

COLORADO DEPARTMENT OF REVENUE MARIJUANA ENFORCEMENT DIVISION

Emergency Rule Adoption

Amended Rules, 1 CCR 212-3

Rule 1-105 – Engaging in Business

Rule 1-115 - Definitions

Rule 2-225 - Renewal Application Requirements

Rule 2-260 - Changing, Altering, or Modifying Licensed Premises

Rule 2-265 – Owner Employee License: License Requirements, Applications, Qualifications, and Privileges

Rule 3-205 - Limited Access Areas

Rule 3-345 – Emergency Allowances, Restrictions, and Requirements in Response to COVID-19

Rule 3-605 – Transport: All Regulated Marijuana Businesses

Statement of Emergency Justification and Adoption

Pursuant to sections 24-4-103 and 44-10-203, C.R.S., I, Heidi Humphreys, Deputy Executive Director of the Department of Revenue and State Licensing Authority, hereby adopt the aforementioned Colorado 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 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: (1) the immediate adoption of these revised rules is necessary to comply with the constitutional and statutory mandates of the Colorado Marijuana Code, sections 44-10-101 *et seq.*, C.R.S.; (2) the immediate adoption of these revised rules is necessary to preserve the public health, safety, and welfare; and (3) compliance with the notice and public hearing requirements of section 24-4-103, C.R.S., would be contrary to the public interest.

Statutory Authority

The statutory authority for the attached rules is identified in the statement of basis and purpose preceding each rule. Statutory authority for these rules includes but is not limited to section 44-10-203(1)(f), 44-10-203(1)(j), 44-10-203(2)(a), 44-10-203(2)(c), 44-10-203(2)(e), 44-10-203(2)(h), 44-10-203(2)(i), C.R.S.

Purpose

The purpose of the revisions to these rules on an emergency basis is as follows:

On March 11, 2020, the Governor issued <u>Executive Order 2020 003</u> "Declaring a Disaster Emergency Due to the Presence of Coronavirus Disease in Colorado." In response to the presence of COVID-19, the State Licensing Authority adopted emergency rules on March 20, 2020.

In addition to Executive Order 2020 003, the following state orders were issued:

- On March 20, 2020, the Governor issued <u>Executive Order D 2020 011</u> "Ordering the Temporary Suspension of Certain Regulatory Statutes Due to the Presence of COVID-19."
- On March 25, 2020, the Governor issued:
 - Executive Order D 2020 017 "Ordering Coloradans to Stay Home Due to the Presence of COVID-19 in the State."
 - <u>Executive Order D 2020 015</u> "Authorizing the Executive Directors of Certain State Agencies to Promulgate and Issue Emergency Rules Extending the Expiration Date of Licenses and Other Documents Due to the Presence of COVID-19."
- On March 25, 2020, the Colorado Department of Public Health and Environment issued <u>Amended Public Health Order 20-24</u> "Implementing Stay at Home Requirements."

The purpose of the attached Emergency Rules is to limit further exposure to and mitigate harm caused by COVID-19 pursuant to the aforementioned state-issued orders and to establish additional requirements and guidelines to facilitate "social distancing" by Regulated Marijuana Businesses. The attached Emergency Rules reflect amendments to rules adopted on March 20, 2020, and establish other requirements and guidelines, further summarized below.

- Public Health Orders and Executive Orders: The Emergency Rules reflect amendments to the emergency rules adopted March 20, 2020, which require all Licensees to comply with applicable public health and executive orders.
- Emergency Extension of Regulated Marijuana Business and Owner License Renewal Deadline: Pursuant to Executive Order D 2020 015, the Emergency Rules extend (by 30-days) the expiration date of Regulated Marijuana Business Licenses and Owner Licenses expiring between March 25, 2020 and April 24, 2020, providing additional time to submit renewal applications for such licenses.
- Modifications of Premises: The Emergency Rules reflect amendments to the emergency rules adopted March 20, 2020, which are intended to allow licensees to make temporary modifications to their Licensed Premises, without being subject to application and approval requirements, where such modifications are for the purpose of accomplishing "social distancing" consistent with state-issued orders.
- <u>Limited Gaming Support and Key Licensees</u>: The Emergency Rules provide a temporary allowance for persons holding a valid license issued by the Colorado Limited Gaming Commission to work in a Regulated Marijuana Business without an Employee License issued by the State Licensing Authority, subject to certain restrictions and requirements.
- Emergency Suspension of Fingerprinting for Owner License Renewals: The Emergency Rules reflect amendments to the emergency rules adopted March 20, 2020, intended to minimize public health risks associated with COVID-19, by suspending renewal fingerprint requirements for existing Owner Licensees.
- Social Distancing Measures: The Emergency Rules establish requirements for "social distancing" applicable to Regulated Marijuana Businesses and consistent with state-issued orders.
- Medical Marijuana Stores and Retail Marijuana Stores: The Emergency Rules establish emergency allowances and restrictions for Medical and Retail Store transactions both inside and outside of the Restricted Access Area of the Licensed Premises to facilitate the implementation of "social distancing" measures consistent with state-issued orders. The Emergency Rules reflect amendments to the emergency rules adopted March 20, 2020.

 <u>Transfer of Samples for Testing</u>: The Emergency Rules reflect amendments to the emergency rules adopted March 20, 2020, intended to ensure licensees can comply with requirements for testing of Regulated Marijuana pursuant to "social distancing" guidelines.

Effective Date of Emergency Rules and Permanent Rulemaking

The attached Emergency Rules are effective immediately upon adoption.

The prior versions of Rules 1-105, 1-115, 2-260, 2-265, 3-345, and 3-605, 1 CCR 212-3, are hereby amended and adopted.

The Emergency Rules remain in effect until their stated expiration date, 120 days from the date of adoption, or when Executive Order 2020 003 "Declaring a Disaster Emergency Due to the Presence of Coronavirus Disease in Colorado," signed March 11, 2020, is rescinded, withdrawn, or expires.

The State Licensing Authority will continue to monitor state and federal updates to evaluate whether additional public health reports requires the re-adoption of the aforementioned Emergency Rules and/or the initiation of permanent rulemaking proceedings for such rules.

Heidi Humphreys (Apr 1, 2020)

Heidi Humphreys Deputy Executive Director/Chief Operating Officer Colorado Department of Revenue State Licensing Authority April 1, 2020

Date