

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Human Services.

HB26-1325 be amended as follows:

1 Amend reengrossed, page 12, line 17, strike "(12)(b)(II)" and substitute
2 "(1), (12)(b)(II)".

3 Page 12, after line 19, insert:

4 "(1) "Administration session" means a session conducted at a
5 healing center, or another location as allowed by this article 170 and
6 article 50 of title 44, during which a participant ~~consumes and~~
7 ~~experiences~~ MAY PURCHASE REGULATED NATURAL MEDICINE AND
8 REGULATED NATURAL MEDICINE PRODUCT AND CONSUME AND
9 EXPERIENCE the effects of regulated natural medicine or regulated natural
10 medicine product under the supervision of a facilitator."

11 Page 13, line 15, strike "portion;" and substitute "portion and
12 (1)(a)(II)(I);".

13 Page 14, after line 8, insert:

14 "(II) Requirements for the licensing of facilitators, practice of
15 facilitation, and professional conduct of facilitators, including:

16 (I) Parameters for a facilitator's permissible and prohibited
17 financial interests in a healing center, license pursuant to this article 170,
18 or license pursuant to article 50 of title 44; ~~except that a facilitator may~~
19 ~~not have a financial interest in more than five natural medicine business~~
20 ~~licenses pursuant to article 50 of title 44;~~".

21 Page 18, after line 8, insert:

22 "**SECTION 7.** In Colorado Revised Statutes, 18-18-434, **amend**
23 (5)(c)(IV) and (12)(d); and **add** (5)(c)(VI), (5)(c)(VII), and (5.5) as
24 follows:

25 **18-18-434. Offenses relating to natural medicine and natural**
26 **medicine product - definitions.**

27 (5) (c) Nothing in this section permits a person to:

28 (IV) Dispense, distribute, or possess with intent to dispense or
29 distribute natural medicine or natural medicine product as a part of a
30 business promotion or commercial activity, except as provided by article
31 170 of title 12 and article 50 of title 44; ~~or~~

32 (VI) ADVERTISE BONA FIDE HARM REDUCTION SERVICES OR BONA
33 FIDE SUPPORT SERVICES OFFERED FOR REMUNERATION EXCEPT AS
34 PROVIDED FOR IN SECTION (12)(d) OF THIS SECTION;

35 (VII) ADVERTISE NATURAL MEDICINE OR NATURAL MEDICINE
36 PRODUCT; OR

37 (VIII) USE HARM REDUCTION SERVICES OR SUPPORT SERVICES TO

1 CONDUCT SALES OF NATURAL MEDICINE. PROHIBITED SALES ACTIVITIES
2 RELATED TO HARM REDUCTION SERVICES OR SUPPORT SERVICES INCLUDE
3 BUT ARE NOT LIMITED TO:

4 (A) OPERATING A RETAIL STORE, VENDOR TABLE, VENDOR BOOTH,
5 OR OTHER COMMERCIAL BUSINESS THAT DISPENSES FOR REMUNERATION
6 ANY AMOUNT OF NATURAL MEDICINE OR NATURAL MEDICINE PRODUCT
7 NOT INTENDED FOR CONSUMPTION UNDER SUPERVISION BY THE NATURAL
8 PERSON OR ENTITY THAT DISPENSES THE NATURAL MEDICINE OR NATURAL
9 MEDICINE PRODUCT;

10 (B) SALES OF SERVICES OR ITEMS THAT INCLUDE THE TRANSFER OF
11 NATURAL MEDICINE, WHICH DOES NOT PRECLUDE REMUNERATION FOR
12 BONA FIDE HARM REDUCTION SERVICES OR BONA FIDE SUPPORT SERVICES;

13 (C) PAYING RECURRING FEES TO ACQUIRE NATURAL MEDICINE OR
14 NATURAL MEDICINE PRODUCTS; AND

15 (D) ONLINE SALES THAT INCLUDE NATURAL MEDICINE OR
16 NATURAL MEDICINE PRODUCTS.

