

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 18-0180.01 Christy Chase x2008

SENATE BILL 18-243

SENATE SPONSORSHIP

Holbert and Guzman,

HOUSE SPONSORSHIP

Esgar and McKean,

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 CONCERNING THE RETAIL SALE OF ALCOHOL BEVERAGES.

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, effective January 1, 2019, the limitation on the maximum alcohol content of fermented malt beverages, also referred to as "3.2% beer", is eliminated, thereby allowing grocery stores, convenience stores, and any other person currently licensed or licensed in the future to sell fermented malt beverages for consumption on or off the licensed premises to sell fermented malt beverages containing more than 3.2% alcohol by weight or 4% alcohol by volume, referred to as "malt liquor".

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

The bill modifies laws governing the retail sale of fermented malt beverages, which will be synonymous with malt liquor as of January 1, 2019, as follows:

- ! Effective January 1, 2019, prohibits a fermented malt beverage retailer's employees who are under 21 years of age from selling, dispensing, delivering, handling, or otherwise having any contact with malt liquor for sale on or sold and removed from the licensed premises (**sections 3 and 11** of the bill);
- ! As of the effective date of the bill, eliminates the fermented malt beverage retailer's license type that allows a retailer to sell malt liquor for consumption both on and off the licensed premises and prohibits renewal of existing on- and off-premises licenses on or after that date (**sections 2 and 4**);
- ! For fermented malt beverage retailer licenses authorizing the sale of malt liquor for off-premises consumption issued or renewed on or after January 1, 2019, the retailer: Must derive at least 20% of its gross annual sales revenues from the sale of food items and, for an establishment that is less than 10,000 square feet in size, must limit the shelf space dedicated to the sale of malt liquor to 100 linear feet, or, for a licensed premises that is 10,000 square feet or more in size, must limit the shelf space dedicated to the sale of malt liquor to 300 linear feet; cannot sell malt liquor to consumers at a price that is below the retailer's cost to purchase the malt liquor, with limited exceptions; cannot allow customers to use a self-checkout mechanism to purchase malt liquor; and may operate under a single or consolidated corporate entity but cannot commingle purchases for multiple licensed premises to secure a better wholesale price based on total product volume purchased (**section 4**);
- ! As of the effective date of the bill, allows a local licensing authority to deny a new fermented malt beverage retailer's license if issuance of the new license would create an undue concentration of licenses that allow the sale of alcohol beverages at retail for off-premises consumption and require additional law enforcement resources (**sections 5 and 7**);
- ! As of the effective date of the bill, prohibits the state and local licensing authorities from issuing a new fermented malt beverage retailer's license authorizing the sale of malt liquor for off-premises consumption or allowing a fermented malt beverage retailer to relocate its licensed

premises, if the licensed premises is or will be located within 1,500 feet of a licensed retail liquor store; for a premises located in a municipality with a population of 10,000 or fewer, within 3,000 feet of a licensed retail liquor store; or for a premises located in a municipality with a population of 10,000 or fewer that is contiguous to the city and county of Denver, within 1,500 feet of a licensed retail liquor store (**section 5**);

- ! As of the effective date of the bill, precludes issuance of a new fermented malt beverage retailer's license or the relocation of an existing fermented malt beverage retail licensed premises if the building in which malt liquor will be sold is located within 500 feet of a school, unless an exception applies or the local licensing authority or local governing body authorizes an exception within its jurisdiction (**section 7**);
- ! Allows a local licensing authority to adopt a temporary moratorium on the issuance of new fermented malt beverage retailer's licenses between the effective date of the bill and December 31, 2018 (**section 7**);
- ! Prohibits the sale of malt liquor in a sealed container by a fermented malt beverage retailer on Christmas day (**section 11**); and
- ! Requires a licensed fermented malt beverage retailer to check the identification of its customers who attempt to purchase malt liquor to verify each customer is at least 21 years of age (**section 11**).

With regard to the retail sale of malt, vinous, or spirituous liquors by retail liquor stores or liquor-licensed drugstores, the bill:

- ! Modifies requirements pertaining to the delivery of malt, vinous, or spirituous liquors by a retail liquor store or liquor-licensed drugstore to: Require the delivery to be made by a store employee who is at least 21 years of age and is using a store-owned or store-leased vehicle; require the person delivering the product to verify that the person receiving the delivery is at least 21 years of age; restrict the licensee to delivering alcohol beverages and items related to the service or consumption of alcohol beverages only; and limit total sales revenues from delivered alcohol beverage products to 50% of gross annual alcohol beverage sales (**sections 8 and 9**);
- ! Modifies provisions governing tastings conducted at a retail liquor store or liquor-licensed drugstore, including allowing tastings to be conducted: Between 11 a.m. and 9 p.m.; on up to 156 days per year; and by a representative of

- the alcohol beverage supplier (**section 5**);
- ! Specifies that if an employee or representative of an alcohol beverage supplier pours or serves the supplier's product during a tasting at a retail establishment, that service does not constitute labor provided by a supplier to a retail licensee (**section 6**);
- ! Allows a local licensing authority, when reviewing an application for a new retail liquor store license, to deny the application if issuance of the license would create an undue concentration of licenses that allow the sale of alcohol beverages at retail for off-premises consumption, rather than an undue concentration of the same class of license (**sections 5 and 7**);
- ! Applies the 1,500-foot radius restriction, rather than the 3,000-foot restriction, to a retail liquor store or liquor-licensed drugstore premises located in a municipality with a population of 10,000 or fewer that is contiguous to the city and county of Denver (**sections 5, 8, and 9**);
- ! Prohibits a retail liquor store from selling alcohol beverages to consumers at a price that is below the retailer's cost to purchase the alcohol beverages, with limited exceptions, and allows the same exceptions to the restriction on below-cost sales applicable to liquor-licensed drugstores under current law (**sections 8 and 9**);
- ! Allows retail liquor store and liquor-licensed drugstore licensees with multiple locations to operate under a single or consolidated corporate entity but prohibits commingled purchases for multiple licensed premises to secure a better wholesale price based on total product volume purchased (**sections 8 and 9**); and
- ! Allows a liquor-licensed drugstore that applied for its license after July 1, 2016, to obtain additional liquor-licensed drugstore licenses, if obtained in the manner specified in current law for other liquor-licensed drugstores to obtain additional licenses, as follows: a maximum of 2 licenses between January 1, 2019, and January 1, 2022; a maximum of 3 licenses between January 1, 2022, and January 1, 2027; and a maximum of 4 licenses on or after January 1, 2027 (**section 9**).

Current law prohibits the public consumption of malt, vinous, and spirituous liquors except on a premises licensed to sell alcohol beverages for consumption on the licensed premises. **Section 11** includes fermented malt beverages within the prohibition against public consumption and authorizes a local government, by rule, regulation, ordinance, or resolution, as applicable, and the parks and wildlife commission to

authorize public consumption within their respective jurisdictions.

With regard to the enforcement authority of the state and local licensing authorities, **section 10**:

- ! Specifies the fine amount, if a fine is imposed, when a licensed retail establishment sells alcohol beverages to minors or to visibly intoxicated persons; and
- ! In determining the suspension or fine to impose for that violation, precludes consideration of violations that occurred more than 5 years before the current violation.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) Prior to July 1, 2016, Colorado liquor laws strictly limited the
5 ability of retail establishments to sell various alcohol beverage products
6 in sealed containers for off-premises consumption by, among other
7 provisions, imposing the following restrictions:

8 (I) With regard to persons licensed as a retail liquor store or
9 liquor-licensed drugstore, which is a retail establishment that operates a
10 state-licensed pharmacy on site, which license authorizes the retail sale
11 of beer, wine, and spirits for off-premises consumption only, limiting
12 those persons to having an interest in only one such retail license; and

13 (II) For retail establishments such as grocery stores, convenience
14 stores, and other chain-type establishments that consist of multiple
15 locations, those persons were permitted to obtain only a fermented malt
16 beverage retailer's license under the "Colorado Beer Code" that
17 authorized the sale of beer with a maximum alcohol content of 3.2%
18 alcohol by weight or 4% alcohol by volume; except that a grocery store
19 that operates a state-licensed pharmacy could obtain one liquor-licensed
20 drugstore license for a single location;

1 (b) In 2016, the general assembly enacted Senate Bill 16-197,
2 which dramatically altered the landscape of the off-premises retail liquor
3 industry by:

4 (I) Permitting retail liquor stores and liquor-licensed drugstores
5 to obtain multiple licenses to sell beer, wine, and spirits at more than one
6 licensed establishment, subject to restrictions based on proximity to an
7 existing retail liquor business and other requirements; and

8 (II) Eliminating, as of January 1, 2019, the maximum alcohol
9 content of beer sold by fermented malt beverage retailers;

10 (c) In an effort to ease the effect of these dramatic changes in the
11 law on the liquor industry, the legislation directed the state licensing
12 authority to convene a working group consisting of members of the
13 industry to develop an implementation process for the transition,
14 including a process for grocery and convenience stores to apply for a
15 license to sell beer with no alcohol content limits;

16 (d) While the working group convened for over a year following
17 the passage of SB16-197, the group was not able to come to a consensus
18 on how to implement the transition and thus did not develop an
19 application process; and

20 (e) Accordingly, effective January 1, 2019, the definition of
21 fermented malt beverages will no longer contain an alcohol content limit,
22 and it is therefore important to enact legislation to establish safeguards
23 and parity among retail establishments and ensure public health and safety
24 given that, as of January 1, 2019, a fermented malt beverage retailer will
25 be able to sell beer with no maximum alcohol content under its existing
26 license and without having to apply for or obtain a new license.

