

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0688.01 Thomas Morris x4218

HOUSE BILL 16-1092

HOUSE SPONSORSHIP

Moreno,

SENATE SPONSORSHIP

(None),

House Committees

Public Health Care & Human Services

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE AUTHORIZATION OF A RETAIL MARIJUANA SPECIAL
102 EVENT PERMIT.

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 authorizes a retail marijuana store to submit an application to the state retail marijuana licensing authority for a special event permit if the store is located within the jurisdictional boundaries of a local government that has approved the sale of retail marijuana. An application must list the particular retail marijuana stores that may participate at the special event along with other information specified by the state licensing

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.

authority by rule. Participating retail marijuana stores may donate retail marijuana products and sell retail marijuana and retail marijuana products. If the state licensing authority approves the application, it notifies the applicable local licensing authority, which can approve or deny the permit. The state or local licensing authority may deny an application if granting it would be injurious to the public welfare because of the nature of the special event, its location within the community, or the failure of the applicant in a past special event to conduct the event in compliance with applicable laws.

A special event permit:

- ! May be issued only if the location where the special event is held is accessible only to individuals 21 years of age or older;
- ! May be issued for a closed street, highway, or public byway only if the local jurisdiction and permitted retail marijuana store licensees demonstrate that adequate security measures will be maintained;
- ! Authorizes sale of retail marijuana and retail marijuana products only between the hours of 9 a.m. of the day specified in the permit and midnight on the same day;
- ! Requires that sandwiches or other food snacks must be available during all hours of service of retail marijuana or retail marijuana products, but prepared meals need not be served;
- ! Must not exceed 5 consecutive days; and
- ! Cannot be used for more than 15 days in any one calendar year.

If a violation occurs during a special event and the responsible licensee cannot be identified, the state licensing authority may issue a joint fine, which must not exceed \$100 per licensee or \$1,000 in the aggregate. The state and local licensing authorities can charge an application fee of \$150 per day for a retail marijuana permit and \$150 per day for a retail marijuana products permit.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 12-43.4-313 as
3 follows:

4 **12-43.4-313. Special event permit - rules.** (1) A SPECIAL EVENT
5 PERMIT, IF ONE HAS BEEN ISSUED TO ONE OR MORE RETAIL MARIJUANA
6 STORE LICENSEES FOR THE SAME SPECIAL EVENT, AUTHORIZES THE

1 PERMITTEE TO HOLD A SPECIAL EVENT AT WHICH ONE OR MORE RETAIL
2 MARIJUANA STORES MAY DONATE RETAIL MARIJUANA PRODUCTS AND SELL
3 RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS PURSUANT TO THE
4 TERMS OF THIS SECTION AND THE SPECIAL EVENT PERMIT.

5 (2) A SPECIAL EVENT MAY BE HELD ONLY WITHIN A JURISDICTION
6 IN WHICH THE LOCAL GOVERNMENT HAS APPROVED THE SALE OF RETAIL
7 MARIJUANA. A RETAIL MARIJUANA STORE LICENSEE MAY APPLY FOR A
8 SPECIAL EVENT PERMIT FOR THE PURPOSE OF TEMPORARILY EXTENDING ITS
9 LICENSED PREMISES TO A SPECIFIED LOCATION AT THE EVENT, WHICH MUST
10 BE HELD WITHIN THE LOCAL JURISDICTION, AT WHICH THE RETAIL
11 MARIJUANA STORE MAY:

- 12 (a) DONATE RETAIL MARIJUANA PRODUCTS; AND
- 13 (b) SELL RETAIL MARIJUANA AND RETAIL MARIJUANA PRODUCTS.

14 (3) (a) TO HOLD A SPECIAL EVENT, ONE OR MORE RETAIL
15 MARIJUANA LICENSEES MUST SUBMIT APPLICATIONS TO THE STATE AND
16 LOCAL LICENSING AUTHORITIES. EACH APPLICATION MUST CONTAIN THE
17 INFORMATION SPECIFIED BY THE STATE LICENSING AUTHORITY BY RULE,
18 INCLUDING:

- 19 (I) THE IDENTITY OF THE LOCAL JURISDICTION WITHIN WHICH THE
20 SPECIAL EVENT WILL BE HELD;
- 21 (II) THE ADDRESS AT WHICH THE SPECIAL EVENT WILL BE HELD;
- 22 (III) THE SPECIFIC LOCATIONS AT THE ADDRESS WHERE ONE OR
23 MORE RETAIL MARIJUANA STORES WILL ESTABLISH THEIR TEMPORARY
24 LICENSED PREMISES; AND
- 25 (IV) THE IDENTITY OF ALL RETAIL MARIJUANA STORES THAT MAY
26 BE PARTICIPATING IN THE SPECIAL EVENT.

