

An Act

HOUSE BILL 16-1211

BY REPRESENTATIVE(S) Melton, Garnett, Kraft-Tharp, Mitsch Bush, Ryden, Singer, Williams, Lebsock, Moreno;
also SENATOR(S) Baumgardner and Jahn, Aguilar, Carroll, Kerr, Neville T., Steadman, Woods.

CONCERNING LICENSING MARIJUANA TRANSPORTERS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 12-43.3-104, **add** (8.5) as follows:

12-43.3-104. Definitions. As used in this article, unless the context otherwise requires:

(8.5) "MEDICAL MARIJUANA TRANSPORTER" MEANS AN ENTITY OR PERSON THAT IS LICENSED TO TRANSPORT MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS FROM ONE MEDICAL MARIJUANA ESTABLISHMENT TO ANOTHER MEDICAL MARIJUANA ESTABLISHMENT AND TO TEMPORARILY STORE THE TRANSPORTED MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS AT ITS LICENSED PREMISES, BUT IS NOT AUTHORIZED TO SELL MEDICAL MARIJUANA OR MEDICAL

MARIJUANA-INFUSED PRODUCTS UNDER ANY CIRCUMSTANCES.

SECTION 2. In Colorado Revised Statutes, 12-43.3-202, add (2) (a) (XVIII.6) as follows:

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

(XVIII.6) MEDICAL MARIJUANA TRANSPORTER LICENSED BUSINESSES, INCLUDING REQUIREMENTS FOR DRIVERS, INCLUDING OBTAINING AND MAINTAINING A VALID COLORADO DRIVER'S LICENSE; INSURANCE REQUIREMENTS; ACCEPTABLE TIME FRAMES FOR TRANSPORT, STORAGE, AND DELIVERY; REQUIREMENTS FOR TRANSPORT VEHICLES; AND REQUIREMENTS FOR LICENSED PREMISES;

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

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

(e) A MEDICAL MARIJUANA TRANSPORTER LICENSE.

SECTION 4. In Colorado Revised Statutes, 12-43.3-401, add (1) (e) as follows:

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

(e) MEDICAL MARIJUANA TRANSPORTER LICENSE.

SECTION 5. In Colorado Revised Statutes, add 12-43.3-406 as

follows:

12-43.3-406. Medical marijuana transporter license. (1) (a) A MEDICAL MARIJUANA TRANSPORTER LICENSE MAY BE ISSUED TO A PERSON TO PROVIDE LOGISTICS, DISTRIBUTION, AND STORAGE OF MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS. NOTWITHSTANDING ANY OTHER PROVISIONS OF LAW, A MEDICAL MARIJUANA TRANSPORTER LICENSE IS VALID FOR TWO YEARS, BUT CANNOT BE TRANSFERRED WITH A CHANGE OF OWNERSHIP. A LICENSED MEDICAL MARIJUANA TRANSPORTER IS RESPONSIBLE FOR THE MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS ONCE IT TAKES CONTROL OF THE PRODUCT.

(b) A LICENSED MEDICAL MARIJUANA TRANSPORTER MAY CONTRACT WITH MULTIPLE LICENSED MEDICAL MARIJUANA BUSINESSES.

(c) ON AND AFTER JULY 1, 2017, ALL MEDICAL MARIJUANA TRANSPORTERS SHALL HOLD A VALID MEDICAL MARIJUANA TRANSPORTER LICENSE; EXCEPT THAT AN ENTITY LICENSED PURSUANT TO THIS ARTICLE THAT PROVIDES ITS OWN DISTRIBUTION IS NOT REQUIRED TO HAVE A MEDICAL MARIJUANA TRANSPORTER LICENSE TO TRANSPORT AND DISTRIBUTE ITS PRODUCTS. THE STATE LICENSING AUTHORITY SHALL BEGIN ACCEPTING APPLICATIONS AFTER JANUARY 1, 2017.

(2) A MEDICAL MARIJUANA TRANSPORTER LICENSEE MAY MAINTAIN A LICENSED PREMISES TO TEMPORARILY STORE MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS AND TO USE AS A CENTRALIZED DISTRIBUTION POINT. THE LICENSED PREMISES MUST BE LOCATED IN A JURISDICTION THAT PERMITS THE OPERATION OF MEDICAL MARIJUANA CENTERS. A LICENSED MEDICAL MARIJUANA TRANSPORTER MAY STORE AND DISTRIBUTE MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS FROM THIS LOCATION. A STORAGE FACILITY MUST MEET THE SAME SECURITY REQUIREMENTS THAT ARE REQUIRED TO OBTAIN A MEDICAL MARIJUANA OPTIONAL PREMISE CULTIVATION LICENSE.

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

(4) A MEDICAL MARIJUANA TRANSPORTER LICENSEE MAY:

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

(b) DELIVER MEDICAL MARIJUANA AND MEDICAL MARIJUANA-INFUSED PRODUCTS ON ORDERS PREVIOUSLY TAKEN IF THE PLACE WHERE ORDERS ARE TAKEN AND DELIVERED IS LICENSED.

SECTION 6. In Colorado Revised Statutes, 12-43.4-103, **add** (21.5) as follows:

12-43.4-103. Definitions. As used in this article, unless the context otherwise requires:

(21.5) "RETAIL MARIJUANA TRANSPORTER" MEANS AN ENTITY OR PERSON THAT IS LICENSED TO TRANSPORT RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS FROM ONE RETAIL MARIJUANA ESTABLISHMENT TO ANOTHER RETAIL MARIJUANA ESTABLISHMENT AND TO TEMPORARILY STORE THE TRANSPORTED RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS AT ITS LICENSED PREMISES, BUT IS NOT AUTHORIZED TO SELL RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS UNDER ANY CIRCUMSTANCES.

