

STATE OF COLORADO

DEPARTMENT OF REVENUE
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John W. Hickenlooper
Governor

Michael S. Hartman
Executive Director

STATEMENT OF ADOPTION

To: Jim Burack, Director, Marijuana Enforcement Division

From: Michael S. Hartman,
Executive Director of the Colorado Department of Revenue, State Licensing Authority

Re: Statement of Adoption

Revised Medical Marijuana Rules, 1 CCR 212-1 Revised Retail Marijuana Rules, 1 CCR 212-2

Pursuant to the Administrative Procedure Act, Title 24, Article 4, of the Colorado Revised Statutes, I, Michael S. Hartman, Executive Director of the Colorado Department of Revenue, State Licensing Authority, promulgate the following rules to become effective on June 20, 2018:

Permanent Rules, Medical Marijuana, 1 CCR 212-1 Secretary of State Tracking Number 2018-00073

M 200 Series – Licensing and Interests

Rule M 207 (Revised) – Schedule of Application Fees: Medical Marijuana Businesses

Rule M 208 (Revised) – Schedule of Business License and Registration Fees: Medical Marijuana Businesses

Rule M 209 (Revised) – Schedule of Business License and Registration Renewal Fees: Medical Marijuana Businesses

Rule M 210 (Revised) – Schedule of Other Application Fees: All Licensees

M 700 Series – Medical Marijuana Testing Facilities

Rule M 705 (Revised) – Medical Marijuana Testing Facilities: Standard Operating Procedure Manual

M 1500 Series – Medical Marijuana Testing Program

Rule M 1504 (Revised) – Medical Marijuana Testing Program – Sampling Procedures

M 1700 Series – Medical Marijuana Business Operator

Rule M 1701 (Revised) – Medical Marijuana Business Operator: License or Registration Privileges

Rule M 1702 (Revised) – Medical Marijuana Business Operators: General Limitations or Prohibited Acts

Rule M 1703 (Revised) – Medical Marijuana Business Operators: Occupational Licenses for Personnel

**Permanent Rules, Retail Marijuana, 1 CCR 212-2
Secretary of State Tracking Number 2018-00074**

R 700 Series – Retail Marijuana Testing Facilities

R 705 (Revised) – Retail Marijuana Testing Facilities: Standard Operating Procedure Manual

R 1500 Series – Retail Marijuana Testing Program

R 1504 (Revised) – Retail Marijuana Testing Program – Sampling Procedures

R 1700 Series – Retail Marijuana Establishment Operator

R 1702 (Revised) – Retail Marijuana Establishment Operators: General Limitations or Prohibited Acts

R 1703 (Revised) - Retail Marijuana Establishment Operators: Occupational Licenses for Personnel

Signed this 25th day of April, 2018.



Michael S. Hartman
State Licensing Authority



2018 Adopted Rules

Medical Marijuana Rules, 1 CCR 212-1

M 200 Series – Licensing and Interests

Basis and Purpose – M 207

The statutory authority for this rule includes but is not limited to sections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XVIII.5), 12-43.3-202(2)(a)(XX), 12-43.3-401(1)(a)-(e), and sections, 12-43.3-104, 12-43.3-310, 12-43.3-401, 12-43.3-501, and 12-43.3-502, C.R.S. The purpose of this rule is to clarify the schedules of application fees for Medical Marijuana Business Applicants.

M 207 – Schedule of Application Fees: Medical Marijuana Businesses

A. Base Medical Marijuana Application Fees

1. Medical Marijuana Center Application Fees

- a. Type 1 Center (1-300 patients) - \$6,000.00
- b. Type 2 Center (301-500 patients) - \$10,000.00
- c. Type 3 Center (501 or more patients) - \$14,000.00

2. Medical Marijuana-Infused Products Manufacturer Application Fee - \$1,000.00

3. Optional Premises Cultivation Location Application Fee - \$1,000.00

4. Medical Marijuana Testing Facility Application Fee - \$1,000.00

5. Medical Marijuana Transporter Application Fee - \$1,000.00

6. Medical Marijuana Business Operator Application Fee - \$1,000.00

7. Medical Marijuana Businesses Converting to Retail Marijuana Establishments. Medical Marijuana Center Applicants or Licensees that want to convert to Retail Marijuana Establishments should refer to 1 CCR 212-2, Rule R 207 – Schedule of Application Fees: Retail Marijuana Establishments.

8. Marijuana Research and Development Facility Application Fee - \$1,000.00

9. Marijuana Research and Development Cultivation Application Fee - \$2,000.00

B. Medical Marijuana Business Application Fees for Indirect Beneficial Interest Owners, Qualified Limited Passive Investors and Other Affiliated Interests

1. Affiliated Interest that is not an Indirect Beneficial Interest Owner - \$200.00

2. Commercially Reasonable Royalty Interest Holder receiving, in the aggregate, a royalty of more than 30 percent - \$400.00

3. Commercially Reasonable Royalty Interest Holder receiving, in the aggregate, a royalty of 30 percent or less - \$200.00

4. Permitted Economic Interest - \$400.00

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5. Employee Profit Sharing Plan - \$200.00
 6. Qualified Limited Passive Investor
 - a. Standard limited initial background check - \$75.00
 - b. Full background check for reasonable cause - \$125.00
 7. Qualified Institutional Investor - \$200.00
- C. When Application Fees Are Due. All application fees are due at the time a Medical Marijuana Business submits an application and/or at the time a Medical Marijuana Business submits an application for a new Financial Interest.

Basis and Purpose – M 208

The statutory authority for this rule includes but is not limited to sections 12-43.3-104, 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XX), 12-43.3-302(5)(c), 12-43.3-310, 12-3.3-401(1)(a)-(e), 12-43.3-501, and 12-43.3-502, C.R.S. The purpose of this rule is to establish basic requirements for all Division applications and help the regulated community understand procedural licensing and registration requirements.

M 208 – Schedule of Business License and Registration Fees: Medical Marijuana Businesses

- A. Medical Marijuana Center License Fees
1. Type 1 Center (1-300 patients) - \$3,000.00
 2. Type 2 Center (301-500 patients) - \$6,000.00
 3. Type 3 Center (501 or more patients) - \$8,000.00
- B. Medical Marijuana-Infused Products Manufacturer License Fee- \$1,500.00
- C. Optional Premises Cultivation Location License Fee- \$1,500.00
- D. Medical Marijuana Testing Facility License Fee - \$1,500.00
- E. Medical Marijuana Transporter License Fee - \$4,400.00
- F. Medical Marijuana Business Operator License Fee - \$2,200.00
- F.2 Marijuana Research and Development Facility License Fee - \$1,500.00
- F.3 Marijuana Research and Development Cultivation License Fee - \$1,500.00
- G. When License and Registration Fees Are Due. All license and registration fees are due at the time an application is submitted.
- H. If Application is Denied. If an application is denied, an Applicant may request that the State Licensing Authority refund the license or registration fee after the denial appeal period has lapsed or after the completion of the denial appeal process, whichever is later.

Basis and Purpose – M 209

The statutory authority for this rule includes but is not limited to sections 12-43.3-104, 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XX), 12-43.3-310, 12-43.3-401, 12-43.3-501, and 12-43.3-502, C.R.S. The purpose of this rule is to establish basic requirements for all Division applications and help the regulated community understand procedural licensing requirements.

M 209 – Schedule of Business License and Registration Renewal Fees: Medical Marijuana Businesses

- A. Renewal Fee Amount and Due Date. The renewal fee shall be \$300 for each renewal application. Renewal license and processing fees are due at the time the renewal application is submitted.
- B. Medical Marijuana Center Renewal Fees.
 - 1. Type 1 Center – \$2,000.00
 - 2. Type 2 Center – \$5,000.00
 - 3. Type 3 Center – \$7,000.00
 - 4. Medical Marijuana-Infused Products Manufacturer - \$1,500.00
 - 5. Optional Premises Cultivation - \$1,500.00
 - 6. Medical Marijuana Testing Facility - \$1,500.00
- C. Medical Marijuana Transporter License - \$4,400.00
- D. Medical Marijuana Business Operator License - \$2,200.00
- D.2 Marijuana Research and Development Facility License Fee - \$1,500.00
- D.3 Marijuana Research and Development Cultivation License Fee - \$1,500.00
- E. If Renewal Application is Denied. If an application for renewal is denied, an Applicant may request that the State Licensing Authority refund the license or registration fee after the denial appeal period has lapsed or after the completion of the denial appeal process, whichever is later.

Basis and Purpose – M 210

The statutory authority for this rule includes but is not limited to sections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), and 12-43.3-202(2)(a)(XX), 12-43.3-104, 12-43.3-310, 12-43.3-401, 12-43.3-501, 12-43.3-502, 12-43.3-1101, and 12-43.3-1102, C.R.S. The purpose of this rule is to establish basic requirements for all Division applications and help the regulated community understand procedural licensing requirements.

M 210 – Schedule of Other Application Fees: All Licensees

- A. Other Application Fees. The following other application fees apply:
 - 1. Transfer of Ownership - New Owners - \$1,600.00

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2. Transfer of Ownership - Reallocation of Ownership - \$1,000.00
 3. Change of Corporation or LLC Structure - \$800.00
 4. Change of Trade Name - \$50.00
 5. Change of Location Application Fee - \$500.00
 6. Modification of Licensed Premises - \$100.00
 7. Duplicate Business License - \$20.00
 8. Duplicate Occupational License - \$20.00
 9. Off Premises Storage Permit - \$1,500.00
 10. Medical Marijuana Transporter Off Premises Storage Permit - \$2,200.00
 11. Responsible Vendor Program Provider Application Fee - \$850.00
 12. Responsible Vendor Program Provider Renewal Fee - \$350.00
 13. Responsible Vendor Program Provider Duplicate Certificate Fee - \$50.00
 14. Licensed Research Business Research Project Proposal - \$500.00
- B. When Other Application Fees Are Due. All other application fees are due at the time the application and/or request is submitted.
- C. Subpoena Fee - See Rule M 106 – Subpoena Fees

M 700 Series –Medical Marijuana Testing Facilities

M 705 – Basis and Purpose

The statutory authority for this rule includes but is not limited to sections 12-43.3-202(2.5)(a)(I) and 12-43.3-405, C.R.S. The purpose of this rule is to establish standard operating procedures manual standards for the operation of a Medical Marijuana Testing Facility.

M 705 – Medical Marijuana Testing Facilities: Standard Operating Procedure Manual

- A. A standard operating procedure manual must include, but need not be limited to, procedures for:
1. Sample receiving;
 2. Sample accessioning;
 3. Sample storage;
 4. Identifying and rejecting unacceptable Samples;
 5. Recording and reporting discrepancies;
 6. Security of Samples, aliquots and extracts and records;

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7. Validating a new or revised method prior to testing Samples to include: accuracy, precision, analytical sensitivity, analytical specificity (interferences), LOD, LOQ, and verification of the reportable range;
8. Aliquoting Samples to avoid contamination and carry-over;
9. Sample retention to assure stability, as follows:
 - a. For Samples that comprise Test Batches submitted for testing other than Pesticide contaminant testing, Sample retention for 14 days;
 - b. For Samples that comprise Test Batches submitted for Pesticide contaminant testing, Sample retention for 90 days.
10. Disposal of Samples;
11. The theory and principles behind each assay;
12. Preparation and identification of reagents, standards, calibrators and controls and ensure all standards are traceable to National Institute of Standards of Technology (“NIST”);
13. Special requirements and safety precautions involved in performing assays;
14. Frequency and number of control and calibration materials;
15. Recording and reporting assay results;
16. Protocol and criteria for accepting or rejecting analytical procedure to verify the accuracy of the final report;
17. Pertinent literature references for each method;
18. Current step-by-step instructions with sufficient detail to perform the assay to include equipment operation and any abbreviated versions used by a testing analyst;
19. Acceptability criteria for the results of calibration standards and controls as well as between two aliquots or columns;
20. A documented system for reviewing the results of testing calibrators, controls, standards, and subject tests results, as well as reviewing for clerical errors, analytical errors and any unusual analytical results. Are corrective actions implemented and documented, and does the laboratory contact the requesting entity; and
21. Policies and procedures to follow when Samples are requested for referral and testing by another certified Medical Marijuana Testing Facility or an approved local state agency’s laboratory.

M 1500 Series – Medical Marijuana Testing Program

Basis and Purpose – M 1504

The statutory authority for this rule includes but is not limited to sections 12-43.3-202(1)(b)(I), 12-43.3-202(2)(a)(IV), 12-43.3-202(2)(a)(XI), 12-43.3-202(2)(a)(XII), 12-43.3-202(2)(a)(XIV), 12-43.3-202(2)(a)(XV), 12-43.3-202(2)(a)(XX), 12-43.3-202(2.5)(a)(I), 12-43.3-402(6), 12-43.3-402(7), 12-43.3-404(4), and 12-43.3-404(10), C.R.S. The purpose of this rule is to protect the public health and safety by

establishing sampling procedures and rules for the Division's Medical Marijuana sampling and testing program.

