

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 18-0080.01 Jerry Barry x4341

HOUSE BILL 18-1258

HOUSE SPONSORSHIP

Singer and Melton, Herod

SENATE SPONSORSHIP

Neville T. and Fenberg, Marble

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AUTHORIZATION FOR AN ENDORSEMENT TO AN EXISTING**
102 **MARIJUANA LICENSE TO ALLOW FOR A MARIJUANA ACCESSORY**
103 **CONSUMPTION ESTABLISHMENT, AND, IN CONNECTION**
104 **THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

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

The bill authorizes each licensed medical marijuana center or retail marijuana store to establish one medical or retail marijuana accessory consumption establishment (establishment) that may sell marijuana,

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

marijuana concentrate, and marijuana-infused products for consumption, other than smoking, at the establishment. The bill contains requirements for obtaining endorsements, authorizing an establishment, and required actions and prohibited actions for persons operating an establishment.

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

2

3 **SECTION 1.** In Colorado Revised Statutes, 12-43.4-103, **add**
4 (15.5) as follows:

5 **12-43.4-103. Definitions.** As used in this article 43.4, unless the
6 context otherwise requires:

7 (15.5) "RETAIL MARIJUANA ACCESSORY CONSUMPTION
8 ESTABLISHMENT" MEANS AN ESTABLISHMENT WHERE A RETAIL
9 MARIJUANA STORE LICENSEE THAT HAS BEEN APPROVED FOR A RETAIL
10 MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT ENDORSEMENT TO
11 AN EXISTING RETAIL MARIJUANA STORE LICENSE MAY SELL RETAIL
12 MARIJUANA, RETAIL MARIJUANA CONCENTRATE, AND RETAIL MARIJUANA
13 PRODUCTS FOR CONSUMPTION, OTHER THAN SMOKING, ON THE PREMISES
14 OF THE ESTABLISHMENT.

15 **SECTION 2.** In Colorado Revised Statutes, 12-43.4-202, **amend**
16 (1) introductory portion, (3)(a)(XIX), (3)(a)(XX), (3)(c) introductory
17 portion, and (3)(c)(VIII); and **add** (3)(a)(XXI) and (3)(c)(X) as follows:

18 **12-43.4-202. Powers and duties of state licensing authority -**
19 **rules.** (1) To ensure that ~~no~~ marijuana grown or processed by a retail
20 marijuana establishment is NOT sold or otherwise transferred except by a
21 retail marijuana store or as authorized by law, the state licensing authority
22 shall develop and maintain a seed-to-sale tracking system that tracks retail
23 marijuana from either seed or immature plant stage until the marijuana or

1 retail marijuana product is sold to a customer at a retail marijuana store
2 OR A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT;
3 except that retail marijuana or retail marijuana product is no longer
4 subject to the tracking system once the retail marijuana has been:

5 (3) (a) Rules promulgated pursuant to subsection (2)(b) of this
6 section must include, but need not be limited to, the following subjects:

7 (XIX) Nonescorted visitors in limited access areas; ~~and~~

8 (XX) The parameters and qualifications of an indirect beneficial
9 interest owner and a qualified limited passive investor; AND

10 (XXI) THE IMPLEMENTATION OF RETAIL MARIJUANA ACCESSORY
11 CONSUMPTION ESTABLISHMENT ENDORSEMENTS, INCLUDING A PURCHASE
12 LIMIT FOR A PATRON OF A RETAIL MARIJUANA ACCESSORY CONSUMPTION
13 ESTABLISHMENT THAT MUST BE AT LEAST THREE AND ONE-HALF GRAMS
14 OF RETAIL MARIJUANA OR ONE GRAM OF RETAIL MARIJUANA
15 CONCENTRATE OR RETAIL MARIJUANA PRODUCT CONTAINING NOT MORE
16 THAN TEN MILLIGRAMS OF ACTIVE THC.

