

**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. 18-0777.01 Michael Dohr x4347

HOUSE BILL 18-1259

HOUSE SPONSORSHIP

Gray,

SENATE SPONSORSHIP

Marble,

House Committees

Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING PROVIDING MARIJUANA SAMPLES TO EMPLOYEES FOR**
102 **BUSINESS PURPOSES.**

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 permits a medical marijuana optional premises cultivation licensee, a medical marijuana-infused products manufacturing licensee, a retail marijuana cultivation facility licensee, and a retail marijuana products manufacturing licensee to provide samples to managers for quality control and product development purposes. The bill specifies limits on the amount that can be provided as a sample per batch. The bill

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.

prohibits the licensee from:

- ! Allowing the manager to consume the sample on site;
- ! Allowing the manager to exceed his or her personal possession limits;
- ! Providing or reselling the sample to another licensed employee, individual, or customer; and
- ! Using the sample as a means of compensating the manager.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-43.3-403, **add** (4)
3 as follows:

4 **12-43.3-403. Optional premises cultivation license - rules.**

5 (4) (a) AN OPTIONAL PREMISES CULTIVATION LICENSEE MAY PROVIDE A
6 MEDICAL MARIJUANA SAMPLE AND A MEDICAL MARIJUANA CONCENTRATE
7 SAMPLE TO MANAGERS EMPLOYED BY THE LICENSEE FOR PURPOSES OF
8 QUALITY CONTROL AND PRODUCT DEVELOPMENT.

9 (b) MANAGERS WHO RECEIVE A SAMPLE PURSUANT TO SUBSECTION
10 (4)(a) OF THIS SECTION MUST HAVE A VALID REGISTRY IDENTIFICATION
11 CARD ISSUED PURSUANT TO SECTION 25-1.5-106 (9).

12 (c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (4)(a) OF
13 THIS SECTION IS LIMITED TO ONE GRAM OF MEDICAL MARIJUANA PER
14 BATCH AS DEFINED IN RULES PROMULGATED BY THE STATE LICENSING
15 AUTHORITY, ■■■■ AND ONE-HALF GRAM OF A MEDICAL MARIJUANA
16 CONCENTRATE PER BATCH AS DEFINED IN RULES PROMULGATED BY THE
17 STATE LICENSING AUTHORITY. ■■■■

18 (d) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (4)(a) OF
19 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES
20 PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2)(a)(XIV) AND
21 (2)(a)(XIV.5).

22 (e) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (4)(a) OF THIS

1 SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING SYSTEM.
2 PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST BE
3 DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT OF
4 QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A MANAGER
5 RECEIVING A SAMPLE MUST MAKE A VOLUNTARY DECISION TO BE TRACKED
6 IN THE SEED-TO-SALE TRACKING SYSTEM AND IS NOT A CONSUMER
7 PURSUANT TO SECTION 16 (5)(c) OF ARTICLE XVIII OF THE STATE
8 CONSTITUTION. THE OPTIONAL PREMISES CULTIVATION LICENSEE SHALL
9 MAINTAIN DOCUMENTATION OF ALL SAMPLES AND SHALL MAKE THE
10 DOCUMENTATION AVAILABLE TO THE STATE LICENSING AUTHORITY.

11 (f) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO
12 SUBSECTION (4)(a) OF THIS SECTION, AN OPTIONAL PREMISES CULTIVATION
13 LICENSEE SHALL PROVIDE A STANDARD OPERATING PROCEDURE TO THE
14 MANAGER EXPLAINING REQUIREMENTS PURSUANT TO THIS SECTION AND
15 PERSONAL POSSESSION LIMITS PURSUANT TO SECTION 18-18-406.

16 (g) A MANAGER MAY NOT:

17 (I) RECEIVE MORE THAN ONE OUNCE TOTAL OF MEDICAL
18 MARIJUANA SAMPLES OR FIFTEEN GRAMS OF MEDICAL MARIJUANA
19 CONCENTRATE SAMPLES PER CALENDAR MONTH; OR

20 (II) PROVIDE TO OR RESELL THE SAMPLE TO ANOTHER LICENSED
21 EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL.

22 (h) AN OPTIONAL PREMISES CULTIVATION LICENSEE SHALL NOT:

23 (I) ALLOW A MANAGER TO CONSUME THE SAMPLE ON THE
24 LICENSED PREMISES; OR

25 (II) USE THE SAMPLE AS A MEANS OF COMPENSATION TO A
26 MANAGER.