SECTION 7. In Colorado Revised Statutes, 12-43.4-202, **add** (3) (a) (XVII) as follows:

12-43.4-202. Powers and duties of state licensing authority - rules. (3) (a) Rules promulgated pursuant to paragraph (b) of subsection (2) of this section must include, but need not be limited to, the following subjects:

(XVII) RETAIL MARIJUANA TRANSPORTER LICENSED BUSINESSES, INCLUDING REQUIREMENTS FOR DRIVERS, INCLUDING OBTAINING AND MAINTAINING A VALID COLORADO DRIVER'S LICENSE; INSURANCE REQUIREMENTS; ACCEPTABLE TIME FRAMES FOR TRANSPORT, STORAGE, AND DELIVERY; REQUIREMENTS FOR TRANSPORT VEHICLES; AND REQUIREMENTS FOR LICENSED PREMISES;

SECTION 8. In Colorado Revised Statutes, 12-43.4-401, **amend**

(1) (d); and **add** (1) (f) as follows:

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

(d) Retail marijuana testing facility license; and

(f) RETAIL MARIJUANA TRANSPORTER LICENSE.

SECTION 9. In Colorado Revised Statutes, **add** 12-43.4-406 as follows:

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

(b) A LICENSED RETAIL MARIJUANA TRANSPORTER MAY CONTRACT WITH MULTIPLE LICENSED RETAIL MARIJUANA BUSINESSES.

(c) ON AND AFTER JULY 1, 2017, ALL RETAIL MARIJUANA TRANSPORTERS SHALL HOLD A VALID RETAIL MARIJUANA TRANSPORTER LICENSE; EXCEPT THAT AN ENTITY LICENSED PURSUANT TO THIS ARTICLE THAT PROVIDES ITS OWN DISTRIBUTION IS NOT REQUIRED TO HAVE A RETAIL MARIJUANA TRANSPORTER LICENSE TO TRANSPORT AND DISTRIBUTE ITS PRODUCTS. THE STATE LICENSING AUTHORITY SHALL BEGIN ACCEPTING APPLICATIONS AFTER JANUARY 1, 2017.

(2) A RETAIL MARIJUANA TRANSPORTER LICENSEE MAY MAINTAIN A LICENSED PREMISES TO TEMPORARILY STORE RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS AND TO USE AS A CENTRALIZED

DISTRIBUTION POINT. THE LICENSED PREMISES MUST BE LOCATED IN A JURISDICTION THAT PERMITS THE OPERATION OF RETAIL MARIJUANA STORES. A LICENSED RETAIL MARIJUANA TRANSPORTER MAY STORE AND DISTRIBUTE RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS FROM THIS LOCATION. A STORAGE FACILITY MUST MEET THE SAME SECURITY REQUIREMENTS THAT ARE REQUIRED TO OBTAIN A RETAIL MARIJUANA CULTIVATION LICENSE.

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

(4) A RETAIL MARIJUANA TRANSPORTER LICENSEE MAY:

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

(b) DELIVER RETAIL MARIJUANA PRODUCTS ON ORDERS PREVIOUSLY TAKEN IF THE PLACE WHERE ORDERS ARE TAKEN AND DELIVERED IS LICENSED.

SECTION 10. In Colorado Revised Statutes, **repeal as added by House Bill 16-1261** 12-43.4-406 as follows:

~~12-43.4-406. Retail marijuana transport license. (1) A RETAIL MARIJUANA TRANSPORT LICENSE MAY BE ISSUED TO A PERSON WHO ONLY TEMPORARILY STORES AND TRANSPORTS RETAIL MARIJUANA THROUGHOUT THE STATE FOR OTHER ENTITIES LICENSED PURSUANT TO THIS PART 4.~~

~~(2) A RETAIL MARIJUANA TRANSPORT LICENSEE SHALL MAINTAIN A LICENSED PREMISES FOR THE TEMPORARY STORAGE OF RETAIL MARIJUANA.~~

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

~~(4) AN ENTITY LICENSED PURSUANT TO THIS PART 4 MAY TRANSPORT ITS OWN RETAIL MARIJUANA OR RETAIL MARIJUANA PRODUCTS WITHOUT POSSESSING A LICENSE PURSUANT TO THIS SECTION.~~

SECTION 11. Appropriation. (1) For the 2016-17 state fiscal year, \$76,284 is appropriated to the department of revenue. This appropriation is from the marijuana cash fund created in section 12-43.3-501 (1) (a), C.R.S. To implement this act, the department may use this appropriation as follows:

(a) \$58,783 for marijuana enforcement, which amount is based on an assumption that the department will require an additional 1.1 FTE;

(b) \$8,000 for CITA annual maintenance and support; and

(c) \$9,501 for the purchase of legal services.

(2) For the 2016-17 state fiscal year, \$9,501 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of revenue under paragraph (c) of subsection (1) of this section. To implement this act, the department of law may use this appropriation to provide legal services for the department of revenue.

SECTION 12. Act subject to petition - effective date. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 10, 2016, if adjournment sine die is on May 11, 2016); 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 such period, 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 2016 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) Section 10 of this act takes effect only if House Bill 16-1261 becomes law.


Dickey Lee Hullinghorst
SPEAKER OF THE HOUSE
OF REPRESENTATIVES


Bill L. Cadman
PRESIDENT OF
THE SENATE


Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES


Effie Ameen
SECRETARY OF
THE SENATE

APPROVED 9:18 am 6/10/16


John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO