

NOTICE OF RULEMAKING HEARING

The State Licensing Authority of the Colorado Department of Revenue, Marijuana Enforcement Division, will consider the promulgation of additions and amendments to its Rules and Regulations as authorized by Article XVIII, Section 16 of the Colorado Constitution, the Retail Marijuana Code, sections 12-43.4-101 *et seq.*, C.R.S. (“Retail Code”), and the Medical Marijuana Code, sections 12-43.3-101 *et seq.*, C.R.S. (“Medical Code”). For specific information and language concerning the proposed changes and new rules, please refer to the contents of this Notice and to the initial partial proposed rules that are set forth following this notice and are also at the Colorado Department of Revenue, Marijuana Enforcement Division’s website at: <https://www.colorado.gov/pacific/enforcement/2016-med-rulemaking>

STATUTORY AUTHORITY FOR RULEMAKING

The State Licensing Authority promulgates these rules pursuant to the authority granted in the Medical Code, The Retail Code, Article XVIII, Section 16 of the Colorado Constitution, and section 24-4-103, C.R.S., of the Administrative Procedure Act.

SUBJECT OF RULEMAKING

An initial portion of the proposed rules are posted on the Colorado Department of Revenue, Marijuana Enforcement Division’s website at: <https://www.colorado.gov/pacific/enforcement/2016-med-rulemaking>. The full set of proposed rules will be posted no later than 5:00 p.m. on Friday, August 26, 2016. Other relevant information regarding this rulemaking also will be posted on the Division’s website. In addition, the initial partial proposed rules attached to this Notice are fully incorporated herein.

The State Licensing Authority will consider the promulgation of the following list of new rules and existing rules with changes proposed. This list is not exhaustive. For specific information and language concerning the proposed changes, please refer to the initial partial proposed rules that are set forth with this notice, at the Colorado Department of Revenue, Marijuana Enforcement Division’s website, and on the Colorado Secretary of State website.

Please take note that in addition to the subject matters addressed in the initial partial proposed rules, the State Licensing Authority will consider additional rules consistent with any subject matter needed to implement and interpret the Retail Code, the Medical Code, and Article XVIII, Section 16 of the Colorado Constitution. The rulemaking hearing will include but will not be limited to modifications required due to statutory changes adopted during the 2016 legislative session. Some of those proposed modifications will be quite substantial, particularly those related to Senate Bill 2016-040 and House Bill 16-1261, and those changes are not included in the initial partial proposed rules but will be included in the full set of proposed rules to be posted by August 26, 2016.

The State Licensing Authority will conduct meetings of representative groups of participants with an interest in the subject of the rule-making (“stakeholder meetings”) beginning the week of July 25, 2016. More information related to these meetings can be found at:

<https://www.colorado.gov/pacific/enforcement/2016-med-rulemaking>. Each stakeholder meeting will be noticed on the Division’s website at least 24 hours in advance. The stakeholder meetings may relate to any of the proposed rule changes. The written and recorded materials from the stakeholder meetings will be included in the rulemaking record.

The State Licensing Authority expects the initial partial proposed rules will be amended during the stakeholder meeting process and that new rules may be drafted. The attached and incorporated initial partial proposed rules are only intended to provide interested persons with the initial proposed drafts of some of the permanent rules. The subjects of other proposed rules not included in the initial partial proposed rules are set forth in this Notice and will be included in the full set of proposed rules to be posted by August 26, 2016.

RULES TO BE CONSIDERED FOR AMENDMENT OR ADOPTION PURSUANT TO THE MEDICAL CODE

M 100 Series – General Applicability

M 103 – Definitions

Additional definitions:

The State Licensing Authority will consider additional amendments to the definitions including definitions related to licensing, ownership and financial interests, operators, and definitions related to new legislation and to other rules under consideration during these rulemaking proceedings. Some but not all of the proposed new definitions are included in the initial attached proposed rules. Others will be included in the full set of proposed rules to be posted by August 26, 2016.

*Other general rules may be adopted or amended.

M 200 Series – Licensing and Interests

All M 200 Series rules are under consideration for procedural and substantive amendments in order to implement legislation passed in the 2016 legislative session including but not limited to Senate Bill 16-040, House Bill 16-1211, and House Bill 16-1261, or any other subject matter needed to implement and interpret the Medical Code. It is anticipated that the amendments and additions to the M 200 Series will be substantial. The proposed changes to this Series are not included in initial attached proposed rules but will be included in the full set of proposed rules to be posted by August 26, 2016. The proposed changes will be the focus of extensive discussion during stakeholder meetings.

*Other rules related to licensing and interests may be adopted or amended.

M 300 Series – The Licensed Premises

M 301 – The Licensed Premises

M 302 – Possession of Licensed Premises

M 304 – Medical Marijuana Business and Retail Marijuana Establishment – Shared Licensed Premises and Operational Separation

*Other rules governing the Licensed Premises may be adopted or amended.

M 400 Series – Medical Marijuana Center

- M 401 – Medical Marijuana Center: License Privileges
- M 403 – Medical Marijuana Sales: General Limitations or Prohibited Acts
- M 406 – Medical Marijuana Center: Inventory Tracking System

*Other rules governing Medical Marijuana Centers may be adopted or amended.

M 500 Series – Optional Premises Cultivation Operation Facilities

- M 501 – Medical Marijuana Optional Premises Cultivation Operation: License Privileges
- M 502 – Medical Marijuana Optional Premises Cultivation Operation: General Limitations or Prohibited Acts
- M 503 – Medical Marijuana Optional Premises Cultivation Operation: Inventory Tracking System

*Other rules governing Optional Premises Cultivation Operation Facilities may be adopted or amended.

M 600 Series – Medical Marijuana-Infused Products Manufacturers

- M 601 – Medical Marijuana-Infused Products Manufacturer: License Privileges
- M 602 – Medical Marijuana-Infused Products Manufacturer: General Limitations or Prohibited Acts
- M 603 – Medical Marijuana-Infused Products Manufacturer: Inventory Tracking System
- M 604 – Medical Marijuana-Infused Products Manufacturer: Health and Safety Regulations

*Other rules governing Medical Marijuana-Infused Products Manufacturers may be adopted or amended.

M 700 Series – Medical Marijuana Testing Facilities

- M 704 – Medical Marijuana Testing Facilities: Personnel
- M 712 – Medical Marijuana Testing Facilities: Sampling and Testing Program

*Other rules governing Medical Marijuana Testing Facilities may be amended or adopted.

M 800 Series – Transportation and Storage

- M 801 – Transport of Medical Marijuana and Medical Marijuana-Infused Products: All Medical Marijuana Businesses (Re-named)
- M 802 – Off-Premises Storage of Medical Marijuana and Medical Marijuana-Infused Product : All Medical Marijuana Businesses (Re-named)

*Other rules governing transportation and storage of Medical Marijuana and Medical Marijuana-Infused Products may be adopted or amended.

M 900 Series – Business Records and Reporting

M 905 – Department Information Access (New)

*Other rules governing business records and reporting may be adopted or amended.

M 1000 Series – Labeling, Packaging, and Products Safety

*Rules governing packaging and may be adopted or amended.

M 1100 Series - Signage, Marketing, and Advertising

M 1101 – General Requirement: False and Misleading Statements (Repealed)

M 1102 – Advertising General Requirement: No Deceptive, False or Misleading Statements (New)

M 1103 – The Term “Minor” as Used in the Medical Code and These Rules (New)

M 1104 – Advertising: Television (New)

M 1105 – Advertising: Radio (New)

M 1106 – Advertising: Print Media (New)

M 1107 – Advertising: Internet (New)

M 1108 – Advertising: Targeting Out-of-State Persons Prohibited (New)

M 1109 – Signage and Advertising: No Safety Claims Because Regulated by State Licensing Authority (New)

M 1110 – Signage and Advertising: No Safety Claims Because Tested by a Medical Marijuana Testing Facility (New)

M 1111 – Signage and Advertising: Outdoor Advertising (New)

M 1112 – Signage and Advertising: No Content That Targets Minors (New)

M 1113 – Advertising: Advertising via Marketing Directed Toward Location-Based Devices (New)

M 1114 – Pop-Up Advertising (New)

M 1115 – Advertising: Event Sponsorship (New)

*Other rules governing signage, marketing, and advertising may be adopted or amended.

M 1200 Series – Enforcement

*Rules governing enforcement may be adopted or amended.

M 1300 Series – Discipline

M 1302 – Summary Suspensions (Re-named)

M 1304 – Administrative Hearings

*Other rules governing discipline may be adopted or amended.

M 1400 Series – Division, Local Jurisdiction, and Law Enforcement Procedures

*Rules governing Division, local jurisdiction, and law enforcement procedures may be adopted or amended.

M 1500 Series – Medical Marijuana Testing Program

- M 1501 – Medical Marijuana Testing Program - Contaminant Testing
- M 1502 – Medical Marijuana Testing Program - Mandatory Testing
- M 1504 – Medical Marijuana Testing Program - Sampling Procedures

*Other rules governing the medical marijuana testing program may be adopted or amended.

M 1600 Series – Retail Marijuana Transporters (New)

- M 1601 – Medical Marijuana: License Privileges (New)
- M 1602 – Medical Marijuana: General Limitations or Prohibited Acts (New)
- M 1603 – Medical Marijuana: Inventory Tracking System (New)
- M 1604 – Medical Marijuana: Health and Safety Regulations (New)

*Other rules governing Transporters may be adopted or amended.

M 1700 Series – Medical Marijuana Operators (New)

* Rules governing Medical Marijuana Operators will be adopted.

Any other rules necessary to implement the Medical Code may be amended or adopted.

**RULES TO BE CONSIDERED FOR AMENDMENT OR ADOPTION TO
THE RETAIL CODE**

R 100 Series – General Applicability

R 103 – Definitions

Additional definitions:

The State Licensing Authority will consider additional amendments to the definitions including definitions related to licensing, ownership and financial interests, operators, and definitions related to new legislation and to other rules under consideration during these rulemaking proceedings. Some but not all of the proposed new definitions are included in the initial attached proposed rules. Others will be included in the full set of proposed rules to be posted by August 26, 2016.

*Other general rules may be adopted or amended.

R 200 Series – (Re-named) Licensing and Interests

All M 200 Series rules are under consideration for procedural and substantive amendments in order to implement legislation passed in the 2016 legislative session including but not limited to Senate Bill 16-040, House Bill 16-1211, and House Bill 16-1261, or any other subject matter needed to implement and interpret the Retail Code and Article XVIII, Section 16 of the Colorado Constitution. It is anticipated that the amendments and additions to the R 200 Series will be substantial. The proposed changes to this Series are not included in initial attached proposed rules but will be included in

the full set of proposed rules to be posted by August 26, 2016. The proposed changes will be the focus of extensive discussion during stakeholder meetings.

*Other rules governing licensing may be adopted or amended.

R 300 Series – The Licensed Premises

R 301 – Limited Access Areas

R 302 – Possession of Licensed Premises

R 304 – Medical Marijuana Business and Retail Marijuana Establishment – Shared Licensed Premises and Operational Separation

*Other rules governing the Licensed Premises may be adopted or amended.

R 400 Series – Retail Marijuana Stores

R 401 – Retail Marijuana Store: License Privileges

R 402 – Retail Marijuana Sales: General Limitations or Prohibited Acts

R 404 – Acceptable Forms of Identification for Retail Sales

R 405 – Retail Marijuana Store: Inventory Tracking System

*Other rules governing Retail Marijuana Stores may be adopted or amended.

R 500 Series – Retail Marijuana Cultivation Facilities

R 501 – Retail Marijuana Cultivation Facility: License Privileges

R 502 – Retail Marijuana Cultivation Facility: General Limitations or Prohibited Acts

R 503 – Retail Marijuana Cultivation Facility: Inventory Tracking System

*Other rules governing Retail Marijuana Cultivation Facilities may be adopted or amended.

R 600 Series – Retail Marijuana Products Manufacturing Facilities

R 601 – Retail Marijuana Products Manufacturing Facilities: License Privileges

R 602 – Retail Marijuana Products Manufacturing Facility: General Limitations or Prohibited Acts

R 603 – Retail Marijuana Products Manufacturing Facility: Inventory Tracking System

R 604 – Retail Marijuana Products Manufacturing Facility: Health and Safety Regulations

*Other rules governing Retail Marijuana Products Manufacturing Facilities may be adopted or amended.

R 700 Series – Retail Marijuana Testing Facilities

R 703 – Retail Marijuana Testing Facilities: Certification Requirements

R 704 – Retail Marijuana Testing Facilities: Personnel

R 712 – Retail Marijuana Testing Facilities: Mandatory Sampling and Testing Program

*Other rules governing Retail Marijuana Testing Facilities may be adopted or amended.

R 800 Series – Transportation and Storage

R 801 – Transport of Retail Marijuana and Retail Marijuana Product: All Retail Marijuana Establishments (Re-named)

R 802 – Off-Premises Storage of Retail Marijuana and Retail Marijuana Product (Re-named)

*Other rules governing the transportation and storage of Retail Marijuana may be adopted or amended.

R 900 Series – Business Records and Reporting

R 905 – Department Information Access

*Other rules governing business records and reporting may be adopted or amended.

R 1000 Series – Labeling, Packaging, and Products Safety

R 1004 – Packaging and Labeling Requirements of a Retail Marijuana Product by a Retail Marijuana Products Manufacturing Facility

R 1005.5 – Packaging and Labeling of Retail Marijuana by a Retail Marijuana Store

R 1006 – Packaging and Labeling of Retail Marijuana Product by a Retail Marijuana Store

R 1007.5 – Packaging and Labeling of Retail Marijuana Concentrates by a Retail Marijuana Store

*Other rules governing labeling and packaging may be adopted or amended.

R 1100 Series – Signage, Marketing, and Advertising

*Rules governing signage, marketing, and advertising may be adopted or amended.

R 1200 Series – Enforcement

*Other rules governing enforcement may be adopted or amended.

R 1300 Series – Discipline

R 1302 – Summary Suspensions (Re-named)

R 1304 – Administrative Hearings

*Other rules governing discipline may be adopted or amended.

R 1500 Series – Retail Marijuana Testing Program

R 1501 – Retail Marijuana Testing Program – Contaminant Testing

R 1502 – Retail Marijuana Testing Program – Mandatory Testing

R 1504 – Retail Marijuana Testing Program – Retail Marijuana Testing Program: Sampling Procedures

*Other rules governing the retail marijuana testing program may be adopted or amended.

R 1600 Series – Retail Marijuana Transporters (New)

- R 1601 – Retail Marijuana Transporter: License Privileges (New)
- R 1602 – Retail Marijuana Transporter: General Limitations or Prohibited Acts (New)
- R 1603 – Retail Marijuana Transporter: Inventory Tracking System (New)
- R 1604 – Retail Marijuana Transporter: Health and Safety Regulations (New)

*Other rules governing Transporters may be adopted or amended.

R 1700 Series – Retail Marijuana Operators (New)

* Rules governing Retail Marijuana Operators will be adopted.

Any other rules necessary to implement the Retail Code may be adopted or amended.

RULEMAKING RECORD AND PUBLIC PARTICIPATION

1. Official Rulemaking Record. The official record for purposes of the rulemaking hearing to be held on September 2, 2016, will include the written and recorded materials from the stakeholder meetings and any written comments or oral testimony submitted or presented.
2. Written Comments. The State Licensing Authority encourages interested parties to submit written comments on the proposed rules, including alternate proposals, by August 10, 2015, so that the State Licensing Authority can review comments prior to the rulemaking hearing. Written comments will also be accepted after that date. The deadline to submit written comments is 5:00 P.M. on Friday, September 2, 2016.

The State Licensing Authority will accept all written comments but strongly encourages written comments to be submitted on the Marijuana Enforcement Division Suggested Revision to Rules Form (Rule Form). A copy of the form is attached to this notice. The form may also be found at: <https://www.colorado.gov/pacific/enforcement/2016-med-rulemaking>.

Please print, complete, and save the Rule Form as a separate document and then submit the Rule Form via e-mail. Written comments and completed Rule Forms may be emailed to: dor_medrulecomments@state.co.us. In addition, you may submit completed Rule Forms to:

Marijuana Enforcement Division
Re: Rules
455 Sherman Street, Suite 390
Denver, CO 80203

Written comments will be accepted at the rulemaking hearing.

3. Oral Comments. In its discretion, the State Licensing Authority may also afford interested parties an opportunity to make brief oral presentations at the rulemaking hearing.

The State Licensing Authority strongly encourages written comments

If allowed, oral presentations will likely be limited to two minutes or less per person. Individuals will not be allowed to cede their time to another person (for instance, one person speaking on behalf of five people will not be given ten minutes to speak). Organized groups of individuals are urged to identify one spokesperson and to be concise. The State Licensing Authority encourages interested parties to avoid duplicating previously-submitted material and testimony.

HEARING SCHEDULE

Date: September 2, 2016
Time: 9:00 a.m. – 5:00 p.m.
Place: Ralph L. Carr Colorado Judicial Center
1300 Broadway, Rooms 1 A, B & C
Denver, CO 80203

Location of the rulemaking hearing will also be posted on the Department of Revenue's website and the Secretary of State's website.

The hearing may be continued at such place and time as the State Licensing Authority may announce.

The State Licensing Authority shall deliberate upon the testimony and written submissions presented at this hearing, as well as applicable legal provisions and any related matters properly submitted before the hearing record is closed. Pursuant to said hearing, in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the State Licensing Authority will adopt such rules as in its judgment are justified by the rulemaking record and applicable legal provisions.

If you are an individual with a disability who needs a reasonable accommodation in order to participate in this rulemaking hearing, please contact Cindy Perkins at Cindy.Perkins@state.co.us no later than August 12, 2016.

Dated this 15th day of July, 2016.

THE COLORADO DEPARTMENT OF REVENUE,
STATE LICENSING AUTHORITY,
MARIJUANA ENFORCEMENT DIVISION



Barbara J. Brohl, State Licensing Authority
Colorado Department of Revenue



Marijuana Enforcement Division Suggested Revision to Rules

This form must be completed in its entirety prior to submission for consideration by the Division

Last Name: _____ First Name: _____

Company/Organization: _____ Job Title: _____

Date: _____ Contact Phone Number: _____ Email Address: _____

Check if you would like your email address to be added to the Division's rulemaking notification distribution list

Rule Number and/or Name: _____ Rule Section: _____

Suggested wording for the rule:



Marijuana Enforcement Division Suggested Revision to Rules

This form must be completed in its entirety prior to submission for consideration by the Division

Basic justification for the suggested change:

Examples of when the current rule caused a problem/confusion:

Please provide real life examples



Marijuana Enforcement Division Suggested Revision to Rules

This form must be completed in its entirety prior to submission for consideration by the Division

Explain how the change would affect/benefit the industry:

Explain how the change would affect/benefit the Marijuana Enforcement Division:



Marijuana Enforcement Division Suggested Revision to Rules

This form must be completed in its entirety prior to submission for consideration by the Division

Explain how the change would affect/benefit the public:

List any documents or informational sources you have to support the proposed rule change:

Completed rule revision suggestion forms will be included in the permanent rulemaking public record.

Please return this completed form to: dor_medrulecomments@state.co.us or by mailing it to the following address:

Marijuana Enforcement Division
Re: Rules
455 Sherman Street, Suite 390
Denver, CO 80203

R 100 Series – General Applicability

Basis and Purpose – R 103

The statutory authority for this rule is found at subsection 12-43.4-202(2)(b), C.R.S. The purpose of this rule is to provide necessary definitions of terms used throughout the rules. Defined terms are capitalized where they appear in the rules, to let the reader know to refer back to these definitions. When a term is used in a conventional sense, and not intended to be a defined term, it is not capitalized.

With regard to the definition of Child-Resistant, the State Licensing Authority relied extensively upon written commentary provided by a public health agency within a Colorado hospital, which had conducted a health impact assessment of packaging regulations, looking at accidental ingestion of medical marijuana. The assessment was supported by others in the public, including industry representatives and a physician specializing in medical toxicology.

With regard to the definition of Restricted Access Area, the State Licensing Authority relied extensively upon written commentary provided by a consumer advocate.

R 103 – Definitions

Definitions. The following definitions of terms, in addition to those set forth in section 12-43.4-103, C.R.S., shall apply to all rules promulgated pursuant to the Retail Code, unless the context requires otherwise:

“Advertising” means the act of providing consideration for the publication, dissemination, solicitation, or circulation of visual, oral, or written communication, to induce directly or indirectly any Person to patronize a particular a Retail Marijuana Establishment, or to purchase particular Retail Marijuana or a Retail Marijuana Product. “Advertising” includes marketing, but does not include packaging and labeling. “Advertising” proposes a commercial transaction or otherwise constitutes commercial speech.

“Additive” means any substance added to Retail Marijuana Product that is not a common baking or cooking item.

“Agreement” means any unsecured convertible debt option, option agreement, warrant, or at the Division’s discretion, other document that establishes a right for a person to obtain a Permitted Economic Interest that might convert to an ownership interest in a Retail Marijuana Establishment or Medical Marijuana Business.

“Alarm Installation Company” means a Person engaged in the business of selling, providing, maintaining, servicing, repairing, altering, replacing, moving or installing a Security Alarm System in a Licensed Premises.

“Applicant” means a Person that has submitted an application pursuant to these rules that was accepted by the Division for review but has not been approved or denied by the State Licensing Authority.

“Associated Key License” means an Occupational License for an individual who is an Owner of the Retail Marijuana Establishment.

“Batch Number” means any distinct group of numbers, letters, or symbols, or any combination thereof, assigned by a Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturer to a specific Harvest Batch or Production Batch of Retail Marijuana.

“Cannabinoid” means any of the chemical compounds that are the active principles of marijuana.

“Child-Resistant” means special packaging that is:

- a. Designed or constructed to be significantly difficult for children under five years of age to open and not difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995). Note that this rule does not include any later amendments or editions to the Code of Federal Regulations. The Division has maintained a copy of the applicable federal regulation, which is available to the public.
- b. Opaque so that the packaging does not allow the product to be seen without opening the packaging material;
- c. Resealable for any product intended for more than a single use or containing multiple servings.

“Container” means the sealed package in which Retail Marijuana or a Retail Marijuana Product is placed for sale to a consumer and that has been labeled according to the requirements set forth in Rules R 1002 *et. seq.*

“Denied Applicant” means any Person whose application for licensure pursuant to the Retail Code has been denied.

“Department” means the Colorado Department of Revenue.

“Director” means the Director of the Marijuana Enforcement Division.

“Division” means the Marijuana Enforcement Division.

“Edible Retail Marijuana Product” means any Retail Marijuana Product which is intended to be consumed orally, including but not limited to, any type of food, drink, or pill.

“Executive Director” means the Executive Director of the Department of Revenue.

“Exit Package” means a sealed Container or package provided at the retail point of sale, in which any Retail Marijuana or Retail Marijuana Product already within a Container are placed.

“Final Agency Order” means an Order of the State Licensing Authority issued in accordance with the Retail Code and the State Administrative Procedure Act. The State Licensing Authority will issue a Final Agency Order following review of the Initial Decision and any exceptions filed thereto or at the conclusion of the declaratory order process. A Final Agency Order is subject to judicial review.

“Flammable Solvent” means a liquid that has a flash point below 100 degrees Fahrenheit.

“Flowering” means the reproductive state of *Cannabis* in which the plant is in a light cycle intended to stimulate production of flowers, trichomes, and cannabinoids characteristic of marijuana.

“Food-Based Retail Marijuana Concentrate” means a Retail Marijuana Concentrate that was produced by extracting cannabinoids from Retail Marijuana through the use of propylene glycol, glycerin, butter, olive oil or other typical cooking fats.

“Good Cause” for purposes of denial of an initial, renewal, or reinstatement of a license application, means:

- a. The Licensee or Applicant has violated, does not meet, or has failed to comply with any of the terms, conditions, or provisions of the Retail Code, any rules promulgated pursuant to it, or any supplemental relevant state or local law, rule, or regulation;
- b. The Licensee or Applicant has failed to comply with any special terms or conditions that were placed upon the license pursuant to an order of the State Licensing Authority or the relevant local jurisdiction; or
- c. The Licensee's Licensed Premises have been operated in a manner that adversely affects the public health or welfare or the safety of the immediate neighborhood in which the establishment is located.

"Good Moral Character" means having a personal history that demonstrates honesty, fairness, and respect for the rights of others and for the law.

"Harvest Batch" means a specifically identified quantity of processed Retail Marijuana that is uniform in strain, cultivated utilizing the same Pesticide and other agricultural chemicals and harvested at the same time.

"Harvested Marijuana" means post-Flowering Retail Marijuana not including trim, concentrate or waste that remains on the premises of the Retail Marijuana Cultivation Facility or its off-premises storage location beyond 60 days from harvest.

"Identity Statement" means the name of the business as it is commonly known and used in any Advertising.