27 (b) (I) THE STATE LICENSING AUTHORITY SHALL REVIEW THE

1 APPLICATIONS FOR SPECIAL EVENT PERMITS AND SHALL APPROVE OR DENY
2 EACH APPLICATION BY WRITTEN DECISION WITHIN THIRTY DAYS AFTER
3 RECEIVING THE APPLICATION. IF THE STATE LICENSING AUTHORITY
4 APPROVES AN APPLICATION, IT SHALL PROVIDE THE APPLICABLE LOCAL
5 LICENSING AUTHORITY AND THE APPLICANT WITH A COPY OF ITS WRITTEN
6 DECISION WITHIN TWO DAYS AFTER ADOPTING ITS DECISION.

7 (II) A RETAIL MARIJUANA STORE WHOSE APPLICATION HAS BEEN
8 APPROVED BY THE STATE LICENSING AUTHORITY SHALL POST A
9 CONSPICUOUS PUBLIC NOTICE OF THE PROPOSED PERMIT AND OF THE
10 PROCEDURE FOR PROTESTING ISSUANCE OF THE PERMIT AT THE PROPOSED
11 LOCATION FOR AT LEAST TEN DAYS BEFORE APPROVAL OF THE PERMIT BY
12 THE LOCAL LICENSING AUTHORITY. THE LOCAL LICENSING AUTHORITY
13 SHALL APPROVE OR DENY THE APPLICATION FOR A SPECIAL EVENT PERMIT
14 WITHIN TWENTY DAYS, BUT NO SOONER THAN TEN DAYS, AFTER RECEIVING
15 THE WRITTEN APPROVAL OF THE STATE LICENSING AUTHORITY.

16 (c) A SPECIAL EVENT PERMIT:

17 (I) MUST BE ISSUED FOR A SPECIFIC LOCATION AND IS NOT VALID
18 FOR ANY OTHER LOCATION;

19 (II) MAY BE ISSUED ONLY IF THE LOCATION WHERE THE SPECIAL
20 EVENT IS HELD IS ACCESSIBLE ONLY TO INDIVIDUALS WHO ARE
21 TWENTY-ONE YEARS OF AGE OR OLDER;

22 (III) MAY BE ISSUED FOR A CLOSED STREET, HIGHWAY, OR PUBLIC
23 BYWAY ONLY IF THE PERMITTED RETAIL MARIJUANA STORE LICENSEE
24 DEMONSTRATES THAT ADEQUATE SECURITY MEASURES WILL BE
25 MAINTAINED;

26 (IV) AUTHORIZES SALE OF RETAIL MARIJUANA AND RETAIL
27 MARIJUANA PRODUCTS ONLY BETWEEN THE HOURS OF 9 A.M. OF THE DAY

1 SPECIFIED IN THE PERMIT AND 12 MIDNIGHT ON THE SAME DAY;

2 (V) REQUIRES THAT SANDWICHES OR OTHER FOOD SNACKS MUST
3 BE AVAILABLE DURING ALL HOURS OF SERVICE OF RETAIL MARIJUANA OR
4 RETAIL MARIJUANA PRODUCTS, BUT PREPARED MEALS NEED NOT BE
5 SERVED;

6 (VI) MUST NOT EXCEED FIVE CONSECUTIVE DAYS; AND

7 (VII) SHALL NOT BE USED BY A RETAIL MARIJUANA STORE
8 LICENSEE FOR MORE THAN FIFTEEN DAYS IN ANY ONE CALENDAR YEAR.

9 (d) ISSUANCE OF A SPECIAL EVENT PERMIT DOES NOT REQUIRE THE
10 STATE OR LOCAL LICENSING AUTHORITY TO ISSUE SUCH A PERMIT UPON
11 ANY SUBSEQUENT APPLICATION BY ANY ORGANIZATION.

12 (e) THE STATE OR LOCAL LICENSING AUTHORITY MAY DENY AN
13 APPLICATION IF GRANTING IT WOULD BE INJURIOUS TO THE PUBLIC
14 WELFARE BECAUSE OF THE NATURE OF THE SPECIAL EVENT, ITS LOCATION
15 WITHIN THE COMMUNITY, OR THE FAILURE OF THE APPLICANT IN A PAST
16 SPECIAL EVENT TO CONDUCT THE EVENT IN COMPLIANCE WITH APPLICABLE
17 LAWS.