27 (i) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL

1 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL
2 REPORTING REQUIRED FOR IMPLEMENTATION.

3 SECTION 2. In Colorado Revised Statutes, 12-43.3-404, add
4 (12) as follows:

5 12-43.3-404. Medical marijuana-infused products
6 manufacturing license - rules. (12)(a) A MEDICAL MARIJUANA-INFUSED
7 PRODUCTS MANUFACTURING LICENSEE MAY PROVIDE A MEDICAL
8 MARIJUANA CONCENTRATE AND A MEDICAL MARIJUANA-INFUSED PRODUCT
9 SAMPLE TO MANAGERS EMPLOYED BY THE LICENSEE FOR PURPOSES OF
10 QUALITY CONTROL AND PRODUCT DEVELOPMENT.

11 (b) MANAGERS WHO RECEIVE A SAMPLE PURSUANT TO SUBSECTION
12 (12)(a) OF THIS SECTION MUST HAVE A VALID REGISTRY IDENTIFICATION
13 CARD ISSUED PURSUANT TO SECTION 25-1.5-106 (9).

14 (c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (12)(a) OF
15 THIS SECTION IS LIMITED TO ONE-HALF GRAM OF MEDICAL MARIJUANA
16 CONCENTRATE PER BATCH AS DEFINED IN RULES PROMULGATED BY THE
17 STATE LICENSING AUTHORITY, AND ONE SERVING SIZE OF EDIBLE
18 MEDICAL MARIJUANA-INFUSED PRODUCT AND ITS APPLICABLE EQUIVALENT
19 SERVING SIZE OF NONEDIBLE MEDICAL MARIJUANA-INFUSED PRODUCT PER
20 BATCH AS DEFINED IN RULES PROMULGATED BY THE STATE LICENSING
21 AUTHORITY.

22 (d) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (12)(a) OF
23 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES
24 PROMULGATED PURSUANT TO SECTION 12-43.3-202 (2)(a)(XIV) AND
25 (2)(a)(XIV.5).

26 (e) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (12)(a) OF THIS
27 SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING SYSTEM.

1 PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST BE
2 DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT OF
3 QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A MANAGER
4 RECEIVING A SAMPLE MUST MAKE A VOLUNTARY DECISION TO BE TRACKED
5 IN THE SEED-TO-SALE TRACKING SYSTEM AND IS NOT A CONSUMER
6 PURSUANT TO SECTION 16 (5)(c) OF ARTICLE XVIII OF THE STATE
7 CONSTITUTION. THE MEDICAL MARIJUANA-INFUSED PRODUCTS
8 MANUFACTURING LICENSEE SHALL MAINTAIN DOCUMENTATION OF ALL
9 SAMPLES AND SHALL MAKE THE DOCUMENTATION AVAILABLE TO THE
10 STATE LICENSING AUTHORITY.

11 (f) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO
12 SUBSECTION (12)(a) OF THIS SECTION, A MEDICAL MARIJUANA-INFUSED
13 PRODUCTS MANUFACTURING LICENSEE SHALL PROVIDE A STANDARD
14 OPERATING PROCEDURE TO THE MANAGER EXPLAINING REQUIREMENTS
15 PURSUANT TO THIS SECTION AND PERSONAL POSSESSION LIMITS PURSUANT
16 TO SECTION 18-18-406.

17 (g) A MANAGER MAY NOT:

18 (I) RECEIVE MORE THAN A TOTAL OF FIFTEEN GRAMS OF MEDICAL
19 MARIJUANA CONCENTRATE OR FOURTEEN INDIVIDUAL SERVING-SIZE
20 EDIBLES OR ITS APPLICABLE EQUIVALENT IN NONEDIBLE MEDICAL
21 MARIJUANA-INFUSED PRODUCTS PER CALENDAR MONTH; OR

22 (II) PROVIDE TO OR RESELL THE SAMPLE TO ANOTHER LICENSED
23 EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL.

24 (h) A MEDICAL MARIJUANA-INFUSED PRODUCTS MANUFACTURING
25 LICENSEE SHALL NOT:

26 (I) ALLOW A MANAGER TO CONSUME THE SAMPLE ON THE
27 LICENSED PREMISES; OR

1 (II) USE THE SAMPLE AS A MEANS OF COMPENSATION TO A
2 MANAGER.

3 (i) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL
4 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL
5 REPORTING REQUIRED FOR IMPLEMENTATION.

