

M 200 Series – Licensing and Interests

Basis and Purpose – M 201

The statutory authority for this rule is found at subsections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XX), ~~and~~ 12-43.3-301(3), and 12-43.3-401(1)(a)-(e), and sections 12-43.3-104, 12-43.3-305, 12-43.3-306, 12-43.3-307.5, 12-43.3-310, 12-43.3-311, 12-43.3-313, 12-43.3-401, and 24-76.5-1034, C.R.S. The purpose of this rule is to establish that only materially complete applications for licenses or registrations, accompanied by all required fees, will be accepted and processed by the Division. The purpose of this rule is also to clarify that when an initial application is materially complete, but the Division determines further information is required before the application can be fully processed, the Applicant must provide the additional requested information within the time frame provided by the Division. Otherwise, the Division cannot act on the application in a timely manner, and the application may be denied.

M 201 – Application Process

A. General Requirements

1. All applications for licenses or registrations authorized pursuant to subsections 12-43.3-401(1)(a)-(g), C.R.S., shall be made upon current forms prescribed by the Division.
2. A license or registration issued to a Medical Marijuana Business or an individual constitutes a revocable privilege. The burden of proving an Applicant's qualifications for licensure or registration rests at all times with the Applicant.
3. Each application shall identify the local licensing authority.
4. Applicants must submit a complete application to the Division before it will be accepted or considered.
 - a. All applications must be complete and accurate in every material detail.
 - b. All applications must include all attachments or supplemental information required by the current forms supplied by the Division.
 - c. All applications must be accompanied by a full remittance for the whole amount of the application and license fees. See Rules M 207 – Schedule of Application Fees: Medical Marijuana Businesses; M 208 – Schedule of Business License and Registration Fees: Medical Marijuana Businesses; M 209 – Schedule of Business Renewal License and Registration Fees: Medical Marijuana Businesses; M 235 – Schedule of License Fees: Individuals; M 236 – Schedule of Renewal License Fees: Individuals.
 - d. All applications must include all information required by the Division related to the Applicant's proposed Direct Beneficial Interest Owners, Indirect Beneficial Interest Owners and Qualified Limited Passive Investors, and all other direct and indirect financial interests in the Applicant.
 - e. At a minimum, each Applicant for a new license or registration shall provide, at the time of application, the following information:

- i. For each Associated Key License Applicant, evidence of proof of lawful presence, citizenship, if applicable, residence, if applicable, and Good Moral Character as required by the current forms prescribed by the Division;
- ii. For each Medical Marijuana Business Applicant and each Associated Key License Applicant, all requested information concerning financial and management associations and interests of other Persons in the business;
- iii. If the Applicant for any license pursuant to the Medical Code is a Closely Held Business Entity it shall submit with the application:
 - A. The Associated Key License applications for all of its shareholders, members, partners, officers and directors who do not already hold an Associated Key License;
 - B. If the Closely Held Business Entity is a corporation, a copy of its articles of incorporation or articles of organization; evidence of authorization from the Colorado Secretary of State to do business within this State, and for each shareholder: his or her name, mailing address, state of residence and certification of Colorado residency for at least one officer and all officers with day-to-day operational control over the business;
 - C. If the Closely Held Business Entity is a limited liability company, a copy of its articles of incorporation and its operating agreement; evidence of authorization from the Colorado Secretary of State to do business within this State, and for each member: his or her name, mailing address, state of residence and certification of Colorado residency for at least one officer and all officers with day-to-day operational control over the business;
 - D. If the Closely Held Business Entity is a general partnership, limited partnership, limited liability partnership, or limited liability limited partnership, a copy of the partnership agreement and, for each partner, his or her name, mailing address and state of residency and certification of Colorado residency for at least one officer and all officers with day-to-day operational control over the business.
- iv. For each Medical Marijuana Business Applicant and each Associated Key License Applicant, documentation establishing compliant return filing and payment of taxes related to any Medical Marijuana Business or Retail Marijuana Establishment in which such Applicant is, or was, required to file and pay taxes;
- v. For each Medical Marijuana Business Applicant and each Associated Key License Applicant, documentation verifying and confirming the funds used to start and/or sustain the operation of the medical or retail marijuana business were lawfully earned or obtained;

