

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

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DRAFT

LLS NO. 10-0353.02 Michael Dohr

SENATE BILL

SENATE SPONSORSHIP

Romer,

HOUSE SPONSORSHIP

(None),

SHORT TITLE: "Regulate Medical Marijuana"

DEADLINES: Finalize by: 01/05/10 File by: 01/08/10

A BILL FOR AN ACT

101 CONCERNING REGULATION OF MEDICAL MARIJUANA.

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 makes legislative findings.

Section 2. The bill creates the medical marijuana licensing authority (state licensing authority) in the department of revenue. The state licensing authority grants, refuses, and renews a medical marijuana clinic license or medical marijuana grower license after the licensee has received local approval. The state licensing authority also administers all aspects of medical marijuana licensure, including rulemaking. Many of

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

the functions and duties of the state licensing authority are similar to those held by the state licensing authority for alcoholic beverages. There will be 2 types of licenses: One license for medical marijuana clinics and one for a medical marijuana grower.

Section 3. The bill makes lawful medical marijuana transactions an exception to the crime of possessing, selling, or distributing a controlled substance.

Sections 4 to 6. The department of public health and environment will promulgate new rules related to standards for issuing registry identification cards, procedures for primary caregiver applicants, documentation for physicians who prescribe medical marijuana, sanctions for physicians who violate the act, and other services that a primary caregiver may provide and the minimum required levels for those services.

A patient may change his or her primary caregiver no more than 4 times during a given year.

A group of 5 patients and primary caregivers may form a cooperative for the purpose of cultivating and exchanging medical marijuana.

An individual who is permitted to use medical marijuana must have in his or her possession a registry identification card when possessing a usable form of marijuana.

A physician who certifies that a patient can use medical marijuana may not receive remuneration from a primary caregiver, medical marijuana clinic, or medical marijuana grower related to medical marijuana.

Local governments may enact zoning requirements related to medical marijuana.

The bill creates a medical marijuana review board (board) that will consider requests by nonveteran patients under 21 years of age who want to be registered medical marijuana patients. For a patient who is under 21 years of age to become a registered medical marijuana patient, a majority of the board must determine that the patient has a debilitating medical condition and could benefit from the use of medical marijuana.

Section 7. The bill directs the department of regulatory agencies to conduct a sunrise review of primary caregivers after the act has been in effect for a year.

Section 8. The bill adds the medical marijuana program to the list of statutes that involve medical records.

Section 9. The bill gives local governments the authority to tax medical marijuana at a rate higher than the existing local tax rate.

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

1 DEPARTMENT OF REVENUE, REFERRED TO IN THIS ARTICLE AS THE
2 "DEPARTMENT", OR THE DEPUTY DIRECTOR OF THE DEPARTMENT IF THE
3 EXECUTIVE DIRECTOR SO DESIGNATES.

4 (2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL BE THE
5 CHIEF ADMINISTRATIVE OFFICER OF THE MEDICAL MARIJUANA LICENSING
6 AUTHORITY AND MAY EMPLOY, PURSUANT TO SECTION 13 OF ARTICLE XII
7 OF THE STATE CONSTITUTION, SUCH CLERKS AND INSPECTORS AS THE
8 EXECUTIVE DIRECTOR MAY DETERMINE TO BE NECESSARY.

9 **12-43.3-102. Duties of state licensing authority - rules.**

10 (1) THE MEDICAL MARIJUANA LICENSING AUTHORITY SHALL:

11 (a) AFTER A MEDICAL MARIJUANA CLINIC OR GROWER LICENSEE
12 HAS OBTAINED LOCAL APPROVAL, GRANT, REFUSE, OR RENEW A MEDICAL
13 MARIJUANA CLINIC OR GROWER LICENSE FOR THE MANUFACTURE,
14 DISTRIBUTION, AND SALE OF MEDICAL MARIJUANA AS PROVIDED BY LAW
15 AND SUSPEND OR REVOKE THE LICENSE UPON A VIOLATION OF THIS
16 ARTICLE OR ANY RULE ADOPTED PURSUANT TO THIS ARTICLE;

17 (b) MAKE GENERAL RULES AND SPECIAL RULINGS AND FINDINGS AS
18 NECESSARY FOR THE PROPER REGULATION AND CONTROL OF THE
19 MANUFACTURE, DISTRIBUTION, AND SALE OF MEDICAL MARIJUANA AND
20 FOR THE ENFORCEMENT OF THIS ARTICLE;

21 (c) HEAR AND DETERMINE AT PUBLIC HEARING ALL COMPLAINTS
22 AGAINST A MEDICAL MARIJUANA CLINIC OR GROWER LICENSEE AND
23 ADMINISTER OATHS AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF
24 PERSONS AND PRODUCTION OF PAPERS, BOOKS, AND RECORDS NECESSARY
25 TO THE DETERMINATION OF ANY HEARING SO HELD;

26 (d) KEEP COMPLETE RECORDS OF ALL ACTS AND TRANSACTIONS OF
27 THE MEDICAL MARIJUANA LICENSING AUTHORITY, WHICH RECORDS,

1 EXCEPT CONFIDENTIAL REPORTS OBTAINED FROM THE MEDICAL
2 MARIJUANA CLINIC OR GROWER LICENSEE SHOWING THE SALES VOLUME OR
3 QUANTITY OF MEDICAL MARIJUANA SOLD, SHALL BE OPEN FOR INSPECTION
4 BY THE PUBLIC; AND

5 (e) PREPARE AND TRANSMIT ANNUALLY, IN THE FORM AND
6 MANNER PRESCRIBED BY THE HEADS OF THE PRINCIPAL DEPARTMENTS
7 PURSUANT TO SECTION 24-1-136, C.R.S., A REPORT ACCOUNTING TO THE
8 GOVERNOR FOR THE EFFICIENT DISCHARGE OF ALL RESPONSIBILITIES
9 ASSIGNED BY LAW OR DIRECTIVE TO THE MEDICAL MARIJUANA LICENSING
10 AUTHORITY.

11 (2) (a) RULES PROMULGATED PURSUANT TO THIS ARTICLE MAY
12 COVER, BUT SHALL NOT BE LIMITED TO, THE FOLLOWING SUBJECTS
13 RELATED TO MEDICAL MARIJUANA:

14 (I) COMPLIANCE WITH, ENFORCEMENT OF, OR VIOLATION OF ANY
15 PROVISION OF THIS ARTICLE OR ANY RULE PROMULGATED PURSUANT TO
16 THIS ARTICLE INCLUDING PROCEDURES AND GROUNDS FOR SUSPENDING OR
17 REVOKING THE LICENSE OF A MEDICAL MARIJUANA CLINIC OR GROWER;

18 (II) SPECIFICATIONS OF DUTIES OF OFFICERS AND EMPLOYEES OF
19 THE MEDICAL MARIJUANA LICENSING AUTHORITY;

20 (III) INSTRUCTIONS FOR LOCAL LICENSING AUTHORITIES AND LAW
21 ENFORCEMENT OFFICERS;

22 (IV) ALL FORMS NECESSARY OR CONVENIENT FOR THE
23 ADMINISTRATION OF THIS ARTICLE;

24 (V) INSPECTIONS, INVESTIGATIONS, SEARCHES, SEIZURES, AND
25 ACTIVITIES AS MAY BECOME NECESSARY FROM TIME TO TIME, INCLUDING
26 A RANGE OF PENALTIES FOR USE BY LICENSING AUTHORITIES, WHICH
27 INVESTIGATIONS SHALL INCLUDE AGGRAVATING AND MITIGATING

1 FACTORS TO BE CONSIDERED, WHEN PERSONS WITHOUT A VALID
2 CONFIDENTIAL REGISTRY IDENTIFICATION CARD ARE USED TO INVESTIGATE
3 SALES OF MEDICAL MARIJUANA BY LICENSEES TO UNAUTHORIZED
4 PERSONS;

5 (VI) MISREPRESENTATION, UNFAIR PRACTICES, AND UNFAIR
6 COMPETITION;

7 (VII) DEVELOPMENT OF INDIVIDUAL IDENTIFICATION CARDS FOR
8 EMPLOYEES OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE, INCLUDING
9 A FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK OR A
10 NAME-BASED CRIMINAL HISTORY RECORD CHECK IF THE APPLICANT'S
11 FINGERPRINTS ARE UNCLASSIFIABLE PRIOR TO ISSUING THE CARD;

12 (VIII) REGULATION OF STORAGE, WAREHOUSES, AND
13 TRANSPORTATION;

14 (IX) HEALTH AND SANITARY REQUIREMENTS;

15 (X) PRACTICES DESIGNED TO UNDULY INCREASE THE
16 CONSUMPTION OF MEDICAL MARIJUANA;

17 (XI) THE FORM AND CONTENT OF THE LICENSE, IDENTIFICATION
18 CARD, AND RENEWAL APPLICATIONS;

19 (XII) RECORD-KEEPING AND AUDIT REQUIREMENTS FOR MEDICAL
20 MARIJUANA CLINICS AND GROWERS;

21 (XIII) SECURITY REQUIREMENTS FOR MEDICAL MARIJUANA CLINICS
22 AND GROWERS;

23 (XIV) STATE LICENSING PROCEDURES, INCLUDING RENEWALS, THE
24 FORM AND CONTENT OF LICENSING APPLICATIONS AND LICENSES, AND
25 LICENSING FEES;

26 (XV) THE REPORTING AND TRANSMITTAL OF MONTHLY SALES TAX
27 PAYMENTS;

1 (XVI) UNLAWFUL FINANCIAL ARRANGEMENTS BETWEEN LICENSED
2 MEDICAL MARIJUANA CLINICS OR GROWERS;

3 (XVII) AUTHORIZATION FOR THE DEPARTMENT OF REVENUE TO
4 HAVE ACCESS TO LICENSING INFORMATION TO ENSURE INCOME TAX
5 PAYMENT; AND

6 (XVIII) SUCH OTHER MATTERS AS ARE NECESSARY FOR THE FAIR,
7 IMPARTIAL, STRINGENT, AND COMPREHENSIVE ADMINISTRATION OF THIS
8 ARTICLE.