27 **SECTION 2.** In Colorado Revised Statutes, 12-46-104, **amend**

1 (1) introductory portion and (1)(c) as follows:

2 **12-46-104. Licenses - state license fees - requirements - repeal.**

3 (1) The licenses to be granted and issued by the state licensing authority
4 pursuant to this article ~~46~~ for the manufacture, importation, and sale of
5 fermented malt beverages ~~shall be~~ ARE as follows:

6 (c) (I) ON AND AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
7 (1)(c), AS AMENDED, a retailer's license shall be granted and issued to any
8 person, partnership, association, organization, or corporation qualifying
9 under section 12-47-301 and not prohibited from licensure under section
10 12-47-307 to sell at retail ~~the said~~ fermented malt beverages EITHER FOR
11 CONSUMPTION OFF THE LICENSED PREMISES OR ON THE LICENSED
12 PREMISES, BUT NOT FOR CONSUMPTION ON AND OFF THE LICENSED
13 PREMISES, upon paying an annual license fee of seventy-five dollars to the
14 state licensing authority.

15 (II) (A) ON AND AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
16 (1)(c), AS AMENDED, THE STATE LICENSING AUTHORITY SHALL NOT ISSUE
17 A NEW OR RENEW A FERMENTED MALT BEVERAGE RETAILER'S LICENSE FOR
18 THE SALE OF FERMENTED MALT BEVERAGES FOR CONSUMPTION ON AND
19 OFF THE LICENSED PREMISES. ANY LICENSEE HOLDING A FERMENTED MALT
20 BEVERAGE LICENSE AUTHORIZING THE SALE OF FERMENTED MALT
21 BEVERAGES FOR CONSUMPTION ON AND OFF THE LICENSED PREMISES THAT
22 WAS ISSUED BY THE STATE LICENSING AUTHORITY UNDER THIS
23 SUBSECTION (1)(c) BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION
24 (1)(c), AS AMENDED, THAT APPLIES TO RENEW THE LICENSE ON OR AFTER
25 THE EFFECTIVE DATE OF THIS SUBSECTION (1)(c), AS AMENDED, MUST
26 SIMULTANEOUSLY APPLY TO CONVERT THE LICENSE EITHER TO A LICENSE
27 FOR THE SALE OF FERMENTED MALT BEVERAGES AT RETAIL FOR

1 CONSUMPTION OFF THE LICENSED PREMISES OR TO A LICENSE FOR THE SALE
2 OF FERMENTED MALT BEVERAGES AT RETAIL FOR CONSUMPTION ON THE
3 LICENSED PREMISES.

4 (B) THIS SUBSECTION (1)(c)(II) IS REPEALED, EFFECTIVE JULY 1,
5 2019.

6 **SECTION 3.** In Colorado Revised Statutes, **amend** 12-46-106 as
7 follows:

8 **12-46-106. Lawful acts.** It is lawful for a person under eighteen
9 years of age who is under the supervision of a person on the premises
10 ~~over~~ eighteen years of age OR OLDER to be employed in a place of
11 business where fermented malt beverages are sold at retail in containers
12 for off-premises consumption. ~~During the normal course of such~~
13 ~~employment, any person under eighteen years of age may handle and~~
14 ~~otherwise act with respect to fermented malt beverages in the same~~
15 ~~manner as that person does with other items sold at retail, except that no~~
16 A person under ~~eighteen~~ TWENTY-ONE years of age shall NOT sell or
17 dispense fermented malt beverages, check age identification, ~~or make~~
18 ~~deliveries beyond the customary parking area for the customers of the~~
19 ~~retail outlet~~ OR OTHERWISE HAVE ANY CONTACT WITH FERMENTED MALT
20 BEVERAGES OFFERED FOR SALE ON, OR SOLD AND REMOVED FROM, THE
21 LICENSED PREMISES OF THE FERMENTED MALT BEVERAGE RETAILER. This
22 section ~~shall~~ DOES not ~~be construed~~ to permit the violation of any other
23 provisions of this section under circumstances not specified in this
24 section.

25 **SECTION 4.** In Colorado Revised Statutes, 12-46-107, **amend**
26 (1)(c); and **add** (3), (4), and (5) as follows:

27 **12-46-107. Local licensing authority - application - fees -**

1 **definition - rules - repeal.** (1) The local licensing authority shall issue
2 only the following classes of fermented malt beverage licenses:

3 (c) (I) Sales for consumption both on and off the premises of the
4 licensee; ~~A person licensed pursuant to this paragraph (c) may deliver at~~
5 ~~retail fermented malt beverages in factory-sealed containers in~~
6 ~~conjunction with the delivery of food products if such person has~~
7 ~~obtained a permit for the delivery of fermented malt beverages from the~~
8 ~~state licensing authority. The state licensing authority shall promulgate~~
9 ~~rules as are necessary for the proper delivery of fermented malt beverages~~
10 ~~pursuant to this paragraph (c) and shall have the authority to issue a~~
11 ~~permit to any person who is licensed pursuant to and delivers fermented~~
12 ~~malt beverages under this paragraph (c)~~ EXCEPT THAT ON OR AFTER THE
13 EFFECTIVE DATE OF THIS SUBSECTION (1)(c), AS AMENDED, A LOCAL
14 LICENSING AUTHORITY SHALL NOT ISSUE A NEW FERMENTED MALT
15 BEVERAGE LICENSE OR RENEW AN EXISTING FERMENTED MALT BEVERAGE
16 LICENSE FOR THE SALE OF FERMENTED MALT BEVERAGES FOR
17 CONSUMPTION ON AND OFF THE LICENSED PREMISES. ANY LICENSEE
18 HOLDING A FERMENTED MALT BEVERAGE LICENSE ISSUED UNDER THIS
19 SUBSECTION (1)(c) PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION
20 (1)(c), AS AMENDED, THAT APPLIES TO RENEW THE LICENSE ON OR AFTER
21 THE EFFECTIVE DATE OF THIS SUBSECTION (1)(c), AS AMENDED, MUST
22 SIMULTANEOUSLY APPLY TO CONVERT THE LICENSE EITHER TO A LICENSE
23 FOR THE SALE OF FERMENTED MALT BEVERAGES FOR CONSUMPTION OFF
24 THE LICENSED PREMISES AS SPECIFIED IN SUBSECTION (1)(a) OF THIS
25 SECTION OR TO A LICENSE FOR THE SALE OF FERMENTED MALT BEVERAGES
26 FOR CONSUMPTION ON THE LICENSED PREMISES AS SPECIFIED IN
27 SUBSECTION (1)(b) OF THIS SECTION.

1 (II) THIS SUBSECTION (1)(c) IS REPEALED, EFFECTIVE JULY 1, 2019.

2 (3) (a) IN ADDITION TO ANY OTHER REQUIREMENTS SPECIFIED IN
3 THIS ARTICLE 46 OR ARTICLE 47 OF THIS TITLE 12, TO QUALIFY FOR A NEW
4 LICENSE OR TO RENEW A LICENSE UNDER SUBSECTION (1)(a) OF THIS
5 SECTION ON OR AFTER JANUARY 1, 2019, A PERSON MUST:

6 (I) DERIVE AT LEAST TWENTY PERCENT OF ITS GROSS ANNUAL
7 REVENUES FROM TOTAL SALES FROM THE SALE OF FOOD ITEMS FOR
8 CONSUMPTION OFF THE PREMISES; AND

9 (II) (A) IF THE ESTABLISHMENT CONSISTS OF LESS THAN TEN
10 THOUSAND SQUARE FEET OF TOTAL RETAIL SPACE, LIMIT THE SHELF SPACE
11 USED FOR THE SALE OF FERMENTED MALT BEVERAGES TO NO MORE THAN
12 ONE HUNDRED LINEAR FEET; OR

13 (B) IF THE ESTABLISHMENT CONSISTS OF TEN THOUSAND SQUARE
14 FEET OR MORE OF TOTAL RETAIL SPACE, LIMIT THE SHELF SPACE USED FOR
15 THE SALE OF FERMENTED MALT BEVERAGES TO NO MORE THAN THREE
16 HUNDRED LINEAR FEET.

17 (b) FOR PURPOSES OF CALCULATING GROSS ANNUAL REVENUES
18 FROM TOTAL SALES, REVENUES DERIVED FROM THE SALE OF THE
19 FOLLOWING PRODUCTS ARE EXCLUDED:

20 (I) FUEL PRODUCTS, AS DEFINED IN SECTION 8-20-201 (2);

21 (II) CIGARETTES, TOBACCO PRODUCTS, AND NICOTINE PRODUCTS,
22 AS DEFINED IN SECTION 18-13-121 (5); AND

23 (III) LOTTERY PRODUCTS.

24 (c) THE STATE LICENSING AUTHORITY MAY ADOPT RULES
25 SPECIFYING THE FORM AND MANNER IN WHICH AN APPLICANT FOR A NEW
26 OR RENEWAL LICENSE MAY DEMONSTRATE COMPLIANCE WITH THIS
27 SUBSECTION (3).

1 (d) AS USED IN THIS SUBSECTION (3), "FOOD ITEMS" MEANS ANY
2 RAW, COOKED, OR PROCESSED EDIBLE SUBSTANCE, ICE, OR BEVERAGE,
3 OTHER THAN A BEVERAGE CONTAINING ALCOHOL, THAT IS INTENDED FOR
4 USE OR FOR SALE, IN WHOLE OR IN PART, FOR HUMAN CONSUMPTION.

5 (4) ON OR AFTER JANUARY 1, 2019, A FERMENTED MALT
6 BEVERAGE RETAILER LICENSED UNDER SUBSECTION (1)(a) OF THIS
7 SECTION:

8 (a) SHALL NOT SELL FERMENTED MALT BEVERAGES TO CONSUMERS
9 AT A PRICE THAT IS BELOW THE RETAILER'S COST, AS LISTED ON THE
10 INVOICE, TO PURCHASE THE FERMENTED MALT BEVERAGES, UNLESS THE
11 SALE IS OF DISCONTINUED OR CLOSE-OUT FERMENTED MALT BEVERAGES
12 OR PART OF A BONA FIDE LOYALTY OR REWARDS PROGRAM, AS SPECIFIED
13 IN STATE LICENSING AUTHORITY RULES; AND

14 (b) SHALL NOT ALLOW CONSUMERS TO PURCHASE FERMENTED
15 MALT BEVERAGES AT A SELF-CHECKOUT OR OTHER MECHANISM THAT
16 ALLOWS THE CONSUMER TO COMPLETE THE FERMENTED MALT BEVERAGES
17 PURCHASE WITHOUT ASSISTANCE FROM AND COMPLETION OF THE ENTIRE
18 TRANSACTION BY AN EMPLOYEE OF THE FERMENTED MALT BEVERAGE
19 RETAILER WHO IS AT LEAST TWENTY-ONE YEARS OF AGE.

20 (5) A PERSON LICENSED UNDER SUBSECTION (1)(a) OF THIS
21 SECTION THAT HOLDS MULTIPLE FERMENTED MALT BEVERAGE RETAILER'S
22 LICENSES FOR MULTIPLE LICENSED PREMISES MAY OPERATE UNDER A
23 SINGLE OR CONSOLIDATED CORPORATE ENTITY BUT SHALL NOT
24 COMMINGLE PURCHASES OF OR CREDIT EXTENSIONS FOR PURCHASES OF
25 FERMENTED MALT BEVERAGES FROM A WHOLESALER LICENSED UNDER
26 THIS ARTICLE 46 OR ARTICLE 47 OF THIS TITLE 12 FOR MORE THAN ONE
27 LICENSED PREMISES. A WHOLESALER LICENSED UNDER THIS ARTICLE 46 OR

1 ARTICLE 47 OF THIS TITLE 12 SHALL NOT BASE THE PRICE FOR THE
2 FERMENTED MALT BEVERAGES IT SELLS TO A FERMENTED MALT BEVERAGE
3 RETAILER LICENSED UNDER SUBSECTION (1)(a) OF THIS SECTION ON THE
4 TOTAL VOLUME OF FERMENTED MALT BEVERAGES THAT THE RETAILER
5 PURCHASES FOR MULTIPLE LICENSED PREMISES.

6 **SECTION 5.** In Colorado Revised Statutes, 12-47-301, **amend**
7 (2), (8), (9)(a), (10)(c)(I), (10)(c)(V), (10)(c)(VII), (10)(c)(XI),
8 (10)(c)(XII), (10)(d), and (12) as follows:

9 **12-47-301. Licensing in general.** (2) (a) Before granting any
10 license, all licensing authorities shall consider, except where this ~~article~~
11 ARTICLE 47 and article 46 of this ~~title~~ TITLE 12 specifically provide
12 otherwise, the reasonable requirements of the neighborhood, the desires
13 of the adult inhabitants as evidenced by petitions, remonstrances, or
14 otherwise, and all other reasonable restrictions that are or may be placed
15 upon the neighborhood by the local licensing authority. With respect to
16 a second or additional license described in section 12-47-401 (1)(j) to
17 (1)(t), (1)(v), or (1)(w) or 12-47-410 (1) or in a financial institution
18 referred to in section 12-47-308 (4) for the same licensee, all licensing
19 authorities shall consider the effect on competition of the granting or
20 disapproving of additional licenses to such licensee and shall not approve
21 an application for a second or additional ~~hotel and restaurant or vintner's~~
22 ~~restaurant~~ license that would have the effect of restraining competition.
23 ~~shall be approved.~~

24 (b) (I) A local licensing authority or the state on state-owned
25 property may deny the issuance of any new tavern ~~or retail liquor store~~
26 license whenever ~~such~~ THE LICENSING authority determines that ~~the~~
27 issuance of ~~such~~ THE license would result in or add to an undue

1 concentration of the same class of license and, as a result, require the use
2 of additional law enforcement resources.

3 (II) ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
4 (2)(b)(II), A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED
5 PROPERTY, THE STATE LICENSING AUTHORITY MAY DENY THE ISSUANCE OF
6 A NEW RETAIL LIQUOR STORE LICENSE UNDER SECTION 12-47-407 OR A
7 NEW FERMENTED MALT BEVERAGE LICENSE UNDER SECTION 12-46-107
8 (1)(a) IF THE LOCAL OR STATE LICENSING AUTHORITY DETERMINES THAT
9 ISSUANCE OF THE NEW LICENSE WOULD RESULT IN OR ADD TO AN UNDUE
10 CONCENTRATION OF LICENSES AUTHORIZING THE SALE OF ALCOHOL
11 BEVERAGES AT RETAIL FOR OFF-PREMISES CONSUMPTION AND, AS A
12 RESULT, REQUIRE THE USE OF ADDITIONAL LAW ENFORCEMENT
13 RESOURCES.

14 (8) Each licensee holding a fermented malt beverage on-premises
15 license, ~~or on- and off-premises license~~, beer and wine license, tavern
16 license, lodging and entertainment license, club license, arts license, or
17 racetrack license shall manage the premises himself or herself or employ
18 a separate and distinct manager on the premises and shall report the name
19 of the manager to the state and local licensing authorities. The licensee
20 shall report any change in managers to the state and local licensing
21 authorities within thirty days after the change. It is unlawful for the
22 licensee to fail to report the name of or any change in managers as
23 required by this subsection (8). The failure to report is grounds for
24 suspension of the license.

25 (9) (a) (I) (A) SUBJECT TO SUBSECTIONS (9)(a)(I)(B) AND
26 (9)(a)(I)(C) OF THIS SECTION, a licensee may move ~~his or her~~ ITS
27 permanent location to any other place in the same city, town, or city and

1 county for which the license was originally granted, or in the same county
2 if ~~such~~ THE license was granted for a place outside the corporate limits of
3 any city, town, or city and county, but it ~~shall be~~ IS unlawful to sell any
4 alcohol beverage at ~~any such place~~ THE NEW LOCATION until permission
5 ~~to do so~~ is granted by ~~all~~ the STATE AND LOCAL licensing authorities.
6 ~~provided for in this article.~~

7 (B) THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT
8 GRANT PERMISSION UNDER THIS SUBSECTION (9)(a)(I) TO A FERMENTED
9 MALT BEVERAGE RETAILER LICENSED UNDER SECTION 12-46-107 (1)(a) TO
10 MOVE ITS PERMANENT LOCATION IF THE NEW LOCATION IS: WITHIN ONE
11 THOUSAND FIVE HUNDRED FEET OF A RETAIL LIQUOR STORE LICENSED
12 UNDER SECTION 12-47-407; FOR A PREMISES LOCATED IN A MUNICIPALITY
13 WITH A POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE
14 THOUSAND FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION
15 12-47-407; OR, FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
16 POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE
17 CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
18 FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407.

19 (C) THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT
20 GRANT PERMISSION UNDER THIS SUBSECTION (9)(a)(I) TO A RETAIL LIQUOR
21 STORE LICENSED UNDER SECTION 12-47-407 TO MOVE ITS PERMANENT
22 LOCATION IF THE NEW LOCATION IS: WITHIN ONE THOUSAND FIVE
23 HUNDRED FEET OF ANOTHER RETAIL LIQUOR STORE LICENSED UNDER
24 SECTION 12-47-407; FOR A PREMISES LOCATED IN A MUNICIPALITY WITH
25 A POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE THOUSAND
26 FEET OF ANOTHER RETAIL LIQUOR STORE LICENSED UNDER SECTION
27 12-47-407; OR, FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A

1 POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE
2 CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
3 FEET OF ANOTHER RETAIL LIQUOR STORE LICENSED UNDER SECTION
4 12-47-407.

5 (II) Notwithstanding ~~subparagraph (I) of this paragraph (a)~~
6 SECTION (9)(a)(I) OF THIS SECTION AND SUBJECT TO SUBSECTION
7 (9)(a)(I)(C), for a retail liquor store licensed on or before January 1, 2016,
8 the licensee may apply to move the permanent location to another place
9 within or outside the municipality or county in which the license was
10 originally granted. It is unlawful for the licensee to sell any alcohol
11 beverages at the new location until permission is granted by the state and
12 local licensing authorities.

13 (10) (c) Tastings are subject to the following limitations:

14 (I) Tastings shall be conducted only:

15 (A) By a person who: Has completed a server training program
16 that meets the standards established by the liquor enforcement division in
17 the department of revenue and ~~who is either a retail liquor store licensee~~
18 ~~or a liquor-licensed drugstore licensee, or an employee of a RETAIL~~
19 ~~LIQUOR STORE OR LIQUOR-LICENSED DRUGSTORE licensee, OR A~~
20 ~~REPRESENTATIVE, EMPLOYEE, OR AGENT OF THE LICENSED WHOLESALER,~~
21 ~~BREW PUB, DISTILLERY PUB, MANUFACTURER, LIMITED WINERY, IMPORTER,~~
22 ~~OR VINTNER'S RESTAURANT SUPPLYING THE ALCOHOL BEVERAGES FOR THE~~
23 ~~TASTING; and only~~

24 (B) On a licensee's licensed premises.

25 (V) THE LICENSEE MAY CONDUCT tastings ~~shall be conducted~~ only
26 during the operating hours in which the licensee on whose premises the
27 tastings occur is permitted to sell alcohol beverages, and in no case earlier

1 than 11 a.m. or later than ~~7 p.m.~~ 9 P.M.

2 (VII) The licensee shall promptly remove all open and
3 unconsumed alcohol beverage samples from the licensed premises, ~~or~~
4 ~~shall~~ destroy the samples immediately following the completion of the
5 tasting, OR STORE ANY OPEN CONTAINERS OF UNCONSUMED ALCOHOL
6 BEVERAGES IN A SECURE AREA OUTSIDE THE SALES AREA OF THE LICENSED
7 PREMISES FOR USE AT A TASTING CONDUCTED AT A LATER TIME OR DATE.

8 (XI) THE LICENSEE MAY CONDUCT tastings ~~may occur~~ on no more
9 than ~~four of the six days from a Monday to the following Saturday, not to~~
10 ~~exceed one hundred four~~ ONE HUNDRED FIFTY-SIX days per year.

11 (XII) No manufacturer of spirituous or vinous liquors shall induce
12 a licensee through free goods or financial or in-kind assistance to favor
13 the manufacturer's products being sampled at a tasting. The RETAIL
14 LIQUOR STORE OR LIQUOR-LICENSED DRUGSTORE licensee ~~shall bear~~
15 BEARS the financial and all other responsibility for a tasting CONDUCTED
16 ON ITS LICENSED PREMISES.

17 (d) A violation of a limitation specified in this subsection (10) ~~or~~
18 ~~of section 12-47-801~~ by a retail liquor store or liquor-licensed drugstore
19 licensee, whether by ~~his or her~~ THE LICENSEE'S employees, agents, or
20 otherwise ~~shall be~~ OR BY A REPRESENTATIVE, EMPLOYEE, OR AGENT OF
21 THE LICENSED WHOLESALER, BREW PUB, DISTILLERY PUB, MANUFACTURER,
22 LIMITED WINERY, IMPORTER, OR VINTNER'S RESTAURANT THAT SUPPLIED
23 THE ALCOHOL BEVERAGES FOR THE TASTING, IS the responsibility of, AND
24 SECTION 12-47-801 APPLIES TO, the retail liquor store or liquor-licensed
25 drugstore licensee ~~who is conducting~~ THAT CONDUCTED the tasting.

26 (12) (a) Notwithstanding any other provision of this article ~~47~~, on
27 and after July 1, 2016, the state and local licensing authorities shall not

1 issue a new license under this article ~~47~~ authorizing the sale at retail of
2 malt, vinous, or spirituous liquors in sealed containers for consumption
3 off the licensed premises if the premises for which the retail license is
4 sought is located:

5 (I) Within one thousand five hundred feet of another licensed
6 premises licensed to sell malt, vinous, or spirituous liquors at retail for
7 off-premises consumption; ~~or~~

8 (II) For a premises located in a municipality with a population of
9 ten thousand or fewer, within three thousand feet of another licensed
10 premises licensed to sell malt, vinous, or spirituous liquors at retail for
11 off-premises consumption; OR

12 (III) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
13 POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE
14 CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
15 FEET OF ANOTHER LICENSED PREMISES LICENSED TO SELL MALT, VINOUS,
16 OR SPIRITUOUS LIQUORS AT RETAIL FOR OFF-PREMISES CONSUMPTION.

17 (a.5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE
18 47, ON AND AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (12)(a.5),
19 THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT ISSUE A NEW
20 FERMENTED MALT BEVERAGE RETAILER'S LICENSE UNDER ARTICLE 46 OF
21 THIS TITLE 12 AUTHORIZING THE SALE AT RETAIL OF FERMENTED MALT
22 BEVERAGES IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED
23 PREMISES IF THE PREMISES FOR WHICH THE RETAIL LICENSE IS SOUGHT IS
24 LOCATED:

25 (I) WITHIN ONE THOUSAND FIVE HUNDRED FEET OF A RETAIL
26 LIQUOR STORE LICENSED UNDER SECTION 12-47-407;

27 (II) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A

1 POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE THOUSAND FEET
2 OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407; OR

3 (III) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
4 POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE
5 CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
6 FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407.

7 (b) For purposes of ~~this subsection (12)~~ SUBSECTION (12)(a) OF
8 THIS SECTION, a license under this ~~article~~ ARTICLE 47 authorizing the sale
9 at retail of malt, vinous, or spirituous liquors in sealed containers for
10 consumption off the licensed premises includes a license under this ~~article~~
11 ARTICLE 47 authorizing the sale of malt and vinous liquors in sealed
12 containers not to be consumed at the place where the malt and vinous
13 liquors are sold.

14 (c) For purposes of determining whether the distance requirements
15 specified in ~~paragraph (a) of this subsection (12)~~ SUBSECTIONS (12)(a)
16 AND (12)(a.5) OF THIS SECTION are satisfied, the distance shall be
17 determined by a radius measurement that begins at the principal doorway
18 of the premises for which the application is made and ends at the
19 principal doorway of the other retail licensed premises.

20 **SECTION 6.** In Colorado Revised Statutes, 12-47-308, **amend**
21 (1)(a), (3)(a), and (5) as follows:

22 **12-47-308. Unlawful financial assistance.** (1) (a) (I) It is
23 unlawful for any person licensed pursuant to this ~~article~~ ARTICLE 47 or
24 article 46 of this ~~title~~ TITLE 12 as a manufacturer, limited winery, ~~licensee~~,
25 wholesaler, or importer, or any person, partnership, association,
26 organization, or corporation interested financially in or with any of said
27 licensees, to furnish, supply, or loan, in any manner, directly or indirectly,

1 to any person licensed to sell at retail pursuant to this ~~article~~ ARTICLE 47
2 or article 46 or 48 of this ~~title~~ TITLE 12:

3 (A) Any financial assistance, including the extension of credit for
4 more than thirty days, as specified in section 12-47-202 (2)(b) or in rules
5 of the state licensing authority; or

6 (B) Any equipment, fixtures, chattels, or furnishings used in the
7 storing, handling, serving, or dispensing of food or alcohol beverages
8 within the premises or for making any structural alterations or
9 improvements in or on the building in which ~~such~~ THE premises ~~are~~ IS
10 located.

11 (II) This ~~section shall~~ SUBSECTION (1) DOES not:

12 (A) Apply to signs or displays within ~~such~~ THE LICENSED
13 premises; OR

14 (B) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A
15 PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12
16 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER, OR IMPORTER FROM
17 POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE PRODUCTS AS
18 PART OF A TASTING BEING CONDUCTED ON THE LICENSED PREMISES OF A
19 PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES
20 AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND POURING OR SERVING
21 THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT CONSTITUTE LABOR
22 PROVIDED BY A PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46
23 OF THIS TITLE 12 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER,
24 OR IMPORTER TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL
25 ALCOHOL BEVERAGES AT RETAIL.

26 (3) (a) (I) It is unlawful for any person licensed to sell at retail
27 pursuant to this ~~article~~ ARTICLE 47 or article 46 of this ~~title~~ TITLE 12 to

1 receive and obtain from the persons or parties described and referred to
2 in subsection (1)(a) of this section, directly or indirectly, any financial
3 assistance or any equipment, fixtures, chattels, or furnishings used in the
4 storing, handling, serving, or dispensing of food or alcohol beverages
5 within the premises or from making any structural alterations or
6 improvements in or on the building on which ~~such~~ THE premises ~~are~~ IS
7 located.

8 (II) This subsection (3) ~~shall~~ DOES not:

9 (A) Apply to signs or displays within ~~such~~ THE premises or to
10 advertising materials that are intended primarily to advertise the product
11 of the wholesaler or manufacturer and that have only negligible value in
12 themselves or to the inspection and servicing of malt or vinous
13 liquor-dispensing equipment to the extent necessary for the maintenance
14 of reasonable standards of purity, cleanliness, and health; OR

15 (B) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A
16 LICENSEE DESCRIBED AND REFERRED TO IN SUBSECTION (1)(a) OF THIS
17 SECTION FROM POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE
18 PRODUCTS AS PART OF A TASTING BEING CONDUCTED ON THE LICENSED
19 PREMISES OF THE PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL
20 ALCOHOL BEVERAGES AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND
21 POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT
22 CONSTITUTE LABOR PROVIDED BY A LICENSEE DESCRIBED IN SUBSECTION
23 (1)(a) OF THIS SECTION TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO
24 SELL ALCOHOL BEVERAGES AT RETAIL.

25 (5) (a) It is unlawful for any owner, part owner, shareholder,
26 stockholder, or person interested, directly or indirectly, in any retail
27 business or establishment of a person licensed to sell at retail pursuant to

1 ~~the provisions of this article~~ ARTICLE 47 or article 46 or 48 of this ~~title~~
2 TITLE 12 to enter into any agreement with any person or party or to
3 receive, possess, or accept any money, fixtures, supplies, or things of
4 value from any person or party, whereby a person licensed to sell at retail
5 pursuant to this ~~article~~ ARTICLE 47 or article 46 or 48 of this ~~title~~ TITLE 12
6 may be influenced or caused, directly or indirectly, to buy, sell, dispense,
7 or handle the product of any manufacturer of alcohol beverages.

8 (b) This subsection (5) ~~shall~~ DOES not:

9 (I) Apply to displays within ~~such~~ THE premises; OR

10 (II) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A
11 PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12
12 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER, OR IMPORTER FROM
13 POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE PRODUCTS AS
14 PART OF A TASTING BEING CONDUCTED ON THE LICENSED PREMISES OF A
15 PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES
16 AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND POURING OR SERVING
17 THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT CONSTITUTE LABOR
18 PROVIDED BY A PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46
19 OF THIS TITLE 12 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER,
20 OR IMPORTER TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL
21 ALCOHOL BEVERAGES AT RETAIL.

22 **SECTION 7.** In Colorado Revised Statutes, 12-47-313, **amend**
23 (1) introductory portion and (2); and **add** (1)(e) and (3) as follows:

24 **12-47-313. Restrictions for applications for new license -**
25 **repeal.** (1) ~~No~~ AN application for the issuance of any license specified
26 in section 12-47-309 (1) or 12-46-107 (1) shall NOT be received or acted
27 upon:

1 (e) (I) IF THE BUILDING IN WHICH THE FERMENTED MALT
2 BEVERAGES ARE TO BE SOLD PURSUANT TO A LICENSE UNDER SECTION
3 12-46-107 (1)(a) IS LOCATED WITHIN FIVE HUNDRED FEET OF ANY PUBLIC
4 OR PAROCHIAL SCHOOL OR THE PRINCIPAL CAMPUS OF ANY COLLEGE,
5 UNIVERSITY, OR SEMINARY; EXCEPT THAT THIS SUBSECTION (1)(e)(I) DOES
6 NOT APPLY TO:

7 (A) LICENSED PREMISES LOCATED OR TO BE LOCATED ON LAND
8 OWNED BY A MUNICIPALITY;

9 (B) AN EXISTING LICENSED PREMISES ON LAND OWNED BY THE
10 STATE;

11 (C) A FERMENTED MALT BEVERAGE RETAILER THAT HELD A VALID
12 LICENSE AND WAS ACTIVELY DOING BUSINESS BEFORE THE PRINCIPAL
13 CAMPUS WAS CONSTRUCTED;

14 (D) A CLUB LOCATED WITHIN THE PRINCIPAL CAMPUS OF ANY
15 COLLEGE, UNIVERSITY, OR SEMINARY THAT LIMITS ITS MEMBERSHIP TO THE
16 FACULTY OR STAFF OF THE INSTITUTION; OR

17 (E) A CAMPUS LIQUOR COMPLEX.

18 (II) THE DISTANCES REFERRED TO IN SUBSECTION (1)(e)(I) OF THIS
19 SECTION ARE TO BE COMPUTED BY DIRECT MEASUREMENT FROM THE
20 NEAREST PROPERTY LINE OF THE LAND USED FOR SCHOOL PURPOSES TO
21 THE NEAREST PORTION OF THE BUILDING IN WHICH FERMENTED MALT
22 BEVERAGES ARE TO BE SOLD, USING A ROUTE OF DIRECT PEDESTRIAN
23 ACCESS.

24 (III) THE LOCAL LICENSING AUTHORITY OF ANY CITY AND COUNTY,
25 BY RULE OR REGULATION, THE GOVERNING BODY OF ANY OTHER
26 MUNICIPALITY, BY ORDINANCE, OR THE GOVERNING BODY OF ANY OTHER
27 COUNTY, BY RESOLUTION, MAY:

1 (A) ELIMINATE OR MODIFY THE DISTANCE RESTRICTIONS IMPOSED
2 BY THIS SUBSECTION (1)(e); OR

3 (B) ELIMINATE ONE OR MORE TYPES OF SCHOOLS OR CAMPUSES
4 FROM THE APPLICATION OF ANY DISTANCE RESTRICTION ESTABLISHED BY
5 OR PURSUANT TO THIS SUBSECTION (1)(e).

6 (IV) IN ADDITION TO THE REQUIREMENTS OF SECTION 12-47-312
7 (2), THE LOCAL LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE
8 AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN
9 WHICH THE FERMENTED MALT BEVERAGES ARE TO BE SOLD IS LOCATED
10 WITHIN ANY DISTANCE RESTRICTION ESTABLISHED BY OR PURSUANT TO
11 THIS SUBSECTION (1)(e). THE FINDING IS SUBJECT TO JUDICIAL REVIEW
12 PURSUANT TO SECTION 12-47-802.

13 (V) THIS SUBSECTION (1)(e) APPLIES TO:

14 (A) APPLICATIONS FOR NEW FERMENTED MALT BEVERAGE
15 RETAILER'S LICENSES UNDER SECTION 12-46-107 (1)(a) SUBMITTED ON OR
16 AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (1)(e); AND

17 (B) APPLICATIONS SUBMITTED ON OR AFTER THE EFFECTIVE DATE
18 OF THIS SUBSECTION (1)(e) UNDER SECTION 12-47-301 (9) BY FERMENTED
19 MALT BEVERAGE RETAILERS LICENSED UNDER SECTION 12-46-107 (1)(a)
20 TO CHANGE THE PERMANENT LOCATION OF THE FERMENTED MALT
21 BEVERAGE RETAILER'S LICENSED PREMISES.

22 (2) (a) A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED
23 PROPERTY, THE STATE LICENSING AUTHORITY MAY DENY AN APPLICATION
24 FOR THE ISSUANCE OF A TAVERN OR RETAIL LIQUOR STORE LICENSE ~~MAY BE DENIED~~
25 UNDER THIS ~~ARTICLE~~ ARTICLE 47 IF THE LOCAL OR STATE LICENSING AUTHORITY OR
26 ~~THE STATE ON STATE-OWNED PROPERTY~~ DETERMINES, PURSUANT TO SECTION
27 ~~12-47-301 (2)(b)~~ SECTION 12-47-301 (2)(b)(I), THAT THE ISSUANCE OF SUCH

1 THE license would result in or add to an undue concentration of the same
2 class of license and, as a result, require the use of additional law
3 enforcement resources.

4 (b) ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (2)(b),
5 A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED PROPERTY, THE
6 STATE LICENSING AUTHORITY MAY DENY AN APPLICATION FOR THE
7 ISSUANCE OF A NEW RETAIL LIQUOR STORE LICENSE UNDER SECTION
8 12-47-407 OR A NEW FERMENTED MALT BEVERAGE LICENSE UNDER
9 SECTION 12-46-107 (1)(a) IF THE LOCAL OR STATE LICENSING AUTHORITY
10 DETERMINES, PURSUANT TO SECTION 12-47-301 (2)(b)(II), THAT ISSUANCE
11 OF THE NEW LICENSE WOULD RESULT IN OR ADD TO AN UNDUE
12 CONCENTRATION OF LICENSES AUTHORIZING THE SALE OF ALCOHOL
13 BEVERAGES AT RETAIL FOR OFF-PREMISES CONSUMPTION AND, AS A
14 RESULT, REQUIRE THE USE OF ADDITIONAL LAW ENFORCEMENT
15 RESOURCES.

16 (3) (a) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
17 CONTRARY, THE LOCAL LICENSING AUTHORITY OF ANY CITY AND COUNTY,
18 BY RULE OR REGULATION, THE GOVERNING BODY OF ANY OTHER
19 MUNICIPALITY, BY ORDINANCE, OR THE GOVERNING BODY OF ANY OTHER
20 COUNTY, BY RESOLUTION, MAY ADOPT A TEMPORARY MORATORIUM ON
21 THE ISSUANCE OF ANY NEW FERMENTED MALT BEVERAGE RETAILER'S
22 LICENSE UNDER SECTION 12-46-107 (1)(a). A MORATORIUM ADOPTED
23 PURSUANT TO THIS SUBSECTION (3) MAY BE EFFECTIVE NO EARLIER THAN
24 THE EFFECTIVE DATE OF THIS SUBSECTION (3) AND NO LATER THAN
25 DECEMBER 31, 2018.

26 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE SEPTEMBER 1,
27 2020.

1 **SECTION 8.** In Colorado Revised Statutes, 12-47-407, **amend**
2 (1)(a)(II), (2), and (3) as follows:

3 **12-47-407. Retail liquor store license - rules.** (1) (a) (II) On and
4 after July 1, 2016, the state and local licensing authorities shall not issue
5 a new retail liquor store license if the premises for which the retail liquor
6 store license is sought is located:

7 (A) Within one thousand five hundred feet of another retail liquor
8 store licensed under this section or a liquor-licensed drugstore licensed
9 under section 12-47-408; ~~or~~

10 (B) For a premises located in a municipality with a population of
11 ten thousand or fewer, within three thousand feet of another retail liquor
12 store licensed under this section or a liquor-licensed drugstore licensed
13 under section 12-47-408; OR

14 (C) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
15 POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE
16 CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
17 FEET OF ANOTHER RETAIL LIQUOR STORE LICENSED UNDER THIS SECTION
18 OR A LIQUOR-LICENSED DRUGSTORE LICENSED UNDER SECTION 12-47-408.

19 (2) (a) ~~Every~~ A person ~~selling~~ LICENSED UNDER THIS SECTION TO
20 SELL malt, vinous, and spirituous liquors in a retail liquor store:

21 (I) Shall purchase ~~such~~ THE malt, vinous, and spirituous liquors
22 only from a wholesaler licensed pursuant to this ~~article~~: ARTICLE 47; AND

23 (II) SHALL NOT SELL MALT, VINOUS, OR SPIRITUOUS LIQUORS TO
24 CONSUMERS AT A PRICE THAT IS BELOW THE RETAIL LIQUOR STORE'S COST,
25 AS LISTED ON THE INVOICE, TO PURCHASE THE MALT, VINOUS, OR
26 SPIRITUOUS LIQUORS, UNLESS THE SALE IS OF DISCONTINUED OR
27 CLOSE-OUT MALT, VINOUS, OR SPIRITUOUS LIQUORS OR PART OF A BONA

1 FIDE LOYALTY OR REWARDS PROGRAM, AS SPECIFIED IN STATE LICENSING
2 AUTHORITY RULES; AND

3 (b) A PERSON LICENSED UNDER THIS SECTION THAT OBTAINS
4 ADDITIONAL RETAIL LIQUOR STORE LICENSES IN ACCORDANCE WITH
5 SUBSECTION (4)(b)(III) OF THIS SECTION MAY OPERATE UNDER A SINGLE
6 OR CONSOLIDATED CORPORATE ENTITY BUT SHALL NOT COMMINGLE
7 PURCHASES OF OR CREDIT EXTENSIONS FOR PURCHASES OF MALT, VINOUS,
8 OR SPIRITUOUS LIQUORS FROM A WHOLESALER LICENSED UNDER THIS
9 ARTICLE 47 FOR MORE THAN ONE LICENSED PREMISES. A WHOLESALER
10 LICENSED UNDER THIS ARTICLE 47 SHALL NOT BASE THE PRICE FOR THE
11 MALT, VINOUS, OR SPIRITUOUS LIQUORS IT SELLS TO A RETAIL LIQUOR
12 STORE LICENSED UNDER THIS SECTION ON THE TOTAL VOLUME OF MALT,
13 VINOUS, OR SPIRITUOUS LIQUORS THAT THE LICENSEE PURCHASES FOR
14 MULTIPLE LICENSED PREMISES.

15 (3) (a) A person licensed to sell at retail who complies with this
16 subsection (3) and rules promulgated pursuant ~~thereto~~ TO THIS
17 SUBSECTION (3) may deliver malt, vinous, and spirituous liquors to a
18 person of legal age if: ~~such~~

19 (I) THE person RECEIVING THE DELIVERY OF MALT, VINOUS, OR
20 SPIRITUOUS LIQUORS is LOCATED at a place that is not licensed pursuant
21 to this section;

22 (II) THE DELIVERY IS MADE BY AN EMPLOYEE OF THE LICENSED
23 RETAIL LIQUOR STORE WHO IS AT LEAST TWENTY-ONE YEARS OF AGE AND
24 WHO IS USING A VEHICLE OWNED OR LEASED BY THE LICENSEE TO MAKE
25 THE DELIVERY;

26 (III) THE PERSON MAKING THE DELIVERY VERIFIES, IN
27 ACCORDANCE WITH SECTION 12-47-901 (10), THAT THE PERSON RECEIVING

1 THE DELIVERY OF MALT, VINOUS, OR SPIRITUOUS LIQUORS IS AT LEAST
2 TWENTY-ONE YEARS OF AGE;

3 (IV) ONLY ALCOHOL BEVERAGES AND ITEMS RELATED TO THE
4 SERVICE OR CONSUMPTION OF ALCOHOL BEVERAGES ARE DELIVERED; AND

5 (V) THE RETAIL LIQUOR STORE DERIVES NO MORE THAN FIFTY
6 PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL SALES OF MALT,
7 VINOUS, AND SPIRITUOUS LIQUORS FROM THE SALE OF MALT, VINOUS, AND
8 SPIRITUOUS LIQUORS THAT THE RETAIL LIQUOR STORE DELIVERS.

9 (b) The state licensing authority shall promulgate rules as ~~are~~
10 necessary for the proper delivery of malt, vinous, and spirituous liquors
11 and ~~shall have the authority~~ IS AUTHORIZED to issue a permit to any
12 person who is licensed UNDER THIS SECTION to sell at retail and delivers
13 ~~such~~ THE liquors pursuant to this subsection (3). ~~Such permits shall be~~ A
14 PERMIT ISSUED UNDER THIS SUBSECTION (3) IS subject to the same
15 suspension and revocation provisions as are set forth in section 12-47-601
16 for other licenses granted pursuant to this ~~article~~ ARTICLE 47.

17 **SECTION 9.** In Colorado Revised Statutes, 12-47-408, **amend**
18 (1)(a)(I), (1)(b)(IV) introductory portion, (1)(b)(IV)(B), (2)(a)(II),
19 (2)(a)(III), (3), and (4)(b)(IV) introductory portion; and **add** (4)(b)(V),
20 (4)(c), and (8) as follows:

21 **12-47-408. Liquor-licensed drugstore license - multiple**
22 **licenses permitted - requirements - rules.** (1) (a) (I) A liquor-licensed
23 drugstore license shall be issued to persons selling malt, vinous, and
24 spirituous liquors in sealed containers not to be consumed at the place
25 where sold. On and after July 1, 2016, except as permitted under
26 ~~paragraph (b) of this subsection (1)~~ SUBSECTION (1)(b) OF THIS SECTION,
27 the state and local licensing authorities shall not issue a new

1 liquor-licensed drugstore license if the licensed premises for which a
2 liquor-licensed drugstore license is sought is located:

3 (A) Within one thousand five hundred feet of a retail liquor store
4 licensed under section 12-47-407; ~~or~~

5 (B) For a drugstore premises located in a municipality with a
6 population of ten thousand or fewer, within three thousand feet of a retail
7 liquor store licensed under section 12-47-407; OR

8 (C) FOR A DRUGSTORE PREMISES LOCATED IN A MUNICIPALITY
9 WITH A POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO
10 THE CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
11 FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407.

12 (b) (IV) In addition to any other requirements for licensure under
13 this section or ~~article~~ ARTICLE 47, a person applying for a new
14 liquor-licensed drugstore license in accordance with this ~~paragraph (b)~~
15 SUBSECTION (1)(b) on or after January 1, 2017, or to renew a
16 liquor-licensed drugstore license issued on or after January 1, 2017, under
17 this ~~paragraph (b)~~ SUBSECTION (1)(b) must:

18 (B) ~~Be~~ MAKE AND KEEP ITS PREMISES open to the public.

19 (2) (a) A person licensed under this section to sell malt, vinous,
20 and spirituous liquors as provided in this section shall:

21 (II) Not sell malt, vinous, or spirituous liquors to consumers at a
22 price that is below the liquor-licensed drugstore's cost, AS LISTED ON THE
23 INVOICE, to purchase the malt, vinous, or spirituous liquors, UNLESS THE
24 SALE IS OF DISCONTINUED OR CLOSE-OUT MALT, VINOUS, OR SPIRITUOUS
25 LIQUORS OR PART OF A BONA FIDE LOYALTY OR REWARDS PROGRAM, AS
26 SPECIFIED IN STATE LICENSING AUTHORITY RULES;

27 (III) Not allow consumers to purchase malt, vinous, or spirituous

1 liquors at a self-checkout or other mechanism that allows the consumer
2 to complete the alcohol beverage purchase without assistance from and
3 completion of the ENTIRE transaction by an employee of the
4 liquor-licensed drugstore WHO IS AT LEAST TWENTY-ONE YEARS OF AGE;

5 (3) (a) A liquor-licensed drugstore licensee who complies with
6 this subsection (3) and rules promulgated pursuant ~~thereto~~ TO THIS
7 SUBSECTION (3) may deliver malt, vinous, and spirituous liquors to a
8 person of legal age if: ~~such~~

9 (I) THE person RECEIVING THE DELIVERY OF MALT, VINOUS, OR
10 SPIRITUOUS LIQUORS IS LOCATED at a place that is not licensed pursuant
11 to this section;

12 (II) THE DELIVERY IS MADE BY AN EMPLOYEE OF THE
13 LIQUOR-LICENSED DRUGSTORE WHO IS AT LEAST TWENTY-ONE YEARS OF
14 AGE AND WHO IS USING A VEHICLE OWNED OR LEASED BY THE LICENSEE TO
15 MAKE THE DELIVERY;

16 (III) THE PERSON MAKING THE DELIVERY VERIFIES, IN
17 ACCORDANCE WITH SECTION 12-47-901 (10), THAT THE PERSON RECEIVING
18 THE DELIVERY OF MALT, VINOUS, OR SPIRITUOUS LIQUORS IS AT LEAST
19 TWENTY-ONE YEARS OF AGE;

20 (IV) ONLY ALCOHOL BEVERAGES AND ITEMS RELATED TO THE
21 SERVICE OR CONSUMPTION OF ALCOHOL BEVERAGES ARE DELIVERED; AND

22 (V) THE LIQUOR-LICENSED DRUGSTORE DERIVES NO MORE THAN
23 FIFTY PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL SALES OF
24 MALT, VINOUS, AND SPIRITUOUS LIQUORS FROM THE SALE OF MALT,
25 VINOUS, AND SPIRITUOUS LIQUORS THAT THE LIQUOR-LICENSED
26 DRUGSTORE DELIVERS.

