

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

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
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE RETAIL SALE OF ALCOHOL BEVERAGES, AND, IN**
102 **CONNECTION THEREWITH, 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 <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

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.*

SENATE
3rd Reading Unamended
May 1, 2018

SENATE
Amended 2nd Reading
April 30, 2018

than 3.2% alcohol by weight or 4% alcohol by volume, referred to as "malt liquor".

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

1 drugstore license for a single location;

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

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

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

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

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

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

1 **SECTION 2.** In Colorado Revised Statutes, 12-46-104, **amend**
2 (1) introductory portion and (1)(c) as follows:

3 **12-46-104. Licenses - state license fees - requirements - repeal.**

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

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

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

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

5 (B) THIS SUBSECTION (1)(c)(II) IS REPEALED, EFFECTIVE JULY 1,
6 2019.

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

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

26 **SECTION 4.** In Colorado Revised Statutes, 12-46-107, **amend**
27 (1)(c); and **add** (3), (4), (5), and (6) as follows:

1 **12-46-107. Local licensing authority - application - fees -**
2 **definition - rules - repeal.** (1) The local licensing authority shall issue

3 only the following classes of fermented malt beverage licenses:

4 (c) (I) Sales for consumption both on and off the premises of the
5 licensee; ~~A person licensed pursuant to this paragraph (c) may deliver at~~
6 ~~retail fermented malt beverages in factory-sealed containers in~~
7 ~~conjunction with the delivery of food products if such person has~~
8 ~~obtained a permit for the delivery of fermented malt beverages from the~~
9 ~~state licensing authority. The state licensing authority shall promulgate~~
10 ~~rules as are necessary for the proper delivery of fermented malt beverages~~
11 ~~pursuant to this paragraph (c) and shall have the authority to issue a~~
12 ~~permit to any person who is licensed pursuant to and delivers fermented~~

13 ~~malt beverages under this paragraph (c) EXCEPT THAT ON OR AFTER THE~~
14 ~~EFFECTIVE DATE OF THIS SUBSECTION (1)(c), AS AMENDED, A LOCAL~~
15 ~~LICENSING AUTHORITY SHALL NOT ISSUE A NEW FERMENTED MALT~~
16 ~~BEVERAGE LICENSE OR RENEW AN EXISTING FERMENTED MALT BEVERAGE~~
17 ~~LICENSE FOR THE SALE OF FERMENTED MALT BEVERAGES FOR~~
18 ~~CONSUMPTION ON AND OFF THE LICENSED PREMISES. ANY LICENSEE~~
19 ~~HOLDING A FERMENTED MALT BEVERAGE LICENSE ISSUED UNDER THIS~~
20 ~~SUBSECTION (1)(c) PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION~~
21 ~~(1)(c), AS AMENDED, THAT APPLIES TO RENEW THE LICENSE ON OR AFTER~~
22 ~~THE EFFECTIVE DATE OF THIS SUBSECTION (1)(c), AS AMENDED, MUST~~
23 ~~SIMULTANEOUSLY APPLY TO CONVERT THE LICENSE EITHER TO A LICENSE~~
24 ~~FOR THE SALE OF FERMENTED MALT BEVERAGES FOR CONSUMPTION OFF~~
25 ~~THE LICENSED PREMISES AS SPECIFIED IN SUBSECTION (1)(a) OF THIS~~
26 ~~SECTION OR TO A LICENSE FOR THE SALE OF FERMENTED MALT BEVERAGES~~
27 ~~FOR CONSUMPTION ON THE LICENSED PREMISES AS SPECIFIED IN~~

1 SUBSECTION (1)(b) OF THIS SECTION.

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

3 (3) (a) IN ADDITION TO ANY OTHER REQUIREMENTS SPECIFIED IN
4 THIS ARTICLE 46 OR ARTICLE 47 OF THIS TITLE 12, TO QUALIFY FOR A NEW
5 LICENSE OR TO RENEW A LICENSE UNDER SUBSECTION (1)(a) OF THIS
6 SECTION ON OR AFTER JANUARY 1, 2019, A PERSON MUST DERIVE AT
7 LEAST TWENTY PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL
8 SALES FROM THE SALE OF FOOD ITEMS FOR CONSUMPTION OFF THE
9 PREMISES.

