

This document only reflects rules subject to initial proposals for adoption or amendment as part of the Division's 2020 Rulemaking Session. Please visit the [Secretary of State's website](#) for the full set of current Colorado Marijuana Rules, 1 CCR 212-3. Please also visit the [Department of Revenue MED's website](#) for additional rule proposals and rulemaking materials.

**MARIJUANA ENFORCEMENT DIVISION
COLORADO MARIJUANA RULES
1 CCR 212-3**

Part 1 – General Applicability

Basis and Purpose – 1-115

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-202(1)(j), and 44-10-103, C.R.S., and all of the Marijuana Code. 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 is not intended to be a defined term, it is not capitalized. This Rule 1-115 was previously Rules M and R 103, 1 CCR 212-1 and 1 CCR 212-2.

1-115 – Definitions

Definitions. The following definitions of terms, in addition to those set forth in section 44-10-103, C.R.S., apply to all rules promulgated pursuant to the Marijuana Code, unless the context requires otherwise:

“Accelerator Cultivator” means a Social Equity Licensee qualified to participate in the accelerator program established pursuant to the Marijuana Code and authorized to exercise the privileges of a Retail Marijuana Cultivation Facility on the premises of an Accelerator-Endorsed Retail Marijuana Cultivation Facility Licensee.

“Accelerator-Endorsed Licensee” means a Retail Marijuana Cultivation Facility Licensee, Retail Marijuana Products Manufacturer Licensee, or a Retail Marijuana Store Licensee who has, pursuant to these rules, been endorsed to host and offer technical and capital support to a Social Equity Licensee pursuant to the requirements of the accelerator program established pursuant to the Code.

“Accelerator Licensee” means an Accelerator Cultivator Licensee, Accelerator Manufacturer Licensee, or Accelerator Store Licensee.

“Accelerator Manufacturer” means a Social Equity Licensee qualified to participate in the accelerator program established pursuant to the Marijuana Code and authorized to exercise the privileges of a Retail Marijuana Products Manufacturer on the premises of an Accelerator-Endorsed Retail Marijuana Products Manufacturer Licensee.

“Accelerator Store” means a Social Equity Licensee qualified to participate in the accelerator program established pursuant to the Marijuana Code and authorized to exercise the privileges of a Retail Marijuana Store on the premises of an Accelerator-Endorsed Retail Marijuana Store Licensee.

“Advertising” means the act of providing consideration for the publication, dissemination, solicitation, or circulation, of visual, oral, or written communication, to directly induce any Person to patronize a particular ~~Medical Regulated~~ Marijuana Business or Retail Marijuana Business, or to purchase particular Regulated Marijuana. “Advertising” ~~includes marketing, but~~ does not include packaging and labeling, Consumer Education Materials, or Branding.

~~“Advertising” proposes a commercial transaction or otherwise constitutes commercial speech.~~

“Additive” means any non-marijuana derived substance added to Regulated Marijuana to achieve a specific technical and/or functional purpose during processing, storage, or packaging. Additives may be direct or indirect. Direct additives are used to impart specific technological or functional qualities. Indirect additives are not intentionally added but may be present in trace amounts as a result of processing, packaging, shipping, or storage. Volatiles Organic Compounds which have been isolated or enriched and subsequently added back into cannabis products are considered to be additives.

“Controlling Beneficial Owner” means a Person that satisfies one or more of the following criteria:

- a. A natural person, an Entity that is organized under the laws of and for which its principal place of business is located in one of the states or territories of the United States or District of Columbia, a trust, the trustee of a trust, a Publicly Traded Corporation, or a Qualified Private Fund that is not a Qualified Institutional Investor:
 - i. Acting alone or Acting In Concert, that owns or Acquires Beneficial Ownership of ten percent or more of the Owner’s Interest of a Regulated Marijuana Business;
 - ii. That is an Affiliate that Controls a Regulated Marijuana Business and includes, without limitation, any Manager; or
 - iii. That is otherwise in a position to Control the Regulated Marijuana Business except as authorized in section 44-10-506 or 44-10-606, C.R.S.; or
- b. A Qualified Institutional Investor acting alone or Acting In Concert that owns or Acquires Beneficial Ownership of more than thirty percent of the Owner’s Interest of a Regulated Marijuana Business.
- c. Unless the context otherwise requires, the defined term Controlling Beneficial Owner includes Direct Beneficial Interest Owner.

“Designated Sample Collection Area” means an area that has been designated within the Limited Access Area of a Retail Marijuana Cultivation Facility, Retail Marijuana Products Manufacturer, Medical Marijuana Cultivation Facility, or Medical Marijuana Products Manufacturer for purposes of organizing and combining Sample Increments to create Test Batches, which has been cleaned and sanitized prior to preparing Test Batches on camera.

“Designated Test Batch Collector” means an individual who is an Owner or an Identification Badge holder and has been designated to engage in the Sample Increment Collection for the purpose of creating Test Batches. A Designated Test Batch Collector shall be designated by a manager or Owner of a Regulated Marijuana Business, and shall complete all required training and certifications prescribed in 4-110(A)(1). At a minimum, two Designated Test Batch Collectors shall be involved in collection of Sample Increments such that there is at least one Designated Test Batch Collector responsible for collecting the Sample Increments and another Designated Test Batch Collector responsible for reviewing the associated collection documentation in a timely manner, prior to Transfer of a the Production Batch or Harvest Batch from which the Sample Increments were collected. This review can be completed in person, or remotely via image(s) of the Test Batch and associated collection documentation. Nothing in this Rule requires Designated Test Batch Collectors to be employed by a Regulated Marijuana Business.

“Food Additive” means any substance the intended use of which results or may reasonably be expected to result, directly or indirectly, in its becoming a component or otherwise affecting the characteristic of any food (including any substance intended for use in producing, manufacturing, packing, processing, preparing, treating, packaging, transporting, or holding food; and including any source of radiation intended for any such use).

“Immature plant” means a nonflowering ~~Regulated~~ 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.~~

“Inventory Tracking System” means the required seed-to-sale tracking system that tracks Regulated Marijuana from either the seed or immature plant stage until the Regulated Marijuana is sold to a patient at a Medical Marijuana Store or to a consumer at a Retail Marijuana Store, Transferred to a Medical Marijuana Testing Facility or Retail Marijuana Testing Facility, Transferred to a Sampling Manager, Transferred to an Industrial Fiber Products Producer, ~~Transferred to a Medical Research Facility,~~ Transferred to a Pesticide Manufacturer, or destroyed by a Regulated Marijuana Business, or used in a Research Project by a Marijuana Research and Development Facility.

~~“Marijuana-Based Workforce Development Training Program” means a program designed to train individuals to work in the Regulated Marijuana industry operated by an entity licensed under the Marijuana Code or by a school that is authorized by the Division of Private Occupational Schools.~~

“Marijuana Hospitality Business” means a facility, which may be mobile, licensed to permit the consumption of marijuana pursuant to article 10; rules promulgated pursuant to article 10; and the provisions of an enacted, initiated, or referred ordinance or resolution of the local jurisdiction in which the licensee operates. ~~an entity licensed to permit the use or consumption of marijuana within a Consumption Area.~~

“Marijuana Research and Development Facility” means a Person that is licensed pursuant to the Marijuana Code to grow, cultivate, manufacture, and possess Medical Marijuana, and to Transfer Medical Marijuana to another Marijuana Research and Development Facility ~~or a Medical Research and Development Facility,~~ all for limited research purposes authorized pursuant to section 44-10-507, C.R.S.

“Medical Marijuana” means marijuana that is grown and sold pursuant to the provisions of article 10 and for a purpose authorized by section 14 of article XVIII of the state constitution but shall not be considered a nonprescription drug for purposes of section 12-42.5-102(21) or 39-26-717, or an over-the-counter medication for purposes of section 25.5-5-322. ~~If the context requires, Marijuana Code and includes seeds and Immature Plants. Unless the context otherwise requires, Medical Marijuana includes Medical Marijuana Concentrate and Medical Marijuana Products.~~

“Medical Marijuana Business” means any of the following entities licensed pursuant to article 10: A Medical Marijuana Store, a Medical Marijuana Cultivation Facility, a Medical Marijuana Product Manufacturer, ~~a Medical Marijuana Cultivation Facility,~~ a Medical Marijuana Testing Facility, a Marijuana Research and Development Licensee, a Medical Marijuana Business Operator, ~~or a Medical Marijuana Transporter,~~ ~~or a Marijuana Research and Development Facility.~~

“Medical Marijuana Business Operator” means an entity or person that is not an owner and that is licensed to provide professional operational services to a medical marijuana business that holds a license from the State Licensing Authority to provide professional operational services to one or more Medical Marijuana Businesses, other than a Marijuana Research and Development Facility, for direct remuneration from the Medical Marijuana Business(es), ~~which may include compensation based upon a percentage of the profits of the Medical Marijuana Business(es)~~

~~being operated. A Medical Marijuana Business Operator may contract with Medical Marijuana Business(es) to provide operational services. A Medical Marijuana Business Operator is not, by virtue of its status as a medical marijuana business operator, a controlling beneficial owner or a passive beneficial owner of any medical marijuana business it operates.'s contract with a Medical Marijuana Business does not in and of itself constitute ownership.~~

“Medical Marijuana Transporter” means an entity or Person that is licensed to transport Medical Marijuana and Medical Marijuana Products from one Medical Marijuana Business to another Medical Marijuana Business ~~or to a Medical Research Facility or Pesticide Manufacturer,~~ and to temporarily store the transported Medical Marijuana and Medical Marijuana Products at its Licensed Premises, but is not authorized to sell, ~~give away, buy, or receive complimentary~~ Medical Marijuana or Medical Marijuana Products under any circumstances. ~~A Medical Marijuana Transporter does not include a Licensee that transports its own Medical Marijuana.~~

~~“Medical Research Facility” means a Person approved and grant-funded by the State Board of Health pursuant to section 25-1.5-106.5, C.R.S., to conduct Medical Marijuana research. A Medical Research Facility is neither a Regulated Marijuana Business, nor a Licensee.~~

“Mobile Premises” means a Licensed Premises operated by a Marijuana Hospitality Business in a motor vehicle, which includes any self-propelled vehicle that is designed primarily for travel on the public highways and that is generally and commonly used to transport persons and property over the public highways or a low-speed electric vehicle; but does not include electrical assisted bicycles, electric scooters, low-power scooters, wheelchairs, or vehicles moved solely by human power. A Marijuana Hospitality Business operating a Mobile Premises must comply with all requirements in Rule 6-~~9740~~.

“Multiple-Serving Edible Retail Marijuana Product” means an Edible Retail Marijuana Product unit for sale to consumers containing no more than 10mg of active THC and no more than 100 milligrams 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.

~~“Private Residence” includes, but is not limited to, a private premises where a person lives such as a private dwelling, place of habitation, a house, a multi-dwelling unit for residential occupants, or an apartment unit. Private residence does not include any premises located at a school, on the campus of an institution of higher education, public property, or any commercial property unit such as offices or retail space.~~

“Qualified Institutional Investor” means:

- a. A bank as defined in Section 3(a) (6) of the Federal Securities Exchange Act of 1934, as amended, if the bank is current in all applicable reporting and record-keeping requirements under such act and rules promulgated thereunder;
- b. A bank holding company as defined in the Federal Bank Holding Company Act of 1956, as amended, if the bank holding company is registered and current in all applicable reporting and record-keeping requirements under such act and rules promulgated thereunder;
- c. An insurance company as defined in Section 2(a) (17) of the Investment Company Act of 1940, as amended, if the insurance company is current in all applicable reporting and record-keeping requirements under such act and rules promulgated thereunder;

- d. An investment company registered under Section 8 of the Investment Company Act of 1940, as amended, and subject to 15 U.S.C. sec. 80a-1 to 80a-64, if the investment company is current in all applicable reporting and record-keeping requirements under such act and rules promulgated thereunder;
- e. An employee benefit plan or pension fund subject to the Federal Employee Retirement Income Security Act of 1974, excluding an employee benefit plan or pension fund sponsored by a licensee or an intermediary or holding company licensee which directly or indirectly owns ten percent or more of a licensee;
- f. A state or federal government pension plan; or
- g. A group comprised entirely of persons specified in (a) through (g) of this definition; or
- h. Any other entity identified by rule by the state licensing authority.

“Retail Marijuana Business” means a Retail Marijuana Store, a Retail Marijuana Cultivation Facility, a Retail Marijuana Products Manufacturer, a Marijuana Hospitality Business, a Retail Marijuana Hospitality and sales business, a Retail Marijuana Testing Facility, a Retail Marijuana Business Operator, and a Retail Marijuana Transporter, ~~and Licensed Hospitality Businesses.~~

“Retail Marijuana Business Operator” means an entity or person that is not an owner and that is licensed holds a license from the State Licensing Authority to provide professional operational services to one or more a Retail Marijuana Businesses for direct remuneration from the Retail Marijuana Business(es), ~~which may include compensation based upon a percentage of the profits of the Retail Marijuana Business(es) being operated. A Retail Marijuana Business Operator contracts with Retail Marijuana Business(es) to provide operational services. A Retail Marijuana Business Operator’s contract with a Retail Marijuana Business does not in and of itself constitute ownership.~~

“Retail Marijuana Cultivation Facility” means an entity licensed to cultivate, prepare, and package Retail Marijuana and sell marijuana to Retail Marijuana Stores, to Marijuana Marijuana Product Manufacturing Facilities, and to other Marijuana Cultivation Facilities ~~Transfer Retail Marijuana to Retail Marijuana Businesses, Medical Research Facilities, and Pesticide Manufacturers,~~ but not to consumers.

“Retail Marijuana Hospitality and Sales Business” means a facility, which cannot be mobile, licensed to permit the consumption of only the retail marijuana or retail marijuana products it has sold pursuant to the provisions of an enacted, initiated, or referred ordinance or resolution of the local jurisdiction in which the licensee operates. n ~~entity licensed to (1) purchase Retail Marijuana from a Retail Marijuana Business, (2) Transfer Retail Marijuana to consumers, and (3) permit the use or consumption of Retail Marijuana Transferred to a consumer within the Restricted Access Area.~~

“Retail Marijuana Products Manufacturer” means an entity licensed to purchase Retail Marijuana; manufacture, prepare, and package Retail Marijuana Product; and Transfer Retail Marijuana, Retail Marijuana Concentrate, and Retail Marijuana Product only to other Retail Marijuana Products Manufacturers, Retail Marijuana Stores, Retail Marijuana Hospitality and Sales Businesses, ~~Medical Research Facilities,~~ and Pesticide Manufacturers.

“Retail Marijuana Testing Facility” means an entity a public or private laboratory licensed to analyze and certify the safety and potency of marijuana and certified, or approved by the Division, to perform testing and research on Retail Marijuana.

“Retail Marijuana Transporter” means a Person that is licensed to transport Retail Marijuana from one Retail Marijuana Business to another Retail Marijuana Business or to a ~~Medical Research Facility or~~ Pesticide Manufacturer, and to temporarily store the transported Retail Marijuana at its Licensed Premises, but is not authorized to sell, give away, buy, or receive complimentary Retail Marijuana under any circumstances. A Retail Marijuana Transporter does not include a Licensee that transports and distributes its own Retail Marijuana.

~~“Sample Increment” means means a single portion or unit that is removed from a Harvest Batch or Production Batch by a Designated Test Batch Collector for the creation of a Test Batch. For Harvest Batches, a Sample Increment shall be 500mg of flower or trim. For Regulated Marijuana Products, Audited Products, and Alternative Use Products, a Sample Increment shall be a single serving of the product as defined by the manufacturer, but containing no more than 10 mg of active THC per serving for Edible Retail Marijuana Products. For Regulated Marijuana Concentrate, a Sample Increment shall be 250 mg of concentrate. any item collected from a Regulated Marijuana Business that is provided to a Medical Marijuana Testing Facility or Retail Marijuana Testing Facility for testing. The following is a non-exhaustive list of types of Samples: Medical Marijuana, Medical Marijuana Concentrate, Medical Marijuana Product, Retail Marijuana, Retail Marijuana Concentrate, Retail Marijuana Product, soil, growing medium, water, solvent or swab of a counter or equipment.~~

~~“Sample Increment Collection” means the gathering of Sample Increments to combine into a larger, composite Test Batch.~~

~~“Sample Plan” means a written, documented plan generated by Designated Test Batch Collector(s) in line with the Regulated Marijuana Business' Standard Operating Procedure for Sample Increment Collection. At minimum, a Sample Plan should include the date, amount or weight, and specific location for each Sample Increment collected, as well as identification of and acknowledgments from all Designated Test Batch Collectors involved. Strain names should be included for Harvest Batches, where applicable.~~

“Shipping Container” means a hard-sided container with a lid or other enclosure that can be secured in place. A Shipping Container is used solely for the transport of Regulated Marijuana between Regulated Marijuana Businesses, ~~a Medical Research Facility,~~ or a Pesticide Manufacturer.

~~“Social Equity Leader” means a Regulated Marijuana Business Licensee who meets the qualification requirements to be designated a Social Equity Leader or an Accelerator-Endorsed Licensee participating in the accelerator program pursuant to the 3-1100 Series Rules.~~

~~“Social Equity Licensee” means a natural person who meets the criteria established pursuant to section 44-10-308(4). A person qualified as a Social Equity Licensee may participate in the accelerator program established pursuant to the Marijuana Code or may hold a Regulated Marijuana Business License or permit issued pursuant to the Marijuana Code.~~

~~“Volatile Organic Compounds” are organic chemicals that have a high vapor pressure at room temperature and are likely to be dispersed into the air. This family of compounds includes terpenes, terpenoids, ketones, esters, and other molecules which are naturally occurring in plants and are used to affect the flavor and aroma of marijuana products.~~

Basis and Purpose – ~~4041-120~~

The statutory authority for this rule includes but is not limited to sections 24-4-105(11) and 44-10-201, C.R.S. The purpose of this rule is to establish a system by which a Licensee may request the Division to issue a formal statement of position and, subsequently, petition the State Licensing Authority for a declaratory order. Typically, a position statement or declaratory order would address matters that are

likely to be applicable to other Licensees. The approach is similar to that utilized by other divisions within the Department of Revenue. This Rule 1-120 was previously Rules M and R 104, 1 CCR 212-1 and 1 CCR 212-2.

1-120 – Declaratory Orders Concerning the Marijuana Code

- A. Who May Request a Statement of Position. Any person as defined in section 24-4-102(12), C.R.S., may request the Division to issue a statement of position concerning the applicability to the petitioner of any provision of the Marijuana Code, or any regulation of the State Licensing Authority.
- B. Division Response. The Division will determine, in its sound discretion, whether to respond with a written statement of position. Following receipt of a proper request, the Division will respond by issuing a written statement of position or by declining to issue such a statement.
- C. Petition for Declaratory Order. Any person who has properly requested a statement of position, and who is dissatisfied with the Division's response, may petition the State Licensing Authority for a declaratory order pursuant to section 24-4-105(11), C.R.S. The petition shall be filed within 30 days of the Division's response, or may be filed at any time before the Division's response if the Division has not responded within 60 days of receiving a proper request for a statement of position, and shall set forth the following:
1. The name and address of the petitioner.
 2. Whether the petitioner is licensed pursuant to the Marijuana Code, and if so, the type of license and address of the Licensed Premises.
 3. Whether the petitioner is involved in any pending administrative hearings with the State Licensing Authority or relevant Local Jurisdiction.
 4. The statute, rule, or order to which the petition relates.
 5. A concise statement of all of the facts necessary to show the nature of the controversy or the uncertainty as to the applicability to the petitioner of the statute, rule, or order to which the petition relates.
 6. A concise statement of the legal authorities, if any, and such other reasons upon which petitioner relies.
 7. A concise statement of the declaratory order sought by the petitioner.
- D. State Licensing Authority Retains Discretion Whether to Entertain Petition. The State Licensing Authority will determine, in its discretion without prior notice to the petitioner, whether to entertain any petition. If the State Licensing Authority decides it will not entertain a petition, it shall notify the petitioner in writing of its decision and the reasons for that decision. Any of the following grounds may be sufficient reason to refuse to entertain a petition:
1. The petitioner failed to properly request a statement of position from the Division, or the petition for declaratory order was filed with the State Licensing Authority more than 30 days after the Division's response to the request for a statement of position.
 2. A ruling on the petition will not terminate the controversy nor remove uncertainties concerning the applicability to petitioner of the statute, rule, or order in question.

3. The petition involves a subject, question or issue that is relevant to a pending hearing before the state or any Local Licensing Authority, an on-going investigation conducted by the Division, or a written complaint previously filed with the State Licensing Authority.
 4. The petition seeks a ruling on a moot or hypothetical question.
 5. Petitioner has some other adequate legal remedy, other than an action for declaratory relief pursuant to Colo. R. Civ. Pro. 57, which will terminate the controversy or remove any uncertainty concerning applicability of the statute, rule, or order.
- E. State Licensing Authority May Adopt Division Position Statement. The State Licensing Authority may adopt the Division Position Statement as a Final Agency Action subject to judicial review pursuant to section 24-4-106, C.R.S.
- F. If State Licensing Authority Entertains Petition. If the State Licensing Authority determines that it will entertain the petition for declaratory order, it shall so notify the petitioner within 30 days, and any of the following procedures may apply:
1. The State Licensing Authority may expedite the matter by ruling on the basis of the facts and legal authority presented in the petition, or by requesting the petitioner or the Division to submit additional evidence and legal argument in writing.
 2. In the event the State Licensing Authority determines that an evidentiary hearing is necessary to a ruling on the petition, a hearing shall be conducted in accordance with Rules 8-220 – Administrative Hearings, 8-225 – Administrative Subpoenas, and 8-230 – Administrative Hearing Appeals. The petitioner will be identified as Respondent.
 3. The parties to any proceeding pursuant to this Rule shall be the petitioner/Respondent and the Division. Any other interested person may seek leave of the State Licensing Authority to intervene in the proceeding and such leave may be granted if the State Licensing Authority determines that such intervention will make unnecessary a separate petition for declaratory order by the interested person.
 4. The declaratory order shall constitute a Final Agency Order subject to judicial review pursuant to section 24-4-106, C.R.S.
- G. Public Inspection. Files of all requests, petitions, statements of position, and declaratory orders will be maintained by the Division. Except with respect to any material required by law to be kept confidential, such files shall be available for public inspection.
- H. Posted on Website. The Division shall post a copy of all statements of position and all declaratory orders on the Division's website.

Part 2 – Applications and Licenses

2-200 Series – Applications and Licenses Rules

Basis and Purpose – 2-205

The statutory basis for this rule includes but is not limited to sections 44-10-103, 44-10-202(1)(b), 44-10-202(1)(c), 44-10-202(1)(e), 44-10-203(1)(j), 44-10-203(1)(i), 44-10-203(2)(b), 44-10-203(2)(h), 44-10-203(2)(q), 44-10-203(2)(w), 44-10-203(2)(dd)(XII), 44-10-303(2)(b), 44-10-310(7), 44-10-313, 44-10-401, 44-10-801, 44-10-802, 44-10-803, 44-10-1201, 44-10-1202, C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(II). The purpose of this rule is to establish fees required for applications, renewals, licenses fees, permits, and other fees required to accompany applications and

submissions to the Division. The Division anticipates evaluating all fees in connection with a fee analysis. Any recommendations from the fee analysis will be considered during subsequent rulemaking proceedings. This Rule 2-205 was previously Rules M 207, 208, 209, 210, 235, and 236, 1 CCR 212-1, and Rules R 207, 208, 209, 210, 234, and 235, 1 CCR 212-2.

2-205 – Fees

A. Regulated Marijuana Business Initial Application and License Fees.

1. Medical Marijuana Businesses.

<u>License Type</u>	<u>Application Fee</u>	<u>License Fee</u>	<u>Total Due at Application</u>
<u>Medical Marijuana Store</u>	\$5,000.00	\$2,000.00	\$7,000.00
<u>Medical Marijuana Products Manufacturer</u>	\$1,000.00	\$1,500.00	\$2,500.00
<u>Medical Marijuana Cultivation Facility</u> Class 1 (1-500 plants)	\$1,000.00	\$1,500.00	\$2,500.00
<u>Medical Marijuana Testing Facility</u>	\$1,000.00	\$1,500.00	\$2,500.00
<u>Medical Marijuana Transporter</u>	\$1,000.00	\$4,400.00	\$5,400.00
<u>Medical Marijuana Business Operator</u>	\$1,000.00	\$2,200.00	\$3,200.00
<u>Marijuana Research and Development Facility</u>	\$1,000.00	\$1,500.00	\$2,500.00

2. Retail Marijuana Businesses.

<u>License Type</u>	<u>Application Fee</u>	<u>License Fee</u>	<u>Total Due at Application</u>
<u>Retail Marijuana Store</u>	\$5,000.00	\$2,000.00	Separate Checks \$4,500.00 State \$2,500.00 Local
<u>Retail Marijuana Products Manufacturer</u>	\$5,000.00	\$1,500.00	Separate Checks \$4,000.00 State \$2,500.00 Local

<u>Retail Marijuana Cultivation Facility</u> Tier 1 (1-1,800 plants)	\$5,000.00	\$1,500.00	Separate Checks \$4,000.00 State \$2,500.00 Local
<u>Retail Marijuana Testing Facility</u>	\$1,000.00	\$1,500.00	Separate Checks \$2,000.00 State \$500.00 Local
<u>Retail Marijuana Transporter</u>	\$1,000.00	\$4,400.00	Separate Checks \$4,900.00 State \$500.00 Local
<u>Retail Marijuana Business Operator</u>	\$1,000.00	\$2,200.00	Separate Checks \$2,700.00 State \$500.00 Local
<u>Marijuana Hospitality Business (Eff. Jan. 1, 2020)</u>	\$1,000.00	\$1,000.00	Separate Checks \$1,500.00 State \$500.00 Local
<u>Retail Marijuana Hospitality and Sales Business (Eff. Jan. 1, 2020)</u>	\$5,000.00	\$2,000.00	Separate Checks \$4,500.00 State \$2,500.00 Local
<u>Accelerator Cultivator Business</u>			
<u>Accelerator Manufacturer Business</u>			
<u>Accelerator Store Business</u>			

B. Regulated Marijuana Business Renewal Application and License Renewal Fees.

1. Medical Marijuana Businesses.

<u>License Type</u>	<u>Application Fee</u>	<u>License Fee</u>	<u>Total Due at Application</u>
<u>Medical Marijuana Store</u>	\$300.00	\$1,500.00	\$1,800.00

<u>Medical Marijuana Products Manufacturer</u>	\$300.00	\$1,500.00	\$1,800.00
<u>Medical Marijuana Cultivation Facility</u>	\$300.00		
Class 1 (1-500 plants)		\$1,500.00	\$1,800.00
Class 2 (501-1,500 plants)		\$2,300.00	\$2,600.00
Class 3 (1,501-3,000 plants)		\$3,500.00	\$3,800.00
Expanded Production Management (for each class of 3,000 plants over Class 3)		\$3,500.00 [Plus \$800 for each additional class of 3,000 plants over Class 3]	\$3,800.00 [Plus \$800 for each additional class of 3,000 plants over Class 3]
<u>Medical Marijuana Testing Facility</u>	\$300.00	\$1,500.00	\$1,800.00
<u>Medical Marijuana Transporter</u>	\$300.00	\$4,400.00	\$4,700.00
<u>Medical Marijuana Business Operator</u>	\$300.00	\$2,200.00	\$2,500.00
<u>Marijuana Research and Development Facility</u>	\$300.00	\$1,500.00	\$1,800.00

2. Retail Marijuana Businesses.

<u>License Type</u>	<u>Application Fee</u>	<u>License Fee</u>	<u>Total Due at Application</u>
<u>Retail Marijuana Store</u>	\$300.00	\$1,500.00	\$1,800.00
<u>Retail Marijuana Products Manufacturer</u>	\$300.00	\$1,500.00	\$1,800.00
<u>Retail Marijuana Cultivation Facility</u>	\$300.00		
Tier 1 (1-1,800 plants)		\$1,500.00	\$1,800.00
Tier 2 (1,801-3,600 plants)		\$2,300.00	\$2,600.00
Tier 3 (3,601-6,000 plants)		\$3,000.00	\$3,300.00
Tier 4 (6,001-10,200 plants)		\$4,500.00	\$4,800.00
		\$6,500.00	\$6,800.00

Tier 5 (10,201-13,800 plants) Expanded Production Management (for each additional tier of 3,600 plants over Tier 5)		\$6,500.00 [Plus \$800.00 for each additional tier of 3,600 plants over Tier 5]	\$6,800.00 [Plus \$800.00 for each additional tier of 3,600 plants over Tier 5]
<u>Retail Marijuana Testing Facility</u>	\$300.00	\$1,500.00	\$1,800.00
<u>Retail Marijuana Transporter</u>	\$300.00	\$4,400.00	\$4,700.00
<u>Retail Marijuana Business Operator</u>	\$300.00	\$2,200.00	\$2,500.00
<u>Marijuana Hospitality Business (Eff. Jan. 1, 2020)</u>	\$300.00	\$750.00	\$1,050.00
<u>Retail Marijuana Hospitality and Sales Business (Eff. Jan. 1, 2020)</u>	\$300.00	\$1,500.00	\$1,800.00

C. Owner Request for a Finding of Suitability, Owner License, and Owner Identification Badge – Initial Application and Renewal Fees.

1. Controlling Beneficial Owner Request for a Finding of Suitability Fee.
 - a. \$800.00 per Natural Person
 - b. \$800.00 for an Entity that is not a Publicly Traded Corporation, plus the fee in paragraph (C)(1)(a) and (C)(1)(b), for each associated natural person subject to suitability
 - c. \$5,000.00 for a Publicly Traded Corporation, plus the fee in paragraph (C)(1)(a) and (C)(1)(b), for each associated natural person or Entity subject to suitability.
2. Passive Beneficial Owner Request for Finding of Suitability Fee. A Passive Beneficial Owner may, but is not required to, apply for an Owner License and Identification Badge, and if the Passive Beneficial Owner chooses to do so, must submit the fees required by subparagraph (C)(1).
3. Renewal Fee for an Owner License. All Controlling Beneficial Owners and licensed Passive Beneficial Owners - \$500.00.

D. Employee License – Initial Fees and Renewal Fees.

1. Employee License Initial Application and License Fee – \$100.00
 - a. Of the total Employee License application and license fee, \$75.00 is the application fee and \$25.00 is the license fee. An individual submitting an application for an Employee License may submit the total fee of \$100.00 in one form of payment.
2. Employee License Renewal Fee – \$75.00

- a. Of the total Employee License Renewal fee, \$50.00 is the application fee and \$25.00 is the license fee. An individual submitting an application for an Employee License renewal may submit the total fee of \$75.00 in one form of payment.
3. All Key Licenses and Support Licenses issued before January 1, 2020 will be converted to an Employee License upon the first license renewal following January 1, 2020.
- E. Temporary Appointee Registration – Request for Finding of Suitability Fees.
1. Natural Person – \$225.00
 2. Entity – \$800.00
- F. Other Fees. The following other fees apply:
1. Permits.
 - a. Off Premises Storage Permit – \$1,500.00
 - b. Transporter Off Premises Storage Permit – \$2,200.00
 - c. Centralized Distribution Permit Initial and Renewal Fee – \$20.00
 - d. R&D Co-Location Permit Initial and Renewal Fee – \$50.00
 - e. Delivery Permit:
 - i. Initial Fee Business License that will expire in 6 months or less - \$2,000.00.
 - ii. Initial Fee Business License that will expire in more than 6 months - \$4,000.00.
 - iii. All Renewals - \$2,000.00
 - f. Transition Permit – \$250.00
 2. Regulated Marijuana Business Changes. The following fees apply per license:
 - a. Change of Controlling Beneficial Owner – \$1,600.00
 - b. Changes Exempt from Change of Owner Application Requirement – \$800.00
 - c. Change of Trade Name – \$50.00
 - d. Change of Location – \$500.00
 - e. Modification of Licensed Premises – \$100.00
 - f. Accelerator Endorsement Application - \$
 3. Marijuana Research and Development Facility Research Project Proposal – \$500.00
 4. Responsible Vendor Provider Applications.

- a. Responsible Vendor Program Provider Initial Application – \$850.00
- b. Responsible Vendor Program Provider Renewal Application – \$350.00
- 5. Duplicate License, Identification Badge, ~~or Certificate~~, Regulated Marijuana Business License Reinstatement.
 - a. Duplicate Business License – \$20.00
 - b. Duplicate Owner or Employee Identification Badge – \$20.00
 - c. Responsible Vendor Program Provider Duplicate Certificate – \$50.00
 - d. Reinstatement of Regulated Marijuana Business License - \$250.00

G. When Fees are Due. All fees in this Rule are due at the time the application or request is submitted.

Basis and Purpose – 2-220

The statutory basis for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-202(1)(e), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(a), 44-10-203(2)(w), 44-10-203(2)(ee), 44-10-203(7), 44-10-301, 44-10-305, 44-10-307, 44-10-308, 44-10-309, 44-10-310, 44-10-311, 44-10-312, 44-10-313, and 44-10-316, C.R.S. The purpose of this rule is to establish the general requirements and processes for submission of an initial application for a Regulated Marijuana Business to the State Licensing Authority.

2-220 – Initial Application Requirements for Regulated Marijuana Businesses

- A. Documents and Information Requested. Every initial application for a Regulated Marijuana Business license must include all required documents and information including, but not limited to:
 - 1. A copy of the local license application, if required, for a Regulated Marijuana Business.
 - 2. Certificate of Good Standing from the jurisdiction in which the Entity was formed, which must be one of the states of the United States, territories of the United States, District of Columbia, or another country that authorizes the sale of marijuana.
 - 3. If the Applicant is an Entity, the identity and physical address of its registered agent in the state of Colorado.
 - 4. Organizational Documents. Articles of Incorporation, by-laws, and any shareholder agreement for a corporation; articles of organization and operating agreement for a limited liability company; or partnership agreement for a partnership.
 - 5. Corporate Governance Documents.
 - a. A Regulated Marijuana Business that is a Publicly Traded Corporation must maintain corporate governance documents as required by the securities exchange on which its securities are listed and traded, and section 44-10-103(50), C.R.S., and must provide those corporate governance documents with each initial application.
 - b. A Regulated Marijuana Business that is not a Publicly Traded Corporation is not required to maintain any corporate governance documents. However, if the

Regulated Marijuana Business that is not a Publicly Traded Corporation voluntarily maintains corporate governance documents, the Division encourages inclusion of such documents with each initial application.

6. The deed, lease, sublease, rental agreement, contract, or any other document(s) establishing the Applicant is, or will be, entitled to possession of the premises for which the application is made.
 7. Legible and accurate diagram for the facility. The diagram must include a plan for the Licensed Premises and a separate plan for the security/surveillance plan including camera location, number and direction of coverage. If the diagram is larger than 8.5 x 11 inches, the Applicant must also provide a copy of the diagram in a portable document format (.pdf).
 8. All required findings of suitability issued by the Division.
 9. If the Applicant is a Publicly Traded Corporation:
 - a. Documents establishing the Publicly Traded Corporation qualifies to hold a Regulated Marijuana Business license including but not limited to disclosure of securities exchange(s) on which its Securities are listed and traded, the stock symbol(s), the identity of all regulators with regulatory oversight over its Securities; and
 - b. Divestiture plan for any Controlling Beneficial Owner that is a Person prohibited by the Marijuana Code, has had her or his Owner License revoked, or has been found unsuitable.
 10. Financial Statements. Consolidated financial statements (which may be prepared on either a calendar or fiscal year basis) that were prepared in the preceding 365 days, and which must include a balance sheet, an income statement, and a cash flow statement. If the Applicant or Regulated Marijuana Business is required to have audited financial statements by another regulator (e.g. United States Securities and Exchange Commission or the Canadian Securities Administrators) the financial statements provided to the Division must be audited and must also include all footnotes, schedules, auditors' report(s), and auditor's opinion(s). If the financial statements are publicly available on a website (e.g. EDGAR or SEDAR), the Applicant or Regulated Marijuana Business may provide notification of the website link where the financial statements can be accessed in lieu of hardcopy submission.
 11. Tax Documents. Documentation establishing compliant return filing and payment of taxes related to any Regulated Marijuana Business in which the Person is, or was, required to file and pay taxes.
- B. Local Licensing/Approval Required.
1. Regulated Marijuana Business Local Licensing Authority Approval Required.
 - a. If the Division grants a license to a Regulated Marijuana Business before the Local Licensing Authority or Local Jurisdiction approves the application or grants a local license, the state license will be conditioned upon local approval. If the Local Licensing Authority denies the application, the state license will be revoked.

- b. An Applicant is prohibited from operating a Regulated Marijuana Business prior to obtaining all necessary licenses, registrations, permits, or approvals from both the State Licensing Authority and the Local Licensing Authority or Local Jurisdiction.

2. Retail Marijuana Business One Year to Obtain Local Jurisdiction Approval Required.

- a. The Applicant has one year from the date of licensing by the State Licensing Authority to obtain approval or licensing from the Local Jurisdiction. If the Applicant fails to obtain Local Jurisdiction approval or licensing within one year from grant of the state license, the state license expires and may not be renewed.

C. Social Equity License Application and Qualification.

1. License Issuance.

- a. A natural person may apply for a Social Equity License. The application shall be made on Division forms and in accordance with the 2-200 Series Rules.
- b. A Social Equity License may be issued to a natural person to exercise the privileges of a Regulated Marijuana Business License or an Accelerator License.

2. Qualifications, Eligibility, and Documents Required with Initial Application. To qualify for a Social Equity License, the Applicant must be found suitable for licensure pursuant to Rule 2-235, unless otherwise exempted by these Rules, and must provide documents or information establishing the following minimum eligibility requirements:

- a. The Applicant is a Colorado Resident; Proof of Colorado residency includes the items set forth in Rule 2-265(H).
- b. The Applicant has not been the Beneficial Owner of a license subject to disciplinary or legal action issued by the State Licensing Authority resulting in the revocation of a license issued pursuant to the Marijuana Code;
- c. The Applicant has demonstrated at least one of the following:
 - i. The Applicant has resided for at least fifteen years between the years 1980 and 2010 in a census tract designated by the office of economic development and international trade as an opportunity zone or designated as a disproportionate impacted area;
 - ii. The Applicant or the Applicant's parent, legal guardian, sibling, spouse, child, or minor in their guardianship was arrested for a marijuana offense, convicted of a marijuana offense, or was subject to civil asset forfeiture related to a marijuana investigation; or
 - iii. The Applicant's household income in the year prior to application did not exceed \$ _____ .00; and
- d. For purposes of this Rule 2-220(C), a disproportionate impacted area means:
_____.

e. The Social Equity Licensee, or collectively one or more Social Equity Licensees, holds at least fifty-one percent of the Beneficial Ownership of the Regulated Marijuana Business License.

3. The State Licensing Authority will not deny an application for a Social Equity License or a related request for finding of suitability on the sole basis of a marijuana conviction.

D. Accelerator License Application and Qualification.

1. License Issuance.

a. Beginning January 1, 2021, a Social Equity Licensee may apply for an Accelerator License. The application shall be made on Division forms and in accordance with the 2-200 Series Rules.

b. An Accelerator Licensee may exercise the privileges of a Retail Marijuana Cultivation Facility License, Retail Marijuana Products Manufacturer License, or Retail Marijuana Store License on the premises of a Retail Marijuana Cultivation Facility, Retail Marijuana Products Manufacturer, or Retail Marijuana Store that has been approved as an Accelerator-Endorsed Licensee.

2. Qualifications, Eligibility, and Documents Required with Initial Application.

a. To qualify for an Accelerator License, the Applicant must provide documents or information establishing the following minimum eligibility requirements:

i. The Applicant has been approved as a Social Equity Licensee pursuant to this Rule 2-220; and

ii. Affirmation that the Applicant has not been the Beneficial Owner of a license issued pursuant to the Marijuana Code.

Basis and Purpose – 2-225

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

2-225 – Renewal Application Requirements for All Licensees

A. License Periods.

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

B. Division Notification Prior to Expiration.

1. The Division will send a notice of license renewal 90 days prior to the expiration of an existing Regulated Marijuana Business or Owner license by first class mail to the Licensee's physical address of record.

2. Failure to receive the Division notification does not relieve the Licensee of the obligation to timely renew the license.

C. Renewal Deadline.

1. A Licensee must apply for the renewal of an existing license prior to the License's expiration date.
2. A renewal application submitted to the Division prior to the license's expiration date shall be deemed timely pursuant to subsection 24-4-104(7), C.R.S., and the Licensee may continue to operate until Final Agency Order on the renewal application.

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

1. Reinstatement of Expired Regulated Marijuana Business License. A Regulated Marijuana Business that fails to file a renewal application and remit all required application and license fees prior to the license expiration date may request that the Division reinstate an expired license only in accordance to the following:

a. The Regulated Marijuana Business license expired within the previous 30 days;

b. The Regulated Marijuana Business License has submitted an initial application pursuant to Rule 2-220. The initial application must be submitted prior to, or currently with, the request for reinstatement;

c. The Regulated Marijuana Business has paid the reinstatement fee in Rule 2-205; and

d. Any license or approval from the Local Licensing Authority or Local Jurisdiction is still valid or has been obtained.

2. Reinstatement Not Available for Surrendered or Revoked Licenses. A request for reinstatement cannot be submitted and will not be approved for a Regulated Marijuana Business license that was surrendered or revoked.

3. Reinstatement Not Available for Owner Licenses or Employee Licenses. A request for reinstatement cannot be submitted and will not be approved for expired, surrendered, or revoked Owner Licenses or Employee Licenses.

4. Denial of Request for Reinstatement or Administrative Action. If the Licensee requesting reinstatement of a Regulated Marijuana Business license operated during a period that the license was expired, the request may be subject to denial or subject to any administrative action authorized by the Marijuana Code or these Rules.

5. Approval of Request for Reinstatement. Upon approval of any request for reinstatement of an expired Regulated Marijuana Business License, the Licensee may resume operations until the final agency action on the Licensee's initial application for a Regulated Marijuana Business license.

- a. Approval of a request for reinstatement of an expired Regulated Marijuana Business license does not guarantee approval of the Regulated Marijuana Business license initial application;
- b. Approval of a request for reinstatement of an expired license does not waive the State Licensing Authority's authority to pursue administrative action on the expired license or initial application for Regulated Marijuana Business license.

6. Final Agency Order on Initial Application for Regulated Marijuana Business.

- a. If the initial application for a Regulated Marijuana Business license submitted pursuant to this Rule is approved, the new Regulated Marijuana Business license will replace the reinstated license.
- b. If the initial application for a Regulated Marijuana Business license submitted pursuant to this Rule is denied, the Licensee must immediately cease all operations including but not limited to, Transfer of Regulated Marijuana. See Rule 2-270 – Application Denial and Voluntary Withdrawal; 8-115 – Disposition of Unauthorized Regulated Marijuana; 8-130 – Administrative Warrants.

- E. Voluntarily Surrendered or Revoked Licenses Not Eligible for Renewal. Any license that was voluntarily surrendered or that was revoked by a Final Agency Order is not eligible for renewal. Any Licensee who voluntarily surrendered its license or has had its license revoked by a Final Agency Order may only submit an initial application. The State Licensing Authority will consider the voluntary surrender or the Final Agency Order and all related facts and circumstances in determining approval of any subsequent initial application.
- F. Licenses Subject to Ongoing Administrative Action. Licenses subject to an administrative action are subject to the requirements of this Rule. Licenses that are not timely renewed expire and cannot be renewed.
- G. Documents Required at Renewal. A Regulated Marijuana Business must provide the following documents with every renewal application:
 - 1. Any document required by Rule 2-220(A)(1) through (10) that has changed since the document was last submitted to the Division. It is a license violation affecting public safety to fail to submit any document that changed since the last submission for the purpose of circumventing the requirements of the Marijuana Code, or these Rules;
 - 2. A copy of the Local Licensing Authority or Local Jurisdiction approval, licensure, and/or documentation demonstrating timely submission of pending local license renewal application;
 - 3. A list of any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency, including but not limited to the United States Securities and Exchange Commission or the Canadian Securities Administrators;
 - 4. A Regulated Marijuana Business operating under a single Entity name with more than one license may submit the following documents only once each calendar year on the first license renewal in lieu of submission with every license renewal in the same calendar year:
 - a. Tax documents and financial statements required by Rule 2-220(A)(~~104~~) and (~~112~~);

- b. If the Regulated Marijuana Business is a Publicly Traded Corporation, the most recent list of Non-Objecting Beneficial Owners possessed by the Regulated Marijuana Business;
- c. A copy of all management agreement(s) the Regulated Marijuana Business has entered into regardless of whether the Person is licensed or unlicensed.; and
- d. Contracts, agreements, royalty agreements, equipment leases, financing agreement, or security contract for any Indirect Financial Interest Holder that is required to be disclosed by Rule 2-230(A)(3).

H. Controlling Beneficial Owner Signature. At least one Controlling Beneficial Owner shall sign the renewal application. However, other Controlling Beneficial Owners may be required to sign authorizations and/or requests to release information.

I. Accelerator Program Renewal Application Requirements.

1. Accelerator License Renewal. Accelerator Cultivator, Accelerator Manufacturer, Accelerator Store licenses are required to be renewed annually. In addition to the documents and information required to be submitted with a renewal application, an Accelerator Licensee must also disclose to the Division copies of any agreements between the Accelerator Licensee and the Accelerator-Endorsed Licensee under which it operated during the previous year.

2. Accelerator-Endorsed Licensee Additional Renewal Requirements.

a. An Accelerator-Endorsed Licensee must annually renew the endorsement.

b. At the time of submitting a renewal application, an Accelerator-Endorsed Licensee must submit the following:

i. The name and license number of any Accelerator Licensee for which it served as an Accelerator-Endorsed Licensee during the previous year;

ii. The equity assistance proposal if there have been any updates or amendments since the proposal was last submitted;

iii. Copies of any agreements between the Accelerator-Endorsed Licensee and the Accelerator Licensee(s), including the equity partnership agreement; and

iv. Any required Local Jurisdiction approvals.

c. In addition to any other basis for denial of a renewal application, the State Licensing Authority may also consider the following facts and circumstances as an additional basis for denial of an endorsement renewal application:

i. The Accelerator-Endorsed Licensee violated the terms of any equity partnership agreement it entered into with an Accelerator Licensee;

ii. The Accelerator-Endorsed Licensee ended the equity partnership agreement with an Accelerator Licensee prematurely; and

ii. The Accelerator-Endorsed Licensee provided false or misleading statements, records, or information to an Accelerator Licensee.

Basis and Purpose – 2-230

The statutory basis for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-202(1)(e), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(c), 44-10-203(2)(t), 44-10-203(2)(u), 44-10-203(2)(w), 44-10-203(2)(ee), 44-10-203(7), 44-10-308, 44-10-309, and 44-10-316, C.R.S. Section 44-10-309, C.R.S., establishes varying disclosure requirements for Applicants and Licensees regarding disclosure of financial interests and ownership in a Regulated Marijuana Business. The purpose of this rule is to clarify information an Applicant or Licensee must disclose to the State Licensing Authority at the various levels, which include mandatory disclosure, disclosure in the State Licensing Authority's discretion, and disclosure for reasonable cause. This rule also provides factors that will be considered in determining whether a Regulated Marijuana Business exercised reasonable care and whether a Person is in control of a Regulated Marijuana Business.

2-230 – Disclosure of Financial Interests in a Regulated Marijuana Business

- A. Mandatory Disclosures. Information required to be disclosed by section 44-10-309, C.R.S., must be identified in every initial, renewal, and change of owner application. Mandatory disclosures include, but are not limited to:
1. All Regulated Marijuana Businesses (including Publicly Traded Corporations and Entities that are not Publicly Traded Corporations) must disclose an organizational chart including the identity and ownership percentages of all Controlling Beneficial Owners;
 2. All Controlling Beneficial Owners.
 - a. For any Controlling Beneficial Owner that is an Entity (including Publicly Traded Corporations and entities that are not Publicly Traded Corporations):
 - i. The Controlling Beneficial Owner's Executive Officers; and
 - ii. Beneficial Owners of ten percent or more of the Controlling Beneficial Owner.
 - b. Natural persons:
 - i. Name;
 - ii. Address;
 - iii. Date of birth;
 - iv. Social Security Number or other Federal Government-issued identification number.
 - c. Qualified Private Fund: Organizational chart reflecting the identity and ownership percentages of the Qualified Private Fund's Executive Officers, investment advisers, investment adviser representatives, any trustee or equivalent, and any other Person that controls the investment in, or management or operations of, a Regulated Marijuana Business.
 - d. Trust: A copy of any documents required to establish the trust, e certification of the trust, and any additional documents necessary to demonstrate the type of trust, the identity and age of the trustee and all beneficiaries of the trust.
 3. Any Indirect Financial Interest Holder that:

- a. Holds two or more indirect financial interests;
- b. Is also a Passive Beneficial Owner; or
- c. That is contributing debt financing, secured or unsecured, that has not previously been disclosed and exceeds fifty percent of the operating capital of the Regulated Marijuana Business or if the calculation yields a negative number. Operating capital is defined as total current and fixed assets less total liabilities (as presented on the balance sheet consistent with the business's past practices), measured as of the nearest month's end prior to the date of the applicable loan document(s).

B. Discretionary Disclosure. In his or her reasonable discretion, the State Licensing Authority may require disclosure following an initial or renewal application for a Regulated Marijuana business as follows:

- 1. For a Regulated Marijuana Business or a Controlling Beneficial Owner, neither of which is a Publicly Traded Corporation, its:
 - a. Affiliates;
 - b. Beneficial Owners of a Controlling Beneficial Owner;
- 2. Qualified Private Fund's Affiliates; and
- 3. Managers of a Controlling Beneficial Owner.

C. Reasonable Cause Disclosure. An Applicant will be notified by the State Licensing Authority of Reasonable Cause to require additional disclosure. The State Licensing Authority's notification will identify the facts and law supporting Reasonable Cause for the disclosure and the deadline for disclosure. The following may be required to be disclosed by the State Licensing Authority's notification:

- 1. An updated list of all Non-objecting Beneficial Owners in a Publicly Traded Corporation that is either a Regulated Marijuana Business or a Controlling Beneficial Owner reflecting ownership as of the date of request;
- 2. All Passive Beneficial Owners in a Regulated Marijuana Business that is not a Publicly Traded Corporation. If the Passive Beneficial Owner is not a natural person, the members of the board of directors, general partners, managing members, or Managers or Executive Officers and Beneficial Owners of ten percent or more of the Passive Beneficial Owner;
- 3. A list of all Beneficial Owners of a Qualified Private Fund;
- 4. All Indirect Financial Interest Holders of a Regulated Marijuana Business, and, for any Indirect Financial Interest Holder that is an Entity, the Beneficial Owners of ten percent or more of the Indirect Financial Interest Holder.

D. Affirmation of Reasonable Care.

- 1. Reasonable Care Affirmation for a Regulated Marijuana Business That is Not a Publicly Traded Corporation. A Regulated Marijuana Business that is not a Publicly Traded Corporation must affirm it exercised reasonable care to confirm its Passive Beneficial Owner(s), including any Qualified Institutional Investor(s), and Indirect Financial Interest

Holder(s) are not Persons prohibited from holding a license under these Rules or the Marijuana Code. A Regulated Marijuana Business exercises reasonable care if it:

- a. Receives documentation from each Passive Beneficial Owner, including any Qualified Institutional Investor, and each Indirect Financial Interest Holder affirming each is not a Person prohibited from holding a license by these Rules or the Marijuana Code; and
- b. The Regulated Marijuana Business does not know or reasonably should not know facts that would contradict the Passive Beneficial Owner or Indirect Financial Interest Holder's affirmation.

2. Reasonable Care Affirmation for a Regulated Marijuana Business That is a Publicly Traded Corporation. A Regulated Marijuana Business that is a Publicly Traded Corporation must affirm it exercised reasonable care to confirm its Passive Beneficial Owners, including any Qualified Institutional Investor(s), both of which are Non-Objecting Beneficial Owners, and Indirect Financial Interest Holder(s) are not Person prohibited from holding a license by these Rules and the Marijuana Code. A Regulated Marijuana Business that is a Publicly Traded Corporation exercises reasonable care if it:

- a. At least annually, checks a list of its Passive Beneficial Owners, including any Qualified Institutional Investor(s), both of which are Non-Objecting Beneficial Owners, against the Specially Designated Nationals and Blocked Persons List (SDN List) on the United States Treasury Office of Foreign Assets Control (OFAC) website and the Financial Industry Regulatory Authority (FINRA) website for Persons Barred by FINRA to determine if there are any prohibited Persons;
- b. Receives documentation from its Indirect Financial Interest Holder(s) affirming each is not a Person prohibited from holding a license by these Rules or the Marijuana Code; and
- c. The Regulated Marijuana Business does not know or reasonably should not know facts that would contradict the Indirect Financial Interest Holder's affirmation.

E. Control. The State Licensing Authority will consider all facts and circumstances in determining whether a Person has Control of a Regulated Marijuana Business or is a Controlling Beneficial Owner by virtue of common control.

1. Non-Exhaustive Factors. Non-exhaustive facts and circumstances that will be considered when evaluating Control include, but are not limited to:

- a. The Person's percentage of ownership, if any;
- b. The Person's ability to influence the decision of the Regulated Marijuana Business;
- c. The Person is a Manager of the Regulated Marijuana Business;
- d. The Person has a close relationship, familial tie, or common purpose or motive with one or more Persons in Control of the Regulated Marijuana Business;
- e. The Person has substantial business relationship(s) with the Regulated Marijuana Business;

- f. The Person has the ability to control the proxy machinery or to win a proxy contest;
 - g. The Person is a primary creditor of the Regulated Marijuana Business; or
 - h. The Person is the original incorporator of the Regulated Marijuana Business.
2. Totality of the Evidence. The State Licensing Authority may consider the totality of the evidence when determining whether a Person has Control of a Regulated Marijuana Business or is a Controlling Beneficial Owner by virtue of common control.

Basis and Purpose – 2-235

The statutory basis for this rule includes but is not limited to sections 44-10-202(1)(e), 44-10-203(2)(c), 44-10-203(2)(ee), 44-10-309, 44-10-310, and 44-10-312(4), C.R.S. Section 44-10-310, C.R.S., requires that persons disclosed or who should have been disclosed to the State Licensing Authority obtain a finding of suitability from the State Licensing Authority. The purpose of this rule is to explain the conditions under which a Person is subject to either a mandatory finding of suitability or a finding of suitability for reasonable cause, to identify exemptions from an otherwise required finding of suitability and to identify the information and documents that, at a minimum, must be submitted in connection with any Person's request for a finding of suitability.

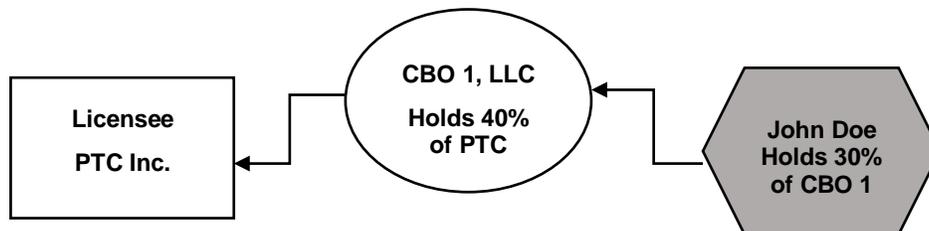
2-235 – Suitability

- A. Persons Subject to a Mandatory Finding of Suitability for Regulated Marijuana Businesses That Are Not Publicly Traded Corporations.
- 1. Except as provided in subparagraph (A)(1)(a), any Person intending to become a Controlling Beneficial Owner by submitting an initial application for any Regulated Marijuana Business that is not a Publicly Traded Corporation must first submit a request to the State Licensing Authority for a finding of suitability.
 - a. An individual who is a Controlling Beneficial Owner because he or she is a member of the board of directors or an Executive Officer of a Regulated Marijuana Business or is Controlling a Regulated Marijuana Business but who does not possess ten percent or more of the Owner's Interest in a Regulated Marijuana Business must submit a request for a finding of suitability to the State Licensing Authority within 45 days of becoming such a Controlling Beneficial Owner.
 - b. Whether an individual is an Executive Officer required to obtain a mandatory finding of suitability is based on the definition in these rules and the facts and circumstances. In determining whether an individual is an Executive Officer, the State Licensing Authority will consider the following, non-exhaustive factors:
 - i. Title is not dispositive, however, the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, president, the General Counsel, and any individual with similar policy making authority are Executive Officers;
 - ii. The level of decision-making authority the individual possesses;
 - iii. The Controlling Beneficial Owner and/or Regulated Marijuana Business's organizational chart; and

- iv. Any relevant guidance from the United States Securities and Exchange Commission or similar securities regulator, securities rules or securities case law.
- 2. For a Controlling Beneficial Owner that is an Entity, the Entity's request for finding of suitability must include all information necessary for the State Licensing Authority to determine whether its Executive Officers and any Person that indirectly owns ten percent or more of the Owner's Interest in the Regulated Marijuana Business are suitable.
- 3. For a Controlling Beneficial Owner that is a trust, the trust's request for a finding of suitability must include all documents and information required or requested by the State Licensing Authority to permit a determination of whether or not the trustee and any beneficiary who may exercise control over the trust is suitable. A trust will not be found suitable if any person prohibited by section 44-10-307 is the trustee, otherwise controls the trust, or is positioned to receive distributions from the trust while a person prohibited.
- 43. Any Person that has not received a finding of suitability and who intends to become a Controlling Beneficial Owner of a Regulated Marijuana Business that is not a Publicly Traded Corporation must submit their request for a finding of suitability prior to or contemporaneously with the change of owner application, unless exempt from the change of owner application requirement under Rule 2-245(C).

B. Persons Subject to a Mandatory Finding of Suitability for Regulated Marijuana Businesses That Are Publicly Traded Corporations.

- 1. The following Persons must apply to the State Licensing Authority for a finding of suitability:
 - a. Any Person that becomes a Controlling Beneficial Owner of any Regulated Marijuana Business that is a Publicly Traded Corporation; and
 - b. Any Person that indirectly Beneficially Owns ten percent or more of the Regulated Marijuana Business that is a Publicly Traded Corporation through direct or indirect ownership of its Controlling Beneficial Owner. For example, assuming the scenario depicted below, Licensee PTC Inc. has one-million shares of outstanding Securities and CBO 1 owns 400,000 of those securities. John Doe owns 30% of CBO 1. Therefore, John Doe indirectly owns 12% of the outstanding securities of Licensee PTC Inc., and must apply to the State Licensing Authority for a finding of suitability.



- 2. For a Controlling Beneficial Owner that is an Entity, the Entity's request for finding of suitability must include all information necessary for the State Licensing Authority to determine whether its Executive Officers and any Person that indirectly owns ten percent or more of the Owner's Interest in the Regulated Marijuana Business are suitable.

3. Timing of Request for Finding of Suitability Involving Publicly Traded Corporation.
 - a. Unless exempted under Rule 2-235(E), all Persons that will be a Controlling Beneficial Owner in a Regulated Marijuana Business that is entering into a Publicly Traded Corporation transaction described in Rule 2-245(C)(1) must first obtain a finding of suitability by the State Licensing Authority before the transaction can close or the public offering can occur.
 - b. A Person who becomes a Controlling Beneficial Owner in a Regulated Marijuana Business that is a Publicly Traded Corporation must submit a request for a finding of suitability to the State Licensing Authority within 45 days of becoming a Controlling Beneficial Owner.
 - c. An individual who is a Controlling Beneficial Owner because he or she is a member of the board of directors or an Executive Officer of a Regulated Marijuana Business or is Controlling a Regulated Marijuana Business but who does not possess ten percent or more of the Owner's Interest in a Regulated Marijuana Business must submit a request for a finding of suitability to the State Licensing Authority within 45 days of becoming such a Controlling Beneficial Owner.
- C. Finding of Suitability for Reasonable Cause. For Reasonable Cause, any other Person that was disclosed or should have been disclosed pursuant to subsections 44-10-309(1) or (2) or that was required to be disclosed based on previous notification of Reasonable Cause must submit a request to the State Licensing Authority for a finding of suitability. Any Person required to submit a request for a finding of suitability pursuant to this Rule must submit such request within 45 days from notice of the State Licensing Authority's determination of Reasonable Cause for the finding of suitability.
- D. Information Required in Connection with a Request for a Finding of Suitability. When determining whether a Person is suitable or unsuitable for licensure, the State Licensing Authority may consider the Person's criminal character or record, licensing character or record, or financial character or record. To consider a Person's criminal character or record, licensing character or record, and financial character or record, all requests for a finding of suitability must, at a minimum, be accompanied by the following information:
 1. Criminal Character or Record:
 - a. A set of the natural person's fingerprints for purposes of a fingerprint-based criminal history record check.
 2. Licensing Character or Record:
 - a. Affirmation that the Person is not prohibited from holding a license under section 44-10-307, C.R.S.
 - b. A list of all Colorado Department of Revenue-issued business licenses held in the three years prior to submission of the request for a finding of suitability;
 - c. A list of all Department of Regulatory Agencies business, professional, or occupational licenses held in the three years prior to submission of the request for a finding of suitability;
 - d. A list of any marijuana business or personal license(s) held in any other state or territory of the United States or District of Columbia or another country, where

such license is or was at any time subject to a denial, suspension, revocation, surrender, or equivalent action by the licensing agency, commission, board, or similar authority; and

- e. Disclosure of any civil lawsuits in which the Person was named a party where pleadings included allegations involving any Regulated Marijuana Business.

3. Financial Character or Record:

- a. Disclosure of any sanctions, penalties, assessments, or cease and desist orders imposed by any securities regulatory agency other than the United States Securities Exchange Commission;
- b. If the Person's request for a finding of suitability is for purposes of acquiring ten percent or more of the Owner's Interest in the Regulated Marijuana Business, copies of the Person's financial account statements for the preceding one-hundred eighty days for any accounts serving as a source of funding used to acquire the Owner's Interest in the Regulated Marijuana Business; or, if the Person is contributing one or more asset(s) to the Regulated Marijuana Business in exchange for the Owner's Interests, documents establishing the Person has owned such asset(s) for the preceding one-hundred eighty days.

E. Exemptions from a Finding of Suitability.

- 1. The following Persons are exempt from an otherwise required finding of suitability:
 - a. Any Person that currently possesses an approved Owner License issued by the State Licensing Authority and such Owner License has not, in the preceding 365 days, been subject to suspension or revocation.
- 2. Exemptions from an otherwise required finding of suitability are limited to those listed in this Rule. The State Licensing Authority will consider other factors that may inform amendments to this Rule through the Department's formal rulemaking session.

- F. Timing to Approve or Deny a Request for Finding of Suitability. Absent Reasonable Cause, the State Licensing Authority must approve or deny a request for a finding of suitability within 120 days from the date of submission of the request for such finding, where such request was accompanied by all information required under subsection (D) of this Rule.

- G. Finding of Suitability Valid for One Year. A finding of suitability is valid for one year from the date it is issued by the State Licensing Authority. If more than one year has passed since the State Licensing Authority issued a finding of suitability to a Person and such Person has not during that time become a Controlling Beneficial Owner of a Regulated Marijuana Business pursuant to an initial business application or change of owner application, then such Person shall submit a new request for finding of suitability to the State Licensing Authority and obtain a new finding of suitability before submitting any application to become a Controlling Beneficial Owner of a Regulated Marijuana Business.

Basis and Purpose – 2-245

The statutory basis for this rule includes but is not limited to sections 44-10-202(1)(e), 44-10-203(1)(d), 44-10-203(1)(j), 44-10-203(2)(ee)(l)(A) and (E), 44-10-203(7), 44-10-308(3)(b), 44-10-309, 44-10-310, 44-10-311, and 44-10-312, C.R.S. The purpose of this rule is to define the application process and conditions an Applicant or Licensee must meet when changing Beneficial Ownership in a Regulated Marijuana

Business. This rule further describes requirements in the event of a dispute between the Controlling Beneficial Owners of a Regulated Marijuana Business.

2-245 – Change of Controlling Beneficial Owner Application or Notification

A. Application for Change of Controlling Beneficial Owner(s) – Not a Publicly Traded Corporation.

1. Unless excepted pursuant to subparagraph (C) of this Rule, a Regulated Marijuana Business that is not a Publicly Traded Corporation must obtain Division approval before it transfers the Owner's Interests of any Controlling Beneficial Owner(s) or before a trust that is a Controlling Beneficial Owner changes its trustee.
2. All applications for change of Controlling Beneficial Owner(s) must be executed by every Controlling Beneficial Owner whose Owner's Interests are proposed to change and any Person proposed to become a Controlling Beneficial Owner(s). Controlling Beneficial Owners whose Owner's Interest will not change are not required to execute the change of owner application; however, at least one Controlling Beneficial Owner and all Persons proposed to become a Controlling Beneficial Owner must execute every change of owner application.
3. Upon completion of the investigation of a change of owner application, the State Licensing Authority will issue a contingent approval letter. However, the State Licensing Authority will not issue the state license until:
 - a. Local Approval Required. If local approval is required, the proposed Controlling Beneficial Owner(s) demonstrates to the State Licensing Authority that local approval has been obtained and notifies the State Licensing Authority of the date by which the change of owner will be completed, which must be within thirty days of the notification. The proposed Controlling Beneficial Owner's notification to the Division must be within 365 days of the issuance of the Division's contingent approval letter.
 - i. If a Local Licensing Authority or Local Jurisdiction requires a change of owner application and that application is denied, the State Licensing Authority will deny the State change of owner application;
 - b. No Local Approval Required. If local approval is not required, the proposed Controlling Beneficial Owner(s) demonstrates that such approval is not required and notifies the State Licensing Authority of the date by which the change of owner will be completed, which must be within thirty days of the of the notification. However, the proposed Controlling Beneficial Owner's notification to the Division must be made within 365 days of issuance of the Division's contingent approval letter.
4. Any proposed new Controlling Beneficial Owner cannot operate the Regulated Marijuana Business for which it intends to become a Controlling Beneficial Owner until it receives any required finding of suitability and is issued all approvals and/or license(s) pursuant to any change of owner application required by this Rule. Controlling Beneficial Owners that have already been approved in connection with ownership of the Regulated Marijuana Business may continue to operate the Regulated Marijuana Business. A violation of this requirement is grounds for denial of the change of owner application, may be a violation affecting public safety, and may result in disciplinary action against existing license(s).

5. If a Regulated Marijuana Business or any of its Controlling Beneficial Owner(s) apply for a change of owner and is involved in an administrative investigation or administrative action, the following may apply:
 - a. The change of owner application may be delayed or denied until the administrative action is resolved; or
 - b. If the change of owner application is approved by the Division, the transferor, the transferee, or both may be responsible for the actions of the Regulated Marijuana Business and its prior Controlling Beneficial Owner(s), and subject to discipline based upon the same.
6. Documents Required. Any change of owner application regarding a Controlling Beneficial Owner of a Regulated Marijuana Business that does not involve a Publicly Traded Corporation must include the following documents:
 - a. Asset purchase agreement, merger, sales contract, agreement, or any other document necessary to effectuate the change of owner;
 - b. Request for a finding of suitability for each proposed Controlling Beneficial Owner(s);
 - c. Operating agreement, by-laws, partnership agreement, or other governing document(s) as will apply to the Regulated Marijuana Business if the change of owner application is approved;
 - d. Request for voluntary surrender form of the Owner License of any Controlling Beneficial Owner that will not remain a Controlling Beneficial Owner, or Passive Beneficial Owner electing to hold an Owner License in a Regulated Marijuana Business if the change of owner application is approved.
 - e. Copy of current Medical Marijuana or Retail Marijuana State Sales Tax or Wholesale license and any other documents necessary to verify tax compliance; and
 - f. Any required finding of suitability for any proposed Controlling Beneficial Owner that does not already hold a valid Owner License.
7. Licensee Initiates Change of Owner for Permitted Economic Interests Issued Prior to January 1, 2020. All natural persons holding a Permitted Economic Interest who seek to become a Controlling Beneficial Owner are subject to this Rule. The Regulated Marijuana Business must initiate the change of owner process for a natural person holding a Permitted Economic Interest who seeks to convert its interest and become a Controlling Beneficial Owner in a Regulated Marijuana Business. Prior to submitting a change of owner application, the Permitted Economic Interest holder must obtain a finding of suitability pursuant to Rule 2-235 including any required criminal history record check. Permitted Economic Interest holders who fail to obtain a finding of suitability to become a Controlling Beneficial Owner may remain as a Permitted Economic Interest holder.
8. Medical Marijuana Transporters and Retail Marijuana Transporters Not Eligible for Change of Owner. Medical Marijuana Transporters and Retail Marijuana Transporters are not eligible to transfer the entire Beneficial Ownership of their Regulated Marijuana Business.

- B. Change of Owner Involving a Publicly Traded Corporation. This Rule applies to transactions involving any Publicly Traded Corporation.
1. Publicly Traded Corporation Transactions. A Regulated Marijuana Business may transact with a Publicly Traded Corporation in the following ways:
 - a. Merger with a Publicly Traded Corporation. A Regulated Marijuana Business that intends or that has a Controlling Beneficial Owner that intends to receive, directly or indirectly, an investment from, or intends to merge or consolidate with a Publicly Traded Corporation, whether by way of merger, combination, exchange, consolidation, reorganization, sale of assets or otherwise, including but not limited to any shell company merger.
 - b. Investment by a Publicly Traded Corporation. A Regulated Marijuana Business that intends or that has a Controlling Beneficial Owner that intends to transfer, directly or indirectly, ten percent or more of the Securities in the Regulated Marijuana Business to a Publicly Traded Corporation, whether by sale or other transfer of outstanding Securities, issuance of new Securities, or otherwise.
 - c. Public Offering. A Regulated Marijuana Business that intends or that has a Controlling Beneficial Owner that intends to become, directly or indirectly, a Publicly Traded Corporation, whether by effecting a primary or secondary offering of its Securities, uplisting of outstanding Securities, or otherwise.
 2. Required Finding(s) of Suitability.
 - a. Pre-Transaction Findings of Suitability Required. Any Person intending to become a Controlling Beneficial Owner in a Regulated Marijuana Business in connection with any transaction identified in subparagraph (B)(1)(a) through (c) above, must obtain a finding of suitability prior to the Publicly Traded Corporation transaction closing or becoming effective.
 - b. Ongoing Suitability Requirements. Any Person who becomes a Controlling Beneficial Owner of a Publicly Traded Corporation that is a Regulated Marijuana Business must apply to the State Licensing Authority for a finding of suitability or an exemption from a finding of a suitability pursuant to Rule 2-235 within forty-five days of becoming a Controlling Beneficial Owner. A Publicly Traded Corporation that is a Regulated Marijuana Business must notify any Person that becomes a Controlling Beneficial Owner of the suitability requirements as soon as the Regulated Marijuana Business becomes aware of the ownership subjecting the Person to this requirement; however, the Controlling Beneficial Owner's obligation to timely request the required finding of suitability is independent of, and unaffected by, the Regulated Marijuana Business's failure to make the notification.
 3. Change of Owner Application Required. A Licensee entering into a transaction permitted in subparagraph (B)(1)(a)-(c) above with Publicly Traded Corporation must submit any required change of owner application to the Division prior to the transaction closing. The change of owner application may be submitted simultaneously with the requests for finding(s) of suitability required by subparagraph (B)(2) or after the or after the request(s) for findings of suitability were submitted to the Division. If anything in a Change of Owner Application is modified or changed after the Division approves the Application, the Licensee must submit a new Change of Owner Application, unless exempted by the Division prior to completing the change of owner.

