First Regular Session Seventy-second General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 19-0954.01 Jerry Barry x4341

HOUSE BILL 19-1230

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A BILL FOR AN ACT

101 CONCERNING MARIJUANA HOSPITALITY ESTABLISHMENTS.

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.)

If approval is received by both the state and local licensing authorities, the bill authorizes legal cannabis hospitality spaces in which legal cannabis may be consumed on site and retail cannabis hospitality and sales establishments in which retail marijuana, retail marijuana concentrate, and retail marijuana products may be sold and consumed on site in the establishment's hospitality space.

The bill establishes requirements and prohibitions for the new hospitality spaces and requires the state licensing authority to promulgate

rules governing the new hospitality licenses and spaces.

The bill makes the hospitality spaces an exception to the "Colorado Clean Air Act" and makes conforming amendments.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, 44-12-103, amend
3	(24); and add (13.5) and (21.4) as follows:
4	44-12-103. Definitions. As used in this article 12, unless the
5	context otherwise requires:
6	(13.5) "MARIJUANA HOSPITALITY ESTABLISHMENT" MEANS A
7	FACILITY, WHICH MAY BE MOBILE, LICENSED TO PERMIT THE CONSUMPTION
8	OF MARIJUANA PURSUANT TO THIS ARTICLE 12; RULES PROMULGATED
9	PURSUANT TO THIS ARTICLE 12; AND THE PROVISIONS OF AN ENACTED,
10	INITIATED, OR REFERRED ORDINANCE OR RESOLUTION OF THE LOCAL
11	JURISDICTION IN WHICH THE LICENSEE OPERATES.
12	(21.4) "RETAIL MARIJUANA HOSPITALITY AND SALES
13	ESTABLISHMENT" MEANS A FACILITY, WHICH CANNOT BE MOBILE,
14	LICENSED TO PERMIT THE CONSUMPTION OF ONLY THE RETAIL MARIJUANA
15	OR RETAIL MARIJUANA PRODUCTS IT HAS SOLD PURSUANT TO THE
16	PROVISIONS OF AN ENACTED, INITIATED, OR REFERRED ORDINANCE OR
17	RESOLUTION OF THE LOCAL JURISDICTION IN WHICH THE LICENSEE
18	OPERATES.
19	(24) "Retail marijuana establishment" means a retail marijuana
20	store, a retail marijuana cultivation facility, a retail marijuana products
21	manufacturer, A MARIJUANA HOSPITALITY ESTABLISHMENT, A RETAIL
22	MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT, or a retail
23	marijuana testing facility.
24	SECTION 2. In Colorado Revised Statutes, 44-12-202, amend

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1 (1) introductory portion and (2)(a); and **add** (3)(a)(XXV) and (3)(a)(XXVI) as follows:

44-12-202. Powers and duties of state licensing authority rules. (1) To ensure that no marijuana grown or processed by a retail marijuana establishment is sold or otherwise transferred except by a retail marijuana store, A RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT, or as authorized by law, the state licensing authority shall develop and maintain a seed-to-sale tracking system that tracks retail marijuana from either seed or immature plant stage until the marijuana or retail marijuana product is sold to a customer at a retail marijuana store OR TO A PATRON AT A RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT; except that retail marijuana or retail marijuana product is PRODUCTS ARE no longer subject to the tracking system once the retail marijuana has been:

- (2) The state licensing authority has the authority to:
- (a) Grant or refuse state licenses for the cultivation, manufacture, distribution, sale, HOSPITALITY, and testing of retail marijuana and retail marijuana products as provided by law; suspend, fine, restrict, or revoke such licenses, whether active, expired, or surrendered, upon a violation of this article 12 or any rule promulgated pursuant to this article 12; and impose any penalty authorized by this article 12 or any rule promulgated pursuant to this article 12. The state licensing authority may take any action with respect to a registration pursuant to this article 12 as it may with respect to a license pursuant to this article 12, in accordance with the procedures established pursuant to this article 12.
- (3) (a) Rules promulgated pursuant to subsection (2)(b) of this section must include, but need not be limited to, the following subjects:

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1	(XXV) THE IMPLEMENTATION OF MARIJUANA HOSPITALITY AND
2	RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT LICENSES,
3	INCLUDING BUT NOT LIMITED TO:
4	(A) GENERAL INSURANCE LIABILITY REQUIREMENTS;
5	(B) A SALES LIMIT PER TRANSACTION FOR RETAIL MARIJUANA AND
6	RETAIL MARIJUANA PRODUCTS THAT MAY BE SOLD TO A PATRON OF A
7	RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT; EXCEPT
8	THAT THE SALES LIMIT ESTABLISHED BY THE STATE LICENSING AUTHORITY
9	MUST NOT BE AN AMOUNT LESS THAN ONE GRAM OF RETAIL MARIJUANA
10	FLOWER, ONE-QUARTER OF ONE GRAM OF RETAIL MARIJUANA
11	CONCENTRATE, OR A RETAIL MARIJUANA PRODUCT CONTAINING NOT MORE
12	THAN TEN MILLIGRAMS OF ACTIVE THC;
13	(C) RESTRICTIONS ON THE TYPE OF ANY RETAIL MARIJUANA OR
14	RETAIL MARIJUANA PRODUCT AUTHORIZED TO BE SOLD INCLUDING THAT
15	THE MARIJUANA OR PRODUCT BE MEANT FOR CONSUMPTION IN THE
16	LICENSED PREMISES OF THE ESTABLISHMENT;
17	(D) PROHIBITIONS ON ACTIVITY THAT WOULD REQUIRE
18	ADDITIONAL LICENSURE ON THE LICENSED PREMISES, INCLUDING BUT NOT
19	LIMITED TO SALES, MANUFACTURING, OR CULTIVATION ACTIVITY;
20	(E) REQUIREMENTS FOR MARIJUANA HOSPITALITY
21	ESTABLISHMENTS AND RETAIL MARIJUANA HOSPITALITY AND SALES
22	ESTABLISHMENTS OPERATING PURSUANT TO SECTION 44-12-408 OR
23	44-12-409 IN A RETAIL FOOD ESTABLISHMENT;
24	(F) REQUIREMENTS FOR MARIJUANA HOSPITALITY
25	ESTABLISHMENTS AND RETAIL MARIJUANA HOSPITALITY AND SALES
26	ESTABLISHMENT LICENSEES TO DESTROY ANY UNCONSUMED MARIJUANA
27	OR MARIJUANA PRODUCTS LEFT BEHIND BY A PATRON; AND