"Immature plant" means a nonflowering Retail Marijuana plant that is no taller than eight inches and no wider than eight inches produced from a cutting, clipping or seedling and is in a cultivating container. Plants meeting these requirements are not attributable to a licensee's maximum allowable plant count, but must be fully accounted for in the Inventory Tracking System.

"Industrial Hemp" means a plant of the genus Cannabis and any part of the plant, whether growing or not, containing a delta-9 tetrahydrocannabinol (THC) concentration of no more than three-tenths of one percent (0.3%) on a dry weight basis.

"Industrial Hygienist" means an individual who has obtained a baccalaureate or graduate degree in industrial hygiene, biology, chemistry, engineering, physics, or a closely related physical or biological science from an accredited college or university.

- A. The special studies and training of such individuals shall be sufficient in the cognate sciences to provide the ability and competency to:
 1. Anticipate and recognize the environmental factors and stresses associated with work and work operations and to understand their effects on individuals and their well-being;
 2. Evaluate on the basis of training and experience and with the aid of quantitative measurement techniques the magnitude of such environmental factors and stresses in terms of their ability to impair human health and well-being;
 3. Prescribe methods to prevent, eliminate, control, or reduce such factors and stresses and their effects.

- B. Any individual who has practiced within the scope of the meaning of industrial hygiene for a period of not less than five years immediately prior to July 1, 1997, is exempt from the degree requirements set forth in the definition above.
- C. Any individual who has a two-year associate of applied science degree in environmental science from an accredited college or university and in addition not less than four years practice immediately prior to July 1, 1997, within the scope of the meaning of industrial hygiene is exempt from the degree requirements set forth in the definition above.

“Initial Decision” means a decision of a hearing officer in the Department following a licensing, disciplinary, or other administrative hearing. Either party may file exceptions to the Initial Decision. The State Licensing Authority will review the Initial Decision and any exceptions filed thereto, and will issue a Final Agency Order.

“Inventory Tracking System” means the required seed-to-sale tracking system that tracks Retail Marijuana from either the seed or immature plant stage until the Retail Marijuana or Retail Marijuana Product is sold to a customer at a Retail Marijuana Store or is destroyed.

“Inventory Tracking System Trained Administrator” means an Owner or an occupationally licensed employee of a Retail Marijuana Establishment who has attended and successfully completed Inventory Tracking System training and who has completed any additional training required by the Division.

“Inventory Tracking System User” means an Owner or occupationally licensed Retail Marijuana Establishment employee who is granted Inventory Tracking System User account access for the purposes of conducting inventory tracking functions in the Inventory Tracking System and who has been successfully trained by an Inventory Tracking System Trained Administrator in the proper and lawful use of Inventory Tracking System.

“Licensed Premises” means the premises specified in an application for a license pursuant to the Retail Code that are owned or in possession of the Licensee and within which the Licensee is authorized to cultivate, manufacture, distribute, sell, store, or test Retail Marijuana in accordance with the provisions of the Retail Code and these rules.

“Licensee” means any Person licensed pursuant to the Retail Code or, in the case of an Occupational License Licensee, any individual licensed pursuant to the Retail Code or Medical Code.

“Limited Access Area” means a building, room, or other contiguous area upon the Licensed Premises where Retail Marijuana is grown, cultivated, stored, weighed, packaged, sold, or processed for sale, under control of the Licensee.

“Limit of Detection” or “LOD” means the lowest quantity of a substance that can be distinguished from the absence of that substance (a blank value) within a stated confidence limit (generally 1%).

“Limit of Quantitation” or “LOQ” means the lowest concentration at which the analyte can not only be reliably detected but at which some predefined goals for bias and imprecision are met.

“Liquid Edible Retail Marijuana Product” means an Edible Retail Marijuana Product that is a liquid beverage or food-based product and intended to be consumed orally, such as a soft drink or cooking sauce.

“Material Change” means any change that would require a substantive revision to a Retail Marijuana Establishment’s standard operating procedures for the cultivation of Retail Marijuana or the production of a Retail Marijuana Concentrate or Retail Marijuana Product.

“Medical Code” means the Colorado Medical Marijuana Code found at sections 12-43.3-101 *et. seq.*, C.R.S.

“Medical Marijuana” means marijuana that is grown and sold pursuant to the Medical Code and includes seeds and Immature Plants.

“Medical Marijuana Business” means a Medical Marijuana Center, a Medical Marijuana-Infused Product Manufacturer, an Optional Premises Cultivation Operation, ~~or~~ a Medical Marijuana Testing Facility, a Medical Marijuana Transporter, or a registered Medical Marijuana Business Operator.

“Medical Marijuana Business Operator” means an entity or person that is not an Owner and that is registered to provide professional operational services to a Medical Marijuana Business for direct remuneration from the Medical Marijuana Business.

“Medical Marijuana Center” means a Person licensed pursuant to the Medical Code to operate a business as described in section 12-43.3-402, C.R.S., and sells medical marijuana to registered patients or primary caregivers as defined in Article XVIII, Section 14 of the Colorado Constitution, but is not a primary caregiver.

“Medical Marijuana Concentrate” means a specific subset of Medical Marijuana that was produced by extracting cannabinoids from Medical Marijuana. Categories of Medical Marijuana Concentrate include Water-Based Medical Marijuana Concentrate, Food-Based Medical Marijuana Concentrate and Solvent-Based Medical Marijuana Concentrate.

“Medical Marijuana-Infused Product” means a product infused with Medical Marijuana that is intended for use or consumption other than by smoking, including but not limited to edible product, ointments, and tinctures. Such products shall not be considered a food or drug for purposes of the “Colorado Food and Drug Act,” part 4 of Article 5 of Title 25, C.R.S.

“Medical Marijuana-Infused Products Manufacturer” means a Person licensed pursuant to the Medical Code to operate a business as described in section 12-43.3-404, C.R.S.

“Medical Marijuana Testing Facility” means a public or private laboratory licensed and certified, or approved by the Division, to conduct research and analyze Medical Marijuana, Medical Marijuana-Infused Products, and Medical Marijuana Concentrate for contaminants and potency.

“Medical Marijuana Transporter” means an entity or person that is licensed to transport Medical Marijuana and Medical Marijuana-Infused Products from one Medical Marijuana Business to another Medical Marijuana Business and to temporarily store the transported Medical Marijuana and Medical Marijuana-Infused Products at its licensed premises. The privileges of the Medical Marijuana Transporter License do not permit a Medical Marijuana Transporter to sell Medical Marijuana or Medical Marijuana-Infused Products under any circumstances.

“Monitoring” means the continuous and uninterrupted attention to potential alarm signals that could be transmitted from a Security Alarm System located at a Retail Marijuana Establishment Licensed Premises, for the purpose of summoning a law enforcement officer to the premises during alarm conditions.

“Monitoring Company” means a person in the business of providing security system Monitoring services for the Licensed Premises of a Retail Marijuana Establishment.

“Multiple-Serving Edible Retail Marijuana Product” means an Edible Retail Marijuana Product unit for sale to consumers containing more than 10mg of active THC and no more than 100mg of active THC. If the overall Edible Retail Marijuana Product unit for sale to the consumer consists of multiple pieces where each individual piece may contain less than 10mg active THC, yet in total all pieces combined within the unit for sale contain more than 10mg of active THC, then the Edible Retail Marijuana Product shall be considered a Multiple-Serving Edible Retail Marijuana Product.

“Notice of Denial” means a written statement from the State Licensing Authority, articulating the reasons or basis for denial of a license application.

“Occupational License” means a license granted to an individual by the State Licensing Authority pursuant to section 12-43.3-401 or 12-43.4-401, C.R.S.

“Opaque” means that the packaging does not allow the product to be seen without opening the packaging material.

“Optional Premises Cultivation Operation” means a Person licensed pursuant to the Medical Code to operate a business as described in section 12-43.3-403, C.R.S.

“Order to Show Cause” means a document from the State Licensing Authority alleging the grounds for imposing discipline against a Licensee’s license.

“Owner” means the Person or Persons whose beneficial interest in the license is such that they bear risk of loss other than as an insurer, have an opportunity to gain profit from the operation or sale of the establishment, and have a controlling interest in a Retail Marijuana Establishment license, and includes any other Person that qualifies as an Owner pursuant to Rule R 204. The holder of a suitable Permitted Economic Interest is not an Owner.

“Permitted Economic Interest” means an Agreement to obtain an ownership interest in a Retail Marijuana Establishment or Medical Marijuana Business when the holder of such interest is a natural person who is a lawful United States resident and whose right to convert into an ownership interest is contingent on the holder qualifying and obtaining a license as an owner under the Retail Code or Medical Code.

“Person” means a natural person, partnership, association, company, corporation, limited liability company, or organization, or a manager, agent, owner, director, servant, officer, or employee thereof; except that “Person” does not include any governmental organization.

“Pesticide” means any substance or mixture of substances intended for preventing, destroying, repelling or mitigating any pest or any substance or mixture of substances intended for use as a plant regulator, defoliant or desiccant; except that the term “pesticide” shall not include any article that is a “new animal drug” as designated by the United States Food and Drug Administration.

“Production Batch” means (a) any amount of Retail Marijuana Concentrate of the same category and produced using the same extraction methods, standard operating procedures and an identical group of Harvest Batch(es) of Retail Marijuana; or (b) any amount of Retail Marijuana Product of the same exact type, produced using the same ingredients, standard operating procedures and the same Production Batch(es) of Retail Marijuana Concentrate.

“Professional Engineer” means an individual who is licensed by the State of Colorado as a professional engineer pursuant to 12-25-101 et. seq., C.R.S.

“Proficiency Testing Samples” means performing the same analyses on the same samples and comparing results to ensure the Samples are homogenous and stable, and also that the set of samples analyzed are appropriate to test and display similarities and differences in results.

“Propagation” means the reproduction of Retail Marijuana plants by seeds, cuttings or grafting.

“RFID” means Radio Frequency Identification.

“Resealable” means that the package maintains its Child-Resistant effectiveness for multiple openings.

“Respondent” means a Person who has filed a petition for declaratory order that the State Licensing Authority has determined needs a hearing or legal argument or a Licensee who is subject to an Order to Show Cause.

“Restricted Access Area” means a designated and secure area within a Licensed Premises in a Retail Marijuana Store where Retail Marijuana and Retail Marijuana Product are sold, possessed for sale, and displayed for sale, and where no one under the age of 21 is permitted.

“Retail Code” means the Colorado Retail Marijuana Code found at sections 12-43.4-101 *et. seq.*, C.R.S.

“Retail Marijuana” means all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate, that is cultivated, manufactured, distributed, or sold by a licensed Retail Marijuana Establishment. “Retail Marijuana” does not include industrial hemp, nor does it include fiber produced from stalks, oil, or cake made from the seeds of the plant, sterilized seed of the plant which is incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other product.

“Retail Marijuana Concentrate” means a specific subset of Retail Marijuana that was produced by extracting cannabinoids from Retail Marijuana. Categories of Retail Marijuana Concentrate include Water-Based Retail Marijuana Concentrate, Food-Based Retail Marijuana Concentrate and Solvent-Based Retail Marijuana Concentrate.

“Retail Marijuana Cultivation Facility” means an entity licensed to cultivate, prepare, and package Retail Marijuana and sell Retail Marijuana to Retail Marijuana Establishments, but not to consumers.

“Retail Marijuana Establishment” means a Retail Marijuana Store, a Retail Marijuana Cultivation Facility, a Retail Marijuana Products Manufacturing Facility, ~~or~~ a Retail Marijuana Testing Facility, a Retail Marijuana Transporter, or a Retail Marijuana Establishment Operator.

“Retail Marijuana Establishment Operator” means an entity or person that is not an Owner and that is licensed to provide professional operational services to a Retail Marijuana Establishment for direct remuneration from the Retail Marijuana Establishment.

“Retail Marijuana Product” means a product that is comprised of Retail Marijuana and other ingredients and is intended for use or consumption, such as, but not limited to, edible product, ointments and tinctures.

“Retail Marijuana Products Manufacturing Facility” means an entity licensed to purchase Retail Marijuana; manufacture, prepare, and package Retail Marijuana Product; and sell Retail

Marijuana and Retail Marijuana Product only to other Retail Marijuana Products Manufacturing Facilities and Retail Marijuana Stores.

“Retail Marijuana Store” means an entity licensed to purchase Retail Marijuana from a Retail Marijuana Cultivation Facility and to purchase Retail Marijuana Product from a Retail Marijuana Products Manufacturing Facility and to sell Retail Marijuana and Retail Marijuana Product to consumers.

“Retail Marijuana Testing Facility” means a public or private laboratory licensed and certified, or approved by the Division, to conduct research and analyze Retail Marijuana, Retail Marijuana Products and Retail Marijuana Concentrate for contaminants and potency.

“Retail Marijuana Transporter” means an entity or person that is licensed to transport Retail Marijuana and Retail Marijuana Products from one Retail Marijuana Establishment to another Retail Marijuana Establishment and to temporarily store the transported Retail Marijuana and Retail Marijuana Products at its licensed premises. The privileges of the Retail Marijuana Transporter License do not permit a Retail Marijuana Transporter to sell Retail Marijuana or Retail Marijuana Products under any circumstances.

“Sample” means anything collected from a Retail Marijuana Establishment or Medical Marijuana Business that is provided to a Retail Marijuana Testing Facility for testing. The following is a non-exhaustive list of types of Samples: Retail Marijuana, Retail Marijuana Product, Retail Marijuana Concentrate, Medical Marijuana, Medical Marijuana-Infused Product, Medical Marijuana Concentrate, soil, growing medium, water, solvent or swab of a counter or equipment.

“Security Alarm System” means a device or series of devices, intended to summon law enforcement personnel during, or as a result of, an alarm condition. Devices may include hard-wired systems and systems interconnected with a radio frequency method such as cellular or private radio signals that emit or transmit a remote or local audible, visual, or electronic signal; motion detectors, pressure switches, duress alarms (a silent system signal generated by the entry of a designated code into the arming station to indicate that the user is disarming under duress); panic alarms (an audible system signal to indicate an emergency situation); and hold-up alarms (a silent system signal to indicate that a robbery is in progress).

“Shipping Container” means any container or wrapping used solely for the transport of Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product in bulk to other Retail Marijuana Establishments.

“Single-Serving Edible Retail Marijuana Product” means an Edible Retail Marijuana Product unit for sale to consumers containing no more than 10mg of active THC.

“Solvent-Based Retail Marijuana Concentrate” means a Retail Marijuana Concentrate that was produced by extracting cannabinoids from Retail Marijuana through the use of a solvent approved by the Division pursuant to Rule R 605.

“Standardized Graphic Symbol” means a graphic image or small design adopted by a Licensee to identify its business.

“Standardized Serving Of Marijuana” means a standardized single serving of active THC. The size of a Standardized Serving Of Marijuana shall be no more than 10mg of active THC.

“State Licensing Authority” means the authority created for the purpose of regulating and controlling the licensing of the cultivation, manufacture, distribution, and sale of Medical Marijuana and Retail Marijuana in Colorado, pursuant to section 12-43.3-201, C.R.S.

~~“Sub-Lingual Edible Retail Marijuana Product” means a specific subset of Edible Retail Marijuana Product that is two ounces or less of liquid per package, contains five milligrams or less of active THC per serving, is intended to be placed under the tongue and is packaged and labeled accordingly, and utilizes a dropper or spray delivery method for consumption. This definition is effective beginning October 1, 2016.~~

“THC” means tetrahydrocannabinol.

“THCA” means tetrahydrocannabinolic acid.

“Test Batch” means a group of Samples that are collectively submitted to a Retail Marijuana Testing Facility for testing purposes. A Test Batch may not be a combination of any two or three of the following: Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product.

“Universal Symbol” means the image established by the Division and made available to Licensees through the Division’s website indicating the Retail Marijuana or Retail Marijuana Product contains marijuana.

“Unrecognizable” means marijuana or *Cannabis* plant material rendered indistinguishable from any other plant material.

“Vegetative” means the state of the *Cannabis* plant during which plants do not produce resin or flowers and are bulking up to a desired production size for Flowering.

“Water-Based Retail Marijuana Concentrate” means a Retail Marijuana Concentrate that was produced by extracting cannabinoids from Retail Marijuana through the use of only water, ice or dry ice.

R 300 Series – The Licensed Premises

Basis and Purpose – R 301

The statutory authority for this rule is found at subsection [12-43.4-103\(1\)](#), [section 12-43.4-105](#), and [12-43.4-202\(2\)\(b\)](#) ~~and [section 12-43.4-105](#)~~, C.R.S. The purpose of this rule is to establish Limited Access Areas for Licensed Premises under the control of the Licensee to only individuals licensed by the State Licensing Authority. In addition, this rule clarifies that businesses and individuals cannot use the visitor system as a means to employ an individual who does not possess a valid and current Occupational License.

R 301 – Limited Access Areas

- A. Proper Display of License Badge. All persons in a Limited Access Area as provided for in section 12-43.4-105, C.R.S., shall be required to hold and properly display a current license badge issued by the Division at all times. Proper display of the license badge shall consist of wearing the badge in a plainly visible manner, at or above the waist, and with the photo of the Licensee visible.
- B. Visitors in Limited Access Areas
 1. Prior to entering a Limited Access Area, all visitors, including outside vendors, contractors or others, must obtain a visitor identification badge from management personnel of the Licensee that shall remain visible while in the Limited Access Area.
 2. Visitors shall be escorted by the Retail Marijuana Establishment's licensed personnel at all times. No more than five visitors may be escorted by a single employee. Except that trade craftspeople not normally engaged in the business of cultivating, processing or selling Retail Marijuana need not be accompanied on a full-time basis, but only reasonably monitored.
 - 2.1 Any crime or violation of the Retail Marijuana Code or the Retail Marijuana Rules committed by a visitor that involves any discovered plan or other action involving committing theft, burglary, underage sales, diversion of Retail Marijuana or Retail Marijuana Product, or other crime related to the operation of the subject Retail Marijuana Establishment shall be reported to the Division in accordance with rule R 904 – Retail Marijuana Establishment Reporting Requirements.
 3. The Licensee shall maintain a log of all visitor activity, for any purpose, within the Limited Access Area and shall make such logs available for inspection by the Division or relevant local jurisdiction.
 4. All visitors must provide proof of age and must be at least 21 years of age. See Rule R 404 – Acceptable Forms of Identification.
 5. The Licensee shall check the identification for all visitors to verify that the name on the identification matches the name in the visitor log. See Rule R 404 – Acceptable Forms of Identification.
 6. A Licensee may not receive consideration or compensation for permitting a visitor to enter a Limited Access Area.

7. Use of a visitor badge to circumvent the Occupational License requirements of rule R 233 - Retail Code or Medical Code Occupational Licenses Required is prohibited and may constitute a license violation affecting public safety.
- C. Required Signage. All areas of ingress and egress to Limited Access Areas on the Licensed Premises shall be clearly identified by the posting of a sign which shall be not less than 12 inches wide and 12 inches long, composed of letters not less than a half inch in height, which shall state, "Do Not Enter - Limited Access Area – Access Limited to Licensed Personnel and Escorted Visitors."
- D. Diagram for Licensed Premises. All Limited Access Areas shall be clearly identified to the Division or relevant local jurisdiction and described in a diagram of the Licensed Premises reflecting walls, partitions, counters and all areas of ingress and egress. The diagram shall also reflect all Propagation, cultivation, manufacturing, and retail sales areas. See Rule R 901 – Business Records Required.
- E. Modification of Limited Access Area. A Licensee's proposed modification of designated Limited Access Areas must be approved by the Division and, if required, the relevant local jurisdiction prior to any modifications being made. See Rule R 303 – Changing, Altering, or Modifying Licensed Premises.
- F. Law Enforcement Personnel Authorized. Notwithstanding the requirements of subsection A of this rule, nothing shall prohibit investigators and employees of the Division, authorities from relevant local jurisdiction or state or local law enforcement, for a purpose authorized by the Retail Code or for any other state or local law enforcement purpose, from entering a Limited Access Area upon presentation of official credentials identifying them as such.

Basis and Purpose – R 302

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b) and 12-43.4-307(1)(b), C.R.S. The purpose of this rule is to establish and clarify the means by which the Licensee has lawful possession of the Licensed Premises.

R 302 – Possession of Licensed Premises

- A. Evidence of Lawful Possession. Persons licensed pursuant to sections 12-43.4-402, 12-43.4-403, 12-43.4-404, ~~or~~ 12-43.4-405, or 12-43.4-406. C.R.S., or those making application for such licenses, must demonstrate proof of lawful possession of the premises to be licensed or Licensed Premises. Evidence of lawful possession consists of properly executed deeds of trust, leases, or other written documents acceptable to licensing authorities.
- B. Relocation Prohibited. The Licensed Premises shall only be those geographical areas that are specifically and accurately described in executed documents verifying lawful possession. Licensees are not authorized to relocate to other areas or units within a building structure without first filing a change of location application and obtaining approval from the Division and the relevant local jurisdiction. If the local jurisdiction elects not to approve or deny this activity, the local jurisdiction must provide written notification acknowledging receipt of the application. Licensees shall not add additional contiguous units or areas, thereby altering the initially-approved premises, without filing an Application and receiving approval to modify the Licensed Premises on current forms prepared by the Division, including any applicable processing fee. See Rule R 303 - Changing, Altering, or Modifying Licensed Premises

- C. Subletting Not Authorized. Licensees are not authorized to sublet any portion of Licensed Premises for any purpose, unless all necessary applications to modify the existing Licensed Premises to accomplish any subletting have been approved by the Division and the relevant local jurisdiction. If the local jurisdiction elects not to approve or deny this activity, the local jurisdiction must provide written notification acknowledging receipt of the application.

Basis and Purpose – R 304

The statutory authority for this rule is found at subsections 12-43.4-104(1)(a)(V), 12-43.4-202(2)(b), 12-43.3-202(2.5)(a)(I)(A)-(F), 12-43.4-401(2), and 12-43.4-404(2), C.R.S. The purpose of this rule is to establish guidelines for the manner in which a Medical Marijuana Licensee may share its existing Licensed Premises with a Licensed Retail Marijuana Establishment, and to ensure the proper separation of a medical marijuana operation from Retail Marijuana Establishment operation.

R 304 – Medical Marijuana Business and Retail Marijuana Establishment – Shared Licensed Premises and Operational Separation

A. Licensed Premises – General Requirements

1. A Medical Marijuana Center that prohibits patients under the age of 21 years to be on the Licensed Premises may also hold a Retail Marijuana Store license and operate a dual retail business operation on the same Licensed Premises if the relevant local jurisdiction permits a dual operation at the same location and the two are commonly owned.
2. A Medical Marijuana Center that authorizes medical marijuana patients under the age of 21 years to be on the premises is prohibited from sharing its Licensed Premises with a Retail Marijuana Establishment. Even when the two are commonly owned, the two shall maintain distinctly separate Licensed Premises; including, but not limited to, separate sales and storage areas, separate entrances and exits, separate inventories, separate point-of-sale operations, and separate record-keeping.
3. An Optional Premises Cultivation Operation and a Retail Marijuana Cultivation Facility may share a single Licensed Premises in order to operate a dual cultivation business operation if the relevant local jurisdiction permits a dual operation at the same location and the two are commonly owned.
4. A Medical Marijuana-Infused Products Manufacturer may also apply to also hold a Retail Marijuana Products Manufacturing Facility License and operate a dual manufacturing business on the same Licensed Premises, if the relevant local jurisdiction permits a dual operation at the same location and the two are commonly owned.
5. A Medical Marijuana Testing Facility Licensee and a Retail Marijuana Testing Facility Licensee may share a single Licensed Premises to operate a dual testing business operation at the same location if the relevant local jurisdiction permits dual operation at the same location and the two are identically owned.
6. A Medical Marijuana Transporter Licensee and a Retail Marijuana Transporter Licensee may share a single Licensed Premises to operate a dual transporting, logistics, and temporary storage business operation at the same location if the relevant local jurisdiction permits dual operation at the same location and the two are identically owned.