4. Mandatory Disclosure of Required, United States Securities and Exchange Commission, Canadian Securities Administrators and/or Securities Exchange Filings. A Regulated Marijuana Business and any Controlling Beneficial Owner that is required to file any document with the United States Securities and Exchange Commission, the Canadian Securities Administrators, any other similar securities regulator or any securities exchange regarding any change of owner in subparagraphs (C)(1)(a) through (c) ~~above~~ below must also provide a notice to the Division at the same time as the filing with the United States Securities and Exchange Commission, the Canadian Securities Administrators or the securities exchange.
5. Ordinary Broker Transactions. Resales or transfers of Securities of a Publicly Traded Corporation that is a Regulated Marijuana Business or Controlling Beneficial Owner or Passive Beneficial Owner in ordinary broker transactions through an established trading market do not require a change of owner application or prior approval from the State Licensing Authority.

C. Exemptions to the Change of Owner Application Requirement.

1. Entity Conversions or Change of Legal Name. A Regulated Marijuana Business or a Controlling Beneficial Owner may combine with or convert, including but not limited to under sections 7-90-201 et seq., C.R.S., for the exclusive purpose of changing its Entity jurisdiction to one of the states or territories of the United States or the District of Columbia, its Entity type or change the legal name of an Entity without filing a change of owner application. These exemptions apply only if the Controlling Beneficial Owners and their Owner's Interests will remain the same after the combination, conversion, or change of legal name, and there will not be any new Controlling Beneficial Owners (individuals or Entities). Within fourteen days of the combination, conversion, or change of legal name the Regulated Marijuana Business must submit the following to the Division:
 - a. A copy of the transaction documents;
 - b. Documents submitted to the Colorado Secretary of States;
 - c. Any document submitted to the secretary of state or similar regulator if the Entity is organized under the laws of a state of the United States other than Colorado, a territory of the United States, or the District of Columbia;
 - d. Identification of the Regulated Marijuana Business's or Controlling Beneficial Owner's registered agent;
 - e. Identification of any Passive Beneficial Owner and Indirect Financial Interest Holder for which disclosure is required by Rule 2-230; and
 - f. The fee required by Rule 2-205(F)(2)(b).
2. Reallocation of Owner's Interests Among Controlling Beneficial Owners. A Regulated Marijuana Business may reallocate Owner's Interests among existing Controlling Beneficial Owners holding valid Owner Licenses if it provides notification of the reallocation to the Division with its next application submission as long as there are no new Controlling Beneficial Owners. A reallocation under this rule is subject to the following requirements:
 - a. All Owner's Interests of a Controlling Beneficial Owner may be reallocated to other existing Controlling Beneficial Owners;

- b. If any Controlling Beneficial Owner will not hold any Owner's Interest in a Regulated Marijuana Business following the reallocation, that Controlling Beneficial Owner shall voluntarily surrender his or her Owner's License and identification badge within 30 days of the reallocation;
 - c. All Controlling Beneficial Owners remain responsible for all actions of the Regulated Marijuana Business while they were a Controlling Beneficial Owner and are subject to administrative action based on the same regardless of the reallocation; and
 - d. Disclosure and submission of the fee required by Rule 2-205(F)(2)(b) at the next application submission which shall not be longer than 365 days.
3. Passive Beneficial Owner Licensed Prior to August 1, 2019. A Passive Beneficial Owner who was issued an Owner License prior to August 1, 2019, and who has continuously maintained that license, is not required to submit a change of owner application if he or she becomes a Controlling Beneficial Owner in the business license(s) with which the Owner License is associated but must disclose and submit the fee required by Rule 2-205(F)(2)(b) at the next application submission, which shall not be longer than 365 days.
4. Change of Executive Officer or Member of the Board of Directors. A change of owner application is not required for a change of an Executive Officer or member of the board of directors of a Regulated Marijuana Business or an Entity Controlling Beneficial Owner of a Regulated Marijuana Business so long as the new Executive Officer or member of the board of directors does not possess ten percent or more of the Owner's Interest in the Regulated Marijuana Business or is otherwise Controlling the Regulated Marijuana Business. However, a change of Executive Officer or member of the board of directors is subject to the following requirements:
- a. Any such Executive Officer or member of the board of directors of the Regulated Marijuana Business must submit a request for a finding of suitability as required by Rule 235-1 or, if exempt from a finding of suitability pursuant to Rule 235-1(E), the Regulated Marijuana Business subject to any such change of the Executive Officer or members of their board of directors must provide notice to the Division of the new Controlling Beneficial Owner within forty-five days.
 - b. The fee required by Rule 2-205(F)(2)(b).
5. Change of Passive Beneficial Owner. Persons are not required to submit an application or obtain prior approval of their ownership if: (1) the person was not a Direct Beneficial Interest Owner prior to November 1, 2019, (2) the Person will remain a Passive Beneficial Owner after the acquisition of Owner's Interests is complete, (3) the transfer will not create any previously undisclosed Controlling Beneficial Owner, and (4) disclosure is not otherwise required by section 44-10-309, C.R.S., or Rule 2-230.
- ED. Refundable and Nonrefundable Deposits Permitted. A proposed Controlling Beneficial Owner may provide a selling Controlling Beneficial Owner with a refundable or nonrefundable deposit in connection with a change of owner application.
- EF. Controlling Beneficial Owner Dispute.
- 1. In the event of a dispute between Controlling Beneficial Owner(s) not involving divestiture under Rule 2-275 and precluding or otherwise impeding the ability to comply with these Rules, a Regulated Marijuana Business that is not a Publicly Traded Corporation must submit a change of owner application, notification pursuant to subparagraph (~~EB~~) of this

Rule, or initiate mediation, arbitration, or a judicial proceeding within 90 days of the dispute. The 90-day period may be extended for an additional 90 days upon a showing of good cause by the Regulated Marijuana Business.

2. A Regulated Marijuana Business that is not a Publicly Traded Corporation must submit a change of owner application or notification pursuant to subparagraph (C) of this Rule within forty-five days of entry of a final court order, final arbitration award, or full execution of a settlement agreement altering the Controlling Beneficial Owner(s) of a Regulated Marijuana Business. Any change of owner application or notification based on a final court order, final arbitration award, or fully executed settlement agreement must include a copy of the order or settlement agreement and remains subject to approval by the Division. In this circumstance, the change of owner application or notification needs to be executed by at least one remaining Controlling Beneficial Owner.
3. If mediation, arbitration, or a judicial proceeding is not timely initiated, or if a change of owner application or notification pursuant to subparagraph (C) of this Rule is not timely submitted following entry of a final court order, final arbitration award, or full execution of a settlement agreement altering the Controlling Beneficial Owner(s) of a Regulated Marijuana Business that is not a Publicly Traded Corporation, the Regulated Marijuana Business and its Owner Licensee(s) may be subject to fine, suspension, or revocation of their license(s).

Basis and Purpose – 2-255

The statutory basis for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-202(1)(e), 44-10-203(1)(j), 44-10-203(2)(a), 44-10-203(2)(e), 44-10-203(2)(w), 44-10-203(2)(cc), 44-10-305, 44-10-313(8), and 44-10-313(13), C.R.S. The purpose of this rule is to clarify the application process for changing location of a Licensed Premises. This rule also provides the requirements for a Medical Marijuana Cultivation Facility or a Retail Marijuana Cultivation Facility to obtain a transition permit.

2-255 – Change of Location of a Regulated Marijuana Business

- A. Application Required Before Changing Location of Licensed Premises. A Regulated Marijuana Business must apply for and receive Division approval before changing the location of its Licensed Premises.
- B. Application Requirements. A change of location application must include the following:
 1. At least one signature of a Controlling Beneficial Owner and representation that the signing Controlling Beneficial Owner(s) is/are authorized to submit the application on behalf of the Regulated Marijuana Business.
 2. Evidence the Local Licensing Authority and/or Local Jurisdiction in which the Regulated Marijuana Business proposes to move have approved the proposed new location.
 3. The deed, lease, sublease, rental agreement, contract, or any other document(s) establishing the Licensee is, or will be, entitled to possession of the premises for which the application is made.
 4. Legible and accurate diagram for the proposed licensed Premises that complies with the requirements of the 3-200 Series Rules. The diagram must include a plan for the proposed Licensed Premises and a separate plan for the security/surveillance plan including camera location, number and direction of coverage. If the diagram is larger than 8.5 inches x 11 inches, the Applicant must also provide the diagram in a portable document format (.pdf).

C. Change of Location Permit Required.

1. A Regulated Marijuana Business cannot change the location of its Licensed Premises until it receives a change of location permit from the Division.
2. The permit is effective on the date of issuance, and the Licensee must, within 120 days, change the location of its Regulated Marijuana Business to the place specified in the change of location permit and at the same time cease to operate a Regulated Marijuana Business at the former location. For good cause shown, the 120-day deadline may be extended an additional 120 days.
3. If the Regulated Marijuana Business does not change the location of its Licensed Premises within the time period granted by the Division, including any extension, the Regulated Marijuana Business must submit a new application, pay the change of location fee, and receive a new change of location permit prior to changing the location of its Licensed Premises.
4. A Regulated Marijuana Business cannot operate or exercise any of the privileges of its license(s) in both locations, unless a Medical Marijuana Cultivation Facility or Retail Marijuana Cultivation Facility has received a transition permit.

D. Medical Marijuana Cultivation Facilities and Retail Marijuana Cultivation Facilities - Transition Permit Requirements.

1. A Medical Marijuana Cultivation Facility or Retail Marijuana Cultivation Facility may apply for a transition permit and a change of location at the same time.
2. A Medical Marijuana Cultivation Facility or Retail Marijuana Cultivation Facility that has ~~an approved change of location and obtained a~~ transition permit must comply with the following requirements:
 - a. The total plants cultivated at both locations do not exceed any plant count limit imposed on the Licensee by the Marijuana Code and these rules;
 - b. The Licensed Premises of both geographical locations comply with all surveillance, security, and inventory tracking requirements imposed by the Marijuana Code and these rules at the Rule 3-200 Series and 3-800 Series;
 - c. Both geographical locations shall track all Regulated Marijuana plants in transition in the Inventory Tracking System to ensure proper tracking for taxation purposes;
 - d. Operation at both geographical locations does not exceed 180 days, unless Licensee demonstrates good cause to extend the deadline an additional 180 days; and
 - e. The Licensee obtains a transition permit pursuant to this Rule and any local permit or license, as required by the Local Licensing Authority or Local Jurisdiction.
3. Change of Location in the Same Local Jurisdiction. If the change of location is within the same local jurisdiction, the Licensee must:
 - a. First obtain a transition permit pursuant to this Rule; and

- b. If required by the Local Licensing Authority or Local Jurisdiction, obtain a transition permit or other form of approval from the Local Licensing Authority or Local Jurisdiction.
 - 4. Change of Location to a Different Local Jurisdiction. If the change of location is to a different local jurisdiction, the Licensee must:
 - a. First obtain a license from the Local Licensing Authority or Local Jurisdiction where the Licensee intends to locate;
 - b. Obtain a transition permit pursuant to this Rule; and
 - c. If required by the Local Licensing Authority or Local Jurisdiction, obtain a transition permit or other form of approval from the Local Licensing Authority or Local Jurisdiction for the local jurisdiction where it intends to locate.
 - 5. Conduct at either location may be basis for fine, suspension, revocation, or other sanction against the License.
- E. Violation Affecting Public Safety. It is a violation affecting public safety if a Regulated Marijuana Business changes the location of its Licensed Premises without first obtaining a change of location permit from the Division, and any required approval(s) from the Local Licensing Authority and/or Local Jurisdiction.

Basis and Purpose – 2-265

The statutory basis for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-202(1)(e), 44-10-203(2)(b)-(c), 44-10-203(2)(e), 44-10-203(2)(t)-(u), 44-10-203(2)(w), 44-10-307, 44-10-308(2), 44-10-313(6), 44-10-401(2)(c), 44-10-901(1), and 24-76.5-101 et seq., C.R.S. Historically, natural persons who held an Owner's Interest in a Regulated Marijuana Business were required to hold an Associated Key License. This Rule transitions the Associated Key designation to an Owner License designation after August 1, 2019. The purpose of this rule is to clarify the requirements and procedures a Person must follow when applying for or possessing either an Owner License or an Employee License. This rule also identifies factors the State Licensing Authority will consider in determining whether a natural person is a resident and whether such person possess good moral character.

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

- A. Associated Key Licenses. Associated Key licenses remain valid until the first renewal following August 1, 2019, after which such licenses will be renewed as an Owner License.
- B. Owner Licenses Required.
 - 1. Each Controlling Beneficial Owner must hold a valid Owner License.
 - 2. If a Controlling Beneficial Owner is an Entity, then its Executive Officer(s) and any natural person who indirectly holds ten percent or more of the Owner's Interests in the Regulated Marijuana Business must also hold a valid Owner's License.
 - 3. A Passive Beneficial Owner who is a natural person may elect to hold an Owner License and obtain an Owner Identification Badge provided that such Person agrees to be disclosed as holding an Owner's Interest in the Regulated Marijuana Business.

4. Only Controlling Beneficial Owners and Passive Beneficial Owners can obtain an Owner License.
- C. Owner License and Identification Badge or Employee License and Identification Badge Required. The following natural persons must possess a valid Owner License and Identification Badge or an Employee License and Identification Badge:
1. Any natural person who possesses, cultivates, manufactures, tests, dispenses, sells, serves, transports, or delivers Regulated Marijuana or Regulated Marijuana Products as permitted by privileges of a Regulated Marijuana Business license;
 2. Any natural person who has access to the Inventory Tracking System or a Regulated Marijuana Business point-of-sale system; and
 3. Any natural person with unescorted access in the Limited Access Area.
- D. Escort or Monitoring Required.
1. Any natural person in a Limited Access Area that does not have a valid Owner License and Identification Badge or an Employee License and Identification Badge is a visitor and must be escorted at all times by a person who holds a valid Owner License and Identification Badge or Employee License and Identification Badge. Failure by a Regulated Marijuana Business to continuously escort an individual who does not have a valid Owner License and Identification Badge or an Employee License and Identification Badge in the Limited Access Area is a license violation affecting public safety.
 2. Patients and consumers in a Restricted Access Area and third-party vendors in a Limited Access Area do not need to be escorted at all times, but must be reasonably monitored to ensure compliance with these rules.
- E. Employee License Required to Commence or Continue Employment. Any natural person required to obtain an Employee License by these rules must obtain such license before commencing activities permitted by his or her Employee License.
- F. Owner License and Employee License Identification Badges Are Property of the State Licensing Authority. All Owner Licenses and Employee Licenses, and all Identification Badges are property of the State Licensing Authority.
- G. Owner and Employee Initial and Renewal Applications Required. Owner Licensees and Employee Licensees must submit initial license applications and renewal applications on Division forms and in accordance with this Rule and Rules 2-215, 2-220, and 2-225.
- H. License Requiring Proof of Residency. Where a license type requires that the Applicant be a Colorado resident, proof of residency includes, but is not limited to:
1. Current valid Colorado driver's license or current Colorado identification card with a current address; or
 2. A photo ID and two of the following documents showing the correct name, current date, and current Colorado address:
 - a. Utility bill or phone bill;
 - b. Care registration;

- c. Voter registration card;
- d. Statement from a major creditor;
- e. Bank statement;
- f. Recent County tax notice;
- g. Recent contract/mortgage statement.

H. Owner License Qualifications and Privileges.

1. Owner License Qualifications. Each Controlling Beneficial Owner, or Passive Beneficial Owner who elects to be subject to disclosure and licensure, must meet the following criteria before receiving an Owner License:
 - a. The Applicant is not prohibited from licensure pursuant to section 44-10-307, C.R.S.;
 - b. The Applicant has not been a State Licensing Authority employee with regulatory oversight responsibilities for Persons licensed by the State Licensing Authority in the six months immediately preceding the date of the Applicant's application;
 - c. The Division has not received notice that the Applicant has failed to comply with a court or administrative order for current child support, child support debt, retroactive child support, or child support arrearages. If the Division receives notice of the Applicant's noncompliance pursuant to sections 24-35-116 and 26-13-126, C.R.S., the application may be denied or delayed until the Applicant has established compliance with the order to the satisfaction of the state child support enforcement agency.
 - d. Each Controlling Beneficial Owner required to hold an Owner License, and any Passive Beneficial Owner that elects to hold an Owner License, must be fingerprinted at least once every two years, and may be fingerprinted more often at the Division's discretion.
 - e. An Owner Licensee who exercises day-to-day operational control on the Licensed Premises of a Regulated Marijuana Business must possess an Identification Badge and must establish and maintain Colorado residency. A Controlling Beneficial Owner will not be deemed to exercise day-to-day operational control by reason of holding a title defined as an Executive Officer. Proof of residency includes the items set forth in Rule 2-265(H).
2. Owner License Exercising Privileges of an Employee License. ~~A natural person who is a Colorado resident and holds an Owner License and Identification Badge may exercise the privileges of an Employee License in any Regulated Marijuana Business.~~
 - a. An Owner who holds an Owner License and Identification Badge may exercise the privileges of any employee License in a Regulated Marijuana Business in which that Person is not a controlling Beneficial Owner regardless of that Person's residency.
 - b. An Owner who holds an Owner License and Identification Badge may exercise the privileges of an employee License in a Regulated Marijuana Business in

which that Person is a Controlling Beneficial Owner only if that Person is a Colorado resident.

3. Business License Required. A natural person cannot hold an Owner License without holding a Regulated Marijuana Business license, or without at least submitting an application for a Regulated Marijuana Business license.

J. Employee License Qualifications and Privileges.

1. Employee License Qualifications and Requirements. An Employee License Applicant must meet the following criteria before receiving an Employee License:

- a. The Applicant is not prohibited from licensure pursuant to section 44-10-307, C.R.S.;
- b. The Applicant has not been a State Licensing Authority employee with regulatory oversight responsibilities for Persons licensed by the State Licensing Authority in the six months immediately preceding the date of the Applicant's application.
- c. The Division has not received notice that the Applicant has failed to comply with a court or administrative order for current child support, child support debt, retroactive child support, or child support arrearages. If the Division receives notice of the Applicant's noncompliance pursuant to sections 24-35-116 and 26-13-126, C.R.S., the application may be denied or delayed until the Applicant has established compliance with the order to the satisfaction of the state child support enforcement agency.

~~d. Employee Licensees working in a Regulated Marijuana Business must be Colorado Residents at the time of initial license application and must maintain residency during the period of licensure, unless they are applying for a workforce training or development residency exempt license.~~

2. Medical and Retail Employee Licenses. A natural person who holds a current, valid Employee License and Identification Badge issued pursuant to the Marijuana Code may work in any Regulated Marijuana Business.

~~3. Workforce Training or Development Residency Exempt License. An Applicant who wishes to obtain a workforce development or training exemption to the license residency requirement may apply for an Employee License and must:~~

- ~~a. Submit a complete application on Division approved forms;~~
- ~~b. Establish she or he meets the licensing criteria of this Rule 2-265(H)(1)(a)-(c);~~
- ~~c. Provide evidence of proof of lawful presence; and~~
- ~~d. Provide a complete Workforce Training or Development Affirmation form executed under penalty of perjury.~~

K. Owner Licensees and Employee Licensees Required to Maintain Licensing Qualification. An Owner Licensee or Employee Licensee's failure to maintain qualifications for licensure may constitute grounds for discipline, including but not limited to, suspension, revocation, or fine.

~~K. Factors Considered when Determining Residency and Citizenship. This Rule applies to natural persons who are required to have and maintain Colorado residency. In determining whether a~~

natural person is a Colorado resident, the State Licensing Authority will consider the following factors:

- ~~1. **Primary Home Defined.** The location of an Applicant's principal or primary home or place of abode ("primary home") may establish Colorado residency. An Applicant's primary home is that home or place in which a person's habitation is fixed and to which the person, whenever absent, has the present intention of returning after a departure or absence therefrom, regardless of the duration of such absence. A primary home is a permanent building or part of a building and may include, by way of example, a house, condominium, apartment, room in a house, or manufactured housing. No rental property, vacant lot, vacant house or cabin, or other premises used solely for business purposes will be considered a primary home.~~
- ~~2. **Reliable Indicators That an Applicant's Primary Home is in Colorado.** The State Licensing Authority considers the following types of evidence to be generally reliable indicators that a person's primary home is in Colorado.~~
 - ~~a. Evidence of business pursuits, place of employment, income sources, residence for income or other tax purposes, residence of spouse and any minor children, leaseholds, situs of personal and real property, existence of any other residences outside Colorado and the amount of time spent at each such residence, and any motor vehicle or vessel registration;~~
 - ~~b. Duly authenticated copies of the following documents may be taken into account: A current driver's license with address, recent property tax receipts, copies of recent income tax returns where a Colorado mailing address is listed as the primary address, current voter registration cards, current motor vehicle or vessel registrations, and other public records evidencing place of abode or employment; and~~
 - ~~c. Other types of reliable evidence.~~
- ~~3. **Totality of Evidence.** The State Licensing Authority will review the totality of the evidence, and any single evidence regarding the location of a person's primary home is not necessarily determinative.~~
- ~~4. **Other Considerations for Residency.** The State Licensing Authority may consider the following circumstances:~~
 - ~~a. Members of the armed services of the United States or any nation allied with the United States who are on active duty in this state under permanent orders and their spouses;~~
 - ~~b. Personnel in the diplomatic service of any nation recognized by the United States who are assigned to duty in Colorado and their spouses; and~~
 - ~~c. Full-time students who are enrolled in any accredited trade school, college, or university in Colorado. The temporary absence of such student from Colorado, while the student is still enrolled at any such trade school, college, or university, will not be deemed to terminate their Colorado residency. A student will be deemed "full-time" if considered full-time pursuant to the rules or policy of the educational institution he or she is attending.~~

L. Evaluating a Natural Person's Good Moral Character Based on Criminal History.

1. In evaluating whether a Person is prohibited from holding a license pursuant to sections subsections 44-10-307(1)(b) or (c), C.R.S., based on a determination that the person's criminal history indicates she or he is not of Good Moral Character, the Division will not consider the following:
 - a. The mere fact a person's criminal history contains an arrest(s) or charge(s) of a criminal offense that is not actively pending;
 - b. A conviction of a criminal offense in which the Applicant/Licensee received a pardon;
 - c. A conviction of a criminal offense which resulted in the sealing or expungement of the record; or
 - d. A conviction of a criminal offense in which a court issued an order of collateral relief specific to the application for state licensure.

2. In evaluating whether a Person is prohibited from holding a license pursuant to subsections 44-10-307(1)(b) or (c), C.R.S., based on a determination that the person's criminal history indicates he or she is not of Good Moral Character, the Division may consider the following history:
 - a. Any felony conviction(s);
 - b. Any conviction(s) of crimes involving moral turpitude;
 - c. Pertinent circumstances connected with the conviction(s); and
 - d. Conduct underlying arrest(s) or charge(s) or a criminal offense for which the criminal case is not actively pending.

3. When considering criminal history in subparagraph ~~(K)~~(2) above, the Division will consider:
 - a. Whether there is a direct relationship between the conviction(s) and the duties and responsibilities of holding a state license issued pursuant to the Marijuana Code;
 - b. Any information provided to the Division regarding the person's rehabilitation, which may include but is not limited to the following non-exhaustive considerations:
 - i. Character references;
 - ii. Educational, vocational, and community achievements, especially those achievements occurring during the time between the person's most recent criminal conviction and the application for a state license;
 - iii. Successful participation in an alcohol and drug treatment program;
 - iv. That the person truthfully and fully reported the criminal conduct to the Division;
 - v. The person's employment history after conviction or release, including but not limited to whether the person was vetted and approved to hold a

state or out-of-state license for the purposes of employment in a regulated industry;

- vi. The person's successful compliance with any conditions of parole or probation imposed after conviction or release; or
- vii. Any other facts or circumstances tending to show the Applicant has been rehabilitated and is ready to accept the responsibilities of a law-abiding and productive member of society.

Basis and Purpose – 2-285

The statutory authority for this rule includes but is not limited to sections...

2-285 – Accelerator Endorsement Application, Qualification, and Eligibility

- A. Beginning January 1, 2021, Retail Marijuana Store Licensees, Retail Marijuana Cultivation Facility Licensees, and Retail Marijuana Products Manufacturers Licensees may apply for an endorsement to participate in the accelerator program. The application shall be made on Division forms and in accordance with the 2-200 Series Rules.
- B. Qualifications and Eligibility. The State Licensing Authority may consider the following facts and circumstances for purposes of determining a Licensees' qualifications and eligibility to be an Accelerator-Endorsed Licensee.
 - 1. The Applicant has not, in previous years, been subject to a license revocation or active suspension issued by the State Licensing Authority or any Local Licensing Authority or Local Jurisdiction in which it operated.
 - 2. Information demonstrating the Applicant operated its license for at least two years prior to the date of application; or if the Applicant is unable to demonstrate operations for a period of at least two years, it must satisfy at least one of the following:
 - a. The Applicant possesses a valid commercial marijuana license issued in another state and has operated such license for the preceding two years;
 - b. For the preceding two years the Applicant has participated in an accelerator, incubator, or social equity program that may, but is not required to be, associated with the commercial marijuana industry;
 - c. The Applicant has at least two years of regulated cannabis industry experience at a managerial or executive level; or
 - d. The Applicant has at least two years of business experience in a highly regulated industry other than the marijuana industry.
- C. Application Requirements. In addition to all other application requirements outlined in the 2-200 Series Rules, an application to become an Accelerator-Endorsed Licensee must include the Applicant's equity assistance proposal, containing the information required by the 3-1100 Series Rules.
- D. The Division will maintain a list of Accelerator-Endorsed Licensees on its website. By submitting an Accelerator Endorsed Application, the Applicant authorizes the State Licensing Authority to publish the Applicant's name on the Division's website.

Part 3 – Regulated Marijuana Business Operations

3-100 Series – General Privileges and Limitations

Basis and Purpose – ~~3023-210~~

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-311(1)(b), and 44-10-311(2), 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. This Rule 3-210 was previously Rules M and R 302, 1 CCR 212-1 and 1 CCR 212-2.

3-210 – Possession of Licensed Premises

- A. Evidence of Lawful Possession. Persons licensed pursuant to sections 44-10-501, 44-10-502, 44-10-503, 44-10-504, 44-10-507, 44-10-601, 44-10-602, 44-10-603, 44-10-604, 44-10-607, 44-10-608, 44-10-609, 44-10-610 C.R.S., or those applying 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 state and local 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. 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 2-260 - 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 Licensing Authority or Local Jurisdiction.

Basis and Purpose – 3-220

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-203(2)(e), and 29-2-114(8)(a), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(IV). The purpose of this rule is to ensure adequate control of the Licensed Premises and Regulated Marijuana contained therein. This rule establishes the minimum guidelines for security requirements for alarm systems and commercial locking mechanisms for maintaining adequate security. This rule also establishes fencing and lighting requirements for outdoor cultivations. This Rule 3-220 was previously Rules M and R 305, 1 CCR 212-1 and 1 CCR 212-2.

3-220 – Security Alarm Systems and Lock Standards

- A. Security Alarm Systems – Minimum Requirements. The following Security Alarm Systems and lock standards apply to all Regulated Marijuana Businesses, unless stated otherwise by these rules.
 - 1. Each Licensed Premises shall have a Security Alarm System, installed by an Alarm Installation Company, on all perimeter entry points and perimeter windows.
 - 2. Each Licensee must ensure that all of its Licensed Premises are continuously monitored. Licensees may engage the services of a Monitoring Company to fulfill this requirement.

3. A Licensee shall maintain up-to-date and current records and existing contracts on the Licensed Premises that describe the location and operation of each Security Alarm System, a schematic of security zones, the name of the Alarm Installation Company, and the name of any Monitoring Company. See Rule 3-905 – Business Records Required.
4. Upon request, Licensees shall make available to agents of the Division or relevant Local Licensing Authority or Local Jurisdiction or state or local law enforcement agency, for a purpose authorized by the Marijuana Code or for any other state or local law enforcement purpose, all information related to Security Alarm Systems, Monitoring, and alarm activity.
5. Any outdoor or Greenhouse Medical Marijuana Cultivation Facility or Retail Marijuana Cultivation Facility is a Limited Access Area and must meet all of the requirements for Security Alarm Systems described in this Rule. An outdoor or Greenhouse Medical Marijuana Cultivation Facility or Retail Marijuana Cultivation Facility must provide sufficient security measures to demonstrate that outdoor areas are not readily accessible by unauthorized individuals. It shall be the responsibility of the Licensee to maintain physical security in a manner similar to a Medical Marijuana Cultivation Facility or Retail Marijuana Cultivation Facility located in an indoor Limited Access Area so it can be fully secured and alarmed. The fencing requirements shall include, at a minimum, perimeter fencing designed to prevent the general public from entering the Limited Access Areas and shall meet at least the following minimum requirements:
 - a. The entire Limited Access Area shall be surrounded by a fence constructed of nine gauge or lower metal chain link fence or another similarly secure material. The fence shall measure at least eight feet from the ground to the top, or in the alternative, the fence may measure six feet from the ground to the top with a 1 foot barbed wire arm with at least three strands along the entire fence. All support posts shall be steel and securely anchored.
 - b. All gates of ingress or egress shall measure at least eight feet from the ground to the top of the entry gate, or in the alternative, the gate may measure six feet from the ground to the top with a 1 foot barbed wire arm with at least three strands, and shall be constructed of nine gauge or lower metal chain link fence or a similarly secure material.
 - c. The fence shall obscure the Limited Access Area so that it is not easily viewed from outside the fence.
 - d. All areas of ingress and egress of the fence shall either:
 - i. ~~Be illuminated including a 20 foot radius from the point of ingress or egress. Lights may be, but are not required to be, motion sensing, or~~
 - ii. ~~Have cameras with night vision capacity capable of recording a 20 foot radius the point of ingress or egress. The required lights may be, but are not required to be, motion sensing. See Rule 3-225(C).~~
 - e. A Licensee or Applicant for initial licensure may, in writing, request that the Division waive one or more of the security requirements described in this subparagraphs (a) through (d) of this Rule, by submitting on a form prescribed by the Division a security waiver request for Division approval. The Division may, in its discretion and on a case-by-case basis, approve the security waiver if it finds that the alternative safeguard proposed by the Licensee or Applicant for initial licensure meets the goals of the above security requirements or that the security requirements are in conflict with a local ordinance of general applicability.

Approved security waivers expire at the same time as the underlying License and may be renewed at the time the License renewal application is submitted. The Licensee's or Applicant for initial licensure's request for a waiver shall include:

- i. The specific rules and subsections of a rule that is requested to be waived;
- ii. The reason for the waiver;
- iii. A description of an alternative safeguard the Licensee will implement in lieu of the requirement that is the subject of the waiver; and
- iv. An explanation of how and why the alternative safeguard accomplishes the goals of the security rules, specifically public safety, prevention of diversion, accountability, and prohibiting access to minors.

B. Lock Standards – Minimum Requirement.

1. At all points of ingress and egress, the Licensee shall ensure the use of a commercial-grade, non-residential door locks.
2. Any outdoor or Greenhouse Medical Marijuana Cultivation Facility or Retail Marijuana Cultivation Facility must meet all of the requirements for the lock standards described in this Rule.

Basis and Purpose – 3-225

The statutory authority for this rule includes but is not limited to sections 44-10-203(2)(h), 44-10-203(1)(j), 44-10-203(2)(e), and 44-10-1001, 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 adequate control of the Licensed Premises and Regulated Marijuana contained therein. This rule also establishes the minimum guidelines for security requirements for video surveillance systems for maintaining adequate security. This Rule 3-225 was previously Rules M and R 306, 1 CCR 212-1 and 1 CCR 212-2.

Basis and Purpose – 3-235

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(2)(h), 44-10-203(2)(i), 44-10-203(1)(j), and 44-10-203(2)(x), C.R.S. The purpose of this rule is to establish conditions under which a Licensee is authorized to Transfer Fibrous Waste to a Person for the purpose of producing only Industrial Fiber Products. This Rule 3-235 was previously Rules M and R 307.5, 1 CCR 212-1 and 1 CCR 212-2.

3-235 – Transfers of Fibrous Waste

- A. All Applicable Laws Apply. Fibrous Waste must be stored and managed in accordance with all applicable state and local statutes, regulations, ordinances, or other requirements.
- B. Medical Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, Retail Marijuana Cultivation Facilities, Accelerator Marijuana Cultivation Facilities, and Retail Marijuana Products Manufacturers, and Accelerator Marijuana Products Manufacture Facilities may Transfer Fibrous Waste to an Industrial Fiber Products Producer in accordance with the requirements of this Rule 3-235.
- C. Contract Requirements. Medical Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, Retail Marijuana Cultivation Facilities, Accelerator Marijuana Cultivation Facilities,

~~and~~ Retail Marijuana Products Manufacturers and Accelerator Marijuana Products Manufactures that Transfer Fibrous Waste to an Industrial Fiber Products Producer shall enter into a written contract prior to Transferring any Fibrous Waste.

1. The written contract must be complete, and must fully incorporate all terms and conditions.
2. The written contract shall include the following terms:
 - a. The identity of the Industrial Fiber Products Producer;
 - b. A requirement that the Industrial Fiber Products Producer shall be and shall remain in good standing with the Colorado Secretary of state during the contract term; and
 - c. A requirement that the Industrial Fiber Products Producer shall ensure the security of Fibrous waste during transport from the Licensed Premises to the point of processing by the Industrial Fiber Products Producer.
3. The Licensee and Industrial Fiber Products Producer shall sign an affirmation that the Fibrous Waste is being Transferred only for the purpose of producing Industrial Fiber Products, which may be incorporated as part of a purchase order, invoice, or manifest.

D. Business Records. Medical Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, Retail Marijuana Cultivation Facilities, Accelerator Marijuana Cultivation Facilities, ~~and~~ Retail Marijuana Products Manufacturers and Accelerator Marijuana Products Manufactures that Transfer Fibrous Waste to an Industrial Fiber Products Producer shall keep all contracts, receipts, and inventory records relating to the Transfer of any Fibrous Waste in accordance with Rule 3-905, including but not limited to Rule 3-905(A)(2).

E. Security Measures.

1. Medical Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, Retail Marijuana Cultivation Facilities, Accelerator Marijuana Cultivation Facilities, ~~and~~ Retail Marijuana Products Manufacturers, and Accelerator Marijuana Products Manufactures that Transfer Fibrous Waste to an Industrial Fiber Products Producer shall comply with all security requirements pursuant to Rules 3-220 and 3-225.
2. Medical Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, Retail Marijuana Cultivation Facilities, Accelerator Marijuana Cultivation Facilities, ~~and~~ Retail Marijuana Products Manufacturers and Accelerator Marijuana Products Manufactures preparing Fibrous Waste for Transfer to an Industrial Fiber Products Producer must separate Fibrous Waste from other Regulated Marijuana plant material and waste within the Limited Access Area and on video surveillance.
3. Medical Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, Retail Marijuana Cultivation Facilities, Accelerator Marijuana Cultivation Facilities, ~~and~~ Retail Marijuana Products Manufacturers, and Accelerator Marijuana Products Manufactures shall physically segregate all Fibrous Waste from other waste and Regulated Marijuana.
4. Medical Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, Retail Marijuana Cultivation Facilities, Accelerator Marijuana Cultivation Facilities, ~~and~~ Retail Marijuana Products Manufacturers and Accelerator Marijuana Products Manufactures shall affix a label to all receptacles holding Fibrous Waste that has already

been separated from other Regulated Marijuana plant material and waste within the Limited Access Area prior to Transfer to an Industrial Fiber Products Producer. The label must identify the receptacle as "Contains Fibrous Waste."

5. An Industrial Fiber Products Producer, or its employee or agent, must sign the visitor log, unless such individual has a valid Division-issued Employee License, to enter the Limited Access Area for any Transfer of Fibrous Waste.
6. The Licensee remains responsible for all Fibrous Waste until the Industrial Fiber Products Producer takes possession and removes Fibrous Waste from the Licensed Premises.
7. The Licensee shall ensure that only Fibrous Waste and waste that has been made unusable and Unrecognizable pursuant to Rule 3-320 is Transferred to the Industrial Fiber Products Producer.

F. Inventory Tracking Requirements.

1. A Licensee shall utilize the Inventory Tracking System to ensure its post-harvest Fibrous Waste materials are identified, weighed, and tracked while on the Licensed Premises until Transferred.
2. A scale used to weigh Fibrous Waste prior to entry into the Inventory Tracking System shall be tested and approved in accordance with section 35-14-127, C.R.S. See Rule 3-805 – Regulated Marijuana Business: Inventory Tracking System.
3. A Licensee is required to maintain accurate and comprehensive records regarding waste material that accounts for, reconciles, and evidences all Fibrous Waste Transfers. See Rule 3-905 – Business Records Required.

G. Medical Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, Retail Marijuana Cultivation Facilities ~~and Accelerator Marijuana Cultivation Facilities~~, Retail Marijuana Products Manufacturers ~~and Accelerator Marijuana Products Manufacturers~~ shall not Transfer contaminated Fibrous Waste to an Industrial Fiber Products Producer and shall handle contaminated Fibrous Waste using the same reasonable protocols used to handle waste.

H. Violation Affecting Public Safety. It may be considered a violation of public safety for a Licensee to Transfer anything to an Industrial Fiber Products Producer other than in accordance with this Rule 3-235.

Basis and Purpose – 3-240

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), and 44-10-203(2)(bb), C.R.S. The purpose of this rule is to establish conditions under which a Medical Marijuana Store, Retail Marijuana Store, Accelerator Store, and Licensed Hospitality Businesses are permitted to collect marijuana consumer waste for purposes of reuse and recycling.

3-240 – Collection of Marijuana Consumer Waste

A. All Applicable Laws Apply. Marijuana Consumer Waste must be stored and managed in accordance with all applicable state and local statutes, regulations, ordinances, or other requirements.

B. Medical Marijuana Stores, Retail Marijuana Stores, [Accelerator Stores](#), and Licensed Hospitality Businesses may collect, reuse, and recycle Marijuana Consumer Waste in accordance with the requirements of this Rule 3-240.

C. Collection, Separation, and Processes.

1. Collection. A Licensee must comply with the following requirements when collecting Marijuana Consumer Waste pursuant to paragraph B of this Rule:

- a. The Licensee utilizes receptacles that are sealed and designed to require specialized tools in order to open and access the contents of the receptacle;
- b. All receptacles used for collection of Marijuana Consumer Waste shall be located within the Restricted Access Area or Consumption Area of the Licensed Premises and shall be reasonably supervised by a Licensee to ensure any Marijuana Consumer Waste collected is only removed by a Licensee;
- c. All receptacles used for collection of Marijuana Consumer Waste shall be recorded on video surveillance; and
- d. All receptacles used for collection of Marijuana Consumer Waste shall be labeled. The label must at least identify the receptacle as "Contains Marijuana Consumer Waste." A Licensee may choose to include additional information on the receptacle label.

2. Separation. Medical Marijuana Stores, Retail Marijuana Stores, [Accelerator Stores](#) and Licensed Hospitality Businesses must separate electronic and battery components from the Marijuana Consumer Waste.

3. Processes. Medical Marijuana Stores, Retail Marijuana Stores, [Accelerator Stores](#) and Licensed Hospitality Businesses must establish standard operating procedures that ensure at a minimum any remaining Regulated Marijuana in Marijuana Consumer Waste is removed and destroyed to the extent practicable. A Licensee may remove and destroy any remaining Regulated Marijuana within either the Restricted Access Area or the Limited Access Area of the Licensed Premises.

D. Transfers of Marijuana Consumer Waste.

1. Once any remaining Regulated Marijuana has been removed and destroyed, a Licensee may Transfer Marijuana Consumer Waste to another Regulated Marijuana Business for purposes of further processing and recycling; or

2. Medical Marijuana Stores, Retail Marijuana Stores, [Accelerator Stores](#), and Licensed Hospitality Businesses may Transfer Marijuana Consumer Waste, excluding the electronic components and battery components, to a Person for purposes of recycling. Such Person shall be registered as required by the Colorado Department of Public Health and Environment's regulations at 6 CCR 1007-2, Part 1, Section 8; or

3. Medical Marijuana Stores, Retail Marijuana Stores, [Accelerator Stores](#), and Licensed Hospitality Businesses may Transfer the electronic and battery components of Marijuana Consumer Waste to a Person for purposes of recycling in accordance with the Colorado Department of Public Health and Environment's regulations at 6 CCR 1007-3.

E. Business Records. Medical Marijuana Stores, Retail Marijuana Stores, [Accelerator Stores](#), and Licensed Hospitality Businesses that collect and Transfer Marijuana Consumer Waste for

recycling shall keep all contracts, standard operating procedures, and receipts relating to the collection and Transfer of any Marijuana Consumer Waste in accordance with Rule 3-905, including but not limited to Rule 3-905(A)(2).

- F. Violation Affecting Public Safety. It may be considered a violation affecting public safety for a Licensee to Transfer Marijuana Consumer Waste that has remaining Regulated Marijuana and in a manner other than in accordance with this Rule 3-240.

Basis and Purpose – 3-315

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(1)(g), 44-10-203(2)(g), 44-10-203(2)(h), 44-10-203(2)(i), and 44-10-1001(2), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(VII). It sets forth general standards and basic sanitary requirements for Retail Marijuana Stores. It covers the physical premises where the products are made as well as the individuals handling the products. This rule authorizes the State Licensing Authority to require an independent consultant to conduct a health and sanitary audit of a Regulated Marijuana Business. The purpose of this rule is to establish the conditions under an independent health and safety audit may be required. This rule explains when an independent health and sanitary audit may be deemed necessary and sets forth possible consequences of a Regulated Marijuana Businesses 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. The State Licensing Authority modeled this rule after those adopted by the Colorado Department Revenue for Medical Marijuana and those adopted by the Colorado Department of Public Health and Environment. 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.

3-315 – Independent Health and Safety Audit

A. State Licensing Authority May Require A Health and Sanitary Audit.

1. When the State Licensing Authority determines a health and sanitary audit by an independent consultant is necessary, it may require a Regulated Marijuana Business to undergo such an audit. The scope of the audit may include, but need not be limited, to whether the Regulated Marijuana Business is in compliance with the requirements set forth in this Rule and other applicable health, sanitary, or food handling laws, rules, and regulations.
2. In such instances, the Division may attempt to mutually agree upon the selection of the independent consultant with a Regulated Marijuana Business. However, the Division always retains the authority to select the independent consultant regardless of whether mutual agreement can be reached.
3. The Regulated Marijuana Business will be responsible for all costs associated with the independent health and sanitary audit.

B. 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:

1. The Division has reasonable grounds to believe that the Regulated Marijuana Business 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;
2. The Division has reasonable grounds to believe that the Regulated Marijuana Business was the cause or source of contamination of Regulated Marijuana;

3. A Medical Marijuana Cultivation Facility ~~or,~~ Retail Marijuana Cultivation Facility or Accelerator Marijuana Cultivation Facility does not provide requested records related to the use of Pesticide or other agricultural chemicals used in the cultivation process;
 4. Multiple Harvest Batches or Production Batches produced by a Medical Marijuana Cultivation Facility ~~or,~~ Retail Marijuana Cultivation Facility or Accelerator Marijuana Cultivation Facility failed contaminant testing;
 5. A Medical Marijuana Products Manufacturer ~~or,~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer does not provide requested records related to the production of Regulated Marijuana Products, including but not limited to, certification of its Licensed Premises, equipment or standard operating procedures, food handling training required for Owner Licensees and Employee Licensees engaged in the production of Regulated Marijuana Products, or Production Batch specific records to the Division;
 6. Multiple Production Batches of Regulated Marijuana Products produced by the Medical Marijuana Products Manufacturer ~~or,~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer failed contaminant testing.
- C. Compliance Required. A Regulated Marijuana Business 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.
- D. Suspension of Operations.
1. If the State Licensing Authority has objective and reasonable grounds to believe and finds upon reasonable ascertainment of the underlying facts that the Licensee committed a deliberate and willful violation or there is a substantial danger to public health and safety, ~~or welfare imperatively requires emergency action~~ and incorporates such findings into its order, it may order summary suspension of the Regulated Marijuana Business's license. See Rule 8-210 – Disciplinary Process: Summary Suspensions.
 2. Prior to or following the issuance of such an order, the Regulated Marijuana Business 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.
 - a. 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 8-210 – Disciplinary Process: Summary Suspensions.
 - b. If an agreement to suspend operations is reached, then the Regulated Marijuana Business may continue to care for its inventory and conduct any necessary internal business operations, but it may not Transfer any Regulated Marijuana or Regulated Marijuana Product to another Regulated Marijuana Business, a patient, or a consumer during the period of time specified in the agreement

Basis and Purpose – 3-325

The statutory authority for this rule includes but is not limited to sections 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(g), 44-10-203(2)(h), 44-10-203(2)(dd)(X), and 44-10-203(3)(c), 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 clarify that a Regulated Marijuana Business engaged in the cultivation of Regulated Marijuana is prohibited from using certain chemicals or pesticides that may cause harm to employees or consumers.

3-325 – Prohibited Chemicals

A. Applicability. This Rule 3-325 applies to Medical Marijuana Cultivation Facilities, Retail Marijuana Cultivation Facilities, Accelerator Marijuana Cultivation Facilities and Marijuana Research and Development Licensees.

B. The following chemicals are prohibited and shall not be used in Regulated Marijuana cultivation. Possession of chemicals and/or containers from these chemicals upon the Licensed Premises shall be a violation of this Rule. Additionally, possession of Regulated Marijuana or Regulated Marijuana Concentrate on which any of the following chemicals is detected shall constitute a violation of this Rule.

1. Any Pesticide the use of which would constitute a violation of the Pesticide Act, section 35-9-101 *et seq.*, C.R.S., the Pesticide Applicators' Act, section 35-10-101 *et seq.*, C.R.S., or the rules and regulations pursuant thereto.
2. Other chemicals (listed by chemical name and CAS Registry Number (or EDF Substance ID)):

ALDRIN

309-00-2

ARSENIC OXIDE (3)

1327-53-3

ASBESTOS (FRIABLE)

1332-21-4

AZODRIN

6923-22-4

1,4-BENZOQUINONE, 2,3,5,6-TETRACHLORO-

118-75-2

BINAPACRYL

485-31-4

2,3,4,5-BIS (2-BUTENYLENE) TETRAHYDROFURFURAL

126-15-8

BROMOXYNIL BUTYRATE

EDF-186

CADMIUM COMPOUNDS

CAE750

CALCIUM ARSENATE [2ASH3O4.2CA]

7778-44-1

CAMPHECHLOR

8001-35-2

CAPTAFOL

2425-06-1

CARBOFURAN

1563-66-2

CARBON TETRACHLORIDE

56-23-5

CHLORDANE

57-74-9

CHLORDECONE (KEPONE)

143-50-0

CHLORDIMEFORM

6164-98-3

CHLOROBENZILATE

510-15-6

CHLOROMETHOXYPROPYLMERCURIC ACETATE [CPMA] EDF-

183

COPPER ARSENATE

10103-61-4

2,4-D, ISOCTYL ESTER

25168-26-7

DAMINOZIDE

1596-84-5

DDD

72-54-8

DDT

50-29-3

DI(PHENYLMERCURY)DODECENYLSUCCINATE [PMDS] EDF-

187

1,2-DIBROMO-3-CHLOROPROPANE (DBCP)

96-12-8

1,2-DIBROMOETHANE

106-93-4

1,2-DICHLOROETHANE

107-06-2

DIELDRIN

60-57-1

4,6-DINITRO-O-CRESOL

534-52-1

DINITROBUTYL PHENOL

88-85-7

ENDRIN

72-20-8

EPN

2104-64-5

ETHYLENE OXIDE

75-21-8

FLUOROACETAMIDE

640-19-7

GAMMA-LINDANE

58-89-9

HEPTACHLOR

76-44-8

HEXACHLORO BENZENE

118-74-1

1,2,3,4,5,6-HEXACHLOROCYCLOHEXANE (MIXTURE OF ISOMERS)

608-73-1

1,3-HEXANEDIOL, 2-ETHYL-

94-96-2

LEAD ARSENATE

7784-40-9

LEPTOPHOS

21609-90-5

MERCURY

7439-97-6

METHAMIDOPHOS

10265-92-6

METHYL PARATHION

298-00-0

MEVINPHOS

7786-34-7

MIREX

2385-85-5

NITROFEN

1836-75-5

OCTAMETHYLDIPHOSPHORAMIDE

152-16-9

PARATHION

56-38-2

PENTACHLOROPHENOL

87-86-5

PHENYLMERCURIC OLEATE [PMO]

EDF-185

PHOSPHAMIDON

13171-21-6

PYRIMINIL

53558-25-1

SAFROLE

94-59-7

SODIUM ARSENATE

13464-38-5

SODIUM ARSENITE

7784-46-5

2,4,5-T

93-76-5

TERPENE POLYCHLORINATES (STROBANE6)

8001-50-1

THALLIUM(I) SULFATE

7446-18-6

2,4,5-TP ACID (SILVEX)

93-72-1

TRIBUTYLTIN COMPOUNDS

EDF-184

2,4,5-TRICHLOROPHENOL

95-95-4

VINYL CHLORIDE

75-01-4

- C. DMSO. The use of Dimethylsulfoxide (DMSO) in the production of Regulated Marijuana shall be prohibited and the possession of DMSO upon the Licensed Premises is prohibited.

Basis and Purpose – 3-330

The statutory authority for this rule includes but is not limited to sections 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(g), 44-10-203(2)(h), 44-10-203(2)(i), 44-10-203(3)(c), 44-10-203(3)(e), and 44-10-1001, C.R.S. The purpose of this rule is to clarify the minimum health and safety requirements imposed on a Medical or Retail Marijuana Cultivation Facility. The State Licensing Authority has determined the cultivation of Medical or Retail Marijuana requires the application of processes and procedures, and the use of materials, chemicals, and pesticides which, if improperly used, may be potentially harmful to employees and consumers. Therefore, the cultivation of Medical or Retail Marijuana must be performed in a manner that reduces the likelihood of exposure to such materials, chemicals and pesticides, or other microbials or molds. 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 Revenue for Medical Marijuana and those adopted by the Colorado Department of Public Health and Environment. 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.

3-330 – Cultivation of Regulated Marijuana: Specific Health and Safety Requirements

- A. Additional Sanitary Requirements. In addition to the general sanitary requirements in Rule 3-310, a Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility shall take all reasonable measure and precautions to ensure the following:
1. That all contact surfaces, including utensils and equipment used for the preparation of Regulated Marijuana, Water-Based Medical Marijuana Concentrate, or Water-Based Retail Marijuana Concentrate 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 Medical Marijuana Cultivation Facility ~~or, an~~ Accelerator Marijuana Cultivation Facility, or in a Retail Marijuana Cultivation Facility;
 2. 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. Reclaimed water may also be used only for the cultivation of Regulated Marijuana to the extent authorized under the Reclaimed Water Control Regulations (5 CCR 1002-84), and subject to approval of the Water Quality Control Division of the Colorado Department of Public Health and Environment and the local water provider;
 3. 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 water, reclaimed water, and waste water lines; and
 4. That any room used for the cultivation of Regulated Marijuana has measures to prevent the accumulation of dangerous levels of CO₂.

- B. Pesticide Application. A Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility may only use Pesticide in accordance with the “Pesticide Act” sections 35-9-101 et seq., C.R.S., the “Pesticides Applicators’ Act,” sections 35-10-101 et seq., C.R.S., and all other applicable federal, state, and local laws, statutes, rules and regulations. This includes, but shall not be limited to, the prohibition on detaching, altering, defacing or destroying, in whole or in part, any label on any Pesticide. The Colorado Department of Agriculture’s determination that the Licensee used any quantity of a Pesticide that would constitute a violation of the Pesticide Act or the Pesticide Applicators’ Act shall constitute prima facie evidence of a violation of this Rule.
- C. Application of Other Agricultural Chemicals. A Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility may only use agricultural chemicals, other than a Pesticide, in accordance with all applicable federal, state, and local laws, statutes, rules, and regulations.
- D. Required Documentation.
1. Standard Operating Procedures. A Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility must establish written standard operating procedures for the cultivation, harvesting, drying, curing, trimming, packaging, storing, and sampling for testing of Regulated Marijuana, and the processing, packaging, storing, and sampling for testing of Regulated Marijuana Concentrate. A copy of all standard operating procedures must be maintained on the Licensed Premises of the Medical Marijuana Cultivation Facility, ~~the~~ or Retail Marijuana Cultivation Facility or the Accelerator Marijuana Cultivation Facility.
 - a. The standard operating procedures must include when, and the manner in which, all Pesticide and other agricultural chemicals are to be applied during its cultivation process.
 - b. The standard operating procedures must also include any methods and processes related to decontamination of Harvest Batches.
 2. Material Change. If a Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility makes a Material Change to its cultivation procedures, 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.
 3. Safety Data Sheet. A Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility must obtain a safety data sheet for any Pesticide or other agricultural chemical used or stored on its Licensed Premises. A Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility must maintain a current copy of the safety data sheet for any Pesticide or other agricultural chemical on the Licensed Premises where the product is used or stored.
 4. Labels of Pesticide and Other Agricultural Chemicals. A Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility must have the original label or a copy thereof at its Licensed Premises for all Pesticide and other agricultural chemicals used during its cultivation process.
 5. Pesticide Application Documentation. A Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility that applies any Pesticide or other agricultural chemical to any portion of a Regulated

Marijuana plant, water, or feed used during cultivation or generally within the Licensed Premises must document, and maintain a record on its Licensed Premises of, the following information:

- a. The name, signature, and Employee License number of the individual who applied the Pesticide or other agricultural chemical;
- b. Applicator certification number if the applicator is licensed through the Department of Agriculture in accordance with the “Pesticides Applicators’ Act,” sections 35-10-101 et seq., C.R.S.;
- c. The date and time of the application;
- d. The EPA registration number of the Pesticide or CAS number of any other agricultural chemical(s) applied;
- e. Any of the active ingredients of the Pesticide or other agricultural chemical(s) applied;
- f. Brand name and product name of the Pesticide or other agricultural chemical(s) applied;
- g. The restricted entry interval from the product label of any Pesticide or other agricultural chemical(s) applied;
- h. The RFID tag number of the Regulated Marijuana plant(s) that the Pesticide or other agricultural chemical(s) was applied to or if applied to all plants, a statement to that effect; and
- i. The total amount of each Pesticide or other agricultural chemical applied.

- E. Adulterants. A Medical Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, or Retail Marijuana Cultivation Facility may not treat or otherwise adulterate Regulated Marijuana with any chemical or other compound whatsoever to alter its color, appearance, weight, or smell.

Basis and Purpose – 3-335

The statutory authority for this rule includes but is not limited to sections 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(2)(g), 44-10-203(2)(h), 44-10-203(2)(i), 44-10-202(2)(y), 44-10-203(3)(b), 44-10-203(3)(c), 44-10-203(3)(d), 44-10-203(3)(e), 44-10-203(3)(g), and 44-10-1001, C.R.S. The State Licensing Authority has determined the manufacturing of Medical or Retail Marijuana Infused Products involves the application of processes and procedures, materials, chemicals, and additives, which, if improperly applied, may cause harm to employees and consumers. Therefore, the purpose of this Rule is to clarify the minimum and specific health and safety requirements imposed on a Medical or Retail Marijuana Products Manufacturing Facility. This Rule clarifies which Edible Medical or Retail Marijuana Products, due to their specific composition, are *per se* practicable to mark with the Universal Symbol but exempts certain Liquid Products from the Universal Symbol requirements. Additionally, the Rule imposes manufacturing and production requirements (e.g. prohibiting products from being shaped like fruit or humans), identifies the standard THC portion, prohibits licensees from using commercial food products to remanufacture Medical or Retail Marijuana Products, and prohibits the use of toxic additives.

3-335 – Production of Regulated Marijuana Concentrate and Regulated Marijuana Products: Specific Health and Safety Requirements

A. Training.

1. Prior to engaging in the manufacture of any Edible Medical Marijuana Product or Edible Retail Marijuana Product each Owner Licensee or Employee 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 Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer must obtain documentation evidencing that each Owner Licensee or Employee 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 Licensee or Employee Licensee is engaged in the manufacturing of an Edible Medical Marijuana Product or Edible Retail Marijuana Product.

B. A Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer that manufactures Edible Medical Marijuana Products or Edible Retail Marijuana Products shall comply with all kitchen-related health and safety standards of the relevant Local Licensing Authority or 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. Additional Sanitary Requirements. A Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer shall take all reasonable measures and precautions to ensure the following:

1. 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 Regulated Marijuana or Regulated Marijuana Products;
2. That all contact surfaces, including utensils and equipment used for the preparation of Regulated Marijuana or Regulated 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 by a Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer, and used in accordance with labeled instructions;

3. 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;
4. 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; and
5. That storage and transport of finished Regulated Marijuana Product shall be under conditions that will protect products against physical, chemical, and microbial contamination as well as against deterioration of any Container.

D. Product Safety.

1. A Medical Marijuana Products Manufacturer that manufactures Edible Medical Marijuana Product, an Accelerator Marijuana Products Manufacturer that manufactures Edible Retail Marijuana Product, or a Retail Marijuana Products Manufacturer that manufactures Edible Retail Marijuana Product, shall create and maintain standard production procedures and detailed manufacturing processes for each Edible Medical Marijuana Product or 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. Universal Symbol Marking Requirements.

- a. The following categories of Edible Medical Marijuana Products and Edible Retail Marijuana Products are considered to be per se practicable to mark, and shall be marked, stamped, or otherwise imprinted with the Universal Symbol directly on the Regulated Marijuana Product:
 - i. Chocolate;
 - ii. Soft confections;
 - iii. Hard confections or lozenges;
 - iv. Consolidated baked goods (e.g. cookie, brownie, cupcake, granola bar);
 - v. Pressed pills and capsules.
- b. The Universal Symbol marking shall:
 - i. Be marked, stamped, or otherwise imprinted in its entirety on at least one side of the Edible Medical Marijuana Product or Edible Retail Marijuana Product. The shape of the product shall not be included or take place of any part of the Universal Symbol;

- ii. Be centered either horizontally or vertically on the Edible Medical Marijuana Product or Edible Retail Marijuana Product;
 - iii. If centered horizontally on the Edible Medical Marijuana Product or Edible Retail Marijuana Product, the height and width of the Universal Symbol shall be of a size that is at least 25% of the product's height, but not less than ¼ inch by ¼ inch.
 - iv. If centered vertically on the Edible Medical Marijuana Product or Edible Retail Marijuana Product, the height and width of the Universal Symbol shall be of a size that is at least 25% of the product's height, but not less than ¼ inch by ¼ inch.
- c. The following categories of Edible Medical Marijuana Product and Edible Retail Marijuana Product are considered to be per se impracticable to mark with the Universal Symbol marking requirements, provided that they comply with labeling and Container requirements of 3-1000 Series Rules.
- i. Loose bulk goods (e.g. granola, cereals, popcorn);
 - ii. Powders;
 - iii. Liquid Edible Medical Marijuana Products;
 - iv. Liquid Edible Retail Marijuana Products.

3. Medical Marijuana Products Manufacturer Specific Requirements.

- a. Standard Portion of THC. A Medical Marijuana Products Manufacturer may determine a standard portion of THC for each Edible Medical Marijuana Product it manufactures. If a Medical Marijuana Products Manufacturer determines a standard portion for an Edible Medical Marijuana Product, that information must be documented in the product's standard production procedure.
- b. Documentation. For each Edible Medical Marijuana Product, the total amount of active THC contained within the product must be documented in the standard production procedures.
- c. If a Medical Marijuana Products Manufacturer elects to determine standard portions for an Edible Medical Marijuana Product, then the Universal Symbol shall be applied to each portion in accordance with the requirements of subparagraph (D)(2)(b) of this Rule 3-335. Except that the size of the Universal Symbol marking shall be determined by the size of the portion instead of the overall product size and shall not be less than ¼ inch by ¼ inch.

4. Retail Marijuana Products Manufacturer Specific Requirements.

- a. Standardized Serving of Marijuana. The size of a Standardized Serving of Marijuana shall be no more than 10mg of active THC. A Retail Marijuana Products Manufacturer or an Accelerator Marijuana Products Manufacturer 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 packaged for Transfer to a consumer shall contain more than 100 milligrams of active THC.

- b. Documentation. 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.
- c. Notwithstanding the requirement of subparagraph (D)(2)(b), an Edible Retail Marijuana Product shall contain no more than 10 mg of active THC per Container and the Retail Marijuana Products Manufacturer or an Accelerator Marijuana Products Manufacturer must ensure that the product is packaged in accordance with the Rules 3-1005(C)(1) and 1010(D)(1), when:
 - i. 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
 - ii. 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 separable.
- d. Liquid Edible Retail Marijuana Product.
 - i. Pursuant to 44-10-603(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 (D)(4)(c) of this Rule 3-335 that requires Edible Retail Marijuana Products that are impracticable to mark with the Universal Symbol to contain 10mg or less active THC per Container.
 - ii. This exemption permits the manufacture and Transfer of Multi-Serving Liquid Edible Retail Marijuana Products so long as the product is packaged in accordance with Rules 3-1005(C)(1) and 3-1010(D)(1)(c)(ii).
- e. Multiple-Serving Edible Retail Marijuana Product.
 - i. A Retail Marijuana Products Manufacturer or an Accelerator Marijuana Products Manufacturer 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.
 - ii. 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.
 - iii. 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 (D)(2)(b) of this Rule 3-335.

- iv. A Multiple-Serving Edible Retail Marijuana Product that is a Liquid Edible Retail Marijuana Product shall comply with the requirements in subparagraph (D)(4)(d)(ii) of this Rule 3-335 and is exempt from subparagraphs (i)-(iii) of this subparagraph (D)(4)(e)(iv).

E. Remanufactured Products Prohibited. A Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer shall not utilize a commercially manufactured food product as its Edible Medical Marijuana Product or Edible Retail Marijuana Product. The following exceptions to this prohibition apply:

1. A food product that was commercially manufactured specifically for use by the Medical Marijuana Products Manufacturer, Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer 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 Medical Marijuana Products Manufacturer, Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer.
2. Commercially manufactured food products may be used as Ingredients in an Edible Medical Marijuana Product or 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 Medical Marijuana Product or Edible Retail Marijuana Product, and (2) the Medical Marijuana Products Manufacturer, Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer does not state or advertise to the consumer that the final Edible Medical Marijuana Product or Edible Retail Marijuana Product contains the commercially manufactured food product.

F. Trademarked Food Products. Nothing in this Rule alters or eliminates a Medical Marijuana Products Manufacturer's, an Accelerator Marijuana Products Manufacturer's, or Retail Marijuana Products Manufacturer's responsibility to comply with the trademarked food product provisions required by the Marijuana Code per section 44-10-503(9)(a-c), C.R.S.

G. Edibles Prohibited that are Shaped like a Human, Animal, or Fruit.

1. The production, Transfer, and donation of Edible Medical Marijuana Products or 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.
2. The prohibition on human, animal, and fruit shapes does not apply to the logo of a licensed Regulated Marijuana Business. Nothing in this subparagraph (G)(2) alters or eliminates a Licensee's obligation to comply with the requirements of the 3-1000 Series Rules – Labeling, Packaging, and Product Safety.
3. Edible Medical Marijuana Products and Edible Retail Marijuana Products that are geometric shapes and simply fruit flavored are not considered fruit and are permissible; and
4. Edible Medical Marijuana Products and Edible Retail Marijuana Products that are manufactured in the shape of a marijuana leaf are permissible.

H. Inactive Ingredients.

1. Only non-cannabis derived inactive Ingredients listed in the Federal Food and Drug Administration Inactive Ingredient Database <https://www.accessdata.fda.gov/scripts/cder/iig/index.cfm>, or approved by another equivalent international government agency, may be used in the manufacture of Audited Product and Regulated Marijuana Concentrate intended for use through a Vaporizer Delivery Device or Pressurized Metered Dose Inhaler.
2. All non-cannabis derived inactive Ingredients contained in any Audited Product or in any Regulated Marijuana Concentrate intended for use through a Vaporizer Delivery Device or Pressurized Metered Dose Inhaler must be less than or equal to the concentration listed in the Federal Food and Drug Administration Inactive Ingredient Database, or approved by another equivalent international government agency for:
 - a. The inhalation route of administration for any Audited Product to be used in a metered dose nasal spray, or any Regulated Marijuana Concentrate to be used in a Vaporizer Delivery Device or pressurized metered dose inhaler;
 - b. The vaginal route of administration for any Audited Product to be used for vaginal administration; or
 - c. The rectal route of administration for any Audited Product to be used for rectal administration.

I. Other Permitted Ingredients. Nothing in paragraph H above prohibits a Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer from using marijuana-derived ingredients or botanically-derived terpenes and/or terpenoids.

J. Standard Operating Procedures.

1. A Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer must have written standard operating procedures for each category and type of Medical Marijuana Product or Retail Marijuana Product that it produces.
 - a. All standard operating procedures for the production of a Medical Marijuana Concentrate or Retail Marijuana Concentrate must follow the requirements in Rules 5-315 and 6-315.
 - b. A copy of all standard operating procedures must be maintained on the Licensed Premises of the Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer.
2. If a Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer makes a Material Change to its standard Medical Marijuana Product production process 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.

K. Additives. A Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer shall not include any Additive that is

toxic within a Regulated Marijuana Product; nor include any Additive for the purposes of making the product more addictive, appealing to children, or misleading to patients or consumers.

L. Prohibited Ingredients. A Medical Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer shall not use the following Ingredients in the production of Regulated Marijuana Concentrate and Regulated Marijuana Product for which the inhaled product is the intended use in accordance with Rule 3-1015:

1. Polyethylene glycol (PEG);
2. Vitamin E Acetate; and
3. Medium Chain Triglycerides (MCT Oil).

M. DMSO. The use of Dimethylsulfoxide (DMSO) in the production of Regulated Marijuana Product shall be prohibited and possession of DMSO upon the Licensed Premises is prohibited.

3-400 Series – Acceptable Forms of Identification for Regulated Marijuana Sales

Basis and Purpose – 3-405

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-203(2)(v), 44-10-203(2)(z), 44-10-401(2)(a)(I), 44-10-401(2)(b)(I), 44-10-501(3)(b), 44-10-501(3)(c), 44-10-501(3)(d), 44-10-501(4), 44-10-501(10)(b)(II), 44-10-601(3)(b), 44-10-701(1)(b), 44-10-701(2)(a), 44-10-701(4)(a), and 44-10-701(5)(a), C.R.S. The purpose of this rule is to establish guidelines for the acceptable forms of identification for verifying the lawful sale of Regulated Marijuana. This Rule 3-405 was previously Rule M 405, 1 CCR 212-1, and Rule R 404, 1 CCR 212-2.

3-405 – Identification

A. Medical Marijuana Transfers.

1. Necessary Identification. Medical Marijuana Stores may only Transfer Medical Marijuana to any patient or caregiver who is permitted to deliver Medical Marijuana to homebound patients or minor patients as permitted by section 25-1.5-106(9)(e), C.R.S., if the patient or caregiver can produce:
 - a. Proof of identification that complies with subparagraphs (C) and (D) of this Rule; and
 - b. Either a valid patient registry card, including any valid and verified digital registry card, or a copy of a current and complete new application for the Medical Marijuana registry that is documented by proof of submittal to the Colorado Department of Public Health and Environment within the preceding 35 days.
2. Physical Inspection Required. A Licensee must physically view and inspect the patient or caregiver's registry card, including any valid and verified digital registry card, and proof of identification to confirm the information contained on the documents and also to judge the authenticity of the documents presented.
3. Valid and Verified Registry Card. For the purposes of these rules, a valid and verified digital registry card may include:
 - a. A hard copy of the patient's registry card; or

- b. A portable document format (PDF) of the patient's registry card presented on a phone or other portable device.
 - i. If a patient is presenting his or her registry card on a phone or other portable device, the PDF of the registry card must be presented.
 - ii. A screen shot of the patient's profile, text image of a blank card, or photo of the hard copy is unacceptable.

B. Retail Marijuana Transfers. An Accelerator Store, a Retail Marijuana Store, or a Retail Marijuana Hospitality and Sales Business may only Transfer Retail Marijuana to a consumer that first produces a form of identification that complies with subparagraphs (C) and (D) of this Rule establishing the consumer is 21 years of age or older.

1. Fraudulent Identification and Licensee's Burden. Pursuant to section 44-10-601(3)(b)(I), C.R.S., if a person under 21 years of age present a fraudulent proof of age to a Retail Marijuana Store, or an Accelerator Store any action based upon the fraudulent proof of age shall not be grounds for the revocation or suspension of a license. To establish that the identification presented by the minor was a fraudulent proof of age, the Licensee must establish that:

- a. The minor presented fraudulent identification of the type established in subparagraph (C) below;
- b. During the transaction in which Retail Marijuana was Transferred to the minor, the Licensee inspected the identification provided, compared the identification to the person presenting the identification, and:
 - i. Inspected an identification book issued within the past three years;
 - ii. Used an electronic scanner;
 - iii. Used an ID checking software or other device used in the inspection of identification; or
 - iv. Used other ID security features.

C. Forms of Valid Identification. If the identification presented to a Licensee contains a picture and date of birth, including any valid and verified digital identification, the kind and type of identification deemed adequate shall be limited to the following:

- 1. An operator's, chauffeur's, or similar type driver's license, including a temporary license issued by any state within the United States, District of Columbia, or any U.S. territory;
- 2. An identification card, including a temporary identification card, issued by any state within the United States, District of Columbia, or any U.S. territory, 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 or any other identification card issued by the United States government including but not limited a permanent resident card, alien registration card, or consular card;
- 4. A passport or passport identification card; or

5. An Enrollment card issued by the governing authority of a federally recognized Indian tribe, if the enrollment card incorporates proof of age requirements similar to sections 42-2-302 and 42-2-303, C.R.S.

- D. Identification Must Be Valid. A Licensee shall refuse the Transfer of Regulated Marijuana if a person produces identification that is invalid or expired.

3-500 Series – Responsible Vendor Program

Basis and Purpose – 3-505

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-12-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(v), 44-203(2)(dd)(II), 44-10-609(3)(b), 44-10-1201, and 44-10-1202, C.R.S. The purpose of this rule is to establish the standards for a Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, Retail Marijuana Transporter, Marijuana Hospitality Businesses, and Retail Marijuana Hospitality and Sales Businesses to obtain and maintain a “responsible vendor” designation. This rule identifies Licensees required to attend the Approved Training Program and requirements to maintain a “responsible vendor” designation after initially being designated a “responsible vendor.” This Rule 3-505 was previously Rules M 408, 1 CCR 212-1, and R 407, 1 CCR 212-2.

3-505 – General Standards for a Regulated Marijuana Business Designated A Responsible Vendor

- A. Pursuant to section 44-10-1202, C.R.S., a Medical Marijuana Store, Accelerator Store, Retail Marijuana Store, Medical Marijuana Transporter, Retail Marijuana Transporter, or Licensed Hospitality Business shall comply with the 3-500 Series Rules to be designated a “responsible vendor” of Regulated Marijuana.
- B. To be designated a “responsible vendor” all Controlling Beneficial Owners with day-to-day operational control of the Licensed Premises, management personnel, and Employee Licensees involved in the handling and Transfer of Regulated Marijuana shall attend and successfully complete an Approved Training Program.
- C. Once a Licensee is designated a “responsible vendor,” all new employees involved in the handling and Transfer of Regulated Marijuana shall successfully complete the training described in these 3-500 Series Rules within 90 days of hire.
- D. After initial successful completion of a responsible vendor program, each Controlling Beneficial Owner with day-to-day operational control of the Licensed Premises, management personnel, and Employee Licensee of a Regulated Marijuana Business shall successfully complete the program once every two years thereafter to maintain designation as a “responsible vendor.”