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1	(G) RULES TO ENSURE COMPLIANCE WITH SECTION 42-4-1305.5;
2	(XXVI) FOR MARIJUANA HOSPITALITY ESTABLISHMENTS THAT ARE
3	MOBILE, REGULATIONS INCLUDING BUT NOT LIMITED TO:
4	(A) REGISTRATION OF VEHICLES AND PROPER DESIGNATION OF
5	VEHICLES USED AS MOBILE LICENSED PREMISES;
6	(B) SURVEILLANCE CAMERAS INSIDE THE VEHICLES;
7	(C) GLOBAL POSITIONING SYSTEM TRACKING AND ROUTE LOGGING
8	IN AN ESTABLISHED ROUTE MANIFEST SYSTEM;
9	(D) COMPLIANCE WITH SECTION 42-4-1305.5;
10	(E) ENSURING ACTIVITY IS NOT VISIBLE OUTSIDE OF THE VEHICLE;
11	AND
12	(F) PROPER VENTILATION WITHIN THE VEHICLE.
13	SECTION 3. In Colorado Revised Statutes, 44-12-401, amend
14	(1)(f); and add $(1)(h)$ and $(1)(i)$ as follows:
15	44-12-401. Classes of licenses. (1) For the purpose of regulating
16	the cultivation, manufacture, distribution, sale, and testing of retail
17	marijuana and retail marijuana products, the state licensing authority in
18	its discretion, upon receipt of an application in the prescribed form, may
19	issue and grant to the applicant a license from any of the following
20	classes, subject to the provisions and restrictions provided by this article
21	12:
22	(f) Retail marijuana transporter license; and
23	(h) MARIJUANA HOSPITALITY ESTABLISHMENT LICENSE; AND
24	(i) RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT
25	LICENSE.
26	SECTION 4. In Colorado Revised Statutes, 44-12-402, add
27	(2)(c) as follows:

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1	44-12-402. Retail marijuana store license - definition. (2) (c) A
2	RETAIL MARIJUANA STORE MAY SELL RETAIL MARIJUANA AND RETAIL
3	MARIJUANA PRODUCTS TO A RETAIL MARIJUANA HOSPITALITY AND SALES
4	ESTABLISHMENT LICENSEE.
5	SECTION 5. In Colorado Revised Statutes, 44-12-403, amend
6	(1) as follows:
7	44-12-403. Retail marijuana cultivation facility license - rules
8	- definitions. (1) A retail marijuana cultivation facility license may be
9	issued only to a person who cultivates retail marijuana for sale and
10	distribution to licensed retail marijuana stores, retail marijuana products
11	manufacturing licensees, RETAIL MARIJUANA HOSPITALITY AND SALES
12	ESTABLISHMENT LICENSEES, or other retail marijuana cultivation facilities.
13	SECTION 6. In Colorado Revised Statutes, 44-12-404, add
14	(1)(e) as follows:
15	44-12-404. Retail marijuana products manufacturing license
16	- rules - definitions. (1) (e) A RETAIL MARIJUANA PRODUCTS
17	MANUFACTURER MAY SELL RETAIL MARIJUANA AND RETAIL MARIJUANA
18	PRODUCTS TO A RETAIL MARIJUANA HOSPITALITY AND SALES
19	ESTABLISHMENT.
20	SECTION 7. In Colorado Revised Statutes, add 44-12-408 and
21	44-12-409 as follows:
22	44-12-408. Marijuana hospitality establishment license - rules
23	- definition. (1) (a) On and after January 1, 2020, the state
24	LICENSING AUTHORITY MAY ISSUE A MARIJUANA HOSPITALITY
25	ESTABLISHMENT LICENSE AUTHORIZING THE LICENSEE TO OPERATE A
26	LICENSED PREMISES IN WHICH MARIJUANA MAY BE CONSUMED PURSUANT
27	TO THIS ADTICLE 12 DITLES DROMLIL GATED DID SHANT TO THIS ADTICLE 12

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1	AND THE PROVISIONS OF THE ORDINANCE OR RESOLUTION OF THE LOCAL
2	JURISDICTION IN WHICH THE LICENSEE OPERATES.
3	(b) Subject to provisions of this article 12 and the
4	ORDINANCE OR RESOLUTION OF THE LOCAL JURISDICTION IN WHICH THE
5	LICENSEE OPERATES, A RETAIL FOOD ESTABLISHMENT AS DEFINED IN
6	SECTION 25-4-1602 (14), MAY APPLY FOR A LICENSE TO OPERATE A
7	MARIJUANA HOSPITALITY ESTABLISHMENT IN AN ISOLATED PORTION OF
8	THE PREMISES OF THE RETAIL FOOD ESTABLISHMENT. A RETAIL FOOD
9	ESTABLISHMENT OPERATING A MARIJUANA HOSPITALITY ESTABLISHMENT
10	PURSUANT TO THIS SUBSECTION (1)(b) IS SUBJECT TO THE TERMS AND
11	CONDITIONS OF ARTICLE 4 OF TITLE 25 AND THE RULES PROMULGATED
12	PURSUANT TO THAT ARTICLE INCLUDING BUT NOT LIMITED TO LICENSURE
13	REQUIREMENTS AND INSPECTION AND ENFORCEMENT AUTHORITY OF THE
14	COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT. THIS
15	SUBSECTION (1)(b) DOES NOT AUTHORIZE THE MARIJUANA HOSPITALITY
16	ESTABLISHMENT TO ENGAGE IN THE MANUFACTURE OF MEDICAL
17	MARIJUANA-INFUSED PRODUCTS OR RETAIL MARIJUANA PRODUCTS OR TO
18	ADD MARIJUANA TO FOODS PRODUCED OR PROVIDED AT THE RETAIL FOOD
19	ESTABLISHMENT.
20	(2) (a) A LOCAL JURISDICTION MAY AUTHORIZE THE OPERATION OF
21	MARIJUANA HOSPITALITY ESTABLISHMENTS WITHIN ITS JURISDICTION
22	THROUGH THE ENACTMENT OF AN ORDINANCE OR THROUGH A REFERRED
23	OR INITIATED MEASURE. IF A COUNTY OR CITY AND COUNTY ACTS
24	THROUGH AN INITIATED MEASURE, THE PROPONENTS SHALL SUBMIT A
25	PETITION SIGNED BY NOT LESS THAN FIFTEEN PERCENT OF THE REGISTERED
26	ELECTORS IN THE COUNTY OR CITY AND COUNTY.
27	(b) If a municipality, county, city, or city and county