B. Separation of Co-located Licensed Operations

1. Cultivation Operations. A Licensee that operates an Optional Premises Cultivation Operation and a Retail Marijuana Cultivation Facility shall maintain either physical or virtual separation of the facilities, marijuana plants, and marijuana inventory. Record-keeping for the business operations and labeling of product must enable the Division and relevant local jurisdictions to clearly distinguish the inventories and business transactions of the Medical Marijuana Business from the Retail Marijuana Establishment.
2. Manufacturing Operations. A Licensee that operates a Medical Marijuana-Infused Products Manufacturer and Retail Marijuana Products Manufacturing Facility shall maintain either physical or virtual separation of the facilities, product ingredients, product manufacturing, and final product inventory. Record-keeping for the business operations and labeling of products must enable the Division and Local Jurisdictions/Local Licensing Authorities to clearly distinguish the inventories and business transactions of Medical Marijuana-Infused Product from Retail Marijuana Product.
3. Raw Ingredients May Be Shared. Nothing in this rule prohibits a co-located Retail Marijuana Establishment and Medical Marijuana Business from sharing raw ingredients in bulk, for example flour or sugar, except that Retail Marijuana and Medical Marijuana may not be shared under any circumstances.
4. Retail Store and Medical Center Operations: No Patients Under The Age of 21 Years. Persons operating a Medical Marijuana Center that prohibits the admittance of patients under the age of 21 years and a Retail Marijuana Store may share their Licensed Premises. Such a Medical Marijuana Center Licensee must post signage that clearly conveys that persons under the age of 21 years may not enter. Under these circumstances, and upon approval of the State Licensing Authority, the Medical Marijuana Center and the Retail Marijuana Store may share the same entrances and exits. Also under these circumstances, Medical Marijuana and Retail Marijuana and Medical Marijuana-Infused Product and Retail Marijuana Product must be separately displayed on the same sale floor. Record-keeping for the business operations of both must enable the Division and relevant local jurisdictions to clearly distinguish the inventories and business transactions of Medical Marijuana and Medical Marijuana-Infused Products from Retail Marijuana and Retail Marijuana Product. Violation of the restrictions in this rule by co-located Medical Marijuana Centers and Retail Marijuana Stores may be considered a license violation affecting public safety.
5. Retail Stores and Medical Marijuana Centers: Patients Under The Age of 21 Years. A co-located Medical Marijuana Center and Retail Marijuana Store shall maintain separate Licensed Premises, including entrances and exits, inventory, point of sale operations, and record keeping if the Medical Marijuana Center serves patients under the age of 21 years or permits admission of patients under the age of 21 years on its Licensed Premises.
6. Testing Facilities. A co-located Medical Marijuana Testing Facility and Retail Marijuana Testing Facility shall maintain either physical or virtual separation of the facilities and marijuana and products being tested. Record keeping for the business operations and labeling of products must enable the Division and local licensing authority to clearly distinguish the inventories and business transactions of Medical Marijuana and Medical Marijuana-Infused Product and Retail Marijuana and Retail Marijuana Product.

- 6.1. Transporters. A co-located Medical Marijuana Transporter and Retail Marijuana Transporter shall maintain either physical or virtual separation of the facilities and Medical Marijuana, Medical Marijuana-Infused Products, Retail Marijuana, and Retail Marijuana Products being transported and stored. Record keeping for the business operations and storage of products must enable the Division and local licensing authority to clearly distinguish the inventories and business transactions of Medical Marijuana and Medical Marijuana-Infused Product and Retail Marijuana and Retail Marijuana Product.
7. Clear Separation of Inventory. A Licensee that operates both a Medical Marijuana Business and Retail Marijuana Establishment within one location is required to maintain separate and distinct inventory tracking processes for Medical Marijuana and Retail Marijuana inventories. The inventories must be clearly tagged or labeled so that the product can be reconciled to a particular Medical Marijuana Business or a Retail Marijuana Establishment.

R 400 Series – Retail Marijuana Stores

Basis and Purpose – R 401

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-402(1)(a), 12-43.4-402(1)(d), 12-43.4-402(3)(a), 12-43.4-402(3)(b), 12-43.4-402(4), 12-43.4-402(5), 12-43.4-309(7)(a), 12-43.4-406(1)(c), 12-43.4-406(4)(b) and 12-43.4-901(4)(f), C.R.S. The purpose of this rule is to establish that it is unlawful for a Retail Marijuana Store to exercise any privileges other than those granted by the State Licensing Authority, and to clarify the license privileges.

R 401 – Retail Marijuana Store: License Privileges

- A. Privileges Granted. A Retail Marijuana Store shall only exercise those privileges granted to it by the State Licensing Authority.
- B. Licensed Premises. To the extent authorized by Rule R 304 – Medical Marijuana Business and Retail Marijuana Establishment – Shared Licensed Premises and Operational Separation, a Retail Marijuana Store may share a location with a commonly-owned Medical Marijuana Center. However, a separate license is required for each specific business or business entity, regardless of geographical location.
- C. Authorized Sources of Retail Marijuana. A Retail Marijuana Store may only sell Retail Marijuana that it has purchased from a Retail Marijuana Cultivation Facility or that the retailer has cultivated itself, after first obtaining a Retail Marijuana Cultivation Facility License. See Rule R 501 – Retail Marijuana Cultivation Facility: License Privileges.
- D. Authorized Sources of Retail Marijuana Product. A Retail Marijuana Store may only sell Retail Marijuana Product that it has purchased from a Retail Marijuana Products Manufacturing Facility, so long as such product is pre-packaged and labeled upon purchase from the manufacturer.
- E. Samples Provided for Testing. A Retail Marijuana Store may provide samples of its products for testing and research purposes to a Retail Marijuana Testing Facility. The Retail Marijuana Store shall maintain the testing results as part of its business books and records. See Rule R 901 – Business Records Required.
- F. Authorized On-Premises Storage. A Retail Marijuana Store is authorized to store inventory on the Licensed Premises. All inventory stored on the Licensed Premises must be secured in a Limited Access Area or Restricted Access Area, and tracked consistently with the inventory tracking rules.
- G. Authorized Marijuana Transport. A Retail Marijuana Store is authorized to utilize a licensed Retail Marijuana Transporter for transportation of its Retail Marijuana and Retail Marijuana Product so long as the place where transportation orders are taken and delivered is a licensed Retail Marijuana Establishment. Nothing in this rule prevents a Retail Marijuana Store from transporting its own Retail Marijuana and Retail Marijuana Product.

Basis and Purpose – R 402

The statutory authority for this rule is found at subsections 12-43.4-105, 12-43.4-202(2)(b), 12-43.4-202(3)(a)(VIII), 12-43.4-202(3)(a)(X), 12-43.4-202(3)(a)(IX), 12-43.4-202(3)(a.5)(I), ~~12-43.4-401(4)~~, 12-43.4-402(1)(d), 12-43.4-402(3)(a), 12-43.4-402(3)(b), 12-43.4-402(7)(a), 12-43.4-402(7)(b), 12-43.4-402(7)(c), 12-43.4-402(9); ~~12-43.4-402(11)~~; 12-43.4-901(1), and 12-43.4-901(4), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsections 16(3)(a), 16(5)(a)(V) and 16(5)(a)(VIII). The purpose of this rule is to clarify those acts that are limited in some fashion, or prohibited, by a licensed Retail Marijuana Store.

Regarding quantity limitations on sales, equivalencies for Retail Marijuana Concentrate and Retail Marijuana Product to Retail Marijuana flower have been included in this rule pursuant to the mandate of House Bill 14-1361. The equivalencies have been determined through utilizing findings of a study that the House Bill authorized. The study, "Marijuana Equivalency in Portion and Dosage," was authored by the Marijuana Policy Group and is available on the Division's website. The study was presented to a group of stakeholders during a public meeting as part of the rulemaking process. Although there was disagreement among stakeholders regarding what the equivalencies should be, the general consensus was that the equivalencies must be simple and straightforward, which would facilitate regulatory compliance and serve public safety.

The establishment of equivalencies also provides information to stakeholders including Licensees, the general public, and law enforcement to aid in the enforcement of and compliance with the lawful personal possession limit of one ounce or less of marijuana. Setting these equivalencies provides Retail Marijuana Stores and their employees with necessary information to avoid being complicit in a patron acquiring more marijuana than is lawful to possess under the Colorado Constitution pursuant to Article XVIII, Subsection 16(3)(a).

R 402 – Retail Marijuana Sales: General Limitations or Prohibited Acts

- A. Sales to Persons Under 21 Years. Licensees are prohibited from selling, giving, or distributing Retail Marijuana or Retail Marijuana Product to persons under 21 years of age.
- B. Age Verification. Prior to initiating the sale of Retail Marijuana or Retail Marijuana Product, a Licensee must verify that the purchaser has a valid government-issued photo identification showing that the purchaser is 21 years of age or older.
- C. Quantity Limitations On Sales.
 1. ~~This subparagraph (C)(1) is repealed effective January 1, 2016. Licensees shall refer to subparagraphs (C)(1.5)&(C)(2) of this rule R 402 for quantity limitations on sales beginning January 1, 2016. A Retail Marijuana Store and its employees are prohibited from selling more than one ounce of Retail Marijuana or its equivalent in Retail Marijuana Product during a single sales transaction to a Colorado resident. A Retail Marijuana Store and its employees are prohibited from selling more than a quarter ounce of Retail Marijuana or its equivalent in Retail Marijuana Product during a single sales transaction to a person who does not have a valid government-issued photo identification card showing that the person is a resident of the state of Colorado. See Rule R 404—Acceptable Forms of Identification for Retail Sales. Repealed.~~

- 1.5. ~~Sales Transaction to a Colorado Resident. This subparagraph (C)(1.5) is effective beginning January 1, 2016. A Retail Marijuana Store and its employees are prohibited from selling more than one ounce of Retail Marijuana flower or its equivalent in Retail Marijuana Concentrate or Retail Marijuana Product during a sales transaction to a Colorado resident.~~
- a. ~~One ounce of Retail Marijuana flower shall be equivalent to eight grams of Retail Marijuana Concentrate.~~
- b. ~~One ounce of Retail Marijuana flower shall be equivalent to 80 ten-milligram servings of THC in Retail Marijuana Product. Repealed.~~
2. ~~Sales Transaction to a non-Colorado Resident. This subparagraph (C)(2) is effective beginning January 1, 2016. A Retail Marijuana Store and its employees are prohibited from selling more than a quarter ounce of Retail Marijuana flower or its equivalent in Retail Marijuana Concentrate or Retail Marijuana Product during a sales transaction to a person who does not have a valid government-issued photo identification card showing that the person is a resident of the state of Colorado. See Rule R-404—Acceptable Forms of Identification for Retail Sales.~~
- a. ~~A quarter ounce of Retail Marijuana flower shall be equivalent to two grams of Retail Marijuana Concentrate.~~
- b. ~~A quarter ounce of Retail Marijuana flower shall be equivalent to 20 ten-milligram servings of THC in Retail Marijuana Product. Repealed.~~
3. ~~A Retail Marijuana Store and its employees are prohibited from selling more than one ounce of Retail Marijuana flower or its equivalent in Retail Marijuana Concentrate or Retail Marijuana Product during a sales transaction to a consumer. Except that non-edible, non-psychoactive Retail Marijuana Products including ointments, lotions, balms, and other non-transdermal topical products are exempt from the one-ounce quantity limitation on sales.~~
- a. ~~One ounce of Retail Marijuana flower shall be equivalent to eight grams of Retail Marijuana Concentrate.~~
- b. ~~One ounce of Retail Marijuana flower shall be equivalent to 80 ten-milligram servings of THC in Retail Marijuana Product.~~
- D. Licenses May Refuse Sales. Nothing in these rules prohibits a Licensee from refusing to sell Retail Marijuana or Retail Marijuana Product to a customer.
- E. Sales over the Internet. A Licensee is prohibited from selling Retail Marijuana or Retail Marijuana Product over the internet. All sales and transfers of possession of Retail Marijuana and Retail Marijuana Product must occur within the Retail Marijuana Store's Licensed Premises.
- F. Purchases Only Within Restricted Access Area. A customer must be physically present within the Restricted Access Area of the Retail Marijuana Store's Licensed Premises to purchase Retail Marijuana or Retail Marijuana Product.
- G. Evidence of Excise Tax Paid. A Retail Marijuana Store is prohibited from accepting Retail Marijuana from a Retail Marijuana Cultivation Facility or Retail Marijuana Manufacturing

Facility unless the Retail Marijuana Store Licensee has received evidence that any applicable excise tax due pursuant to Article 28.8 of Title 39, C.R.S., was paid.

- H. Prohibited Items. A Retail Marijuana Store is prohibited from selling or giving away any consumable product that is not a Retail Marijuana Product including, but not limited to, cigarettes or tobacco products, alcohol beverages, and food products or non-alcohol beverages that are not Retail Marijuana Product.
- I. Free Product Prohibited. A Retail Marijuana Store may not give away Retail Marijuana or Retail Marijuana Product to a consumer for any reason.
- J. Nicotine or Alcohol Prohibited. A Retail Marijuana Store is prohibited from selling Retail Marijuana or Retail Marijuana Product that contain nicotine or alcohol, if the sale of the alcohol would require a license pursuant to Articles 46 or 47 of Title 12, C.R.S.
- K. Consumption Prohibited. A Licensee shall not permit the consumption of marijuana or marijuana product on the Licensed Premises.
- L. Storage and Display Limitations.
 - 1. A Retail Marijuana Store shall not display Retail Marijuana and Retail Marijuana Product outside of a designated Restricted Access Area or in a manner in which Retail Marijuana or Retail Marijuana Product can be seen from outside the Licensed Premises. Storage of Retail Marijuana and Retail Marijuana Product shall otherwise be maintained in Limited Access Areas or Restricted Access Area.
 - 2. Any display case containing Retail Marijuana Concentrate must include the potency of the concentrate next to the name of the product.
- M. Sale of Expired Product Prohibited. A Retail Marijuana Store shall not sell any expired Retail Marijuana Product.
- N. A Retail Marijuana Store shall not sell or give away Retail Marijuana or Retail Marijuana Product to a Retail Marijuana Transporter, and shall not buy or receive complimentary Retail Marijuana or Retail Marijuana Product from a Retail Marijuana Transporter.
- O. A Retail Marijuana Store shall not compensate its employees using performance-based incentives.

Basis and Purpose – R 404

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(e), 12-43.4-202(3)(b)(VII), and 12-43.4-402(3)(a), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsections 16(5)(a)(V). The purpose of this rule is to establish guidelines for the acceptable forms of identification for verifying the lawful sale of Retail Marijuana or Retail Marijuana Product.

R 404 – Acceptable Forms of Identification for Retail Sales

- A. Valid Identification to Verify Age Only. A Licensee shall refuse the sale of Retail Marijuana or Retail Marijuana Product to anyone, unless such person can produce a form of valid identification of 21 years of age. If the identification contains a picture and date of birth, the kind and type of identification deemed adequate shall be limited to the following, so long as such identification is valid and not expired:

1. An operator's, chauffeur's or similar type driver's license, issued by any state within the United States, any U.S. Territory;
 2. An identification card, issued by any state for the purpose of proof of age using requirements similar to those in sections 42-2-302 and 42-2- 303, C.R.S.;
 3. A United States military identification card;
 4. A passport; or
 5. Enrollment card issued by the governing authority of a federally recognized Indian tribe located in the state of Colorado, if the enrollment card incorporates proof of age requirements similar to sections 42-2-302 and 42-2- 303, C.R.S.
 6. ~~See paragraph C of this rule for valid identification to verify Colorado residency. Repealed~~
- B. Affirmative Defense and Licensee's Burden. It shall be an affirmative defense to any administrative action brought against a Licensee for alleged sale to a minor if the minor presented fraudulent identification of the type established in paragraph A above and the Licensee possessed an identification book issued within the past three years, which contained a sample of the specific kind of identification presented for compliance purposes. As an affirmative defense, the burden of proof is on the Licensee to establish by a preponderance of the evidence that the minor presented fraudulent identification.
- C. ~~Valid Identification to Verify Colorado Residency. A Licensee shall refuse the sale of more than one quarter of an ounce of Retail Marijuana or its equivalent in Retail Marijuana Product to anyone, unless such person can produce a form of valid identification of Colorado residency. As long as it contains a picture and date of birth, the kind and type of identification deemed adequate to establish Colorado residency for purchase shall be limited to the following:~~
1. ~~Valid state of Colorado driver's license;~~
 2. ~~Valid state of Colorado identification card; or~~
 3. ~~Any other valid government-issued picture identification that demonstrates that the holder of the identification is a Colorado resident.~~
 4. ~~No combination of identification or documents may be used to establish residency. Repealed.~~

Basis and Purpose – R 405

The statutory authority for this rule is found at subsections 12-43.4-202(1), 12-43.4-202(2)(b), and 12-43.4-402(1)(e), C.R.S. The purpose of this rule is to establish a Retail Marijuana Store's obligation to account for and track all inventories on the Licensed Premises from the point they are transferred from a Retail Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Products Manufacturing Facility, ~~or~~ Retail Marijuana Transporter to the point of sale.

R 405 – Retail Marijuana Store: Inventory Tracking System

A. Minimum Tracking Requirement. A Retail Marijuana Store must use Inventory Tracking System to ensure its inventories are identified and tracked from the point they are transferred from a Retail Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Products Manufacturing Facility, or Retail Marijuana Transporter through the point of sale, given to a Retail Marijuana Testing Facility, or otherwise disposed of. See also Rule R 309 – Retail Marijuana Establishment: Inventory Tracking System. The Retail Marijuana Store must have the ability to reconcile its inventory records with the Inventory Tracking System and the associated transaction history and sale receipts. See also Rule R 901 – Business Records Required.

1. A Retail Marijuana Store is prohibited from accepting any Retail Marijuana or Retail Marijuana Product from a Retail Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Products Manufacturing Facility, or Retail Marijuana Transporter without receiving a valid transport manifest generated from the Inventory Tracking System.
2. A Retail Marijuana Store must immediately input all Retail Marijuana and Retail Marijuana Product delivered to the Licensed Premises, accounting for all RFID tags, into the Inventory Tracking System at the time of delivery from a Retail Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Products Manufacturing Facility, or Retail Marijuana Transporter. All delivered Retail Marijuana must be weighed and the scale used shall be tested and approved in accordance with measurement standards established in 35-14-127, C.R.S. A Retail Marijuana Store must account for all variances.
3. A Retail Marijuana Store must reconcile transactions from their point of sale processes and on-hand inventory to the Inventory Tracking System at the close of business each day.

R 500 Series – Retail Marijuana Cultivation Facilities

Basis and Purpose – R 501

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4- 403(1), and 12-43.4-403(5), 12-43.4-406(1)(c) and 12-43.4-406(4)(b), C.R.S. The purpose of this rule is to establish that it is unlawful for a Retail Marijuana Cultivation Facility to exercise any privileges other than those granted by the State Licensing Authority and to clarify the license privileges.

R 501 – Retail Marijuana Cultivation Facility: License Privileges

- A. Privileges Granted. A Retail Marijuana Cultivation Facility shall only exercise those privileges granted to it by the State Licensing Authority.
- B. Licensed Premises. To the extent authorized by Rule R 304 – Medical Marijuana Business and Retail Marijuana Establishment – Shared Licensed Premises and Operational Separation, a Retail Marijuana Cultivation Facility may share a location with a commonly-owned Optional Premises Cultivation Operation. However, a separate license is required for each specific business or business entity, regardless of geographical location.
- C. Cultivation of Retail Marijuana Authorized. A Retail Marijuana Cultivation Facility may Propagate, cultivate, harvest, prepare, cure, package, store, and label Retail Marijuana, whether in concentrated form or otherwise.
- D. Authorized Sales. A Retail Marijuana Cultivation Facility may only sell Retail Marijuana to a Retail Marijuana Store, Retail Marijuana Products Manufacturing Facility, and other Retail Marijuana Cultivation Facility(-ies). ~~subject to the temporary limitations set forth in Rules R 402 – Retail Marijuana Sales: General Limitations or Prohibited Acts and R 502 – Retail Marijuana Cultivation Facilities: General Limitations or Prohibited Acts.~~
- E. Authorized On-Premises Storage. A Retail Marijuana Cultivation Facility is authorized to store inventory on the Licensed Premises. All inventory stored on the Licensed Premise must be secured in a Limited Access Area and tracked consistently with the inventory tracking rules.
- F. Samples Provided for Testing. A Retail Marijuana Cultivation Facility may provide Samples of its Retail Marijuana to a Retail Marijuana Testing Facility for testing and research purposes. The Retail Marijuana Cultivation Facility shall maintain the testing results as part of its business books and records. See Rule R 901 – Business Records Required.
- G. Authorized Marijuana Transport. A Retail Marijuana Cultivation Facility is authorized to utilize a licensed Retail Marijuana Transporter for transportation of its Retail Marijuana so long as the place where transportation orders are taken and delivered is a licensed Retail Marijuana Establishment. Nothing in this rule prevents a Retail Marijuana Cultivation Facility from transporting its own Retail Marijuana.
- H. A Retail Marijuana Cultivation Facility may compensate its employees using performance-based incentives.

Basis and Purpose – R 502

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(e), 12-43.4-202(3)(a)(VI), 12-43.4-202(3)(a)(VIII), 12-43.4-202(3)(a)(X), 12-43.4-403(2)(a), 12-43.4-403(2)(b), 12-43.4-403(2)(c), 12-43.4-403(3), 12-43.4-403(6), and 12-43.3-901(2)(a), and section 12-43.4-404, C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(V). The purpose of this rule is to clarify those acts that are limited in some fashion, or prohibited, by a Retail Marijuana Cultivation Facility.

R 502 – Retail Marijuana Cultivation Facility: General Limitations or Prohibited Acts

A. Temporary Limitations

1. ~~Issuance of Cultivation Licenses. From January 1, 2014 to September 30, 2014, a Retail Marijuana Cultivation Facility license shall only be issued to a Person who has been issued a Retail Marijuana Store license or a Retail Marijuana Products Manufacturing Facility license. Repealed.~~
2. ~~Temporary Sales Limitation. From January 1, 2014 to September 30, 2014, any Retail Marijuana that is grown in a licensed Retail Marijuana Cultivation Facility must be sold or transferred to its designated and commonly-owned Retail Marijuana Store. However, a Retail Marijuana Cultivation Facility may sell up to 30 percent of its processed and finished Retail Marijuana inventory to other Retail Marijuana Establishments. A Licensee shall calculate the percentage limitation using the total weight of its on-hand inventory at the end of the month preceding the purchase. Repealed.~~

- B. Packaging and Labeling Standards Required. A Retail Marijuana Cultivation Facility is prohibited from selling Retail Marijuana that is not packaged and labeled in accordance with these rules. See Rules R 1001 – Packaging Requirements: General Requirements and R 1002 – Labeling Requirements: General Requirements.
- C. Sale to Consumer Prohibited. A Retail Marijuana Cultivation Facility is prohibited from selling Retail Marijuana to a consumer.
- D. Consumption Prohibited. A Retail Marijuana Cultivation Facility shall not permit the consumption of marijuana or marijuana products on its Licensed Premises.
- E. Excise Tax Paid. If an excise tax on Retail Marijuana is approved by voters in the 2013 general election, a Retail Marijuana Cultivation Facility shall remit any applicable excise tax due pursuant to Article 28.8 of Title 39, C.R.S., and shall provide verification to purchasers of the Retail Marijuana that any required excise tax was paid.
- F. ~~A Retail Marijuana Cultivation Facility shall not sell or give away Retail Marijuana to a Retail Marijuana Transporter, and shall not buy or receive complimentary Retail Marijuana from a Retail Marijuana Transporter.~~

Basis and Purpose – R 503

The statutory authority for this rule is found at subsections 12-43.4-202(1), 12-43.4-202(2)(b), and 12-43.4-403(4), C.R.S. The purpose of this rule is to establish a Retail Marijuana Cultivation Facility's obligation to account for and track all inventories on the Licensed Premises from seed or cutting to transfer or sale to other Retail Marijuana Establishments.

R 503 – Retail Marijuana Cultivation Facility: Inventory Tracking System

- A. Minimum Tracking Requirement. A Retail Marijuana Cultivation Facility must use the Inventory Tracking System to ensure its inventories are identified and tracked from the point Retail Marijuana is Propagated from seed or cutting to the point when it is delivered to a Retail Marijuana Establishment. See also Rule R 309 –Inventory Tracking System. A Retail Marijuana Cultivation Facility must have the ability to reconcile its Retail Marijuana inventory with the Inventory Tracking System and the associated transaction history and sale receipts. See also Rule R 901 – Business Records Required.
- B. Transport of Retail Marijuana Without Transport Manifest Prohibited. A Retail Marijuana Cultivation Facility is prohibited from transporting any Retail Marijuana without a valid transport manifest generated by the Inventory Tracking System.
- C. Accepting Retail Marijuana Without Transport Manifest Prohibited. Retail Marijuana Facility is prohibited from accepting any Retail Marijuana from another Retail Marijuana Cultivation Facility or Retail Marijuana Transporter without receiving a valid transport manifest generated from the Inventory Tracking System.
- D. Input Into Inventory Tracking System Required. A Retail Marijuana Cultivation Facility must immediately input all Retail Marijuana delivered to its Licensed Premises, accounting for all RFID tags, into the Inventory Tracking System at the time of delivery from another Retail Marijuana Cultivation Facility.
- E. Inventory Must Be Reconciled Daily. A Retail Marijuana Cultivation Facility must reconcile its transaction history and on-hand inventory to the Inventory Tracking System at the close of business each day.

R 600 Series – Retail Marijuana Products Manufacturing Facilities

Basis and Purpose – R 601

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-306(1)(j), 12-43.4-309(7)(a), 12-43.4-404(1)(a), 12-43.4-404(1)(b), ~~and 12-43.4-404(6), 12-43.4-406(1)(c), and 12-43.4-406(4)(b).~~ C.R.S. The purpose of this rule is to establish that it is unlawful for a Retail Marijuana Products Manufacturing Facility to exercise any privileges other than those granted by the State Licensing Authority and to clarify the license privileges.

R 601 – Retail Marijuana Products Manufacturing Facilities: License Privileges

- A. Privileges Granted. A Retail Marijuana Products Manufacturing Facility shall only exercise those privileges granted to it by the State Licensing Authority.
- B. Licensed Premises. A separate license is required for each specific business or business entity and geographical location. A Retail Marijuana Products Manufacturing Facility may share a location with a commonly owned Medical Marijuana-Infused Products Manufacturer. However, a separate license is required for each specific business or business entity, regardless of geographical location.
- C. Sales Restricted. A Retail Marijuana Products Manufacturing Facility may only sell Retail Marijuana Product to Retail Marijuana Stores and to other Retail Marijuana Products Manufacturing Facilities.
- D. Manufacture of Retail Marijuana Product Authorized. A Retail Marijuana Products Manufacturing Facility may manufacture, prepare, package, store, and label Retail Marijuana Product, whether in concentrated form or that are comprised of marijuana and other ingredients intended for use or consumption, such as edible products, ointments, or tinctures.
- E. Location Prohibited. A Retail Marijuana Products Manufacturing Facility may not manufacture, prepare, package, store, or label Retail Marijuana Product in a location that is operating as a retail food establishment or a wholesale food registrant.
- F. Samples Provided for Testing. A Retail Marijuana Products Manufacturing Facility may provide samples of its Retail Marijuana Product to a Retail Marijuana Testing Facility for testing and research purposes. The Retail Marijuana Products Manufacturing Facility shall maintain the testing results as part of its business books and records.
- G. Authorized Marijuana Transport. A Retail Marijuana Products Manufacturing Facility is authorized to utilize a licensed Retail Marijuana Transporter for transportation of its Retail Marijuana Product so long as the place where transportation orders are taken and delivered is a licensed Retail Marijuana Establishment. Nothing in this rule prevents a Retail Marijuana Products Manufacturing Facility from transporting its own Retail Marijuana.
- H. A Retail Marijuana Products Manufacturing Facility may compensate its employees using performance-based incentives.

Basis and Purpose – R 602

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(e), 12-43.4-202(3)(a)(VI), 12-43.4-202(3)(a)(VII)(K), 12-43.4-202(3)(a)(VIII), 12-43.4-202(3)(a)(X), 12-43.4-202(3)(c)(V), 12-43.4-309(7)(a), 12-43.4-404(1)(c)(I), 12-43.4-404(1)(d), 12-43.4-404(1)(e)(I), 12-43.4-404(4), 12-43.4-404(5), 12-43.4-404(9), and 12-43.3-901(2)(a), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(V). The purpose of this rule is to clarify those acts that are limited in some fashion or prohibited by a Retail Marijuana Products Manufacturing Facility.

R 602 – Retail Marijuana Products Manufacturing Facility: General Limitations or Prohibited Acts

- A. Temporary Sales Limitation. From January 1, 2014 to September 30, 2014, a Retail Marijuana Products Manufacturing Facility shall not sell any of the Retail Marijuana that was cultivated in its commonly-owned Retail Marijuana Cultivation Facility to any other Retail Marijuana Establishment. Such Retail Marijuana shall be used solely in Retail Marijuana Product produced by the Retail Marijuana Products Manufacturing Facility.
- B. Packaging and Labeling Standards Required. A Retail Marijuana Products Manufacturing Facility is prohibited from selling Retail Marijuana Product that are not properly packaged and labeled. See R 1000 Series – Labeling, Packaging, and Product Safety.
- C. THC Content Container Restriction. Each individually packaged Edible Retail Marijuana Product, even if comprised of multiple servings, may include no more than a total of 100 milligrams of active THC. See Rule R 1004 – Labeling Requirements: Specific Requirements, Edible Retail Marijuana Product.
- D. Sale to Consumer Prohibited. A Retail Marijuana Products Manufacturing Facility is prohibited from selling Retail Marijuana or Retail Marijuana Product to a consumer.
- E. Consumption Prohibited. A Retail Marijuana Products Manufacturing Facility shall not permit the consumption of marijuana or marijuana products on its Licensed Premises.
- F. Evidence of Excise Tax Paid. A Retail Marijuana Products Manufacturing Facility is prohibited from accepting Retail Marijuana from a Retail Marijuana Cultivation Facility or Retail Marijuana Manufacturing Facility Licensee unless the manufacturer has received evidence that any applicable excise tax due pursuant to Article 28.8 of Title 39, C.R.S., was paid.
- G. Adequate Care of Perishable Product. A Retail Marijuana Products Manufacturing Facility must provide adequate refrigeration for perishable Retail Marijuana Product that will be consumed and shall utilize adequate storage facilities and transport methods.
- H. Homogeneity of Edible Retail Marijuana Product. A Retail Marijuana Products Manufacturing Facility must ensure that its manufacturing processes are designed so that the cannabinoid content of any Edible Retail Marijuana Product is homogenous.
- I. A Retail Marijuana Products Manufacturing Facility shall not sell or give away Retail Marijuana or Retail Marijuana Product to a Retail Marijuana Transporter, and shall not buy or receive complimentary Retail Marijuana or Retail Marijuana Product.

Basis and Purpose – R 603

The statutory authority for this rule is found at subsections 12-43.4-202(1), 12-43.4-202(2)(b), and 12-43.4-404 (1)(b), 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 require all Retail Marijuana Products Manufacturing Facilities to track all inventory from the point it is received from a Retail Marijuana Cultivation Facility, ~~or~~ Retail

Marijuana Products Manufacturing Facility, or Retail Marijuana Transporter through any manufacturing processes, to the point of sale or transfer to another Retail Marijuana Establishment.

R 603 – Retail Marijuana Products Manufacturing Facility: Inventory Tracking System

- A. Minimum Tracking Requirement. A Retail Marijuana Products Manufacturing Facility must use the Inventory Tracking System to ensure its inventories are identified and tracked from the point they are transferred from a Retail Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Products Manufacturing Facility, or Retail Marijuana Transporter through wholesale transaction or transfer. See *also* Rule R 309 –Inventory Tracking System. A Retail Marijuana Products Manufacturing Facility must have the ability to reconcile its inventory records with the Inventory Tracking System and the associated transaction history and sale receipts. See *also* Rule R 901 – Business Records Required.
1. A Retail Marijuana Products Manufacturing Facility is prohibited from accepting any Retail Marijuana or Retail Marijuana Product from a Retail Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Products Manufacturing Facility, or Retail Marijuana Transporter without receiving a valid transport manifest generated from the Inventory Tracking System.
 2. A Retail Marijuana Products Manufacturing Facility must immediately input all Retail Marijuana and Retail Marijuana Product delivered to the Licensed Premises, accounting for all RFID tags, into the Inventory Tracking System at the time of delivery from a Retail Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Products Manufacturing Facility, or Retail Marijuana Transporter.
 3. A Retail Marijuana Products Manufacturing Facility must reconcile transactions to the Inventory Tracking System at the close of business each day.

Basis and Purpose – R 604

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(IV)(A), 12-43.4-202(3)(a)(VI), 12-43.4-202(3)(a)(VII), 12-43.4-202(3)(a)(VIII), 12-43.4-202(3)(a)(XI), 12-43.4-202(3)(a)(XII), 12-43.4-202(3)(b)(IX), 12-43.4-202(3)(c)(V), 12-43.4-202(3)(c)(VII), 12-43.4-202(IX)(A)&(B), 12-43.4-202(3)(c.5)(I), and 12-43.4-404, .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 establish minimum health and safety regulation for Retail Marijuana Products Manufacturing Facilities. It requires all Owners and Occupational Licensees to demonstrate an understanding of basic food handling safety practices or attend a food handler training course prior to manufacturing any Edible Retail Marijuana Product. It sets forth general standards and basic sanitary requirements for Retail Marijuana Products Manufacturing Facilities. It covers the physical premises where the products are made as well as the individuals handling the products. The State Licensing Authority intends for this rule to reduce any product contamination, which will benefit both the Licensees and consumers. The State Licensing Authority modeled this rule after those adopted by the Colorado Department of Public Health and Environment. This rule also authorizes the State Licensing Authority to require an independent consultant to conduct a health and sanitary audit of a Retail Marijuana Products Manufacturing Facility. This rule explains when a health and sanitary audit may be deemed necessary and sets forth possible consequences of a Retail Marijuana Establishment's refusal to cooperate or pay for the audit. This rule also establishes requirements for each Edible Retail Marijuana Product manufactured by a Retail Marijuana Products Manufacturing Facility. Product safety requirements were adopted to aid in making Edible Retail Marijuana Products more readily identifiable to the general public outside of their packaging as containing marijuana. Overall, the State Licensing Authority intends this rule to help maintain the integrity of Colorado's Retail Marijuana businesses and the safety of the public.

R 604 –Retail Marijuana Products Manufacturing Facility: Health and Safety Regulations

A. Training

1. Prior to engaging in the manufacture of any Edible Retail Marijuana Product each Owner or Occupational Licensee must:
 - a. Have a currently valid ServSafe Food Handler Certificate obtained through the successful completion of an online assessment or print exam; or
 - b. Take a food safety course that includes basic food handling training and is comparable to, or is a course given by, the Colorado State University extension service or a state, county, or district public health agency, and must maintain a status of good standing in accordance with the course requirements, including attending any additional classes if necessary. Any course taken pursuant to this rule must last at least two hours and cover the following subjects:
 - i. Causes of foodborne illness, highly susceptible populations and worker illness;
 - ii. Personal hygiene and food handling practices;
 - iii. Approved sources of food;
 - iv. Potentially hazardous foods and food temperatures;
 - v. Sanitization and chemical use; and
 - vi. Emergency procedures (fire, flood, sewer backup).
2. A Retail Marijuana Products Manufacturing Facility must obtain documentation evidencing that each Owner and each Occupational Licensee has successfully completed the examination or course required by this rule and is in good standing. A copy of the documentation must be kept on file at any Licensed Premises where that Owner or Occupational Licensee is engaged in the manufacturing of an Edible Retail Marijuana Product.

B. General Standards

1. A Retail Marijuana Products Manufacturing Facility may be subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that no health or safety concerns are present. The inspection could result in additional specific standards to meet local jurisdiction restrictions related to Retail Marijuana. An annual fire safety inspection may result in the required installation of fire suppression devices, or other means necessary for adequate fire safety.
2. A Retail Marijuana Products Manufacturing Facility that manufactures edible Retail Marijuana Product shall comply with all kitchen-related health and safety standards of the relevant local jurisdiction and, to the extent applicable, with all Colorado Department of Public Health and Environment health and safety regulations applicable to retail food establishments, as set forth in 6 CCR 1010-2.

C. Product Safety

Paragraph C is repealed effective October 1, 2016. Licensees shall refer to paragraph (C.5) of this rule for product safety requirements beginning October 1, 2016.

1. A Retail Marijuana Products Manufacturing Facility that manufactures Edible Retail Marijuana Product shall comply fully with paragraph C of this rule no later than February 1, 2015.
2. A Retail Marijuana Products Manufacturing Facility that manufactures Edible Retail Marijuana Product shall create and maintain standard production procedures and detailed manufacturing processes for each Edible Retail Marijuana Product it manufactures. These procedures and processes must be documented and made available on the licensed premises for inspection by the Marijuana Enforcement Division, the Colorado Department of Public Health & Environment, and local licensing authorities.
3. The size of a Standardized Serving Of Marijuana shall be no more than 10mg of active THC. A Retail Marijuana Products Manufacturing Facility that manufactures Edible Retail Marijuana Product shall determine the total number of Standardized Servings Of Marijuana for each product that it manufactures. No individual Edible Retail Marijuana Product unit for sale shall contain more than 100 milligrams of active THC.
4. The following information must be documented in the standard production procedures for each Edible Retail Marijuana Product: the amount in milligrams of Standardized Serving Of Marijuana, the total number of Standardized Servings Of Marijuana, and the total amount of active THC contained within the product.
5. Multiple-Serving Edible Retail Marijuana Product. A Retail Marijuana Products Manufacturing Facility must ensure that each single Standardized Serving Of Marijuana of a Multiple-Serving Edible Retail Marijuana Product is physically demarked in a way that enables a reasonable person to intuitively determine how much of the product constitutes a single serving of active THC. Each demarked Standardized Serving Of Marijuana must be easily separable in order to allow an average person 21 years of age and over to physically separate, with minimal effort, individual servings of the product.
6. If an Edible Retail Marijuana Product is of the type that is impracticable to clearly demark each Standardized Serving Of Marijuana or to make each Standardized Serving Of Marijuana easily separable, then the product must contain no more than 10 mg of active THC per unit of sale, and the Retail Marijuana Products Manufacturing Facility must ensure that the product complies with subparagraph (B)(2)(a) of rule R 1004.5.

C.5. Product Safety.

Paragraph (C.5) is effective beginning October 1, 2016.

1. A Retail Marijuana Products Manufacturing Facility that manufactures Edible Retail Marijuana Product shall create and maintain standard production procedures and detailed manufacturing processes for each Edible Retail Marijuana Product it manufactures. These procedures and processes must be documented and made available on the Licensed Premises for inspection by the Division, the Colorado Department of Public Health & Environment, and local licensing authorities.

2. The size of a Standardized Serving Of Marijuana shall be no more than 10mg of active THC. A Retail Marijuana Products Manufacturing Facility that manufactures Edible Retail Marijuana Product shall determine the total number of Standardized Servings Of Marijuana for each product that it manufactures. No individual Edible Retail Marijuana Product unit for sale shall contain more than 100 milligrams of active THC.
3. The following information must be documented in the standard production procedures for each Edible Retail Marijuana Product: the amount in milligrams of Standardized Serving Of Marijuana, the total number of Standardized Servings Of Marijuana, and the total amount of active THC contained within the product.
4. Each single Standardized Serving Of Marijuana shall be marked, stamped, or otherwise imprinted with the Universal Symbol directly on at least one side of the Edible Retail Marijuana Product in a manner to cause the Universal Symbol to be distinguishable and easily recognizable. The Universal Symbol marking shall:
 - a. Be centered either horizontally or vertically on each Standardized Serving Of Marijuana; and
 - b. If centered horizontally on a serving, the height and width of the Universal Symbol shall be of a size that is at least 25% of the serving's width, but not less than ¼ inch by ¼ inch; or
 - c. If centered vertically on a serving, the height and width of the Universal Symbol shall be of a size that is at least 25% of the serving's height, but not less than ¼ inch by ¼ inch.
5. Notwithstanding the requirement of subparagraph (C.5)(4), an Edible Retail Marijuana Product shall contain no more than 10 mg of active THC per Child-Resistant package and the Retail Marijuana Products Manufacturing Facility must ensure that the product complies with subparagraph (A)(2) of rule R 1004 when:
 - a. The Edible Retail Marijuana Product is of the type that is impracticable to mark, stamp, or otherwise imprint with the Universal Symbol directly on the product in a manner to cause the Universal Symbol to be distinguishable and easily recognizable; or
 - b. The Edible Retail Marijuana Product is of the type that is impracticable to clearly demark each Standardized Serving Of Marijuana or to make each Standardized Serving Of Marijuana easily separable.
6. The following categories of Edible Retail Marijuana Product are considered to be per se practicable to mark with the Universal Symbol:
 - a. Chocolate
 - b. Soft confections
 - c. Hard confections or lozenges
 - d. Consolidated baked goods (e.g. cookie, brownie, cupcake, granola bar)
 - e. Pressed pills and capsules

7. The following categories of Edible Retail Marijuana Product are considered to be per se impracticable to mark with the Universal Symbol:

- a. ~~Liquids~~Repealed.
- b. Loose bulk goods (e.g. granola, cereals, popcorn)
- c. Powders

~~8. Notwithstanding subsubparagraph (C.5)(7)(a) of this rule R 604, a sub-lingual liquid shall be exempt from the 10 mg or less active THC per Child-Resistant package requirement of subparagraph (C.5)(5) provided that the sub-lingual liquid:~~

- ~~a. Meets the definition of Sub-Lingual Edible Retail Marijuana Product pursuant to rule R 103;~~
- ~~b. Is packaged in a Child-Resistant Container that maintains its Child-Resistant effectiveness for multiple openings; and~~
- ~~c. Complies with all applicable labeling requirements of the R-1000 series.~~Repealed.

8.1 Liquid Edible Retail Marijuana Product.

- a. Pursuant to 12-43.4-404(4)(b), C.R.S., Liquid Edible Retail Marijuana Products are impracticable to mark with the Universal Symbol and are exempt from the provision in subparagraph (C.5)(5) of this rule R 604 that requires Edible Retail Marijuana Products that are impracticable to mark with the Universal Symbol to contain 10mg or less active THC per Child-Resistant package.
- b. This exemption permits the manufacture and sale of Multi-Serving Liquid Edible Retail Marijuana Products so long as the product is:
 - i. Packaged in a structure that uses a single mechanism to achieve both Child-Resistant properties and accurate pouring measurement of each liquid serving in increments equal to or less than 10mg of active THC per serving, with no more than 100mg of active THC total per Child-Resistant package; and
 - ii. The measurement component is within the Child-Resistant cap or closure of the bottle and is not a separate component.

9. Multiple-Serving Edible Retail Marijuana Product.

- a. A Retail Marijuana Products Manufacturing Facility must ensure that each single Standardized Serving Of Marijuana of a Multiple-Serving Edible Retail Marijuana Product is physically demarked in a way that enables a reasonable person to intuitively determine how much of the product constitutes a single serving of active THC.
- b. Each demarked Standardized Serving Of Marijuana must be easily separable in order to allow an average person 21 years of age and over

to physically separate, with minimal effort, individual servings of the product.

- c. Each single Standardized Serving Of Marijuana contained in a Multiple-Serving Edible Retail Marijuana Product shall be marked, stamped, or otherwise imprinted with the Universal Symbol directly on the product in a manner to cause the Universal Symbol to be distinguishable and easily recognizable. The Universal Symbol marking shall comply with the requirements of subparagraph (C.5)(4) of this rule R 604.

d. A Multiple-Serving Edible Retail Marijuana Product that is a Liquid Edible Retail Marijuana Product shall comply with the requirements in subparagraph (C.5)(8.1)(b) of this rule R 604 and is exempt from subparagraphs a-c of this subparagraph (C.5)(9).

- 10. Remanufactured Products Prohibited. A Retail Marijuana Product Manufacturing Facility shall not utilize a commercially manufactured food product as its Edible Retail Marijuana Product. The following exceptions to this prohibition apply:
 - a. A food product that was commercially manufactured specifically for use by the Retail Marijuana Product Manufacturing Facility Licensee to infuse with marijuana shall be allowed. The Licensee shall have a written agreement with the commercial food product manufacturer that declares the food product's exclusive use by the Retail Marijuana Product Manufacturing Facility.
 - b. Commercially manufactured food products may be used as ingredients in a Retail Marijuana Product Manufacturing Facility's Edible Retail Marijuana product so long as: (1) they are used in a way that renders them unrecognizable as the commercial food product in the final Edible Retail Marijuana Product, and (2) the Retail Marijuana Product Manufacturing Facility does not state or advertise to the consumer that the final Edible Retail Marijuana Product contains the commercially manufactured food product.
- 11. Trademarked Food Products. Nothing in this rule alters or eliminates a Retail Marijuana Product Manufacturing Facility's responsibility to comply with the trademarked food product provisions required by the Retail Code per 12-43.4-404(1)(e)(I-III), C.R.S.
- 12. Edibles Prohibited that are Shaped like a Human, Animal, or Fruit. This subparagraph (C.5)(12) is effective beginning October 1, 2017.
 - a. The production and sale of Edible Retail Marijuana Products in the following shapes is prohibited:
 - i. The distinct shape of a human, animal, or fruit; or
 - ii. A shape that bears the likeness or contains characteristics of a realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.
 - b. Edible Retail Marijuana Products that are geometric shapes and simply fruit flavored are not considered fruit and are permissible; and

c. Edible Retail Marijuana Products that are manufactured in the shape of a marijuana leaf are permissible.

- D. General Sanitary Requirements. The Licensee shall take all reasonable measures and precautions to ensure the following:
1. That any person who, by medical examination or supervisory observation, is shown to have, or appears to have, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination for whom there is a reasonable possibility of contact with preparation surfaces for Retail Marijuana or Retail Marijuana Product shall be excluded from any operations which may be expected to result in such contamination until the condition is corrected;
 2. That hand-washing facilities shall be adequate and convenient and be furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the Licensed Premises and/or in Retail Marijuana Product preparation areas and where good sanitary practices require employees to wash and/or sanitize their hands, and provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;
 3. That all persons working in direct contact with preparation of Retail Marijuana or Retail Marijuana Product shall conform to hygienic practices while on duty, including but not limited to:
 - a. Maintaining adequate personal cleanliness;
 - b. Washing hands thoroughly in an adequate hand-washing area(s) before starting work, prior to engaging in the production of a Retail Marijuana Concentrate or manufacture of a Retail Marijuana Product and at any other time when the hands may have become soiled or contaminated; and
 - c. Refraining from having direct contact with preparation of Retail Marijuana or Retail Marijuana Product if the person has or may have an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination, until such condition is corrected.
 4. That there is sufficient space for placement of equipment and storage of materials as is necessary for the maintenance of sanitary operations for production of Retail Marijuana or Retail Marijuana Product;
 5. That litter and waste are properly removed and the operating systems for waste disposal are maintained in an adequate manner so that they do not constitute a source of contamination in areas where Retail Marijuana or Retail Marijuana Product are exposed;
 6. That floors, walls, and ceilings are constructed in such a manner that they may be adequately cleaned and kept clean and kept in good repair;
 7. That there is adequate safety-type lighting in all areas where Retail Marijuana or Retail Marijuana Product are processed or stored and where equipment or utensils are cleaned;

8. That the Licensed Premises provides adequate screening or other protection against the entry of pests. Rubbish shall be disposed of so as to minimize the development of odor and minimize the potential for the waste becoming an attractant, harborage, or breeding place for pests;
9. That any buildings, fixtures, and other facilities are maintained in a sanitary condition;
10. That all contact surfaces, including utensils and equipment used for the preparation of Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product, shall be cleaned and sanitized as frequently as necessary to protect against contamination. Equipment and utensils shall be so designed and of such material and workmanship as to be adequately cleanable, and shall be properly maintained. Only sanitizers and disinfectants registered with the Environmental Protection Agency shall be used in a Retail Marijuana Products Manufacturing Facility and used in accordance with labeled instructions;
11. That toxic cleaning compounds, sanitizing agents, solvents used in the production of Retail Marijuana concentrate and other chemicals shall be identified, held, stored and disposed of in a manner that protects against contamination of Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product, and in a manner that is in accordance with any applicable local, state, or federal law, rule, regulation or ordinance;
12. That the water supply shall be sufficient for the operations intended and shall be derived from a source that is a regulated water system. Private water supplies shall be derived from a water source that is capable of providing a safe, potable, and adequate supply of water to meet the Licensed Premises needs;
13. That plumbing shall be of adequate size and design and adequately installed and maintained to carry sufficient quantities of water to required locations throughout the plant and that shall properly convey sewage and liquid disposable waste from the Licensed Premises. There shall be no cross-connections between the potable and waste water lines;
14. That each Retail Marijuana Products Manufacturing Facility shall provide its employees with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair;
15. That all operations in the receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of Retail Marijuana or Retail Marijuana Product shall be conducted in accordance with adequate sanitation principles;
16. That Retail Marijuana or Retail Marijuana Product that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms; and
17. That storage and transport of finished Retail Marijuana Product shall be under conditions that will protect products against physical, chemical, and microbial contamination as well as against deterioration of any container.