6 **SECTION 3.** In Colorado Revised Statutes, 12-43.4-403, **add** (7)
7 as follows:

8 **12-43.4-403. Retail marijuana cultivation facility license -**
9 **rules.** (7)(a) A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE MAY
10 PROVIDE A RETAIL MARIJUANA SAMPLE AND A RETAIL MARIJUANA
11 CONCENTRATE SAMPLE TO MANAGERS EMPLOYED BY THE LICENSEE FOR
12 PURPOSES OF QUALITY CONTROL AND PRODUCT DEVELOPMENT.

13 (b) AN EXCISE TAX SHALL BE LEVIED AND COLLECTED ON THE
14 SAMPLE OF UNPROCESSED RETAIL MARIJUANA BY A RETAIL MARIJUANA
15 CULTIVATION FACILITY. THE EXCISE TAX MUST BE CALCULATED BASED ON
16 THE AVERAGE MARKET RATE OF THE UNPROCESSED RETAIL MARIJUANA.

17 (c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (7)(a) OF
18 THIS SECTION IS LIMITED TO ONE GRAM OF RETAIL MARIJUANA PER BATCH
19 AS DEFINED IN RULES PROMULGATED BY THE STATE LICENSING
20 AUTHORITY, [REDACTED] AND ONE-HALF GRAM OF A RETAIL MARIJUANA
21 CONCENTRATE PER BATCH AS DEFINED IN RULES PROMULGATED BY THE
22 STATE LICENSING AUTHORITY. [REDACTED]

23 (d) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (7)(a) OF
24 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES
25 PROMULGATED PURSUANT TO SECTION 12-43.4-202 (3)(a)(VII) AND
26 (3)(c)(III).

27 (e) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (7)(a) OF THIS

1 SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING SYSTEM.
2 PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST BE
3 DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT OF
4 QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A MANAGER
5 RECEIVING A SAMPLE MUST MAKE A VOLUNTARY DECISION TO BE TRACKED
6 IN THE SEED-TO-SALE TRACKING SYSTEM AND IS NOT A CONSUMER
7 PURSUANT TO SECTION 16 (5)(c) OF ARTICLE XVIII OF THE STATE
8 CONSTITUTION. THE RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE
9 SHALL MAINTAIN DOCUMENTATION OF ALL SAMPLES AND SHALL MAKE THE
10 DOCUMENTATION AVAILABLE TO THE STATE LICENSING AUTHORITY.

11 (f) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO
12 SUBSECTION (7)(a) OF THIS SECTION, A RETAIL MARIJUANA CULTIVATION
13 FACILITY LICENSEE SHALL PROVIDE A STANDARD OPERATING PROCEDURE
14 TO THE MANAGER EXPLAINING REQUIREMENTS PURSUANT TO THIS SECTION
15 AND PERSONAL POSSESSION LIMITS PURSUANT TO SECTION 18-18-406.

16 (g) A MANAGER MAY NOT:

17 (I) RECEIVE MORE THAN ONE OUNCE TOTAL OF RETAIL MARIJUANA
18 OR EIGHT GRAMS OF RETAIL MARIJUANA CONCENTRATE SAMPLES PER
19 CALENDAR MONTH; OR

20 (II) PROVIDE TO OR RESELL THE SAMPLE TO ANOTHER LICENSED
21 EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL.

22 (h) A RETAIL MARIJUANA CULTIVATION FACILITY LICENSEE SHALL
23 NOT:

24 (I) ALLOW A MANAGER TO CONSUME THE SAMPLE ON THE
25 LICENSED PREMISES; OR

26 (II) USE THE SAMPLE AS A MEANS OF COMPENSATION TO A
27 MANAGER.

1 (i) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL
2 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL
3 REPORTING REQUIRED FOR IMPLEMENTATION.

4 **SECTION 4.** In Colorado Revised Statutes, 12-43.4-404, **add**
5 (10) as follows:

6 **12-43.4-404. Retail marijuana products manufacturing license**
7 **- rules.** (10) (a) A RETAIL MARIJUANA PRODUCTS MANUFACTURING
8 LICENSEE MAY PROVIDE A RETAIL MARIJUANA PRODUCT SAMPLE AND A
9 RETAIL MARIJUANA CONCENTRATE SAMPLE TO MANAGERS EMPLOYED BY
10 THE LICENSEE FOR PURPOSES OF QUALITY CONTROL AND PRODUCT
11 DEVELOPMENT.