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1	AUTHORIZES THE OPERATION OF MARIJUANA HOSPITALITY
2	ESTABLISHMENTS, IT MAY ADOPT AN APPROVAL REQUIREMENT THAT
3	COMPLIES WITH THE REQUIREMENTS OF THIS ARTICLE 12. THE
4	MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY MAY REQUIRE
5	ADDITIONAL OR MORE STRINGENT REQUIREMENTS THAN THOSE PROVIDED
6	IN THIS SECTION.
7	(c) IF A MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY HAS
8	IN EFFECT AS OF THE EFFECTIVE DATE OF THIS SECTION AN ORDINANCE OR
9	RESOLUTION RELATED TO CONSUMPTION OF MARIJUANA, NOTHING IN THIS
10	SECTION RESTRICTS THE ENFORCEMENT OF THAT ORDINANCE OR
11	RESOLUTION, AND THE LOCAL JURISDICTION MAY, BY ORDINANCE OR
12	RESOLUTION, REQUIRE A BUSINESS OPERATING AS A PLACE FOR ON-SITE
13	MARIJUANA CONSUMPTION TO BE LICENSED PURSUANT TO THIS SECTION.
14	(3) (a) (I) APPLICATIONS FOR A LICENSE PURSUANT TO THIS
15	SECTION MUST BE MADE TO THE STATE LICENSING AUTHORITY ON FORMS
16	PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY AND
17	MUST SET FORTH SUCH INFORMATION AS THE STATE LICENSING AUTHORITY
18	MAY REQUIRE TO ENABLE THE STATE LICENSING AUTHORITY TO
19	DETERMINE WHETHER A STATE LICENSE SHOULD BE GRANTED. THE
20	INFORMATION MUST INCLUDE THE NAME AND ADDRESS OF THE APPLICANT
21	AND ANY OTHER INFORMATION REQUESTED BY THE STATE LICENSING
22	AUTHORITY. EACH APPLICATION MUST BE VERIFIED BY THE OATH OR
23	AFFIRMATION OF SUCH PERSON OR PERSONS AS THE STATE LICENSING
24	AUTHORITY MAY PRESCRIBE. THE STATE LICENSE IS CONDITIONED UPON
25	LOCAL LICENSING AUTHORITY APPROVAL.
26	(II) AN APPLICANT IS PROHIBITED FROM OPERATING A MARIJUANA
2.7	HOSPITALITY ESTABLISHMENT WITHOUT STATE AND LOCAL LICENSING

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1	AUTHORITY APPROVAL, EXCEPT THAT A BUSINESS OPERATING A LOCATION
2	BEFORE DECEMBER 31, 2019, AT WHICH THE CONSUMPTION OF MARIJUANA
3	IS PERMITTED PURSUANT TO A LOCAL ORDINANCE OR RESOLUTION, MAY
4	CONTINUE TO OPERATE UNTIL A STATE LICENSE IS APPROVED OR DENIED
5	IF THE BUSINESS APPLIES FOR A LICENSE UNDER THIS SECTION ON OR
6	BEFORE DECEMBER 31, 2019. BEGINNING JANUARY 1, 2020, ANY SUCH
7	BUSINESS THAT HAS NOT APPLIED FOR A STATE LICENSE SHALL CEASE
8	OPERATION.
9	(III) IF A MARIJUANA HOSPITALITY LICENSE IS DENIED BY THE
10	STATE, THE BUSINESS SHALL IMMEDIATELY CEASE OPERATIONS FOR WHICH
11	A MARIJUANA HOSPITALITY LICENSE IS REQUIRED PURSUANT TO THIS
12	ARTICLE 12. IF THE APPLICANT DOES NOT RECEIVE LOCAL LICENSING
13	AUTHORITY APPROVAL WITHIN ONE YEAR AFTER THE DATE OF STATE
14	LICENSING AUTHORITY APPROVAL, THE STATE LICENSE EXPIRES AND MAY
15	NOT BE RENEWED. IF AN APPLICATION IS DENIED BY THE LOCAL LICENSING
16	AUTHORITY OR THE APPROVAL OF THE LOCAL LICENSING AUTHORITY IS
17	REVOKED, THE STATE LICENSING AUTHORITY SHALL REVOKE THE
18	STATE-ISSUED LICENSE.
19	(b) The state licensing authority shall deny a state
20	LICENSE FOR THE REASONS SET FORTH IN SUBSECTION (3)(a) OF THIS
21	SECTION IF THE LICENSED PREMISES IN WHICH THE APPLICANT PROPOSES
22	TO CONDUCT ITS BUSINESS DOES NOT MEET THE REQUIREMENTS OF THIS
23	ARTICLE 12. THE STATE LICENSING AUTHORITY MAY DENY A LICENSE
24	RENEWAL OR REINSTATEMENT OR AN INITIAL ENDORSEMENT FOR GOOD
25	CAUSE. FOR PURPOSES OF THIS SUBSECTION (3)(b), "GOOD CAUSE" MEANS:
26	(I) THE LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET,
27	OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OR

