

**First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

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

LLS NO. 25-0332.02 Jery Payne x2157

**HOUSE BILL 25-1209**

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**HOUSE SPONSORSHIP**

**Lindstedt and Willford,**

**SENATE SPONSORSHIP**

**Gonzales J.,**

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**House Committees**

Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING MEASURES TO ADDRESS EFFICIENCY IN THE REGULATION**  
102                      **OF MARIJUANA LICENSEES, AND, IN CONNECTION THEREWITH,**  
103                      **REDUCING AN APPROPRIATION.**

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**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>.)*

Current law authorizes the marijuana enforcement division (division) to adopt rules governing records required to be kept by license holders. The bill replaces this with a requirement that the division adopt rules requiring records concerning:

- Child resistance certificates;

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

- Testing records;
- Records demonstrating the composition of raw ingredients used in vaporizers or pressured metered dose inhalers;
- Recall records;
- Adverse health events;
- Corrective action and preventive action records;
- Documentation required to demonstrate valid responsible vendor designation;
- Standard operating procedures;
- Transfer records of regulated marijuana transactions;
- Expiration date testing and use-by-date testing;
- Patient records; and
- Advertising records.

If a license holder is required to maintain books and records in the seed-to-sale inventory tracking system, the license holder need not maintain duplicate copies of the books and records. If a license holder is substantially noncompliant with regulatory requirements, the division may require the license holder to maintain additional records. The division must bring an administrative action to require a license holder to maintain additional records.

Current law requires occupational license holders to be issued an identification card. The bill authorizes digital identification cards and replaces this requirement with authorization for the division to adopt rules governing identification card requirements, including criminal history record checks.

Current law requires applicants for licensure or renewal to submit fingerprints for a criminal history record check. The bill changes this requirement to require that only controlling beneficial owners and passive beneficial owners must get a fingerprint-based criminal history record check, and the fingerprint-based check is only required for initial licensure; name-based judicial record checks are required for license renewal. Occupational license holders are required to obtain a name-based judicial record check. The division may require an applicant or licensee to obtain a fingerprint-based criminal history record check when there is a demonstrated investigative need. Occupational license applicants are authorized to work while the application is pending.

Current law requires the division to adopt rules for security requirements for license holders. The security requirements include video recording requirements. The video recording requirements are changed to require, and must not exceed, video surveillance of the following:

- Each point of ingress and egress to the exterior of the licensed premises;
- Points of sale with coverage of the customer or patient and license holder completing the sale;
- Areas of the licensed premises where shipping and

receiving of regulated marijuana occurs, test batches are collected, and regulated marijuana waste is destroyed; and

- Delivery vehicles surveillance.

To obtain video surveillance footage, the division must demand the video surveillance footage in writing within at least 72 hours before the deadline provided to furnish the footage.

Current law requires the division to notify license holders by first-class mail of the license expiration date at least 90 days before the expiration. The bill replaces first-class mail with digital communication.

The bill authorizes medical marijuana stores and retail marijuana stores to host promotions where licensed marijuana producers can offer patient or customer promotional units (promotional unit). To provide a promotional unit, the promotional unit must be:

- Tested in accordance with the rules of the division;
- Tracked with the seed-to-sale inventory tracking system;
- Transferred to the store before the promotion;
- Packaged in accordance with the rules; and
- Labeled in accordance with the rules.

In addition, the store must:

- Provide the promotional unit during a promotion;
- Verify that the patient or customer is qualified to receive the promotional unit;
- Not charge a patient or customer for a promotional unit;
- Ensure the total amount of promotional units and purchased medical marijuana that are transferred to a patient or customer do not exceed the legal transfer limits.

Current law authorizes marijuana cultivation facilities and marijuana products manufacturers to provide research and development units (R-and-D units) to managers and sets standards for the practice. The bill reforms these standards as follows:

- R-and-D units may be provided to all licensed employees, and the R-and-D unit must be:
  - Labeled with the universal symbol indicating that the package contains marijuana, the license number of the facility that produced the R-and-D unit, the batch number, and any required warning statements;
  - Labeled to indicate that the R-and-D unit must not be sold or resold;
  - Tested in accordance with the rules;
  - Packaged in a child-resistant container;
  - Tracked with the seed-to-sale inventory tracking system; and
  - Provided for product development or quality control purposes; and
- The facility or manufacturer may not:

- Allow an R-and-D unit to be consumed on the licensed premises;
- Use an R-and-D unit as a means of compensation;
- Provide R-and-D units in a manner that would violate the law or to an employee who is not qualified;
- Require an employee to accept or consume an R-and-D unit; or
- Receive compensation for an R-and-D unit.

The amount of marijuana that may be sold in a single transaction at a retail marijuana store is raised from one ounce to 2 ounces or its equivalent in retail marijuana products.

Current law makes it a class 2 misdemeanor for a person to:

- Have a controlling beneficial ownership, passive beneficial ownership, or indirect financial interest in a license that was not disclosed; and
- Engage in transfer of ownership without prior approval.

The bill repeals these provisions.

The bill authorizes the division to set and collect a fee to fulfill requests for copies of a license application. The bill repeals a requirement that retail and medical marijuana products be prepared with equipment that is used exclusively for those products.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-10-103, **add** [REDACTED]  
 3 (52.5) as follows:

4 **44-10-103. Definitions - rules.** As used in this article 10, unless  
 5 the context otherwise requires:

6 [REDACTED] [REDACTED]  
 7 (52.5) "R-AND-D UNIT" MEANS REGULATED MARIJUANA PROVIDED  
 8 TO AN OCCUPATIONAL LICENSEE EMPLOYED BY THE LICENSEE PROVIDING  
 9 THE [REDACTED] MARIJUANA.

10 **SECTION 2.** In Colorado Revised Statutes, 44-10-203, **amend**  
 11 (1) introductory portion, (1)(c), (1)(j.5), [REDACTED] (2) introductory portion,  
 12 (2)(c), (2)(e), (2)(x), (2)(bb) introductory portion, (2)(dd) introductory  
 13 portion, (2)(dd)(V), [REDACTED] (2)(gg) introductory portion, and (9)(b); **repeal**

1 (2)(t), (2)(bb)(II), (2)(dd)(VI), and (2)(gg)(II); and **add** (1)(l), (1)(m), and  
2 (10) as follows:

3 **44-10-203. State licensing authority - rules. (1) Permissive**  
4 **rule-making.** Rules ~~promulgated~~ ADOPTED pursuant to section 44-10-202  
5 (1)(c) may include the following subjects:

6 (c) Records to be kept by licensees and the required availability  
7 of the records. THE RECORDS REQUIRED TO BE KEPT MAY INCLUDE BUT  
8 MUST NOT EXCEED THE FOLLOWING:

9 (I) CHILD RESISTANCE CERTIFICATES;

10 (II) TESTING RECORDS;

11 (III) CERTIFICATES OF ANALYSIS OR OTHER RECORDS  
12 DEMONSTRATING THE COMPOSITION OF RAW INGREDIENTS USED IN  
13 VAPORIZERS OR PRESSURED METERED DOSE INHALERS;

14 (IV) RECALL RECORDS;

15 (V) ADVERSE HEALTH EVENTS;

16 (VI) CORRECTIVE ACTION AND PREVENTIVE ACTION RECORDS;

17 (VII) DOCUMENTATION REQUIRED TO DEMONSTRATE VALID  
18 RESPONSIBLE VENDOR DESIGNATION;

19 (VIII) STANDARD OPERATING PROCEDURES;

20 (IX) TRANSFER RECORDS TO ACCOUNT FOR REGULATED  
21 MARIJUANA TRANSACTIONS;

22 (X) EXPIRATION DATE TESTING AND USE-BY-DATE TESTING;

23 (XI) PATIENT RECORDS; AND

24 (XII) ADVERTISING RECORDS.