Basis and Purpose – 3-520

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-12-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(v), 44-203(2)(dd)(II), 44-10-609(3)(b), 44-10-1201, and 44-10-1202, C.R.S. The purpose of this rule is to establish the required curriculum for an Approved Training Program. This rule also includes the required additional curriculum for Licensees engaged in delivery activity pursuant to a valid delivery permit and employees and Controlling Beneficial Owners of a Licensed Hospitality Businesses. This Rule 3-520 was previously Rules M 408, 1 CCR 212-1, and R 407, 1 CCR 212-2.

3-520 – Certification Training Class Core Curriculum

When considering whether to approve a responsible vendor program, the Division, after consulting with the Colorado Department of Public Health and Environment, will consider the following criteria.

- A. Discussion concerning the health and safety concerns of marijuana use. Training shall include:
1. Health effects of marijuana use, including but not limited to the effects in connection with pregnancy and breast-feeding;
 2. The amount of time to feel impairment based on the type of marijuana or marijuana product;
 3. Recognizing signs of impairment;
 4. The amount of time to wait before driving after marijuana use based on the type of marijuana or marijuana product;
 5. Safe storage of marijuana;
 6. Responsible use of marijuana; and
 7. Appropriate responses in the event of unintentional or over-consumption of marijuana or marijuana product, including but not limited to access to the appropriate resources provided by state and local public health authorities.
- B. Transfers to minors. Training shall cover all pertinent Colorado statutes, rules, and regulations.
- C. Quantity Limitations on Transfer to Patients and Consumers. Training shall cover all pertinent Colorado statutes, rules, and regulations.
- D. Acceptable Forms of Identification. Training shall include:
1. How to check identification;
 2. Spotting false identification;
 3. Patient Registry Cards issued by the Colorado Department of Public Health and Environment and equivalent patient verification documentation;
 4. Provisions for confiscating false identification; and
 5. Common mistakes made in verification.
- E. Other Key State Laws and Rules That Apply to Medical Marijuana Stores, Medical Marijuana Transporters, Retail Marijuana Stores, Retail Marijuana Transporters Licensed Hospitality Businesses, and their Owners, Management Personnel, and Employees. Training shall include:
1. Local and state licensing and enforcement;
 2. Compliance with all Inventory Tracking System regulations;
 3. Administrative and criminal liability;
 4. License sanctions and court sanctions;
 5. Waste handling, management, and disposal;
 6. Health and safety standards;

7. Patrons prohibited from bringing marijuana onto licensed premises;
8. Permitted hours of sale;
9. Licensee security and surveillance requirements;
10. Permitting inspections by state and local licensing and enforcement authorities;
11. Licensee responsibility for activities occurring within licensed premises;
12. Maintenance of records;
13. Privacy issues;
14. Applicable laws and regulations concerning Transfers to patients and consumers;
15. Packaging and labeling requirements for Transfers to patients and consumers; ~~and~~
16. How to access the Medical Marijuana Patient Registry website and how to sign up for the Registry's voluntary email list; ~~and-~~

17. Statutory and regulatory requirements related to Regulated Marijuana delivery.

- F. Evaluation of Program Participants. The Responsible Vendor Program Provider shall establish that it has an adequate mechanism for evaluating attendees' successful completion of the Approved Training Program.
- G. Additional Curriculum for Delivery to Patients and Consumers. In addition to the required curriculum in subparagraphs (B) through (F) above, training provided to any Licensee involved in activity pursuant to a valid delivery permit must also include all Colorado statutes and rules related to delivery of Regulated Marijuana to patients and consumers. Responsible Vendor Program Providers may provide the delivery curriculum as a separate training or as part of the core curriculum training. Licensees that do not engage in delivery activity are not required to, but may, complete the delivery training. Training provided to Licensees involved in delivery activity must include, but is not limited to:
1. Verification of identification and patient registry cards required before delivering Regulated Marijuana to a patient or consumer;
 2. Maintaining confidentiality of patients' and consumers' personally identifiable information;
 3. Methods for Licensees to identify themselves and verify the delivery permit during an interaction with law enforcement, Division employees or local regulators; and
 4. Strategies to de-escalate potentially dangerous situations which could include development of an emergency action plan.
- H. Additional Curriculum for Licensed Hospitality Businesses. In addition to the required curriculum in subparagraphs (B) through (F) above, training provided to Controlling Beneficial Owners of and any Licensee employed by a Licensed Hospitality Business must also include all Colorado statutes and rules related to Licensed Hospitality Businesses. Responsible Vendor Program Providers may provide the hospitality curriculum as a separate training or as part of the core curriculum training. Licensees that are not employed by a Licensed Hospitality Business are not required to, but may, complete the hospitality training. Training provided to Controlling Beneficial Owners of and employees of a Licensed Hospitality Business must include, but is not limited to:

1. Identifying signs of visible impairment including alcohol and drug impairment;
2. Resources to mitigate impaired driving including safe transportation options available to consumers;
3. Understanding customer's varying experience with Regulated Marijuana and options for lower dose Regulated Marijuana Products;
4. Resources available from the Colorado Department of Public Health and Environment regarding responsible Regulated Marijuana use;
5. Ceasing all consumption and other activities until law enforcement, firefighters, emergency medical service providers, or other public safety personnel have completed any investigation or services and left the Licensed Premises of the Licensed Hospitality Business;
6. Methods for Licensees to identify themselves during an interaction with law enforcement, Division employees or local regulators;
7. Poly-substance interactions including but not limited to interactions of Regulated Marijuana with alcohol, prescription and over-the-counter medications and other substances;
8. Risks and potential responses to adverse events such as overconsumption, altitude sickness, dehydration, poly-substance use or other similar events.
9. Strategies to de-escalate interactions with intoxicated consumers and potentially dangerous situations which could include development of an emergency action plan.

3-600 Series – Transport and Storage

Basis and Purpose – 3-605

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-203(2)(n), 44-10-203(3)(c), 44-10-313(5)(b), 44-10-505, and 44-10-605 C.R.S. The purpose of the rule is to provide clarity as to the requirements associated with the transport and delivery of Regulated Marijuana between Licensed Premises. It also prescribes the manner in which licensed entities will track inventory in the transport process to prevent diversionary practices. This Rule 3-605 was previously Rules M and R 801, 1 CCR 212-1 and 1 CCR 212-2.

3-605 – Transport: All Regulated Marijuana Businesses

- A. Persons Authorized to Transport. Except as provided in the these 3-600 Series Rules, any individual who transports Regulated Marijuana, Regulated Marijuana Vegetative plants, Regulated Marijuana Immature plants, Regulated Marijuana, or Regulated Marijuana Product on behalf of a Regulated Marijuana Business must hold a valid Owner License or Employee License and must be an employee of the Regulated Marijuana Business. An individual who does not possess a current and valid Owner's License or Employee License from the State Licensing Authority may not transport Regulated Marijuana, Regulated Marijuana Vegetative plants, Regulated Marijuana Immature plants, Regulated Marijuana Concentrate, or Regulated Marijuana Product between Licensed Premises.
- B. Transport Between Licensed Premises.

1. Regulated Marijuana. Regulated Marijuana shall only be transported by Licensees between Licensed Premises; between Licensed Premises and a permitted off-premises storage facility; ~~between Licensed Premises and a Medical Research Facility~~; and between Licensed Premises and a Pesticide Manufacturer. Licensees transporting Regulated Marijuana are responsible for ensuring that all Regulated Marijuana are secured at all times during transport.
 2. Regulated Marijuana Vegetative Plants and Regulated Marijuana Immature Plants.
 - a. Regulated Marijuana Vegetative plants may only be transported between Licensed Premises and such transport shall only be permitted due to an approved change of location pursuant to Rule 2-255.
 - b. Regulated Marijuana Immature plants shall only be transported between Licensed Premises; ~~between Licensed Premises and a Medical Research Facility~~; and between Licensed Premises and a Pesticide Manufacturer.
 - c. Licensees transporting Regulated Marijuana Vegetative plants and Regulated Marijuana Immature plants are responsible for ensuring that all Regulated Marijuana Vegetative plants and Regulated Marijuana Immature plants are secure at all times during transport. Transportation of Regulated Marijuana Vegetative plants and Regulated Marijuana Immature plants to a permitted off-premises storage facility shall not be allowed. Transport of Regulated Marijuana plants other than Vegetative Plants and Immature plants shall not be allowed.
- C. Inventory Tracking System-Generated Transport Manifest Required. A Licensee may only transport Regulated Marijuana if he or she has a 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. A Licensee may elect to use a hard copy or digital copy of an Inventory Tracking System-generated transport manifest. Licensees are required to ensure all information is preserved with valid and verified signatures on any digital copy of an Inventory Tracking System-generated transport manifest.
 2. Regulated Marijuana. A Licensee may transport Regulated Marijuana from an originating location to multiple destination locations so long as the transport manifest correctly reflects the specific inventory destined for specific Regulated Marijuana Businesses; ~~Medical Research Facilities~~; and/or Pesticide Manufacturers.
 3. Regulated Marijuana Vegetative Plants. A Licensee shall transport Regulated 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 pursuant to Rule 2-255.
 4. Manifest for Transfers to ~~Medical Research Facilities and~~ Pesticide Manufacturers. A Licensee may not transport or permit the transportation of Regulated Marijuana to a ~~Medical Research Facility or~~ Pesticide Manufacturer unless an Inventory Tracking System-generated transport manifest has been generated.
- D. Motor Vehicle Required. Transport of Regulated Marijuana 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 Regulated Marijuana Vegetative plants or Regulated Marijuana Immature plants, Colorado motor vehicle registration is not required.

- E. Documents Required During Transport. Transport of Regulated Marijuana shall be accompanied by a copy of the originating Regulated Marijuana Business's business license, the driver's valid Owner's License or Employee 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 Regulated Marijuana 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 Regulated Marijuana.
- G. Preparation of Regulated Marijuana for Transport.
1. Final Weighing and Packaging. A Regulated Marijuana Business shall comply with the specific rules associated with the final weighing and packaging of Regulated Marijuana 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. Regulated Marijuana shall be prepared for transport in a Limited Access Area, including the packaging and labeling of Containers or Shipping Containers.
 3. Shipping Containers. Licensees may Transfer multiple Containers of Regulated Marijuana in a Shipping Container. The contents of Shipping Containers shall be easily accessible and may be inspected by the State Licensing Authority, Local Licensing Authorities, Local Jurisdictions, and state and local law enforcement agency for a purpose authorized by the Marijuana Code or for any other state or local law enforcement purpose.
 - a. Licensees shall ensure that either the multiple Containers placed within a Shipping Container each have an RFID tag, or the Shipping Container itself must have an RFID tag. If the Licensee elects to place the RFID tag on the Shipping Container, the Shipping Container shall contain only one Harvest Batch, or Production Batch of Regulated Marijuana. If a Shipping Container consists of more than one Harvest Batch or Production Batch, then each group of multiple Containers shall be affixed with an RFID tag
 - b. Regulated Marijuana Vegetative Plants and Regulated Marijuana Immature Plants. Each Regulated Marijuana Vegetative plant that is transported pursuant to this Rule must have a RFID tag affixed to it prior to transport. Each receptacle containing Regulated Marijuana Immature plants transported pursuant to this Rule must have an RFID tag affixed prior to transport.
- H. Creation of Records and Inventory Tracking.
1. Use of Inventory Tracking System – Generated Transport Manifest.
 - a. Regulated Marijuana. Licensees who transport or permit the transportation of Regulated Marijuana shall create an Inventory Tracking System-generated transport manifest to reflect inventory that leaves the Licensed Premises destined for another Licensed Premises, ~~Medical Research Facilities,~~ or Pesticide Manufacturers. The transport manifest may either reflect multiple destination locations within a single trip or separate transport manifests may reflect each single destination location. In either case, no inventory shall be transported without an Inventory Tracking System-generated transport manifest.

b. Use of a Medical Marijuana Transporter or Retail Marijuana Transporter. In addition to subparagraph (H)(1)(a), Licensees shall also follow the requirements of this subparagraph (H)(1)(b) when a Licensee utilizes the services of a Medical Marijuana Transporter or Retail Marijuana Transporter.

- i. When a Medical Marijuana Business utilizes a Medical Marijuana Transporter for transporting its Medical Marijuana, the originating Licensee shall input the requisite information on the Inventory Tracking System-generated transport manifest for the final destination Licensee, ~~Medical Research Facility~~, or Pesticide Manufacturer who will be receiving the Medical Marijuana.
- ii. When a Retail Marijuana Business utilizes a Retail Marijuana Transporter for transporting its Retail Marijuana the originating Licensee shall input the requisite information on the Inventory Tracking System-generated transport manifest for the final destination Licensee, ~~Medical Research Facility~~, or Pesticide Manufacturer who will be receiving the Retail Marijuana.
- iii. A Medical Marijuana Transporter or Retail Marijuana Transporter is prohibited from being listed as the final destination Licensee.
- iv. A Medical Marijuana Transporter or Retail Marijuana Transporter shall not alter the information of the final destination Licensee, ~~Medical Research Facility~~, or Pesticide Manufacturer after the information has been entered on the Inventory Tracking System-generated transport manifest by the Licensee.
- v. If the Medical Marijuana Transporter or Retail Marijuana Transporter is not delivering the originating Licensee's Regulated Marijuana directly to the final destination Licensee, ~~Medical Research Facility~~, or Pesticide Manufacturer, the Medical Marijuana Transporter or Retail Marijuana Transporter shall communicate to the originating Licensee which of the Medical Marijuana Transporter's or Retail Marijuana Transporter's Licensed Premises or off-premises storage facilities will receive and temporarily store the Regulated Marijuana. The originating Licensee shall input the Medical Marijuana Transporter's or Retail Marijuana Transporter's location address and license number on the Inventory Tracking System-generated transport manifest.

c. Medical Marijuana Vegetative Plants and Retail Marijuana Vegetative Plants.

- i. Licensees who transport Medical Marijuana Vegetative or 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 2-255, or a one-time transfer pursuant to Rule 3-805.
- ii. Retail Marijuana Transporters are permitted to transport Retail Marijuana Vegetative plants on behalf of other Licensees due to a change of location approved by the Division pursuant to Rule 2-255, or a one-time transfer pursuant to Rule 3-805. The Retail Marijuana Transporter shall transport the Retail Marijuana Vegetative Plants directly from the originating Licensed Premises to the final destination Licensed Premises.

- iii. Medical Marijuana Transporters are permitted to transport Medical Marijuana Vegetative plants on behalf of other Licensees due to a change of location approved by the Division pursuant to Rule 2-255, or a one-time transfer pursuant to Rule 3-805. The Medical Marijuana Transporter shall transport the Medical Marijuana Vegetative plants directly from the originating Licensed Premises to the final destination Licensed Premises.
- 2. Copy of Transport Manifest to Recipient. A Licensee shall provide a copy of the transport manifest to each Regulated Marijuana Business, ~~Medical Research Facility,~~ or Pesticide Manufacturer 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 recipient Regulated Marijuana Business, ~~Medical Research Facility,~~ or Pesticide Manufacturer.
- 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 Regulated Marijuana Business;
 - c. Name, location address, and license number of the destination Regulated Marijuana Business(es), ~~name and location address of the Medical Research Facility,~~ or name and location address of the destination Pesticide Manufacturer;
 - d. Name, location address, and license number of the Medical Marijuana Transporter or Retail Marijuana Transporter if applicable pursuant to Rule 3-605(H)(1)(b)(iv).
 - e. Product name and quantities (by weight and unit) of each product to be delivered to each specific destination location(s);
 - f. Arrival date and estimated time of arrival;
 - g. Transport vehicle make and model and license plate number; and
 - h. Name, Employee or Owner License number, and signature of the Licensee accompanying the transport.
- I. Inventory Tracking. In addition to all the other tracking requirements set forth in these rules, a Regulated Marijuana Business shall be responsible for all the procedures associated with the tracking of inventory that is transported between Licensed Premises. See Rule 3-905 – Business Records Required.
 - 1. Responsibilities of Originating Licensee.
 - a. Regulated Marijuana. Prior to departure, the originating Regulated Marijuana Business shall adjust its records to reflect the removal of Regulated Marijuana. 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. Regulated Marijuana Vegetative Plants and Regulated Marijuana Immature Plants. Prior to departure, the originating Medical Marijuana Cultivation Facility or Retail Marijuana Cultivation Facility shall adjust its records to reflect the removal of Medical Marijuana Vegetative plants and Medical Marijuana Immature plants, or Retail Marijuana Vegetative plants and Retail Marijuana Immature 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 Recipient Licensee.

- a. Regulated Marijuana. Upon receipt, the receiving Licensee shall ensure that the Regulated Marijuana 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. Medical Marijuana Transporters and Retail Marijuana Transporters shall comply with all requirements of this subparagraph (1)(2)(a) except that they are not required to weigh Regulated Marijuana.

- i. When a Regulated Marijuana Business transfers Regulated Marijuana to a ~~Medical Research Facility or~~ Pesticide Manufacturer, the originating Licensee is responsible for confirming receipt of the Regulated Marijuana in the Inventory Tracking System.

- b. Regulated Marijuana Vegetative Plants and Regulated Marijuana Immature Plants. Upon receipt, the recipient Licensee shall ensure that the Regulated 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. Upon Receipt, the recipient Licensee shall ensure that the Regulated Marijuana Immature plants received are as described in the transport manifest, accounting for all RFID tags and each receptacle containing Regulated Marijuana Immature plants, and shall immediately adjust its records to reflect the receipt of inventory.

- i. When a Regulated Marijuana Business transfers Regulated Marijuana Immature plants to a ~~Medical Research Facility or~~ Pesticide Manufacturer, the originating Licensee is responsible for confirming receipt of the Retail Marijuana Immature plants in the Inventory Tracking System.

3. Discrepancies.

- a. Licensees. A recipient 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.
- b. Medical Research Facilities and Pesticide Manufacturers. In the event of a discrepancy between the quantity specified in a transport manifest and the quantity received by a ~~Medical Research Facility or~~ Pesticide Manufacturer, the originating Licensee shall document the discrepancy in the Inventory Tracking System and in any relevant business records, and account for the discrepancy.

- J. Adequate Care of Perishable Regulated Marijuana Product. A Regulated Marijuana Business must provide adequate refrigeration for perishable Regulated Marijuana Product during transport.
- K. Failed Testing. In the event Regulated Marijuana has failed required testing, has been contaminated, or otherwise presents a risk of cross-contamination to other Regulated Marijuana, such Regulated Marijuana may only be transported if it is physically segregated and contained in a sealed package that prevents cross-contamination.

Basis and Purpose – 3-610

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-203(2)(n), 44-10-505(2), 44-10-605(2), and 44-10-1001(2), C.R.S. The purpose of this rule is to establish that Regulated Marijuana may not be stored outside of Licensed Premises unless the Licensee obtains an off-premises storage facility permit. This Rule 3-610 was previously Rules M and R 802, 1 CCR 212-1 and 1 CCR 212-2.

3-610 – Off-Premises Storage of Regulated Marijuana: All Regulated Marijuana Businesses

A. Off-Premises Storage Permit Authorized.

- 1. A Medical Marijuana Store, Medical Marijuana Products Manufacturer, Medical Marijuana Cultivation Facility, Medical Marijuana Testing Facility may only store Medical Marijuana in their Limited Access Area or in their one permitted off-premises storage facility. Medical Marijuana Transporters are allowed to have more than one permitted off-premises storage facility.
- 2. A Retail Marijuana Store, Retail Marijuana Products Manufacturer, a Retail Marijuana Cultivation Facility, and a Retail Marijuana Testing Facility may only store Retail Marijuana in their Limited Access Area or in their one permitted off-premises storage facility. 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 Regulated Marijuana Business must apply on current Division forms and pay any applicable fees.

- 1. A Medical Marijuana Transporter may only apply for and hold an off-premises storage permit in a local jurisdiction that permits the operation of Medical Marijuana Stores.
- 2. 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 ~~is~~ shall constitute an extension of the Regulated Marijuana Business's Licensed Premises, subject to all applicable Regulated Marijuana regulations.

D. Limitation on Inventory to be Stored.

- 1. A Medical Marijuana Store, Medical Marijuana Products Manufacturer, and a Medical Marijuana Cultivation Facility possessing a valid off-premises storage facility permit may only have upon the permitted off-premises storage facility Medical Marijuana that is part of the particular Medical Marijuana Business's finished goods inventory. The aforementioned Licensees may only share the premises with and store inventory belonging to, a Medical Marijuana Business that has identical Controlling Beneficial Owners. ~~A Medical Marijuana Business shall not share an off-premises storage facility with a Retail Marijuana Business.~~

2. A Retail Marijuana Store, Retail Marijuana Products Manufacturer, and a Retail Marijuana Cultivation Facility possessing a valid off-premises storage facility permit may only have upon the permitted off-premises storage facility Retail Marijuana that is part of the particular Retail Marijuana Business's finished goods inventory. The aforementioned Licensees may only share the premises with and store inventory belonging to a Retail Marijuana Business that has identical Controlling Beneficial Owners. ~~A Retail Marijuana Business shall not share an off-premises storage facility with a Medical Marijuana Business.~~
 3. A Medical Marijuana Business may share one off-premises storage facility with the same type of Retail Marijuana Business if the businesses operate a shared Licensed Premises pursuant to Rule 3-215 and if the Local Licensing Authority and Local Jurisdiction permit shared off-premises storage facilities. All Transfers of Regulated Marijuana by a Regulated Marijuana Business to or from its off-premises storage facility must be without consideration except for delivery orders packaged for delivery to patients or consumers pursuant to subparagraph E.
- E. Privileges and Restrictions. The permitted off-premises storage facility may be utilized for storage only. A Regulated Marijuana Business must not Transfer, cultivate, manufacture, process, test, research, or consume any Regulated Marijuana within the premises of the permitted off-premises storage facility. An off-premises storage facility shall not be used as a distribution center for Transfers to Regulated Marijuana Businesses without identical Controlling Beneficial Owners or for consideration.
1. A Medical Marijuana Store or Retail Marijuana Store with a valid delivery permit may use its own off-premises storage facility to package, label, and fill orders for delivery of Regulated Marijuana to a patient or consumer after the Medical Marijuana Store or Retail Marijuana Store receives an order for delivery, unless otherwise restricted by the local jurisdiction.
 2. A Medical Marijuana Transporter or Retail Marijuana Transporter shall not use its own off-premises storage facility to package, label, or fill orders for delivery of Regulated Marijuana to a patient or customer. A Medical Marijuana Transporter or a Retail Marijuana Transporter may use its own off-premises storage facility to store Regulated Marijuana that is packaged and labeled for delivery to a patient or consumer, unless otherwise restricted by the Local Licensing Authority or Local Jurisdiction.
- F. Display of Off-premises Storage Permit and License. The off-premises storage facility permit and a copy of the Regulated Marijuana Business's license must be displayed in a prominent place within the permitted off-premises storage facility.
- G. Local Licensing Authority or Local Jurisdiction Approval.
1. Prior to submitting an application for an off-premises storage facility permit, the Regulated Marijuana Business must obtain approval or acknowledgement from the relevant Local Licensing Authority or Local Jurisdiction.
 2. A copy of the relevant Local Licensing Authority's or Local Jurisdiction's approval or acknowledgement must be submitted by the Regulated Marijuana Business in conjunction with its application for an off-premises storage facility.
 3. No Regulated Marijuana may be stored within a permitted storage facility until the relevant Local Licensing Authority or 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 Regulated Marijuana Business'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 3-220 – Security Alarm and Lock Standards and Rule 3-225 – Video Surveillance.
 - I. Transport to and from a Permitted Off-Premises Storage Facility. A Licensee must comply with the provisions of Rule 3-605 – Transport: All Regulated Marijuana Businesses, when transporting any Regulated Marijuana 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 Regulated Marijuana Business 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 3-805 – All Regulated Marijuana Businesses: Inventory Tracking System and Rule 3-905 – 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 section 35-14-127, C.R.S.
 - L. Adequate Care of Perishable Regulated Marijuana Product. A Regulated Marijuana Business must provide adequate refrigeration for perishable Regulated Marijuana Product and shall utilize adequate storage facilities and transport methods.
 - M. Consumption Prohibited. A Regulated Marijuana Business shall not permit the consumption of marijuana or marijuana product on the premises of its permitted off-premises storage facility.

Basis and Purpose – 3-615

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-203(2)(n), 44-10-203(2)(dd), C.R.S. The purpose of this rule is to provide requirements for a Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter or Retail Marijuana Transporter to apply for and conduct deliveries to Private Residences pursuant to a delivery permit. This rule provides application and renewal requirements for a delivery permit. Additionally, the rule describes requirements for responsible vendor training, requirements for use of the inventory tracking system, Delivery Motor Vehicles requirements including security, requirements for delivery orders, requirements prior to completing a delivery to a patient or consumer at a Private Residence and requirements for maintaining the confidentiality of all patient and customer information.

3-615 – Regulated Marijuana Delivery Permits

- A. Application, Qualification, and Eligibility for Delivery Permit.
 1. Beginning January 2, 2020, a Medical Marijuana Store may apply for a delivery permit. The application shall be made on Division forms and in accordance with the 2-200 Series Rules. The delivery permit application can be submitted simultaneously with a Medical Marijuana Store initial or renewal application or it can be separate from a Medical Marijuana Store application but the application must identify the Medical Marijuana Store(s) seeking to obtain the delivery permit.
 2. Beginning January 2, 2021, a Retail Marijuana Store, a Medical Marijuana Transporter, and a Retail Marijuana Transporter may apply for a delivery permit. The delivery permit application can be submitted simultaneously with a Retail Marijuana Store, Medical

Marijuana Transporter, or Retail Marijuana Transporter initial or renewal application or it can be separate from a Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter application but the application must identify the Retail Marijuana Store(s), Medical Marijuana Transporter(s), or Retail Marijuana Transporter(s) seeking to obtain the delivery permit.

3. Prior to the State Licensing Authority issuing an Applicant a delivery permit, the Applicant must establish the Local Licensing Authority and/or Local Jurisdiction where the Applicant is located:
 - a. By ordinance or resolution has permitted delivery of Regulated Marijuana in the jurisdiction, and
 - b. Is currently accepting applications for delivery permits in the jurisdiction, if required.
4. Multiple Medical Marijuana Stores, Retail Marijuana Stores, Medical Marijuana Transporters, or Retail Marijuana Transporters with identical Controlling Beneficial Owners that are in the same local jurisdiction may obtain one delivery permit that allows all Medical Marijuana Stores, all Retail Marijuana Stores, all Medical Marijuana Transporters, or all Retail Marijuana Transporters in that jurisdiction to make deliveries to patients or consumers.
5. Delivery Permit Renewal.
 - a. A delivery permit must be renewed annually with the Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter license it accompanies. A Medical Marijuana Store or Retail Marijuana Store must disclose to the Division any online platform provider that the Licensee has utilized during the previous year at the time of renewal.
 - b. Length of Delivery Permit.
 - i. A delivery permit issued with an initial or renewal license application is valid for one year and will expire at the same time as the license for the associated Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter.
 - ii. A delivery permit that is not issued with an initial or renewal application will be valid for less than one year to align the license expiration date of the related Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter. In all years after the first year, such a delivery permit will be valid for one year.
 - c. In addition to any other basis for denial of renewal application, the State Licensing Authority may also consider the following facts and circumstances as an additional basis for denial of a delivery permit renewal application:
 - i. The Medical Marijuana Store or Retail Marijuana Store failed to collect the one-dollar surcharge on every delivery or failed to timely remit the one-dollar surcharge to the municipality where the Medical Marijuana Store or Retail Marijuana Store is located, or to the county if the Medical Marijuana Store or Retail Marijuana Store is in an unincorporated area.

B. Delivery to Private Residence. Delivery is restricted to a private residence. Private residence includes, but is not limited to, a private premises where a person lives such as a private dwelling, place of habitation, a house, a multi-dwelling unit for residential occupants, or an apartment unit. Private residence does not include any premises located at a school, on the campus of an institution of higher education, public property, or any commercial property unit such as offices or retail space.

CB. Responsible Vendor Certification Required. A Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter must obtain a responsible vendor designation pursuant to sections 44-10-1201 or 44-10-1202, C.R.S., and the 3-500 Series Rules including the delivery curriculum prior to conducting its first delivery.

DC. Inventory Tracking System Required. A Regulated Marijuana Business possessing a valid delivery permit~~Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter~~ must use the inventory tracking system and transport manifests to track all Regulated Marijuana~~until~~ delivered to the intended patient or consumers as required by Rule 5-130. This includes the use of a transport manifest.

ED. Delivery Motor Vehicle Requirements.

1. Any Delivery Motor Vehicle must be owned or leased by the Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, Retail Marijuana Transporter, or an Owner Licensee of the Regulated Marijuana Business that holds the delivery permit, must be registered in the State of Colorado, and must be insured.
2. Any Delivery Motor Vehicle must have a vehicle tracking system that is capable of real-time tracking and recording of the route taken by the Delivery Motor Vehicle while conducting deliveries that can be accessed remotely in real-time by the Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter. The vehicle tracking system may be an application installed on a mobile device. The real-time location of the Delivery Motor Vehicle shall not be displayed to any patients or consumers.
3. Any Delivery Motor Vehicle must not have any external markings, words, or symbols that indicate the Delivery Motor Vehicle is used for delivery of Regulated Marijuana or is owned or leased by a Medical Marijuana Business or a Retail Marijuana Business.
4. Regulated Marijuana must not be visible from outside the Delivery Motor Vehicle.
5. Delivery Motor Vehicle security requirements include but are not limited to:
 - a. A security alarm system, and
 - b. A secure, locked, opaque storage compartment that is securely affixed to the Delivery Motor Vehicle for the purpose of securing Regulated Marijuana.
6. Video Surveillance Requirements.
 - a. The Delivery Motor Vehicle must be equipped with video surveillance equipment that digitally records during all deliveries. The video surveillance shall record at least the secured, locked, opaque storage compartment containing the Regulated Marijuana and the front view of the Delivery Motor Vehicle (e.g. dash camera).

- b. Video surveillance shall be kept for a minimum of 40 days, must be capable of being embedded with the date and time, must be reproducible upon request from law enforcement, the Division, a Local Licensing Authority or a Local Jurisdiction and must be archived in a format that ensures authentication and guarantees no alteration of the video.
7. An enclosed Delivery Motor Vehicle shall not contain more than \$10,000.00 in retail value of Regulated Marijuana. A Delivery Motor Vehicle that is not enclosed shall not contain more than \$2,000.00 in retail value of Regulated Marijuana.
8. A Delivery Motor Vehicle must not leave the State of Colorado while any amount of Regulated Marijuana is in the Delivery Motor Vehicle.
9. Only persons licensed by the State Licensing Authority and identified on the transport manifest may occupy a Delivery Motor Vehicle while conducting deliveries of Regulated Marijuana.

EE. Delivery Order Requirements.

1. A Medical Marijuana Store or a Retail Marijuana Store that has a valid delivery permit may accept orders for delivery of Regulated Marijuana to patients who are at least 21 years of age, parents or guardians of patient under 18 years of age, or consumers who are at least 21 years of age at a Private Residence. Delivery orders to patients ages 18 to 20 are not permitted.
2. For a Medical Marijuana Store or a Retail Marijuana Store that utilizes an online platform provider:
 - a. The online platform provider must require that the patient or consumer choose a Medical Marijuana Store or Retail Marijuana Store before displaying the price of Regulated Marijuana to the patient or consumer; and
 - b. The Medical Marijuana Store or Retail Marijuana Store must receive verification that there has not already been a delivery of Regulated Marijuana to that Private Residence through the online platform provider that same business day.
3. All delivery orders must document the following information which must be maintained pursuant to Rule 3-905 by the Medical Marijuana Store or the Retail Marijuana Store:
 - a. The name and date of birth of the patient or consumer placing the delivery order;
 - b. The address of the Private Residence where the order will be delivered;
 - c. For Medical Marijuana delivery orders only, the registration number reflecting on the patient's registry identification card; and
 - d. For Medical Marijuana delivery orders only, if the patient is under 18 years of age, the parent or guardian designated as the patient's primary caregiver, and if applicable, the registration number of the primary caregiver.
4. A Medical Marijuana Store or a Retail Marijuana Store may accept payment for delivery orders using any legal method of payment, gift card pre-payments or payment on delivery, or pre-payment accounts established with a Medical Marijuana Store or Retail Marijuana Store except that any payment with an Electronic Benefits Transfer Services Card is not permitted.

- a. A Local Licensing Authority or Local Jurisdiction may further restrict legal methods of payment not expressly permitted by section 44-10-203(2)(dd)(XV), C.R.S.
5. Regulated Marijuana must be weighed, packaged, prepared, and labeled for delivery on the Licensed Premises of a Medical Marijuana Store or Retail Marijuana Store or at their off-premises storage facility after receipt of a delivery order. Regulated Marijuana cannot be placed into a Delivery Motor Vehicle until after an order has been received and the Regulated Marijuana has been packaged and labeled for delivery to the patient or consumer as required by the 3-1000 Series Rules.
6. Medical Marijuana Transporters and Retail Marijuana Transporters shall not take delivery orders but may deliver Regulated Marijuana on behalf of Medical Marijuana Stores and Retail Marijuana Stores pursuant to a contract with the Medical Marijuana Store or Retail Marijuana Store provided that the store also holds a valid delivery permit. The Medical Marijuana Store and Medical Marijuana Transporter must maintain copies of all contracts for delivery pursuant to Rule 3-905. The Retail Marijuana Store and Retail Marijuana Transporter must maintain copies of all contracts for delivery pursuant to Rule 3-905.

GF. Regulated Marijuana Delivery Requirements.

1. A Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter shall not deliver Regulated Marijuana to patients, parents, guardians, or consumers while also transporting Regulated Marijuana between Licensed Premises in the same Delivery Motor Vehicle.
2. Delivery of Medical Marijuana and Retail Marijuana.
 - a. A Medical Marijuana Store and Retail Marijuana Store, both of which hold a valid delivery permit, and which have identical Controlling Beneficial Owners, may complete deliveries of Medical Marijuana and Retail Marijuana using the same Delivery Motor Vehicle and without returning to the Medical Marijuana Store or Retail Marijuana Store between deliveries.
 - b. A Medical Marijuana Transporter and Retail Marijuana Transporter, both of which hold a valid delivery permit, and which have identical Controlling Beneficial Owners may complete deliveries of Medical Marijuana and Retail Marijuana using the same Delivery Motor Vehicle and without returning to the Medical Marijuana Store or Retail Marijuana Store between deliveries.
 - c. A Medical Marijuana Transporter holding a valid delivery permit may make deliveries for multiple Medical Marijuana Stores that also hold valid delivery permits using the same Delivery Motor Vehicle and without returning to a Medical Marijuana Store between deliveries.
 - d. A Retail Marijuana Transporter holding a valid delivery permit may make deliveries for multiple Retail Marijuana Stores that also hold valid delivery permits using the same Delivery Motor Vehicle and without returning to a Retail Marijuana Store between deliveries.
3. An Owner Licensee or Employee Licensee delivering Regulated Marijuana shall not open any Container of Regulated Marijuana in the Delivery Motor Vehicle and is prohibited from packaging or re-packaging Regulated Marijuana once the Delivery Motor Vehicle has departed from the Licensed Premises of a Medical Marijuana Store or Retail Marijuana Store.

4. A Medical Marijuana Store or Retail Marijuana Store shall not accept delivery orders for Regulated Marijuana Product that is perishable unless the Delivery Motor Vehicle that will make the delivery has the ability to secure the Regulated Marijuana Product in climate-controlled storage.
5. A Medical Marijuana Store, Retail Marijuana Store, Medical Marijuana Transporter, or Retail Marijuana Transporter must maintain a transport manifest that documents the following:
 - a. The time of delivery;
 - b. ~~and~~ The name, ~~and patient's or consumer's~~ identification number of the valid, acceptable identification (e.g. driver's license) presented by the patient or consumer;
 - c. ~~a~~ Address of the Private Residence; ~~patient registry number, if applicable, and~~
 - d. ~~a~~ Acknowledgement of receipt of delivery by the person receiving the delivery;
 - e. ~~If applicable, patient registry number;~~
 - f. ~~If applicable, primary caregiver registry number of the patient's parent or guardian;~~ and
 - g. For every Regulated Marijuana delivery that could not be completed, the reason the delivery could not be completed.
6. Proof of Patient Medical Registry and Identification.
 - a. Prior to transferring possession of the order, the Owner Licensee or Employee Licensee delivering Medical Marijuana to a patient or a patient's parent or guardian must:
 - i. Inspect the patient's or parent's or guardian's identification and registry identification card;
 - ii. Verify the possession of a valid registry identification card;
 - iii. Verify that the information provided at the time of order match the name and age on the patient's or parent or guardian's identification; and
 - iv. Verify that the identification and registry identification card belong to the person receiving the delivery.
 - b. The Owner Licensee or Employee Licensee must refuse delivery of Medical Marijuana if the person attempting to accept the delivery order cannot establish all of the requirements of subparagraph (F)(6)(a)(i) through (iv) above.
7. Proof of Consumer Identification.
 - a. The Owner Licensee or Employee Licensee delivering Retail Marijuana to a consumer must first verify that the natural person accepting the delivery has an acceptable form of identification demonstrating the person is at least 21 years of age and that the person is the same as the person that placed the order for delivery with the Retail Marijuana Store.

- b. The Owner Licensee or Employee Licensee must refuse delivery of Retail Marijuana if the natural person attempting to accept the delivery order cannot establish all the requirements of subparagraph (F)(5)(a) above.

8. Daily Delivery Limits.

- a. A Medical Marijuana Store or Medical Marijuana Transporter must not deliver individually or in any combination, more than two ounces of Medical Marijuana, 40 grams of Medical Marijuana Concentrate, or Medical Marijuana Products containing more than 20,000 milligrams of THC to a patient in a single business day.
 - b. A Medical Marijuana Store or Medical Marijuana Transporter must not deliver to a patient, parent, or guardian or Private Residence where the Licensee knows or reasonably should know that the patient, parent or guardian, or Private Residence has already received a delivery during that same business day. This does not prohibit delivery to more than one patient at the same time and private residence.
 - c. A Retail Marijuana Store or Retail Marijuana Transporter must not deliver individually or in any combination, more than one ounce of Retail Marijuana, 8 grams of Retail Marijuana Concentrate, or Retail Marijuana Products containing more than ten 80 milligram servings of THC to a customer in a single business day.
 - d. A Retail Marijuana Store or Retail Marijuana Transporter must not deliver to a consumer or Private Residence where the Licensee knows or reasonably should know that the consumer or Private Residence has already received a delivery during that same business day. This does not prohibit delivery to more than one consumer at the same time and private residence.
9. An Owner Licensee or Employee Licensee who cannot complete a delivery order for any reason must return the Regulated Marijuana to the Medical Marijuana Store, Retail Marijuana Store, or off-premises storage facility from which the delivery order originated. If the Container is unopened and has not been tampered with, the Medical Marijuana Store, Retail Marijuana Store, or off-premises storage facility may return the Regulated Marijuana into its inventory and reconcile it with the Inventory Tracking System by the close of business that same day. Otherwise, the Regulated Marijuana must be destroyed in accordance with this Rule and Rule 3-235.

HC. Confidentiality of Patient and Consumer Personal Identifying Information. A Medical Marijuana Store, a Retail Marijuana Store, a Medical Marijuana Transporter, a Retail Marijuana Transporter, and their respective Owner Licensees and Employee Licensees must keep all personal identifying information and any health care information obtained from patients and consumers confidential and must not disclose such personally identifiable information and any health care information to any person other than those who need that information to take, process, or deliver the order or otherwise as required by the Marijuana Code, or Title 18, or Title 25 of the Colorado Revised Statutes.

3-700 Series – Signage and Advertising

Basis and Purpose – 3-720

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), and 44-10-203(3)(a), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII,

Subsections 16(5)(a)(V) and (5)(a)(VIII). The purpose of this rule is to clarify the restrictions applicable to Advertising.

The operation of Regulated Marijuana Businesses in Colorado is authorized solely within the narrow confines of the Colorado Constitution, Article XVIII, Sections 14 and 16. The Colorado Constitution prohibits the purchase, possession, and consumption of Medical Marijuana by those under the age 18, and of Retail Marijuana by those under the age of 21. *See for example* Colo. Const. art XVIII, §16(1)(a), (1)(b)(I), (1)(b)(II), 2)(b), (3), (4), (5)(a)(V), (5)(c), and 6(c). The Colorado Constitution calls for the regulation of marijuana “in a manner similar to alcohol” in certain key respects. Colo. Const. Art. XVIII, §16(1)(b). The constitutionally mandated regulatory scheme governing Regulated Marijuana Businesses must include rules establishing restrictions on the advertising and display of marijuana and marijuana product, and must include requirements to prevent the sale or diversion of marijuana and marijuana product to minors. Colo. Const. Art. XVIII, §16(5)(a)(V) and (VIII). Through the Marijuana Code the Colorado General Assembly provided further direction regarding mandated advertising restrictions. See § 44-10-203(3)(a), C.R.S. Voluntary standards adopted by the alcohol industry direct the industry to refrain from advertising where more than 298.4 percent of the audience is reasonably expected to be under the legal age of purchase. These rules apply to Advertising as defined in Rule 1-115. This Rule 3-720 was previously Rules M and R 1104, 1105, 1106, and 1107, 1 CCR 212-1 and 1 CCR 212-2.

3-720 – Advertising: All Media

- A. Medical Marijuana Businesses. A Medical Marijuana Business may Advertise in television, radio, a print publication, or via the internet only where at least 71.6 percent of the audience is reasonably expected to be at least the age of 18.
- B. Retail Marijuana Businesses. A Retail Marijuana Business may Advertise in television, radio, a print publication or via the internet only where at least 71.6 percent of the audience is reasonably expected to be at least the age of 21.
- C. Advertising for all Marijuana Businesses. Advertising proposes a commercial transaction or otherwise constitutes commercial speech. Advertising includes marketing.

3-800 Series – Inventory Tracking Requirements

Basis and Purpose – 3-825

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(a), 44-10-203(2)(d)(I), 44-10-504, and 44-10-604 The Purpose of this rule is to establish reporting standards for Medical Marijuana Testing Facilities and Retail Marijuana Testing Facilities.

3-825 – Medical Marijuana Testing Facilities and Retail Marijuana Testing Facilities Specific Tracking Requirements

- A. Required Procedures. A Medical Marijuana Testing Facility or Retail Marijuana Testing Facility must establish procedures to ensure that results are accurate, precise, and scientifically valid prior to reporting such results.
- B. Reports. Every final report, whether submitted to the Division, to a Regulated Marijuana Business, or to any other Person authorized to receive the report, must include the following:
 - 1. Report quantitative results that are only above the lowest concentration of calibrator or standard used in the analytical run;

2. Verify results that are below the lowest concentration of calibrator or standard and above the LOQ by using a blank and a standard that falls below the expected value of the analyte in the sample in duplicate prior to reporting a quantitative result;
3. Qualitatively report results below the lowest concentration of calibrator or standard and above the LOD as either trace or using a non-specific numerical designation;
4. Adequately document the available external chain of custody information;
5. Ensure all final reports contain the name and location of the Medical Marijuana Testing Facility or Retail Marijuana Testing Facility that performed the test, name, and unique identifier of Sample, submitting client, Sample received date, date of report, type of Sample tested, test result, units of measure, and any other information or qualifiers needed for interpretation when applicable to the test method and results being reported, to include any identified and documented discrepancies; and
6. Provide the final report to the Division, as well as the Regulated Marijuana Business, and/or any other Person authorized to receive the report in a timely manner.

BC. Inventory Tracking System. Each Medical Marijuana Testing Facility and Retail Marijuana Testing Facility shall:

1. Report all test results to the Division as part of daily reconciliation by the close of business and in accordance with all Inventory Tracking System Procedures under Rule 3-805 – All Regulated Marijuana Businesses: Inventory Tracking System. The requirement to report all test results includes:
 - a. Both positive and negative test results;
 - b. Results from both mandatory and voluntary testing; and
 - c. For quantitative tests, a quantitative value.
2. As part of Inventory Tracking System reporting, when results of tested Samples exceed maximum levels of allowable potency or contamination, or otherwise result in failed potency, homogeneity, or contaminant testing, the Medical Marijuana Testing Facility or Retail Marijuana Testing Facility shall, in the Inventory Tracking System, indicate failed test results for the Inventory Tracking System package associated with the failed Sample. This requirement only applies to testing of Samples that are comprised of Regulated Marijuana.

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

3-900 Series – Business Records

Basis and Purpose – 3-905

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-301, and 44-10-1001(1), C.R.S. This rule explains what business records a Licensee must maintain and clarifies that such records must be made available to the Division on demand. This Rule 3-905 was previously Rules M and R 901, 1 CCR 212-1 and 1 CCR 212-2.

3-905 – Business Records Required

A. General Requirements.

1. A Regulated Marijuana Business must maintain the information required in this Rule in a format that is readily understood by a reasonably prudent business person.
2. Each Regulated Marijuana Business shall retain all books and records necessary to fully account for the business transactions conducted under its license for the current year and three preceding calendar years.
 - a. On premises records: The Regulated Marijuana Business's books and records for the preceding six months (or complete copies of such records) must be maintained on the Licensed Premises at all times.
 - b. On- or off-premises records: Books and records associated with older periods may be archived on or off of the Licensed Premises.
3. The books and records must fully account for the transactions of the business and must include, but shall not be limited to:
 - a. Current Employee List – This list must provide the full name and Employee License number of each employee and all Owner Licensees, who work at a Regulated Marijuana Business.
 - i. Each Licensed Premises shall enter the full name and Employee License number of every employee that works on the premises into the Inventory Tracking System. The Licensed Premises shall update its list of employees in the Inventory Tracking System within 10 days of an employee commencing or ceasing employment on the premises.
 - b. Secure Facility Information – For its Licensed Premises and any associated permitted off-premises storage facility, a Regulated Marijuana Business must maintain the business contact information for vendors that maintain video surveillance systems and Security Alarm Systems.
 - c. Advertising Records – All records related to Advertising and marketing, including, but not limited to, audience composition data.
 - d. Licensed Premises – Diagram of all approved Limited Access Areas, Restricted Access Areas, and any permitted off-premises storage facilities.
 - e. Visitor Log – List of all visitors entering Limited Access Areas or Restricted Access Areas.
 - f. All records normally retained for tax purposes.
 - g. Waste Log – Comprehensive records regarding all waste and Fibrous Waste material that accounts for, reconciles, and evidences all waste and Fibrous Waste activity related to the disposal of marijuana.
 - h. Surveillance Logs – Surveillance logs as required by Rule 3-225.
 - i. Every Licensee shall maintain a record of its identity statement and Standardized Graphic Symbol which shall be available upon request by the State Licensing Authority or Division. A Licensee may elect to have its Identity Statement also

serve as its Standardized Graphic Symbol for purposes of complying with this rule.

- j. Testing Records – All testing records required by Rule 5-450.
 - k. Sampling Unit Records – All records related to designated Sampling Managers, identified Sampling Units, and Transfers of Sampling Units. See Rules 3-810, 5-230, 5-320, 6-225, 6-320. This includes, but is not limited to, standard operating procedures that explain the requirements of sections 44-10-502(5), 44-10-503(10), 44-10-602(6) and 44-10-603(10), C.R.S., the personal possession limits pursuant to section 18-18-406, C.R.S., and the requirements imposed by Rules 5-230, 5-320, 6-225, 6-320.
 - l. License Application Records – All records provided by the Licensee to both the state and local licensing authorities in connection with an application for licensure pursuant to the Marijuana Code and these Rules.
 - m. Standard Operating Procedures – All standard operating procedures as required by these Rules.
 - n. Audited Product and/or Alternative Use Product Records – All records required to demonstrate compliance with Rule 5-325 and 6-325.
 - o. All records required by Rule 3-240 regarding collection and Transfers of Marijuana Consumer Waste.
 - p. Corrective Action and Preventive Action records required by Rules 5-115, 5-210, 5-310, 6-110, 6-210, 6-310.
 - q. Certificates of analysis or other records demonstrating the full composition of each Ingredient used in the manufacture of Vaporizer Delivery Devices or Pressurized Metered Dose Inhalers as required by Rule 5-310(F).
 - r. Records required to be maintained by Delivery Permit holders.
 - s. Records required to be maintained by Licensed Hospitality Businesses.
 - t. All other records required by these Rules.
- B. Loss of Records and Data. Any loss of electronically-maintained records shall not be considered a mitigating factor for violations of this Rule. Licensees are required to exercise due diligence in preserving and maintaining all required records.
- C. Violation Affecting Public Safety. Violation of this Rule may constitute a license violation affecting public safety.
- D. Records Related to Inventory Tracking. A Regulated Marijuana Business must maintain accurate and comprehensive inventory tracking records that account for, reconcile and evidence all inventory activity for Regulated Marijuana from either seed or Immature Plant stage until the Regulated Marijuana is destroyed or transferred to another Regulated Marijuana Business, a consumer, a patient, ~~a Medical Research Facility~~, or a Pesticide Manufacturer.
- E. Records Related to Transport. A Regulated Marijuana Business must maintain adequate records for the transport of all Regulated Marijuana. See Rule 3-605 – Transport: All Regulated Marijuana Businesses.

- F. Provision of Any Requested Record to the Division. A Licensee must provide on-demand access to on-premises records following a request from the Division during normal business hours or hours of apparent operation, and must provide access to off-premises records within three business days following a request from the Division.

Basis and Purpose – 3-930

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-204, 44-10-301, and 44-10-1001(1), C.R.S. This rule explains what business records a Licensee can request from the Division and how the business records will be provided to the Licensee.

3-930 Request for Business Records from the Division.

- A. A Licensee may request that the Division provide a copy of Applications which the Licensee has previously submitted to the Division back to the Licensee. The Division will only provide:

1. Applications excluding attachments filed by the Licensee in the prior two (2) calendar years;
2. Copies will only be provided electronically;
3. The electronic copy of an Application filed in the previous two (2) years will only be provided to a Licensee or the Licensees' attorney.

- B. The Division will not provide any business records or provide business records to any person which could violate the obligation to maintain the confidentiality of documents and information provided by Applicants and Licensees to the State Licensing Authority as provided in Section 44-10-204, C.R.S.

3-1000 Series – Labeling, Packaging, and Product Safety

Basis and Purpose – 3-1005

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(a), 44-10-202(1)(c), 44-10-202(6), 44-10-203(2)(f), 44-10-203(1)(j), 44-10-203(3)(a)-(b), 44-10-601(2)(a), 44-10-601(5), 44-10-603(1)(d), 44-10-603(4)(a), and 44-10-603(8), C.R.S. The purpose of this rule is to define minimum packaging and labeling requirements for Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product transferred between Regulated Marijuana Businesses. The State Licensing Authority finds it essential to regulate and establish labeling requirements for Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product and that this is in the interest of the health and safety of the people of Colorado. This rule identifies information that is required on all labels to provide information necessary for the Division to regulate the cultivation, production, and sale of Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product. This rule also seeks to minimize, to the extent practicable, the burden of labeling compliance to Licensees. The labeling requirements in this rule apply to all Containers immediately containing Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product. This Rule 3-1005 was previously Rules M and R 1001-1, 1 CCR 212-1 and 1 CCR 212-2.

3-1005 - Packaging and Labeling: Minimum Requirements Prior to Transfer to a Regulated Marijuana Business, except to a Marijuana Testing Facility

- A. Applicability. This Rule establishes minimum requirements for packaging and labeling Regulated Marijuana prior to Transfer to a Regulated Marijuana Business, except to a Marijuana Testing Facility. See Rule 3-1025 for minimum requirements for packaging and labeling Regulated Marijuana prior to Transfer to a Regulated Marijuana Business. The labeling requirements in this

Rule apply to all Containers immediately containing Medical Marijuana, Retail Marijuana, Medical Marijuana Concentrate, Retail Marijuana Concentrate, Medical Marijuana Product, and Retail Marijuana Product.

- B. Packaging and Labeling of Regulated Marijuana Flower, Trim, Wet Whole Plant, and Regulated Marijuana Concentrate, Prior to Transfer to a Regulated Marijuana Business. A Regulated Marijuana Business shall comply with the following minimum packaging and labeling requirements prior to Transferring Medical Marijuana flower, trim, wet whole plant, or Medical Marijuana Concentrate to another Medical Marijuana Business, or Retail Marijuana flower, trim, wet whole plant, or Retail Marijuana Concentrate to another Retail Marijuana Business:
1. Packaging of Regulated Marijuana Flower and Trim, and Regulated Marijuana Concentrate.
 - a. Prior to Transfer to a Regulated Marijuana Business, Regulated Marijuana flower, trim, wet whole plant, or Regulated Marijuana Concentrate shall be placed into a Container. The Container may but is not required to be Child-Resistant.
 - b. Each Container of Regulated Marijuana flower or trim that is Transferred to a Regulated Marijuana Business shall not exceed 10 pounds of Regulated Marijuana flower or trim, but may include pre-weighed units that are within the sales limit in Rules 5-115(C),6-110(C), and 6-~~97~~25(G).
 - c. A Container of wet whole plant that is Transferred to a Regulated Marijuana Business may exceed 10 pounds, but shall not exceed 100 pounds.
 - d. Each Container of Medical Marijuana Concentrate that is Transferred to a Medical Marijuana Business, or Retail Marijuana Concentrate that is Transferred to a Retail Marijuana Business, shall not exceed 10 pounds of Medical Marijuana Concentrate or Retail Marijuana Concentrate, but may include pre-weighed units that are within the applicable sales limit in Rules 5-115(C),6-110(C), and 6-~~97~~25(G).
 2. Labeling of Regulated Marijuana Flower, Trim, Wet Whole Plant, and Regulated Marijuana Concentrate. Prior to Transfer to a Regulated Marijuana Business, every Container of Regulated Marijuana flower, trim, wet whole plant, or Regulated Marijuana Concentrate shall be affixed with a label that includes at least the following information:
 - a. The license number of the Medical Marijuana Cultivation Facility where the Medical Marijuana was grown, ~~or~~ the Retail Marijuana Cultivation Facility where the Retail Marijuana was grown, or the Accelerator Marijuana Cultivation Facility where the Retail Marijuana was grown;
 - b. The Harvest Batch Number(s) assigned to the Regulated Marijuana or the Production Batch Number(s) assigned to the Regulated Marijuana Concentrate;
 - c. If applicable, the license number of the Medical Marijuana Cultivation Facility(ies) that produced the Water-Based Medical Marijuana Concentrate, ~~or~~ the Retail Marijuana Cultivation Facility(ies) that produced the Water-Based Retail Marijuana Concentrate, or the license number of the Accelerator Marijuana Cultivation Facility(ies);
 - d. If applicable, the license number of the Medical Marijuana Products Manufacturer(s) where the Medical Marijuana Concentrate was produced, ~~or~~ the Retail Marijuana Products Manufacturer(s) where the Retail Marijuana

Concentrate was produced, or the Accelerator Products Manufacturer(s) where the Retail Marijuana Concentrate was produced;

- e. The net contents, using a standard of measure compatible with the Inventory Tracking System, of the Regulated Marijuana or Regulated Marijuana Concentrate prior to its placement in the Container; and
- f. Potency test results as required to permit the receiving Regulated Marijuana Business to label the Medical Marijuana, Retail Marijuana, Medical Marijuana Concentrate, or Retail Marijuana Concentrate as required by these rules.
- g. Vaporizer Delivery Devices and Pressurized Metered Dose Inhalers. A list of all Ingredients, including Additives, used to manufacture the Vaporizer Delivery Device or Pressurized Metered Dose Inhaler.

C. Packaging and Labeling of Regulated Marijuana Product Prior to Transfer to a Regulated Marijuana Business. A Regulated Marijuana Business shall comply with the following minimum packaging and labeling requirements prior to Transferring Medical Marijuana Product to another Medical Marijuana Business, or Transferring Retail Marijuana Product to another Retail Marijuana Business:

1. Packaging of Regulated Marijuana Product.

- a. Transfer to a Regulated Marijuana Business Other Than a Medical Marijuana Store or Retail Marijuana Store. Prior to Transfer to a Regulated Marijuana Business other than a Medical Marijuana Store or Retail Marijuana Store, Regulated Marijuana Product shall be placed into a Container. The Container may but is not required to be Child-Resistant.
- b. Transfer to a Medical Marijuana Store or Retail Marijuana Store. Prior to Transfer to a Medical Marijuana Store or Retail Marijuana Store, all Regulated Marijuana Product shall be packaged in a Child-Resistant Container that is ready for sale to the patient or consumer as required by the Rule 3-1010(D).

2. Labeling of Regulated Marijuana Product.

- a. Transfer to a Regulated Marijuana Business other than a Medical Marijuana Store or Retail Marijuana Store. Prior to Transfer to a Regulated Marijuana Business other than a Medical Marijuana Store or Retail Marijuana Store, every Container of Regulated Marijuana Product shall be affixed with a label that includes at least the following information:
 - i. The license number of the Medical Marijuana Cultivation Facility(ies) where the Medical Marijuana was grown, ~~or the~~ Retail Marijuana Cultivation Facility(ies) where the Retail Marijuana was grown, or the Accelerator Marijuana Cultivation Facility(ies) where the Retail Marijuana was grown;
 - ii. The license number of the Medical Marijuana Products Manufacturer that produced the Medical Marijuana Product, ~~or the~~ Retail Marijuana Products Manufacturer that produced the Retail Marijuana Product, or the Accelerator Products manufacturer that produced the Retail Marijuana Product;

- iii. The Production Batch Number(s) assigned to the Regulated Marijuana Product;
 - iv. The net contents, using a standard of measure compatible with the Inventory Tracking System, of the Regulated Marijuana Product prior to its placement in the Container; and
 - v. Potency test results as required to permit the receiving Regulated Marijuana Business to label the Medical Marijuana Product or Retail Marijuana Product as required by these rules.
 - b. Transfer to a Medical Marijuana Store or Retail Marijuana Store. Prior to Transfer to a Medical Marijuana Store or Retail Marijuana Store, every Container of Medical Marijuana Product or Retail Marijuana Product shall be affixed with a label ready for sale to the patient or consumer including all information required by Rules 3-1010(D)(2) and 3-1015(B).
- D. Packaging and Labeling of Regulated Marijuana Seeds and Immature Plants Prior to Transfer to a Regulated Marijuana Business. A Regulated Marijuana Business shall comply with the following minimum packaging and labeling requirements prior to Transferring Regulated Marijuana seeds or Immature plants to another Regulated Marijuana Business:
- 1. Packaging of Regulated Marijuana Seeds.
 - a. Prior to Transfer to a Regulated Marijuana Business, Regulated Marijuana seeds shall be placed into a Container. The Container may but is not required to be Child-Resistant.
 - b. Each Container of Regulated Marijuana seeds that is Transferred to a Regulated Marijuana Business shall not exceed 10 pounds of Regulated Marijuana seeds.
 - 2. Packaging of Immature Plants. Prior to Transfer to a Regulated Marijuana Business, Immature plants shall be placed into a receptacle. The receptacle may but is not required to be Child-Resistant.
 - 3. Labeling of Regulated Marijuana Seeds and Immature Plants. Prior to Transfer to a Regulated Marijuana Business, every Container of Regulated Marijuana seeds and all receptacles holding an Immature plant shall be affixed with a label that includes at least the license number of the Medical Marijuana Cultivation Facility, ~~the~~ ~~or~~ Retail Marijuana Cultivation Facility, or the Accelerator Marijuana Cultivation Facility where the Regulated Marijuana that produced the seeds or the Immature plant was grown.
- E. Packaging and Labeling of Sampling Units. A Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer shall comply with the following minimum packaging and labeling requirements prior to Transferring any Sampling Unit to a Sampling Manager.
- 1. Packaging of Sampling Units. Prior to Transfer to a Sampling Manager, a Sampling Unit must be placed in a Container. If the Sampling Unit is Regulated Marijuana flower, trim, Medical Marijuana Concentrate, or Retail Marijuana Concentrate, the Container may, but is not required to, be Child-Resistant; however, the Container shall be placed into a Child-Resistant Exit Package at the point of Transfer to the Sampling Manager. If the Sampling Unit is composed of Regulated Marijuana Product, the Sampling Unit shall be packaged in a Child-Resistant Container.

2. Labeling of Sampling Units. Prior to Transfer to a Sampling Manager, every Container for a Sampling Unit shall be affixed with a label that includes at least the following information:
- a. Required License Number. The license number for the Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer or Retail Marijuana Products Manufacturer Transferring the Sampling Unit.
 - b. Batch Number(s). The relevant Harvest Batch number and/or Production Batch number from which the Sampling Unit was designated.
 - c. Universal Symbol. The Universal Symbol on the front of the Container and any Marketing Layer, no smaller than ½ of an inch by ½ of an inch, with the following statement directly below the Universal Symbol: **“Contains Marijuana. Keep away from children.”**
 - d. Required Potency Statement.
 - i. For a Sampling Unit composed of Regulated Marijuana, Medical Marijuana Concentrate, or Retail Marijuana Concentrate, the potency of the Sampling Unit’s active THC and CBD expressed as a percentage.
 - ii. For a Sampling Unit composed of Regulated Marijuana Product, the potency of the Sampling Unit’s active THC and CBD expressed in milligrams.
 - iii. The required potency statement shall be displayed either: (1) In a font that is bold, and enclosed within an outlined shape such as a circle or square; or (2) highlighted with a bright color, such as yellow.
 - e. Date of Transfer. The label shall include the date of Transfer to the Sampling Unit.
 - f. Patient Number. If the Sampling Unit contains Medical Marijuana, Medical Marijuana Concentrate, or Medical Marijuana Product, the label must also include the patient registration number of the recipient Sampling Manager.
 - g. Required Warning Statements. Either the label affixed to the Container or the Marketing Layer shall include the following information:
 - i. “This product was received as a Sampling Unit and may have been produced with undisclosed allergens, solvents, or pesticides, and may pose unknown physical or mental health risks. This product is not for resale and should not be used by anyone else.”
- F. Prohibited Transfers – All Regulated Marijuana Businesses. A Regulated Marijuana Business shall not Transfer to a Medical Marijuana Store, Retail Marijuana Store, Accelerator Retail Marijuana Store, or Retail Marijuana Hospitality and Sales Business—and a Medical Marijuana Store, Retail Marijuana Store, Accelerator Retail Marijuana Store, or Retail Marijuana Hospitality and Sales Business shall not accept nor offer for sale—any Regulated Marijuana that is not packaged and labeled in conformance with the requirements of these rules or that does not provide all information necessary to permit the Medical Marijuana Store, Retail Marijuana Store, Accelerator Marijuana or Retail Marijuana Hospitality and Sales Business to package and label the Regulated Marijuana prior to Transfer to a patient or consumer. However, a Medical

Marijuana Store or Retail Marijuana Store is not required to open any tamper evident Marketing Layer received from a Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, or a Retail Marijuana Products Manufacturer to verify the Container is Child-Resistant or labeled.

- G. Shipping Containers. Licensees may Transfer multiple Containers of Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product to a Regulated Marijuana Business in a Shipping Container.
1. RFID Tag Required. Licensees shall ensure that either the multiple Containers placed within a Shipping Container each have an RFID tag, or the Shipping Container itself must have an RFID tag. If the Licensee elects to place the RFID tag on the Shipping Container, the Shipping Container shall contain only one Harvest Batch of Regulated Marijuana, one Production Batch of Regulated Marijuana Concentrate, or one Production Batch of Regulated Marijuana Product. If a Shipping Container consists of more than one Harvest Batch or Production Batch, then each group of multiple Containers shall be affixed with an RFID tag. See Rule 3-805 – Inventory Tracking System; Rule 3-605 – Transport: All Regulated Marijuana Businesses.
 2. Labeling of Shipping Containers. Any Shipping Container that will not be displayed to the consumer is not required to be labeled according to these rules.
- H. Packaging and Labeling of Regulated Marijuana Flower and Trim Prior to Transfer to a ~~Medical Research Facility~~, a Pesticide Manufacturer, or a Marijuana Research and Development Facility. The packaging and labeling requirements in these 3-1000 Series Rules also apply to any Transfer of Regulated Marijuana, Regulated Marijuana Concentrate, or Regulated Marijuana Product to a ~~Medical Research Facility~~, a Pesticide Manufacturer, or a Marijuana Research and Development Facility.
- I. Marijuana Research and Development Facility Transfers to Persons as Part of an Approved Research Project. Any Marijuana Research and Development Facility conducting research as part of an approved Research Project involving human subjects shall comply with all packaging and labeling requirements that are applicable to a Medical Marijuana Store prior to Transfer to a patient, unless the Marijuana Research and Development Facility requests and receives in advance a waiver of specific packaging or labeling requirements in connection with the approved Research Project.
- J. Research Transfers Prohibited. A Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store shall not Transfer any Medical Marijuana, Medical Marijuana Concentrate, Medical Marijuana Product, Retail Marijuana, Retail Marijuana Concentrate, or Retail Marijuana Product to ~~a Medical Research Facility~~, a Pesticide Manufacturer, or a Licensed Research Business.
- K. Violation Affecting Public Safety. A violation of any rule in these 3-1000 Series Rules may be considered a license violation affecting public safety.

Basis and Purpose – 3-1010

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(a), 44-10-202(1)(c), 44-10-202(6), 44-10-203(2)(f), 44-10-203(1)(j), 44-10-203(3)(a)-(b), 44-10-601(2)(a), 44-10-601(5), 44-10-603(1)(d), 44-10-603(4)(a), and 44-10-603(8), C.R.S. The purpose of this rule is to define general packaging and labeling requirements for Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product prior to Transfer to a patient or consumer. The labeling requirements in this rule apply to all Containers immediately containing Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product. The State Licensing Authority finds it essential to

regulate and establish labeling requirements for Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product and that this is in the interest of the health and safety of the people of Colorado. This rule identifies information that is required on all labels to provide necessary information to patients and consumers to make informed decisions and first responders in the event of accidental ingestion, over ingestion or allergic reaction. This rule also seeks to minimize, to the extent practicable, the burden of labeling compliance to Licensees. This Rule 3-1010 was previously Rules M and R 1002-1, 1 CCR 212-1 and 1 CCR 212-2.

3-1010 – Packaging and Labeling: General Requirements Prior to Transfer to a Patient or Consumer

- A. Applicability. This Rule establishes general requirements for packaging and labeling Regulated Marijuana prior to Transfer to a patient or consumer. This Rule also established packaging and labeling validation to demonstrate the process of individually packaging and labeling Harvest Batches or Production Batches after passed testing will consistently produce acceptable products as determined by these rules prior to Transfer to a patient or consumer. The labeling requirements in this Rule apply to all Containers immediately containing any Regulated Marijuana. The labeling requirements based on intended use in Rule 3-1015 are in addition to, not in lieu of, the requirements in this Rule.
1. Exemption for Transfers to Consumers by a Retail Marijuana Hospitality and Sales Business. Unless otherwise provided by these rules, a Retail Marijuana Hospitality and Sales Business Transferring Retail Marijuana to consumers in compliance with the packaging and labeling requirements of Rule 3-1020 is exempt from the requirements of this Rule.
- B. Labeling Requirements – All Regulated Marijuana.
1. Font Size. Required labeling text on the Container and any Marketing Layer must be no smaller than 1/16 of an inch.
 2. Labels Shall Not Be Designed to Appeal to Children. A Regulated Marijuana Business shall not place any content on a Container or the Marketing Layer in a manner that reasonably appears to target individuals under the age of 21, including but not limited to, cartoon characters or similar images.
 3. False or Misleading Statements. Label(s) on a Container and any Marketing Layer shall not include any false or misleading statements.
 4. Trademark Infringement Prohibited. No Container or Marketing Layer shall be intentionally or knowingly labeled so as to cause a reasonable consumer confusion as to whether the Regulated Marijuana is a trademarked product or labeled in a manner that violates any federal trademark law or regulation.
 5. Health and Benefit Claims. The label(s) on the Container and any Marketing Layer shall not make any claims regarding health or physical benefits to the patient or consumer.
 6. Use of English Language. Labeling text on the Container and any Marketing Layer must be clearly written or printed and in the English language. In addition to the required English label, Licensees may include an additional, accurate foreign language translation on the label that otherwise complies with these rules.
 7. Unobstructed and Conspicuous. Labeling text on the Container and any Marketing Layer must be unobstructed and conspicuous. A Licensee may affix multiple labels to the Container, provided that none of the information required by these rules is obstructed.

For example and not by means of limitation, labels may be accordion, expandable, extendable or layered to permit labeling of small Containers.

8. Use of the Word “Candy” and/or “Candies” Prohibited.
 - a. Licensees shall not use the word(s) “candy” and/or “candies” on the label of any Container holding Regulated Marijuana, or of any Marketing Layer.
 - b. Notwithstanding the requirements of this subparagraph, a Regulated Marijuana Business whose identity statement contains the word(s) “candy” and/or “candies” may place its Identity Statement on the label of the Container holding Regulated Marijuana, or of any Marketing Layer.
 9. Child Resistant Certificate(s). A Licensee shall maintain a copy of the certificate showing that each Child-Resistant Container into which the Licensee places Regulated Marijuana is Child-Resistant and complies with the requirements of 16 C.F.R. 1700.15 (1995) and 16 C.F.R. 1700.20 (1995) in accordance with the requirements of Rule 3-905(A).
 - a. 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 16 C.F.R. 1700.15 (1995) and 16 C.F.R. 1700.20 (1995), which is available to the public for inspection and copying during the Division’s regular business hours.
 10. Containers and Marketing Layers. The Container and any Marketing Layer shall have a label with all information required by these 3-1000 Series Rules. Any intermediary packaging between the Container and the Marketing Layer is not required to be labeled in accordance with these rules.
 11. Exit Packages.
 - a. Exit Packages Permitted for Child-Resistant Containers. A Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store may but is not required to place a Child-Resistant Container into an Opaque Exit Package at the point of Transfer to the patient or consumer.
 - b. Exit Packages Required for Regulated Marijuana Flower, Trim, and Seeds. Any Regulated Marijuana flower, trim, or seeds in a Container that is not Child-Resistant shall be placed into a Child-Resistant Exit Package at the point of Transfer to a patient or consumer. The Exit Package is not required to be labeled but may include the Medical Marijuana Store’s, ~~or~~ Retail Marijuana Store’s, or Accelerator Marijuana Store’s Identity Statement and/or Standardized Graphic Symbol.
- C. Packaging and Labeling of Regulated Marijuana Flower and Trim, and Regulated Marijuana Concentrate Prior to Transfer to a Patient or Consumer. A Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store shall comply with the following minimum packaging and labeling requirements prior to Transferring Medical Marijuana flower and trim, Retail Marijuana flower and trim, Medical Marijuana Concentrate, or Retail Marijuana Concentrate to a patient or consumer:
1. Packaging of Regulated Marijuana Flower and Trim. Prior to Transfer to a patient or a consumer, Regulated Marijuana flower and trim shall be in a Container that does not exceed the sales limit in Rules 5-115(C) and 6-110(C). The Container may but is not required to be Child-Resistant. Any Regulated Marijuana flower and trim in a Container

that is not Child-Resistant shall be placed into a Child-Resistant Exit Package at the point of Transfer to a patient or consumer.