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- vi. Accurate floor plans for the premises to be licensed; and
 - viii. The deed, lease, sublease, contract, or other document(s) governing the terms and conditions of occupancy of the premises to be licensed.
5. All applications to reinstate a license or registration will be deemed an applications for a new licenses or registration. This includes, but is not limited to, Associated Key licenses that have expired, Medical Marijuana Business licenses or registrations that have been expired for more than 90 days, licenses or registrations that have been voluntarily surrendered, and licenses that have been revoked.
 6. The Division may refuse to accept an incomplete application.
- B. Additional Information May Be Required
1. Upon request by the Division, an Applicant shall provide any additional information required to process and fully investigate the application. The additional information must be provided to the Division no later than seven days after the request is made unless otherwise specified by the Division.
 2. An Applicant's failure to provide the requested evidence or information by the Division deadline may be grounds for denial of the application.
- C. Information Must Be Provided Truthfully. All Applicants shall submit information to the Division in a full, faithful, truthful, and fair manner. The Division may recommend denial of an application where the Applicant made misstatements, omissions, misrepresentations, or untruths in the application or in connection with the Applicant's background investigation. This type of conduct may be considered as the basis for additional administrative action against the Applicant and it may also be the basis for criminal charges against the Applicant.
- D. Application Forms Accessible. All application forms supplied by the Division and filed by an Applicant for a license, including attachments and any other documents associated with the investigation, may be used for a purpose authorized by the Medical Code, the Retail Code, or for any other state or local law enforcement purpose or as otherwise required by law.
- E. Division Application Management and Local Licensure.
1. For each application for a new Medical Marijuana Business, the Applicant shall submit the original application and one identical copy. The Division will retain the original application for a new Medical Marijuana Business and will send the copy to the local licensing authority.
 2. If the Division grants a license before the local licensing authority approves the application or grants a local license, the license will be conditioned upon local approval. Such condition will not be viewed as a denial pursuant to the Administrative Procedure Act. If the local licensing authority denies the application, the state license will be revoked.
 3. An Applicant is prohibited from operating a Medical Marijuana Business prior to obtaining all necessary licenses, registrations or approvals from both the State Licensing Authority and the local licensing authority.
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4. Each Financial Interest is void and of no effect unless and until approved by the Division. A Financial Interest shall not exercise any privilege associated with the proposed interest until approved by the Division. Any violation of this requirement may be considered a license or registration violation affecting public safety.

Basis and Purpose – M 207

The statutory authority for this rule is found at subsections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XVIII.5), and 12-43.3-202(2)(a)(XX), and 12-43.3-401(1)(a)-(e), and sections, 12-43.3-104, 12-43.3-310, 12-43.3-401, 12-43.3-401(1)(c.5), 12-43.3-501, and 12-43.3-502, C.R.S. The purpose of this rule is to clarify the schedules of application fees for Medical Marijuana Business Applicants.

M 207 – Schedule of Application Fees: Medical Marijuana Businesses

A. Base Medical Marijuana Application Fees

1. Medical Marijuana Center Application Fees

4. a. Type 1 Center (1-300 patients) - \$6,000.00
2. b. Type 2 Center (301-500 patients) - \$10,000.00
3. c. Type 3 Center (501 or more patients) - \$14,000.00

~~B. Vendor Registration Application Fee - \$300.00. This fee is repealed effective July 1, 2016.~~

~~C. 2. Medical Marijuana-Infused Products Manufacturer Application Fee - \$1,000.00~~

~~D. 3. Optional Premises Cultivation Location Application Fee - \$1,000.00~~

~~E. 4. Medical Marijuana Testing Facility Application Fee - \$1,000.00~~

~~F. Permitted Economic Interest Application Fee - \$400.00~~

~~5. Medical Marijuana Transporter Application Fee - \$1,000.00~~

~~6. Medical Marijuana Business Operator Registration Application Fee - \$1,000.00~~