25 (j.5) The implementation of contingency plans pursuant to  
26 sections 44-10-502 (10) and 44-10-602 (14), including the definition of  
27 outdoor cultivation, adverse weather event, or adverse natural occurrence

1 and the process, procedures, requirements, and restrictions for  
2 contingency plans; and

3 (I) DEVELOPMENT OF INDIVIDUAL IDENTIFICATION CARDS FOR:  
4 (I) CONTROLLING BENEFICIAL OWNERS;  
5 (II) PASSIVE BENEFICIAL OWNERS; OR  
6 (III) INDIVIDUALS WHO HANDLE OR TRANSPORT REGULATED  
7 MARIJUANA ON BEHALF OF ENTITIES LICENSED PURSUANT TO THIS ARTICLE  
8 10.

9 (m) REQUIREMENTS FOR MEDICAL MARIJUANA PRODUCTS  
10 MANUFACTURERS OR RETAIL MARIJUANA PRODUCTS MANUFACTURERS TO  
11 USE AN APPROVED LICENSED PREMISES AND APPROVED EQUIPMENT TO  
12 MANUFACTURE AND PREPARE PRODUCTS NOT INFUSED WITH REGULATED  
13 MARIJUANA FOR THE PURPOSE OF QUALITY CONTROL AND RESEARCH AND  
14 DEVELOPMENT IN THE FORMULATION OF MANUFACTURE OF INFUSED  
15 REGULATED MARIJUANA PRODUCTS.

16 (2) **Mandatory rule-making.** Rules ~~promulgated~~ ADOPTED  
17 pursuant to section 44-10-202 (1)(c) must include the following subjects:

18 (c) Qualifications for INITIAL licensure pursuant to this article 10,  
19 including ~~but not limited to~~ the requirement for a fingerprint-based  
20 criminal history record check for all controlling beneficial owners AND  
21 passive beneficial owners ~~managers, contractors, employees, and other~~  
22 ~~support staff~~ of entities licensed pursuant to this article 10 AND  
23 NAME-BASED JUDICIAL RECORD CHECKS FOR EMPLOYEES OF REGULATED  
24 MARIJUANA BUSINESSES;

25 (e) Security requirements for any premises licensed pursuant to  
26 this article 10. ~~including~~ THE SECURITY REQUIREMENTS MUST INCLUDE,  
27 at a minimum, lighting, physical security, video, and alarm requirements;

1 and other minimum procedures for internal control as deemed necessary  
2 by the state licensing authority to properly administer and enforce this  
3 article 10; ~~including PROCEDURES FOR REQUIRING WRITTEN REQUESTS~~  
4 ~~AND PROVIDING LICENSEES AT LEAST SEVENTY-TWO HOURS TO RESPOND~~  
5 ~~TO REQUESTS TO OBTAIN COPIES OF SURVEILLANCE RECORDINGS CREATED~~  
6 ~~AND MAINTAINED BY THE LICENSEE~~; AND biennial reporting requirements  
7 for changes, alterations, or modifications to the premises. SURVEILLANCE  
8 REQUIREMENTS FOR VIDEO RECORDING ~~AREAS OF THE LICENSED PREMISES~~  
9 MUST INCLUDE BUT CANNOT EXCEED THE FOLLOWING REQUIREMENTS:

10 (I) EACH POINT OF INGRESS AND EGRESS TO THE EXTERIOR OF THE  
11 LICENSED PREMISES MUST BE SURVEILLED;

12 (II) POINTS OF SALE WITH COVERAGE OF THE CUSTOMER OR  
13 PATIENT AND OCCUPATIONAL LICENSEE COMPLETING THE SALE MUST BE  
14 SURVEILLED;

15 (III) AREAS OF THE LICENSED PREMISES WHERE SHIPPING AND  
16 RECEIVING OF REGULATED MARIJUANA OCCURS, TEST BATCHES ARE  
17 COLLECTED, AND REGULATED MARIJUANA WASTE IS DESTROYED MUST BE  
18 SURVEILLED; AND

19 (IV) DELIVERY VEHICLE SURVEILLANCE IF REQUIRED BY RULE  
20 UNDER SUBSECTION (2)(dd)(V) OF THIS SECTION;

21 ~~(t) Development of individual identification cards for individuals~~  
22 ~~working in or having unescorted access to the limited access areas of the~~  
23 ~~licensed premises of a medical marijuana business or retail marijuana~~  
24 ~~business, including a fingerprint-based criminal history record check as~~  
25 ~~may be required by the state licensing authority prior to issuing a card;~~

26 (x) The conditions under which a licensee is authorized to transfer  
27 fibrous waste to a person for the purpose of producing only industrial

1 fiber products. The conditions must include contract requirements that  
2 stipulate that the fibrous waste will only be used to produce industrial  
3 fiber products; ~~record-keeping requirements~~; security measures related to  
4 the transport and transfer of fibrous waste; requirements for handling  
5 contaminated fibrous waste; and processes associated with handling  
6 fibrous waste. The rules must not require licensees to alter fibrous waste  
7 from its natural state ~~prior to~~ BEFORE transfer.

8 (bb) THE conditions under which a licensee is authorized to  
9 collect marijuana consumer waste and transfer it to a person for the  
10 purposes of reuse or recycling in accordance with all requirements  
11 established by the department of public health and environment pertaining  
12 to waste disposal and recycling. The conditions must include:

13 (II) ~~Record-keeping requirements~~;

14 (dd) Requirements for medical marijuana and medical marijuana  
15 products delivery as described in ~~section~~ SECTIONS 44-10-501 (11) and  
16 ~~section~~ 44-10-505 (5) and retail marijuana and retail marijuana products  
17 delivery as described in ~~section~~ SECTIONS 44-10-601 (13) and ~~section~~  
18 44-10-605 (5), including:

19 (V) Delivery vehicle requirements; ~~including requirements for~~  
20 ~~surveillance~~;

21 (VI) ~~Record-keeping requirements~~;

22 (gg) For marijuana hospitality businesses that are mobile,  
23 regulations including: ~~but not limited to~~:

24 (II) ~~Surveillance cameras inside the vehicles~~;

25 (9) (b) (I) The state licensing authority shall base its issuance of  
26 an employee license ~~identification card~~ pursuant to this subsection (9) on  
27 the results of an initial investigation that demonstrate the applicant is



1 qualified to hold such license. The employee license application for  
2 which an employee license ~~identification card~~ was issued pursuant to this  
3 subsection (9) remains subject to denial pending the complete results of  
4 the applicant's initial ~~fingerprint-based criminal history~~ NAME-BASED  
5 JUDICIAL record check.