27 (b) The state licensing authority shall promulgate rules as ~~are~~

1 necessary for the proper delivery of malt, vinous, and spirituous liquors
2 and ~~shall have the authority~~ IS AUTHORIZED to issue a permit to any
3 liquor-licensed drugstore licensee that will allow ~~such~~ THE licensee to
4 deliver ~~such~~ THE liquors pursuant to ~~such~~ THE rules and this subsection
5 (3). ~~Such permits shall be~~ A PERMIT ISSUED UNDER THIS SUBSECTION (3)
6 IS subject to the same suspension and revocation provisions as are set
7 forth in sections 12-47-306 and 12-47-601 for other licenses granted
8 pursuant to this ~~article~~ ARTICLE 47.

9 (4) (b) An owner, part owner, shareholder, or person interested
10 directly or indirectly in a liquor-licensed drugstore may have an interest
11 in:

12 (IV) For a liquor-licensed drugstore licensed on or before January
13 1, 2016, OR A LIQUOR-LICENSED DRUGSTORE LICENSEE THAT WAS
14 LICENSED AS A LIQUOR-LICENSED DRUGSTORE ON FEBRUARY 21, 2016,
15 THAT CONVERTED ITS LICENSE TO A RETAIL LIQUOR STORE LICENSE AFTER
16 FEBRUARY 21, 2016, AND THAT APPLIED ON OR BEFORE MAY 1, 2017, TO
17 CONVERT ITS RETAIL LIQUOR STORE LICENSE BACK TO A LIQUOR-LICENSED
18 DRUGSTORE LICENSE, additional liquor-licensed drugstore licenses as
19 follows, but only if obtained in accordance with ~~paragraph (b) of~~
20 ~~subsection (1)~~ SUBSECTION (1)(b) of this section:

21 (V) FOR A LIQUOR-LICENSED DRUGSTORE THAT SUBMITTED AN
22 APPLICATION FOR A NEW LIQUOR-LICENSED DRUGSTORE LICENSE AFTER
23 JULY 1, 2016, ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES AS
24 FOLLOWS, BUT ONLY IF OBTAINED IN ACCORDANCE WITH SUBSECTION
25 (1)(b) OF THIS SECTION:

26 (A) ON OR AFTER JANUARY 1, 2019, AND BEFORE JANUARY 1,
27 2022, ONE ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSE, FOR A

1 MAXIMUM OF TWO TOTAL LIQUOR-LICENSED DRUGSTORE LICENSES;

2 (B) ON OR AFTER JANUARY 1, 2022, AND BEFORE JANUARY 1,
3 2027, UP TO TWO ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES,
4 FOR A MAXIMUM OF THREE TOTAL LIQUOR-LICENSED DRUGSTORE
5 LICENSES; AND

6 (C) ON OR AFTER JANUARY 1, 2027, UP TO THREE ADDITIONAL
7 LIQUOR-LICENSED DRUGSTORE LICENSES, FOR A MAXIMUM OF FOUR TOTAL
8 LIQUOR-LICENSED DRUGSTORE LICENSES.

9 (c) SUBSECTION (4)(b)(V) OF THIS SECTION DOES NOT APPLY TO A
10 LIQUOR-LICENSED DRUGSTORE LICENSEE THAT WAS LICENSED AS A
11 LIQUOR-LICENSED DRUGSTORE ON FEBRUARY 21, 2016, THAT CONVERTED
12 ITS LICENSE TO A RETAIL LIQUOR STORE LICENSE AFTER FEBRUARY 21,
13 2016, AND THAT APPLIED ON OR BEFORE MAY 1, 2017, TO CONVERT ITS
14 RETAIL LIQUOR STORE LICENSE BACK TO A LIQUOR-LICENSED DRUGSTORE
15 LICENSE.

16 (8) A PERSON LICENSED UNDER THIS SECTION THAT OBTAINS
17 ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES IN ACCORDANCE
18 WITH SUBSECTION (4)(b)(IV) OR (4)(b)(V) OF THIS SECTION MAY OPERATE
19 UNDER A SINGLE OR CONSOLIDATED CORPORATE ENTITY BUT SHALL NOT
20 COMMINGLE PURCHASES OF OR CREDIT EXTENSIONS FOR PURCHASES OF
21 MALT, VINOUS, OR SPIRITUOUS LIQUORS FROM A WHOLESALER LICENSED
22 UNDER THIS ARTICLE 47 FOR MORE THAN ONE LICENSED PREMISES. A
23 WHOLESALER LICENSED UNDER THIS ARTICLE 47 SHALL NOT BASE THE
24 PRICE FOR THE MALT, VINOUS, OR SPIRITUOUS LIQUORS IT SELLS TO A
25 LIQUOR-LICENSED DRUGSTORE LICENSED UNDER THIS SECTION ON THE
26 TOTAL VOLUME OF MALT, VINOUS, OR SPIRITUOUS LIQUORS THAT THE
27 LICENSEE PURCHASES FOR MULTIPLE LICENSED PREMISES.

1 **SECTION 10.** In Colorado Revised Statutes, 12-47-601, **add**
2 (7.5)(c) as follows:

3 **12-47-601. Suspension - revocation - fines.** (7.5) (c) (I) IF THE
4 LICENSING AUTHORITY HAS DECIDED TO IMPOSE A SUSPENSION FOR A
5 VIOLATION OF SECTION 12-47-901 (1)(a.5) OR (5)(a)(I) THAT OCCURS AT
6 A RETAIL ESTABLISHMENT LICENSED UNDER SECTION 12-46-107 (1) OR
7 THIS ARTICLE 47 AND, IN ACCORDANCE WITH SUBSECTION (3) OF THIS
8 SECTION, GRANTS A PETITION BY THE LICENSEE TO PAY A FINE IN LIEU OF
9 A LICENSE SUSPENSION, THE LICENSING AUTHORITY SHALL IMPOSE A FINE
10 OF ONE THOUSAND DOLLARS FOR THE FIRST OFFENSE, AND AN ADDITIONAL
11 ONE THOUSAND DOLLARS FOR EACH SUBSEQUENT OFFENSE, SUBJECT TO
12 SUBSECTION (7.5)(c)(II) OF THIS SECTION.

13 (II) WHEN IMPOSING A SUSPENSION OR FINE UNDER THIS
14 SUBSECTION (7.5)(c), THE LICENSING AUTHORITY SHALL NOT TAKE INTO
15 CONSIDERATION ANY VIOLATION OF SECTION 12-47-901 (1)(a.5) OR
16 (5)(a)(I) THAT OCCURRED MORE THAN FIVE YEARS BEFORE THE DATE ON
17 WHICH THE VIOLATION FOR WHICH THE SUSPENSION OR FINE IS BEING
18 IMPOSED OCCURRED.

19 **SECTION 11.** In Colorado Revised Statutes, 12-47-901, **amend**
20 (1) introductory portion, (1)(f), (1)(h)(I), (1)(h)(II), (5)(c), (5)(k),
21 (5)(p)(II), (5)(p)(III), (9)(b), and (10) as follows:

22 **12-47-901. Unlawful acts - exceptions - definitions.** (1) Except
23 as provided in section 18-13-122, ~~C.R.S.~~, it is unlawful for any person:

24 (f) To sell at retail any malt, vinous, or spirituous liquors in sealed
25 containers without holding a retail liquor store or liquor-licensed
26 drugstore license, except as permitted by section 12-47-301 (6)(b) or any
27 other provision of this ~~article~~ ARTICLE 47, OR TO SELL AT RETAIL ANY

1 FERMENTED MALT BEVERAGES IN SEALED CONTAINERS WITHOUT HOLDING
2 A FERMENTED MALT BEVERAGE RETAILER'S LICENSE UNDER SECTIONS
3 12-46-104 (1)(c) AND 12-46-107 (1)(a);

4 (h) (I) To consume ~~malt, vinous, or spirituous liquor~~ ALCOHOL
5 BEVERAGES:

6 (A) In any public place, except: On any licensed premises
7 permitted under this ~~article~~ ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12
8 to sell ~~such liquor~~ ALCOHOL BEVERAGES by the drink for consumption
9 ~~thereon; to consume any alcohol beverage~~ ON THE LICENSED PREMISES; AS
10 AUTHORIZED BY THE LOCAL LICENSING AUTHORITY OF A CITY AND
11 COUNTY, BY RULE OR REGULATION, THE GOVERNING BODY OF A
12 MUNICIPALITY, BY ORDINANCE, OR THE GOVERNING BODY OF A COUNTY,
13 BY RESOLUTION; OR AS AUTHORIZED BY THE PARKS AND WILDLIFE
14 COMMISSION CREATED IN ARTICLE 9 OF TITLE 33 IN STATE PARKS, STATE
15 WILDLIFE AREAS, OR OTHER PROPERTIES OPEN TO RECREATION THAT ARE
16 UNDER THE SUPERVISION OF THE PARKS AND WILDLIFE COMMISSION;

17 (B) Upon any premises licensed to sell ~~liquor~~ ALCOHOL
18 BEVERAGES for consumption on the licensed premises, the sale of which
19 is not authorized by the state licensing authority; ~~to consume alcohol~~
20 ~~beverages~~

21 (C) At any time on such premises other than ~~such~~ alcohol
22 ~~beverage as is~~ BEVERAGES purchased from ~~such~~ THE establishment; or ~~to~~
23 ~~consume alcohol beverages~~

24 (D) In any public room on ~~such~~ THE LICENSED premises during
25 ~~such~~ hours ~~as~~ DURING WHICH the sale of ~~such~~ THE ALCOHOL beverage is
26 prohibited under this ~~article~~ ARTICLE 47.