17 (5.5) BONA FIDE HARM REDUCTION SERVICES OR BONA FIDE
18 SUPPORT SERVICES WITHOUT THE EXCHANGE OR SHARING OF NATURAL
19 MEDICINE OR NATURAL MEDICINE PRODUCTS ARE NOT SUBJECT TO THIS
20 SECTION.

21 (12) As used in this section, unless the context otherwise requires:

22 (d) "Personal use" means the consumption or use of natural
23 medicine or natural medicine product; or the amount of natural medicine
24 or natural medicine product a person may lawfully possess, cultivate, or
25 manufacture that is necessary to share with another person who is
26 twenty-one years of age or older within the context of counseling,
27 spiritual guidance, beneficial community-based use and healing,
28 supported use, or related services. "Personal use" does not mean the sale
29 of natural medicine or natural medicine product for remuneration; the
30 possession, cultivation, or manufacture of natural medicine or natural
31 medicine product with intent to sell the natural medicine or natural
32 medicine product for remuneration; or the possession, cultivation,
33 manufacture, or distribution of natural medicine or natural medicine
34 product for business or commercial purposes, except as provided by
35 article 170 of title 12 and article 50 of title 44. Nothing in this section
36 precludes remuneration for bona fide harm reduction services or bona
37 fide support services used concurrently with the ~~sharing of~~ CONSUMPTION
38 OF SHARED natural medicine or natural medicine product, ~~provided that~~ IF
39 there is no advertisement ~~related to the sharing of~~ natural medicine,
40 natural medicine product, or ~~the services provided~~, SERVICES OFFERED, ~~nd~~
41 ~~provided that~~ IF the individual providing the services informs an
42 individual engaging in the services that the individual is not a licensed
43 facilitator pursuant to article 170 of title 12.

1 **SECTION 8.** In Colorado Revised Statutes, 44-50-103, **amend**
2 (1); and **add** (11.5) and (24.5) as follows:

3 **44-50-103. Definitions.**

4 As used in this article 50, unless the context otherwise requires:

5 (1) "Administration session" means a session conducted at a
6 healing center, or other location if permitted by this article 50 or rules
7 ~~promulgated~~ ADOPTED pursuant to this article 50, during which a
8 participant ~~consumes and experiences~~ MAY PURCHASE REGULATED
9 NATURAL MEDICINE AND REGULATED NATURAL MEDICINE PRODUCT AND
10 CONSUME AND EXPERIENCE the effects of natural medicine under the
11 supervision of a facilitator.

12 (11.5) "LIMITED REGULATED NATURAL MEDICINE SALES LICENSE"
13 MEANS A LICENSE ISSUED TO AN OWNER AUTHORIZING THE LICENSE TO
14 CO-LOCATE WITH A HEALING CENTER IN WHICH THERE IS AT LEAST ONE
15 PERSON LICENSED AS AN OWNER ASSOCIATED WITH BOTH THE LIMITED
16 REGULATED NATURAL MEDICINE SALES LICENSE AND THE HEALING
17 CENTER.

18 (24.5) "TEMPORARY PREMISES" MEANS THE PHYSICAL LOCATION
19 WHERE A NATURAL MEDICINE HEALING CENTER, LICENSED PURSUANT TO
20 THIS ARTICLE 50, IS AUTHORIZED TO PROVIDE NATURAL MEDICINE
21 SERVICES UNDER THE TERMS OF A TEMPORARY PREMISES PERMIT."

22 Renumber succeeding sections accordingly.

23 Page 18, strike line 26 and substitute "(1)(a); and **add** (10) as follows:".

24 Page 20, after line 1 insert:

25 "(10) THE STATE LICENSING AUTHORITY IS NOT REQUIRED TO
26 CONDUCT ROUTINE, PERIODIC, OR PRE-OPERATIONAL INSPECTIONS AS A
27 CONDITION OF LICENSURE UNLESS EXPRESSLY REQUIRED BY THIS ARTICLE
28 50."