E. Standard Operating Procedures

1. A Retail Marijuana Products Manufacturing Facility must have written standard operating procedures for each category of Retail Marijuana Concentrate and type of Retail Marijuana Product that it produces.
 - a. All standard operating procedures for the production of a Retail Marijuana Concentrate must follow the requirements in Rule R 605.
 - b. A copy of all standard operating procedures must be maintained on the Licensed Premises of the Retail Marijuana Products Manufacturing Facility.
 2. If a Retail Marijuana Products Manufacturing Facility makes a Material Change to its standard Retail Marijuana Concentrate or Retail Marijuana Product production process, it must document the change and revise its standard operating procedures accordingly. Records detailing the Material Change must be maintained on the relevant Licensed Premises.
- F. Additives. A Retail Marijuana Products Manufacturing Facility shall not include any Additive that is toxic within a Retail Marijuana Product; nor include any Additive for the purposes of making the product more addictive, appealing to children or misleading to consumers.
- G. Independent Health and Sanitary Audit
1. State Licensing Authority May Require An Independent Health and Sanitary Audit
 - a. When the State Licensing Authority determines a health and sanitary audit by an independent consultant is necessary, it may require a Retail Marijuana Products Manufacturing Facility to undergo such an audit. The scope of the audit may include, but need not be limited to, whether the Retail Marijuana Products Manufacturing Facility is in compliance with the requirements set forth in this rule or other applicable food handling laws, rules or regulations or compliance with the concentrate production rules in Rule R 605 or other applicable laws, rules and regulations.
 - b. In such instances, the Division may attempt to mutually agree upon the selection of the independent consultant with a Retail Marijuana Products Manufacturing Facility. However, the Division always retains the authority to select the independent consultant regardless of whether mutual agreement can be reached.
 - c. The Retail Marijuana Products Manufacturing Facility will be responsible for all costs associated with the independent health and sanitary audit.
 2. When Independent Health and Sanitary Audit Is Necessary. The State Licensing Authority has discretion to determine when an audit by an independent consultant is necessary. The following is a non-exhaustive list of examples that may justify an independent audit:
 - a. A Retail Marijuana Products Manufacturing Facility does not provide requested records related to the food handling training required for Owners or Occupational Licensees engaged in the production of Edible Retail Marijuana Product to the Division;

- b. A Retail Marijuana Products Manufacturing Facility does not provide requested records related to the production of Retail Marijuana Concentrate, including but not limited to, certification of its Licensed Premises, equipment or standard operating procedures, training of Owners or Occupational Licensees, or Production Batch specific records;
 - c. The Division has reasonable grounds to believe that the Retail Marijuana Products Manufacturing Facility is in violation of one or more of the requirements set forth in this rule or Rule R 605;
 - d. The Division has reasonable grounds to believe that the Retail Marijuana Products Manufacturing Facility was the cause or source of contamination of Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product; or
 - e. Multiple Production Batches of Retail Marijuana Concentrate or Retail Marijuana Product produced by the Retail Marijuana Products Manufacturing Facility failed contaminant testing.
3. Compliance Required. A Retail Marijuana Products Manufacturing Facility must pay for and timely cooperate with the State Licensing Authority's requirement that it undergo an independent health and sanitary audit in accordance with this rule.
4. Suspension of Operations
 - a. If the State Licensing Authority has objective and reasonable grounds to believe and finds upon reasonable ascertainment of the underlying facts that the public health, safety or welfare imperatively requires emergency action and incorporates such findings into its order, it may order summary suspension of the Retail Marijuana Products Manufacturing Facility's license. See Rule R 1302 – Disciplinary Process: Summary Suspensions.
 - b. Prior to or following the issuance of such an order, the Retail Marijuana Products Manufacturing Facility may attempt to come to a mutual agreement with the Division to suspend its operations until the completion of the independent audit and the implementation of any required remedial measures.
 - i. If an agreement cannot be reached or the State Licensing Authority, in its sole discretion, determines that such an agreement is not in the best interests of the public health, safety or welfare, then the State Licensing Authority will promptly institute license suspension or revocation procedures. See Rule R 1302 – Disciplinary Process: Summary Suspensions.
 - ii. If an agreement to suspend operations is reached, then the Retail Marijuana Products Manufacturing Facility may continue to care for its inventory and conduct any necessary internal business operations but it may not sell, transfer or wholesale Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product to another Retail Marijuana Establishment during the period of time specified in the agreement. Depending on the condition of the Retail Marijuana Products Manufacturing Facility and required remedial measures, the Division may permit

a Retail Marijuana Products Manufacturing Facility to produce Retail Marijuana Concentrate or manufacture Retail Marijuana Product while operations have been suspended.

- H. Violation Affecting Public Safety. Failure to comply with this rule may constitute a license violation affecting public safety.

R 700 Series – Retail Marijuana Testing Facilities

Basis and Purpose – R 703

The statutory authority for this rule is found at subsection 12-43.4-202(3)(a)(IV) and section 12-43.4-405, C.R.S. The purpose of this rule is to establish a frame work for certification for Retail Marijuana Testing Facilities.

R 703 –Retail Marijuana Testing Facilities: Certification Requirements

- A. Certification Types. A Retail Marijuana Testing Facility may only perform tests on Samples that the Retail Marijuana Testing Facility is certified by the Division to perform.
1. Residual solvents;
 2. ~~Poisons or Toxins; Repealed.~~
 3. ~~Harmful Chemicals; Repealed.~~
 4. ~~Dangerous Molds, Mildew or Filth; Repealed.~~
 5. ~~Harmful Microbials, such as E. Coli or Salmonella;~~
 6. ~~Pesticides; and Repealed~~
 7. THC and other Cannabinoid potency.
 8. Chemical Contaminants; and
 9. Biological Contaminants.
- B. Certification Procedures. The Retail Marijuana Testing Facility certification program is contingent upon successful on-site inspection, successful participation in proficiency testing, and ongoing compliance with the applicable requirements in this rule.
1. Certification Inspection. A Retail Marijuana Testing Facility must be inspected prior to initial certification and annually thereafter by an inspector approved by the Division.
 2. Standards for Certification. A Retail Marijuana Testing Facility must meet standards of performance, as established by these rules, in order to obtain and maintain certification. Standards of performance include but are not limited to: personnel qualifications, standard operating procedure manual, analytical processes, proficiency testing, quality control, quality assurance, security, chain of custody, specimen retention, space, records, and results reporting.
 3. Personnel Qualifications
 - a. Laboratory Director. A Retail Marijuana Testing Facility must employ, at a minimum, a laboratory director with sufficient education and experience in a regulated laboratory environment in order to obtain and maintain certification. See Rule R 704 – Retail Marijuana Testing Facilities: Personnel.

- b. Employee Competency. A Retail Marijuana Testing Facility must have a written and documented system to evaluate and document the competency in performing authorized tests for employees. Prior to independently analyzing samples, testing personnel must demonstrate acceptable performance on precision, accuracy, specificity, reportable ranges, blanks, and unknown challenge samples (proficiency samples or internally generated quality controls).
4. Standard Operating Procedure Manual. A Retail Marijuana Testing Facility must have a written procedure manual meeting the minimum standards set forth in these rules detailing the performance of all methods employed by the facility used to test the analytes it reports and made available for testing analysts to follow at all times.
 - a. The current laboratory director must approve, sign and date each procedure. If any modifications are made to those procedures, the laboratory director must approve, sign and date the revised version prior to use.
 - b. A Retail Marijuana Testing Facility must maintain a copy of all Standard Operating Procedures to include any revised copies for a minimum of three years. See Rule R 901 – Business Records Required.
5. Analytical Processes. A Retail Marijuana Testing Facility must maintain a listing of all analytical methods used and all analytes tested and reported. The Retail Marijuana Testing Facility must provide this listing to the Division upon request.
6. Proficiency Testing. A Retail Marijuana Testing Facility must successfully participate in a Division approved proficiency testing program in order to obtain and maintain certification.
7. Quality Assurance and Quality Control. A Retail Marijuana Testing Facility must establish and follow a quality assurance and quality control program to ensure sufficient monitoring of laboratory processes and quality of results reported.
8. Security. A Retail Marijuana Testing Facility must be located in a secure setting as to prevent unauthorized persons from gaining access to the testing and storage areas of the laboratory.
9. Chain of Custody. A Retail Marijuana Testing Facility must establish a system to document the complete chain of custody for samples from receipt through disposal.
10. Space. A Retail Marijuana Testing Facility must be located in a fixed structure that provides adequate infrastructure to perform analysis in a safe and compliant manner consistent with federal, state and local requirements.
11. Records. A Retail Marijuana Testing Facility must establish a system to retain and maintain records for a period not less than three years.
12. Results Reporting. A Retail Marijuana Testing Facility must establish processes to ensure results are reported in a timely and accurate manner.

Basis and Purpose – R 704

The statutory authority for this rule is found at subsection 12-43.4-202(3)(a)(IV) and section 12-43.4-405, C.R.S. The purpose of this rule is to establish personnel standards for the operation of a Retail Marijuana Testing Facility.

R 704 –Retail Marijuana Testing Facilities: Personnel

- A. Laboratory Director. The laboratory director is responsible for the overall analytical operation and quality of the results reported by the Retail Marijuana Testing Facility, including the employment of personnel who are competent to perform test procedures, and record and report test results promptly, accurately, and proficiently and for assuring compliance with the standards set forth in this rule.
1. The laboratory director may also serve as a supervisory analyst or testing analyst, or both, for a Retail Marijuana Testing Facility.
 2. The laboratory director for a Retail Marijuana Testing Facility must meet one of the following qualification requirements:
 - a. The laboratory director must be a Medical Doctor (M.D.) licensed to practice medicine in Colorado and have at least three years of full-time laboratory experience in a regulated laboratory environment performing analytical scientific testing in which the testing methods were recognized by an accrediting body; or
 - b. The laboratory director must hold a doctoral degree in one of the natural sciences and have at least three years of full-time laboratory experience in a regulated laboratory environment performing analytical scientific testing in which the testing methods were recognized by an accrediting body; or
 - c. The laboratory director must hold a master's degree in one of the natural sciences and have at least five years of full-time laboratory experience in a regulated laboratory environment performing analytical scientific testing in which the testing methods were recognized by an accrediting body.
- B. What the Laboratory Director May Delegate. The laboratory director may delegate the responsibilities assigned under this rule to a qualified supervisory analyst, provided that such delegation is made in writing and a record of the delegation is maintained. See Rule R 901 – Business Records Required. Despite the designation of a responsibility, the laboratory director remains responsible for ensuring that all duties are properly performed.
- C. Responsibilities of the Laboratory Director. The laboratory director must:
1. Ensure that the Retail Marijuana Testing Facility has adequate space, equipment, materials, and controls available to perform the tests reported;
 2. Establish and adhere to a written standard operating procedure used to perform the tests reported;
 3. Ensure that testing systems developed and used for each of the tests performed in the laboratory provide quality laboratory services for all aspects of test performance, which includes the preanalytic, analytic, and postanalytic phases of testing;

4. Ensure that the physical location and environmental conditions of the laboratory are appropriate for the testing performed and provide a safe environment in which employees are protected from physical, chemical, and biological hazards;
5. Ensure that the test methodologies selected have the capability of providing the quality of results required for the level of testing the laboratory is certified to perform;
6. Ensure that validation and verification test methods used are adequate to determine the accuracy, precision, and other pertinent performance characteristics of the method;
7. Ensure that testing analysts perform the test methods as required for accurate and reliable results;
8. Ensure that the laboratory is enrolled in a Division approved proficiency testing program;
9. Ensure that the quality control and quality assessment programs are established and maintained to assure the quality of laboratory services provided and to identify failures in quality as they occur;
10. Ensure the establishment and maintenance of acceptable levels of analytical performance for each test system;
11. Ensure that all necessary remedial actions are taken and documented whenever significant deviations from the laboratory's established performance specifications are identified, and that test results are reported only when the system is functioning properly;
12. Ensure that reports of test results include pertinent information required for interpretation;
13. Ensure that consultation is available to the laboratory's clients on matters relating to the quality of the test results reported and their interpretation of said results;
14. Employ a sufficient number of laboratory personnel who meet the qualification requirements and provide appropriate consultation, properly supervise, and ensure accurate performance of tests and reporting of test results;
15. Ensure that prior to testing any samples, all testing analysts receive the appropriate training for the type and complexity of tests performed, and have demonstrated and documented that they can perform all testing operations reliably to provide and report accurate results;
16. Ensure that policies and procedures are established for monitoring individuals who conduct preanalytical, analytical, and postanalytical phases of testing to assure that they are competent and maintain their competency to process specimens, perform test procedures and report test results promptly and proficiently, and whenever necessary, identify needs for remedial training or continuing education to improve skills;
17. Ensure that an approved standard operating procedure manual is available to all personnel responsible for any aspect of the testing process; and

18. Specify, in writing, the responsibilities and duties of each person engaged in the performance of the preanalytic, analytic, and postanalytic phases of testing, that identifies which examinations and procedures each individual is authorized to perform, whether supervision is required for specimen processing, test performance or results reporting, and whether consultant or laboratory director review is required prior to reporting test results.

C.5 Change in Laboratory Director. In the event that the laboratory director leaves employment at the Retail Marijuana Testing Facility, the Retail Marijuana Testing Facility shall:

1. Provide written notice to the Colorado Department of Public Health and Environment and the Marijuana Enforcement Division within seven days of the laboratory director's departure; and
2. Designate an interim laboratory director within seven days of the laboratory director's departure. At a minimum, the interim laboratory director must meet the qualifications of a supervisory analyst.
3. The Retail Marijuana Testing Facility must hire a permanent laboratory director within 45 days from the date of the previous laboratory director's departure, unless the Retail Marijuana Testing Facility receives a written waiver from the Division Director.

- D. Supervisory Analyst. Supervisory analysts must meet one of the qualifications for a laboratory director or have at least a bachelor's degree in one of the natural sciences and three years of full-time laboratory experience in a regulated laboratory environment performing analytical scientific testing in which the testing methods were recognized by an accrediting body. A combination of education and experience may substitute for the three years of full-time laboratory experience.

E. Laboratory Testing Analyst

1. Educational Requirements. An individual designated as a testing analyst must meet one of the qualifications for a laboratory director or supervisory analyst or have at least a bachelor's degree in one of the natural sciences and one year of full-time experience in laboratory testing.
2. Responsibilities. In order to independently perform any test for a Retail Marijuana Testing Facility, an individual must at least meet the educational requirements for a testing analyst.

Basis and Purpose – R 712

The statutory authority for this rule is found at subsections 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)(X), 12-43.4-202(3)(a)(XI), 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), and 12-43.4-405, 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 establish the portion of the Division's Mandatory Testing and Random Sampling program that is applicable to Retail Marijuana Testing Facilities. The allowable plus or minus 15% potency variance has been included in the rule pursuant to the mandate of House Bill 15-1283, which modified 12-43.4-202(3)(a)(IV)(E), C.R.S. The bill established that the acceptable potency variance, which the Division must determine, must be at least plus or minus 15 percent.

R 712 – Retail Marijuana Testing Facilities: Sampling and Testing Program

- A. Division Authority. The Division may elect to require that a Test Batch be submitted to a specific Retail Marijuana Testing Facility for testing to verify compliance, perform investigations, compile data or address a public health and safety concern.
- B. Test Batches
1. Retail Marijuana and Retail Marijuana Concentrate. A Retail Marijuana Testing Facility must establish a standard minimum weight of Retail Marijuana and Retail Marijuana Concentrate that must be included in a Test Batch for every type of test that it conducts.
 2. Retail Marijuana Product. A Retail Marijuana Testing Facility must establish a standard number of finished product(s) it requires to be included in each Test Batch of Retail Marijuana Product for every type of test that it conducts.
- C. Rejection of Test Batches and Samples
1. A Retail Marijuana Testing Facility may not accept a Test Batch that is smaller than its standard minimum amount.
 2. A Retail Marijuana Testing Facility may not accept a Test Batch or Sample that it knows was not taken in accordance with these rules or any additional Division sampling procedures or was not collected by Division personnel.
- D. Notification of Retail Marijuana Establishment. If Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product failed a contaminant test, then the Retail Marijuana Testing Facility must immediately notify the Retail Marijuana Establishment that submitted the sample for testing and report the failure in accordance with all Inventory Tracking System procedures.
- E. Permissible Levels of Contaminants. If Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product is found to have a contaminant in levels exceeding those established as permissible under this rule, then it shall be considered to have failed contaminant testing. Notwithstanding the permissible levels established in this rule, the Division reserves the right to determine, upon good cause and reasonable grounds, that a particular Test Batch presents a risk to the public health or safety and therefore shall be considered to have failed a contaminant test.
1. Microbials (Bacteria, Fungus)

<u>Substance</u>	<u>Acceptable Limits Per Gram</u>	<u>Product to be Tested</u>
-Shiga-toxin producing Escherichia coli (STEC)*- Bacteria	< 1 Colony Forming Unit (CFU)	Flower; Retail Marijuana Products; Water- and Food-Based Concentrates
Salmonella species* – Bacteria	< 1 Colony Forming Unit (CFU)	
Total Yeast and Mold	< 10 ⁴ Colony Forming Unit (CFU)	

*Testing facilities should contact the Colorado Department of Public Health and Environment when STEC and Salmonella are detected beyond the acceptable limits.

2. Residual Solvents

<u>Substance</u>	<u>Acceptable Limits Per Gram</u>	<u>Product to be Tested</u>
Butanes	< 800 5,000 Parts Per Million	Solvent-Based Concentrates

	(PPM)	
Heptanes	< 500 <u>5,000</u> Parts Per Million (PPM)	
Benzene**	< 42 Parts Per Million (PPM)	
Toluene**	< 1890 Parts Per Million (PPM)	
Hexane**	< 10290 Parts Per Million (PPM)	
Total Xylenes (m,p, o-xylenes)**	< 42.170 Parts Per Million (PPM)	
Any solvent not permitted for use pursuant to Rule R 605.	None Detected	

** Note: These solvents are not approved for use. Due to their possible presence in the solvents approved for use per Rule R 605, limits have been listed here accordingly.

3. Metals

Substance	Acceptable Limits Per Gram	Product to be Tested
Metals (Arsenic, Cadmium, Lead and Mercury)	Lead – Max Limit: < 10 ppm Arsenic – Max Limit: < 10 ppm Cadmium – Max Limit: <4.1 ppm Mercury – Max Limit: <2.0 ppm	Flower; Water-, Food-, and Solvent-Based Concentrates; and Retail Marijuana Products

4. Other Contaminants

Pesticide	If testing identifies the use of a banned Pesticide or the improper application of a permitted Pesticide, then that Test Batch shall be considered to have failed contaminant testing.
Chemicals	If Test Batch is found to contain levels of any chemical that could be toxic if consumed, then the Division may determine that the Test Batch has failed contaminant testing.
Microbials	If Test Batch is found to contain levels of any microbial that could be toxic if consumed, then the Division may determine that the Test Batch has failed contaminant testing.
Molds, Mildew, and Filth	If a Test Batch is found to contain levels of any mold, mildew, or filth that could be toxic if consumed, then that Test Batch shall be considered to have failed contaminant testing.

5. Division Notification. A Retail Marijuana Testing Facility must notify the Division if a Test Batch is found to contain levels of a contaminant not listed within this rule that could be injurious to human health if consumed.

F. Potency Testing

1. Cannabinoids Potency Profiles. A Retail Marijuana Testing Facility may test and report results for any cannabinoid provided the test is conducted in accordance with the Division's Retail Marijuana Testing Facility Certification Policy Statement.
2. Reporting of Results
 - a. For potency tests on Retail Marijuana and Retail Marijuana Concentrate, results must be reported by listing a single percentage concentration for each cannabinoid that represents an average of all samples within the Test Batch.
 - b. For potency tests conducted on Retail Marijuana Product, whether conducted on each individual production batch or via Process Validation per rule R 1503, results must be reported by listing the total number of milligrams contained within a single Retail Marijuana Product unit for sale for each cannabinoid and affirming the THC content is homogenous.

3. Dried Flower. All potency tests conducted on Retail Marijuana must occur on dried and cured Retail Marijuana that is ready for sale.
4. Failed Potency Tests for Retail Marijuana Products
 - a. If an individually packaged Edible Retail Marijuana Product contained within a Test Batch is determined to have more than 100 mgs of THC within it, then the Test Batch shall be considered to have failed potency testing. Except that the potency variance provided for in subparagraph (F)(5) of this rule R 712 shall apply to potency testing.
 - b. If the THC content of a Marijuana Product is determined through testing to not be homogenous, then it shall be considered to have failed potency testing. A Retail Marijuana Product shall be considered to not be homogenous if 10% of the infused portion of the Retail Marijuana Product contains more than 20% of the total THC contained within entire Retail Marijuana Product.
5. Potency Variance. A potency variance of no more than plus or minus 15% is allowed.

R 800 Series – Transport and Storage

Basis and Purpose – R 801

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(c)(IV), 12-43.4-202(3)(a)(X), 12-43.4-309(4), 12-43.3-310(5), and 12-43.4-401(1), C.R.S. The purpose of the rule is to provide clarity as to the requirements associated with the transport and delivery of Retail Marijuana and Retail Marijuana Product between Licensed Premises. It also prescribes the manner in which licensed entities will track inventory in the transport process to prevent diversionary practices.

R 801 – Transport of Retail Marijuana, Retail Marijuana Vegetative Plants, and Retail Marijuana Product: All Retail Marijuana Establishments

- A. Persons Authorized to Transport. The only Persons authorized to transport Retail Marijuana, Retail Marijuana Vegetative plants, or Retail Marijuana Product are those licensed by the State Licensing Authority pursuant to sections 12-43.3-401 (when applicable) and 12-43.4-401, C.R.S.; including those holding Owner and Occupational Licenses. An individual who does not possess a current and valid Owner or Occupational License from the State Licensing Authority may not transport Retail Marijuana, Retail Marijuana Vegetative plants, or Retail Marijuana Product between Licensed Premises.
- B. Transport Between Licensed Premises.
1. Retail Marijuana and Retail Marijuana Product. Retail Marijuana and Retail Marijuana Product shall only be transported between Licensed Premises and between Licensed Premises and a permitted off-premises storage facility. Licensees transporting Retail Marijuana and Retail Marijuana Product are responsible for ensuring that all Retail Marijuana and Retail Marijuana Product are secured at all times during transport.
 2. Retail Marijuana Vegetative Plants. Retail Marijuana Vegetative plants shall only be transported between Licensed Premises due to an approved change of location pursuant to rule R 206 – Changing Location of Licensed Premises: Retail Marijuana Establishments. Transportation of Vegetative plants to a permitted off-premises storage facility shall not be allowed.
- C. Inventory Tracking System-Generated Transport Manifest Required. A Licensee may only transport Retail Marijuana, Retail Marijuana Vegetative plants, or Retail Marijuana Product if he or she has a hard copy of an Inventory Tracking System -generated transport manifest that contains all the information required by this rule and shall be in the format prepared by the State Licensing Authority.
1. Retail Marijuana and Retail Marijuana Product. A Licensee may transport Retail Marijuana or Retail Marijuana Product from an originating location to multiple destination locations so long as the transport manifest correctly reflects the specific inventory destined for specific licensed locations.
 2. Retail Marijuana Vegetative Plants. A Licensee shall transport Retail Marijuana Vegetative plants only from the originating Licensed Premises to the destination Licensed Premises due to a change of location that has been approved by the Division.

- D. Motor Vehicle Required. Transport of Retail Marijuana and Retail Marijuana Product shall be conducted by a motor vehicle that is properly registered in the state of Colorado pursuant to motor vehicle laws, but need not be registered in the name of the Licensee. Except that when a rental truck is required for transporting Medical Marijuana Vegetative plants, Colorado motor vehicle registration is not required.
- E. Documents Required During Transport. Transport of Retail Marijuana, Retail Marijuana Vegetative plants, or Retail Marijuana Product shall be accompanied by a copy of the originating Retail Marijuana Establishment's business license, the driver's valid Owner or Occupational License, the driver's valid motor vehicle operator's license, and all required vehicle registration and insurance information.
- F. Use of Colorado Roadways. State law does not prohibit the transport of Retail Marijuana , Retail Marijuana Vegetative plants, and Retail Marijuana Product on any public road within the state of Colorado as authorized in this rule. However, nothing herein authorizes a Licensee to violate specific local ordinances or resolutions enacted by any city, town, city and county, or county related to the transport of Retail Marijuana, Retail Marijuana Vegetative plants, or Retail Marijuana Product.
- G. Preparation of Retail Marijuana and Retail Marijuana Product for Transport
1. Final Weighing and Packaging. A Retail Marijuana Establishment shall comply with the specific rules associated with the final weighing and packaging of Retail Marijuana and Retail Marijuana Product before such items are prepared for transport pursuant to this rule. The scale used to weigh product to be transported shall be tested and approved in accordance with measurement standards established in 35-14-127, C.R.S.
 2. Preparation in Limited Access Area. Retail Marijuana and Retail Marijuana Product shall be prepared for transport in a Limited Access Area, including the packing and labeling of Shipping Containers.
 3. Shipping Containers. All Shipping Containers must be affixed with an RFID tag prior to transport. Sealed packages or Containers may be placed in larger Shipping Containers, so long as such Shipping Containers are labeled in accordance with the R 1000 Series. The contents of Shipping Containers shall be easily accessible and may be inspected by the State Licensing Authority, local jurisdictions, and state and local law enforcement agency for a purpose authorized by the Retail Code or for any other state or local law enforcement purpose.
- G.5. Required RFID Tags for Retail Marijuana Vegetative Plants. Each Retail Marijuana Vegetative plant that is transported pursuant to this rule must have a RFID tag affixed to it prior to transport.
- H. Creation of Records and Inventory Tracking
1. Use of Inventory Tracking System -Generated Transport Manifest.
 - a. Retail Marijuana and Retail Marijuana Product. Licensees who transport Retail Marijuana or Retail Marijuana Product shall create an Inventory Tracking System-generated transport manifest to reflect inventory that leaves the Licensed Premises for destinations to other licensed locations. The transport manifest may either reflect all deliveries for multiple locations within a single trip or separate transport manifests may

reflect each single delivery. In either case, no inventory shall be transported without an Inventory Tracking System-generated transport manifest.

