Marijuana Hospitality in Denver

Denver Excise and Licenses, Office of Marijuana Policy
Marijuana Hospitality in Denver

May 2019 – State legislature passes House Bill 19-1230, allowing for marijuana consumption in licensed marijuana hospitality businesses.

June 2020 – State legislature passes House Bill 20-1424, creating criteria to qualify as a marijuana social equity licensee.

April 2021 – Denver passes Council Bill 21-0217, adopting a marijuana hospitality program and providing that only social equity applicants are eligible for marijuana hospitality licenses.

November 2021 – Denver makes applications available for marijuana hospitality business licenses.
Who qualifies as a social equity applicant?

Only Colorado residents can qualify. You must be a Colorado resident at the time of application.

Anyone who has previously had a marijuana license revoked by the state licensing authority cannot qualify as a social equity applicant.

A social equity applicant must own at least 51% of the marijuana business license being granted.

Anyone who has never had a marijuana license revoked and who meet one of the social equity criteria may qualify as a Social Equity Applicant.

1. The applicant resided in an opportunity zone or disproportionate impacted area for at least 15 years between 1980 and 2010; OR
2. The applicant or immediate family was arrested, convicted or suffered civil asset forfeiture due to a marijuana offense; OR
3. The applicant’s household income did not exceed 50% of the state median income as measured by the number of people who reside in the applicant’s household.

In Denver, any license granted to a social equity applicant must be majority owned by a social equity applicant until 2027.
Hospitality Business Basics
## Hospitality License Types

<table>
<thead>
<tr>
<th>Marijuana Hospitality Business</th>
<th>Marijuana Hospitality Business with a Mobile Premises</th>
<th>Marijuana Hospitality and Sales Business</th>
</tr>
</thead>
</table>
| • Allows for consumption of marijuana by adult patrons (21+) within a **permanent** licensed premises.  
• **No sales** of marijuana permitted.  
• Patrons may **bring their own marijuana** to consume.  | • Allows for consumption of marijuana by adult patrons (21+) within a **mobile** licensed premises.  
• A mobile premises must be a **vehicle** (like a shuttle or a bus).  
• **No sales** of marijuana permitted.  | • Allows for consumption of marijuana purchased on-site by adult patrons within a **permanent** licensed premises.  
• **Limited sales** of marijuana are permitted.  
• Patrons may not bring their own marijuana.  |
# Hospitality Business Basics

### Who can patronize a hospitality business?

A patron must be 21 and older to enter *all types* of hospitality businesses. There are no exceptions for medical marijuana registry cardholders under the age of 21.

### When can hospitality businesses operate?

7 a.m. to 2 a.m. for *all types* of hospitality businesses.

### What methods of consumption are permitted in a hospitality business?

Indoor smoking and vaping are allowed at *all types* of hospitality businesses in compliance with an odor control plan approved by the Denver Department of Public Health and Environment. Consumption of edible marijuana products is also allowed.

### Can patrons smoke tobacco or drink alcohol on the premises?

No. Alcohol and tobacco consumption are prohibited. The licensee is responsible for preventing alcohol and tobacco consumption on the premises.
Hospitality Business Basics

### Liability Insurance
- Like any business, a hospitality business must have general liability insurance.

### Responsible Vendor Training
- All owners and employees of a hospitality business must complete a responsible vendor training course annually.
- [List of state-approved responsible vendor training providers](#)

### Conduct on the Licensed Premises
- The business cannot allow disorderly conduct, rowdiness, undue noise and other disturbances that are offensive to the neighborhood.
- The business cannot allow any person showing visible signs of intoxication to consume marijuana.
- No marijuana consumption by on-duty employees.
- Must report criminal activity requiring a response from law enforcement to MED within 48 hours.
Hospitality Business Basics

Overlapping Premises
- The licensed premises of a hospitality business **cannot** overlap with the licensed premises of a medical or retail marijuana store or a liquor licensed premises.
- Must have a separate address, separate entrances and exits, no door or hallway through which a consumer can pass, and windows on shared walls are covered.

Visible Display and Consumption
- Display and consumption of marijuana cannot be visible from outside the licensed premises.

Outdoor Consumption Areas
- Must be surrounded by a sight-obscuring wall, fence, hedge, or other opaque or translucent barrier.
- Business must ensure all marijuana is kept out of plain sight and is not visible from a public place without the use of optical aids.
- Must comply with all applicable zoning, right-of-way, and other city requirements.
- Must comply with approved odor control plan.
## Food Service in a Hospitality Business