M 1504 – Medical Marijuana Testing Program – Sampling Procedures

A. Collection of Samples

1. Sample Collection. All Samples submitted for testing pursuant to this rule must be collected by Division representatives or in accordance with the Division's sampling policy reflected in the marijuana laboratory testing reference library available at the Colorado Department of Public Health and Environment's website. This reference library may be continuously updated as new materials become available in accordance with section 25-1.5-106(3.5)(d), C.R.S..
2. Sample Selection. The Division may elect, at its sole direction, to assign Division representatives to collect Samples, or may otherwise direct Sample selection, including, but not limited to, through Division designation of a Harvest Batch or Production Batch in the Inventory Tracking System from which a Medical Marijuana Business shall select Samples for testing. A Medical Marijuana Business, its Owners and employees shall not attempt to influence the Samples selected by Division personnel. If the Division does not select the Harvest Batch or Production Batch to be tested, a Medical Marijuana Business must collect and submit Sample(s) that are representative of the Harvest Batch or Production Batch being tested.
3. Adulteration or Alteration Prohibited. A Licensee or its agent shall not adulterate or alter, or attempt to adulterate or alter, any Samples of Medical Marijuana, Medical Marijuana Concentrate, or Medical Marijuana-Infused Product for the purpose of circumventing contaminant testing detection limits or potency testing requirements. The Sample(s) collected and submitted for testing must be representative of the Harvest Batch or Production Batch being tested. A violation of this Paragraph (A)(3) shall be considered a license violation affecting public safety.

B. Minimum Number of Samples Per Test Batch Submission. These sampling rules shall apply until such time as the State Licensing Authority revises these rules to implement a statistical sampling model. Each Test Batch of Medical Marijuana, Medical Marijuana Concentrate, or Medical Marijuana-Infused Product submitted for testing must be comprised of a representative selection of Samples. Unless a greater amount is required to comply with these rules, each Test Batch of Medical Marijuana, Medical Marijuana Concentrate, or Medical Marijuana-Infused Product must be comprised of at least the following number of separately taken Samples, which may be submitted for testing in all required testing categories:

1. Samples for Test Batches of Medical Marijuana.
 - a. For Harvest Batches weighing up to 10 pounds, a minimum of eight separate 0.5 gram Samples must be combined into one 4 gram Sample and submitted as one Test Batch.
 - b. For Harvest Batches or Production Batches weighing more than 10 pounds but less than 20 pounds, a minimum of 12 separate 0.5 gram Samples must be combined into one 6 gram Sample and submitted as one Test Batch.
 - c. For Harvest Batches weighing 20 pounds or more but less than 30 pounds, a minimum of 15 separate 0.5 gram Samples must be combined into one 7.5 gram Sample and submitted as one Test Batch.

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- d. For Harvest Batches weighing 30 pound or more but less than 40 pounds, a minimum of 18 separate 0.5 gram Samples must be combined into one 9 gram Sample and submitted as one Test Batch.
 - e. For Harvest Batches weighing 40 pounds or more but less than 100 pounds, a minimum of 23 separate 0.5 gram Samples must be combined into one 11.5 gram Sample and submitted as one Test Batch.
 - f. For Harvest Batches weighing 100 pounds or more, a minimum of 29 separate 0.5 gram Samples must be combined into one 14.5 gram Sample and submitted as one Test Batch.
2. Repealed.
 3. Samples for Test Batches of Medical Marijuana Concentrate.
 - a. For Production Batches weighing up to one pound, a minimum of eight separate 0.25 gram Samples must be combined into one 2 gram Sample and submitted as one Test Batch.
 - b. For Production Batches weighing more than one pound and less than two pounds, a minimum of 12 separate 0.25 gram Samples must be combined into one 3 gram Sample and submitted as one Test Batch.
 - c. For Production Batches weighing two pounds or more but less than three pounds, a minimum of 15 separate 0.25 gram Samples must be combined into one 3.75 gram Sample and submitted as one Test Batch.
 - d. For Production Batches weighing three pounds or more but less than four pounds, a minimum of 18 separate 0.25 gram Samples must be combined into one 4.5 gram Sample and submitted as one Test Batch.
 - e. For Production Batches weighing four pounds or more but less than 10 pounds, a minimum of 23 separate 0.25 gram Samples must be combined into one 5.75 gram Sample and submitted as one Test Batch.
 - f. For Production Batches weighing 10 pounds or more, a minimum of 29 separate 0.25 gram Samples must be combined into one 7.25 gram Sample and submitted as one Test Batch.
 4. Samples for Test Batches of Medical Marijuana-Infused Product. A Sample of Medical Marijuana-Infused Product must be packaged for sale prior to Transfer to a Medical Marijuana Testing Facility. Each such package of Medical Marijuana-Infused Product shall constitute one Sample.
 - a. For Production Batches of up to 100 Samples, a minimum of two separate Samples must be submitted as one Test Batch.
 - b. For Production Batches of up to 500 Samples, a minimum of four separate Samples must be submitted as one Test Batch.
 - c. For Production Batches of up to 1000 Samples, a minimum of six separate Samples must be submitted as one Test Batch.

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- d. For Production Batches of up to 5000 Samples, a minimum of eight separate Samples must be submitted as one Test Batch.
 - e. For Production Batches of up to 10,000 Samples, a minimum of 10 Samples must be submitted as one Test Batch.
 - f. For Production Batches of more than 10,000 Samples, a minimum 12 Samples must be submitted as one Test Batch.
- C. Repealed.
- D. Medical Marijuana Testing Facility Selection. Unless otherwise restricted or prohibited by these rules or ordered by the State Licensing Authority, a Medical Marijuana Business may select which Medical Marijuana Testing Facility will test a Sample collected pursuant to this rule. However, the Division may elect, at its sole discretion, to assign a Medical Marijuana Testing Facility to which a Medical Marijuana Business must submit for testing any Sample collected pursuant to this rule.
- E. Violation Affecting Public Safety. Failure to comply with this rule may constitute a license violation affecting public safety.

M 1700 Series – Medical Marijuana Business Operators

Basis and Purpose – M 1701

The statutory authority for this rule includes but is not limited to sections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(2)(a)(XX) and 12-43.3-401(d), C.R.S. The purpose of this rule is to establish that it is unlawful for a Medical Marijuana Business Operator registrant to exercise any privileges other than those granted by the State Licensing Authority and to clarify the registrant privileges.