- b. Retail Marijuana Vegetative Plants. Licensees who transport Retail Marijuana Vegetative plants shall create an Inventory Tracking System-generated transport manifest to reflect inventory that leaves the originating Licensed Premises to be transported to the destination Licensed Premises due to a change of location approved by the Division pursuant to rule R 206.
2. Copy of Transport Manifest to Receiver. A Licensee shall provide a copy of the transport manifest to each Retail Marijuana Establishment receiving the inventory described in the transport manifest. In order to maintain transaction confidentiality, the originating Licensee may prepare a separate Inventory Tracking System-generated transport manifest for each receiving Retail Marijuana Establishment.
 3. The Inventory Tracking System-generated transport manifest shall include the following:
 - a. Departure date and approximate time of departure;
 - b. Name, location address, and license number of the originating Retail Marijuana Establishment;
 - c. Name, location address, and license number of the destination Retail Marijuana Establishment(s);
 - d. Product name and quantities (by weight or unit) of each product to be delivered to each specific destination location(s);
 - e. Arrival date and estimated time of arrival;
 - f. Delivery vehicle make and model and license plate number; and
 - g. Name, Occupational License number, and signature of the Licensee accompanying the transport.
- J. Inventory Tracking. In addition to all the other tracking requirements set forth in these rules, a Retail Marijuana Establishment shall be responsible for all the procedures associated with the tracking of inventory that is transported between Licensed Premises. See Rule R 901 – Business Records Required.
1. Responsibilities of Originating Licensee.
 - a. Retail Marijuana and Retail Marijuana Product. Prior to departure, the originating Retail Marijuana Establishment shall adjust its records to reflect the removal of Retail Marijuana or Retail Marijuana Product. The scale used to weigh product to be transported shall be tested and approved in accordance with measurement standards established in 35-14-127, C.R.S. Entries to the records shall note the Inventory Tracking System-generated transport manifest and shall be easily reconciled, by product name and quantity, with the applicable transport manifest.

- b. Retail Marijuana Vegetative Plants. Prior to departure, the originating Retail Marijuana Cultivation Facility shall adjust its records to reflect the removal of Retail Marijuana Vegetative plants. Entries to the records shall note the Inventory Tracking System-generated transport manifest and shall be easily reconciled, by product name and quantity, with the applicable transport manifest.
 - 2. Responsibilities of Receiving Licensee.
 - a. Retail Marijuana and Retail Marijuana Product. Upon receipt, the receiving Licensee shall ensure that the Retail Marijuana or Retail Marijuana Product received are as described in the transport manifest and shall immediately adjust its records to reflect the receipt of inventory. The scale used to weigh product being received shall be tested and approved in accordance with measurement standards established in 35-14-127, C.R.S. Entries to the inventory records shall note the Inventory Tracking System-generated transport manifest and shall be easily reconciled, by product name and quantity, with the applicable transport manifest.
 - b. Retail Marijuana Vegetative Plants. Upon receipt, the receiving Licensee shall ensure that the Retail Marijuana Vegetative plants received are as described in the transport manifest, accounting for all RFID tags and each associated plant, and shall immediately adjust its records to reflect the receipt of inventory.
 - 3. Discrepancies. A receiving Licensee shall separately document any differences between the quantity specified in the transport manifest and the quantities received. Such documentation shall be made in the Inventory Tracking System and in any relevant business records.
- K. Adequate Care of Perishable Retail Marijuana Product. A Retail Marijuana Establishment must provide adequate refrigeration for perishable Retail Marijuana Product during transport.

Basis and Purpose – R 802

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(X), 12-43.4-406(2), 12-43.4-701(2), C.R.S. The purpose of this rule is to establish that Retail Marijuana or Retail Marijuana Product may not be stored outside of Licensed Premises unless the Licensee obtains an off-premises storage facility permit. Rule 802.G was amended to require Retail Marijuana Establishments to submit proof of local approval or acknowledgement with an application for an off-premises storage facility. This change was made due to comments received from a local jurisdiction representative.

R 802 – Off-Premises Storage of Retail Marijuana and Retail Marijuana Product: All Retail Marijuana Establishments

- A. Off-Premises Storage Permit Authorized. A Retail Marijuana Establishment may only store Retail Marijuana or Retail Marijuana Product in its Licensed Premises or in its one permitted off-premises storage facility. Except that Retail Marijuana Transporters are allowed to have more than one permitted off-premises storage facility.

- B. Permitting. To obtain a permit for an off-premises storage facility, a Retail Marijuana Establishment must apply on current Division forms and pay any applicable fees. A Retail Marijuana Transporter may only apply for and hold an off-premises storage permit in a local jurisdiction that permits the operation of Retail Marijuana Stores.
- C. Extension of Licensed Premises. A permitted off-premises storage facility shall constitute an extension of the Retail Marijuana Establishment's Licensed Premises, subject to all applicable Retail Marijuana regulations.
- D. Limitation on Inventory to be Stored. ~~The Retail Marijuana Establishment~~ A Retail Marijuana Store, Retail Marijuana Products Manufacturing Facility, and a Retail Marijuana Cultivation Facility may only have upon the permitted off-premises storage facility Retail Marijuana or Retail Marijuana Product that are part of ~~its~~ the particular Retail Marijuana Establishment's finished goods inventory. The forementioned Licensees may not share the premises with, or store inventory belonging to, a Medical Marijuana Business or Retail ~~M~~Marijuana Establishment that is not commonly-owned.
- E. Restrictions. The permitted off-premises storage facility may be utilized for storage only. A Retail Marijuana Establishment may not sell, cultivate, manufacture, process, test, or consume any Retail Marijuana or Retail Marijuana Product within the premises of the permitted off-premises storage facility.
- F. Display of Off-premises Storage Permit and License. The off-premises storage facility permit and a copy of the Retail Marijuana Establishment's license must be displayed in a prominent place within the permitted off-premises storage facility.
- G. Local Jurisdiction Approval
1. Prior to submitting an application for an off-premises storage facility permit, the Retail Marijuana Establishment must obtain approval or acknowledgement from the relevant local jurisdiction.
 2. A copy of the relevant local jurisdiction's approval or acknowledgement must be submitted by the Retail Marijuana Establishment in conjunction with its application for an off-premises storage facility.
 3. No Retail Marijuana or Retail Marijuana Product may be stored within a permitted storage facility until the relevant local jurisdiction has been provided a copy of the off-premises storage facility permit.
 4. Any off-premises storage permit issued by the Division shall be conditioned upon the Retail Marijuana Establishment's receipt of all required local jurisdiction approvals or acknowledgments.
- H. Security in Storage Facility. A permitted off-premises storage facility must meet all video, security and lock requirements applicable to a Licensed Premises. See Rules R 305 – Security Alarm and Lock Standards and R 306 – Video Surveillance.
- I. Transport to and from a Permitted Off-Premises Storage Facility. A Licensee must comply with the provisions of Rule R 801 - Transport of Retail Marijuana and Retail Marijuana Product when transporting any Retail Marijuana or Retail Marijuana Product to and from a permitted off-premises storage facility.

- J. Inventory Tracking. In addition to all the other tracking requirements set forth in these rules, a Retail Marijuana Establishment shall utilize the Inventory Tracking System to track its inventories from the point of transfer to or from a permitted off-premises storage facility. See Rules R 309 – Retail Marijuana Establishment: Inventory Tracking System and R 901 – Business Records Required.
- K. Inventory Tracking System Access and Scale. Every permitted off-premises storage facility must have an Inventory Tracking System terminal and a scale tested and approved in accordance with measurement standards established in 35-14-127, C.R.S.
- L. Adequate Care of Perishable Retail Marijuana Product. A Retail Marijuana Establishment must provide adequate refrigeration for perishable Retail Marijuana Product and shall utilize adequate storage facilities and transport methods.
- M. Consumption Prohibited. A Retail Marijuana Establishment shall not permit the consumption of marijuana or marijuana ~~P~~product on the premises of its permitted off-premises storage facility.

R 900 Series – Business Records

Basis and Purpose – R 905

The statutory authority for this rule is found at subsections 12-43.4-202(2)(d), 12-43.4-202(3)(a)(XIII), 12-43.4-202(3)(a)(XIV), and 12-43.4-202(3)(b)(IX), C.R.S. The purpose of this rule is to clarify the Division's authority to provide taxation divisions within the Department copies of or access to reports or other information obtained from or regarding a Licensee, for the purpose of ensuring accurate and complete filing of tax returns and payment of sales, excise and income taxes required by Title 39 of the Colorado Revised Statutes. Such information sharing is for a purpose authorized by the Retail Code.

R 905 – Department Information Access

- A. Department Access to Reports or Other Information. The Division may provide taxation divisions within the Department copies of or access to reports or other information obtained from or regarding a Licensee for the purpose of ensuring accurate and complete filing of tax returns and payment of sales, excise and income taxes required by Title 39 of the Colorado Revised Statutes.
- B. Confidentiality. Reports or other information provided to or accessed by taxation divisions within the Department for the purpose of ensuring accurate and complete filing of tax returns and payment of sales, excise and income taxes required by Title 39 of the Colorado Revised Statutes shall be considered part of the Department's investigation pursuant to subsection 39-21-113(4)(a), C.R.S., and the Division shall continue to maintain such records and information in its possession or control as confidential pursuant to subsection 12-43.3-202(1)(d) and 12-43.4-202(2)(d), C.R.S.

R 1000 Series – Labeling, Packaging, and Product Safety

Basis and Purpose – R 1004

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(IV), and 12-43.4-202(3)(a)(VII), 12-43.4-202(3)(c)(III), 12-43.4-202(3)(c)(V), 12-43.4-404(4)(a), 12-43.4-404(b)(I-II), 12-43.4-404(6), 12-43.4-404(8), 12-43.4-901(2)(a), and 25-4-1614(3)(a), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(VI). The purpose of this rule is to ensure that every Retail Marijuana Products Manufacturing Facility labels each Shipping Container and Container holding a Retail Marijuana Product with all of the necessary and relevant information for the receiving Retail Marijuana Establishment. In addition, this rule clarifies basic packaging requirements. The State Licensing Authority wants to ensure the regulated community employs proper packaging and labeling techniques for each Retail Marijuana Product as this is a public health and safety concern. The allowable plus or minus 15% potency variance has been included in the rule pursuant to the mandate of House Bill 15-1283, which modified 12-43.4-202(3)(a)(IV)(E), C.R.S. The bill established that the acceptable potency variance, which the Division must determine for correct labeling, must be at least plus or minus 15 percent.

R 1004 – Packaging and Labeling Requirements of a Retail Marijuana Product by a Retail Marijuana Products Manufacturing Facility

Rule R 1004 is effective beginning October 1, 2016.

- A. Packaging of Retail Marijuana Product by a Retail Marijuana Products Manufacturing Facility
1. General Standard. Every Retail Marijuana Products Manufacturing Facility must ensure that each Container holding a Retail Marijuana Product is placed in a Shipping Container prior to transport or transfer to another Retail Marijuana Establishment.
 2. Single-Serving Edible Retail Marijuana Product. Every Retail Marijuana Products Manufacturing Facility must ensure that each Single-Serving Edible Retail Marijuana Product is packaged within a Child-Resistant Container prior to transport or transfer to another Retail Marijuana Establishment.
 3. Bundled Single-Serving Edible Retail Marijuana Product. A Retail Marijuana Products Manufacturing Facility may bundle Single-Serving Edible Retail Marijuana Products that are packaged in Child-Resistant packaging and labeled pursuant to Rule R 1004.5(B) into a larger package that does not need to be Child-Resistant so long as:
 - a. The total amount of active THC contained within the larger package does not exceed 100 milligrams;
 - b. The larger package complies with the Universal Symbol labeling requirement of subsubparagraph (B)(1)(i) of this rule R 1004; and
 - c. The larger package complies with the Serving Size and Total Active THC Statement requirement of subsubparagraph (B)(2)(c) of this rule R 1004.
 4. Multiple-Serving Edible Retail Marijuana Product. Every Retail Marijuana Products Manufacturing Facility must ensure that each Multiple-Serving Edible Marijuana Product is packaged within a Child-Resistant Container that maintains

its Child-Resistant effectiveness for multiple openings prior to transport or transfer to another Retail Marijuana Establishment.

4.5 Liquid Edible Retail Marijuana Product.

- a. Each Liquid Edible Retail Marijuana Product that is a Single-Serving Edible Retail Marijuana Product shall be packaged pursuant to subparagraph (A)(2) of this rule R 1004.
- b. Each Liquid Edible Retail Marijuana Product that is a Multiple-Serving Edible Retail Marijuana Product shall be:
 - i. Packaged in a structure that uses a single mechanism to achieve both Child-Resistant properties and accurate pouring measurement of each liquid serving in increments equal to or less than 10mg of active THC per serving, with no more than 100mg of active THC total per Child-Resistant package; and
 - ii. The measurement component must be within the Child-Resistant cap or closure of the bottle and not a separate component.

- 5. Retail Marijuana Product that is not Edible Retail Marijuana Product. Every Retail Marijuana Products Manufacturing Facility must ensure that each Retail Marijuana Product that is not an Edible Retail Marijuana Product is individually packaged within a Container prior to transport or transfer to another Retail Marijuana Establishment.

- B. Labeling of Retail Marijuana Product Containers by a Retail Marijuana Products Manufacturing Facility. A Retail Marijuana Products Manufacturing Facility must ensure that a label(s) is affixed to every Container holding a Retail Marijuana Product that includes all of the information required by this rule prior to transport or transfer to another Retail Marijuana Establishment.

- 1. Required Information (General). Every Retail Marijuana Products Manufacturing Facility must ensure the following information is affixed to every Container holding a Retail Marijuana Product:
 - a. The license number of the Retail Marijuana Cultivation Facility(-ies) where the Retail Marijuana used to produce the Retail Marijuana Product was grown;
 - b. The Production Batch Number(s) of Retail Marijuana Concentrate(s) used in the production of the Retail Marijuana Product.
 - c. The license number of the Retail Marijuana Products Manufacturing Facility that produced the Retail Marijuana Product.
 - d. A net weight statement.
 - e. The Production Batch Number(s) assigned to the Retail Marijuana Product.
 - f. A statement about whether the Container is Child-Resistant.
 - g. A clear set of usage instructions for non-Edible Retail Marijuana Product.

- h. The Identity Statement and Standardized Graphic Symbol of the Retail Marijuana Products Manufacturing Facility that manufactured the Retail Marijuana Product. A Licensee may elect to have its Identity Statement also serve as its Standardized Graphic Symbol for purposes of complying with this rule. The Licensee shall maintain a record of its Identity Statement and Standardized Graphic Symbol and make such information available to the State Licensing Authority upon request;
- i. The Universal Symbol, which must be located on the front of the packaging and no smaller than ½ of an inch by ½ of an inch, and the following statement which must be labeled directly below the Universal Symbol: “Contains Marijuana. Keep out of the reach of children.”;
- j. The following warning statements:
 - i. **“There may be health risks associated with the consumption of this product.”**
 - ii. **“This product contains marijuana and its potency was tested with an allowable plus or minus 15% variance pursuant to 12-43.4-202(3)(a)(IV)(E), C.R.S.”**
 - iii. **“This product was produced without regulatory oversight for health, safety, or efficacy.”**
 - iv. **“The intoxicating effects of this product may be delayed by two or more hours.”**
 - v. **“There may be additional health risks associated with the consumption of this product for women who are pregnant, breastfeeding, or planning on becoming pregnant.”**
 - vi. **“Do not drive a motor vehicle or operate heavy machinery while using marijuana.”**
- k. A complete list of all nonorganic pesticides, fungicides, and herbicides used during the cultivation of the Retail Marijuana used to produce the Retail Marijuana Product.
- l. A complete list of solvents and chemicals used in the creation of any Retail Marijuana concentrate that was used to produce the Retail Marijuana Product.
- m. Required Potency Statement. For each Production Batch of Retail Marijuana Product packaged within a Container, the Retail Marijuana Products Manufacturing Facility shall ensure the potency of at least the Retail Marijuana Product’s THC and CBD is included on a highlighted label that is affixed to the Container. The potency shall be expressed in milligrams for each cannabinoid.

- 2. Required Information (Edible Retail Marijuana Product). Every Retail Marijuana Products Manufacturing Facility must ensure that the following information or statement is affixed to every Container holding an Edible Retail Marijuana Product:

- a. Ingredient List. A list of all ingredients used to manufacture the Edible Retail Marijuana Product; which shall include a list of any potential allergens contained within.
 - b. Statement Regarding Refrigeration. If the Retail Marijuana Product is perishable, a statement that the Retail Marijuana Product must be refrigerated.
 - c. Serving Size and Total Active THC Statement. Information regarding: the size of Standardized Serving Of Marijuana for the product by milligrams, the total number of Standardized Servings of Marijuana in the product, and the total amount of active THC in the product by milligrams. For example: **“The serving size of active THC in this product is X mg, this product contains X servings of marijuana, and the total amount of active THC in this product is X mg.”** This information must appear as a highlighted label.
 - d. Statement of Production Date. The date on which the Edible Retail Marijuana Product was produced.
 - e. Statement of Expiration Date. A product expiration date, for perishable Retail Marijuana Product, upon which the product will no longer be fit for consumption, or a use-by-date, upon which the product will no longer be optimally fresh. Once a label with a use-by or expiration date has been affixed to a Container holding a Retail Marijuana Product, a Licensee shall not alter that date or affix a new label with a later use-by or expiration date.
 - f. A nutritional fact panel that must be based on the number of THC servings within the Container.
3. Permissive Information (Edible Retail Marijuana Product). Every Retail Marijuana Products Manufacturing Facility may affix a label(s) with the following information to every Container holding an Edible Retail Marijuana Product:
 - a. The Retail Marijuana Product’s compatibility with dietary restrictions.
 4. Required Potency Statement.
 - a. Every Retail Marijuana Products Manufacturing Facility must ensure that a label is affixed to the Container that includes the number of THC servings within the Container, and at least the Retail Marijuana Product’s THC and CBD content.
 - b. Nothing in this rule permits a Retail Marijuana Establishment to transfer, wholesale, or sell Retail Marijuana Product that has failed potency testing and has not subsequently passed the additional potency testing required by rule R 1507(C).
 5. Required Contaminant Testing Statement.
 - a. When All Required Contaminant Tests Are Not Performed. If a Retail Marijuana Testing Facility did not test a Production Batch of Retail Marijuana Product for microbials, mold, and mildew, then the Container shall be labeled with the following statement: **“The Retail Marijuana**

Product contained within this package has not been tested for contaminants.” Except that when a Retail Marijuana Products Manufacturing Facility has successfully validated its process regarding contaminants for the particular Retail Marijuana Product pursuant to rule R 1501, then the Container instead shall be labeled with the following statement: **“The Retail Marijuana Product contained within this package complies with the mandatory contaminant testing required by rule R 1501.”**

- b. When All Contaminant Tests Are Performed and Passed. If a Retail Marijuana Testing Facility tested a Production Batch of Retail Marijuana Product for microbials, mold, and mildew, and the required test(s) passed, then the Container shall be labeled with the following statement: **“The Retail Marijuana Product contained within this package complies with the mandatory contaminant testing required by rule R 1501.”**
 - c. Nothing in this rule permits a Retail Marijuana Establishment to transfer, wholesale, or sell Retail Marijuana Product that has failed contaminant testing and has not subsequently passed the additional contaminant testing required by rule R 1507(B).
- D. Labeling of Retail Marijuana Product Shipping Containers by Retail Marijuana Products Manufacturing Facility. Prior to transporting or transferring any Retail Marijuana Product to another Retail Marijuana Establishment, a Retail Marijuana Manufacturing Products Facility must ensure that a label is affixed to a Shipping Container holding Retail Marijuana Product that includes all of the information required by this rule. A Retail Marijuana Products Manufacturing Facility must include the following information on every Shipping Container:
- 1. The number of Containers holding a Retail Marijuana Product within the Shipping Container; and
 - 2. The license number of the Retail Marijuana Products Manufacturing Facility(-ies) that produced the Retail Marijuana Product within the Shipping Container.

Basis and Purpose – R 1005.5

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(IV), 12-43.4-202(3)(a)(VII), 12-43.4-402(4), and 25-4-1614(3)(a), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(VI). The purpose of this rule is to ensure that the labeling on each Container of Retail Marijuana includes necessary and relevant information for consumers, does not include health and physical benefit claims, is easily accessible to consumers, and is clear and noticeable. In addition, this rule clarifies basic packaging requirements. Further, the State Licensing Authority believes based on written and oral comments it has received through the rulemaking process that prohibiting labels that are intended to target individuals under the age of 21 and requiring child-resistant packaging is of a state wide concern and would assist in limiting exposure and diversion to minors. The State Licensing Authority wants to ensure the regulated community employs proper labeling techniques to all Retail Marijuana as this is a public health and safety concern. The allowable plus or minus 15% potency variance has been included in the rule pursuant to the mandate of House Bill 15-1283, which modified 12-43.4-202(3)(a)(IV)(E), C.R.S. The bill established that the acceptable potency variance, which the Division must determine for correct labeling, must be at least plus or minus 15 percent.

R 1005.5 – Packaging and Labeling of Retail Marijuana by a Retail Marijuana Store

Rule 1005.5 is effective beginning October 1, 2016.

- A. Packaging of Retail Marijuana by a Retail Marijuana Store. A Retail Marijuana Store must ensure that all Retail Marijuana is placed within a Container prior to sale to a consumer. If the Container is not Child-Resistant, the Retail Marijuana Store must place the Container within an Exit Package that is Child-Resistant.
- B. Labeling of Retail Marijuana by a Retail Marijuana Store. A Retail Marijuana Store must affix all of the information required by this rule to every Container in which Retail Marijuana is placed no later than at the time of sale to a consumer:
1. A Retail Marijuana Store must include the following information on every Container:
 - a. The license number of the Retail Marijuana Cultivation Facility(-ies) where the Retail Marijuana was grown;
 - b. The license number of the Retail Marijuana Store that sold the Retail Marijuana to the consumer;
 - c. The Identity Statement and Standardized Graphic Symbol of the Retail Marijuana Store that sold the Retail Marijuana to the consumer. A Licensee may elect to have its Identity Statement also serve as its Standardized Graphic Symbol for purposes of complying with this rule. The Licensee shall maintain a record of its Identity Statement and Standardized Graphic Symbol and make such information available to the State Licensing Authority upon request;
 - d. The Harvest Batch Number(s) assigned to the Retail Marijuana within the Container;
 - e. The date of sale to the consumer;
 - f. The net weight, in grams to at least the tenth of a gram, of the Retail Marijuana prior to its placement in the Container;
 - g. The Universal Symbol, which must be located on the front of the Container and no smaller than $\frac{1}{2}$ of an inch by $\frac{1}{2}$ of an inch, and the following statement which must be labeled directly below the Universal Symbol: "Contains Marijuana. Keep out of the reach of children.";
 - h. The following warning statements:
 - i. **"There may be health risks associated with the consumption of this product."**
 - ii. **"This marijuana's potency was tested with an allowable plus or minus 15% variance pursuant to 12-43.4-202(3)(a)(IV)(E), C.R.S."**
 - iii. **"There may be additional health risks associated with the consumption of this product for women who are pregnant, breastfeeding, or planning on becoming pregnant."**

- iv. **“Do not drive or operate heavy machinery while using marijuana.”**
 - i. A complete list of all nonorganic pesticides, fungicides, and herbicides used during the cultivation of the Retail Marijuana.
2. Required Potency Statement. For each Harvest Batch of Retail Marijuana packaged within a Container, the Retail Marijuana Store shall ensure the potency of at least the Retail Marijuana’s THC and CBD is included on a **highlighted** label that is affixed to the Container. The potency shall be expressed as a range of percentages that extends from the lowest percentage to the highest percentage of concentration for each cannabinoid listed, from every test conducted on that strain of Retail Marijuana cultivated by the same Retail Marijuana Cultivation Facility within the last six months.
3. Required Contaminant Testing Statement.
- a. When All Required Contaminant Tests Are Not Performed. If a Retail Marijuana Testing Facility did not test a Harvest Batch for microbials, mold, mildew, and filth, then a Retail Marijuana Store must ensure that a label is affixed to a Container holding any Retail Marijuana from that Harvest Batch with the following statement: **“The marijuana contained within this package has not been tested for contaminants.”** Except that when a Retail Marijuana Cultivation Facility has successfully validated its process regarding contaminants pursuant to rule R 1501, then the Container instead shall be labeled with the following statement: **“The marijuana contained within this package complies with the mandatory contaminant testing required by rule R 1501.”**
 - b. When All Required Contaminant Tests Are Performed and Passed. If a Retail Marijuana Testing Facility tested a Harvest Batch for microbials, mold, mildew, and filth, and all the required test(s) passed, then the Container shall be labeled with the following statement: **“The marijuana contained within this package complies with the mandatory contaminant testing required by rule R 1501.”**
 - c. Nothing in this rule permits a Retail Marijuana Establishment to transfer, wholesale, or sell Retail Marijuana that has failed contaminant testing and has not subsequently passed the additional contaminant testing required by rule R 1507(B).

