



COLORADO
Department of Revenue

**Emergency Rule Adoption - Colorado Marijuana Rules
Response to COVID-19
Extension of Regulated Marijuana Business & Owner License Renewal Deadline
1 CCR 212-3**

June 26, 2020

- Rule 2-225 – Renewal Application Requirements
 - Emergency Extension of Regulated Marijuana Business License and Owner License Renewal Deadline

Questions:

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DEPARTMENT OF REVENUE**MARIJUANA ENFORCEMENT DIVISION****COLORADO MARIJUANA RULES****1 CCR 212-3**

Part 2 – Applications and Licenses**2-200 Series – Applications and Licenses Rules****Basis and Purpose – 2-225**

The statutory basis for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-202(1)(e), 44-10-203(1)(c), 44-10-203(2)(a), 44-10-203(2)(c), 44-10-203(2)(w), 44-10-203(2)(ee), 44-10-203(7), 44-10-307, 44-10-308, 44-10-309, 44-10-313, 44-10-314, and 44-10-316 C.R.S. The purpose of this rule is to establish the requirements and procedures for the license renewal process, including the circumstances under which an expired license may be reinstated.

2-225 – Renewal Application Requirements for All Licensees**A. License Periods.**

1. Regulated Marijuana Business and Owner Licenses are valid for one year from the date of issuance.
2. Medical Marijuana Transporters, Retail Marijuana Transporters, and Employee Licenses are valid for two years from the date of issuance.

B. Division Notification Prior to Expiration.

1. The Division will send a notice of license renewal 90 days prior to the expiration of an existing license by first class mail to the Licensee's physical address of record.
2. Failure to receive the Division notification does not relieve the Licensee of the obligation to timely renew the license.

C. Renewal Deadline.

1. A Licensee must apply for the renewal of an existing license prior to the License's expiration date.
2. A renewal application submitted to the Division prior to the license's expiration date shall be deemed timely pursuant to subsection 24-4-104(7), C.R.S., and the Licensee may continue to operate until Final Agency Order on the renewal application.
3. Emergency Extension of Regulated Marijuana Business License and Owner License Renewal Deadline. Pursuant to Executive Order D 2020 015, "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," Executive Order D 2020 042, ~~and~~ Executive Order D 2020 075, ~~and~~ [Executive Order D2020 111](#), which extend Executive Order D 2020 015, the expiration date of any Regulated Marijuana Business and Owner License that would expire between

March 25, 2020 and ~~July 20~~¹, 2020 is extended ~~for 30 days, pursuant to each Executive Order.~~

- a. For example, an Owner License that would expire on ~~July~~¹, 2020 will not expire until ~~July~~^{August} 1, 2020.
- b. If a Regulated Marijuana Business License or an Owner License was extended under Executive Order D 2020 015, ~~or~~ Executive Order D 2020 042 or Executive Order D 2020 075, and the extended expiration date falls prior to ~~July 20~~¹, 2020, that license's expiration date will be extended an additional thirty days. For example, a Regulated Marijuana Business License that would have expired on April 1, 2020 was ~~twice~~ extended three times to June ~~30~~¹, 2020, and will be extended again to July 30~~July 1~~, 2020 pursuant to Executive Order D 2020 111075.
- c. Subsequent Renewals. If a Regulated Marijuana Business License or Owner License was extended pursuant to this Rule 2-225(C)(3), all subsequent renewals will be based on the Licensee's original expiration date.
- d. Employee Licenses Not Included. This emergency exemption does not apply to Employee Licensees, who must renew on or before the expiration date of the license.
- e. Regulated Marijuana Business and Owner Licensees subject to the emergency extension provided under this Rule 2-225(C)(3) must apply for a renewal of such licenses prior to their extended expiration date. This extension does not prohibit a Regulated Marijuana Business or Owner Licensee from submitting their application for renewal prior to their original expiration date.
- f. The State Licensing Authority does not currently anticipate any further thirty-day extension of the regulated marijuana business license renewal deadline. Any license that is not timely renewed will expire and must immediately discontinue operations.

D. If License Not Renewed Before Expiration. A license is immediately invalid upon expiration if the Licensee has not filed a renewal application and remitted all of the required application and license fees prior to the license expiration date. A Regulated Marijuana Business that fails to file a renewal application and remit all required application and license fees prior to the license expiration date must not operate unless it first obtains a new state license and any required local license.