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11 (b) FOR PURPOSES OF CALCULATING GROSS ANNUAL REVENUES
12 FROM TOTAL SALES, REVENUES DERIVED FROM THE SALE OF THE
13 FOLLOWING PRODUCTS ARE EXCLUDED:

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

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

17 (III) LOTTERY PRODUCTS.

18 (c) THE STATE LICENSING AUTHORITY MAY ADOPT RULES
19 SPECIFYING THE FORM AND MANNER IN WHICH AN APPLICANT FOR A NEW
20 OR RENEWAL LICENSE MAY DEMONSTRATE COMPLIANCE WITH THIS
21 SUBSECTION (3).

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

26 (4) ON OR AFTER JANUARY 1, 2019, A FERMENTED MALT
27 BEVERAGE RETAILER LICENSED UNDER SUBSECTION (1)(a) OF THIS

1 SECTION:

2 (a) (I) SHALL NOT SELL FERMENTED MALT BEVERAGES TO
3 CONSUMERS AT A PRICE THAT IS BELOW THE RETAILER'S COST, AS LISTED
4 ON THE INVOICE, TO PURCHASE THE FERMENTED MALT BEVERAGES,
5 UNLESS THE SALE IS OF DISCONTINUED OR CLOSE-OUT FERMENTED MALT
6 BEVERAGES.

7 (II) THIS SUBSECTION (4)(a) DOES NOT PROHIBIT A FERMENTED
8 MALT BEVERAGE RETAILER FROM OPERATING A BONA FIDE LOYALTY OR
9 REWARDS PROGRAM FOR FERMENTED MALT BEVERAGES SO LONG AS THE
10 PRICE FOR THE PRODUCT IS NOT BELOW THE RETAILER'S COSTS AS LISTED
11 ON THE INVOICE. THE STATE LICENSING AUTHORITY MAY ADOPT RULES TO
12 IMPLEMENT THIS SUBSECTION (4)(a).

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

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

1 FERMENTED MALT BEVERAGES IT SELLS TO A FERMENTED MALT BEVERAGE
2 RETAILER LICENSED UNDER SUBSECTION (1)(a) OF THIS SECTION ON THE
3 TOTAL VOLUME OF FERMENTED MALT BEVERAGES THAT THE RETAILER
4 PURCHASES FOR MULTIPLE LICENSED PREMISES.

5 (6) (a) A PERSON LICENSED UNDER SUBSECTION (1)(a) OF THIS
6 SECTION WHO COMPLIES WITH THIS SUBSECTION (6) AND RULES
7 PROMULGATED UNDER THIS SUBSECTION (6) MAY DELIVER FERMENTED
8 MALT BEVERAGES IN SEALED CONTAINERS TO A PERSON OF LEGAL AGE IF:

9 (I) THE PERSON RECEIVING THE DELIVERY OF FERMENTED MALT
10 BEVERAGES IS LOCATED AT A PLACE THAT IS NOT LICENSED PURSUANT TO
11 THIS SECTION;

12 (II) THE DELIVERY IS MADE BY AN EMPLOYEE OF THE FERMENTED
13 MALT BEVERAGE RETAILER WHO IS AT LEAST TWENTY-ONE YEARS OF AGE
14 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 FERMENTED MALT BEVERAGES IS AT LEAST TWENTY-ONE
19 YEARS OF AGE; AND

20 (IV) THE FERMENTED MALT BEVERAGE RETAILER DERIVES NO
21 MORE THAN FIFTY PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL
22 SALES OF FERMENTED MALT BEVERAGES FROM THE SALE OF FERMENTED
23 MALT BEVERAGES THAT THE FERMENTED MALT BEVERAGE RETAILER
24 DELIVERS.

25 (b) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES
26 AS NECESSARY FOR THE PROPER DELIVERY OF FERMENTED MALT
27 BEVERAGES PURSUANT TO THIS SUBSECTION (6) AND MAY ISSUE A PERMIT

1 TO ANY PERSON WHO IS LICENSED PURSUANT TO AND DELIVERS
2 FERMENTED MALT BEVERAGES UNDER SUBSECTION (1)(a) OF THIS
3 SECTION. A PERMIT ISSUED UNDER THIS SUBSECTION (6) IS SUBJECT TO THE
4 SAME SUSPENSION AND REVOCATION PROVISIONS AS ARE SET FORTH IN
5 SECTION 12-47-601 FOR OTHER LICENSES GRANTED PURSUANT TO ARTICLE
6 47 OF THIS TITLE 12.