Basis and Purpose – R 1006

The statutory authority for this rule is found at subsections 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)(c)(III), 12-43.4-202(3)(c)(V), 12-43.4-402(2), 12-43.4-402(4), 12-43.4-402(5), 12-43.4-901(2)(a), and 25-4-1614(3)(a), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(VI). The purpose of this rule is to ensure that the labeling on each Container holding a Retail Marijuana Product includes necessary and relevant information for consumers, does not include health and physical benefit claims, is easily accessible to consumers, and is clear and noticeable. In addition, this rule clarifies basic packaging requirements. Further, the State Licensing Authority believes based on written and oral comments it has received through the rulemaking process that prohibiting labels that are intended to target individuals under the age of 21 and requiring child-resistant packaging is of a state wide concern and would assist in limiting exposure and diversion to minors. The State Licensing Authority wants to ensure the regulated community employs proper packaging and labeling techniques for each Retail Marijuana Product as this is a public health and safety concern. The allowable plus or minus 15% potency variance has been included in the rule pursuant to the

mandate of House Bill 15-1283, which modified 12-43.4-202(3)(a)(IV)(E), C.R.S. The bill established that the acceptable potency variance, which the Division must determine for correct labeling, must be at least plus or minus 15 percent.

R 1006 – Packaging and Labeling of Retail Marijuana Product by a Retail Marijuana Store

Rule R 1006 is effective October 1, 2016.

- A. Packaging Requirements for a Retail Marijuana Store.
1. Beginning December 1, 2016, a Retail Marijuana Store shall not purchase, take possession of, or sell Retail Marijuana Product that does not comply with rules R 604 and R 1004.
 2. A Retail Marijuana Store must ensure that each Edible Retail Marijuana Product placed within a Container for sale to a consumer pursuant to this rule must also be placed in an Opaque Exit Package at the point of sale to the consumer.
 3. A Retail Marijuana Store must ensure that each Retail Marijuana Product that is not an Edible Retail Marijuana Product is placed within a Container prior to sale to a consumer. If the Container is not Child-Resistant, the Retail Marijuana Store must place the Container within an Exit Package that is Child-Resistant.
- B. Labeling of Retail Marijuana Product by a Retail Marijuana Store. Every Retail Marijuana Store must ensure that a label(s) is affixed to every Exit Package at the time of sale to a consumer that includes all of the information required by this rule. If an Exit Package is not required pursuant to paragraph (A)(3) of this rule, and the Retail Marijuana Store elects not to provide one, then the Retail Marijuana Store must ensure the labels required by this rule are affixed to each Container.
1. Required Information.
 - a. The license number of the Retail Marijuana Store that sold the Retail Marijuana Product to the consumer;
 - b. The Identity Statement and Standardized Graphic Symbol of the Retail Marijuana Store that sold the Retail Marijuana Product to the consumer. A Licensee may elect to have its Identity Statement also serve as its Standardized Graphic Symbol for purposes of complying with this rule. The Licensee shall maintain a record of its Identity Statement and Standardized Graphic Symbol and make such information available to the State Licensing Authority upon request;
 - c. The date of sale to the consumer;
 - d. The following warning statements:
 - i. **“There may be health risks associated with the consumption of this product.”**
 - ii. **“This product contains marijuana and its potency was tested with an allowable plus or minus 15% variance pursuant to 12-43.4-202(3)(a)(IV)(E), C.R.S.”**

- iii. **“This product was produced without regulatory oversight for health, safety, or efficacy.”**
 - iv. **“The intoxicating effects of this product may be delayed by two or more hours.”**
 - v. **“There may be additional health risks associated with the consumption of this product for women who are pregnant, breastfeeding, or planning on becoming pregnant.”**
 - vi. **“Do not drive a motor vehicle or operate heavy machinery while using marijuana.”**
- e. The Universal Symbol, which must be located on the front of the Container or Exit Package as appropriate and no smaller than ½ of an inch by ½ of an inch, and the following statement which must be labeled directly below the Universal Symbol: “Contains Marijuana. Keep out of the reach of children.”.
- f. Required Potency Statement. For each Production Batch of Retail Marijuana Product, the Retail Marijuana Store shall ensure the potency of at least the Retail Marijuana Product’s THC and CBD is included on a highlighted label that is affixed to the Container. The potency shall be expressed in milligrams for each cannabinoid.

Basis and Purpose – R 1007.5

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(IV), 12-43.4-202(3)(a)(VII), 12-43.4-402(4), and 25-4-1614(3)(a), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(VI). The purpose of this rule is to ensure that the labeling on each Container holding a Retail Marijuana Concentrate includes necessary and relevant information for consumers, does not include health and physical benefit claims, is easily accessible to consumers, and is clear and noticeable. In addition, this rule clarifies basic packaging requirements. Further, the State Licensing Authority believes based on written and oral comments it has received through the rulemaking process that prohibiting labels that are intended to target individuals under the age of 21 and requiring Child-Resistant packaging is of a state wide concern and would assist in limiting exposure and diversion to minors. The State Licensing Authority wants to ensure the regulated community employs proper labeling techniques to each Retail Marijuana Concentrate because this is a public health and safety concern. The allowable plus or minus 15% potency variance has been included in the rule pursuant to the mandate of House Bill 15-1283, which modified 12-43.4-202(3)(a)(IV)(E), C.R.S. The bill established that the acceptable potency variance, which the Division must determine for correct labeling, must be at least plus or minus 15 percent.

R 1007.5 – Packaging and Labeling of Retail Marijuana Concentrate by a Retail Marijuana Store

Rule 1007.5 is effective beginning October 1, 2016.

- A. Packaging of Retail Marijuana Concentrate by a Retail Marijuana Cultivation Facility. A Retail Marijuana Store must ensure that all Retail Marijuana Concentrate is placed within a Container prior to sale to a consumer. If the Container is not Child-Resistant, the Retail Marijuana Store must place the Container within an Exit Package that is Child-Resistant.

- B. Labeling of Retail Marijuana Concentrate by Retail Marijuana Stores. Every Retail Marijuana Store must ensure that a label(s) is affixed to every Container holding Retail Marijuana Concentrate that includes all of the information required by this rule no later than at the time of sale to a consumer:
1. Every Retail Marijuana Store must ensure the following information is affixed to every Container holding a Retail Marijuana Concentrate:
 - a. The license number of the Retail Marijuana Cultivation Facility(-ies) where the Retail Marijuana used to produce the Retail Marijuana Concentrate within the Container was grown;
 - b. The license number of the Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturing Facility that produced the Retail Marijuana Concentrate;
 - c. The Production Batch Number assigned to the Retail Marijuana Concentrate;
 - d. The license number of the Retail Marijuana Store that sold the Retail Marijuana Concentrate to the consumer;
 - e. The net weight, in grams to at least the tenth of a gram, of the Retail Marijuana Concentrate prior to its placement in the Container;
 - f. The date of sale to the consumer;
 - g. The following warning statements:
 - i. **“There may be health risks associated with the consumption of this product.”**
 - ii. **“This product contains marijuana and its potency was tested with an allowable plus or minus 15% variance pursuant to 12-43.4-202(3)(a)(IV)(E), C.R.S.”**
 - iii. **“This product was produced without regulatory oversight for health, safety, or efficacy.”**
 - iv. **“There may be additional health risks associated with the consumption of this product for women who are pregnant, breastfeeding, or planning on becoming pregnant.”**
 - v. **“Do not drive a motor vehicle or operate heavy machinery while using marijuana.”**
 - h. The Universal Symbol, which must be located on the front of the Container and no smaller than ½ of an inch by ½ of an inch, and the following statement which must be labeled directly below the Universal Symbol: “Contains Marijuana. Keep out of the reach of children.”;
 - i. A complete list of all nonorganic pesticides, fungicides, and herbicides used during the cultivation of the Retail Marijuana used to produce the Retail Marijuana concentrate; and

- j. A complete list of solvents and chemicals used to produce the Retail Marijuana Concentrate.
2. Required Potency Statement. For each Production Batch of Retail Marijuana Concentrate packaged within a Container, the Retail Marijuana Store shall ensure the potency of at least the Retail Marijuana Concentrate's THC and CBD is included on a highlighted label that is affixed to the Container. The potency shall be expressed in milligrams for each cannabinoid.
 3. Required Contaminant Testing Statement.
 - a. When All Required Contaminant Tests Are Not Performed.
 - i. Solvent-Based Retail Marijuana Concentrate. If a Retail Marijuana Testing Facility did not test a Production Batch of Solvent-Based Retail Marijuana Concentrate for residual solvents, mold, and mildew, then the Container shall be labeled with the following statement: **“The Retail Marijuana Concentrate contained within this package has not been tested for contaminants.”** Except that when a Retail Marijuana Products Manufacturing Facility has successfully validated its process regarding contaminants pursuant to rule R 1501, the Container instead shall be labeled with the following statement: **“The Retail Marijuana Concentrate contained within this package complies with the mandatory contaminant testing required by rule R 1501.”**
 - ii. Food- and Water-Based Retail Marijuana Concentrate. If a Retail Marijuana Testing Facility did not test a Production Batch of Food- or Water-Based Retail Marijuana Concentrate for microbials, mold, and mildew, then the Container shall be labeled with the following statement: **“The Retail Marijuana Concentrate contained within this package has not been tested for contaminants.”** Except that when a Retail Marijuana Cultivation Facility or a Retail Marijuana Products Manufacturing Facility has successfully validated its process regarding contaminants pursuant to rule R 1501, then the Container instead shall be labeled with the following statement: **“The Retail Marijuana Concentrate contained within this package complies with the mandatory contaminant testing required by rule R 1501.”**
 - b. When All Required Contaminant Tests Are Performed and Passed.
 - i. Solvent-Based Retail Marijuana Concentrate. If a Retail Marijuana Testing Facility tested a Production Batch of Solvent-Based Retail Marijuana Concentrate for residual solvents, mold, and mildew, and the required test(s) passed, then the Container shall be labeled with the following statement: **“The Retail Marijuana Concentrate contained within this package complies with the mandatory contaminant testing required by rule R 1501.”**
 - ii. Food- and Water-Based Retail Marijuana Concentrate. If a Retail Marijuana Testing Facility tested a Production Batch for microbials, mold, and mildew, and the required test(s) passed,

then the Container shall be labeled with the following statement:
“The Retail Marijuana Concentrate contained within this package complies with the mandatory contaminant testing required by rule R 1501.”

- c. Nothing in this rule permits a Retail Marijuana Establishment to transfer, wholesale, or sell Retail Marijuana Concentrate that has failed contaminant testing and has not subsequently passed the additional contaminant testing required by rule R 1507(B).

R 1300 Series – Discipline

Basis and Purpose – R 1302

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(c), 12-43.4-202(3)(a)(I), 12-43.4-202(3)(a)(XVI) 12-43.4-202(3)(b)(IX) and 24-4-104(4)(a), C.R.S., and sections 12-43.3-601 and 24-4-105, C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(I). The purpose of this rule is to set forth the process for summary suspensions when the State Licensing Authority has cause to immediately suspend a license prior to and pending a hearing and final agency order. Summary suspensions will be imposed when the State Licensing Authority has reason to believe and finds that a Licensee has been guilty of a deliberate and willful violation of any applicable law or regulation, or that the public health, safety, and welfare imperatively require emergency action. The rule ensures proper due process for Licensees when their licenses are temporarily or summarily suspended by requiring prompt initiation of disciplinary proceedings after such suspensions.

The purpose of the modifications to this rule is to clarify that the hearing following the Order of Summary Suspension concerns the allegations set forth in the Order to Show Cause.

R 1302 – ~~Disciplinary Process~~: Summary Suspensions

A. How a Summary Suspension Action is Initiated

1. When the State Licensing Authority has reasonable grounds to believe and finds that a Licensee has been guilty of a deliberate and willful violation of any applicable law or regulation or that the public health, safety, or welfare imperatively requires emergency action it shall serve upon the Licensee a Summary Suspension Order that temporarily or summarily suspends the license.
2. The Summary Suspension Order shall identify the nature of the State Licensing Authority's basis for the summary suspension. The Summary Suspension Order shall also provide an advisement that the Licensee may be subject to further discipline or revocation following a hearing on an Order to Show Cause~~should the charges contained in the notice be sustained following a hearing.~~
3. Proceedings for suspension or revocation shall be promptly instituted and determined after the Summary Suspension Order is issued in accordance with the following procedure:
 - 4i. After the Summary Suspension Order is issued, the State Licensing Authority shall promptly issue and serve upon the Licensee an Order to Show Cause (administrative citation) as to why the Licensee's license should not be suspended, revoked, restricted, fined, or subject to other disciplinary sanction.
 - 5ii. The Order to Show Cause shall identify the statute, rule, regulation, or order allegedly violated, and the facts alleged to constitute the violation. The Order to Show Cause shall also provide an advisement that the license could be suspended, revoked, restricted, fined or subject to ~~other~~ disciplinary sanction should the charges contained in the Order to Show Cause notice be sustained upon final hearing.
 - iii. The Order to Show Cause shall be filed with the Department's Hearings Division. The hearing on the allegations set forth in the Order to Show Cause shall be expedited to the extent practicable and will be conducted in accordance with Rule M 1304 – Administrative Hearings.

6. ~~Unless lifted by the State Licensing Authority, the Summary Suspension Order shall remain in effect until issuance of a Final Agency Order.~~

B. Duration of Summary Suspension Hearings. ~~Unless lifted by the State Licensing Authority, the Summary Suspension Order shall remain in effect until issuance of a Final Agency Order.~~

~~Summary suspension hearings will be expedited to the extent practicable and will be conducted in accordance with Rule R 1304 – Administrative Hearings.~~

Basis and Purpose – R 1304

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(c), 12-43.4-202(2)(d), 12-43.4-202(3)(a)(I), and sections 12-43.4-601 and 24-4-105, C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(I). The purpose of this rule is to establish what entity conducts the administrative hearings, the procedures governing administrative hearings, and other general hearings issues. The purpose of the modifications to this rule is to clarify that the hearing following the Order of Summary Suspension concerns the allegations set forth in the Order to Show Cause, and to clarify that an answer is required only for two types of administrative notices: an Order to Show Cause and a Notice of Grounds for Denial.

R 1304 – Administrative Hearings

A. General Procedures

1. Hearing Location. Hearings will generally be conducted by the Department ~~'s~~ of Revenue, Hearings Division. Unless the hearing officer orders a change of location based on good cause, as described in this rule, hearings generally will be conducted at a location in the greater Denver metropolitan area to be determined by the hearing officer. Under unusual circumstances where justice, judicial economy and convenience of the parties would be served, hearings may be held in other locations in the state of Colorado.
2. Scope of Hearing Rules. This rule shall be construed to promote the just and efficient determination of all matters presented.
3. Right to Legal Counsel. Any Denied Applicant or Respondent has a right to legal counsel throughout all processes described in rules associated with the denial of an application and disciplinary action. Such counsel shall be provided solely at the Denied Applicant's or Respondent's expense.

B. Requesting a Hearing

1. A Denied Applicant that has been served with a Notice of Denial may request a hearing within 60 days of the service of the Notice of Denial by making a written request for a hearing to the Division. The request must be submitted by United States mail or by hand delivery. Email or fax requests will not be considered. The request must be sent to:

Marijuana Enforcement Division
Attn: Hearing Request
455 Sherman Street, Suite 390
Denver, CO 80203

The written request for a hearing must be received by the Division within the time stated in the Notice of Denial. An untimely request for hearing will not be considered.

2. A Denied Applicant that timely requests a hearing following issuance of a Notice of Denial shall be served with a Notice of Grounds for Denial, and shall be entitled to a hearing regarding the matters addressed therein.
3. A Respondent that has been served with an Order to Show Cause shall be entitled to a hearing regarding the matters addressed therein.

C. When a Responsive Pleading is Required

1. A Respondent shall file a written answer with the Hearings Division and the Division within 30 days after the date of mailing of any ~~administrative notice or~~ Order to Show Cause. The written answer shall comply with the requirements of Rule 8 of the Colorado Rules of Civil Procedure. If a Respondent fails to file a required answer, the Hearing Officer, upon motion, may enter a default against that Person pursuant to section 24-4-105(2)(b), C.R.S. For good cause, as described in this rule, shown, the hearing officer may set aside the entry of default within ten days after the date of such entry.
2. A Denied Applicant shall file a written answer with the Hearings Division and the Division within 30 days after the date of mailing of any ~~administrative notice or~~ Notice of Grounds for Denial. The written answer shall comply with the requirements of Rule 8 of the Colorado Rules of Civil Procedure. If a Denied Applicant fails to file a required answer, the hearing officer, upon motion, may enter a default against that Person pursuant to section 24-4-105(2)(b), C.R.S. For good cause, as described in this rule, shown, the hearing officer may set aside the entry of default within ten days after the date of such entry.

D. Hearing Notices

1. Notice to Set. The Division shall send a notice to set a hearing to the Denied Applicant or Respondent in writing by first-class mail to the last mailing address of record.
2. Notice of Hearing. The Hearings Division shall notify the Division and Denied Applicant or Respondent of the date, place, time and nature of the hearing regarding denial of the license application or whether discipline should be imposed against the Respondent's license at least 30 days prior to the date of such hearing, unless otherwise agreed to by both parties. This notice shall be sent to the Denied Applicant or Respondent in writing by first-class mail to the last mailing address of record. Hearings shall be scheduled and held as soon as is practicable.
 - a. If an Order of Summary Suspension has issued, the hearing on the Order to Show Cause Summary suspension hearings will be scheduled and held promptly.
 - b. Continuances may be granted for good cause, as described in this rule, shown. A motion for a continuance must be timely.
 - c. For purposes of this rule, good cause may include but is not limited to: death or incapacitation of a party or an attorney for a party; a court order staying proceedings or otherwise necessitating a continuance; entry or

substitution of an attorney for a party a reasonable time prior to the hearing, if the entry or substitution reasonably requires a postponement of the hearing; a change in the parties or pleadings sufficiently significant to require a postponement; a showing that more time is clearly necessary to complete authorized discovery or other mandatory preparation for the hearing; or agreement of the parties to a settlement of the case which has been or will likely be approved by the final decision maker. Good cause normally will not include the following: unavailability of counsel because of engagement in another judicial or administrative proceeding, unless the other proceeding was involuntarily set subsequent to the setting in the present case; unavailability of a necessary witness, if the witness' testimony can be taken by telephone or by deposition; or failure of an attorney or a party timely to prepare for the hearing.

E. Prehearing Matters Generally

1. Prehearing Conferences Once a Hearing is Set. Prehearing conferences may be held at the discretion of the hearing officer upon request of any party, or upon the Hearing Officer's own motion. If a prehearing conference is held and a prehearing order is issued by the Hearing Officer, the prehearing order will control the course of the proceedings. Such prehearing conferences may occur by telephone.
2. Depositions. Depositions are generally not allowed; however, a hearing officer has discretion to allow a deposition if a party files a written motion and can show why such deposition is necessary to prove its case. When a hearing officer grants a motion for a deposition, C.R.C.P. 30 controls. Hearings will not be continued because a deposition is allowed unless (a) both parties stipulate to a continuance and the hearing officer grants the continuance, or (b) the hearing officer grants a continuance over the objection of any party in accordance with subsections (D)(2)(b) and (c) of this rule..
3. Prehearing Statements Once a Hearing is Set. Prehearing Statements are required and unless otherwise ordered by the hearing officer, each party shall file with the hearing officer and serve on each party a prehearing statement no later than seven calendar days prior to the hearing. Parties shall also exchange exhibits at that time. Parties shall not file exhibits with the Hearing Officer. Parties shall exchange exhibits by the date on which prehearing statements are to be filed. Prehearing statements shall include the following information:
 - a. Witnesses. The name, mailing address, and telephone number of any witness whom the party may call at hearing, together with a detailed statement of the expected testimony.
 - b. Experts. The name, mailing address, and brief summary of the qualifications of any expert witness a party may call at hearing, together with a statement that details the opinions to which each expert is expected to testify. These requirements may be satisfied by the incorporation of an expert's resume or report containing the required information.
 - c. Exhibits. A description of any physical or documentary evidence to be offered into evidence at the hearing. Exhibits should be identified as follows: Division using numbers and Denied Applicant or Respondent using letters.

- d. Stipulations. A list of all stipulations of fact or law reached, as well as a list of any additional stipulations requested or offered to facilitate disposition of the case.
4. Prehearing Statements Binding. The information provided in a party's prehearing statement shall be binding on that party throughout the course of the hearing unless modified to prevent manifest injustice. New witnesses or exhibits may be added only if: (1) the need to do so was not reasonably foreseeable at the time of filing of the prehearing statement; (2) it would not prejudice other parties; and (3) it would not necessitate a delay of the hearing.
5. Consequence of Not Filing a Prehearing Statement Once a Hearing is Set. If a party does not timely file a prehearing statement, the hearing officer may impose appropriate sanctions including, but not limited to, striking proposed witnesses and exhibits.

F. Conduct of Hearings

1. The hearing officer shall cause all hearings to be electronically recorded.
2. The hearing officer may allow a hearing, or any portion of the hearing, to be conducted in real time by telephone or other electronic means. If a party is appearing by telephone, the party must provide actual copies of the exhibits to be offered into evidence at the hearing to the hearing officer when the prehearing statement is filed.
3. The hearing officer shall administer oaths to all witnesses at hearing. The hearing officer may question any witness.
4. The hearing, including testimony and exhibits, shall be open to the public unless otherwise ordered by the hearing officer in accordance with a specific provision of law.
 - a. Reports and other information that would otherwise be confidential pursuant to Subsections 12-43.3-202(1)(d) and 12-43.4-202(2)(d), C.R.S., may be introduced as exhibits at hearing. Such exhibits shall not be sealed from public inspection unless confidential pursuant to a provision of law other than Subsections 12-43.3-202(1)(d) or 12-43.4-202(2)(d), C.R.S.
 - b. Any party may move the hearing officer to seal an exhibit or order other appropriate relief if necessary to safeguard the confidentiality of evidence, if such evidence is confidential pursuant to a specific provision of law other than Subsections 12-43.3-202(1)(d) or 12-43.4-202(2)(d), C.R.S.
5. Court Rules.
 - a. To the extent practicable, the Colorado Rules of Evidence apply. Unless the context requires otherwise, whenever the word "court," "judge," or "jury" appears in the Colorado Rules of Evidence, such word shall be construed to mean a Hearing Officer. A hearing officer has discretion to consider evidence not admissible under such rules, including but not limited to hearsay evidence, pursuant to section 24-4-105(7), C.R.S.

- b. To the extent practicable, the Colorado Rules of Civil Procedure apply. However, Colorado Rules of Civil Procedure 16 and 26-37 do not apply, although parties are encouraged to voluntarily work together to resolve the case, simplify issues, and exchange information relevant to the case prior to a hearing. Unless the context otherwise requires, whenever the word "court" appears in a rule of civil procedure, that word shall be construed to mean a Hearing Officer.
6. Exhibits.
 - a. All documentary exhibits must be paginated by the party offering the exhibit into evidence.
 - b. The Division shall use numbers to mark its exhibits.
 - c. The Denied Applicant or Respondent shall use letters to mark its exhibits.
7. The hearing officer may proceed with the hearing or enter default judgment if any party fails to appear at hearing after proper notice.
- G. Post Hearing. After considering all the evidence, the hearing officer shall determine whether the proponent of the order has proven its case by a preponderance of the evidence, and shall make written findings of evidentiary fact, ultimate conclusions of fact, conclusions of law, and a recommendation. These written findings shall constitute an Initial Decision subject to review by the State Licensing Authority pursuant to the Colorado Administrative Procedure Act and as set forth in Rule R 1306 – Administrative Hearing Appeals/Exceptions to Initial Decision.
- H. No Ex Parte Communication. Ex parte communication shall not be allowed at any point following the formal initiation of the hearing process. A party or counsel for a party shall not initiate any communication with a hearing officer or the State Licensing Authority, or with conflicts counsel representing the hearing officer or State Licensing Authority, pertaining to any pending matter unless all other parties participate in the communication or unless prior consent of all other parties (and any pro se parties) has been obtained. Parties shall provide all other parties with copies of any pleading or other paper submitted to the hearing officer or the State Licensing Authority in connection with a hearing or with the exceptions process.
- I. Marijuana Enforcement Division representation. The Division shall be represented by the Colorado Department of Law.

R 1500 Series – Retail Marijuana Testing Program

Basis and Purpose – R 1501

The statutory authority for this rule is found at subsections 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)(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)(VII), 12-43.4-402(4), 12-43.4-403(5), 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 the contaminant testing and related process validation portion of the Division's Retail Marijuana sampling and testing program.

