# First Regular Session Seventy-third General Assembly STATE OF COLORADO

## **ENGROSSED**

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 21-0078.01 Jery Payne x2157

**HOUSE BILL 21-1027** 

### **HOUSE SPONSORSHIP**

Larson and Roberts,

## SENATE SPONSORSHIP

Bridges and Priola,

### **House Committees**

#### **Senate Committees**

Business Affairs & Labor Finance Appropriations

	A BILL FOR AN ACT
101	CONCERNING THE AUTHORIZATION FOR CERTAIN ALCOHOL LICENSE
102	HOLDERS TO OFFER ALCOHOL BEVERAGES FOR CONSUMPTION
103	OFF THE LICENSED PREMISES, AND, IN CONNECTION THEREWITH,
104	MAKING AN APPROPRIATION.

## **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

Colorado law authorizes certain license holders, who normally offer alcohol beverages for consumption on the licensed premises, to offer takeout and delivery of alcohol beverages. This authorization repeals on July 1, 2021. The bill removes the repeal to continue the authorization indefinitely.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, 44-3-911, amend
3	(2)(b)(III), (6)(a), and (7) as follows:
4	44-3-911. Takeout and delivery of alcohol beverages - permit
5	- on-premises consumption licenses - requirements and limitations -
6	rules - definition - repeal. (2) To sell and deliver an alcohol beverage
7	or to allow a customer to remove an alcohol beverage from the licensed
8	premises as either is authorized under subsection (1) of this section, the
9	licensee must:
10	(b) Sell or deliver:
11	(III) No more than the following amounts of alcohol beverages
12	per delivery or takeout order unless the governor has declared a disaster
13	emergency under part 7 of article 33.5 of title 24:
14	(A) Seven hundred fifty ONE THOUSAND FIVE HUNDRED milliliters,
15	approximately 26.4 50.8 fluid ounces, of spirituous liquors and vinous
16	liquors; and
17	(B) Seventy-two ONE HUNDRED FORTY-FOUR fluid ounces,
18	approximately two thousand forty-six FOUR THOUSAND TWO HUNDRED
19	FIFTY-NINE milliliters, of malt liquors, fermented malt beverages, and
20	hard cider; AND
21	(C) ONE LITER, APPROXIMATELY 33.8 FLUID OUNCES, OF
22	SPIRITUOUS LIQUORS.
23	(6) (a) (I) As used in this section, "licensee" means a person
24	issued a license under This section authorizes a license holder that
25	IS ISSUED A LICENSE UNDER ONE OF THE FOLLOWING SECTIONS TO SELL AN

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1	ALCOHOL BEVERAGE TO A CUSTOMER FOR CONSUMPTION OFF OF THE
2	LICENSED PREMISES: Section 44-3-402 that operates a sales room or
3	section 44-3-407 that operates a sales room or section 44-3-411
4	44-3-413, 44-3-414, 44-3-417, 44-3-418, 44-3-422, 44-3-426, 44-3-428
5	44-4-104 (1)(c)(I)(A), or 44-4-104 (1)(c)(III).
6	(II) THIS SECTION AUTHORIZES A LICENSE HOLDER THAT IS ISSUED
7	A LICENSE UNDER ONE OF THE FOLLOWING SECTIONS TO DELIVER AN
8	ALCOHOL BEVERAGE TO A CUSTOMER FOR CONSUMPTION OFF OF THE
9	LICENSED PREMISES: SECTION 44-3-411, 44-3-412, 44-3-413, 44-3-414
10	44-3-415, 44-3-416, 44-3-417, 44-3-418, 44-3-419, 44-3-420, 44-3-421
11	44-3-422, 44-3-426, OR 44-3-428.
12	(III) THIS SECTION AUTHORIZES A LICENSE HOLDER THAT IS ISSUED
13	A LICENSE UNDER SECTION 44-3-402 AND THAT OPERATES A SALES ROOM
14	OR SECTION 44-3-407 AND THAT OPERATES A SALES ROOM TO DELIVER AN
15	ALCOHOL BEVERAGE TO A CUSTOMER FOR CONSUMPTION OFF OF THE
16	LICENSED PREMISES. THIS SUBSECTION (6)(a)(III) IS REPEALED, EFFECTIVE
17	JANUARY 2, 2022.
18	(7) This section is repealed, effective July 1, <del>2021</del> 2026.
19	SECTION 2. In Colorado Revised Statutes, 44-3-103, add (11.5)
20	as follows:
21	<b>44-3-103. Definitions.</b> As used in this article 3 and article 4 or
22	this title 44, unless the context otherwise requires:
23	(11.5) "COMMUNAL OUTDOOR DINING AREA" MEANS AN OUTDOOR
24	SPACE THAT IS USED FOR FOOD AND ALCOHOL BEVERAGE SERVICE BY TWO
25	OR MORE LICENSEES LICENSED UNDER THIS ARTICLE 3 OR ARTICLE 4 OF
26	THIS TITLE 44 AS A:
27	(a) TAVERN;

