

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0708.01 Brita Darling x2241

SENATE BILL 26-114

SENATE SPONSORSHIP

Marchman and Bright,

HOUSE SPONSORSHIP

Titone and Soper,

Senate Committees

Business, Labor, & Technology
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING A SPIRITUOUS LIQUOR MANUFACTURER'S SALES ROOMS.**

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>.)

Under current law, a licensed manufacturer of spirituous liquors (manufacturer) may conduct tastings of and sell the manufacturer's own spirituous liquors at the manufacturer's licensed premises or at one other approved sales room location. The bill authorizes the manufacturer to also conduct tastings of and sell the manufacturer's spirituous liquors at up to 2 approved other sales room locations.

The bill authorizes a manufacturer to apply for a permit from the state licensing authority to serve and sell alcohol beverages acquired from

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.

a licensed wholesaler at the manufacturer's premises or a sales room location. A copy of the permit application must be sent to the local licensing authority for comment, posted for 45 days in a conspicuous place at the location that is the subject of the application, and published in a local newspaper of general circulation.

Before issuing the permit, the state licensing authority shall consider:

- A response from the local licensing authority concerning impacts on the surrounding neighborhood, including traffic, noise, and distance from schools;
- Whether zoning, fire, and other requirements have been met; and
- Public comments, if any.

The state licensing authority shall not issue the permit unless the applicant affirms that they have complied with local zoning restrictions, including requirements for distance from schools.

If the permit application is approved:

- The manufacturer must serve sandwiches and light snacks if selling and serving alcohol beverages acquired from a wholesaler licensed in the state; and
- The proceeds from the sale of alcohol beverages acquired from wholesalers must not account for more than 50% of the gross annual revenue from alcohol beverage sales.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-3-402, **amend**
3 (7)(a) as follows:

4 **44-3-402. Manufacturer's license - rules.**

5 (7) (a) (I) (A) A manufacturer of spirituous liquors licensed
6 pursuant to this section may conduct tastings and sell to customers
7 spirituous liquors of its own manufacture on ~~its~~ THE MANUFACTURER'S
8 licensed premises and at ~~one~~ UP TO TWO other approved sales room
9 ~~location~~ LOCATIONS at no additional cost. A sales room location may be
10 included in the license at the time of the original license issuance or by
11 supplemental application. If the licensed premises includes multiple
12 noncontiguous locations, the manufacturer may operate a sales room on

1 ~~only one~~ UP TO TWO of those noncontiguous locations.

2 (B) A MANUFACTURER OF SPIRITIOUS LIQUORS LICENSED
3 PURSUANT TO THIS SECTION SHALL APPLY TO A LOCAL LICENSING
4 AUTHORITY FOR APPROVAL OF A PERMIT TO SERVE AND SELL ALCOHOL
5 BEVERAGES ACQUIRED FROM WHOLESALERS LICENSED IN THE STATE
6 PURSUANT TO SECTION 44-3-407 AT THE MANUFACTURER'S LICENSED
7 PREMISES AND AT UP TO TWO APPROVED SALES ROOMS. A MANUFACTURER
8 MUST OBTAIN A SEPARATE PERMIT FOR EACH LOCATION WHERE ACTIVITIES
9 THAT ARE AUTHORIZED BY THIS SUBSECTION (7)(a)(I)(B) OCCUR. IN
10 DETERMINING WHETHER TO APPROVE A PERMIT, A LOCAL LICENSING
11 AUTHORITY SHALL ONLY CONSIDER THE PERMIT TO SERVE AND SELL
12 ALCOHOL BEVERAGES ACQUIRED FROM A WHOLESALER CONSISTENT WITH
13 THE CONSIDERATIONS SET FORTH IN SECTIONS 44-3-301 (2)(a), 44-3-311,
14 44-3-312, AND 44-3-313. A PERMIT ISSUED UNDER THIS SECTION IS VALID
15 FOR ONE YEAR AFTER THE DATE OF ISSUANCE UNLESS REVOKED OR
16 SUSPENDED PURSUANT TO SECTION 44-3-306 OR 44-3-601.

17 (C) UPON APPROVAL OF THE LOCAL LICENSING AUTHORITY, A
18 MANUFACTURER OF SPIRITIOUS LIQUORS LICENSED PURSUANT TO THIS
19 SECTION THAT CONDUCTS TASTINGS PURSUANT TO THIS SUBSECTION (7)
20 MAY APPLY TO THE STATE LICENSING AUTHORITY FOR A PERMIT TO SERVE
21 AND SELL ALCOHOL BEVERAGES ACQUIRED FROM WHOLESALERS LICENSED
22 IN THIS STATE PURSUANT TO SECTION 44-3-407 AT THE MANUFACTURER'S
23 LICENSED PREMISES AND AT UP TO TWO APPROVED SALES ROOMS. THE
24 STATE LICENSING AUTHORITY MAY DETERMINE THE FORM AND MANNER OF
25 A PERMIT APPLICATION SUBMITTED PURSUANT TO THIS SUBSECTION
26 (7)(a)(I)(C). IF THE STATE LICENSING AUTHORITY APPROVES A PERMIT
27 APPLICATION FILED PURSUANT TO THIS SUBSECTION (7)(a)(I)(C): THE