<table>
<thead>
<tr>
<th>If not operating in a Retail Food Establishment...</th>
<th>If operating in a Retail Food Establishment...</th>
</tr>
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<tbody>
<tr>
<td>• Can serve hot coffee, hot tea, instant hot beverages, and nonpotentially hazardous doughnuts or pastries obtained from sources compliant with food laws.</td>
<td></td>
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<tr>
<td>• Can serve nonpotentially hazardous, commercially prepared, prepackaged food requiring no preparation other than heating the food within its original container.</td>
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<tr>
<td>• No overlap with a liquor licensed premises. Must have a separate address, separate entrances and exits, no door or hallway through which a consumer can pass, and windows on shared walls are covered.</td>
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<tr>
<td>• Hospitality licensed premises must operate in an isolated area of the RFE separated by a sight-obscuring barrier and a secure door.</td>
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<tr>
<td>• Only customers 21 and older can enter the hospitality licensed premises.</td>
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<tr>
<td>• Employees of the RFE can serve food in the hospitality licensed premises.</td>
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<tr>
<td>• Cannot add marijuana to food served by the RFE.</td>
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</tbody>
</table>
Marijuana Hospitality Business
Marijuana Hospitality Business

**Bring your own marijuana**

- Marijuana sales are not permitted.
- Giving away free samples of marijuana is not permitted.

**Permanent licensed premises**

- Operates out of a fixed, brick-and-mortar licensed premises.
- No temporary/special event permits.

**No marijuana storage on the premises**

- Except marijuana left by consumers, which must be secured in an area inaccessible to patrons of the business before destruction.
Marijuana Hospitality Business with a Mobile Premises
Mobile Premises Requirements

“Mobile premises” means a licensed premises operated by a marijuana hospitality business in a motor vehicle, which includes any self-propelled vehicle that is designed primarily for travel on the public highways and is generally and commonly used to transport people and property over the public highways or a low-speed electric vehicle. But it does not include electrical-assisted bicycles, electric scooters, low-power scooters, wheelchairs, or vehicles moved solely by human power.

- Registered in Colorado and insured
- Permit issued by the [Public Utilities Commission](#)
- GPS tracking
- Video surveillance covering the entry and exit points and the driver’s area
- Ventilation preventing air from the consumption area from circulating into the driver’s area
- No marijuana consumption or possession in the driver’s area
- No external markings, words or symbols that constitute advertising as defined by Denver’s marijuana code
- Consumption activity must not be visible from outside the vehicle
Operating Requirements

- **Separate place of business**
  - Must designate a separate, fixed place of business. Does not have to be a licensed premises, but if marijuana will be transported there for destruction, it must be a licensed premises.
  - Can be a licensed marijuana hospitality business as long as it is identically owned.

- **Route logs**
  - Must be filed with the Department of Excise and Licenses at least seven business days before the scheduled departure.
  - Identify origin, destination, and all stops in between.
  - Cannot change or deviate from the route without notifying the Department seven business days in advance.
  - Stops cannot include schools, child care establishments, alcohol or drug treatment facilities, recreation centers or pools.

- **Stationary consumption prohibited**
  - No consumption of marijuana on the mobile premises if the vehicle is stopped, standing, or parked for more than 30 minutes.

- **Jurisdictional limitations**
  - Can only operate in local jurisdictions that allow for mobile marijuana hospitality businesses.
Retail Marijuana Hospitality and Sales Business
## Retail Marijuana Hospitality and Sales

### Sales limits
- Retail marijuana only (no medical marijuana sales)
- 2 grams of flower
- One-half gram of concentrate
- Products containing 20 mg of THC (10 mg THC per servings)
- Sales limits are per customer, per business day.

### Packaging and labeling
- Can transfer marijuana to a consumer without packaging and labeling, but must meet minimum requirements in MED Rule 3-1020(B).
- Must provide a written statement of the potency of active THC and CBD at the time of transfer and make other labeling information available upon request.

### Removal of marijuana from the premises
- Cannot sell marijuana to a consumer if the employee knows or reasonably should know that they do not intend to consume the marijuana on the premises.
- A consumer can leave with unconsumed marijuana as long as the unconsumed marijuana has been packaged and labeled in accordance with MED Rule 3-1020(C).
Licensing Process
State Licensing Authority and the Marijuana Enforcement Division

Issues state marijuana licenses, issues employee and owner licenses, regulates matters of statewide concern such as packaging, labeling, testing, production management, etc.

Denver Department of Excise and Licenses

Issues corresponding local marijuana licenses, regulates time, place and manner of marijuana businesses, and regulates matters of local concern such as location requirements, public hearings, advertising, etc.
Application Process

**State Applications**
- Apply to the State Licensing Authority for a finding of suitability and designation as a social equity applicant.
- Apply for a state marijuana business license. You must submit a state business license application first and obtain a state business license number (ex. 609H-00000). You can submit a city application immediately after, and you must provide a valid state license number to submit a city application.

**Apply Online**
- To apply for a marijuana hospitality business license, you must apply online using Denver’s Permitting and Licensing Center. For more step-by-step instructions and training videos, visit the [Apply for a New Marijuana Business License or Permit website](#).
- Pay the required fees.

**City Application Review**
- The Department of Excise and Licenses will review the application and all required documents, which could take 20 days or longer.
- The application could be denied at this stage if causes for denial exist.
- If there are deficiencies, you will be notified to correct them within seven days.

