

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0832.01 Jery Payne x2157

SENATE BILL 20-086

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SENATE SPONSORSHIP

Williams A. and Holbert,

HOUSE SPONSORSHIP

(None),

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Senate Committees

Business, Labor, & Technology

House Committees

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A BILL FOR AN ACT

101      **CONCERNING REQUIREMENTS ASSOCIATED WITH THE EXPIRATION OF**  
102           **LEGAL AUTHORITY TO SELL ALCOHOL BEVERAGES, AND, IN**  
103           **CONNECTION THEREWITH, AUTHORIZING THE EXECUTIVE**  
104           **DIRECTOR OF THE DEPARTMENT OF REVENUE TO NOTIFY**  
105           **ALCOHOL BEVERAGE LICENSEES OF AN EXPIRING LICENSE BY**  
106           **ANY REASONABLE MEANS AS DETERMINED BY RULE AND TO**  
107           **ESTABLISH A FEE FOR RENEWAL APPLICATIONS FOR LICENSE OR**  
108           **PERMIT RENEWALS FOR ALCOHOL BEVERAGES AND FERMENTED**  
109           **MALT BEVERAGES.**

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**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*

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.

*applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

Current law requires the executive director of the department of revenue to notify by first-class mail an alcohol beverage licensee of the license expiration date. The bill authorizes the executive director to use any reasonable method to notify licensees, but the executive director must promulgate rules governing the notice.

The bill also authorizes the executive director to set and collect a fee for applications for license or permit renewals for both alcohol beverages and fermented malt beverages.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-3-302, **amend** (1)  
3 as follows:

4 **44-3-302. License renewal - rules.** (1) (a) Ninety days ~~prior to~~  
5 BEFORE the expiration date of an existing license, the state licensing  
6 authority shall notify the licensee of the expiration date by ~~first class mail~~  
7 ~~at the business' last-known address~~ ANY METHOD REASONABLY LIKELY TO  
8 ACTUALLY NOTIFY THE LICENSEE. THE STATE LICENSING AUTHORITY  
9 SHALL PROMULGATE RULES SETTING THE PROCEDURE TO NOTIFY A  
10 LICENSEE IN ACCORDANCE WITH THIS SUBSECTION (1)(a).

11 (b) ~~Application~~ For the renewal of an existing license, ~~shall be~~  
12 ~~made~~ THE LICENSEE MUST APPLY to the local licensing authority not less  
13 than forty-five days and to the state licensing authority not less than thirty  
14 days ~~prior to~~ BEFORE the date of expiration. ~~No~~ THE LOCAL LICENSING  
15 AUTHORITY SHALL NOT ACCEPT AN application for renewal of a license  
16 ~~shall be accepted by the local licensing authority~~ after the date of  
17 expiration, except as provided in subsection (2) of this section. ~~but~~ Filing  
18 with the local licensing authority ~~shall be~~ IS deemed filing with the state  
19 ~~and~~ LICENSING AUTHORITY. THE STATE LICENSING AUTHORITY SHALL

1 PROCESS all ~~renewals~~ RENEWAL APPLICATIONS THAT ARE filed with the  
2 local licensing authorities ~~prior to~~ BEFORE THE expiration DATE and  
3 subsequently approved ~~shall be processed by the state licensing authority,~~  
4 and SHALL EXTEND the expiration date ~~is extended~~ until the state license  
5 ~~is processed~~ APPLICATION PROCESS IS COMPLETED. The state or the local  
6 licensing authority, for good cause, may waive the forty-five- or  
7 thirty-day time requirements set forth in this ~~subsection (1)~~ SUBSECTION  
8 (1)(b).

9 (c) The local licensing authority may ~~cause~~ HOLD a hearing on the  
10 application for renewal, ~~to be held. No renewal hearing provided for by~~  
11 ~~this subsection (1) shall be held by the local licensing authority~~ BUT NOT  
12 until a notice of hearing has been conspicuously posted on the licensed  
13 premises for a ~~period of~~ ten days and notice of the hearing has been  
14 provided the applicant at least ten days ~~prior to~~ BEFORE the hearing. The  
15 licensing authority may refuse to renew any license for good cause,  
16 subject to judicial review. ~~Any~~ THE STATE LICENSING AUTHORITY SHALL  
17 HOLD ANY renewal hearing ~~held by the state licensing authority shall be~~  
18 ~~pursuant to~~ IN ACCORDANCE WITH section 44-3-305 (2).

19 **SECTION 2.** In Colorado Revised Statutes, 44-3-501, **amend**  
20 (3)(a)(XVII); and **add** (3)(a)(XVIII) as follows:

21 **44-3-501. State fees.** (3) (a) The state licensing authority shall  
22 establish fees for processing the following types of applications, notices,  
23 or reports required to be submitted to the state licensing authority:

24 (XVII) Applications for manager's permits pursuant to section  
25 44-3-427; AND

26 (XVIII) APPLICATIONS FOR THE RENEWAL OF A LICENSE OR PERMIT  
27 ISSUED IN ACCORDANCE WITH THIS ARTICLE 3.

1           **SECTION 3.** In Colorado Revised Statutes, 44-4-105, **amend**  
2 (1)(a) as follows:

3           **44-4-105. Fees and taxes - allocation.** (1) (a) (I) The state  
4 licensing authority shall establish fees for processing the following types  
5 of applications, notices, or reports required to be submitted to the state  
6 licensing authority:

7           (A) Applications for new fermented malt beverage licenses  
8 pursuant to section 44-3-301 and rules thereunder;

9           (B) Applications for change of location pursuant to section  
10 44-3-301 and rules thereunder;

11           (C) Applications for changing, altering, or modifying licensed  
12 premises pursuant to section 44-3-301 and rules thereunder;

13           (D) Applications for duplicate licenses; ~~and~~

14           (E) Notices of change of name or trade name pursuant to section  
15 44-3-301 and rules thereunder; AND

16           (F) APPLICATIONS FOR THE RENEWAL OF A LICENSE OR PERMIT  
17 ISSUED IN ACCORDANCE WITH THIS ARTICLE 4.

18           ~~(II) The amounts of such fees,~~ When added to the other fees and  
19 taxes transferred to the liquor enforcement division and state licensing  
20 authority cash fund pursuant to UNDER subsection (2) of this section and  
21 section 44-3-502 (1), THE STATE LICENSING AUTHORITY shall SET THE  
22 AMOUNTS OF THE FEES IMPOSED UNDER THIS SUBSECTION (1)(a) TO reflect  
23 the direct and indirect costs of the liquor enforcement division and the  
24 state licensing authority in the administration and enforcement of this  
25 article 4 and articles 3 and 5 of this title 44. At least annually, the amounts  
26 of the fees shall be reviewed and, if necessary, adjusted to reflect ~~such~~  
27 THESE direct and indirect costs.

1           **SECTION 4. Act subject to petition - effective date -**  
2           **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
3           the expiration of the ninety-day period after final adjournment of the  
4           general assembly (August 5, 2020, if adjournment sine die is on May 6,  
5           2020); except that, if a referendum petition is filed pursuant to section 1  
6           (3) of article V of the state constitution against this act or an item, section,  
7           or part of this act within such period, then the act, item, section, or part  
8           will not take effect unless approved by the people at the general election  
9           to be held in November 2020 and, in such case, will take effect on the  
10          date of the official declaration of the vote thereon by the governor.  
11          (2) This act applies to notices provided and license and permit  
12          renewal applications submitted on or after the applicable effective date  
13          of this act.