STATE OF COLORADO

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Colorado Department of Revenue Marijuana Enforcement Division

John W. Hickenlooper Governor Barbara J. Brohl Executive Director

Emergency Rules:

Revised Rule, Retail Marijuana, 1 CCR 212-2

Rule R 231 – Qualifications for Licensure: Individuals

New Rules, Retail Marijuana, 1 CCR 212-2

R 234 – Schedule of License Fees: Individuals

R 235 - Schedule of Renewal Fees - Individuals

Statement of Emergency Justification and Adoption

Pursuant to sections 24-4-103 and 12-43.4-202, C.R.S, I, Barbara J. Brohl, Executive Director of the Department of Revenue and State Licensing Authority, hereby adopt the aforementioned revised and new Retail Marijuana Rules, which are attached hereto.

Section 24-4-103(6), C.R.S., authorizes the State Licensing Authority to issue an emergency rule if the State Licensing Authority finds that the immediate adoption of the rule is imperatively necessary to comply with a state law or for the preservation of public health, safety, or welfare and compliance with the requirements of section 24-4-103, C.R.S., would be contrary to the public interest

I find that the immediate adoption of these revised rules is necessary to comply with the statutory mandates of the Retail Marijuana Code and to properly regulate and control the cultivation, manufacture, distribution, and sale of retail marijuana.

Statutory Authority

The statutory authority for these rules is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(e), 12-43.4-202(3)(a)(II), 12-43.4-202(3)(a)(III), 12-43.4-202(3)(b)(VIII), 12-43.4-202(3)(b)(IX), 12-43.4-305, 12-43.4-306, 12-43.4-309(6), 12-43.4-401(1)(e), C.R.S., subsection 12-43.3-501(1), C.R.S., and sections 24-76.5-101 *et seq*. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(III).

Purpose

The primary purpose necessitating the revision and additions to 1 CCR 212-2 on an emergency basis is to help the State Licensing Authority effectively regulate the retail marijuana industry. As of July 1, 2014, the State Licensing Authority began to accept new applications for new retail marijuana businesses.§ 12-43.4-104(1)(b)(II), C.R.S. Accordingly, as of October 1, 2014, there will be new retail-only licensees that are not, and have never been, affiliated with medical marijuana businesses.

I am adopting the rules related to retail occupational licenses on an emergency basis. These same rules are also in the midst of the permanent rulemaking process. However, the permanent rules will not be effective before October 1st. Consequently, these rules are needed on a temporary, emergency basis in order to ensure the regulated community has clear guidance about the governing regulations. If these rules were not adopted, there would be a regulatory gap between October 1st and the effective date of the permanent rules. Adoption of these rules will clarify the requirements related to retail occupational licensees.

These emergency rules are effective immediately upon adoption. The prior version of Rule R 231, 1 CCR 212-1, is hereby repealed and replaced by the attached emergency rule. New emergency Rules R 234 and R 235, 1 CCR 212-2, are hereby adopted. These emergency rules will remain in effect until replaced by permanent rules.

Barbara J. Brohl

Executive Director

Colorado Department of Revenue

State Licensing Authority