

Marijuana Legislation

Excise and Licenses
Office of Marijuana Policy

Feedback Session
February 17, 2021

Why are we here today?

- To review updates to the first drafts of the omnibus and hospitality bills
- To provide continued opportunity for **community participation** by seeking **public feedback** on the DRAFT ordinance language

Legislation Summary

	Bill	Topic	Details
1	Omnibus Bill	<ul style="list-style-type: none"> • Social Equity • Changes to existing licenses • Marijuana Delivery 	<ul style="list-style-type: none"> • Revises Denver’s Marijuana Code provisions using an equity lens and creates opportunities for Social Equity Applicants • Aligns Denver’s Marijuana Code provisions with the Colorado Marijuana Code and state rules • Modifies distribution of existing store and cultivation licenses by removing the location cap and location lottery requirements • Creates a Denver Marijuana Delivery Program
2	Bill to Enact Marijuana Hospitality Program	<ul style="list-style-type: none"> • Marijuana Consumption 	<ul style="list-style-type: none"> • Creates a Denver Marijuana Hospitality Program to allow for lawful marijuana consumption establishments
3	Bill to Repeal Cannabis Consumption Pilot Program	<ul style="list-style-type: none"> • Marijuana Consumption • Cleanup 	<ul style="list-style-type: none"> • Repeals citizen-initiated consumption establishment ordinance after enactment of a Denver Marijuana Hospitality Program

How did we get here?