17 (c) Rules promulgated pursuant to ~~paragraph (b) of subsection (2)~~
18 SUBSECTION (2)(b) of this section must also include the following
19 subjects, and the state licensing authority may seek the assistance of the
20 department of public health and environment when necessary before
21 promulgating the rules:

22 (VIII) Permission for a local fire department to conduct an annual
23 fire inspection of a retail marijuana cultivation facility; ~~and~~

24 (X) POINT-OF-SALE SAFE CONSUMPTION INFORMATION FOR RETAIL
25 MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENTS, AS REQUIRED BY
26 SECTION 12-43.4-402.5 (10)(a).

27 **SECTION 3.** In Colorado Revised Statutes, 12-43.4-402, **add**

1 (1)(f) as follows:

2 **12-43.4-402. Retail marijuana store license.** (1) (f) (I) ON AND
3 AFTER JANUARY 1, 2019, SUBJECT TO THE RECEIPT OF THE NECESSARY
4 ENDORSEMENT PURSUANT TO SECTION 12-43.4-402.5, A LICENSED RETAIL
5 MARIJUANA STORE MAY OPERATE A RETAIL MARIJUANA ACCESSORY
6 CONSUMPTION ESTABLISHMENT TO SELL RETAIL MARIJUANA, RETAIL
7 MARIJUANA CONCENTRATE, AND RETAIL MARIJUANA PRODUCTS FOR
8 ON-PREMISES CONSUMPTION, OTHER THAN SMOKING, **ON THE PREMISES OF**
9 THE ESTABLISHMENT.

10 (II) EACH LICENSED RETAIL MARIJUANA STORE MAY OPERATE
11 ONLY ONE RETAIL MARIJUANA ACCESSORY CONSUMPTION
12 **ESTABLISHMENT.**

13 (III) THE RETAIL MARIJUANA ACCESSORY CONSUMPTION
14 ESTABLISHMENT MUST BE PHYSICALLY SEPARATE FROM THE RETAIL
15 MARIJUANA STORE PREMISES AND MUST BE LOCATED IN THE SAME LOCAL
16 JURISDICTION AS THE RETAIL MARIJUANA STORE.

17 (IV) A RETAIL MARIJUANA STORE THAT HAS BEEN APPROVED FOR
18 A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT
19 ENDORSEMENT MAY SELL ITS RETAIL MARIJUANA, RETAIL MARIJUANA
20 CONCENTRATE, AND RETAIL MARIJUANA PRODUCTS TO ITS RETAIL
21 MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT, AND THE RETAIL
22 MARIJUANA STORE SHALL PACKAGE AND LABEL INDIVIDUALLY RETAIL
23 MARIJUANA, RETAIL MARIJUANA CONCENTRATE, AND RETAIL MARIJUANA
24 PRODUCT FOR SALE AT THE ESTABLISHMENT.


25 **SECTION 4.** In Colorado Revised Statutes, **add** 12-43.4-402.5
26 as follows:

27 **12-43.4-402.5. Retail marijuana accessory consumption**

1 **establishment endorsement - rules - definition.** (1) (a) IN A LOCAL
2 JURISDICTION THAT HAS AUTHORIZED THE ESTABLISHMENT OF RETAIL
3 MARIJUANA STORES, THE LOCAL JURISDICTION MAY AUTHORIZE THE
4 OPERATION OF RETAIL MARIJUANA ACCESSORY CONSUMPTION
5 ESTABLISHMENTS WITHIN ITS JURISDICTION THROUGH THE ENACTMENT OF
6 AN ORDINANCE OR THROUGH A REFERRED OR INITIATED MEASURE. IF A
7 COUNTY ACTS THROUGH AN INITIATED MEASURE, THE PROPONENTS SHALL
8 SUBMIT A PETITION SIGNED BY NOT LESS THAN FIFTEEN PERCENT OF THE
9 REGISTERED ELECTORS IN THE COUNTY.

10 (b) IF A MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY
11 AUTHORIZES THE OPERATION OF RETAIL MARIJUANA ACCESSORY
12 CONSUMPTION ESTABLISHMENTS, IT MAY ADOPT AN APPROVAL
13 REQUIREMENT THAT COMPLIES WITH THE REQUIREMENTS OF THIS ARTICLE
14 43.4. THE MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY MAY
15 REQUIRE ADDITIONAL OR MORE STRINGENT REQUIREMENTS THAN THOSE
16 PROVIDED IN THIS SECTION.