2. Packaging of Regulated Marijuana Concentrate. Prior to Transfer to a patient or consumer, Regulated Marijuana Concentrate shall be in a Child-Resistant Container that does not exceed the sales limit in Rules 5-115(C) and 6-110(C).
 - a. A Pressurized Metered Dose Inhaler, Vaporizer Delivery Device, or syringe-type device that is within an intended use that is listed in Rule 3-1015(B) and is not an Alternative Use Product need not itself be Child-Resistant but must be placed into a Child-Resistant Container prior to Transfer to a patient or consumer.
 - b. A Pressurized Metered Dose Inhaler, Vaporizer Delivery Device, or syringe-type device with an intended use that is listed in Rule 3-1015(B) and that is not an Alternative Use Product must be labeled with at least the Universal Symbol, but is not required to include “**Contains Marijuana. Keep away from children.**”, prior to Transfer to a patient or consumer. The Universal Symbol shall be legible and no smaller than ¼ of an inch by ¼ of an inch.
 - c. A Pressurized Metered Dose Inhaler or Vaporizer Delivery Device must be affixed with a label that states “**Not approved by the FDA.**” For example and not by means of limitation, labels may be affixed using the following methods: accordion, expandable, extendable, layered, tags, or stickers.
 - d. Nothing in this Rule authorizes the use of a syringe for any type of injection involving a needle piercing the skin.
3. Labeling of Regulated Marijuana Flower and Trim, and Regulated Marijuana Concentrate. Prior to Transfer to a patient or consumer, every Container of Regulated Marijuana flower and trim, or Regulated Marijuana Concentrate and any Marketing Layer shall be affixed with a label that includes at least the following information:
 - a. Required License Number(s). The license number for each of the following:
 - i. The Medical Marijuana Cultivation Facility where the Medical Marijuana was grown, ~~or~~ the Retail Marijuana Cultivation Facility where the Retail Marijuana was grown, or the Accelerator Marijuana Cultivation Facility where the Retail Marijuana was grown;
 - ii. If applicable, the Medical Marijuana Cultivation Facility(ies) where the Water-Based Medical Marijuana Concentrate was produced, ~~or~~ the Retail Marijuana Cultivation Facility(ies) where the Water-Based Retail Marijuana Concentrate was produced, or the Accelerator Marijuana Cultivation Facility(ies) where the Water-Based Retail Marijuana Concentrate was produced;
 - iii. If applicable, the Medical Marijuana Products Manufacturer where the Medical Marijuana Concentrate was produced, ~~or~~ the Retail Marijuana Products Manufacturer where the Retail Marijuana Concentrate was produced, or the Accelerator Marijuana Products Manufacturer where the Retail Marijuana Concentrate was produced; and
 - iv. The Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store that sold the Medical Marijuana, Retail Marijuana, Medical Marijuana Concentrate, or Retail Marijuana Concentrate to the

patient or consumer, except the Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store may affix its license number to the Container or Marketing Layer.

- b. Batch Numbers. The Harvest Batch Number(s) assigned to the Regulated Marijuana or the Production Batch Number(s) assigned to the Regulated Marijuana Concentrate.
- c. Statement of Net Contents. The statement of net contents must identify the net weight of the Regulated Marijuana or net weight or volume of Regulated Marijuana Concentrate prior to its placement in the Container, using a standard of measure compatible with the Inventory Tracking System.
- d. Universal Symbol. The Universal Symbol on the front of the Container and any Marketing Layer, no smaller than ½ of an inch by ½ of an inch, with the following statement directly below the Universal Symbol: **“Contains Marijuana. Keep away from children.”**
- e. Required Potency Statement. The potency of Regulated Marijuana flower or trim shall be expressed as: (1) the percentage of total THC and CBD from the test results for that Harvest Batch, or (2) if the Harvest Batch is not required to be tested, either as: (i) a range of percentages of total THC and CBD that extends from the lowest percentage to the highest percentage for each cannabinoid listed, from every test conducted on that strain of Regulated Marijuana cultivated by the same Medical Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Cultivation Facility, or Accelerator Marijuana Cultivation Facility during the preceding six months or (ii) an average for each cannabinoid listed, from every test conducted on that strain of Regulated Marijuana cultivated by the Medical Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Cultivation Facility, or Accelerator Marijuana Cultivation Facility during the preceding six months. If CBD is not detected in Harvest Batch, then Total CBD potency is not required. The potency of Medical Marijuana Concentrate’s or Retail Marijuana Concentrate’s Total THC and CBD shall be expressed as a percentage. If CBD is not detected in the Production Batch, then Total CBD potency is not required. The potency of Regulated Marijuana, Medical Marijuana Concentrate, and Retail Marijuana Concentrate shall be displayed either:
 - i. In a font that is bold, and enclosed within an outlined shape such as a circle or square; or
 - ii. Highlighted with a bright color such as yellow.
- f. Date of Sale. The Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store shall affix the date of sale to the patient or consumer to the Container or Marketing Layer.
- g. Patient Number. The Medical Marijuana Store shall affix the patient’s registration number to the Container or Marketing Layer at the time of Transfer to the patient.
- h. Solvent List. A list of any solvent(s) used to produce any Solvent-Based Medical Marijuana Concentrate or Solvent-Based Retail Marijuana Concentrate.
- i. Ingredient List Including Major Allergens. If applicable, a list of all Ingredients used to manufacture the Regulated Marijuana Concentrate including identification of any major allergens contained in the Regulated Marijuana

Concentrate in accordance with the Food Allergen Labeling and Consumer Protection Act of 2004, 21 U.S.C. § 343 (2010). The Food Allergen Labeling and Consumer Protection Act of 2004, 21 U.S.C. § 343 (2010) requires disclosure of the following major food allergens: milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat, and soybeans.

- i. Note that this Rule does not include any later amendments or editions to the United States Code. The Division maintains a copy of 21 U.S.C. § 343 (2010), which is available to the public for inspection and copying during the Division's regular business hours.
- j. Required Warning Statements. Either the label affixed to the Container or the Marketing Layer shall include the following information:
 - i. **"This product was produced without regulatory oversight for health, safety, or efficacy."**
 - ii. **"There may be long term physical or mental health risks from use of marijuana including additional risks for women who are or may become pregnant or are breastfeeding. Use of marijuana may impair your ability to drive a car or operate machinery."**
- k. Vaporizer Delivery Devices and Pressurized Metered Dose Inhalers.
 - i. Ingredient List. A list of all Ingredients, including Additives, used to manufacture the Vaporizer Delivery Device or Pressurized Metered Dose Inhaler.
 - ii. Expiration Date. This subsection (k)(ii) is effective July 1, 2022. A Marijuana Products Manufacturer that produces a Vaporizer Delivery Device shall establish an expiration date, upon which the Vaporized Delivery Device will no longer be fit for consumption. The Licensee shall determine the expiration date by conducting potency and contaminant testing pursuant to Rules 4-120 and 4-125 on the final Vaporizer Delivery Device prior to Transfer to ensure the Vaporizer Delivery Device can pass potency and contaminant testing prior to the established expiration date. The Licensee shall also consider expiration dates of additives used, and the interaction of hardware and the final formulation within the device when determining the expiration date. The Licensee may, but is not limited to, use accelerated stability tests to demonstrate compliance with this rule. Expiration date determinations, along with any data that was used to establish the expiration date, shall be documented and maintained in the Licensee's business records pursuant to Rule.
 - iii. Storage Conditions. This subsection (k)(iii) is effective July 1, 2022. A description of ideal storage conditions for the Vaporizer Delivery Device or Pressurized Metered Dose Inhaler.

- D. Packaging and Labeling of Regulated Marijuana Product and Audited Product. A Medical Marijuana Products Manufacturer, Retail Marijuana Products Manufacturer, Accelerator Marijuana Products Manufacturer, Medical Marijuana Store, ~~and a~~ Retail Marijuana Store, ~~and an~~ Accelerator Marijuana Store shall comply with the following minimum packaging and labeling requirements prior to Transferring Regulated Marijuana Product:

1. Packaging of Regulated Marijuana Product. Every Regulated Marijuana Product shall be in a Child-Resistant Container at the time of Transfer to a Medical Marijuana Store or Retail Marijuana Store in accordance with the following packaging limits:
 - a. Regulated Marijuana Product Other than Edible Medical Marijuana Product or Edible Retail Marijuana Product. Medical Marijuana Product that is not Edible Medical Marijuana Product and Retail Marijuana Product that is not Edible Retail Marijuana Product shall be placed into a Child-Resistant Container that does not exceed the sales limit in Rule 5-115(C) and 6-110(C). A Pressurized Metered Dose Inhaler, Vaporizer Delivery Device, or syringe-type device that is within the intended use that is listed in Rule 3-1015(B) and is not an Alternative Use Product need not itself be Child-Resistant but must be placed into a Child-Resistant Container prior to Transfer to a patient or consumer. A Pressurized Metered Dose Inhaler, Vaporizer Delivery Device, or syringe-type device within an intended use that is listed in Rule 3-1015(B) and that is not an Alternative Use Product must be labeled with at least the Universal Symbol, but is not required to include “**Contains Marijuana. Keep away from children.**”, prior to Transfer to a patient or consumer. The Universal Symbol shall be legible and no smaller than ¼ of an inch by ¼ of an inch. Nothing in this Rule authorizes the use of a syringe for any type of injection involving a needle piercing the skin.
 - b. Edible Medical Marijuana Product. Every Edible Medical Marijuana Product including Liquid Edible Medical Marijuana Product shall be in a Child-Resistant Container. If the Edible Medical Marijuana Product contains multiple portions then it shall be placed into a Child-Resistant Container that is Resealable.
 - c. Edible Retail Marijuana Product. Edible Retail Marijuana Product shall be in a Child-Resistant Container as follows:
 - i. Single-Serving Edible Retail Marijuana Product. Every Single-Serving Edible Retail Marijuana Product must be placed into a Child-Resistant Container.
 - ii. Bundled Single-Serving Edible Retail Marijuana Product. Single-Serving Edible Retail Marijuana Products that are placed into a Child-Resistant Container may be bundled into a larger Marketing Layer so long as the total amount of active THC per Marketing Layer does not exceed 100 milligrams.
 - iii. Multiple-Serving Edible Retail Marijuana Product. Every Multiple-Serving Edible Retail Marijuana Product shall be placed into a Child-Resistant Container that is Resealable and shall not exceed 100 milligrams of active THC per Container.
 - d. Liquid Edible Medical Marijuana Product and Liquid Edible Retail Marijuana Product. Liquid Edible Medical Marijuana Product and Liquid Edible Retail Marijuana Product shall be in a Child-Resistant Container as follows:
 - i. Single-Serving Liquid Edible Medical Marijuana Product Liquid Edible Retail Marijuana Product. Each Liquid Edible Medical Marijuana Product and Liquid Edible Retail Marijuana Product that is a Single-Serving must be packaged in a Child-Resistant Container.

- ii. Multiple-Serving Liquid Edible Retail Marijuana Product. Each Liquid Edible Retail Marijuana Product that is a Multiple-Serving Edible Retail Marijuana Product shall be:
 - a. 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 10 milligrams of active THC per serving, with no more than 100 milligrams of active THC total per Container; and
 - b. The measurement component is within the Child-Resistant cap or closure of the bottle and is not a separate component.
- iii. Multiple-Serving Liquid Edible Medical Marijuana Product. Each Liquid Edible Medical Marijuana Product that is a Multiple-Serving Edible Medical Marijuana Product shall be:
 - a. Packaged in a structure that uses a single mechanism to achieve both Child-Resistant properties and accurate pouring measurement of each liquid serving; and
 - b. The measurement component is within the Child-Resistant cap or closure of the bottle, and is not a separate component.
- e. Audited Product. The Container containing Audited Product for administration by: (i) metered dose nasal spray or (ii) vaginal administration must be Child Resistant and labeled. A Container holding Audited Product for rectal administration need not be Child-Resistant but must be placed into a Child-Resistant Container prior to Transfer to a patient.
 - i. A metered dose nasal spray must be affixed with a label that states: **“Not approved by FDA.”**
 - ii. The Container holding Audited Product for vaginal administration and rectal administration must be affixed with a label that states: **“Not approved by FDA.”**
 - iii. For example and not by means of limitation, labels may be affixed using the following methods: accordion, expandable, extendable, layered, tags, or stickers.

2. Labeling of Regulated Marijuana Product. Prior to Transfer to a Medical Marijuana Store and a patient, or Retail Marijuana Store or Accelerator Marijuana Store and a consumer, every Container of Regulated Marijuana Product and any Marketing Layer shall be affixed with a label that includes at least the following information:

- a. Required License Number(s). The license number for each of the following:
 - i. The Medical Marijuana Cultivation Facility where the Medical Marijuana was grown, ~~or~~ the Retail Marijuana Cultivation Facility where the Retail Marijuana was grown, or the Accelerator Marijuana Cultivation Facility where the Retail Marijuana was grown;
 - ii. The- Medical Marijuana Products Manufacturer where the Medical Marijuana Product was produced, ~~or~~ the Retail Marijuana Products

Manufacturer where the Retail Marijuana Product was produced, or the Accelerator Marijuana Products Manufacturer where the Retail Marijuana Product was produced; and

- iii. The Medical Marijuana Store that sold the Medical Marijuana Product to a patient, ~~or~~ the Retail Marijuana Store that sold the Retail Marijuana Product to the consumer, or the Accelerator Marijuana Store that sold the Retail Marijuana Product to the consumer, except the Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store may affix its license number to the Container or Marketing Layer.
- b. Batch Numbers. The Production Batch Number(s) assigned to the Regulated Marijuana Product.
- c. Statement of Net Contents. The statement of net contents must identify the net weight, volume, or number of Regulated Marijuana Products prior to its placement in the Container, using a standard of measure compatible with the Inventory Tracking System.
- d. Universal Symbol. The Universal Symbol on the front of the Container and any Marketing Layer, no smaller than ½ of an inch by ½ of an inch, with the following statement directly below the Universal Symbol: **“Contains Marijuana. Keep away from children.”**
- e. Ingredient List Including Major Allergens. A list of all Ingredients used to manufacture the Regulated Marijuana Product including identification of any major allergens contained in the Regulated Marijuana Product in accordance with the Food Allergen Labeling and Consumer Protection Act of 2004, 21 U.S.C. § 343 (2010). The Food Allergen Labeling and Consumer Protection Act of 2004, 21 U.S.C. § 343 (2010) requires disclosure of the following major food allergens: milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat, and soybeans.
 - i. Note that this Rule does not include any later amendments or editions to the United States Code. The Division maintains a copy of 21 U.S.C. § 343 (2010), which is available to the public for inspection and copying during the Division’s regular business hours.
- f. Required Potency Statement. The Target Potency or potency value determined from testing by a Medical Marijuana Testing Facility or Retail Marijuana Testing Facility of the Regulated Marijuana Product’s active THC and ~~CBD~~other Cannabinoids expressed in milligrams. ~~If other active cannabinoids CBD isare~~ If other active cannabinoids CBD isare not detected in the Regulated Marijuana Product, then active CBD-potency labeling for those Cannabinoids is not required. The Target Potency or potency value, shall be displayed either:
 - i. In a font that is bold, and enclosed within an outlined shape such as a circle or square; or
 - ii. Highlighted with a bright color such as yellow.
- g. Solvent List. A list of any solvent(s) used to produce any Solvent-Based Medical Marijuana Concentrate used as a production input in any Medical Marijuana Product, or Solvent-Based Retail Marijuana Concentrate used as a production input in any Retail Marijuana Product.

- h. Date of Sale. The Medical Marijuana Store or Retail Marijuana Store shall affix the date of sale to the Container or Marketing Layer at the time of Transfer to the patient or consumer.
- i. Patient Number. ~~The Medical Marijuana Store shall affix the patient's registration number to the Container or Marketing Layer at the time of Transfer to the patient.~~
- j. Required Warning Statements. Either the label affixed to the Container or the Marketing Layer shall include the following information:
 - i. **"This product was produced without regulatory oversight for health, safety, or efficacy."**
 - ii. **"There may be long term physical or mental health risks from use of marijuana including additional risks for women who are or may become pregnant or are breastfeeding. Use of marijuana may impair your ability to drive a car or operate machinery."**

E. Packaging and Labeling of Seeds and Immature Plants Prior to Transfer to a Patient or Consumer. A Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store shall comply with the following minimum packaging and labeling requirements prior to Transferring seeds or Immature plants to a patient or consumer:

1. Packaging of Regulated Marijuana Seeds. Prior to Transfer to a patient or consumer, Regulated Marijuana seeds shall be in a Container. The Container may but is not required to be Child-Resistant. Any Regulated Marijuana seeds in a Container that is not Child-Resistant shall be placed into a Child-Resistant Exit Package at the point of Transfer to a patient or consumer.
2. Packaging of Immature Plants. Prior to Transfer to a patient or consumer, Immature plants shall be placed into a receptacle. The receptacle may but is not required to be Child-Resistant.
3. Labeling of Seeds and Immature Plants. Prior to Transfer to a patient or consumer, every Container holding Regulated Marijuana seeds and any receptacle containing an Immature plant must be affixed with a label that includes at least the following information:
 - a. Required License Number(s). The license number for each of the following:
 - i. The Medical Marijuana Cultivation Facility where the Medical Marijuana that produced the seeds or Immature plant was grown, ~~or~~ the Retail Marijuana Cultivation Facility where the Retail Marijuana that produced the seeds or the Immature plant was grown, or the Accelerator Marijuana Cultivation Facility where the Retail Marijuana that produced the seeds or the Immature plant was grown; and
 - ii. The Medical Marijuana Store that sold the seeds or Immature plant to the patient, ~~or~~ the Retail Marijuana Store that sold the seeds or Immature plant to the consumer, or the Accelerator Marijuana Store that sold the seeds or Immature plant to the consumer.
 - b. Universal Symbol. The Universal Symbol on the front of the Container holding seeds and the receptacle containing each Immature plant, no smaller than ½ of

an inch by ½ of an inch, with the following statement directly below the Universal Symbol: **“Contains Marijuana. Keep away from children.”**

- c. Statement of Net Contents for Seeds. A statement of net contents identifying the number of seeds in the Container.
- d. Date of Sale. The Medical Marijuana Store, ~~or~~ Retail Marijuana Store, or Accelerator Marijuana Store shall affix the date of sale to the patient or consumer to the Container or receptacle.
- e. Patient Number. The Medical Marijuana Store shall affix the patient’s registration number to the Container or receptacle at the time of Transfer to the patient.
- f. Required Warning Statements:
 - i. **“This product was produced without regulatory oversight for health, safety, or efficacy.”**
 - ii. **“There may be long term physical or mental health risks from use of marijuana including additional risks for women who are or may become pregnant or are breastfeeding. Use of marijuana may impair your ability to drive a car or operate machinery.”**

F. Permissive Information.

- 1. Identity Statement. A label affixed to a Container of Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product or any Marketing Layer may include, but is not required to include, the Identity Statement and/or Standardized Graphic Symbol for:
 - a. The Medical Marijuana Cultivation Facility(ies) where the Medical Marijuana was grown, ~~or~~ the Retail Marijuana Cultivation Facility(ies) where the Retail Marijuana was grown, or the Accelerator Marijuana Cultivation Facility(ies) where the Retail Marijuana was grown;
 - b. The Medical Marijuana Products Manufacturer that manufactured the Medical Marijuana Product or Medical Marijuana Concentrate, ~~or~~ the Retail Marijuana Products Manufacturer that manufactured the Retail Marijuana Product or Retail Marijuana Concentrate, or the Accelerator Marijuana Products Manufacturer that manufactured the Retail Marijuana Product or Retail Marijuana Concentrate; and/or
 - c. The Medical Marijuana Store that sold the Medical Marijuana, Medical Marijuana Concentrate, or Medical Marijuana Product, ~~or~~ the Retail Marijuana Store that sold the Retail Marijuana, Retail Marijuana Concentrate, or Retail Marijuana Product, or the Accelerator Marijuana Store that sold the Retail Marijuana, Retail Marijuana Concentrate, or Retail Marijuana Product.
- 2. Nutritional Fact Panel. Label(s) may include, but are not required to include, a nutritional fact panel or dietary supplement fact panel in substantial conformance with 21 CFR 101.9 (2016) or 21 C.F.R. 101.36 (2016) as follows:
 - a. For Edible Medical Marijuana Products or Edible Retail Marijuana Products other than pills, capsules, and tinctures and Food-Based Medical Marijuana Concentrate or Food-Based Retail Marijuana Concentrate the nutritional fact

panel shall be in substantial conformance with the requirements of 21 C.F.R. 101.9(C) (2016) which provides the FDA's nutritional labeling requirements for food;

b. For pills, capsules, and tinctures, the dietary supplement fact panel shall be in substantial conformance with the requirements of 21 C.F.R. 101.36 (2016) which provides the FDA's nutritional labeling requirements for dietary supplements.

i.- Note that this Rule does not include any later amendments or editions to the Code of Federal Regulations. The Division maintains copies of 21 C.F.R. 101.9(C) (2016) and 21 C.F.R. 101.36 (2016), which are available to the public for inspection and copying during the Division's regular business hours.

3. Other Permissive Information. The labeling requirements in the 3-1000 Series Rules provide only the minimum labeling requirements. Licensees may include additional information on the label(s) so long as such information is consistent with the requirements of these Rules.

G. Packaging and Labeling Validation. This rule is effective July 1, 2021 and Licensees shall achieve packaging and labeling validation by July 1, 2021 if a Test Batch is submitted to a Marijuana Testing Facility in final form rather than final packaged form. If the Regulated Marijuana Business is not validated for packaging and labeling by July 1, 2021, the entirety of the Harvest Batch and Production Batch shall be packaged and labeled (with the exception of information obtained from the Testing Facility) prior to Sample Collection and Transfer of Test Batches, except when the testing is to allow the Transfer of a Harvest Batch or Production Batch to a Regulated Marijuana Business that is not a Medical Marijuana Store or Retail Marijuana Store. A Regulated Marijuana Business may perform a packaging and labeling validation by collecting and evaluating data from testing and other means, if applicable, to ensure the process of individually packaging and labeling Harvest Batches or Production Batches does not alter test results of the Harvest Batches or Production Batch.

1. Marijuana Cultivation Facilities. A Medical Marijuana Cultivation Facility or a Retail Marijuana Cultivation Facility may validate for packaging and labeling for each type of Regulated Marijuana it produces. For example, dried and cured Marijuana flower and pre-rolled joints need separate packaging and labeling validations.

2. Marijuana Products Manufacturers. A Medical Marijuana Products Manufacturer or Retail Marijuana Products Manufacturer may validate for packaging and labeling for each type of Regulated Marijuana Concentrate or Regulated Marijuana Product it manufactures. For example, a Heat/pressure-based Marijuana Concentrate packaged and labeled in drams and a Solvent-based Marijuana Concentrate packaged and labeled in syringes need separate packaging and labeling validations. Another example is a tincture packaged and labeled in bottles versus baked goods packaged and labeled in resealable bags; each would need separate packaging and labeling validations.

3. Minimum Requirements for Packaging and Labeling Validation. A Regulated Marijuana Business shall be deemed validated for packaging and labeling if they perform the following testing and maintain the following documents as required business records. See Rule 3-905 – Business Records Required.

a. Testing. For each subset of flower type (e.g. buds, pre-rolls) or product type, test two Harvest Batches or Production Batches during a four-week period, but no longer than an eight-week period, for all testing required by these rules, regardless if they are process validated in any testing category, before and after packaging and labeling steps are performed, as defined by the Licensee's

Standard Operating Procedure. All testing must pass to be deemed validated for packaging and labeling.

i. Vaporized Delivery Devices and Metered Dose Inhalers. Licensees shall contact the Marijuana Testing Facility prior to testing Test Batches that are in final packaged form to ensure they can properly test the final packaged Vaporized Delivery Device or Metered Dose Inhaler.

b. Documentation.

i. A Regulated Marijuana Business shall maintain a list of detailed steps for packaging and labeling each type of product that it produces, a list of specifications as defined by the Licensee for the packaging and labeling to be deemed acceptable for consumption by consumers or patients, and troubleshooting packaging and labeling issues, in their Standard Operating Procedures.

ii. An Owner Licensee or Employee Licensee involved in packaging and labeling Regulated Marijuana shall receive adequate training on the following and it shall be documented and maintained as a required business record:

1. The Regulated Marijuana Business' Standard Operating Procedures regarding packaging and labeling.

4. Packaging and Labeling Validation is Effective for One Year. Once a Regulated Marijuana Business has successfully obtained packaging and labeling validation for each of the product types it produces, the packaging and labeling validation shall be effective for one year from the date of the last passing test required and documents finalized to satisfy the packaging and labeling validation requirements.

5. Required Packaging and Labeling Re-Validation.

a. Material Change Re-Validation. If a Regulated Marijuana Business elects to validate for packaging and labeling and it makes a Material Change to its packaging and labeling process for any particular type of Regulated Marijuana that the business is validated for packaging and labeling, then the Regulated Marijuana Business must re-validate the packaging and labeling process.

i. New Equipment. It is a Material Change if the Regulated Marijuana Business begins using new or different equipment for any automated part of the packaging process. It is not a Material Change if a Regulated Marijuana Business acquires another identical piece of equipment that was in operation during the package validation.

ii. New Hardware for Vaporizer Delivery Devices. It is a Material Change if a Medical Marijuana Products Manufacturer or a Retail Marijuana Products Manufacturer begins using new or different hardware for any material part of a Vaporizer Delivery Device.

iii. New Container in Contact with Regulated Marijuana. It is a Material Change if the Regulated Marijuana Business begins using new or different Container that directly comes in contact with Regulated Marijuana, Regulated Marijuana Concentrate, or Regulated Marijuana Products. This Rule does not apply to new or different exterior packaging

that does not directly come in contact with Regulated Marijuana, Regulated Marijuana Concentrate, or Regulated Marijuana Products.

Basis and Purpose – 3-1025

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(a), 44-10-202(1)(c), 44-10-202(6), 44-10-203(2)(f), 44-10-203(1)(j), 44-10-203(3)(a)-(b) The purpose of this rule is to define minimum packaging and labeling requirements for Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product transferred to a Marijuana Testing Facility. This rule also seeks to minimize, to the extent practicable, the burden of labeling compliance to Licensees. The labeling requirements in this rule apply to all Containers immediately containing Regulated Marijuana, Regulated Marijuana Concentrate, and Regulated Marijuana Product being transferred to a Marijuana Testing Facility.

3-1025 – Packaging and Labeling: Minimum Requirements for Test Batch Transfers to a Marijuana Testing Facility

A. Applicability. This Rule establishes minimum requirements for packaging and labeling Regulated Marijuana Test Batches prior to Transfer to a Marijuana Testing Facility. The labeling requirements in this Rule apply to all Containers immediately containing Medical Marijuana, Retail Marijuana, Medical Marijuana Concentrate, Retail Marijuana Concentrate, Medical Marijuana Product, and Retail Marijuana Product.

B. Packaging and Labeling of Test Batches of Regulated Marijuana Flower, Trim, Wet Whole Plant, and Regulated Marijuana Concentrate, Prior to Transfer to a Marijuana Testing Facility. A Regulated Marijuana Business shall comply with the following minimum packaging and labeling requirements prior to Transferring Test Batches of Medical Marijuana flower, trim, wet whole plant, or Medical Marijuana Concentrate to a Medical Marijuana Testing Facility, or Test Batches of Retail Marijuana flower, trim, wet whole plant, or Retail Marijuana Concentrate to a Retail Marijuana Testing Facility:

1. Packaging of Test Batches of Regulated Marijuana Flower, Trim, Wet Whole Plant and Regulated Marijuana Concentrate.

a. A Licensee shall submit Test Batches of Regulated Marijuana flower, trim, wet whole plant, or Regulated Marijuana Concentrate in a transparent Container or in a transparent interior Container within an opaque Container to allow for the Samples of the Test Batch to be photo documented.

b. Each Container containing a Test Batch of Regulated Marijuana flower, trim, or wet whole plant shall have at least 20% empty space. Test Batch Containers shall not be completely full so that individual Samples of the Test Batch can be photo documented.

c. Vaporizer Delivery Devices and Pressurized Metered Dose Inhalers. Test Batches from Production Batches of Vaporizer Delivery Devices and Pressurized Metered Dose Inhalers must be packaged in the hardware or inhaler, respectively, that allows for the consumption. Licensees shall contact the Marijuana Testing Facility prior to testing Test Batches that are in final packaged form to ensure they can properly test the final packaged Vaporized Delivery Device or Metered Dose Inhaler.

2. Labeling of Test Batches of Regulated Marijuana Flower, Trim, Wet Whole Plant and Regulated Marijuana Concentrate. Prior to Transfer to a Marijuana Testing Facility, every Container containing a Test Batch of Regulated Marijuana flower, trim, wet whole plant,

or Regulated Marijuana Concentrate shall be affixed with a label that includes at least the following information, some of which may be included on the Inventory Tracking System RFID Tag:

- a. For Test Batches from Harvest Batches, the license number of the Medical Marijuana Cultivation Facility where the Medical Marijuana was grown, or the Retail Marijuana Cultivation Facility where the Retail Marijuana was grown;
- b. For Test Batches of Concentrates from Production Batches, the license number of the Medical Marijuana Products Manufacturer(s) where the Medical Concentrate was produced, or the Retail Marijuana Products Manufacturer(s) where the Retail Marijuana Concentrate was produced; and
- c. The net contents, using a standard of measure compatible with the Inventory Tracking System, of the Regulated Marijuana or Regulated Marijuana Concentrate prior to its placement in the Container.

C. Packaging and Labeling of Test Batches of Regulated Marijuana Product Prior to Transfer to a Marijuana Testing Facility. A Regulated Marijuana Business shall comply with the following minimum packaging and labeling requirements prior to Transferring Test Batches of Medical Marijuana Product to a Medical Marijuana Testing Facility, or Transferring Test Batches of Retail Marijuana Product to a Retail Marijuana Testing Facility:

1. Packaging of Test Batches of Regulated Marijuana Product.

- a. Prior to Transfer of a Test Batch to a Marijuana Testing Facility, the Test Batch of Regulated Marijuana Product shall be placed into the Containers and associated packaging, if applicable, in which the rest of the Production Batch will be sold. The Container may but is not required to be Child-Resistant.

2. Labeling of Test Batches of Regulated Marijuana Product. Prior to Transfer to a Marijuana Testing Facility, every Container containing a Test Batch of Regulated Marijuana Product shall be affixed with a label that includes at least the following information, some of which may be included on the Inventory Tracking System RFID Tag:

- a. The license number of the Medical Marijuana Products Manufacturer that produced the Medical Marijuana Product, or the Retail Marijuana Products Manufacturer that produced the Retail Marijuana Product;
- b. The Production Batch Number(s) assigned to the Regulated Marijuana Product;
- c. The net contents, using a standard of measure compatible with the Inventory Tracking System, of the Regulated Marijuana Product prior to its placement in the Container; and
- d. The serving size, number of serving per package, and the Target Potency as required for a Marijuana Testing Facility to assess potency variance.

3-1100 Series – Accelerator Program Operations

Basis and Purpose – 3-1105

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(2)(aa), 44-10-310(1)(b), and 44-10-311(2), C.R.S. The purpose of this rule is to establish requirements for Accelerator-Endorsed Licensees and Social Equity Licensees participating in the

accelerator program. The Accelerator Program allows for two different structures. The first option is for the Accelerator-Endorsed Licensee and the Social Equity Licensee to have a mentor/apprentice type relationship pursuant to Rules 3-1105 and 3-1110. The second option is for the Accelerator-Endorsed Licensee and the Social Equity Licensee to have a charter type relationship pursuant to Rules 3-1105 and 3-1115.

3-1105 – Accelerator Program Participation and Privileges

A. Licensed Premises. An Accelerator Licensee may share a Licensed Premises or operate at a separate premises of a Retail Marijuana Cultivation Facility, Retail Marijuana Products Manufacturer, or Retail Marijuana Store that is an Accelerator-Endorsed Licensee.

1. Shared Premises. An Accelerator Licensee may share the Licensed Premises of a Retail Marijuana Cultivation Facility, Retail Marijuana Products Manufacturer, or Retail Marijuana Store pursuant to this Rule 3-1105 and Rule 3-1110.
2. Separate Premises. An Accelerator Licensee participating in the accelerator program may operate at a separate premises of a Retail Marijuana Cultivation Facility, Retail Marijuana Products Manufacturer, or Retail Marijuana Store pursuant to this Rule 3-1105 and Rule 3-1115.

B. Accelerator-Endorsed Licensee Required Equity Assistance Proposal.

1. An Accelerator-Endorsed Licensee must disclose its equity assistance proposal to the Division and to any prospective Social Equity Licensee pursuant to Rule 2-285 and these 3-1100 Series Rules prior to entering any contractual agreements with an Accelerator Licensee.
2. Required Information. An equity assistance proposal must detail the technical, compliance, and/or capital assistance the Accelerator-Endorsed Licensee intends to provide an Accelerator Licensee. All equity assistance proposals must, at a minimum, including the following:
 - a. The types of assistance the Accelerator-Endorsed Licensee intends to provide, which may include but is not limited to, the following types of assistance:
 - i. Accounting;
 - ii. Business services (e.g. sales and marketing);
 - iii. Financial or capital support;
 - iv. Information technology support;
 - v. Access to legal services from an attorney licensed in the state of Colorado; or
 - vi. Regulatory compliance support.
 - b. Whether the Accelerator-Endorsed Licensee intends to subcontract with any third parties to provide technical or compliance assistance, and the identity of the prospective third parties, if known;
 - c. Any applicable timelines associated with the provisions of the assistance the Accelerator-Endorsed Licensee intends to provide;

- a. A description of the types of technical, compliance, and/or capital assistance the Accelerator-Endorsed Licensee is providing to the Accelerator Licensee;
 - b. The timeline associate with the assistance the Accelerator-Endorsed Licensee is providing;
 - c. If the Accelerator-Endorsed Licensee is charging rent for the Accelerator Licensee's use of the Licensed Premises, the rent amount, any required deposits, and length of lease;
 - d. How the Accelerator-Endorsed Licensee will protect or minimize disruptions to the Accelerator Licensee in the event of a change of owner of the Accelerator-Endorsed Licensee's license;
 - e. Conditions for amendments to the equity partnership agreement; and
 - f. Conditions for dissolution of the equity partnership agreement.
4. An Accelerator-Endorsed Licensee must provide technical, compliance, and/or capital assistance to an Accelerator Licensee pursuant to its equity partnership agreement with an Accelerator Licensee. An Accelerator-Endorsed Licensee may provide technical and/or compliance assistance to an Accelerator Licensee through third parties. However, an equity partnership agreement cannot require an Accelerator Licensee to receive such assistance from a specific provider unless permitted pursuant to Rule 3-1115.
- D. There shall not be any agreement(s) or contracts between the Accelerator-Endorsed Licensee and the Accelerator Licensee that are not disclosed to the Division.
- E. Dissolution of Business Relationship. If the business relationship between the Accelerator-Endorsed Licensee and Accelerator Licensee dissolves, both parties must notify the Division within 10 days. The notification of dissolution must include the reasons for the dissolution of the business relationship between the Accelerator-Endorsed Licensee and Accelerator Licensee.
1. The Accelerator Licensee will have until renewal of the Accelerator License to identify a new Accelerator-Endorsed Licensee or apply for a new Regulated Marijuana Business license pursuant to subparagraph 3 of this paragraph E unless extended by the Division. However, the Accelerator Licensee cannot operate without a Licensed Premises or an executed and valid equity partnership agreement with an Accelerator-Endorsed Licensee.
 2. Upon notification of dissolution of the accelerator business relationship, the Division will determine whether the Accelerator-Endorsed Licensee retains the Social Equity Leader designation for that calendar year.
 3. In the event of dissolution of the accelerator business relationship, an Accelerator Licensee can submit an initial application for a Retail Marijuana Store, Retail Marijuana Cultivation Facility, or Retail Marijuana Products Manufacturer License. The Division may waive or reduce the application and/or licensing fees affiliated with the application.
- F. Additional Privileges for Accelerator-Endorsed Licensees.
1. Social Equity Leader Designation. A Retail Marijuana Store, Retail Marijuana Cultivation Facility, or Retail Marijuana Products Manufacturer that is an Accelerator-Endorsed Licensee and that is operating under an equity partnership agreement with an Accelerator Licensee may be designated by the Division as a Social Equity Leader for each year the Accelerator-Endorsed Licensee hosts an Accelerator Licensee on its

premises. A Social Equity Leader may use a logo or symbol created or approved by the Division to indicate its leadership status. The Accelerator-Endorsed Licensee may only use the Social Equity Leader logo or symbol while the designation remains valid.

2. Mitigation. The Division and the State Licensing Authority may consider a Social Equity Leader Designation as a mitigating factor when determining the initiation of administrative action or assessment of penalties.
3. Compliance Assistance and Education Engagement. For an Accelerator-Endorsed Licensee operating under an equity partnership agreement with an Accelerator Licensee, the Division will conduct an on-site compliance assistance and education engagement with the Accelerator-Endorsed Licensee at least once annually for purposes of supporting the Licensee's activities as an Accelerator-Endorsed Licensee.
4. Application and License Fee Exemptions. An Accelerator-Endorsed Licensee may submit a request to the State Licensing Authority for an exemption from application and license fees for a change of Controlling Beneficial Owner, change of location, or modification of premises that is directly related to its participation in the accelerator program.
 - a. The request for an exemption may be included with the submission of the application for which it is requesting an exemption from fees. The request for exemption must include any information demonstrating the application is related to its participation in the accelerator program, including but not limited to, the positive impact to the Accelerator Licensee.
 - b. If a request for an exemption is denied, the Applicant shall submit required fees within 10 days from notice that the fee exemption request was denied. Failure to submit required fees may result in denial of the application.

Basis and Purpose – 3-1110

The statutory authority for this rule includes but is not limited to sections ---44-10-202(1)(c), 44-10-203(2)(aa), 44-10-310(1)(b), and 44-10-311(2), C.R.S. The purpose of this rule is to establish requirements for Accelerator-Endorsed Licensees and Social Equity Licensees to participate in the accelerator program. This option is for the Accelerator-Endorsed Licensee and the Social Equity Licensee to have a mentor/apprentice type relationship pursuant to Rules 3-1105 and 3-1110.

3-1110 – Accelerator Shared Premises

- A. Equity Assistance Plan – Additional Requirements. In addition to all equity assistance proposal requirements outlined in Rule 3-1105(C)(1), an Accelerator-Endorsed Licensee intending to share its Licensed Premises with an Accelerator Licensee must also include the following in its equity assistance proposal:
 1. How the Accelerator-Endorsed Licensee will protect or minimize disruptions to a prospective Accelerator Licensee in the event of a change of location of the Accelerator-Endorsed Licensee's Licensed Premises;
 2. The extent to which the Accelerator-Endorsed Licensee will provide equipment, ingredients, or other resources to an Accelerator Licensee pursuant to an equity partnership agreement.
- B. Equity Partnership Agreement – Additional Requirements. An Accelerator-Endorsed Licensee's equity assistance proposal that includes the information required by Rule 3-1105 and this Rule 3-1110 may also serve as the equity partnership agreement.

1. How the Accelerator-Endorsed Licensee will protect or minimize disruptions to the Accelerator Licensee in the event of a change of location of the Accelerator-Endorsed Licensee's Licensed Premises;
2. Any intellectual property protections or restrictions;
3. Any agreements about operational control of any shared equipment, premises, or shared personnel; and
4. Any agreements related to division of liability pursuant to subparagraph C of this Rule 3-1110.

C. Division of Liability.

1. Shared Equipment. An Accelerator-Endorsed Licensee and Accelerator Licensee may share equipment in the same Licensed Premises if they have standard operating procedures addressing the following:
 - a. Rotational/time schedule for utilizing equipment;
 - b. Changes to the schedule; and
 - c. Sanitizing equipment.
2. Shared Ingredients and/or Co-Mingling of Inventory. An Accelerator-Endorsed Licensee and Accelerator Licensee may share non-marijuana ingredients such as soil, growing medium, fertilizers, sugar, flour, etcetera. If the Accelerator-Endorsed Licensee and the Accelerator Licensee share non-marijuana ingredients, they must have standard operating procedures for the protection, use, and maintenance of such products.
3. Inventory Tracking and Record Keeping. Both the Accelerator-Endorsed Licensee and the Accelerator Licensee are each required to comply with the Inventory Tracking Requirements in the 3-800 Series Rules and all business records requirements in the 3-900 Series Rules. Nothing in this Rule prohibits an Accelerator-Endorsed Licensee from providing the Accelerator Licensee financial support to comply with these requirements such as purchase RFID tags for use by the Accelerator Licensee.
4. Security and Surveillance. Both the Accelerator-Endorsed Licensee and the Accelerator Licensee are each required to comply with security and surveillance requirements in the 3-220 Series Rules. Nothing in this Rule prohibits an Accelerator-Endorsed Licensee from providing the Accelerator Licensee financial support to comply with these requirements.
5. Other. Both the Accelerator-Endorsed Licensee and the Accelerator Licensee will be jointly liable for any violations related to the Licensed Premises, security requirements, video surveillance requirements, health and safety requirements, possession, and waste, unless the Licensees have expressly established severed liability in the equity partnership agreement. It may be considered mitigation if the Accelerator-Endorsed Licensee demonstrated the Accelerator Licensee failed to comply with the standard operating procedures.

D. Accelerator License Operational Control. The Accelerator-Endorsed Licensee and the Accelerator Licensee may define the division of operational control of equipment in the shared premises.

E. Intellectual Property Protections. The Accelerator-Endorsed Licensee and the Accelerator Licensee shall maintain control over their individual intellectual property unless expressly agreed to in the equity partnership agreement.

Basis and Purpose – 3-1115

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(2)(aa), 44-10-310(1)(b), and 44-10-311(2), C.R.S. The purpose of this rule is to establish requirements for Accelerator-Endorsed Licensees and Social Equity Licensees participating in the accelerator program. This option allows the Accelerator-Endorsed Licensee and the Social Equity Licensee to have a charter type relationship pursuant to Rules 3-1105 and 3-1115.

3-1115 – Accelerator Separate Premises

A. Equity Assistance Proposal – Additional Requirements. In addition to all equity assistance proposal requirements outlined in Rule 3-1105(C)(1), an Accelerator-Endorsed Licensee intending to share a separate premises in its possession or control with an Accelerator Licensee must also include the following in its equity assistance proposal:

1. Estimate of the Accelerator Licensee’s initial investment, if any;
2. Estimate of the Accelerator-Endorsed Licensee’s initial investment;
3. Any anticipated application and/or licensing fees for which the Accelerator Licensee will be responsible;
4. Restrictions on the Accelerator Licensee’s business (including any restrictions on sources of products or required vendors);
5. Assistance provided by the Accelerator-Endorsed Licensee to the Accelerator Licensee (including assistance in installing required security; hiring and training employees; providing necessary equipment; establishing prices; establishing administrative, bookkeeping, accounting, and inventory control procedures; etc.);
6. Advertising that will benefit the Accelerator Licensee;
7. Use of the Accelerator-Endorsed Licensee’s brand, trade name, or trademarks;
8. Total number of licenses and locations of businesses the Accelerator-Endorsed Licensee owns, operates, or is affiliated with;
9. Anticipated terms of the financing agreement, including leases and installment contracts offered directly or indirectly to the Accelerator Licensee;
10. Terms of renewal, termination, transfer, and dispute resolution procedures;
11. All proposed agreements, including any property or equipment leases;
12. The Accelerator-Endorsed Licensee’s total annual revenue and fair financial projections of the Accelerator Licensee; and
13. The anticipated annual fee or percentage of profits the Accelerator Licensee will be required to pay the Accelerator-Endorsed Licensee for use of the Accelerator-Endorsed Licensee’s brand, trade name, or trademarks.

B. Equity Partnership Agreement – Additional Requirements. In addition to all equity partnership agreement requirements outlined in Rule 3-1105, an equity partnership agreement between an Accelerator-Endorsed Licensee and Accelerator Licensee who is operating on a separate premises from the Accelerator-Endorsed Licensee must include the following:

1. Initial Investment.
 - a. The Accelerator Licensee's initial business investment, if any; and
 - b. The Accelerator-Endorsed Licensees initial business investment.
2. Fees. The fees, if any, the Accelerator Licensee and the Accelerator-Endorsed Licensee will be responsible for, which may include, but need not be limited to:
 - a. Application and license fees;
 - b. Assistance with legal fees, if any; and
 - c. The annual fee or percentage of profits the Accelerator Licensee will be required to pay the Accelerator-Endorsed Licensee for use of the Accelerator-Endorsed Licensee's brand, trade name, or trademarks.
3. Restrictions on Accelerator Licensee Business Operations. Any restrictions placed on the Accelerator Licensee's business operations, which may include, but are not limited to:
 - a. Ingredients, formulas, and processes the Accelerator Licensee is required to use;
 - b. Sources of products;
 - c. Advertising; and
 - d. Third party vendors the Accelerator-Endorsed Licensee contracted with that the Accelerator Licensee will also be required to utilize;
4. Accelerator-Endorsed Licensee Obligations. All assistance the Accelerator-Endorsed Licensee will provide which may include, but is not limited to:
 - a. Assistance in hiring and training of employees;
 - b. Establishing prices;
 - c. Establishing administrative, bookkeeping, accounting, and inventory control procedures;
 - d. Resolving operating problems; and
 - e. Licensed Premises and equipment buildout.
5. Accelerator Licensee Obligations. If the Accelerator Licensee will be required to:
 - a. Comply with branding;
 - b. Utilize only the intellectual property of the Accelerator-Endorsed Licensee;
 - c. Use of identified third-party vendors; and

d. Selling product to specific purchasers.

6. Terms of Renewal, Termination, and Dispute Resolution. Any terms regarding renewal of the business relationship, termination of the business relationship, and dispute resolution. Any dispute resolution terms must not require Division or State Licensing Authority involvement.

7. Advertising. Any terms regarding advertising including the amount and methods of advertising, the distribution of costs for advertising, whether the Accelerator Licensee may do its own advertising, and how the costs of advertising will be distributed.

8. Agreements. All agreements between the Accelerator-Endorsed Licensee and Accelerator Licensee, including leases for property or equipment.

C. Division of Liability.

1. Equipment. The Accelerator-Endorsed Licensee and the Accelerator licensee are individually and separately responsible for their own equipment.

2. Ingredients. The Accelerator-Endorsed Licensee and the Accelerator Licensee are individually and separately responsible for their own ingredients, unless otherwise expressly agreed to in the equity partnership agreement.

3. Inventory Tracking and Record Keeping. Both the Accelerator-Endorsed Licensee and the Accelerator Licensee are each required to comply with the Inventory Tracking Requirements in the 3-800 Series Rules and the Business Records in the 3-900 Series Rules. Nothing in this Rule prohibits an Accelerator-Endorsed Licensee from providing the Accelerator Licensee financial support to comply with these requirements such as purchasing RFID tags for use by the Accelerator Licensee.

4. Security and Surveillance. The Accelerator-Endorsed Licensee and the Accelerator Licensee are individually and separately required to comply with security and surveillance requirements in the 3-200 Series Rules. Nothing in this Rule prohibits an Accelerator-Endorsed Licensee from providing the Accelerator Licensee financial support to comply with these requirements.

5. Other.

a. Accelerator Licensee Liability. An Accelerator Licensee is solely liable and responsible for all conduct and any violations that occur on the Accelerator Licensee's Licensed Premises.

b. Accelerator-Endorsed Licensee Liability. An Accelerator-Endorsed Licensee that makes available a separate premises in the Accelerator-Endorsed Licensee's possession to an Accelerator Licensee and who is in compliance with the Code and these Rules will only be liable and responsible for conduct and any violations that occur on the Accelerator-Endorsed Licensee's Licensed Premises.

D. Operational Control. The Accelerator-Endorsed Licensee and the Accelerator Licensee are each responsible for the operational control at their separate Licensed Premises.

E. Intellectual Property. An Accelerator-Endorsed Licensee must permit and require the Accelerator Licensee to use the Accelerator-Endorsed Licensee's intellectual property. The Accelerator-Endorsed Licensee will maintain ownership and control of its intellectual property. The Accelerator Licensee shall maintain ownership and control of intellectual property it creates.

Part 4 – Regulated Marijuana Testing Program

Basis and Purpose – 4-105

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(g), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(3)(d), 44-10-203(3)(e), 44-10-501(6), 44-10-502(3), 44-10-503(8), 44-10-504(1)(b), 44-10-504(2), 44-10-601(4), 44-10-602(4), 44-10-603(6), 44-10-604(1)(b), and 44-10-604(2), 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 Regulated Marijuana sampling and testing program. This Rule 4-105 was previously Rules M and R 1502, 1 CCR 212-1 and 1 CCR 212-2.

4-105 – Regulated Marijuana Testing Program: Mandatory Testing

- A. Required Sample Submission. A Regulated Marijuana Business may be required by the Division to submit a Sample(s) of Regulated Marijuana it possesses to a Medical Marijuana Testing Facility or 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 is not be limited to, Pesticide, microbials, mycotoxin, molds, metals, residual solvents, biological contaminants, and chemical contaminants.
 2. When a Sample(s) is required to be submitted for testing, the Regulated Marijuana Business may not Transfer or process into a Medical Marijuana Concentrate or Medical Marijuana Product any Medical Marijuana, Medical Marijuana Concentrate, or Medical Marijuana Product, or Transfer or process into a Retail Marijuana Concentrate or Retail Marijuana Product any Retail Marijuana, Retail Marijuana Concentrate or Retail Marijuana Product, from the Inventory Tracking System 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 Regulated Marijuana Business's process has been validated.
 2. Inspection or Enforcement Tests. In addition, the Division may require a Regulated Marijuana Business to submit a Sample for testing if the Division has reasonable grounds to believe that:
 - a. Regulated Marijuana is contaminated or mislabeled;
 - b. A Regulated Marijuana Business is in violation of any product safety, health or sanitary statute, rule or regulation; or
 - c. The results of a test would further an investigation by the Division into a violation of any statute, rule, or regulation.
 3. Beta Testing. The Division may require a Regulated Marijuana Business 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 this 4-100 Series are the minimum required testing standards. Regulated Marijuana Businesses are responsible for ensuring adequate testing on any Regulated Marijuana they produce or Transfer to ensure safety for human consumption.

D. Additional Sample Types. The Division may also require a Regulated Marijuana Business to submit Samples comprised of items other than Regulated Marijuana to be tested for contaminants which may include, but may not be limited to, Pesticide, microbials, molds, metals, residual solvents, biological contaminants, and chemical contaminants. The following is a non-exhaustive list of the types of Samples that may be required to be submitted for contaminant testing:

1. Specific Regulated Marijuana plant(s) or any portion of a Regulated Marijuana 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 Regulated Marijuana Concentrate;
4. Any Ingredient or substance used in the manufacturing of a Regulated Marijuana Product; or
5. Swab of any equipment or surface.

E. R&D Testing.

1. R&D Tests. A Regulated Marijuana Business may submit Test Batches from a Harvest or Production Batch for R&D testing. R&D testing may be performed for any test required by these 4-100 Series Rules or any other test.

a. Passing R&D Test Results. If a Harvest or Production Batch passes an R&D test it shall not constitute a pass for the purposes of compliance with required contaminant or potency testing. If a Harvest or Production Batch passes an R&D test it shall not constitute a pass for purposes of obtaining or maintaining process validation. See Rules 4-120 and 4-125.

b. Failing R&D Test Results. If a Harvest or Production Batch fails an R&D test that is a contaminant or potency test required by these rules, it does not require compliance with failed test procedures. See Rule 4-135. A Licensee cannot obtain process validation if a Harvest or Production Batch fails an R&D test that is required by contaminant and potency testing rules. See Rules 4-120 and 4-125. If a Licensee is process validated, and fails an R&D test that is required by contaminant and potency testing rules, the Licensee must comply with Rules 4-120(F)(2) and 4-125(H)(2).

F. Packaging and Labeling Validation Testing. This rule is effective July 1, 2021 and Licensees shall achieve packaging and labeling validation by July 1, 2021 if a Test Batch is submitted to a Marijuana Testing Facility in final form rather than final packaged form. If the Regulated Marijuana Business is not validated for packaging and labeling by July 1, 2021, the entirety of the Harvest Batch and Production Batch shall be packaged and labeled (with the exception of information obtained from the Testing Facility) prior to Sample Collection and Transfer of Test Batches, except when the testing is to allow the Transfer of a Harvest Batch or Production Batch to a Regulated Marijuana Business that is not a Medical Marijuana Store or Retail Marijuana Store. A Regulated Marijuana Business may perform a packaging and labeling validation by collecting and evaluating data from testing and other means, if applicable, to ensure the process of individually

packaging and labeling Harvest Batches or Production Batches does not alter test results of the Harvest Batches or Production Batch.

1. Marijuana Cultivation Facilities. A Medical Marijuana Cultivation Facility or a Retail Marijuana Cultivation Facility may validate for packaging and labeling for each type of Regulated Marijuana it produces. For example, dried and cured Marijuana flower and pre-rolled joints need separate packaging and labeling validations.
2. Marijuana Products Manufacturers. A Medical Marijuana Products Manufacturer or Retail Marijuana Products Manufacturer may validate for packaging and labeling for each type of Regulated Marijuana Concentrate or Regulated Marijuana Product it manufactures. For example, a Heat/pressure-based Marijuana Concentrate packaged and labeled in drams and a Solvent-based Marijuana Concentrate packaged and labeled in syringes need separate packaging and labeling validations. Another example is a tincture packaged and labeled in bottles versus baked goods packaged and labeled in resealable bags; each would need separate packaging and labeling validations.
3. Minimum Requirements for Packaging and Labeling Validation. A Regulated Marijuana Business shall be deemed validated for packaging and labeling if they perform the following testing and maintain the following documents as required business records. See Rule 3-905 – Business Records Required.
 - a. Testing. For each subset of flower type (e.g. buds, pre-rolls) or product type, test two Harvest Batches or Production Batches during a four-week period, but no longer than an eight-week period, for all testing required by these rules, regardless if they are process validated in any testing category, before and after packaging and labeling steps are performed, as defined by the Licensee's Standard Operating Procedure. All testing must pass to be deemed validated for packaging and labeling.
 - i. Vaporized Delivery Devices and Metered Dose Inhalers. Licensees shall contact the Marijuana Testing Facility prior to testing Test Batches that are in final packaged form to ensure they can properly test the final packaged Vaporized Delivery Device or Metered Dose Inhaler.
 - b. Documentation.
 - i. A Regulated Marijuana Business shall maintain a list of detailed steps for packaging and labeling each type of product that it produces, a list of specifications as defined by the Licensee for the packaging and labeling to be deemed acceptable for consumption by consumers or patients, and troubleshooting packaging and labeling issues, in their Standard Operating Procedures.
 - ii. An Owner Licensee or Employee Licensee involved in packaging and labeling Regulated Marijuana shall receive adequate training on the following and it shall be documented and maintained as a required business record:
 1. The Regulated Marijuana Business' Standard Operating Procedures regarding packaging and labeling.
4. Packaging and Labeling Validation is Effective for One Year. Once a Regulated Marijuana Business has successfully obtained packaging and labeling validation for each of the product types it produces, the packaging and labeling validation shall be effective

for one year from the date of the last passing test required and documents finalized to satisfy the packaging and labeling validation requirements.

5. Required Packaging and Labeling Re-Validation.

- a. Material Change Re-Validation. If a Regulated Marijuana Business elects to validate for packaging and labeling and it makes a Material Change to its packaging and labeling process for any particular type of Regulated Marijuana that the business is validated for packaging and labeling, then the Regulated Marijuana Business must re-validate the packaging and labeling process.
- i. New Equipment. It is a Material Change if the Regulated Marijuana Business begins using new or different equipment for any automated part of the packaging process. It is not a Material Change if a Regulated Marijuana Business acquires another identical piece of equipment that was in operation during the package validation.
- ii. New Hardware for Vaporizer Delivery Devices. It is a Material Change if a Medical Marijuana Products Manufacturer or a Retail Marijuana Products Manufacturer begins using new or different hardware for any material part of a Vaporizer Delivery Device.
- iii. New Container in Contact with Regulated Marijuana. It is a Material Change if the Regulated Marijuana Business begins using new or different Container that directly comes in contact with Regulated Marijuana, Regulated Marijuana Concentrate, or Regulated Marijuana Products. This Rule does not apply to new or different exterior packaging that does not directly come in contact with Regulated Marijuana, Regulated Marijuana Concentrate, or Regulated Marijuana Products.

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

Basis and Purpose – 4-110

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(g), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(3)(d), 44-10-203(3)(e), 44-10-501(6), 44-10-502(3), 44-10-503(8), 44-10-504(1)(b), 44-10-504(2), 44-10-601(4), 44-10-602(4), 44-10-603(6), 44-10-604(1)(b), and 44-10-604(2), 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 Regulated Marijuana sampling and testing program. This Rule 4-110 was previously Rules M and R 1504, 1 CCR 212-1 and 1 CCR 212-2.

4-110 – Regulated Marijuana Testing Program: Sampling Procedures

A. Collection of Samples.

- 1. Sample Increment Collection. All Samples submitted for testing pursuant to this Rule must be collected by Division representatives or in accordance with the Division's sampling policy reflected in the marijuana laboratory testing reference library available at the Colorado Department of Public Health and Environment's website. This reference library may be continuously updated as new materials become available in accordance with section 25-1.5-106(3.5)(d), C.R.S.

2. Sample Increment Selection. The Division may elect, at its sole direction, to assign Division representatives to collect Samples Increments, or may otherwise direct Sample Increment selection, including, but not limited to, through Division designation of a Harvest Batch or Production Batch in the Inventory Tracking System from which a Regulated Marijuana Business shall select Samples for testing. A Regulated Marijuana Business, its Controlling Beneficial Owners, Passive Beneficial Owners, and employees shall not attempt to influence the Sample Increments selected by Division representatives. If the Division does not select the Harvest Batch or Production Batch to be tested, a Regulated Marijuana Business must collect and submit Sample~~(s)~~ Increments that are representative of the Harvest Batch or Production Batch being tested.
3. Adulteration or Alteration Prohibited. Pursuant to section 44-10-701(3)(b) and (9), C.R.S., ~~it is unlawful for a~~ Licensee or its agent ~~shall not~~ knowingly adulterate or alter, or attempt to adulterate or alter, any Sample Increments or Test Batches of Regulated Marijuana for the purpose of circumventing contaminant testing detection limits or potency testing requirements. The Sample Increments(s) collected and submitted for testing must be representative of the Harvest Batch or Production Batch being tested. A violation of this sub-paragraph (A)(3) shall be considered a license violation affecting public safety and the person who commits adulteration or alteration of Sample Increments or Test Batches commits a class 2 misdemeanor and shall be punished as provided in section 18-1.3-501, C.R.S.-
4. Timing of Sample Increments for Harvest Batches. A Licensee shall not collect Sample Increments or submit Test Batches for testing until the Harvest Batch has completed all required steps and is in its final form as outlined in the Standard Operating Procedures of the Licensee submitting the Test Batch. For example, the Standard Operating Procedure could include, but is not limited to, ensuring the addition of all ingredients and Additives has occurred. It can also include creating pre-rolled joints from the Harvest Batch. Samples for testing until the Regulated Marijuana has completed all required steps and is in its final form prior to Transfer to another Regulated Marijuana Business as outlined in the standard operating procedures of the Licensee submitting the Test Batch. This includes the addition of all Ingredients and Additives. This Rule 4-110(A)(4) does not apply for the submission of Samples submitted for R&D testing.
 - a. This Rule 4-110(A)(4) does not apply for the submission of Test Batches submitted for R&D testing.
 - b. A Test Batch from a Harvest Batch shall be packaged and labeled according to Series 3-1025 prior to Transfer to a Marijuana Testing Facility.
 - c. If the Harvest Batch will be individually packaged and labeled after Test Batch(es) are submitted after July 1, 2021, also known as the final packaged form as outlined in the Regulated Marijuana Business' Standard Operating Procedure, the Regulated Marijuana Business shall achieve packaging and labeling validation. See Rule 3-110(G).
 - d. If the Regulated Marijuana Business does not elect to become validated for packaging and labeling by July 1, 2021, the entirety of the Harvest Batch and Production Batch shall be packaged and labeled (with the exception of information obtained from the Testing Facility) prior to Sample Collection and Transfer of Test Batches, except when testing is to allow the Transfer of a Harvest Batch or Production Batch to a Regulated Marijuana Business that is not a Medical Marijuana Store or Retail Marijuana Store.

5. Timing of Sample Increments for Production Batches. A Licensee shall not collect Sample Increments or submit Test Batches for testing until the Production Batch has completed all required steps and is in its final form as outlined in the Standard Operating Procedures of the Licensee submitting the Test Batch. For example, the Standard Operating Procedure for a Production Batch of Concentrate could include, but is not limited to, ensuring the entire Production Batch has completed all sifting, extracting, purging, winterizing, and steps to remove plant pigments, and ensuring the addition of all ingredients and Additives has occurred. For Example, the Standard Operating Procedure for a Production Batch of Regulated Marijuana Product could include, but is not limited to ensuring the addition of all ingredients and Additive has occurred and the Production Batch is completely ready to be packaged.

a. This Rule 4-110(A)(5) does not apply for the submission of Test Batches submitted for R&D testing.

b. A Test Batch from a Harvest Batch shall be packaged and labeled according to Series 3-1025 prior to Transfer to a Marijuana Testing Facility.

c. If the Production Batch will be individually packaged and labeled after Test Batch(es) are submitted after July 1, 2021, also known as the final packaged form as outlined in the Regulated Marijuana Business' Standard Operating Procedure, the Regulated Marijuana Business shall achieve packaging and labeling validation. See Rule 3-110(G).

d. If the Regulated Marijuana Business does not elect to become validated for packaging and labeling by July 1, 2021, the entirety of the Harvest Batch and Production Batch shall be packaged and labeled (with the exception of information obtained from the Testing Facility) prior to Sample Collection and Transfer of Test Batches, except when testing is to allow the Transfer of a Harvest Batch or Production Batch to a Regulated Marijuana Business that is not a Medical Marijuana Store or Retail Marijuana Store.

6. Vaporizer Delivery Device. This subsection (A)(6) is effective January 1, 2022. Retail Marijuana Concentrate that has been placed into a Vaporizer Delivery Device must be sampled and tested using a methodology that allows the laboratory to analyze the emission of the contents of the vape cartridge device.

B. Sample Increment Collection Training, Designation and Documentation.

1. Required Sample Increment Collection Training. Prior to any Regulated Marijuana Business engaging in Sample Increment Collection activities, each Owner Licensee or Employee Licensee shall receive adequate Training on the following:

a. Part 4-100 Rule Series - Regulated Marijuana Testing Program;

b. The Marijuana Business's Standard Operating Procedures on creating a Sampling Plan and Test Batches, and the CDPHE's Sampling Procedures.

c. "Guidance on Marijuana Sampling Procedures" Training Video or equivalent covering the following subjects:

i. Introduction to Sample Increment Collection:

- A. Cross contamination as it relates to Sample Increment Collection;
- B. Sample Increment Collection and how it works;
- C. Sample Increment Collection documentation and record keeping requirements;
- D. Penalties for Sample Increment or Test Batch adulteration or alteration;
- E. Use of and Disinfection of the Designated Sample Collection Area; and
- F. Use of the Sample Plan.

2. Designation. To become a “Designated Test Batch Collector” an Owner Licensee or Employee Licensee involved in the handling of Sample Increment Collection activities of Regulated Marijuana shall complete the following:

- a. Licensed facility in-house training with required documentation; or
- b. Training from a third-party vendor with required documentation.

3. Required Documentation.

- a. Any individual providing or receiving the Sample Increment Collection Training must sign and date a document acknowledging the following: who created the training, such as an outside vendor or the Regulated Marijuana Business itself; and an attestation that all required aspects of the training as listed in 4-110(b)(1) have been reviewed and understood and that the individual is confident the Owner Licensee or Employee Licensee can safely and adequately collect Test Batches of Regulated Marijuana. Acknowledgement form templates are provided in the CDPHE Sampling Procedures Appendices.
- b. Regulated Marijuana Businesses engaging in Sample increment Collection activities shall maintain clear and comprehensive records of Sample Increment Collection Training 4-110(B)(1) See Rule 3-905 – Business Records Required.

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

~~1. ——— Samples for Test Batches of Regulated Marijuana.~~

~~a. ——— For Harvest Batches weighing up to 10 pounds, a minimum of eight separate 0.5 gram Samples must be combined into one 4 gram Sample and submitted as one Test Batch.~~

~~b. ——— For Harvest Batches weighing more than 10 pounds but less than 20 pounds, a minimum of 12 separate 0.5 gram Samples must be combined into one 6 gram Sample and submitted as one Test Batch.~~

c. ~~For Harvest Batches weighing 20 pounds or more but less than 30 pounds, a minimum of 15 separate 0.5 gram Samples must be combined into one 7.5 gram Sample and submitted as one Test Batch.~~

d. ~~For Harvest Batches weighing 30 pounds or more but less than 40 pounds, a minimum of 18 separate 0.5 gram Samples must be combined into one 9 gram Sample and submitted as one Test Batch.~~

e. ~~For Harvest Batches weighing 40 pounds or more but less than 100 pounds, a minimum of 23 separate 0.5 gram Samples must be combined into one 11.5 gram Sample and submitted as one Test Batch.~~

f. ~~For Harvest Batches weighing 100 pounds or more, a minimum of 29 separate 0.5 gram Samples must be combined into one 14.5 gram Sample and submitted as one Test Batch.~~

2. ~~Samples for Test Batches of Regulated Marijuana Concentrate. A Licensee shall submit Samples of Regulated Marijuana Concentrate that has completed all required steps and is in its final form prior to Transfer to another Regulated Marijuana Business as outlined in the standard operating procedures of the Licensee submitting the Test Batch. This includes the addition of all Ingredients and Additives.~~

a. ~~For Production Batches weighing up to one pound, a minimum of eight separate 0.25 gram Samples must be combined into one 2 gram Sample and submitted as one Test Batch.~~

b. ~~For Production Batches weighing more than one pound and less than two pounds, a minimum of 12 separate 0.25 gram Samples must be combined into one 3 gram Sample and submitted as one Test Batch.~~

c. ~~For Production Batches weighing two pounds or more but less than three pounds, a minimum of 15 separate 0.25 gram Samples must be combined into one 3.75 gram Sample and submitted as one Test Batch.~~

d. ~~For Production Batches weighing three pounds or more but less than four pounds, a minimum of 18 separate 0.25 gram Samples must be combined into one 4.5 gram Sample and submitted as one Test Batch.~~

e. ~~For Production Batches weighing four pounds or more but less than 10 pounds, a minimum of 23 separate 0.25 gram Samples must be combined into one 5.75 gram Sample and submitted as one Test Batch.~~

f. ~~For Production Batches weighing 10 pounds or more, a minimum of 29 separate 0.25 gram Samples must be combined into one 7.25 gram Sample and submitted as one Test Batch.~~

3. ~~Samples for Test Batches of Regulated Marijuana Product. A Sample of Regulated Marijuana Product must be packaged for sale, including a statement of the Target Potency, prior to Transfer to a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility. Each such package of Regulated Marijuana Product shall constitute one Sample. If a Retail Marijuana Products Manufacturer or an Accelerator Marijuana Products Manufacturer intends to Transfer Edible Retail Marijuana Product in bulk to a Retail Marijuana Hospitality and Sales Business a Sample of Edible Retail Marijuana Product shall be a unit not exceeding 100 milligrams of THC, include a statement of the Target Potency, and need not be packaged for sale to a consumer.~~

a. ~~For Production Batches of up to 100 Samples, a minimum of two separate Samples must be submitted as one Test Batch.~~

~~b. For Production Batches of up to 500 Samples, a minimum of four separate Samples must be submitted as one Test Batch.~~

~~c. For Production Batches of up to 1000 Samples, a minimum of six separate Samples must be submitted as one Test Batch.~~

~~d. For Production Batches of up to 5000 Samples, a minimum of eight separate Samples must be submitted as one Test Batch.~~

~~e. For Production Batches of up to 10,000 Samples, a minimum of 10 Samples must be submitted as one Test Batch.~~

~~f. For Production Batches of more than 10,000 Samples, a minimum 12 Samples must be submitted as one Test Batch.~~

C. Minimum Number of Sample Increments Per Test Batch Submission. These sampling rules shall apply until such time as the State Licensing Authority revises these rules to implement a statistical sampling model. Unless a greater amount is required to comply with these rules or is required by a Marijuana Testing Facility to perform all requested testing, each Test Batch of Regulated Marijuana must contain at least the number of Sample Increments prescribed by this Section.

1. A Test Batch of Regulated Marijuana must be packaged and labeled according to Rule 3-1025

2. The minimum number of Sample Increments required to be collected for each Test Batch from a Harvest Batch of Retail Marijuana or Medical Marijuana shall be determined by Table 4-110.C.2.T

3. The minimum number of Sample Increments required to be collected for each Test Batch from a Production Batch of Retail Marijuana Product, Medical Marijuana Product Audited Product and Alternative Use Product shall be determined by Table 4-11-C.2.T.

a. The Retail Marijuana Products Manufacturer or Medical Marijuana Products Manufacturer shall determine what constitutes a "Serving" and thus how many Servings are contained within a Production Batch, except that no serving of Edible Retail Marijuana Product shall contain more than 10mg of active THC

b. Because all Test Batches of Retail Marijuana of Retail Marijuana Product and Medical Marijuana Product are required to be submitted for testing in their final form, in the event the required number of Sample Increments does not match up within a finished package, the manufacturer must increase the number of Sample Increments collected for the Test Batch such that only finished packages of infused products are submitted for testing. For example if a Production Batch of 4000 chocolate bars is manufactured, with each bar containing 100 mg THC and 10 servings per bar, the Production Batch would contain 40,000 Sample Increments which would require collection of at least 33 Sample Increments per Test Batch. But in this case, the manufacturer would have to collect 40 Sample Increments for testing (4 complete chocolate bars in final form).

c. No matter how small the Production Batch of Retail Marijuana Product, or Medical Marijuana Product, a minimum of two finished packages in final form must be submitted for a Test Batch.

4. The minimum number of Sample Increments of Sample Increments required to be collected for each Test Batch from a Production Batch of Retail Marijuana Concentrate or Medical Marijuana Concentrate shall be determined by Table 4-110-C.2.T.
- a. Because all Test Batches of Retail Marijuana Concentrate and Medical Marijuana Concentrate are required to be submitted for testing in their final form, in the event the required number of Sample Increments does not match up with the number of Sample Increments in a finished package, the manufacturer must increase the number of Sample Increments collected for the Test Batch such that only finished packaged of Marijuana Concentrate are submitted for testing. For example, if a Production Batch of 4,000 Vaporizer Delivery Devices is manufactured, with each Vaporizer Delivery Device containing 500 mg of concentrate, the Production Batch would contain 2,000 g of concentrate, which would require collection of at least 15 Sample Increments per Test Batch. But in this case, the manufacturer would have to collect 16 Sample Increments for testing (8 vaporizer Delivery Devices in final form).
- b. No matter how small the Production Batch of Retail Marijuana concentrate or Medical Marijuana Concentrate, a minimum of two finished packages must be submitted for a Test Batch.

