First Regular Session Sixty-ninth General Assembly STATE OF COLORADO

PREAMENDED

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

LLS NO. 13-0993.02 Michael Dohr x4347

SENATE BILL 13-283

SENATE SPONSORSHIP

Jahn and Baumgardner, Schwartz, Carroll, Grantham, Kerr, Newell, Todd, Ulibarri

HOUSE SPONSORSHIP

May,

Senate Committees

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House Committees

Business, Labor, & Technology Appropriations

A BILL FOR AN ACT CONCERNING IMPLEMENTATION OF <u>AMENDMENT 64, AND, IN</u> <u>CONNECTION THEREWITH, MAKING AND REDUCING AN</u>

103 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://www.leg.state.co.us/billsummaries.)

Section 1. The bill permits a local government to prohibit the use of a compressed flammable gas as a solvent in residential marijuana cultivation.

Sections 2 and 3. The bill allows retail marijuana businesses to participate in the medical marijuana responsible vendor program.

Section 4. The bill declares that it is public policy of the state that a contract related to a marijuana business is not void.

Section 5. The bill creates the crime of illegal possession of retail marijuana by an underage person to mirror the same crime for alcohol.

Sections 6 through 10. The bill amends the offenses related to marijuana and drug paraphernalia to conform to the legal structure of amendment 64 and creates crimes for the gaps not covered by current law based the legal quantity and age limit for marijuana.

Section 11. The bill authorizes the governor to designate the appropriate state agency to:

- ! Create a list of banned substances in marijuana cultivation;
- ! Work with a private organization to develop good cultivation and handling practices;
- ! Work with a private organization to develop good laboratory practices;
- ! Establish an educational oversight committee for marijuana issues;

Section 12. The bill requires peace officer training to include advanced roadside impairment driving enforcement training.

Section 13. The bill requires the division of criminal justice in the department of public safety to undertake or contract for a scientific study of law enforcement activities related to retail marijuana implementation.

Section 14. The bill requires the department of public health and environment to create a marijuana destruction program for marijuana that cannot be legally sold by licensed businesses.

The department of public health and environment must monitor the emerging science and medical information regarding marijuana through a panel of health care experts. The panel must report its findings every 2 years.

Section 15. Current law prohibits the use of all tobacco products on school property. The bill adds lawful retail marijuana products to the prohibition.

Sections 16 through 18. The bill adds marijuana to the Colorado clean indoor air act.

Section 19. The bill allows the license of a child care center, children's resident camp, cradle house, day treatment center, family child care home, foster care home, guest child care facility, homeless youth shelter, medical foster care, neighborhood youth organization, public services short-term child care facility, residential child care facility, secure residential treatment center, and specialized group facilities to be denied, suspended, or revoked if retail marijuana is consumed or cultivated onsite.

Sections 20 and 21. The bill prohibits the cultivation, use, or

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consumption of marijuana at a community residential home or regional center.

Sections 22 and 23. Federal law prohibits deducting certain business expenses related to the sale of marijuana to calculate the federal tax owed. The bill would permit those deductions to be used to calculate the state tax owed.

Section 24. The bill creates an open container offense for marijuana to mirror the open container offense for alcohol.

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

2 SECTION 1. In Colorado Revised Statutes, add 9-7-113 as

3 follows:

9-7-113. Use of flammable gases in home marijuana cultivation - prohibited. A LOCAL GOVERNMENT MAY BAN THE USE OF A COMPRESSED, FLAMMABLE GAS AS A SOLVENT IN THE EXTRACTION OF THC OR OTHER CANNABINIODS IN A RESIDENTIAL SETTING.

SECTION 2. In Colorado Revised Statutes, 12-43.3-1101, amend as amended by House Bill 13-1061 (1) as follows:

12-43.3-1101. Responsible vendor program - standards - designation - program. (1) A person who wants to offer a responsible medical OR RETAIL marijuana vendor server and seller training program must submit an application to the state licensing authority for approval, which program is referred to in this part 11 as an "approved training program". The state licensing authority, in consultation with the department of public health and environment, shall approve the submitted program if the submitted program meets the minimum criteria described in subsection (2) of this section. The department of public health and environment shall review each submitted program and shall provide the state licensing authority with the department's analysis of whether the portions of the program related to the department's oversight meet the

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minimum criteria described in this section.