1. Reinstatement of Expired Regulated Marijuana Business License. A Regulated Marijuana Business that fails to file a renewal application and remit all required application and license fees prior to the license expiration date may request that the Division reinstate an expired license only in accordance to the following:
 - a. The Regulated Marijuana Business license expired within the previous 30 days;
 - b. The Regulated Marijuana Business License has submitted an initial application pursuant to Rule 2-220. The initial application must be submitted prior to, or currently with, the request for reinstatement;
 - c. The Regulated Marijuana Business has paid the reinstatement fee in Rule 2-205; and

- d. Any license or approval from the Local Licensing Authority or Local Jurisdiction is still valid or has been obtained.
2. Reinstatement Not Available for Surrendered or Revoked Licenses. A request for reinstatement cannot be submitted and will not be approved for a Regulated Marijuana Business license that was surrendered or revoked.
3. Reinstatement Not Available for Owner Licenses or Employee Licenses. A request for reinstatement cannot be submitted and will not be approved for expired, surrendered, or revoked Owner Licenses or Employee Licenses.
4. Denial of Request for Reinstatement or Administrative Action. If the Licensee requesting reinstatement of a Regulated Marijuana Business license operated during a period that the license was expired, the request may be subject to denial or subject to any administrative action authorized by the Marijuana Code or these Rules.
5. Approval of Request for Reinstatement. Upon approval of any request for reinstatement of an expired Regulated Marijuana Business License, the Licensee may resume operations until the final agency action on the Licensee's initial application for a Regulated Marijuana Business license.
 - a. Approval of a request for reinstatement of an expired Regulated Marijuana Business license does not guarantee approval of the Regulated Marijuana Business license initial application;
 - b. Approval of a request for reinstatement of an expired license does not waive the State Licensing Authority's authority to pursue administrative action on the expired license or initial application for Regulated Marijuana Business license.
6. Final Agency Order on Initial Application for Regulated Marijuana Business.
 - a. If the initial application for a Regulated Marijuana Business license submitted pursuant to this Rule is approved, the Regulated Marijuana Business license will replace the reinstated license.
 - b. If the initial application for a Regulated Marijuana Business license submitted pursuant to this Rule is denied, the Licensee must immediately cease all operations including but not limited to, Transfer of Regulated Marijuana. See Rule 2-270 – Application Denial and Voluntary Withdrawal; 8-115 – Disposition of Unauthorized Regulated Marijuana; 8-130 – Administrative Warrants.
- E. Voluntarily Surrendered or Revoked Licenses Not Eligible for Renewal. Any license that was voluntarily surrendered or that was revoked by a Final Agency Order is not eligible for renewal. Any Licensee who voluntarily surrendered its license or has had its license revoked by a Final Agency Order may only submit an initial application. The State Licensing Authority will consider the voluntary surrender or the Final Agency Order and all related facts and circumstances in determining approval of any subsequent initial application.
- F. Licenses Subject to Ongoing Administrative Action. Licenses subject to an administrative action are subject to the requirements of this Rule. Licenses that are not timely renewed expire and cannot be renewed.
- G. Documents Required at Renewal. A Regulated Marijuana Business must provide the following documents with every renewal application:

1. Any document required by Rule 2-220(A)(1) through (10) that has changed since the document was last submitted to the Division. It is a license violation affecting public safety to fail to submit any document that changed since the last submission for the purpose of circumventing the requirements of the Marijuana Code, or these Rules;
2. A copy of the Local Licensing Authority or Local Jurisdiction approval, licensure, and/or documentation demonstrating timely submission of pending local license renewal application;
3. A list of any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, including but not limited to the United States Securities and Exchange Commission or the Canadian Securities Administrators;
4. A Regulated Marijuana Business operating under a single Entity name with more than one license may submit the following documents only once each calendar year on the first license renewal in lieu of submission with every license renewal in the same calendar year:
 - a. Tax documents and financial statements required by Rule 2-220(A)(11) and (12);
 - b. If the Regulated Marijuana Business is a Publicly Traded Corporation, the most recent list of Non-Objecting Beneficial Owners possessed by the Regulated Marijuana Business;
 - c. A copy of all management agreement(s) the Regulated Marijuana Business has entered into regardless of whether the Person is licensed or unlicensed.; and
 - d. Contracts, agreements, royalty agreements, equipment leases, financing agreement, or security contract for any Indirect Financial Interest Holder that is required to be disclosed by Rule 2-230(A)(3).
- H. Controlling Beneficial Owner Signature. At least one Controlling Beneficial Owner shall sign the renewal application. However, other Controlling Beneficial Owners may be required to sign authorizations and/or requests to release information.