

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0443.02 Jery Payne x2157

HOUSE BILL 26-1117

HOUSE SPONSORSHIP

Ricks,

SENATE SPONSORSHIP

(None),

House Committees

Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING TEMPORARY HOSPITALITY EVENT PERMITS THAT**

102 **AUTHORIZE THE CONSUMPTION OF MARIJUANA.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill creates the state temporary hospitality event permits (hospitality permit) where marijuana may be consumed, but not sold or distributed, at the event premises for a temporary hospitality event (event). Other licensees are permitted to participate in the event. To be issued a hospitality permit, the applicant must hold an active marijuana hospitality business license, apply for the hospitality permit, and pay the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

application fee. Application standards are set. The state licensing authority sets the application fee to offset the direct and indirect costs of issuing a hospitality permit.

A marijuana hospitality business or a participating licensee is prohibited from:

- Operating an event for longer than 72 hours;
- Hosting more than 15 events per year;
- Selling, transferring, or distributing marijuana at the event premises during an event; and
- Transferring the hospitality permit to another person.

To hold an event at a specific event premises, the applicant must apply for and be issued an event premises permit (premises permit) by the local licensing authority. Standards are set for the application process. To qualify for a premises permit, the licensee must demonstrate that the event premises comply with applicable zoning, fire, and public health laws and comply with the bill. Standards are set for an application for and the issuance of the premises permit.

In order for event premises to be used, the local jurisdiction must adopt a resolution or ordinance authorizing events within the jurisdiction. The local jurisdiction may impose reasonable conditions and limitations.

If a premises permit application is denied, the applicant may request a hearing within 7 days after the denial. If a hearing is requested, the local licensing authority shall hold a hearing to determine if the denial is justified. The local licensing authority sets the fee to issue a premises permit.

The state licensing authority must adopt rules. Both the state and local licensing authorities may enforce the bill and marijuana laws at the events and on the event premises. The state licensing authority and a local licensing authority may separately or jointly inspect permitted events or event premises.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) The state of Colorado has established distinct license types,
5 each granting specific privileges related to cannabis sales and
6 consumption;

7 (b) The privilege of on-site consumption of cannabis is uniquely
8 held by hospitality licensees, similar to how the privilege of sales is held

1 by retail and medical licensees; and

2 (c) This act is not intended to create a new license type or impose
3 additional regulatory burdens but rather to expand and clarify the
4 privileges already granted to hospitality licensees through a temporary,
5 event-based permitting structure.

6 (2) The general assembly further declares that the purpose of this
7 act is to authorize temporary hospitality events operated under existing
8 cannabis license privileges to encourage collaboration among hospitality,
9 retail, and cultivation licensees.

10 **SECTION 2.** In Colorado Revised Statutes, 44-10-103, **add**
11 (14.5), (45.5), and (70) as follows:

12 **44-10-103. Definitions - rules.**

13 As used in this article 10, unless the context otherwise requires:

14 (14.5) (a) "EVENT PREMISES" MEANS THE LOCATION WHERE A
15 TEMPORARY HOSPITALITY EVENT IS HELD AND THAT IS NOT THE LICENSED
16 PREMISES OF THE TEMPORARY HOSPITALITY EVENT PERMIT HOLDER OR
17 ANY PARTICIPATING LICENSEE.

18 (b) "EVENT PREMISES" INCLUDES BOTH PUBLIC AND PRIVATE
19 EVENT LOCATIONS.

20 (45.5) "PARTICIPATING LICENSEE" MEANS A RETAIL MARIJUANA
21 STORE, MEDICAL MARIJUANA STORE, RETAIL MARIJUANA CULTIVATION
22 FACILITY, MEDICAL MARIJUANA CULTIVATION FACILITY, RETAIL
23 MARIJUANA PRODUCTS MANUFACTURER, OR MEDICAL MARIJUANA
24 PRODUCTS MANUFACTURER THAT PARTNERS WITH A MARIJUANA
25 HOSPITALITY BUSINESS OR A RETAIL MARIJUANA HOSPITALITY AND SALES
26 BUSINESS TO PARTICIPATE IN A TEMPORARY HOSPITALITY EVENT FOR
27 PURPOSES OF ON-SITE REGULATED MARIJUANA CONSUMPTION BUT NOT

1 SALES OR DISTRIBUTION.

2 (70) "TEMPORARY HOSPITALITY EVENT" MEANS A TIME-LIMITED
3 EVENT THAT ALLOWS ON-SITE REGULATED MARIJUANA CONSUMPTION AND
4 THAT IS HOSTED BY A MARIJUANA HOSPITALITY BUSINESS WITH
5 PARTICIPATING LICENSEES.