M 1701 – Medical Marijuana Business Operator: License or Registration Privileges

- A. Privileges Granted. A Medical Marijuana Business Operator shall only exercise those privileges granted to it by the Medical Code, the rules promulgated pursuant thereto and the State Licensing Authority. A Medical Marijuana Business Operator may exercise those privileges only on behalf of the Medical Marijuana Business(es) it operates. A Medical Marijuana Business shall not contract to have more than one Medical Marijuana Business Operator providing services to the Medical Marijuana Business at any given time. A Medical Marijuana Business Operator may not provide any operational services to a Licensed Research Business.
- B. Licensed Premises of the Medical Marijuana Business(es) Operated. A separate license or registration is required for each specific Medical Marijuana Business Operator, and each licensed or registered Medical Marijuana Business Operator may operate one or more other Medical Marijuana Business(es). A Medical Marijuana Business Operator shall not have its own Licensed Premises, but shall maintain its own place of business, and may exercise the privileges of a Medical Marijuana Business Operator at the Licensed Premises of the Medical Marijuana Business(es) it operates.
- C. Entities Eligible to Hold Medical Marijuana Business Operator License or Registration. A Medical Marijuana Business Operator license or registration may be held only by a business entity, including, but not limited to, a corporation, limited liability company, partnership or sole proprietorship.
- D. Separate Place of Business. A Medical Marijuana Business Operator shall designate and maintain a place of business separate from the Licensed Premises of any Medical Marijuana

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Business(es) it operates. A Medical Marijuana Business Operator's separate place of business shall not be considered a Licensed Premises, and shall not be subject to the requirements applicable to the Licensed Premises of other Medical Marijuana Businesses, except as set forth in Rules M 1702 and 1704. Possession, storage, use, cultivation, manufacture, sale, distribution, or testing of Medical Marijuana or Medical Marijuana-Infused Product is prohibited at a Medical Marijuana Business Operator's separate place of business.

- E. Agency Relationship and Discipline for Violations. A Medical Marijuana Business Operator and each of its Direct Beneficial Interest Owners required to hold an Associated Key License, as well as the agents and employees of the Medical Marijuana Business Operator, shall be agents of the Medical Marijuana Business(es) the Medical Marijuana Business Operator is contracted to operate, when engaged in activities related, directly or indirectly, to the operation of such Medical Marijuana Business(es), including for purposes of taking administrative action against the Medical Marijuana Business being operated. See § 12-43.4-601(1), C.R.S. Similarly, a Medical Marijuana Business Operator and its Direct Beneficial Interest Owners required to hold an Associated Key License, as well as the officers, agents and employees of the Medical Marijuana Business Operator, may be disciplined for violations committed by the Direct Beneficial Interest Owners, agents or employees of the Medical Marijuana Business acting under their direction or control. A Medical Marijuana Business Operator may also be disciplined for violations not directly related to a Medical Marijuana Business it is operating.
- F. Compliance with Applicable State and Local Law, Ordinances, Rules and Regulations. A Medical Marijuana Business Operator, and each of its Direct Beneficial Interest Owners, agents and employees engaged, directly or indirectly, in the operation of the Medical Marijuana Business(es) it operates, shall comply with all state and local laws, ordinances, rules and regulations applicable to the Medical Marijuana Business(es) being operated.
- G. Transition from Medical Marijuana Business Operator Registrations to Licenses. Beginning January 1, 2018, the Division will only accept applications for new or renewal Medical Marijuana Business Operator licenses. Any Medical Marijuana Business Operator registration issued by the Division on or before December 31, 2017, will be valid for one year from the date of issuance, after which a Medical Marijuana Business Operator registration will only be available for renewal as a Medical Marijuana Business license.
- H. Application of Rules to Registrations. The State Licensing Authority may take any action with respect to a Medical Marijuana Business Operator registration that it could take with respect to a license issued under the Medical Code. In any administrative action involving a Medical Marijuana Business registration, these rules shall be read as including the terms "registered", "registration", "registrant" or any other similar terms as the context requires when applied to a Medical Marijuana Business Operator registration.

Basis and Purpose – M 1702

The statutory authority for this rule includes but is not limited to sections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(2)(a)(XX) and 12-43.3-401(d), C.R.S. The purpose of this rule is to clarify those acts that are limited in some fashion, or prohibited, by a Medical Marijuana Business Operator.

M 1702 – Medical Marijuana Business Operators: General Limitations or Prohibited Acts

- A. Financial Interest. A Person who is a Direct Beneficial Interest Owner or an Indirect Beneficial Interest Owner of a Medical Marijuana Business Operator may also be a Direct Beneficial Interest Owner, an Indirect Beneficial Interest Owner or otherwise hold a direct or indirect financial interest in another Medical Marijuana Business so long as that interest complies with all other requirements of these rules. A Medical Marijuana Business may be operated by a Medical Marijuana Business Operator where each has one or more Direct Beneficial Interest Owners or

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Indirect Beneficial Interest Owners in common. A Person may receive compensation for services provided by a Medical Marijuana Business Operator in accordance with these rules.

- B. Sale of Marijuana Prohibited. A Medical Marijuana Business Operator is prohibited from selling, distributing, or transferring Medical Marijuana or Medical Marijuana-Infused Product to another Medical Marijuana Business or a consumer, except when acting as an agent of a Medical Marijuana Business(es) operated by the Medical Marijuana Business Operator.
- C. Consumption Prohibited. A Medical Marijuana Business Operator, and its Direct Beneficial Interest Owners, agents and employees, shall not permit the consumption of marijuana or marijuana products at its separate place of business.
- D. Inventory Tracking System. A Medical Marijuana Business Operator, and any of its Direct Beneficial Interest Owners, agents or employees engaged in the operation of the Medical Marijuana Business(es) it operates, must use the Inventory Tracking System account of the Medical Marijuana Business(es) it operates, in accordance with all requirements, limitations and prohibitions applicable to the Medical Marijuana Business(es) it operates.
- E. Compliance with Requirements and Limitations Applicable to the Medical Marijuana Business(es) Operated. In operating any other Medical Marijuana Business(es), a Medical Marijuana Business Operator, and its Direct Beneficial Interest Owners, agents and employees, shall comply with all requirements, limitations and prohibitions applicable to the type(s) of Medical Marijuana Business(es) being operated, under state and local laws, ordinances, rules and regulations, and may be disciplined for violation of the same.
- F. Inventory Tracking System Access. A Medical Marijuana Business may grant access to its Inventory Tracking System account to the Direct Beneficial Interest Owners who are required to hold Associated Key Licenses, as well as the licensed agents and employees of a Medical Marijuana Business Operator having duties related to Inventory Tracking System activities of the Medical Marijuana Business(s) being operated.
 - 1. The Direct Beneficial Interest Owners, agents and employees of a Medical Marijuana Business Operator granted access to a Medical Marijuana Business's Inventory Tracking System account, shall comply with all Inventory Tracking System rules.
 - 2. At least one Direct Beneficial Interest Owner of a Medical Marijuana Business being operated by a Medical Marijuana Business Operator must be an Inventory Tracking System Trained Administrator for the Medical Marijuana Business's Inventory Tracking System account. That Inventory Tracking System Trained Administrator shall control access to its Inventory Tracking System account, and shall promptly terminate the access of the Medical Marijuana Business Operator's Direct Beneficial Interest Owners, agents and employees:
 - a. When its contract with the Medical Marijuana Business Operator expires by its terms;
 - b. When its contract with the Medical Marijuana Business Operator is terminated by any party; or
 - c. When it is notified that the license or registration of the Medical Marijuana Business Operator, or a specific Direct Beneficial Interest Owner, agent or employee of the Medical Marijuana Business Operator, has expired, or has been suspended or revoked.

