75-402 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read: 24-75-402. Cash funds - limit on uncommitted reserves - reduction in amount of fees - exclusions. (5) Notwithstanding any

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1	SECTION 12-43.3-501, C.R.S.
2	SECTION 7. 39-26-102, Colorado Revised Statutes, is amended
3	BY THE ADDITION OF A NEW SUBSECTION to read:
4	39-26-102. Definitions. As used in this article, unless the context
5	otherwise requires:
6	(5.8) "MEDICAL MARIJUANA" SHALL HAVE THE SAME MEANING AS
7	SET FORTH IN SECTION 12-43.3-104 (7), C.R.S.
8	SECTION 8. 39-26-123 (1), Colorado Revised Statutes, is
9	amended BY THE ADDITION OF A NEW PARAGRAPH to read:
10	39-26-123. Receipts - disposition - transfers of general fund
11	surplus - sales tax holding fund - creation - definitions - repeal.
12	(1) As used in this section, unless the context otherwise requires:
13	(a.5) "SALES TAXES ATTRIBUTABLE TO SALES OF MEDICAL
14	MARIJUANA" MEANS THE NET REVENUE RAISED FROM THE STATE SALES
15	TAXES IMPOSED PURSUANT TO THIS ARTICLE ON THE SALESOF MEDICAL
16	MARIJUANA.
17	SECTION 9. 39-26-123, Colorado Revised Statutes, is amended
18	BY THE ADDITION OF A NEW SUBSECTION to read:
19	39-26-123. Receipts - disposition - transfers of general fund
20	surplus - sales tax holding fund - creation - definitions - repeal.
21	(6) (a) For any state fiscal year commencing on or after July 1,
22	2010, the general assembly shall annually appropriate the first
23	TWO MILLION DOLLARS OF SALES TAXES ATTRIBUTABLE TO SALES OF
24	MEDICAL MARIJUANA OR EQUALLY APPROPRIATE THE SALES TAXES
25	ATTRIBUTABLE TO SALES OF MEDICAL MARIJUANA IF TWO MILLION
26	DOLLARS IS NOT GENERATED.
27	(b) (I) ONE HALF OF THE MONEYS DESCRIBED IN PARAGRAPH (a) OF

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1	THIS SUBSECTION (0) SHALL BE APPROPRIATED TO THE DEPARTMENT OF
2	HUMAN SERVICES TO BE USED TO PROVIDE INTEGRATED BEHAVIORAL
3	HEALTH SERVICES FOR JUVENILES AND ADULTS WITH SUBSTANCE USE
4	DISORDERS AND MENTAL HEALTH TREATMENT NEEDS WHO ARE INVOLVED
5	WITH, OR AT RISK OF INVOLVEMENT WITH, THE CRIMINAL JUSTICE SYSTEM.
6	THE MONEYS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (6)
7	SHALL BE APPROPRIATED TO THE DEPARTMENT OF HUMAN SERVICES TO BE
8	USED TO PROVIDE INTEGRATED BEHAVIORAL HEALTH SERVICES FOR
9	JUVENILES AND ADULTS WITH SUBSTANCE USE DISORDERS OR WITH
10	SUBSTANCE USE DISORDERS AND MENTAL HEALTH TREATMENT NEEDS WHO
11	ARE INVOLVED WITH, OR AT RISK OF INVOLVEMENT WITH, THE CRIMINAL
12	JUSTICE SYSTEM. THE DEPARTMENT SHALL ENSURE THAT APPROPRIATIONS
13	IN THIS LINE ITEM ARE DISTRIBUTED THROUGH THE DEPARTMENT'S
14	DESIGNATED MANAGED SERVICE ORGANIZATIONS AND COMMUNITY
15	MENTAL HEALTH CENTERS. THE APPROPRIATIONS SHALL BE BASED ON,
16	INCLUDING BUT NOT LIMITED TO SUBSTANCE USE AND MENTAL HEALTH
17	PREVALENCE DATA THAT IS DEVELOPED WORKING COLLABORATIVELY
18	WITH THE MANAGED SERVICES ORGANIZATIONS AND COMMUNITY $\underline{\text{MENTAL}}$
19	HEALTH CENTERS.
20	(II) ONE HALF OF THE MONEYS DESCRIBED IN PARAGRAPH (a) OF
21	THIS SUBSECTION (6) SHALL BE APPROPRIATED TO THE DEPARTMENT OF
22	HEALTH CARE POLICY AND FINANCING FOR SCREENING, BRIEF
23	INTERVENTION, AND REFERRAL TO TREATMENT FOR INDIVIDUALS AT RISK
24	OF SUBSTANCE ABUSE PURSUANT TO SECTION 25.5-5-202 (1) (u), C.R.S.
25	SECTION 10. 39-26-123, Colorado Revised Statutes, is amended
26	BY THE ADDITION OF A NEW SUBSECTION to read:
27	39-26-123. Receipts - disposition - transfers of general fund