6 **SECTION 3.** In Colorado Revised Statutes, **add 44-10-612** as
7 follows:

8 **44-10-612. Temporary hospitality event permits - short title -**
9 **enforcement - rules - repeal.**

10 (1) **Short title.** THE SHORT TITLE OF THIS SECTION IS THE
11 "TEMPORARY HOSPITALITY EVENT PERMIT ACT".

12 (2) **Eligibility.** TO BE ISSUED A TEMPORARY HOSPITALITY EVENT
13 PERMIT BY THE STATE LICENSING AUTHORITY, AN APPLICANT MUST:

14 (a) HOLD AN ACTIVE MARIJUANA HOSPITALITY BUSINESS LICENSE
15 IN GOOD STANDING; AND

16 (b) DEMONSTRATE AN ABILITY TO COMPLY WITH THIS SECTION
17 AND THIS ARTICLE 10 DURING TEMPORARY HOSPITALITY EVENTS.

18 (3) **Application and issuance.**

19 (a) TO BE ISSUED A TEMPORARY HOSPITALITY EVENT PERMIT, AN
20 APPLICATION MUST BE FILED WITH THE STATE LICENSING AUTHORITY
21 ANNUALLY AND AT LEAST THIRTY DAYS BEFORE THE APPLICANT'S FIRST
22 PROPOSED TEMPORARY HOSPITALITY EVENT.

23 (b) THE APPLICATION MUST INCLUDE:

24 (I) A LIST OF PARTICIPATING LICENSEES;

25 (II) EVIDENCE ACCEPTABLE TO THE STATE LICENSING AUTHORITY
26 THAT THE APPLICANT MEETS THE REQUIREMENTS TO BE ISSUED A
27 TEMPORARY HOSPITALITY EVENT PERMIT IN ACCORDANCE WITH

1 SUBSECTION (2) OF THIS SECTION; AND

2 (III) PAYMENT OF THE APPLICATION FEE ESTABLISHED BY RULE
3 PURSUANT TO SECTION 44-10-803 (4).

4 (c) (I) THE STATE LICENSING AUTHORITY SHALL ACCEPT AN
5 APPLICATION FOR A TEMPORARY HOSPITALITY EVENT PERMIT ON OR AFTER
6 JANUARY 4, 2027.

7 (II) THIS SUBSECTION (3)(c) IS REPEALED, EFFECTIVE JULY 1, 2027.

8 **(4) Privileges, requirements, and limitations.**

9 (a) (I) A TEMPORARY HOSPITALITY EVENT PERMIT AUTHORIZES A
10 MARIJUANA HOSPITALITY BUSINESS TO HOST MARIJUANA HOSPITALITY
11 EVENTS WHERE CONSUMPTION OF REGULATED MARIJUANA AT AN EVENT
12 PREMISES IS AUTHORIZED IF:

13 (A) THE EVENT PREMISES HAVE BEEN ISSUED AN EVENT PREMISES
14 PERMIT IN ACCORDANCE WITH SUBSECTION (5) OF THIS SECTION; AND
15 (B) ALCOHOL BEVERAGES ARE NOT SOLD AT THE EVENT PREMISES
16 DURING THE TEMPORARY HOSPITALITY EVENT.

17 (II) IN CONNECTION WITH A TEMPORARY HOSPITALITY EVENT, THE
18 TEMPORARY HOSPITALITY EVENT PERMIT HOLDER AND A PARTICIPATING
19 LICENSEE MAY DO THE FOLLOWING FOR ONE YEAR BEGINNING ON THE
20 ISSUANCE DATE OF THE PERMIT AND ENDING ON THE SAME DATE THE
21 FOLLOWING YEAR:

22 (A) COLLABORATE WITH EACH OTHER FOR EDUCATIONAL
23 DISPLAYS, PROMOTIONS, OR RETAIL TRANSACTIONS CONSISTENT WITH THIS
24 ARTICLE 10; AND

25 (B) CONDUCT COMMUNITY OR CULTURAL PROGRAMMING RELATED
26 TO CANNABIS AWARENESS AND SAFETY.

27 (b) A TEMPORARY HOSPITALITY EVENT PERMIT DOES NOT

1 AUTHORIZE, AT THE EVENT PREMISES, THE MARIJUANA HOSPITALITY
2 BUSINESS OR A PARTICIPATING LICENSEE TO:

3 (I) SELL, TRANSFER, OR DISTRIBUTE REGULATED MARIJUANA AT
4 THE EVENT PREMISES;

5 (II) SELL ALCOHOL BEVERAGES IN VIOLATION OF SECTION
6 44-10-401 (7);

7 (III) SELL REGULATED MARIJUANA TO OR AUTHORIZE THE
8 CONSUMPTION OF REGULATED MARIJUANA BY AN INDIVIDUAL UNDER
9 TWENTY-ONE YEARS OLD;

10 (IV) HOLD A TEMPORARY HOSPITALITY EVENT IN A LOCAL
11 JURISDICTION THAT HAS NOT ADOPTED AN ORDINANCE OR RESOLUTION
12 AUTHORIZING TEMPORARY HOSPITALITY EVENTS WITHIN THE JURISDICTION
13 OF THE LOCAL JURISDICTION; OR

14 (V) VIOLATE STATE OR LOCAL LAW.