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- G. Limitations on Use of Documents and Information Obtained from Medical Marijuana Businesses. A Medical Marijuana Business Operator, and its agents and employees, shall maintain the confidentiality of documents and information obtained from the other Medical Marijuana Business(es) it operates, and shall not use or disseminate documents or information obtained from a Medical Marijuana Business it operates for any purpose not authorized by the Medical Code and the rules promulgated pursuant thereto, and shall not engage in data mining or other use of the information obtained from a Medical Marijuana Business to promote the interests of the Medical Marijuana Business Operator or its Direct Beneficial Interest Owners, Indirect Beneficial Interest Owners, agents or employees, or any Person other than the Medical Marijuana Business it operates.
- H. Form and Structure of Allowable Agreement(s) Between Operators and Owners. Any agreement between a Medical Marijuana Business and a Medical Marijuana Business Operator:
1. Must acknowledge that the Medical Marijuana Business Operator, and its Direct Beneficial Interest Owners, agents and employees who are engaged, directly or indirectly, in operating the Medical Marijuana Business, are agents of the Medical Marijuana Business being operated, and must not disclaim an agency relationship;
 2. May provide for the Medical Marijuana Business Operator to receive direct remuneration from the Medical Marijuana Business, including a portion of the profits of the Medical Marijuana Business being operated, subject to the following limitations:
 - a. The portion of the profits to be paid to the Medical Marijuana Business Operator shall be commercially reasonable, and in any event shall not exceed the portion of the net profits to be retained by the Medical Marijuana Business being operated;
 - b. The Medical Marijuana Business Operator shall not be granted, and may not accept:
 - i. a security interest in the Medical Marijuana Business being operated, or in any assets of the Medical Marijuana Business;
 - ii. an ownership or membership interest, shares, or shares of stock, or any right to obtain any direct or indirect beneficial ownership interest in the Medical Marijuana Business being operated, or a future or contingent right to the same, including but not limited to options or warrants;
 - c. The Medical Marijuana Business Operator shall not guarantee the Medical Marijuana Business's debts or production levels.
 3. Shall permit the Medical Marijuana Business being operated to terminate the contract with the Medical Marijuana Business Operator at any time, with or without cause;
 4. Shall be contingent on approval by the Division; and
 5. Shall not be materially amended without advance written approval from the Division.
- I. A Medical Marijuana Business Operator may engage in dual operation of a Medical Marijuana Business and a Retail Marijuana Establishment at a single location, to the extent the Medical Marijuana Business being operated is permitted to do so pursuant to subsection 12-43.4-401(2)(a), C.R.S., and the Medical Marijuana Business Operator shall comply with the rules promulgated pursuant to the Medical Code and the Retail Code, including the requirement of obtaining a valid license as a Retail Marijuana Establishment Operator.

Basis and Purpose – M 1703

The statutory authority for this rule includes but is not limited to sections, 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(2)(a)(XX) and 12-43.3-401(d), C.R.S.. The purpose of this rule is to establish occupational license requirements for the Medical Marijuana Business Operator's Direct Beneficial Interest Owners, agents and employees, including those directly or indirectly engaged in the operation of other Medical Marijuana Business(es).

M 1703 – Medical Marijuana Business Operators: Occupational Licenses for Personnel

A. Required Occupational Licenses.

1. Associated Key Licenses. All natural persons who are Direct Beneficial Interest Owners in a Medical Marijuana Business Operator must have a valid Associated Key License, associated with the Medical Marijuana Business Operator license or registration. Such an Associated Key License shall satisfy all licensing requirements for work related to the business of the Medical Marijuana Business Operator and for work performed on behalf of, or at the Licensed Premises of, the Medical Marijuana Business(es) operated by the Medical Marijuana Business Operator.
2. Key Licenses. All natural persons who are agents or employees of a Medical Marijuana Business Operator that are actively engaged, directly or indirectly, in the management or supervision of other Medical Marijuana Businesses, must hold a Key License. The Key License shall satisfy all licensing requirements for work related to the business of the Medical Marijuana Business Operator and for work at the Licensed Premises of, or on behalf of, the Medical Marijuana Business(es) operated by the Medical Marijuana Business Operator.
3. Occupational Licenses. All other natural persons who are agents and employees of a Medical Marijuana Business Operator that are actively engaged, directly or indirectly, in the operation of one or more other Medical Marijuana Business(es), including but not limited to all agents or employees who will come into contact with Medical Marijuana or Medical Marijuana-Infused Product, who will have to access Limited Access Areas, or who will have access to the Inventory Tracking System account of the Medical Marijuana Business(es) being operated, must have a valid Occupational License.

B. Occupational Licenses Not Required. Occupational Licenses are not required for Indirect Beneficial Interest Owners of a Medical Marijuana Business Operator, Qualified Limited Passive Investors who are Direct Beneficial Interest Owners of a Medical Marijuana Business Operator, or for natural persons who will not come into contact with Medical Marijuana or Medical Marijuana-Infused Product, will not have access to Limited Access Area(s) of the Medical Marijuana Business(es) being operated, and will not have access to the Inventory Tracking System account of the Medical Marijuana Business(es) being operated.

C. Designation of the Manager of a Medical Marijuana Business Operated by a Medical Marijuana Business Operator. If a Medical Marijuana Business Operator is contracted to manage the overall operations of a Medical Marijuana Business's Licensed Premises, the Medical Marijuana Business shall designate a separate and distinct manager on the Licensed Premises who is an officer, agent or employee of the Medical Marijuana Business Operator, which shall be a natural person with a valid Associated Key License or Key License, as set forth in paragraph A of this rule, and the Medical Marijuana Business shall comply with the reporting provisions of subsection 12-43.4-309(11), C.R.S.