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

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

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26 (8) Each licensee holding a fermented malt beverage on-premises
27 license, ~~or on- and off-premises license~~, beer and wine license, tavern

1 license, lodging and entertainment license, club license, arts license, or
2 racetrack license shall manage the premises himself or herself or employ
3 a separate and distinct manager on the premises and shall report the name
4 of the manager to the state and local licensing authorities. The licensee
5 shall report any change in managers to the state and local licensing
6 authorities within thirty days after the change. It is unlawful for the
7 licensee to fail to report the name of or any change in managers as
8 required by this subsection (8). The failure to report is grounds for
9 suspension of the license.

10 (9) (a) (I) (A) SUBJECT TO SUBSECTIONS (9)(a)(I)(B) AND
11 (9)(a)(I)(C) OF THIS SECTION, a licensee may move ~~his or her~~ ITS
12 permanent location to any other place in the same city, town, or city and
13 county for which the license was originally granted, or in the same county
14 if ~~such~~ THE license was granted for a place outside the corporate limits of
15 any city, town, or city and county, but it ~~shall be~~ IS unlawful to sell any
16 alcohol beverage at ~~any such place~~ THE NEW LOCATION until permission
17 ~~to do so~~ is granted by ~~all~~ the STATE AND LOCAL licensing authorities.
18 ~~provided for in this article.~~

19 (B) THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT
20 GRANT PERMISSION UNDER THIS SUBSECTION (9)(a)(I) TO A FERMENTED
21 MALT BEVERAGE RETAILER LICENSED UNDER SECTION 12-46-107 (1)(a) TO
22 MOVE ITS PERMANENT LOCATION IF THE NEW LOCATION IS: WITHIN ONE
23 THOUSAND FIVE HUNDRED FEET OF A RETAIL LIQUOR STORE LICENSED
24 UNDER SECTION 12-47-407; FOR A PREMISES LOCATED IN A MUNICIPALITY
25 WITH A POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE
26 THOUSAND FEET OF A 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 A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407.

4 (C) THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT
5 GRANT PERMISSION UNDER THIS SUBSECTION (9)(a)(I) TO A RETAIL LIQUOR
6 STORE LICENSED UNDER SECTION 12-47-407 TO MOVE ITS PERMANENT
7 LOCATION IF THE NEW LOCATION IS: WITHIN ONE THOUSAND FIVE
8 HUNDRED FEET OF ANOTHER RETAIL LIQUOR STORE LICENSED UNDER
9 SECTION 12-47-407; FOR A PREMISES LOCATED IN A MUNICIPALITY WITH
10 A POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE THOUSAND
11 FEET OF ANOTHER RETAIL LIQUOR STORE LICENSED UNDER SECTION
12 12-47-407; OR, 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 RETAIL LIQUOR STORE LICENSED UNDER SECTION
16 12-47-407.

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

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

26 (I) Tastings shall be conducted only:

27 (A) By a person who: Has completed a server training program

1 that meets the standards established by the liquor enforcement division in
2 the department of revenue and ~~who is either~~ a retail liquor store licensee
3 or a liquor-licensed drugstore licensee, ~~or~~ an employee of a RETAIL
4 LIQUOR STORE OR LIQUOR-LICENSED DRUGSTORE licensee, OR A
5 REPRESENTATIVE, EMPLOYEE, OR AGENT OF THE LICENSED WHOLESALER,
6 BREW PUB, DISTILLERY PUB, MANUFACTURER, LIMITED WINERY, IMPORTER,
7 OR VINTNER'S RESTAURANT SUPPLYING THE ALCOHOL BEVERAGES FOR THE
8 TASTING; and ~~only~~

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

10 (V) THE LICENSEE MAY CONDUCT tastings ~~shall be conducted~~ only
11 during the operating hours in which the licensee on whose premises the
12 tastings occur is permitted to sell alcohol beverages, and in no case earlier
13 than 11 a.m. or later than ~~7 p.m.~~ 9 P.M.