15 (c) A MARIJUANA HOSPITALITY BUSINESS OR A PARTICIPATING
16 LICENSEE SHALL NOT:

17 (I) OPERATE A TEMPORARY HOSPITALITY EVENT FOR LONGER THAN
18 SEVENTY-TWO CONSECUTIVE HOURS;

19 (II) HOST MORE THAN FIFTEEN TEMPORARY HOSPITALITY EVENTS
20 DURING THE YEAR THE TEMPORARY HOSPITALITY EVENT PERMIT IS HELD;

21 (III) SELL, TRANSFER, OR DISTRIBUTE REGULATED MARIJUANA AT
22 THE EVENT PREMISES DURING A TEMPORARY HOSPITALITY EVENT; OR

23 (IV) TRANSFER THE TEMPORARY HOSPITALITY EVENT PERMIT TO
24 ANOTHER PERSON.

25 (5) **Event premises permit.**

26 (a) TO HOLD A TEMPORARY HOSPITALITY EVENT AT A SPECIFIC
27 EVENT PREMISES, THE APPLICANT MUST APPLY FOR AND BE ISSUED AN

1 EVENT PREMISES PERMIT BY THE LOCAL LICENSING AUTHORITY THAT HAS
2 JURISDICTION OF THE EVENT PREMISES. THE APPLICATION MUST:

3 (I) BE SUBMITTED TO THE LOCAL LICENSING AUTHORITY AT LEAST
4 THIRTY DAYS BEFORE THE TEMPORARY HOSPITALITY EVENT;

5 (II) BE MADE ON FORMS PROVIDED BY THE LOCAL LICENSING
6 AUTHORITY;

7 (III) BE VERIFIED BY OATH OR AFFIRMATION OF AN OFFICER OF THE
8 APPLICANT;

9 (IV) INCLUDE A DESCRIPTION AND SITE PLAN OF EACH EVENT
10 PREMISES COVERED BY THE APPLICATION;

11 (V) INCLUDE A SECURITY, ODOR, AND WASTE-MANAGEMENT PLAN;
12 AND

13 (VI) INCLUDE THE APPLICATION FEE SET IN ACCORDANCE WITH
14 SUBSECTION (5)(f) OF THIS SECTION.

15 (b) (I) TO QUALIFY FOR AN EVENT PREMISES PERMIT, THE
16 APPLICANT MUST DEMONSTRATE THAT THE EVENT PREMISES:

17 (A) COMPLY WITH APPLICABLE ZONING, FIRE, AND PUBLIC HEALTH
18 LAWS; AND

19 (B) COMPLY WITH SUBSECTIONS (7)(a) TO (7)(d) OF THIS SECTION;

20 (II) A LOCAL LICENSING AUTHORITY SHALL NOT ISSUE AN EVENT
21 PREMISES PERMIT UNLESS THE LOCAL JURISDICTION HAS ADOPTED A
22 RESOLUTION OR ORDINANCE AUTHORIZING TEMPORARY HOSPITALITY
23 EVENTS WITHIN THE JURISDICTION.

24 (c) THE LOCAL LICENSING AUTHORITY SHALL ISSUE AN EVENT
25 PREMISES PERMIT TO AN APPLICANT IF:

26 (I) THE APPLICANT HAS BEEN ISSUED A TEMPORARY HOSPITALITY
27 EVENT PERMIT;

1 (II) THE EVENT PREMISES COMPLY WITH SUBSECTION (5)(b)(I) OF
2 THIS SECTION;

3 (III) THE LOCAL JURISDICTION HAS ADOPTED A RESOLUTION OR
4 ORDINANCE AUTHORIZING TEMPORARY HOSPITALITY EVENTS WITHIN THE
5 JURISDICTION; AND

6 (IV) THE EVENT PREMISES AND TEMPORARY HOSPITALITY EVENT
7 PERMIT COMPLY WITH ANY LIMITATIONS SET PURSUANT TO SUBSECTION
8 (6)(a) OF THIS SECTION.

13 (e) THE LOCAL LICENSING AUTHORITY MAY ASSIGN ALL OR ANY
14 PORTION OF ITS FUNCTIONS UNDER THIS SECTION TO AN ADMINISTRATIVE
15 OFFICER.