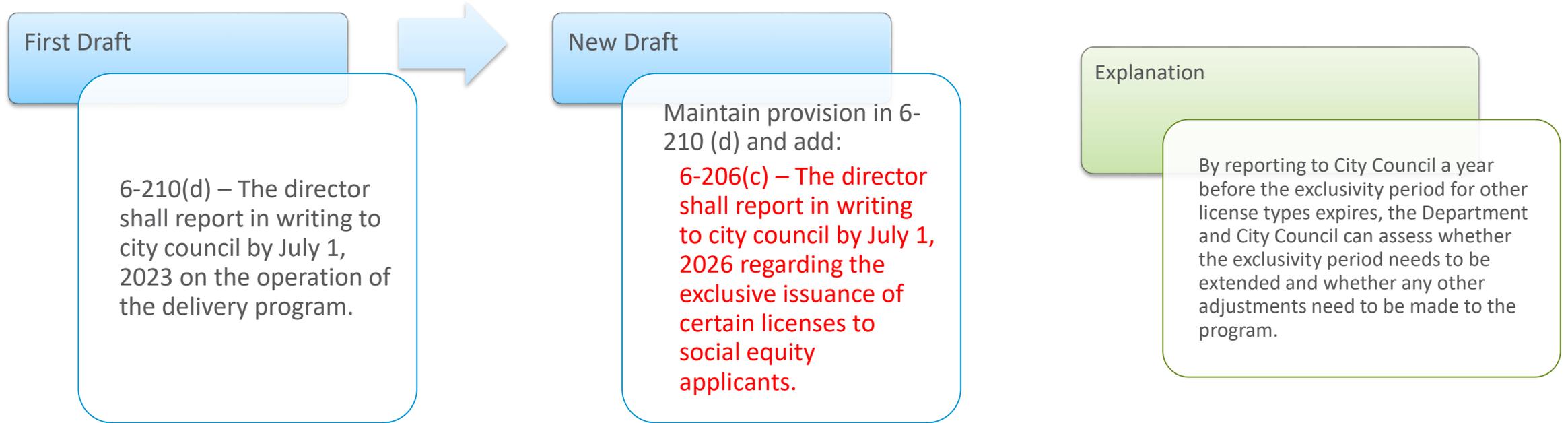


Fee Updates*

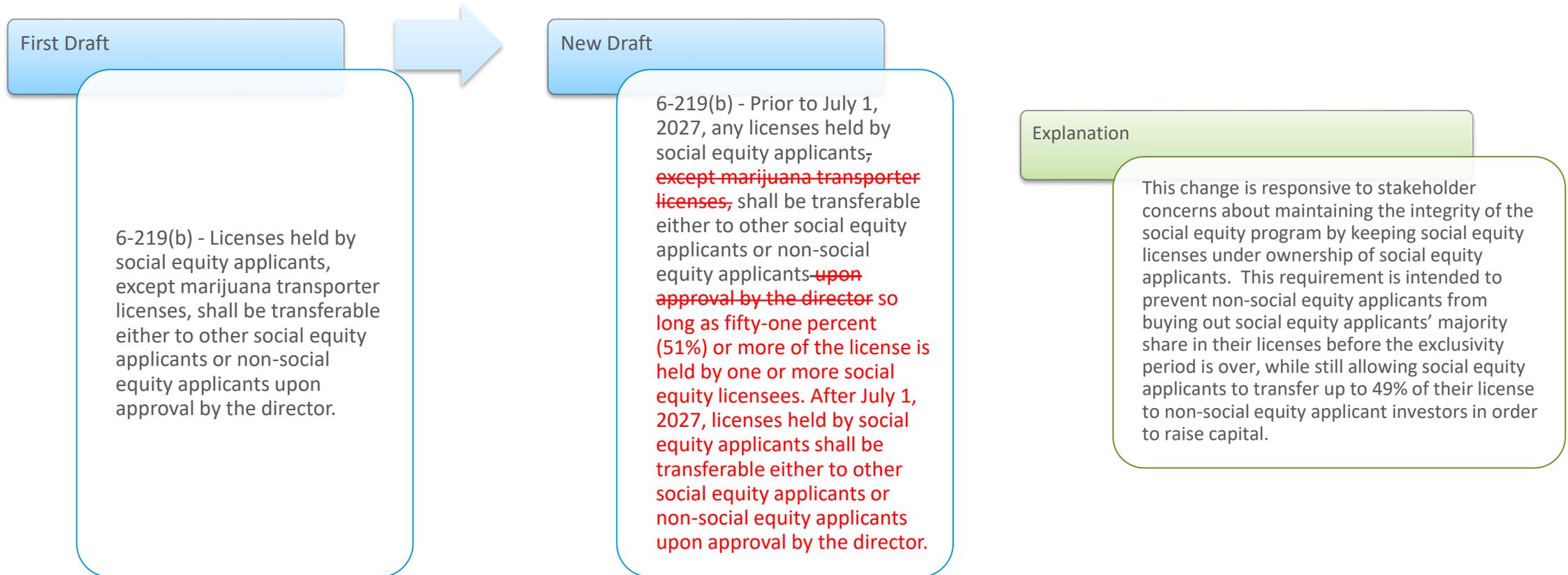
License Type	Fee Type	Fee for Non-Social Equity Applicants	Fee for Social Equity Applicants
Medical marijuana businesses	Application fee (one-time)	\$2,000	\$1,000 \$0
	License fee (annual)	\$3,000	\$1,500
Medical marijuana off-premises storage facility	Application fee (one-time)	\$500	\$500 \$0
	License fee (annual)	\$500	\$250
Retail marijuana businesses*	Application fee (one-time)	Refer to MED Fee Schedule	Refer to MED Fee Schedule
	License fee (annual)	\$5,000	\$2,500 (\$0 for first year)
Retail marijuana off-premises storage facility	Application fee (one-time)	\$500	\$500 \$0
	License fee (annual)	\$500	\$250
Marijuana delivery permit	Application fee (one-time)	\$1,000 \$500	\$1,000 \$0
	License fee (annual)	\$2,000	\$2,000
Hospitality and hospitality and sales businesses*	Application fee (one-time)	\$1,000	\$1,000 \$0
	License fee (annual)	\$2,000	\$2,000

* The fees listed above are set by the City and County of Denver. There may be other fees set by the Colorado Marijuana Enforcement Division that get distributed to local jurisdictions

Updated Omnibus Bill Draft: Reporting to City Council



Updated Omnibus Bill Draft: Transfer of Ownership



Updated Omnibus Bill Draft: Social Impact Plans

First Draft

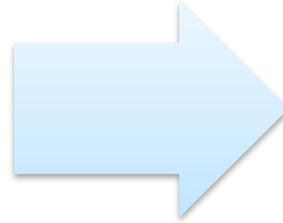
6-207(a) – All applications for local licensing shall be made in the manner provided by the director. In addition to information required by chapter 32 of this Code, the applications shall contain the following information:

(1) A social impact plan containing the information required by the director.