SECTION 3. In Colorado Revised Statutes, 12-43.3-1102, amend as amended by House Bill 13-1061 (1) and (2) as follows:

- 12-43.3-1102. Responsible vendor designation. (1) (a) A medical marijuana business licensed pursuant to this article OR A RETAIL MARIJUANA BUSINESS LICENSED PURSUANT TO ARTICLE 43.4 OF THIS TITLE may receive a responsible vendor designation from the program vendor after successfully completing a responsible medical OR RETAIL marijuana vendor server and seller training program approved by the state licensing authority. A responsible vendor designation is valid for two years from the date of issuance.
- (b) Successful completion of an approved training program is achieved when the program has been attended by and, as determined by the program provider, satisfactorily completed by all employees selling and handling medical OR RETAIL marijuana, all managers, and all resident on-site owners, if any.
- (c) In order to maintain the responsible vendor designation, the licensed medical OR RETAIL marijuana business must have each new employee who sells or handles medical OR RETAIL marijuana, manager, or resident on-site owner attend and satisfactorily complete a responsible medical OR RETAIL marijuana vendor server and seller training program within ninety days after being employed or becoming an owner. The licensed medical marijuana business shall maintain documentation of completion of the program by new employees, managers, or owners.
- (2) A licensed medical OR RETAIL marijuana business that receives a responsible vendor designation from the program vendor shall maintain information on all persons licensed pursuant to this article who are in its

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1	employment and who have been trained in an approved training program
2	The information includes the date, place, time, and duration of training
3	and a list of all licensed persons attending each specific training class,
4	which class includes a training examination or assessment that
5	demonstrates proficiency.
6	SECTION 4. In Colorado Revised Statutes, add part 6 to article
7	22 of title 13 as follows:
8	PART 6
9	MARIJUANA CONTRACTS ENFORCEABLE
10	13-22-601. Contracts pertaining to marijuana enforceable. IT
11	IS THE PUBLIC POLICY OF THE STATE OF COLORADO THAT A CONTRACT IS
12	NOT VOID OR VOIDABLE ON THE BASIS THAT IT PERTAINS TO LAWFUL
13	ACTIVITIES AUTHORIZED BY SECTION 16 OF ARTICLE XVIII OF THE STATE
14	CONSTITUTION AND ARTICLE 43.4 OF TITLE 12, C.R.S.
15	
16	SECTION 5. In Colorado Revised Statutes, 16-11.3-103, add
17	(2.8) as follows:
18	16-11.3-103. Duties of commission - mission - staffing - repeal
19	(2.8) (a) On or before December 15, 2013, the Colorado
20	COMMISSION ON CRIMINAL AND JUVENILE JUSTICE SHALL MAKE
21	RECOMMENDATIONS TO THE GENERAL ASSEMBLY REGARDING CRIMINAL
22	LAWS THAT NEED TO BE REVISED TO ENSURE THAT TITLE 18, C.R.S., AND
23	OTHER RELEVANT CRIMINAL STATUTES ARE COMPATIBLE WITH THE INTENT
24	AND PLAIN MEANING OF SECTION 16 OF ARTICLE XVIII OF THE STATE
25	CONSTITUTION. IN MAKING THE RECOMMENDATIONS, THE COMMISSION
26	SHALL:
27	(I) CONSIDER THAT THE INTENT OF SECTION 16 OF ARTICLE XVIII

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1	OF THE STATE CONSTITUTION WAS TO DECRIMINALIZE CONSUMPTION OF
2	SMALL AMOUNTS OF MARIJUANA, TO CREATE A LAWFUL MARKETPLACE
3	FOR ADULTS TO OBTAIN SAFE AND LEGAL MARIJUANA, TO PROTECT
4	AGAINST YOUTH ACCESS AND CONSUMPTION OF MARIJUANA, AND TO
5	ELIMINATE THE ILLICIT DRUG MARKETPLACE FOR MARIJUANA;
6	(II) Consider the recommendations of the amendment 64
7	IMPLEMENTATION TASK FORCE ESTABLISHED PURSUANT TO EXECUTIVE
8	ORDER B 2012-004 IN DEVELOPING ITS RECOMMENDATIONS;
9	(III) CONSIDER WAYS TO HARMONIZE CONFLICTS RAISED BY
10	SECTIONS 5 TO 10 OF THE INTRODUCED VERSION OF HOUSE BILL 13-1317
11	AND SECTIONS 12-43.3-901, 12-43.4-901, AND 18-18-414, C.R.S.;
12	(IV) CONSIDER PENALTIES FOR UNLAWFUL ACTIVITIES BY PERSONS
13	EIGHTEEN YEARS OF AGE OR OLDER BUT UNDER TWENTY-ONE YEARS OF
14	AGE INVOLVING MARIJUANA PURSUANT TO SECTION 16 OF ARTICLE XVIII
15	OF THE STATE CONSTITUTION; AND
16	(V) Make recommendations that assist in eliminating
17	PARTICIPATION IN THE ILLICIT DRUG MARKET FOR MARIJUANA BY BUYERS,
18	SELLERS, AND PRODUCERS, INCLUDING INCREASED FINES AND CRIMINAL
19	SANCTIONS ON ALL ACTIVITY THAT OCCURS OUTSIDE THE LEGAL
20	MARKETPLACE.
21	(b) This subsection (2.8) is repealed, effective July 1, 2014.
22	SECTION 6. In Colorado Revised Statutes, add 24-20-111 as
23	follows:
24	${\bf 24\text{-}20\text{-}111.}\ Implementation\ of\ section\ 16\ of\ article\ XVIII\ of\ the$
25	Colorado constitution - list of banned substances - cultivation and
26	laboratory practices - education oversight and materials. (1) The
27	GOVERNOR SHALL DESIGNATE A STATE AGENCY TO CREATE A LIST OF