1 MANUFACTURER OF SPIRITUOUS LIQUORS SHALL HAVE SANDWICHES AND
2 LIGHT SNACKS AVAILABLE FOR CONSUMPTION ON THE SALES ROOM
3 PREMISES, BUT NEED NOT HAVE MEALS AVAILABLE FOR CONSUMPTION;
4 AND THE PROCEEDS DERIVED FROM SALES OF ALCOHOL BEVERAGES
5 ACQUIRED FROM WHOLESALERS MUST NOT EXCEED FIFTY PERCENT OF THE
6 MANUFACTURER'S GROSS ANNUAL REVENUE FROM ALCOHOL BEVERAGE
7 SALES.

8
9 (II) A manufacturer of spirituous liquors licensed pursuant to this
10 section that operates a sales room AND THAT DOES NOT OBTAIN A PERMIT
11 PURSUANT TO SUBSECTIONS (7)(a)(I)(B) AND (7)(a)(I)(C) OF THIS SECTION
12 FOR THE SALES ROOM TO SERVE AND SELL ALCOHOL BEVERAGES ACQUIRED
13 FROM WHOLESALERS LICENSED IN THIS STATE may purchase and use
14 common alcohol modifiers, including vermouth, amaros, and liqueurs, to
15 combine with spirituous liquors to produce cocktails for consumption on
16 or off the sales room premises. A manufacturer that uses an alcohol
17 modifier pursuant to this subsection (7)(a)(II) shall combine the modifier
18 with a spirituous liquor produced by the manufacturer. A manufacturer
19 shall not sell an alcohol modifier that has not been combined with a
20 spiritous liquor. The state licensing authority may adopt rules necessary
21 to implement and administer this subsection (7)(a)(II).

22 **SECTION 2.** In Colorado Revised Statutes, 44-3-505, **add (1)(s)**
23 **and (4)(a)(VI)** as follows:

24 **44-3-505. Local license fees.**

25 **(1) The applicant shall pay the following license fees to the**
26 **treasurer of the municipality, city and county, or county where the**
27 **licensed premises is located annually in advance:**

1 (s) FOR EACH PERMIT ISSUED TO SERVE AND SELL ALCOHOL
2 BEVERAGES ACQUIRED FROM WHOLESALERS LICENSED IN THE STATE
3 PURSUANT TO SECTION 44-3-407 AT A MANUFACTURER'S LICENSED
4 PREMISES IN ACCORDANCE WITH SECTION 44-3-402, FIVE HUNDRED
5 DOLLARS.

6 (4) (a) Each application for a license provided for in this article 3
7 and article 4 of this title 44 filed with a local licensing authority must be
8 accompanied by an application fee in an amount determined by the local
9 licensing authority to cover actual and necessary expenses, subject to the
10 following limitations:

11 (VI) (A) FOR A NEW PERMIT ISSUED TO SERVE AND SELL ALCOHOL
12 BEVERAGES ACQUIRED FROM WHOLESALERS LICENSED IN THE STATE
13 PURSUANT TO SECTION 44-3-407 AT A MANUFACTURER'S LICENSED
14 PREMISES IN ACCORDANCE WITH SECTION 44-3-402, AN AMOUNT NOT TO
15 EXCEED ONE THOUSAND DOLLARS, SET BY THE LOCAL LICENSING
16 AUTHORITY; AND

17 (B) FOR A RENEWAL APPLICATION FOR A PERMIT ISSUED TO SERVE
18 AND SELL ALCOHOL BEVERAGES ACQUIRED FROM WHOLESALERS LICENSED
19 IN THE STATE PURSUANT TO SECTION 44-3-407 AT A MANUFACTURER'S
20 LICENSED PREMISES IN ACCORDANCE WITH SECTION 44-3-402, AN AMOUNT
21 NOT TO EXCEED ONE HUNDRED DOLLARS, SET BY THE LOCAL LICENSING
22 AUTHORITY; EXCEPT THAT AN EXPIRED PERMIT RENEWAL AMOUNT MUST
23 NOT EXCEED FIVE HUNDRED DOLLARS.

24 **SECTION 3. Act subject to petition - effective date.** This act
25 takes effect at 12:01 a.m. on the day following the expiration of the
26 ninety-day period after final adjournment of the general assembly (August
27 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a

1 referendum petition is filed pursuant to section 1 (3) of article V of the
2 state constitution against this act or an item, section, or part of this act
3 within such period, then the act, item, section, or part will not take effect
4 unless approved by the people at the general election to be held in
5 November 2026 and, in such case, will take effect on the date of the
6 official declaration of the vote thereon by the governor.