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1	PROVISIONS OF THIS ARTICLE 12; ANY RULES PROMULGATED PURSUANT TO
2	THIS ARTICLE 12; OR ANY SUPPLEMENTAL LOCAL LAW, RULES, OR
3	REGULATIONS;
4	(II) THE LICENSEE OR APPLICANT HAS FAILED TO COMPLY WITH
5	ANY SPECIAL TERMS OR CONDITIONS THAT WERE PLACED ON ITS LICENSE
6	PURSUANT TO AN ORDER OF THE STATE OR LOCAL LICENSING AUTHORITY
7	OR
8	(III) THE LICENSED PREMISES HAS BEEN OPERATED IN A MANNER
9	THAT ADVERSELY AFFECTS THE PUBLIC HEALTH OR THE SAFETY OF THE
10	IMMEDIATE NEIGHBORHOOD IN WHICH THE ESTABLISHMENT IS LOCATED
11	(c) A MARIJUANA HOSPITALITY ESTABLISHMENT LICENSE IS VALID
12	FOR A PERIOD TO BE ESTABLISHED BY RULE OF THE STATE LICENSING
13	AUTHORITY, BUT FOR NO LONGER THAN ONE YEAR, AND THE LICENSE MAY
14	BE RENEWED. THE STATE LICENSING AUTHORITY SHALL ESTABLISH BY
15	RULE THE AMOUNT OF THE APPLICATION FEE AND RENEWAL FEE FOR THE
16	LICENSE.
17	(d) THE STATE LICENSING AUTHORITY SHALL MAINTAIN A LIST OF
18	ALL MARIJUANA HOSPITALITY ESTABLISHMENTS IN THE STATE AND SHALI
19	MAKE THE LIST AVAILABLE ON ITS WEBSITE.
20	(4) A MARIJUANA HOSPITALITY ESTABLISHMENT SHALL NOT:
21	(a) Engage in or permit the sale or exchange for
22	REMUNERATION OF RETAIL OR MEDICAL MARIJUANA, RETAIL MARIJUANA
23	PRODUCTS, OR MEDICAL MARIJUANA-INFUSED PRODUCTS IN THE LICENSED
24	PREMISES;
25	(b) ALLOW ON-DUTY EMPLOYEES OF THE ESTABLISHMENT TO
26	CONSUME ANY MARIJUANA IN THE LICENSED PREMISES OF THE
27	ESTABLISHMENT;

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1	(c) DISTRIBUTE OR ALLOW DISTRIBUTION OF FREE SAMPLES OF
2	MARIJUANA IN THE LICENSED PREMISES OF THE ESTABLISHMENT;
3	(d) ALLOW THE SMOKING OF TOBACCO OR TOBACCO PRODUCTS IN
4	THE LICENSED PREMISES OF THE ESTABLISHMENT;
5	(e) ALLOW THE USE OF ANY DEVICE USING ANY LIQUID PETROLEUM
6	GAS, A BUTANE TORCH, A BUTANE LIGHTER, OR MATCHES IN THE LICENSED
7	PREMISES IF PROHIBITED BY LOCAL ORDINANCE OR RESOLUTION;
8	(f) ALLOW ANY ACTIVITY THAT WOULD REQUIRE AN ADDITIONAL
9	LICENSE UNDER THIS ARTICLE 12 IN THE LICENSED PREMISES OF THE
10	ESTABLISHMENT, INCLUDING BUT NOT LIMITED TO SALES,
11	MANUFACTURING, OR CULTIVATION;
12	(g) KNOWINGLY PERMIT ANY ACTIVITY OR ACTS OF DISORDERLY
13	CONDUCT AS DESCRIBED IN SECTION 18-9-106;
14	(h) PERMIT THE USE OR CONSUMPTION OF MARIJUANA BY A
15	PATRON WHO DISPLAYS ANY VISIBLE SIGNS OF INTOXICATION;
16	(i) PERMIT ROWDINESS, UNDUE NOISE, OR OTHER DISTURBANCES
17	OR ACTIVITY OFFENSIVE TO THE AVERAGE CITIZEN OR TO THE RESIDENTS
18	OF THE NEIGHBORHOOD IN WHICH THE LICENSED PREMISES IS LOCATED; OR
19	(j) ADMIT INTO THE LICENSED PREMISES OF THE ESTABLISHMENT
20	ANY PERSON WHO IS UNDER TWENTY-ONE YEARS OF AGE.
21	(5) A MARIJUANA HOSPITALITY ESTABLISHMENT SHALL:
22	(a) OPERATE THE ESTABLISHMENT IN A DECENT, ORDERLY, AND
23	RESPECTABLE MANNER;
24	(b) REQUIRE ALL EMPLOYEES OF THE ESTABLISHMENT TO
25	SUCCESSFULLY COMPLETE AN ANNUAL RESPONSIBLE VENDOR TRAINING
26	PROGRAM AUTHORIZED PURSUANT TO SECTION 44-11-1101;
27	(c) Ensure that the display and consumption of any