~~G. 7. Medical Marijuana Businesses Converting to Retail Marijuana Establishments. Medical Marijuana Center Applicants or Licensees that want to convert to Retail Marijuana Establishments should refer to 1 CCR 212-2, Rule R 207 – Schedule of Application Fees: Retail Marijuana Establishments.~~

~~B. Medical Marijuana Business Application Fees for Indirect Beneficial Interest Owners, Qualified Limited Passive Investors and Other Affiliated Interests~~

~~1. Affiliated Interest that is not an Indirect Beneficial Interest Owner - \$200.00~~

~~2. Commercially Reasonable Royalty Interest Holder receiving more than 30 percent of the gross revenue or gross profit from the sales of the product or lines of products subject to the royalty - \$400.00~~

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3. Commercially Reasonable Royalty Interest Holder receiving less than or equal to 30 percent of the gross revenue or gross profit from the sales of the product or lines of product subject to the royalty - \$200.00
 4. Permitted Economic Interest - \$400.00
 5. Profit Sharing Plan Employee - \$200.00
 6. Qualified Limited Passive Investor
 - a. Standard limited initial background check - \$75.00
 - b. Full background check for reasonable cause - \$125.00
 7. Qualified Institutional Investor - \$200.00
- H. When Application Fees Are Due. All application fees are due at the time a Medical Marijuana Business submits an application and/or at the time a Medical Marijuana Business submits an application for a new Financial Interest is submitted.

Basis and Purpose – M 208

The statutory authority for this rule is found at subsections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XX) and 12-43.3-302(5)(c), 12-3.3-401(1)(a)-(e), and sections 12-43.3-104, 12-43.3-310, ~~12-43.3-401(1)(e.5)~~, and 12-43.3-501, and 12-43.3-502, C.R.S. The purpose of this rule is to establish basic requirements for all Division applications and help the regulated community understand procedural licensing and registration requirements.

M 208 – Schedule of Business License and Registration Fees: Medical Marijuana Businesses

- A. Medical Marijuana Center License Fees
 1. Type 1 Center (1-300 patients) - \$3,000.00
 2. Type 2 Center (301-500 patients) - \$6,000.00
 3. Type 3 Center (501 or more patients) - \$8,000.00
- B. Medical Marijuana-Infused Products Manufacturer License Fee- \$1,500.00
- C. Optional Premises Cultivation Location License Fee- \$1,500.00
- D. Medical Marijuana Testing Facility License Fee - \$1,500.00
- E. Medical Marijuana Transporter License Fee - \$4,400.00
- F. Medical Marijuana Business Operator Registration Fee - \$2,200.00
- GE. When License and Registration Fees Are Due. All license and registration fees are due at the time an application is submitted.

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

Basis and Purpose – M 209

The statutory authority for this rule is found at subsections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XX), 12-43.3-401(1)(a)-(e), and sections 12-43.3-104, 12-43.3-310, 12-43.3-401, 12-43.3-401(1)(c.5), 12-43.3-501, and 12-43.3-502, C.R.S. The purpose of this rule is to establish basic requirements for all Division applications and help the regulated community understand procedural licensing requirements.

M 209 – Schedule of Business Renewal License and Registration Fees: Medical Marijuana Businesses

- A. Renewal Fee Amount and Due Date. The renewal fee shall be \$300 for each license and/or registration renewal application. Renewal license, registration and processing fees are due at the time the renewal application is submitted ~~for each licensed premises~~.
- B. Medical Marijuana Center Renewal License Fees.
1. Type 1 Center – \$2,000.00
 2. Type 2 Center – \$5,000.00
 3. Type 3 Center – \$7,000.00
 4. Medical Marijuana-Infused Products Manufacturer - \$1,500.00
 5. Optional Premises Cultivation - \$1,500.00
 6. Medical Marijuana Testing Facility - \$1,500.00
- C. Medical Marijuana Transporter Renewal License Fee - \$4,400.00
- D. Medical Marijuana Business Operator Renewal Registration Fee - \$2,200.00
- EG. If Renewal Application is Denied. If an application for renewal is denied, an Applicant may request that the State Licensing Authority refund the license or registration fee after the denial appeal period has lapsed or after the completion of the denial appeal process, whichever is later.

