

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 18-0377.01 Michael Dohr x4347

HOUSE BILL 18-1092

HOUSE SPONSORSHIP

Melton and Singer, Herod, Rosenthal, Coleman, Hooton, Salazar

SENATE SPONSORSHIP

Neville T.,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A PILOT PROGRAM FOR MARIJUANA DELIVERY, AND, IN**
102 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

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

The bill creates a pilot program to allow marijuana delivery. The marijuana state licensing authority can enter into a memorandum of understanding with up to 3 municipalities to allow medical and retail marijuana delivery. The state licensing authority can adopt rules regarding marijuana delivery and can issue up to 15 marijuana delivery licenses.

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

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-43.3-202, **add**
3 (2)(a)(XXIII) and (4) as follows:

4 **12-43.3-202. Powers and duties of state licensing authority -**
5 **rules - repeal.** (2) (a) Rules promulgated pursuant to subsection (1)(b)
6 of this section may include, but need not be limited to, the following
7 subjects:

8 (XXIII) MARIJUANA DELIVERY AS DESCRIBED IN SECTION
9 12-43.3-409, INCLUDING:

10 (A) QUALIFICATIONS AND ELIGIBILITY REQUIREMENTS FOR
11 APPLYING FOR A MARIJUANA DELIVERY LICENSE;

12 (B) TRAINING REQUIREMENTS FOR PERSONNEL OF A MARIJUANA
13 DELIVERY LICENSEE WHO WILL DELIVER MEDICAL MARIJUANA, MEDICAL
14 MARIJUANA-INFUSED PRODUCTS, MEDICAL MARIJUANA CONCENTRATE,
15 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL
16 MARIJUANA CONCENTRATE PURSUANT TO SECTION 12-43.3-409;

17 (C) PROCEDURES FOR PROOF OF MEDICAL MARIJUANA REGISTRY
18 AND AGE IDENTIFICATION AND VERIFICATION;

19 (D) DELIVERY VEHICLE REQUIREMENTS, INCLUDING BUT NOT
20 LIMITED TO REQUIREMENTS FOR LOCATION AND VEHICLE TRACKING,
21 SECURITY, AND SURVEILLANCE;

22 (E) SECURITY REQUIREMENTS, INCLUDING BUT NOT LIMITED TO
23 REQUIREMENTS FOR AREAS WHERE DELIVERY ORDERS ARE PROCESSED,
24 STORED, WEIGHED, PACKAGED, PREPARED, TAGGED, TRANSPORTED,
25 TRANSFERRED, AND DELIVERED, AND OTHER MINIMUM PROCEDURES FOR
26 INTERNAL CONTROL AS DEEMED NECESSARY BY THE STATE LICENSING

1 AUTHORITY TO PROPERLY ADMINISTER AND ENFORCE THE PROVISIONS OF
2 THIS ARTICLE 43.3;

3 (F) RECORD-KEEPING REQUIREMENTS;

4 (G) LIMITS ON THE AMOUNTS OF MEDICAL MARIJUANA, MEDICAL
5 MARIJUANA-INFUSED PRODUCTS, MEDICAL MARIJUANA CONCENTRATE,
6 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL
7 MARIJUANA CONCENTRATE THAT MAY BE CARRIED IN A DELIVERY
8 VEHICLE;

9 (H) INVENTORY TRACKING SYSTEM REQUIREMENTS, INCLUDING
10 BUT NOT LIMITED TO REQUIREMENTS THAT MEDICAL MARIJUANA, MEDICAL
11 MARIJUANA-INFUSED PRODUCTS, MEDICAL MARIJUANA CONCENTRATE,
12 RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL
13 MARIJUANA CONCENTRATE ARE TRACKED FROM THE POINT THAT THEY ARE
14 TRANSFERRED FROM A MEDICAL MARIJUANA CENTER OR RETAIL
15 MARIJUANA STORE TO THE POINT OF DELIVERY AT A PHYSICAL ADDRESS
16 AND BETWEEN PHYSICAL ADDRESSES AND REQUIREMENTS FOR USE OF AN
17 INVENTORY TRACKING SYSTEM-GENERATED DELIVERY MANIFEST FOR
18 EACH DELIVERY ORDER;

19 (I) PACKAGING REQUIREMENTS FOR DELIVERIES; AND

20 (J) HEALTH AND SAFETY REQUIREMENTS FOR DELIVERY OF
21 MEDICAL MARIJUANA, MEDICAL MARIJUANA-INFUSED PRODUCTS, MEDICAL
22 MARIJUANA CONCENTRATE, RETAIL MARIJUANA, RETAIL MARIJUANA
23 PRODUCTS, AND RETAIL MARIJUANA CONCENTRATE.