Table 4-110.C.2.T

<u>Minimum Number of Sample Increments Required to be Collected per Test Batch</u>	<u>Regulated Marijuana</u>			<u>Regulated Marijuana Concentrate</u>			<u>Regulated Marijuana Product</u>	
	<u>Total Weight of Harvest Batch (lbs)</u>	<u>Total Weight of Harvest Batch (grams)</u>	<u>Minimum Weight of Harvest Batch (grams)</u>	<u>Total Weight of Production Batch (lbs)</u>	<u>Total Weight of Production Batch (grams)</u>	<u>Minimum Weight of Test Batch (grams)</u>	<u>Number of Servings within Production Batch</u>	<u>Minimum Number of Units for a Test Batch for a 10 Serving Unit</u>
<u>5</u>	<u>0.000-0.999</u>	<u>0.0-435.5</u>	<u>2.50</u>	<u>0.000-0.999</u>	<u>0.0-453.5</u>	<u>1.25</u>	<u>0-99</u>	<u>2</u>
<u>8</u>	<u>1.00-9.999</u>	<u>435.5-4535.9</u>	<u>4.00</u>	<u>1.00-9.999</u>	<u>453.6-907.1</u>	<u>2.00</u>	<u>100-999</u>	<u>2</u>
<u>15</u>	<u>10.000-19.999</u>	<u>4536.0-9071.8</u>	<u>7.50</u>	<u>10.000-19.999</u>	<u>907.2-2267.9</u>	<u>3.75</u>	<u>1000-4999</u>	<u>2</u>
<u>22</u>	<u>20.000-39.999</u>	<u>9071.9-18143.6</u>	<u>11.00</u>	<u>20.000-39.999</u>	<u>2268.0-6803.8</u>	<u>5.50</u>	<u>5000-9999</u>	<u>3</u>
<u>33</u>	<u>40.000-99.999</u>	<u>18143.7-45359.2</u>	<u>16.50</u>	<u>40.000-99.999</u>	<u>6803.9-22679.6</u>	<u>8.25</u>	<u>10000-49999</u>	<u>4</u>
<u>43</u>	<u>100.000-199.999</u>	<u>45359.3-90718.4</u>	<u>21.50</u>	<u>100.000-199.999</u>	<u>22679.7-45359.2</u>	<u>10.75</u>	<u>50000-99999</u>	<u>5</u>

<u>53</u>	<u>200.000-499.999</u>	<u>90718.5-226796.1</u>	<u>26.50</u>	<u>200.000-499.999</u>	<u>45359.3-113398.0</u>	<u>13.25</u>	<u>100000-2499999</u>	<u>6</u>
<u>80</u>	<u>500 or more</u>	<u>226796.2 or more</u>	<u>40.00</u>	<u>500 or more</u>	<u>113398.1 or more</u>	<u>20.00</u>	<u>250000 or more</u>	<u>8</u>

DC. Medical Marijuana Testing Facility and Retail Marijuana Testing Facility Selection. Unless otherwise restricted or prohibited by these rules or ordered by the State Licensing Authority, a Regulated Marijuana Business may select which Medical Marijuana Testing Facility or Retail Marijuana Testing Facility will test a Sample Test Batch made up of Sample Increments collected pursuant to this Rule. However, the Division may elect, at its sole discretion, to assign a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility to which a Regulated Marijuana Business must submit for testing any Test Batch made up of Sample Increments collected pursuant to this Rule.

ED. Industrial Hemp Product Sampling Procedures. Absent sampling and testing standards established by the Colorado Department of Public Health and Environment for the sampling and testing of Industrial Hemp Product, a Person Transferring an Industrial Hemp Product to a Licensee pursuant to the Marijuana Code and these Rules shall comply with the sampling and testing standards set forth in these 4-100 Series Rules – Regulated Marijuana Testing Program and as required by these Rules.

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

Basis and Purpose – 4-115

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(g), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(3)(d), 44-10-203(3)(e), 44-10-501(6), 44-10-502(3), 44-10-503(8), 44-10-504(1)(b), 44-10-504(2), 44-10-601(4), 44-10-602(4), 44-10-603(6), 44-10-604(1)(b), and 44-10-604(2), 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 sampling program that is applicable to Regulated Marijuana Businesses, and specifically Medical Marijuana Testing Facilities and Retail Marijuana Testing Facilities. While the Marijuana Code requires the State Licensing Authority to establish acceptable limits of potential contaminants, it also requires the State Licensing Authority to enact a plus or minus 15 percent potency variance, which is also included in this rule. This Rule 4-115 was previously Rules M and R 712, 1 CCR 212-1 and 1 CCR 212-2.

4-115 – Regulated Marijuana Testing Program: Sampling and Testing Program

A. Division Authority. The Division may require that a Test Batch be submitted to a specific Medical Marijuana Testing Facility or Retail Marijuana Testing Facility for testing to verify compliance, perform investigations, compile data or address a public health and safety concern.

1. Independent Third Party Review. The Division may require Regulated Marijuana to undergo an independent third-party review to verify that the Regulated Marijuana does not pose a threat to public health and safety when the Division, in consultation with the Colorado Department of Public Health and Environment, has objective and reasonable grounds to believe and finds, upon a full investigation, one of the following:

- a. The Regulated Marijuana contains one or more substances known to cause harm; or
 - b. The Regulated Marijuana contains one or more substances that could be toxic as consumed or applied in accordance with the intended use.
2. The fact that Regulated Marijuana contains marijuana shall not constitute grounds to require an independent third-party review. Ingredients Generally Recognized as Safe by the U.S. Food & Drug Administration or that are regulated by the U.S. Food & Drug Administration under the Dietary Supplement Health and Education Act of 1994 that are included in Edible Medical Marijuana Product or Edible Retail Marijuana Product shall not constitute grounds to require an independent third-party review.
 3. Quarantine. In addition to any other remedies provided by law, the Division may immediately quarantine Regulated Marijuana pursuant to Rule 4-135(A) in any one of the following circumstances:
 - a. The Division has objective and reasonable grounds to believe and finds, upon a full investigation, that a Regulated Marijuana Business has been guilty of deliberate and willful violations of these rules;
 - b. The Regulated Marijuana or Alternative Use Product poses a potential threat to public health and safety;
 - c. The Division has received one or more reports of an adverse event related to Regulated Marijuana or Alternative Use Product. For purpose of this Rule, adverse event means any untoward medical occurrence associated with the use of Regulated Marijuana or Alternative Use Product—this could include any unfavorable and unintended sign (including hospitalization, emergency department visit, doctor’s visit, abnormal laboratory finding), symptom, or disease temporally associated with the use of a Regulated Marijuana or Alternative Use Product;
 - d. The Division determines the independent third-party audit submitted pursuant to Rules 5-325(B) or 6-325(B) does not meet the requirements of Rules 5-325 or 6-325; or
 - e. The Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer has violated or is not in compliance with all of the requirements in Rules 5-325 or 6-325.
 4. Any quarantine pursuant to subparagraph (A)(3) above shall remain in effect unless and until the Regulated Marijuana undergoes an independent third-party review to verify the Regulated Marijuana does not pose a risk to public health and safety.
 5. For the purpose of this Rule, full investigation means a reasonable ascertainment of the underlying facts on which the agency action is based.

B. Standard Minimum Weight of Test Batches and Photo Batches.

1. Standard Minimum Weight of Test Batches.

- a. ~~1.~~ 4. Regulated Marijuana and Regulated Marijuana Concentrate. A Medical Marijuana Testing Facility must establish a standard minimum weight of Medical Marijuana and Medical Marijuana Concentrate, and 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.

b. 2. Regulated Marijuana Product. Medical Marijuana Testing Facilities and Retail Marijuana Testing Facilities must establish a standard number of Samples required to be included in each Test Batch of Medical Marijuana Product or Retail Marijuana Product for every type of test that it conducts. See Rule 4-110 – Regulated Marijuana Testing Program – Sampling Procedures.

2. Photo Documentation of Test Batches.

a. A Medical Marijuana Testing Facility or Retail Marijuana shall acquire digital photographs of Test Batches to document the Sample Increments collected, condition of the Test Batch, and compliance with these rules. See Rule 4-110(A)(5) -Test Batch Container and Packaging.

b. The digital photographs shall be kept as business records. See Rule 3-905 - Required Business Records.

c. Upon request by the Division, a Medical Marijuana Testing Facility or Retail Marijuana Testing Facility must provide copies of the digital photographs of Test Batches.

C. Rejection of Test Batches.

1. A Medical Marijuana Testing Facility or Retail Marijuana Testing Facility may not accept a Test Batch that is smaller than its standard minimum amount.

2. A Medical Marijuana Testing Facility or Retail Marijuana Testing Facility may not accept a Test Batch that it knows was not taken in accordance with these rules, unless otherwise permitted by Rule 4-105(E), and except a Medical Marijuana Testing Facility or Retail Marijuana Testing Facility may accept a Test Batch that was collected by Division representatives or that was collected by a Licensee pursuant to Division direction.

D. Permissible Levels of Contaminants. If Regulated Marijuana 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>
<u>Water Activity</u>	<u>0.65 aW</u>	<u>Regulated Marijuana Flower shake, kief and trim.</u>
-Shiga-toxin producing Escherichia coli (STEC)*- Bacteria	< 1 Colony Forming Unit (CFU)	Regulated Marijuana Flower and trim; Regulated Marijuana Products (other than Audited Product); Water-Based, Heat/Pressure-Based, and Food-Based Medical Marijuana Concentrate; Water-Based,
Salmonella species* – Bacteria	< 1 Colony Forming Unit (CFU)	
Total Yeast and Mold	< 10 ⁴ Colony Forming Unit (CFU)	

		Heat/Pressure-Based, and Food-Based Retail Marijuana Concentrate; Industrial Hemp Products; Pressurized Metered Dose Inhalers; Vaporizer Delivery Device
	$\leq 10^1$ cfu/ml or $\leq 10^1$ cfu/g	Audited Product: administration by metered dose nasal spray or vaginal administration
	$\leq 10^2$ cfu/ml or $\leq 10^2$ cfu/g	Audited Product: rectal administration
Total aerobic microbial count	$\leq 10^2$ cfu/ml or $\leq 10^2$ cfu/g	Audited Product: administration by metered dose nasal spray or vaginal administration
	$\leq 10^3$ cfu/ml or $\leq 10^3$ cfu/g	Audited Product: rectal administration
<i>Staphylococcus Aureus</i>	Absent in 1 ml or 1 g	Audited Product: administration by metered dose nasal spray or vaginal administration
<i>Pseudomonas aeruginosa</i>	Absent in 1 ml or 1 g	Audited Product: administration by metered dose nasal spray or vaginal administration
<i>Bile tolerant gram negative bacteria</i>	Absent in 1 ml or 1 g	Audited Product: administration by metered dose nasal spray
<i>Candida albicans</i>	Absent in 1 ml or 1 g	Audited Product: vaginal administration

*The Medical Marijuana Testing Facility or Retail Marijuana Testing Facility shall contact the Colorado Department of Public Health and Environment when STEC and Salmonella are detected beyond the acceptable limits.

2. Mycotoxins

<u>Substance</u>	<u>Acceptable Limits Per Gram</u>	<u>Product to be Tested</u>
Aflatoxins (B1, B2, G1, and G2)	< 20 parts per billion (PPB) (total of B1 + B2 + G1 + G2)	Solvent-Based Medical Marijuana Concentrate manufactured from Medical Marijuana flower or trim that failed microbial testing; Solvent-Based Retail Marijuana Concentrate manufactured from Retail Marijuana flower or trim that failed microbial testing
Ochratoxin A	< 20 parts per billion (PPB)	

3. Residual Solvents

<u>Substance</u>	<u>Acceptable Limits Per Gram</u>	<u>Product to be Tested</u>
Acetone	< 1,000 Parts Per Million (PPM)	Solvent-Based Medical Marijuana Concentrate; Solvent-Based Retail Marijuana Concentrate; Industrial Hemp Product (if a solvent was used)
Butanes	< 1,000 Parts Per Million (PPM)	
Ethanol***	< 1,000 Parts Per Million (PPM)	
Heptanes	< 1,000 Parts Per Million (PPM)	
Isopropyl Alcohol	< 1,000 Parts Per Million (PPM)	
Propane	< 1,000 Parts Per Million (PPM)	
Benzene**	< 2 Parts Per Million (PPM)	
Toluene**	< 180 Parts Per Million (PPM)	
Pentane	< 1,000 Parts Per Million (PPM)	
Hexane**	< 60 Parts Per Million (PPM)	
Total Xylenes (m,p, o-xylenes)**	< 430 Parts Per Million (PPM)	
Methanol**	< 600 Parts Per Million (PPM)	
Ethyl Acetate	< 1000 Parts Per Million (PPM)	
Any other solvent not permitted for use pursuant to Rules 5-315 and 6-315.	None Detected	

** Note: These solvents are not approved for use. Due to their possible presence in the solvents approved for use per Rule ~~R-6056-315~~, limits have been listed here accordingly.

***Note: Solvent-Based Medical Marijuana Concentrate and Solvent-Based Retail Marijuana Concentrate that exceeds the acceptable limit for ethanol may only be used in Medical Marijuana Concentrate or Medical Marijuana Product, or Retail Marijuana Concentrate or Retail Marijuana Product, which intended use is oral consumption, skin and body products, a vaporizer delivery device, pressurized metered dose inhaler, or Audited Product .

4. Metals

<u>Substance</u>	<u>Acceptable Limits Per Gram Based on Intended Use</u>	<u>Product to be Tested</u>
Metals (Arsenic, Cadmium, Lead and Mercury)	Inhaled Product or Audited Product: administration by metered dose nasal spray Lead – Max Limit: < .5 ppm Arsenic – Max Limit: < 0.2 ppm Cadmium – Max Limit: < 0.2 ppm Mercury – Max Limit: < 0.1 ppm	Regulated Marijuana Flower and trim; Water-Based, Food-Based, Heat/Pressure-Based, and Solvent-Based Medical Marijuana Concentrate; Water-Based, Food-Based, Heat/Pressure-Based <u>and Solvent Based</u> Retail Marijuana

	Topical and/or Transdermal Lead – Max Limit: < 10 ppm Arsenic – Max Limit: < 3 ppm Cadmium – Max Limit: < 3 ppm Mercury – Max Limit: < 1 ppm	Concentrate; Regulated Marijuana Product; Pressurized Metered Dose Inhaler; Vaporizer delivery device; Audited Product; Industrial Hemp Product
	Oral Consumption or Audited Product: rectal or vaginal administration Lead – Max Limit: < 1 ppm Arsenic – Max Limit: < 1.5 ppm Cadmium – Max Limit: < 0.5 ppm Mercury – Max Limit: < 1.5 ppm	

5. Pesticides

<u>Substance</u>	<u>Detection-Action Limits</u>	<u>Product to be Tested</u>
Abamectin (Avermectins: B1a & B1b)	< 0.07 Parts Per Million (PPM)	Regulated Marijuana flower and trim, <u>Regulated Marijuana Concentrate</u>
Azoxystrobin	< 0.02 Parts Per Million (PPM)	
Bifenazate	< 0.02 Parts Per Million (PPM)	
Etoxazole	< 0.01 Parts Per Million (PPM)	
Imazalil	< 0.04 Parts Per Million (PPM)	
Imidacloprid	< 0.02 Parts Per Million (PPM)	
Malathion	< 0.05 Parts Per Million (PPM)	
Myclobutanil	< 0.04 Parts Per Million (PPM)	
Permethrin (mix of isomers)	< 0.04 Parts Per Million (PPM)	
Spinosad (Mixture of A and D)	< 0.06 Parts Per Million (PPM)	
Spiromesifen	< 0.03 Parts Per Million (PPM)	
Spirotetramat	< 0.02 Parts Per Million (PPM)	
Tebuconazole	< 0.01 Parts Per Million (PPM)	

6. Other Contaminants

Pesticide	If the Test Batch is found to contain banned prohibited Pesticide not listed in paragraph (5) above, or the improper application of a permitted Pesticide, then that Test Batch shall be considered to have failed contaminant testing.
Chemicals	If the Test Batch is found to contain levels of any chemical that could be toxic if consumed or as applied, then the Division may determine that the Test Batch has failed contaminant testing.

Microbials	If the Test Batch is found to contain levels of any microbial that could be toxic if consumed or present, then the Division may determine that the Test Batch has failed contaminant testing.
Metals	If the Test Batch is found to contain levels of any metal that could be toxic if consumed or present then the Division may determine that the Test Batch has failed contaminant testing.

7. Division Notification. A Medical Marijuana Testing Facility or Retail Marijuana Testing Facility must notify the Division by timely input in the Inventory Tracking System 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. See Rule 3-825.

E. Potency Testing.

1. Cannabinoids Potency Profiles. A Medical Marijuana Testing Facility or Retail Marijuana Testing Facility may test and report results for any Cannabinoid provided the test is conducted in accordance with the Division's Medical Marijuana Testing Facility's or Retail Marijuana Testing Facility's standard operating procedure.
2. Reporting of Results.
 - a. For potency tests on Regulated Marijuana and Regulated 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. This includes reporting the Total THC in addition to each Cannabinoid required in Rule 4-125.
 - b. For potency tests conducted on Regulated Marijuana Product, whether conducted on each individual Production Batch or via process validation per Rule 4-125, results must be reported by listing the total number of milligrams contained within a single Regulated Marijuana Product unit for sale for each Cannabinoid and stating whether the THC content is homogenous as defined in Paragraphs ~~(4)(b)3 and 4~~ of this ~~Rulesubparagraph E~~.
3. Failed Potency Tests for Medical Marijuana Product.
 - a. If the Cannabinoid content of Medical Marijuana Product is determined not to be homogeneous, then it shall be considered to have failed potency testing. A Production Batch of Medical Marijuana Product shall be considered homogeneous if a minimum of a total of four servings from two packaged units of a Test Batch has a relative standard deviation of less than 10 percent for each Cannabinoid listed on the label. A Production Batch of Medical Marijuana Product shall be considered homogenous if a minimum of a total of four servings from four individual single serve packaged units of a Test Batch has a relative standard deviation of less than 10 percent for each Cannabinoid listed on the label.
 - i. The four servings must also test within ~~the allowed potency variance set forth in subparagraph E(5) of this Rule 4-115, plus or minus 15 percent of the Target Potency.~~
 - ii. Any Cannabinoid that makes up less than 10 percent of the total amount of Cannabinoids in the Medical Marijuana Product shall not be subject to the requirements set forth in this subparagraph ~~(E)F~~(3).

- b. If an individually packaged Edible Medical Marijuana Product is determined to have more than the total milligrams of THC stated on the Container, or less than the total milligrams of THC stated on the Container, then the Test Batch shall be considered to have failed potency testing. Except that the potency variance provided for in subparagraph (EF)(5) of this Rule 4-115 shall apply to potency testing.

4. Failed Potency Tests for Retail Marijuana Product.

- a. If the Cannabinoid content of Retail Marijuana Product is determined not to be homogeneous, then it shall be considered to have failed potency testing. A Production Batch of Retail Marijuana Product shall be considered homogeneous if a minimum of a total of four servings from two packaged units of a Test Batch has a relative standard deviation of less than 10 percent for each Cannabinoid listed on the label. A Production Batch of Retail Marijuana Product shall be considered homogenous if a minimum of a total of four servings from four individual single serve packaged units of a Test Batch has a relative standard deviation of less than 10 percent for each Cannabinoid listed on the label.

- i. The four servings must also test within ~~plus or minus 15 percent of the Target Potency~~ the allowed potency variance set forth in subparagraph E(5) of this Rule 4-115.

- ii. Any Cannabinoid that makes up less than 10 percent of the total amount of Cannabinoids in the Retail Marijuana Product shall not be subject to the requirements set forth in this subparagraph (EF)(4).

- b. If an individually packaged Edible Retail Marijuana Product is determined to have more than 100 milligrams of THC within it, then the Test Batch shall be considered to have failed potency testing. If an individually packaged Edible Retail Marijuana Product is determined to have more than the total milligrams of THC stated on the Container, or less than the total milligrams of THC stated on the Container, then the Test Batch shall be considered to have failed potency testing. If a single serving in an individually packaged Edible Retail Marijuana Product is determined to have more than 10 milligrams of THC, ~~or less than 10 milligrams of THC~~, then the Test Batch shall be considered to have failed potency testing. Except that the potency variance provided for in subparagraph (EF)(5) of this Rule 4-115 shall apply to potency testing.

5. Potency Variance. Regulated Marijuana Product ~~shall differ no more than plus or minus 15 percent from the Target Potency~~ provided to the Medical Marijuana Testing Facility or Retail Marijuana Testing Facility must comply with the following potency variance: ~~if Regulated Marijuana is submitted to a Medical Marijuana Testing Facility or Retail Marijuana Testing Facility making a potency claim, the potency shall differ no more than plus or minus 15 percent.~~

- a. Regulated Marijuana Product with a Target Potency or making a potency claim of more than 2.5 milligrams of THC per serving the potency variance shall differ no more than plus or minus 15 percent.

- b. Regulated Marijuana Product with a Target Potency or making a potency claim of 2.5 milligrams of THC or less per serving the potency variance shall differ no more than no more than the greater of plus or minus 0.5 mg or 40 percent per serving.

- F. Testing Regulated Marijuana Ready for Transfer. All tests must occur at the time the Regulated Marijuana is ready for Transfer to another Regulated Marijuana Business, according to the required steps outlined in the standard operating procedures of the Licensee submitting the Test Batch.

Basis and Purpose – 4-120

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(g), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(3)(d), 44-10-203(3)(e), 44-10-501(6), 44-10-502(3), 44-10-503(8), 44-10-504(1)(b), 44-10-504(2), 44-10-601(4), 44-10-602(4), 44-10-603(6), 44-10-604(1)(b), and 44-10-604(2), 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 Regulated Marijuana sampling and testing program. This Rule 4-120 was previously Rules M and R 1501, 1 CCR 212-1 and 1 CCR 212-2.

4-120 – Regulated Marijuana Testing Program: Contaminant Testing

A. Contaminant Testing Required.

1. Unless a Medical Marijuana Cultivation Facility's or a Medical Marijuana Products Manufacturer's cultivation or production process has achieved process validation under this Rule, it shall not Transfer or process into a Medical Marijuana Concentrate or Medical Marijuana Product any Medical Marijuana unless Samples from each Harvest Batch or Production Batch from which that Medical Marijuana was derived has been tested by a Medical Marijuana Testing Facility for contaminants and passed all contaminant tests required by this Rule, except as permitted in Rule 5-205(C).
2. Unless a Retail Marijuana Cultivation Facility's, an Accelerator Marijuana Cultivation Facility's, ~~or a Retail Marijuana Product Manufacturing Facility's cultivation or production process,~~ or an Accelerator Marijuana Product Manufacturing Facility's cultivation or production process has achieved process validation under this Rule, it shall not Transfer, or process into a Retail Marijuana Concentrate or Retail Marijuana Product any Retail Marijuana unless Samples from each Harvest Batch or Production Batch from which that Retail Marijuana was derived has been tested by a Retail Marijuana Testing Facility for contaminants and passed all contaminant tests required by this Rule, except as permitted in Rule 6-205(C).

B. Process Validation and Ongoing Testing – Contaminant Testing.

1. Regulated Marijuana. A Medical Marijuana Cultivation Facility's, ~~or a Retail Marijuana Cultivation Facility's,~~ or an Accelerator Marijuana Cultivation Facility's cultivation process shall be deemed validated for Contaminant testing 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 six Test Batches. A Medical Marijuana Cultivation Facility, ~~or a Retail Marijuana Cultivation Facility,~~ or an Accelerator Marijuana Cultivation Facility can obtain process validation for all contaminants listed in paragraph (C) of this Rule at the same time or separately for each contaminant.
 - a. Visual Microbial Growth. If a Medical Marijuana Cultivation Facility, ~~or Retail Marijuana Cultivation Facility,~~ or an Accelerator Marijuana Cultivation Facility is aware that a Harvest Batch contains visual microbial contamination, the Medical Marijuana Cultivation Facility, ~~or Retail Marijuana Cultivation Facility,~~ or an Accelerator Marijuana Cultivation Facility shall subject the Harvest Batch to

microbial contaminant testing pursuant to Rule 4-120(C)(1). If the Test Batch fails testing, then the Harvest Batch shall be subject to the requirements in Rule 4-135(C). The Licensees must also follow Rule 4-120(F)(2).

2. Regulated Marijuana Concentrate or Regulated Marijuana Product. A Medical Marijuana Cultivation Facility's, Retail Marijuana Cultivation Facility's, ~~Accelerator Marijuana Cultivation Facility's,~~ Medical Marijuana Products Manufacturer's, ~~or a~~ Retail Marijuana Products Manufacturer's, or an Accelerator Marijuana Products Manufacturer's production process shall be deemed validated for contaminant testing if for a particular type of Regulated Marijuana Concentrate or Regulated Marijuana Product, 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 Test Batches from at least four Production Batches. If a Regulated Marijuana Concentrate or Regulated Marijuana Product is manufactured using a different extraction process, infusion process or different inputs it would be considered a different type of Regulated Marijuana Concentrate or Regulated Marijuana Product and must be process validated separately.
3. Process Validation is Effective for One Year. Once a Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, an Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer has successfully obtained process validation for each of the contaminants listed in paragraph (C) of this Rule, the process validation ~~is~~ shall be effective for one year from the date of the ~~last~~ first passing harvest date or production date ~~test~~ required to satisfy the process validation requirements.
4. Regulated Marijuana Ongoing Contaminant Testing. After successfully obtaining process validation, once every 30 days a Medical Marijuana Cultivation Facility, ~~or a~~ Retail Marijuana Cultivation Facility, or an Accelerator Marijuana Cultivation Facility shall subject at least one Harvest Batch to all contaminant testing required by Paragraph (C) of this Rule. If during any 30-day period a Medical Marijuana Cultivation Facility, ~~or a~~ Retail Marijuana Cultivation Facility, or an Accelerator Marijuana Cultivation Facility does not possess a Harvest Batch that is ready for testing, the Medical Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Cultivation Facility, or an Accelerator Marijuana Cultivation Facility must subject its first Harvest Batch that is ready for testing to the required contaminant testing prior to Transfer or processing of the Regulated Marijuana. If a Harvest Batch subject to ongoing contaminant testing fails contaminant testing, the Medical Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Cultivation Facility, or an Accelerator Marijuana Cultivation Facility shall follow the procedure in Paragraph (F)(2) of this Rule. Ongoing contaminant testing pursuant to this Rule 4-120 shall be subject to the requirements in Rule 4-110. See Rule 4-110(A) – Collection of Samples.
 - a. The Division may reduce the frequency of ongoing contaminant testing required by Medical Marijuana Cultivation Facilities and Retail Marijuana Cultivation Facilities if the Division has reasonable grounds to believe Medical Marijuana Testing Facilities and Retail Marijuana Testing Facilities have reached maximum capacity to perform testing required by this Rule. The Division will provide notification of any reduction to the frequency of ongoing contaminant testing to the Licensee's last electronic mailing address provided to the Division.
 - b. If the Licensee fails to comply with paragraph (B)(4) of this Rule, the Medical Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Cultivation Facility, or Accelerator Marijuana Cultivation Facility is no longer process validated.
5. Regulated Marijuana Concentrate or Regulated Marijuana Product Ongoing Contaminant Testing. After successfully obtaining process validation, once every 30 days a Medical

Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, ~~Accelerator Marijuana Cultivation Facility~~, Medical Marijuana Products Manufacturer, ~~or Retail Marijuana Products Manufacturer~~, ~~or Accelerator Marijuana Products Manufacturer~~ shall subject at least one Production Batch to all contaminant testing required by Paragraph (C) of this Rule. If during any 30-day period a Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, ~~Accelerator Marijuana Cultivation Facility~~, Medical Marijuana Products Manufacturer, ~~or Retail Marijuana Products Manufacturer~~, ~~or Accelerator Marijuana Products Manufacturer~~ does not possess a Production Batch that is ready for testing, the Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, ~~Accelerator Marijuana Cultivation Facility~~, Medical Marijuana Products Manufacturer, ~~or Retail Marijuana Products Manufacturer~~, ~~or Accelerator Marijuana Products Manufacturer~~ must subject its first Production Batch that is ready for testing to the required contaminant testing prior to Transfer or processing of the Regulated Marijuana. If a Production Batch submitted for ongoing contaminant testing fails contaminant testing, the Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, ~~Accelerator Marijuana Cultivation Facility~~, Medical Marijuana Products Manufacturer, ~~or Retail Marijuana Products Manufacturer~~, ~~or Accelerator Marijuana Products Manufacturer~~ shall follow the procedure in Paragraph (F)(2) of this Rule.

- a. The Division may reduce the frequency of ongoing contaminant testing required by Medical Marijuana Cultivation Facilities, Retail Marijuana Cultivation Facilities, Medical Marijuana Products Manufacturers, and Retail Marijuana Products Manufacturers if the Division has reasonable grounds to believe Medical Marijuana Testing Facilities and Retail Marijuana Testing Facilities have reached maximum capacity to perform testing required by this Rule. The Division will provide notification of any reduction to the frequency of ongoing contaminant testing to the Licensee's last electronic mailing address provided to the Division.
- b. If the Licensee fails to comply with paragraph (B)(5) of this Rule, the Medical Marijuana Cultivation Facility, ~~or Retail Marijuana Cultivation Facility~~, ~~Accelerator Marijuana Cultivation Facility~~, ~~Medical Marijuana Products Manufacturer~~, ~~or Retail Marijuana Products Manufacturer~~, ~~or Accelerator Marijuana Products Manufacturer~~ is no longer process validated

C. Required Contaminant Tests.

1. Microbial Contaminant Testing. Harvest Batches of Regulated Marijuana, Production Batches of Water, Heat/Pressure-, or Food-Based Medical Marijuana Concentrate, Production Batches of Water, Heat/Pressure-, or Food-Based Retail Marijuana Concentrate, Regulated Marijuana Product, and Audited Product must be tested for microbial contamination by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility at the frequency established by Paragraphs (A) and (B) of this Rule. The microbial contamination test must include, but need not be limited to, testing to determine the presence of and amounts present of microbial contaminants listed in Rule 4-115(DE)(1): Water Activity, Shiga-toxin producing Escherichia coli (STEC)*- Bacteria, Salmonella species* – Bacteria, Total Yeast and Mold, Total aerobic microbial count, Staphylococcus Aureus, Pseudomonas aeruginosa, Bile tolerant gram negative bacteria and Candida albicans.
2. Residual Solvent Contaminant Testing. Production Batches of Solvent-Based Medical Marijuana Concentrate, Solvent-Based Retail Marijuana Concentrate, and Audited Product that contains any Solvent-Based Medical Marijuana Concentrate or Solvent-Based Retail Marijuana Concentrate produced by a Medical Marijuana Products Manufacturer, ~~or Retail Marijuana Products Manufacturer~~, ~~or Accelerator Marijuana Products Manufacturer~~ must be tested by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility for residual solvent contamination at the frequency established

by Paragraphs (A) and (B) of this Rule. The residual solvent contamination test must include, but need not be limited to, testing to determine the presence of, and amounts present of acetone, butane, ethanol, heptanes, isopropyl alcohol, propane, benzene*, toluene*, pentane, hexane*, methanol*, ethyl acetate, and total xylenes* (m, p, o – 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 5-315 and 6-315.

3. Mycotoxin Contaminant Testing. As part of Remediation, each Production Batch of Solvent-Based Medical Marijuana Concentrate produced by a Medical Marijuana Products Manufacturer or Solvent-Based Retail Marijuana Concentrate produced by a Retail Marijuana Products Manufacturer or an Accelerator Marijuana Products Manufacturer from Regulated Marijuana that failed microbial contaminant testing produced must be tested by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility for mycotoxin and microbial contamination. The mycotoxin contaminant test must include, but need not be limited to, testing to determine the presence of, and amounts present of, aflatoxins (B1, B2, G1, and G2) and ochratoxin A. This is in addition to all other contaminant testing required by this Paragraph (C). This contaminant test cannot be process validated in accordance with subparagraph (B)(2) of this Rule.
 4. Pesticide Contaminant Testing. Harvest Batches of Regulated Marijuana and Production Batches of Regulated Marijuana Concentrate must be tested for Pesticide contamination by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility at the frequency established by this Rule 4-120(A) and (B). The Pesticide contamination test must include, but need not be limited to, testing to determine the presence of, and amounts present of, the Pesticides listed in Rule 4-115(E)(5).
 5. Metals Contaminant Testing.
 - a. Each Harvest Batch and Production Batch of Regulated Marijuana must be tested for metals contamination by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility at the frequency established in paragraphs (A) and (B) of this Rule. The metals contamination test must include, but need not be limited to, testing to determine the presence of, and amounts present of, arsenic, cadmium, lead, and mercury.
 - b. Emissions Testing. This subsection (C)(5)(b) is effective January 1, 2022. Each Harvest Batch and Production Batch of Regulated Marijuana Concentrate except Regulated Marijuana Concentrate in a Vaporized Delivery Device must be tested for metals contamination via emissions testing by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility at the frequency established in subparagraphs (A) and (B) of this Rule. The metals contamination test must include, but need not be limited to, testing to determine the presence of, and amounts presence of, arsenic, cadmium, lead, and mercury.
- D. Additional Required Tests. The Division may require additional tests to be conducted on a Harvest Batch or Production Batch prior to a Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or~~ a Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer -Transferring, or processing into a Medical Marijuana Concentrate, Retail Marijuana Concentrate, Medical Marijuana Product, or Retail Marijuana Product any Regulated Marijuana from that Harvest Batch or Production Batch. Additional tests may include, but need not be limited to, screening for Pesticide, chemical contaminants, biological contaminants, or other types of microbials, molds, metals, or residual solvents.

E. Exemptions.

1. Medical Marijuana Concentrate.

- a. A Medical Marijuana Products Manufacturer who combines multiple Production Batches of Solvent-Based Medical Marijuana Concentrate into a Production Batch of Solvent-Based Medical Marijuana Concentrate shall be considered exempt from residual solvent testing pursuant to this Rule and the 4-100 Series Rules only if all original Production Batches passed residual solvent testing. This does not apply if a solvent, Additive, or any other Ingredient was introduced during the combination of the Production Batches.
- b. A Production Batch of Medical Marijuana Concentrate shall be considered exempt from this Rule if the Medical Marijuana Products Manufacturer that produced it does not Transfer any portion of the Production Batch and uses the entire Production Batch to manufacture Medical Marijuana Product, except that a Solvent-Based Medical Marijuana Concentrate must still be submitted for residual solvent contaminant testing. The manufactured Medical Marijuana Product shall be subject to mandatory testing under this Rule.

2. Retail Marijuana Concentrate.

- a. A Retail Marijuana Products Manufacturer or Accelerator Marijuana Products Manufacturer who combines multiple Production Batches of Solvent-Based Retail Marijuana Concentrate into a Production Batch of Solvent-Based Retail Marijuana Concentrate shall be considered exempt from residual solvent testing pursuant to this Rule and the 4-100 Series Rules only if all original Production Batches passed residual solvent testing. This does not apply if a solvent, Additive or any other Ingredient was introduced during the combination of the Production Batches.
- b. A Production Batch of Retail Marijuana Concentrate shall be considered exempt from this Rule if the Retail Marijuana Products Manufacturer that produced it does not Transfer any 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. The manufactured Retail Marijuana Product shall be subject to testing under this Rule.

F. Required Re-Validation - Contaminants.

- 1. Material Change Re-Validation. If a Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or a~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer makes a Material Change to its cultivation or production process or its standard operating procedure manual, then it must have the first five Harvest Batches or Production Batches produced using the new 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 Regulated Marijuana Business's process must be re-validated.

- a. Pesticide. It is a Material Change if a Medical Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Cultivation Facility, or Accelerator Marijuana Cultivation Facility begins using a new or different Pesticide during its cultivation process.

- b. Solvents. It is a Material Change if a Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer begins using a new or different solvent or combination of solvents or changes any parameters for equipment related to the solvent purging process, including but not limited to, time, temperature, or pressure.
 - c. Cultivation. It is a Material Change if a Medical Marijuana Cultivation Facility, ~~or a~~ Retail Marijuana Cultivation Facility, or an Accelerator Marijuana Cultivation Facility begins using a new or different method for any material part of the cultivation process, including, but not limited to, changing from one growing medium to another.
 - d. Notification. A Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or a~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer must notify the Medical Marijuana Testing Facility or the Retail Marijuana Testing Facility of the Material Change.
 - e. Testing Required Prior to Transfer or Processing. When a Harvest Batch or Production Batch is required to be submitted for testing pursuant to this Rule, the Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer that produced it may not Transfer or process into a Medical Marijuana Concentrate, Retail Marijuana Concentrate, Medical Marijuana Product, or Retail Marijuana Product any of the Regulated Marijuana from that Harvest Batch or Production Batch unless and until the Harvest Batch or Production Batch passes all required testing.
2. Failed Contaminant Testing and Re-Validation. Failed contaminant testing may constitute a violation of these rules.
- a. If a Sample is required to be tested by these Rules or required to be tested by the Division pursuant to Rule 4-120(A) and fails contaminant testing, the Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer shall follow the procedures in Rule 4-135(B) for any Inventory Tracking System package, Harvest Batch, or Production Batch from which the failed Sample was taken.
 - b. The Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer shall also submit Test Batches from three new Harvest Batches or Production Batches of the Regulated Marijuana for contaminant testing by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility within no more than 30 days. If any one of the three submitted Test Batches fails contaminant testing, the Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, or Retail Marijuana Products Manufacturer shall re-validate its process for contaminants.
- G. Violation Affecting Public Safety. Failure to comply with this Rule may constitute a license violation affecting public safety.

Basis and Purpose – 4-125

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(g), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(3)(d), 44-10-203(3)(e), 44-10-501(6), 44-10-502(3), 44-10-503(8), 44-10-504(1)(b), 44-10-504(2), 44-10-601(4), 44-10-602(4), 44-10-603(6), 44-10-604(1)(b), and 44-10-604(2), 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 potency testing and related process validation portion of the Division's Regulated Marijuana sampling and testing program. This Rule 4-125 was previously Rules M and R 1503, 1 CCR 212-1 and 1 CCR 212-2.

4-125 – Regulated Marijuana Testing Program: Potency Testing

A. Potency Testing – General.

1. Test Batches. A Test Batch submitted for potency testing may only be comprised of Samples that are of the same strain of Medical Marijuana or Retail Marijuana or from the same Production Batch of Medical Marijuana Concentrate or Medical Marijuana Product, or from the same Production Batch of Retail Marijuana Concentrate or Retail Marijuana Product.
2. Cannabinoid Profile. A potency test conducted pursuant to this Rule must at least determine the level of concentration of THC, THCA, CBD, CBDA, and CBN.

B. Potency Testing for Regulated Marijuana.

1. Initial Potency Testing. A Medical Marijuana Cultivation Facility ~~or a~~ Retail Marijuana Cultivation Facility or an Accelerator Marijuana Cultivation Facility, must have potency tests conducted by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility on four Harvest Batches, created a minimum of one week apart, for each strain of Regulated Marijuana that it cultivates. See Rule 4-105(B).
 - a. The first potency test must be conducted on each strain prior to the Medical Marijuana Cultivation Facility ~~or the~~ Retail Marijuana Cultivation Facility or the Accelerator Marijuana Cultivation Facility. Transferring or processing into a Medical Marijuana Concentrate any Medical Marijuana of that strain, or into a Retail Marijuana Concentrate any Retail Marijuana of that strain.
 - b. All four potency tests must be conducted on each strain no later than December 1, 2014 or six months after the Medical Marijuana Cultivation Facility ~~or the~~ Retail Marijuana Cultivation Facility or the Accelerator Cultivation Facility begins cultivating that strain, whichever is later.
2. Ongoing Potency Testing. After the initial four potency tests, a Medical Marijuana Cultivation Facility ~~or a~~ Retail Marijuana Cultivation Facility or an Accelerator Marijuana Cultivation Facility, shall have each strain of Regulated Marijuana that it cultivates tested for potency at least once per quarter.
 - a. If the Licensee fails to comply with paragraph (B)(2) of this Rule, the Medical Marijuana Cultivation Facility ~~or~~ Retail Marijuana Cultivation Facility or the Accelerator Marijuana Cultivation Facility is no longer process validated.

C. Potency Testing for Regulated Marijuana Concentrate.

1. A Medical Marijuana Cultivation Facility or a Medical Marijuana Products Manufacturer must have a potency test conducted by a Medical Marijuana Testing Facility on every Production Batch of Medical Marijuana Concentrate that it produces prior to Transferring or processing into a Medical Marijuana Product any of the Medical Marijuana Concentrate from that Production Batch.
 2. A Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Products Manufacturer must have a potency test conducted by a Retail Marijuana Testing Facility on every Production Batch of Retail Marijuana Concentrate that it produces prior to Transferring or processing into a Retail Marijuana Product any of the Retail Marijuana Concentrate from that Production Batch.
- D. Potency Testing for Regulated Marijuana – Kief. A Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Cultivation Facility, must have a potency test conducted by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility on every Harvest Batch of Kief that it produces prior to Transferring the Kief.
- E. Potency Testing for Regulated Marijuana Product.
1. Potency Testing Required for Regulated Marijuana Product. A Medical Marijuana Products Manufacturer, ~~or a~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer, shall have potency tests conducted by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility on every Production Batch of each type of Regulated Marijuana Product that it produces prior to Transferring any of the Regulated Marijuana Product from that Production Batch, unless the Medical Marijuana Products Manufacturer or the Retail Marijuana Products Manufacturer has successfully completed process validation for potency and homogeneity for the particular type of Regulated Marijuana Product.
 2. Required Tests. Potency and homogeneity tests conducted on Regulated Marijuana Product must determine the level of concentration of the required Cannabinoids and whether or not THC is homogeneously distributed throughout the product.
 3. Partially Infused Regulated Marijuana Products. If only a portion of a Regulated Marijuana Product is infused with Regulated Marijuana, then the Medical Marijuana Products Manufacturer or Retail Marijuana Products Manufacturer must inform the Medical Marijuana Testing Facility or Retail Marijuana Testing Facility of exactly which portions of the Regulated Marijuana Product are infused and which portions are not infused.
- F. Process Validation - Potency and Homogeneity.
1. A Retail Marijuana Products Manufacturer or Accelerator Products Manufacturer may process validate potency and homogeneity for each type of Retail Marijuana Product it manufactures.
 2. A Medical Marijuana Products Manufacturer may process validate potency and homogeneity for each type of non-Edible Medical Marijuana Product and each type of Edible Medical Marijuana Product that it manufactures.

- a. For Edible products that contain 100 milligrams of THC or less, a potency test result that is within 15 percent of the target potency will count for process validation.
 - b. For Edible products that contain 100 milligrams of THC or more, a potency test result that is within 5 percent of the target potency will count for process validation.
 - c. For Edible products that contain between 101 and 500 milligrams of THC, a potency test result that is within 10 percent of the target potency will count for process validation.
 - d. For Edible products that contain between 501 milligrams of THC or more, a potency test result that is within 5 percent of the target potency will count for process validation, so long as the Edible Medical Marijuana Product contains 100 milligrams or less of THC.
3. A Medical Marijuana Products Manufacturer's production process for a particular type of Medical Marijuana Product, and a Retail Marijuana Products Manufacturer's or Accelerator Marijuana Products Manufacturer's production process for a particular type of Retail Marijuana Product shall be deemed valid regarding potency and homogeneity if every Production Batch that it produces for that particular type of Regulated Marijuana Product during at least a four-week period but no longer than an eight-week period passes all potency and homogeneity tests required by Rule 4-125(D)(2). This must include at least four Test Batches.
 4. Expiration of Process Validation. A Medical Marijuana Products Manufacturer, ~~or a~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer shall be required to re-validate its process every 12 months from the date process validation is achieved, after which point the process validation expires. If the process validation expires, the Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer shall comply with the requirements of Paragraph (D)(1) of this Rule.
 5. Regulated Marijuana Product Ongoing Potency and Homogeneity Testing. After successfully obtaining process validation, once per quarter a Medical Marijuana Products Manufacturer, ~~and~~ a Retail Marijuana Products Manufacturer, and an Accelerator Marijuana Products Manufacturer shall subject at least one Production Batch of each type of Medical Marijuana Product or Retail Marijuana Product that it produces to potency and homogeneity testing required by Paragraph (D) of this Rule. If during any quarter a Medical Marijuana Products Manufacturer, ~~or a~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer does not possess a Production Batch that is ready for testing, the Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer must subject its first Production Batch that is ready for testing to the required potency and homogeneity testing prior to Transfer or processing of the Regulated Marijuana. If a Test Batch submitted for ongoing potency and homogeneity testing fails potency and homogeneity testing, the Medical Marijuana Products Manufacturer, ~~or~~ the Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer shall follow the procedure in Paragraph (F)(2) of this Rule. Ongoing potency and homogeneity testing pursuant to this Rule 4-125 shall be subject to the requirements in Rule 4-110. See Rule 4-110(A) – Collection of Samples.
 - a. The Division may reduce the frequency of ongoing potency and homogeneity testing required by Medical Marijuana Products Manufacturers, ~~and~~ Retail Marijuana Products Manufacturers, and Accelerator Marijuana Products

Manufacturer - if the Division has reasonable grounds to believe Medical Marijuana Testing Facilities and Retail Marijuana Testing Facilities have reached maximum capacity to perform testing required by this Rule. The Division will provide notification of any reduction to the frequency of ongoing potency and homogeneity testing to the Licensee's last electronic mailing address provided to the Division.

- b. If the Licensee fails to comply with paragraph (F)(5) of this Rule, the Medical Marijuana Cultivation Facility, ~~or~~ Retail Marijuana Cultivation Facility, or Accelerator Marijuana Cultivation Facility is no longer process validated.

G. Exemption. Any Regulated Marijuana that will be allocated for extraction in the Inventory Tracking System shall be considered exempt from potency testing pursuant to this Rule and the 4-100 Series Rules.

H. Required Re-Validation - Potency and Homogeneity - Regulated Marijuana Product.

1. Material Change Re-Validation. If a Medical Marijuana Products Manufacturer, ~~or a~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer elects to process validate any Medical Marijuana Products or Retail Marijuana Product for potency and homogeneity and it makes a Material Change to its production process for that particular type of Medical Marijuana Product or Retail Marijuana Product, then the Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer must re-validate the production process.

a. New Equipment. It is a Material Change if the Medical Marijuana Products Manufacturer or Retail Marijuana Products Manufacturer begins using new or different equipment for any material part of the production process.

b. Notification. A Medical Marijuana Products Manufacturer, ~~or a~~ Retail Marijuana Products Manufacturer, or an Accelerator Products Manufacturer must notify the Medical Marijuana Testing Facility or Retail Marijuana Testing Facility of a Material Change.

c. Testing Required Prior to Transfer. When a Production Batch is required to be submitted for testing pursuant to this Rule, the Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer that produced it may not Transfer Regulated Marijuana Product from that Production Batch unless or until it obtains a passing test.

2. Failed Potency Testing Re-Validation. Failed potency testing may constitute a violation of these rules.

a. If a Sample is required to be tested by these Rules or required to be tested by the Division pursuant to Rule 4-1~~20~~15(A) and fails potency testing, the Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer shall follow the procedures in Rule 4-135(C) for any Inventory Tracking System package or Production Batch associated with the failed Sample.

b. The Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer shall also submit Test Batches from three new Production Batches of the Medical Marijuana Product or Retail Marijuana Product for potency testing by a Medical

Marijuana Testing Facility or Retail Marijuana Testing Facility within no more than 30 days. If any one of the three submitted Test Batches fails potency testing, the Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer shall re-validate its process for potency.

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

Basis and Purpose – 4-135

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(g), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(3)(d), 44-10-203(3)(e), 44-10-501(6), 44-10-502(3), 44-10-503(8), 44-10-504(1)(b), 44-10-504(2), 44-10-601(4), 44-10-602(4), 44-10-603(6), 44-10-604(1)(b), and 44-10-604(2), 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 rules governing the quarantining of potentially contaminated product and the destruction of product that failed contaminant or potency testing for Division's Regulated Marijuana Sampling and Testing Program. This Rule 4-135 was previously Rules M and R 1507, 1 CCR 212-1 and 1 CCR 212-2.

4-135 – Regulated Marijuana Testing Program: Contaminated Product and Failed Test Results and Procedures

A. Quarantining of Product.

1. If the Division has reasonable grounds to believe that a particular Harvest Batch, Production Batch, or Inventory Tracking System package of Regulated Marijuana is contaminated or presents a risk to public safety, then the Division may require a Regulated Marijuana Business to quarantine it until the completion of the Division's investigation, which may include, but is not limited to, the receipt of any test results.
2. If a Regulated Marijuana Business is notified by any local or state agency, or by a Medical Marijuana Testing Facility or a Retail Marijuana Testing Facility, that a Test Batch failed a contaminant or potency testing, then the Regulated Marijuana Business shall quarantine any Regulated Marijuana from any Inventory Tracking System package, Harvest Batch or Production Batch associated with that failed Test Batch and must follow the procedures established pursuant to paragraph (B)(1), (B)(2), (B)(3) and/or (C) of this Rule.
3. Except as provided by this Rule, Regulated Marijuana that has been quarantined pursuant to this Rule must be physically separated from all other inventory and the Licensee may not Transfer or further process the Regulated Marijuana.
4. In addition to any other method authorized by law, the Division may implement the quarantine through the Inventory Tracking System by (a) indicating failed test results and (b) limiting the Licensee's ability to Transfer the quarantined Regulated Marijuana unless otherwise permitted by these rules.

- B. Failed Contaminant Testing: All Contaminant Testing Except Microbial Testing of Regulated Marijuana Flower or Trim and Pesticide Testing. If a Regulated Marijuana Business is notified by the Division, a Medical Marijuana Testing Facility, or a Retail Marijuana Testing Facility that a Test Batch failed contaminant testing (except microbial testing of Regulated Marijuana flower or trim and Pesticide testing), then for each Inventory Tracking System package, Harvest Batch, or

Production Batch associated with that failed Test Batch the Regulated Marijuana Business must either:

1. Destroy and document the destruction of the Inventory Tracking System package, Harvest Batch or Production Batch pursuant to Rule 3-230 – Waste Disposal;
2. Decontaminate the Inventory Tracking System package, Harvest Batch, or Production Batch, if possible, and create two new Test Batches, each containing the requisite number of Samples, and have those Test Batches tested for the required contaminant test that failed. Such testing must comport with the sampling procedures under Rule 4-110.
 - a. A Licensee must either (1) submit both new Test Batches to the same Medical Marijuana Testing Facility or Retail Marijuana Testing Facility that reported the original failed test result, or (2) submit the new Test Batches to two different Medical Marijuana Testing Facilities or Retail Marijuana Testing Facilities;
 - b. If both new Test Batches pass the required contaminant testing, then the Inventory Tracking System package, Harvest Batch, or Production Batch of Regulated Marijuana or Regulated Marijuana Product associated with each Test Batch may be Transferred or processed into a Medical Marijuana Concentrate, Retail Marijuana Concentrate, Medical Marijuana Product, or Retail Marijuana Product;
 - c. If one or both of the Test Batches do not pass contaminant testing, then the Regulated Marijuana Business must destroy and document the destruction of the Inventory Tracking System package, Harvest Batch, or Production Batch included in that Test Batch pursuant to Rule 3-230 – Waste Disposal; or
3. The Regulated Marijuana Business may Transfer the Production Batches that failed contaminant testing to another Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer for decontamination, if possible, and create two new Test Batches after decontamination has occurred, each containing the requisite number of Samples, and have those Test Batches tested for the required contaminant test that failed. Such testing must comport with the sampling procedures under Rule 4-110.
 - a. A Licensee must either (1) submit both new Test Batches to the same Medical Marijuana Testing Facility or Retail Marijuana Testing Facility that reported the original failed test result, or (2) submit the new Test Batches to two different Medical Marijuana Testing Facilities or Retail Marijuana Testing Facilities;
 - b. If both new Test Batches pass the required contaminant testing, then the Inventory Tracking System package, Harvest Batch, or Production Batch of Regulated Marijuana or Regulated Marijuana Product associated with each Test Batch may be Transferred or processed into a Medical Marijuana Concentrate, Retail Marijuana Concentrate, Medical Marijuana Product, or Retail Marijuana Product;
 - c. If one or both of the Test Batches do not pass contaminant testing, then the Regulated Marijuana Business must destroy and document the destruction of the Inventory Tracking System package, Harvest Batch, or Production Batch included in that Test Batch pursuant to Rule 3-230 – Waste Disposal.

- C. Failed Contaminant Testing: Microbial Testing of Regulated Marijuana Flower, Wet Whole Plant, or Trim. If a Regulated Marijuana Business is notified by the Division, a Medical Marijuana Testing Facility, or a Retail Marijuana Testing Facility that a Test Batch of Regulated Marijuana flower, wet whole plant, or trim failed microbial testing, then for each Inventory Tracking System package or Harvest Batch associated with that failed Test Batch the Regulated Marijuana Business must either:
1. Destroy and document the destruction of the Inventory Tracking System package or Harvest Batch pursuant to Rule 2-230 – Waste Disposal;
 2. Decontaminate the Inventory Tracking System package or Harvest Batch of Regulated Marijuana flower, wet whole plant, or trim, if possible, and create two new Test Batches, each containing the requisite number of Samples, and have those Test Batches tested for the required microbial test that failed. Such testing must comport with the sampling procedures under Rule 4-110.
 - a. A Licensee must either (1) submit both new Test Batches to the same Medical Marijuana Testing Facility or Retail Marijuana Testing Facility that reported the original failed test result, or (2) submit the new Test Batches to two different Medical Marijuana Testing Facilities or Retail Marijuana Testing Facilities
 - b. If both Test Batches pass the required microbial testing, then the Inventory Tracking System package or Harvest Batch of Regulated Marijuana flower, wet whole plant, or trim associated with each Test Batch may be Transferred or processed into a Regulated Marijuana Concentrate or Regulated Marijuana Product.
 - c. If one or both of the Test Batches do not pass microbial testing, then the Regulated Marijuana Business must either: (i) destroy and document the destruction of the Inventory Tracking System package or Harvest Batch pursuant to Rule 3-230 – Waste Disposal; or (ii) Transfer the Inventory Tracking System package or Harvest Batch for Remediation pursuant to Paragraph (C)(3)(b) below.
 3. In lieu of decontamination pursuant to Paragraph (C)(2) above, the Regulated Marijuana Business may transfer all Inventory Tracking System packages ~~or Harvest Batches~~ associated with that failed Test Batch to a Medical Marijuana Cultivation Facility or a Retail Marijuana Cultivation Facility for decontamination, or to a Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer for decontamination and/or Remediation.
 - a. Decontamination. The Medical Marijuana Cultivation Facility, Retail Marijuana Cultivation Facility, Accelerator Marijuana Cultivation Facility, the Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer may decontaminate the Inventory Tracking System package or Harvest Batch of Regulated Marijuana flower or trim, if possible, and create two new Test Batches, each containing the requisite number of Samples, and have those Test Batches tested for the required microbial test that failed. Such testing must comport with the sampling procedures under Rule 4-110.
 - i. A Licensee must either (1) submit both new Test Batches to the same Medical Marijuana Testing Facility or Retail Marijuana Testing Facility that reported the original failed test result, or (2) submit the new Test Batches to two different Medical Marijuana Testing Facilities or Retail Marijuana Testing Facilities

- ii. If both Test Batches pass the required microbial testing, then the Inventory Tracking System package or Harvest Batch of Regulated Marijuana flower or trim associated with each Test Batch may be Transferred or processed into a Regulated Marijuana Concentrate or Regulated Marijuana Product.
- iii. If one or both of the Test Batches do not pass microbial testing, then the Regulated Marijuana Business must either: (i) destroy and document the destruction of the Inventory Tracking System package or Harvest Batch pursuant to Rule 3-230 – Waste Disposal; or (ii) attempt Remediation of the Inventory Tracking System package or Harvest Batch at a Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or Accelerator Marijuana Products Manufacturer for Remediation pursuant to Paragraph (C)(3)(b) below.

b. Remediation.

- i. For Remediation, the Regulated Marijuana Business shall process the Inventory Tracking System package or Harvest Batch of Regulated Marijuana flower or trim associated with the failed Test Batch into a Solvent-Based Medical Marijuana Concentrate or Solvent-Based Retail Marijuana Concentrate. ~~No other Regulated Marijuana shall be included in the Solvent-Based Medical Marijuana Concentrate or Solvent-Based Retail Marijuana Concentrate.~~
- ii. The Solvent-Based Medical Marijuana Concentrate or Solvent-Based Retail Marijuana Concentrate that was manufactured pursuant to Paragraph (C)(3)(b) shall undergo all required contaminant testing pursuant to Rule 4-120(C) – Regulated Marijuana Testing Program – Contaminant Testing, potency testing pursuant to Rule 4-125 – Regulated Marijuana Testing Program – Potency Testing, and any other testing required or allowed by the Marijuana Code or these rules, including but not limited to microbial and mycotoxins contamination. Such testing must comport with the sampling procedures under Rule 4-110.
- iii. If the Solvent-Based Medical Marijuana Concentrate or Solvent-Based Retail Marijuana Concentrate that was manufactured pursuant to Paragraph (C)(3)(b) fails contaminant testing, the Regulated Marijuana Business shall destroy and document the destruction of the Inventory Tracking System package(s) or Production Batch(es) of Solvent-Based Medical Marijuana Concentrate or Solvent-Based Retail Marijuana Concentrate pursuant to Rule 3-230 – Waste Disposal.

- 4. Nothing in this Rule removes or alters the responsibility of the Retail Marijuana Business Transferring the Retail Marijuana that failed microbial testing from complying with the requirement to pay excise tax pursuant to article 28.8 of title 39, C.R.S.

D. Failed Contaminant Testing: Pesticide Testing. If a Regulated Marijuana Business is notified by the Division, a Medical Marijuana Testing Facility, or a Retail Marijuana Testing Facility that a Test Batch failed Pesticide testing, then for each Inventory Tracking System package, Harvest Batch, or Production Batch associated with that failed Test Batch the Regulated Marijuana Business must either:

- 1. Destroy and document the destruction of the Inventory Tracking System package, Harvest Batch, or Production Batch pursuant to Rule 3-230 – Waste Disposal; or

2. Request that the Medical Marijuana Testing Facility or Retail Marijuana Testing Facility that reported the original fail conduct two additional analyses of the original Test Batch submitted in accordance with ~~Rule~~ 4-110.
 - a. If both retesting analyses pass the required Pesticide testing, then the Inventory Tracking System package, Harvest Batch, or Production Batch of Regulated Marijuana or Regulated Marijuana Product may be Transferred or processed into a Regulated Marijuana Concentrate or Regulated Marijuana Product.
 - b. If one or both of the retesting analyses do not pass Pesticide testing, then the Regulated Marijuana Business must destroy and document the destruction of the Inventory Tracking System package, Harvest Batch, or Production Batch pursuant to Rule 3-230 – Waste Disposal.
- E. Failed Potency Testing. If a Regulated Marijuana Business is notified by the Division, a Medical Marijuana Testing Facility, or a Retail Marijuana Testing Facility that a Test Batch of Regulated Marijuana Product failed potency testing, then for each Inventory Tracking System package or Production Batch associated with that failed Test Batch the Regulated Marijuana Business must either:
1. Destroy and document the destruction of the Inventory Tracking System package or Production Batch pursuant to Rule 3-230 – Waste Disposal; or
 2. Attempt corrective measures, if possible, and create two new Test Batches each containing the requisite number of Samples, and have those Test Batches tested for the required potency test that failed. Such testing must comport with the sampling procedures under Rule 4-110.
 - a. A Licensee must either (1) submit both new Test Batches to the same Medical Marijuana Testing Facility or Retail Marijuana Testing Facility that reported the original failed test result, or (2) submit the new Test Batches to two different Medical Marijuana Testing Facilities or Retail Marijuana Testing Facilities
 - b. If both new Test Batches pass potency testing, then the Inventory Tracking System package or Production Batch associated with each Test Batch may be Transferred.
 - c. If one or both of the Test Batches do not pass potency testing, then the Medical Marijuana Products Manufacturer, ~~or~~ Retail Marijuana Products Manufacturer, or an Accelerator Marijuana Products Manufacturer must destroy and document the destruction of Inventory Tracking System package or Production Batch pursuant to Rule 3-230 – Waste Disposal.
- F. Violation Affecting Public Safety. Failure to comply with this Rule may constitute a license violation affecting public safety.

Part 5 – Medical Marijuana Business License Types

5-100 Series – Medical Marijuana Stores

Basis and Purpose – 5-105

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-203(2)(d)(I)-(VI), 44-10-313(7), 44-10-313(4), 44-10-401(2)(a)(I), 44-10-501, and 44-10-505, C.R.S.

The purpose of this rule is to establish a Medical Marijuana Store's license privileges. This Rule 5-105 was previously Rule M 401, 1 CCR 212-1.

5-105 – Medical Marijuana Store: License Privileges

- A. Licensed Premises. To the extent authorized by Rule 3-215 – Medical Marijuana Business and Retail Marijuana Business – Shared Licensed Premises and Operational Separation, a Medical Marijuana Store may share a Licensed Premises with a commonly-owned Retail Marijuana Store. However, a separate license is required for each specific business or business entity, regardless of geographical location.
- B. Authorized Sources of Medical Marijuana. A Medical Marijuana Store may only Transfer Medical Marijuana that was obtained from a Medical Marijuana Business.
- C. Authorized Transfers. A Medical Marijuana Store may only Transfer Medical Marijuana to a patient, a primary caregiver, another Medical Marijuana Store, a Medical Marijuana Cultivation Facility, a Medical Marijuana Products Manufacturer, or a Medical Marijuana Testing Facility.
- D. Samples Provided for Testing. A Medical Marijuana Store may provide Samples of its products to a Medical Marijuana Testing Facility for testing and research purposes. The Medical Marijuana Store shall maintain the testing results as part of its business books and records. See Rule 3-905 – Business Records Required.
- E. Authorized On-Premises Storage. A Medical 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.
- F. Authorized Marijuana Transport. A Medical Marijuana Store is authorized to utilize a licensed Medical Marijuana Transporter for transportation of its Medical Marijuana so long as the place where transportation orders are taken and delivered is a licensed Medical Marijuana Business. Nothing in this Rule prevents a Medical Marijuana Store from transporting its own Medical Marijuana.
- G. Performance-Based Incentives. A Medical Marijuana Store may compensate its employees using performance-based incentives, including sales-based performance-based incentives.
- H. Authorized Transfers of Industrial Hemp Products. This rule is effective July 1, 2020. A Medical Marijuana Store may Transfer Industrial Hemp Product to a patient only after it has ~~confirmed~~verified:
 - 1. That the Industrial Hemp Product has passed all required testing pursuant to the 4-100 Rule Series at a Medical Marijuana Testing Facility; and
 - 2. That the Person Transferring the Industrial Hemp Product to the Medical Marijuana Store is registered with the Colorado Department of Public Health and Environment pursuant to section 25-5-426, C.R.S.
- I. Medical Marijuana Store Delivery Permit. A Medical Marijuana Store with a valid delivery permit may accept delivery orders and deliver Medical Marijuana to a patient who is 21 years of age or older, or the patient's parent or guardian who is also the patient's primary caregiver pursuant to Rule 3-615. A Medical Marijuana Store that does not possess a valid delivery permit cannot deliver Medical Marijuana to a patient, parent, or guardian.

J. Automated Dispensing Machines. A Medical Marijuana Store may use an automated machine in the Restricted Access Area of its Licensed Premises to dispense Regulated Marijuana to patients without interaction with an Owner Licensee or Employee Licensee if the automated machine is reasonably monitored and complies with all requirements of these rules including but not limited to:

1. Health and safety standards,
2. Testing,
3. Packaging and labeling requirements,
4. Inventory tracking,
5. Identification requirements, and
6. Transfer limits to patients.

Basis and Purpose – 5-115

The statutory authority for this includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-313(7), 44-10-313(4), 44-10-401(2)(a)(I), 44-10-501, and 44-10-505, 44-10-501(10) C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 14(4). The purpose of this rule is to clarify those acts that are prohibited, or limited in some fashion, by a licensed Medical Marijuana Store.

The sales limitations provision reflects the sales limitation imposed by statute. Clarifying the limitations on sales provides Medical Marijuana Stores and their employees with necessary information to avoid being complicit in a patient acquiring more Medical Marijuana than is lawful under the Colorado Constitution pursuant to Article XVIII, Subsection 14(4).

This Rule 5-115 was previously Rule M 403, 1 CCR 212-1.

5-115 – Medical Marijuana Sales: General Limitations or Prohibited Acts

- A. Possession Limits. A Medical Marijuana Store may only possess at its Licensed Premises the number of ounces of Medical Marijuana (excluding Medical Marijuana Products and Medical Marijuana Concentrate) that equals the greater of: 1) twice the total, aggregate ounces of Medical Marijuana all of its registered patients are allowed to possess, or 2) the total, aggregate ounces of Medical Marijuana that the Medical Marijuana Store Transferred to patients in the thirty (30) previous calendar days. Under no circumstance shall a Medical Marijuana Store possess more Medical Marijuana than permitted by this subparagraph.
- B. Medical Marijuana Products Manufacturers. A Medical Marijuana Store may also contract for the manufacture of Medical Marijuana Product with Medical Marijuana Products Manufacturer Licensees utilizing a contract as provided for in Rule 5-310 – Medical Marijuana Products Manufacturer: General Limitations or Prohibited Acts (Infused Product Contracts). Medical Marijuana distributed to a Medical Marijuana Products Manufacturer by a Medical Marijuana Store pursuant to such a contract for use solely in Medical Marijuana Product(s) that are returned to the contracting Medical Marijuana Store shall not be included for purposes of determining compliance with paragraph A.
- C. Sales Limitations.
 1. A Medical Marijuana Store and its employees shall not sell to a patient in a single business day, individually or in any combination, more than:

- a. Two ounces of medical marijuana flower;
 - b. 40 grams of Medical Marijuana Concentrate; or
 - c. Medical Marijuana Products containing a combined total of 20,000 mg;
2. A Medical Marijuana Store and its employees shall not sell more than:
- a. Six Immature plants unless the patient has designated the Medical Marijuana Store as his or her primary center and supplied it with documentation from the patient's ~~provider~~ ~~hysician~~ allowing the patient more than six plants;
 - b. ~~Six~~ One half of the patient's extended plant count to a patient who has designated the Medical Marijuana Store as his or her primary center and supplied it with documentation from the patient's ~~provider~~ ~~hysician~~ allowing the patient more than six plants; or
 - c. Six Medical Marijuana plant seeds unless the patient has designated the Medical Marijuana Store as his or her primary center and supplied it with documentation from the patient's ~~provider~~ ~~hysician~~ allowing the patient more than six Medical Marijuana seeds. One Medical Marijuana plant is equivalent to one Medical Marijuana seed.

3. Exemptions to Sales Limitations.

- a. A Medical Marijuana Store may sell Medical Marijuana or Medical Marijuana Product in an amount that exceeds the sales limitation in subparagraph (C)(1) of this Rule if:
 - i. The patient has received a ~~provider~~ ~~hysician~~ recommendation for more than two ounces of Medical Marijuana flower and has designated the Medical Marijuana Store as his or her primary center; or
 - ii. The patient has received a ~~provider~~ ~~hysician~~ recommendation exempting the patient from the Medical Marijuana Concentrate or Medical Marijuana Product sales limitation and the patient has designated the Medical Marijuana Store as his or her primary center.

÷

D. For purposes of Rule 5-115(C), a single transaction to a patient includes multiple Transfers to the same patient during the same business day where the Medical Marijuana Store employee knows or reasonably should know that such Transfer would result in the patient possessing more than the quantities of Medical Marijuana set forth above. In determining the imposition of any penalty for violation of this Rule 5-115(C), the State Licensing Authority will consider any mitigating and aggravating factors set forth in Rule 8-235(C).

E. Transfer Restriction.

- 1. Sampling Units. A Medical Marijuana Store may not possess or Transfer Sampling Units.

2. Research Transfers Prohibited. A Medical Marijuana Store shall not Transfer any Medical Marijuana to ~~a Medical Research Facility~~, a Pesticide Manufacturer, or a Marijuana Research and Development Facility.
- F. Licensees May Refuse Sales. Nothing in these rules prohibits a Licensee from refusing to Transfer Medical Marijuana to a patient.
- G. Delivery Outside Colorado Prohibited. A Medical Marijuana Store holding a valid delivery permit shall not deliver Medical Marijuana to an address that is outside the state of Colorado.
- H. Storage and Display Limitations. A Medical Marijuana Store shall not display Medical Marijuana outside of a designated Restricted Access Area or in a manner in which Medical Marijuana can be seen from outside the Licensed Premises. Storage of Medical Marijuana shall otherwise be maintained in Limited Access Areas or Restricted Access Area.
- I. Transfer of Expired Product Prohibited. A Medical Marijuana Store shall not Transfer any expired Medical Marijuana Product to a patient.
- J. Edibles Prohibited that are Shaped like a Human, Animal, or Fruit
1. The Transfer of Edible Medical Marijuana Product in the following shapes is prohibited:
 - a. The distinct shape of a human, animal, or fruit; or
 - b. A shape that bears the likeness or contains characteristics of a realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.
 2. The prohibition on human, animal, and fruit shapes does not apply to the logo of a licensed Medical Marijuana Business. Nothing in this subparagraph (L)(2) alters or eliminates a Licensee's obligation to comply with the requirements of the 3-1000 Series Rules – Packaging, Labeling, and Product Safety.
 3. Edible Medical Marijuana Products that are geometric shapes and simply fruit flavored are not considered fruit and are permissible; and
 4. Edible Medical Marijuana Products that are manufactured in the shape of a marijuana leaf are permissible.
- K. Adverse Event Reporting. A Medical Marijuana Store that Transfers Audited Product and/or Alternative Use Product must report any adverse event related to an Audited Product and/or Alternative Use Product directly to the Medical Marijuana Products Manufacturer that Transferred the Audited Product or Alternative Use Product to the Medical Marijuana Store. The report must be submitted within forty-eight (48) hours after learning of the adverse event by the Medical Marijuana Store. For the purpose of this Rule, adverse event means any untoward medical occurrence associated with the use of marijuana—this could include any unfavorable and unintended sign (including a hospitalization, emergency department visit, doctor's visit, abnormal laboratory finding), symptom or disease temporally associated with the use of a marijuana product, and may include concerns or reports on the quality or possible adverse reactions to a specific Audited Product or Alternative Use Product. To the extent known after reasonable diligence to ascertain the information, the report to the Medical Marijuana Products Manufacturer must contain the name and contact information of the complainant, the date the complaint was received, the nature of the complaint, and the name and Production Batch number of the Audited Product or Alternative Use Product.

- L. Corrective and Preventive Action. This paragraph L shall be effective January 1, 2021. A Medical Marijuana Store shall establish and maintain written procedures for implementing Corrective Action and Preventive Action. The written procedures shall include the requirements listed below as determined by the Licensee. All activities required under this Rule, and their results, shall be documented and kept as business records. See Rule 3-905. The written procedures shall include requirements, as appropriate, for:
1. What constitutes a Nonconformance in the Licensee's business operation;
 2. Analyzing processes, work operations, reports, records, service records, complaints, returned product, and/or other sources of data to identify existing and potential root causes of Nonconformances or other quality problems;
 3. Investigating the root cause of Nonconformances relating to product, processes, and the quality system;
 4. Identifying the action(s) needed to correct and prevent recurrence of Nonconformance and other quality problems;
 5. Verifying the Corrective Action or Preventive Action to ensure that such action is effective and does not adversely affect finished products;
 6. Implementing and recording changes in methods and procedures needed to correct and prevent identified quality problems;
 7. Ensuring the information related to quality problems or Nonconformances is disseminated to those directly responsible for assuring the quality of products or the prevention of such problems; and
 8. Submitting relevant information on identified quality problems and Corrective Action and Preventive Action documentation, and confirming the result of the evaluation, for management review.
- M. Violation Affecting Public Safety. Failure to comply with this Rule may constitute a license violation affecting public safety.