6-222(c)(2) – The social impact plan submitted at renewal shall also identify outcomes resulting from the social impact plan in place during the previous licensing year.

Explanation

These changes are responsive to feedback from stakeholders that requirements for Social Impact Plans need to be more clear and include specific metrics.



New Draft

6-207(a)(1) - A social impact plan containing the information required by the director, as well as the following:

- a. The name, telephone number, and email address of the person affiliated with the applicant or licensee who is responsible for oversight and implementation of the social impact plan;
- b. A description of the procedure(s) the applicant or licensee will use to timely address concerns of residents, registered neighborhood organizations, and businesses within the neighborhood surrounding the licensed premises;
- c. A list of all registered neighborhood organizations whose boundaries encompass the location of the licensed premises and a description of the applicant or licensee's plan to engage with each registered neighborhood association;
- d. A description of the applicant or licensee's diversity and inclusion practices in hiring and employment, including any specific metrics to be used in measuring the success of its programs;
- e. A description of the applicant or licensee's sustainability practices, including any specific metrics to be used in measuring the success of its programs;
- f. A description of the applicant or licensee's plan to foster participation in the regulated marijuana industry by people from communities that have previously been disproportionately harmed by marijuana prohibition and enforcement in order to positively impact those communities, including any specific metrics to be used in measuring the success of its programs; and
- g. A description of how members of the public can access the applicant's social impact plan.

6-222(c)(2) – The social impact plan submitted at renewal shall also identify outcomes resulting from the social impact plan in place during the previous licensing year using the specific metrics identified in the social impact plan for measuring the success of its programs.

Updated Omnibus Bill Draft: Security

First Draft

6-209(a)(3) – Beginning **July 1, 2021**, medical and retail marijuana stores shall install and use a secure safe in a limited access area, which shall be incorporated into the building structure or securely attached thereto, for overnight storage of cannabis and cash.

New Draft

6-209(a)(3) – Beginning **October 1, 2021**, medical and retail marijuana stores shall install and use a **secure safe** in a limited access area, which shall be incorporated into the building structure or securely attached thereto, for overnight storage of **all processed cannabis and cash**. **For marijuana-infused products that must be kept refrigerated or frozen, the establishment may lock the refrigerated container or freezer so long as the appliance is affixed to the building structure. The director may approve security devices such as vaults and strong rooms that are functionally equivalent to safes.**

Explanation

These changes provide additional clarity on how licensees can comply with this requirement, and provides additional time for licensees to come into compliance.