17 (2) ON AND AFTER JANUARY 1, 2019, THE STATE LICENSING
18 AUTHORITY MAY ISSUE A RETAIL MARIJUANA ACCESSORY CONSUMPTION
19 ESTABLISHMENT ENDORSEMENT ONLY TO A RETAIL MARIJUANA STORE
20 LICENSEE TO SELL FOR ON-PREMISES CONSUMPTION RETAIL MARIJUANA,
21 RETAIL CONCENTRATE, OR RETAIL MARIJUANA PRODUCTS FOR
22 ON-PREMISES CONSUMPTION.

23 
24 (3) (a) APPLICATIONS FOR AN ENDORSEMENT PURSUANT TO THIS
25 SECTION MUST BE MADE TO THE STATE LICENSING AUTHORITY ON FORMS
26 PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY AND
27 MUST SET FORTH SUCH INFORMATION AS THE STATE LICENSING AUTHORITY

1 MAY REQUIRE TO ENABLE THE STATE LICENSING AUTHORITY TO
2 DETERMINE WHETHER A STATE ENDORSEMENT SHOULD BE GRANTED. THE
3 INFORMATION MUST INCLUDE THE NAME AND ADDRESS OF THE APPLICANT,
4 THE ADDRESS OF THE LICENSED RETAIL MARIJUANA STORE AND THE
5 ENDORSED PREMISES, AND ANY OTHER INFORMATION REQUESTED BY THE
6 STATE LICENSING AUTHORITY. EACH APPLICATION MUST BE VERIFIED BY
7 THE OATH OR AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE
8 LICENSING AUTHORITY MAY PRESCRIBE. THE STATE ENDORSEMENT IS
9 CONDITIONED UPON LOCAL LICENSING AUTHORITY APPROVAL. AN
10 APPLICANT IS PROHIBITED FROM OPERATING A RETAIL MARIJUANA
11 ACCESSORY CONSUMPTION ESTABLISHMENT WITHOUT STATE AND LOCAL
12 LICENSING AUTHORITY APPROVAL. IF THE APPLICANT DOES NOT RECEIVE
13 LOCAL LICENSING AUTHORITY APPROVAL WITHIN ONE YEAR FROM THE
14 DATE OF STATE LICENSING AUTHORITY APPROVAL, THE STATE
15 ENDORSEMENT EXPIRES AND MAY NOT BE RENEWED. IF AN APPLICATION
16 IS DENIED BY THE LOCAL LICENSING AUTHORITY OR THE APPROVAL OF THE
17 LOCAL LICENSING AUTHORITY IS REVOKED, THE STATE LICENSING
18 AUTHORITY SHALL REVOKE THE STATE-ISSUED ENDORSEMENT.

19 (b) THE STATE LICENSING AUTHORITY SHALL DENY A STATE
20 ENDORSEMENT IF THE PREMISES ON WHICH THE APPLICANT PROPOSES TO
21 CONDUCT ITS BUSINESS DOES NOT MEET THE REQUIREMENTS OF THIS
22 ARTICLE 43.4 OR FOR REASONS SET FORTH IN SUBSECTION (3)(a) OF THIS
23 SECTION. THE STATE LICENSING AUTHORITY MAY REVOKE OR DENY AN
24 ENDORSEMENT RENEWAL OR REINSTATEMENT OR AN INITIAL
25 ENDORSEMENT FOR GOOD CAUSE. FOR PURPOSES OF THIS SUBSECTION
26 (3)(b), "GOOD CAUSE" MEANS:

27 (I) THE ENDORSED LICENSEE OR APPLICANT HAS VIOLATED, DOES

1 NOT MEET, OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS,
2 CONDITIONS, OR PROVISIONS OF THIS ARTICLE 43.4, ANY RULES
3 PROMULGATED PURSUANT TO THIS ARTICLE 43.4, OR ANY SUPPLEMENTAL
4 LOCAL LAW, RULES, OR REGULATIONS;