29 Page 20, line 2, strike "**add**" and substitute "**amend** (1)(e), (2)(r), and
30 (2)(s)(III); and **add** (1)(p), (1)(q), (2)(t), (2.5),".

31 Page 20, after line 5 insert:

32 "(1) **Mandatory rule-making.** Rules adopted pursuant to section
33 44-50-202 (1)(b) must include the following subjects:

34 (e) Permissible and prohibited financial interests in a license
35 issued pursuant to this article 50 or a license issued pursuant to article 170
36 of title 12; ~~except that an individual shall not have a financial interest in~~
37 ~~more than five natural medicine business licenses;~~

38 (p) LICENSE PRIVILEGES AND RESTRICTIONS OF A LIMITED

1 REGULATED NATURAL MEDICINE SALES LICENSE, WHICH INCLUDES
2 ALLOWING THE LICENSEE TO STORE, DISTRIBUTE, TRANSPORT, PURCHASE,
3 POSSESS, AND TRANSFER REGULATED NATURAL MEDICINE AND REGULATED
4 NATURAL MEDICINE PRODUCT AND TO TRANSFER FOR REMUNERATION
5 REGULATED NATURAL MEDICINE OR REGULATED NATURAL MEDICINE
6 PRODUCTS TO A PARTICIPANT ONLY FOR PURPOSES OF CONSUMPTION
7 DURING A FACILITATED ADMINISTRATION SESSION AT A CO-LOCATED
8 HEALING CENTER'S LICENSED PREMISES;

9 (q) ELIGIBILITY REQUIREMENTS FOR AN APPLICANT TO OBTAIN A
10 LIMITED REGULATED NATURAL MEDICINE SALES LICENSE, INCLUDING, BUT
11 NOT LIMITED TO:

12 (I) REQUIRING A LIMITED REGULATED NATURAL MEDICINE SALES
13 LICENSE TO HAVE AND MAINTAIN COMMON OWNERSHIP WITH THE
14 CO-LOCATED HEALING CENTER LICENSE ISSUED PURSUANT TO SECTION
15 44-50-401 AND ANY RULES ADOPTED BY THE STATE LICENSING
16 AUTHORITY; AND

17 (II) ESTABLISHING APPLICATION AND LICENSE FEES TO COVER THE
18 DIRECT AND INDIRECT COSTS OF IMPLEMENTING THE LIMITED REGULATED
19 NATURAL MEDICINE SALES LICENSE CREATED PURSUANT TO SECTION
20 44-50-401(6), WHICH FEES SHALL BE DEPOSITED IN THE NATURAL
21 MEDICINE CASE FUND CREATED IN SECTION 44-50-601.

22 (2) **Permissive rule-making.** Rules adopted pursuant to section
23 44-50-202 (1)(b) may include, but need not be limited to, the following
24 subjects:

25 (r) Such other matters as are necessary for the fair, impartial,
26 stringent, and comprehensive administration of this article 50; ~~and~~

27 (s) Requirements that healing centers collect data and information
28 related to regulated natural medicine services and provide the data and
29 information to the department of public health and environment in
30 accordance with section 44-50-401 (6), which data and information must
31 include:

32 (III) Other information as determined by the state licensing
33 authority in consultation with the department of public health and
34 environment; AND

35 (t) APPLICATION PROCEDURES AND LICENSE REQUIREMENTS FOR
36 A HEALING CENTER TO OPERATE A TEMPORARY PREMISES, IN ACCORDANCE
37 WITH SECTION 44-50-401(6), AND MAY INCLUDE:

38 (I) ESTABLISHING THE LOCATION ELIGIBILITY REQUIREMENTS FOR
39 A TEMPORARY PREMISES;

40 (II) ESTABLISHING MINIMUM SECURITY AND SURVEILLANCE
41 REQUIREMENTS FOR A TEMPORARY PREMISES, WHICH MUST REFLECT THE
42 TEMPORARY NATURE OF THE USE AND ANY PUBLIC HEALTH AND SAFETY
43 CONSIDERATIONS FOR ADMINISTRATION OF NATURAL MEDICINE SERVICES;