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1	surplus - sales tax holding fund - creation - definitions - repeal.
2	(6) FOR ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1,
3	2010, the general assembly shall annually appropriate <u>the first</u>
4	TWO MILLION DOLLARS OF SALES TAXES ATTRIBUTABLE TO SALES TAXES
5	PAID BY PERSONS OR ENTITIES LICENSED BY ARTICLE 43.3 OF TITLE 12,
6	C.R.S., OR EQUALLY APPROPRIATE THE SALES TAXES ATTRIBUTABLE TO
7	SALES TAXES PAID BY PERSONS OR ENTITIES LICENSED BY ARTICLE 43.3 OF
8	TITLE 12, C.R.S., IF LESS THAN TWO MILLION DOLLARS IS GENERATED. THE
9	MONEYS DESCRIBED IN THIS SUBSECTION (6) SHALL BE APPROPRIATED TO
10	THE DEPARTMENT OF HUMAN SERVICES TO BE USED TO PROVIDE
11	INTEGRATED BEHAVIORAL HEALTH SERVICES FOR JUVENILES AND ADULTS
12	WITH SUBSTANCE USE DISORDERS OR WITH SUBSTANCE USE DISORDERS
13	AND MENTAL HEALTH TREATMENT NEEDS WHO ARE INVOLVED WITH, OR
14	AT RISK OF INVOLVEMENT WITH, THE CRIMINAL JUSTICE SYSTEM. THE
15	DEPARTMENT SHALL ENSURE THAT APPROPRIATIONS IN THIS LINE ITEM ARE
16	DISTRIBUTED THROUGH THE DEPARTMENT'S DESIGNATED MANAGED
17	SERVICE ORGANIZATIONS AND COMMUNITY MENTAL HEALTH CENTERS.
18	THE APPROPRIATIONS SHALL BE BASED ON, INCLUDING BUT NOT LIMITED
19	TO SUBSTANCE USE AND MENTAL HEALTH PREVALENCE DATA THAT IS
20	DEVELOPED WORKING COLLABORATIVELY WITH THE MANAGED SERVICES
21	ORGANIZATIONS AND COMMUNITY \underline{MENTAL} HEALTH CENTERS.
22	SECTION 11. 25-14-203 (16), Colorado Revised Statutes, is
23	amended to read:
24	25-14-203. Definitions. As used in this part 2, unless the context
25	otherwise requires:
26	(16) "Smoking" means the burning of a lighted cigarette, cigar,
27	nine, or any other matter or substance that contains tobacco OR MEDICAL