5 (II) THE ENDORSED LICENSEE OR APPLICANT HAS FAILED TO
6 COMPLY WITH ANY SPECIAL TERMS OR CONDITIONS THAT WERE PLACED ON
7 ITS ENDORSEMENT PURSUANT TO AN ORDER OF THE STATE OR LOCAL
8 LICENSING AUTHORITY; OR

9 (III) THE PREMISES HAVE BEEN OPERATED IN A MANNER THAT
10 ADVERSELY AFFECTS THE PUBLIC HEALTH OR THE SAFETY OF THE
11 IMMEDIATE NEIGHBORHOOD IN WHICH THE ESTABLISHMENT IS LOCATED.

12 (c) THE RETAIL MARIJUANA ACCESSORY CONSUMPTION
13 ESTABLISHMENT ENDORSEMENT IS VALID FOR ONE YEAR AND MAY BE
14 RENEWED ANNUALLY UPON THE RENEWAL OF THE RETAIL MARIJUANA
15 STORE LICENSE. THE STATE LICENSING AUTHORITY SHALL ESTABLISH BY
16 RULE THE AMOUNT OF THE APPLICATION FEE AND RENEWAL FEE FOR THE
17 ENDORSEMENT.

18 (d) THE STATE LICENSING AUTHORITY SHALL MAINTAIN A LIST OF
19 ALL RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENTS IN
20 THE STATE AND SHALL MAKE THE LIST AVAILABLE ON ITS WEBSITE.

21 (e) EXCEPT AS OTHERWISE SPECIFIED IN THIS ARTICLE 43.4, ALL
22 REQUIREMENTS OF THE RETAIL MARIJUANA STORE APPLY TO THE RETAIL
23 MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT.

24 (4) A RETAIL MARIJUANA ACCESSORY CONSUMPTION
25 ESTABLISHMENT IS SUBJECT TO THE "COLORADO CLEAN INDOOR AIR
26 ACT", PART 2 OF ARTICLE 14 OF TITLE 25.

27 (5) AN ENDORSED LICENSEE AND ITS EMPLOYEES SHALL NOT:

1 (a) PERMIT A PATRON TO BRING MEDICAL OR RETAIL MARIJUANA,
2 MEDICAL OR RETAIL MARIJUANA CONCENTRATE, A MEDICAL
3 MARIJUANA-INFUSED PRODUCT, OR A RETAIL MARIJUANA PRODUCT INTO
4 A RETAIL MARIJUANA ACCESSORY CONSUMPTION ESTABLISHMENT;

5 (b) SELL ALCOHOL, INCLUDING FERMENTED MALT BEVERAGES OR
6 MALT, VINOUS, OR SPIRITUOUS LIQUOR; SELL TOBACCO OR NICOTINE
7 PRODUCTS; OR ALLOW THE CONSUMPTION OF ALCOHOL OR TOBACCO OR
8 NICOTINE PRODUCTS ON PREMISES;

9 (c) OPERATE AS A RETAIL FOOD ESTABLISHMENT AS DEFINED IN
10 SECTION 25-4-1602 (14);

11 (d) ALLOW ON-DUTY EMPLOYEES OF THE ESTABLISHMENT TO
12 CONSUME ANY RETAIL MARIJUANA, RETAIL MARIJUANA CONCENTRATE, OR
13 RETAIL MARIJUANA PRODUCTS IN THE ESTABLISHMENT; OR

14 (e) ALLOW DISTRIBUTION OF FREE SAMPLES OF RETAIL MARIJUANA,
15 RETAIL MARIJUANA CONCENTRATE, OR RETAIL MARIJUANA PRODUCTS IN
16 THE ESTABLISHMENT.

17 (6) A RETAIL MARIJUANA ACCESSORY CONSUMPTION
18 ESTABLISHMENT AND ITS EMPLOYEES SHALL ADMIT INTO THE
19 ESTABLISHMENT ONLY PATRONS WHO ARE AT LEAST TWENTY-ONE YEARS
20 OF AGE.

