**AGENDA**

**Stakeholder Workgroup on Retail Marijuana Average Market Rate Categories**

October 14, 2021 at 10:00 A.M. Colorado Department of Revenue

Virtual Stakeholder Workgroup

Call-in number: 1 (669) 900-6833

‬PIN: 832 3518 0329

The Colorado Department of Revenue, Division of Taxation, is convening a stakeholder workgroup to discuss retail marijuana excise tax average market rate categories. Various stakeholders have requested new average market rate categories be added. As a result, the Department would like to gather information to evaluate the existing and proposed average market rate categories.

In addition to other matters the Department may open for discussion, the following items are scheduled for consideration:

* Welcome and Introductions
* Topics for Discussion. The Department intends to seek input on specific topics, including those listed below, but encourages stakeholders to suggest additional topics for discussion.
  + Should the Department consider adding additional categories?
    - Stakeholders have requested a “fresh frozen” category be considered.
      * Does industry believe a “fresh frozen” category is needed?
      * If so, how would “fresh frozen” be defined? The following definition has been proposed:

“Fresh Frozen” means bud that is not trimmed, dried or cured, and is designed for extraction of Retail Marijuana Concentrate and not for direct sale to consumers. The bud must be weighed within 2 hours of the plant being harvested.

* + - * Why are the existing categories inadequate?
      * Is there market data that may aid in the evaluation of the impacts and feasibility of a new “fresh frozen” category?
        + The number of licensees transacting products within a new or modified category;
        + The volume of transactions per quarter among unaffiliated licensees for products in a new or modified category; and
        + Estimates of the current average market rate for a new or modified category.
    - Stakeholders have requested that the Department consider categories that differentiate between whether the plants are grown indoors or outside.
      * Does industry believe these distinctions are needed?
      * If so, how would these categories be defined? In particular, would there need to be an outdoor and indoor subcategory for each of the existing categories?
      * Why are the existing categories inadequate?
      * Is there market data that may aid in the evaluation of the impacts and feasibility of a new “fresh frozen” category?
        + The number of licensees transacting products within a new or modified category;
        + The volume of transactions per quarter among unaffiliated licensees for products in a new or modified category; and
        + Estimates of the current average market rate for a new or modified category.
    - Are there other new categories the Department should consider?
      * How should those categories be defined?
      * Why are the existing categories inadequate?
      * Is there market data that may aid in the evaluation of the impacts and feasibility of a new “fresh frozen” category?
        + The number of licensees transacting products within a new or modified category;
        + The volume of transactions per quarter among unaffiliated licensees for products in a new or modified category; and
        + Estimates of the current average market rate for a new or modified category.
  + Should the Department consider amending the definition of any existing categories?
    - If so, how should the definitions be changed?
    - What is the intended result of the change, or the reason the existing definition is incorrect or unclear?
  + Should the Department consider consolidating or eliminating any of the existing categories?
    - If a “fresh frozen” category is added, should the wet whole plant category be repealed?
    - Other consolidations or repeals:
      * Why should the categories be consolidated?
      * Why is the category no longer necessary?
* Other comments or issues for consideration

We would appreciate your feedback to help us measure and improve the success of the rulemaking program.  If you participate in the rulemaking process, we invite you to complete a [short survey](https://docs.google.com/forms/d/e/1FAIpQLSfwH2HFlbE7ND9LxLurvIbp7X8dnoG65W8VDZ8TPrBRZ9EBKw/viewform).  Follow the link, and choose the "I participated in the Rulemaking Process (Announcement, Stakeholder Meeting, or Hearing)" option.