2018 Adopted Rules

Retail Marijuana Rules, 1 CCR 212-2

R 700 Series – Retail Marijuana Testing Facilities

R 705 – Basis and Purpose

The statutory authority for this rule includes but is not limited to sections 12-43.4-202(3)(a)(IV) and 12-43.4-405, C.R.S. The purpose of this rule is to establish standard operating procedure manual standards for the operation of a Retail Marijuana Testing Facility.

R 705 –Retail Marijuana Testing Facilities: Standard Operating Procedure Manual

- A. A standard operating procedure manual must include, but need not be limited to, procedures for:
1. Sample receiving;
 2. Sample accessioning;
 3. Sample storage;
 4. Identifying and rejecting unacceptable specimens;
 5. Recording and reporting discrepancies;
 6. Security of Samples, aliquots and extracts and records;
 7. Validating a new or revised method prior to testing Samples to include: accuracy, precision, analytical sensitivity, analytical specificity (interferences), LOD, LOQ, and verification of the reportable range;
 8. Aliquoting Samples to avoid contamination and carry-over;
 9. Sample retention to assure stability, as follows:
 - a. For Samples that comprise Test Batches submitted for testing other than Pesticide contaminant testing, Sample retention for 14 days;
 - b. For Samples that comprise Test Batches submitted for Pesticide contaminant testing, Sample retention for 90 days.
 10. Disposal of Samples;
 11. The theory and principles behind each assay;
 12. Preparation and identification of reagents, standards, calibrators and controls and ensure all standards are traceable to National Institute of Standards of Technology (“NIST”);
 13. Special requirements and safety precautions involved in performing assays;
 14. Frequency and number of control and calibration materials;
 15. Recording and reporting assay results;
 16. Protocol and criteria for accepting or rejecting analytical Procedure to verify the accuracy of the final report;

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17. Pertinent literature references for each method;
18. Current step-by-step instructions with sufficient detail to perform the assay to include equipment operation and any abbreviated versions used by a testing analyst;
19. Acceptability criteria for the results of calibration standards and controls as well as between two aliquots or columns;
20. A documented system for reviewing the results of testing calibrators, controls, standards, and subject tests results, as well as reviewing for clerical errors, analytical errors and any unusual analytical results and any corrective actions implemented and documented, and does the laboratory contact the requesting entity; and
21. Policies and procedures to follow when Samples are requested for referral and testing by another certified Retail Marijuana Testing Facility or an approved local or state agency's laboratory.
22. Testing Industrial Hemp, if the Retail Marijuana Testing Facility tests Industrial Hemp.

R 1500 Series – Retail Marijuana Testing Program

Basis and Purpose – R 1504

The statutory authority for this rule includes but is not limited to sections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(IV), 12-43.4-202(3)(a)(VII), 12-43.4-202(3)(a)(VIII), 12-43.4-202(3)(a)(X), 12-43.4-202(3)(a)(XI), 12-43.4-202(3)(a)(XII), 12-43.4-202(3)(b)(III), 12-43.4-202(3)(b)(IX), 12-43.4-202(3)(c)(V), 12-43.4-202(3)(c)(VI), 12-43.4-202(3)(c)(VII), 12-43.4-402(4), 12-43.4-403(5), 12-43.4-404(3), and 12-43.4-404(6), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(VII). The purpose of this rule is to protect the public health and safety by establishing sampling procedures and rules for the Division's Retail Marijuana sampling and testing program.

R 1504 – Retail Marijuana Testing Program – Sampling Procedures

A. Collection of Samples

1. Sample Collection. All Samples submitted for testing pursuant to this rule must be collected by Division representatives or in accordance with the Division's sampling policy reflected in the marijuana laboratory testing reference library available at the Colorado Department of Public Health and Environment's website. This reference library may be continuously updated as new materials become available in accordance with section 25-1.5-106(3.5)(d), C.R.S..
2. Sample Selection. The Division may elect, at its sole direction, to assign Division representatives to collect Samples, or may otherwise direct Sample selection, including, but not limited to, through Division designation of a Harvest Batch or Production Batch in the Inventory Tracking System from which a Retail Marijuana Establishment shall select Samples for testing. A Retail Marijuana Establishment, its Owners and employees shall not attempt to influence the Samples selected by Division representatives. If the Division does not select the Harvest Batch or Production Batch to be tested, a Retail Marijuana Establishment must collect and submit Sample(s) that are representative of the Harvest Batch or Production Batch being tested.
3. Adulteration or Alteration Prohibited. A Licensee or its agent shall not adulterate or alter, or attempt to adulterate or alter, any Samples of Retail Marijuana, Retail Marijuana Concentrate, or Retail Marijuana Product for the purpose of circumventing contaminant

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testing detection limits or potency testing requirements. The Sample(s) collected and submitted for testing must be representative of the Harvest Batch or Production Batch being tested. A violation of this sub-paragraph (A)(3) shall be considered a license violation affecting public safety.

B. Minimum Number of Samples Per Test Batch Submission. These sampling rules shall apply until such time as the State Licensing Authority revises these rules to implement a statistical sampling model. Each Test Batch of Retail Marijuana, Retail Marijuana Concentrate, or Retail Marijuana Product submitted for testing must be comprised of a representative selection of Samples. Unless a greater amount is required to comply with these rules, each Test Batch of Retail Marijuana, Retail Marijuana Concentrate, and Retail Marijuana Product must be comprised of at least the following number of separately taken Samples, which may be submitted for testing in all required testing categories:

1. Samples for Test Batches of Retail Marijuana.

- a. For Harvest Batches weighing up to 10 pounds, a minimum of eight separate 0.5 gram Samples must be combined into one 4 gram Sample and submitted as one Test Batch.
- b. For Harvest Batches weighing more than 10 pounds but less than 20 pounds, a minimum of 12 separate 0.5 gram Samples must be combined into one 6 gram Sample and submitted as one Test Batch.
- c. For Harvest Batches weighing 20 pounds or more but less than 30 pounds, a minimum of 15 separate 0.5 gram Samples must be combined into one 7.5 gram Sample and submitted as one Test Batch.
- d. For Harvest Batches or weighing 30 pound or more but less than 40 pounds, a minimum of 18 separate 0.5 gram Samples must be combined into one 9 gram Sample and submitted as one Test Batch.
- e. For Harvest Batches or weighing 40 pounds or more but less than 100 pounds, a minimum of 23 separate 0.5 gram Samples must be combined into one 11.5 gram Sample and submitted as one Test Batch.
- f. For Harvest Batches weighing 100 pounds or more, a minimum of 29 separate 0.5 gram Samples must be combined into one 14.5 gram Sample and submitted as one Test Batch.