21 (7) (a) A RETAIL MARIJUANA ACCESSORY CONSUMPTION
22 ESTABLISHMENT SHALL LIMIT A PATRON TO ONE TRANSACTION OF NO
23 MORE THAN THE PURCHASE LIMIT SET BY THE STATE LICENSING
24 AUTHORITY BY RULE PURSUANT TO SECTION 12-43.4-202 (3)(a)(XXI). A
25 PATRON MAY LEAVE THE ESTABLISHMENT WITH PRODUCT THAT HE OR SHE
26 DOES NOT CONSUME ONLY IF, PRIOR TO LEAVING THE PREMISES, THE
27 RETAIL MARIJUANA, RETAIL MARIJUANA CONCENTRATE, OR RETAIL

1 MARIJUANA PRODUCT IS PACKAGED PURSUANT TO THE REQUIREMENTS OF
2 SECTION 12-43.4-202 (3)(c)(III).

3 (b) WHEN A PATRON LEAVES A RETAIL MARIJUANA ACCESSORY
4 CONSUMPTION ESTABLISHMENT, THE ESTABLISHMENT SHALL DESTROY
5 ANY REMAINING UNCONSUMED RETAIL MARIJUANA, RETAIL MARIJUANA
6 CONCENTRATE, OR RETAIL MARIJUANA PRODUCTS THAT ARE NOT TAKEN
7 BY A PATRON PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION.

8 (8) (a) A RETAIL MARIJUANA ACCESSORY CONSUMPTION
9 ESTABLISHMENT AND ITS EMPLOYEES:

10 (I) SHALL OPERATE THE ESTABLISHMENT IN A DECENT, ORDERLY,
11 AND RESPECTABLE MANNER AND SHALL NOT SERVE ANY PATRON WHO
12 DISPLAYS ANY VISIBLE SIGNS OF INTOXICATION;

13 (II) MAY REMOVE AN INDIVIDUAL FROM THE ESTABLISHMENT FOR
14 ANY REASON, INCLUDING A PATRON WHO DISPLAYS ANY VISIBLE SIGNS OF
15 INTOXICATION;

16 (III) SHALL NOT KNOWINGLY PERMIT ANY ACTIVITY OR ACTS OF
17 DISORDERLY CONDUCT AS DEFINED BY AND PROVIDED FOR IN SECTION
18 18-9-106; AND

19 (IV) SHALL NOT PERMIT ROWDINESS, UNDUE NOISE, OR OTHER
20 DISTURBANCES OR ACTIVITY OFFENSIVE TO THE AVERAGE CITIZEN OR TO
21 THE RESIDENTS OF THE NEIGHBORHOOD IN WHICH THE LICENSED
22 ESTABLISHMENT IS LOCATED.

23 (b) A RETAIL MARIJUANA ACCESSORY CONSUMPTION
24 ESTABLISHMENT AND ITS EMPLOYEES SHALL NOT ALLOW THE USE OF A
25 BUTANE TORCH, A BUTANE LIGHTER, OR MATCHES IN THE ESTABLISHMENT.

26 (9) A RETAIL MARIJUANA ACCESSORY CONSUMPTION
27 ESTABLISHMENT AND ALL OF ITS EMPLOYEES WHO WORK AT THE

1 ENDORSED PREMISES SHALL SUCCESSFULLY COMPLETE AN ANNUAL
2 RESPONSIBLE VENDOR TRAINING PROGRAM AUTHORIZED PURSUANT TO
3 SECTION 12-43.3-1102.

4 (10) (a) A RETAIL MARIJUANA ACCESSORY CONSUMPTION
5 ESTABLISHMENT SHALL PROVIDE INFORMATION REGARDING THE SAFE
6 CONSUMPTION OF RETAIL MARIJUANA CONCENTRATE OR A RETAIL
7 MARIJUANA PRODUCT AT THE POINT OF SALE TO ALL PATRONS WHO
8 PURCHASE SUCH A PRODUCT. THE REQUIREMENTS FOR [REDACTED] SUCH
9 INFORMATION SHALL BE ESTABLISHED BY THE STATE LICENSING
10 AUTHORITY BY RULE AFTER APPROVAL BY THE MARIJUANA EDUCATION
11 OVERSIGHT COMMITTEE, ESTABLISHED PURSUANT TO SECTION 24-12-112
12 (4). THE CONTENT OF THE INFORMATION ON HEALTH AND SAFETY MUST BE
13 BASED ON THE RELEVANT RESEARCH FROM THE PANEL OF HEALTH CARE
14 PROFESSIONALS APPOINTED PURSUANT TO SECTION 25-1.5-110. [REDACTED]