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1	(b) HOTEL AND RESTAURANT;
2	(c) Brew Pub;
3	(d) DISTILLERY PUB;
4	(e) VINTNER'S RESTAURANT;
5	(f) BEER AND WINE LICENSEE;
6	(g) MANUFACTURER THAT OPERATES A SALES ROOM AUTHORIZED
7	UNDER SECTION 44-3-402 (2) OR (7);
8	(h) BEER WHOLESALER THAT OPERATES A SALES ROOM UNDER
9	SECTION $44-3-407(1)(b)(I)$ ;
10	(i) LIMITED WINERY;
11	(j) LODGING AND ENTERTAINMENT FACILITY;
12	(k) OPTIONAL PREMISES; OR
13	(1) FERMENTED MALT BEVERAGE RETAILER LICENSED FOR
14	CONSUMPTION ON THE PREMISES.
15	SECTION 3. In Colorado Revised Statutes, add 44-3-912 as
16	follows:
17	44-3-912. Communal outdoor dining areas - permit required
18	- rules. (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE
19	3 OR ARTICLE 4 OF THIS TITLE 44 AND SUBJECT TO THE APPROVAL OF THE
20	STATE AND LOCAL LICENSING AUTHORITIES, A COMMUNAL OUTDOOR
21	DINING AREA MAY BE SHARED BY TWO OR MORE PERSONS LICENSED FOR
22	ON-PREMISES CONSUMPTION, INCLUDING AN APPROVED SALES ROOM,
23	UNDER THIS ARTICLE 3 OR ARTICLE 4 OF THIS TITLE 44.
24	(2) A LICENSEE SHALL NOT SELL OR SERVE ALCOHOL BEVERAGES
25	IN A COMMUNAL OUTDOOR DINING AREA UNLESS:
26	(a) THE LICENSEE OBTAINS A PERMIT FROM THE STATE LICENSING
27	AUTHORITY AND PAYS THE PERMITTING FEE ESTABLISHED BY RULE; AND

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1	(b) THE STATE AND LOCAL LICENSING AUTHORITIES HAVE FIRST
2	APPROVED:
3	(I) ATTACHING THE LICENSE TO THE COMMUNAL OUTDOOR DINING
4	AREA; AND
5	(II) A MODIFICATION OF THE LICENSED PREMISES OF EACH
6	ATTACHED LICENSEE TO INCLUDE THE COMMUNAL OUTDOOR DINING AREA.
7	(3) This section does not apply to a special event permit
8	ISSUED UNDER ARTICLE $\overline{5}$ OF THIS TITLE $\overline{44}$ OR THE HOLDER OF THE PERMIT
9	UNLESS THE PERMIT HOLDER HOLDS A SPECIAL EVENT AT AN EXISTING
10	COMMUNAL OUTDOOR DINING AREA AND AGREES IN WRITING TO THE
11	REQUIREMENTS OF THIS ARTICLE 3 FOR AND THE LOCAL LICENSING
12	AUTHORITY FOR THE COMMUNAL OUTDOOR DINING AREA.
13	(4) TO BE APPROVED, A COMMUNAL OUTDOOR DINING AREA MUST
14	BE WITHIN ONE THOUSAND FEET OF THE PERMANENT LICENSED PREMISES
15	OF EACH OF THE LICENSES ATTACHED TO THE COMMUNAL OUTDOOR
16	DINING AREA. THIS DISTANCE MUST BE COMPUTED BY DIRECT
17	MEASUREMENT, USING A ROUTE OF DIRECT PEDESTRIAN ACCESS, FROM THE
18	NEAREST PROPERTY LINE OF THE LAND USED FOR THE COMMUNAL
19	OUTDOOR DINING AREA TO THE NEAREST PORTION OF THE BUILDING
20	WHERE THE PERMANENT LICENSED PREMISES IS LOCATED.
21	(5) If a violation of this article 3 or article 4 of this title
22	44 OCCURS WITHIN A COMMUNAL OUTDOOR DINING AREA AND THE
23	LICENSEE RESPONSIBLE FOR THE VIOLATION CAN BE IDENTIFIED, THAT
24	LICENSEE IS SUBJECT TO DISCIPLINE AS SET FORTH IN SECTION 44-3-601. IF
25	THE LICENSEE RESPONSIBLE FOR THE VIOLATION CANNOT BE IDENTIFIED,
26	EACH ATTACHED LICENSEE IS DEEMED JOINTLY RESPONSIBLE AND SUBJECT
27	TO DISCIPLINE FOR THE VIOLATION.

