

Summary of Legislation

2026



Liquor, Marijuana, Tobacco, and Gaming

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During the 2026 legislative session, the Colorado General Assembly considered several measures related to liquor, marijuana, tobacco, and gaming.

Liquor

[Senate Bill 26-114](#) permits liquor manufacturers to sell and serve alcohol from other manufacturers at their locations with local and state approval. The bill establishes a local review process that considers zoning, neighborhood impacts, and public input before issuing a permit. The additional state permit imposes operating conditions on approved manufacturers, including limits on alcohol sales and food service requirements.

Multiple bills relating to alcohol that did not pass including [House Bill 26-1330](#), which would have modified requirements for entertainment districts and common consumption areas by reducing regulatory restrictions and granting more flexibility to local liquor licensing authorities.

Entertainment districts are designated zones within a municipality with a high concentration of liquor-licensed businesses, while common consumption areas are pedestrian-only spaces within those districts where legal adults can carry and consume

alcohol purchase from participating local businesses. In addition, [House Bill 26-1190](#) would have allowed certain alcoholic beverage license holders to apply for an expanded sales room permit and authorized vintners and distillery pub licensees to conduct additional onsite sales.

Marijuana

[House Bill 26-1409](#) eliminates the distribution of retail marijuana sales tax revenue to local governments and reallocates to the following funds:

- 73.17 percent to the Marijuana Tax Cash Fund
- 11.33 percent to the State Public School Fund
- 1.5 percent to the Marijuana Cash Fund; and
- 14 percent to the General Fund

At the end of each fiscal year, any revenue in excess of these amounts must be transferred to the State Public School Fund.

[House Bill 26-1077](#) expands the definition of “average market rate” to include separate rates for fresh frozen indoor and outdoor unprocessed retail marijuana, requiring the Department of Revenue to adopt rules to establish new rates. The bill also requires the department to publish a general description of the methodology and data sources used

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to calculate each average market rate category.

Several bills relating to marijuana that did not pass. [House Bill 26-1117](#) would have allowed marijuana consumption at events with a new event permit. [Senate Bill 26-164](#) would have established the framework for the manufacturing, distribution, sales, and consumption of nonalcoholic beverages infused with hemp-derived THC.

Tobacco

[Senate Bill 26-086](#), which was postponed indefinitely, would have reduced the excise tax rate on premium cigars to 40 percent of the manufacturer's list price.

Gaming

[Senate Bill 26-131](#) establishes new sports betting consumer protections by limiting the amount of daily deposits, restricting advertising and promotional material targeting individuals under 21 years of age, prohibiting credit card usage for betting, and requiring operators to provide annual data to the Division of Gaming. This bill also maintains annual funding to the Water Plan Implementation Cash Fund.

[Senate Bill 26-163](#) allows the Colorado Limited Gaming Control Commission to delegate additional licensing duties and enforcement authority over unlicensed gaming and sports betting to the Division of Gaming. The bill also expands the state's program to allow individuals to voluntarily exclude themselves from gaming activities to

include sports betting. The [Bet Smart Colorado](#) program allows those individuals who choose to remove themselves from marketing lists and gaming-related privileges as part of the state's efforts to support responsible gaming. In addition, the bill authorizes the Division of Gaming director to approve optional wagers and minor modifications to certain table games.

[Senate Bill 26-117](#) prohibits consumers from purchasing lottery or instant scratch game tickets with credit cards.

[House Bill 26-1370](#) reallocates \$1.0 million from the Limited Gaming Fund to the museum and preservation operations account within the State Historical Fund.

[House Concurrent Resolution 26-1001](#), which did not pass, proposed a constitutional amendment to voters that, if approved in the 2026 election, would have repealed the constitutional licensing procedures and requirements for charitable organizations to conduct games of chance.