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1	MARIJUANA IS NOT VISIBLE FROM OUTSIDE OF THE LICENSED PREMISES OF
2	THE ESTABLISHMENT;
3	(d) Educate consumers of marijuana by providing
4	INFORMATIONAL MATERIALS REGARDING THE SAFE CONSUMPTION OF
5	MARIJUANA. THE MATERIALS MUST BE BASED ON THE REQUIREMENTS
6	ESTABLISHED BY THE MARIJUANA EDUCATIONAL OVERSIGHT COMMITTEE,
7	ESTABLISHED PURSUANT TO SECTION 24-20-112 (4), AND ON THE
8	RELEVANT RESEARCH FROM THE PANEL OF HEALTH CARE PROFESSIONALS
9	APPOINTED PURSUANT TO SECTION 25-1.5-110. NOTHING IN THIS
10	SUBSECTION (5)(d) PROHIBITS A LOCAL JURISDICTION FROM ADOPTING
11	ADDITIONAL REQUIREMENTS FOR EDUCATION ON SAFE CONSUMPTION.
12	(e) Maintain a record of all educational materials
13	REQUIRED BY SUBSECTION $(5)(d)$ OF THIS SECTION IN THE LICENSED
14	PREMISES FOR INSPECTION BY STATE AND LOCAL LICENSING AUTHORITIES
15	AND LAW ENFORCEMENT; AND
16	(f) IF AN EMERGENCY REQUIRES LAW ENFORCEMENT,
17	FIREFIGHTERS, EMERGENCY MEDICAL SERVICE PROVIDERS, OR OTHER
18	PUBLIC SAFETY PERSONNEL TO ENTER A MARIJUANA HOSPITALITY
19	ESTABLISHMENT, ENSURE THAT ALL EMPLOYEES AND PATRONS OF THE
20	ESTABLISHMENT CEASE ALL CONSUMPTION AND OTHER ACTIVITIES UNTIL
21	SUCH PERSONNEL HAVE COMPLETED THEIR INVESTIGATION OR SERVICES
22	AND HAVE LEFT THE LICENSED PREMISES.
23	(6) A MARIJUANA HOSPITALITY ESTABLISHMENT AND ITS
24	EMPLOYEES MAY REMOVE AN INDIVIDUAL FROM THE ESTABLISHMENT FOR
25	ANY REASON, INCLUDING A PATRON WHO DISPLAYS ANY VISIBLE SIGNS OF
26	INTOXICATION.
27	44-12-409. Retail marijuana hospitality and sales

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1	establishment license - rules - definition. (1) (a) ON AND AFTER
2	January $1, 2020$, the state licensing authority may issue a retail
3	MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT LICENSE
4	AUTHORIZING THE LICENSEE TO OPERATE A LICENSED PREMISES IN WHICH
5	MARIJUANA MAY BE SOLD AND CONSUMED PURSUANT TO THIS ARTICLE 12,
6	RULES PROMULGATED PURSUANT TO THIS ARTICLE 12, AND THE
7	PROVISIONS OF THE ORDINANCE OR RESOLUTION OF THE LOCAL
8	JURISDICTION IN WHICH THE LICENSEE OPERATES.
9	(b) Subject to provisions of this article 12 and the
10	ORDINANCE OR RESOLUTION OF THE LOCAL JURISDICTION IN WHICH THE
11	LICENSEE OPERATES, A RETAIL FOOD ESTABLISHMENT AS DEFINED IN
12	SECTION 25-4-1602 (14) MAY APPLY FOR A LICENSE TO OPERATE A RETAIL
13	MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT IN AN ISOLATED
14	PORTION OF THE PREMISES OF THE RETAIL FOOD ESTABLISHMENT. A RETAIL
15	FOOD ESTABLISHMENT OPERATING A RETAIL MARIJUANA HOSPITALITY AND
16	SALES ESTABLISHMENT PURSUANT TO THIS SUBSECTION (1)(b) IS SUBJECT
17	TO THE TERMS AND CONDITIONS OF ARTICLE $\frac{1}{4}$ OF TITLE $\frac{1}{25}$ AND THE RULES
18	PROMULGATED PURSUANT TO THAT ARTICLE INCLUDING BUT NOT LIMITED
19	TO LICENSURE REQUIREMENTS AND INSPECTION AND ENFORCEMENT
20	AUTHORITY OF THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND
21	ENVIRONMENT. THIS SUBSECTION (1)(b) DOES NOT AUTHORIZE THE RETAIL
22	MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT TO ENGAGE IN THE
23	MANUFACTURE OF MEDICAL MARIJUANA-INFUSED PRODUCTS OR RETAIL
24	MARIJUANA PRODUCTS OR TO ADD MARIJUANA TO FOODS PRODUCED OR
25	PROVIDED AT THE RETAIL FOOD ESTABLISHMENT.
26	(2) (a) A LOCAL JURISDICTION MAY AUTHORIZE THE OPERATION OF
2.7	RETAIL MARIIIJANA HOSPITALITY AND SALES ESTABLISHMENTS WITHIN ITS

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1	JURISDICTION THROUGH THE ENACTMENT OF AN ORDINANCE OR THROUGH
2	A REFERRED OR INITIATED MEASURE. IF A COUNTY OR CITY AND COUNTY
3	ACTS THROUGH AN INITIATED MEASURE, THE PROPONENTS SHALL SUBMIT
4	A PETITION SIGNED BY NOT LESS THAN FIFTEEN PERCENT OF THE
5	REGISTERED ELECTORS IN THE COUNTY OR CITY AND COUNTY.
6	(b) IF A MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY
7	AUTHORIZES THE OPERATION OF RETAIL MARIJUANA HOSPITALITY AND
8	SALES ESTABLISHMENTS, IT MAY ADOPT AN APPROVAL REQUIREMENT THAT
9	COMPLIES WITH THE REQUIREMENTS OF THIS ARTICLE 12. THE
10	MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY MAY REQUIRE
11	ADDITIONAL OR MORE STRINGENT REQUIREMENTS THAN THOSE PROVIDED
12	IN THIS SECTION.
13	(3) (a) APPLICATIONS FOR A LICENSE PURSUANT TO THIS SECTION
14	MUST BE MADE TO THE STATE LICENSING AUTHORITY ON FORMS PREPARED
15	AND FURNISHED BY THE STATE LICENSING AUTHORITY AND MUST SET
16	FORTH SUCH INFORMATION AS THE STATE LICENSING AUTHORITY MAY
17	REQUIRE TO ENABLE THE STATE LICENSING AUTHORITY TO DETERMINE
18	WHETHER A STATE LICENSE SHOULD BE GRANTED. THE INFORMATION
19	MUST INCLUDE THE NAME AND ADDRESS OF THE APPLICANT AND ANY
20	OTHER INFORMATION REQUESTED BY THE STATE LICENSING AUTHORITY.
21	EACH APPLICATION MUST BE VERIFIED BY THE OATH OR AFFIRMATION OF
22	SUCH PERSON OR PERSONS AS THE STATE LICENSING AUTHORITY MAY
23	PRESCRIBE. THE STATE LICENSE IS CONDITIONED UPON LOCAL LICENSING
24	AUTHORITY APPROVAL. AN APPLICANT IS PROHIBITED FROM OPERATING A
25	RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT WITHOUT
26	STATE AND LOCAL LICENSING AUTHORITY APPROVAL. IF THE APPLICANT
27	DOES NOT RECEIVE LOCAL LICENSING AUTHORITY APPROVAL WITHIN ONE