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1	SUBSTANCES THAT MAY NOT BE USED IN THE CULTIVATION OF MARIJUANA
2	AS AUTHORIZED PURSUANT TO ARTICLE 43.4 OF TITLE 12, C.R.S. THE
3	DESIGNATED AGENCY MAY CONSULT WITH OTHER STATE AGENCIES IN
4	COMPILING THE LIST. THE STATE AGENCY SHALL PROMULGATE RULES FOR
5	THE LIST OF SUBSTANCES THAT MAY NOT BE USED IN THE CULTIVATION OF
6	MARIJUANA.
7	(2) THE GOVERNOR SHALL DESIGNATE A STATE AGENCY TO WORK
8	WITH A PRIVATE ADVISORY GROUP TO DEVELOP GOOD CULTIVATION AND
9	HANDLING PRACTICES FOR THE MARIJUANA INDUSTRY. THE DESIGNATED
10	AGENCY IS ENCOURAGED TO ASSIST IN THE FORMATION OF A PRIVATE
11	ADVISORY GROUP. IF A PRIVATE ADVISORY GROUP DEVELOPS GOOD
12	CULTIVATION AND HANDLING PRACTICES, AN ENTITY LICENSED PURSUANT
13	TO ARTICLE 43.3 OF TITLE 12, C.R.S., THAT FOLLOWS THOSE PRACTICES
14	MAY INCLUDE A STATEMENT OF COMPLIANCE ON ITS LABEL AFTER
15	RECEIVING CERTIFICATION OF COMPLIANCE. THE DESIGNATED AGENCY
16	MAY CONSULT WITH OTHER STATE AGENCIES TO RECEIVE TECHNICAL
17	ASSISTANCE.
18	(3) THE GOVERNOR SHALL DESIGNATE A STATE AGENCY TO WORK
19	WITH A PRIVATE ADVISORY GROUP TO DEVELOP GOOD LABORATORY
20	PRACTICES FOR THE RETAIL MARIJUANA INDUSTRY. THE DESIGNATED

(3) THE GOVERNOR SHALL DESIGNATE A STATE AGENCY TO WORK WITH A PRIVATE ADVISORY GROUP TO DEVELOP GOOD LABORATORY PRACTICES FOR THE RETAIL MARIJUANA INDUSTRY. THE DESIGNATED AGENCY IS STRONGLY ENCOURAGED TO ASSIST IN THE FORMATION OF A PRIVATE ADVISORY GROUP. THE DESIGNATED AGENCY MAY CONSULT WITH OTHER STATE AGENCIES TO RECEIVE TECHNICAL ASSISTANCE.

(4) THE GOVERNOR SHALL DESIGNATE A STATE AGENCY THAT MUST ESTABLISH AN EDUCATIONAL OVERSIGHT COMMITTEE COMPOSED OF MEMBERS WITH MARIJUANA INDUSTRY EXPERTISE. THE COMMITTEE SHALL DEVELOP AND IMPLEMENT RECOMMENDATIONS FOR EDUCATION OF ALL

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2	CULTIVATION, AND ANY OTHER RELEVANT ISSUES. THE COMMITTEE SHALL
3	ENCOURAGE PROFESSIONS TO INCLUDE MARIJUANA EDUCATION, IF
4	APPROPRIATE, AS A PART OF CONTINUING EDUCATION PROGRAMS.
5	(5) THE GOVERNOR SHALL DESIGNATE A STATE AGENCY THAT
6	SHALL ESTABLISH EDUCATIONAL MATERIALS REGARDING APPROPRIATE
7	RETAIL MARIJUANA USE AND PREVENTION OF MARIJUANA USE BY THOSE
8	UNDER TWENTY-ONE YEARS OF AGE.
9	SECTION 7. In Colorado Revised Statutes, add 24-31-313 as
10	follows:
11	24-31-313. Advanced roadside impaired driving enforcement
12	training. On and after October 1, 2013, the P.O.S.T. board is
13	ENCOURAGED TO INCLUDE ADVANCED ROADSIDE IMPAIRED DRIVING
14	ENFORCEMENT TRAINING IN THE CURRICULUM FOR PERSONS WHO ENROLL
15	IN A TRAINING ACADEMY FOR BASIC PEACE OFFICER TRAINING.
16	SECTION 8. In Colorado Revised Statutes, add 24-33.5-514 as
17	follows:
18	24-33.5-514. Study marijuana implementation. (1) The
19	DIVISION SHALL GATHER DATA AND UNDERTAKE OR CONTRACT FOR A
20	SCIENTIFIC STUDY OF LAW ENFORCEMENT'S ACTIVITY AND COSTS RELATED
21	TO THE IMPLEMENTATION OF SECTION 16 OF ARTICLE XVIII OF THE STATE
22	CONSTITUTION OVER A TWO-YEAR PERIOD, BEGINNING ON JANUARY 1,
23	2013.
24	(2) THE STUDY MUST INCLUDE INFORMATION CONCERNING:
25	(a) MARIJUANA-INITIATED CONTACTS BY LAW ENFORCEMENT,
26	BROKEN DOWN BY RACE AND ETHNICITY;
27	(b) Druguse broken down into age categories and specific

NECESSARY STAKEHOLDERS ON ISSUES RELATED TO MARIJUANA USE,

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1	DRUGS, INCLUDING MARIJUANA;
2	(c) SCHOOL DATA, INCLUDING SUSPENSIONS, EXPULSIONS, AND
3	POLICE REFERRALS RELATED TO DRUG USE AND SALES, BROKEN DOWN BY
4	SPECIFIC DRUG CATEGORIES;
5	(d) Marijuana arrest data, including amounts of
6	MARIJUANA WITH EACH ARREST, BROKEN DOWN BY RACE AND ETHNICITY;
7	(e) TRAFFIC ACCIDENTS, INCLUDING FATALITIES AND SERIOUS
8	INJURIES RELATED TO BEING UNDER THE INFLUENCE OF MARIJUANA;
9	(f) DIVERSION OF MARIJUANA TO PERSONS UNDER TWENTY-ONE
10	YEARS OF AGE;
11	(g) DIVERSION OF MARIJUANA OUT OF COLORADO;
12	(h) CRIME OCCURRING IN AND RELATING TO THE OPERATION OF
13	MARIJUANA ESTABLISHMENTS;
14	(i) PARCEL SERVICES;
15	(j) Data related to drug-endangered children,
16	SPECIFICALLY FOR MARIJUANA;
17	(k) Treatment information;
18	(1) PROBATION DATA;
19	(m) IMPACT ON TOURISM;
20	(n) EMERGENCY ROOM DATA, INCLUDING INFORMATION FROM
21	COLORADO POISON CONTROL CENTER;
22	(o) OUTDOOR MARIJUANA CULTIVATION FACILITIES; AND
23	(p) Money Laundering.
24	(3) The division is not required to perform the duties
25	REQUIRED BY THIS SECTION UNTIL THE MARIJUANA CASH FUND, CREATED
26	IN SECTION 12-43.3-501, C.R.S., HAS RECEIVED SUFFICIENT REVENUE TO
27	FULLY FUND THE APPROPRIATIONS MADE TO THE DEPARTMENT OF

