June 28, 2022

**INDUSTRY-WIDE BULLETIN: 22-02** 

**RE: Clarification of Authorized Transfers** 

Dear Stakeholders,

The Marijuana Enforcement Division (MED) is issuing this Industry Bulletin in response to a series of inquiries seeking clarification on the Division's perspective given the January 6, 2022 letter published by the United States Department of Justice Drug Enforcement Administration (DEA). That letter provides an analysis of the Controlled Substances Act and does not consider the marijuana provisions of the Colorado Constitution, Colorado Marijuana Code, or Colorado Marijuana Rules.

Section 16 of article XVIII of the Colorado Constitution defines Marijuana as, "all parts of the plant of the genus cannabis whether growing or not, the seeds thereof, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or its resin, including marijuana concentrate". Further, 44-10-701 (2)(a), C.R.S., makes it unlawful for a person to "Buy, sell, transfer, give away, or acquire regulated marijuana or regulated marijuana products except as allowed pursuant to this article 10 or section 14 or section 16 of article XVIII of the state constitution".

Regulated Marijuana Businesses are only permitted to Transfer¹ marijuana seeds, immature marijuana plants, marijuana or marijuana products to other Regulated Marijuana Businesses, or if the license is a Regulated Marijuana Store or Retail Marijuana Hospitality and Sales Business they are able to Transfer to consumers as permitted by the Colorado Marijuana Code, at 44-10-101 *et seq.*, C.R.S., and Colorado Marijuana Rules, 1 CCR 212-3. Licensees Transferring marijuana seeds, immature marijuana plants, marijuana, or marijuana products in conflict with the Marijuana Code or the Colorado Marijuana Rules could be subjecting their licenses to administrative actions including but not limited to fines, suspension, or revocation.

The MED recognizes that the evolution of marijuana laws and related policy at the state and federal level may inform future changes to the MED's approach and updates to this bulletin. The MED will continue to monitor statewide and federal initiatives with this in mind.

Please be aware that the information contained in this Industry Bulletin and associated links do not represent legal advice or replace a licensee's responsibility to review and comply with statute and rules, the full set of which can be found on the <u>Colorado Marijuana Rules webpage</u>.

<sup>&</sup>lt;sup>1</sup> Transfer is a defined term that means to grant, convey, hand over, assign, sell, exchange, donate, or barter, in any manner or by any means, with or without consideration, any Regulated Marijuana from one Licensee to another Licensee, to a patient, or to a consumer. A Transfer includes the movement of Regulated Marijuana from one Licensed Premises to another, even if both premises are contiguous, and even if both premises are owned by a single entity or individual or group of individuals and also includes a virtual transfer that is reflected in the Inventory Tracking System, even if no physical movement of the Regulated Marijuana occurs.