9 (b) NOTHING IN THIS ARTICLE SHALL BE CONSTRUED AS
10 DELEGATING TO THE MEDICAL MARIJUANA LICENSING AUTHORITY THE
11 AUTHORITY TO FIX PRICES. THE MEDICAL MARIJUANA AUTHORITY SHALL
12 NOT PROMULGATE A RULE THAT WOULD ABRIDGE THE RIGHT OF A MEDICAL
13 MARIJUANA CLINIC OR GROWER LICENSEE TO FAIRLY, HONESTLY, AND
14 LAWFULLY ADVERTISE THE PLACE OF BUSINESS OF OR THE COMMODITIES
15 SOLD BY THE LICENSEE. _____

16 (3) IN ANY HEARING HELD BY THE MEDICAL MARIJUANA LICENSING
17 AUTHORITY PURSUANT TO THIS ARTICLE, A PERSON MAY NOT REFUSE,
18 UPON REQUEST OF THE MEDICAL MARIJUANA LICENSING AUTHORITY, TO
19 TESTIFY OR PROVIDE OTHER INFORMATION ON THE GROUND OF
20 SELF-INCRIMINATION; BUT THE TESTIMONY OR OTHER INFORMATION
21 PRODUCED IN THE HEARING AND ANY INFORMATION DIRECTLY OR
22 INDIRECTLY DERIVED FROM THE TESTIMONY OR OTHER INFORMATION MAY
23 NOT BE USED AGAINST THE PERSON IN ANY CRIMINAL PROSECUTION BASED
24 ON A VIOLATION OF THIS ARTICLE EXCEPT A PROSECUTION FOR PERJURY IN
25 THE FIRST DEGREE COMMITTED IN SO TESTIFYING. CONTINUED REFUSAL
26 TO TESTIFY OR PROVIDE OTHER INFORMATION SHALL CONSTITUTE
27 GROUNDS FOR SUSPENSION OR REVOCATION OF A MEDICAL MARIJUANA

1 CLINIC OR GROWER LICENSE GRANTED PURSUANT TO THIS ARTICLE.

2 **12-43.3-103. Classes of licenses.** (1) FOR THE PURPOSE OF
3 REGULATING THE CULTIVATION, SALE, AND DISTRIBUTION OF MEDICAL
4 MARIJUANA, THE MEDICAL MARIJUANA LICENSING AUTHORITY IN ITS
5 DISCRETION, UPON APPLICATION IN THE PRESCRIBED FORM MADE TO IT,
6 MAY ISSUE AND GRANT TO THE APPLICANT A LICENSE FROM ANY OF THE
7 FOLLOWING CLASSES, SUBJECT TO THE PROVISIONS AND RESTRICTIONS
8 PROVIDED BY THIS ARTICLE:

9 (a) MEDICAL MARIJUANA CLINIC LICENSE; AND

10 (b) MEDICAL MARIJUANA GROWER LICENSE.

11 (2) ALL LICENSES GRANTED PURSUANT TO THIS ARTICLE SHALL BE
12 VALID FOR A PERIOD OF ONE YEAR FROM THE DATE OF ISSUANCE UNLESS
13 REVOKED OR SUSPENDED PURSUANT TO SECTION 12-43.3-401.

14 PART 2

15 STATE AND LOCAL LICENSING PROCESS

16 **12-43.3-201. Local authority - applications.** PRIOR TO
17 SUBMITTING AN APPLICATION TO THE MEDICAL MARIJUANA LICENSING
18 AUTHORITY FOR A LICENSE DESCRIBED IN SECTION 12-43.3-103, AN
19 APPLICANT SHALL FILE AN APPLICATION FOR APPROVAL WITH THE
20 APPROPRIATE LOCAL LICENSING AUTHORITY, INCLUDING A FEE
21 DETERMINED BY THE LOCAL LICENSING AUTHORITY. ON FORMS PROVIDED
22 BY THE MEDICAL MARIJUANA LICENSING AUTHORITY AND CONTAINING
23 SUCH INFORMATION AS THE MEDICAL MARIJUANA LICENSING AUTHORITY
24 MAY REQUIRE. EACH APPLICATION SHALL BE VERIFIED BY THE OATH OR
25 AFFIRMATION OF SUCH PERSONS AS ARE PRESCRIBED BY THE MEDICAL
26 MARIJUANA LICENSING AUTHORITY.

27 **12-43.3-202. Public notice - posting and publication - public**

1 **hearing.** (1) UPON RECEIPT OF AN APPLICATION, EXCEPT AN APPLICATION
2 FOR RENEWAL OR FOR TRANSFER OF OWNERSHIP, A LOCAL LICENSING
3 AUTHORITY SHALL SCHEDULE A PUBLIC HEARING ON THE APPLICATION NOT
4 LESS THAN THIRTY DAYS AFTER THE FILING DATE OF THE APPLICATION AND
5 SHALL POST AND PUBLISH THE PUBLIC NOTICE THEREOF NOT LESS THAN
6 TEN DAYS PRIOR TO THE HEARING. PUBLIC NOTICE SHALL BE GIVEN BY THE
7 APPLICANT POSTING A SIGN IN A CONSPICUOUS PLACE ON THE PREMISES
8 FOR WHICH APPLICATION HAS BEEN MADE AND BY PUBLICATION IN A
9 NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY IN WHICH THE
10 PREMISES ARE LOCATED.

11 (2) NOTICE GIVEN BY POSTING SHALL INCLUDE A SIGN OF SUITABLE
12 MATERIAL, NOT LESS THAN TWENTY-TWO INCHES WIDE AND TWENTY-SIX
13 INCHES HIGH, COMPOSED OF LETTERS NOT LESS THAN ONE INCH IN HEIGHT
14 AND STATING THE TYPE OF LICENSE APPLIED FOR, THE DATE OF THE
15 APPLICATION, THE DATE OF THE HEARING, AND THE NAME AND ADDRESS
16 OF THE APPLICANT, AND SUCH OTHER INFORMATION AS MAY BE REQUIRED
17 TO FULLY APPRISE THE PUBLIC OF THE NATURE OF THE APPLICATION. IF
18 THE APPLICANT IS A PARTNERSHIP, THE SIGN SHALL CONTAIN THE NAMES
19 AND ADDRESSES OF ALL PARTNERS, AND IF THE APPLICANT IS A
20 CORPORATION, AN ASSOCIATION, OR ANOTHER ORGANIZATION, THE SIGN
21 SHALL CONTAIN THE NAMES AND ADDRESSES OF THE PRESIDENT,
22 VICE-PRESIDENT, SECRETARY, AND MANAGER OR OTHER MANAGING
23 OFFICERS.

24 (3) NOTICE GIVEN BY PUBLICATION SHALL CONTAIN THE SAME
25 INFORMATION AS THAT REQUIRED FOR SIGNS.

26 (4) IF THE BUILDING IN WHICH THE MEDICAL MARIJUANA IS TO BE
27 SOLD OR GROWN IS IN EXISTENCE AT THE TIME OF THE APPLICATION, ANY

1 SIGN POSTED AS REQUIRED IN SUBSECTIONS (1) AND (2) OF THIS SECTION
2 SHALL BE PLACED SO AS TO BE CONSPICUOUS AND PLAINLY VISIBLE TO THE
3 GENERAL PUBLIC. IF THE BUILDING IS NOT CONSTRUCTED AT THE TIME OF
4 THE APPLICATION, THE APPLICANT SHALL POST THE NOTICE ON THE
5 PREMISES UPON WHICH THE BUILDING IS TO BE CONSTRUCTED IN SUCH A
6 MANNER THAT THE NOTICE SHALL BE CONSPICUOUS AND PLAINLY VISIBLE
7 TO THE GENERAL PUBLIC.

8 (5) (a) AT THE PUBLIC HEARING HELD PURSUANT TO THIS SECTION,
9 EACH PARTY IN INTEREST SHALL BE ALLOWED TO PRESENT EVIDENCE AND
10 TO CROSS-EXAMINE WITNESSES, EXCEPT AS OTHERWISE PROVIDED IN
11 PARAGRAPH (d) OF THIS SUBSECTION (5).

12 (b) AS USED IN THIS SUBSECTION (5), "PARTY IN INTEREST" MEANS
13 ANY OF THE FOLLOWING:

14 (I) THE APPLICANT;

15 (II) AN ADULT RESIDENT OF THE NEIGHBORHOOD UNDER
16 CONSIDERATION WHO DOES NOT REPRESENT A GROUP IDENTIFIED IN
17 PARAGRAPH (d) OF THIS SUBSECTION (5);

18 (III) THE OWNER OR MANAGER OF A BUSINESS LOCATED IN THE
19 NEIGHBORHOOD UNDER CONSIDERATION; AND

20 (IV) THE PRINCIPAL OR REPRESENTATIVE OF A SCHOOL LOCATED
21 WITHIN FIVE HUNDRED FEET OF THE PREMISES FOR WHICH A MEDICAL
22 MARIJUANA CLINIC LICENSE IS UNDER CONSIDERATION.

23 (c) THE LOCAL LICENSING AUTHORITY, IN ITS DISCRETION, MAY
24 LIMIT THE PRESENTATION OF EVIDENCE AND CROSS-EXAMINATION SO AS
25 TO PREVENT REPETITIVE AND CUMULATIVE EVIDENCE OR EXAMINATION.

26 (d) NOTHING IN THIS SUBSECTION (5) SHALL BE CONSTRUED TO
27 PREVENT A REPRESENTATIVE OF AN ORGANIZED NEIGHBORHOOD GROUP

1 THAT ENCOMPASSES PART OR ALL OF THE NEIGHBORHOOD UNDER
2 CONSIDERATION FROM PRESENTING EVIDENCE SUBJECT TO THIS SECTION.
3 THE REPRESENTATIVE SHALL RESIDE WITHIN THE NEIGHBORHOOD GROUP'S
4 GEOGRAPHIC BOUNDARIES AND SHALL BE A MEMBER OF THE
5 NEIGHBORHOOD GROUP. THE REPRESENTATIVE SHALL NOT BE ENTITLED
6 TO CROSS-EXAMINE WITNESSES OR SEEK JUDICIAL REVIEW OF THE
7 LICENSING AUTHORITY'S DECISION.

8 **12-43.3-203. Results of local investigation - decision of**
9 **authorities.** (1) NOT LESS THAN FIVE DAYS PRIOR TO THE DATE OF THE
10 HEARING REQUIRED IN SECTION 12-43.3-202, THE LOCAL LICENSING
11 AUTHORITY SHALL MAKE KNOWN ITS FINDINGS BASED ON ITS
12 INVESTIGATION IN WRITING TO THE APPLICANT AND OTHER INTERESTED
13 PARTIES. THE LOCAL LICENSING AUTHORITY HAS AUTHORITY TO REFUSE
14 TO ISSUE AN APPROVAL FOR GOOD CAUSE, SUBJECT TO JUDICIAL REVIEW.

15 (2) (a) BEFORE ENTERING A DECISION APPROVING OR DENYING AN
16 APPLICATION, THE LOCAL LICENSING AUTHORITY SHALL CONSIDER, EXCEPT
17 WHERE THIS ARTICLE SPECIFICALLY PROVIDES OTHERWISE:

18 (I) THE FACTS AND EVIDENCE ADDUCED AS A RESULT OF ITS
19 INVESTIGATION, AS WELL AS ANY OTHER FACTS;

20 (II) THE REASONABLE REQUIREMENTS OF THE NEIGHBORHOOD FOR
21 THE TYPE OF LICENSE FOR WHICH APPLICATION HAS BEEN MADE;

22 (III) THE DESIRES OF THE ADULT INHABITANTS OF THE
23 NEIGHBORHOOD;

24 (IV) THE NUMBER, TYPE, AND AVAILABILITY OF MEDICAL
25 MARIJUANA OUTLETS LOCATED IN OR NEAR THE NEIGHBORHOOD UNDER
26 CONSIDERATION; AND

27 (V) ANY OTHER PERTINENT MATTERS AFFECTING THE

1 QUALIFICATIONS OF THE APPLICANT FOR THE CONDUCT OF THE TYPE OF
2 BUSINESS PROPOSED.

3 (b) THE LOCAL LICENSING AUTHORITY MAY, BUT IS NOT REQUIRED
4 TO, CONSIDER THE REASONABLE REQUIREMENTS OF THE NEIGHBORHOOD
5 IN CONSIDERING THE CONVERSION OR TRANSFER OF A LICENSE.

