

Alcohol, Nicotine, Marijuana, Natural Medicine, & Gaming

Summary of Legislation 2023

“Retail marijuana stores were previously prohibited from selling marijuana products over the internet or through delivery. House Bill 23-1279 allows retail marijuana stores to accept online payments.”

The General Assembly considered a number of measures in 2023 regulating alcohol, nicotine, marijuana, and gaming.

Alcohol

Senate Bill 23-264 makes changes to festival permits, including:

- increasing the time needed to file for a permit from 10 days to 30;
- increasing the permit fee from \$25 to \$50;
- limiting the number of festivals licensees may jointly participate in to 52 per year; and
- changing the window festivals are counted in from 12 months after permit issuance to a calendar year.

House Bill 23-1102 makes changes to the funding process for local governments that implement high-visibility alcohol and drug impaired driving enforcement, requiring the Transportation Commission to annually allocate funding from the state highway fund to these programs.

House Bill 23-1061 allows most retail establishments to apply for a permit to serve complimentary alcohol beverages. Access to these permits was previously limited to art galleries. The permit also includes prohibitions on serving alcohol between the hours of 2 a.m. and 7 a.m., and sets maximum serving sizes.

The legislature failed to pass *Senate Bill 23-171*, which would have required substance-free seating at large entertainment facilities.

Nicotine

House Bill 23-1290 refers a ballot issue to voters for the November 2023 election. Proposition II makes changes to the state's retention of tax revenues on nicotine products previously established in Proposition EE that voters approved in 2020. Tax revenues were projected to be raised by \$186.5 million in the first fiscal year after passage of Proposition EE. Because actual revenue came in at \$208.0 million in FY 2021-22, retaining the excess revenue amount plus interest, totaling \$23.65 million, must be approved by voters under requirements in the state constitution. The measure, if passed, would also allow the state to maintain the tax rates moving forward.

House Bill 23-1015 deals with remote retail sales of tobacco products. The bill defines “remote retail sale” for sales of cigars and pipe tobacco from out-of-state retailers. It also clarifies how the “manufacturer's list price” should be calculated for a manufacturer who is also a remote retail seller or a delivery seller of tobacco or nicotine.



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Marijuana

A number of bills were introduced relating to the regulation of marijuana in 2023. *Senate Bill 23-265* prohibits the Department of Regulatory Agencies from denying a professional licensure application solely based on an individual's past marijuana use.

Senate Bill 23-199 makes minor changes to state marijuana licensing. The bill clarifies that a licensing fee may be refunded if an application is denied, and allows for a one-year license renewal if a state license would otherwise expire because of failure to receive local jurisdiction approval.

Retail marijuana stores were previously prohibited from selling marijuana products over the internet or through delivery. *House Bill 23-1279* allows retail marijuana stores to accept online payments. Under the bill, stores must follow the same protocols and requirements for online sales as in-person sales, including age and identity verification, and providing warning and educational materials.

Senate Bill 23-271 regulates certain hemp products and products that contain intoxicating cannabinoids. The bill prohibits selling certain hemp products with a defined ratio of cannabidiol to THC, or tetrahydrocannabinol, the psychoactive chemical in marijuana.

Lastly, *House Bill 23-1021* allows the Department of Revenue to embargo and destroy medical or retail marijuana when the state licensing authority finds objective and reasonable grounds to believe that the health, safety, or welfare of the public requires emergency action.

Natural Medicine

In the wake of voter approval of Proposition 122 in November of 2022, the General Assembly passed *Senate Bill 23-290* to implement the requirements of the initiative. The bill creates the Division of Natural Medicine in the Department of Revenue tasked with regulating and licensing natural medicine, which is defined as psilocybin or psilocin, dimethyltryptamine, ibogaine, or mescaline. It also creates the Natural Medicine Advisory Board, which makes recommendations to the Division of Professions and Regulations related to public health implications, research, training programs, and other aspects concerning implementation of the measure. The bill clarifies laws relating to the possession, use, and distribution of natural medicine.

Gaming

Only two bills addressing gaming and gambling became law in 2023. *House Bill 23-1041* prohibits gambling on simulcast greyhound racing from a track that is outside of Colorado. Greyhound racing remains banned in the state. The bill also creates the greyhound welfare and adoption fund. *Senate Bill 23-165* continues the Division of Racing Events and the Colorado Racing Commission, which oversee horse racetracks and off track betting in Colorado, for 9 years, until 2032.

Senate Bill 23-259 was vetoed by the Governor but would have, under certain conditions, allowed operators of casinos and others with a gaming license to extend credit to another person for gambling.