27 (II) Notwithstanding ~~subparagraph (I) of this paragraph (h), it is~~

1 ~~not unlawful for~~ SUBSECTION (1)(h)(I) OF THIS SECTION, a person who is
2 at least twenty-one years of age ~~to~~ MAY consume ~~malt, vinous, or~~
3 ~~spirituous liquors~~ ALCOHOL BEVERAGES while the person is a passenger
4 aboard a luxury limousine or a charter bus, as those terms are defined in
5 section 40-10.1-301. ~~C.R.S.~~ Nothing in this ~~subparagraph (H)~~
6 SUBSECTION (1)(h)(II) authorizes an owner or operator of a luxury
7 limousine or charter bus to sell or distribute alcohol beverages without
8 obtaining a public transportation system license pursuant to section
9 12-47-419.

10 (5) It is unlawful for any person licensed to sell at retail pursuant
11 to this article 47 or article 46 of this title 12:

12 (c) ~~Except as provided in section 18-13-122, C.R.S.,~~ To sell
13 fermented malt beverages:

14 (I) To any person under the age of twenty-one years, ~~or~~ EXCEPT AS
15 PROVIDED IN SECTION 18-13-122;

16 (II) To any person between the hours of 12 midnight and 8 a.m.;
17 OR

18 (III) IN A SEALED CONTAINER ON CHRISTMAS DAY;

19 (k) (I) EXCEPT AS PROVIDED IN SUBSECTIONS (5)(k)(II), (5)(k)(IV),
20 AND (5)(k)(V) OF THIS SECTION, to have on the licensed premises, if
21 licensed as a retail liquor store, ~~or~~ liquor-licensed drugstore, OR
22 FERMENTED MALT BEVERAGE RETAILER, any container that shows
23 evidence of having once been opened or that contains a volume of liquor
24 less than that specified on the label of ~~such~~ THE container; ~~except that~~

25 (II) (A) A person holding a retail liquor store or liquor-licensed
26 drugstore license UNDER THIS ARTICLE 47 may have upon the licensed
27 premises malt, vinous, or spirituous liquors in open containers when the

1 open containers were brought on the licensed premises by and remain
2 solely in the possession of the sales personnel of a person licensed to sell
3 at wholesale pursuant to this ~~article~~ ARTICLE 47 for the purpose of
4 sampling malt, vinous, or spirituous liquors by the retail LIQUOR STORE OR
5 LIQUOR-LICENSED DRUGSTORE licensee only.

6 (B) A PERSON HOLDING A FERMENTED MALT BEVERAGE RETAILER'S
7 LICENSE UNDER SECTION 12-46-107 (1)(a) MAY HAVE UPON THE LICENSED
8 PREMISES FERMENTED MALT BEVERAGES IN OPEN CONTAINERS WHEN THE
9 OPEN CONTAINERS WERE BROUGHT ONTO THE LICENSED PREMISES BY AND
10 REMAIN SOLELY IN THE POSSESSION OF THE SALES PERSONNEL OF A PERSON
11 LICENSED TO SELL AT WHOLESALE PURSUANT TO ARTICLE 46 OF THIS TITLE
12 12 FOR THE PURPOSE OF SAMPLING FERMENTED MALT BEVERAGES BY THE
13 FERMENTED MALT BEVERAGE RETAILER LICENSEE ONLY.

14 (III) Nothing in this ~~paragraph (k)~~ shall apply SUBSECTION (5)(k)
15 APPLIES to any liquor-licensed drugstore where the contents, or a portion
16 ~~thereof~~ OF THE CONTENTS, have been used in compounding prescriptions.

17 ~~(H)~~ (IV) Notwithstanding subparagraph (I) of this paragraph (k),
18 It ~~shall~~ IS not ~~be~~ unlawful for a retail liquor store or liquor-licensed
19 drugstore licensee to allow tastings to be conducted on ~~his or her~~ THE
20 licensed premises if authorization for the tastings has been granted
21 pursuant to section 12-47-301.

22 (V) A PERSON HOLDING A RETAIL LIQUOR STORE OR
23 LIQUOR-LICENSED DRUGSTORE LICENSE UNDER THIS ARTICLE 47 OR A
24 FERMENTED MALT BEVERAGE RETAILER'S LICENSE UNDER SECTION
25 12-46-107 (1)(a) MAY HAVE UPON THE LICENSED PREMISES AN OPEN
26 CONTAINER OF AN ALCOHOL BEVERAGE PRODUCT THAT HAS BEEN
27 RETURNED BY A CUSTOMER OR THAT THE LICENSEE DISCOVERS TO BE

1 DAMAGED OR DEFECTIVE SO LONG AS THE LICENSEE MARKS THE PRODUCT
2 AS DAMAGED OR FOR RETURN AND STORES THE OPEN CONTAINER OUTSIDE
3 THE SALES AREA OF THE LICENSED PREMISES UNTIL THE LICENSEE IS ABLE
4 TO RETURN THE PRODUCT TO THE WHOLESALER FROM WHOM THE PRODUCT
5 WAS PURCHASED.

6 (p) (II) If licensed as a tavern under section 12-47-412 that does
7 not regularly serve meals, a lodging and entertainment facility under
8 section 12-47-426 that does not regularly serve meals, a retail liquor store
9 under section 12-47-407, ~~or~~ a liquor-licensed drugstore under section
10 12-47-408, OR A FERMENTED MALT BEVERAGE RETAILER UNDER SECTION
11 12-46-107 (1)(a) to permit an employee who is under twenty-one years of
12 age to sell malt, vinous, or spirituous liquors OR FERMENTED MALT
13 BEVERAGES; or

14 (III) If licensed as a retail liquor store under section 12-47-407, ~~or~~
15 a liquor-licensed drugstore under section 12-47-408, OR A FERMENTED
16 MALT BEVERAGE RETAILER UNDER SECTION 12-46-107 (1)(a), to permit an
17 employee who is under twenty-one years of age to deliver or otherwise
18 have any contact with malt, vinous, or spirituous liquors OR FERMENTED
19 MALT BEVERAGES offered for sale on, or sold and removed from, the
20 licensed premises of the retail liquor store, ~~or~~ liquor-licensed drugstore,
21 OR FERMENTED MALT BEVERAGE RETAILER.

22 (9) (b) This subsection (9) applies to persons licensed or permitted
23 to sell or serve alcohol beverages for consumption on the licensed
24 premises pursuant to section **12-46-107 (1)(b)**, 12-47-403, 12-47-409,
25 12-47-410, 12-47-411, 12-47-412, 12-47-413, 12-47-414, 12-47-415,
26 12-47-416, 12-47-417, 12-47-418, 12-47-419, 12-47-420, 12-47-422,
27 12-47-424, or 12-47-426.

1 (10) (a) Except as provided in ~~paragraph (b) of this subsection~~
2 ~~(10), it is unlawful for~~ SUBSECTION (10)(b) OF THIS SECTION, a retail
3 licensee or an employee of a retail licensee ~~to~~ SHALL NOT sell malt,
4 vinous, or spirituous liquors OR FERMENTED MALT BEVERAGES to a
5 consumer for consumption off the licensed premises unless the retail
6 licensee or employee verifies that the consumer is at least twenty-one
7 years of age by requiring the consumer to present a valid identification,
8 as determined by the state licensing authority by rule. The retail licensee
9 or employee shall make a determination from the information presented
10 whether the purchaser is at least twenty-one years of age.

11 (b) It is not unlawful for a retail licensee or employee of a retail
12 licensee to sell malt, vinous, or spirituous liquors OR FERMENTED MALT
13 BEVERAGES to a consumer who is or reasonably appears to be over fifty
14 years of age and who failed to present an acceptable form of
15 identification.

16 (c) As used in this subsection (10), "retail licensee" means a
17 person licensed under section ~~12-46-104 (1)(c)~~ *12-46-107 (1)(a)*,
18 12-47-407, or 12-47-408.

19 **SECTION 12. Effective date.** (1) Except as provided in
20 subsections (2) and (3) of this section, this act takes effect upon passage.

21 (2) Section 3 of this act; section 12-46-107 (3), (4), and (5), as
22 enacted in section 4 of this act; section 12-47-407 (2) and (3), as amended
23 in section 8 of this act; section 12-47-408 (3), as amended in section 9 of
24 this act; section 12-47-408 (8), as enacted in section 9 of this act; and
25 section 11 of this act take effect January 1, 2019.

26 (3) Section 12-47-301 (8), as amended in section 5 of this act,
27 takes effect July 1, 2019.

1 **SECTION 13. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.