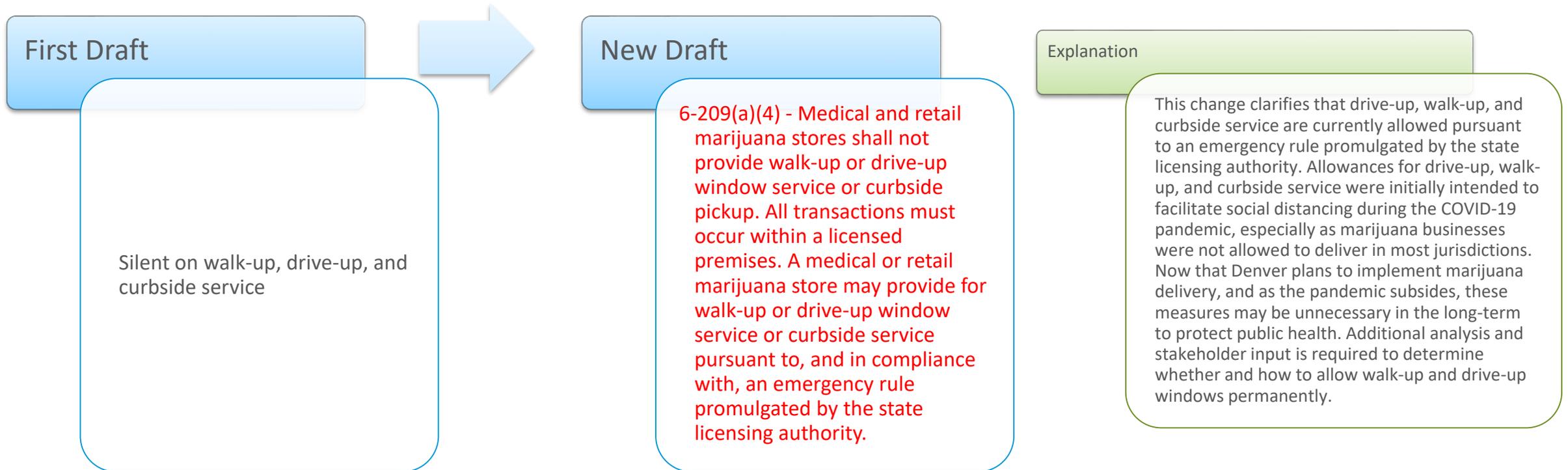
First Draft

No definition of “safe”

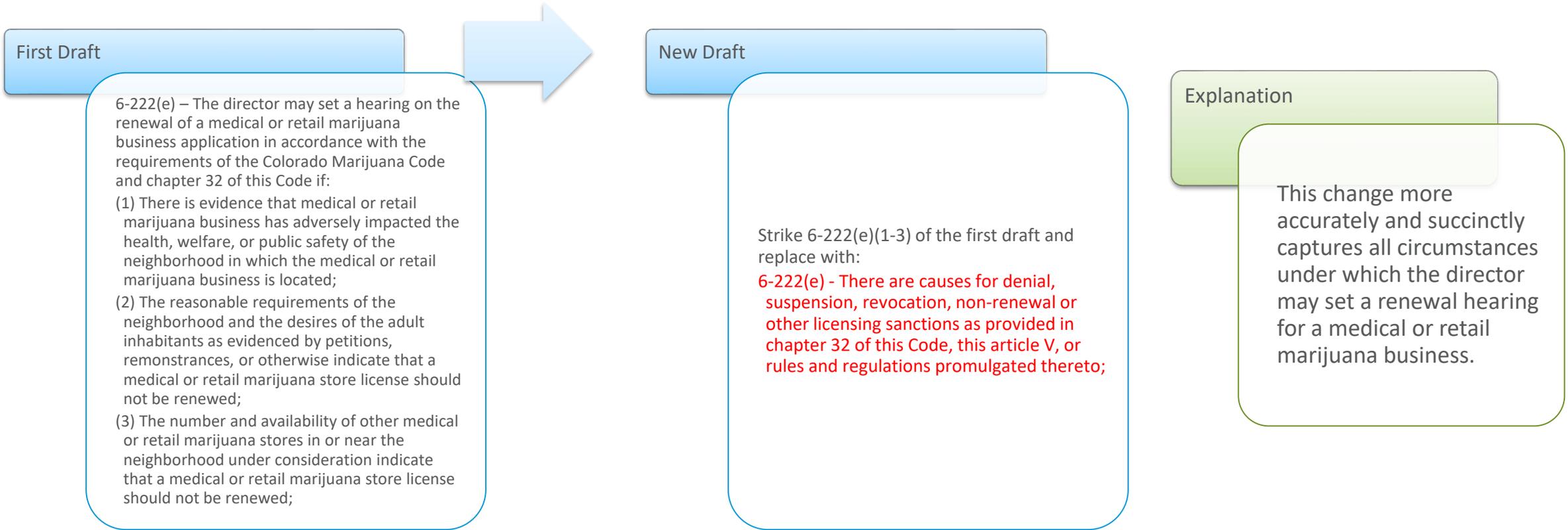
New Draft

6-204(19) – **Safe means a metal box capable of being locked securely, constructed in a manner to prevent opening by human or mechanical force, or through the use of common tools, including but not limited to hammers, bolt cutters, crow bars, or pry bars.**