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

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

23 (XII) No manufacturer of spirituous or vinous liquors shall induce
24 a licensee through free goods or financial or in-kind assistance to favor
25 the manufacturer's products being sampled at a tasting. The RETAIL
26 LIQUOR STORE OR LIQUOR-LICENSED DRUGSTORE licensee ~~shall bear~~
27 BEARS the financial and all other responsibility for a tasting CONDUCTED

1 ON ITS LICENSED PREMISES.

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

11 (12) (a) Notwithstanding any other provision of this article ~~47~~, on
12 and after July 1, 2016, the state and local licensing authorities shall not
13 issue a new license under this article ~~47~~ authorizing the sale at retail of
14 malt, vinous, or spirituous liquors in sealed containers for consumption
15 off the licensed premises if the premises for which the retail license is
16 sought is located:

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

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

24 (III) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
25 POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE
26 CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
27 FEET OF ANOTHER LICENSED PREMISES LICENSED TO SELL MALT, VINOUS,

1 OR SPIRITUOUS LIQUORS AT RETAIL FOR OFF-PREMISES CONSUMPTION.

2 (a.5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE
3 47, ON AND AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (12)(a.5),
4 THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT ISSUE A NEW
5 FERMENTED MALT BEVERAGE RETAILER'S LICENSE UNDER ARTICLE 46 OF
6 THIS TITLE 12 AUTHORIZING THE SALE AT RETAIL OF FERMENTED MALT
7 BEVERAGES IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED
8 PREMISES IF THE PREMISES FOR WHICH THE RETAIL LICENSE IS SOUGHT IS
9 LOCATED:

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

12 (II) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
13 POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE THOUSAND FEET
14 OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407; OR

15 (III) 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 (b) For purposes of ~~this subsection (12)~~ SUBSECTION (12)(a) OF
20 THIS SECTION, a license under this ~~article~~ ARTICLE 47 authorizing the sale
21 at retail of malt, vinous, or spirituous liquors in sealed containers for
22 consumption off the licensed premises includes a license under this ~~article~~
23 ARTICLE 47 authorizing the sale of malt and vinous liquors in sealed
24 containers not to be consumed at the place where the malt and vinous
25 liquors are sold.

26 (c) For purposes of determining whether the distance requirements
27 specified in ~~paragraph (a) of this subsection (12)~~ SUBSECTIONS (12)(a)

1 AND (12)(a.5) OF THIS SECTION are satisfied, the distance shall be
2 determined by a radius measurement that begins at the principal doorway
3 of the premises for which the application is made and ends at the
4 principal doorway of the other retail licensed premises.

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

7 **12-47-308. Unlawful financial assistance.** (1) (a) (I) It is
8 unlawful for any person licensed pursuant to this ~~article~~ ARTICLE 47 or
9 article 46 of this ~~title~~ TITLE 12 as a manufacturer, limited winery, ~~licensee~~,
10 wholesaler, or importer, or any person, partnership, association,
11 organization, or corporation interested financially in or with any of said
12 licensees, to furnish, supply, or loan, in any manner, directly or indirectly,
13 to any person licensed to sell at retail pursuant to this ~~article~~ ARTICLE 47
14 or article 46 or 48 of this ~~title~~ TITLE 12:

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

18 (B) Any equipment, fixtures, chattels, or furnishings used in the
19 storing, handling, serving, or dispensing of food or alcohol beverages
20 within the premises or for making any structural alterations or
21 improvements in or on the building in which ~~such~~ THE premises ~~are~~ IS
22 located.

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

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

26 (B) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A
27 PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12

1 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER, OR IMPORTER FROM
2 POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE PRODUCTS AS
3 PART OF A TASTING BEING CONDUCTED ON THE LICENSED PREMISES OF A
4 PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES
5 AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND POURING OR SERVING
6 THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT CONSTITUTE LABOR
7 PROVIDED BY A PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46
8 OF THIS TITLE 12 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER,
9 OR IMPORTER TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL
10 ALCOHOL BEVERAGES AT RETAIL.

11 (3) (a) (I) It is unlawful for any person licensed to sell at retail
12 pursuant to this ~~article~~ ARTICLE 47 or ~~article~~ 46 of this ~~title~~ TITLE 12 to
13 receive and obtain from the persons or parties described and referred to
14 in subsection (1)(a) of this section, directly or indirectly, any financial
15 assistance or any equipment, fixtures, chattels, or furnishings used in the
16 storing, handling, serving, or dispensing of food or alcohol beverages
17 within the premises or from making any structural alterations or
18 improvements in or on the building on which ~~such~~ THE premises ~~are~~ IS
19 located.

