



January 10, 2020

INDUSTRY-WIDE BULLETIN: 20-02

RE: Medical Marijuana Sales Limitations

Dear Marijuana Industry Stakeholders:

The Department of Revenue’s Marijuana Enforcement Division is issuing this Industry-Wide Bulletin in response to stakeholder inquiries regarding Medical Marijuana sales limitations pursuant to Sections 44-10-501(3)(b)-(c) and 44-10-501(10)(a)-(b), C.R.S., and Rule 5-115(C), 1 CCR 212-3. [Senate Bill 19-224](#) established new requirements for the sale of Medical Marijuana, effective January 1, 2020. These sales limitations were incorporated in Rule 5-115(C) of the [Colorado Marijuana Rules, 1 CCR 212-3](#), and are summarized below.¹

| Base Medical Marijuana Sales Limits | |
|---|--|
| <p><u>Medical Marijuana Flower, Concentrate, and Product</u></p> <p>A Medical Marijuana Store shall not sell, individually or in any combination, more than the following quantities of Medical Marijuana flower, Medical Marijuana Concentrate, and Medical Marijuana Product to the same patient in a single business day:</p> <ul style="list-style-type: none">➤ Two ounces of flower; or➤ 40 grams of concentrate; or➤ Products containing a combined total of 20,000 milligrams of active THC. | <p><u>Medical Marijuana Plants and Seeds</u></p> <p>In addition to the sales limits noted in the left column, a Medical Marijuana Store shall not sell more than the following number of Medical Marijuana plants and seeds to the same patient in a single business day:</p> <ul style="list-style-type: none">➤ Six Immature plants; or➤ Six Medical Marijuana plant seeds |

The following pages provide additional guidance regarding (a) requirements for sales of Medical Marijuana in amounts exceeding the above-noted sales limits; and (b) sales involving a combination of Medical Marijuana Concentrate, Medical Marijuana flower, and Medical Marijuana Product. Please note the information contained herein does not represent legal advice or replace a licensee’s responsibility to read, understand, and maintain compliance with all relevant statutes and rules.

Questions related to this Industry-Bulletin may be sent to dor_medinquiry@state.co.us.

¹ Please note the statutory and regulatory provisions reflected herein may be subject to local jurisdiction requirements, some of which may be more restrictive than Rule 1-115(C), 1 CCR 212-3. Please consult your local jurisdiction’s ordinance to ensure compliance with applicable local laws.

Extended Ounce and Plant Count Recommendations

Medical Marijuana Flower: A Medical Marijuana Store may sell Medical Marijuana flower in an amount that exceeds the two-ounce sales limitation if the patient:

- Received a physician² recommendation for more than two ounces of flower;
- Designated the Medical Marijuana Store as his or her primary center; and
- Supplied the Medical Marijuana Store with documentation from the patient's physician allowing the patient more than two ounces of flower.

Medical Marijuana Plants and Seeds: A Medical Marijuana Store may sell more than six Immature plants or seeds³ if the patient:

- Received a physician recommendation for more than six Immature plants;
- Designated the Medical Marijuana Store as his or her primary center; and
- Supplied the Medical Marijuana Store with documentation from the patient's physician allowing the patient more than six Immature plants. However, a Store's sale of Immature plants/seeds to a patient may not exceed half of the patient's extended plant count.

Exemption from Product and Concentrate Sales Limits

A Medical Marijuana Store may sell **Medical Marijuana Concentrate or Medical Marijuana Product** to a patient in an amount that exceeds the sales limits only if the patient:

- Received written documentation from his or her recommending physician exempting the patient from the Medical Marijuana Concentrate or Medical Marijuana Product sales limitation;
- Designated the Medical Marijuana Store as his or her primary center; and
- Supplied the Store with documentation of the exemption from the patient's physician.

Written documentation from a patient's physician providing the exemption must allow the Medical Marijuana Store to verify the exemption, and must, at a minimum, include the following information (see also the example below):

- Patient's name and registry number; and
- Physician's name, valid license number, physical business address, any electronic mailing address, and phone number.

| <i>Physician Letterhead</i> | |
|--|---|
| Patient Name and Registry Number | Jane Doe, Registry No. 16-309-278-GI |
| Physician License Number | 00001 |
| Physician First and Last Name | Dr. John Smith |
| Physician Address, City, State, Zip | 1707 Cole Blvd., Ste. 300, Lakewood, CO 80401 |
| Physician Phone | 303-555-5555 |
| Physician Email | physician/provider@email.com |
| Physician Signature | |
| Physician Notes: I am a physician duly licensed in good standing to practice medicine in Colorado. In compliance with the Colorado Constitution and applicable statutes, I have assessed the above-named patient's medical history and current medical condition and concluded this patient may benefit from the medical use of marijuana. I hereby exempt this patient from medical marijuana concentrate [and/or medical marijuana product] sales limitations established under section 44-10-501(10)(a), C.R.S. | |

² Pursuant to Section 25-1.5-106(2)(d.4), C.R.S., "Physician", when making medical marijuana recommendations for a disabling medical condition, includes a dentist or advanced practice practitioner with prescriptive authority acting within the scope of his or her practice."

³ Pursuant to Rule 5-115(C)(2)(c), one Medical Marijuana plant is equivalent to one Medical Marijuana seed.

Combined Sales of Medical Marijuana Flower, Concentrate, and Product

Medical Marijuana Stores selling a combination of any of the three categories of Medical Marijuana to a patient will need to adjust the sales amount of each category to comply with sales limitations. When making a sale of multiple categories of Medical Marijuana in a single transaction, a Medical Marijuana Store can consider the percentage of sales limit for each category. When considering the percentage of sales limit for each category, the total combined amount of flower, Concentrate and Product must not exceed 100%. See the below examples of compliant and non-compliant sales transactions.