6 (II) Results of a ~~fingerprint-based criminal history~~ NAME-BASED  
7 JUDICIAL record check that demonstrate that an applicant possessing an  
8 employee license ~~identification card~~ pursuant to this subsection (9) is not  
9 qualified to hold a license issued under this article 10 are grounds for  
10 denial of the employee license application. If the employee license  
11 application is denied, the applicant shall return the employee license AND  
12 identification card to the state licensing authority within a time period that  
13 the state licensing authority establishes by rule.

14 (10)(a) THE STATE LICENSING AUTHORITY SHALL ADOPT RULES TO  
15 ENABLE A LICENSEE TO CONDUCT RESEARCH AND DEVELOPMENT USING  
16 R-AND-D UNITS WHEN EVALUATING DIFFERENT FLAVORS AND  
17 NONMARIJUANA INGREDIENTS. THE RULES MUST INCLUDE:

18 (I) EVALUATION THROUGH THE USE OF NONINFUSED PRODUCTS;  
19 AND

20 (II) THE ADDITION OF FLAVORS AND NONMARIJUANA INGREDIENTS  
21 FOR THE PURPOSES OF RESEARCH AND DEVELOPMENT.

22 (b) ADDING FLAVORS OR NONMARIJUANA INGREDIENTS ARE NOT  
23 CONSIDERED AN ADDITIONAL BATCH AND DO NOT REQUIRE ADDITIONAL  
24 TESTING IF THE LICENSEE POSSESSES ANALYSIS OR DOCUMENTATION  
25 EVIDENCING THE SAFETY PROFILE OF THE FLAVORS OR NONMARIJUANA  
26 INGREDIENTS.

27 (c) A LICENSEE SHALL NOT TRANSFER R-AND-D UNITS TO A

1     REGULATED MARIJUANA STORE.

2

3             **SECTION 3.** In Colorado Revised Statutes, 44-10-307, **amend**  
4     (4)(c); and **repeal** (1)(h) as follows:

5             **44-10-307. Persons prohibited as licensees - definition.** (1) A  
6     license provided by this article 10 shall not be issued to or held by:

7             (h) ~~A person who employs another person at a medical marijuana~~  
8     ~~business or retail marijuana business who has not submitted fingerprints~~  
9     ~~for a criminal history record check or whose criminal history record check~~  
10    ~~reveals that the person is ineligible;~~

11            (4) (c) (I) ~~At the time of~~ WHEN filing an application for INITIAL  
12    issuance ~~or renewal~~ of a state medical marijuana business license or retail  
13    marijuana business license, an applicant shall submit a set of ~~his or her~~  
14    THEIR fingerprints and file personal history information concerning the  
15    applicant's qualifications for a state license on forms prepared by the state  
16    licensing authority. The state or local licensing authority or local  
17    jurisdiction shall submit the fingerprints to the Colorado bureau of  
18    investigation for the purpose of conducting fingerprint-based criminal  
19    history record checks. The Colorado bureau of investigation shall forward  
20    the fingerprints to the federal bureau of investigation for the purpose of  
21    conducting fingerprint-based criminal history record checks. When the  
22    results of a fingerprint-based criminal history record check reveal a record  
23    of arrest without a disposition, the state or local licensing authority or  
24    local jurisdiction shall require an applicant or a license holder to submit  
25    to a name-based judicial record check, as defined in section 22-2-119.3  
26    (6)(d). The state or local licensing authority or local jurisdiction shall use  
27    the information resulting from the fingerprint-based criminal history

1 record check to investigate and determine whether an applicant is  
2 qualified to hold a state or local license pursuant to this article 10. The  
3 state or local licensing authority or local jurisdiction may verify any of the  
4 information an applicant is required to submit.

5 (II) WHEN RENEWING A STATE MEDICAL MARIJUANA BUSINESS  
6 LICENSE OR RETAIL MARIJUANA BUSINESS LICENSE, THE LICENSEE SHALL  
7 SUBMIT THEIR NAME FOR A NAME-BASED JUDICIAL RECORD CHECK. THE  
8 STATE OR LOCAL LICENSING AUTHORITY OR LOCAL JURISDICTION SHALL  
9 USE THE INFORMATION RESULTING FROM THE NAME-BASED JUDICIAL  
10 RECORD CHECK TO DETERMINE WHETHER A LICENSEE CONTINUES TO BE  
11 QUALIFIED TO HOLD A STATE OR LOCAL LICENSE PURSUANT TO THIS  
12 ARTICLE 10. THE STATE OR LOCAL LICENSING AUTHORITY OR LOCAL  
13 JURISDICTION MAY VERIFY ANY OF THE INFORMATION A LICENSEE IS  
14 REQUIRED TO SUBMIT TO RENEW THE LICENSE.

15 **SECTION 4.** In Colorado Revised Statutes, 44-10-313, **amend**  
16 (4) and (13)(c)(I)(B) as follows:

17 **44-10-313. Licensing in general - rules - repeal.** (4) A medical  
18 marijuana business or retail marijuana business that is not a publicly  
19 traded corporation shall notify the state licensing authority in writing of  
20 the name, address, and date of birth of a controlling beneficial owner,  
21 passive beneficial owner, or manager before the new controlling  
22 beneficial owner, passive beneficial owner, or manager begins managing  
23 or associating with the operation. ~~Any~~ A controlling beneficial owner OR  
24 passive beneficial owner ~~manager, or employee~~ must pass a  
25 fingerprint-based criminal history record check as required by the state  
26 licensing authority and obtain the required identification ~~prior to~~ BEFORE  
27 being associated with ~~managing, OR owning or working at~~ the operation.

1 A MANAGER OR EMPLOYEE THAT IS NOT A CONTROLLING BENEFICIAL  
2 OWNER MAY COMMENCE WORKING OR MAY HANDLE OR TRANSPORT  
3 MARIJUANA BEFORE THE FINAL DISPOSITION OF THE INDIVIDUAL'S  
4 APPLICATION.

