

LFC Requestor: Noah Montano

2026 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS

Section I: General

Chamber: House

Category: Bill

Number: 294

Type: Introduced

Date (of THIS analysis): 02/04/2026

Sponsor(s): Doreen Y. Gallegos and Elizabeth “Liz” Stefanics and Joshua N. Hernandez and Janelle Anyanonu

Short Title: Cannabis Product Packaging Regulations

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 26	FY 27		
\$0	\$0	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 26	FY 27	FY 28		
\$0	\$0	\$0	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 26	FY 27	FY 28	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

There is no Fiscal Impact for the Department of Health.

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: HB64 from the 2024 Regular Session

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

House Bill 294 (HB 294) expands packaging requirements for cannabis products, requires approval for artificial color additives to cannabis products, and adds penalty language for violating the packaging, labeling, or artificial color additives requirements.

HB 294 expands packaging requirements of cannabis products. Under these new requirements, cannabis product packaging colors would be limited to black and white except for logos required by the Regulation and Licensing Division (RLD) (e.g. THC warning labels or safety symbols) or licensee logos approved by RLD as not designed in a manner that is reasonably appealing to minors. Fonts would be required to be plain, sans-serif and not stylized to be reasonably appealing to minors. HB 294 specifically prohibits the use of: cartoons; imagery, color schemes, or branding elements that mimic or resemble non-cannabis products commonly marketed to minors; holographic, metallic, neon, fluorescent, or other reflective or visually dynamic effects; or any visual presentation determined by the division to be reasonably appealing to minors. Furthermore, HB 294 prohibits cannabis packaging from being shaped like candy, snack food, or soft drink packaging commonly marketed to minors, toy containers novelty items, or collectible packaging, and products commonly associated with minors' products or entertainment. HB 294 also requires cannabis edible product packaging to be opaque.

HB 294 would go into effect January 1, 2027.

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

In the US, adult use cannabis legalization has led to growing concerns of exposure among children, particularly due to edible products. One study found that calls to national poison control centers related to cannabis exposures increased from 2017-2019 with edibles having the highest proportion of calls for children 10 years old or younger (Dilley et al., 2021. <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2780068>). Another study found a 1,375% increase in cannabis-related calls for children less than 6 years of age from 2017 (207 cases) to 2021 (3,054 cases) (Tweet et al., 2023. <https://publications.aap.org/pediatrics/article/151/2/e2022057761/190427/Pediatric-Edible-Cannabis-Exposures-and-Acute?autologincheck=redirected>). 22.7% of those cases were admitted to the hospital.

Cannabis-related calls to the New Mexico Poison Control Center have also increased with the number of calls increasing from 84 cases in 2015 to 216 calls in 2022. (Data obtained from New Mexico Poison and Drug Information Center and analyzed by NMDOH Substance Use Epidemiology Section). Also, as reported in the 2024 New Mexico Department of Health Cannabis Public Health and Safety Committee, “The New Mexico Poison Control Center reports a more than doubling of the number of cannabis related calls for the 0-5 age group from 2019 to 2023 with more than half involving edible products” (<https://www.nmhealth.org/publication/view/report/9064/>).

Similarly, New Mexico Cannabis-related ED visits have increased from 3,713 visits in 2019 to 6,255 visits in 2024 (NMDOH Syndromic Surveillance eReporting data analyzed by the NMDOH SUES). In 2024, there were 43 cannabis-related ED visits among youth age 0-5 years and 42 cannabis-related ED visits among youth age 6-12 years.

2024 Senate Bill 6 expanded New Mexico’s packaging and labeling requirements to ensure packages containing edible products are opaque and that all cannabis products could not use images or symbols that may appeal to children or mimic a non-cannabis consumer product marketed to children. However, under current regulations edible products are available for sale with colorful, attractive packaging that may appeal to children through the bright, fruity candy imagery. Furthermore, requiring edibles to be packaged as individually wrapped doses within their larger packaging would add extra boundaries to encourage adults to pause before consuming additional doses and would add an extra layer of protection for small children if they come across an open package. Strengthening regulations on cannabis products further may reduce unintentional poisonings of children by reducing their appeal to children.

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?
 Yes No
- Is this proposal related to the NMDOH Strategic Plan? Yes No

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?
 Yes No N/A
- If there is an appropriation, is it included in the LFC Budget Request?

Yes No N/A

- Does this bill have a fiscal impact on NMDOH? Yes No

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? Yes No

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

None.

6. TECHNICAL ISSUES

Are there technical issues with the bill? Yes No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? Yes No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? Yes No
- Does this bill conflict with federal grant requirements or associated regulations?
 Yes No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? Yes No

The Cannabis Control Division of the Regulation and Licensing Department would need to update their regulations under 16.8.3 NMAC.

8. DISPARITIES ISSUES

None

9. HEALTH IMPACT(S)

With the changes in packaging this bill could potentially reduce the number of children unintentionally consuming cannabis products, possibly reducing hospital visits, poison control calls, and other negative outcomes associated with a child consuming cannabis products.

10. ALTERNATIVES

None.

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If HB 294 is not enacted, cannabis product packaging and additive requirements will not be codified in statute and manufacturers would continue to be able to create packaging which may be considered attractive to youth.

12. AMENDMENTS

None