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1	YEAR AFTER THE DATE OF STATE LICENSING AUTHORITY APPROVAL, THE
2	STATE LICENSE EXPIRES AND MAY NOT BE RENEWED. IF AN APPLICATION
3	IS DENIED BY THE LOCAL LICENSING AUTHORITY OR THE APPROVAL OF THE
4	LOCAL LICENSING AUTHORITY IS REVOKED, THE STATE LICENSING
5	AUTHORITY SHALL REVOKE THE STATE-ISSUED LICENSE.
6	(b) The state licensing authority shall deny a state
7	LICENSE FOR THE REASONS SET FORTH IN SUBSECTION (3)(a) OF THIS
8	SECTION IF THE LICENSED PREMISES IN WHICH THE APPLICANT PROPOSES
9	TO CONDUCT ITS BUSINESS DOES NOT MEET THE REQUIREMENTS OF THIS
10	ARTICLE 12. THE STATE LICENSING AUTHORITY MAY DENY A LICENSE
11	RENEWAL OR REINSTATEMENT OR AN INITIAL ENDORSEMENT FOR GOOD
12	CAUSE. FOR PURPOSES OF THIS SUBSECTION (3)(b), "GOOD CAUSE" MEANS:
13	(I) THE LICENSEE OR APPLICANT HAS VIOLATED, DOES NOT MEET,
14	OR HAS FAILED TO COMPLY WITH ANY OF THE TERMS, CONDITIONS, OR
15	PROVISIONS OF THIS ARTICLE 12; ANY RULES PROMULGATED PURSUANT TO
16	THIS ARTICLE 12; OR ANY SUPPLEMENTAL LOCAL LAW, RULES, OR
17	REGULATIONS;
18	(II) THE LICENSEE OR APPLICANT HAS FAILED TO COMPLY WITH
19	ANY SPECIAL TERMS OR CONDITIONS THAT WERE PLACED ON ITS LICENSE
20	PURSUANT TO AN ORDER OF THE STATE OR LOCAL LICENSING AUTHORITY;
21	OR
22	(III) THE LICENSED PREMISES HAS BEEN OPERATED IN A MANNER
23	THAT ADVERSELY AFFECTS THE PUBLIC HEALTH OR THE SAFETY OF THE
24	IMMEDIATE NEIGHBORHOOD IN WHICH THE ESTABLISHMENT IS LOCATED.
25	(c) A RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT
26	LICENSE IS VALID FOR A PERIOD TO BE ESTABLISHED BY RULE OF THE STATE
27	LICENSING AUTHORITY, BUT NO LONGER THAN ONE YEAR, AND THE

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1	LICENSE MAY BE RENEWED. THE STATE LICENSING AUTHORITY SHALL
2	ESTABLISH BY RULE THE AMOUNT OF THE APPLICATION FEE AND RENEWAL
3	FEE FOR THE LICENSE.
4	(d) THE STATE LICENSING AUTHORITY SHALL MAINTAIN A LIST OF
5	ALL RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENTS IN THE
6	STATE AND SHALL MAKE THE LIST AVAILABLE ON ITS WEBSITE.
7	(4) A RETAIL MARIJUANA HOSPITALITY AND SALES
8	ESTABLISHMENT LICENSEE SHALL NOT:
9	(a) ENGAGE IN MULTIPLE SALES TRANSACTIONS TO THE SAME
10	PATRON DURING THE SAME BUSINESS DAY WHEN THE ESTABLISHMENT'S
11	EMPLOYEE KNOWS OR REASONABLY SHOULD HAVE KNOWN THAT THE
12	SALES TRANSACTION WOULD RESULT IN THE PATRON POSSESSING MORE
13	THAN THE SALES LIMIT ESTABLISHED BY THE STATE LICENSING
14	AUTHORITY;
15	(b) ALLOW ON-DUTY EMPLOYEES OF THE ESTABLISHMENT TO
16	CONSUME ANY MARIJUANA IN THE LICENSED PREMISES;
17	(c) DISTRIBUTE OR ALLOW DISTRIBUTION OF FREE SAMPLES OF
18	MARIJUANA IN THE LICENSED PREMISES OF THE ESTABLISHMENT;
19	(d) ALLOW THE SMOKING OF TOBACCO OR TOBACCO PRODUCTS IN
20	THE LICENSED PREMISES OF THE ESTABLISHMENT;
21	(e) ALLOW THE USE OF ANY DEVICE USING ANY LIQUID PETROLEUM
22	GAS, A BUTANE TORCH, A BUTANE LIGHTER, OR MATCHES IN THE LICENSED
23	PREMISES IF PROHIBITED BY LOCAL ORDINANCE OR RESOLUTION;
24	(f) ALLOW ANY ACTIVITY THAT WOULD REQUIRE AN ADDITIONAL
25	LICENSE UNDER THIS ARTICLE 12 IN THE LICENSED PREMISES OF THE
26	ESTABLISHMENT, INCLUDING BUT NOT LIMITED TO MANUFACTURING OR
27	CULTIVATION ACTIVITY;