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1	MARIJUANA AS DEFINED BY SECTION 12-43.3-104 (7), C.R.S.
2	SECTION 12. 24-34-104 (46), Colorado Revised Statutes, is
3	amended BY THE ADDITION OF A NEW PARAGRAPH to read:
4	24-34-104. General assembly review of regulatory agencies
5	and functions for termination, continuation, or reestablishment.
6	(46) The following agencies, functions, or both shall terminate on July
7	<u>1, 2015:</u>
8	(m) The regulation of persons licensed pursuant to
9	ARTICLE 43.3 OF TITLE 12, C.R.S.
10	SECTION 13. 24-72-202 (6) (b) (XI) and (6) (b) (XII), Colorado
11	Revised Statutes, are amended, and the said 24-72-202 (6) (b) is further
12	amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:
13	24-72-202. Definitions. As used in this part 2, unless the context
14	otherwise requires:
15	(6) (b) "Public records" does not include:
16	(XI) Information security incident reports prepared pursuant to
17	section 24-37.5-404 (2) (e) or 24-37.5-404.5 (2) (e); or
18	(XII) Information security audit and assessment reports prepared
19	pursuant to section 24-37.5-403 (2) (d) or 24-37.5-404.5 (2) (d); OR
20	(XIII) STATE AND LOCAL APPLICATIONS AND LICENSES FOR AN
21	OPTIONAL PREMISES CULTIVATION OPERATION AS DESCRIBED IN SECTION
22	12-43.3-403, C.R.S., AND THE LOCATION OF THE OPTIONAL PREMISES
23	<u>CULTIVATION OPERATION.</u>
24	SECTION 14. Part 7 of article 26 of title 39, Colorado Revised
25	Statutes, is amended BY THE ADDITION OF A NEW SECTION to
26	<u>read:</u>
27	39-26-726. Medical marijuana - debilitating conditions and

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1	ability to purchase. ALL SALES OF MEDICAL MARIJUANA TO A PATIENT
2	WHO IS DETERMINED TO BE INDIGENT FOR PURPOSES OF WAIVING THE FEE
3	REQUIRED BY SECTION 25-1.5-106, C.R.S. SHALL BE EXEMPT FROM
4	TAXATION UNDER PART 1 OF THIS ARTICLE. IF THE PATIENT IS
5	DETERMINED TO BE INDIGENT THE STATE HEALTH AGENCY SHALL MARK
6	HIS OR HER REGISTRY IDENTIFICATION CARD AS SUCH AND THE PATIENT
7	$\underline{\textbf{SHALL PRESENT THE CARD TO THE LICENSED MEDICAL MARIJUANA CENTER}}$
8	TO RECEIVE THE TAX EXEMPTION.
9	SECTION 15. Appropriation. (1) In addition to any other
10	appropriation, there is hereby appropriated, out of any moneys in the
11	general fund not otherwise appropriated, to the department of human
12	services, for allocation to mental health and alcohol and drug abuse
13	services, for the fiscal year beginning July 1, 2010, the sum of three
14	hundred thirty-four thousand two hundred twenty-seven dollars
15	(\$334,227), or so much thereof as may be necessary, for the
16	implementation of this act.
17	(2) In addition to any other appropriation, there is hereby
18	appropriated, out of any moneys in the medical marijuana license cash
19	fund created in section 12-43.3-501 (1), Colorado Revised Statutes,
20	not otherwise appropriated, to the department of revenue, for allocation
21	to the enforcement business group, for the fiscal year beginning <u>July 1</u> ,
22	2010, the sum of ten million three hundred seventeen thousand five
23	hundred eighty-three dollars (\$10,317,583) cash funds and 110.0 FTE, or
24	so much thereof as may be necessary, for the implementation of this act.
25	(3) In addition to any other appropriation, there is hereby
26	appropriated to the department of law, for the fiscal year beginning July
27	1, 2010, the sum of two hundred seventy-one thousand three hundred