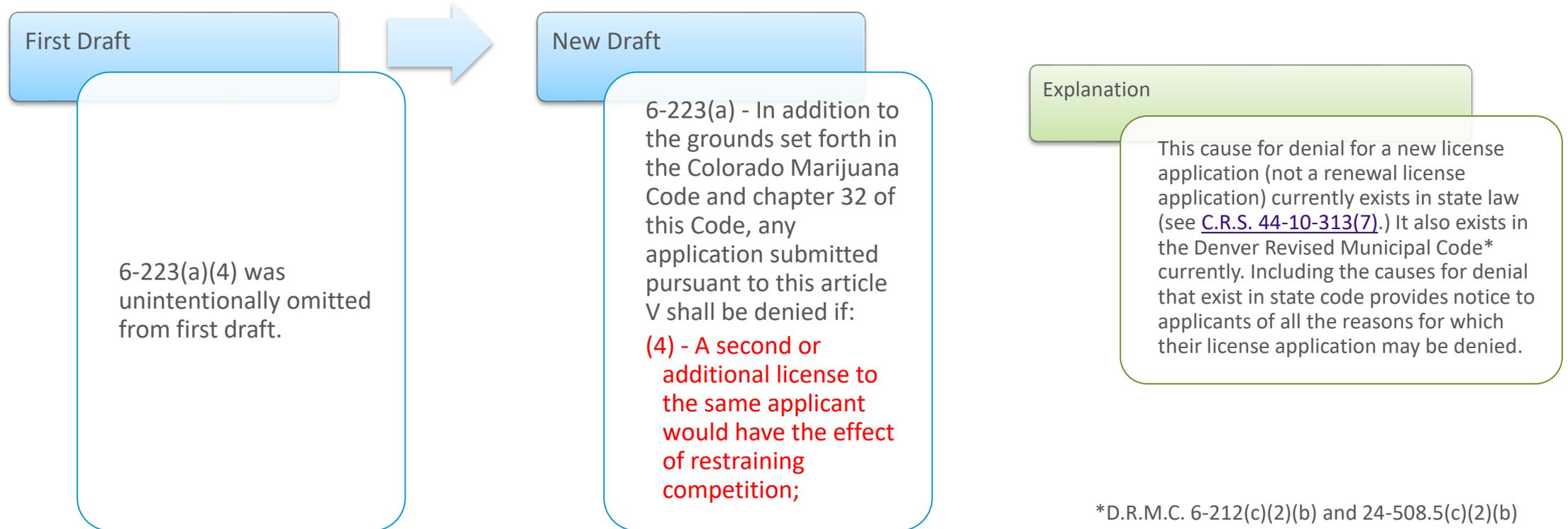
Updated Omnibus Bill Draft: Walk-Up, Drive-Up, and Curbside



