

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0876.01 Michael Dohr x4347

HOUSE BILL 16-1211

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HOUSE SPONSORSHIP

Melton,

SENATE SPONSORSHIP

(None),

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House Committees  
Business Affairs and Labor  
Finance

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING LICENSING MARIJUANA TRANSPORTERS.

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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://www.leg.state.co.us/billsummaries>.)*

The bill creates a retail marijuana transporter license and a medical marijuana transporter license. The license is valid for 5 years. A licensed marijuana transporter (transporter) provides logistics, distribution, and storage of marijuana and marijuana products. A transporter may contract with multiple businesses and may also hold another marijuana license. A transporter must be licensed by December 31, 2017, in order to continue

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

to operate. The bill describes the circumstances under which a business can terminate a contract with a transporter.

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

2           **SECTION 1.** In Colorado Revised Statutes, 12-43.3-301, **add** (1)  
3 (d) as follows:

4           **12-43.3-301. Local licensing authority - applications - licenses.**  
5 (1) A local licensing authority may issue only the following medical  
6 marijuana licenses upon payment of the fee and compliance with all local  
7 licensing requirements to be determined by the local licensing authority:

8           (d) A MEDICAL MARIJUANA TRANSPORTER LICENSE.

9           **SECTION 2.** In Colorado Revised Statutes, 12-43.3-401, **add** (1)  
10 (e) as follows:

11           **12-43.3-401. Classes of licenses.** (1) For the purpose of  
12 regulating the cultivation, manufacture, distribution, and sale of medical  
13 marijuana, the state licensing authority in its discretion, upon application  
14 in the prescribed form made to it, may issue and grant to the applicant a  
15 license from any of the following classes, subject to the provisions and  
16 restrictions provided by this article:

17           (e) MEDICAL MARIJUANA TRANSPORTER LICENSE.

18           **SECTION 3.** In Colorado Revised Statutes, **add** 12-43.3-406 as  
19 follows:

20           **12-43.3-406. Medical marijuana transporter license.** (1)(a) A  
21 MEDICAL MARIJUANA TRANSPORTER LICENSE MAY BE ISSUED TO A PERSON  
22 TO PROVIDE LOGISTICS, DISTRIBUTION, AND STORAGE OF MEDICAL  
23 MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS.  
24 NOTWITHSTANDING ANY OTHER PROVISIONS OF LAW, A MEDICAL  
25 MARIJUANA TRANSPORTER LICENSE IS VALID FOR FIVE YEARS, BUT CANNOT

1 BE TRANSFERRED WITH A CHANGE OF OWNERSHIP. A LICENSED MEDICAL  
2 MARIJUANA TRANSPORTER IS RESPONSIBLE FOR THE MEDICAL MARIJUANA  
3 AND MEDICAL MARIJUANA-INFUSED PRODUCTS ONCE IT TAKES CONTROL  
4 OF THE PRODUCT.

5 (b) A LICENSED MEDICAL MARIJUANA TRANSPORTER MAY  
6 CONTRACT WITH MULTIPLE LICENSED MEDICAL MARIJUANA BUSINESSES.  
7 WHEN SUBMITTING A LICENSE APPLICATION FOR A MEDICAL MARIJUANA  
8 TRANSPORTER LICENSE, THE APPLICANT MUST INCLUDE A COPY OF EACH  
9 CONTRACT ENTERED INTO, AND, IF LICENSED, THE MEDICAL MARIJUANA  
10 TRANSPORTER SHALL SUBMIT ALL NEW CONTRACTS, REVISIONS, OR  
11 AMENDMENTS ENTERED INTO TO THE STATE LICENSING AUTHORITY WITHIN  
12 THIRTY DAYS OF EXECUTION.

13 (c) ON AND AFTER JANUARY 1, 2018, ALL MEDICAL MARIJUANA  
14 TRANSPORTERS SHALL HOLD A VALID MEDICAL MARIJUANA TRANSPORTER  
15 LICENSE; EXCEPT THAT AN ENTITY LICENSED PURSUANT TO THIS ARTICLE  
16 THAT PROVIDES ITS OWN DISTRIBUTION IS NOT REQUIRED TO HAVE A  
17 MEDICAL MARIJUANA TRANSPORTER LICENSE TO TRANSPORT AND  
18 DISTRIBUTE ITS PRODUCTS.

19 (2) A MEDICAL MARIJUANA TRANSPORTER LICENSEE MAY  
20 MAINTAIN A LICENSED PREMISES TO TEMPORARILY STORE MEDICAL  
21 MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS AND TO USE AS  
22 A CENTRALIZED DISTRIBUTION POINT. A LICENSED MEDICAL MARIJUANA  
23 TRANSPORTER MAY STORE AND DISTRIBUTE MEDICAL MARIJUANA AND  
24 MEDICAL MARIJUANA-INFUSED PRODUCTS FROM THIS LOCATION. A  
25 STORAGE FACILITY MUST MEET THE SAME SECURITY REQUIREMENTS THAT  
26 ARE REQUIRED TO OBTAIN A MEDICAL MARIJUANA OPTIONAL PREMISE  
27 CULTIVATION LICENSE.

1 (3) A MEDICAL MARIJUANA TRANSPORTER LICENSEE SHALL HAVE  
2 ACCESS TO AND SHALL USE THE SEED-TO-SALE TRACKING SYSTEM  
3 DEVELOPED PURSUANT TO SECTION 12-43.4-202 (1) TO CREATE SHIPPING  
4 MANIFESTS DOCUMENTING THE TRANSPORT OF MEDICAL MARIJUANA AND  
5 MEDICAL MARIJUANA-INFUSED PRODUCTS THROUGHOUT THE STATE.

6 (4) A MEDICAL MARIJUANA TRANSPORTER LICENSEE MAY:

7 (a) MAINTAIN AND OPERATE ONE OR MORE WAREHOUSES IN THE  
8 STATE TO HANDLE MEDICAL MARIJUANA AND MEDICAL  
9 MARIJUANA-INFUSED PRODUCTS;

10 (b) TAKE ORDERS FOR MEDICAL MARIJUANA AND MEDICAL  
11 MARIJUANA-INFUSED PRODUCTS AT ANY PLACE AND DELIVER MEDICAL  
12 MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS ON ORDERS  
13 PREVIOUSLY TAKEN IF THE PLACE WHERE ORDERS ARE TAKEN AND  
14 DELIVERED IS LICENSED; AND

15 (c) PACKAGE MEDICAL MARIJUANA AND MEDICAL  
16 MARIJUANA-INFUSED PRODUCTS THAT A LICENSED MEDICAL MARIJUANA  
17 BUSINESS HAS LEGALLY PRODUCED IN COLORADO.

18 (5) (a) A LICENSED MEDICAL MARIJUANA BUSINESS SHALL NOT  
19 TERMINATE A CONTRACT WITH A LICENSED MEDICAL MARIJUANA  
20 TRANSPORTER UNLESS ALL OF THE FOLLOWING OCCUR:

21 (I) THE LICENSED MEDICAL MARIJUANA TRANSPORTER FAILS TO  
22 COMPLY WITH A PROVISION OF A WRITTEN CONTRACT BETWEEN THE  
23 TRANSPORTER AND THE LICENSED MEDICAL MARIJUANA BUSINESS;

24 (II) THE LICENSED MEDICAL MARIJUANA BUSINESS SENDS THE  
25 LICENSED MEDICAL MARIJUANA TRANSPORTER WRITTEN NOTIFICATION BY  
26 CERTIFIED MAIL, RETURN RECEIPT REQUESTED, STATING THE BASIS FOR  
27 THE ALLEGED NONCOMPLIANCE AND GIVES THE LICENSED MEDICAL

1 MARIJUANA TRANSPORTER AT LEAST SIXTY DAYS TO CURE THE  
2 NONCOMPLIANCE;

3 (III) THE LICENSED MEDICAL MARIJUANA TRANSPORTER FAILS TO  
4 CURE THE NONCOMPLIANCE WITHIN THE ALLOTTED CURE PERIOD; AND

5 (IV) THE LICENSED MEDICAL MARIJUANA BUSINESS PROVIDES  
6 WRITTEN NOTICE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE  
7 LICENSED MEDICAL MARIJUANA TRANSPORTER OF THE CONTINUED  
8 NONCOMPLIANCE. THE NOTIFICATION SHALL CONTAIN A TERMINATION OR  
9 NONRENEWAL STATEMENT, THE REASONS FOR TERMINATION OR  
10 NONRENEWAL, AND THE TERMINATION OR NONRENEWAL EFFECTIVE DATE.