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

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

27 (B) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A

1 LICENSEE DESCRIBED AND REFERRED TO IN SUBSECTION (1)(a) OF THIS
2 SECTION FROM POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE
3 PRODUCTS AS PART OF A TASTING BEING CONDUCTED ON THE LICENSED
4 PREMISES OF THE PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL
5 ALCOHOL BEVERAGES AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND
6 POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT
7 CONSTITUTE LABOR PROVIDED BY A LICENSEE DESCRIBED IN SUBSECTION
8 (1)(a) OF THIS SECTION TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO
9 SELL ALCOHOL BEVERAGES AT RETAIL.

10 (5) (a) It is unlawful for any owner, part owner, shareholder,
11 stockholder, or person interested, directly or indirectly, in any retail
12 business or establishment of a person licensed to sell at retail pursuant to
13 ~~the provisions of this article~~ ARTICLE 47 or article 46 or 48 of this ~~title~~
14 TITLE 12 to enter into any agreement with any person or party or to
15 receive, possess, or accept any money, fixtures, supplies, or things of
16 value from any person or party, whereby a person licensed to sell at retail
17 pursuant to this ~~article~~ ARTICLE 47 or article 46 or 48 of this ~~title~~ TITLE 12
18 may be influenced or caused, directly or indirectly, to buy, sell, dispense,
19 or handle the product of any manufacturer of alcohol beverages.

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

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

22 (II) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A
23 PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12
24 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER, OR IMPORTER FROM
25 POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE PRODUCTS AS
26 PART OF A TASTING BEING CONDUCTED ON THE LICENSED PREMISES OF A
27 PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES

1 AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND POURING OR SERVING
2 THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT CONSTITUTE LABOR
3 PROVIDED BY A PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46
4 OF THIS TITLE 12 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER,
5 OR IMPORTER TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL
6 ALCOHOL BEVERAGES AT RETAIL.

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

9 **12-47-313. Restrictions for applications for new license -**
10 **repeal.** (1) ~~NO~~ AN application for the issuance of any license specified
11 in section 12-47-309 (1) or 12-46-107 (1) shall NOT be received or acted
12 upon:

13 (e) (I) IF THE BUILDING IN WHICH THE FERMENTED MALT
14 BEVERAGES ARE TO BE SOLD PURSUANT TO A LICENSE UNDER SECTION
15 12-46-107 (1)(a) IS LOCATED WITHIN FIVE HUNDRED FEET OF ANY PUBLIC
16 OR PAROCHIAL SCHOOL OR THE PRINCIPAL CAMPUS OF ANY COLLEGE,
17 UNIVERSITY, OR SEMINARY; EXCEPT THAT THIS SUBSECTION (1)(e)(I) DOES
18 NOT APPLY TO:

19 (A) LICENSED PREMISES LOCATED OR TO BE LOCATED ON LAND
20 OWNED BY A MUNICIPALITY;

21 (B) AN EXISTING LICENSED PREMISES ON LAND OWNED BY THE
22 STATE;

23 (C) A FERMENTED MALT BEVERAGE RETAILER THAT HELD A VALID
24 LICENSE AND WAS ACTIVELY DOING BUSINESS BEFORE THE PRINCIPAL
25 CAMPUS WAS CONSTRUCTED;

26 (D) A CLUB LOCATED WITHIN THE PRINCIPAL CAMPUS OF ANY
27 COLLEGE, UNIVERSITY, OR SEMINARY THAT LIMITS ITS MEMBERSHIP TO THE

1 FACULTY OR STAFF OF THE INSTITUTION; OR

2 (E) A CAMPUS LIQUOR COMPLEX.

3 (II) THE DISTANCES REFERRED TO IN SUBSECTION (1)(e)(I) OF THIS
4 SECTION ARE TO BE COMPUTED BY DIRECT MEASUREMENT FROM THE
5 NEAREST PROPERTY LINE OF THE LAND USED FOR SCHOOL PURPOSES TO
6 THE NEAREST PORTION OF THE BUILDING IN WHICH FERMENTED MALT
7 BEVERAGES ARE TO BE SOLD, USING A ROUTE OF DIRECT PEDESTRIAN
8 ACCESS.