1 (III) ESTABLISHING MINIMUM RECORD KEEPING REQUIREMENTS,
2 WHICH MAY INCLUDE AUTHORIZING LICENSEES OPERATING A TEMPORARY
3 PREMISES TO MAINTAIN REQUIRED RECORDS AT THE HEALING CENTER
4 LICENSEE'S LICENSED PREMISES;

5 (IV) ESTABLISHING NOTIFICATION REQUIREMENTS FOR WHEN A
6 HEALING CENTER MUST REPORT TO THE STATE LICENSING AUTHORITY
7 INFORMATION THAT RELATES TO THE LICENSEE'S USE OF AN APPROVED
8 TEMPORARY PREMISES;

9 (V) ESTABLISHING CRITERIA UNDER WHICH A HEALING CENTER
10 MAY APPLY AND BE APPROVED FOR MORE THAN ONE TEMPORARY
11 PREMISES IN A SINGLE APPLICATION; AND

12 (VI) ADJUSTING THE AMOUNTS OF THE APPLICATION AND PERMIT
13 FEES FOR A TEMPORARY PREMISES TO REFLECT THE DIRECT AND INDIRECT
14 COSTS OF ADMINISTERING THE TEMPORARY PREMISES PERMIT.

15 (2.5) THE STATE LICENSING AUTHORITY MAY TEMPORARILY WAIVE
16 OR ADJUST STATUTORY OR REGULATORY TESTING REQUIREMENTS FOR
17 REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE
18 PRODUCTS. ANY WAIVER OR ADJUSTMENT OF STATUTORY OR REGULATORY
19 TESTING REQUIREMENTS ARE ONLY PERMITTED IF THERE IS NO NATURAL
20 MEDICINE TESTING FACILITY CERTIFIED OR LICENSED TO CONDUCT
21 REQUIRED TESTING AND MUST INCLUDE:

22 (a) PROCEDURES FOR LICENSEES TO SUBMIT REPRESENTATIVE TEST
23 SAMPLES TO AN UNLICENSED, THIRD-PARTY TESTING LABORATORY;

24 (b) MINIMUM QUALIFICATIONS THAT THE UNLICENSED
25 THIRD-PARTY TESTING LABORATORY MUST MEET TO RECEIVE TEST
26 SAMPLES;

27 (c) MINIMUM STANDARDS FOR CERTIFICATES OF ANALYSIS THAT
28 A LICENSEE MUST DEMONSTRATE THE UNLICENSED, THIRD-PARTY TESTING
29 LABORATORY CAN MEET;

30 (d) FREQUENCY OF TESTING; AND

31 (e) LICENSEE NOTIFICATION AND RECORD KEEPING REQUIREMENTS
32 FOR REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE
33 PRODUCTS TESTED BY UNLICENSED, THIRD-PARTY TESTING
34 LABORATORIES."

35 Page 20, after line 22, insert:

36 "SECTION 12. In Colorado Revised Statutes, 44-50-301, **amend**
37 (2)(a)(IV) and (2)(a)(V); and **add** (2)(a)(VI) as follows:

38 **44-50-301. Classes of licenses.**

39 (2) (a) The following are natural medicine business licenses:

40 (IV) Natural medicine testing facility license; **and**

41 (V) ~~Any natural medicine business license determined necessary~~
42 ~~by the state licensing authority~~ LIMITED REGULATED NATURAL MEDICINE

1 SALES LICENSES; AND
2 (VI) ANY NATURAL MEDICINE BUSINESS LICENSE DETERMINED
3 NECESSARY BY THE STATE LICENSING AUTHORITY.

4 **SECTION 13.** In Colorado Revised Statutes, 44-50-401, **amend**
5 (2); and **add** (7) as follows:

6 **44-50-401. Natural medicine healing center license - data**
7 **collection - rules.**

8 (2) A natural medicine healing center licensee may transfer
9 regulated natural medicine or regulated natural medicine product to
10 another natural medicine healing center licensee, LIMITED REGULATED
11 NATURAL MEDICINE SALES LICENSEE, or a facilitator pursuant to rules
12 ~~promulgated~~ ADOPTED by the state licensing authority.