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1	REVENUE RELATED TO ARTICLES 43.3 AND 43.4 OF TITLE 12, C.K.S., AND
2	THE APPROPRIATION TO THE DIVISION FOR SUCH DUTIES.
3	_
4	SECTION 9. In Colorado Revised Statutes, add 25-1.5-111 as
5	<u>follows:</u>
6	25-1.5-111. Monitor health effects of marijuana. The
7	DEPARTMENT SHALL MONITOR THE EMERGING SCIENCE AND MEDICAL
8	INFORMATION RELEVANT TO THE HEALTH EFFECTS ASSOCIATED WITH
9	MARIJUANA USE. THE DEPARTMENT SHALL APPOINT A PANEL OF HEALTH
10	CARE PROFESSIONALS WITH EXPERTISE IN CANNABINOID PHYSIOLOGY TO
11	MONITOR THE RELEVANT INFORMATION. THE PANEL SHALL PROVIDE A
12	REPORT BY JANUARY 31, 2015, AND EVERY TWO YEARS THEREAFTER TO
13	THE STATE BOARD OF HEALTH, THE DEPARTMENT OF REVENUE, AND THE
14	GENERAL ASSEMBLY. THE DEPARTMENT SHALL MAKE THE REPORT
15	AVAILABLE ON ITS WEB SITE. THE PANEL SHALL ESTABLISH CRITERIA FOR
16	STUDIES TO BE REVIEWED, REVIEWING STUDIES AND OTHER DATA, AND
17	MAKING RECOMMENDATIONS, AS APPROPRIATE, FOR POLICIES INTENDED
18	TO PROTECT CONSUMERS OF MARIJUANA PRODUCTS AND THE GENERAL
19	PUBLIC. THE DEPARTMENT MAY COLLECT COLORADO-SPECIFIC DATA THAT
20	REPORTS ADVERSE HEALTH EVENTS INVOLVING MARIJUANA USE FROM THE
21	ALL-PAYER CLAIMS DATABASE, HOSPITAL DISCHARGE DATA, AND
22	BEHAVIORAL RISK FACTORS. THE DEPARTMENT AND PANEL ARE NOT
23	REQUIRED TO PERFORM THE DUTIES REQUIRED BY THIS SECTION UNTIL THE
24	MARIJUANA CASH FUND, CREATED IN SECTION 12-43.3-501, C.R.S., HAS
25	RECEIVED SUFFICIENT REVENUE TO FULLY FUND THE APPROPRIATIONS
26	MADE TO THE DEPARTMENT OF REVENUE RELATED TO ARTICLES 43.3 AND
27	43.4 OF TITLE 12, C.R.S., THE APPROPRIATION TO THE DIVISION OF

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1	CRIMINAL JUSTICE RELATED TO SECTION 24-33.5-514, C.R.S., AND THE
2	APPROPRIATION TO THE DEPARTMENT RELATED TO THIS SECTION.
3	SECTION <u>10.</u> In Colorado Revised Statutes, 25-14-103.5,
4	amend (3) (a) (I) as follows:
5	25-14-103.5. Prohibition against the use of tobacco products
6	and retail marijuana on school property - legislative declaration -
7	education program - special account. (3) (a) (I) The board of education
8	of each school district shall adopt appropriate policies and rules which
9	THAT mandate a prohibition against the use of all tobacco products AND
10	ALL RETAIL MARIJUANA PRODUCTS AUTHORIZED PURSUANT TO ARTICLE
11	43.4 OF TITLE 12, C.R.S., on all school property by students, teachers,
12	staff, and visitors and which THAT provide for the enforcement of such
13	policies and rules.
14	SECTION 11. In Colorado Revised Statutes, amend 25-14-202
15	as follows:
16	25-14-202. Legislative declaration. The general assembly hereby
17	finds and determines that it is in the best interest of the people of this state
18	to protect nonsmokers from involuntary exposure to environmental
19	tobacco AND MARIJUANA smoke in most indoor areas open to the public,
20	public meetings, food service establishments, and places of employment.
21	The general assembly further finds and determines that a balance should
22	be struck between the health concerns of nonconsumers of tobacco
23	products AND COMBUSTIBLE MARIJUANA and the need to minimize
24	unwarranted governmental intrusion into, and regulation of, private
25	spheres of conduct and choice with respect to the use or nonuse of
26	tobacco products AND COMBUSTIBLE MARIJUANA in certain designated
27	public areas and in private places. Therefore, the general assembly hereby

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1	declares that the purpose of this part 2 is to preserve and improve the
2	health, comfort, and environment of the people of this state by limiting
3	exposure to tobacco AND MARIJUANA smoke.
4	SECTION 12. In Colorado Revised Statutes, 25-14-203, amend
5	(16); and add (11.5) as follows:
6	25-14-203. Definitions. As used in this part 2, unless the context
7	otherwise requires:
8	(11.5) "Marijuana" shall have the same meaning as in
9	SECTION 16 (2) (f) OF ARTICLE XVIII OF THE STATE CONSTITUTION.
10	(16) "Smoking" means the burning of a lighted cigarette, cigar,
11	pipe, or any other matter or substance that contains tobacco or medical
12	marijuana. as defined by section 12-43.3-104 (7), C.R.S.
13	SECTION 13. In Colorado Revised Statutes, 25-14-204, amend
14	(1) introductory portion as follows:
15	25-14-204. General smoking restrictions. (1) Except as
16	provided in section 25-14-205, and in order to reduce the levels of
17	exposure to environmental tobacco AND MARIJUANA smoke, smoking
18	shall not be permitted and no person shall smoke in any indoor area,
19	including, but not limited to:
20	SECTION 14. In Colorado Revised Statutes, 26-6-108, amend
21	(2) (c); and add (2.6) as follows:
22	26-6-108. Denial of license - suspension - revocation -
23	probation - refusal to renew license - fines. (2) The department may
24	deny an application, or suspend, revoke, or make probationary the license
25	of any facility regulated and licensed under this part 1 or assess a fine
26	against the licensee pursuant to section 26-6-114 should the licensee, an
27	affiliate of the licensee, a person employed by the licensee, or a person