R 1501 – Retail Marijuana Testing Program – Contaminant Testing

- A. Contaminant Testing Required. Until a Retail Marijuana Cultivation Facility's or a Retail Marijuana Product Manufacturing Facility's cultivation or production process has been validated under this rule, it shall not wholesale, transfer, or process into a Retail Marijuana Concentrate or Retail Marijuana Product any Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product unless Samples from the Harvest Batch or Production Batch from which that Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product was derived was tested by a Retail Marijuana Testing Facility for contaminants and passed all contaminant tests required by paragraph C of this rule.
- B. Validation of Process – Contaminant Testing
1. Retail Marijuana. A Retail Marijuana Cultivation Facility's cultivation process shall be deemed valid regarding Contaminants if every Harvest Batch that it produced during at least a six week period but no longer than a 12 week period passed all contaminant tests required by paragraph C of this rule. This must include at least 6 Test Batches that contain Samples from entirely different Harvest Batches
 2. Retail Marijuana Concentrate or Retail Marijuana Product. A Retail Marijuana Cultivation Facility's or a Retail Marijuana Products Manufacturing Facility's production process shall be deemed valid regarding contaminants if every Production Batch that it produced during at least a four week period but no longer than an eight week period passed all contaminant tests required by paragraph C of this rule. This must include at least four Test Batches that contain Samples from entirely different Production Batches.
 3. Process Validation is Effective for One Year. Once a Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturing Facility has successfully obtained process validation for contaminants, the process validation shall be effective for one year from the date of the last passing test required to satisfy the process validation requirements.
- C. Required Contaminant Tests
1. Microbial Contaminant Testing. Each Harvest Batch of Retail Marijuana and Production Batch of Water- or Food-Based Retail Marijuana Concentrate and Retail Marijuana Product must be tested for microbial contamination by a Retail Marijuana Testing Facility. The microbial contamination test must include, but need not be limited to, testing to determine the presence of ~~and amounts present of~~ Salmonella sp., ~~and shiga-toxin producing~~ Escherichia coli., and ~~the amount of~~ total yeast and mold.

2. Biological Contaminant Testing.
 - a. Mold and Mildew Contaminant Testing. Each Harvest Batch of Retail Marijuana and Production Batch of Retail Marijuana Concentrate and Retail Marijuana Product must be visually inspected, in addition to other required mold testing, by a Retail Marijuana Testing Facility for toxic amounts of mold and mildew contamination.
 - b. Filth Contaminant Testing. Each Harvest Batch of Retail Marijuana must be visually inspected by a Retail Marijuana Testing Facility for toxic amounts of filth.
 3. ~~Filth Contaminant Testing. Each Harvest Batch of Retail Marijuana must be visually inspected by a Retail Marijuana Testing Facility for toxic amounts of filth.~~ Repealed.
 4. Residual Solvent Contaminant Testing. Each Production Batch of Solvent-Based Retail Marijuana Concentrate produced by a Retail Marijuana Products Manufacturing Facility must be tested by a Retail Marijuana Testing Facility for residual solvent contamination. The residual solvent contamination test must include, but need not be limited to, testing to determine the presence of, and amounts present of, butane, heptanes, benzene*, toluene*, hexane*, and xylenes*. * Note: These solvents are not approved for use. Testing is required for these solvents due to their possible presence in the solvents approved for use per rule R 605.
- D. Additional Required Tests. The Division may require additional tests to be conducted on a Harvest Batch or Production Batch prior to a Retail Marijuana Cultivation Facility or a Retail Marijuana Product Manufacturing Facility wholesaling, transferring, or processing into a Retail Marijuana Concentrate or Retail Marijuana Product any Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product from that Harvest Batch or Production Batch. Additional tests may include, but need not be limited to, screening for Pesticide, chemical contaminants, biological contaminants, harmful chemicals, adulterants or other types of microbials, molds, metals, filth or residual solvents.
- E. Exemptions
1. Retail Marijuana Concentrate. A Production Batch of Retail Marijuana Concentrate shall be considered exempt from this rule if the Retail Marijuana Products Manufacturing Facility that produced it does not wholesale or transfer any of portion of the Production Batch and uses the entire Production Batch to manufacture Retail Marijuana Product, except that a Solvent-Based Retail Marijuana Concentrate must still be submitted for residual solvent contaminant testing.
- F. Required Re-Validation - Contaminants.
1. Material Change Re-validation. If a Retail Marijuana Cultivation Facility or a Retail Marijuana Product Manufacturing Facility makes a Material Change to its cultivation or production process, then it must have the first five Harvest Batches or Production Batches produced using the new standard operating procedures tested for all of the contaminants required by paragraph C of this rule regardless of whether its process has been previously validated regarding contaminants. If any of those tests fail, then the Retail Marijuana Establishment's process must be re-validated.

- a. Pesticide. It shall be considered a Material Change if a Retail Marijuana Cultivation Facility begins using a new or different Pesticide during its cultivation process and the first five Harvest Batches produced using the new or different Pesticide must also be tested for Pesticide.
 - b. Solvents. It shall be considered a Material Change if a Retail Marijuana Products Manufacturing Facility begins using a new or different solvent or combination of solvents.
 - c. Notification. A Retail Marijuana Cultivation Facility or a Retail Marijuana Product Manufacturing Facility that makes a Material Change must notify the Retail Marijuana Testing Facility that conducts contaminant testing on the first five Harvest Batches or Production Batches produced using the new standard operating procedures.
 - d. Testing Required Prior to Wholesale, Transfer or Processing. When a Harvest Batch or Production Batch is required to be submitted for testing pursuant to this rule, the Retail Marijuana Cultivation Facility or a Retail Marijuana Product Manufacturing Facility that produced it may not wholesale, transfer or process into a Retail Marijuana Concentrate or Retail Marijuana Product any of the Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product from that Harvest Batch or Production Batch.
2. Failed Contaminant Testing Re-Validation. If a Sample the Division requires to be tested fails contaminant testing, the Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturing Facility shall follow the procedures in paragraph B of rule R 1507 for any package, Harvest Batch, or Production Batch from which the failed Sample was taken. The Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturing Facility shall also submit three additional Test Batches of the Retail Marijuana or Retail Marijuana Product for contaminant testing by a Retail Marijuana Testing Facility within no more than 30 days. If any one of the three submitted Test Batches fails contaminant testing, the Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturing Facility shall re-validate its process for contaminants.
 3. Expiration of Process Validation. A Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturing Facility shall be required to re-validate its process once the one year of process validation expires, or the Retail Marijuana Establishment shall comply with the requirements of paragraph A of this rule R 1501.
- G. Violation Affecting Public Safety. Failure to comply with this rule may constitute a license violation affecting public safety.

Basis and Purpose – R 1502

The statutory authority for this rule is found at subsections 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)(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)(VII), 12-43.4-402(4), 12-43.4-403(5), 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 the mandatory testing portion of the Division's Retail Marijuana sampling and testing program.

R 1502 – Retail Marijuana Testing Program – Mandatory Testing

- A. Required Sample Submission. A Retail Marijuana Establishment may be required by the Division to submit a Sample(s) of Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product it possesses to a Retail Marijuana Testing Facility at any time regardless of whether its process has been validated and without notice.
1. Samples collected pursuant to this rule may be tested for potency or contaminants which may include, but may not be limited to, Pesticide, microbials, molds, metals, filth, residual solvents, biological contaminants, and chemical contaminants. ~~harmful chemicals and adulterants.~~
 2. When a Sample(s) is required to be submitted for testing, the Retail Marijuana Establishment may not sell, wholesale, transfer or process into a Retail Marijuana Concentrate or Retail Marijuana Product any Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product from the package, Harvest Batch or Production Batch from which the Sample was taken, unless or until it passes all required testing.
- B. Methods for Determining Required Testing
1. Random Testing. The Division may require Samples to be submitted for testing through any one or more of the following processes: random process, risk-based process or other internally developed process, regardless of whether a Retail Marijuana Establishment's process has been validated.
 2. Inspection or Enforcement Tests. The Division may require a Retail Marijuana Establishment to submit a Sample for testing if the Division has reasonable grounds to believe that:
 - a. Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product is contaminated or mislabeled;
 - b. A Retail Marijuana Establishment is in violation of any product safety, health or sanitary law, rule or regulation; or
 - c. The results of a test would further an investigation by the Division into a violation of any law, rule or regulation.
 3. Beta Testing. The Division may require a Retail Marijuana Establishment to submit Samples from certain randomly selected Harvest Batches or Production Batches for potency or contaminant testing prior to implementing mandatory testing.
- C. Minimum Testing Standards. The testing requirements contained in the R 1500 series are the minimum required testing standards. Retail Marijuana Establishments are responsible for receiving enough testing on any Retail Marijuana, Retail Marijuana Concentrate, and/or Retail Marijuana Product they produce to ensure the marijuana consumables are safe for human consumption.
- D. Additional Sample Types. The Division may also require a Retail Marijuana Establishment to submit Samples comprised of items other than Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product to be tested for contaminants which may include, but may not be limited to, Pesticide, microbials, molds, metals, filth, residual solvents, biological contaminants, and chemical contaminants. ~~harmful chemicals and adulterants.~~ The following is a non-exhaustive list of the types of Samples that may be required to be submitted for contaminant testing:

1. Specific plant(s) or any portion of a plant(s),
 2. Any growing medium, water or other substance used in the cultivation process,
 3. Any water, solvent or other substance used in the processing of a Retail Marijuana Concentrate,
 4. Any ingredient or substance used in the manufacturing of a Retail Marijuana Product; or
 5. Swab of any equipment or surface.
- E. Violation Affecting Public Safety. Failure to comply with this rule may constitute a license violation affecting public safety.

Basis and Purpose – R 1504

The statutory authority for this rule is found at subsections 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)(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), 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 personnel or in accordance with the Division's sampling policy.
 2. Sample Selection. The Division may elect, at its sole direction, to assign Division personnel to collect Samples. A Retail Marijuana Establishment, its Owners and employees shall not attempt to influence the Samples selected by Division personnel.
 3. Adulteration or Alteration Prohibited. A Licensee or its agent shall not adulterate or alter, or attempt to adulterate or alter, any Retail Marijuana or Retail Marijuana Product, or any Samples of the Retail Marijuana or Retail Marijuana Product, for the purpose of circumventing contaminant testing detection limits or potency testing requirements. A violation of this sub-paragraph (A)(3) shall be considered a license violation affecting public safety.
- B. Samples for Test Batches of Retail Marijuana and Retail Marijuana Concentrate. Each Test Batch of Retail Marijuana or Retail Marijuana Concentrate must be comprised of a representative selection of Samples.
1. Minimum Number of Samples. At a minimum, each Test Batch of Retail Marijuana or Retail Marijuana Concentrate must be comprised of at least the following number of separately taken Samples:
 - a. For Test Batches comprised of Harvest Batches or Production Batches weighing up to 10 pounds, eight separate Samples must be taken.

- b. For Test Batches comprised of Harvest Batches or Production Batches weighing more than 10 pounds but less than 20 pounds, 12 separate Samples must be taken.
 - c. For Test Batches comprised of Harvest Batches or Production Batches weighing 20 pounds or more but less than 30 pounds, 15 separate Samples must be taken.
 - d. For Test Batches comprised of Harvest Batches or Production Batches weighing 30 pound or more but less than 40 pounds, 18 separate Samples must be taken.
 - e. For Test Batches comprised of Harvest Batches or Production Batches weighing 40 pounds or more but less than 100 pounds, 23 separate Samples must be taken.
 - f. For Test Batches comprised of Harvest Batches or Production Batches weighing 100 pounds or more, 29 separate Samples must be taken.
2. Multiple Harvest Batches or Production Batches. If more than one Harvest Batch or Production Batch is combined into a single Test Batch, then that Test Batch must include at least one Sample from each Harvest Batch or Production Batch.
- C. Samples for Test Batches of Retail Marijuana Product
1. Finished Product. Test Batches of Retail Marijuana Product must be comprised of finished product that is packaged for sale.
 2. Multiple Production Batches. If more than one Production Batch of Retail Marijuana Product is combined into a single Test Batch, then that Test Batch must include at least one finished product that is packaged for sale from each Production Batch combined into that Test Batch.
- D. Retail Marijuana Testing Facility Selection. The Division will generally permit a Retail Marijuana Establishment to 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 test the Sample.
- E. Violation Affecting Public Safety. Failure to comply with this rule may constitute a license violation affecting public safety.

R 1600 Series – Retail Marijuana Transporters

Basis and Purpose – R 1601

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(X), 12-43.4-202(3)(a)(XVII), 12-43.4-202(3)(b)(IX), and 12-43.4-406, C.R.S. The purpose of this rule is to establish that it is unlawful for a Retail Marijuana Transporter to exercise any privileges other than those granted by the State Licensing Authority and to clarify the license privileges.

R 1601 – Retail Marijuana Transporter: License Privileges

- A. Privileges Granted. A Retail Marijuana Transporter shall only exercise those privileges granted to it by the State Licensing Authority.
- B. Licensed Premises. A separate license is required for each specific business or business entity and geographical location. A Retail Marijuana Transporter may share a location with an identically owned Medical Marijuana Transporter. However, a separate license is required for each specific business or business entity, regardless of geographical location.
- C. Transportation of Retail Marijuana and Retail Marijuana Product Authorized. A Retail Marijuana Transporter may take transportation and delivery orders, receive, transport, temporarily store, and deliver Retail Marijuana and Retail Marijuana Product.
- D. Authorized Sources of Retail Marijuana and Retail Marijuana Product. A Retail Marijuana Transporter may only transport and store Retail Marijuana and Retail Marijuana Product that it received directly from the originating Retail Marijuana Establishment.
- E. Authorized On-Premises Storage. A Retail Marijuana Transporter is authorized to store transported Retail Marijuana and Retail Marijuana Product on its Licensed Premises or permitted off-premises storage facility. All transported Retail Marijuana and Retail Marijuana Product must be secured in a Limited Access Area or Restricted Access Area, and tracked consistently with the inventory tracking rules.

Basis and Purpose – R 1602

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(X), 12-43.4-202(3)(a)(XVII), 12-43.4-202(3)(b)(IX), and 12-43.4-406, 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 Transporter.

R 1602 – Retail Marijuana Transporter: General Limitations or Prohibited Acts

- A. Sales Prohibited. A Retail Marijuana Transporter is prohibited from buying, selling, or giving away Retail Marijuana or Retail Marijuana Product, or from receiving complimentary Retail Marijuana or Retail Marijuana Product.
- B. Evidence of Excise Tax Paid. A Retail Marijuana Transporter is prohibited from accepting Retail Marijuana from a Retail Marijuana Cultivation Facility unless the Retail Marijuana Transporter Licensee has received evidence that any applicable excise tax due pursuant to Article 28.8 of Title 39, C.R.S., was paid.
- C. Licensed Premises Required. A Retail Marijuana Transporter shall maintain a Licensed Premises. The Licensed Premises shall be in a local jurisdiction that authorizes the operation of Retail Marijuana Stores. If a Retail Marijuana Transporter Licensed Premises is co-located with a Medical Marijuana Transporter Licensed Premises, then

the combined Licensed Premises shall be in a local jurisdiction that authorizes the operation of both Retail Marijuana Stores and Medical Marijuana Centers.

- D. Off-Premises Storage Permit. A Retail Marijuana Transporter may maintain one or more permitted off-premises storage facilities. See rule R 802 – Off-Premises Storage of Retail Marijuana and Retail Marijuana Product: All Retail Marijuana Establishments.
- E. Storage Duration. A Retail Marijuana Transporter shall not store Retail Marijuana or Retail Marijuana Product for longer than 72 hours from receiving it at its Licensed Premises or off-premises storage facility. The allowable 72-hour duration begins regardless of which of the Retail Marijuana Transporter’s premises receives the Retail Marijuana or Retail Marijuana Product first.
- F. Control of Retail Marijuana and Retail Marijuana Product. A Retail Marijuana Transporter is responsible for the Retail Marijuana and Retail Marijuana Product once it takes control of the Retail Marijuana and Retail Marijuana Product and until the Retail Marijuana Transporter delivers it to the receiving Retail Marijuana Establishment. For purposes of this rule, taking control of the Retail Marijuana and Retail Marijuana Product means removing it from the originating Retail Marijuana Establishment’s Licensed Premises and placing the Retail Marijuana and Retail Marijuana Product in the transport vehicle.
- G. Location of Orders Taken and Delivered. A Retail Marijuana Transporter is permitted to take orders on the Licensed Premises of any Retail Marijuana Establishment to transport Retail Marijuana and Retail Marijuana Product. The Retail Marijuana Transporter shall deliver the Retail Marijuana and Retail Marijuana Product to the Licensed Premises of a licensed Retail Marijuana Establishment.
- H. Consumption Prohibited. A Licensee shall not permit the consumption of marijuana or marijuana product on the Licensed Premises.

Basis and Purpose – R 1603

The statutory authority for this rule is found at subsections 12-43.4-202(1), 12-43.4-202(2)(b), 12-43.4-202(3)(a)(X), 12-43.4-202(3)(a)(XII), 12-43.4-202(3)(a)(XVII), 12-43.4-202(3)(b)(IX), and 12-43.4-406(3) C.R.S. The purpose of this rule is to establish a Retail Marijuana Transporter’s obligation to account for and track all Retail Marijuana and Retail Marijuana Product on the Licensed Premises from the point they are transferred from the originating Retail Marijuana Establishment to the destination Retail Marijuana Establishment.

R 1603 – Retail Marijuana Transporter: Inventory Tracking System

- A. Minimum Tracking Requirement. A Retail Marijuana Transporter must use the Inventory Tracking System to ensure its transported Retail Marijuana and Retail Marijuana Product are identified and tracked from the point they are transferred from a Retail Marijuana Establishment when the Retail Marijuana Transporter takes control of the Retail Marijuana and Retail Marijuana Product by removing it from the originating Retail Marijuana Establishment’s Licensed Premises and placing the Retail Marijuana and Retail Marijuana Product in the Retail Marijuana Transporter’s transport vehicle, through delivery to the destination Retail Marijuana Establishment. See also Rule R 309 – Inventory Tracking System. A Retail Marijuana Transporter must have the ability to reconcile its transported Retail Marijuana and Retail Marijuana Product with the Inventory Tracking System and the associated transaction history and transportation order receipts. See also Rule R 901 – Business Records Required.

1. A Retail Marijuana Transporter is prohibited from accepting any Retail Marijuana or Retail Marijuana Product from another Retail Marijuana Establishment without receiving a valid transport manifest generated from the Inventory Tracking System.
2. A Retail Marijuana Transporter must immediately input all Retail Marijuana and Retail Marijuana Product received at its Licensed Premises or off-premises storage facility, accounting for all RFID tags, into the Inventory Tracking System at the time of receiving the Retail Marijuana or Retail Marijuana Product.
3. A Retail Marijuana Transporter must reconcile transactions to the Inventory Tracking System at the close of business each day.

Basis and Purpose – R 1604

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 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)(a)(XVII), and 12-43.4-202(3)(b)(IX), C.R.S. It sets forth general standards and basic sanitary requirements for Retail Marijuana Transporters. It covers the physical premises where the products are weighed and stored as well as the individuals handling the products. This rule also authorizes the State Licensing Authority to require an independent consultant to conduct a health and sanitary audit of a Retail Marijuana Transporter's Licensed Premises. This rule explains when an independent health and sanitary audit may be deemed necessary and sets forth possible consequences of a Retail Marijuana Transporter's refusal to cooperate or pay for the audit. The State Licensing Authority intends for this rule to reduce any product contamination, which will benefit both the Licensees and consumers. Overall, the State Licensing Authority intends this rule to help maintain the integrity of Colorado's Retail Marijuana Establishments and the safety of the public.

R 1604 – Retail Marijuana Transporter: Health and Safety Regulations

- A. Local Safety Inspections. A Retail Marijuana Transporter's Licensed Premises may be subject to inspection by the local fire department, building inspector, or code enforcement officer to confirm that no health or safety concerns are present. The inspection could result in additional specific standards to meet local jurisdiction restrictions related to Retail Marijuana. An annual fire safety inspection may result in the required installation of fire suppression devices, or other means necessary for adequate fire safety.
- B. Sanitary Conditions. A Retail Marijuana Transporter shall take all reasonable measures and precautions to ensure the following:
 1. That any person who, by medical examination or supervisory observation, is shown to have, or appears to have, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination for whom there is a reasonable possibility of contact with Retail Marijuana and Retail Marijuana Product, shall be excluded from any operations which may be expected to result in such contamination until the condition is corrected;
 2. That hand-washing facilities shall be adequate and convenient and be furnished with running water at a suitable temperature. Hand-washing facilities shall be located in the Licensed Premises and where good sanitary practices require employees to wash and/or sanitize their hands, and provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices;

3. That all persons working in direct contact with Retail Marijuana or Retail Marijuana Product shall conform to hygienic practices while on duty, including but not limited to:
 - a. Maintaining adequate personal cleanliness;
 - b. Washing hands thoroughly in an adequate hand-washing area(s) before starting work and at any other time when the hands may have become soiled or contaminated; and
 - c. Refraining from having direct contact with Retail Marijuana or Retail Marijuana Product if the person has or may have an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination, until such condition is corrected.
 4. That litter and waste are properly removed and the operating systems for waste disposal are maintained in an adequate manner so that they do not constitute a source of contamination in areas where Retail Marijuana or Retail Marijuana Product are exposed;
 5. That floors, walls, and ceilings are constructed in such a manner that they may be adequately cleaned and kept clean and kept in good repair;
 6. That there is adequate lighting in all areas where Retail Marijuana or Retail Marijuana Product are stored or weighed, and where equipment or utensils are cleaned;
 7. That the Licensee provides adequate screening or other protection against the entry of pests. Rubbish shall be disposed of so as to minimize the development of odor and minimize the potential for the waste becoming an attractant, harborage, or breeding place for pests;
 8. That any buildings, fixtures, and other facilities are maintained in a sanitary condition;
 9. That toxic cleaning compounds, sanitizing agents, and other chemicals shall be identified, held, stored and disposed of in a manner that protects against contamination of Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product and in a manner that is in accordance with any applicable local, state or federal law, rule, regulation or ordinance;
 10. That all operations in the receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of Retail Marijuana or Retail Marijuana Product shall be conducted in accordance with adequate sanitation principles;
 11. That each employee is provided with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair; and
 12. That Retail Marijuana or Retail Marijuana Product that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.
- C. Independent Health and Sanitary Audit.
1. State Licensing Authority May Require a Health and Sanitary Audit.

- a. When the State Licensing Authority determines a health and sanitary audit by an independent consultant is necessary, it may require a Retail Marijuana Transporter to undergo such an audit. The scope of the audit may include, but need not be limited to, whether the Retail Marijuana Transporter is in compliance with the requirements set forth in this rule and other applicable health, sanitary or food handling laws, rules and regulations.
 - b. In such instances, the Division may attempt to mutually agree upon the selection of the independent consultant with a Retail Marijuana Transporter. However, the Division always retains the authority to select the independent consultant regardless of whether mutual agreement can be reached.
 - c. The Retail Marijuana Transporter will be responsible for all costs associated with the independent health and sanitary audit.
2. When Independent Health and Sanitary Audit Is Necessary. The State Licensing Authority has discretion to determine when an audit by an independent consultant is necessary. The following is a non-exhaustive list of examples that may justify an independent audit:
 - a. The Division has reasonable grounds to believe that the Retail Marijuana Transporter is in violation of one or more of the requirements set forth in this rule or other applicable public health or sanitary laws, rules or regulations; or
 - b. The Division has reasonable grounds to believe that the Retail Marijuana Transporter was the cause or source of contamination of Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product.
3. Compliance Required. A Retail Marijuana Transporter must pay for and timely cooperate with the State Licensing Authority's requirement that it undergo an independent health and sanitary audit in accordance with this rule.
4. Suspension of Operations.
 - a. If the State Licensing Authority has objective and reasonable grounds to believe and finds upon reasonable ascertainment of the underlying facts that the public health, safety or welfare imperatively requires emergency action and incorporates such findings into its order, it may order summary suspension of the Retail Marijuana Transporter's license. See Rule R 1302 – Summary Suspensions.
 - b. Prior to or following the issuance of such an order, the Retail Marijuana Transporter may attempt to come to a mutual agreement with the Division to suspend its operations until the completion of the independent audit and the implementation of any required remedial measures.
 - i. If an agreement cannot be reached or the State Licensing Authority, in its sole discretion, determines that such an agreement is not in the best interests of the public health, safety or welfare, then the State Licensing Authority will promptly institute license suspension or revocation procedures. See Rule R 1302 – Summary Suspensions.

ii. If an agreement to suspend operations is reached, then the Retail Marijuana Transporter may continue to care for its stored or transported Retail Marijuana and Retail Marijuana Product and conduct any necessary internal business operations.

D. Violation Affecting Public Safety. Failure to comply with this rule may constitute a license violation affecting public safety.