

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 15-1093.01 Michael Dohr x4347

HOUSE BILL 15-1379

HOUSE SPONSORSHIP

Pabon,

SENATE SPONSORSHIP

Hill,

House Committees

Business Affairs and Labor
Finance
Appropriations

Senate Committees

Finance
Appropriations

A BILL FOR AN ACT

101 CONCERNING CREATION OF MARIJUANA PERMITTED ECONOMIC
102 INTEREST REGISTRATIONS, AND, IN CONNECTION THEREWITH,
103 MAKING AN APPROPRIATION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills summaries>.)

The bill creates a permitted economic interest registration (registration) in both the regulated medical marijuana and retail marijuana systems. A registration can be held by a person or company with the ability to enter into different types of financial arrangements with a medical marijuana or retail marijuana licensee as long as the registrant

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
May 5, 2015

HOUSE
Amended 3rd Reading
May 4, 2015

HOUSE
Amended 2nd Reading
May 1, 2015

cannot and does not exercise any control over the licensee. A registration may only be issued to a person or company who is entering into an agreement with an established medical or retail marijuana licensee.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 12-43.3-104, **add**
3 (12.3) and (12.4) as follows:

4 **12-43.3-104. Definitions.** As used in this article, unless the
5 context otherwise requires:

6 (12.3) "OWNER" MEANS ANY PERSON HAVING A BENEFICIAL
7 INTEREST, AS DEFINED BY THE STATE LICENSING AUTHORITY, IN A MEDICAL
8 MARIJUANA BUSINESS OTHER THAN A HOLDER OF A PERMITTED ECONOMIC
9 INTEREST.

10 (12.4) "PERMITTED ECONOMIC INTEREST" MEANS ANY UNSECURED
11 CONVERTIBLE DEBT INSTRUMENT, OPTION AGREEMENT, WARRANT, OR ANY
12 OTHER RIGHT TO OBTAIN AN OWNERSHIP INTEREST WHEN THE HOLDER OF
13 SUCH INTEREST IS A NATURAL PERSON WHO IS A LAWFUL UNITED STATES
14 RESIDENT AND WHOSE RIGHT TO CONVERT INTO AN OWNERSHIP INTEREST
15 IS CONTINGENT ON THE HOLDER QUALIFYING AND OBTAINING A LICENSE
16 AS AN OWNER UNDER THIS ARTICLE; OR SUCH OTHER AGREEMENTS AS MAY
17 BE PERMITTED BY RULE OF THE STATE LICENSING AUTHORITY.

18 **SECTION 2.** In Colorado Revised Statutes, 12-43.3-202, **add** (2)
19 (a) (XVIII.5) as follows:

20 **12-43.3-202. Powers and duties of state licensing authority.**
21 (2) (a) Rules promulgated pursuant to paragraph (b) of subsection (1) of
22 this section may include, but need not be limited to, the following
23 subjects:

24 (XVIII.5) RULES EFFECTIVE ON OR BEFORE JANUARY 1, 2016,

1 RELATING TO PERMITTED ECONOMIC INTERESTS INCLUDING: A PROCESS
2 FOR A CRIMINAL HISTORY RECORD CHECK, A REQUIREMENT THAT A
3 PERMITTED ECONOMIC INTEREST APPLICANT SUBMIT TO AND PASS A
4 CRIMINAL HISTORY RECORD CHECK, DIVESTITURE, AND OTHER
5 AGREEMENTS THAT WOULD QUALIFY AS PERMITTED ECONOMIC INTERESTS.

6 **SECTION 3.** In Colorado Revised Statutes, 12-43.4-103, **amend**
7 (12); and **add** (12.4) as follows:

8 **12-43.4-103. Definitions.** As used in this article, unless the
9 context otherwise requires:

10 (12) "Owner" means any person having a beneficial interest, as
11 defined by the state licensing authority, in a retail marijuana
12 establishment OTHER THAN A HOLDER OF A PERMITTED ECONOMIC
13 INTEREST.