13 (7) (a) A HEALING CENTER MAY APPLY FOR A TEMPORARY
14 PREMISES PERMIT AT A SEPARATE LOCATION. THE DEPARTMENT MAY ISSUE
15 A TEMPORARY PREMISES PERMIT TO A LICENSED NATURAL MEDICINE
16 HEALING CENTER IF THE FOLLOWING CONDITIONS ARE MET:

17 (I) THE HEALING CENTER SUBMITS A COMPLETE APPLICATION AND
18 PAYS ALL APPLICATION AND PERMIT FEES TO THE DEPARTMENT;

19 (II) THE LOCATION IS APPROVED BY THE DEPARTMENT SUBJECT TO
20 THE REQUIREMENTS IN SECTION 44-50-302;

21 (III) THE LICENSEE'S USE OF THE TEMPORARY PREMISES DOES NOT
22 EXCEED THE DURATION APPROVED UNDER THE PERMIT;

23 (IV) THE APPLICANT DEMONSTRATES THE LICENSED NATURAL
24 MEDICINE HEALING CENTER IS ENTITLED TO USE THE LOCATION AS A
25 TEMPORARY PREMISES; AND

26 (V) THE TEMPORARY PREMISES OTHERWISE COMPLIES WITH THIS
27 ARTICLE 50 AND ALL OTHER RULES ADOPTED BY THE DEPARTMENT.

28 (b) A NATURAL MEDICINE HEALING CENTER'S TEMPORARY
29 PREMISES IS NOT REQUIRED TO BE LOCATED IN THE SAME LOCAL
30 JURISDICTION AS THE LICENSED PREMISES.

31 (c) THE STATE LICENSING AUTHORITY SHALL NOT ISSUE A
32 TEMPORARY PREMISES PERMIT FOR A LOCATION AT WHICH THE
33 DISTRIBUTION, TRANSFER, AND DISPENSATION OF REGULATED NATURAL
34 MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT IS NOT PERMITTED
35 UNDER THE ZONING CODE OF THE LOCAL JURISDICTION.

36 (8) A LIMITED REGULATED NATURAL MEDICINE SALES LICENSE
37 MAY BE ISSUED ONLY TO A PERSON THAT APPLIES FOR AND IS APPROVED
38 TO OPERATE A HEALING CENTER LICENSE AND IS SUBJECT TO THE
39 FOLLOWING REQUIREMENTS:

40 (a) THE LICENSE MUST BE CO-LOCATED WITH A HEALING CENTER
41 AT WHICH AN ADMINISTRATION SESSION IS HELD, WHERE REGULATED
42 NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT IS SOLD
43 TO A PARTICIPANT.

1 (b) THE LICENSE MUST HAVE COMMON OWNERSHIP WITH THE
2 CO-LOCATED HEALING CENTER. FOR PURPOSES OF THIS SECTION, COMMON
3 OWNERSHIP MEANS THERE IS AT LEAST ONE PERSON LICENSED AS AN
4 OWNER ASSOCIATED WITH BOTH THE LIMITED REGULATED NATURAL
5 MEDICINE SALES LICENSE AND THE HEALING CENTER.

6 (c) THE LICENSE MAY BE EXERCISED TO STORE, PURCHASE,
7 POSSESS, AND TRANSFER REGULATED NATURAL MEDICINE AND REGULATED
8 NATURAL MEDICINE PRODUCT AND INVOICE A PARTICIPANT FOR
9 REGULATED NATURAL MEDICINE AND REGULATED NATURAL MEDICINE
10 PRODUCT TO BE USED SOLELY IN THE CONTEXT OF AN ADMINISTRATION
11 SESSION AT A CO-LOCATED HEALING CENTER AND TO CONDUCT
12 TRANSACTIONS ON BEHALF OF A FACILITATOR FOR THE NATURAL MEDICINE
13 SERVICES PROVIDED IN ACCORDANCE WITH ARTICLE 170 OF TITLE 12.