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1	(g) KNOWINGLY PERMIT ANY ACTIVITY OR ACTS OF DISORDERLY
2	CONDUCT AS DESCRIBED IN SECTION 18-9-106;
3	(h) SELL, SERVE, OR PERMIT THE SALE OR SERVING OF RETAIL
4	MARIJUANA OR RETAIL MARIJUANA PRODUCTS TO ANY PATRON WHO
5	SHOWS SIGNS OF VISIBLE INTOXICATION;
6	(i) PERMIT ROWDINESS, UNDUE NOISE, OR OTHER DISTURBANCES
7	OR ACTIVITY OFFENSIVE TO THE AVERAGE CITIZEN OR TO THE RESIDENTS
8	OF THE NEIGHBORHOOD IN WHICH THE LICENSED PREMISES IS LOCATED; OR
9	(j) ADMIT INTO THE LICENSED PREMISES OF A RETAIL MARIJUANA
10	HOSPITALITY AND SALES ESTABLISHMENT ANY PERSON WHO IS UNDER
11	TWENTY-ONE YEARS OF AGE.
12	(5) A RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT
13	LICENSEE SHALL:
14	(a) TRACK ALL OF ITS RETAIL MARIJUANA AND RETAIL MARIJUANA
15	PRODUCTS FROM THE POINT THAT THEY ARE TRANSFERRED FROM A RETAIL
16	MARIJUANA STORE, RETAIL MARIJUANA PRODUCTS MANUFACTURER, OR
17	RETAIL MARIJUANA CULTIVATION FACILITY TO THE POINT OF SALE TO ITS
18	PATRONS;
19	(b) LIMIT A PATRON TO ONE TRANSACTION OF NO MORE THAN THE
20	SALES LIMIT SET BY THE STATE LICENSING AUTHORITY BY RULE PURSUANT
21	TO SECTION $44-12-202 (3)(a)(XXV);$
22	(c) Before allowing a patron to leave the licensed
23	PREMISES WITH ANY RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS,
24	PACKAGE AND LABEL THE RETAIL MARIJUANA OR RETAIL MARIJUANA
25	PRODUCTS IN ACCORDANCE WITH PROCEDURES DEVELOPED BY THE
26	ESTABLISHMENT THAT COMPLY WITH THE REQUIREMENTS OF SECTION
27	44-12-202 (3)(a)(VIII) AND (3)(d)(II);

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1	(d) OPERATE THE ESTABLISHMENT IN A DECENT, ORDERLY, AND
2	RESPECTABLE MANNER;
3	(e) REQUIRE ALL EMPLOYEES OF THE ESTABLISHMENT TO
4	SUCCESSFULLY COMPLETE AN ANNUAL RESPONSIBLE VENDOR TRAINING
5	PROGRAM AUTHORIZED PURSUANT TO SECTION 44-11-1101;
6	(f) ENSURE THAT THE DISPLAY AND CONSUMPTION OF ANY RETAIL
7	MARIJUANA OR RETAIL MARIJUANA PRODUCT IS NOT VISIBLE FROM
8	OUTSIDE OF THE ESTABLISHMENT;
9	(g) Educate consumers of marijuana by providing
10	INFORMATIONAL MATERIALS REGARDING THE SAFE CONSUMPTION OF
11	MARIJUANA. THE MATERIALS MUST BE BASED ON THE REQUIREMENTS
12	ESTABLISHED BY THE MARIJUANA EDUCATIONAL OVERSIGHT COMMITTEE,
13	ESTABLISHED PURSUANT TO SECTION 24-20-112 (4), AND ON THE
14	RELEVANT RESEARCH FROM THE PANEL OF HEALTH CARE PROFESSIONALS
15	APPOINTED PURSUANT TO SECTION 25-1.5-110. NOTHING IN THIS
16	SUBSECTION (5)(g) PROHIBITS A LOCAL JURISDICTION FROM ADOPTING
17	ADDITIONAL REQUIREMENTS FOR EDUCATION ON SAFE CONSUMPTION.
18	(h) Maintaining a record of all educational materials
19	REQUIRED BY SUBSECTION $(5)(g)$ OF THIS SECTION IN THE LICENSED
20	PREMISES FOR INSPECTION BY STATE AND LOCAL LICENSING AUTHORITIES
21	AND LAW ENFORCEMENT; AND
22	(i) If an emergency requires law enforcement,
23	FIREFIGHTERS, EMERGENCY MEDICAL SERVICE PROVIDERS, OR OTHER
24	PUBLIC SAFETY PERSONNEL TO ENTER A RETAIL MARIJUANA HOSPITALITY
25	AND SALES ESTABLISHMENT, ENSURE THAT ALL EMPLOYEES AND PATRONS
26	OF THE ESTABLISHMENT CEASE ALL SALES, CONSUMPTION AND OTHER
27	ACTIVITIES UNTIL SUCH PERSONNEL HAVE COMPLETED THEIR