11 (b) IF A LICENSED MEDICAL MARIJUANA TRANSPORTER CURES AN  
12 ALLEGED NONCOMPLIANCE WITHIN THE CURE PERIOD PROVIDED IN  
13 SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (5), ANY  
14 NOTICE OF TERMINATION IS VOID.

15 **SECTION 4.** In Colorado Revised Statutes, 12-43.4-401, **amend**  
16 (1) (d); and **add** (1) (f) as follows:

17 **12-43.4-401. Classes of licenses.** (1) For the purpose of  
18 regulating the cultivation, manufacture, distribution, sale, and testing of  
19 retail marijuana and retail marijuana products, the state licensing  
20 authority in its discretion, upon receipt of an application in the prescribed  
21 form, may issue and grant to the applicant a license from any of the  
22 following classes, subject to the provisions and restrictions provided by  
23 this article:

24 (d) Retail marijuana testing facility license; **and**

25 (f) RETAIL MARIJUANA TRANSPORTER LICENSE.

26 **SECTION 5.** In Colorado Revised Statutes, **add** 12-43.4-406 as  
27 follows:

1           **12-43.4-406. Retail marijuana transporter license.** (1) (a) A  
2 RETAIL MARIJUANA TRANSPORTER LICENSE MAY BE ISSUED TO A PERSON  
3 TO PROVIDE LOGISTICS, DISTRIBUTION, AND STORAGE OF RETAIL  
4 MARIJUANA AND RETAIL MARIJUANA PRODUCTS. NOTWITHSTANDING ANY  
5 OTHER PROVISIONS OF LAW, A RETAIL MARIJUANA TRANSPORTER LICENSE  
6 IS VALID FOR FIVE YEARS, BUT CANNOT BE TRANSFERRED WITH A CHANGE  
7 OF OWNERSHIP. A LICENSED RETAIL MARIJUANA TRANSPORTER IS  
8 RESPONSIBLE FOR THE RETAIL MARIJUANA AND RETAIL MARIJUANA  
9 PRODUCTS ONCE IT TAKES CONTROL OF THE PRODUCT.

10           (b) A LICENSED RETAIL MARIJUANA TRANSPORTER MAY CONTRACT  
11 WITH MULTIPLE LICENSED RETAIL MARIJUANA BUSINESSES. WHEN  
12 SUBMITTING A LICENSE APPLICATION FOR A RETAIL MARIJUANA  
13 TRANSPORTER LICENSE, THE APPLICANT MUST INCLUDE A COPY OF EACH  
14 CONTRACT ENTERED INTO, AND, IF LICENSED, THE LICENSED RETAIL  
15 MARIJUANA TRANSPORTER SHALL SUBMIT ALL NEW CONTRACTS,  
16 REVISIONS, OR AMENDMENTS ENTERED INTO TO THE STATE LICENSING  
17 AUTHORITY WITHIN THIRTY DAYS OF EXECUTION.

18           (c) ON AND AFTER JANUARY 1, 2018, ALL RETAIL MARIJUANA  
19 TRANSPORTERS SHALL HOLD A VALID RETAIL MARIJUANA TRANSPORTER  
20 LICENSE; EXCEPT THAT AN ENTITY LICENSED PURSUANT TO THIS ARTICLE  
21 THAT PROVIDES ITS OWN DISTRIBUTION IS NOT REQUIRED TO HAVE A  
22 RETAIL MARIJUANA TRANSPORTER LICENSE TO TRANSPORT AND  
23 DISTRIBUTE ITS PRODUCTS.

24           (2) A RETAIL MARIJUANA TRANSPORTER LICENSEE MAY MAINTAIN  
25 A LICENSED PREMISES TO TEMPORARILY STORE RETAIL MARIJUANA AND  
26 RETAIL MARIJUANA PRODUCTS AND TO USE AS A CENTRALIZED  
27 DISTRIBUTION POINT. A LICENSED RETAIL MARIJUANA TRANSPORTER MAY

1 STORE AND DISTRIBUTE RETAIL MARIJUANA AND RETAIL MARIJUANA  
2 PRODUCTS FROM THIS LOCATION. A STORAGE FACILITY MUST MEET THE  
3 SAME SECURITY REQUIREMENTS THAT ARE REQUIRED TO OBTAIN A RETAIL  
4 MARIJUANA CULTIVATION LICENSE.