2. Repealed.

3. Samples for Test Batches of Retail Marijuana Concentrate.

- a. For Production Batches weighing up to one pound, a minimum of eight separate 0.25 gram Samples must be combined into one 2 gram Sample and submitted as one Test Batch.
- b. For Production Batches weighing more than one pound and less than two pounds, a minimum of 12 separate 0.25 gram Samples must be combined into one 3 gram Sample and submitted as one Test Batch.
- c. For Production Batches weighing two pounds or more but less than three pounds, a minimum of 15 separate 0.25 gram Samples must be combined into one 3.75 gram Sample and submitted as one Test Batch.

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- d. For Production Batches weighing three pounds or more but less than four pounds, a minimum of 18 separate 0.25 gram Samples must be combined into one 4.5 gram Sample and submitted as one Test Batch.
 - e. For Production Batches weighing four pounds or more but less than 10 pounds, a minimum of 23 separate 0.25 gram Samples must be combined into one 5.75 gram Sample and submitted as one Test Batch.
 - f. For Production Batches weighing 10 pounds or more, a minimum of 29 separate 0.25 gram Samples must be combined into one 7.25 gram Sample and submitted as one Test Batch.
4. Samples for Test Batches of Retail Marijuana Product. A Sample of Retail Marijuana Product must be packaged for sale prior to Transfer to a Retail Marijuana Testing Facility. Each such package of Retail Marijuana Product shall constitute one Sample.
- a. For Production Batches of up to 100 Samples, a minimum of two separate Samples must be submitted as one Test Batch.
 - b. For Production Batches of up to 500 Samples, a minimum of four separate Samples must be submitted as one Test Batch.
 - c. For Production Batches of up to 1000 Samples, a minimum of six separate Samples must be submitted as one Test Batch.
 - d. For Production Batches of up to 5000 Samples, a minimum of eight separate Samples must be submitted as one Test Batch.
 - e. For Production Batches of up to 10,000 Samples, a minimum of 10 Samples must be submitted as one Test Batch.
 - f. For Production Batches of more than 10,000 Samples, a minimum 12 Samples must be submitted as one Test Batch.
- C. Repealed.
- D. Retail Marijuana Testing Facility Selection. Unless otherwise restricted or prohibited by these rules or ordered by the State Licensing Authority, a Retail Marijuana Establishment may select which Retail Marijuana Testing Facility will test a Sample collected pursuant to this rule. However, the Division may elect, at its sole discretion, to assign a Retail Marijuana Testing Facility to which a Retail Marijuana Establishment must submit for testing any Sample collected pursuant to this rule.
- E. Violation Affecting Public Safety. Failure to comply with this rule may constitute a license violation affecting public safety.

R 1700 Series – Retail Marijuana Establishment Operators

Basis and Purpose – R 1702

The statutory authority for this rule includes but is not limited to sections 12-43.4-202(1), 12-43.4-202(2)(b), 12-43.4-202(3)(a)(XVIII), 12-43.4-202(3)(b)(IX), 12-43.4-407 and 12-43.4-901, C.R.S. The purpose of this rule is to clarify those acts that are limited in some fashion, or prohibited, by a Retail Marijuana Establishment Operator.

R 1702 – Retail Marijuana Establishment Operators: General Limitations or Prohibited Acts

- A. Financial Interest. A Person who is a Direct Beneficial Interest Owner or an Indirect Beneficial Interest Owner of a Retail Marijuana Establishment Operator may also be a Direct Beneficial Interest Owner, an Indirect Beneficial Interest Owner or otherwise hold a direct or indirect financial interest in another Retail Marijuana Establishment so long as that interest complies with all other requirements of these rules. A Retail Marijuana Establishment may be operated by a Retail Marijuana Business Operator where each has one or more Direct Beneficial Interest Owners or Indirect Beneficial Interest Owners in common. A Person may receive compensation for services provided by a Retail Marijuana Business Operator in accordance with these rules.
- B. Sale of Marijuana Prohibited. A Retail Marijuana Establishment Operator is prohibited from selling, distributing, or transferring Retail Marijuana or Retail Marijuana Product to another Retail Marijuana Establishment or a consumer, except when acting as an agent of a Retail Marijuana Establishment(s) operated by the Retail Marijuana Establishment Operator.
- C. Consumption Prohibited. A Retail Marijuana Establishment Operator, and its Direct Beneficial Interest Owners, agents and employees, shall not permit the consumption of marijuana or marijuana products at its separate place of business.
- D. Inventory Tracking System. A Retail Marijuana Establishment Operator, and any of its Direct Beneficial Interest Owners, agents or employees engaged in the operation of the Retail Marijuana Establishment(s) it operates, must use the Inventory Tracking System account of the Retail Marijuana Establishment(s) it operates, in accordance with all requirements, limitations and prohibitions applicable to the Retail Marijuana Establishment(s) it operates.
- E. Compliance with Requirements and Limitations Applicable to the Retail Marijuana Establishment(s) Operated. In operating any other Retail Marijuana Establishment(s), a Retail Marijuana Establishment Operator, and its Direct Beneficial Interest Owners who are required to hold Associated Key Licenses, as well as the agents and employees of the Retail Marijuana Establishment Operator, shall comply with all requirements, limitations and prohibitions applicable to the type(s) of Retail Marijuana Establishment(s) being operated, under state and local laws, ordinances, rules and regulations, and may be disciplined for violation of the same.
- F. Inventory Tracking System Access. A Retail Marijuana Establishment may grant access to its Inventory Tracking System account to the Direct Beneficial Interest Owners, agents and employees of a Retail Marijuana Establishment Operator having duties related to Inventory Tracking System activities of the Retail Marijuana Establishment(s) being operated.
1. The Direct Beneficial Interest Owners, agents and employees of a Retail Marijuana Establishment Operator granted access to a Retail Marijuana Establishment's Inventory Tracking System account, shall comply with all Inventory Tracking System rules.
 2. At least one Direct Beneficial Interest Owner of a Retail Marijuana Establishment being operated by a Retail Marijuana Establishment Operator must be an Inventory Tracking System Trained Administrator for the Retail Marijuana Establishment's Inventory Tracking System account. That Inventory Tracking System Trained Administrator shall control access to its Inventory Tracking System account, and shall promptly terminate the access of the Retail Marijuana Establishment Operator's Direct Beneficial Interest Owners, agents and employees:
 - a. When its contract with the Retail Marijuana Establishment Operator expires by its terms;

