# Summary of Legislation

## 2025



## Liquor, Tobacco, Marijuana, and Gaming

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During the 2025 legislative session, the General Assembly considered several measures related to liquor, tobacco, marijuana, and gaming.

#### Liquor

Senate Bill 25-033 prohibits state and local licensing authorities from issuing any new liquor-licensed drugstore (LLDS) licenses. Current LLDS licensees may still renew their license, with certain restrictions including prohibiting:

- the licensee from changing their location, or merging, selling, converting, or transferring their license;
- any tastings on LLDS premises; and,
- an LLDS licensee from having a financial interest in more than eight other LLDS licenses.

Senate Bill 25-274 modifies verification requirements for drivers who deliver for licensed alcohol beverage shippers. The alcohol beverage shipper license was created in 2024 through Senate Bill 24-231.

The bill allows a driver to deliver to any person at the address who is over 21 and not visibly intoxicated.

There were multiple bills related to alcohol that did not ultimately pass. Senate Bill 132 would have expanded the number of allowable tasting rooms operated by spirits manufacturers and permit them to sell alcohol from other manufactures. House Bill 1237 would have allowed bars in certain jurisdictions to sell alcohol until 2:30 a.m.

### Marijuana

House Bill 25-1209 makes several changes to the regulation of marijuana businesses. The bill also repeals provisions that make undisclosed ownership of a marijuana license and an unapproved transfer of a marijuana license a class 2 misdemeanor.

#### Rulemaking

House Bill 1209 allows the Marijuana Enforcement Division (MED) to adopt rules allowing, among other things, individual digital identification cards for marijuana business owners or marijuana transporters.

The bill also changes the rule requirements for certain licensee records to include records concerning:

- child resistance certificates;
- testing records;
- records demonstrating the composition of raw ingredients used in vaporizers or pressured metered dose inhalers;

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- recall records;
- adverse health events;
- corrective action and preventive action records;
- documentation required to demonstrate valid responsible vendor designation;
- standard operating procedures;
- transfer records of regulated marijuana transactions;
- expiration date testing and use-by-date testing;
- patient records; and
- advertising records.

#### **Background Checks**

Under HB 25-1209, a fingerprint-based criminal history record check is only required for marijuana business owners upon initial application, and a name-based judicial record check is required for renewals.

Occupational license holders are only required to obtain a name-based judicial record check each year.

The bill removes the prohibition on businesses possessing a license if they employ anyone who has not undergone a background check, and allows new hires to begin working before their application has been fully processed.

#### **Video Surveillance Requirements**

HB 25-1209 specifies that video surveillance must include cameras on all entrances and exits to the store, each point of sale, shipping and receiving areas, and areas where delivery vehicles load and unload materials.

The bill also removes the requirement that mobile marijuana hospitality businesses have surveillance inside the vehicle.

#### **Research and Development Units**

HB 25-1209 changes current law to allow marijuana manufacturers to provide sample products to all employees of the facility. Managers cannot require their employees to participate and cannot receive compensation for distributing them.

#### **Fees and Inspections**

Finally, HB 25-1209 requires that the MED assess a fee to request a copy of a license application. Licensees do not have to maintain duplicate copies of their records unless required due to a violation.

House Bill 25-1331, which did not pass, proposed allowing social equity license holders to deliver marijuana to hotels in Denver and to apply for a new marijuana special event permit.

## **Gaming**

House Bill 25-1215 adjusts the distribution of money in the state lottery fund and creates the Strategic Outdoor Recreation

Management and Infrastructure Cash Fund.

Beginning with the 2024-25 state fiscal year, the bill redistributes the first \$4 million of the lottery fund to the Outdoor Equity Fund, the next \$3 million to the Public School Capital

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Construction Assistance Fund, and the next \$750,000 to the Colorado Outdoor Recreation Industry Office. Any remaining money is distributed as follows:

If the total amount of lottery fund money available is \$20 million or less:

- 50% to the public school capital construction assistance fund;
- 20% to the parks and outdoor recreation cash fund;
- 20% to the wildlife cash fund; and
- 10% to the outdoor equity fund; or

If the total amount of lottery fund money available is more than \$20 million:

- 50% to the public school capital construction assistance fund;
- 15% to the parks and outdoor recreation cash fund;
- 15% to the wildlife cash fund;
- 10% to the outdoor equity fund;
- 5% to the outdoor recreation industry office in the office of economic development; and
- 5% to the strategic outdoor recreation management and infrastructure cash fund.

Under current law, sports betting operators are allowed to deduct free bets when calculating their net proceeds. House Bill 25-1311 reduces the deduction for free sports bets placed by players from 2 percent to 1 percent on January 1, 2026, and ends the deduction on July 1, 2026.

For Fiscal Year 2025-26, <u>Senate Bill 25-225</u> reduces the transfer from the limited gaming

fund to the advanced industries acceleration cash fund from \$5,500,000 to \$1,840,000.