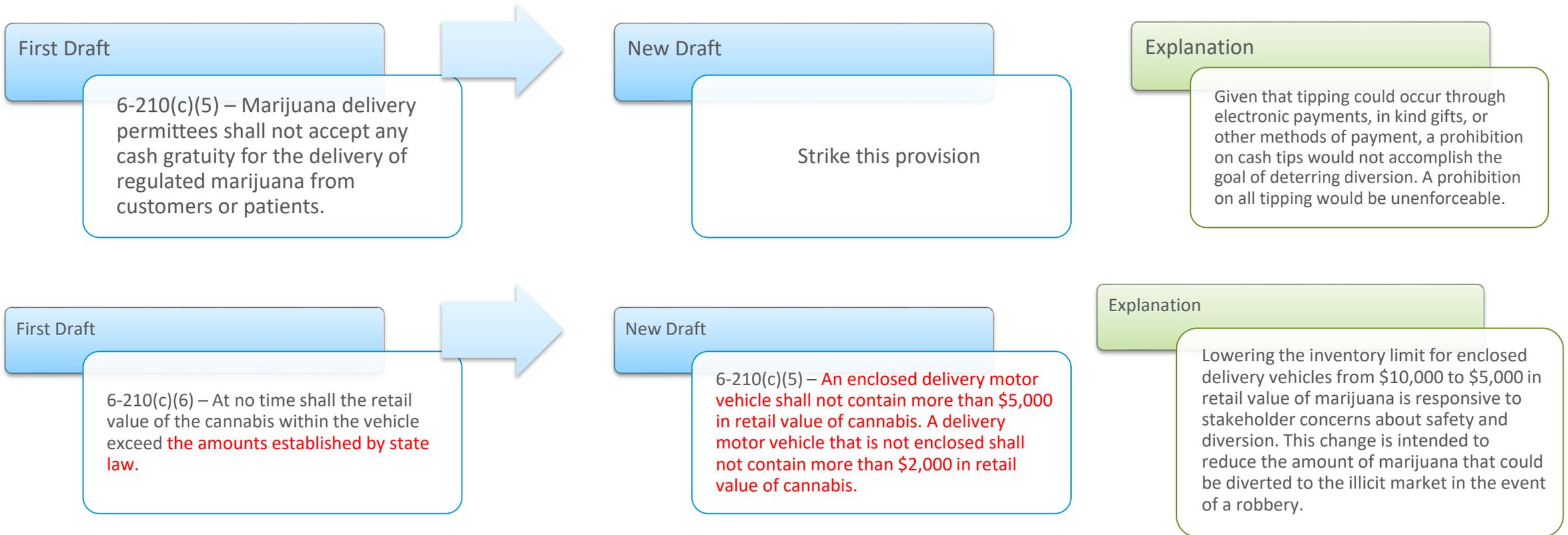
Updated Omnibus Bill Draft: Renewal Hearings



Updated Omnibus Bill: Causes for Denial



Updated Omnibus Bill Draft: Delivery



Updated Omnibus Bill Draft: Off-Premise Storage Facilities

First Draft

6-215(b)

- (2) A medical or retail marijuana off-premises storage facility permittee shall not possess unsealed packages or containers of cannabis on the licensed premises.
- (3) A medical or retail marijuana off-premises storage facility permittee shall not open sealed packages or containers of cannabis on the licensed premises.
- (4) A medical or retail marijuana off-premises storage facility permittee shall not re-package cannabis on the licensed premises.

New Draft

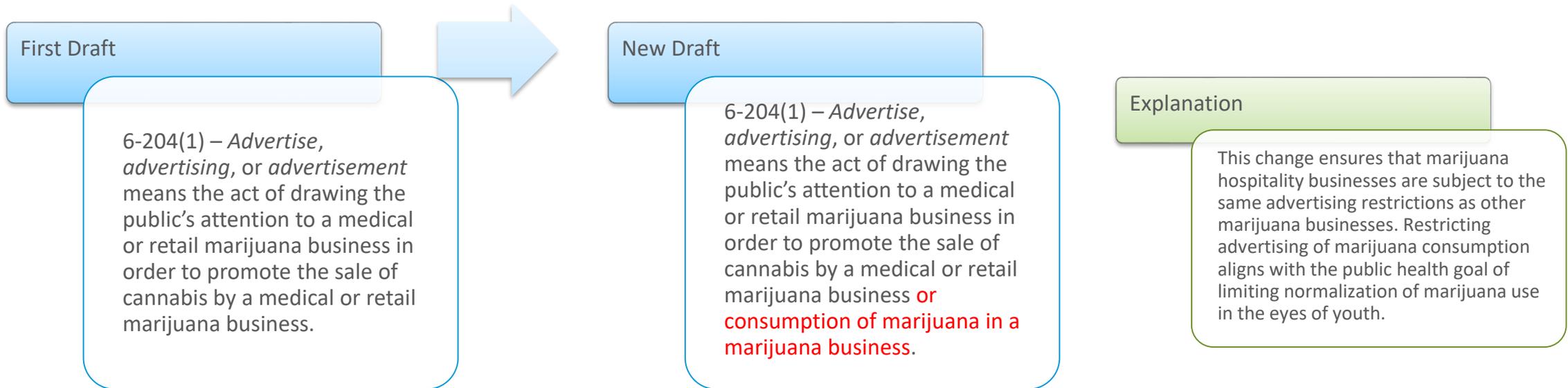
Strike 6-215(b)(2-4) in the first draft and add:

6-215(b)(2) - **Except as provided herein, a medical or retail marijuana off-premises storage facility permittee shall not possess unsealed packages or containers of cannabis on the licensed premises, open sealed packages or containers of cannabis on the licensed premises, or re-package cannabis on the licensed premises. A marijuana store with a valid delivery permit may use its own off-premises storage facility permit to package, label, and fill orders for delivery of regulated marijuana to a patient or customer after the marijuana store receives an order for delivery.**

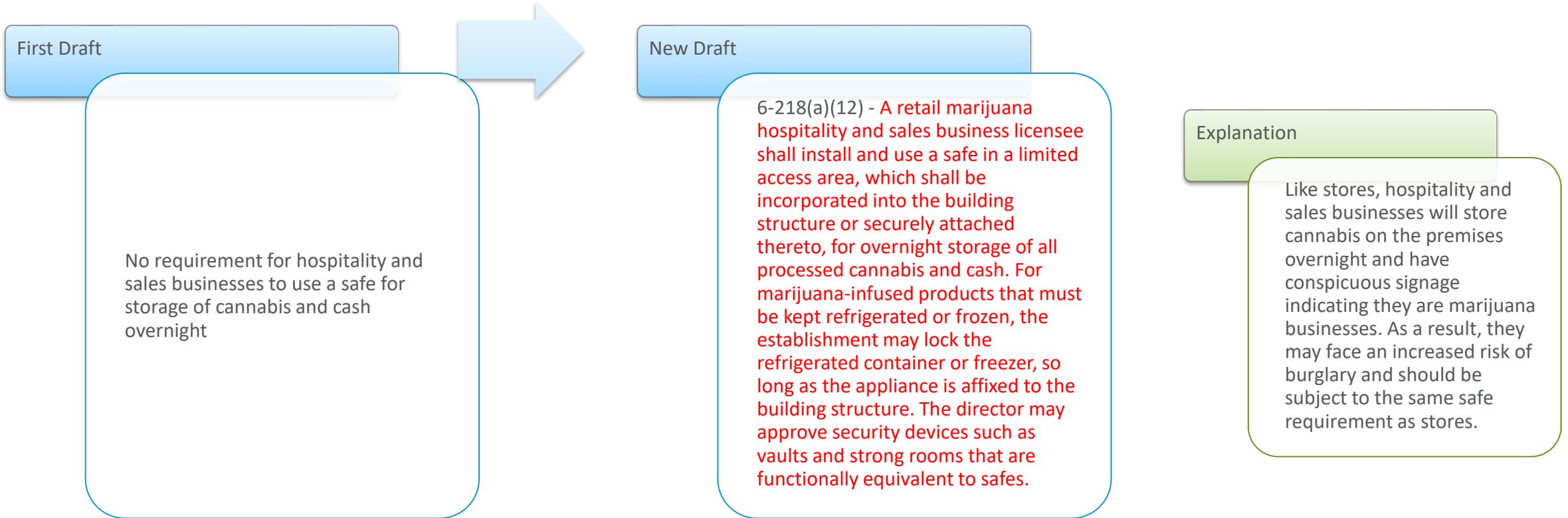
Explanation

This change aligns with the state's allowance for activities that can occur at an off-premises storage facility owned by a store that has a delivery permit. This will allow stores to use their off-premises storage facilities to prepare orders for delivery by transporters.