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1	who resides with the licensee at the facility:
2	(c) Use any controlled substance, as defined in section 18-18-102
3	(5), C.R.S., INCLUDING RETAIL MARIJUANA, or consume any alcoholic
4	beverage during the operating hours of the facility or be under the
5	influence of a controlled substance or alcoholic beverage during the
6	operating hours of the facility; or
7	(2.6) THE STATE DEPARTMENT SHALL DENY AN APPLICATION FOR
8	AN ENTITY LICENSED UNDER THIS ARTICLE AND SHALL REVOKE THE
9	LICENSE OF AN ENTITY LICENSED UNDER THIS ARTICLE IF THE ENTITY
10	$\hbox{\it cultivates marijuana pursuant to the authority in section } 16\hbox{\it of}$
11	ARTICLE XVIII OF THE STATE CONSTITUTION.
12	SECTION <u>15.</u> In Colorado Revised Statutes, 27-10.5-109, add
13	(6) (d) as follows:
14	27-10.5-109. Community residential home - licenses - rules.
15	(6) The department of human services and the state board of health shall
16	promulgate such rules as are necessary to implement this section,
17	pursuant to the provisions specified in article 4 of title 24, C.R.S. The
18	rules shall include, but shall not be limited to, the following:
19	(d) PROHIBITING THE CULTIVATION, USE, OR CONSUMPTION OF
20	RETAIL MARIJUANA ON THE PREMISES OF A COMMUNITY RESIDENTIAL
21	HOME.
22	SECTION <u>16.</u> In Colorado Revised Statutes, amend 27-10.5-301
23	as follows:
24	27-10.5-301. Regional centers for persons with developmental
25	disabilities. There are hereby established state regional centers in Wheat
26	Ridge, Pueblo, and Grand Junction. The essential object of such regional
27	centers shall be to provide state operated services and supports to persons

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1	with developmental disabilities. A REGIONAL CENTER MAY NOT PERMIT
2	THE CULTIVATION, USE, OR CONSUMPTION OF RETAIL MARIJUANA ON ITS
3	PREMISES.
4	SECTION <u>17.</u> In Colorado Revised Statutes, 39-22-104, add (4)
5	(p) as follows:
6	39-22-104. Income tax imposed on individuals, estates, and
7	trusts - single rate - definitions - repeal. (4) There shall be subtracted
8	from federal taxable income:
9	(p) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
10	1, 2014, IF A TAXPAYER IS LICENSED UNDER THE "COLORADO RETAIL
11	MARIJUANA CODE", ARTICLE 43.4 OFTITLE 12, C.R.S., AN AMOUNT EQUAL
12	TO ANY EXPENDITURE THAT IS ELIGIBLE TO BE CLAIMED AS A FEDERAL
13	INCOME TAX DEDUCTION BUT IS DISALLOWED BY SECTION 280E OF THE
14	FEDERAL "INTERNAL REVENUE CODE" BECAUSE MARIJUANA IS A
15	CONTROLLED SUBSTANCE UNDER FEDERAL LAW.
16	SECTION <u>18.</u> In Colorado Revised Statutes, 39-22-304, add (3)
17	(m) as follows:
18	39-22-304. Net income of corporation. (3) There shall be
19	subtracted from federal taxable income:
20	$(m) \ For income \ tax\ years\ commencing\ on\ or\ after\ January$
21	1, 2014, IF A TAXPAYER IS LICENSED UNDER THE "COLORADO RETAIL
22	MARIJUANA CODE", ARTICLE 43.4 OF TITLE 12, C.R.S., AN AMOUNT EQUAL
23	TO ANY EXPENDITURE THAT IS ELIGIBLE TO BE CLAIMED AS A FEDERAL
24	INCOME TAX DEDUCTION BUT IS DISALLOWED BY SECTION 280E OF THE
25	FEDERAL "INTERNAL REVENUE CODE" BECAUSE MARIJUANA IS A
26	CONTROLLED SUBSTANCE UNDER FEDERAL LAW.
27	SECTION 19. In Colorado Revised Statutes, add 42-4-1305.5 as