6 (3) A DECISION OF THE LOCAL LICENSING AUTHORITY APPROVING
7 OR DENYING AN APPLICATION SHALL BE RELEASED IN WRITING STATING
8 THE REASONS FOR THE DECISION WITHIN THIRTY DAYS AFTER THE DATE OF
9 THE PUBLIC HEARING. THE LOCAL LICENSING AUTHORITY SHALL SEND A
10 COPY OF THE DECISION BY CERTIFIED MAIL TO THE APPLICANT AT THE
11 ADDRESS SHOWN IN THE APPLICATION. A DECISION APPROVING A MEDICAL
12 MARIJUANA CLINIC LICENSE MAY INCLUDE A CAP ON THE NUMBER OF
13 PATIENTS THE CLINIC MAY SERVE IN ORDER TO MEET THE NEEDS AND
14 NECESSITIES OF THE NEIGHBORHOOD.

15 (4) A LOCAL LICENSING AUTHORITY SHALL NOT ISSUE APPROVAL
16 OF AN APPLICATION UNTIL THE BUILDING IN WHICH THE BUSINESS IS TO BE
17 CONDUCTED IS READY FOR OCCUPANCY WITH THE FURNITURE, FIXTURES,
18 AND EQUIPMENT IN PLACE AS IS NECESSARY TO COMPLY WITH THE
19 APPLICABLE PROVISIONS OF THIS ARTICLE, AND THEN ONLY AFTER
20 INSPECTION OF THE PREMISES HAS BEEN MADE BY THE LOCAL LICENSING
21 AUTHORITY TO DETERMINE THAT THE APPLICANT HAS COMPLIED WITH THE
22 ARCHITECT'S DRAWING AND THE PLOT PLAN AND DETAILED SKETCH FOR
23 THE INTERIOR OF THE BUILDING SUBMITTED WITH THE APPLICATION.

24 (5) AFTER APPROVAL OF AN APPLICATION, THE LOCAL LICENSING
25 AUTHORITY SHALL NOTIFY THE MEDICAL MARIJUANA LICENSING
26 AUTHORITY OF THE APPROVAL, WHO SHALL INVESTIGATE AND EITHER
27 APPROVE OR DISAPPROVE THE APPLICATION FOR A STATE LICENSE.

1 **12-43.3-204. Medical marijuana licensing authority**

2 **consideration of a license application.** (1) THE MEDICAL MARIJUANA
3 LICENSING AUTHORITY SHALL DENY A MEDICAL MARIJUANA CLINIC OR
4 GROWER LICENSE IF:

5 (a) THE APPLICANT HAS NOT PAID THE STATE OR LOCAL LICENSING
6 FEE;

7 (b) THE PREMISES ON WHICH THE APPLICANT PROPOSES TO
8 CONDUCT ITS BUSINESS DO NOT MEET THE REQUIREMENTS OF THIS
9 ARTICLE;

10 (c) THE CHARACTER OF THE APPLICANT OR ITS OFFICERS OR
11 DIRECTORS IS SUCH THAT VIOLATIONS OF THIS ARTICLE WOULD BE LIKELY
12 TO RESULT IF A LICENSE WERE GRANTED; OR

13 (d) THE MEDICAL MARIJUANA LICENSING AUTHORITY DETERMINES
14 THE LICENSES ALREADY GRANTED FOR THE PARTICULAR LOCALITY ARE
15 ADEQUATE FOR THE REASONABLE NEEDS OF THE COMMUNITY BASED ON
16 THE TESTIMONY AND EVIDENCE OF THE MEDICAL NEEDS AND NECESSITY
17 OF THE POTENTIAL CUSTOMERS FOR THE APPROVAL OF THE LICENSE AT THE
18 PROPOSED LOCATION FOR THE SALE OF THE MEDICAL MARIJUANA.

19 (2) THE MEDICAL MARIJUANA LICENSING AUTHORITY SHALL NOT
20 DENY A MEDICAL MARIJUANA CLINIC OR GROWER LICENSE EXCEPT UPON
21 CONCLUSION OF A HEARING CONDUCTED AFTER FIFTEEN DAYS' NOTICE TO
22 THE APPLICANT AND TO THE LOCAL LICENSING AUTHORITY. THE NOTICE
23 SHALL BE IN WRITING AND SHALL STATE THE GROUNDS UPON WHICH THE
24 APPLICATION MAY BE REFUSED. IF THE APPLICANT DOES NOT RESPOND TO
25 THE NOTICE WITHIN FIFTEEN DAYS AFTER THE DATE OF THE NOTICE, THE
26 MEDICAL MARIJUANA LICENSING AUTHORITY SHALL DENY THE
27 APPLICATION FOR A LICENSE. THE MEDICAL MARIJUANA LICENSING

1 AUTHORITY SHALL CONDUCT THE HEARING IN ACCORDANCE WITH THE
2 PROVISIONS OF SECTION 24-4-105, C.R.S., AND ANY JUDICIAL REVIEW OF
3 THE MEDICAL MARIJUANA LICENSING AUTHORITY'S DECISION SHALL BE
4 PURSUANT TO SECTION 24-4-106, C.R.S.

5 PART 3

6 LICENSE PROVISIONS

7 **12-43.3-301. Persons prohibited as licensees.** (1) (a) A
8 MEDICAL MARIJUANA CLINIC OR GROWER LICENSE ISSUED PURSUANT TO
9 THIS ARTICLE SHALL NOT BE ISSUED TO OR HELD BY:

10 (I) A PERSON WHO IS NOT OF GOOD MORAL CHARACTER. THE
11 APPLICANT FOR A MEDICAL MARIJUANA CLINIC OR GROWER LICENSE SHALL
12 PRESENT TESTIMONY AND OPINION EVIDENCE AS WELL AS PETITIONS AND
13 DOCUMENTATION TO PROVE THAT THE APPLICANT IS QUALIFIED TO HOLD
14 A LICENSE BASED UPON SATISFACTORY PROOF OF GOOD MORAL
15 CHARACTER AS WELL AS THE TESTIMONY OF BUSINESS PERSONS AND
16 NEIGHBORS FROM INSIDE THE DESIGNATED NEIGHBORHOOD OF THE
17 RELEVANT AREA UNDER CONSIDERATION AS DETERMINED BY THE LOCAL
18 LICENSING AUTHORITY. _____

19 (II) A CORPORATION WHOSE OFFICERS, DIRECTORS, OR
20 STOCKHOLDERS HOLDING TEN PERCENT OR MORE OF THE OUTSTANDING
21 AND ISSUED CAPITAL STOCK THEREOF ARE NOT OF GOOD MORAL
22 CHARACTER;

23 (III) A PARTNERSHIP, AN ASSOCIATION, OR A COMPANY WHOSE
24 OFFICERS OR MEMBERS HOLDING TEN PERCENT OR MORE INTEREST
25 THEREIN ARE NOT OF GOOD MORAL CHARACTER;

26 (IV) A PERSON EMPLOYING, ASSISTED BY, OR FINANCED IN WHOLE
27 OR IN PART BY ANY OTHER PERSON WHO IS NOT OF GOOD MORAL

1 CHARACTER;

2 (V) A NATURAL PERSON UNDER TWENTY-ONE YEARS OF AGE;

3 (VI) A LICENSED PHYSICIAN;

4 (VII) A PEACE OFFICER, AS DEFINED IN SECTION 16-2.5-101,

5 C.R.S., OR A FAMILY MEMBER OF A PEACE OFFICER;

6 (VIII) A PERSON WHO IS DELINQUENT IN FILING ANY TAX RETURNS

7 WITH ANY TAXING AGENCY OR IN PAYMENT OF ANY TAXES, INTEREST, OR

8 PENALTIES; ANY JUDGMENTS DUE TO ANY GOVERNMENT AGENCY;

9 REPAYMENT OF GOVERNMENT-INSURED STUDENT LOANS; OR CHILD

10 SUPPORT;

11 (IX) A PERSON WHO HAS BEEN CONVICTED OF A FELONY IN THE

12 TEN YEARS IMMEDIATELY PRECEDING THE APPLICATION DATE UNLESS IT

13 WAS A FELONY THAT WOULD NOT HAVE BEEN AN OFFENSE IF S.B. 10-

14 WOULD HAVE BEEN IN EFFECT AT THE TIME; OR

15 (X) A PERSON WHO HAS BEEN CONVICTED OF AN OFFENSE

16 DESCRIBED IN SECTION 18-18-407, C.R.S.

17 (b) IN MAKING A DETERMINATION AS TO CHARACTER OR WHEN
18 CONSIDERING THE CONVICTION OF A CRIME, THE MEDICAL MARIJUANA OR
19 LOCAL LICENSING AUTHORITY SHALL BE GOVERNED BY THE PROVISIONS OF
20 SECTION 24-5-101, C.R.S.

21 (2) (a) AT THE TIME OF FILING AN APPLICATION FOR A MEDICAL
22 MARIJUANA CLINIC OR GROWER LICENSE, THE APPLICANT SHALL SUBMIT
23 FINGERPRINTS AND FILE PERSONAL HISTORY INFORMATION CONCERNING
24 THE APPLICANT'S QUALIFICATIONS FOR A LICENSE ON FORMS PREPARED BY
25 THE MEDICAL MARIJUANA LICENSING AUTHORITY. THE MEDICAL
26 MARIJUANA _____ LICENSING AUTHORITY SHALL SUBMIT THE
27 FINGERPRINTS TO THE COLORADO BUREAU OF INVESTIGATION FOR THE

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

18 (3) THE LOCAL LICENSING AUTHORITY SHALL MAKE THE FINDINGS
19 OF ITS INVESTIGATION KNOWN FIVE DAYS PRIOR TO THE HEARING
20 CONDUCTED PURSUANT TO SECTION 12-43.3-202.

21 **12-43.3-302. Location restrictions.** (1) A MEDICAL MARIJUANA
22 CLINIC OR GROWER OPERATION SHALL ESTABLISH LEGAL CONTROL OF ITS
23 PHYSICAL LOCATION. THE PHYSICAL LOCATION SHALL MEET ALL
24 APPLICABLE LOCAL AND STATE ZONING LAWS.