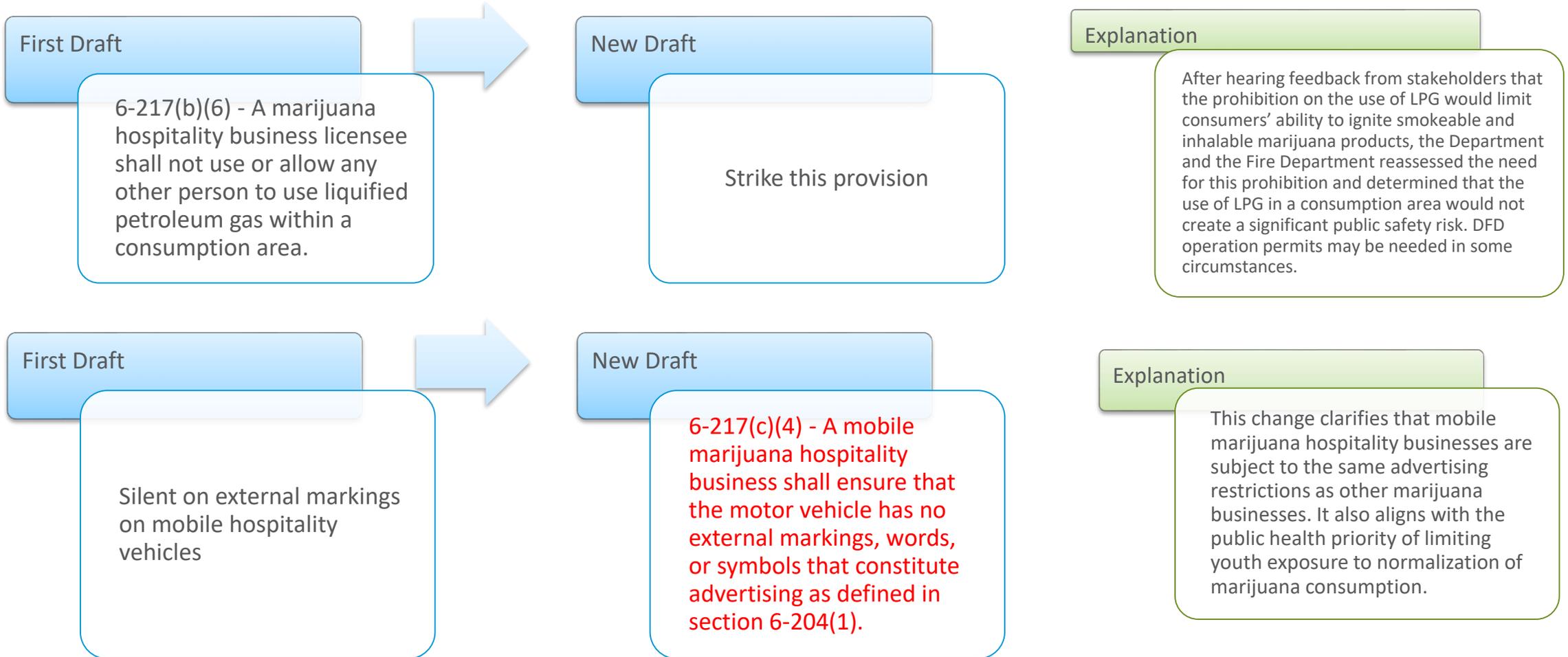
Updated Omnibus Bill Draft: Advertising



Updated Hospitality Bill Draft: Security



Updated Hospitality Bill Draft





Next Steps

Continued Stakeholder Outreach

Additional ways to provide feedback

- Written comment can be sent to marijuanainfo@denvergov.org. Written comment will be accepted until the bill is introduced, but the sooner it is received the more time the Department will have to consider incorporating the feedback.
- You may contact marijuanainfo@denvergov.org to request a meeting to learn more or provide feedback.



The City Council Process

Agency files Bill Request

- Once EXL feels that a bill is ready to be considered by City Council, we file a formal Bill Request.

City Council Committee

- **March 2, 2021 – Finance and Governance**
- Once a bill request is filed, the bill is assigned to a City Council committee.
- Agency representatives present the bill and answer questions.
- There is time at the end of the meeting reserved for public comment.
- After public comment, committee members vote on whether the bill should go to the full City Council.

Mayor-Council Meeting

- Once a bill passes out of committee, it must be announced at a formal meeting where the Mayor and members of City Council are present.

First Reading at City Council

- A bill must be read twice before it can be voted on.
- The First Reading usually occurs on the Monday after a bill has been announced at Mayor-Council.
- City Council members may ask questions of EXL representatives.

Second Reading at City Council

- Second Reading occurs at the next City Council meeting after First Reading (usually one week later).
- City Council members vote on the bill for final approval.



Questions?

Email marijuanainfo@denvergov.org