5 (13) (c) (I) A medical marijuana cultivation facility or retail  
6 marijuana cultivation facility that has obtained an approved change of  
7 location from the state licensing authority may operate one license at two  
8 geographical locations for the purpose of transitioning operations from  
9 one location to another if:

10 (B) The licensed premises of both geographical locations comply  
11 with ~~all surveillance~~, THE security and inventory tracking requirements  
12 imposed by this article 10 and any rules ~~promulgated~~ ADOPTED by the  
13 state licensing authority;

14 **SECTION 5.** In Colorado Revised Statutes, 44-10-314, **amend**  
15 (1) and (2) as follows:


16 **44-10-314. License renewal - unified renewal applications -**  
17 **rules.** (1) Ninety days ~~prior to~~ BEFORE the expiration date of an existing  
18 medical marijuana business or retail marijuana business license, the state  
19 licensing authority shall notify the licensee of the expiration date by  
20 ~~first-class mail at the licensee's address of record with the state licensing~~  
21 ~~authority~~ DIGITAL COMMUNICATION. A licensee must apply for the  
22 renewal of an existing license to the local licensing authority within the  
23 time frame required by local ordinance or regulation and to the state  
24 licensing authority ~~prior to~~ BEFORE the expiration of the license. The  
25 licensee shall provide the state licensing authority with information  
26 establishing that the application complies with all local requirements for  
27 the renewal of a license. If a licensee submits a timely and sufficient

1 renewal application, the licensee may continue to operate until the  
2 application is finally acted upon by the state licensing authority. The local  
3 licensing authority may hold a hearing on the application for renewal of  
4 a medical marijuana business license only if the licensee has had  
5 complaints filed against it, THE LICENSEE has a history of violations, or  
6 there are allegations against the licensee that would constitute good cause.  
7 The local licensing authority shall not hold a renewal hearing provided  
8 for by this subsection (1) for a medical marijuana store until it has posted  
9 a notice of hearing on the licensed medical marijuana store premises in  
10 the manner described in section 44-10-303 (2) for a period of ten days  
11 and provided notice to the applicant at least ten days ~~prior to~~ BEFORE the  
12 hearing. The local licensing authority may refuse to renew any license for  
13 good cause, subject to judicial review.

14 (2) The state licensing authority may require ~~an additional~~ A  
15 LICENSEE TO SUBMIT A fingerprint ~~request~~ TO PERFORM A  
16 FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECK when there is a  
17 demonstrated investigative need.

18

19 **SECTION 6.** In Colorado Revised Statutes, 44-10-502, **amend**  
20 (5) and (6)(e) as follows:

21 **44-10-502. Medical marijuana cultivation facility license -**   
22 **centralized distribution permit - obtaining genetic material - transfer**  
23 **and change of designation of retail marijuana to medical marijuana**  
24 **- contingency plan - rules - definitions.** (5) (a) A medical marijuana  
25 cultivation facility licensee may provide ~~a medical marijuana sample and~~  
26 ~~a medical marijuana concentrate sample to no more than five managers~~  
27 ~~employed by the licensee for purposes of quality control and product~~

1 ~~development. A medical marijuana cultivation facility licensee may~~  
2 ~~designate no more than five managers per calendar month as recipients~~  
3 ~~of quality control and product development samples authorized pursuant~~  
4 ~~to this subsection (5)(a) AN R-AND-D UNIT TO AN OCCUPATIONAL~~  
5 ~~LICENSEE.~~

6 (b) ~~Managers who receive a sample pursuant to subsection (5)(a)~~  
7 ~~of this section must have a valid registry identification card issued~~  
8 ~~pursuant to section 25-1.5-106 (9).~~

9 (c) ~~A sample authorized pursuant to subsection (5)(a) of this~~  
10 ~~section is limited to one gram of medical marijuana per batch as defined~~  
11 ~~in rules promulgated by the state licensing authority and one-quarter gram~~  
12 ~~of a medical marijuana concentrate per batch as defined in rules~~  
13 ~~promulgated by the state licensing authority; except that the limit is~~  
14 ~~one-half gram of medical marijuana concentrate if the intended use of the~~  
15 ~~final medical marijuana product is to be used in a device that can deliver~~  
16 ~~medical marijuana concentrate in a vaporized form to the person inhaling~~  
17 ~~from the device.~~

18 (d) ~~A sample authorized pursuant to subsection (5)(a) of this~~  
19 ~~section TO PROVIDE AN R-AND-D UNIT, THE R-AND-D UNIT must be:~~  
20 ~~labeled and packaged pursuant to the rules promulgated pursuant to~~  
21 ~~section 44-10-203 (2)(f) and (3)(b).~~

22 (I) LABELED WITH THE UNIVERSAL SYMBOL INDICATING THAT THE  
23 PACKAGE CONTAINS MARIJUANA, THE LICENSE NUMBER OF THE FACILITY  
24 THAT PRODUCED THE R-AND-D UNIT, THE BATCH NUMBER, AND ANY  
25 REQUIRED WARNING STATEMENTS;

26 (II) LABELED TO INDICATE THAT THE R-AND-D UNIT MUST NOT BE  
27 SOLD OR RESOLD;

1 (III) TESTED IN ACCORDANCE WITH THE RULES ADOPTED UNDER  
2 SECTION 44-10-203 (2)(d);

3 (IV) PACKAGED IN A CHILD-RESISTANT CONTAINER;

4 (V) TRACKED WITH THE SEED-TO-SALE INVENTORY TRACKING  
5 SYSTEM; AND

6 (VI) PROVIDED FOR PRODUCT DEVELOPMENT OR QUALITY  
7 CONTROL PURPOSES.

8 (e) ~~A sample provided pursuant to subsection (5)(a) of this section~~  
9 ~~must be tracked with the seed-to-sale tracking system. Prior to a manager~~  
10 ~~receiving a sample, a manager must be designated in the seed-to-sale~~  
11 ~~tracking system as a recipient of quality control and product development~~  
12 ~~samples. A manager receiving a sample must make a voluntary decision~~  
13 ~~to be tracked in the seed-to-sale tracking system and is not a consumer~~  
14 ~~pursuant to section 16(5)(c) of article XVIII of the state constitution. The~~  
15 ~~medical marijuana cultivation facility licensee shall maintain~~  
16 ~~documentation of all samples and shall make the documentation available~~  
17 ~~to the state licensing authority.~~

18 (f) ~~Prior to a manager receiving a sample pursuant to subsection~~  
19 ~~(5)(a) of this section, a medical marijuana cultivation facility licensee~~  
20 ~~shall provide a standard operating procedure to the manager explaining~~  
21 ~~requirements pursuant to this section and personal possession limits~~  
22 ~~pursuant to section 18-18-406.~~

23 (g) ~~A manager shall not:~~

24 (I) ~~Receive more than one ounce total of medical marijuana~~  
25 ~~samples or fifteen grams of medical marijuana concentrate samples per~~  
26 ~~calendar month, regardless of the number of licenses that the manager is~~  
27 ~~associated with; or~~

1           ~~(H) Provide or resell the sample to another licensed employee, a~~  
2 ~~customer, or any other individual.~~

3           (h) A medical marijuana cultivation facility licensee shall not:

4           (I) Allow ~~a manager to consume the sample~~ AN R-AND-D UNIT TO  
5 BE CONSUMED on the licensed premises; ~~or~~

6           (II) Use ~~the sample~~ AN R-AND-D UNIT as a means of  
7 compensation; ~~to a manager.~~

8           (III) PROVIDE R-AND-D UNITS IN A MANNER THAT EXCEEDS SALES  
9 LIMITATIONS SET FORTH IN SECTION 44-10-501;

10          (IV) REQUIRE AN EMPLOYEE TO ACCEPT OR CONSUME AN R-AND-D  
11 UNIT;

12          (V) RECEIVE COMPENSATION FOR AN R-AND-D UNIT; OR

13          (VI) GIVE AN R-AND-D UNIT TO A PERSON THE DOES NOT HOLD A  
14 VALID REGISTRY IDENTIFICATION CARD ISSUED PURSUANT TO SECTION  
15 25-1.5-106 (9).