16 (f) THE LOCAL LICENSING AUTHORITY MAY SET THE EVENT
17 PREMISES PERMIT FEE TO COVER THE DIRECT AND INDIRECT COSTS OF
18 ISSUING THE EVENT PREMISES PERMIT; EXCEPT THAT THE LOCAL LICENSING
19 AUTHORITY SHALL NOT SET THE EVENT PREMISES PERMIT FEE TO EXCEED
20 ONE HUNDRED DOLLARS FOR BOTH INVESTIGATION AND ISSUANCE OF AN
21 EVENT PREMISES PERMIT.

22 (g) (I) A LOCAL LICENSING AUTHORITY NEED NOT ACCEPT AN
23 APPLICATION FOR A TEMPORARY HOSPITALITY EVENT PERMIT BEFORE
24 JANUARY 4, 2027.

25 (II) THIS SUBSECTION (5)(g) IS REPEALED, EFFECTIVE JULY 1, 2027.

26 (6) Local authority.

27 (a) A LOCAL JURISDICTION MAY, BY ORDINANCE OR RESOLUTION:

16 (a) THE EVENT AREA IS RESTRICTED TO INDIVIDUALS TWENTY-ONE
17 YEARS OLD OR OLDER:

18 (b) THE AREA WHERE CONSUMPTION OCCURS IS OBSCURED FROM
19 PUBLIC VIEW:

20 (c) ACCESS TO THE EVENT IS LIMITED THROUGH CONTROLLED
21 ENTRY POINTS WITH SECURITY PERSONNEL OR CREDENTIALLED ENTRY; AND

22 (d) THE EVENT COMPLIES WITH:

23 (I) APPLICABLE NOISE, ODOR, AND AIR-QUALITY LAWS:

24 (II) THE "COLORADO CLEAN INDOOR AIR ACT", PART 2 OF
25 ARTICLE 14 OF TITLE 25: AND

26 (III) APPLICABLE VENTILATION OR OPEN-AIR RULES ADOPTED BY
27 THE AIR QUALITY CONTROL COMMISSION CREATED IN SECTION 25-7-104

1 (1).

2 (8) THE TEMPORARY HOSPITALITY EVENT PERMIT HOLDER AND
3 PARTICIPATING LICENSEES SHALL ENSURE THAT THE LOCAL TAXES AND
4 STATE TAXES, INCLUDING TAXES DESCRIBED IN ARTICLE 28.8 OF TITLE 39,
5 IMPOSED ON REGULATED MARIJUANA ARE PAID.

6 **(9) Enforcement and compliance - rules.**

7 (a) THE STATE LICENSING AUTHORITY SHALL ADOPT RULES
8 NECESSARY TO IMPLEMENT THIS SECTION. THE RULES MAY ESTABLISH
9 APPLICATION PROCEDURES OR RECORD-KEEPING, REPORTING, OR
10 ENFORCEMENT STANDARDS. THE RULES MUST BE CONSISTENT WITH
11 SECTION 44-10-901.

12 (b) THE STATE LICENSING AUTHORITY MAY SUSPEND OR REVOKE,
13 OR DENY THE RENEWAL OF, A TEMPORARY HOSPITALITY PERMIT HOLDER'S
14 PERMIT IF:

15 (I) THE TEMPORARY HOSPITALITY EVENT PERMIT HOLDER
16 VIOLATES THIS SECTION OR THIS ARTICLE 10; OR

17 (II) THE TEMPORARY HOSPITALITY EVENT PERMIT HOLDER:

18 (A) FAILED TO REPORT A VIOLATION OF THIS SECTION OR THIS
19 ARTICLE 10 AT A TEMPORARY HOSPITALITY EVENT HOSTED BY THE PERMIT
20 HOLDER IF THE PERMIT HOLDER KNEW OR SHOULD HAVE KNOWN A
21 VIOLATION OCCURRED; OR

22 (B) FAILED TO TAKE REASONABLE STEPS TO PREVENT A
23 PARTICIPATING LICENSEE FROM VIOLATING THIS SECTION OR THIS ARTICLE
24 10 AT A TEMPORARY HOSPITALITY EVENT HOSTED BY THE PERMIT HOLDER.

25 (c) A PARTICIPATING LICENSEE IS SUBJECT TO DISCIPLINE FOR ANY
26 VIOLATION OF THIS SECTION OR THIS ARTICLE 10 COMMITTED BY THE
27 PARTICIPATING LICENSEE AT A TEMPORARY HOSPITALITY EVENT.

1 (d) (I) THE STATE LICENSING AUTHORITY AND A LOCAL LICENSING
2 AUTHORITY MAY SEPARATELY OR JOINTLY INSPECT PERMITTED
3 TEMPORARY HOSPITALITY EVENTS OR EVENT PREMISES AND ENFORCE THIS
4 ARTICLE 10 AT A TEMPORARY HOSPITALITY EVENT.

9 **SECTION 4.** In Colorado Revised Statutes, 44-10-803, **add** (4)
10 as follows:

44-10-803. Fees.