25 (2) A MEDICAL MARIJUANA CLINIC OR GROWER OPERATION SHALL
26 NOT BE LOCATED WITHIN FIVE HUNDRED FEET OF THE PERIMETER OF A
27 PUBLIC OR PRIVATE SCHOOL OR DAY CARE CENTER THAT EXISTED AT THE

1 LOCATION PRIOR TO THE ESTABLISHMENT OF THE OPERATION. < {Section
2 18-18-407 (2) (a) makes it 1000 feet.} >

3 (3) A MEDICAL MARIJUANA CLINIC OR GROWER OPERATION SHALL
4 NOT BE LOCATED TWENTY MILES OR CLOSER TO A COLORADO STATE
5 BORDER.

6 **12-43.3-303. Transfer of ownership and temporary permits.**

7 (1) (a) A MEDICAL MARIJUANA CLINIC OR GROWER LICENSE GRANTED
8 UNDER THE PROVISIONS OF THIS ARTICLE SHALL NOT BE TRANSFERABLE
9 EXCEPT AS PROVIDED IN THIS SUBSECTION (1).

10 (b) WHEN A MEDICAL MARIJUANA CLINIC OR GROWER LICENSE HAS
11 BEEN ISSUED TO A HUSBAND AND WIFE, OR TO GENERAL OR LIMITED
12 PARTNERS, THE DEATH OF A SPOUSE OR PARTNER SHALL NOT REQUIRE THE
13 SURVIVING SPOUSE OR PARTNER TO OBTAIN A NEW LICENSE. ALL RIGHTS
14 AND PRIVILEGES GRANTED UNDER THE ORIGINAL LICENSE SHALL CONTINUE
15 IN FULL FORCE AND EFFECT AS TO THE SURVIVING SPOUSE OR PARTNERS
16 FOR THE BALANCE OF THE LICENSE PERIOD.

17 (c) FOR ANY OTHER TRANSFER OF OWNERSHIP, A MEDICAL
18 MARIJUANA CLINIC OR GROWER LICENSEE SHALL APPLY TO THE MEDICAL
19 MARIJUANA AND LOCAL LICENSING AUTHORITIES ON FORMS PREPARED AND
20 FURNISHED BY THE MEDICAL MARIJUANA LICENSING AUTHORITY. IN
21 DETERMINING WHETHER TO PERMIT A TRANSFER OF OWNERSHIP, THE
22 MEDICAL MARIJUANA AND LOCAL LICENSING AUTHORITIES SHALL
23 CONSIDER ONLY THE REQUIREMENTS OF SECTION 12-43.3-204. THE LOCAL
24 LICENSING AUTHORITY MAY CAUSE A HEARING ON THE APPLICATION FOR
25 TRANSFER OF OWNERSHIP TO BE HELD. THE LOCAL LICENSING AUTHORITY
26 SHALL NOT HOLD A HEARING PROVIDED FOR BY THIS PARAGRAPH (c) UNTIL
27 IT HAS CONSPICUOUSLY POSTED A NOTICE OF HEARING ON THE LICENSED

1 PREMISES FOR A PERIOD OF TEN DAYS AND PROVIDED NOTICE OF THE
2 HEARING TO THE APPLICANT AT LEAST TEN DAYS PRIOR TO THE HEARING.
3 ANY TRANSFER OF OWNERSHIP HEARING BY THE MEDICAL MARIJUANA
4 LICENSING AUTHORITY SHALL BE HELD PURSUANT TO SECTION 12-43.3-204
5 (2).

6 (2) NOTWITHSTANDING THE PROVISIONS OF THIS ARTICLE TO THE
7 CONTRARY, A LOCAL LICENSING AUTHORITY SHALL HAVE DISCRETIONARY
8 AUTHORITY TO ISSUE A TEMPORARY PERMIT TO A TRANSFEREE OF A
9 MEDICAL MARIJUANA CLINIC OR GROWER LICENSE ISSUED BY THE LOCAL
10 LICENSING AUTHORITY PURSUANT TO THIS ARTICLE. A TEMPORARY
11 PERMIT SHALL AUTHORIZE A TRANSFEREE TO CONTINUE SELLING OR
12 GROWING MEDICAL MARIJUANA AS PERMITTED UNDER THE PERMANENT
13 LICENSE DURING THE PERIOD IN WHICH AN APPLICATION TO TRANSFER THE
14 OWNERSHIP OF THE LICENSE IS PENDING.

15 (3) A TEMPORARY PERMIT SHALL AUTHORIZE A TRANSFEREE TO
16 CONDUCT BUSINESS AND SELL OR GROW MEDICAL MARIJUANA IN
17 ACCORDANCE WITH THE MEDICAL MARIJUANA CLINIC OR GROWER LICENSE
18 OF THE TRANSFEROR SUBJECT TO COMPLIANCE WITH ALL OF THE
19 FOLLOWING CONDITIONS:

20 (a) THE PREMISES WHERE MEDICAL MARIJUANA IS SOLD OR GROWN
21 SHALL HAVE BEEN PREVIOUSLY LICENSED BY THE MEDICAL MARIJUANA
22 AND LOCAL LICENSING AUTHORITIES, AND THE MEDICAL MARIJUANA
23 CLINIC OR GROWER LICENSE SHALL HAVE BEEN VALID AT THE TIME THE
24 APPLICANT FILED THE APPLICATION FOR TRANSFER OF OWNERSHIP WITH
25 THE LOCAL LICENSING AUTHORITY THAT HAS JURISDICTION TO APPROVE
26 AN APPLICATION FOR A TEMPORARY PERMIT.

27 (b) THE APPLICANT HAS FILED WITH THE LOCAL LICENSING

1 AUTHORITY ON FORMS PROVIDED BY THE MEDICAL MARIJUANA LICENSING
2 AUTHORITY AN APPLICATION FOR THE TEMPORARY PERMIT. THE
3 APPLICATION SHALL INCLUDE, BUT NEED NOT BE LIMITED TO, THE
4 FOLLOWING INFORMATION:

5 (I) THE NAME AND ADDRESS OF THE APPLICANT; IF THE APPLICANT
6 IS A PARTNERSHIP, THE NAMES AND ADDRESSES OF ALL THE PARTNERS;
7 AND, IF THE APPLICANT IS A CORPORATION, AN ASSOCIATION, OR ANOTHER
8 ORGANIZATION, THE NAMES AND ADDRESSES OF THE PRESIDENT,
9 VICE-PRESIDENT, SECRETARY, AND MANAGING OFFICER;

10 (II) THE APPLICANT'S FINANCIAL INTEREST IN THE PROPOSED
11 TRANSFER;

12 (III) THE PREMISES FOR WHICH THE TEMPORARY PERMIT IS
13 SOUGHT;

14 (IV) SUCH OTHER INFORMATION AS THE LOCAL LICENSING
15 AUTHORITY MAY REQUIRE; AND

16 (V) A STATEMENT THAT ALL ACCOUNTS FOR MEDICAL MARIJUANA
17 SOLD TO THE APPLICANT ARE PAID.

18 (c) THE APPLICANT SHALL FILE THE APPLICATION FOR A
19 TEMPORARY PERMIT NO LATER THAN THIRTY DAYS AFTER THE FILING OF
20 THE APPLICATION FOR TRANSFER OF OWNERSHIP AND SHALL INCLUDE
21 WITH THE APPLICATION PAYMENT OF A TEMPORARY PERMIT FEE NOT TO
22 EXCEED ONE HUNDRED DOLLARS.

23 (d) WHEN APPLYING WITH THE LOCAL LICENSING AUTHORITY FOR
24 A TEMPORARY PERMIT, THE APPLICANT SHALL PROVIDE TO THE MEDICAL
25 MARIJUANA LICENSING AUTHORITY, BY FACSIMILE OR OTHERWISE, A COPY
26 OF THE STATEMENT MADE PURSUANT TO SUBPARAGRAPH (V) OF
27 PARAGRAPH (b) OF THIS SUBSECTION (3). THE STATEMENT IS A PUBLIC

1 RECORD AND SHALL BE OPEN TO INSPECTION BY THE PUBLIC.

2 (4) A LOCAL LICENSING AUTHORITY SHALL ISSUE OR DENY A
3 TEMPORARY PERMIT WITHIN FIVE WORKING DAYS AFTER RECEIVING THE
4 APPLICATION. A TEMPORARY PERMIT ISSUED PURSUANT TO THIS SECTION
5 SHALL BE VALID UNTIL SUCH TIME AS THE APPLICATION TO TRANSFER
6 OWNERSHIP OF THE MEDICAL MARIJUANA CLINIC OR GROWER LICENSE TO
7 THE APPLICANT IS GRANTED OR DENIED OR FOR ONE HUNDRED TWENTY
8 DAYS, WHICHEVER OCCURS FIRST; EXCEPT THAT, IF THE APPLICATION TO
9 TRANSFER THE LICENSE HAS NOT BEEN GRANTED OR DENIED WITHIN THE
10 ONE-HUNDRED-TWENTY-DAY PERIOD AND THE TRANSFEREE
11 DEMONSTRATES GOOD CAUSE, THE LOCAL LICENSING AUTHORITY MAY, IN
12 ITS DISCRETION, EXTEND THE VALIDITY OF THE TEMPORARY PERMIT FOR
13 AN ADDITIONAL PERIOD NOT TO EXCEED SIXTY DAYS.

14 (5) A LOCAL LICENSING AUTHORITY SHALL ISSUE A TEMPORARY
15 PERMIT IN THE EVENT OF A TRANSFER OF POSSESSION OF THE LICENSED
16 PREMISES BY OPERATION OF LAW, A PETITION IN BANKRUPTCY PURSUANT
17 TO FEDERAL BANKRUPTCY LAW, THE APPOINTMENT OF A RECEIVER, A
18 FORECLOSURE ACTION BY A SECURED PARTY, OR A COURT ORDER
19 DISPOSSESSING THE PRIOR MEDICAL MARIJUANA CLINIC OR GROWER
20 LICENSEE OF ALL RIGHTS OF POSSESSION PURSUANT TO ARTICLE 40 OF
21 TITLE 13, C.R.S.

22 (6) A LOCAL LICENSING AUTHORITY MAY CANCEL, REVOKE, OR
23 SUMMARILY SUSPEND A TEMPORARY PERMIT IF IT DETERMINES THERE IS
24 PROBABLE CAUSE TO BELIEVE THAT THE TRANSFEREE HAS VIOLATED ANY
25 PROVISION OF THIS ARTICLE OR HAS VIOLATED ANY RULE ADOPTED BY THE
26 MEDICAL MARIJUANA OR LOCAL LICENSING AUTHORITY OR HAS FAILED TO
27 TRUTHFULLY DISCLOSE THOSE MATTERS REQUIRED PURSUANT TO THE

1 APPLICATION FORMS REQUIRED BY THE MEDICAL MARIJUANA LICENSING
2 AUTHORITY.

3 **12-43.3-304. General license provisions.** (1) A LICENSED
4 MEDICAL MARIJUANA CLINIC OR GROWER OR A PRINCIPAL OFFICER, A
5 BOARD MEMBER, AN AGENT, OR AN EMPLOYEE OF A LICENSED MEDICAL
6 MARIJUANA CLINIC OR GROWER SHALL NOT BE SUBJECT TO PROSECUTION,
7 SEARCH, SEIZURE, OR PENALTY IN ANY MANNER, INCLUDING BUT NOT
8 LIMITED TO A CIVIL PENALTY OR DISCIPLINARY ACTION BY A BUSINESS OR
9 OCCUPATIONAL OR PROFESSIONAL LICENSING BOARD OR ENTITY, OR
10 DENIED ANY RIGHT OR PRIVILEGE SOLELY FOR ACTING IN ACCORDANCE
11 WITH THIS SECTION TO PROVIDE USABLE MEDICAL MARIJUANA TO OR TO
12 OTHERWISE ASSIST PATIENTS, AS DEFINED BY SECTION 14 (1) (d) OF
13 ARTICLE XVIII OF THE STATE CONSTITUTION.