5 (3) A RETAIL MARIJUANA TRANSPORTER LICENSEE SHALL HAVE  
6 ACCESS TO AND SHALL USE THE SEED-TO-SALE TRACKING SYSTEM  
7 DEVELOPED PURSUANT TO SECTION 12-43.4-202 (1) TO CREATE SHIPPING  
8 MANIFESTS DOCUMENTING THE TRANSPORT OF RETAIL MARIJUANA AND  
9 RETAIL MARIJUANA PRODUCTS THROUGHOUT THE STATE.

10 (4) A RETAIL MARIJUANA TRANSPORTER LICENSEE MAY:

11 (a) MAINTAIN AND OPERATE ONE OR MORE WAREHOUSES IN THE  
12 STATE TO HANDLE RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS;

13 (b) TAKE ORDERS FOR RETAIL MARIJUANA AND RETAIL MARIJUANA  
14 PRODUCTS AT ANY PLACE AND DELIVER RETAIL MARIJUANA AND RETAIL  
15 MARIJUANA PRODUCTS ON ORDERS PREVIOUSLY TAKEN IF THE PLACE  
16 WHERE ORDERS ARE TAKEN AND DELIVERED IS LICENSED; AND

17 (c) PACKAGE RETAIL MARIJUANA AND RETAIL MARIJUANA  
18 PRODUCTS THAT A LICENSED RETAIL MARIJUANA BUSINESS HAS LEGALLY  
19 PRODUCED IN COLORADO.

20 (5) (a) A LICENSED RETAIL MARIJUANA BUSINESS SHALL NOT  
21 TERMINATE A CONTRACT WITH A LICENSED RETAIL MARIJUANA  
22 TRANSPORTER UNLESS ALL OF THE FOLLOWING OCCUR:

23 (I) THE LICENSED RETAIL MARIJUANA TRANSPORTER FAILS TO  
24 COMPLY WITH A PROVISION OF A WRITTEN CONTRACT BETWEEN THE  
25 LICENSED RETAIL MARIJUANA TRANSPORTER AND THE LICENSED RETAIL  
26 MARIJUANA BUSINESS;

27 (II) THE LICENSED RETAIL MARIJUANA BUSINESS SENDS THE

1 LICENSED RETAIL MARIJUANA TRANSPORTER WRITTEN NOTIFICATION BY  
2 CERTIFIED MAIL, RETURN RECEIPT REQUESTED, STATING THE BASIS FOR  
3 THE ALLEGED NONCOMPLIANCE AND GIVES THE LICENSED RETAIL  
4 MARIJUANA TRANSPORTER AT LEAST SIXTY DAYS TO CURE THE  
5 NONCOMPLIANCE;

6 (III) THE LICENSED RETAIL MARIJUANA TRANSPORTER FAILS TO  
7 CURE THE NONCOMPLIANCE WITHIN THE ALLOTTED SIXTY-DAY CURE  
8 PERIOD; AND

9 (IV) THE LICENSED RETAIL MARIJUANA BUSINESS PROVIDES  
10 WRITTEN NOTICE BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE  
11 LICENSED RETAIL MARIJUANA TRANSPORTER OF THE CONTINUED  
12 NONCOMPLIANCE. THE NOTIFICATION SHALL CONTAIN A TERMINATION OR  
13 NONRENEWAL STATEMENT, THE REASONS FOR TERMINATION OR  
14 NONRENEWAL, AND THE TERMINATION OR NONRENEWAL EFFECTIVE DATE.

15 (b) IF A LICENSED RETAIL MARIJUANA TRANSPORTER CURES AN  
16 ALLEGED NONCOMPLIANCE WITHIN THE CURE PERIOD PROVIDED IN  
17 SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (5), ANY  
18 NOTICE OF TERMINATION IS VOID.

19 **SECTION 6. Act subject to petition - effective date.** This act  
20 takes effect at 12:01 a.m. on the day following the expiration of the  
21 ninety-day period after final adjournment of the general assembly (August  
22 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a  
23 referendum petition is filed pursuant to section 1 (3) of article V of the  
24 state constitution against this act or an item, section, or part of this act  
25 within such period, then the act, item, section, or part will not take effect  
26 unless approved by the people at the general election to be held in



- 1 November 2016 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.