15 (b) A LOCAL JURISDICTION MAY REQUIRE INFORMATION
16 REGARDING THE SAFE CONSUMPTION OF RETAIL MARIJUANA CONCENTRATE
17 OR A RETAIL MARIJUANA PRODUCT IN ADDITION TO THAT REQUIRED BY
18 SUBSECTION (10)(a) OF THIS SECTION.

19 (c) THE INFORMATION REQUIRED BY SUBSECTIONS (10)(a) AND
20 (10)(b) OF THIS SECTION MUST BE MAINTAINED ON THE ENDORSED
21 PREMISES FOR INSPECTION BY STATE AND LOCAL LICENSING AUTHORITIES
22 AND LAW ENFORCEMENT.

23 (11) THE WINDOWS AND DOORS OF A RETAIL ACCESSORY
24 CONSUMPTION ESTABLISHMENT MUST BE OPAQUE, AND THE
25 ESTABLISHMENT SHALL ENSURE THAT ANY RETAIL MARIJUANA, RETAIL
26 MARIJUANA CONCENTRATE, OR RETAIL MARIJUANA PRODUCT IS NOT
27 VISIBLE FROM OUTSIDE OF THE ESTABLISHMENT.

1 (12) IF AN EMERGENCY REQUIRES LAW ENFORCEMENT,
2 FIREFIGHTERS, EMERGENCY MEDICAL SERVICES PROVIDERS, OR OTHER
3 PUBLIC SAFETY PERSONNEL TO ENTER A RETAIL MARIJUANA ACCESSORY
4 CONSUMPTION ESTABLISHMENT, EMPLOYEES OF THE ESTABLISHMENT
5 SHALL CEASE ALL ON-SITE SALES AND PROHIBIT ON-SITE CONSUMPTION
6 UNTIL SUCH PERSONNEL HAVE COMPLETED THEIR INVESTIGATION OR
7 SERVICES AND HAVE LEFT THE PREMISES.

8 **SECTION 5.** In Colorado Revised Statutes, **amend 12-43.4-301**
9 **as follows:**

10 **12-43.4-301. Local approval - licensing.** (1) When the state
11 licensing authority receives an application for original licensing, ~~or~~
12 renewal of an existing license for any marijuana establishment, ~~OR~~
13 ENDORSEMENT FOR AN ESTABLISHMENT PURSUANT TO SECTION
14 12-43.4-402.5, the state licensing authority shall provide, within seven
15 days, a copy of the application to the local jurisdiction in which the
16 establishment is to be located unless the local jurisdiction has prohibited
17 the operation of retail marijuana establishments pursuant to section 16
18 (5)(f) of article XVIII of the state constitution. The local jurisdiction shall
19 determine whether the application complies with local restrictions on
20 time, place, manner, and the number of marijuana businesses. The local
21 jurisdiction shall inform the state licensing authority whether the
22 application complies with local restrictions on time, place, manner, and
23 the number of marijuana businesses.

24 (2) A local jurisdiction may impose a separate local licensing ~~OR~~
25 ENDORSEMENT requirement as a part of its restrictions on time, place,
26 manner, and the number of marijuana businesses. A local jurisdiction may
27 decline to impose any local licensing ~~OR ENDORSEMENT~~ requirements, but

1 a local jurisdiction shall notify the state licensing authority that it either
2 approves or denies each application forwarded to it.

3 (3) NOTHING IN THIS SECTION PRECLUDES A LOCAL JURISDICTION
4 FROM AUTHORIZING CONSUMPTION OF MARIJUANA AT A LOCATION THAT
5 DOES NOT SELL RETAIL MARIJUANA.