14 (2) THIS ARTICLE DOES NOT PROHIBIT A POLITICAL SUBDIVISION OF
15 THIS STATE FROM LIMITING THE NUMBER OF MEDICAL MARIJUANA CLINICS
16 OR GROWERS THAT MAY OPERATE IN THE POLITICAL SUBDIVISION OR FROM
17 ENACTING REASONABLE ZONING REGULATIONS APPLICABLE TO MEDICAL
18 MARIJUANA CLINICS BASED ON LOCAL GOVERNMENT ZONING, HEALTH,
19 AND SAFETY LAWS FOR THE DISTRIBUTION OF MEDICAL MARIJUANA;
20 EXCEPT THAT A POLITICAL SUBDIVISION OF THE STATE SHALL NOT
21 PROHIBIT THE OPERATION OF MEDICAL MARIJUANA CLINICS OR GROWERS.

22 (3) A MEDICAL MARIJUANA CLINIC OR GROWER SHALL NOTIFY THE
23 MEDICAL MARIJUANA LICENSING AUTHORITY IN WRITING WITHIN TEN DAYS
24 AFTER A PRINCIPAL OFFICER, A BOARD MEMBER, AN AGENT, OR AN
25 EMPLOYEE CEASES TO WORK AT OR OTHERWISE BE ASSOCIATED WITH THE
26 CLINIC OR GROWER OPERATION.

27 (4) A MEDICAL MARIJUANA CLINIC OR GROWER SHALL NOTIFY THE

1 MEDICAL MARIJUANA LICENSING AUTHORITY IN WRITING OF THE NAME,
2 ADDRESS, AND DATE OF BIRTH OF A NEW PRINCIPAL OFFICER, BOARD
3 MEMBER, AGENT, OR EMPLOYEE BEFORE THE NEW PRINCIPAL OFFICER,
4 BOARD MEMBER, AGENT, OR EMPLOYEE BEGINS WORKING AT OR IS
5 ASSOCIATED WITH THE CLINIC OR THE GROWER OPERATION.

6 (5) A MEDICAL MARIJUANA CLINIC OR GROWER SHALL NOT
7 ACQUIRE, POSSESS, CULTIVATE, MANUFACTURE, DELIVER, TRANSFER,
8 TRANSPORT, SUPPLY, OR DISPENSE MARIJUANA FOR ANY PURPOSE EXCEPT
9 TO ASSIST PATIENTS, AS DEFINED BY SECTION 14 (1) (d) OF ARTICLE XVIII
10 OF THE STATE CONSTITUTION.

11 (6) ALL PRINCIPAL OFFICERS AND BOARD MEMBERS OF A MEDICAL
12 MARIJUANA CLINIC OR GROWER SHALL BE RESIDENTS OF COLORADO.

13 **12-43.3-305. Medical marijuana clinic requirements.** (1) A
14 MEDICAL MARIJUANA CLINIC SHALL NOT OPERATE A MOBILE CLINIC;
15 EXCEPT THAT A CLINIC MAY PROVIDE REASONABLE DELIVERY SERVICES TO
16 ITS REGISTERED PATIENTS. A MEDICAL MARIJUANA CLINIC MAY OPERATE
17 ONLY BETWEEN THE HOURS OF 8 A.M. AND 8 P.M., MONDAY THROUGH
18 SATURDAY. A MEDICAL MARIJUANA CLINIC SHALL NOT PERMIT SMOKING
19 OR CONSUMPTION OF MEDICAL MARIJUANA ON ITS PREMISES.

20 (2) A MEDICAL MARIJUANA CLINIC MAY NOT TREAT MORE THAN
21 ONE THOUSAND FIVE HUNDRED PATIENTS AT ANY ONE GIVEN TIME.

22 (3) A PERSON, PARTNERSHIP, CORPORATION OR OTHER PARTY MAY
23 NOT HOLD AN OWNERSHIP INTEREST IN MORE THAN THREE MEDICAL
24 MARIJUANA CLINICS AT ONE TIME.

25 (4) A MEDICAL MARIJUANA CLINIC SHALL ONLY PURCHASE,
26 ACQUIRE, SELL, OR DISTRIBUTE MEDICAL MARIJUANA THAT IS GROWN IN
27 COLORADO. A MEDICAL MARIJUANA CLINIC SHALL KEEP RECORDS

1 NECESSARY TO ENSURE ITS COMPLIANCE WITH THIS SUBSECTION (4).
2 (5) A MEDICAL MARIJUANA CLINIC SHALL REPORT TO THE
3 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT THE CONFIDENTIAL
4 IDENTIFICATION NUMBER OF A PATIENT WHO PURCHASES MORE THAN TWO
5 OUNCES OF MEDICAL MARIJUANA PER WEEK. UPON RECEIPT OF SUCH
6 INFORMATION, THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
7 MAY REVIEW THE PATIENT RECORDS TO DETERMINE WHETHER SUCH USAGE
8 APPEARS TO BE WARRANTED AND IF NECESSARY REFER ANY SUSPECTED
9 ABUSE TO THE BOARD OF MEDICAL EXAMINERS. <{*Are the patient records*
10 *records that CDPHE would already have or do they need to get them*
11 *from the clinic or doctor?*>

12 (6) A VIOLATION OF ANY OF SUBSECTIONS (1) TO (5) OF THIS
13 SECTION IS GROUNDS FOR SUSPENSION OR REVOCATION OF A MEDICAL
14 MARIJUANA CLINIC LICENSE.

15 **12-43.3-306. Medical marijuana grower requirements.** (1) A
16 MEDICAL MARIJUANA GROWER THAT HOLDS ONLY A MEDICAL MARIJUANA
17 GROWER LICENSE SHALL NOT DIRECTLY PROVIDE A PATIENT, AS DEFINED
18 BY SECTION 14 (1) (d) OF ARTICLE XVIII OF THE STATE CONSTITUTION,
19 WITH MEDICAL MARIJUANA.

20 (2) A MEDICAL MARIJUANA GROWER SHALL CONDUCT ALL
21 TRANSACTIONS USING A VERIFIABLE PAYMENT METHOD. THE
22 DEPARTMENT SHALL AUDIT THE PAYMENT RECORDS OF ALL MEDICAL
23 MARIJUANA GROWERS.

24 (3) A MEDICAL MARIJUANA GROWER MAY OPERATE ONLY IN A
25 LOCATION THAT IS ZONED FOR AGRICULTURAL OR INDUSTRIAL PURPOSES.
26 UP TO THREE MEDICAL MARIJUANA GROWER LICENSEES MAY SHARE A
27 GROWING FACILITY.

1 (4) A MEDICAL MARIJUANA GROWER SHALL FILE A MONTHLY
2 REPORT WITH THE MEDICAL MARIJUANA LICENSING AUTHORITY THAT
3 STATES THE TOTAL NUMBER OF MEDICAL MARIJUANA PLANTS THE GROWER
4 HAS, THE HEIGHT AND MATURITY OF EACH PLANT, THE ESTIMATED DAYS
5 TO FLOWER FOR EACH PLANT THAT HAS NOT YET FLOWERED, AND THE
6 TOTAL AMOUNT OF MEDICAL MARIJUANA HARVESTED DURING THE
7 PREVIOUS MONTH.

8 PART 4

9 DISCIPLINARY ACTIONS

10 **12-43.3-401. Suspension - revocation - fines.** (1) IN ADDITION
11 TO ANY OTHER PENALTIES PRESCRIBED BY THIS ARTICLE, THE MEDICAL
12 MARIJUANA LICENSING AUTHORITY HAS THE POWER, ON ITS OWN MOTION
13 OR ON COMPLAINT, AFTER INVESTIGATION AND PUBLIC HEARING AT WHICH
14 THE MEDICAL MARIJUANA CLINIC OR GROWER LICENSEE SHALL BE
15 AFFORDED AN OPPORTUNITY TO BE HEARD, TO SUSPEND OR REVOKE A
16 MEDICAL MARIJUANA CLINIC OR GROWER LICENSE ISSUED BY THE
17 AUTHORITY FOR ANY VIOLATION BY THE LICENSEE OR BY A PRINCIPAL
18 OFFICER, A BOARD MEMBER, AN AGENT, OR AN EMPLOYEE OF THE LICENSEE
19 OF THE PROVISIONS OF THIS ARTICLE OR ANY OF THE RULES AUTHORIZED
20 PURSUANT TO THIS ARTICLE OR OF ANY OF THE TERMS, CONDITIONS, OR
21 PROVISIONS OF THE LICENSE ISSUED BY THE AUTHORITY. THE MEDICAL
22 MARIJUANA LICENSING AUTHORITY HAS THE POWER TO ADMINISTER OATHS
23 AND ISSUE SUBPOENAS TO REQUIRE THE PRESENCE OF PERSONS AND THE
24 PRODUCTION OF PAPERS, BOOKS, AND RECORDS NECESSARY TO THE
25 DETERMINATION OF ANY HEARING THAT THE LICENSING AUTHORITY IS
26 AUTHORIZED TO CONDUCT.

27 (2) THE MEDICAL MARIJUANA LICENSING AUTHORITY SHALL

1 PROVIDE NOTICE OF SUSPENSION OR REVOCATION, AS WELL AS ANY
2 REQUIRED NOTICE OF A HEARING, _____ BY MAILING THE SAME IN
3 WRITING TO THE MEDICAL MARIJUANA CLINIC OR GROWER LICENSEE AT
4 THE ADDRESS CONTAINED IN THE MEDICAL MARIJUANA CLINIC OR GROWER
5 LICENSE. A SUSPENSION SHALL NOT BE FOR A LONGER PERIOD THAN SIX
6 MONTHS. IF A LICENSE IS SUSPENDED OR REVOKED, NO PART OF THE FEES
7 PAID FOR THE LICENSE SHALL BE RETURNED TO THE LICENSEE. A LICENSE
8 MAY BE SUMMARILY SUSPENDED BY THE MEDICAL MARIJUANA LICENSING
9 AUTHORITY WITHOUT NOTICE PENDING ANY PROSECUTION,
10 INVESTIGATION, OR PUBLIC HEARING. NOTHING IN THIS SECTION SHALL
11 PREVENT THE SUMMARY SUSPENSION OF A LICENSE FOR A TEMPORARY
12 PERIOD OF NOT MORE THAN FIFTEEN DAYS.