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1	(6) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES
2	GOVERNING COMMUNAL OUTDOOR DINING AREAS, INCLUDING RULES
3	GOVERNING:
4	(a) APPLICATIONS;
5	(b) Modification of the licensed premises to include a
6	COMMUNAL OUTDOOR DINING AREA;
7	(c) SUPERVISION AND CONTROL OF THE COMMUNAL OUTDOOR
8	DINING AREA BY THE ATTACHED LICENSEES;
9	(d) SUBMISSION TO AND APPROVAL OF SECURITY AND CONTROL
10	PLANS BY THE STATE AND LOCAL LICENSING AUTHORITIES;
11	(e) REMOVAL OF ALCOHOL BEVERAGES FROM THE COMMUNAL
12	OUTDOOR DINING AREA;
13	(f) SPECIAL EVENTS HELD WITHIN A COMMUNAL OUTDOOR DINING
14	AREA; AND
15	(g) Insurance requirements.
16	SECTION 4. In Colorado Revised Statutes, 44-3-501, amend
17	$(3)(a)(XVII)$ and $(3)(a)(XVIII)$ ; and $\overline{add}(3)(a)(XIX)$ as follows:
18	44-3-501. State fees - rules - one-time fee waiver - repeal.
19	(3) (a) The state licensing authority shall establish fees for processing the
20	following types of applications, notices, or reports required to be
21	submitted to the state licensing authority:
22	(XVII) Applications for manager's permits pursuant to section
23	44-3-427; <del>and</del>
24	(XVIII) Applications for the renewal of a license or permit issued
25	in accordance with this article 3; AND
26	(XIX) APPLICATIONS FOR A PERMIT FOR OR ATTACHMENT TO A
27	COMMUNAL OUTDOOR DINING AREA OR FOR MODIFICATION OF A LICENSED

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1	PREMISES TO INCLUDE A COMMUNAL OUTDOOR DINING AREA.
2	SECTION 5. In Colorado Revised Statutes, 44-3-505, add (6) as
3	follows:
4	44-3-505. Local license fees. (6) THE LOCAL LICENSING
5	AUTHORITY MAY CHARGE A FEE TO APPROVE THE ATTACHMENT TO A
6	COMMUNAL OUTDOOR DINING AREA OR FOR MODIFICATION OF A LICENSED
7	PREMISES TO INCLUDE A COMMUNAL OUTDOOR DINING AREA. THE LOCAL
8	LICENSING AUTHORITY SHALL SET THE FEE IN AN AMOUNT TO COVER THE
9	DIRECT AND INDIRECT COSTS OF ADMINISTERING THE APPROVAL.
10	<b>SECTION 6.</b> Appropriation. (1) For the 2021-22 state fiscal
11	year, \$63,274 is appropriated to the department of revenue for use by the
12	liquor and tobacco enforcement division. This appropriation is from the
13	liquor enforcement division and state licensing authority cash fund
14	created in section 44-6-101, C.R.S. To implement this act, the department
15	may use this appropriation as follows:
16	(a) \$41,294 for personal services, which amount is based on an
17	assumption that the division will require an additional 0.8 FTE; and
18	(b) \$21,980 for operating expenses.
19	<b>SECTION 7. Safety clause.</b> The general assembly hereby finds
20	determines, and declares that this act is necessary for the immediate
21	preservation of the public peace, health, or safety.

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