

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-1253.01 Christy Chase x2008

SENATE BILL 16-206

SENATE SPONSORSHIP

Cadman and Scheffel,

HOUSE SPONSORSHIP

Hullinghorst and Duran,

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 CONCERNING A BAN ON POWDERED ALCOHOL.

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://www.leg.state.co.us/billsummaries>.)

In 2015, the general assembly enacted HB 15-1031, which directed the state licensing authority to adopt rules establishing a mechanism for regulating the manufacture, sale, purchase, possession, and use of powdered alcohol if the federal alcohol and tobacco tax and trade bureau approves the purchase, sale, possession, or manufacturing of powdered alcohol. The 2015 legislation also directed the state licensing authority to adopt rules specifying the excise tax that would apply to powdered alcohol.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

The bill repeals the rule-making authority granted by HB 15-1031 and instead prohibits the use, possession, sale, purchase, transfer, or manufacture of powdered alcohol. The bill also specifies that a person who violates the prohibition commits a class 2 misdemeanor. Research hospitals, educational institutions, and pharmaceutical or biotechnology companies conducting bona fide research are excluded from the prohibition.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 12-47-902.7 as
3 follows:

4 **12-47-902.7. Powdered alcohol - unlawful acts - penalties -**
5 **exceptions - definitions - repeal.** (1) AS USED IN THIS SECTION:

6 (a) "HOSPITAL" MEANS AN INSTITUTION HOLDING A LICENSE OR
7 CERTIFICATE OF COMPLIANCE AS A HOSPITAL ISSUED BY THE DEPARTMENT
8 OF PUBLIC HEALTH AND ENVIRONMENT PURSUANT TO SECTION 25-1.5-103
9 (1) (a) (I) OR (1) (a) (II), C.R.S.

10 (b) "PRIVATE COLLEGE OR UNIVERSITY" HAS THE SAME MEANING
11 AS SPECIFIED IN SECTION 23-2-102 (11), C.R.S.

12 (2) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OF THIS
13 SECTION, A PERSON SHALL NOT USE, OFFER FOR USE, PURCHASE, OFFER TO
14 PURCHASE, SELL, OFFER TO SELL, TRANSFER, OFFER TO TRANSFER, POSSESS,
15 OR MANUFACTURE POWDERED ALCOHOL.

16 (3) A PERSON WHO VIOLATES THIS SECTION IS SUBJECT TO
17 PUNISHMENT IN ACCORDANCE WITH SECTION 12-47-903 (2).

18 (4) (a) THIS SECTION DOES NOT APPLY TO ANY OF THE FOLLOWING
19 ENTITIES IF THE ENTITY COMPLIES WITH THE REQUIREMENTS OF
20 PARAGRAPH (b) OF THIS SUBSECTION (4):

21 (I) A HOSPITAL THAT OPERATES PRIMARILY FOR THE PURPOSE OF
22 CONDUCTING SCIENTIFIC RESEARCH;

- 1 (II) A STATE INSTITUTION CONDUCTING BONA FIDE RESEARCH;
2 (III) A PRIVATE COLLEGE OR UNIVERSITY CONDUCTING BONA FIDE
3 RESEARCH; OR
4 (IV) A PHARMACEUTICAL COMPANY OR BIOTECHNOLOGY
5 COMPANY CONDUCTING BONA FIDE RESEARCH.

6 (b) (I) A HOSPITAL, STATE INSTITUTION, PRIVATE COLLEGE OR
7 UNIVERSITY, PHARMACEUTICAL COMPANY, OR BIOTECHNOLOGY COMPANY
8 THAT POSSESSES POWDERED ALCOHOL ON THE EFFECTIVE DATE OF THIS
9 SECTION SHALL FILE WITH THE COLORADO DEPARTMENT OF PUBLIC
10 HEALTH AND ENVIRONMENT OR ITS DESIGNEE A NOTICE OF POSSESSION OF
11 POWDERED ALCOHOL BY SEPTEMBER 1, 2016.

12 (II) A HOSPITAL, STATE INSTITUTION, PRIVATE COLLEGE OR
13 UNIVERSITY, PHARMACEUTICAL COMPANY, OR BIOTECHNOLOGY COMPANY
14 THAT INTENDS TO ACQUIRE POWDERED ALCOHOL ON OR AFTER THE
15 EFFECTIVE DATE OF THIS SECTION SHALL FILE WITH THE COLORADO
16 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT OR ITS DESIGNEE A
17 NOTICE OF ACQUISITION OF POWDERED ALCOHOL AT LEAST THIRTY DAYS
18 BEFORE ACQUIRING POWDERED ALCOHOL.

19 **SECTION 2.** In Colorado Revised Statutes, 12-47-903, **amend**
20 (2) as follows:

21 **12-47-903. Violations - penalties.** (2) Any person violating ~~any~~
22 ~~of the provisions of~~ section 12-47-901 (1) (a), (1) (f), (1) (g), (1) (i), (1)
23 (k), (1) (l), (5) (a) (I), or (5) (b), ~~or section~~ 12-47-902.5, OR 12-47-902.7
24 commits a class 2 misdemeanor and shall be punished as provided in
25 section 18-1.3-501, C.R.S.

26 **SECTION 3.** In Colorado Revised Statutes, 12-47-103, **amend**
27 (36) as follows:

1 **12-47-103. Definitions.** As used in this article and article 46 of
2 this title, unless the context otherwise requires:

3 (36) "Spirituos liquors" means any alcohol beverage obtained by
4 distillation, mixed with water and other substances in solution, and
5 includes among other things brandy, rum, whiskey, gin, ~~powdered~~
6 ~~alcohol~~, and every liquid or solid, patented or not, containing at least
7 one-half of one percent alcohol by volume and which is fit for use for
8 beverage purposes. Any liquid or solid containing beer or wine in
9 combination with any other liquor, except as provided in subsections (19)
10 and (39) of this section, shall not be construed to be fermented malt
11 BEVERAGE or malt or vinous liquor but shall be construed to be spirituous
12 liquor.

13 **SECTION 4.** In Colorado Revised Statutes, **repeal** 12-47-401 (2)
14 and 12-47-503 (1) (a.5).

15 **SECTION 5. Safety clause.** The general assembly hereby finds,
16 determines, and declares that this act is necessary for the immediate
17 preservation of the public peace, health, and safety.