5-200 Series – Medical Marijuana Cultivation Facility: License Privileges

Basis and Purpose – 5-205

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-401(2)(a)(II), 44-10-313, 44-10-502(5), and 44-10-503, C.R.S. The purpose of this rule is to establish a Medical Marijuana Cultivation Facility's license privileges in addition to the privileges outlined in these rules. This Rule 5-205 was previously Rule M 501, 1 CCR 212-1.

5-205 – Medical Marijuana Cultivation Facility: License Privileges

- A. Licensed Premises. To the extent authorized by Rule 3-215 – Regulated Marijuana Business – Shared Licensed Premises and Operational Separation, a Medical Marijuana Cultivation Facility may share a Licensed Premises with a commonly owned Retail Marijuana Cultivation Facility. However, a separate license is required for each specific business entity regardless of geographical location. In addition, a Medical Marijuana Cultivation Facility may share and operate at the same Licensed Premises as a Marijuana Research and Development Facility so long as:
1. Each business or business entity holds a separate license;

2. The Marijuana Research and Development Facility obtains an R&D Co-Location Permit;
 3. Both the Marijuana Research and Development Facility and the Medical Marijuana Cultivation Facility comply with all terms and conditions of the R&D Co-Location Permit; and
 4. Both the Marijuana Research and Development Facility and the Medical Marijuana Cultivation Facility comply with all applicable rules. See 5-700 Series Rules.
- B. Cultivation of Medical Marijuana Authorized. A Medical Marijuana Cultivation Facility may Propagate, cultivate, harvest, prepare, cure, package, store, and label Medical Marijuana, whether in concentrated form or otherwise.
- C. Authorized Transfers. A Medical Marijuana Cultivation Facility may Transfer Medical Marijuana and Water-Based Medical Marijuana Concentrate to another Medical Marijuana Cultivation Facility, a Medical Marijuana Store, a Medical Marijuana Products Manufacturer, a Medical Marijuana Testing Facility, a Marijuana Research and Development Facility, ~~a Medical Research Facility,~~ or a Pesticide Manufacturer.
1. A Medical Marijuana Cultivation Facility shall not Transfer Flowering plants or Vegetative plants to any Person except as authorized pursuant to Rule 3-605.
 2. A Medical Marijuana Cultivation Facility may Transfer Sampling Units of Medical Marijuana or Medical Marijuana Concentrate to a designated Sampling Manager in accordance with the restrictions set forth in section 44-10-502(5), C.R.S., and Rule 5-230.
 3. A Medical Marijuana Cultivation Facility may Transfer Medical Marijuana or Medical Marijuana Concentrate to another Medical Marijuana Cultivation Facility prior to testing required by these rules for the purpose of decontamination only after all other steps outlined in the Medical Marijuana Cultivation Facility's standard operating procedures have been completed, including but not limited to drying, curing, and trimming.
- D. Packaging Processed Medical Marijuana. Processed Medical Marijuana plants shall be packaged in units of ten pounds or less and labeled pursuant to the 3-1000 Series Rules – Labeling, Packaging, and Product Safety, and securely sealed in a tamper-evident manner.
- E. Authorized Marijuana Transport. A Medical Marijuana Cultivation Facility is authorized to utilize a licensed Medical Marijuana Transporter for transportation of its Medical Marijuana so long as the place where transportation orders are taken is a Medical Marijuana Business and the transportation order is delivered to a licensed Medical Marijuana Business, ~~Medical Research Facility,~~ or Pesticide Manufacturer. Nothing in this Rule prevents a Medical Marijuana Cultivation Facility from transporting its own Medical Marijuana.
- F. Performance-Based Incentives. A Medical Marijuana Cultivation Facility may compensate its employees using performance-based incentives, including sales-based performance-based incentives. However, a Medical Marijuana Cultivation Facility may not compensate a Sampling Manager using Sampling Units. See Rule 5-230 – Sampling Unit Protocols.
- G. Authorized Sources of Medical Marijuana Seeds and Immature Plants. A Medical Marijuana Cultivation Facility shall only obtain Medical Marijuana seeds or Immature Plants from its own Medical Marijuana, properly Transferred Retail Marijuana cultivated at a Retail Marijuana Cultivation Facility with at least one identical Controlling Beneficial Owner, or properly transferred from another Medical Marijuana Business pursuant to the inventory tracking requirements in the Rule 3-800 Series.

- H. Centralized Distribution Permit. A Medical Marijuana Cultivation Facility may apply to the State Licensing Authority for a Centralized Distribution Permit for authorization to temporarily store Medical Marijuana Concentrate and Medical Marijuana Product received from a Medical Marijuana Products Manufacturer for the sole purpose of Transfer to commonly owned Medical Marijuana Stores.
1. For purposes of a Centralized Distribution Permit only, the term “commonly owned” means at least one natural person has a minimum of five percent ownership in both the Medical Marijuana Cultivation Facility possessing a Centralized Distribution Permit and the Medical Marijuana Store to which the Medical Marijuana Concentrate and Medical Marijuana Product will be Transferred.
 2. To apply for a Centralized Distribution Permit, a Medical Marijuana Cultivation Facility may submit an addendum to its new or renewal application or a separate addendum prior to a renewal application on forms prepared by the Division to request a Centralized Distribution Permit. The Medical Marijuana Cultivation Facility shall send a copy of its Centralized Distribution Permit addendum to the Local Licensing Authority in the jurisdiction in which the Centralized Distribution Permit is proposed at the same time it submits the addendum to the State Licensing Authority.
 3. A Medical Marijuana Cultivation Facility that has been issued a Centralized Distribution Permit and has obtained all required approvals from the local licensing jurisdiction where it is located, if any, may accept Transfers of Medical Marijuana Concentrate and Medical Marijuana Product from a Medical Marijuana Products Manufacturer for the sole purpose of temporary storage and Transfer to commonly owned Medical Marijuana Stores.
 - a. A Medical Marijuana Cultivation Facility may only accept Medical Marijuana Concentrate and Medical Marijuana Product that is packaged and labeled for sale to a patient pursuant to the 3-1000 Series Rules.
 - b. A Medical Marijuana Cultivation Facility storing Medical Marijuana Concentrate and Medical Marijuana Product pursuant to a Centralized Distribution Permit shall not store such Medical Marijuana Concentrate or Medical Marijuana Product on the Medical Marijuana Cultivation Facility’s Licensed Premises for more than 90 days from the date of receipt.
 - c. All Transfers of Medical Marijuana Concentrate and Medical Marijuana Product by a Medical Marijuana Cultivation Facility shall be without consideration.
 4. All security and surveillance requirements that apply to a Medical Marijuana Cultivation Facility apply to activities conducted pursuant to the privileges of a Centralized Distribution Permit.
- I. Transition Permit. A Medical Marijuana Cultivation Facility may only operate at two geographical locations pursuant to Rule 2-255(D).

5-300 Series – Medical Marijuana Products Manufacturers

Basis and Purpose – 5-305

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-203(2)(d)(I)-(VI), and 44-10-503, C.R.S. The purpose of this rule is to establish a Medical Marijuana Products Manufacturer’s license privileges. This Rule 5-305 was previously Rule M 601, 1 CCR 212-1.

5-305 – Medical Marijuana Products Manufacturer: License Privileges

- A. Licensed Premises. A separate license is required for each specific business or business entity and geographical location. A Retail Marijuana Products Manufacturer may share and operate at the same Licensed Premises with a commonly owned Medical Marijuana Products Manufacturer. However, a separate license is required for each specific business or business entity, regardless of geographical location. In addition, a Medical Marijuana Products Manufacturer may share, and operate at, the same Licensed Premises as a Marijuana Research and Development Facility so long as:
1. Each business or business entity holds a separate license;
 2. The Marijuana Research and Development Facility obtains an R&D Co-Location Permit;
 3. Both the Marijuana Research and Development Facility and the Medical Marijuana Products Manufacturer comply with all terms and conditions of the R&D Co-Location Permit; and
 4. Both the Marijuana Research and Development Facility and the Medical Marijuana Products Manufacturer comply with all applicable rules. See 5-700 Series Rules.
- B. Authorized Transfers. A Medical Marijuana Products Manufacturer is authorized to Transfer Medical Marijuana as follows:
1. Medical Marijuana Concentrate and Medical Marijuana Product.
 - a. A Medical Marijuana Products Manufacturer may Transfer its own Medical Marijuana Product and Medical Marijuana Concentrate to Medical Marijuana Stores, other Medical Marijuana Products Manufacturers, Medical Marijuana Testing Facility, Marijuana Research and Development Facility, ~~Medical Research Facilities~~, and Pesticide Manufactures.
 - b. A Medical Marijuana Products Manufacturer may Transfer Medical Marijuana Product and Medical Marijuana Concentrate to a Medical Marijuana Cultivation Facility that has been issued a Centralized Distribution Permit.
 - i. Prior to any Transfer pursuant to this Rule 5-305(B)(1)(b), a Medical Marijuana Products Manufacturer shall verify Medical Marijuana Cultivation Facility possesses a valid Centralized Distribution Permit. See Rule 5-205 – Medical Marijuana Cultivation Facility: License Privileges.
 - ii. For any Transfer pursuant to this Rule 5-305(B)(1)(b), A Medical Marijuana Products Manufacturer shall only Transfer Medical Marijuana Product and Medical Marijuana Concentrate that is packaged and labeled for Transfer to a patient. See 3-1000 Series Rules.
 2. Medical Marijuana.
 - a. A Medical Marijuana Products Manufacturer may Transfer Medical Marijuana to another Medical Marijuana Products Manufacturer, a Medical Marijuana Store, a Marijuana Research and Development Facility, ~~a Medical Research Facility~~, or a Pesticide Manufacturer.
 3. Sampling Units. A Medical Marijuana Products Manufacturer may also Transfer Sampling Units of its own Medical Marijuana Products and Medical Marijuana Concentrate to a designated Sampling Manager in accordance with the restrictions set forth in section 44-10-503(10), C.R.S., and Rule 5-320.

- C. Manufacture of Medical Marijuana Concentrate and Medical Marijuana Product Authorized. A Medical Marijuana Products Manufacturer may manufacture, prepare, package, and label Medical Marijuana Concentrate and Medical Marijuana Product, whether in concentrated form or that are comprised of Medical Marijuana and other Ingredients intended for use or consumption, such as Edible Medical Marijuana Products, ointments, or tinctures.
1. Industrial Hemp Product Authorized. This subparagraph (C)(1) is effective July 1, 2020. A Medical Marijuana Products Manufacturer that uses Industrial Hemp Product as an Ingredient in the manufacture and preparation of Medical Marijuana Product must comply with this subparagraph (C)(1) of this Rule.
- a. Prior to accepting and taking possession of any Industrial Hemp Product for use as an Ingredient in a Medical Marijuana Product the Medical Marijuana Products Manufacturer shall verify the following:
- i. That the Industrial Hemp Product has passed all required testing pursuant to the 4-100 Series Rules at a Medical Marijuana Testing Facility; and
- ii. That the Person Transferring the Industrial Hemp Product to the Medical Marijuana Products Manufacturer is registered with the Colorado Department of Public Health and Environment pursuant to section 25-5-426, C.R.S.
- D. Location Prohibited. A Medical Marijuana Products Manufacturer may not manufacture, prepare, package, store, or label Medical Marijuana Product in a location that is operating as a retail food establishment.
- E. Samples Provided for Testing.
1. A Medical Marijuana Products Manufacturer may provide samples of its Medical Marijuana Concentrate or Medical Marijuana Product to a Medical Marijuana Testing Facility for testing and research purposes. The Medical Marijuana Products Manufacturer shall maintain the testing results as part of its business books and records. See Rule 3-905 – Business Records Required.
- F. Authorized Marijuana Transport. A Medical Marijuana Products Manufacturer is authorized to utilize a Medical Marijuana Transporter for transportation of its Medical Marijuana Product or Medical Marijuana Concentrate so long as the place where transportation orders are taken is a licensed Medical Marijuana Business and the transportation order is delivered to a Medical Marijuana Business, ~~Medical Research Facility,~~ or Pesticide Manufacturer. Nothing in this Rule prevents a Medical Marijuana Products Manufacturer from transporting its own Medical Marijuana or Medical Marijuana Concentrate.
- G. Performance-Based Incentives. A Medical Marijuana Products Manufacturer may compensate its employees using performance-based incentives, including sales-based performance-based incentives. However, a Medical Marijuana Products Manufacturer may not compensate a Sampling Manager using Sampling Units. See Rule 5-320 – Sampling Unit Protocols.

5-400 Series – Medical Marijuana Testing Facilities

Basis and Purpose – 5-415

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(2)(h), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f)(II), 44-10-

203(2)(f)(IV), 44-10-203(3)(d), 44-10-203(3)(e), 44-10-313(8)(a), 44-10-401(2)(a)(IV), and 44-10-504, C.R.S. The purpose of this rule is to establish a frame work for certification for Medical Marijuana Testing Facilities. This Rule 5-415 was previously Rule M 703, 1 CCR 212-1.

5-415 – Medical Marijuana Testing Facilities: Certification Requirements

- A. Certification Types. If certification in a testing category is required by the Division, then the Medical Marijuana Testing Facility must be certified in the category in order to perform that type of testing.
1. Microbials;
 2. Mycotoxins;
 3. Residual solvents;
 4. Pesticides;
 5. THC and other Cannabinoid potency; and
 6. Metals.
- B. In order to obtain certification for Pesticide testing, a Medical Marijuana Testing Facility must also obtain certification for mycotoxin testing.
- C. Certification Procedures. The Medical 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 Medical 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 Medical 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, Sample retention, space, records, and results reporting. In addition, a Medical Marijuana Testing Facility must be accredited under the International Organization for Standardization/International Electrotechnical Commission 17025:2005 Standard, or any subsequent superseding ISO/IEC 17025 standard. In order to obtain certification in a testing category from the Division, the Medical Marijuana Testing Facility's scope of accreditation must specify that particular testing category.
 - a. Subsequent to initial approval of a Medical Marijuana Testing Facility License, the Division may grant provisional certification if the Applicant has not yet obtained ISO/IEC 17025:2005 accreditation, but meets all other Division requirements. Such provisional certification shall be for a period not to exceed twelve months.
 - ~~b. A Medical Marijuana Testing Facility which is not accredited to the ISO/IEC 17025:2005 standard, but obtained certification prior to January 1, 2019, may submit a request for a temporary exemption from the ISO/IEC 17025:2005 accreditation requirement. Such request must be made on Division approved forms. In order to receive a temporary exemption, a Medical Marijuana Testing~~

~~Facility must establish good cause, which includes, but is not limited to, circumstances in which the Medical Marijuana Testing Facility has submitted an application for accreditation prior to December 31, 2018, and the application is still pending. A temporary exemption shall not exceed twelve months.~~

3. Personnel Qualifications.
 - a. Laboratory Director. A Medical 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 5-420 – Medical Marijuana Testing Facilities: Personnel.
 - b. Employee Competency. A Medical 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 Medical Marijuana Testing Facility must have a written standard operating 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 Medical 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 5-450 – Medical Marijuana Testing Facilities: Records Retention and Rule 3-905 – Business Records Required.
5. Analytical Processes. A Medical Marijuana Testing Facility must maintain a listing of all analytical methods used and all analytes tested and reported. The Medical Marijuana Testing Facility must provide this listing to the Division upon request.
6. Proficiency Testing. A Medical 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 Medical 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 Medical 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 Medical Marijuana Testing Facility must establish a system to document the complete chain of custody for Samples from receipt through disposal.
10. Space. A Medical 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 Medical Marijuana Testing Facility must establish a system to retain and maintain all required records. See Rule 5-450 – Medical Marijuana Testing Facilities: Records Retention and Rule 3-905 – Business Records Required.
 12. Results Reporting. A Medical Marijuana Testing Facility must establish processes to ensure results are reported in a timely and accurate manner. See Rule 3-825 – Reporting and Inventory Tracking System.
 13. Conduct While Seeking Certification. A Medical Marijuana Testing Facility, and its agents and employees, shall provide all documents and information required or requested by the Colorado Department of Public Health and Environment and its employees, and the Division and its employees in a full, faithful, truthful, and fair manner.
- D. Violation Affecting Public Safety. A violation of this Rule may be considered a license violation affecting public safety.

5-500 Series – Medical Marijuana Transporters

Basis and Purpose – 5-505

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-203(2)(n), 44-10-203(3)(c), 44-10-401(2)(a)(V), 44-10-505, C.R.S. The purpose of this rule is to establish the license privileges of Medical Marijuana Transporter licensees. This Rule 5-505 was previously Rule M 1601, 1 CCR 212-1.

5-505 – Medical Marijuana Transporter: License Privileges

- A. Licensed Premises. A separate license is required for each specific business or business entity and geographical location. A Medical Marijuana Transporter may share a location with an identically owned Retail Marijuana Transporter. However, a separate license is required for each specific business or business entity, regardless of geographical location.
- B. Transportation of Medical Marijuana and Medical Marijuana Product Authorized. A Medical Marijuana Transporter may take transportation orders, receive, transport, temporarily store, and deliver Medical Marijuana to a Medical Marijuana Business or to a Pesticide Manufacturer. A Medical Marijuana Transporter may not sell, give away, buy, or received complimentary Medical marijuana under any circumstances. A Medical marijuana Transporter does not include a Licensee that transports its own Medical Marijuana.
- C. Authorized Sources of Medical Marijuana. A Medical Marijuana Transporter may only transport and store Medical Marijuana that it received directly from the originating Medical Marijuana Business.
- D. Authorized On-Premises Storage. A Medical Marijuana Transporter is authorized to store transported Medical Marijuana on its Licensed Premises or permitted off-premises storage facility. All transported Medical Marijuana must be secured in a Limited Access Area, and tracked consistently with the inventory tracking rules.
- E. Delivery to Patients Pursuant to Delivery Permit.
 1. Prior to January 2, 2021, all Medical Marijuana Transporters are prohibited from delivering Regulated Marijuana to patients.
 2. After January 2, 2021, only Medical Marijuana Transporters that possess a valid delivery permit may deliver Medical Marijuana pursuant to contracts with Medical Marijuana

Stores that also possess valid delivery permits. All deliveries of Medical Marijuana to patients must comply with all requirements of Rule 3-615.

3. License Violation Affecting Public Safety. Any violation of subparagraph E of this Rule is a license violation affecting public safety.

Basis and Purpose – 5-510

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-203(2)(n), 44-10-203(3)(c), 44-10-401(2)(a)(V), 44-10-505, C.R.S. The purpose of this rule is to clarify those acts that are limited in some fashion or prohibited by a Medical Marijuana Transporter. This Rule 5-510 was previously Rule M 1602, 1 CCR 212-1.

5-510 – Medical Marijuana Transporter: General Limitations or Prohibited Acts

- A. Sales, Liens, and Secured Interests Prohibited. A Medical Marijuana Transporter is prohibited from buying, selling, or giving away Medical Marijuana or from receiving complimentary Medical Marijuana. A Medical Marijuana Transporter shall not place or hold a lien or secured interest on Medical Marijuana.
- B. Licensed Premises Permitted. A Medical Marijuana Transporter shall maintain a Licensed Premises if it: (1) temporarily stores any Medical Marijuana, or (2) modifies any information in the Inventory Tracking System generated transport manifest. The Licensed Premises shall be in a local jurisdiction that authorizes the operation of Medical Marijuana Stores. If a Medical Marijuana Transporter Licensed Premises is shared with a Retail Marijuana Transporter Licensed Premises, then the combined Licensed Premises shall be in a local jurisdiction that authorizes the operation of both Medical Marijuana Stores and Retail Marijuana Stores.
- C. Off-Premises Storage Permit. A Medical Marijuana Transporter may maintain one or more permitted off-premises storage facilities. See Rule 3-610 – Off-Premises Storage of Regulated Marijuana and Regulated Marijuana Product: All Regulated Marijuana Businesses.
- D. Storage Duration. A Medical Marijuana Transporter shall not store Medical Marijuana for longer than seven days from receiving it at its Licensed Premises or off-premises storage facility. The total allowable seven day storage duration begins and applies regardless of which of the Medical Marijuana Transporter's premises receives the Medical Marijuana first, (i.e. the Medical Marijuana Transporter's Licensed Premises, or any of its off-premises storage facilities). A Medical Marijuana Transporter with a valid delivery permit may store Medical Marijuana for delivery to patients pursuant to the delivery permit for no longer than seven days from receipt at its Licensed Premises or off-premises storage facility.
- E. Control of Medical Marijuana. A Medical Marijuana Transporter is responsible for the Medical Marijuana once it takes control of the Medical Marijuana and until the Medical Marijuana Transporter delivers it to the receiving Medical Marijuana Business, ~~Medical Research Facility,~~ Pesticide Manufacturer, or deliveries to a patient, parent, or guardian pursuant to a valid delivery permit. For purposes of this Rule, taking control of the Medical Marijuana means removing it from the originating Medical Marijuana Business's Licensed Premises and placing the Medical Marijuana in the transport vehicle or the Delivery Motor Vehicle.
- F. Location of Orders Taken and Delivered. A Medical Marijuana Transporter is permitted to take orders on the Licensed Premises of any Medical Marijuana Business to transport Medical Marijuana between Medical Marijuana Businesses. The Medical Marijuana Transporter shall deliver the Medical Marijuana to the Licensed Premises of a licensed Medical Marijuana Business, ~~a Medical Research Facility,~~ or Pesticide Manufacturer. A Medical Marijuana

Transporter may also deliver Medical Marijuana to patients, parents, or guardians pursuant to a contract with a Medical Marijuana Store if it possesses a valid delivery permit.

- G. A Medical Marijuana Transporter shall receive Medical Marijuana from the originating Licensee packaged in the way that it is intended to be delivered to the final destination Licensee, ~~Medical Research Facility~~, or Pesticide Manufacturer. The Medical Marijuana Transporter shall deliver the Medical Marijuana in the same, unaltered packaging to the final destination Licensee.
- H. A Medical Marijuana Transporter with a valid delivery permit shall receive Medical Marijuana that has been weighed, packaged, prepared, and labeled for delivery on the Licensed Premises of a Medical Marijuana Store or at the Medical Marijuana Store's off-premises storage facility after receipt of a delivery order. Medical Marijuana cannot be placed into a Delivery Motor Vehicle until after an order has been received and the Medical Marijuana has been packaged and labeled for delivery to the patient, parent, or guardian as required by the 3-1000 Series Rules.
- I. A Medical Marijuana Transporter must not deliver Medical Marijuana to patients, parents, or guardians while also transporting Regulated Marijuana between Licensed Premises in the Delivery Motor Vehicle.
- J. Opening of Sealed Packages or Containers and Re-Packaging Prohibited. A Medical Marijuana Transporter shall not open Containers of Medical Marijuana. Medical Marijuana Transporters are prohibited from re-packaging Medical Marijuana.
- K. Temperature-Controlled Transport Vehicles. A Medical Marijuana Transporter shall utilize temperature-controlled transport vehicles when necessary to prevent spoilage of the transported Medical Marijuana.
- L. Damaged, Refused, or Undeliverable Medical Marijuana. Any damaged Medical Marijuana that is undeliverable to the final destination Medical Marijuana Business, or any Medical Marijuana that is refused by the final destination Medical Marijuana Business shall be transported back to the originating Medical Marijuana Business. Any Medical Marijuana that cannot be delivered to the patient, parent, or guardian pursuant to a valid delivery permit shall be returned to the originating Medical Marijuana Store or the Medical Marijuana Store's off-premises storage facility within the same business day or pursuant to paragraph D of this Rule.
- M. Transport of Medical Marijuana Vegetative Plants Authorized. Medical Marijuana Vegetative plants may only be transported between Licensed Premises and such transport shall only be permitted due to an approved change of location pursuant to Rule 2-255 or due to a one-time transfer pursuant to Rule 3-805. Transportation of Vegetative plants to a permitted off-premises storage facility shall not be allowed. This restriction shall not apply to Immature plants.

Part 6 – Retail Marijuana Business License Types

6-100 Series – Retail Marijuana Stores

Basis and Purpose – 6-110

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(2)(g), 44-10-203(2)(h), 44-10-203(4)(b), 44-10-203(1)(j), 44-10-401(2)(b)(l), 44-10-701(1)(a), 44-10-701(3)(d) and (f), and 44-10-601, 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 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).

This Rule 6-110 was previously Rule R 402, 1 CCR 212-2.

6-110 – Retail Marijuana Sales: General Limitations or Prohibited Acts

- A. Sales to Persons Under 21 Years. Licensees are prohibited from Transferring, giving, or distributing Retail Marijuana to persons under 21 years of age. Licensees are prohibited from permitting a person under the age of 21 years of age from entering the Restricted Access Area.
- B. Age Verification. Prior to initiating the Transfer of Retail Marijuana, 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. A Retail Marijuana Store and its employees are prohibited from Transferring more than one ounce of Retail Marijuana flower or its equivalent in Retail Marijuana Concentrate or Retail Marijuana Product or more than six Retail Marijuana seeds in a single transaction to a consumer. A single transaction includes multiple Transfers to the same consumer during the same business day where the Retail Marijuana Store employee knows or reasonably should know that such Transfer would result in that consumer possessing more than one ounce of marijuana. In determining the imposition of any penalty for violation of this Rule 6-110(C), the State Licensing Authority will consider any mitigating and aggravating factors set forth in Rule 8-235(C).
 - 2. Equivalency. Non-edible, non-psychoactive Retail Marijuana Products including ointments, lotions, balms, and other non-transdermal topical products are exempt from the one-ounce quantity limit on Transfers. For all other Retail Marijuana Products or Retail Marijuana Concentrate, the following equivalency applies for the one ounce quantity Transfer limit:
 - 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. Licensees May Refuse Sales. Nothing in these rules prohibits a Licensee from refusing to Transfer Retail Marijuana to a consumer.
- E. Sales over the Internet. A Licensee is prohibited from selling Retail Marijuana over the internet. Any Transfer of Retail Marijuana must occur within the Retail Marijuana Store's Restricted Access Area. Only a Licensee holding a valid delivery permit may make sales over the internet or deliver to a private residence.
- F. Delivery Outside Colorado Prohibited. A Retail Marijuana Store holding a valid delivery permit shall not deliver Retail Marijuana to an address that is outside the state of Colorado.

- G. Prohibited Items. A Retail Marijuana Store is prohibited from selling or giving away any consumable product that is not a Retail Marijuana Product or an Industrial Hemp 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.
- H. Free Product Prohibited. A Retail Marijuana Store may not give away Retail Marijuana to a consumer for any reason.
- I. Nicotine or Alcohol Prohibited. A Retail Marijuana Store is prohibited from Transferring Retail Marijuana 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.
- J. Storage and Display Limitations.
1. A Retail Marijuana Store shall not display Retail Marijuana outside of a designated Restricted Access Area or in a manner in which Retail Marijuana can be seen from outside the Licensed Premises. Storage of Retail Marijuana shall otherwise be maintained in Limited Access Areas or Restricted Access Area.
 2. Any Retail Marijuana Concentrate displayed in a Retail Marijuana Store must include the potency of the concentrate on a sign next to the name of the product.
 - a. The font on the sign must be large enough for a consumer to reasonably see from the location where a consumer would usually view the concentrate.
 - b. The potency displayed on the sign must be within plus or minus fifteen percent of the concentrate's actual potency.
- K. Transfer of Expired Product Prohibited. A Retail Marijuana Store shall not Transfer any expired Retail Marijuana Product to a consumer.
- L. Transfer Restriction.
1. Sampling Units. A Retail Marijuana Store may not possess or Transfer Sampling Units.
 2. Research Transfers Prohibited. A Retail Marijuana Store shall not Transfer any Retail Marijuana to ~~a Medical Research Facility,~~ a Pesticide Manufacturer, or a Marijuana Research and Development Facility.
- M. Edibles Prohibited that are Shaped like a Human, Animal, or Fruit.
1. The sale of Edible Retail Marijuana Products in the following shapes is prohibited:
 - a. The distinct shape of a human, animal, or fruit; or
 - b. A shape that bears the likeness or contains characteristics of a realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.
 2. The prohibition on human, animal, and fruit shapes does not apply to the logo of a licensed Retail Marijuana Business. Nothing in this subparagraph (M)(2) alters or eliminates a Licensee's obligation to comply with the requirements of the 3-1000 Series Rules – Labeling, Packaging, and Product Safety.

3. Edible Retail Marijuana Products that are geometric shapes and simply fruit flavored are not considered fruit and are permissible; and
 4. Edible Retail Marijuana Products that are manufactured in the shape of a marijuana leaf are permissible.
- N. Adverse Event Reporting. A Retail Marijuana Store that Transfers Audited Product and/or Alternative Use Product must report any adverse event related to an Audited Product and/or Alternative Use Product directly to the Retail Marijuana Products Manufacturer that Transferred the Audited Product or Alternative Use Product to the Retail Marijuana Store. The report must be submitted within forty-eight (48) hours after learning of the adverse event by the Retail Marijuana Store. For purposes of this Rule, adverse event means any untoward medical occurrence associated with the use of marijuana—this could include any unfavorable and unintended sign (including a hospitalization, emergency department visit, doctor’s visit, abnormal laboratory finding), symptom or disease temporally associated with the use of a marijuana product, and may include concerns or reports on the quality or possible adverse reactions to a specific Audited Product or Alternative Use Product. To the extent known after reasonable diligence to ascertain the information, the report to the Retail Marijuana Products Manufacturer must contain the name and contact information of the complainant, the date the complaint was received, the nature of the complaint, and the name and Production Batch number of the Audited Product or Alternative Use Product.
- O. Research Transfers Prohibited. A Retail Marijuana Store shall not Transfer any Retail Marijuana to ~~a Medical Research Facility,~~ a Pesticide Manufacturer, or a Marijuana Research and Development Facility.
- P. Corrective and Preventive Action. This paragraph P shall be effective January 1, 2021. A Retail Marijuana Store shall establish and maintain written procedures for implementing Corrective Action and Preventive Action. The written procedures shall include the requirements listed below as determined by the Licensee. All activities required under this Rule, and their results, shall be documented and kept as business records. See Rule 3-905. The written procedures shall include requirements, as appropriate, for:
1. What constitutes a Nonconformance in the Licensee’s business operation;
 2. Analyzing processes, work operations, reports, records, service records, complaints, returned product, and/or other sources of data to identify existing and potential root causes of Nonconformances or other quality problems;
 3. Investigating the root cause of Nonconformances relating to product, processes, and the quality system;
 4. Identifying the action(s) needed to correct and prevent recurrence of Nonconformance and other quality problems;
 5. Verifying the Corrective Action or Preventive Action to ensure that such action is effective and does not adversely affect finished products;
 6. Implementing and recording changes in methods and procedures needed to correct and prevent identified quality problems;
 7. Ensuring the information related to quality problems or Nonconformances is disseminated to those directly responsible for assuring the quality of products or the prevention of such problems; and

8. Submitting relevant information on identified quality problems and Corrective Action and Preventive Action documentation, and confirming the result of the evaluation, for management review.

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

6-200 Series – Retail Marijuana Cultivation Facilities

Basis and Purpose – 6-205

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-203(2)(j), 44-10-203(2)(r), 44-10-203(3)(c), 44-10-401(2)(b)(II), and 44-10-602, C.R.S. The purpose of this rule is to establish the license privileges granted by the State Licensing Authority to a Retail Marijuana Cultivation Facility. This Rule 6-205 was previously Rule R 501, 1 CCR 212-2.

6-205 – Retail Marijuana Cultivation Facility: License Privileges

- A. Licensed Premises. To the extent authorized by Rule 3-215 – Regulated Marijuana Businesses: Shared Licensed Premises and Operational Separation, a Retail Marijuana Cultivation Facility may share, and operate at, the same Licensed Premises with a commonly owned Medical Marijuana Cultivation Facility. However, a separate license is required for each specific business or business entity, regardless of geographical location. In addition, a Retail Marijuana Cultivation Facility may share, and operate at, the same Licensed Premises as a Marijuana Research and Development Facility so long as:
 1. Each business or business entity holds a separate license;
 2. The Marijuana Research and Development Facility obtains an R&D Co-Location Permit;
 3. Both the Marijuana Research and Development Facility and the Retail Marijuana Cultivation Facility comply with all terms and conditions of the R&D Co-Location Permit; and
 4. Both the Marijuana Research and Development Facility and the Retail Marijuana Cultivation Facility comply with all applicable rules. See 5-700 Series Rules.
- B. 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.
- C. Authorized Transfers. A Retail Marijuana Cultivation Facility may only Transfer Retail Marijuana and Water-Based Retail Marijuana Concentrate to another Retail Marijuana Business.
 1. ~~A Retail Marijuana Cultivation Facility is also authorized to Transfer Retail Marijuana and Water-Based Retail Marijuana Concentrate to a Medical Research Facility pursuant to section 25-1.5-106.5, C.R.S., or Pesticide Manufacturer pursuant to section 44-10-202(1)(a)(II), C.R.S. and these Rules.~~
 2. A Retail Marijuana Cultivation Facility shall not Transfer Flowering plants or Vegetative plants to any Person except as authorized pursuant to Rule 3-605.

32. A Retail Marijuana Cultivation Facility may Transfer Sampling Units of Retail Marijuana or Retail Marijuana Concentrate to a designated Sampling Manager in accordance with the restrictions set forth in section 44-10-602(6), C.R.S., and Rule 6-225.

43. A Retail Marijuana Cultivation Facility may Transfer Retail Marijuana or Retail Marijuana Concentrate to another Retail Marijuana Cultivation Facility prior to testing required by these rules for the purpose of decontamination only after all other steps outlined in the Retail Marijuana Cultivation Facility's standard operating procedures have been completed, including but not limited to drying, curing, and trimming.

4. A Retail Marijuana Cultivation Facility may transfer Retail Marijuana to a Pesticide Manufacturer.

- D. 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.
- E. 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.
- F. 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 Business. Nothing in this Rule prevents a Retail Marijuana Cultivation Facility from transporting its own Retail Marijuana.
- G. Performance-Based Incentives. A Retail Marijuana Cultivation Facility may compensate its employees using performance-based incentives, including sales-based performance-based incentives. However, a Retail Marijuana Cultivation Facility may not compensate a Sampling Manager using Sampling Units. See Rule 6-225 – Sampling Unit Protocols.
- H. Authorized Sources of Retail Marijuana Seeds and Immature Plants. A Retail Marijuana Cultivation Facility shall only obtain Retail Marijuana seeds or Immature Plants from its own Retail Marijuana, properly Transferred Medical Marijuana cultivated at a Medical Marijuana Cultivation Facility with at least one identical Controlling Beneficial Owner, or properly transferred from another Retail Marijuana Business pursuant to the inventory tracking requirements in the 3-800 Series Rules.
- I. Centralized Distribution Permit. A Retail Marijuana Cultivation Facility may apply to the State Licensing Authority for a Centralized Distribution Permit for authorization to temporarily store Retail Marijuana Concentrate and Retail Marijuana Product received from a Retail Marijuana Products Manufacturer for the sole purpose of Transfer to commonly owned Retail Marijuana Stores.
1. For purposes of a Centralized Distribution Permit only, the term “commonly owned” means at least one natural person has a minimum of five percent ownership in both the Retail Marijuana Cultivation Facility possessing a Centralized Distribution Permit and the Retail Marijuana Store to which the Retail Marijuana Concentrate and Retail Marijuana Product will be Transferred.
 2. To apply for a Centralized Distribution Permit, a Retail Marijuana Cultivation Facility may submit an addendum to its new or renewal application or a separate addendum prior to a renewal application on forms prepared by the Division to request a Centralized

Distribution Permit. The Retail Marijuana Cultivation Facility shall send a copy of its Centralized Distribution Permit addendum to the Local Licensing Authority in the jurisdiction in which the Centralized Distribution Permit is proposed at the same time it submits the addendum to the State Licensing Authority.

3. A Retail Marijuana Cultivation Facility that has been issued a Centralized Distribution Permit and has obtained all required approvals from the local licensing jurisdiction where it is located, if any, may accept Transfers of Retail Marijuana Concentrate and Retail Marijuana Product from a Retail Marijuana Products Manufacturer for the sole purpose of temporary storage and Transfer to commonly owned Retail Marijuana Stores.
 - a. A Retail Marijuana Cultivation Facility may only accept Retail Marijuana Concentrate and Retail Marijuana Product that is packaged and labeled for sale to a consumer pursuant to the 3-1000 Series Rules.
 - b. A Retail Marijuana Cultivation Facility storing Retail Marijuana Concentrate and Retail Marijuana Product pursuant to a Centralized Distribution Permit shall not store such Retail Marijuana Concentrate or Retail Marijuana Product on the Retail Marijuana Cultivation Facility's Licensed Premises for more than 90 days from the date of receipt.
 - c. All Transfers of Retail Marijuana Concentrate and Retail Marijuana Product by a Retail Marijuana Cultivation Facility shall be without consideration.
4. All security and surveillance requirements that apply to a Retail Marijuana Cultivation Facility apply to activities conducted pursuant to the privileges of a Centralized Distribution Permit.

J. Transition Permit. A Retail Marijuana Cultivation Facility may only operate at two geographical locations pursuant to Rule 2-255(D).

Basis and Purpose – 6-220

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(6), 44-10-401(2)(b)(II), and 44-10-602, C.R.S. The rule establishes a means by which to manage the overall production of Retail Marijuana in the state of Colorado. The intent of this rule is to encourage responsible production to meet demand for retail marijuana consumers, while also avoiding overproduction or underproduction. The establishment of production management is necessary to ensure there is not significant under or over production, either of which will increase incentives to engage in diversion and facilitate the continuation of the sale of illegal marijuana.

Existing and prospective licensees should be on notice that the new or revised regulations may impact the production limits provided for in this rule. Additionally, throughout the rulemaking process stakeholders expressed concern over ensuring an adequate amount of licensed Retail Marijuana Stores exist to sell the amount of Retail Marijuana being produced at licensed Retail Marijuana Cultivation Facilities. Scaling the number of interests a Person may hold in Retail Marijuana Cultivation Facility licenses relative to the number of controlling interests the Person has in Retail Marijuana Store(s) has been incorporated in the production management rules as a means to address this production management concern.

The Rule 6-220 was previously Rule R 506, 1 CCR 212-2.

6-220 – Retail Marijuana Cultivation Facility: Production Management

A. One Retail Cultivation License per Licensed Premises.

1. One Retail Marijuana Cultivation License per Licensed Premises. Except as permitted by subparagraph (B)(2) only one Retail Marijuana Cultivation Facility License shall be permitted at each Licensed Premises and each Licensed Premises must be located at a distinct address recognized by the Local Jurisdiction.
2. Collapse after January 1, 2019. After January 1, 2019, collapse of more than one Retail Marijuana Cultivation Facility license at a single Licensed Premises through an approved change of location application shall be permitted if all Retail Marijuana Cultivation Facility licenses for which the collapse is sought meet the following requirements:
 - a. All Retail Marijuana Cultivation Facility licenses sought to be collapsed have been continuously operating for at least 180 days prior to the proposed collapse;
 - b. All Retail Marijuana Cultivation Facility licenses sought to be collapsed have identical Controlling Beneficial Owners holding identical ownership percentages;
 - c. There is no pending administrative action regarding any of the Retail Marijuana Cultivation Facility licenses sought to be collapsed;
 - d. The tier for the surviving Retail Marijuana Cultivation Facility license has not been decreased in the 180 days prior to the change of location application.
 - e. All Retail Marijuana Cultivation Facility Licensees identify the desired surviving license and agree that all other Retail Marijuana Cultivation Facility licenses will be surrendered at the time of collapse; and
 - f. Determining Tier for Surviving License.
 - i. Surviving License Tier Will Not Decrease. The tier for the surviving license will not be decreased as a result of any approved change of location application.
 - ii. Surrendered License is Tier 1 or Tier 2. For the surviving license to increase one tier or one increment of 3,600 plants if already tier 5 or higher, during the 180 days prior to the change of location application, the surrendered license must have cultivated at least 50% of the maximum authorized plant count and transferred at least 85% of the inventory it produced during that time.
 - iii. Surrendered License is Tier 3 or Higher. For the surviving license to increase by the maximum authorized plant count of the surrendered license, during the 180 days prior to the change of location application the surrendered license must have cultivated at least 50% of the maximum authorized plant count and transferred at least 85% of the inventory it produced during that time. If during the 180 days prior to the change of location application, the surrendering license did not cultivate at least 50% of the maximum authorized plant count and transfer at least 85% of the inventory it produced, the surviving license will only increase one tier or one increment of 3,600 plants if already a tier 5 or higher.
 - iv. Division Determination of Tier. If a collapse results in a maximum authorized plant count in the middle of a tier, the surviving license's maximum authorized plant count will be rounded up to the top of that tier.

B. Production Management.

1. Production Management Tiers.
 - a. Tier 1: 1 - 1,800 plants
 - b. Tier 2: 1,801 – 3,600 plants
 - c. Tier 3: 3,601 – 6,000 plants
 - d. Tier 4: 6,001 – 10,200 plants
 - e. Tier 5: 10,201 – 13,800+ plants
 - i. Tier 5 shall not have a cap on the maximum authorized plant count.
 - ii. The maximum authorized plant count above 10,200 plants shall increase in one or two increments of 3,600 plants. A Retail Marijuana Cultivation Facility Licensee shall be allowed to increase its maximum authorized plant count one or two increments of 3,600 plants at a time upon application and approval by the Division pursuant to the requirements of paragraph (E) of this Rule 6-220.
2. All Retail Marijuana Cultivation Facility licenses granted on or after November 30, 2015 shall be authorized to cultivate no more than 1,800 plants at any given time.
3. Immature Plants. For purposes of calculating the maximum number of authorized plants, Immature Plants are excluded, but must be fully accounted for in the Inventory Tracking System-
4. Ground for Denial. The Division may deny an application for additional plants pursuant to paragraph E of this Rule if the Licensee exceeded the authorized plant count during the relevant time period for production.
5. Violation Affecting Public Safety. It may be considered a license violation affecting public safety for a Licensee to exceed the authorized plant count pursuant to these Rules.

C. Inventory Management.

1. Inventory Management for Retail Cultivation Facilities that Have One or Two Harvest Seasons a Year. Beginning the 721st day from the commencement of its first cultivation activities, a Retail Marijuana Cultivation Facility that has one or two harvest seasons a year may not accumulate Harvested Marijuana in excess of the total amount of Retail Marijuana flower and trim the Licensee reported as a package in the Inventory Tracking System that was Transferred to another Retail Marijuana Business in the previous 720 days.
2. Inventory Management for Retail Cultivation Facilities That Have More Than Two Harvest Seasons a Year. Beginning the 181st day from the commencement of its first cultivation activities, a Retail Marijuana Cultivation Facility that has more than two harvest seasons a year may not accumulate Harvested Marijuana in excess of the total amount of Retail Marijuana flower and trim the Licensee reported as a package in the Inventory Tracking System that was Transferred to another Retail Marijuana Business in the previous 180 days.

- D. Tier Decrease. For Retail Marijuana Cultivation Facilities that are authorized to cultivate more than 1,800 plants, the Division may review the purchases, Transfers, and cultivated plant count of

the Retail Marijuana Cultivation Facility Licensee in connection with the license renewal process or after an investigation. Based on the Division's review, the Division may reduce the Licensee's maximum allowed plant count to a lower production management tier pursuant to subparagraph (C)(1) of this Rule. When determining whether to reduce the maximum authorized plant count, the Division may consider the following non-exhaustive factors including but not limited to:

1. The Licensee sold less than 70% of what the inventory it reported as packaged in the Inventory Tracking System during any 180 day review period;
2. On average during the previous 180 days the Licensee actually cultivated less than 90% of the maximum number of plants authorized by the next lower production management tier;
3. Whether the plants/inventory suffered a catastrophic event during the review period;
4. Excise tax payment history;
5. Existing inventory and inventory history;
6. Sales contracts; and
7. Any other factors relevant to ensuring responsible cultivation, production, and inventory management.

E. Application for Additional Plants.

1. Retail Marijuana Cultivation Facilities That Have One or Two Harvest Seasons Per Year.
 - a. After accruing at least one harvest season of Transfers, a Retail Marijuana Cultivation Facility Licensee may apply to the Division for a production management tier increase to be authorized to cultivate the number of plants in the next highest production management tier. The Division may consider the following in determining whether to approve the production management tier increase:
 - i. That during the previous harvest season prior to the tier increase application, it consistently cultivated an average amount of plants that is at least 85% of its maximum authorized plant count;
 - ii. That the Licensee Transferred at least 85% of the inventory it reported as a package in the Inventory Tracking System in the previous 360 days to another Retail Marijuana Business;
 - iii. The Division may also consider Transfers of over 85% of the inventory it reported as a package in the Inventory Tracking System during the previous 360 days, if the Licensee cultivated between 75% and 85% of its maximum authorized plant count; and
 - iv. Any other information requested to aid the Division in its evaluation of the production management tier increase application.
 - b. If the Division approves the production management tier increase application, the Licensee shall pay the applicable expanded production management tier fee prior to cultivating the additional authorized plants. See Rule 2-205 –Fees.

- c. For a Licensee with an authorized plant count in tiers 2-5 to continue producing at its expanded authorized plant count, the Licensee shall pay the requisite Retail Marijuana Cultivation Facility license fee and the applicable expanded production management tier fee at license renewal. See Rule 2-205 – Fees.
- d. After accruing one harvest season during which the Retail Marijuana Cultivation Facility Transferred and consistently cultivated the Licensee may apply to increase its authorized plant count by: (a) two production management tiers or (b) if already authorized to cultivate at a production management tier 5, two increments of 3,600 plants (7,200 plants total), every 360 days. It is within the Division's discretion to determine whether or not to grant the requested two tiers or increments of 3,600 plants (7,200 plants total).
 - i. The Licensee must demonstrate:
 - A. That the Licensee consistently cultivated an average amount of plants that is at least 90% of its maximum authorized plant count; and
 - B. That the Licensee Transferred at least 90% of the inventory it reported as a package in the Inventory Tracking System during that time period to another Retail Marijuana Business.
 - C. If the Retail Marijuana Cultivation Facility cultivated between 80% and 90% of its maximum authorized plant count, the Division may also consider Transfers of over 90% of the inventory it reported as a package in the Inventory Tracking System during that time period and/or Transfers into the Retail Marijuana Cultivation Facility or related Retail Marijuana Store(s).
 - ii. In making its determination, the Division may consider the following exclusive factors:
 - A. The Retail Marijuana Cultivation currently has possession of, or has entered into a written agreement or contract to possess, sufficient space to grow the requested two tiers or two 3,600 plant increments;
 - B. The Retail Marijuana Cultivation Facility cultivated at least 90% of its maximum authorized plant count and during the preceding 360 days the Retail Marijuana Cultivation Facility and/or any commonly owned Retail Marijuana Store Transferred in Retail Marijuana from one or more unrelated Retail Marijuana Cultivation Facility(ies);
 - C. The Retail Marijuana Cultivation has contracts for the sale of Retail Marijuana in the next 360 days supporting the requested two tiers or two increments of 3,600 plants;
 - D. An established history of responsible cultivation and Transfer by the Retail Marijuana Cultivation;
 - E. Any history of noncompliance with the Retail Code, Marijuana Code, and/or Rules by the Retail Marijuana Cultivation Facility,

or any commonly owned Retail Marijuana Business, and/or any investigation of, or administrative action(s) against, the Retail Marijuana Cultivation Facility, or any commonly owned Retail Marijuana Business; or

- F. Any other pertinent facts or circumstances regarding responsible production and inventory management.

2. Retail Marijuana Cultivation Facilities that have more than two harvest seasons per year.

- a. After a 180-day period during which the Retail Marijuana Cultivation Facility Transferred and consistently cultivated, the Licensee may apply to the Division for a production management tier increase to be authorized to cultivate the number of plants in the next highest production management tier. The Division may consider the following in determining whether to approve the production management tier increase:
 - i. That for 180 days prior to the tier increase application, the Licensee consistently cultivated an average amount of plants that is at least 85% of its maximum authorized plant count, and
 - ii. That the Licensee Transferred at least 85% of the inventory it reported as a package in the Inventory Tracking System during that time period to another Retail Marijuana Business.
 - iii. The Division may also consider Transfers of over 85% of the inventory it reported as a package in the Inventory Tracking System during the 180-day time period if the Licensee cultivated between 75% and 85% of its maximum authorized plant count.
 - iv. Any other information requested to aid the Division in its evaluation of the tier increase application.
- b. If the Division approves the production management tier increase application, the Licensee shall pay the applicable expanded production management tier fee prior to cultivating the additional authorized plants. See Rule 2-205 – Fees.
- c. For a Licensee with an authorized plant count in tier 2-5 to continue producing at its expanded authorized plant count, the Licensee shall pay the requisite Retail Marijuana Cultivation Facility license fee and the applicable expanded production management tier fee at license renewal. See Rule 2-205 – Fees.
- d. After accruing 180 days during which the Retail Marijuana Cultivation Facility Transferred and consistently cultivated the Licensee may apply to increase its authorized plant count by: (a) two production management tiers or (b) if already authorized to cultivate at a tier 5, two increments of 3,600 plants (7,200 plants total) every 180 days. It is within the Division's discretion to determine whether or not to grant the requested two tier or two increments of 3,600 plants (7,200 plants total).
 - i. The Licensee must demonstrate:
 - A. That the Licensee consistently cultivated an average amount of plants that is at least 90% of its maximum authorized plant count; and

- B. That the Licensee Transferred at least 90% of the inventory it reported as a package in the Inventory Tracking System during that time period to another Retail Marijuana Business;
 - C. If the Retail Marijuana Cultivation Facility cultivated between 80% and 90% of its maximum authorized plant count, the Division may also consider Transfers of over 90% of the inventory it reported as a package in the Inventory Tracking system during that time period and/or Transfers into the Retail Marijuana Cultivation Facility or related Retail Marijuana Store(s).
- ii. In making its determination, the Division may consider the following exclusive factors:
 - A. The Retail Marijuana Cultivation currently has possession of, or has entered into a written agreement or contract to possess, sufficient space to grow the requested two tiers or two increments of 3,600 plants;
 - B. The Retail Marijuana Cultivation Facility cultivated at least 90% of its maximum authorized plant count and during the preceding 180 days the Retail Marijuana Cultivation Facility and/or any commonly owned Retail Marijuana Store Transferred in Retail Marijuana from one or more unrelated Retail Marijuana Cultivation Facility(ies);
 - C. The Retail Marijuana Cultivation has entered into a written agreement(s) or contract(s) for the sale of Retail Marijuana in the next 180 days supporting the requested two tiers or two increments of 3,600 plants;
 - D. An established history of responsible cultivation and Transfer by the Retail Marijuana Cultivation;
 - E. Any history of noncompliance with the Retail Code, Marijuana Code, and/or Rules by the Retail Marijuana Cultivation Facility or any commonly owned Retail Marijuana Business(es), and/or any investigation of, or administrative action(s) against, the Retail Marijuana Cultivation Facility or any commonly owned Retail Marijuana Business;
 - F. Any other pertinent facts or circumstances regarding responsible production and inventory management.
- 3. Application for Tier Increase. Applications for a tier increase that include any artificial increase of plant count, manipulation of Transfer history, or other misrepresentation will be denied. In addition to denial, any artificial increase of plant count, manipulation of Transfer history, or other misrepresentation is a public safety violation that may result in administrative action.
- F. Maximum Allowed Retail Marijuana Cultivation Facility Licenses.
 - 1. A Person that is a Controlling Beneficial Owner in Three or More Retail Marijuana Cultivation Facility Licenses. For every multiple of three Retail Marijuana Cultivation

Facility licenses in which a Person is a Controlling Beneficial Owner, the Person must also be a Controlling Beneficial Owner in at least one Retail Marijuana Store. For example: (1) a Person that is a Controlling Beneficial Owner in three, four, or five Retail Marijuana Cultivation Facility licenses also must be a Controlling Beneficial Owner in at least one Retail Marijuana Store; (2) a Person that is a Controlling Beneficial Owner in six, seven, or eight Retail Marijuana Cultivation Facility licenses also must be a Controlling Beneficial Owner in at least two Retail Marijuana Stores; (3) a Person that is a Controlling Beneficial Owner in nine, ten, or eleven Retail Marijuana Cultivation Facility licenses also must be a Controlling Beneficial Owner in at least three Retail Marijuana Stores; etc.

2. A Person that is a Controlling Beneficial Owner in Less than Three Retail Marijuana Cultivation Facility Licenses. A Person that is a Controlling Beneficial Owner in less than three Retail Marijuana Cultivation Facility licenses shall not be required to be a Controlling Beneficial Owner in a Retail Marijuana Store.

- G. The State Licensing Authority, at its sole discretion, may adjust any of the plant limits described in this Rule on an industry-wide aggregate basis for all Retail Marijuana Cultivation Facility Licensees subject to that limitation.

6-300 Series – Retail Marijuana Products Manufacturing Facilities

Basis and Purpose – 6-305

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(2)(g), 44-10-203(2)(i), 44-10-203(2)(y), 44-10-307(1)(j), 44-10-401(2)(b)(III), 44-10-603, C.R.S. The purpose of this rule is to establish the license privileges granted by the State Licensing Authority to a Retail Marijuana Products Manufacturer. This Rule 6-305 was previously Rule R 601, 1 CCR 212-2.

6-305 – Retail Marijuana Products Manufacturer: License Privileges

- A. Licensed Premises. A separate license is required for each specific business or business entity and geographical location. A Retail Marijuana Products Manufacturer may share, and operate at, the same Licensed Premises with a commonly owned Medical Marijuana Products Manufacturer. However, a separate license is required for each specific business or business entity, regardless of geographical location. In addition, a Retail Marijuana Products Manufacturer may share, and operate at, the same Licensed Premises as a Marijuana Research and Development Facility so long as:
 1. Each business or business entity holds a separate license;
 2. The Marijuana Research and Development Facility obtains an R&D Co-Location Permit;
 3. Both the Marijuana Research and Development Facility and the Retail Marijuana Products Manufacturer comply with all terms and conditions of the R&D Co-Location Permit; and
 4. Both the Marijuana Research and Development Facility and the Retail Marijuana Products Manufacturer comply with all applicable rules. See 5-700 Series Rules.
- B. Authorized Transfers. A Retail Marijuana Products Manufacturer is authorized to Transfer Retail Marijuana as follows:
 1. Retail Marijuana Concentrate and Retail Marijuana Product.

- a. A Retail Marijuana Products Manufacturer may Transfer Retail Marijuana Concentrate or Retail Marijuana Product to Retail Marijuana Stores, other Retail Marijuana Products Manufacturers, Retail Marijuana Testing Facilities, Retail Marijuana Hospitality and Sales Businesses, ~~Medical Research Facilities~~, and Pesticide Manufacturers.
 - b. A Retail Marijuana Products Manufacturer may Transfer Retail Marijuana Product and Retail Marijuana Concentrate to a Retail Marijuana Cultivation Facility that has been issued a Centralized Distribution Permit.
 - i. Prior to any Transfer pursuant to this Rule 6-305(B)(1)(b), a Retail Marijuana Products Manufacturer shall verify the Retail Marijuana Cultivation Facility possesses a valid Centralized Distribution Permit. See Rule 6-205 – Retail Marijuana Cultivation Facility: License Privileges.
 - ii. For any Transfer pursuant to this Rule 6-305(B)(1)(b), ~~a~~A Retail Marijuana Products Manufacturer shall only Transfer Retail Marijuana Product and Retail Marijuana Concentrate that is packaged and labeled for Transfer to a consumer. See 3-1000 Series Rules.
2. Retail Marijuana. A Retail Marijuana Products Manufacturer may Transfer Retail Marijuana to other Retail Marijuana Products Manufacturer, Retail Marijuana Testing Facilities, and Retail Marijuana Stores.
 3. Sampling Units. A Retail Marijuana Products Manufacturer may also Transfer Sampling Units of its own Retail Marijuana Concentrate or Retail Marijuana Product to a designated Sampling Manager in accordance with the restrictions set forth in section 44-10-603(10), C.R.S., and Rule 6-320.
- C. Manufacture of Retail Marijuana Concentrate and Retail Marijuana Product Authorized. A Retail Marijuana Products Manufacturer may manufacture, prepare, package, store, and label Retail Marijuana Concentrate and Retail Marijuana Product, whether in concentrated form or that are comprised of Retail Marijuana and other Ingredients intended for use or consumption, such as Edible Retail Marijuana Products, ointments, or tinctures.
1. Industrial Hemp Product Authorized. This subparagraph (C)(1) is effective July 1, 2020. A Retail Marijuana Products Manufacturer that uses Industrial Hemp Product as an Ingredient in the manufacture and preparation of Retail Marijuana Product must comply with this subparagraph (C)(1) of this Rule.
 - a. Prior to accepting and taking possession of any Industrial Hemp Product for use as an Ingredient in a Retail Marijuana Product the Retail Marijuana Products Manufacturer shall verify the following:
 - i. That the Industrial Hemp Product has passed all required testing pursuant to the 4-100 Series Rules at a Retail Marijuana Testing Facility; and
 - ii. That the Person Transferring the Industrial Hemp Product to the Retail Marijuana Products Manufacturer is registered with the Colorado Department of Public Health and Environment pursuant to section 25-5-426, C.R.S.

- D. Location Prohibited. A Retail Marijuana Products Manufacturer may not manufacture, prepare, package, store, or label Retail Marijuana Concentrate or Retail Marijuana Product in a location that is operating as a retail food establishment.
- E. Samples Provided for Testing. A Retail Marijuana Products Manufacturer may provide samples of its Retail Marijuana Concentrate or Retail Marijuana Product to a Retail Marijuana Testing Facility for testing and research purposes. The Retail Marijuana Products Manufacturer shall maintain the testing results as part of its business books and records. See Rule 3-905 – Business Records Required.
- F. Authorized Marijuana Transport. A Retail Marijuana Products Manufacturer is authorized to utilize a Retail Marijuana Transporter for transportation of its Retail Marijuana so long as the place where transportation orders are taken is a Retail Marijuana Business and the transportation order is delivered to a Retail Marijuana Business, ~~Medical Research Facility,~~ or Pesticide Manufacturer. Nothing in this Rule prevents a Retail Marijuana Products Manufacturer from transporting its own Retail Marijuana.
- G. Performance-Based Incentives. A Retail Marijuana Products Manufacturer may compensate its employees using performance-based incentives, including sales-based performance-based incentives. However, a Retail Marijuana Products Manufacturer may not compensate a Sampling Manager using Sampling Units. See Rule 6-320 – Sampling Unit Protocols.

Basis and Purpose – ~~56~~-330

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-203(2)(d)(I)-(VI), 44-10-401(2)(b)(III), and 44-10-603, C.R.S. The purpose of this rule is to provide the process by which the Division or a Retail Marijuana Products Manufacturer initiates a product recall, the requirements any recall must meet, and how such recall is terminated.

6-330 – Recall of Retail Marijuana Concentrate and Retail Marijuana Product

- A. Effective Date. This Rule shall be effective January 1, 2021.
- B. A Retail Marijuana Products Manufacturer may voluntarily undertake a recall at any time, or at the request of the Division. A request by the Division is to be directed to the Retail Marijuana Products Manufacturer that Transferred the Retail Marijuana Concentrate or Retail Marijuana Product for sale and that is to be recalled.
 - 1. If a Retail Marijuana Products Manufacturer voluntarily undertakes a recall or the Division requests a recall, the Licensee shall notify the Local Licensing Authority or Local Jurisdiction in which the Retail Marijuana Products Manufacturer is located of such recall.
- C. A Retail Marijuana Products Manufacturer must have a written recall plan. A recall plan shall include, but is not limited to the following;
 - 1. Evaluation of a complaint or condition. A Retail Marijuana Products Manufacturer must maintain a record of all complaints it receives, which may include concerns or reports in the quality of possible adverse reactions to a specific product. To the extent known after reasonable diligence to ascertain the information, the record must contain the name of the complainant, the purchase date, the location of where the product was purchased, the date the complaint was received, the nature of the complaint, the steps taken to investigate the complaint, the response to the complaint, and the name and Production Batch number of the Retail Marijuana Concentrate or Retail Marijuana Product.

- a. If an initial assessment indicates a recall may be necessary, the Retail Marijuana Products Manufacturer shall determine the hazard and evaluate the safety concerns with the product and;
 - i. Assure adequate product quarantine steps have occurred for product still in control of the Licensee;
 - ii. Determine the product removal strategy appropriate to the threat and location in commerce; and
 - iii. Report directly to the Colorado Department of Public Health and Environment and the Division immediately after a determination to recall is made.

2. Identification of Implicated Retail Marijuana Concentrate or Retail Marijuana Product.

- a. A distribution list shall be prepared as part of the identification process. The distribution list shall, at minimum, identify the following:
 - i. Business name that received the recalled Retail Marijuana Concentrate or Retail Marijuana Product(s);
 - ii. Product ship date(s);
 - iii. Business license number;
 - iv. Business address;
 - v. Business contact name; and
 - vi. Business contact telephone numbers.
- b. Product information shall include:
 - i. Type of Retail Marijuana Concentrate or Retail Marijuana Product;
 - ii. Product description;
 - iii. Net contents;
 - iv. Production Batch number; and
 - v. The Retail Marijuana Products Manufacturer license number.
- c. Additional Product Information. To the extent known after reasonable diligence to ascertain the information, the recall plan shall include:
 - i. Amount of Retail Marijuana Concentrate or Retail Marijuana Product returned;
 - ii. Amount of Retail Marijuana Concentrate or Retail Marijuana Product Transferred to consumers; and
 - iii. Amount of Retail Marijuana Concentrate or Retail Marijuana Product still in the marketplace.

3. Notification of affected parties.

- a. In the event of a recall, the Retail Marijuana Products Manufacturer shall notify the receiving Licensee(s) of the recalled Retail Marijuana Concentrate or Retail Marijuana Product(s) by providing a recall notice in accordance with the written recall plan. The recall notice shall include:
 - i. Retail Marijuana Concentrate or Retail Marijuana Product type;
 - ii. Reason for recall and hazard involved, if any. If the product is being removed for quality rather than health reasons, the notice may state that the Retail Marijuana Concentrate or Retail Marijuana Product does not meet internal company specifications and is being removed from distribution;
 - iii. Licensed business name that manufactured the Retail Marijuana Concentrate or Retail Marijuana Product;
 - iv. License number of the business that manufactured the Retail Marijuana Concentrate or Retail Marijuana Product;
 - v. The trade name of the business that manufactured the Retail Marijuana Concentrate or Retail Marijuana Product;
 - vi. Retail Marijuana Concentrate or Retail Marijuana Product description;
 - vii. Production Batch number of the Retail Marijuana Concentrate or Retail Marijuana Product;
 - viii. Expiration date of the Retail Marijuana Concentrate or Retail Marijuana Product(s), if applicable;
 - ix. Retail Marijuana Concentrate or Retail Marijuana Product ship date(s);
 - x. Regulated Marijuana Businesses that received the Retail Marijuana Concentrate or Retail Marijuana Product; and
 - xi. Instructions regarding the disposition of the Retail Marijuana Concentrate or Retail Marijuana Product.
- b. The Retail Marijuana Products Manufacturer shall immediately notify the Division and Colorado Department of Public Health and Environment of the recalled Retail Marijuana Concentrate or Retail Marijuana Product(s) by providing a recall notice as described above.
- c. Consumers shall be notified by the most effective method available. If appropriate, a press release can be used to notify patients.

4. Removal of affected Retail Marijuana Concentrate or Retail Marijuana Product(s).

- a. Removal. The Retail Marijuana Products Manufacturer shall make all reasonable efforts to remove the affected Retail Marijuana Concentrate or Retail Marijuana Product(s) from commerce.

- i. Retail Marijuana Concentrate or Retail Marijuana Product(s) in commerce shall be detained, segregated, and handled in a manner determined by the originating Retail Marijuana Products Manufacturer.
 - ii. Retail Marijuana Concentrate or Retail Marijuana Product(s) that are still in control of the originating Retail Marijuana Products Manufacturer shall be detained and segregated.
 - iii. All affected Retail Marijuana Concentrate or Retail Marijuana Product(s) returned shall be clearly labeled, not for sale or distribution, and clearly separated from any other Retail Marijuana Concentrate or Retail Marijuana Product(s).
- b. Product disposition. The final disposition of the Retail Marijuana Concentrate or Retail Marijuana Product shall be determined by the Division. The Division shall notify the Retail Marijuana Products Manufacturer to either:
- i. Destroy and document the destruction of the Retail Marijuana Concentrate or Retail Marijuana Product(s) Inventory Tracking System package or Production Batch pursuant to Rule 3-235; or
 - ii. Decontaminate the affected Inventory Tracking System package or Production Batch pursuant to Rule 4-135(B)(2).
- c. Recall effectiveness. The Retail Marijuana Products Manufacturer shall be responsible for determining whether the recall is effective. The Licensee shall complete recall effectiveness checks to verify that all receiving Licensees have been notified and have taken the appropriate action.
- i. Effectiveness checks shall determine:
 - A. If the receiving Licensee received the recall notification;
 - B. If the recalled Retail Marijuana Concentrate or Retail Marijuana Product was handled as instructed in the recall notification; and
 - C. If the Retail Marijuana Concentrate or Retail Marijuana Product was further distributed or sold by the receiving Licensee before receipt of the recall notification, and if so, were these additional Licensees notified.
 - D. If 100 percent of the affected Retail Marijuana Concentrate or Retail Marijuana Product has been accounted for, then no effectiveness checks are required.
- d. Termination of recall. A recall shall be terminated when the Licensee, or the Division if the recall was requested by the Division, determines that all reasonable efforts have been made to remove or correct the Retail Marijuana Concentrate or Retail Marijuana Product in accordance with the recall plan, and when it is reasonable to assume that the Retail Marijuana Concentrate or Retail Marijuana Product subject to the recall has been removed and proper disposition or correction has been made commensurate with the degree of hazard of the recalled Retail Marijuana Concentrate or Retail Marijuana Product. Written notification that a recall is terminated will be issued by the Division.

- i. A recalling Retail Marijuana Products Manufacturer may request termination of its recall by submitting a written request to the Division stating that the recall is effective in accordance with this Rule, and by accompanying the request with a recall status report and a description of the disposition of the recalled Retail Marijuana Concentrate or Retail Marijuana Product. The recall status report shall contain the following information:
 - A. Number of receiving Licensees notified of the recall, the date and method of notification;
 - B. Number of receiving Licensees who responded to the recall communication and quantity of Retail Marijuana Concentrate or Retail Marijuana Product(s) on hand at the time it was received;
 - C. Number of receiving Licensees that did not respond;
 - D. Number of products returned or corrected by each receiving Licensee contacted and the quantity of Retail Marijuana Concentrate or Retail Marijuana Product(s) accounted for;
 - E. Number and results of the effectiveness checks that were made; and
 - F. Estimated time frame for completion of the recall.

6-400 Series – Retail Marijuana Testing Facilities

Basis and Purpose – 6-415

The statutory authority for this rule includes but is not limited to section 44-10-202(1)(a), 44-10-202(1)(b), 44-10-202(1)(c), 44-10-202(4), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(c), 44-10-203(2)(d), 44-10-203(2)(h), 44-10-203(2)(y), 44-10-203(3)(c), 44-10-203(3)(d), 44-10-401(2)(b)(IV), and 44-10-604, C.R.S. The purpose of this rule is to establish a frame work for certification for Retail Marijuana Testing Facilities. This Rule 6-415 was previously Rule R 703, 1 CCR 212-2.

6-415 – Retail Marijuana Testing Facilities: Certification Requirements

- A. Certification Types. If certification in a testing category is required by the Division, then the Retail Marijuana Testing Facility must be certified in the category in order to perform that type of testing.
 - 1. Residual solvents;
 - 2. Microbials;
 - 3. Mycotoxins;
 - 4. Pesticides;
 - 5. THC and other Cannabinoid potency; and
 - 6. Metals.
- B. In order to obtain a certification for Pesticide testing, a Retail Marijuana Testing Facility must also obtain certification for mycotoxin testing.

C. 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, Sample retention, space, records, and results reporting. In addition, a Retail Marijuana Testing Facility must be accredited under the International Organization for Standardization/International Electrotechnical Commission 17025:2005 Standard, or any subsequent superseding ISO/IEC 17025 standard. In order to obtain certification in a testing category from the Division, the Retail Marijuana Testing Facility's scope of accreditation must specify that particular testing category.
 - a. Subsequent to initial approval of a Retail Marijuana Testing Facility License, the Division may grant provisional certification if the Applicant has not yet obtained ISO/IEC 17025:2005 accreditation, but meets all other requirements. Such provisional certification shall be for a period not to exceed twelve months.
 - ~~b. A Retail Marijuana Testing Facility which is not accredited to the ISO/IEC 17025:2005 standard, but obtained certification prior to January 1, 2019, may submit a request for a temporary exemption from the ISO/IEC 17025:2005 accreditation requirement. Such request must be made on Division approved forms. In order to receive a temporary exemption, a Retail Marijuana Testing Facility must establish good cause, which includes, but is not limited to, circumstances in which the Retail Marijuana Testing Facility has submitted an application for accreditation prior to December 31, 2018, and the application is still pending. A temporary exemption shall not exceed twelve months.~~
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 6-420 – 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 standard operating 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 6-450 – Retail Marijuana Testing Facilities: Records Retention, and Rule 3-905 – 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. See Rules 6-450 – Retail Marijuana Testing Facilities - Records Retention and Rule 3-905 – Business Records Required.
 12. Results Reporting. A Retail Marijuana Testing Facility must establish processes to ensure results are reported in a timely and accurate manner. See Rule 3-825 – Reporting and Inventory Tracking System.
 13. Conduct While Seeking Certification. A Retail Marijuana Testing Facility, and its agents and employees, shall provide all documents and information required or requested by the Colorado Department of Public Health and Environment and its employees, and the Division and its employees in a full, faithful, truthful, and fair manner.
- D. Violation Affecting Public Safety. A violation of this Rule may be considered a license violation affecting public safety.

6-500 Series – Retail Marijuana Transporters

Basis and Purpose – 6-510

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-203(2)(n), 44-10-203(3)(c), 44-10-401(2)(b)(V), and 44-10-605,

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. This Rule 6-510 was previously Rule R 1602, 1 CCR 212-2.