24 (4) (a) THE STATE LICENSING AUTHORITY SHALL ENTER INTO NO
25 MORE THAN THREE MEMORANDUMS OF UNDERSTANDING WITH
26 MUNICIPALITIES TO ALLOW MARIJUANA DELIVERY IN THOSE
27 JURISDICTIONS. A MEMORANDUM OF UNDERSTANDING MAY ALLOW

1 MULTIPLE MUNICIPALITIES TO COMPRIZE A CONTIGUOUS JURISDICTION IN
2 ORDER TO PERMIT DELIVERY BETWEEN THE MUNICIPALITIES, AND THE
3 MEMORANDUM OF UNDERSTANDING MUST INCLUDE AN AGREEMENT ON
4 REVENUE SHARING, INCLUDING A REQUIREMENT THAT THE POINT OF
5 TAXATION IS AT THE STORE.

6 (b) THE MUNICIPALITY OR THE STATE LICENSING AUTHORITY CAN
7 TERMINATE THE MEMORANDUM OF UNDERSTANDING FOR GOOD CAUSE.

8 (c) BY MARCH 1, 2020, THE STATE LICENSING AUTHORITY SHALL
9 REPORT TO THE FINANCE COMMITTEE OF THE HOUSE OF REPRESENTATIVES
10 AND THE FINANCE COMMITTEE OF THE SENATE, OR ANY SUCCESSOR
11 COMMITTEES, REGARDING MARIJUANA DELIVERY IN THE JURISDICTIONS
12 WITH THE MEMORANDUMS OF UNDERSTANDING.

13 (d) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE JULY 1, 2020.

14 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-301, **amend**
15 (1)(g) and (1)(h); and **add** (1)(i) as follows:

16 **12-43.3-301. Local licensing authority - applications - licenses**
17 **- repeal.** (1) A local licensing authority may issue only the following
18 medical marijuana licenses upon payment of the fee and compliance with
19 all local licensing requirements to be determined by the local licensing
20 authority:

21 (g) A marijuana research and development license; **and**

22 (h) A marijuana research and development cultivation license;

23 AND

24 (i) (I) A MARIJUANA DELIVERY LICENSE.

25 (II) THIS SUBSECTION (1)(i) IS REPEALED, EFFECTIVE DECEMBER
26 31, 2020.

27 **SECTION 3.** In Colorado Revised Statutes, 12-43.3-401, **amend**

1 (1)(g) and (1)(h); and **add** (1)(i) as follows:

2 **12-43.3-401. Classes of licenses - repeal.** (1) For the purpose of
3 regulating the cultivation, manufacture, distribution, and sale of medical
4 marijuana, the state licensing authority in its discretion, upon application
5 in the prescribed form made to it, may issue and grant to the applicant a
6 license from any of the following classes, subject to the provisions and
7 restrictions provided by this article 43.3:

8 (g) Marijuana research and development license; **and**

9 (h) Marijuana research and development cultivation license; **AND**

10 (i) (I) **A MARIJUANA DELIVERY LICENSE.**

11 (II) **THIS SUBSECTION (1)(i) IS REPEALED, EFFECTIVE DECEMBER**
12 **31, 2020.**

13 **SECTION 4.** In Colorado Revised Statutes, **add** 12-43.3-409 as
14 follows:

15 **12-43.3-409. Marijuana delivery license - repeal.** (1)(a) THERE
16 IS A MARIJUANA DELIVERY LICENSE AUTHORIZING THE LICENSEE:

17 (I) **NOTWITHSTANDING THE PROVISIONS OF SECTION 12-43.3-901**
18 **(4)(h), TO DELIVER MEDICAL MARIJUANA, MEDICAL MARIJUANA-INFUSED**
19 **PRODUCTS, AND MEDICAL MARIJUANA CONCENTRATE BY THE LICENSEE OR**
20 **ITS EMPLOYEES TO A REGISTERED MEDICAL MARIJUANA CARDHOLDER**
21 **EIGHTEEN YEARS OF AGE OR OLDER, OR TO A CARDHOLDER'S PARENT OR**
22 **GUARDIAN WHO IS TWENTY-ONE YEARS OF AGE OR OLDER, AT A PHYSICAL**
23 **ADDRESS IN THE JURISDICTION THAT IS OTHERWISE LICENSED TO SELL AND**
24 **DELIVER MARIJUANA; AND**

25 (II) **TO DELIVER RETAIL MARIJUANA, RETAIL MARIJUANA**
26 **PRODUCTS, AND RETAIL MARIJUANA CONCENTRATE BY THE LICENSEE OR**
27 **ITS EMPLOYEES TO A PERSON WHO IS TWENTY-ONE YEARS OF AGE OR**

1 OLDER AT A PHYSICAL ADDRESS IN THE JURISDICTION THAT IS OTHERWISE
2 LICENSED TO SELL AND DELIVER MARIJUANA.

3 (b) A MARIJUANA DELIVERY LICENSE IS VALID FOR ONE YEAR AND
4 MAY BE RENEWED ANNUALLY.

5 (c) THE STATE LICENSING AUTHORITY MAY ISSUE MARIJUANA
6 DELIVERY LICENSES TO QUALIFIED APPLICANTS, AS DETERMINED BY THE
7 STATE LICENSING AUTHORITY, IN JURISDICTIONS AUTHORIZED PURSUANT
8 TO SECTION 12-43.3-202 (4). THE STATE LICENSING AUTHORITY SHALL
9 ISSUE A MARIJUANA DELIVERY LICENSE TO AN APPLICANT WHO IS
10 QUALIFIED TO RECEIVE THE LICENSE. A MARIJUANA DELIVERY LICENSE
11 ISSUED BY THE STATE LICENSING AUTHORITY IS DEEMED A REVOCABLE
12 PRIVILEGE.

13 (d) (I) THE STATE LICENSING AUTHORITY SHALL ESTABLISH BY
14 RULE AN APPLICATION FEE AND ANNUAL RENEWAL FEE FOR THE
15 MARIJUANA DELIVERY LICENSE.

16 (II) THE AMOUNT OF THE FEE MUST REFLECT THE EXPECTED COSTS
17 OF ADMINISTERING THE MARIJUANA DELIVERY LICENSE AND MAY BE
18 ADJUSTED BY THE STATE LICENSING AUTHORITY TO REFLECT THE
19 LICENSE'S ACTUAL DIRECT AND INDIRECT COSTS.

20 (e) (I) A PERSON WITH A MARIJUANA DELIVERY LICENSE MAY
21 DELIVER MEDICAL MARIJUANA, MEDICAL MARIJUANA-INFUSED PRODUCTS,
22 AND MEDICAL MARIJUANA CONCENTRATE ONLY TO A PERSON WHO PLACED
23 THE ORDER AND WHO:

24 (A) IS A CURRENT REGISTRANT OF THE MEDICAL MARIJUANA
25 PATIENT REGISTRY AND IS EIGHTEEN YEARS OF AGE OR OLDER, OR THE
26 PARENT OR GUARDIAN, WHO IS TWENTY-ONE YEARS OF AGE OR OLDER, OF
27 A MINOR WHO IS A CURRENT REGISTRANT;

1 (B) RECEIVES THE DELIVERY PURSUANT TO RULES; AND

2 (C) POSSESSES AN ACCEPTABLE FORM OF IDENTIFICATION.