12 (b) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (10)(a) OF
13 THIS SECTION IS LIMITED TO ONE-HALF GRAM OF RETAIL MARIJUANA
14 CONCENTRATE PER BATCH AS DEFINED IN RULES PROMULGATED BY THE
15 STATE LICENSING AUTHORITY, AND ONE SERVING SIZE OF AN EDIBLE
16 RETAIL MARIJUANA PRODUCT NOT EXCEEDING TEN MILLIGRAMS OF THC
17 AND ITS APPLICABLE EQUIVALENT SERVING SIZE OF NONEDIBLE RETAIL
18 MARIJUANA PRODUCT PER BATCH AS DEFINED IN RULES PROMULGATED BY
19 THE STATE LICENSING AUTHORITY.

20 (c) A SAMPLE AUTHORIZED PURSUANT TO SUBSECTION (10)(a) OF
21 THIS SECTION MUST BE LABELED AND PACKAGED PURSUANT TO THE RULES
22 PROMULGATED PURSUANT TO SECTION 12-43.4-202 (3)(a)(VII) AND
23 (3)(c)(III).

24 (d) A SAMPLE PROVIDED PURSUANT TO SUBSECTION (10)(a) OF
25 THIS SECTION MUST BE TRACKED WITH THE SEED-TO-SALE TRACKING
26 SYSTEM. PRIOR TO A MANAGER RECEIVING A SAMPLE, A MANAGER MUST
27 BE DESIGNATED IN THE SEED-TO-SALE TRACKING SYSTEM AS A RECIPIENT

1 OF QUALITY CONTROL AND PRODUCT DEVELOPMENT SAMPLES. A
2 MANAGER RECEIVING A SAMPLE MUST MAKE A VOLUNTARY DECISION TO
3 BE TRACKED IN THE SEED-TO-SALE TRACKING SYSTEM AND IS NOT A
4 CONSUMER PURSUANT TO SECTION 16 (5)(c) OF ARTICLE XVIII OF THE
5 STATE CONSTITUTION. THE RETAIL MARIJUANA PRODUCTS
6 MANUFACTURING LICENSEE SHALL MAINTAIN DOCUMENTATION OF ALL
7 SAMPLES AND SHALL MAKE THE DOCUMENTATION AVAILABLE TO THE
8 STATE LICENSING AUTHORITY.

9 (e) PRIOR TO A MANAGER RECEIVING A SAMPLE PURSUANT TO
10 SUBSECTION (10)(a) OF THIS SECTION, A RETAIL MARIJUANA PRODUCTS
11 MANUFACTURING LICENSEE SHALL PROVIDE A STANDARD OPERATING
12 PROCEDURE TO THE MANAGER EXPLAINING REQUIREMENTS PURSUANT TO
13 THIS SECTION AND PERSONAL POSSESSION LIMITS PURSUANT TO SECTION
14 18-18-406.

15 (f) A MANAGER MAY NOT:

16 (I) RECEIVE MORE THAN A TOTAL OF EIGHT GRAMS OF RETAIL
17 MARIJUANA CONCENTRATE OR FOURTEEN INDIVIDUAL SERVING-SIZE
18 EDIBLES OR ITS APPLICABLE EQUIVALENT IN NONEDIBLE RETAIL
19 MARIJUANA PRODUCTS PER CALENDAR MONTH; OR

20 (II) PROVIDE TO OR RESELL THE SAMPLE TO ANOTHER LICENSED
21 EMPLOYEE, A CUSTOMER, OR ANY OTHER INDIVIDUAL.

22 (g) A RETAIL MARIJUANA PRODUCTS MANUFACTURING LICENSEE
23 SHALL NOT:

24 (I) ALLOW A MANAGER TO CONSUME THE SAMPLE ON THE
25 LICENSED PREMISES; OR

26 (II) USE THE SAMPLE AS A MEANS OF COMPENSATION TO A
27 MANAGER.

1 (h) THE STATE LICENSING AUTHORITY MAY ESTABLISH ADDITIONAL
2 INVENTORY TRACKING AND RECORD KEEPING, INCLUDING ADDITIONAL
3 REPORTING REQUIRED FOR IMPLEMENTATION.

4 **SECTION 5. Act subject to petition - effective date.** This act
5 takes effect at 12:01 a.m. on the day following the expiration of the
6 ninety-day period after final adjournment of the general assembly (August
7 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
8 referendum petition is filed pursuant to section 1 (3) of article V of the
9 state constitution against this act or an item, section, or part of this act
10 within such period, then the act, item, section, or part will not take effect
11 unless approved by the people at the general election to be held in
12 November 2018 and, in such case, will take effect on the date of the
13 official declaration of the vote thereon by the governor.