Basis and Purpose – M 210

The statutory authority for this rule is found at subsections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), and 12-43.3-202(2)(a)(XX), and sections 12-43.3-104, 12-43.3-310, 12-43.3-401, 12-43.3-501, and 12-43.3-502, 12-43.3-1101, and 12-43.3-1102, C.R.S. The purpose of this rule is to establish basic requirements for all Division applications and help the regulated community understand procedural licensing requirements.

M 210 – Schedule of Other Application Licensing Administrative Service Fees: All Licensees

- A. Administrative Service-Other Application Fees. The following administrative service/other application fees apply:

1. Transfer of Ownership - New Owners - \$1,600.00
 2. Transfer of Ownership - Reallocation of Ownership - \$1,000.00
 3. Change of Corporation or LLC Structure - \$800.00/Person
 4. Change of Trade Name - \$50.00
 5. Change of Location Application Fee - Same Local Jurisdiction Only - \$500.00
 6. Modification of Licensed Premises - \$100.00
 7. Duplicate Business License - \$20.00
 8. Duplicate Occupational License - \$20.00
 - ~~9. Indirect Financial Interest Background Investigations - \$200.00~~
 - ~~940. Off Premises Storage Permit - \$1,500.00~~
 - ~~10. Medical Marijuana Transporter Off Premises Storage Permit - \$2,200.00~~
 - ~~11. Subpoena Fee See Rule M 106 - Subpoena Fees~~
 - ~~112. Responsible Vendor Program Provider Application Fee: \$850.00~~
 - ~~123. Responsible Vendor Program Provider Renewal Fee: \$350.00~~
 - ~~134. Responsible Vendor Program Provider Duplicate Certificate Fee: \$50.00~~
- B. ~~When Administrative Service~~Other Application Fees Are Due. All ~~administrative service~~other application fees are due at the time ~~each the applicable application and/or request is made~~submitted.
- C. ~~Subpoena Fee - See Rule M 106 - Subpoena Fees~~

Basis and Purpose – M 235

The statutory authority for this rule is found at subsections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XX), 12-43.3-307.5(5)(a)-(b), and 12-43.3-401(1)(d), and sections 12-43.3-104, 12-43.3-310, 12-43.3-401, 12-43.3-501, and 12-43.3-502, C.R.S. The purpose of this rule is to establish the licensing fees for individuals.

M 235 – Schedule of License Fees: Individuals

- A. Individual License Fees
 1. Direct Beneficial Interest Owner Fees
 - a. Colorado Resident Associated Key License - \$800.00
 - b. Non-Resident Associated Key License
 - i. Upon request for finding of suitability - \$5,000.00

- ii. Following finding of suitability - \$75.00
 - ~~2. Occupational Key License - \$250.00~~
 - ~~2. Associated Key License Fee - \$800.00~~
 - 3. Occupational Support License - \$75.00
- B. When Fees Are Due. License fees are due at the time Applicant submits application.

Basis and Purpose – M 236

The statutory authority for this rule is found at subsections 12-43.3-202(1)(a), 12-43.3-202(1)(b)(I), 12-43.3-202(1)(e), 12-43.3-202(2)(a)(XVI), 12-43.3-202(2)(a)(XX), and 12-43.3-401(1)(d), and sections 12-43.3-104, 12-43.3-310, 12-43.3-401, 12-43.3-501, and 12-43.3-502, C.R.S. The purpose of this rule is to establish ~~license~~ renewal fees for individuals.

M 236 – Schedule of Renewal License Fees: Individuals

- A. Individual Renewal License Fees
 - ~~1. Occupational Key License Fee - \$200.00~~
 - ~~12.~~ Associated Key License Fee - \$500.00
 - ~~2. Occupational Key License Fee - \$200.00~~
 - 3. Occupational Support License - \$75.00
- B. When Fees Are Due. Renewal License fees are due at the time applicant submits application for renewal.