16          (i) ~~The state licensing authority may establish additional inventory~~  
17 ~~tracking and record keeping, including additional reporting required for~~  
18 ~~implementation. The medical marijuana cultivation facility licensee shall~~  
19 ~~maintain the information required by this subsection (5)(i) on the licensed~~  
20 ~~premises for inspection by the state and local licensing authorities.~~

21          (j) ~~For purposes of this subsection (5) only, "manager" means an~~  
22 ~~employee of the medical marijuana business who holds a valid key~~  
23 ~~license or associated key license. and is currently designated pursuant to~~  
24 ~~state licensing authority rules as the manager of the medical marijuana~~  
25 ~~business.~~

26          (6) (e) All security ~~and surveillance~~ requirements that apply to a  
27 medical marijuana cultivation facility apply to activities conducted



1 pursuant to the privileges of a centralized distribution permit.

2 **SECTION 7.** In Colorado Revised Statutes, 44-10-503, **amend**  
3 (2) and (10) as follows:

4 **44-10-503. Medical marijuana products manufacturer license**  
5 **- hemp products - R-and-D units - transfer and change of designation**  
6 **of retail marijuana to medical marijuana - rules - definition.**

7 (2) Medical marijuana products must be prepared on a licensed premises  
8 that is used exclusively for the manufacture and preparation of medical  
9 marijuana products and using equipment that is used exclusively for the  
10 manufacture and preparation of medical marijuana products **UNLESS**  
11 **PERMITTED BY RULE ADOPTED BY THE STATE LICENSING AUTHORITY**  
12 **UNDER SECTION 44-10-203 (1)(m);** except that, subject to rules of the state  
13 licensing authority, a medical marijuana products manufacturer licensee  
14 may share the same premises as a commonly owned marijuana research  
15 and development licensee so long as virtual or physical separation of  
16 inventory and research activity is maintained.

17 (10)(a) A medical marijuana products manufacturer licensee may  
18 provide a medical marijuana concentrate and a medical marijuana product  
19 ~~sample to no more than five managers employed by the licensee for~~  
20 ~~purposes of quality control and product development. A medical~~  
21 ~~marijuana products manufacturer licensee may designate no more than~~  
22 ~~five managers per calendar month as recipients of quality control and~~  
23 ~~product development samples authorized pursuant to this subsection~~  
24 ~~(10)(a) AN R-AND-D UNIT TO AN OCCUPATIONAL LICENSEE.~~

25 (b) ~~Managers who receive a sample pursuant to subsection (10)(a)~~  
26 ~~of this section must have a valid registry identification card issued~~  
27 ~~pursuant to section 25-1.5-106 (9).~~

1           (c) ~~A sample authorized pursuant to subsection (10)(a) of this~~  
2 ~~section is limited to one serving size of edible medical marijuana product~~  
3 ~~and its applicable equivalent serving size of nonedible medical marijuana~~  
4 ~~product per batch as defined in rules promulgated by the state licensing~~  
5 ~~authority and one-quarter gram of medical marijuana concentrate per~~  
6 ~~batch as defined in rules promulgated by the state licensing authority;~~  
7 ~~except that the limit is one-half gram of medical marijuana concentrate~~  
8 ~~if the intended use of the final product is to be used in a device that can~~  
9 ~~be used to deliver medical marijuana concentrate in a vaporized form to~~  
10 ~~the person inhaling from the device.~~

11           (d) ~~A sample authorized pursuant to subsection (10)(a) of this~~  
12 ~~section~~ TO PROVIDE AN R-AND-D UNIT, THE R-AND-D UNIT must be:  
13 ~~labeled and packaged pursuant to the rules promulgated pursuant to~~  
14 ~~section 44-10-203 (2)(f) and (3)(b).~~

15           (I) LABELED WITH THE UNIVERSAL SYMBOL INDICATING THAT THE  
16 PACKAGE CONTAINS MARIJUANA, THE LICENSE NUMBER OF THE FACILITY  
17 THAT PRODUCED THE R-AND-D UNIT, THE BATCH NUMBER, AND ANY  
18 REQUIRED WARNING STATEMENTS;

19           (II) LABELED TO INDICATE THAT THE R-AND-D UNIT MUST NOT BE  
20 SOLD OR RESOLD;

21           (III) TESTED IN ACCORDANCE WITH THE RULES ADOPTED UNDER  
22 SECTION 44-10-203 (2)(d);

23           (IV) PACKAGED IN A CHILD-RESISTANT CONTAINER;

24           (V) TRACKED WITH THE SEED-TO-SALE INVENTORY TRACKING  
25 SYSTEM; AND

26           (VI) PROVIDED FOR PRODUCT DEVELOPMENT OR QUALITY  
27 CONTROL.

1           (e) ~~A sample provided pursuant to subsection (10)(a) of this~~  
2 ~~section must be tracked with the seed-to-sale tracking system. Prior to a~~  
3 ~~manager receiving a sample, a manager must be designated in the~~  
4 ~~seed-to-sale tracking system as a recipient of quality control and product~~  
5 ~~development samples. A manager receiving a sample must make a~~  
6 ~~voluntary decision to be tracked in the seed-to-sale tracking system and~~  
7 ~~is not a consumer pursuant to section 16 (5)(c) of article XVIII of the~~  
8 ~~state constitution. The medical marijuana products manufacturer 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 subsection~~  
12 ~~(10)(a) of this section, a medical marijuana products manufacturer~~  
13 ~~licensee shall provide a standard operating procedure to the manager~~  
14 ~~explaining requirements pursuant to this section and personal possession~~  
15 ~~limits pursuant to section 18-18-406.~~

16           (g) ~~A manager shall not:~~

17           (I) ~~Receive more than a total of fifteen grams of medical~~  
18 ~~marijuana concentrate or fourteen individual serving-size edibles or its~~  
19 ~~applicable equivalent in nonedible medical marijuana products per~~  
20 ~~calendar month, regardless of the number of licenses that the manager is~~  
21 ~~associated with; or~~

22           (II) ~~Provide to or resell the sample to another licensed employee,~~  
23 ~~a customer, or any other individual.~~

24           (h) ~~A medical marijuana products manufacturer licensee shall not:~~

25           (I) ~~Allow a manager to consume the sample~~ AN R-AND-D UNIT TO  
26 ~~BE CONSUMED on the licensed premises; or~~

27           (II) ~~Use the sample~~ AN R-AND-D UNIT as a means of

1 compensation; ~~to a manager.~~

2 (III) PROVIDE R-AND-D UNITS IN A MANNER THAT EXCEEDS SALES  
3 LIMITATIONS SET FORTH IN SECTION 44-10-601;

4 (IV) REQUIRE AN EMPLOYEE TO ACCEPT OR CONSUME AN R-AND-D  
5 UNIT;

6 (V) RECEIVE COMPENSATION FOR AN R-AND-D UNIT; OR


7 (VI) GIVE AN R-AND-D UNIT TO A PERSON THAT DOES NOT HOLD  
8 A VALID REGISTRY IDENTIFICATION CARD ISSUED PURSUANT TO SECTION  
9 25-1.5-106 (9).