6-510 – Retail Marijuana Transporter: General Limitations or Prohibited Acts

- A. Sales, Liens, and Secured Interests Prohibited. A Retail Marijuana Transporter is prohibited from buying, selling, or giving away Retail Marijuana or from receiving complimentary Retail Marijuana. A Retail Marijuana Transporter shall not place or hold a lien or secured interest on Retail Marijuana.
- B. Licensed Premises Permitted. A Retail Marijuana Transporter shall maintain a Licensed Premises if it: (1) temporarily stores any Retail Marijuana or (2) modifies any information in the Inventory Tracking System generated transport manifest. 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 Stores.
- C. Off-Premises Storage Permit. A Retail Marijuana Transporter may maintain one or more permitted off-premises storage facilities. See Rule 3-610 – Off-Premises Storage of Regulated Marijuana: All Regulated Marijuana Businesses.
- D. Storage Duration. A Retail Marijuana Transporter shall not store Retail Marijuana for longer than seven days from receiving it at its Licensed Premises or off-premises storage facility. The total allowable seven day storage duration begins and applies regardless of which of the Retail Marijuana Transporter's premises receives the Retail Marijuana first, ~~ie.e.~~ the Retail Marijuana Transporter's Licensed Premises, or any of its off-premises storage facilities. A Retail Marijuana Transporter with a valid delivery permit may store Retail Marijuana for delivery to consumers pursuant to the delivery permit for no longer than seven days from receipt at its Licensed Premises or off-premises storage facility.
- E. Control of Retail Marijuana. A Retail Marijuana Transporter is responsible for the Retail Marijuana once it takes control of the Retail Marijuana and until the Retail Marijuana Transporter delivers it to the receiving Retail Marijuana Business, ~~Medical Research Facility,~~ Pesticide Manufacturer, or to a consumer pursuant to a valid delivery permit. For purposes of this Rule, taking control of the Retail Marijuana means removing it from the originating Retail Marijuana Business's Licensed Premises and placing the Retail Marijuana in the transport vehicle or the Delivery Motor Vehicle.
- F. Location of Orders Taken and Delivered. A Retail Marijuana Transporter is permitted to take orders on the Licensed Premises of any Retail Marijuana Business to transport Retail Marijuana between Retail Marijuana Businesses. The Retail Marijuana Transporter shall deliver the Retail Marijuana to the Licensed Premises of a licensed Retail Marijuana Business, ~~a Medical Research Facility,~~ or a Pesticide Manufacturer. A Retail Marijuana Transporter may also delivery Retail Marijuana to consumers pursuant to a contract with a Retail Marijuana Store if it possesses a valid delivery permit.
- G. A Retail Marijuana Transporter shall receive Retail Marijuana from the originating Licensee packaged in the way that it is intended to be delivered to the final destination Licensee, ~~Medical Research Facility,~~ or Pesticide Manufacturer. The Retail Marijuana Transporter shall deliver the Retail Marijuana in the same, unaltered packaging to the final destination Licensee.
- H. A Retail Marijuana Transporter with a valid delivery permit shall receive Retail Marijuana that has been weighed, packaged, prepared, and labeled for delivery on the Licensed Premises of a Retail Marijuana Store or at the Retail Marijuana Store's off-premises storage facility after receipt of a delivery order. Retail Marijuana cannot be placed into a Delivery Motor Vehicle until after an order

has been received and the Retail Marijuana has been packaged and labeled for delivery to the consumer as required by the 3-1000 Series Rules.

- I. A Retail Marijuana Transporter must not deliver Retail Marijuana to consumers while also transporting Regulated Marijuana between Licensed Premises in the Delivery Motor Vehicle.
- J. Opening of Bulk Packages or Containers and Re-Packaging Prohibited. A Retail Marijuana Transporter shall not open Containers of Retail Marijuana. Retail Marijuana Transporters are prohibited from re-packaging Retail Marijuana.
- K. Temperature-Controlled Transport Vehicles. A Retail Marijuana Transporter shall utilize temperature-controlled transport vehicles when necessary to prevent spoilage of the transported Retail Marijuana.
- L. Damaged, Refused, or Undeliverable Retail Marijuana. Any damaged Retail Marijuana that is undeliverable to the final destination Retail Marijuana Business, or any Retail Marijuana that is refused by the final destination Retail Marijuana Business shall be transported back to the originating Retail Marijuana Business. Any Retail Marijuana that cannot be delivered to a consumer pursuant to a valid delivery permit shall be returned to the originating Retail Marijuana Store or the Retail Marijuana Store's off-premises storage facility within the same business day or pursuant to paragraph D of this Rule.
- M. Transport of Retail Marijuana Vegetative Plants Authorized. Retail Marijuana Vegetative plants may only be transported between Licensed Premises and such transport shall only be permitted due to an approved change of location pursuant to Rule 2-255. Transportation of Vegetative plants to a permitted off-premises storage facility shall not be allowed.

6-700 Series – Accelerator Cultivator Licenses

Basis and Purpose – 6-705

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-203(2)(j), 44-10-203(2)(r), 44-10-203(2)(aa), 44-10-203(3)(c), 44-10-401(2)(b)(II), 44-10-602, and 44-10-607 C.R.S. The purpose of this rule is to establish the license privileges granted by the State Licensing Authority to an Accelerator Cultivator licensee.

6-705 – Accelerator Cultivator: License Privileges

A. Licensed Premises.

- 1. Shared Licensed Premises. An Accelerator Cultivator may operate on the same Licensed Premises as a Retail Marijuana Cultivation Facility that is an Accelerator-Endorsed Licensee pursuant to the 3-1100 Series Rules.
- 2. Separate Licensed Premises. An Accelerator Cultivator may operate on a separate premises in the possession of a Retail Marijuana Cultivation Facility that is an Accelerator-Endorsed Licensee pursuant to the 3-1100 Series Rules.
- 3. To the extent authorized by Rule 3-215 – Regulated Marijuana Businesses: Shared Licensed Premises and Operational Separation, a Retail Marijuana Cultivation Facility may share, and operate at, the same Licensed Premises with a commonly owned Medical Marijuana Cultivation Facility. However, a separate license is required for each specific business or business entity, regardless of geographical location. A Regulated Marijuana Business that is operating at the same premises as a commonly owned Medical Marijuana Business may become an Accelerator Endorsed Licensee. An

Accelerator Cultivation Facility may operate at the premises where the Accelerator Endorsed Licensee operates along with the commonly owned Medical Marijuana Cultivation Facility.

- B. Cultivation of Retail Marijuana Authorized. An Accelerator Cultivator may Propagate, cultivate, harvest, prepare, cure, package, store, and label Retail Marijuana, whether in concentrated form or otherwise.
- C. Authorized Transfers. An Accelerator Cultivator may only Transfer Retail Marijuana and Water-Based Retail Marijuana Concentrate to another Retail Marijuana Business.
1. An Accelerator Cultivator shall not Transfer Flowering plants or Vegetative plants to any Person except as authorized pursuant to Rule 3-605.
 2. An Accelerator Cultivator may Transfer Sampling Units of Retail Marijuana or Retail Marijuana Concentrate to a designated Sampling Manager in accordance with the restrictions set forth in section 44-10-602(6), C.R.S., and Rule 6-225.
 3. An Accelerator Cultivator may Transfer Retail Marijuana or Retail Marijuana Concentrate to another Accelerator Cultivator or Retail Marijuana Cultivation Facility prior to testing required by these rules for the purpose of decontamination only after all other steps outlined in the Accelerator Cultivator's standard operating procedures have been completed, including but not limited to drying, curing, and trimming.
- D. Authorized On-Premises Storage. An Accelerator Cultivator 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.
- E. Samples Provided for Testing. An Accelerator Cultivator may provide Samples of its Retail Marijuana to a Retail Marijuana Testing Facility for testing and research purposes. The Accelerator Cultivator shall maintain the testing results as part of its business books and records. See Rule R 901 – Business Records Required.
- F. Authorized Marijuana Transport. An Accelerator Cultivator 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 Business. Nothing in this Rule prevents an Accelerator Cultivator from transporting its own Retail Marijuana.
- G. Performance-Based Incentives. An Accelerator Cultivation Facility may compensate its employees using performance-based incentives, including sales-based performance-based incentives. However, an Accelerator Cultivation Facility may not compensate a Sampling Manager using Sampling Units. See Rule 6-7225 – Sampling Unit Protocols.
- H. Authorized Sources of Retail Marijuana Seeds and Immature Plants. An Accelerator Cultivator shall only obtain Retail Marijuana seeds or Immature Plants from its own Retail Marijuana or properly transferred from another Retail Marijuana Business pursuant to the inventory tracking requirements in the 3-800 Series Rules.
- I. Centralized Distribution Permit. An Accelerator Cultivator may apply to the State Licensing Authority for a Centralized Distribution Permit for authorization to temporarily store Retail Marijuana Concentrate and Retail Marijuana Product received from a Retail Marijuana Products Manufacturer for the sole purpose of Transfer to commonly owned Accelerator Retail-Marijuana Stores.

1. For purposes of a Centralized Distribution Permit only, the term “commonly owned” means at least one natural person has a minimum of five percent ownership in both the Accelerator Cultivator possessing a Centralized Distribution Permit and the Accelerator Marijuana Store to which the Retail Marijuana Concentrate and Retail Marijuana Product will be Transferred.
 2. To apply for a Centralized Distribution Permit, an Accelerator Cultivator may submit an addendum to its new or renewal application or a separate addendum prior to a renewal application on forms prepared by the Division to request a Centralized Distribution Permit. The Accelerator Cultivator shall send a copy of its Centralized Distribution Permit addendum to the Local Licensing Authority in the jurisdiction in which the Centralized Distribution Permit is proposed at the same time it submits the addendum to the State Licensing Authority.
 3. An Accelerator Cultivator that has been issued a Centralized Distribution Permit and has obtained all required approvals from the local licensing jurisdiction where it is located, if any, may accept Transfers of Retail Marijuana Concentrate and Retail Marijuana Product from a Retail Marijuana Products Manufacturer for the sole purpose of temporary storage and Transfer to commonly owned Retail Marijuana Stores.
 - a. An Accelerator Cultivator may only accept Retail Marijuana Concentrate and Retail Marijuana Product that is packaged and labeled for sale to a consumer pursuant to the 3-1000 Series Rules.
 - b. An Accelerator Cultivator storing Retail Marijuana Concentrate and Retail Marijuana Product pursuant to a Centralized Distribution Permit shall not store such Retail Marijuana Concentrate or Retail Marijuana Product on the Retail Marijuana Cultivation Facility’s Licensed Premises for more than 90 days from the date of receipt.
 - c. All Transfers of Retail Marijuana Concentrate and Retail Marijuana Product by an Accelerator Cultivator shall be without consideration.
 4. All security and surveillance requirements that apply to an Accelerator Cultivator apply to activities conducted pursuant to the privileges of a Centralized Distribution Permit.
- J. Transition Permit. An Accelerator Cultivator may only operate at two geographical locations pursuant to Rule 2-255(D).

Basis and Purpose – 6-710

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(f), 44-10-203(2)(h), 44-10-203(2)(j), 44-10-701(2)(a), 44-10-602, 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 an Accelerator Marijuana Cultivation Facility.

6-710 - Accelerator Cultivator: General Limitations or Prohibited Acts

- A. Packaging and Labeling Standards Required. An Accelerator Cultivator is prohibited from Transferring Retail Marijuana that is not packaged and labeled in accordance with these rules. See 3-1000 Series Rules – Labeling, Packaging, and Product Safety.

- B. Transfer to Consumer Prohibited. An Accelerator Cultivator is prohibited from Transferring Retail Marijuana to a consumer. This prohibition does not apply to Transfers to a Sampling Manager that comply with section 44-10-602(6), C.R.S., and Rule 6-725.
- C. Excise Tax Paid. An Accelerator Cultivator shall remit any applicable excise tax due pursuant to Article 28.8 of Title 39, C.R.S.
- D. Corrective and Preventive Action. This paragraph D shall be effective January 1, 2021. An Accelerator Cultivator shall establish and maintain written procedures for implementing Corrective Action and Preventive Action. The written procedures shall include the requirements listed below as determined by the Licensee. All activities required under this Rule, and their results, shall be documented and kept as business records. See Rule 3-905. The written procedures shall include requirements, as appropriate, for:
1. What constitutes a Nonconformance in the Licensee's business operation;
 2. Analyzing processes, work operations, reports, records, service records, complaints, returned product, and/or other sources of data to identify existing and potential root causes of Nonconformances or other quality problems;
 3. Investigating the root cause of Nonconformances relating to product, processes, and the quality system;
 4. Identifying the action(s) needed to correct and prevent recurrence of Nonconformance and other quality problems;
 5. Verifying the Corrective Action or Preventive Action to ensure that such action is effective and does not adversely affect finished products;
 6. Implementing and recording changes in methods and procedures needed to correct and prevent identified quality problems;
 7. Ensuring the information related to quality problems or Nonconformances is disseminated to those directly responsible for assuring the quality of products or the prevention of such problems; and
 8. Submitting relevant information on identified quality problems and Corrective Action and Preventive Action documentation, and confirming the result of the evaluation, for management review.

Basis and Purpose – 6-715

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(g), 44-10-203(2)(i), 44-10-203(2)(r), 44-10-401(2)(b)(II), and 44-10-602, C.R.S. The purpose of this rule is to establish the categories of Retail Marijuana Concentrate that may be produced at Accelerator Marijuana Cultivation Facility and standards for the production of Retail Marijuana Concentrate.

6-715 – Accelerator Marijuana Cultivation Facilities: Retail Marijuana Concentrate Production

- A. Permitted Production of Certain Categories of Retail Marijuana Concentrate. An Accelerator Marijuana Cultivation Facility may only produce Water-Based Retail Marijuana Concentrate on its Licensed Premises and only in an area clearly designated as a Limited Access Area. See Rule 3-905- Business Records Required. No other method of production or extraction for Retail Marijuana Concentrate may be conducted within the Licensed Premises of An Accelerator

Marijuana Cultivation Facility unless the Controlling Beneficial Owner(s) of the Accelerator Marijuana Cultivation Facility also has a valid Accelerator Marijuana Products Manufacturer license and the room in which Retail Marijuana Concentrate is to be produced is physically separated from all cultivation areas and has clear signage identifying the room.

B. Safety and Sanitary Requirements for Concentrate Production. If An Accelerator Marijuana Cultivation Facility produces Retail Marijuana Concentrate, then all areas in which the Retail Marijuana Concentrate are produced and all Controlling Beneficial Owners and Employee Licensees engaged in the production of the Retail Marijuana Concentrate shall be subject to all of the requirements imposed upon an Accelerator Marijuana Products Manufacturer that produces Retail Marijuana Concentrate, including all general requirements. See 3-300 Series Rules – Health and Safety Regulations and Rule 6-315 – Retail Marijuana Products Manufacturer: Retail Marijuana Concentrate Production.

C. Possession of Other Categories of Retail Marijuana Concentrate.

1. It shall be considered a violation of this Rule if an Accelerator Marijuana Cultivation Facility -possesses a Retail Marijuana Concentrate other than a Water-Based Retail Marijuana Concentrate on its Licensed Premises unless: the Controlling Beneficial Owner(s) of the Accelerator Marijuana Cultivation Facility -also has a valid Accelerator Marijuana Products Manufacturer license; or the Accelerator Marijuana Cultivation Facility -has been issued a Centralized Distribution Permit and is in possession of the Retail Marijuana Concentrate in compliance with Rule 6-705(I).

2. Notwithstanding subparagraph (C)(1) of this Rule 6-7215, an Accelerator Marijuana Cultivation Facility shall be permitted to possess Solvent-Based Retail Marijuana Concentrate only when the possession is due to the Transfer of Retail Marijuana flower or trim that failed microbial testing to an Accelerator Marijuana Products Manufacturer Facility for processing into a Solvent-Based Retail Marijuana Concentrate, and the Accelerator Marijuana Products Manufacturer Transfers the resultant Solvent-Based Retail Marijuana Concentrate back to the originating Accelerator Marijuana Cultivation Facility.

a. The Accelerator Marijuana Cultivation Facility shall comply with all requirements in Rule 4-135(C) when having Solvent-Based Retail Marijuana Concentrate manufactured out of Retail Marijuana flower or trim that failed microbial testing.

b. The Accelerator Marijuana Cultivation Facility -is responsible for submitting the Solvent-Based Retail Marijuana Concentrate for all required testing for contaminants pursuant to Rule 4-120 – Regulated Marijuana Testing Program – Contaminant Testing, for potency pursuant to Rule 4-125 – Regulated Marijuana Testing Program – Potency Testing, and any other testing required or allowed by the Marijuana Rules or the Marijuana Code.

c. Nothing in this Rule removes or alters the responsibility of the Accelerator Marijuana Cultivation Facility that Transfers the Retail Marijuana that failed microbial testing from complying with the requirement to pay excise tax pursuant to Rule 6-210(C).

D. Production of Alternative Use Product or Audited Product Prohibited. An Accelerator Marijuana Cultivation Facility shall not produce an Alternative Use Product or Audited Product.

E. Possession of Alternative Use Product or Audited Product. An Accelerator Marijuana Cultivation Facility -is authorized to possess or Transfer Alternative Use Product and/or Audited Product only if the Accelerator Marijuana Cultivation Facility -received the Alternative Use Product and/or

Audited Product pursuant to a Centralized Distribution Permit from an Accelerator Marijuana Products Manufacturer that is manufacturing and Transferring the Alternative Use Product or Audited Product in accordance with Rule 6-325.

Basis and Purpose – 6-720

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(6), 44-10-401(2)(b)(VII), 44-10-602 and 44-10-607 C.R.S. The rule establishes a means by which to manage the overall production of Retail Marijuana in the state of Colorado. The intent of this rule is to encourage responsible production to meet demand for retail marijuana consumers, while also avoiding overproduction or underproduction. The establishment of production management is necessary to ensure there is not significant under or over production, either of which will increase incentives to engage in diversion and facilitate the continuation of the sale of illegal marijuana.

Existing and prospective licensees should be on notice that the new or revised regulations may impact the production limits provided for in this rule. Additionally, throughout the rulemaking process stakeholders expressed concern over ensuring an adequate amount of licensed Retail Marijuana Stores exist to sell the amount of Retail Marijuana being produced at licensed Retail Marijuana Cultivation Facilities or Accelerator Marijuana Cultivation Facilities. Scaling the number of interests a Person may hold in a Retail Marijuana Cultivation Facility licenses relative to the number of controlling interests the Person has in Retail Marijuana Store(s) has been incorporated in the production management rules as a means to address this production management concern.

6-720 - Accelerator Cultivator: Production Management

A. One Retail Cultivation License per Licensed Premises.

1. One Retail Marijuana Cultivation License per Licensed Premises. Except as permitted by subparagraph (B)(2) only one Retail Marijuana Cultivation Facility License shall be permitted at each Licensed Premises and each Licensed Premises must be located at a distinct address recognized by the Local Jurisdiction.
2. Collapse after January 1, 2019. After January 1, 2019, collapse of more than one Retail Marijuana Cultivation Facility license at a single Licensed Premises through an approved change of location application shall be permitted if all Retail Marijuana Cultivation Facility licenses for which the collapse is sought meet the following requirements:
 - a. All Retail Marijuana Cultivation Facility licenses sought to be collapsed have been continuously operating for at least 180 days prior to the proposed collapse;
 - b. All Retail Marijuana Cultivation Facility licenses sought to be collapsed have identical Controlling Beneficial Owners holding identical ownership percentages;
 - c. There is no pending administrative action regarding any of the Retail Marijuana Cultivation Facility licenses sought to be collapsed;
 - d. The tier for the surviving Retail Marijuana Cultivation Facility license has not been decreased in the 180 days prior to the change of location application.
 - e. All Retail Marijuana Cultivation Facility Licensees identify the desired surviving license and agree that all other Retail Marijuana Cultivation Facility licenses will be surrendered at the time of collapse; and
 - f. Determining Tier for Surviving License.

- i. Surviving License Tier Will Not Decrease. The tier for the surviving license will not be decreased as a result of any approved change of location application.
- ii. Surrendered License is Tier 1 or Tier 2. For the surviving license to increase one tier or one increment of 3,600 plants if already tier 5 or higher, during the 180 days prior to the change of location application, the surrendered license must have cultivated at least 50% of the maximum authorized plant count and transferred at least 85% of the inventory it produced during that time.
- iii. Surrendered License is Tier 3 or Higher. For the surviving license to increase by the maximum authorized plant count of the surrendered license, during the 180 days prior to the change of location application the surrendered license must have cultivated at least 50% of the maximum authorized plant count and transferred at least 85% of the inventory it produced during that time. If during the 180 days prior to the change of location application, the surrendering license did not cultivate at least 50% of the maximum authorized plant count and transfer at least 85% of the inventory it produced, the surviving license will only increase one tier or one increment of 3,600 plants if already a tier 5 or higher.
- iv. Division Determination of Tier. If a collapse results in a maximum authorized plant count in the middle of a tier, the surviving license's maximum authorized plant count will be rounded up to the top of that tier.

B. Production Management.

1. Production Management Tiers.

- a. Tier 1: 1 - 1,800 plants
- b. Tier 2: 1,801 – 3,600 plants
- c. Tier 3: 3,601 – 6,000 plants
- d. Tier 4: 6,001 – 10,200 plants
- e. Tier 5: 10,201 – 13,800+ plants

- i. Tier 5 shall not have a cap on the maximum authorized plant count.
- ii. The maximum authorized plant count above 10,200 plants shall increase in one or two increments of 3,600 plants. A Retail Marijuana Cultivation Facility Licensee shall be allowed to increase its maximum authorized plant count one or two increments of 3,600 plants at a time upon application and approval by the Division pursuant to the requirements of paragraph (E) of this Rule 6-220.

2. All Retail Marijuana Cultivation Facility licenses granted on or after November 30, 2015 shall be authorized to cultivate no more than 1,800 plants at any given time.

3. Immature Plants. For purposes of calculating the maximum number of authorized plants, Immature Plants are excluded.

4. Ground for Denial. The Division may deny an application for additional plants pursuant to paragraph E of this Rule if the Licensee exceeded the authorized plant count during the relevant time period for production.

5. Violation Affecting Public Safety. It may be considered a license violation affecting public safety for a Licensee to exceed the authorized plant count pursuant to these Rules.

C. Inventory Management.

1. Inventory Management for Retail Cultivation Facilities that Have One or Two Harvest Seasons a Year. Beginning the 721st day from the commencement of its first cultivation activities, a Retail Marijuana Cultivation Facility that has one or two harvest seasons a year may not accumulate Harvested Marijuana in excess of the total amount of Retail Marijuana flower and trim the Licensee reported as a package in the Inventory Tracking System that was Transferred to another Retail Marijuana Business in the previous 720 days.

2. Inventory Management for Retail Cultivation Facilities That Have More Than Two Harvest Seasons a Year. Beginning the 181st day from the commencement of its first cultivation activities, a Retail Marijuana Cultivation Facility that has more than two harvest seasons a year may not accumulate Harvested Marijuana in excess of the total amount of Retail Marijuana flower and trim the Licensee reported as a package in the Inventory Tracking System that was Transferred to another Retail Marijuana Business in the previous 180 days.

D. Tier Decrease. For Retail Marijuana Cultivation Facilities that are authorized to cultivate more than 1,800 plants, the Division may review the purchases, Transfers, and cultivated plant count of the Retail Marijuana Cultivation Facility Licensee in connection with the license renewal process or after an investigation. Based on the Division's review, the Division may reduce the Licensee's maximum allowed plant count to a lower production management tier pursuant to subparagraph (C)(1) of this Rule. When determining whether to reduce the maximum authorized plant count, the Division may consider the following non-exhaustive factors including but not limited to:

1. The Licensee sold less than 70% of what the inventory it reported as packaged in the Inventory Tracking System during any 180 day review period;

2. On average during the previous 180 days the Licensee actually cultivated less than 90% of the maximum number of plants authorized by the next lower production management tier;

3. Whether the plants/inventory suffered a catastrophic event during the review period;

4. Excise tax payment history;

5. Existing inventory and inventory history;

6. Sales contracts; and

7. Any other factors relevant to ensuring responsible cultivation, production, and inventory management.

E. Application for Additional Plants.

1. Retail Marijuana Cultivation Facilities That Have One or Two Harvest Seasons Per Year.

- a. After accruing at least one harvest season of Transfers, a Retail Marijuana Cultivation Facility Licensee may apply to the Division for a production management tier increase to be authorized to cultivate the number of plants in the next highest production management tier. The Division may consider the following in determining whether to approve the production management tier increase:
- i. That during the previous harvest season prior to the tier increase application, it consistently cultivated an average amount of plants that is at least 85% of its maximum authorized plant count;
 - ii. That the Licensee Transferred at least 85% of the inventory it reported as a package in the Inventory Tracking System in the previous 360 days to another Retail Marijuana Business;
 - iii. The Division may also consider Transfers of over 85% of the inventory it reported as a package in the Inventory Tracking System during the previous 360 days, if the Licensee cultivated between 75% and 85% of its maximum authorized plant count; and
 - iv. Any other information requested to aid the Division in its evaluation of the production management tier increase application.
- b. If the Division approves the production management tier increase application, the Licensee shall pay the applicable expanded production management tier fee prior to cultivating the additional authorized plants. See Rule 2-205 –Fees.
- c. For a Licensee with an authorized plant count in tiers 2-5 to continue producing at its expanded authorized plant count, the Licensee shall pay the requisite Retail Marijuana Cultivation Facility license fee and the applicable expanded production management tier fee at license renewal. See Rule 2-205 – Fees.
- d. After accruing one harvest season during which the Retail Marijuana Cultivation Facility Transferred and consistently cultivated the Licensee may apply to increase its authorized plant count by: (a) two production management tiers or (b) if already authorized to cultivate at a production management tier 5, two increments of 3,600 plants (7,200 plants total), every 360 days. It is within the Division's discretion to determine whether or not to grant the requested two tiers or increments of 3,600 plants (7,200 plants total).
- i. The Licensee must demonstrate:
 - A. That the Licensee consistently cultivated an average amount of plants that is at least 90% of its maximum authorized plant count; and
 - B. That the Licensee Transferred at least 90% of the inventory it reported as a package in the Inventory Tracking System during that time period to another Retail Marijuana Business.
 - C. If the Retail Marijuana Cultivation Facility cultivated between 80% and 90% of its maximum authorized plant count, the Division may also consider Transfers of over 90% of the inventory it reported as a package in the Inventory Tracking System during that time period and/or Transfers into the Retail

Marijuana Cultivation Facility or related Retail Marijuana Store(s).

- ii. In making its determination, the Division may consider the following exclusive factors:
 - A. The Retail Marijuana Cultivation currently has possession of, or has entered into a written agreement or contract to possess, sufficient space to grow the requested two tiers or two 3,600 plant increments;
 - B. The Retail Marijuana Cultivation Facility cultivated at least 90% of its maximum authorized plant count and during the preceding 360 days the Retail Marijuana Cultivation Facility and/or any commonly owned Retail Marijuana Store Transferred in Retail Marijuana from one or more unrelated Retail Marijuana Cultivation Facility(ies);
 - C. The Retail Marijuana Cultivation has contracts for the sale of Retail Marijuana in the next 360 days supporting the requested two tiers or two increments of 3,600 plants;
 - D. An established history of responsible cultivation and Transfer by the Retail Marijuana Cultivation;
 - E. Any history of noncompliance with the Retail Code, Marijuana Code, and/or Rules by the Retail Marijuana Cultivation Facility, or any commonly owned Retail Marijuana Business, and/or any investigation of, or administrative action(s) against, the Retail Marijuana Cultivation Facility, or any commonly owned Retail Marijuana Business; or
 - F. Any other pertinent facts or circumstances regarding responsible production and inventory management.

2. Retail Marijuana Cultivation Facilities that have more than two harvest seasons per year.

- a. After a 180-day period during which the Retail Marijuana Cultivation Facility Transferred and consistently cultivated, the Licensee may apply to the Division for a production management tier increase to be authorized to cultivate the number of plants in the next highest production management tier. The Division may consider the following in determining whether to approve the production management tier increase:
 - i. That for 180 days prior to the tier increase application, the Licensee consistently cultivated an average amount of plants that is at least 85% of its maximum authorized plant count, and
 - ii. That the Licensee Transferred at least 85% of the inventory it reported as a package in the Inventory Tracking System during that time period to another Retail Marijuana Business.
 - iii. The Division may also consider Transfers of over 85% of the inventory it reported as a package in the Inventory Tracking System during the 180-

day time period if the Licensee cultivated between 75% and 85% of its maximum authorized plant count.

- iv. Any other information requested to aid the Division in its evaluation of the tier increase application.
- b. If the Division approves the production management tier increase application, the Licensee shall pay the applicable expanded production management tier fee prior to cultivating the additional authorized plants. See Rule 2-205 – Fees.
- c. For a Licensee with an authorized plant count in tier 2-5 to continue producing at its expanded authorized plant count, the Licensee shall pay the requisite Retail Marijuana Cultivation Facility license fee and the applicable expanded production management tier fee at license renewal. See Rule 2-205 – Fees.
- d. After accruing 180 days during which the Retail Marijuana Cultivation Facility Transferred and consistently cultivated the Licensee may apply to increase its authorized plant count by: (a) two production management tiers or (b) if already authorized to cultivate at a tier 5, two increments of 3,600 plants (7,200 plants total) every 180 days. It is within the Division's discretion to determine whether or not to grant the requested two tier or two increments of 3,600 plants (7,200 plants total).
 - i. The Licensee must demonstrate:
 - A. That the Licensee consistently cultivated an average amount of plants that is at least 90% of its maximum authorized plant count; and
 - B. That the Licensee Transferred at least 90% of the inventory it reported as a package in the Inventory Tracking System during that time period to another Retail Marijuana Business;
 - C. If the Retail Marijuana Cultivation Facility cultivated between 80% and 90% of its maximum authorized plant count, the Division may also consider Transfers of over 90% of the inventory it reported as a package in the Inventory Tracking system during that time period and/or Transfers into the Retail Marijuana Cultivation Facility or related Retail Marijuana Store(s).
 - ii. In making its determination, the Division may consider the following exclusive factors:
 - A. The Retail Marijuana Cultivation currently has possession of, or has entered into a written agreement or contract to possess, sufficient space to grow the requested two tiers or two increments of 3,600 plants;
 - B. The Retail Marijuana Cultivation Facility cultivated at least 90% of its maximum authorized plant count and during the preceding 180 days the Retail Marijuana Cultivation Facility and/or any commonly owned Retail Marijuana Store Transferred in Retail Marijuana from one or more unrelated Retail Marijuana Cultivation Facility(ies);

C. The Retail Marijuana Cultivation has entered into a written agreement(s) or contract(s) for the sale of Retail Marijuana in the next 180 days supporting the requested two tiers or two increments of 3,600 plants;

D. An established history of responsible cultivation and Transfer by the Retail Marijuana Cultivation;

E. Any history of noncompliance with the Retail Code, Marijuana Code, and/or Rules by the Retail Marijuana Cultivation Facility or any commonly owned Retail Marijuana Business(es), and/or any investigation of, or administrative action(s) against, the Retail Marijuana Cultivation Facility or any commonly owned Retail Marijuana Business;

F. Any other pertinent facts or circumstances regarding responsible production and inventory management.

3. Application for Tier Increase. Applications for a tier increase that include any artificial increase of plant count, manipulation of Transfer history, or other misrepresentation will be denied. In addition to denial, any artificial increase of plant count, manipulation of Transfer history, or other misrepresentation is a public safety violation that may result in administrative action.

F. Maximum Allowed Retail Marijuana Cultivation Facility Licenses.

1. A Person that is a Controlling Beneficial Owner in Three or More Retail Marijuana Cultivation Facility Licenses. For every multiple of three Retail Marijuana Cultivation Facility licenses in which a Person is a Controlling Beneficial Owner, the Person must also be a Controlling Beneficial Owner in at least one Retail Marijuana Store. For example: (1) a Person that is a Controlling Beneficial Owner in three, four, or five Retail Marijuana Cultivation Facility licenses also must be a Controlling Beneficial Owner in at least one Retail Marijuana Store; (2) a Person that is a Controlling Beneficial Owner in six, seven, or eight Retail Marijuana Cultivation Facility licenses also must be a Controlling Beneficial Owner in at least two Retail Marijuana Stores; (3) a Person that is a Controlling Beneficial Owner in nine, ten, or eleven Retail Marijuana Cultivation Facility licenses also must be a Controlling Beneficial Owner in at least three Retail Marijuana Stores; etc.

2. A Person that is a Controlling Beneficial Owner in Less than Three Retail Marijuana Cultivation Facility Licenses. A Person that is a Controlling Beneficial Owner in less than three Retail Marijuana Cultivation Facility licenses shall not be required to be a Controlling Beneficial Owner in a Retail Marijuana Store.

G. The State Licensing Authority, at its sole discretion, may adjust any of the plant limits described in this Rule on an industry-wide aggregate basis for all Retail Marijuana Cultivation Facility Licensees subject to that limitation.

Basis and Purpose – 6-725

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-401(2)(b)(VII), 44-10-602(6) and 44-10-607, C.R.S. The purpose of this rule is to establish the circumstances under which an Accelerator Marijuana Cultivation Facility may provide Sampling Units to a designated Sampling Manager for quality control or product development purposes. In order to maintain the integrity of Colorado's Regulated Marijuana Businesses, this rule establishes

limits on the amount of Sampling Units a Sampling Manager may receive in a calendar month and imposes inventory tracking, reporting and recordkeeping requirements on an Accelerator Marijuana Cultivation Facility that Transfer Sampling Units.

6-725 – Sampling Unit Protocols

A. Designation of Sampling Manager(s). In any calendar month, an Accelerator Marijuana Cultivation Facility may designate no more than five Sampling Managers in the Inventory Tracking System.

1. Only management personnel of the Accelerator Marijuana Cultivation Facility who holds an Owner License or an Employee License may be designated as a Sampling Manager.
2. A person may be designated as a Sampling Manager by more than one Medical Marijuana Business or Retail Marijuana Business.
3. By virtue of the decision to be designated as a Sampling Manager, the Sampling Manager expressly consents to being identified in the Inventory Tracking System and makes a voluntary decision that any Sampling Units Transferred to the Sampling Manager will be identified in the Inventory Tracking System.
4. An Accelerator Marijuana Cultivation Facility that wishes to provide Sampling Units to a Sampling Manager shall first establish and provide to each Sampling Manager standard operating procedures that explain the requirements of section 44-10-602(6), C.R.S., the personal possession limits pursuant to section 18-18-406, C.R.S., and the requirements of this Rule 6-225. See also Rule 3-905 – Business Records Required. An Accelerator Marijuana Cultivation Facility shall maintain and update such standard operating procedures as necessary to reflect accurately any changes in the relevant statutes and rules.

B. Sampling Unit Limits. Only one Sampling Unit may be designated per Harvest Batch or Production Batch. A Sampling Unit shall not be designated until the Harvest Batch or Production Batch has satisfied the testing requirements in the 4-100 Series Rules – Regulated Marijuana Testing Program.

1. A Sampling Unit of Retail Marijuana flower or trim shall not exceed one gram.
2. A Sampling Unit of Retail Marijuana Concentrate shall not exceed one-quarter of one gram; except that a Sampling Unit of Retail Marijuana Concentrate which has the intended use of being delivered in a vaporized form shall not exceed one-half of one gram.

C. Excise Tax Requirements. An Accelerator Marijuana Cultivation Facility -must pay excise tax on Sampling Units of Retail Marijuana flower or trim, based on the average market rate of the unprocessed Retail Marijuana.

D. Transfer Restrictions.

1. No Sampling Unit shall be Transferred unless it is packaged and labeled in accordance with the requirements in the 3-1000 Series Rules – Labeling, Packaging, and Product Safety.
2. No Sampling Unit shall be Transferred to any individual who is not currently designated in the Inventory Tracking System by the Accelerator Marijuana Cultivation Facility as a Sampling Manager for the calendar month in which the Transfer occurs.

3. In any calendar month, a Sampling Manager shall not receive Sampling Units totaling more than one ounce of Retail Marijuana or eight grams of Retail Marijuana Concentrate.
 4. The monthly limit established in subparagraph (D)(3) applies to each Sampling Manager, regardless of the number of Retail Marijuana Businesses with which the Sampling Manager is associated.
 5. A Sampling Manager shall not accept Sampling Units in excess of the monthly limit established in subparagraph (D)(3). Before Transferring any Sampling Units, n Accelerator Marijuana Cultivation Facility shall verify with the recipient Sampling Manager that the Sampling Manager will not exceed the monthly limits established in subparagraph (D)(3).
 6. A Sampling Manager shall not Transfer any Sampling Unit to any other Person, including but not limited to any other Person designated as a Sampling Manager.
- E. Compensation Prohibited. An Accelerator Marijuana Cultivation Facility may not use Sampling Units to compensate a Sampling Manager.
- F. On-Premises Consumption Prohibited. A Sampling Manager shall not consume any Sampling Unit on any Licensed Premises.
- G. Acceptable Purposes. Sampling Units shall only be designated and Transferred for the purposes of quality control and product development in accordance with section 44-10-602(6), C.R.S.
- H. Record keeping requirements. An Accelerator Marijuana Cultivation Facility shall maintain copies of any material documents created regarding the quality control and product development purpose(s) of each Sampling Unit. Such documents shall constitute business records under Rule 3-905 – Business Records Required. At a minimum, an Accelerator Marijuana Cultivation Facility shall maintain records that show whether a Sampling Unit Transferred to a Sampling Manager is for the purpose of quality control or product development. An Accelerator Marijuana Cultivation Facility shall also maintain copies of the Accelerator Marijuana Cultivation Facility’s standard operating procedures provided to Sampling Managers.
- I. Violation Affecting Public Safety. Failure to comply with this Rule may constitute a license violation affecting public safety.

6-800 Series – Accelerator Manufacturer Licenses

Basis and Purpose – 6-805

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(2)(g), 44-10-203(2)(i), 44-10-203(2)(y), 44-10-203(2)(aa), 44-10-307(1)(j), 44-10-401(2)(b)(VIII), 44-10-603 and 44-10-608, C.R.S. The purpose of this rule is to establish the license privileges granted by the State Licensing Authority to an Accelerator Marijuana Products Manufacturer.

6-805 – Accelerator Manufacturer: License Privileges

A. Licensed Premises.

1. Shared Licensed Premises. An Accelerator Manufacturer may operate on the same Licensed Premises as a Retail Marijuana Products Manufacturer that is an Accelerator-Endorsed Licensee pursuant to the 3-1100 Series Rules.

2. Separate Licensed Premises. An Accelerator Manufacturer may operate on a separate premises in the possession of a Retail Marijuana Products Manufacturer that is an Accelerator-Endorsed Licensee pursuant to the 3-1100 Series Rules.
 3. To the extent authorized by Rule 3-215 – Regulated Marijuana Businesses: Shared Licensed Premises and Operational Separation, a Retail Marijuana Products Manufacturer may share, and operate at, the same Licensed Premises with a commonly owned Medical Marijuana Products Manufacturer Facility. However, a separate license is required for each specific business or business entity, regardless of geographical location. A Regulated Marijuana Business that is operating at the same premises as a commonly owned Medical Marijuana Business may become an Accelerator Endorsed Licensee. An Accelerator Marijuana Products Manufacturer may operate at the premises where the Accelerator Endorsed Licensee operates along with the commonly owned Medical Marijuana Products Manufacturer.
- B. Authorized Transfers. An Accelerator Manufacturer is authorized to Transfer Retail Marijuana as follows:
1. Retail Marijuana Concentrate and Retail Marijuana Product.
 - a. An Accelerator Manufacturer may Transfer Retail Marijuana Concentrate or Retail Marijuana Product to Retail Marijuana Stores, Accelerator Stores, other Accelerator Manufacturers, Retail Marijuana Products Manufacturers, Retail Marijuana Testing Facilities, Retail Marijuana Hospitality and Sales Businesses, and Pesticide Manufacturers.
 - b. An Accelerator Manufacturer may Transfer Retail Marijuana Product and Retail Marijuana Concentrate to a Retail Marijuana Cultivation Facility that has been issued a Centralized Distribution Permit.
 - i. Prior to any Transfer pursuant to this Rule 6-305(B)(1)(b), an Accelerator Manufacturer shall verify the Retail Marijuana Cultivation Facility possesses a valid Centralized Distribution Permit. See Rule 6-205 – Retail Marijuana Cultivation Facility: License Privileges.
 - ii. For any Transfer pursuant to this Rule 6-305(B)(1)(b), an Accelerator Manufacturer shall only Transfer Retail Marijuana Product and Retail Marijuana Concentrate that is packaged and labeled for Transfer to a consumer. See 3-1000 Series Rules.
 2. Retail Marijuana. An Accelerator Manufacturer may Transfer Retail Marijuana to other Accelerator Manufacturers, Retail Marijuana Products Manufacturer, Retail Marijuana Testing Facilities, Accelerator Stores, and Retail Marijuana Stores.
 3. Sampling Units. An Accelerator Manufacturer may also Transfer Sampling Units of its own Retail Marijuana Concentrate or Retail Marijuana Product to a designated Sampling Manager in accordance with the restrictions set forth in section 44-10-603(10), C.R.S., and Rule 6-820.
- C. Manufacture of Retail Marijuana Concentrate and Retail Marijuana Product Authorized. An Accelerator Manufacturer may manufacture, prepare, package, store, and label Retail Marijuana Concentrate and Retail Marijuana Product, whether in concentrated form or that are comprised of Retail Marijuana and other Ingredients intended for use or consumption, such as Edible Retail Marijuana Products, ointments, or tinctures.

1. Industrial Hemp Product Authorized. This subparagraph (C)(1) is effective July 1, 2020. An Accelerator Manufacturer that uses Industrial Hemp Product as an Ingredient in the manufacture and preparation of Retail Marijuana Product must comply with this subparagraph (C)(1) of this Rule.

a. Prior to accepting and taking possession of any Industrial Hemp Product for use as an Ingredient in a Retail Marijuana Product the Accelerator Manufacturer shall verify the following:

i. That the Industrial Hemp Product has passed all required testing pursuant to the 4-100 Series Rules at a Retail Marijuana Testing Facility; and

ii. That the Person Transferring the Industrial Hemp Product to the Accelerator Marijuana Products Manufacturer is registered with the Colorado Department of Public Health and Environment pursuant to section 25-5-426, C.R.S.

D. Location Prohibited. An Accelerator Manufacturer may not manufacture, prepare, package, store, or label Retail Marijuana Concentrate or Retail Marijuana Product in a location that is operating as a retail food establishment.

E. Samples Provided for Testing. An Accelerator Manufacturer may provide samples of its Retail Marijuana Concentrate or Retail Marijuana Product to a Retail Marijuana Testing Facility for testing and research purposes. The Accelerator Manufacturer shall maintain the testing results as part of its business books and records. See Rule 3-905 – Business Records Required.

F. Authorized Marijuana Transport. An Accelerator Manufacturer is authorized to utilize a Retail Marijuana Transporter for transportation of its Retail Marijuana so long as the place where transportation orders are taken is a Retail Marijuana Business and the transportation order is delivered to a Retail Marijuana Business or Pesticide Manufacturer. Nothing in this Rule prevents an Accelerator Manufacturer from transporting its own Retail Marijuana.

G. Performance-Based Incentives An Accelerator Manufacturer may compensate its employees using performance-based incentives, including sales-based performance-based incentives. However, an Accelerator Manufacturer may not compensate a Sampling Manager using Sampling Units. See Rule 6-8320 – Sampling Unit Protocols.

Basis and Purpose – 6-810

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(f), 44-10-203(2)(g), 44-10-203(2)(h), 44-10-203(2)(i), 44-10-203(2)(y), 44-10-203(2)(aa), 44-10-203(3)(d), 44-10-401(2)(b)(VIII), 44-10-603, 44-10-701(2)(a) and 44-10-608, 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 Manufacturer.

6-810 – Accelerator Manufacturer: General Limitations or Prohibited Acts

A. Packaging and Labeling Standards Required. An Accelerator Manufacturer is prohibited from Transferring Retail Marijuana Concentrate or Retail Marijuana Product that are not properly packaged and labeled. See 3-1000 Series Rules – Labeling, Packaging, and Product Safety.

B. 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 3-1010 – Packaging and Labeling – General Requirements Prior to Transfer to a Consumer.

1. Exception for Bulk Transfers to Retail Marijuana Hospitality and Sales Businesses. An individually packaged Edible Retail Marijuana Product comprised of multiple servings that is Transferred in bulk to a Retail Marijuana Hospitality and Sales Establishment may include more than a total of 100 milligrams of active THC.

i. An Accelerator Manufacturer shall develop and maintain standard operating procedures, and any additional equipment necessary, to ensure that a Retail Marijuana Hospitality and Sales Business receiving bulk Transfers of Edible Retail Marijuana Product can measure accurately the Edible Retail Marijuana Product in single serving sizes equal to or less than 10 milligrams of active THC per serving.

C. Transfer to Consumer Prohibited. An Accelerator Manufacturer is prohibited from Transferring Retail Marijuana to a consumer. This prohibition does not apply to Transfers to a Sampling Manager that comply with section 44-10-603(10), C.R.S., and Rule 6-820.

D. Adequate Care of Perishable Product. An Accelerator Manufacturer must provide adequate refrigeration for perishable Retail Marijuana Product that will be consumed and shall utilize adequate storage facilities and transport methods.

E. Homogeneity of Edible Retail Marijuana Product. An Accelerator Manufacturer must ensure that its manufacturing processes are designed so that the Cannabinoid content of any Edible Retail Marijuana Product is homogenous.

F. Use of Ingredients. An Accelerator Manufacturer must obtain and maintain certificates of analysis or other records demonstrating the full composition of each Ingredient used in the manufacture of Vaporizer Delivery Devices or Pressurized Metered Dose Inhalers.

G. Corrective and Preventive Action. This paragraph G shall be effective January 1, 2021. An Accelerator Manufacturer shall establish and maintain written procedures for implementing Corrective Action and Preventive Action. The written procedures shall include the requirements listed below as determined by the Licensee. All activities required under this Rule, and their results, shall be documented and kept as business records. See Rule 3-905. The written procedures shall include requirements, as appropriate, for:

1. What constitutes a Nonconformance in the Licensee's business operation.

2. Analyzing processes, work operations, reports, records, service records, complaints, returned product, and/or other sources of data to identify existing and potential root causes of Nonconformances or other quality problems;

3. Investigating the root cause of Nonconformances relating to product, processes, and the quality system;

4. Identifying the action(s) needed to correct and prevent recurrence of Nonconformance and other quality problems;

5. Verifying the Corrective Action or Preventive Action to ensure that such action is effective and does not adversely affect finished products;

6. Implementing and recording changes in methods and procedures needed to correct and prevent identified quality problems;

7. Ensuring the information related to quality problems or Nonconformances is disseminated to those directly responsible for assuring the quality of products or the prevention of such problems; and
8. Submitting relevant information on identified quality problems and Corrective Action and Preventive Action documentation, and confirming the result of the evaluation, for management review.

Basis and Purpose – 6-815

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(g), 44-10-203(2)(i), 44-10-401(2)(b)(VIII), 44-10-203(2)(aa), 44-10-603, and 44-10-608, C.R.S. The purpose of this rule is to establish the categories of Retail Marijuana Concentrate that may be produced at a Retail Marijuana Products Manufacturer or Accelerator Marijuana Products Manufacturer and establish standards for the production of Retail Marijuana Concentrate. Nothing in this rule authorizes the unlicensed practice of engineering under Article 25 of Title 12, C.R.S.

6-815 – Accelerator Manufacturer: Retail Marijuana Concentrate Production

A. Permitted Categories of Retail Marijuana Concentrate Production.

1. An Accelerator Manufacturer may produce Water-Based Retail Marijuana Concentrate, Food-Based Retail Marijuana Concentrate and Heat/Pressure-Based Retail Marijuana Concentrate.
2. An Accelerator Manufacturer may also produce Solvent-Based Retail Marijuana Concentrate using only the following solvents: butane, propane, CO₂, ethanol, isopropanol, acetone, heptane, ethyl acetate, and pentane. The use of any other solvent is expressly prohibited unless and until it is approved by the Division.
3. An Accelerator Manufacturer may submit a request to the Division to consider the approval of solvents not permitted for use under this Rule during the next formal rulemaking.

B. General Applicability. An Accelerator Manufacturer that engages in the production of Retail Marijuana Concentrate, regardless of the method of extraction or category of concentrate being produced, must:

1. Ensure that the space in which any Retail Marijuana Concentrate is to be produced is a fully enclosed room and clearly designated on the current diagram of the Licensed Premises. See Rule 3-905- Business Records Required.
2. Ensure that all applicable sanitary rules are followed. See 3-300 Series Rules.
3. Ensure that the standard operating procedure for each method used to produce a Retail Marijuana Concentrate includes, but need not be limited to, step-by-step instructions on how to safely and appropriately:
 - a. Conduct all necessary safety checks prior to commencing production;
 - b. Prepare Retail Marijuana for processing;
 - c. Extract Cannabinoids and other essential components of Retail Marijuana;

- d. Purge any solvent or other unwanted components from a Retail Marijuana Concentrate.
 - e. Clean all equipment, counters and surfaces thoroughly; and
 - f. Dispose of any waste produced during the processing of Retail Marijuana in accordance with all applicable local, state and federal laws, rules and regulations. See Rule 3-230 – Waste Disposal.
- 4. Establish written and documentable quality control procedures designed to maximize safety for Owner Licensees and Employee Licensees and minimize potential product contamination.
- 5. Establish written emergency procedures to be followed by Owner Licensees or Employee Licensees in case of a fire, chemical spill or other emergency.
- 6. Have a comprehensive training manual that provides step-by-step instructions for each method used to produce a Retail Marijuana Concentrate. The training manual must include, but need not be limited to, the following topics:
 - a. All standard operating procedures for each method of concentrate production used;
 - b. The Accelerator Manufacturer's quality control procedures;
 - c. The emergency procedures;
 - d. The appropriate use of any necessary safety or sanitary equipment;
 - e. The hazards presented by all solvents used as described in the safety data sheet for each solvent;
 - f. Clear instructions on the safe use of all equipment involved in each process and in accordance with manufacturer's instructions, where applicable; and
 - g. Any additional periodic cleaning required to comply with all applicable sanitary rules.
- 7. Provide adequate training to every Owner Licensee or Employee Licensee prior to that individual undertaking any step in the process of producing a Retail Marijuana Concentrate.
 - a. Adequate training must include, but need not be limited to, providing a copy of the training manual for that Licensed Premises and live, in-person instruction detailing at least all of the topics required to be included in the training manual.
 - b. The individual training an Owner Licensee or Employee Licensee must sign and date a document attesting that all required aspects of training were conducted and that he or she is confident that the Owner Licensee or Employee Licensee can safely produce a Retail Marijuana Concentrate. See Rule 3-905 – Business Records Required.
 - c. The Owner Licensee or Employee Licensee that received the training must sign and date a document attesting that he or she can safely implement all standard operating procedures, quality control procedures, and emergency procedures.

operate all closed-loop extraction systems, use all safety, sanitary and other equipment and understands all hazards presented by the solvents to be used within the Licensed Premises and any additional period cleaning required to maintain compliance with all applicable sanitary rules. See Rule 3-905 – Business Records Required.

8. Maintain clear and comprehensive records of the name, signature and Owner Licensee or Employee License number of every individual who engaged in any step related to the creation of a Production Batch of Retail Marijuana Concentrate and the step that individual performed. See Rule 3-905 – Business Records Required.

C. Water-Based Retail Marijuana Concentrate, Food-Based Retail Marijuana Concentrate and Heat/Pressure-Based Retail Marijuana Concentrate. An Accelerator Manufacturer that engages in the production of a Retail Marijuana Concentrate must:

1. Ensure that all equipment, counters and surfaces used in the production of Retail Marijuana Concentrate is food-grade including ensuring that all counters and surface areas were constructed in such a manner that it reduces the potential for the development of microbials, molds and fungi and can be easily cleaned.

2. Ensure that all equipment, counters, and surfaces used in the production of a Retail Marijuana Concentrate are thoroughly cleaned after the completion of each Production Batch.

3. Ensure that any room in which dry ice is stored or used in processing Retail Marijuana into a Retail Marijuana Concentrate is well ventilated to prevent against the accumulation of dangerous levels of CO₂.

4. Ensure that the appropriate safety or sanitary equipment, including personal protective equipment, is provided to, and appropriately used by, each Owner Licensee or Employee Licensee engaged in the production of a Retail Marijuana Concentrate.

5. Ensure that only finished drinking water and ice made from finished drinking water is used in the production of a Water-Based Retail Marijuana Concentrate.

6. Ensure that if propylene glycol or glycerin is used in the production of a Food-Based Retail Marijuana Concentrate, then the propylene glycol or glycerin to be used is food-grade.

7. Follow all of the rules related to the production of a Solvent-Based Retail Marijuana Concentrate if a pressurized system is used in the production of a Retail Marijuana Concentrate.

D. Solvent-Based Retail Marijuana Concentrate. An Accelerator Manufacturer that engages in the production of Solvent-Based Retail Marijuana Concentrate must:

1. Obtain a report from an Industrial Hygienist or a Professional Engineer that certifies that the equipment, Licensed Premises and standard operating procedures comply with these rules and all applicable local and state building codes, fire codes, electrical codes and other laws. If a Local Jurisdiction has not adopted a local building code or fire code or if local regulations do not address a specific issue, then the Industrial Hygienist or Professional Engineer shall certify compliance with the International Building Code of 2012 (<http://www.iccsafe.org>), the International Fire Code of 2012 (<http://www.iccsafe.org>) or the National Electric Code of 2014 (<http://www.nfpa.org>), as appropriate. Note that this Rule does not include any later amendments or editions to

each Code. The Division has maintained a copy of each code, each of which is available to the public:

- a. Flammable Solvent Determinations. If a Flammable Solvent is to be used in the processing of Retail Marijuana into a Retail Marijuana Concentrate, then the Industrial Hygienist or Professional Engineer must:
 - i. Establish a maximum amount of Flammable Solvents and other flammable materials that may be stored within that Licensed Premises in accordance with applicable laws, rules and regulations;
 - ii. Determine what type of electrical equipment, which may include but need not be limited to outlets, lights and junction boxes, must be installed within the room in which Retail Marijuana Concentrate is to be produced or Flammable Solvents are to be stored in accordance with applicable laws, rules and regulations;
 - iii. Determine whether a gas monitoring system must be installed within the room in which Retail Marijuana Concentrate is to be produced or Flammable Solvents are to be stored, and if required the system's specifications, in accordance with applicable laws, rules and regulations; and
 - iv. Determine whether fire suppression system must be installed within the room in which Retail Marijuana Concentrate is to be produced or Flammable Solvents are to be stored, and if required the system's specifications, in accordance with applicable laws, rules and regulations.
- b. CO₂ Solvent Determination. If CO₂ is used as solvent at the Licensed Premises, then the Industrial Hygienist or Professional Engineer must determine whether a CO₂ gas monitoring system must be installed within the room in which Retail Marijuana Concentrate is to be produced or CO₂ is stored, and if required the system's specifications, in accordance with applicable laws, rules and regulations.
- c. Exhaust System Determination. The Industrial Hygienist or Professional Engineer must determine whether a fume vent hood or exhaust system must be installed within the room in which Retail Marijuana Concentrate is to be produced, and if required the system's specifications, in accordance with applicable laws, rules and regulations.
- d. Material Change. If an Accelerator Manufacturer makes a Material Change to its Licensed Premises, equipment or a concentrate production procedure, in addition to all other requirements, it must obtain a report from an Industrial Hygienist or Professional Engineer re-certifying its standard operating procedures and, if changed, its Licensed Premises and equipment as well.
- e. Manufacturer's Instructions. The Industrial Hygienist or Professional Engineer may review and consider any information provided to the Accelerator Manufacturer by the designer or manufacturer of any equipment used in the processing of Retail Marijuana into a Retail Marijuana Concentrate.
- f. Records Retention. An Accelerator Manufacturer must maintain copy of all reports received from an Industrial Hygienist and Professional Engineer on its Licensed Premises. Notwithstanding any other law, rule, or regulation,

compliance with this Rule is not satisfied by storing these reports outside of the Licensed Premises. Instead the reports must be maintained on the Licensed Premises until the Licensee ceases production of Retail Marijuana Concentrate on the Licensed Premises.

2. Ensure that all equipment, counters and surfaces used in the production of a Solvent-Based Retail Marijuana Concentrate are food-grade and do not react adversely with any of the solvents to be used in the Licensed Premises. Additionally, all counters and surface areas must be constructed in a manner that reduces the potential development of microbials, molds and fungi and can be easily cleaned;
3. Ensure that the room in which Solvent-Based Retail Marijuana Concentrate shall be produced must contain an emergency eye-wash station;
4. Ensure that only a professional grade, closed-loop extraction system capable of recovering the solvent is used to produce Solvent-Based Retail Marijuana Concentrate:
 - a. UL or ETL Listing.
 - i. If the system is UL or ETL listed, then aAn Accelerator Manufacturer may use the system in accordance with the manufacturer's instructions.
 - ii. If the system is UL or ETL listed but the Accelerator Manufacturer intends to use a solvent in the system that is not listed in the manufacturer's instructions for use in the system, then, prior to using the unlisted solvent within the system, the Accelerator Manufacturer must obtain written approval for use of the non-listed solvent in the system from either the system's manufacturer or a Professional Engineer after the Professional Engineer has conducted a peer review of the system. In reviewing the system, the Professional Engineer shall review and consider any information provided by the system's designer or manufacturer.
 - iii. If the system is not UL or ETL listed, then there must a designer of record. If the designer of record is not a Professional Engineer, then the system must be peer reviewed by a Professional Engineer. In reviewing the system, the Professional Engineer shall review and consider any information provided by the system's designer or manufacturer.
 - b. Ethanol or Isopropanol. An Accelerator Manufacturer need not use a professional grade, closed-loop system extraction system capable of recovering the solvent for the production of a Solvent-Based Retail Marijuana Concentrate if ethanol or isopropanol are the only solvents being used in the production process.
5. Ensure that all solvents used in the extraction process are food-grade or at least 99% pure;
 - a. An Accelerator Manufacturer must obtain a safety data sheet for each solvent used or stored on the Licensed Premises. An Accelerator Manufacturer must maintain a current copy of the safety data sheet and a receipt of purchase for all solvents used or to be used in an extraction process. See Rule 3-905 – Business Records Required.
 - b. An Accelerator Manufacturer is prohibited from using denatured alcohol to produce a Retail Marijuana Concentrate, unless the denaturant is an approved

solvent listed in Rule 6-315(A)(2) and the alcohol and the denaturant meet all other requirements set forth in this Rule.

6. Ensure that all Flammable Solvents or other flammable materials, chemicals and waste are stored in accordance with all applicable laws, rules and regulations. At no time may an Accelerator Manufacturer store more Flammable Solvent on its Licensed Premises than the maximum amount established for that Licensed Premises by the Industrial Hygienist or Professional Engineer;
 7. Ensure that the appropriate safety and sanitary equipment, including personal protective equipment, is provided to, and appropriately used by, each Owner Licensee or Employee Licensee engaged in the production of a Solvent-Based Retail Marijuana Concentrate; and
 8. Ensure that a trained Owner Licensee or Employee Licensee is present at all times during the production of a Solvent-Based Retail Marijuana Concentrate whenever an extraction process requires the use of pressurized equipment.
- E. Ethanol and Isopropanol. If an Accelerator Manufacturer only produces Solvent-Based Retail Marijuana Concentrate using ethanol or isopropanol at its Licensed Premises and no other solvent, then it shall be considered exempt from paragraph D of this Rule and instead must follow the requirements in paragraph C of this Rule. Regardless of which rule is followed, the ethanol or isopropanol must be food grade or at least 99% pure and denatured alcohol cannot be used. The Accelerator Manufacturer shall comply with contaminant testing required in Rule 4-120(C)(4).
- F. Violation Affecting Public Safety. Failure to comply with this Rule may constitute a license violation affecting public safety.

Basis and Purpose – 6-820

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(2)(d), 44-10-203(1)(j), 44-10-203(2)(h), 44-10-401(2)(b)(VIII), 44-10-603(10), and 44-10-608 C.R.S. The purpose of this rule is to establish the circumstances under which an Accelerator Marijuana Products Manufacturer may provide Sampling Units to a designated Sampling Manager for quality control or product development purposes. In order to maintain the integrity of Colorado's regulated Retail Marijuana Businesses, this rule establishes limits on the amount of Sampling Units a Sampling Manager may receive in a calendar month and imposes inventory tracking, reporting and recordkeeping requirements on an Accelerator Marijuana Products Manufacturer that Transfer Sampling Units.

6-820 – Sampling Unit Protocols

- A. Designation of Sampling Manager(s). In any calendar month, an Accelerator Marijuana Products Manufacturer may designate no more than five Sampling Managers in the Inventory Tracking System.
1. Only management personnel of the Accelerator Marijuana Products Manufacturer who holds an Owner License or an Employee License may be designated as a Sampling Manager.
 2. An individual may be designated as a Sampling Manager by more than one Retail Marijuana Business.
 3. By virtue of the decision to be designated as a Sampling Manager, the Sampling Manager expressly consents to being identified in the Inventory Tracking System and

makes a voluntary decision that any Sampling Units Transferred to the Sampling Manager will be identified in the Inventory Tracking System.

4. An Accelerator Marijuana Products Manufacturer who wishes to provide Sampling Units to a Sampling Manager shall first establish and provide to each Sampling Manager standard operating procedures that explain the requirements of section 44-10-603(10), C.R.S., the personal possession limits pursuant to section 18-18-406, C.R.S., and the requirements of this Rule 6-8320. See also Rule 3-905 – Business Records Required. An Accelerator Marijuana Products Manufacturer shall maintain and update such standard operating procedures as necessary to reflect accurately any changes in the relevant statutes and rules.

B. Sampling Unit Limits. Only one Sampling Unit may be designated per Production Batch. A Sampling Unit shall not be designated until the Production Batch has satisfied the testing requirements in the 4-100 Series Rules – Regulated Marijuana Testing Program.

1. A Sampling Unit of Retail Marijuana Product shall not exceed one Standardized Serving of Marijuana.
2. A Sampling Unit of Retail Marijuana Concentrate shall not exceed one quarter of one gram; except that a Sampling Unit of Retail Marijuana Concentrate which has the intended use of being delivered in a vaporized form shall not exceed one-half of one gram.

C. Transfer Restrictions.

1. No Sampling Unit shall be Transferred unless it is packaged and labeled in accordance with the requirements in the 3-1000 Series Rules – Labeling, Packaging, and Product Safety.
2. No Sampling Unit shall be Transferred to any individual who is not currently designated in the Inventory Tracking System by the Accelerator Marijuana Products Manufacturer as a Sampling Manger for the calendar month in which the Transfer occurs.
3. In any calendar month, a Sampling Manager shall not receive Sampling Units totaling more than:
 - a. With respect to Retail Marijuana Product, fourteen Standardized Servings of Marijuana; and
 - b. Eight grams of Retail Marijuana Concentrate.
4. The monthly limit established in subparagraph (C)(3) applies to each Sampling Manager, regardless of the number of Retail Marijuana Businesses with which the Sampling Manager is associated.
5. A Sampling Manager shall not accept Sampling Units in excess of the monthly limit established in subparagraph (C)(3). Before Transferring any Sampling Units, an Accelerator Marijuana Products Manufacturer shall verify with the recipient Sampling Manager that the Sampling Manager will not exceed the monthly limit established in subparagraph (C)(3).
6. A Sampling Manager shall not Transfer any Sampling Unit to any other Person, including but not limited to any other Person designated as a Sampling Manager.

- D. Compensation Prohibited. An Accelerator Marijuana Products Manufacturer may not use Sampling Units to compensate a Sampling Manager.
- E. On-Premises Consumption Prohibited. A Sampling Manager shall not consume any Sampling Unit on any Licensed Premises.
- F. Acceptable Purposes. Sampling Units shall only be designated and Transferred for purposes of quality control and product development in accordance with section 44-10-603(10), C.R.S.
- G. Record keeping requirements. An Accelerator Marijuana Products Manufacturer shall maintain copies of any material documents created regarding the quality control and product development purpose(s) of each Sampling Unit. Such documents shall constitute business records under Rule 3-905 – Business Records Required. At a minimum, an Accelerator Marijuana Products Manufacturer shall maintain records that show whether a Sampling Unit Transferred to a Sampling Manager is for the purpose of either quality control or product development. An Accelerator Marijuana Products Manufacturer shall also maintain copies of the Accelerator Marijuana Products Manufacturer’s standard operating procedures provided to Sampling Managers.
- H. Violation Affecting Public Safety. Failure to comply with this Rule may constitute a license violation affecting public safety.

Basis and Purpose – 6-825

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(a), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(d), 44-10-203(2)(f), 44-10-203(2)(g), 44-10-203(2)(i), 44-10-203(2)(y), 44-10-203(3)(b), 44-10-203(3)(e), 44-10-401(2)(b)(VIII), 44-10-603, 44-10-701(3)(c) and 44-10-608, C.R.S. The purpose of this rule is to define requirements for manufacture of Audited Product for administration by: (1) metered dose nasal spray, (2) vaginal administration, or (3) rectal administration which may raise public health concerns. This rule defines audit, insurance, minimum product requirements, minimum production process requirements, and pre-production testing requirements for Retail Marijuana Products Manufacturers that manufacture Audited Products. The purpose of this rule further recognizes that Alternative Use Product not within an intended use identified in Rule 3-1015 may raise public health concerns that outweigh its manufacture or Transfer entirely or that require additional safeguards to protect public health and safety prior to manufacturer or Transfer. This rule identifies general requirements for an Accelerator Marijuana Products Manufacturer to seek an Alternative Use Designation from the State Licensing Authority to manufacture any type of Retail Marijuana Product that is not within an intended use identified in Rule 3-1015.

6-825 – Accelerator Products Manufacturing Facility: Audited Product and Alternative Use Product

- A. General Rule. An Accelerator Marijuana Products Manufacturer shall not Transfer Audited Product to a Retail Marijuana Store, an Accelerator Store, a Retail Marijuana Products Manufacturer, another Accelerator Products Manufacturer, a Retail Marijuana Cultivation Facility, or an Accelerator Cultivation Facility that has obtained a Centralized Distribution Permit except in accordance with all requirements of this Rule 6-325. The requirements of this Rule 6-825 are in addition to all other Rules that apply to Retail Marijuana Products Manufacturers; except where the context otherwise clearly requires this Rule 6-825 controls.
- B. Audited Products – Mandatory Audit Prior to Transfer. Following submission of an independent third-party audit to the Division and, if applicable, to the Local Jurisdiction as required by this Rule, an Accelerator Marijuana Products Manufacturer may Transfer Audited Product with an intended use of: (1) metered dose nasal spray, (2) vaginal administration, or (3) rectal administration.

1. A written audit report from an independent third-party auditor that was completed within the last 24 months shall be submitted to the Division and, if applicable to the Local Licensing Authority: (i) before the first Transfer of Audited Product to any Retail Marijuana Store, (ii) prior to Transfer of any Audited Product following a Material Change to any standard operating procedure or master formulation record regarding the Audited Product, and (iii) with the Accelerator Marijuana Products Manufacturer's renewal application if the Accelerator Marijuana Products Manufacturer will Transfer Audited Product after renewal.
 2. The independent third-party audit shall be performed by either a certified quality auditor or a certified GMP auditor. The Accelerator Marijuana Products Manufacturer shall be responsible for all costs associated with obtaining the independent third-party audit.
 3. The independent third-party written audit report shall include the following minimum requirements:
 - a. The independent third-party auditor's qualifications and an attestation that the certified quality auditor or certified GMP auditor has no conflict of interest;
 - b. Establish that the Accelerator Marijuana Products Manufacturer and the Audited Product meet all requirements of this Rule 6-825, including but not limited to the specific requirements of this Rule 6-825(C), 6-825(D), 6-825(E), 6-825(G), and 6-825(H);
 - c. Verify the written standard operating procedure(s) for Audited Product include sufficient and detailed step-by-step instructions on how to produce the Audited Product in a manner that prevents contamination and protects the public health and safety;
 - d. Verify, based upon a physical inspection, the manufacture of Audited Product by the Retail Marijuana Products Manufacturer adheres to all applicable standard operating procedures;
 - e. Verify, based upon a physical inspection, of any Licensed Premises that such Licensed Premises complies with the requirements of this Rule 6-825(E), including any Limited Access Area where the Audited Product is to be manufactured;
 - f. Include the independent third-party auditor's findings;
 - g. Include the plan of correction identifying any corrective actions and/or preventative actions implemented as a result of the findings of the independent third-party audit; and
 - h. Include the independent third-party auditor's assessment that the Accelerator Marijuana Products Manufacturer demonstrated compliance with all requirements of Rule 6-825 and with the requirements of all standard operating procedures, master formulation records, and Batch manufacturing records that apply to the Audited Product.
- C. Products Liability Insurance. Any Accelerator Marijuana Products Manufacturer that intends to Transfer Audited Product shall first obtain products liability insurance providing coverage for liability arising from manufacture or Transfer of Audited Product and shall provide an unredacted certificate of product liability insurance to the Division and the independent third-party auditor.

D. Audited Product Requirements. Audited Product shall meet the following minimum product requirements:

1. Inactive Ingredients. Audited Product must meet the requirements in Rule 3-335 – Production of Regulated Marijuana Products.

a. If the Audited Product contains a fungicidal or bactericidal Ingredient listed in, and with a concentration that is at or below the maximum concentration permitted in, the Federal Food and Drug Administration Inactive Ingredients Database, <https://www.accessdata.fda.gov/scripts/cder/iig/index.cfm>, the Audited Product is not required to undergo microbial contaminant testing required by Rules 4-115 and 4-120.

2. Required Product Development Testing. The Accelerator Marijuana Products Manufacturer must establish the Audited Product meets the following through independent third-party testing:

a. The Audited Product must deliver the amount of each cannabinoid identified on the label throughout the entire volume of the Audited Product using the intended delivery device and in accordance with the instructions provided by the Accelerator Marijuana Products Manufacturer, as demonstrated by testing at an Accelerator Marijuana Testing Facility.

i. For Audited Product with an intended use of metered dose nasal spray, compliance with this requirement shall be established by test results verifying the delivered dose of each cannabinoid identified on the label using the methods described in The United States Pharmacopeia Physical Test and Determination Chapter 601, *Aerosols, Nasal Sprays, Metered-Dose Inhalers, and Dry Powder Inhalers*.

ii. For Audited Product with an intended use of either vaginal administration or rectal administration, compliance with this testing requirement shall be established by test results demonstrating that each cannabinoid identified on the label is within +/- 15% of the amount identified on the label.

b. The expiration date identified on the label of the Audited Product is appropriate when the Audited Product is stored at room temperature, as demonstrated by testing from a Retail Marijuana Testing Facility.

c. Identification of all non-cannabis derived Ingredients and constituents in the Audited Product at concentrations of 1%, which verification is obtained from one or more of the following:

i. Testing by a Retail Marijuana Testing Facility:

ii. Testing by a laboratory that is ISO 17025 accredited but is not a Retail Marijuana Testing Facility, except that no Retail Marijuana, Retail Marijuana Concentrate, or Retail Marijuana Product may be Transferred to such a laboratory; and/or

iii. One or more certificate(s) of analysis from the manufacturer of any Ingredient or constituent included in the Audited Product.