14 (12.4) "PERMITTED ECONOMIC INTEREST" MEANS ANY UNSECURED
15 CONVERTIBLE DEBT INSTRUMENT, OPTION AGREEMENT, WARRANT, OR ANY
16 OTHER RIGHT TO OBTAIN AN OWNERSHIP INTEREST WHEN THE HOLDER OF
17 SUCH INTEREST IS A NATURAL PERSON WHO IS A LAWFUL UNITED STATES
18 RESIDENT AND WHOSE RIGHT TO CONVERT INTO AN OWNERSHIP INTEREST
19 IS CONTINGENT ON THE HOLDER QUALIFYING AND OBTAINING A LICENSE
20 AS AN OWNER UNDER THIS ARTICLE OR SUCH OTHER AGREEMENTS AS MAY
21 BE PERMITTED BY RULE BY THE STATE LICENSING AUTHORITY.

22 **SECTION 4.** In Colorado Revised Statutes, 12-43.4-202, **add** (3)
23 (a) (XIV.5) as follows:

24 **12-43.4-202. Powers and duties of state licensing authority -**
25 **rules.** (3) (a) Rules promulgated pursuant to paragraph (b) of subsection
26 (2) of this section must include, but need not be limited to, the following
27 subjects:

1 (XIV.5) RULES EFFECTIVE ON OR BEFORE JANUARY 1, 2016,
2 RELATING TO PERMITTED ECONOMIC INTERESTS INCLUDING A PROCESS FOR
3 A CRIMINAL HISTORY RECORD CHECK, A REQUIREMENT THAT A PERMITTED
4 ECONOMIC INTEREST APPLICANT SUBMIT TO AND PASS A CRIMINAL
5 HISTORY RECORD CHECK, DIVESTITURE, AND OTHER AGREEMENTS THAT
6 WOULD QUALIFY AS PERMITTED ECONOMIC INTERESTS.

7 **SECTION 5.** In Colorado Revised Statutes, 39-28.8-501, **add** (4)
8 (c) as follows:

9 **39-28.8-501. Marijuana tax cash fund - creation - distribution**
10 **- repeal.** (4) The state treasurer shall make the following transfers from
11 the fund to the general fund:

12 (c) ON AUGUST 15, 2015, ONE HUNDRED THIRTY-EIGHT THOUSAND
13 FOUR HUNDRED SIXTY-SIX DOLLARS. ___

14 **SECTION 6. Appropriation.** (1) For the 2015-16 state fiscal
15 year, \$166,305 is appropriated to the department of revenue for use by the
16 marijuana enforcement division. This appropriation is from the marijuana
17 cash fund created in section 12-43.3-501 (1) (a), C.R.S., and is based on
18 an assumption that the division will require an additional 1.4 FTE. To
19 implement this act, the division may use this appropriation for marijuana
20 enforcement.

21 (2) For the 2015-16 state fiscal year, \$15,999 is appropriated to the
22 department of public safety for use by the Colorado bureau of
23 investigation. This appropriation is from reappropriated funds received
24 from the department of revenue under subsection (1) of this section. To
25 implement this act, the bureau may use this appropriation for operating
26 expenses related to identification.

27 (3) For the 2015-16 state fiscal year, \$33,254 is appropriated to

1 the department of law. This appropriation is from reappropriated funds
2 received from the department of revenue under subsection (1) of this
3 section and is based on an assumption that the department of law will
4 require an additional 0.2 FTE. To implement this act, the department of
5 law may use this appropriation to provide legal services for the
6 department of revenue.

7 **SECTION 7. Act subject to petition - effective date.** This act
8 takes effect at 12:01 a.m. on the day following the expiration of the
9 ninety-day period after final adjournment of the general assembly (August
10 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
11 referendum petition is filed pursuant to section 1 (3) of article V of the
12 state constitution against this act or an item, section, or part of this act
13 within such period, then the act, item, section, or part will not take effect
14 unless approved by the people at the general election to be held in
15 November 2016 and, in such case, will take effect on the date of the
16 official declaration of the vote thereon by the governor.