3 (II) ANY PERSON DELIVERING MEDICAL MARIJUANA, MEDICAL

4 MARIJUANA-INFUSED PRODUCTS, OR MEDICAL MARIJUANA CONCENTRATE

5 MUST POSSESS A VALID OCCUPATIONAL LICENSE AND MUST HAVE

6 UNDERGONE TRAINING REGARDING PROOF OF AGE IDENTIFICATION AND

7 VERIFICATION, INCLUDING ALL FORMS OF IDENTIFICATION THAT ARE

8 DEEMED ACCEPTABLE BY THE STATE LICENSING AUTHORITY, AND ANY

9 OTHER TRAINING REQUIRED BY THE STATE LICENSING AUTHORITY.

10 (f) (I) A PERSON WITH A MARIJUANA DELIVERY LICENSE

10 (f) (I) A PERSON WITH A MARIJUANA DELIVERY LICENSE MAY
11 DELIVER RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL
12 MARIJUANA CONCENTRATE ONLY TO A PERSON WHO PLACED THE ORDER
13 AND WHO:

14 (A) IS TWENTY-ONE YEARS OF AGE OR OLDER;

15 (B) RECEIVES THE DELIVERY PURSUANT TO RULES; AND

16 (C) POSSESSES AN ACCEPTABLE FORM OF IDENTIFICATION.

17 (II) ANY PERSON DELIVERING RETAIL MARIJUANA, RETAIL

18 MARIJUANA PRODUCTS, AND RETAIL MARIJUANA CONCENTRATE MUST

19 POSSESS A VALID OCCUPATIONAL LICENSE AND MUST HAVE UNDERGONE

20 TRAINING REGARDING PROOF OF AGE IDENTIFICATION AND VERIFICATION.

21 INCLUDING ALL FORMS OF IDENTIFICATION THAT ARE DEEMED

22 ACCEPTABLE BY THE STATE LICENSING AUTHORITY AND ANY OTHER

23 TRAINING REQUIRED BY THE STATE LICENSING AUTHORITY

24 (g) (I) THE STATE LICENSING AUTHORITY SHA

25 MARIJUANA DELIVERY LICENSES ON JANUARY 1, 2019.

26 (II) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2020.

27 SECTION 5. In Colorado Revised Statutes, **add** 12-43.4-106 as

1 follows:

2 **12-43.4-106. Marijuana delivery - repeal.**

3 (1) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE 43.4 TO THE
4 CONTRARY, A PERSON LICENSED PURSUANT TO SECTION 12-43.3-409 MAY
5 DELIVER RETAIL MARIJUANA, RETAIL MARIJUANA PRODUCTS, AND RETAIL
6 MARIJUANA CONCENTRATE PURSUANT TO THE PROVISIONS OF SECTION
7 12-43.3-409 AND ANY RULES ADOPTED PURSUANT TO SECTION
8 12-43.3-202 (2)(a)(XXIII).

9 (2) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2020.

10 **SECTION 6. Appropriation.** (1) For the 2018-19 state fiscal
11 year, \$310,543 is appropriated to the department of revenue. This
12 appropriation is from the marijuana cash fund created in section
13 12-43.3-501 (1)(a), C.R.S. To implement this act, the department may use
14 this appropriation as follows:

15 (a) \$230,044 for marijuana enforcement, which amount is based
16 on an assumption that the department will require an additional 2.7 FTE;

17 (b) \$12,000 for tax administration IT system (GenTax) support;

18 (c) \$14,850 for use by the executive director's office for vehicle
19 lease payments;

20 (d) \$11,025 for use by the executive director's office for operating
21 expenses; and

22 (e) \$42,624 for the purchase of legal services.

23 (2) For the 2018-19 state fiscal year, \$42,624 is appropriated to
24 the department of law. This appropriation is from reappropriated funds
25 received from the department of revenue under subsection (1)(e) of this
26 section and is based on an assumption that the department of law will
27 require an additional 0.2 FTE. To implement this act, the department of

1 law may use this appropriation to provide legal services for the
2 department of revenue.

3 (3) For the 2018-19 state fiscal year, \$14,850 is appropriated to
4 the department of personnel. This appropriation is from reappropriated
5 funds received from the department of revenue under subsection (1)(c) of
6 this section. To implement this act, the department of personnel may use
7 this appropriation for vehicle replacement lease/purchase in fleet
8 management program and motor pool services.

9 **SECTION 7. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, and safety.