E. Additional Production Requirements for Audited Product. In addition to all other requirements applicable to Accelerator Marijuana Products Manufacturer, an Accelerator Marijuana Products Manufacturer that manufactures and Transfers Audited Product shall meet the following additional requirements:

1. Personnel Training. All personnel directly involved in the manufacture and handling of Audited Product must be trained, must demonstrate competency, and must undergo annual refresher training, which shall be documented and maintained at the Accelerator Marijuana Products Manufacturer's Licensed Premises. Personnel directly involved in the manufacture and handling of Audited Product must be trained and demonstrate proficiency in hand hygiene, cleaning and sanitizing, performing necessary calculations, measuring and mixing, and documenting the manufacturing process including master formulation records and batch manufacturing records.
2. Facility Requirements. An Accelerator Marijuana Products Manufacturer must have a space that is specifically designated for the manufacture of Audited Products that is designed and operated to prevent cross contamination from other areas of the Licensed Premises. The surfaces, walls, floors, fixtures, shelving, work surfaces, and cabinets in this designated area must be non-porous and cleanable.
3. Cleaning and Sanitizing. An Accelerator Marijuana Products Manufacturer must clean and sanitize surfaces where Audited Product is manufactured and handled on a regular basis and at a minimum, work surfaces and floors must be cleaned and sanitized daily. All other surfaces must be cleaned and sanitized at least every three months. An Accelerator Marijuana Products Manufacturer must clean and sanitize all surfaces when a spill occurs and when surfaces, floors, and walls are visibly soiled.
4. Hand Hygiene. Hand hygiene is required when entering and re-entering any area where Audited Product is manufactured and handled. Hand hygiene includes washing hands and forearms up to the elbows with soap and water for at least 30 seconds followed by drying completely with disposable towels. Alcohol hand sanitizers alone are not sufficient.
 - a. Gloves are required to be worn for all mixing activities. Other garb such as shoe covers, head and facial hair covers, face masks, and gowns must be worn as appropriate to protect Licensees and/or prevent contamination of the Audited Product.
5. Equipment. Mechanical, electronic, and other types of equipment used in mixing, measuring, or testing of Audited Product must be inspected prior to use and verified for accuracy at the frequency recommended by the manufacturer, and at least annually.
6. Ingredient Quality. All Ingredients used to manufacture Audited Product must be handled and stored in accordance with the manufacturer's instructions. Ingredients that lack a manufacturer's expiration date shall not be used if a reasonable manufacturer would not use the Ingredient or after 1 year from the date of receipt, whichever period is shorter.
7. Master Formulation Record. A master formulation record must be prepared and maintained for each unique Audited product an Accelerator Marijuana Products Manufacturer manufactures. A master formulation record must include at least the following information:
 - a. Name of the Audited Product;
 - b. Ingredient identities and amounts;

- c. Specifications on the delivery device (if applicable);
 - d. Complete instructions for preparing the Audited Product, including equipment, supplies, and description of the manufacturing steps;
 - e. Quality control procedures; and
 - f. Any other information needed to describe the Retail Marijuana Products Manufacturer's production and ensure its repeatability.
8. Batch Manufacturing Records. A batch manufacturing record shall be created for each Production Batch of Audited Product. This record shall include at the least the following information:
- a. Name of the Audited Product;
 - b. Master formulation record reference for the Audited Product;
 - c. Date and time of preparation of the Audited Product;
 - d. Production Batch number;
 - e. Signature or initials of individuals involved in each manufacturing step;
 - f. Name, vendor, or manufacturer, Production Batch number, and expiration date of each Ingredient;
 - g. Weight or measurement of each Ingredient;
 - h. Documentation of quality control procedures;
 - i. Any deviations from the master formulation record, and any problems or errors experienced during the manufacture; and
 - j. Total quantity of the Audited Product manufactured.
- F. Audited Product Testing. For each Production Batch, the Audited Product shall undergo all required testing in the 4-100 Series Rules for Retail Marijuana Product and/or Audited Product. See also Rule 4-115 – Regulated Marijuana Testing Program: Sampling and Testing Program.
- G. Packaging and Labeling of Audited Product. Audited Product must be packaged and labeled in accordance with all requirements of the 3-1000 Series Rules regarding packaging and labeling for Transfer to a consumer prior to any Transfer.
- H. Adverse Event Reporting. An Accelerator Marijuana Products Manufacturer that manufactures Audited Product must maintain a record of all complaints it receives, which may include concerns or reports on the quality or possible adverse reactions to a specific Audited Product. For purposes of this Rule, adverse event means any untoward medical occurrence associated with the use of marijuana—this could include any unfavorable and unintended sign (including a hospitalization, emergency department visit, doctor's visit, abnormal laboratory finding), symptom or disease temporally associated with the use of a marijuana product. To the extent known after reasonable diligence to ascertain the information, the record must contain the name of the complainant, the date the complaint was received, the nature of the complaint, the steps taken to investigate the complaint, the response to the complaint, and the name and Production Batch number of the Audited Product. Adverse events must also be reported directly to the Colorado Department of

Public Health and Environment and the Division within 48 hours of receipt by the Retail Marijuana Products Manufacturer.

- I. Alternative Use Designation – Any Other Method of Consumption or Administration. An Accelerator Marijuana Products Manufacturer shall not Transfer to a Retail Marijuana Store, an Accelerator Marijuana Store, a Retail Marijuana Products Manufacturer, another Accelerator Marijuana Products Manufacturer, a Retail Marijuana Cultivation Facility, or an Accelerator Marijuana Cultivation Facility -that has obtained a Centralized Distribution Permit any Retail Marijuana Concentrate or Retail Marijuana Product that is not within any intended use identified in Rule 3-1015(B) until it applies for and receives an Alternative Use Designation from the State Licensing Authority in consultation with the Colorado Department of Public Health and Environment. In the process of applying for an Alternative Use Designation, the Retail Marijuana Products Manufacturer shall work with the Division and the Colorado Department of Public Health and Environment to determine whether the proposed Alternative Use Product may be manufactured in a manner that does not pose a threat to public health and safety when particular independent review factors, safeguards, and tests are in place. The following are minimum requirements for any application for an Alternative Use Designation:
1. The Accelerator Marijuana Products Manufacturer shall identify provisions of this Rule 6-825 that apply to its Alternative Use Product, any proposed additional or alternative requirements, and how any proposed alternatives protect public health and safety. The Accelerator Marijuana Products Manufacturer shall also provide any additional information as may be requested by the Division, in consultation with the Colorado Department of Public Health and Environment.
 2. The Accelerator Marijuana Products Manufacturer bears the burden of proving its proposed Alternative Use Product may be manufactured in a manner that does not pose a threat to public health and safety when the identified independent review factors, safeguards, and tests are in place.
 3. An Accelerator Marijuana Products Manufacturer seeking an Alternative Use Designation shall cooperate with the Division. Failure to cooperate with the Division is grounds for denial of an Alternative Use Designation.
 4. The granting of an Alternative Use Designation shall rest in the discretion of the State Licensing Authority, in consultation with the Colorado Department of Public Health and Environment. The State Licensing Authority may in his or her discretion deny an Alternative Use Designation where the Retail Marijuana Products Manufacturer does not meet the burden established in this Rule 6-325.
- J. Alternative Use Designation – Packaging and Labeling Requirements. If the Division recommends, and the State Licensing Authority grants, an Alternative Use Designation, the State Licensing Authority, in consultation with the Colorado Department of Public Health and Environment shall provide the Accelerator Marijuana Products Manufacturer the appropriate statement of intended use label to be affixed to the Alternative Use Product, and any additional or distinct packaging and labeling requirements applicable to the Alternative Use Product. See Rules 3-1010 and 3-1015.
- K. Required Records. An Accelerator Marijuana Products Manufacturer manufacturing or Transferring Audited Product and/or Alternative Use Product shall maintain accurate and comprehensive records on the Licensed Premises regarding the manufacturing process, a list of all active and inactive Ingredients used in the Audited Product and/or Alternative Use Product, and such other documentation as required by this Rule 6-325. See Rule 3-905 – Business Records Required.

Basis and Purpose – 6-830

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-203(2)(d)(I)-(VI), 44-10-401(2)(b)(VIII), 44-10-203(2)(aa), 44-10-603, and 44-10-608 C.R.S. The purpose of this rule is to provide the process by which the Division or an Accelerator Marijuana Products Manufacturer initiates a product recall, the requirements any recall must meet, and how such recall is terminated.

6-830 – Recall of Retail Marijuana Concentrate and Retail Marijuana Product

- A. Effective Date. This Rule shall be effective January 1, 2021.
- B. An Accelerator Manufacturer may voluntarily undertake a recall at any time, or at the request of the Division. A request by the Division is to be directed to the Accelerator Manufacturer that Transferred the Retail Marijuana Concentrate or Retail Marijuana Product for sale and that is to be recalled.
1. If an Accelerator Manufacturer voluntarily undertakes a recall or the Division requests a recall, the Licensee shall notify the Local Licensing Authority or Local Jurisdiction in which the Accelerator Manufacturer is located of such recall.
- C. An Accelerator Manufacturer must have a written recall plan. A recall plan shall include, but is not limited to the following:
1. Evaluation of a Complaint or Condition. An Accelerator Manufacturer must maintain a record of all complaints it receives, which may include concerns or reports in the quality of possible adverse reactions to a specific product. To the extent known after reasonable diligence to ascertain the information, the record must contain the name of the complainant, the purchase date, the location of where the product was purchased, the date the complaint was received, the nature of the complaint, the steps taken to investigate the complaint, the response to the complaint, and the name and Production Batch number of the Retail Marijuana Concentrate or Retail Marijuana Product.
- a. If an initial assessment indicates a recall may be necessary, the Accelerator Manufacturer shall determine the hazard and evaluate the safety concerns with the product and:
- i. Assure adequate product quarantine steps have occurred for product still in control of the Licensee;
- ii. Determine the product removal strategy appropriate to the threat and location in commerce; and
- iii. Report directly to the Colorado Department of Public Health and Environment and the Division immediately after a determination to recall is made.
2. Identification of Implicated Retail Marijuana Concentrate or Retail Marijuana Product.
- a. A distribution list shall be prepared as part of the identification process. The distribution list shall, at minimum, identify the following:
- i. Business name that received the recalled Retail Marijuana Concentrate or Retail Marijuana Product(s);
- ii. Product ship date(s);

- iii. Business license number;
- iv. Business address;
- v. Business contact name; and
- vi. Business contact telephone numbers.

b. Product information shall include:

- i. Type of Retail Marijuana Concentrate or Retail Marijuana Product;
- ii. Product description;
- iii. Net contents;
- iv. Production Batch number; and
- v. The Accelerator Manufacturer license number.

c. Additional Product Information. To the extent known after reasonable diligence to ascertain the information, the recall plan shall include:

- i. Amount of Retail Marijuana Concentrate or Retail Marijuana Product returned;
- ii. Amount of Retail Marijuana Concentrate or Retail Marijuana Product Transferred to consumers; and
- iii. Amount of Retail Marijuana Concentrate or Retail Marijuana Product still in the marketplace.

3. Notification of affected parties.

a. In the event of a recall, the Accelerator Manufacturer shall notify the receiving Licensee(s) of the recalled Retail Marijuana Concentrate or Retail Marijuana Product(s) by providing a recall notice in accordance with the written recall plan. The recall notice shall include:

- i. Retail Marijuana Concentrate or Retail Marijuana Product type;
- ii. Reason for recall and hazard involved, if any. If the product is being removed for quality rather than health reasons, the notice may state that the Retail Marijuana Concentrate or Retail Marijuana Product does not meet internal company specifications and is being removed from distribution;
- iii. Licensed business name that manufactured the Retail Marijuana Concentrate or Retail Marijuana Product;
- iv. License number of the business that manufactured the Retail Marijuana Concentrate or Retail Marijuana Product;
- v. The trade name of the business that manufactured the Retail Marijuana Concentrate or Retail Marijuana Product;

- vi. Retail Marijuana Concentrate or Retail Marijuana Product description;
 - vii. Production Batch number of the Retail Marijuana Concentrate or Retail Marijuana Product;
 - viii. Expiration date of the Retail Marijuana Concentrate or Retail Marijuana Product(s), if applicable;
 - ix. Retail Marijuana Concentrate or Retail Marijuana Product ship date(s);
 - x. Regulated Marijuana Businesses that received the Retail Marijuana Concentrate or Retail Marijuana Product; and
 - xi. Instructions regarding the disposition of the Retail Marijuana Concentrate or Retail Marijuana Product.
- b. The Accelerator Manufacturer shall immediately notify the Division and Colorado Department of Public Health and Environment of the recalled Retail Marijuana Concentrate or Retail Marijuana Product(s) by providing a recall notice as described above.
- c. Consumers shall be notified by the most effective method available. If appropriate, a press release can be used to notify patients.
4. Removal of affected Retail Marijuana Concentrate or Retail Marijuana Product(s).
- a. Removal. The Accelerator Manufacturer shall make all reasonable efforts to remove the affected Retail Marijuana Concentrate or Retail Marijuana Product(s) from commerce.
 - i. Retail Marijuana Concentrate or Retail Marijuana Product(s) in commerce shall be detained, segregated, and handled in a manner determined by the originating Accelerator Manufacturer.
 - ii. Retail Marijuana Concentrate or Retail Marijuana Product(s) that are still in control of the originating Accelerator Manufacturer shall be detained and segregated.
 - iii. All affected Retail Marijuana Concentrate or Retail Marijuana Product(s) returned shall be clearly labeled, not for sale or distribution, and clearly separated from any other Retail Marijuana Concentrate or Retail Marijuana Product(s).
 - b. Product disposition. The final disposition of the Retail Marijuana Concentrate or Retail Marijuana Product shall be determined by the Division. The Division shall notify the Accelerator Manufacturer to either:
 - i. Destroy and document the destruction of the Retail Marijuana Concentrate or Retail Marijuana Product(s) Inventory Tracking System package or Production Batch pursuant to Rule 3-235; or
 - ii. Decontaminate the affected Inventory Tracking System package or Production Batch pursuant to Rule 4-135(B)(2).

c. Recall effectiveness. The Accelerator Manufacturer shall be responsible for determining whether the recall is effective. The Licensee shall complete recall effectiveness checks to verify that all receiving Licensees have been notified and have taken the appropriate action.

i. Effectiveness checks shall determine:

A. If the receiving Licensee received the recall notification;

B. If the recalled Retail Marijuana Concentrate or Retail Marijuana Product was handled as instructed in the recall notification; and

C. If the Retail Marijuana Concentrate or Retail Marijuana Product was further distributed or sold by the receiving Licensee before receipt of the recall notification, and if so, were these additional Licensees notified.

D. If 100 percent of the affected Retail Marijuana Concentrate or Retail Marijuana Product has been accounted for, then no effectiveness checks are required.

d. Termination of recall. A recall shall be terminated when the Licensee, or the Division if the recall was requested by the Division, determines that all reasonable efforts have been made to remove or correct the Retail Marijuana Concentrate or Retail Marijuana Product in accordance with the recall plan, and when it is reasonable to assume that the Retail Marijuana Concentrate or Retail Marijuana Product subject to the recall has been removed and proper disposition or correction has been made commensurate with the degree of hazard of the recalled Retail Marijuana Concentrate or Retail Marijuana Product. Written notification that a recall is terminated will be issued by the Division.

i. A recalling Accelerator Manufacturer may request termination of its recall by submitting a written request to the Division stating that the recall is effective in accordance with this Rule, and by accompanying the request with a recall status report and a description of the disposition of the recalled Retail Marijuana Concentrate or Retail Marijuana Product. The recall status report shall contain the following information:

A. Number of receiving Licensees notified of the recall, the date and method of notification;

B. Number of receiving Licensees who responded to the recall communication and quantity of Retail Marijuana Concentrate or Retail Marijuana Product(s) on hand at the time it was received;

C. Number of receiving Licensees that did not respond;

D. Number of products returned or corrected by each receiving Licensee contacted and the quantity of Retail Marijuana Concentrate or Retail Marijuana Product(s) accounted for;

E. Number and results of the effectiveness checks that were made; and

F. Estimated time frame for completion of the recall.

6-9700 Series – Licensed Hospitality Businesses

Basis and Purpose – 6-7905

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(2)(ff), 44-10-305(2)(b), 44-10-609, and 44-10-610, C.R.S. The purpose of this rule is to establish general provisions for Licensed Hospitality Businesses.

6-9705 – Licensed Hospitality Businesses: General Provisions

- A. Privileges Granted. A Licensed Hospitality Business shall only exercise those privileges granted pursuant to the Marijuana Code and these Rules.
- B. Local Approval Required. No Licensed Hospitality Business may operate in a Local Jurisdiction that does not have an ordinance or resolution authorizing the operation of that type of Licensed Hospitality Business within the Local Jurisdiction. A Licensed Hospitality Business must comply with any requirements or restrictions on its operations imposed by the Local Jurisdiction's ordinance or resolution.
- C. Liability Insurance Required. Licensed Hospitality Businesses are required to carry general liability insurance. If a Licensed Hospitality Business has not obtained general liability insurance at the time of its initial license application, it must obtain general liability insurance prior to submitting the Licensee's first renewal application.
- D. Responsible Vendor Training Required. All Controlling Beneficial Owners and employees of a Licensed Hospitality Business shall complete annual responsible vendor training that satisfies the requirements of the responsible vendor program established in the 3-500 Series Rules.
- E. No Visible Consumption of Regulated Marijuana. A Licensed Hospitality Business shall ensure that the display and consumption of any marijuana is not visible from outside of its Licensed Premises. The requirement in this paragraph (E) also applies to Licensed Hospitality Businesses that operate in an isolated portion of a Retail Food Establishment. See Rule 6-7915 – Licensed Hospitality Businesses: Operation Within A Retail Food Establishment.
 1. Outdoor Consumption Areas Permitted. A Licensed Hospitality Business may have a Consumption Area outdoors under the following conditions:
 - a. The Licensed Hospitality Business shall ensure that all marijuana is kept out of plain sight and is not visible from a public place without the use of optical aids, such as telescopes or binoculars, or aircraft; and
 - b. The Licensed Hospitality Business shall ensure that the Consumption Area is surrounded by a sight-obscuring wall, fence, hedge, or other opaque or translucent barrier.
- F. Required Signage.
 1. Identification of Consumption Area. A Licensed Hospitality Business shall ensure all areas ingress and egress to the Consumption Area(s) be clearly identified by the posting of a sign which shall not be less than 12 inches wide and 12 inches long, composed of letters not less than a half inch in height, which shall state, "Consumption Area – No One Under 21 Years of Age Allowed."

2. Required Warning. Licensed Hospitality Businesses must post, at all times and in a prominent place inside the Consumption Area, a warning that is at minimum twelve inches high and twelve inches wide that reads as follows:

“Must be 21 or older to enter

Marijuana may only be consumed in designated areas out of public view

No consumption of alcohol or tobacco products on site

We reserve the right to refuse entry or service for reasons including visible intoxication

It is against the law to drive while impaired by marijuana”

- G. Entry By A Person Under 21 Years Prohibited. A Licensed Hospitality Business shall not allow any individual under 21 years of age to enter its Licensed Premises. A Licensed Hospitality Business shall verify that every individual entering the Licensed Premises has a valid government-issued photo identification showing that the individual is 21 years of age or older. See Rule 3-405 – Acceptable Forms of Identification.
- H. Customers in Consumption Area. The Consumption Area must be supervised by a Licensee at all times when consumers are present to ensure that only persons who are 21 years of age or older are permitted to enter. A Licensed Hospitality Business shall reasonably monitor consumers in the Consumption Area to ensure compliance with these 6-9700 Series Rules.
- I. Conduct on the Licensed Premises.
 1. Consumption By Intoxicated Patrons Prohibited. A Licensed Hospitality Business shall not permit the use or consumption of marijuana by any person displaying any visible signs of intoxication.
 2. Alcohol Consumption Prohibited. No consumption of alcohol is permitted in a Licensed Hospitality Business. A Licensed Hospitality Business is responsible for preventing the consumption of alcohol within its Licensed Premises.
 3. Tobacco Consumption Prohibited. No smoking of tobacco or tobacco products is permitted in a Licensed Hospitality Business. A Licensed Hospitality Business is responsible for preventing the smoking of tobacco and tobacco products within its Licensed Premises.
 4. Employee Consumption Prohibited. No employee of a Licensed Hospitality Business who is on duty may use or consume marijuana. A Licensed Hospitality Business is responsible for preventing the use or consumption of marijuana by on-duty employees within its Licensed Premises.
 5. Flammable Instrument Restrictions. A Licensed Hospitality Business shall not allow the use of the following devices in the Licensed Premises if prohibited by a local ordinance or resolution:
 - a. Any device using liquid petroleum gas;
 - b. A butane torch;
 - c. A butane lighter; or

- d. Matches.
- 6. Orderliness. A Licensed Hospitality Business shall operate the business in a decent, orderly, and respectable manner. A Licensed Hospitality Business shall not knowingly permit any activity or acts of disorderly conduct as defined by and provided for in section 18-9-106, C.R.S., nor shall a Licensed Hospitality Business permit rowdiness, undue noise, or other disturbances or activity offensive to the senses of the average citizen, or to the residents of the neighborhood in which the Licensed Hospitality Business is located.
- J. Free Marijuana Prohibited. A Licensed Hospitality Business may not give away marijuana to a consumer for any reason.
- K. Food Products Permitted. A Licensed Hospitality Business is permitted to sell or give away consumable products that do not contain marijuana under the following circumstances:
 - 1. The Licensed Hospitality Business operates in an isolated portion of a Retail Food Establishment;
 - 2. A Licensed Hospitality Business that is not a Retail Food Establishment may prepare and serve hot coffee, hot tea, instant hot beverages, and nonpotentially hazardous doughnuts or pastries obtained from sources complying with all laws related to food and food labeling; or
 - 3. A Licensed Hospitality Business that is not a Retail Food Establishment may sell or give away nonpotentially hazardous prepackaged food and commercially prepared, prepackaged foods requiring no preparation other than the heating of food within its original container or package.
- L. Emergency Entry by Public Safety Personnel. If an emergency requires law enforcement, firefighters, emergency medical service providers, or other public safety personnel to enter the Licensed Premises of a Licensed Hospitality Business, the Licensed Hospitality Business is responsible for ensuring that all consumption and other activities, including sales, if applicable, cease until such personnel have completed their investigation or services and have left the Licensed Premises.
- M. Criminal Activity Reporting Requirements. In addition to other reporting requirements set forth in these Rules, a Licensed Hospitality Business must report directly to the Division any criminal activity requiring an in-person response from law enforcement. Any report required under this Rule must be submitted within 48 hours after an Owner Licensee or Employee Licensee of the Licensed Hospitality Business learns of the event.
- N. Removal of Persons from the Licensed Premises. A Licensed Hospitality Business may remove a person from the Licensed Premises for any reason, including but not limited to, any consumer showing any visible signs of intoxication.
- O. Control and Disposal of Marijuana Left by a Consumer. A Licensed Hospitality Business is responsible for the collection and disposal of any marijuana left on the Licensed Premises by a consumer. When a consumer leaves any marijuana on the Licensed Premises, a Licensed Hospitality Business must promptly collect and remove the marijuana from the Restricted Access Area and either immediately destroy or store and secure the marijuana in a Limited Access Area or an area inaccessible to consumers in accordance with Rule 6-~~9~~20(A).
 - 1. Marijuana Consumer Waste. In conjunction with the collecting and securing of any remaining marijuana, a Licensed Hospitality Business may segregate any Marijuana

Consumer Waste in order to Transfer the Marijuana Consumer Waste for purposes of recycling in accordance with Rule 3-240 – Collection of Marijuana Consumer Waste.

2. Destruction Required. At, or before, the end of each business day, a Licensed Hospitality Business shall destroy any marijuana left on its Licensed Premises by a consumer in conformance with Rule 3-230 – Waste Disposal. The Licensed Hospitality Business shall document any destruction of Regulated Marijuana in a waste log. See Rule 3-905 – Business Records Required.
- P. Consumer Education Materials. A Licensed Hospitality Business must provide Consumer Education Materials regarding the safe consumption of marijuana. Consumer Education Materials may be made available in print or digital form, may never make claims regarding health or physical benefits of marijuana, and must be prominently displayed. Consumer Education Materials shall at a minimum include the following statement:

“**WARNING:** Using marijuana, in any form, while you are pregnant or breastfeeding passes THC to your baby and may be harmful to your baby. There is no known safe amount of marijuana use during pregnancy or breastfeeding.

Create a transportation plan ahead of time. Don't operate a vehicle impaired.

Impairing effects of marijuana may be delayed.”

Basis and Purpose – 6-~~97~~10

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(2)(ff), 44-10-305(2)(b), 44-10-609, and 44-10-610, C.R.S. The purpose of this rule is to establish additional health and safety regulations for Licensed Hospitality Businesses.

6-~~97~~10 – Licensed Hospitality Businesses: Additional Health and Safety Regulations

- A. Local Safety Requirements and Inspections. A Licensed Hospitality Business must comply with any safety requirements or required inspections imposed by the Local Jurisdiction's ordinance or resolution which authorizes the Licensed Hospitality Business's operation.
- B. Sanitation of Consumption Equipment. If a Licensed Hospitality Business provides consumers with reusable equipment or devices to aid in the use or consumption of marijuana, the Licensed Hospitality Business shall ensure the equipment or device is sanitized properly. A Licensed Hospitality Business shall maintain standard operating procedures regarding reusable equipment and device sanitation practices. Failure to maintain records and/or sanitize reusable equipment may constitute a license violation affecting public safety.

Basis and Purpose – 6-~~97~~15

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(2)(ff), 44-10-305(2)(b), 44-10-609, and 44-10-610, C.R.S. The purpose of this rule is to establish requirements for Licensed Hospitality Businesses operating within a Retail Food Establishment or on the Licensed Premises of any establishment with a license issued pursuant to articles 3, 4, or 5 of Title 44.

6-~~97~~15 – Licensed Hospitality Businesses: Operation Within a Retail Food Establishment

- A. Alcohol Beverage License Prohibited. A Licensed Hospitality Business shall not operate within a Retail Food Establishment that holds a license or permit issued pursuant to article 3, 4, or 5 of title 44.

1. The Licensed Premises of a Licensed Hospitality Business must be completely separate from, and shall not overlap with, the licensed premises of any license issued pursuant to articles 3, 4, or 5 of Title 44. To be considered completely separate:
 - a. The Licensed Premises of a Licensed Hospitality Business shall not overlap with or share any physical space with, at any time, the licensed premises of a license issued pursuant to articles 3, 4, or 5 of Title 44. Alternating use of the same location at different times by a license issued pursuant to article 10 of Title 44 and a license or permit issued pursuant to article 3, 4, or 5 of Title 44 is prohibited.
 - b. The Licensed Premises of a Licensed Hospitality Business may be adjacent to the licensed premises of any license issued pursuant to article 3, 4, or 5 of Title 44, so long as all of the following conditions are met:
 - i. Each has a separate address, which may be separate units within a street address so long as each unit has separate entrances and exits from the other, and consumers may not pass through the licensed premises of one to reach the licensed premises of the other;
 - ii. There is no door, hallway, or passageway by or through which a consumer may pass between the Licensed Premises of a Licensed Hospitality Business and the adjacent licensed premises of any license issued pursuant to articles 3, 4, or 5 of Title 44; and
 - iii. Any window on a shared wall is covered, or rendered opaque or translucent, to ensure the display or consumption of marijuana within a Licensed Hospitality Business is not visible to any person outside the Licensed Premises, including by a person within the adjacent licensed premises of a license issued pursuant to articles 3, 4, or 5 of Title 44.
- B. Isolation From Unlicensed Portions of the Retail Food Establishment. A Licensed Hospitality Business that operates within a Retail Food Establishment shall ensure that its Licensed Premises are isolated from the rest of the Retail Food Establishment.
1. Consumers may enter the Licensed Premises from the unlicensed portion of the Retail Food Establishment. However, in order to be isolated from the rest of the Retail Food Establishment, the Licensed Premises shall:
 - a. Not overlap with the operations of the Retail Food Establishment; and
 - b. Be separated by a sight-obscuring wall, or other opaque or translucent barrier, and a secure door to ensure only consumers 21 years of age or older are permitted into the Licensed Premises.
 2. Segregation of Marijuana. A Licensed Hospitality Business shall not store marijuana—either for purposes of sale or destruction—in any location containing other inventory of the Retail Food Establishment.
- C. Manufacturing of Regulated Marijuana Products Prohibited. A Licensed Hospitality Business shall ensure that the Retail Food Establishment is not used to manufacture Regulated Marijuana Products or to add marijuana to foods produced or provided at the Retail Food Establishment.
- D. Food Service Permitted. Nothing in this Rule 6-9715 prohibits employees of the Retail Food Establishment from taking orders for, or serving, foods, produced or provided at the Retail Food

Establishment within the Licensed Premises of the Licensed Hospitality Business. Any employee of the Retail Food Establishment who has unescorted access to the Limited Access Area or Restricted Access Area of a Licensed Hospitality Business, or who may handle marijuana for destruction, or any other purpose, shall first obtain an Employee License and Identification Badge.

Basis and Purpose – 6-~~97~~20

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(2)(ff), 44-10-305(2)(b), and 44-10-610, C.R.S. The purpose of this rule is to establish requirements for the display of Retail Marijuana on the Licensed Premises of a Retail Marijuana Hospitality and Sales Business, and to establish that a Retail Marijuana Hospitality and Sales Business must control and safeguard access to certain areas where Retail Marijuana will be sold..

6-~~79~~20 – Retail Marijuana Hospitality and Sales Businesses Point of Sale: Restricted Access Area

- A. Display of Retail Marijuana. The display of Retail Marijuana for sale is allowed only in Restricted Access Areas. Any product displays that are readily accessible to the consumer must be supervised by the Owner Licensee or Employee Licensees at all times when consumers are present.

Basis and Purpose – 6-~~97~~25

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(2)(ff), 44-10-305(2)(b), 44-10-609, and 44-10-610, C.R.S. The purpose of this rule is to clarify additional license privileges and restrictions for Retail Marijuana Hospitality and Sales Businesses that do not apply to Marijuana Hospitality Businesses.

6-~~97~~25 – Retail Marijuana Hospitality and Sales Businesses: Additional License Privileges and Restrictions

- A. Authorized Sources of Retail Marijuana. A Retail Marijuana Hospitality and Sales Business may only Transfer Retail Marijuana that it obtained from another Retail Marijuana Business.
- B. Restriction on Transfers to Consumers. A Retail Marijuana Hospitality and Sales Business and its employees are prohibited from Transferring Retail Marijuana to a consumer if the Retail Marijuana Hospitality and Sales Business' employee knows or reasonably should know that the consumer does not intend to consume the Retail Marijuana on the Licensed Premises of the Retail Marijuana Hospitality and Sales Business or previously during the same business day the consumer already received the relevant quantity limitation in this Rule. In determining the imposition of any penalty for violation of this Rule 6-~~79~~25, the State Licensing Authority will consider any mitigating and aggravating factors set forth in Rule 8-235.
- C. Inventory Tracking System Requirements. A Retail Marijuana Hospitality and Sales Business must use the Inventory Tracking System in accordance with the requirements of the 3-800 Series Rules.
- D. Samples Provided for Testing. A Retail Marijuana Hospitality and Sales Business may provide Samples of Retail Marijuana for testing purposes to a Retail Marijuana Testing Facility. The Retail Marijuana Hospitality and Sales Business shall maintain the testing results as part of its business books and records. See Rule 3-905 – Business Records Required.
- E. Authorized On-Premises Storage. A Retail Marijuana Hospitality and Sales Business may 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. See Rule 3-800 Series Rules – Regulated Marijuana Business: Inventory Tracking System.

- F. Authorized Marijuana Transport. A Retail Marijuana Hospitality and Sales Business is authorized to utilize a licensed Retail Marijuana Transporter for transportation of its Retail Marijuana so long as the place where the transportation orders are taken and delivered is a licensed Retail Marijuana Business. Nothing in this Rule prevents a Retail Marijuana Hospitality and Sales Business from transporting its own Retail Marijuana to the Licensed Premises of its Retail Marijuana Hospitality and Sales Business.
- G. Quantity Limitations on Sales. All Transfers of Retail Marijuana by a Retail Marijuana Hospitality and Sales Business to a consumer shall not exceed the following sales limits:
1. More than two grams of Retail Marijuana flower;
 2. More than one-half of one gram of Retail Marijuana Concentrate; or
 3. A Retail Marijuana Product containing more than 20 milligrams of active THC. For any Transfer of Retail Marijuana Product containing more than 10 milligrams of active THC, the Retail Marijuana Product must be Transferred to a consumer in separate serving sizes containing no more than 10 milligrams of active THC per serving.
- H. Measurement Procedures and Equipment.
1. A Retail Marijuana Hospitality and Sales Business shall develop and maintain standard operating procedures, and any additional equipment necessary, to ensure any Retail Marijuana Product Transferred to a consumer does not exceed the quantity limitation set forth in subparagraph G(3).
 2. A Retail Marijuana Hospitality and Sales Business Transferring Multiple-Serving Edible Retail Marijuana Product or Multiple-Serving Liquid Edible Retail Marijuana Product to a consumer shall provide a measurement device necessary for the consumer to achieve accurate measurements of each serving in increments equal to or less than 10 milligrams of active THC per serving.
- I. Packaging and Labeling.
1. Packaging and Labeling Not Required at Time of Transfer. A Retail Marijuana Hospitality and Sales Business may Transfer Retail Marijuana to a consumer without packaging and labeling so long as the Retail Marijuana Hospitality and Sales Business complies with the requirements of Rule 3-1020. See Rule 3-1020 – Packaging and Labeling: Requirements Prior to Transfer to a Consumer at a Retail Marijuana Hospitality and Sales Business.
 2. Packaging and Labeling Required Before Retail Marijuana Removed from Licensed Premises. A Retail Marijuana Hospitality and Sales Business shall not permit a consumer to leave the Licensed Premises with any unconsumed marijuana unless the Retail Marijuana Hospitality and Sales Business has ensured the, unconsumed marijuana is packaged and labeled in accordance with the requirements of Rule 3-1020. See Rule 3-1020 – Packaging and Labeling: Requirements Prior to Transfer to a Consumer at a Retail Marijuana Hospitality and Sales Business.
- J. Licensees May Refuse Sales. Nothing in these rules prohibits a Licensee from refusing to Transfer Retail Marijuana, Retail Marijuana Concentrate, or Retail Marijuana Product to a consumer.

Basis and Purpose – 6-9730

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(2)(ff), 44-10-305(2)(b), 44-10-609, and 44-10-610, C.R.S. The purpose of this rule is to establish general limitations and prohibited acts for Retail Marijuana Hospitality and Sales Businesses.

6-9730 – Retail Marijuana Hospitality and Sales Businesses: General Limitations and Prohibited Acts

- A. Age Verification. Prior to Initiating the Transfer of Retail Marijuana 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. See Rule 3-405 – Acceptable Forms of Identification.
- B. Purchases Only Within Restricted Access Area. A consumer must be physically present within the Restricted Access Area of the Retail Marijuana Hospitality and Sales Business's Licensed Premises to purchase Retail Marijuana. The consumer must consume or use the Retail Marijuana purchased in the Retail Marijuana Hospitality and Sales Business in that Businesses' Restricted Access Area.
1. Application to Retail Marijuana Hospitality and Sales Businesses Operating in a Retail Food Establishment. The requirement of paragraph (B) also applies to all Retail Marijuana Hospitality and Sales Businesses operating in an isolated portion of the Retail Food Establishment. All Transfers of Retail Marijuana may occur only in the Retail Marijuana Hospitality and Sales Business' Restricted Access Area, and not in any other area of the Retail Food Establishment.
- C. Prohibited Sales and Activity.
1. Sales to Persons Under 21 Years. A Retail Marijuana Hospitality and Sales Business is prohibited from Transferring, giving, or distributing Regulated Marijuana to persons under 21 years of age.
2. Alternative Use Products. A Retail Marijuana Hospitality and Sales Business shall not Transfer, or permit the use or consumption of, any Alternative Use Product.
3. Marijuana Not Transferred by the Retail Marijuana Hospitality and Sales Business. A Retail Marijuana Hospitality and Sales Business shall not permit the purchase, use or consumption of any marijuana other than the Retail Marijuana it Transfers pursuant to these rules.
4. Nicotine or Alcohol. A Retail Marijuana Hospitality and Sales Business is prohibited from Transferring Retail Marijuana that contain nicotine or alcohol, if the sale of alcohol would require a license pursuant to articles 3, 4, or 5 of Title 44, C.R.S.
5. Transfer of Expired Product. A Retail Marijuana Hospitality and Sales Business shall not Transfer any expired Retail Marijuana Product to a consumer.
6. Transporter Transfer Restrictions. A Retail Marijuana Hospitality and Sales Business shall not Transfer Retail Marijuana to a Retail Marijuana Transporter, and shall not buy or receive complimentary Retail Marijuana from a Retail Marijuana Transporter.
7. Possession and Transfer of Sampling Units. A Retail Marijuana Hospitality and Sales Business may not possess or Transfer Sampling Units.

8. Research Transfers. A Retail Marijuana Hospitality and Sales Business shall not Transfer any Retail Marijuana to ~~a Medical Research Facility,~~ a Pesticide Manufacturer, or a Marijuana Research and Development Facility.

D. Storage and Display Limitations.

1. A Retail Marijuana Hospitality and Sales Business shall not display Retail Marijuana outside of a designated Restricted Access Area or in a manner in which Retail Marijuana can be seen from outside the Licensed Premises. Storage of Retail Marijuana shall otherwise be maintained in Limited Access Area or Restricted Access Area.
2. Any product displays that are readily accessible to the customer must be supervised by the Owner Licensee or Employee Licensee at all times when consumers are present.

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

Basis and Purpose – 6-~~97~~35

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(2)(ff), 44-10-305(2)(b), 44-10-609, and 44-10-610, C.R.S. The purpose of this rule is to establish Limited Access Area and security exemptions and requirements for Marijuana Hospitality Businesses.

6-~~79~~35 – Marijuana Hospitality Business: Limited Access Areas and Security Standards

- A. Limited Access Area Permitted But Not Required. A Marijuana Hospitality Business is not required to maintain a Limited Access Area as part of the Licensed Premises so long as the Marijuana Hospitality Business demonstrates the following:
1. It has established policies, procedures, and methods to ensure marijuana collected pursuant to Rule 6-~~97~~05(O) will be secured in an area inaccessible to patrons of the Marijuana Hospitality Business prior to destruction; and
 2. Its surveillance recording equipment is housed in a designated, locked, and secured room or other enclosure with access limited to authorized employees, agents of the Division, and the relevant Local Licensing Authority or Local Jurisdiction, state or local law enforcement agencies for a purpose authorized by the Marijuana Code or for any other state or local law enforcement purpose, and service personnel or contractors.
- B. Security Standards. A Marijuana Hospitality Business shall comply with Rule 3-220 Security Alarm Systems and Lock Standards, except that its Licensed Premises need only be monitored when consumers are on the Licensed Premises or during periods when marijuana collected pursuant to Rule 6-~~97~~05(O) remains on the Licensed Premises prior to destruction.

Basis and Purpose – 6-~~97~~40

The statutory authority for this rule includes but is not limited to sections 44-10-202(1), 44-10-203(2)(ff), 44-10-305(2)(b), and 44-10-609, C.R.S. The purpose of this rule is to establish requirements for Marijuana Hospitality Businesses with a Mobile Premises.

6-~~97~~40 – Marijuana Hospitality Business: Requirements for Mobile Premises

- A. Separate License Required for Each Mobile Premises. Each Mobile Premises requires a separate Marijuana Hospitality Business License.

- B. Consumption Area of the Mobile Premises. The Consumption Area of the Mobile Premises shall exclude the area designed to seat the driver and front seat passenger.
- C. Requirements for Motor Vehicles Designated as Mobile Premises. A Marijuana Hospitality Business must ensure that the motor vehicle serving as the Mobile Premises of a Marijuana Hospitality Business complies with all state and local registration and permitting requirements. At each initial and renewal application, a Marijuana Hospitality Business must provide the Division with the following information regarding its Mobile Premises:
- a. Documentation that the Mobile Premises is owned or leased by the Marijuana Hospitality Business;
 - b. The vehicle manufacturer/make, model, and model year associated with the Mobile Premises;
 - c. The vehicle identification number (VIN) associated with the Mobile Premises;
 - d. The Colorado license plate number and copy of the registration associated with the Mobile Premises;
 - e. If applicable, the automatic vehicle identification tag associated with the Mobile Premises; and
 - f. A copy of a valid permit issued by the Public Utilities Commission to the Marijuana Hospitality Business.
- D. Local Approval Required. A Marijuana Hospitality Business with a Mobile Premises may only operate in Local Jurisdictions that have an ordinance or resolution authorizing the operation of Mobile Premises and for which it holds any required valid local license(s). A Mobile Premises' operation includes, but is not limited to, allowing passengers to consume marijuana and boarding or disembarking the Mobile Premises.
- E. Additional Requirements for Mobile Premises. Before receiving a License for a Mobile Premises, a Marijuana Hospitality Business must establish that the Mobile Premises will be able to meet the following requirements:
1. Global position system tracking of the Mobile Premises;
 2. Written standard operating procedures that address the logging of the route(s) of each Mobile Premises;
 3. Video surveillance inside of the Mobile Premises, including the entry and exit points to the Mobile Premises and driver's area of the vehicle;
 4. Proper ventilation within the vehicle, which includes, if marijuana is smoked or vaped in the Licensed Premises, that air is not circulated into the driver's area of the Licensed Premises;
 5. Policies and procedures to ensure that no marijuana is possessed or consumed in the area designed to seat the driver and front seat passenger in a motor vehicle designed, maintained, or used primarily for the transportation of persons for compensation;
 6. Methods to ensure consumption activity is not visible outside the vehicle;

7. Policies, procedures or other measures to ensure that consumers are prohibited from entering the driver's area of the Mobile Premises; and
 8. Display of the Marijuana Hospitality Business license on the dashboard of the Mobile Premises.
- F. Separate Place of Business. A Marijuana Hospitality Business with a Mobile Premises shall designate and maintain a fixed place of business in Colorado that is separate from the Mobile Premises. The fixed place of business does not need to be a Licensed Premises. However, if the Marijuana Hospitality Business will transport any marijuana to the separate place of business for purposes of destruction, the separate place of business shall also be a Licensed Premises and is subject to any applicable state and local licensing requirements or restrictions.
1. Shared Places of Business. Multiple Marijuana Hospitality Business Licensees with Mobile Premises may share a single separate place of business so long as the Marijuana Hospitality Businesses are identically owned.
 2. Shared Premises with Another Licensed Hospitality Business. A Marijuana Hospitality Business with a Mobile Premises may designate the location of another Marijuana Hospitality Business's Licensed Premises as its separate place of business subject to the following conditions:
 - a. The relevant Local Licensing Authority or Local Jurisdiction permit a Marijuana Hospitality Business with a Mobile Premises to designate the location of another Marijuana Hospitality Business's Licensed Premises as its separate place of business;
 - b. The Marijuana Hospitality Businesses are identically owned; and
 - c. Record-keeping shall enable the Division and the Local Licensing Authority or Local Jurisdiction to distinguish clearly the business transactions and operations of each Marijuana Hospitality Business.
- G. Business Records. All records required to be maintained by these rules must be maintained at the Marijuana Hospitality Business's separate place of business, and not at the Mobile Premises, except that when the Mobile Premises is in operation it must maintain its current route log on the Mobile Premises.
1. A Marijuana Hospitality Business is not required to maintain records related to inventory tracking because a Marijuana Hospitality Business is prohibited from engaging in Transfers of marijuana.
- H. Health and Safety Requirements. A Marijuana Hospitality Business' Mobile Premises shall comply with all relevant requirements in the 3-300 Series Rules. Hand-washing facilities, however, need not be in the Mobile Premises, but may be located in the Marijuana Hospitality Business's separate place of business.
- I. Operating Restrictions. A Marijuana Hospitality Business shall ensure that its Mobile Premises does not operate outside of the state of Colorado.

[6-1100 Series – Accelerator Store Licenses](#)

[Basis and Purpose – 6-1105](#)

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-203(2)(aa), 44-10-203(2)(dd), 44-10-401(2)(b)(I), 44-10-601, 44-10-605, and 44-10-611, C.R.S. The purpose of this rule is to the license privileges of a Retail Marijuana Store licensee.

6-1105 – Accelerator Store: License Privileges

A. Licensed Premises.

1. Shared Licensed Premises. An Accelerator Store may operate on the same Licensed Premises as a Retail Marijuana Store that is an Accelerator-Endorsed Licensee pursuant to the 3-1100 Series Rules.
2. Separate Licensed Premises. An Accelerator Store may operate on a separate premises in the possession of a Retail Marijuana Store that is an Accelerator-Endorsed Licensee pursuant to the 3-1100 Series Rules.
3. To the extent authorized by Rule 3-215 – Regulated Marijuana Business– Shared Licensed Premises and Operational Separation, an Accelerator Store may share, and operate at, the same Licensed Premises as an Accelerator Endorsed Licensee’s Retail Marijuana Store that shares a Licensed Premises with Medical Marijuana Store.

B. Authorized Sources of Retail Marijuana. An Accelerator Store may only Transfer Retail Marijuana that was obtained from another Retail Marijuana Business.

C. Samples Provided for Testing. An Accelerator 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 3-905 – Business Records Required.

D. Authorized On-Premises Storage An Accelerator 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.

E. Authorized Marijuana Transport. An Accelerator Store 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 Business. Nothing in this Rule prevents an Accelerator Store from transporting its own Retail Marijuana.

F. Performance-Based Incentives. An Accelerator Store may compensate its employees using performance-based incentives, including sales-based performance-based incentives.

G. Authorized Transfers of Industrial Hemp Products. This rule is effective January 1, 2021. An Accelerator Store may Transfer Industrial Hemp Product to a consumer only after it has confirmed:

1. That the Industrial Hemp Product has passed all required testing pursuant to the 4-100 Series Rules at a Retail Marijuana Testing Facility; and
2. That the Person Transferring the Industrial Hemp Product to the Retail Marijuana Store is registered with the Colorado Department of Public Health and Environment pursuant to section 25-5-426, C.R.S.

H. An Accelerator Store may use an automated machine in the Restricted Access Area of its Licensed Premises to dispense Regulated Marijuana to consumers without interaction with an

Owner Licensee or Employee Licensee if the automated machine is reasonably monitored and complies with all requirements of these rules including but not limited to:

1. Health and safety standards.
2. Testing.
3. Packaging and labeling requirements.
4. Inventory tracking.
5. Identification requirements, and
6. Transfer limits to consumers.

Basis and Purpose – 6-1110

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(2)(g), 44-10-203(2)(h), 44-10-203(4)(b), 44-10-203(1)(j), 44-10-203(2)(aa), 44-10-401(2)(b)(l), 44-10-701(1)(a), 44-10-701(3)(d) and (f), 44-10-601, and 44-10-611 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 Accelerator 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 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 Accelerator 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).

6-1110 – Accelerator Store: General Limitations or Prohibited Acts

- A. Sales to Persons Under 21 Years. Licensees are prohibited from Transferring, giving, or distributing Retail Marijuana to persons under 21 years of age. Licensees are prohibited from permitting a person under the age of 21 years of age from entering the Restricted Access Area.
- B. Age Verification. Prior to initiating the Transfer of Retail Marijuana, 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. An Accelerator Store and its employees are prohibited from Transferring more than one ounce of Retail Marijuana flower or its equivalent in Retail Marijuana Concentrate or Retail Marijuana Product or more than six Retail Marijuana seeds in a single transaction to a consumer. A single transaction includes multiple Transfers to the same consumer during the same business day where the Accelerator Store employee knows or reasonably should know that such Transfer would result in that consumer possessing more than one ounce of marijuana. In determining the imposition of any penalty for violation of this Rule 6-1110(C), the State Licensing Authority will consider any mitigating and aggravating factors set forth in Rule 8-235(C).

2. Equivalency. Non-edible, non-psychoactive Retail Marijuana Products including ointments, lotions, balms, and other non-transdermal topical products are exempt from the one-ounce quantity limit on Transfers. For all other Retail Marijuana Products or Retail Marijuana Concentrate, the following equivalency applies for the one ounce quantity Transfer limit:
- 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. Licensees May Refuse Sales. Nothing in these rules prohibits a Licensee from refusing to Transfer Retail Marijuana to a consumer.
- E. Sales over the Internet. A Licensee is prohibited from selling Retail Marijuana over the internet. Any Transfer of Retail Marijuana must occur within the Retail Marijuana Store's Restricted Access Area. Only a Licensee holding a valid delivery permit may make sales over the internet or deliver to a private residence.
- F. Delivery Outside Colorado Prohibited. An Accelerator Store holding a valid delivery permit shall not deliver Retail Marijuana to an address that is outside the state of Colorado.
- G. Prohibited Items. An Accelerator Store is prohibited from selling or giving away any consumable product that is not a Retail Marijuana Product or an Industrial Hemp 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.
- H. Free Product Prohibited. An Accelerator Store may not give away Retail Marijuana to a consumer for any reason.
- I. Nicotine or Alcohol Prohibited. An Accelerator Store is prohibited from Transferring Retail Marijuana 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.
- J. Storage and Display Limitations.
- 1. An Accelerator Store shall not display Retail Marijuana outside of a designated Restricted Access Area or in a manner in which Retail Marijuana can be seen from outside the Licensed Premises. Storage of Retail Marijuana shall otherwise be maintained in Limited Access Areas or Restricted Access Area.
 - 2. Any Retail Marijuana Concentrate displayed in an Accelerator Store must include the potency of the concentrate on a sign next to the name of the product.
 - a. The font on the sign must be large enough for a consumer to reasonably see from the location where a consumer would usually view the concentrate.
 - b. The potency displayed on the sign must be within plus or minus fifteen percent of the concentrate's actual potency.
- K. Transfer of Expired Product Prohibited. An Accelerator Store shall not Transfer any expired Retail Marijuana Product to a consumer.
- L. Transfer Restriction.

1. Sampling Units. An Accelerator Store may not possess or Transfer Sampling Units.

2. Research Transfers Prohibited. An Accelerator Store shall not Transfer any Retail Marijuana to a Pesticide Manufacturer or a Marijuana Research and Development Facility.

M. Edibles Prohibited that are Shaped like a Human, Animal, or Fruit.

1. The sale of Edible Retail Marijuana Products in the following shapes is prohibited:

a. The distinct shape of a human, animal, or fruit; or

b. A shape that bears the likeness or contains characteristics of a realistic or fictional human, animal, or fruit, including artistic, caricature, or cartoon renderings.

2. The prohibition on human, animal, and fruit shapes does not apply to the logo of a licensed Retail Marijuana Business. Nothing in this subparagraph (M)(2) alters or eliminates a Licensee's obligation to comply with the requirements of the 3-1000 Series Rules – Labeling, Packaging, and Product Safety.

3. Edible Retail Marijuana Products that are geometric shapes and simply fruit flavored are not considered fruit and are permissible; and

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

N. Adverse Event Reporting. An Accelerator Store that Transfers Audited Product and/or Alternative Use Product must report any adverse event related to an Audited Product and/or Alternative Use Product directly to the Accelerator Marijuana Products Manufacturer or Retail Marijuana Products Manufacturer that Transferred the Audited Product or Alternative Use Product to the Accelerator Store. The report must be submitted within forty-eight (48) hours after learning of the adverse event by the Accelerator Store. For purposes of this Rule, adverse event means any untoward medical occurrence associated with the use of marijuana—this could include any unfavorable and unintended sign (including a hospitalization, emergency department visit, doctor's visit, abnormal laboratory finding), symptom or disease temporally associated with the use of a marijuana product, and may include concerns or reports on the quality or possible adverse reactions to a specific Audited Product or Alternative Use Product. To the extent known after reasonable diligence to ascertain the information, the report to the Accelerator Marijuana Products Manufacturer or Retail Marijuana Products Manufacturer must contain the name and contact information of the complainant, the date the complaint was received, the nature of the complaint, and the name and Production Batch number of the Audited Product or Alternative Use Product.

O. Research Transfers Prohibited. An Accelerator Store shall not Transfer any Retail Marijuana to a Pesticide Manufacturer or a Marijuana Research and Development Facility.

P. Corrective and Preventive Action. An Accelerator Store shall establish and maintain written procedures for implementing Corrective Action and Preventive Action. The written procedures shall include the requirements listed below as determined by the Licensee. All activities required under this Rule, and their results, shall be documented and kept as business records. See Rule 3-905. The written procedures shall include requirements, as appropriate, for:

1. What constitutes a Nonconformance in the Licensee's business operation;

2. Analyzing processes, work operations, reports, records, service records, complaints, returned product, and/or other sources of data to identify existing and potential root causes of Nonconformances or other quality problems;
3. Investigating the root cause of Nonconformances relating to product, processes, and the quality system;
4. Identifying the action(s) needed to correct and prevent recurrence of Nonconformance and other quality problems;
5. Verifying the Corrective Action or Preventive Action to ensure that such action is effective and does not adversely affect finished products;
6. Implementing and recording changes in methods and procedures needed to correct and prevent identified quality problems;
7. Ensuring the information related to quality problems or Nonconformances is disseminated to those directly responsible for assuring the quality of products or the prevention of such problems; and
8. Submitting relevant information on identified quality problems and Corrective Action and Preventive Action documentation, and confirming the result of the evaluation, for management review.

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

Basis and Purpose – 6-1115

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-203(2)(z), 44-10-203(2)(aa), 44-10-202(3)(h) and 44-10-611, C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsections 16(5)(a)(V) and 16(5)(a)(VIII). The purpose of this rule is to establish that an Accelerator Marijuana Store must control and safeguard access to certain areas where Retail Marijuana and Retail Marijuana Product will be sold to the general public and prevent the diversion of Retail Marijuana and Retail Marijuana Product to people under 21 years of age.

6-1115 – Point of Sale: Restricted Access Area

- A. Identification of Restricted Access Area. All areas where Retail Marijuana are sold, possessed for sale, displayed, or dispensed for sale shall be identified as a Restricted Access Area and 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, “Restricted Access Area – No One Under 21 Years of Age Allowed.”
- B. Consumers in Restricted Access Area. The Restricted Access Area must be supervised by a Licensee at all times when consumers are present to ensure that only persons who are 21 years of age or older are permitted to enter. When allowing a customer access to a Restricted Access Area, Owner Licensees and Employee Licensees shall make reasonable efforts to limit the number of consumers in relation to the number of Owners Licensees and Employee Licensees in the Restricted Access Area at any time.
- C. Display of Retail Marijuana. The display of Retail Marijuana for sale is allowed only in Restricted Access Areas. Any product displays that are readily accessible to the consumer must be

supervised by the Owner Licensee or Employee Licensees at all times when consumers are present.

D. Pregnancy Warning. Accelerator Stores must post, at all times and in a prominent place inside the Restricted Access Area, a warning that is at minimum three inches high and six inches wide that reads:

WARNING: Using marijuana, in any form, while you are pregnant or breastfeeding passes THC to your baby and may be harmful to your baby. There is no known safe amount of marijuana use during pregnancy or breastfeeding.

Part 7 – Regulated Marijuana Transfers to Unlicensed ~~Medical Research Facilities and Pesticide Manufacturers~~

Basis and Purpose – 7-105 – Repealed

~~The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), 44-10-202(1)(a)(l), and 25-1.5-106.5, C.R.S. The purpose of this rule is to establish requirements associated with the Transfer of Medical Marijuana, Medical Marijuana Concentrate, and Medical Marijuana Product to Medical Research Facilities, including requirements for the possession and disposition of Medical Marijuana, Medical Marijuana Concentrate, and Medical Marijuana Product by Medical Research Facilities. This Rule 7-105 was previously Rule M-1801, 1 CCR 212-1.~~

7-105 – Medical Marijuana Transfers to Medical Research Facilities Repealed

~~A. Transfers to Medical Research Facilities. A Medical Marijuana Cultivation Facility and a Medical Marijuana Products Manufacturer may Transfer Medical Marijuana to a Medical Research Facility pursuant to Rules 5-205 and 5-305.~~

~~B. Agreement with Medical Research Facility. A Medical Marijuana Cultivation Facility or Medical Marijuana Products Manufacturer that Transfers Medical Marijuana to a Medical Research Facility shall enter into a written agreement with the Medical Research Facility prior to Transferring any Medical Marijuana to the Medical Research Facility. The written agreement shall constitute a business record. See Rule 3-905 – Business Records Required. The written agreement shall include the following information:~~

- ~~1. The identity of the Medical Research Facility;~~
- ~~2. The quantity of Medical Marijuana that will be Transferred to the Medical Research Facility;~~
- ~~3. An affirmation by the Medical Research Facility that it (a) has received approval and funding from the State Board of Health for the research to be conducted on the marijuana; (b) remains authorized to receive the quantity of Medical Marijuana that will be Transferred to the Medical Research Facility; and (c) will destroy all Medical Marijuana that will be Transferred to the Medical Research Facility, following completion of research activities as required by subsection 25-1.5-106.5(5)(b), C.R.S.;~~
- ~~4. An affirmation by the Licensee that the Medical Research Facility has provided it with written proof of the State Board of Health's approval and funding of the Medical Research Facility's research; and~~
- ~~5. The date(s) upon which Transfer of the Medical Marijuana will occur.~~

~~C. State Board of Health Approval. A Medical Marijuana Cultivation Facility or Medical Marijuana Products Manufacturer shall not Transfer Medical Marijuana unless and until the State Board of Health approves and funds the Medical Research Facility's research pursuant to section 25-1.5-106.5, C.R.S.~~

~~1. A Medical Marijuana Cultivation Facility or Medical Marijuana Products Manufacturer shall not Transfer any Medical Marijuana until the Medical Marijuana Cultivation Facility or Medical Marijuana Products Manufacturer receives written proof of the State Board of Health's approval and funding of the Medical Research Facility's research. The written proof of the State Board of Health's approval and funding of the Medical Research Facility's research shall constitute a business record. See Rule 3-905—Business Records Required.~~

~~2. Transferring Medical Marijuana to a Medical Research Facility before the Medical Research Facility receives approval and funding from the State Board of Health shall be considered a violation affecting public safety.~~

~~D. Inventory Tracking Requirements. A Medical Marijuana Cultivation Facility or Medical Marijuana Products Manufacturer shall track all Medical Marijuana in the Inventory Tracking System until it is delivered to a Medical Research Facility.~~

~~1. Transport Manifest. A Licensee shall not deliver or permit the delivery of Medical Marijuana unless a manifest is generated from the Inventory Tracking System. See Rule 3-605(C)—Transport: All Regulated Marijuana Businesses.~~

~~2. Complete Manifest. A Licensee shall not relinquish possession or control of Medical Marijuana to a Medical Research Facility until a natural person authorized by the Medical Research Facility acknowledges receipt of the Medical Marijuana by signing the transport manifest. See Rule 3-605(I).~~

~~3. No Inventory Tracking Following Delivery. Once Medical Marijuana has been Transferred by a Licensee to a Medical Research Facility, no further inventory tracking is required.~~

~~4. Licensee Delivery Responsibility. The originating Licensee is responsible for confirming delivery of the Medical Marijuana in the Inventory Tracking System. See Rule 3-605(I).~~

~~E. Packaging, Labeling, and Testing. A Medical Marijuana Cultivation Facility or Medical Marijuana Products Manufacturer that Transfers Medical Marijuana to a Medical Research Facility shall package, label, and test all Medical Marijuana in conformance with these rules, prior to Transferring the Medical Marijuana. See 3-1000 Series Rules—Labeling, Packaging, and Product Safety; 4-100 Series Rules—Regulated Marijuana Testing Program.~~

~~F. Business Records. A Medical Marijuana Cultivation Facility or Medical Marijuana Products Manufacturer that Transfers Medical Marijuana to a Medical Research Facility shall keep all documents concerning the relationship and Transfer of any Medical Marijuana in accordance with Rules 3-605 and 3-905.~~

~~G. Quantity Limitations for Medical Research Facilities. A Medical Research Facility shall only use Medical Marijuana for the medical research approved pursuant to section 25-1.5-106.5, C.R.S. A Medical Research Facility shall not possess at any time a quantity of Transferred Medical Marijuana greater than the quantity approved by the research grant awarded to the Medical Research Facility by the State Board of Health. In no event shall the Medical Research Facility possess at any given time more than (i) 12 Medical Marijuana plants and (ii) four pounds of Medical Marijuana or its equivalency in Medical Marijuana Concentrate (512 grams) or Medical Marijuana Product (5,120 Medical Marijuana Products).~~

- ~~H. — Colorado Department of Public Health and Environment and State Board of Health Administration. The Colorado Department of Public Health and Environment is responsible for the administration of grants to Medical Research Facilities pursuant to section 25-1.5-106.5(2), C.R.S. The Colorado Department of Public Health and Environment, through the Scientific Advisory Council, has the authority to review and make recommendations regarding research grant proposals. The State Board of Health has the authority to approve or deny research grant proposals pursuant to section 25-1.5-106.5, C.R.S.~~
- ~~I. — Disposal of Medical Marijuana. A Medical Research Facility shall destroy all Medical Marijuana pursuant to Rule 3-230 — Waste Disposal following completion of research activities as required by subsection 25-1.5-106.5(5)(b), C.R.S.~~
- ~~J. — No Transfer to Licensees. Under no circumstance may a Licensee receive or obtain for any purposes Medical Marijuana from a Medical Research Facility.~~

~~Basis and Purpose – 7-110 – Repealed~~

~~The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(a)(I), 44-10-202(1)(c), 44-10-203(1)(c), 44-10-203(1)(j), and 25-1.5-106.5(5)(b), C.R.S. The purpose of this rule is to establish requirements associated with the Transfer of Retail Marijuana, Retail Marijuana Concentrate, and Retail Marijuana Product to Medical Research Facilities, including requirements for the possession and disposition of Retail Marijuana, Retail Marijuana Concentrate, and Retail Marijuana Product by Medical Research Facilities. This Rule 7-110 was previously Rule R-1801, 1 CCR 212-2.~~

~~7-110 – Retail Marijuana Transfers to Medical Research Facilities Repealed~~

- ~~A. — Transfers to Medical Research Facilities. A Retail Marijuana Cultivation Facility or a Retail Marijuana Products Manufacturer may Transfer Retail Marijuana to a Medical Research Facility pursuant to Rules 6-205 and 6-305.~~
- ~~1. — Upon Transfer of the Retail Marijuana to the Medical Research Facility, such Retail Marijuana shall be deemed Medical Marijuana.~~
- ~~B. — Agreement with Medical Research Facility. A Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturer that Transfers Retail Marijuana to a Medical Research Facility shall enter into a written agreement with the Medical Research Facility prior to Transferring any Retail Marijuana to the Medical Research Facility. The written agreement shall constitute a business record. See Rule 3-905 — Business Records Required. The written agreement shall include the following information:~~
- ~~1. — The identity of the Medical Research Facility;~~
 - ~~2. — The quantity of Retail Marijuana that will be Transferred to the Medical Research Facility;~~
 - ~~3. — An affirmation by the Medical Research Facility that it (a) has received approval and funding from the State Board of Health for the research to be conducted on the marijuana; (b) remains authorized to receive the quantity of Retail Marijuana that will be Transferred to the Medical Research Facility; and (c) will destroy all Retail Marijuana that will be Transferred to the Medical Research Facility, following completion of research activities as required by subsection 25-1.5-106.5(5)(b), C.R.S.;~~
 - ~~4. — An affirmation by the Licensee that the Medical Research Facility has provided it with written proof of the State Board of Health's approval and funding of the Medical Research Facility's research;~~

5. ~~The date(s) upon which Transfer of the Retail Marijuana will occur; and~~
 6. ~~An acknowledgement that, pursuant to these rules, upon Transfer of the Retail Marijuana to the Medical Research Facility, such Retail Marijuana shall be deemed Medical Marijuana.~~
- ~~C. State Board of Health Approval. A Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturer shall not Transfer Retail Marijuana unless and until the State Board of Health approves and funds the Medical Research Facility's research pursuant to section 25-1.5-106.5, C.R.S.~~
1. ~~A Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturer shall not Transfer any Retail Marijuana until the Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturer receives written proof of the State Board of Health's approval and funding of the Medical Research Facility's research. The written proof of the State Board of Health's approval and funding of the Medical Research Facility's research shall constitute a business record. See Rule 3-905—Business Records Required.~~
 2. ~~Transferring Retail Marijuana to a Medical Research Facility before the Medical Research Facility receives approval and funding from the State Board of Health shall be considered a violation affecting public safety.~~
- ~~D. Inventory Tracking Requirements. A Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturer shall track all Retail Marijuana in the Inventory Tracking System until it is delivered to a Medical Research Facility.~~
1. ~~Transport Manifest. A Licensee shall not deliver or permit the delivery of Retail Marijuana unless a manifest is generated from the Inventory Tracking System. See Rule 3-605(C)—Transport: All Regulated Marijuana Businesses.~~
 2. ~~Complete Manifest. A Licensee shall not relinquish possession or control of Retail Marijuana to a Medical Research Facility until a natural person authorized by the Medical Research Facility acknowledges receipt of the Retail Marijuana by signing the transport manifest. See Rule 3-605(H).~~
 3. ~~No Inventory Tracking Following Delivery. Once Retail Marijuana has been Transferred by a Licensee to a Medical Research Facility, no further inventory tracking is required.~~
 4. ~~Licensee Delivery Responsibility. The originating Licensee is responsible for confirming delivery of the Retail Marijuana in the Inventory Tracking System. See Rule 3-605(J).~~
- ~~E. Packaging, Labeling, and Testing. A Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturer that Transfers Retail Marijuana to a Medical Research Facility shall package, label, and test all Retail Marijuana in conformance with these Retail Marijuana Rules, 1-CCR 212-2, rules prior to Transferring the Retail Marijuana. See 3-1000 Series—Labeling, Packaging, and Product Safety; 4-100 Series Rules—Regulated Marijuana Testing Program.~~
- ~~F. Business Records. A Retail Marijuana Cultivation Facility or Retail Marijuana Products Manufacturer that Transfers Retail Marijuana to a Medical Research Facility shall keep all documents concerning the relationship and such Transfer of any Retail Marijuana in accordance with Rules 3-605 and 3-905.~~
- ~~G. Quantity Limitations for Medical Research Facilities. A Medical Research Facility shall only obtain Retail Marijuana for the medical research approved pursuant to section 25-1.5-106.5, C.R.S. A Medical Research Facility shall not possess at any time a quantity of Transferred Retail Marijuana~~

~~greater than the quantity approved by the research grant awarded to the Medical Research Facility by the State Board of Health. In no event shall the Medical Research Facility possess at any given time more than (i) 12 Retail Marijuana Plants and (ii) four pounds of Retail Marijuana or its equivalency in Retail Marijuana Concentrate (512 grams) or Retail Marijuana Product (5,120 ten-milligram servings of Retail Marijuana Product).~~

- ~~H. Colorado Department of Public Health and Environment and State Board of Health Administration. The Colorado Department of Public Health and Environment is responsible for the administration of grants to Medical Research Facilities pursuant to section 25-1.5-106.5(2), C.R.S. The Colorado Department of Public Health, through the Scientific Advisory council, has the authority to review and make recommendations regarding research grant proposals. The State Board of Health has the authority to approve or deny research grant proposals pursuant to section 25-1.5-106.5, C.R.S.~~
- ~~I. Disposal of Medical Marijuana. A Medical Research Facility shall destroy all Transferred Retail Marijuana following completion of research activities as required by subsection 25-1.5-106.5(5)(b), C.R.S.~~
- ~~J. No Transfer to Licensees. Under no circumstance may a Licensee receive or obtain for any purposes any Transferred Regulated Marijuana from a Medical Research Facility.~~

Part 8 – Enforcement and Discipline

8-200 Series - Discipline

Basis and Purpose – 8-235

The statutory authority for this rule includes but is not limited to sections 44-10-202(1)(c), 44-10-203(1)(j), 44-10-203(2)(l), 44-10-701, and 44-10-901(3)(b), C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(IX). The purpose of this rule is to establish guidelines for enforcement and penalties that will be imposed by the State Licensing Authority for non-compliance with Marijuana Code, section 18-18-406.3(7), or any other applicable rule. The State Licensing Authority may pursue a violation in any of the categories described in this Rule and is not required to prove harm to from any of the alleged violation types. ~~The State Licensing Authority considered the type of violation and the threat of harm to the public versus purely administrative harm when setting the penalty structure.~~ This Rule 8-235 was previously Rules M and R 1307, 1 CCR 212-1 and 1 CCR 212-2.

8-235 – Penalties

- A. Penalty Schedule. The State Licensing Authority will make determinations regarding the type of penalty to impose based on the severity of the violation in the following categories:
1. License Violations Affecting Public Safety. This category of violation is the most severe and may include, but is not limited to, Retail Marijuana sales to persons under the age of 21 years, Medical Marijuana sales to non-patients, consuming marijuana on the Licensed Premises, Regulated Marijuana sales in excess of the relevant sales limitations, permitting the diversion of Regulated Marijuana outside the regulated distribution system, possessing marijuana obtained from outside the regulated distribution system or from an unauthorized source, making misstatements or omissions in the Inventory Tracking System failure to report any transfer required by section 44-10-313(11), knowingly adulterating or altering or attempting to adulterate or alter any Samples of Regulated Marijuana, violations related to co-located Medical Marijuana Businesses and Retail Marijuana Businesses, violations related to R&D Co-Location Permits, failure to maintain books and records to fully account for all transactions of the business, failure to cooperate with Division investigators during the course of a Division investigation, failure

to comply with any requirement related to the Transfer of Sampling Units, utilizing advertising material that is misleading, deceptive, or false, advertising violations directly targeting minors, or packaging or labeling violations that directly impact patient or consumer safety. Violations of this nature generally have an immediate or potential negative impact on the health, safety, and welfare of the public at large. The range of penalties for this category of violation may include license suspension, a fine per individual violation, a fine in lieu of suspension of up to \$100,000, and/or license revocation depending on the mitigating and aggravating circumstances. Sanctions may also include restrictions on the license.

2. License Violations. This category of violation is more severe than a license infraction but generally does not have an immediate or potential negative impact on the health, safety, and welfare of the public at large. License violations may include but are not limited to, advertising and/or marketing violations, packaging or labeling violations that do not directly impact patient or consumer safety, failing to continuously escort a visitor in a Limited Access Area, failure to maintain minimum security requirements, failure to keep and maintain adequate business books and records, or minor or clerical errors in the Inventory Tracking System. The range of penalties for this category of violation may include license suspension, a fine per individual violation, a fine in lieu of suspension of up to \$50,000, and/or license revocation depending on the mitigating and aggravating circumstances. Sanctions may also include restrictions on the license.
3. License Infractions. This category of violation is the least severe and may include, but is not limited to, failure to display required Identification Badges, visitor badges, unauthorized modifications of the Licensed Premises of a minor nature, or failure to notify the State Licensing Authority of a minor change in ownership. The range of penalties for this category of violation may include license suspension, a fine per individual violation, and/or a fine in lieu of suspension of up to \$10,000 depending on the mitigating and aggravating circumstances. Sanctions may also include restrictions on the license.

B. Other Factors

1. The State Licensing Authority may take into consideration any aggravating and mitigating factors surrounding the violation which could impact the type or severity of penalty imposed.
2. The penalty structure is a framework providing guidance as to the range of violations, suspension description, fines, and mitigating and aggravating factors. The circumstances surrounding any penalty imposed will be determined on a case-by-case basis.
3. For all administrative offenses involving a proposed suspension, a Licensee may petition the State Licensing Authority for permission to pay a monetary fine, within the provisions of section 44-10-901, C.R.S., in lieu of having its license suspended for all or part of the suspension.

C. Mitigating and Aggravating Factors. The State Licensing Authority may consider mitigating and aggravating factors when considering the imposition of a penalty. These factors may include, but are not limited to:

1. Any prior violations that the Licensee has admitted to or was found to have engaged in.
2. Good faith measures by the Licensee to prevent the violation, including the following:
 - a. Proper supervision;

- b. Regularly-provided and documented employee training, provided the Licensee demonstrates all reasonable training measures were delivered prior to the Division's investigation;
 - c. Standard operating procedures established prior to the Division's investigation, and which include procedures directly addressing the conduct for which imposition of a penalty is being considered; and
 - d. Previously established and maintained responsible-vendor designation pursuant to the 3-500 Series Rules.
- 3. Licensee's past history of success or failure with compliance checks.
- 4. Corrective action(s) taken by the Licensee related to the current violation or prior violations.
- 5. Willfulness and deliberateness of the violation.
- 6. Likelihood of reoccurrence of the violation.
- 7. Circumstances surrounding the violation, which may include, but are not limited to:
 - a. Prior notification letter to the Licensee that an underage compliance check would be forthcoming.
 - b. The dress or appearance of an underage operative used during an underage compliance check (e.g., the operative was wearing a high school letter jacket).
 - c. Licensee self-reported violation(s) of the Marijuana Code or rules promulgated pursuant to the Marijuana Code.
- 8. Owner or management personnel is the violator or has directed an employee or other individual to violate the law.