10 (i) ~~The state licensing authority may establish additional inventory~~  
11 ~~tracking and record keeping, including additional reporting required for~~  
12 ~~implementation. The medical marijuana products manufacturer licensee~~  
13 ~~shall maintain the information required by this subsection (10)(i) on the~~  
14 ~~licensed premises for inspection by the state and local licensing~~  
15 ~~authorities.~~

16 (j) ~~For purposes of this subsection (10) only, "manager" means an~~  
17 ~~employee of the medical marijuana products manufacturer who holds a~~  
18 ~~valid key license or associated key license and is currently designated~~  
19 ~~pursuant to state licensing authority rules as the manager of the medical~~  
20 ~~marijuana products manufacturer.~~

21

22 **SECTION 8.** In Colorado Revised Statutes, 44-10-601, **amend**  
23 **(3)(a)(I)** as follows:

24 **44-10-601. Retail marijuana store license - retail marijuana**  
25 **products - hemp products - consumer verification - delivery permit**  
26 **-  rules - definitions.** (3) (a) (I) A retail marijuana store may not sell  
27 more than ~~one ounce~~ TWO OUNCES of retail marijuana or its equivalent in

1 retail marijuana products, including retail marijuana concentrate, except  
2 for nonedible, nonpsychoactive retail marijuana products, including  
3 ointments, lotions, balms, and other nontransdermal topical products,  
4 during a single transaction to a person.

5

6 **SECTION 9.** In Colorado Revised Statutes, 44-10-602, **amend**  
7 (6)(a), (6)(d), (6)(h), and (7)(e); **repeal** (6)(c), (6)(e), (6)(f), (6)(g), (6)(i),  
8 and (6)(j) as follows:

9 **44-10-602. Retail marijuana cultivation facility license -**  
10 **R-and-D units - centralized distribution permit - genetic material -**  
11 **transfer and change of designation of retail marijuana to medical**  
12 **marijuana - contingency plan - rules - definitions.** (6) (a) A retail  
13 marijuana cultivation facility licensee may provide a retail marijuana  
14 sample and a retail marijuana concentrate sample to no more than five  
15 managers employed by the licensee for purposes of quality control and  
16 product development. A retail marijuana cultivation facility licensee may  
17 designate no more than five managers per calendar month as recipients  
18 of quality control and product development samples authorized pursuant  
19 to this subsection (6)(a) AN R-AND-D UNIT TO AN OCCUPATIONAL  
20 LICENSEE.

21 (c) A sample authorized pursuant to subsection (6)(a) of this  
22 section is limited to one gram of retail marijuana per batch as defined in  
23 rules promulgated by the state licensing authority, and one-quarter gram  
24 of a retail marijuana concentrate per batch as defined in rules  
25 promulgated by the state licensing authority; except that the limit is  
26 one-half gram of retail marijuana concentrate if the intended use of the  
27 final product is to be used in a device that can be used to deliver retail

1 marijuana concentrate in a vaporized form to the person inhaling from the  
2 device.

3 (d) ~~A sample authorized pursuant to subsection (6)(a) of this~~  
4 ~~section~~ TO PROVIDE AN R-AND-D UNIT, THE R-AND-D UNIT must be:  
5 ~~labeled and packaged pursuant to the rules promulgated pursuant to~~  
6 ~~section 44-10-203 (2)(f) and (3)(b).~~

7 (I) LABELED WITH THE UNIVERSAL SYMBOL INDICATING THAT THE  
8 PACKAGE CONTAINS MARIJUANA, THE LICENSE NUMBER OF THE FACILITY  
9 THAT PRODUCED THE R-AND-D UNIT, THE BATCH NUMBER, AND ANY  
10 REQUIRED WARNING STATEMENTS;

11 (II) LABELED TO INDICATE THAT THE R-AND-D UNIT MUST NOT BE  
12 SOLD OR RESOLD;

13 (III) TESTED IN ACCORDANCE WITH THE RULES ADOPTED UNDER  
14 SECTION 44-10-203 (2)(d);

15 (IV) PACKAGED IN A CHILD-RESISTANT CONTAINER;

16 (V) TRACKED WITH THE SEED-TO-SALE INVENTORY TRACKING  
17 SYSTEM; AND

18 (VI) PROVIDED FOR PRODUCT DEVELOPMENT OR QUALITY  
19 CONTROL.

20 (e) ~~A sample provided pursuant to subsection (6)(a) of this section~~  
21 ~~must be tracked with the seed-to-sale tracking system. Prior to a manager~~  
22 ~~receiving a sample, a manager must be designated in the seed-to-sale~~  
23 ~~tracking system as a recipient of quality control and product development~~  
24 ~~samples. A manager receiving a sample must make a voluntary decision~~  
25 ~~to be tracked in the seed-to-sale tracking system and is not a consumer~~  
26 ~~pursuant to section 16(5)(c) of article XVIII of the state constitution. The~~  
27 ~~retail marijuana cultivation facility licensee shall maintain documentation~~

1 of all samples and shall make the documentation available to the state  
2 licensing authority.

3 (f) ~~Prior to a manager receiving a sample pursuant to subsection~~  
4 ~~(6)(a) of this section, a retail marijuana cultivation facility licensee shall~~  
5 ~~provide a standard operating procedure to the manager explaining~~  
6 ~~requirements pursuant to this section and personal possession limits~~  
7 ~~pursuant to section 18-18-406.~~

8 (g) ~~A manager shall not:~~

9 ~~(I) Receive more than one ounce total of retail marijuana or eight~~  
10 ~~grams of retail marijuana concentrate samples per calendar month,~~  
11 ~~regardless of the number of licenses that the manager is associated with;~~  
12 ~~or~~

13 ~~(II) Provide to or resell the sample to another licensed employee,~~  
14 ~~a customer, or any other individual.~~

15 (h) A retail marijuana cultivation facility licensee shall not:

16 (I) ~~Allow a manager to consume the sample~~ AN R-AND-D UNIT TO  
17 BE CONSUMED on the licensed premises; ~~or~~

18 (II) ~~Use the sample~~ AN R-AND-D UNIT as a means of  
19 compensation; ~~to a manager.~~

20 (III) ~~PROVIDE R-AND-D UNITS IN A MANNER THAT WOULD VIOLATE~~  
21 ~~SECTION 18-18-406;~~

22 (IV) ~~REQUIRE AN EMPLOYEE TO ACCEPT OR CONSUME AN R-AND-D~~  
23 ~~UNIT; OR~~

24 (V) ~~RECEIVE COMPENSATION FOR AN R-AND-D UNIT.~~

25 (i) ~~The state licensing authority may establish additional inventory~~  
26 ~~tracking and record keeping, including additional reporting required for~~  
27 ~~implementation. The retail marijuana cultivation facility licensee shall~~

1 maintain the information required by this subsection (6)(i) on the licensed  
2 premises for inspection by the state and local licensing authorities.

3 (j) For purposes of this subsection (6) only, "manager" means an  
4 employee of the retail marijuana cultivation facility who holds a valid key  
5 license or associated key license and is currently designated pursuant to  
6 state licensing authority rules as the manager of the retail marijuana  
7 cultivation facility.

8 (7) (e) All security and surveillance requirements that apply to a  
9 retail marijuana cultivation facility apply to activities conducted pursuant  
10 to the privileges of a centralized distribution permit.

11 **SECTION 10.** In Colorado Revised Statutes, 44-10-603, **amend**  
12 (2) introductory portion and (10) as follows:

13 **44-10-603. Retail marijuana products manufacturer license -**  
14 **rules - definition.** (2) Retail marijuana products must be prepared on a  
15 licensed premises that is used exclusively for the manufacture and  
16 preparation of retail marijuana or retail marijuana products and using  
17 equipment that is used exclusively for the manufacture and preparation  
18 of retail marijuana products UNLESS PERMITTED BY RULE ADOPTED BY THE  
19 STATE LICENSING AUTHORITY UNDER SECTION 44-10-203 (1)(m); except  
20 that, if permitted by the local jurisdiction and subject to rules of the state  
21 licensing authority, a retail marijuana products manufacturer licensee may  
22 share the same premises as:

23 (10) (a) A retail marijuana products manufacturer licensee may  
24 provide a retail marijuana product sample and a retail marijuana  
25 concentrate sample to no more than five managers employed by the  
26 licensee for purposes of quality control and product development. A retail  
27 marijuana products manufacturer licensee may designate no more than



1 ~~five managers per calendar month as recipients of quality control and~~  
2 ~~product development samples authorized pursuant to this subsection~~  
3 ~~(10)(a) AN R-AND-D UNIT TO AN OCCUPATIONAL LICENSEE.~~

4 (b) ~~A sample authorized pursuant to subsection (10)(a) of this~~  
5 ~~section is limited to one serving size of an edible retail marijuana product~~  
6 ~~not exceeding ten milligrams of THC and its applicable equivalent~~  
7 ~~serving size of nonedible retail marijuana product per batch as defined in~~  
8 ~~rules promulgated by the state licensing authority and one-quarter gram~~  
9 ~~of retail marijuana concentrate per batch as defined in rules promulgated~~  
10 ~~by the state licensing authority; except that the limit is one-half gram of~~  
11 ~~retail marijuana concentrate if the intended use of the final product is to~~  
12 ~~be used in a device that can be used to deliver retail marijuana~~  
13 ~~concentrate in a vaporized form to the person inhaling from the device.~~

14 (c) ~~A sample authorized pursuant to subsection (10)(a) of this~~  
15 ~~section~~ TO PROVIDE AN R-AND-D UNIT, THE R-AND-D UNIT must be:  
16 ~~labeled and packaged pursuant to the rules promulgated pursuant to~~  
17 ~~section 44-10-203 (2)(f) and (3)(b).~~

18 (I) LABELED WITH THE UNIVERSAL SYMBOL INDICATING THAT THE  
19 PACKAGE CONTAINS MARIJUANA, THE LICENSE NUMBER OF THE FACILITY  
20 THAT PRODUCED THE R-AND-D UNIT, THE BATCH NUMBER, AND ANY  
21 REQUIRED WARNING STATEMENTS;

22 (II) LABELED TO INDICATE THAT THE R-AND-D UNIT MUST NOT BE  
23 SOLD OR RESOLD;

24 (III) TESTED IN ACCORDANCE WITH THE RULES ADOPTED UNDER  
25 SECTION 44-10-203 (2)(d);

26 (IV) PACKAGED IN A CHILD-RESISTANT CONTAINER;

27 (V) TRACKED WITH THE SEED-TO-SALE INVENTORY TRACKING

1       SYSTEM; AND

2               (VI)   PROVIDED FOR PRODUCT DEVELOPMENT OR QUALITY  
3       CONTROL.

4               (d) ~~A sample provided pursuant to subsection (10)(a) of this~~  
5 ~~section must be tracked with the seed-to-sale tracking system. Prior to a~~  
6 ~~manager receiving a sample, a manager must be designated in the~~  
7 ~~seed-to-sale tracking system as a recipient of quality control and product~~  
8 ~~development samples. A manager receiving a sample must make a~~  
9 ~~voluntary decision to be tracked in the seed-to-sale tracking system and~~  
10 ~~is not a consumer pursuant to section 16 (5)(c) of article XVIII of the~~  
11 ~~state constitution. The retail marijuana products manufacturer licensee~~  
12 ~~shall maintain documentation of all samples and shall make the~~  
13 ~~documentation available to the state licensing authority.~~

14              (e) ~~Prior to a manager receiving a sample pursuant to subsection~~  
15 ~~(10)(a) of this section, a retail marijuana products manufacturer licensee~~  
16 ~~shall provide a standard operating procedure to the manager explaining~~  
17 ~~requirements pursuant to this section and personal possession limits~~  
18 ~~pursuant to section 18-18-406.~~

19              (f) A manager shall not:

20              ~~(I) Receive more than a total of eight grams of retail marijuana~~  
21 ~~concentrate or fourteen individual serving-size edibles or its applicable~~  
22 ~~equivalent in nonedible retail marijuana products per calendar month;~~  
23 ~~regardless of the number of licenses that the manager is associated with;~~  
24       or

25              ~~(II) Provide to or resell the sample to another licensed employee;~~  
26 ~~a customer, or any other individual.~~

27              (g) A retail marijuana products ~~manufacturing~~ MANUFACTURER

1 licensee shall not:

2 (I) Allow ~~a manager to consume the sample~~ AN R-AND-D UNIT TO  
3 BE CONSUMED on the licensed premises; ~~or~~

4 (II) Use ~~the sample~~ AN R-AND-D UNIT as a means of  
5 compensation; ~~to a manager.~~

6 (III) PROVIDE R-AND-D UNITS IN A MANNER THAT WOULD VIOLATE  
7 SECTION 18-18-406;

8 (IV) REQUIRE AN EMPLOYEE TO ACCEPT OR CONSUME AN R-AND-D  
9 UNIT; OR

10 (V) RECEIVE COMPENSATION FOR AN R-AND-D UNIT.

11 (h) ~~The state licensing authority may establish additional~~  
12 ~~inventory tracking and record keeping, including additional reporting~~  
13 ~~required for implementation. The retail marijuana products manufacturer~~  
14 ~~licensee shall maintain the information required by this subsection (10)(h)~~  
15 ~~on the licensed premises for inspection by the state and local licensing~~  
16 ~~authorities.~~

17 (i) ~~For purposes of this subsection (10) only, "manager" means an~~  
18 ~~employee of the retail marijuana products manufacturer who holds a valid~~  
19 ~~key license or associated key license and is currently designated pursuant~~  
20 ~~to state licensing authority rules as the manager of the retail marijuana~~  
21 ~~products manufacturer.~~

22 **SECTION 11.** In Colorado Revised Statutes, 44-10-701, **amend**  
23 (2)(d); and **repeal** (2)(b) and (2)(e) as follows:

24 **44-10-701. Unlawful acts - exceptions.** (2) It is unlawful for a  
25 person to:

26 (b) ~~Have a controlling beneficial ownership, passive beneficial~~  
27 ~~ownership, or indirect financial interest in a license pursuant to this article~~

