

Guide for the Sale or Distribution of Hemp-Derived Products at Special Events

Any vendor that operates on a temporary basis at an event in the City and County of Denver may sell or distribute products containing hemp or hemp-derived cannabinoids at the event so long as certain guidelines are followed. Under no circumstances may vendors sell or distribute marijuana or marijuana products within Denver.

I. Do I need a license to sell or distribute hemp-derived products at special events?

Event organizers and vendors who intend to sell or distribute hemp-derived products at special events in Denver may need a **business license** from the Denver Department of Excise and Licenses (EXL) and/or a **tax license** from the Treasury Division in the Denver Department of Finance (Treasury). EXL can be reached at 720-913-1311. Department of Treasury can be reached at 720-913-5751.

INGESTIBLE HEMP-DERIVED PRODUCTS

Vendors selling or distributing ingestible products at special events in Denver must obtain a Denver **business license**. Anything that can be ingested by a human being is considered an ingestible product. Common examples of ingestible products include:

- Food and food products containing hemp-derived cannabinoids
- Hemp tinctures, extracts, or ingestible oils containing hemp-derived cannabinoids
- Pills, supplements, or capsules containing hemp-derived cannabinoids

Business license types: Vendors may need a <u>temporary restaurant license</u>, a <u>food peddler license</u>, and/or a <u>peddler license</u>, depending on the event configuration and manner in which the vendor sells or distributes product. Contact EXL for more information.

OTHER HEMP-DERIVED PRODUCTS

Vendors do **not** currently need a **business license** to sell or distribute other hemp-derived products. Common examples of other products include:

- Topical products such as lotions or balms containing hemp-derived cannabinoids
- Pet supplements or treats containing hemp-derived cannabinoids
- Inhalable or vape-able hemp-derived cannabinoids

RETAIL SALES OF HEMP-DERIVED PRODUCTS

Any vendor who will be conducting retail sales of hemp- derived products at a special event in Denver must obtain a **tax license**, regardless of whether a vendor needs a **business license**. Products shall be labeled with the intent of use, i.e. "This product is intended for inhalation only".

Tax license types: If a vendor has a current Denver <u>sales tax license</u>, no additional tax license is required. However, vendors who do not have a current Denver sales tax license may need a Denver <u>special event sales tax license</u>. State taxes may also apply. Contact Treasury for more information.



II. What requirements apply to ingestible hemp-derived products?

Please reference <u>DDPHE's website</u> for the most current information on shelf stability evaluations and approved source. As with any ingestible product, the Denver Department of Public Health and Environment (DDPHE) will evaluate all ingestible hemp-derived products being sold or distributed at special events in accordance with the <u>Denver Food Establishment Rules & Regulations</u>.

APPROVED SOURCES

- A. **COLORADO:** If the hemp-derived product is produced in Colorado, the product must come from a source that is registered with and approved by the Colorado Department of Public Health and Environment (CDPHE) as a wholesale food manufacturer.
 - i. CDPHE maintains a list of these registered and approved sources on their website.
- B. **OUTSIDE OF COLORADO:** If the hemp-derived product is produced **outside of Colorado**, verification that the product manufacturer is under regulatory public health oversight must be sent to PHIcomments@denvergov.org at least two weeks prior to the event.

REFRIGERATION

Hemp-derived food products containing ingredients that require time/temperature control in traditional foods to limit pathogenic microorganism growth or toxin formation (i.e., milk or other dairy products) may still require refrigeration. Refrigeration at or below 41°F is required for potentially hazardous food products under the Denver Food Establishment Rules & Regulations. If refrigeration is required, a food stem thermometer shall be available at the temporary event for monitoring purposes. Time as a Public Health Control may not be used in lieu of temperature controls for products intended for retail sale.

Please refer to DDPHE's <u>informational bulletin</u> for more information on shelf stability and approved source.

III. What are the penalties for selling or distributing ingestible hemp-derived products without a license and required approval?

VENDORS

Vendors who sell or distribute ingestible hemp-derived products at a special event without obtaining the required licensure and approvals are subject to issuance of a cease-and-desist order at the time of the event and/ or further enforcement actions. Additional penalties and/or future permitting consequences may apply for continued noncompliance.

EVENT ORGANIZERS

Event organizers who allow vendors to sell or distribute ingestible hemp-derived products without first obtaining the required licensure and approvals may also be cited, fined, and/or be subject to permitting consequences for subsequent events.



IV. Chemically Modified or Converted Industrial Hemp Cannabinoids are Prohibited:

May 14, 2021. The MED (Marijuana Enforcement Division) in conjunction with CDPHE (Colorado Department of Public Health and Environment) issued a notice to clarify that chemically modifying or converting any naturally occurring cannabinoids from industrial hemp is non-compliant with the statutory definition of "industrial hemp product." This includes any process that converts an industrial hemp cannabinoid, such as CBD isolate, into delta-9, delta-8, delta-10-THC, or other tetrahydrocannabinol isomers or functional analogs. Therefore, these tetrahydrocannabinol isomers are not allowed in food, dietary supplements, or cosmetics. Information from the MED can be found here. The memo from CDPHE can be found here.

V. Need more information?

BUSINESS LICENSING INFORMATION

Vendors and event organizers may contact Denver Excise and Licensing by email at EXLapplications@denvergov.org to learn more about licensing at special events and ask questions about other hemp/CBD regulations.

TAX LICENSING INFORMATION

Vendors and event organizers may contact Treasury by calling (720) 913-9446 to learn more about tax licensing for retail sales at special events.

This document is meant to assist businesses in determining what licensing they might need to operate in the City and County of Denver (the city). The information contained in this document is provided for guidance purposes only and is not intended to constitute legal advice. The city does not warrant or make any representations about the quality, content, accuracy, timeliness, or completeness of the information provided in this document. Such materials are subject to change without notification at any time and may not be up to date. It is the applicant's own responsibility to ensure that they do not violate any applicable requirements and any applicable state or city laws and rules. Revised March 2023.