ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

SENATE BILL 23-199

SENATE SPONSORSHIP

Hinrichsen and Van Winkle,

HOUSE SPONSORSHIP

Lindstedt and Weinberg,

Senate Committees	House Committees
Finance	

A BILL FOR AN ACT

101   CONCERNING PROCEDURES FOR THE ISSUANCE OF MARIJUANA

102   LICENSES, AND, IN CONNECTION THEREWITH, CLARIFYING THAT

103   THE STATE LICENSING AUTHORITY MAY REFUND LICENSING FEES

104   WHEN AN APPLICATION IS DENIED AND ALLOWING APPLICANTS

105   THE OPPORTUNITY TO RENEW A STATE LICENSE WHILE LOCAL

106   JURISDICTION APPROVAL IS PENDING.

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.)

A person applying for a marijuana license is required to pay both

an application fee and a licensing fee. The bill clarifies that the state licensing authority may issue a refund of a licensing fee if the marijuana license application is denied but that the respective licensing authorities are to retain the application fees.

Current law requires a marijuana license applicant to obtain both a state license and local jurisdiction approval, and the state license is conditioned on local jurisdiction approval. The bill provides an applicant the opportunity to renew, for up to one year, a state license that would otherwise expire because of failure to receive local jurisdiction approval if the applicant demonstrates good cause.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-10-104, **amend**

3 (2)(a) as follows:

4 **44-10-104. Applicability - medical marijuana - retail**

5 **marijuana.** (2) (a) A person applying for licensure pursuant to this

6 article 10 must complete forms as provided by the state licensing

7 authority and must pay the application fee and the licensing fee, which

8 must be credited to the marijuana cash fund established pursuant to

9 section 44-10-801. The state licensing authority shall forward, within

10 seven days AFTER RECEIPT, one-half of the retail marijuana business

11 license application fee to the local jurisdiction unless the application is for

12 an accelerator cultivator, accelerator manufacturer, or accelerator store

13 license or unless the local jurisdiction has prohibited the operation of

14 retail marijuana businesses pursuant to section 16 (5)(f) of article XVIII

15 of the state constitution. If the license is denied, the state licensing

16 authority shall MAY refund ONLY the licensing fee to the applicant. THE

17 APPLICANT'S APPLICATION FEES MUST BE RETAINED BY THE STATE

18 LICENSING AUTHORITY, AND A LOCAL LICENSING AUTHORITY MAY RETAIN

19 THE APPLICANT'S APPLICATION FEES.

20 **SECTION 2.** In Colorado Revised Statutes, 44-10-303, **amend**

1   (2)(b) as follows:

2   **44-10-303. Public hearing notice - posting and publication.**

3   (2)   **Medical marijuana application review.** (b)   All applications

4   submitted for review must be accompanied by all applicable state and

5   local license and application fees. ~~Any applications that are later denied~~

6   ~~or withdrawn may allow for a refund of license fees only.~~ All application

7   fees provided by an applicant must be retained by the ~~respective~~ STATE

8   licensing authority, AND A LOCAL LICENSING AUTHORITY MAY RETAIN THE

9   APPLICANT'S APPLICATION FEES.

10   **SECTION 3.** In Colorado Revised Statutes, 44-10-305, **amend**

11 (2)(b)(I) as follows:

12   **44-10-305. State licensing authority - application and issuance**

13 **procedures.** (2) (b) (I) (A) The state licensing authority may issue a state

14 license to an applicant pursuant to this section for a retail marijuana

15 business upon completion of the applicable criminal history background

16 check associated with the application, and the state license is conditioned

17 upon local jurisdiction approval.

18   (B) A license applicant is prohibited from operating a licensed

19 retail marijuana business without state and local jurisdiction approval. IF

20 AN APPLICATION IS DENIED BY THE LOCAL LICENSING AUTHORITY, THE

21 STATE LICENSING AUTHORITY SHALL REVOKE THE STATE-ISSUED LICENSE.

22   (C) If the applicant does not receive local jurisdiction approval

23 within one year from the date of state licensing authority approval, the

24 state license expires. ~~and may not be renewed. If an application is denied~~

25 ~~by the local licensing authority, the state licensing authority shall revoke~~

26 ~~the state-issued license~~ THE STATE LICENSING AUTHORITY MAY RENEW A

27 LICENSE THAT HAS NOT YET RECEIVED LOCAL JURISDICTION APPROVAL

1   PRIOR TO THE EXPIRATION OF THAT LICENSE IF AN APPLICANT SUBMITS A

2   RENEWAL APPLICATION PURSUANT TO SECTION 44-10-314 AND

3   DEMONSTRATES TO THE STATE LICENSING AUTHORITY, IN A MANNER

4   DETERMINED BY THE STATE LICENSING AUTHORITY, WHY LOCAL

5   JURISDICTION APPROVAL HAS NOT YET BEEN OBTAINED OR A LOCAL

6   LICENSE HAS NOT YET BEEN ISSUED. THE STATE LICENSING AUTHORITY

7   MAY RENEW A LICENSE FOR UP TO ONE YEAR, AND THE RENEWED STATE

8   LICENSE IS CONDITIONED UPON LOCAL JURISDICTION APPROVAL.

9   **SECTION 4. Act subject to petition - effective date - applicability.** (1) This act takes effect January 1, 2024; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

18   (2) This act applies to state and local marijuana license applications submitted on or after the applicable effective date of this act.