18 (4) IF A VIOLATION OCCURS DURING A SPECIAL EVENT AND THE
19 RESPONSIBLE LICENSEE CAN BE IDENTIFIED, THE LICENSEE MAY BE
20 CHARGED AND THE APPROPRIATE PENALTIES APPLY. IF THE RESPONSIBLE
21 LICENSEE CANNOT BE IDENTIFIED, THE STATE LICENSING AUTHORITY MAY
22 SEND WRITTEN NOTICE TO EVERY LICENSEE THAT ACTUALLY ATTENDED
23 THE SPECIAL EVENT AND MAY FINE EACH LICENSEE THE SAME DOLLAR
24 AMOUNT. THE FINE MUST NOT EXCEED ONE HUNDRED DOLLARS PER
25 LICENSEE OR ONE THOUSAND DOLLARS IN THE AGGREGATE. A JOINT FINE
26 LEVIED PURSUANT TO THIS SUBSECTION (4) CANNOT RESULT IN THE
27 REVOCATION OF A RETAIL MARIJUANA STORE LICENSE.

1 (5) (a) STATE SPECIAL EVENT PERMIT FEES ARE PAYABLE IN
2 ADVANCE TO THE DEPARTMENT OF REVENUE IN THE FOLLOWING AMOUNTS:

3 (I) ONE HUNDRED FIFTY DOLLARS PER DAY FOR A RETAIL
4 MARIJUANA PERMIT; AND

5 (II) ONE HUNDRED FIFTY DOLLARS PER DAY FOR A RETAIL
6 MARIJUANA PRODUCTS PERMIT.

7 (b) A LOCAL LICENSING AUTHORITY MAY CHARGE A FEE, NOT TO
8 EXCEED ONE HUNDRED FIFTY DOLLARS PER DAY, FOR A RETAIL MARIJUANA
9 PERMIT AND ONE HUNDRED FIFTY DOLLARS PER DAY FOR A RETAIL
10 MARIJUANA PRODUCTS PERMIT.

11 (6) AN ORGANIZATION THAT IS OTHERWISE QUALIFIED UNDER THIS
12 SECTION TO APPLY FOR A SPECIAL EVENT PERMIT IS EXEMPT FROM THIS
13 SECTION, AND IS DEEMED TO BE DISPENSING GRATUITOUSLY AND NOT
14 SELLING, TO THE EXTENT THAT IT SERVES RETAIL MARIJUANA OR RETAIL
15 MARIJUANA PRODUCTS TO ITS MEMBERS AND THEIR GUESTS AT A PRIVATE
16 FUNCTION HELD BY THE ORGANIZATION ON UNLICENSED PREMISES SO
17 LONG AS ANY ADMISSION OR OTHER CHARGE, IF ANY, REQUIRED TO BE PAID
18 OR GIVEN BY ANY SUCH MEMBER AS A CONDITION TO ENTRY OR
19 PARTICIPATION IN THE EVENT IS UNIFORM, REGARDLESS OF WHETHER A
20 MEMBER OR A MEMBER'S GUEST CONSUMES OR DOES NOT CONSUME RETAIL
21 MARIJUANA OR RETAIL MARIJUANA PRODUCTS.

22 **SECTION 2.** In Colorado Revised Statutes, 12-43.4-402, **amend**
23 (9) as follows:

24 **12-43.4-402. Retail marijuana store license - definitions.**

25 (9) EXCEPT AS AUTHORIZED BY A SPECIAL EVENT PERMIT ISSUED
26 PURSUANT TO SECTION 12-43.4-313 WITH REGARD TO TEMPORARY
27 LICENSED PREMISES, retail marijuana or retail marijuana products may not

1 be consumed on the premises of a retail marijuana store.

2 **SECTION 3.** In Colorado Revised Statutes, 12-43.4-901, **amend**
3 (4) (c) and (4) (g) as follows:

4 **12-43.4-901. Unlawful acts - exceptions.** (4) It is unlawful for
5 any person licensed to sell retail marijuana or retail marijuana products
6 pursuant to this article:

7 (c) EXCEPT AS AUTHORIZED BY A SPECIAL EVENT PERMIT ISSUED
8 PURSUANT TO SECTION 12-43.4-313 WITH REGARD TO TEMPORARY
9 LICENSED PREMISES, to provide public premises, or any portion thereof,
10 for the purpose of consumption of retail marijuana or retail marijuana
11 products in any form;

12 (g) EXCEPT AS AUTHORIZED BY A SPECIAL EVENT PERMIT ISSUED
13 PURSUANT TO SECTION 12-43.4-313 WITH REGARD TO TEMPORARY
14 LICENSED PREMISES, to have on the licensed premises any retail
15 marijuana, retail marijuana products, or marijuana paraphernalia that
16 shows evidence of the retail marijuana having been consumed or partially
17 consumed;

18 **SECTION 4. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.