13 (3) (a) WHENEVER A DECISION OF THE MEDICAL MARIJUANA
14 LICENSING AUTHORITY SUSPENDING A MEDICAL MARIJUANA CLINIC OR
15 GROWER LICENSE FOR FOURTEEN DAYS OR LESS BECOMES FINAL, WHETHER
16 BY FAILURE OF THE LICENSEE TO APPEAL THE DECISION OR BY EXHAUSTION
17 OF ALL APPEALS AND JUDICIAL REVIEW, THE LICENSEE MAY, BEFORE THE
18 OPERATIVE DATE OF THE SUSPENSION, PETITION FOR PERMISSION TO PAY
19 A FINE IN LIEU OF HAVING THE LICENSE SUSPENDED FOR ALL OR PART OF
20 THE SUSPENSION PERIOD. UPON THE RECEIPT OF THE PETITION, THE
21 MEDICAL MARIJUANA LICENSING AUTHORITY MAY, IN ITS SOLE
22 DISCRETION, STAY THE PROPOSED SUSPENSION AND CAUSE ANY
23 INVESTIGATION TO BE MADE WHICH IT DEEMS DESIRABLE AND MAY, IN ITS
24 SOLE DISCRETION, GRANT THE PETITION IF IT IS SATISFIED:

25 (I) THAT THE PUBLIC WELFARE AND MORALS WOULD NOT BE
26 IMPAIRED BY PERMITTING THE MEDICAL MARIJUANA CLINIC OR GROWER
27 LICENSEE TO OPERATE DURING THE PERIOD SET FOR SUSPENSION AND THAT

1 THE PAYMENT OF THE FINE WILL ACHIEVE THE DESIRED DISCIPLINARY
2 PURPOSES;

3 (II) THAT THE BOOKS AND RECORDS OF THE MEDICAL MARIJUANA
4 CLINIC OR GROWER LICENSEE ARE KEPT IN SUCH A MANNER THAT THE LOSS
5 OF SALES THAT THE LICENSEE WOULD HAVE SUFFERED HAD THE
6 SUSPENSION GONE INTO EFFECT CAN BE DETERMINED WITH REASONABLE
7 ACCURACY THEREFROM; AND

8 (III) THAT THE MEDICAL MARIJUANA CLINIC OR GROWER LICENSEE
9 HAS NOT HAD HIS OR HER MEDICAL MARIJUANA CLINIC OR GROWER
10 LICENSE SUSPENDED OR REVOKED, NOR HAD ANY SUSPENSION STAYED BY
11 PAYMENT OF A FINE, DURING THE TWO YEARS IMMEDIATELY PRECEDING
12 THE DATE OF THE MOTION OR COMPLAINT THAT HAS RESULTED IN A FINAL
13 DECISION TO SUSPEND THE LICENSE.

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

16 (c) PAYMENT OF A FINE PURSUANT TO THE PROVISIONS OF THIS
17 SUBSECTION (3) SHALL BE IN THE FORM OF CASH OR IN THE FORM OF A
18 CERTIFIED CHECK OR CASHIER'S CHECK MADE PAYABLE TO THE MEDICAL
19 MARIJUANA LICENSING AUTHORITY.

20 (4) UPON PAYMENT OF A FINE PURSUANT TO SUBSECTION (3) OF
21 THIS SECTION, THE MEDICAL MARIJUANA LICENSING AUTHORITY SHALL
22 ENTER ITS FURTHER ORDER PERMANENTLY STAYING THE IMPOSITION OF
23 THE SUSPENSION. _____ FINES PAID TO THE MEDICAL MARIJUANA
24 LICENSING AUTHORITY PURSUANT TO SUBSECTION (3) OF THIS SECTION
25 SHALL BE TRANSMITTED TO THE STATE TREASURER WHO SHALL CREDIT
26 THE SAME TO THE STATE GENERAL FUND.

27 (5) IN CONNECTION WITH ANY PETITION PURSUANT TO SUBSECTION

1 (3) OF THIS SECTION, THE MEDICAL MARIJUANA LICENSING AUTHORITY IS
2 LIMITED TO THE GRANTING OF SUCH STAYS AS ARE NECESSARY FOR IT TO
3 COMPLETE ITS INVESTIGATION AND MAKE ITS FINDINGS AND, IF IT MAKES
4 SUCH FINDINGS, TO THE GRANTING OF AN ORDER PERMANENTLY STAYING
5 THE IMPOSITION OF THE ENTIRE SUSPENSION OR THAT PORTION OF THE
6 SUSPENSION NOT OTHERWISE CONDITIONALLY STAYED.

7 (6) IF THE MEDICAL MARIJUANA LICENSING AUTHORITY DOES NOT
8 MAKE THE FINDINGS REQUIRED IN PARAGRAPH (a) OF SUBSECTION (3) OF
9 THIS SECTION AND DOES NOT ORDER THE SUSPENSION PERMANENTLY
10 STAYED, THE SUSPENSION SHALL GO INTO EFFECT ON THE OPERATIVE DATE
11 FINALLY SET BY THE MEDICAL MARIJUANA LICENSING AUTHORITY.

12 (7) THE PROVISIONS OF SUBSECTIONS (3) TO (6) OF THIS SECTION
13 SHALL BE EFFECTIVE AND MAY BE IMPLEMENTED BY THE MEDICAL
14 MARIJUANA LICENSING AUTHORITY UPON ITS DECISION TO ACCEPT AND
15 ADOPT THE OPTIONAL PROCEDURES SET FORTH IN SAID SUBSECTIONS. _____

16 _____
17 (8) _____ NO LATER THAN JANUARY 15 OF EACH YEAR, THE
18 MEDICAL MARIJUANA LICENSING AUTHORITY SHALL COMPILE A REPORT OF
19 THE PRECEDING YEAR'S ACTIONS IN WHICH FINES, SUSPENSIONS, OR
20 REVOCATIONS WERE IMPOSED ___ BY THE MEDICAL MARIJUANA LICENSING
21 AUTHORITY. THE MEDICAL MARIJUANA LICENSING AUTHORITY SHALL FILE
22 ONE COPY OF SAID REPORT WITH THE CHIEF CLERK OF THE HOUSE OF
23 REPRESENTATIVES, ONE COPY WITH THE SECRETARY OF THE SENATE, AND
24 SIX COPIES IN THE JOINT LEGISLATIVE LIBRARY.

25 PART 5

26 JUDICIAL REVIEW

27 **12-43.3-501. Judicial review.** A PERSON APPLYING TO THE COURT

1 FOR A REVIEW OF THE MEDICAL MARIJUANA LICENSING AUTHORITY'S
2 DECISION DENYING THE ISSUANCE OR RENEWAL OF A LICENSE OR A LOCAL
3 LICENSING AUTHORITY'S DECISION GRANTNG OR DENYING APPROVAL
4 SHALL APPLY FOR REVIEW WITHIN THIRTY DAYS AFTER THE DATE OF THE
5 DECISION BY THE LOCAL LICENSING AUTHORITY OR, IN THE CASE OF A
6 REVIEW OF A DECISION BY THE MEDICAL MARIJUANA LICENSING
7 AUTHORITY, WITHIN THIRTY DAYS AFTER THE DATE OF THE DECISION BY
8 THE MEDICAL MARIJUANA LICENSING AUTHORITY. THE PERSON APPLYING
9 FOR REVIEW SHALL BE REQUIRED TO PAY THE COST OF PREPARING A
10 TRANSCRIPT OF PROCEEDINGS BEFORE THE LICENSING AUTHORITY IF HE OR
11 SHE REQUESTS A TRANSCRIPT OR IF THE LICENSING AUTHORITY FURNISHES
12 A TRANSCRIPT PURSUANT TO COURT ORDER.

13 **SECTION 3.** 18-18-406 (8) (b) (I), Colorado Revised Statutes,
14 is amended to read:

15 **18-18-406. Offenses relating to marihuana and marihuana**
16 **concentrate.** (8) (b) (I) Except as is otherwise provided in subsection (7)
17 of this section and except as authorized by SECTION 14 OF ARTICLE XVIII
18 OF THE STATE CONSTITUTION, part 3 of article 22 AND ARTICLE 43.3 of
19 title 12, C.R.S., or by part 2 or 3 of this article, it is unlawful for any
20 person knowingly to manufacture, dispense, sell, distribute, or possess
21 with intent to manufacture, dispense, sell, or distribute marihuana or
22 marihuana concentrate; or attempt, induce, attempt to induce, or conspire
23 with one or more other persons, to manufacture, dispense, sell, distribute,
24 or possess with intent to manufacture, dispense, sell, or distribute
25 marihuana or marihuana concentrate.

26 _____

27 **SECTION 4.** 25-1.5-106, Colorado Revised Statutes, is amended

1 to read:

2 **25-1.5-106. Medical marijuana program - powers and duties**
3 **of department - medical review board - repeal. (1) Definitions.** IN

4 ADDITION TO THE DEFINITIONS SET FORTH IN SECTION 14 (1) OF ARTICLE
5 XVIII OF THE STATE CONSTITUTION, AS USED IN THIS SECTION, UNLESS THE
6 CONTEXT OTHERWISE REQUIRES:

7 (a) "BONA FIDE PHYSICIAN-PATIENT RELATIONSHIP" MEANS:

8 (I) A TREATMENT OR COUNSELING RELATIONSHIP IN THE COURSE
9 OF WHICH A PHYSICIAN HAS COMPLETED A FULL ASSESSMENT OF THE
10 PATIENT'S MEDICAL HISTORY AND CURRENT MEDICAL CONDITION,
11 INCLUDING A PERSONAL PHYSICAL EXAMINATION;

12 (II) THE PHYSICIAN HAS CONSULTED WITH THE PATIENT WITH
13 RESPECT TO THE PATIENT'S DEBILITATING MEDICAL CONDITION BEFORE
14 THE PATIENT APPLIES FOR A REGISTRY IDENTIFICATION CARD; AND

15 (III) THE PHYSICIAN PROVIDES FOLLOW-UP CARE AND TREATMENT
16 TO THE PATIENT, INCLUDING BUT NOT LIMITED TO PATIENT EXAMINATIONS,
17 TO DETERMINE THE EFFICACY OF THE USE OF MEDICAL MARIJUANA AS A
18 TREATMENT OF THE PATIENT'S DEBILITATING MEDICAL CONDITION.

19 (b) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
20 THE DEPARTMENT.

21 (c) "IN GOOD STANDING", WITH RESPECT TO A PHYSICIAN'S
22 LICENSE, MEANS THE FOLLOWING:

23 (I) THE PHYSICIAN HOLDS A DOCTOR OF MEDICINE OR DOCTOR OF
24 OSTEOPATHIC MEDICINE DEGREE FROM AN ACCREDITED MEDICAL SCHOOL;

25 (II) THE PHYSICIAN HOLDS A VALID, UNRESTRICTED LICENSE TO
26 PRACTICE MEDICINE IN COLORADO; AND

27 (III) THE PHYSICIAN HAS NOT HAD HIS OR HER UNITED STATES

1 DEPARTMENT OF JUSTICE FEDERAL DRUG ENFORCEMENT ADMINISTRATION
2 CONTROLLED SUBSTANCES REGISTRATION SUSPENDED OR REVOKED AT
3 ANY TIME.

