R 200 Series – Licensing and Interests

Basis and Purpose – R 207

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-104(1)(a)(I), and 12-43.4-202(3)(a)(II), 12-43.4-202(3)(a)(XIV.5), and sections 12-43.3-501, 12-43.3-502 and 12-43.4-501, 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 clarify the schedules of application fees for new retail business Licensees.

R 207 – Schedule of Application Fees: Retail Marijuana Establishments

A. Application Fee for Existing Medical Marijuana Licensees in Good Standing and Qualified Applications.

1. A Person licensed pursuant to the Medical Code, section 12-43.3-401, and that meets the requirements of 12-43.4-104, C.R.S., shall pay a $500 application fee, for each application submitted, to operate a Retail Marijuana Establishment if the following are met:

a. The Licensee is operating; and

b. The Licensee's license is in good standing. A license in good standing has complied consistently with the provisions of the Medical Code and the regulations adopted thereto and is not subject to a disciplinary action at the time of the application.

B. Application Fee for New Applicants - Retail Marijuana Store, Cultivation Facility, or Product Manufacturer. Applicants that do not meet the criteria in Part A. of this rule are required to pay a $5000 application fee that must be submitted with each application before it will be considered.

C. ~~Application Fee for Retail Marijuana Testing Facilities~~Retail Marijuana Testing Facility Application Fee - $1,000.00

D. Permitted Economic Interest Application Fee - $400.00

~~D~~E. When Application Fees Are Due. All application fees are due at the time an application is submitted. An Applicant must follow Division policies regarding payment to local jurisdictions.

Basis and Purpose – R 208

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(II), and 12-43.4-304(1), and sections 12-43.3-501, 12-43.3-502, 12-43.4-305, and 12-43.4-501, 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 basic requirements for all Division applications and help the regulated community understand procedural licensing requirements.

R 208 – Schedule of Business License Fees: Retail Marijuana Establishments

A. License Fees - Medical Marijuana Business Converting To or Adding a Retail Marijuana Establishment Pursuant to 12-43.4-104(1)(a)(I).

1. Medical Marijuana Center Applying For A Retail Marijuana Store License – ~~$3,000.00~~$2,000.00

2. Retail Marijuana Cultivation Facility License (Tier 1: 1 – 1,800 plants) – ~~$2,200.00~~$1,500.00

~~3. Extended Plant Count Fee for an Existing Medical Marijuana Center 2– $4,000.00~~

~~4. Extended Plant Count Fee for an Existing Medical Marijuana Center 3– $8,000.00~~

3. Expanded Production Management Fees for Applicants with an increased production management tier approved by the Division pursuant to rule R 506(E):

   a. Expanded Production Management Fee for Tier 2 (1,801 – 3,600 plants) - $1,000.00

   b. Expanded Production Management Fee for Tier 3 (3,601 – 6,000 plants) - $2,000.00

   c. Expanded Production Management Fee for Tier 4 (6,001 – 10,200 plants) - $4,000.00

   d. Expanded Production Management Fee for Tier 5 (10,201 – 13,800 plants) - $6,000.00

   e. Expanded Production Management Fee for each additional tier of 3,600 plants over Tier 5 - $1,000.00

~~5~~4. Retail Marijuana Products Manufacturing License – ~~$2,200.00~~$1,500.00

B. License Fees - New Retail Marijuana Establishment Applicants That Have Applied Pursuant To 12-43.4-104(1)(b)(II).

1. Retail Marijuana Store License - ~~$3,000.00~~$2,000.00

2. Retail Marijuana Cultivation Facility License (Tier 1: 1 – 1,800 plants) - ~~$2,200.00~~$1,500.00

~~3. Extended Plant Count Fee for Applicants that Meet Waiver Requirements of R R212(C) for 6,000 Plants - $4,000.00~~

~~4. Extended Plant Count Fee for Applicants that Meet Waiver Requirements of R R212(C) for 10,200 Plants - $8,000.00~~

3. Expanded Production Management Fees for Applicants with an increased production management tier approved by the Division pursuant to rule R 506(E):

   a. Expanded Production Management Fee for Tier 2 (1,801 – 3,600 plants) - $1,000.00

   b. Expanded Production Management Fee for Tier 3 (3,601 – 6,000 plants) - $2,000.00

c. Expanded Production Management Fee for Tier 4 (6,001 – 10,200 plants) - $4,000.00

d. Expanded Production Management Fee for Tier 5 (10,201 – 13,800 plants) - $6,000.00

e. Expanded Production Management Fee for each additional tier of 3,600 plants over Tier 5 - $1,000.00

5. Retail Marijuana Products Manufacturing License - ~~$2,200.00~~$1,500.00

6. Retail Marijuana Testing Facility License - ~~$2,200.00~~$1,500.00

C. When License Fees Are Due. All license fees are due at the time an application is submitted.

D. If Application is Denied. If an application is denied, an Applicant may request that the State Licensing Authority refund the license fee after the denial appeal period has lapsed or after the completion of the denial appeal process, whichever is later.