Base Sales Limit for Medical Marijuana Flower, Concentrate, and Product

A Medical Marijuana Store shall not sell, individually or in any combination, more than the following quantities of Medical Marijuana flower, Medical Marijuana Concentrate, and Medical Marijuana Product to the same patient in a single business day:

- Two ounces of flower; or
- 40 grams of concentrate; or
- Products containing a combined total of 20,000 milligrams of active THC.

Examples of Permitted Sales Transactions

| Example A Permitted Sales Transaction | |
|--|---------------------------------------|
| 1 ounce of flower | 50% of flower sales limit |
| 10 grams of concentrate | 25% of concentrate sales limit |
| Medical marijuana products totaling 5,000 milligrams of THC | 25% of product sales limit |
| Total | 100% of combined sales limit |

| Example B Permitted Sales Transaction | |
|--|---------------------------------------|
| 0.5 ounce of flower (½ ounce) | 25% of flower sales limit |
| 20 grams of concentrate | 50% of concentrate sales limit |
| Medical marijuana products totaling 5,000 milligrams of THC | 25% of product sales limit |
| Total | 100% of combined sales limit |

| Example C Permitted Sales Transaction | |
|---|---|
| 1/8 ounce of flower | 6.25% of flower sales limit |
| 15 grams of concentrate | 37.5% of concentrate sales limit |
| Medical marijuana products totaling 11,250 milligrams of THC | 56.25% of product sales limit |
| Total | 100% of combined sales limit |

Examples of Prohibited Sales Transactions

| Example A Prohibited Sales Transaction | |
|---|-------------------------------------|
| 1 ounce of flower | 50% of flower sales limit |
| 40 grams of concentrate | 100% of concentrate sales limit |
| Total | 150% of combined sales limit |

| Example B Prohibited Sales Transaction | |
|---|-------------------------------------|
| 1 ounce of flower | 50% of flower sales limit |
| 20 grams of concentrate | 50% of concentrate sales limit |
| Medical marijuana products totaling 1,000 milligrams of THC | 5% of product sales limit |
| Total | 105% of combined sales limit |

| Example C Prohibited Sales Transaction | |
|--|-------------------------------------|
| 0.5 ounce of flower (½ ounce) | 25% of flower sales limit |
| 20 grams of concentrate | 50% of concentrate sales limit |
| Medical marijuana products totaling 10,000 milligrams of THC | 50% of product sales limit |
| Total | 125% of combined sales limit |

| Example D Prohibited Sales Transaction | |
|--|-------------------------------------|
| .25 ounce of flower (¼ ounce) | 12.5% of flower sales limit |
| 15 grams of concentrate | 37.5% of concentrate sales limit |
| Medical marijuana products totaling 15,000 milligrams of THC | 75% of product sales limit |
| Total | 125% of combined sales limit |

Base Medical Marijuana Sales Limit Reference Guide

The below table offers a reference guide to determining the percentage of sales applicable to each category of Medical Marijuana. Each row identifies the ounces, grams or milligrams that apply to the percentage of sales, where the total quantity sold of any category, individually or in combination, cannot exceed the 100% daily sales limit.

Please note the number of ounces, grams, and milligrams reflected in each row does *not* represent a total permitted sales transaction. For example, a sale of 40 grams of Medical Marijuana flower amounts to 100% of a daily sale to a patient; a Medical Marijuana Store cannot also sell 40 grams of Medical Marijuana Concentrate to that same patient. Please see Pages 3 and 4 for additional examples of compliant and non-compliant sales transactions.

| Base Medical Marijuana Sales Limit Reference Guide | | | | | | |
|--|---|--------------------------------------|----|-------------------------------|----|---------------------------|
| % of Daily Sales | | Medical Marijuana Flower | | Medical Marijuana Concentrate | | Medical Marijuana Product |
| 100% | = | 2 ounces | or | 40 grams | or | 20,000 mg THC |
| 50% | = | 1 ounce | or | 20 grams | or | 10,000 mg THC |
| 25% | = | .5 ounce | or | 10 grams | or | 5,000 mg THC |
| 12.5% | = | .25 ounce | or | 5 grams | or | 2,500 mg THC |
| 6.25% | = | .125 ounce ($\frac{1}{8}$ ounce) | or | 2.5 grams | or | 1,250 mg THC |

Patients with an Extended Ounce Recommendation:

The above table does not take into account sales of Medical Marijuana flower to patients with a recommendation for more than two ounces, or sales of Medical Marijuana Concentrate and Product to patients with a physician exemption.

If a patient has a physician recommendation for more than two ounces of Medical Marijuana flower, that recommendation does not allow the patient to purchase Medical Marijuana Concentrate or Medical Marijuana Products in excess of the 40 grams/20,000 mg sales limit. To purchase more than 40 grams of Concentrate, 20,000 mg of Product, or any combination of Concentrate and Product exceeding the sales limit, the patient must first obtain written documentation from his or her recommending physician exempting the patient from the sales limit and provide that exemption to the Medical Marijuana Store designated as his or her primary center. In addition, if a patient with a physician recommendation for more than two ounces of Medical Marijuana flower purchases Medical Marijuana flower in an amount exceeding two ounces, that patient cannot purchase any concentrate or product from that Medical Marijuana Store during that same business day.

See Page 2 for additional information regarding sales of Medical Marijuana in amounts exceeding the base sales limitation.