

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

BILL 7

LLS NO. 17-0134.01 Michael Dohr x4347

INTERIM COMMITTEE BILL

Committee on Cost-benefit Analysis of Legalized Marijuana
in Colorado

A BILL FOR AN ACT

101 CONCERNING CREATION OF A PRIVATE MARIJUANA CLUB LICENSE.

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/billsummaries>.)

Committee on Cost-benefit Analysis of Legalized Marijuana in Colorado. The bill creates a private marijuana club (club) license. The license may be issued to a person to operate an establishment where retail or medical marijuana may be consumed but not sold or provided by the club. The club may not serve food prepared on site or alcohol. Entry to the club is restricted to those persons at least 21 years of age.

The bill authorizes a local government to permit clubs in its jurisdiction. If a local government permits clubs, it may require the clubs

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.

to be licensed. In order to operate as a club, the club must comply with the local and state licensing or approval regulations. A club is exempt from the "Colorado Clean Indoor Air Act" if it is fully ventilated. Public display, consumption, or use in a club is not a criminal offense.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 12-43.4-313 as
3 follows:

4 **12-43.4-313. Local authority to regulate private marijuana**
5 **clubs.** (1) A MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY,
6 BY EITHER A MAJORITY OF THE REGISTERED ELECTORS OF THE
7 MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY VOTING AT A
8 REGULAR ELECTION OR SPECIAL ELECTION CALLED IN ACCORDANCE WITH
9 THE "COLORADO MUNICIPAL ELECTION CODE OF 1965", ARTICLE 10 OF
10 TITLE 31, OR THE "UNIFORM ELECTION CODE OF 1992", ARTICLES 1 TO 13
11 OF TITLE 1, AS APPLICABLE, OR A MAJORITY OF THE MEMBERS OF THE
12 GOVERNING BOARD FOR THE MUNICIPALITY, COUNTY, CITY, OR CITY AND
13 COUNTY, MAY VOTE TO AUTHORIZE THE OPERATION OF PRIVATE
14 MARIJUANA CLUBS WITHIN ITS JURISDICTION.

15 (2) IF A MUNICIPALITY, COUNTY, CITY, OR CITY AND COUNTY
16 AUTHORIZES THE OPERATION OF A PRIVATE MARIJUANA CLUB, IT SHALL
17 ADOPT AN APPROVAL REQUIREMENT OR LICENSING REQUIREMENT THAT
18 COMPLIES WITH THE REQUIREMENTS OF THIS ARTICLE. THE MUNICIPALITY,
19 COUNTY, CITY, OR CITY AND COUNTY MAY REQUIRE ADDITIONAL OR MORE
20 STRINGENT REQUIREMENTS THAN THIS SECTION.

21 (3) A PRIVATE MARIJUANA CLUB SHALL NOT OPERATE UNTIL IT HAS
22 SATISFIED THE STATE AND LOCAL REQUIREMENTS FOR LICENSURE OR
23 APPROVAL; EXCEPT THAT A PRIVATE MARIJUANA CLUB IN OPERATION ON

1 JUNE 30, 2017, MAY CONTINUE TO OPERATE AS LONG AS IT IS IN THE
2 PROCESS OF APPLYING FOR STATE AND LOCAL LICENSURE AND IS NOT
3 DENIED LICENSURE OR APPROVAL BY THE STATE LICENSING AUTHORITY OR
4 LOCAL GOVERNMENT.

5 (4) ONLY A PRIVATE MARIJUANA CLUB MAY OPERATE A BUSINESS
6 WHERE PERSONS MAY CONSUME RETAIL OR MEDICAL MARIJUANA ON ITS
7 PREMISES.

8 **SECTION 2.** In Colorado Revised Statutes, 12-43.4-401, **amend**
9 (1)(g) and (1)(f); and **add** (1)(h) as follows:

10 **12-43.4-401. Classes of licenses.** (1) For the purpose of
11 regulating the cultivation, manufacture, distribution, sale, and testing of
12 retail marijuana and retail marijuana products, the state licensing
13 authority in its discretion, upon receipt of an application in the prescribed
14 form, may issue and grant to the applicant a license from any of the
15 following classes, subject to the provisions and restrictions provided by
16 this article:

- 17 (f) Retail marijuana transporter license; ~~and~~
- 18 (g) Retail marijuana business operator license; AND
- 19 (h) PRIVATE MARIJUANA CLUB LICENSE.

20 **SECTION 3.** In Colorado Revised Statutes, **add** 12-43.4-408 as
21 follows:

22 **12-43.4-408. Private marijuana club license.** (1) A PRIVATE
23 MARIJUANA CLUB LICENSE MAY ONLY BE ISSUED TO A PERSON TO OPERATE
24 AN ESTABLISHMENT THAT ALLOWS PERSONS TO CONSUME RETAIL OR
25 MEDICAL MARIJUANA ON SITE BUT DOES NOT SELL OR PROVIDE RETAIL
26 MARIJUANA OR MEDICAL MARIJUANA AT A PROPERLY ZONED PIECE OF
27 REAL ESTATE.

1 (2) A PRIVATE MARIJUANA CLUB MAY NOT SELL:

2 (a) ALCOHOL, INCLUDING MALT, VINOUS AND SPIRITUOUS LIQUOR;

3 OR

4 (b) FOOD PREPARED ON SITE, EXCLUDING LIGHT SNACKS, FOR
5 CONSUMPTION ON THE PREMISES.

6 (3) A PRIVATE MARIJUANA CLUB MAY ONLY ADMIT PERSONS WHO
7 ARE AT LEAST TWENTY-ONE YEARS OF AGE ON THE ESTABLISHMENT'S
8 PREMISES.

9 **SECTION 4.** In Colorado Revised Statutes, 18-18-406, **add**
10 (5)(b)(IV) as follows:

11 **18-18-406. Offenses relating to marijuana and marijuana**
12 **concentrate.** (5) (b) (IV) PUBLIC DISPLAY, CONSUMPTION, OR USE OF ONE
13 OUNCE OF MARIJUANA IN A BUSINESS LICENSED PURSUANT TO SECTION
14 12-43.4-408 IS NOT A VIOLATION OF THIS SUBSECTION (5)(b).

15 **SECTION 5.** In Colorado Revised Statutes, 25-14-205, **add** (1)(l)
16 as follows:

17 **25-14-205. Exceptions to smoking restrictions.** (1) This part 2
18 shall not apply to:

19 (l) A PRIVATE MARIJUANA CLUB, AS DESCRIBED IN SECTION
20 12-43.4-408, THAT IS IN COMPLIANCE WITH SECTION 12-43.4-313 (3) AND
21 IS FULLY VENTILATED.

22 **SECTION 6. Safety clause.** The general assembly hereby finds,
23 determines, and declares that this act is necessary for the immediate
24 preservation of the public peace, health, and safety.