14 (d) THE LICENSE IS NOT REQUIRED TO COMPLY WITH SUBSECTION
15 (1) OF THIS SECTION SEPARATE FROM THE COMMONLY OWNED,
16 CO-LOCATED HEALING CENTER LICENSE.

17 (e) ANY OTHER REQUIREMENTS ESTABLISHED BY RULES OF THE
18 STATE LICENSING AUTHORITY PURSUANT TO THIS ARTICLE 50.

19 (9) A HEALTH CENTER LICENSEE SHALL NOT SELL REGULATED
20 NATURAL MEDICINE OR REGULATED NATURAL MEDICINE PRODUCT UNLESS
21 A CO-LOCATED LIMITED REGULATED NATURAL MEDICINE SALES LICENSEE
22 CONDUCTS THE TRANSACTION IN ACCORDANCE WITH THE PROVISIONS OF
23 SUBSECTION (8) OF THIS SECTION.

24 **SECTION 14** In Colorado Revised Statutes, 44-50-402, **amend**
25 (1) as follows:

26 **44-50-402. Natural medicine cultivation facility license.**

27 (1) A natural medicine cultivation facility license may be issued
28 pursuant to state licensing authority rules and only to a person who
29 cultivates regulated natural medicine for transfer and distribution to
30 natural medicine healing center licensees, natural medicine product
31 manufacturer licensees, A LIMITED REGULATED NATURAL MEDICINE SALES
32 LICENSEE, other natural medicine cultivation facility licensees, or other
33 persons licensed ~~under~~ PURSUANT TO article 170 of title 12 or this article
34 50."

35 Renumber succeeding sections accordingly.

36 Page 21, after line 12 insert:

37 **"SECTION 16.** In Colorado Revised Statutes, **add** 44-50-702 as
38 follows:

39 **44-50-702. Unlawful exercise of the privileges of a license.**

40 (1) IF THE DIRECTOR OF THE NATURAL MEDICINE DIVISION
41 DETERMINES BASED UPON CREDIBLE EVIDENCE FROM A COMPLAINT OR

1 INVESTIGATION THAT A PERSON IS ACTING OR HAS ACTED WITHOUT THE
2 LICENSE REQUIRED TO OPERATE A NATURAL MEDICINE BUSINESS OR TO
3 OWN, GROW, HARVEST, TRANSFER, MANUFACTURE, SUPERVISE, PROVIDE,
4 OR ADMINISTER NATURAL MEDICINE, THE DIRECTOR MAY ISSUE AN ORDER
5 TO CEASE AND DESIST THE ACTIVITY. THE ORDER MUST SET FORTH THE
6 STATUTES AND RULES ALLEGED TO HAVE BEEN VIOLATED, THE FACTS
7 ALLEGED TO CONSTITUTE THE VIOLATION, AND THE REQUIREMENT THAT
8 ALL UNLAWFUL ACTS OR UNLICENSED ACTIVITY IMMEDIATELY CEASE.

9 (2) WITHIN FOURTEEN DAYS AFTER SERVICE OF THE ORDER TO
10 CEASE AND DESIST ISSUED PURSUANT TO SUBSECTION (1) OF THIS SECTION,
11 THE RESPONDENT MAY REQUEST A HEARING BEFORE THE HEARINGS
12 DIVISION ON THE QUESTION OF WHETHER THEIR ACTS OR PRACTICES WERE
13 IN VIOLATION OF THIS TITLE 44 OR UNLICENSED ACTIVITY OCCURRED.

14 (3) THE HEARING MUST BE CONDUCTED PURSUANT TO SECTIONS
15 24-4-104 AND 24-4-105.

16 (4) JUDICIAL REVIEW OF FINAL AGENCY ACTION REGARDING THE
17 CEASE AND DESIST MUST BE CONDUCTED PURSUANT TO SECTION
18 24-4-106."

19 Renumber succeeding section accordingly.

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