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- b. When its contract with the Retail Marijuana Establishment Operator is terminated by any party; or
 - c. When it is notified that the License of the Retail Marijuana Establishment Operator, or a specific Direct Beneficial Interest Owner, agent or employee of the Retail Marijuana Establishment Operator, has expired, or has been suspended or revoked.
- G. Limitations on Use of Documents and Information Obtained from Retail Marijuana Establishments. A Retail Marijuana Establishment Operator, and its agents and employees, shall maintain the confidentiality of documents and information obtained from the other Retail Marijuana Establishment(s) it operates, and shall not use or disseminate documents or information obtained from a Retail Marijuana Establishment it operates for any purpose not authorized by the Retail Code and the rules promulgated pursuant thereto, and shall not engage in data mining or other use of the information obtained from a Retail Marijuana Establishment to promote the interests of the Retail Marijuana Establishment Operator or its Direct Beneficial Interest Owners, Indirect Beneficial Interest Owners, agents or employees, or any Person other than the Retail Marijuana Establishment it operates.
- H. Form and Structure of Allowable Agreement(s) Between Operators and Owners. Any agreement between a Retail Marijuana Establishment and a Retail Marijuana Establishment Operator:
- 1. Must acknowledge that the Retail Marijuana Establishment Operator, and its Direct Beneficial Interest Owners, agents and employees who are engaged, directly or indirectly, in operating the Retail Marijuana Establishment, are agents of the Retail Marijuana Establishment being operated, and must not disclaim an agency relationship.;
 - 2. May provide for the Retail Marijuana Establishment Operator to receive direct remuneration from the Retail Marijuana Establishment, including a portion of the profits of the Retail Marijuana Establishment being operated, subject to the following limitations:
 - a. The portion of the profits to be paid to the Retail Marijuana Establishment Operator shall be commercially reasonable, and in any event shall not exceed the portion of the net profits to be retained by the Retail Marijuana Establishment being operated;
 - b. The Retail Marijuana Establishment Operator shall not be granted, and may not accept:
 - i. a security interest in the Retail Marijuana Establishment being operated, or in any assets of the Retail Marijuana Establishment;
 - ii. an ownership or membership interest, shares, or shares of stock, or any right to obtain any direct or indirect beneficial ownership interest in the Retail Marijuana Establishment being operated, or a future or contingent right to the same, including but not limited to options or warrants;
 - c. The Retail Marijuana Establishment Operator shall not guarantee the Retail Marijuana Establishment's debts or production levels.
 - 3. Shall permit the Retail Marijuana Establishment being operated to terminate the contract with the Retail Marijuana Establishment Operator at any time, with or without cause;
 - 4. Shall be contingent on approval by the Division; and

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5. Shall not be materially amended without advance written approval from the Division.
- I. A Retail Marijuana Establishment Operator may engage in dual operation of a Retail Marijuana Establishment and a Medical Marijuana Business at a single location, to the extent the Retail Marijuana Establishment being operated is permitted to do so pursuant to subsection 12-43.4-401(2)(a), C.R.S., and the Retail Marijuana Establishment Operator shall comply with the rules promulgated pursuant to the Medical Code and the Retail Code, including the requirement of obtaining a valid registration as a Medical Marijuana Business Operator.

Basis and Purpose – R 1703

The statutory authority for this rule includes but is not limited to sections, 12-43.4-202(3)(a)(XVIII), 12-43.4-202(3)(b)(IX), 12-43.4-309(11), and 12-43.4-401(1)(e) C.R.S. The purpose of this rule is to establish occupational license requirements for the Retail Marijuana Establishment Operator's Direct Beneficial Interest Owners, agents and employees, including those directly or indirectly engaged in the operation of other Retail Marijuana Establishment(s).

R 1703 – Retail Marijuana Establishment Operators: Occupational Licenses for Personnel

- A. **Required Occupational Licenses.**
 1. Associated Key Licenses. All natural persons who are Direct Beneficial Interest Owners in a Retail Marijuana Establishment Operator must have a valid Associated Key License, associated with the Retail Marijuana Establishment Operator License. Such an Associated Key License shall satisfy all licensing requirements for work related to the business of the Retail Marijuana Establishment Operator and for work performed on behalf of, or at the Licensed Premises of, the Retail Marijuana Establishment(s) operated by the Retail Marijuana Establishment Operator.
 2. Key Licenses. All other natural persons who are agents or employees of a Retail Marijuana Establishment Operator that are actively engaged, directly or indirectly, in the management or supervision of other Retail Marijuana Establishments, must hold a Key License. The Key License shall satisfy all licensing requirements for work related to the business of the Retail Marijuana Establishment Operator and for work at the Licensed Premises of, or on behalf of, the Retail Marijuana Establishment(s) operated by the Retail Marijuana Establishment Operator.
 3. Occupational Licenses. All natural persons who are agents and employees of a Retail Marijuana Establishment Operator that are actively engaged, directly or indirectly, in the operation of one or more other Retail Marijuana Establishment(s), including but not limited to all agents or employees who will come into contact with Retail Marijuana or Retail Marijuana Product, who will have to access Limited Access Areas, or who will have access to the Inventory Tracking System account of the Retail Marijuana Establishment(s) being operated as part of their duties, must have a valid Occupational License.
- B. Occupational Licenses Not Required. Occupational Licenses are not required for Indirect Beneficial Interest Owners of a Retail Marijuana Establishment Operator, Qualified Limited Passive Investors who are Direct Beneficial Interest Owners of a Retail Marijuana Establishment Operator, or for natural persons who will not come into contact with Retail Marijuana or Retail Marijuana Product, will not have access Limited Access Area(s) of the Retail Marijuana Establishment(s) being operated, and will not have access to the Inventory Tracking System account of the Retail Marijuana Establishment(s) being operated.
- C. Designation of the Manager of a Retail Marijuana Establishment Operated by a Retail Marijuana Establishment Operator. If a Retail Marijuana Establishment Operator is contracted to manage

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the overall operations of a Retail Marijuana Establishment's Licensed Premises, the Retail Marijuana Establishment shall designate a separate and distinct manager on the Licensed Premises who is an officer, agent or employee of the Retail Marijuana Establishment Operator, which shall be a natural person with a valid Associated Key License or Key License, as set forth in paragraph A of this rule, and the Retail Marijuana Establishment shall comply with the reporting provisions of subsection 12-43.4-309(11), C.R.S.