Basis and Purpose – R 209

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(3)(a)(II), and 12-43.4-304(1), 12-43.4-310(2)(a) and sections 12-43.4-501, 12-43.3-502,12-43.4-305, and section 12-43.4-501, 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 basic requirements for all Division applications and help the regulated community understand procedural licensing requirements.

R 209 – Schedule of Business License Renewal Fees: Retail Marijuana Establishments

A. Renewal Fee Amount and Due Date. The renewal fee shall be $300 for each renewal application. Renewal license and processing fees are due at the time the renewal application is submitted for each licensed premise.

B. Late Renewal Application and Fee Pursuant to 12-43.4-310(2)(a), C.R.S. A Licensee whose license has been expired for no more than 90 days may file a late renewal application upon payment of a late renewal fee. The late renewal fee is non-refundable and shall be $500. This late renewal fee must be paid in addition to the $300 renewal fee required pursuant to paragraph A of this rule R 209.

~~B. Renewal License Fees shall be the same amount as the initial license fee. See Rule R 208 - Schedule of Business License Fees: Retail Marijuana Establishments.~~

~~C~~D. Renewal License Fees.

1. Retail Marijuana Store – ~~$3,000.00~~$1,500.00

~~2. Extended Plant Count Renewal Fee – 6,000 Plants - $4,000.00~~

~~3. Extended Plant Count Renewal Fee – 10,200 Plants - $8,000.00~~

~~4~~2. Retail Marijuana Cultivation Facility License (Tier 1: 1 – 1,800 plants) – ~~$2,200.00~~$1,500.00

3. Expanded Production Management Renewal Fees for Applicants with an increased production management tier approved by the Division pursuant to rule R 506(E):

a. Expanded Production Management Renewal Fee for Tier 2 (1,801 – 3,600 plants) - $800.00

b. Expanded Production Management Renewal Fee for Tier 3 (3,601 – 6,000 plants) - $1,500.00

c. Expanded Production Management Renewal Fee for Tier 4 (6,001 – 10,200 plants) - $3,000.00

d. Expanded Production Management Renewal Fee for Tier 5 (10,201 – 13,800 plants) - $5,000.00

e. Expanded Production Management Renewal Fee for each additional tier of 3,600 plants over Tier 5 - $800.00

~~5~~4. Retail Marijuana Products Manufacturing License – ~~$2,200.00~~$1,500.00

~~6~~5. Retail Marijuana Testing Facility License – ~~$2,200.00~~$1,500.00

D. If Renewal Application is Denied. If an application for renewal is denied, an Applicant may request that the State Licensing Authority refund the license fee after the denial appeal period has lapsed or after the completion of the denial appeal process, whichever is later.

Basis and Purpose – R 210

The statutory authority for this rule is found at subsections 12-43.3-1101, 12-43.3-1102, 12-43.4-202(2)(b), 12-43.4-202(3)(a)(II), and12-43.4-304(1), and sections 12-43.3-501, 12-43.3-502 and 12-43.4-501, 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 basic requirements for all Division applications and help the regulated community understand procedural licensing requirements.

R 210 – Schedule of Licensing Administrative Service Fees: All Licensees

A. Administrative Service Fees. Administrative service fees shall be as follows:

1. Transfer of Ownership - New Owners - ~~$2,000.00~~$1,600.00

2. Transfer of Ownership - Reallocation of Ownership - ~~$800.00~~$1,000.00

3. Change of Corporation or LLC Structure - $800.00/Person

4. Change of Trade Name - ~~$40.00~~$50.00

5. Change of Location Application Fee - Same Local Jurisdiction Only - $500.00

6. Modification of Licensed Premises - ~~$120.00~~$100.00

7. Duplicate Business License - ~~$40.00~~$20.00

8. Duplicate Occupational License - ~~$10.00~~$20.00

9. Indirect Financial Interest Background Investigations - ~~$150.00~~$200.00

10. Off Premises Storage Permit - ~~$2,200.00~~$1,500.00

11. Subpoena Fee - See Rule R 106 – Subpoena Fees.

12. Responsible Vendor Program Application Fee: $850.00

13. Responsible Vendor Program Renewal Fee: $350.00

14. Responsible Vendor Program Certificate Fee: $50.00

B. When Administrative Service Fees Are Due. All administrative service fees are due at the time each applicable request is made.

Basis and Purpose – R 231.5

The statutory authority for this rule is found at subsections 12-43.4-103(12), 12-43.3-201(4), 12-43.4-202(2)(b), 12-43.4-202(3)(a)(III) and (XIV.5), and 24-18-105(3), and sections 12-43.4-305, 12-43.4-306, and 24-76.5-101 *et. seq.,* C.R.S. Authority also exists in the Colorado Constitution at Article XVIII, Subsection 16(5)(a)(III). The purpose of this rule is to clarify the qualifications for holding a Permitted Economic Interest, including, but not limited to, the requirement for a fingerprint-based criminal history record check and that the applicant is a natural person who is a lawful United States resident.