4 (d) "MEDICAL MARIJUANA PROGRAM" MEANS THE PROGRAM
5 ESTABLISHED BY SECTION 14 OF ARTICLE XVIII OF THE STATE
6 CONSTITUTION AND THIS SECTION.

7 (e) "PRIMARY CAREGIVER" MEANS A NATURAL PERSON, OTHER
8 THAN THE PATIENT OR THE PATIENT'S PHYSICIAN, WHO IS EIGHTEEN YEARS
9 OF AGE OR OLDER AND HAS SIGNIFICANT RESPONSIBILITY FOR MANAGING
10 THE WELL-BEING OF A PATIENT WHO HAS A DEBILITATING MEDICAL
11 CONDITION.

12 (f) "REGISTRY IDENTIFICATION CARD" MEANS THE
13 NONTRANSFERABLE CONFIDENTIAL REGISTRY IDENTIFICATION CARD
14 ISSUED BY THE DEPARTMENT TO PATIENTS AND PRIMARY CAREGIVERS
15 PURSUANT TO THIS SECTION.

16 (†) (2) The department shall, pursuant to section 14 of article
17 XVIII of the state constitution, promulgate rules of administration
18 concerning the implementation of the medical marijuana program
19 ~~established by such section and~~ that specifically govern the following:

20 (a) The establishment and maintenance of a confidential registry
21 of patients who have applied for and are entitled to receive a _____
22 registry identification card, WHICH CARD SHALL INCLUDE A PHOTOGRAPH
23 OF THE CARDHOLDER, AN IDENTIFICATION NUMBER, AND THE IDENTITY OF
24 THE PHYSICIAN MAKING THE CERTIFICATION OF A DEBILITATING MEDICAL
25 CONDITION. THE CONFIDENTIAL REGISTRY OF PATIENTS MAY BE USED TO
26 DETERMINE WHETHER A PHYSICIAN SHOULD BE REFERRED TO THE BOARD
27 OF MEDICAL EXAMINERS, AS AUTHORIZED IN PARAGRAPH (i) OF THIS

1 SUBSECTION (2).

2 (b) The development by the department of an application form and
3 making ~~such~~ THE form available to residents of this state seeking to be
4 listed on the confidential registry of patients who are entitled to receive
5 a _____ registry identification card;

6 (c) The verification by the department of medical information
7 concerning patients who have applied for a confidential registry
8 IDENTIFICATION card;

9 (d) THE DEVELOPMENT OF A FORM THAT CONSTITUTES "WRITTEN
10 DOCUMENTATION" AS DEFINED AND USED IN SECTION 14 OF ARTICLE XVIII
11 OF THE STATE CONSTITUTION, WHICH FORM A PHYSICIAN SHALL USE WHEN
12 MAKING A MEDICAL MARIJUANA RECOMMENDATION FOR A PATIENT;

13 ~~(d)~~ (e) The CONDITIONS FOR issuance AND REVOCATION, and THE
14 form of confidential THE registry identification cards ISSUED TO PATIENTS
15 AND PRIMARY CAREGIVERS, INCLUDING BUT NOT LIMITED TO STANDARDS
16 FOR ENSURING THAT A REGISTRY IDENTIFICATION CARD IS ISSUED BY THE
17 DEPARTMENT TO A PATIENT ONLY IF HE OR SHE HAS A BONA FIDE
18 PHYSICIAN-PATIENT RELATIONSHIP WITH A PHYSICIAN IN GOOD STANDING
19 AND LICENSED TO PRACTICE MEDICINE IN THE STATE OF COLORADO;

20 ~~(e)~~ (f) Communications with law enforcement officials about
21 confidential registry identification cards that have been suspended where
22 a patient is no longer diagnosed as having a debilitating medical
23 condition; ~~and~~

24 ~~(f)~~ (g) The manner in which the department may consider adding
25 debilitating medical conditions to the list of debilitating medical
26 conditions contained in section 14 of article XVIII of the state
27 constitution;

1 (h) THE DEVELOPMENT OF A FORM FOR A QUALIFIED INDIVIDUAL
2 TO APPLY TO BECOME A PRIMARY CAREGIVER, WHICH FORM SHALL
3 REQUIRE, AT A MINIMUM, THAT THE APPLICANT PROVIDE HIS OR HER FULL
4 NAME, HOME ADDRESS, DATE OF BIRTH, AND LIST OF CRIMINAL
5 CONVICTIONS, IF ANY, AND AN ATTESTATION THAT THE PRIMARY
6 CAREGIVER HAS A SIGNIFICANT RESPONSIBILITY FOR MANAGING THE
7 WELL-BEING OF THE PATIENT FOR WHOM HE OR SHE IS DESIGNATED AS THE
8 PRIMARY CAREGIVER AND THAT HE OR SHE UNDERSTANDS AND WILL ABIDE
9 BY SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS
10 SECTION, AND THE RULES PROMULGATED BY THE EXECUTIVE DIRECTOR
11 PURSUANT TO THIS SECTION;

12 (i) SANCTIONS FOR PHYSICIANS WHO VIOLATE SECTION 14 OF
13 ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION, AND THE
14 RULES PROMULGATED BY THE EXECUTIVE DIRECTOR PURSUANT TO THIS
15 SECTION, WHICH SANCTIONS SHALL INCLUDE THE REVOCATION OR
16 SUSPENSION OF A PHYSICIAN'S PRIVILEGE TO MAKE MEDICAL MARIJUANA
17 RECOMMENDATIONS; EXCEPT THAT A LICENSURE ACTION MAY NOT BE
18 TAKEN AGAINST A PHYSICIAN FOR LAWFULLY RECOMMENDING MEDICAL
19 MARIJUANA;

20 (j) THE GROUNDS AND PROCEDURE FOR A PATIENT TO CHANGE HIS
21 OR HER DESIGNATED PRIMARY CAREGIVER; AND

22 (k) THE MINIMUM LEVEL OF OTHER SERVICES THAT A PRIMARY
23 CAREGIVER MUST PROVIDE TO A PATIENT AND THE TYPES OF OTHER
24 SERVICES THAT A PRIMARY CAREGIVER MAY PROVIDE.

25 (3) **Patients and primary caregiver relationship.** (a) A
26 PATIENT SHALL ONLY REGISTER WITH ONE PRIMARY CAREGIVER OR ONE
27 MEDICAL MARIJUANA CLINIC LICENSED PURSUANT TO ARTICLE 43.3 OF

1 TITLE 12, C.R.S., AT ANY GIVEN TIME AND SHALL INFORM THE PRIMARY
2 CAREGIVER OF SUCH REGISTRATION. A PATIENT MAY CHANGE PRIMARY
3 CAREGIVERS OR LICENSED MEDICAL MARIJUANA CLINICS NO MORE THAN
4 FOUR TIMES PER CALENDAR YEAR. A PRIMARY CAREGIVER SHALL FILE A
5 PATIENT PLAN WITH THE DEPARTMENT FOR EACH PATIENT THAT INCLUDES
6 THE DOSAGE OF MEDICAL MARIJUANA RECOMMENDED AND THE OTHER
7 SERVICES RECOMMENDED OR PROVIDED BY THE PRIMARY CAREGIVER, AND
8 RECORDS OF EACH TRANSACTION WITH THE PATIENT.

9 (b) A GROUP OF UP TO FIVE INDIVIDUALS WHO ARE EITHER
10 PATIENTS OR PRIMARY CAREGIVERS MAY FORM A COOPERATIVE TO
11 CULTIVATE AND EXCHANGE MEDICAL MARIJUANA. EACH GROUP MAY
12 CONTAIN ONLY ONE PRIMARY CAREGIVER. THE GROUP MAY NOT
13 CULTIVATE MORE THAN THIRTY PLANTS OF WHICH ONLY FIFTEEN MAY BE
14 FLOWERING AT ANY GIVEN TIME. THE GROUP SHALL BE EXEMPT FROM THE
15 REQUIREMENTS OF HOLDING A MEDICAL MARIJUANA CLINIC OR GROWER
16 LICENSE PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., BUT ONLY FOR
17 THE PURPOSES OF CULTIVATING MEDICAL MARIJUANA FOR AND
18 EXCHANGING MEDICAL MARIJUANA AMONG GROUP MEMBERS.

19 (c) A PRIMARY CAREGIVER SHALL REPORT TO THE DEPARTMENT
20 THE CONFIDENTIAL IDENTIFICATION NUMBER OF A PATIENT WHO
21 PURCHASES MORE THAN TWO OUNCES OF MEDICAL MARIJUANA PER WEEK.
22 UPON RECEIPT OF SUCH INFORMATION, THE DEPARTMENT MAY REVIEW THE
23 PATIENT RECORDS TO DETERMINE WHETHER SUCH USAGE APPEARS TO BE
24 WARRANTED AND IF NECESSARY REFER ANY SUSPECTED ABUSE TO THE
25 BOARD OF MEDICAL EXAMINERS.

26 (d) A PRIMARY CAREGIVER MAY ALSO BE A LICENSED MEDICAL
27 MARIJUANA CLINIC.

1 (e) A PRIMARY CAREGIVER MAY ACT AS A PATIENT'S POWER OF
2 ATTORNEY FOR PURPOSES OF THOSE ACTIVITIES THAT ARE AUTHORIZED BY
3 SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION.

4 **(4) Registry identification card required - denial - revocation.**

5 (a) WHEN IN POSSESSION OF ANY USABLE FORM OF MARIJUANA FOR
6 MEDICAL USE, A PATIENT OR PRIMARY CAREGIVER SHALL HAVE IN HIS OR
7 HER POSSESSION HIS OR HER _____ REGISTRY IDENTIFICATION CARD OR,
8 IF MORE THAN THIRTY-FIVE DAYS HAVE PASSED SINCE THE DATE HE OR SHE
9 FILED THE MEDICAL MARIJUANA PROGRAM APPLICATION AND THE
10 DEPARTMENT HAS NOT YET ISSUED A _____ REGISTRY IDENTIFICATION
11 CARD, A COPY OF HIS OR HER APPLICATION ALONG WITH PROOF OF THE
12 DATE OF SUBMISSION.

13 (b) THE EXECUTIVE DIRECTOR MAY DENY A PATIENT'S OR PRIMARY
14 CAREGIVER'S APPLICATION FOR A _____ REGISTRY IDENTIFICATION
15 CARD OR REVOKE THE SAME IF THE EXECUTIVE DIRECTOR, IN ACCORDANCE
16 WITH ARTICLE 4 OF TITLE 24, C.R.S., DETERMINES THAT THE PATIENT, THE
17 PATIENT'S CERTIFYING PHYSICIAN, OR THE PRIMARY CAREGIVER VIOLATED
18 SECTION 14 OF ARTICLE XVIII OF THE STATE CONSTITUTION, THIS SECTION,
19 OR THE RULES PROMULGATED BY THE EXECUTIVE DIRECTOR PURSUANT TO
20 THIS SECTION.