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1	INVESTIGATION OR SERVICES AND HAVE LEFT THE LICENSED PREMISES.
2	(6) A RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT
3	AND ITS EMPLOYEES MAY REMOVE AN INDIVIDUAL FROM THE
4	ESTABLISHMENT FOR ANY REASON, INCLUDING A PATRON WHO DISPLAYS
5	ANY VISIBLE SIGNS OF INTOXICATION.
6	(7) A RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT
7	MAY PURCHASE RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS
8	FROM ANY RETAIL MARIJUANA STORE, RETAIL MARIJUANA CULTIVATION
9	FACILITY, OR RETAIL MARIJUANA PRODUCTS MANUFACTURER.
10	SECTION 8. In Colorado Revised Statutes, 44-12-901, amend
11	(1) and $(4)(g)$ as follows:
12	44-12-901. Unlawful acts - exceptions. (1) Except IN THE
13	LICENSED PREMISES OF A MARIJUANA HOSPITALITY ESTABLISHMENT
14	LICENSED PURSUANT TO SECTION 44-12-408 OR A RETAIL MARIJUANA
15	HOSPITALITY AND SALES ESTABLISHMENT LICENSED PURSUANT TO
16	SECTION 44-12-409 OR as otherwise provided in this article 12, it is
17	unlawful for a person to consume retail marijuana or retail marijuana
18	products in a licensed retail marijuana establishment, and it is unlawful
19	for a retail marijuana licensee to allow retail marijuana or retail marijuana
20	products to be consumed upon its licensed premises.
21	(4) It is unlawful for any person licensed to sell retail marijuana
22	or retail marijuana products pursuant to this article 12:
23	(g) EXCEPT IN THE LICENSED PREMISES OF A MARIJUANA
24	HOSPITALITY ESTABLISHMENT LICENSED PURSUANT TO SECTION 44-12-408
25	OR A RETAIL MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT
26	LICENSED PURSUANT TO SECTION 44-12-409, to have on the licensed
27	premises any retail marijuana, retail marijuana products, or marijuana

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1	paraphernalia that shows evidence of the retail marijuana having been
2	consumed or partially consumed;
3	SECTION 9. In Colorado Revised Statutes, 18-18-406, add
4	(5)(b)(IV) and $(5)(b)(V)$ as follows:
5	18-18-406. Offenses related to marijuana and marijuana
6	concentrate - definitions. (5) (b) (IV) PUBLIC DISPLAY, CONSUMPTION,
7	OR USE OF MARIJUANA OR MARIJUANA CONCENTRATE PURSUANT TO THE
8	PROVISIONS OF SECTION 44-12-408, WHEN SUCH DISPLAY, CONSUMPTION,
9	OR USE IS WITHIN THE LICENSED PREMISES OF A MARIJUANA HOSPITALITY
10	ESTABLISHMENT LICENSED PURSUANT TO SECTION 44-12-408, IS NOT A
11	VIOLATION OF THIS SUBSECTION (5).
12	(V) PUBLIC DISPLAY, CONSUMPTION, OR USE OF RETAIL MARIJUANA
13	OR RETAIL MARIJUANA CONCENTRATE PURSUANT TO THE PROVISIONS OF
14	SECTION 44-12-409, WHEN SUCH DISPLAY, CONSUMPTION, OR USE IS
15	WITHIN THE LICENSED PREMISES OF A RETAIL MARIJUANA HOSPITALITY
16	AND SALES ESTABLISHMENT LICENSED PURSUANT TO SECTION 44-12-409
17	AND WHEN AN INDIVIDUAL'S DISPLAY, CONSUMPTION, OR USE DOES NOT
18	EXCEED THE SALES LIMIT ESTABLISHED BY THE STATE LICENSING
19	AUTHORITY BY RULE PURSUANT TO SECTION 44-12-202 (3)(a)(XXV)(B),
20	IS NOT A VIOLATION OF THIS SUBSECTION (5).
21	SECTION 10. In Colorado Revised Statutes, 25-14-205, amend
22	(1) introductory portion, (1)(i), and (1)(k)(I)(C); and \overline{add} (1)(l) as
23	follows:
24	25-14-205. Exceptions to smoking restrictions. (1) This part 2
25	shall DOES not apply to:
26	(i) A private, nonresidential building on a farm or ranch, as
27	defined in section 39-1-102. C.R.S. that has annual gross income of less

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1	than five hundred thousand dollars; or
2	(k) (I) The areas of assisted living facilities:
3	(C) To which access is restricted to the residents or their guests;
4	OR
5	(1) IF AUTHORIZED BY LOCAL ORDINANCE, LICENSE, OR
6	REGULATION, THE LICENSED PREMISES OF A MARIJUANA HOSPITALITY
7	ESTABLISHMENT LICENSED PURSUANT TO SECTION 44-12-408 OR A RETAIL
8	MARIJUANA HOSPITALITY AND SALES ESTABLISHMENT LICENSED
9	PURSUANT TO SECTION 44-12-409; EXCEPT THAT THIS EXCEPTION ONLY
10	APPLIES TO THE SMOKING OF MARIJUANA AND DOES NOT ALLOW THE
11	SMOKING OF TOBACCO WITHIN SUCH PREMISES.
12	SECTION 11. In Colorado Revised Statutes, 44-11-1101, amend
13	(2) introductory portion, (2)(b)(IV), and (2)(b)(V); and add (2)(b)(VI) as
14	follows:
15	44-11-1101. Responsible vendor program - standards -
16	designation. (2) An approved training program shall MUST contain, at a
17	minimum, the following standards and shall MUST be taught in a
18	classroom setting in a minimum of a two-hour period:
19	(b) A core curriculum of pertinent statutory and regulatory
20	provisions, which curriculum includes, but need not be limited to:
21	(IV) Acceptable forms of identification, including patient registry
22	cards and associated documents and procedures; and
23	(V) Local and state licensing and enforcement, which may
24	include, but need not be limited to, key statutes and rules affecting
25	patients, owners, managers, and employees; AND
26	(VI) INFORMATION ON SERVING SIZE, THC AND CANNABINOID
	(VI) INFORMATION ON SERVING SIZE, THE AND CANNADINOID

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1	SECTION 12. Act subject to petition - effective date. This act
2	takes effect at 12:01 a.m. on the day following the expiration of the
3	ninety-day period after final adjournment of the general assembly (August
4	2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
5	referendum petition is filed pursuant to section 1 (3) of article V of the
6	state constitution against this act or an item, section, or part of this act
7	within such period, then the act, item, section, or part will not take effect
8	unless approved by the people at the general election to be held in
9	November 2020 and, in such case, will take effect on the date of the
10	official declaration of the vote thereon by the governor.

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