6 **SECTION 6.** In Colorado Revised Statutes, **amend** 12-43.4-302
7 as follows:

8 **12-43.4-302. Public hearing notice - posting and publication.**

9 (1) If a local jurisdiction issues local licenses for a retail marijuana
10 establishment OR ENDORSEMENTS FOR A RETAIL MARIJUANA ACCESSORY
11 CONSUMPTION ESTABLISHMENT, a local jurisdiction may schedule a public
12 hearing on the application. If the local jurisdiction schedules a hearing,
13 it shall post and publish public notice thereof not less than ten days prior
14 to the hearing. The local jurisdiction shall give public notice by posting
15 a sign in a conspicuous place on the license OR ENDORSEMENT applicant's
16 premises for which a local license OR ENDORSEMENT application has been
17 made and by publication in a newspaper of general circulation in the
18 county in which the applicant's premises are located.

19 (2) If a local jurisdiction does not issue local licenses OR
20 ENDORSEMENTS, the local jurisdiction may give public notice of the state
21 license OR ENDORSEMENT application by posting a sign in a conspicuous
22 place on the state license OR ENDORSEMENT applicant's premises for
23 which a state license OR ENDORSEMENT application has been made and by
24 publication in a newspaper of general circulation in the county in which
25 the applicant's premises are located.

26 **SECTION 7.** In Colorado Revised Statutes, 12-43.4-901, **amend**
27 (1) as follows:

1 **12-43.4-901. Unlawful acts - exceptions.** (1) Except as
2 otherwise provided in this ~~article~~ ARTICLE 43.4, it is unlawful for a person
3 to consume retail marijuana or retail marijuana products in a licensed
4 retail marijuana establishment, OTHER THAN A RETAIL MARIJUANA
5 ACCESSORY CONSUMPTION ESTABLISHMENT AUTHORIZED PURSUANT TO
6 SECTION 12-43.4-402.5, and it is unlawful for a retail marijuana licensee
7 to allow retail marijuana or retail marijuana products to be consumed
8 upon its licensed premises, OTHER THAN A RETAIL MARIJUANA ACCESSORY
9 CONSUMPTION ESTABLISHMENT.

10 **SECTION 8.** In Colorado Revised Statutes, 18-18-406, **add**
11 (5)(b)(IV) as follows:

12 **18-18-406. Offenses relating to marijuana and marijuana**
13 **concentrate - definitions.** (5) (b) (IV) EXCEPT AS DESCRIBED IN SECTION
14 12-43.4-402.5 (12), PUBLIC DISPLAY, CONSUMPTION, OR USE OF UP TO ONE
15 OUNCE OF MARIJUANA IN A [REDACTED] RETAIL MARIJUANA ACCESSORY
16 CONSUMPTION ESTABLISHMENT LICENSED PURSUANT TO SECTION [REDACTED]
17 12-43.4-402.5 IS NOT A VIOLATION OF THIS SUBSECTION (5)(b).

18 [REDACTED]
19 **SECTION 9. Appropriation.** (1) For the 2018-19 state fiscal
20 year, \$99,637 is appropriated to the department of revenue. This
21 appropriation is from the marijuana cash fund created in section
22 12-43.3-501 (1)(a), C.R.S. To implement this act, the department may use
23 this appropriation as follows:

24 (a) \$59,677 for tax administration IT system (GenTax) support;
25 **and**

26 (b) \$39,960 for the purchase of legal services.

27 (2) For the 2018-19 state fiscal year, \$39,960 is appropriated to

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

7 **SECTION 10. Act subject to petition - effective date.** This act
8 takes effect at 12:01 a.m. on the day following the expiration of the
9 ninety-day period after final adjournment of the general assembly (August
10 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
11 referendum petition is filed pursuant to section 1 (3) of article V of the
12 state constitution against this act or an item, section, or part of this act
13 within such period, then the act, item, section, or part will not take effect
14 unless approved by the people at the general election to be held in
15 November 2018 and, in such case, will take effect on the date of the
16 official declaration of the vote thereon by the governor.