21 (c) A PRIMARY CAREGIVER _____ REGISTRY IDENTIFICATION
22 CARD SHALL BE VALID FOR ONE YEAR. IT SHALL BE THE RESPONSIBILITY
23 OF THE PRIMARY CAREGIVER TO APPLY TO RENEW HIS OR HER _____
24 REGISTRY IDENTIFICATION CARD PRIOR TO THE DATE ON WHICH THE CARD
25 EXPIRES. THE EXECUTIVE DIRECTOR SHALL DEVELOP A FORM FOR A
26 PRIMARY CAREGIVER TO RENEW HIS OR HER _____ REGISTRY
27 IDENTIFICATION CARD.

1 **(5) Limitations on remuneration for medical certifications.** A
2 PHYSICIAN, A PRIMARY CAREGIVER, A MEDICAL MARIJUANA CLINIC
3 LICENSED PURSUANT TO ARTICLE 43.3 OF TITLE 12, C.R.S., OR A MEDICAL
4 MARIJUANA GROWER LICENSED PURSUANT TO ARTICLE 43.3 OF TITLE 12,
5 C.R.S., SHALL NOT OFFER OR ACCEPT ANY FORM OF PECUNIARY
6 REMUNERATION THAT IS IN ANY WAY RELATED TO THE MEDICAL
7 CERTIFICATION OF A DEBILITATING MEDICAL CONDITION FOR AN
8 APPLICANT TO THE MEDICAL MARIJUANA PROGRAM; EXCEPT THAT A
9 PHYSICIAN, A PRIMARY CAREGIVER, OR A LICENSED MEDICAL MARIJUANA
10 CLINIC MAY ACCEPT APPROPRIATE PAYMENT FROM A PATIENT IN
11 EXCHANGE FOR SERVICES RENDERED OR GOODS PROVIDED.

12 **(6) Medical marijuana review board.** (a) THERE IS HEREBY
13 CREATED IN THE DEPARTMENT THE MEDICAL MARIJUANA REVIEW BOARD
14 REFERRED TO IN THIS SECTION AS THE "BOARD".

15 (b) THE BOARD SHALL EXERCISE ITS POWERS AND PERFORM ITS
16 DUTIES AND FUNCTIONS UNDER THE DEPARTMENT AS IF THE SAME WERE
17 TRANSFERRED TO THE DEPARTMENT BY A **TYPE 2** TRANSFER AS DEFINED
18 IN THE "ADMINISTRATIVE ORGANIZATION ACT OF 1968", ARTICLE 1 OF
19 TITLE 24, C.R.S.

20 (c) THE BOARD SHALL CONSIST OF <{X}> MEMBERS, <{X}> OF
21 WHICH SHALL BE REGISTERED PRIMARY CAREGIVERS AND <{X}> OF WHICH
22 SHALL BE PHYSICIANS WHO MAKE MEDICAL MARIJUANA
23 RECOMMENDATIONS FOR PATIENTS. THE GOVERNOR SHALL APPOINT THE
24 MEMBERS OF THE BOARD.

25 (d) EACH MEMBER OF THE BOARD SHALL SERVE AT THE PLEASURE
26 OF THE GOVERNOR. EACH MEMBER OF THE BOARD SHALL SERVE A
27 FOUR-YEAR TERM; EXCEPT THAT THE PRIMARY CAREGIVER MEMBERS

1 INITIALLY APPOINTED SHALL SERVE TWO-YEAR TERMS AND THE PHYSICIAN
2 MEMBERS INITIALLY APPOINTED SHALL SERVE ONE-YEAR TERMS.

3 (e) THE BOARD SHALL REVIEW REQUESTS BY PATIENTS UNDER
4 TWENTY-ONE YEARS OF AGE WHO ARE NOT VETERANS OF MILITARY
5 SERVICE AND WHO ARE SEEKING TO BE PLACED ON THE STATE'S
6 CONFIDENTIAL REGISTRY FOR THE USE OF MEDICAL MARIJUANA. A
7 MAJORITY OF THE BOARD SHALL AGREE THAT THE PATIENT SUFFERS FROM
8 A DEBILITATING MEDICAL CONDITION AND THAT THE PATIENT MIGHT
9 BENEFIT FROM THE MEDICAL USE OF MARIJUANA BEFORE THE PATIENT MAY
10 BE PLACED ON THE STATE'S CONFIDENTIAL REGISTRY FOR THE USE OF
11 MEDICAL MARIJUANA.

12 (f) (I) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2020.

13 (II) PRIOR TO SAID REPEAL, THE BOARD SHALL BE REVIEWED AS
14 PROVIDED FOR IN SECTION 2-3-1203, C.R.S.

15 ~~(2)~~ (7) **Fees.** The department may collect fees from patients who,
16 pursuant to section 14 of article XVIII of the state constitution, apply to
17 the medical marijuana program ~~established by such section~~ for a
18 ~~marijuana~~ _____ registry identification CARD for the purpose of offsetting
19 the department's direct and indirect costs of administering the program.
20 The amount of ~~such~~ THE fees shall be set by rule of the ~~state board of~~
21 ~~health~~ EXECUTIVE DIRECTOR. All fees collected by the department
22 through the medical marijuana program shall be transferred to the state
23 treasurer who shall credit the same to the medical marijuana program cash
24 fund, which fund is hereby created.

25 ~~(3)~~ (8) **Cash fund.** (a) The medical marijuana program cash fund
26 shall be subject to annual appropriation by the general assembly to the
27 department for the purpose of establishing, operating, and maintaining the

1 medical marijuana program. ~~established by section 14 of article XVIII of~~
2 ~~the state constitution.~~ All moneys credited to the medical marijuana
3 program cash fund and all interest derived from the deposit of such
4 moneys that are not expended during the fiscal year shall be retained in
5 the fund for future use and shall not be credited or transferred to the
6 general fund or any other fund.

7 (b) Notwithstanding any provision of paragraph (a) of this
8 subsection ~~(3)~~ (8) to the contrary, on April 20, 2009, the state treasurer
9 shall deduct two hundred fifty-eight thousand seven hundred thirty-five
10 dollars from the medical marijuana program cash fund and transfer such
11 sum to the general fund.

12 **SECTION 5.** 2-3-1203 (3), Colorado Revised Statutes, is
13 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

14 **2-3-1203. Sunset review of advisory committees.** (3) The
15 following dates are the dates for which the statutory authorization for the
16 designated advisory committees is scheduled for repeal:

17 (gg) JULY 1, 2020: THE MEDICAL MARIJUANA REVIEW BOARD
18 CREATED IN SECTION 25-1.5-106 (6), C.R.S.

19 **SECTION 6.** 24-1-119, Colorado Revised Statutes, is amended
20 BY THE ADDITION OF A NEW SUBSECTION to read:

21 **24-1-119. Department of public health and environment -**
22 **creation.** (12) THE POWERS, DUTIES, AND FUNCTIONS OF THE MEDICAL
23 MARIJUANA REVIEW BOARD, CREATED IN SECTION 25-1.5-106 (6), C.R.S.,
24 ARE TRANSFERRED BY A **TYPE 2** TRANSFER TO THE DEPARTMENT OF PUBLIC
25 HEALTH AND ENVIRONMENT.

26 **SECTION 7.** 24-34-104.1, Colorado Revised Statutes, is
27 amended BY THE ADDITION OF A NEW SUBSECTION to read:

1 **24-34-104.1. General assembly sunrise review of new**
2 **regulation of occupations and professions - repeal.** (8) (a) THE
3 DEPARTMENT OF REGULATORY AGENCIES SHALL CONDUCT A REVIEW AS
4 DESCRIBED IN SUBSECTION (2), (3), AND (4) OF THIS SECTION OF PRIMARY
5 CAREGIVERS AS DESCRIBED IN SECTION 25-1.5-106, C.R.S., AFTER S.B.
6 10- HAS BEEN IN EFFECT FOR ONE YEAR. IF ANY STATUTORY
7 REGULATORY PROVISIONS ARE ENACTED AS A RESULT OF THIS SUNRISE
8 REVIEW, THOSE PROVISIONS SHALL NOT REQUIRE A LICENSED
9 PROFESSIONAL WHO ALSO WANTS TO BE LICENSED AS A CAREGIVER TO
10 REPEAT ANY TRAINING OR COURSE WORK THAT THE LICENSED
11 PROFESSIONAL HAS PREVIOUSLY SUCCESSFULLY COMPLETED.

12 (b) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2013.

13 **SECTION 8.** 25-1-1202 (1), Colorado Revised Statutes, is
14 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

15 **25-1-1202. Index of statutory sections regarding medical**
16 **record confidentiality and health information.** (1) Statutory
17 provisions concerning policies, procedures, and references to the release,
18 sharing, and use of medical records and health information include the
19 following:

20 (vv.5) SECTION 25-1.5-106, CONCERNING THE MEDICAL
21 MARIJUANA PROGRAM;

22 **SECTION 9.** Article 2 of title 29, Colorado Revised Statutes, is
23 amended BY THE ADDITION OF A NEW SECTION to read:

24 **29-2-103.3. Sales and use taxes for medical marijuana.** (1) ON
25 AND AFTER JULY 1, 2010, IN ADDITION TO ANY SALES OR USE TAX IMPOSED
26 PURSUANT TO SECTION 29-2-102 OR 29-2-103, EACH COUNTY AND EACH
27 INCORPORATED TOWN OR CITY IN THIS STATE IS AUTHORIZED TO LEVY A

1 SALES TAX, USE TAX, OR ANY COMBINATION OF SUCH TAXES OF UP TO
2 TWENTY PERCENT UPON THE SALE, STORAGE, USE, OR CONSUMPTION OF
3 ANY USABLE FORM OF MEDICAL MARIJUANA.

4 (2) (a) No SALES TAX, USE TAX, OR COMBINATION OF SUCH TAXES
5 MAY BE LEVIED PURSUANT TO SUBSECTION (1) OF THIS SECTION UNTIL A
6 BALLOT PROPOSAL FOR THE LEVYING OF SUCH TAXES HAS BEEN REFERRED
7 TO AND APPROVED BY THE REGISTERED ELECTORS OF THE COUNTY OR
8 INCORPORATED TOWN OR CITY IN ACCORDANCE WITH THIS ARTICLE.

9 (b) THE ELECTION FOR A TAX PROPOSED PURSUANT TO THIS
10 SECTION MAY BE HELD ONLY ON THE FIRST TUESDAY AFTER THE FIRST
11 MONDAY IN NOVEMBER OF EACH YEAR AND SHALL BE CONDUCTED BY THE
12 COUNTY CLERK AND RECORDER IN ACCORDANCE WITH THE "UNIFORM
13 ELECTION CODE OF 1992", ARTICLES 1 TO 13 OF TITLE 1, C.R.S.

14 **SECTION 10. Safety clause.** The general assembly hereby finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, and safety.