**Complete a Needs and Desires Hearing**
- Once the city’s application review is complete and the application is eligible to move forward, a public needs and desires hearing will be scheduled within 30 to 60 days.
- Review the Department’s [hearing policies and procedures](#).
- The hearing officer will make a recommended decision to the director of Excise and Licenses.
- No hearing for mobile premises.

**Complete Inspections**
- If the application is recommended for approval by the director of Excise and Licenses, you will receive an inspection notice to complete required inspections.

**Email Excise and Licenses**
- Once you have passed all required inspections and obtained state approval of your state business license, email EXL with your business file number, your state license, and a request to issue your city license to EXLApplications@denvergov.org.
- You will receive an email with your certificate of licensure.
Application Elements

Marijuana Hospitality Business License
- Social equity applicant proof of eligibility
- State license number
- Alarm permit number
- Employer Identification Number
- Health and sanitation plan
- Odor control plan
- Social impact plan

Marijuana Hospitality Business License with a Mobile Premises
- Social equity applicant proof of eligibility
- State license number
- Employer Identification Number
- Health and sanitation plan
- Odor control plan
- Social impact plan
- Vehicle’s VIN, license plate number, registration, and proof of insurance
- Route logs

Retail Marijuana Hospitality and Sales Business License
- Social equity applicant proof of eligibility
- State license number
- Alarm permit number
- Employer Identification Number
- Health and sanitation plan
- Odor control plan
- Social impact plan
- Denver city sales tax license
Applicants’ Responsibilities

• Note the Department of Excise and Licenses cannot give legal or business advice or make any preliminary findings regarding an application.

• It is the applicant’s responsibility to ensure they comply with all relevant codes, ordinances, rules, and regulations, at the state and local levels.

• Applicants should conduct their own research and investigation and engage the services of professionals, such as attorneys and business consultants, as necessary.
Frequently Asked Questions
What are the fees for marijuana hospitality business licenses?

- In Denver, the application fee for any kind of marijuana hospitality license is waived for social equity applicants.
- The license fee (paid upon application and every year upon renewal) is $2,000.
- For state fees, consult the Marijuana Enforcement Division’s [fee schedule](#).
Where can marijuana hospitality businesses be located?

- Consult the Denver Marijuana Facility Location Guide for detailed information about location requirements for all marijuana license types.

- Marijuana hospitality businesses and marijuana hospitality and sales businesses cannot locate in residential zone districts. Use this zoning map tool to look up an address’ zone district.

- The licensed premises may not overlap with the licensed premises of a marijuana store. A hospitality and sales business also may not share the same location as a marijuana store.

Marijuana hospitality businesses and marijuana hospitality and sales businesses cannot locate within 1,000 feet of:

- Any public or private preschool, elementary school, middle school, junior high school, or high school;
- Any licensed child care facility;
- Any licensed drug or alcohol treatment facility;
- Any city-owned recreation center or pool; or
- Any other marijuana hospitality business of the same type.
Where do I find laws and rules for hospitality businesses?

Denver Laws and Rules

- **Denver Marijuana Code**
  - Sec. 6-217 – Marijuana hospitality business licenses
  - Sec. 6-218 – Retail marijuana hospitality and sales business licenses
  - Must comply with entire code as applicable
- **Rules Governing Cannabis Storage** (hospitality and sales businesses only)
- Dept. Of Public Health & Environment **Cannabis Consumer Protection**
- **Denver Zoning Code**
- **Denver Building and Fire Code**

State Laws and Rules

- Colorado Marijuana Code ([Colorado Revised Statutes](https://law.colorado.gov/) Title 44 Article 10)
- [Colorado Marijuana Rules](https://law.colorado.gov/)
  - 6-900 Series – Licensed Hospitality Businesses
  - Must comply with all rules as applicable
Questions?

Denver

• If you have questions about Denver’s licensing process, email marijuanainfo@denvergov.org.
• ¿Necesitas ayuda en español? Email licenses@denvergov.org.
• Visit our website

State

• If you have questions about the state’s rules or licensing process, contact the state Marijuana Enforcement Division.
Additional Resources

**DENVER RESOURCES**

- Visit the Denver Marijuana Social Equity webpage.
- Visit the Denver Marijuana Information webpage.
- Visit the Denver Marijuana Licenses webpage (denvergov.org/marijuanainfo)
- Visit the Denver Marijuana Laws, Rules, and Regulations webpage.
- Subscribe to Denver's Marijuana Industry Informational bulletin [here](#).

**STATE RESOURCES**

- Read the Colorado Marijuana Enforcement Division Regulated Marijuana Rules (under Currently Effective Rules).
- Visit the Colorado Marijuana Enforcement Division’s Applications and Forms webpage.
- Visit the Colorado Marijuana Enforcement Division’s Social Equity webpage and read their Social Equity FAQs.
- Subscribe to the Marijuana Enforcement Division's email list.