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1	follows:
2	42-4-1305.5. Open marijuana container - motor vehicle -
3	prohibited. (1) Definitions. As used in this section, unless the
4	CONTEXT OTHERWISE REQUIRES:
5	(a) "MARIJUANA" SHALL HAVE THE SAME MEANING AS IN SECTION
6	16(2)(f) of article XVIII of the state constitution.
7	(b) "MOTOR VEHICLE" MEANS A VEHICLE DRIVEN OR DRAWN BY
8	MECHANICAL POWER AND MANUFACTURED PRIMARILY FOR USE ON PUBLIC
9	HIGHWAYS BUT DOES NOT INCLUDE A VEHICLE OPERATED EXCLUSIVELY ON
10	A RAIL OR RAILS.
11	(c) "OPEN MARIJUANA CONTAINER" MEANS A RECEPTACLE THAT
12	CONTAINS ANY AMOUNT OF MARIJUANA AND:
13	(I) THAT IS OPEN OR HAS A BROKEN SEAL; OR
14	(II) THE CONTENTS OF WHICH ARE PARTIALLY REMOVED.
15	(d) "PASSENGER AREA" MEANS THE AREA DESIGNED TO SEAT THE
16	DRIVER AND PASSENGERS, INCLUDING SEATING BEHIND THE DRIVER, WHILE
17	A MOTOR VEHICLE IS IN OPERATION AND ANY AREA THAT IS READILY
18	ACCESSIBLE TO THE DRIVER OR A PASSENGER WHILE IN HIS OR HER
19	SEATING POSITION, INCLUDING BUT NOT LIMITED TO THE GLOVE
20	COMPARTMENT.
21	(2) (a) EXCEPT AS OTHERWISE PERMITTED IN PARAGRAPH (b) OF
22	THIS SUBSECTION (2), A PERSON WHILE IN THE PASSENGER AREA OF A
23	MOTOR VEHICLE THAT IS ON A PUBLIC HIGHWAY OF THIS STATE OR THE
24	RIGHT-OF-WAY OF A PUBLIC HIGHWAY OF THIS STATE MAY NOT
25	KNOWINGLY:
26	(I) USE OR CONSUME MARIJUANA; OR
27	(II) HAVE IN HIS OR HER POSSESSION AN OPEN MARIJUANA

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1	CONTAINER.
2	(b) The provisions of this subsection (2) shall not apply to:
3	(I) Passengers, other than the driver or a front seat
4	PASSENGER, LOCATED IN THE PASSENGER AREA OF A MOTOR VEHICLE
5	DESIGNED, MAINTAINED, OR USED PRIMARILY FOR THE TRANSPORTATION
6	OF PERSONS FOR COMPENSATION;
7	(II) THE POSSESSION BY A PASSENGER, OTHER THAN THE DRIVER
8	OR A FRONT SEAT PASSENGER, OF AN OPEN MARIJUANA CONTAINER IN THE
9	LIVING QUARTERS OF A HOUSE COACH, HOUSE TRAILER, MOTOR HOME, AS
10	DEFINED IN SECTION 42-1-102 (57), OR TRAILER COACH, AS DEFINED IN
11	SECTION 42-1-102 (106) (a);
12	(III) THE POSSESSION OF AN OPEN MARIJUANA CONTAINER IN THE
13	AREA BEHIND THE LAST UPRIGHT SEAT OF A MOTOR VEHICLE THAT IS NOT
14	EQUIPPED WITH A TRUNK; OR
15	(IV) THE POSSESSION OF AN OPEN MARIJUANA CONTAINER IN AN
16	AREA NOT NORMALLY OCCUPIED BY THE DRIVER OR A PASSENGER IN A
17	MOTOR VEHICLE THAT IS NOT EQUIPPED WITH A TRUNK.
18	(c) A PERSON WHO VIOLATES THE PROVISIONS OF THIS SUBSECTION
19	(2) COMMITS A CLASS A TRAFFIC INFRACTION AND SHALL BE PUNISHED BY
20	A FINE OF FIFTY DOLLARS AND A SURCHARGE OF SEVEN DOLLARS AND
21	EIGHTY CENTS AS PROVIDED IN THIS SECTION AND SECTION 42-4-1701 (4)
22	(a) (I) (N).
23	(3) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO PREEMPT
24	OR LIMIT THE AUTHORITY OF ANY STATUTORY OR HOME RULE TOWN, CITY,
25	OR CITY AND COUNTY TO ADOPT ORDINANCES THAT ARE NO LESS
26	RESTRICTIVE THAN THE PROVISIONS OF THIS SECTION.
27	SECTION 20. In Colorado Revised Statutes, 12-43.3-501,

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amend (1) as follows:

2	12-43.3-501. Marijuana cash fund - repeal. (1) (a) All moneys
3	collected by the state licensing authority pursuant to this article AND
4	ARTICLE 43.4 OF THIS TITLE shall be transmitted to the state treasurer, who
5	shall credit the same to the medical marijuana license cash fund, which
6	fund is hereby created and referred to in this section as the "fund". THE
7	FUND CONSISTS OF the moneys in the fund SO COLLECTED, ANY EXCISE
8	TAX OR ADDITIONAL SALES TAX IMPOSED PURSUANT TO ARTICLE 28.8 OF
9	TITLE 39, C.R.S., ANY OTHER SALES TAX, AND ANY ADDITIONAL GENERAL
10	FUND MONEYS APPROPRIATED TO THE FUND THAT ARE NECESSARY FOR THE
11	OPERATION OF THE STATE LICENSING AUTHORITY. MONEY IN THE FUND
12	shall be subject to annual appropriation by the general assembly to the
13	department of revenue for the direct and indirect costs associated with
14	implementing this article AND ARTICLE 43.4 OF THIS TITLE. Any moneys
15	in the fund not expended for the purpose of this article OR ARTICLE 43.4
16	OF THIS TITLE may be invested by the state treasurer as provided by law.
17	All interest and income derived from the investment and deposit of
18	moneys in the fund shall be credited to the fund. Any unexpended and
19	unencumbered moneys remaining in the fund at the end of a fiscal year
20	shall remain in the fund and shall not be credited or transferred to the
21	general fund or another fund. UPON A DETERMINATION BY THE GENERAL
22	ASSEMBLY THAT THE DEPARTMENT OF REVENUE HAS ESTABLISHED A
23	SUFFICIENT REVENUE STREAM TO FUND THE STATE LICENSING
24	AUTHORITY'S REGULATORY EFFORTS AND ALL OTHER PROGRAMS TO BE
25	FUNDED BY THE FUND, THE GENERAL ASSEMBLY SHALL DIRECT THE STATE
26	TREASURER TO TRANSFER ANY EXCESS BALANCE IN THE FUND TO THE
27	GENERAL FUND TO REPAY ANY APPROPRIATION MADE FROM THE GENERAL

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1	FUND TO INITIALLY SUPPORT THE SPENDING AUTHORITY OF THE STATE
2	LICENSING AUTHORITY.
3	(b) (I) ANY UNEXPENDED AND UNENCUMBERED MONEYS IN THE
4	FUND AS OF JULY 1, 2013, IS APPROPRIATED TO THE STATE LICENSING
5	AUTHORITY FOR THE 2013-14 FISCAL YEAR.
6	(II) This paragraph (b) is repealed, effective July 1, 2014.
7	SECTION 21. Appropriation. (1) In addition to any other
8	appropriation, there is hereby appropriated, out of any moneys in the
9	marijuana cash fund created in section 12-43.3-501 (1) (a), Colorado
10	Revised Statutes, not otherwise appropriated, to the department of public
11	health and environment, for the fiscal year beginning July 1, 2013, the
12	sum of \$307,542 and 4.0 FTE, or so much thereof as may be necessary,
13	for allocation to the disease control and environmental epidemiology
14	division, environmental epidemiology subdivision, for the cannabis health
15	environmental and epidemiological training, outreach, and surveillance
16	line item related to the implementation of this act.
17	(2) In addition to any other appropriation, there is hereby
18	appropriated, out of any moneys in the marijuana cash fund created in
19	section 12-43.3-501 (1) (a), Colorado Revised Statutes, not otherwise
20	appropriated, to the department of public safety, for the fiscal year
21	beginning July 1, 2013, the sum of \$154,034, or so much thereof as may
22	be necessary, for allocation to the division of criminal justice for the DCJ
23	administrative services line item related to the implementation of this act.
24	SECTION 22. Appropriation. In addition to any other
25	appropriation, there is hereby appropriated, out of any moneys in the
26	general fund not otherwise appropriated, to the department of revenue, for
27	the fiscal year beginning July 1, 2013, the sum of \$280,000, or so much

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1	thereof as may be necessary, for allocation to the taxation business group
2	for computer programming costs related to the implementation of this act.
3	SECTION 23. Appropriation. In addition to any other
4	appropriation, there is hereby appropriated, out of any moneys in the
5	P.O.S.T. board cash fund created in section 24-31-303 (2) (b), Colorado
6	Revised Statutes, not otherwise appropriated, to the department of law,
7	for the fiscal year beginning July 1, 2013, the sum of \$20,000, or so much
8	thereof as may be necessary, for allocation to the criminal justice and
9	appellate unit for peace officers standards and training board support
10	expenses related to the implementation of section 24-31-313, Colorado
11	Revised Statutes.
12	SECTION 24. Effective date. (1) This act takes effect upon
13	passage; except that:
14	(a) Section 27 takes effect only if House Bill 13-1042 does not
15	become law.
16	SECTION <u>25.</u> Safety clause. The general assembly hereby finds,
17	determines, and declares that this act is necessary for the immediate
18	preservation of the public peace, health, and safety.

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