1 ~~10 that was not disclosed in accordance with section 44-10-309; except~~  
2 ~~that this subsection (2)(b) does not apply to banks or savings and loan~~  
3 ~~associations supervised and regulated by an agency of the state or federal~~  
4 ~~government, or to FHA-approved mortgagees, or to stockholders,~~  
5 ~~directors, or officers thereof;~~

6 (d) Exercise any privilege associated with holding a controlling  
7 beneficial ownership, passive beneficial ownership, or indirect financial  
8 interest in a license that was not disclosed in accordance with section  
9 44-10-309. ~~or~~

10 (e) ~~Engage in transfer of ownership without prior approval as~~  
11 ~~required by this article 10, including but not limited to:~~

12 ~~(I) A proposed transferee operating a medical marijuana business~~  
13 ~~or retail marijuana business before a transfer of ownership request for that~~  
14 ~~business is approved in writing by the state licensing authority; or~~

15 ~~(II) A current controlling beneficial owner, passive beneficial~~  
16 ~~owner, or proposed transferor failing to retain full responsibility for a~~  
17 ~~medical marijuana business or retail marijuana business identified in the~~  
18 ~~transfer of ownership application until the transfer request is approved in~~  
19 ~~writing by the state licensing authority.~~

20 **SECTION 12.** In Colorado Revised Statutes, 44-10-801, **amend**  
21 (3)(a) introductory portion, (3)(a)(IV), and (3)(a)(V); and **add** (3)(a)(VI)  
22 as follows:

23 **44-10-801. Marijuana cash fund - transfer.** (3) (a) The state  
24 licensing authority shall establish fees for processing the following types  
25 of applications, licenses, notices, REQUESTS, or reports required to be  
26 submitted to the state licensing authority:

27 (IV) License renewal and expired license renewal applications

1 pursuant to section 44-10-314; and  
2 (V) Licenses as listed in section 44-10-401; AND  
3 (VI) REQUESTS FOR COPIES OF A LICENSE APPLICATION SUBMITTED  
4 BY THE APPLICANT.

5 **SECTION 13.** In Colorado Revised Statutes, 44-10-1001, **add** (4)  
6 as follows:

7 **44-10-1001. Inspection procedures.** (4) NOTWITHSTANDING THE  
8 PROVISIONS OF THIS SECTION:

9 (a) IF A LICENSEE IS REQUIRED TO MAINTAIN BOOKS AND RECORDS  
10 IN THE SEED-TO-SALE INVENTORY TRACKING SYSTEM, THE LICENSEE NEED  
11 NOT MAINTAIN DUPLICATE COPIES OF THE BOOKS AND RECORDS; AND

12 (b) THE STATE LICENSING AUTHORITY MAY REQUIRE THE LICENSEE  
13 TO MAINTAIN ADDITIONAL RECORDS BEYOND THOSE REQUIRED BY THIS  
14 ARTICLE 10 OR THE RULES ADOPTED UNDER THIS ARTICLE 10 UPON A  
15 FINDING OF A VIOLATION BY THE LICENSEE OR BY AN AGENT OR EMPLOYEE  
16 OF THE LICENSEE OF THIS ARTICLE 10 OR A RULE ADOPTED UNDER THIS  
17 ARTICLE 10.

18 **Section 14. Appropriation - adjustments to 2025 long bill.**

19 (1) Except as provided in subsection (2) of this section, to implement this  
20 act, the cash fund appropriation from the marijuana cash fund created in  
21 section 44-10-801 (1)(a), C.R.S., made in the annual general  
22 appropriation act for the 2025-26 state fiscal year to the department of  
23 revenue for use by the marijuana enforcement division for operating  
24 expenses is decreased by \$25,883.

25 (2) Subsection (1) of this section does not require a reduction of  
26 an appropriation in the annual general appropriation act for the 2025-26  
27 state fiscal year if:

1 (a) The amount of the marijuana cash fund appropriation made in  
2 the annual general appropriation act for the 2025-26 state fiscal year to  
3 the department of revenue for use by the marijuana enforcement division  
4 for operating expenses is less than the amount of the adjustment required  
5 in subsection (1) of this section; or

6 (b) The annual general appropriation act for the 2025-26 state  
7 fiscal year does not include an appropriation to the department of revenue  
8 for use by the marijuana enforcement division for operating expenses.

9 (3) Except as provided in subsections (4) and 5 of this section, to  
10 implement this act, the cash fund appropriation from the Colorado bureau  
11 of investigation identification unit fund created in section 24-33.5-426,  
12 C.R.S., made in the annual general appropriation act for the 2025-26 state  
13 fiscal year to the department of public safety for use by the biometric  
14 identification and records unit is decreased as follows:

15 (a) \$156,447 for personal services, and the related FTE is  
16 decreased by 1.5 FTE; and

17 (b) \$95,887 for operating expenses related to the biometric  
18 identification and records unit.

19 (4) Subsection (3)(a) of this section does not require a reduction  
20 of an appropriation in the annual general appropriation act for the  
21 2025-26 state fiscal year if:

22 (a) The amount of the Colorado bureau of investigation  
23 identification unit fund appropriation made in the annual general  
24 appropriation act for the 2025-26 state fiscal year to the department of  
25 public safety for use by the biometric identification and records unit for  
26 personal services is less than the amount of the adjustment required in  
27 subsection (3)(a) of this section; or

1 (b) The annual general appropriation act for the 2025-26 state  
2 fiscal year does not include an appropriation to the department of public  
3 safety for use by the biometric identification and records unit for personal  
4 services.

5 (5) Subsection (3)(b) of this section does not require a reduction  
6 of an appropriation in the annual general appropriation act for the  
7 2025-26 state fiscal year if:

8 (a) The amount from the Colorado bureau of investigation  
9 identification unit fund appropriation made in the annual general  
10 appropriation act for the 2025-26 state fiscal year to the department of  
11 public safety for use by the biometric identification and records unit for  
12 operating expenses is less than the amount of the adjustment required in  
13 subsection (3)(b) of this section; or

14 (b) The annual general appropriation act for the 2025-26 state  
15 fiscal year does not include an appropriation to the department of public  
16 safety for use by the biometric identification and records unit for  
17 operating expenses.

18 **SECTION 15. Act subject to petition - effective date -**  
19 **applicability.** (1) This act takes effect January 5, 2026; except that, if a  
20 referendum petition is filed pursuant to section 1 (3) of article V of the  
21 state constitution against this act or an item, section, or part of this act  
22 within the ninety-day period after final adjournment of the general  
23 assembly, then the act, item, section, or part will not take effect unless  
24 approved by the people at the general election to be held in November  
25 2026 and, in such case, will take effect on the date of the official  
26 declaration of the vote thereon by the governor.

27 (2) Section 16 of this act takes effect only if the annual general

1 appropriation act for the 2025-26 state fiscal year becomes law, in which  
2 case section 16 takes effect upon the effective date of this act or of the  
3 annual general appropriation act for state fiscal year 2025-26, whichever  
4 is later. ■■■

5 (3) This act applies to conduct occurring on or after the applicable  
6 effective date of this act.