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- <u>necessary</u>, for the provision of legal services to the department of revenue related to the implementation of this act. Said sum shall be from reappropriated funds received from the department of revenue out of the appropriation made in subsection (2) of this section.
- (4) In addition to any other appropriation, there is hereby appropriated to the department of public safety, Colorado bureau of investigation, for the fiscal year beginning July 1, 2010, the sum of two hundred sixty thousand seven hundred dollars (\$260,700) and 1.2 FTE, or so much thereof as may be necessary, for the provision of background checks to the department of revenue related to the implementation of this act. Said sum shall be from reappropriated funds received from the department of revenue out of the appropriation made in subsection (2) of this section.
- (5) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the medical marijuana program cash fund created in section 25-1.5-106 (12), Colorado Revised Statutes, not otherwise appropriated, to the department of public health and environment, for allocation to the center for health and environmental education, for the fiscal year beginning July 1, 2010, the sum of <u>fifty-nine</u> thousand seven hundred forty-seven dollars (\$59,747) cash funds and 1.2 FTE, or so much thereof as may be necessary, for the implementation of this act.

SECTION <u>16.</u> **Appropriation.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of human

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services, for allocation to mental health and alcohol and drug abuse services, for the fiscal year beginning July 1, 2010, the sum of six hundred sixty-eight thousand four hundred fifty-four dollars (\$668,454), or so much thereof as may be necessary, for the implementation of this act.

- (2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the medical marijuana license cash fund ____ created in section 12-43.3-501 (1), Colorado Revised Statutes, not otherwise appropriated, to the department of revenue, for allocation to the enforcement business group, for the fiscal year beginning July 1, 2010, the sum of ten million three hundred seventeen thousand five hundred eighty-three dollars (\$10,317,583) cash funds and 110.0 FTE, or so much thereof as may be necessary, for the implementation of this act.
- (3) In addition to any other appropriation, there is hereby appropriated to the department of law, for the fiscal year beginning July 1, 2010, the sum of two hundred seventy-one thousand three hundred sixty-eight dollars (\$271,368) and 2.0 FTE, or so much thereof as may be necessary, for the provision of legal services to the department of revenue related to the implementation of this act. Said sum shall be from reappropriated funds received from the department of revenue out of the appropriation made in subsection (2) of this section.
- (4) In addition to any other appropriation, there is hereby appropriated to the department of public safety, Colorado bureau of investigation, for the fiscal year beginning July 1, 2010, the sum of two hundred sixty thousand seven hundred dollars (\$260,700) and 1.2 FTE, or so much thereof as may be necessary, for the provision of background checks to the department of revenue related to the implementation of this

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1	act. Said sum shall be from reappropriated funds received from the
2	department of revenue out of the appropriation made in subsection (2) of
3	this section.
4	(5) In addition to any other appropriation, there is hereby
5	appropriated, out of any moneys in the medical marijuana program cash
6	fund created in section 25-1.5-106 (12), Colorado Revised Statutes, not
7	otherwise appropriated, to the department of public health and
8	environment, for allocation to the center for health and environmental
9	education, for the fiscal year beginning July 1, 2010, the sum of <u>fifty-nine</u>
10	thousand seven hundred forty-seven dollars (\$59,747) cash funds
11	and 1.2 FTE, or so much thereof as may be necessary, for the
12	implementation of this act.
13	SECTION 17. Severability. If any provision of this act or the
14	application thereof to any person or circumstance is held invalid, such
15	invalidity shall not affect other provisions or applications of the act that
16	can be given effect without the invalid provision or application, and to
17	this end the provisions of this act are declared to be severable.
18	
19	SECTION 18. Specified effective date. (1) Except as otherwise
20	provided in subsection (2) of this section, this act shall take effect July 1,
21	<u>2010.</u>
22	(2) (a) Sections 9 and 15 of this act shall take effect only if House
23	Bill 10-1033 is enacted and becomes law and shall take effect upon the
24	effective date of House Bill 10-1033.
25	(b) Sections 10 and $\underline{16}$ of this act shall take effect $\underline{\text{only}}$ if section
26	9 of this act does not take effect and does not become law.
27	SECTION 19. Safety clause. The general assembly hereby finds,

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- determines, and declares that this act is necessary for the immediate
- preservation of the public peace, health, and safety.

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