R 231.5 – Qualifications for Permitted Economic Interests: Individuals

A. General Requirements

1. All individuals applying for a Permitted Economic Interest shall submit information to the Division in a full, faithful, truthful, and fair manner. The Division may recommend denial of an application where the individual made intentional misstatements, purposeful omissions, misrepresentations, or untruths in the application or in connection with the individual's background investigation. This type of conduct may be considered as the basis of additional administrative action against the individual and it may also be the basis for criminal charges against the individual.

2. The Division may deny the individual's application when the individual fails to provide any requested evidence or information by the Division's deadline.

3. A Permitted Economic Interest approved by the Division constitutes a revocable privilege. The burden of proving the qualifications for suitability to hold a Permitted Economic Interest rests at all times with the applicant.

B. Other Requirements

1. Fingerprints Required. ~~Any individual applying for a Permitted Economic Interest shall be fingerprinted for a fingerprint-based criminal history record check at the Division's discretion.~~ Any individual applying to hold his or her first Permitted Economic Interest shall be fingerprinted for a criminal history record check. In the

Division's discretion, an individual may be required to be fingerprinted again for additional criminal history record checks.

2. Other Documents May Be Required. Any individual applying for a Permitted Economic Interest may be required to establish his or her identity and age by any document required for a determination of lawful United States residence.

C. Maintaining Ongoing Suitability:

1. An individual seeking or holding a Permitted Economic Interest shall notify the Division in writing of any felony criminal charge and felony conviction against such person within ten days of such person's arrest or felony summons, and within ten days of the disposition of any arrest or summons. Failure to make proper notification to the Division may be grounds for disciplinary action. This duty to report includes, but is not limited to, deferred sentences, prosecutions, or judgments that are not sealed. If the Division lawfully finds a disqualifying event and the individual asserts that the record was sealed, the Division may require the individual to provide proof from a court evidencing the sealing of the case.

2. An individual seeking or holding a Permitted Economic Interest shall cooperate in any investigation conducted by the Division.

D. Application Forms Accessible to Law Enforcement and Licensing Authorities. All application forms supplied by the Division and filed by an individual for a Permitted Economic Interest shall be accessible by the State Licensing Authority, local jurisdictions, and any state or local law enforcement agent.

E. Permitted Economic Interest Applicants. An individual seeking to hold a Permitted Economic Interest must meet the following criteria before holding the interest:

1. The individual shall establish that he or she is a natural person with lawful United States residency, and that he or she can maintain such residency throughout the duration of holding the Permitted Economic Interest;

2. The application fee must be paid;

3. The individual's criminal history must indicate that he or she is of Good Moral Character;

4. The money used to finance the Agreement was not obtained by or through any Person whose criminal history indicates that he or she is not of Good Moral Character;

5. The individual is at least 21 years of age;

6. The individual establishes that he or she is not currently subject to and has not discharged a sentence for a conviction of a felony in the five years immediately preceding his or her application date;

7. The individual can prove that he or she is not currently subject to or has not discharged a sentence for a conviction of a felony pursuant to any state or federal law regarding the possession, distribution, manufacturing, cultivation, or use of a controlled substance in the ten years immediately preceding his or her application date or five years from May 28, 2013, whichever is longer, except that

the State Licensing Authority or its designee may grant a Permitted Economic Interest to a person if the person has a state felony conviction based on possession or use of marijuana or marijuana concentrate that would not be a felony if the person were convicted of the offense on the date he or she applied for a Permitted Economic Interest;

8. The individual establishes that he or she is not a sheriff, deputy sheriff, police officer, or prosecuting officer, or an officer or employee of the State Licensing Authority or a local jurisdiction; and

9. The individual establishes that he or she was not a State Licensing Authority employee with regulatory oversight responsibilities for individuals, Retail Marijuana Establishments and/or Medical Marijuana Businesses licensed by the State Licensing Authority in the six months immediately preceding the date of the individual's application.

Basis and Purpose – R 234

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(e), 12-43.4-202(3)(b)(VIII), 12-43.4-202(3)(b)(IX), 12-43.4-309(6), 12-43.4-401(1)(e), and 12-43.3-501(1), C.R.S. The purpose of this rule is to establish licensing fees for individuals.

R 234 – Schedule of License Fees: Individuals

A. Individual License Fees

1. Occupational Key License - ~~$300~~$250.00

2. Associated Key License Fee - ~~$1,300.00~~$800.00

2. Occupational Support License - ~~$150.00~~$100.00

B. When Fees Are Due. License fees are due at the time Applicant submits application.

Basis and Purpose – R 235

The statutory authority for this rule is found at subsections 12-43.4-202(2)(b), 12-43.4-202(2)(e), 12-43.4-202(3)(b)(VIII), 12-43.4-202(3)(b)(IX), 12-43.4-309(6), 12-43.4-401(1)(e), and 12-43.3-501(1), C.R.S. The purpose of this rule is to establish renewal license fees for individuals.

R 235 – Schedule of Renewal Fees: Individuals

A. Individual Renewal License Fees

1. Retail Owner License - ~~$200.00~~$500.00

2. Retail Occupational License. $75.00

B. When Fees Are Due. Renewal license fees are due at the time Applicant submits application for renewal.