9 (III) THE LOCAL LICENSING AUTHORITY OF ANY CITY AND COUNTY,
10 BY RULE OR REGULATION, THE GOVERNING BODY OF ANY OTHER
11 MUNICIPALITY, BY ORDINANCE, OR THE GOVERNING BODY OF ANY OTHER
12 COUNTY, BY RESOLUTION, MAY:

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

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

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

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

26 (A) APPLICATIONS FOR NEW FERMENTED MALT BEVERAGE
27 RETAILER'S LICENSES UNDER SECTION 12-46-107 (1)(a) SUBMITTED ON OR

1 AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (1)(e); AND

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

7

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

10 **12-47-407. Retail liquor store license - rules.** (1) (a) (II) On and
11 after July 1, 2016, the state and local licensing authorities shall not issue
12 a new retail liquor store license if the premises for which the retail liquor
13 store license is sought is located:

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

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

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

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

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

3 (II) (A) SHALL NOT SELL MALT, VINOUS, OR SPIRITUOUS LIQUORS
4 TO CONSUMERS AT A PRICE THAT IS BELOW THE RETAIL LIQUOR STORE'S
5 COST, AS LISTED ON THE INVOICE, TO PURCHASE THE MALT, VINOUS, OR
6 SPIRITUOUS LIQUORS, UNLESS THE SALE IS OF DISCONTINUED OR
7 CLOSE-OUT MALT, VINOUS, OR SPIRITUOUS LIQUORS.

8 (B) THIS SUBSECTION (2)(a)(II) DOES NOT PROHIBIT A RETAIL
9 LIQUOR STORE FROM OPERATING A BONA FIDE LOYALTY OR REWARDS
10 PROGRAM FOR MALT, VINOUS, OR SPIRITUOUS LIQUORS SO LONG AS THE
11 PRICE FOR THE PRODUCT IS NOT BELOW THE RETAIL LIQUOR STORE'S COSTS
12 AS LISTED ON THE INVOICE. THE STATE LICENSING AUTHORITY MAY ADOPT
13 RULES TO IMPLEMENT THIS SUBSECTION (2)(a)(II). ==

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

26 (3) (a) A person licensed to sell at retail who complies with this
27 subsection (3) and rules promulgated pursuant ~~thereto~~ TO THIS

1 SUBSECTION (3) may deliver malt, vinous, and spirituous liquors to a
2 person of legal age if: ~~such~~

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

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

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

14 ==
15 (IV) THE RETAIL LIQUOR STORE DERIVES NO MORE THAN FIFTY
16 PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL SALES OF MALT,
17 VINOUS, AND SPIRITUOUS LIQUORS FROM THE SALE OF MALT, VINOUS, AND
18 SPIRITUOUS LIQUORS THAT THE RETAIL LIQUOR STORE DELIVERS.

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

27 **SECTION 9.** In Colorado Revised Statutes, 12-47-408, **amend**

1 (1)(a)(I), (1)(b)(IV) introductory portion, (1)(b)(IV)(B), (2)(a)(II),
2 (2)(a)(III), (3), and (4)(b)(IV) introductory portion; and **add** (4)(b)(V),
3 (4)(c), and (8) as follows:

4 **12-47-408. Liquor-licensed drugstore license - multiple**
5 **licenses permitted - requirements - rules.** (1) (a) (I) A liquor-licensed
6 drugstore license shall be issued to persons selling malt, vinous, and
7 spirituous liquors in sealed containers not to be consumed at the place
8 where sold. On and after July 1, 2016, except as permitted under
9 ~~paragraph (b) of this subsection (1)~~ SUBSECTION (1)(b) OF THIS SECTION,
10 the state and local licensing authorities shall not issue a new
11 liquor-licensed drugstore license if the licensed premises for which a
12 liquor-licensed drugstore license is sought is located:

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

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

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

22 (b) (IV) In addition to any other requirements for licensure under
23 this section or ~~article~~ ARTICLE 47, a person applying for a new
24 liquor-licensed drugstore license in accordance with this ~~paragraph (b)~~
25 SUBSECTION (1)(b) on or after January 1, 2017, or to renew a
26 liquor-licensed drugstore license issued on or after January 1, 2017, under
27 this ~~paragraph (b)~~ SUBSECTION (1)(b) must:

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

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

4 (II) (A) Not sell malt, vinous, or spirituous liquors to consumers
5 at a price that is below the liquor-licensed drugstore's cost, AS LISTED ON
6 THE INVOICE, to purchase the malt, vinous, or spirituous liquors, UNLESS
7 THE SALE IS OF DISCONTINUED OR CLOSE-OUT MALT, VINOUS, OR
8 SPIRITUOUS LIQUORS.

9 (B) THIS SUBSECTION (2)(a)(II) DOES NOT PROHIBIT A
10 LIQUOR-LICENSED DRUGSTORE FROM OPERATING A BONA FIDE LOYALTY
11 OR REWARDS PROGRAM FOR MALT, VINOUS, OR SPIRITUOUS LIQUORS SO
12 LONG AS THE PRICE FOR THE PRODUCT IS NOT BELOW THE
13 LIQUOR-LICENSED DRUGSTORE'S COSTS AS LISTED ON THE INVOICE. THE
14 STATE LICENSING AUTHORITY MAY ADOPT RULES TO IMPLEMENT THIS
15 SUBSECTION (2)(a)(II).

16 (III) Not allow consumers to purchase malt, vinous, or spirituous
17 liquors at a self-checkout or other mechanism that allows the consumer
18 to complete the alcohol beverage purchase without assistance from and
19 completion of the ENTIRE transaction by an employee of the
20 liquor-licensed drugstore WHO IS AT LEAST TWENTY-ONE YEARS OF AGE;

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

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

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

5 (III) THE PERSON MAKING THE DELIVERY VERIFIES, IN
6 ACCORDANCE WITH SECTION 12-47-901 (10), THAT THE PERSON RECEIVING
7 THE DELIVERY OF MALT, VINOUS, OR SPIRITUOUS LIQUORS IS AT LEAST
8 TWENTY-ONE YEARS OF AGE; AND

9
10 IV THE LIQUOR-LICENSED DRUGSTORE DERIVES NO MORE THAN
11 FIFTY PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL SALES OF
12 MALT, VINOUS, AND SPIRITUOUS LIQUORS FROM THE SALE OF MALT,
13 VINOUS, AND SPIRITUOUS LIQUORS THAT THE LIQUOR-LICENSED
14 DRUGSTORE DELIVERS.

15 (b) The state licensing authority shall promulgate rules as ~~are~~
16 necessary for the proper delivery of malt, vinous, and spirituous liquors
17 and ~~shall have the authority~~ IS AUTHORIZED to issue a permit to any
18 liquor-licensed drugstore licensee that will allow ~~such~~ THE licensee to
19 deliver ~~such~~ THE liquors pursuant to ~~such~~ THE rules and this subsection
20 (3). ~~Such permits shall be~~ A PERMIT ISSUED UNDER THIS SUBSECTION (3)
21 IS subject to the same suspension and revocation provisions as are set
22 forth in sections 12-47-306 and 12-47-601 for other licenses granted
23 pursuant to this ~~article~~ ARTICLE 47.

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

27 (IV) For a liquor-licensed drugstore licensed on or before January

1 1, 2016, OR A LIQUOR-LICENSED DRUGSTORE LICENSEE THAT WAS
2 LICENSED AS A LIQUOR-LICENSED DRUGSTORE ON FEBRUARY 21, 2016,
3 THAT CONVERTED ITS LICENSE TO A RETAIL LIQUOR STORE LICENSE AFTER
4 FEBRUARY 21, 2016, AND THAT APPLIED ON OR BEFORE MAY 1, 2017, TO
5 CONVERT ITS RETAIL LIQUOR STORE LICENSE BACK TO A LIQUOR-LICENSED
6 DRUGSTORE LICENSE, additional liquor-licensed drugstore licenses as
7 follows, but only if obtained in accordance with ~~paragraph (b) of~~
8 ~~subsection (1)~~ SUBSECTION (1)(b) of this section:

9 (V) FOR A LIQUOR-LICENSED DRUGSTORE THAT SUBMITTED AN
10 APPLICATION FOR A NEW LIQUOR-LICENSED DRUGSTORE LICENSE AFTER
11 JULY 1, 2016, ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES AS
12 FOLLOWS, BUT ONLY IF OBTAINED IN ACCORDANCE WITH SUBSECTION
13 (1)(b) OF THIS SECTION:

14 (A) ON OR AFTER JANUARY 1, 2019, AND BEFORE JANUARY 1,
15 2022, ONE ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSE, FOR A
16 MAXIMUM OF TWO TOTAL LIQUOR-LICENSED DRUGSTORE LICENSES;

17 (B) ON OR AFTER JANUARY 1, 2022, AND BEFORE JANUARY 1,
18 2027, UP TO TWO ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES,
19 FOR A MAXIMUM OF THREE TOTAL LIQUOR-LICENSED DRUGSTORE
20 LICENSES; AND

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

24 (c) SUBSECTION (4)(b)(V) OF THIS SECTION DOES NOT APPLY TO A
25 LIQUOR-LICENSED DRUGSTORE LICENSEE THAT WAS LICENSED AS A
26 LIQUOR-LICENSED DRUGSTORE ON FEBRUARY 21, 2016, THAT CONVERTED
27 ITS LICENSE TO A RETAIL LIQUOR STORE LICENSE AFTER FEBRUARY 21,

1 2016, AND THAT APPLIED ON OR BEFORE MAY 1, 2017, TO CONVERT ITS
2 RETAIL LIQUOR STORE LICENSE BACK TO A LIQUOR-LICENSED DRUGSTORE
3 LICENSE.

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

16 **SECTION 10.** In Colorado Revised Statutes, 12-47-601, **add**
17 (7.5)(c) as follows:

18 **12-47-601. Suspension - revocation - fines.** (7.5) (c) (I) IF THE
19 LICENSING AUTHORITY HAS DECIDED TO IMPOSE A SUSPENSION FOR A
20 VIOLATION OF SECTION 12-47-901 (1)(a.5) OR (5)(a)(I) THAT OCCURS AT
21 A RETAIL ESTABLISHMENT LICENSED UNDER SECTION 12-46-107 (1) OR
22 THIS ARTICLE 47 AND, IN ACCORDANCE WITH SUBSECTION (3) OF THIS
23 SECTION, GRANTS A PETITION BY THE LICENSEE TO PAY A FINE IN LIEU OF
24 A LICENSE SUSPENSION, THE LICENSING AUTHORITY SHALL IMPOSE A FINE
25 OF ONE THOUSAND DOLLARS FOR THE FIRST OFFENSE, AND AN ADDITIONAL
26 ONE THOUSAND DOLLARS FOR EACH SUBSEQUENT OFFENSE, SUBJECT TO
27 SUBSECTION (7.5)(c)(II) OF THIS SECTION.

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

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

10 **12-47-901. Unlawful acts - exceptions - definitions.** (1) Except
11 as provided in section 18-13-122, ~~C.R.S.~~, it is unlawful for any person:

12 (f) To sell at retail any malt, vinous, or spirituous liquors in sealed
13 containers without holding a retail liquor store or liquor-licensed
14 drugstore license, except as permitted by section 12-47-301 (6)(b) or any
15 other provision of this ~~article~~ ARTICLE 47, OR TO SELL AT RETAIL ANY
16 FERMENTED MALT BEVERAGES IN SEALED CONTAINERS WITHOUT HOLDING
17 A FERMENTED MALT BEVERAGE RETAILER'S LICENSE UNDER SECTIONS
18 12-46-104 (1)(c) AND 12-46-107 (1)(a);

19 (h) (I) To consume ANY FERMENTED MALT BEVERAGE OR malt,
20 vinous, or spirituous liquor:

21 (A) In any public place except on any licensed premises permitted
22 under this ~~article~~ ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12 to sell ~~such~~
23 ~~liquor~~ ANY FERMENTED MALT BEVERAGES OR MALT, VINOUS, OR
24 SPIRITUOUS LIQUORS by the drink for consumption ~~thereon; to consume~~
25 ~~any alcohol beverage~~ ON THE LICENSED PREMISES; ==

26 (B) Upon any premises licensed to sell ~~liquor~~ ALCOHOL
27 BEVERAGES for consumption on the licensed premises, the sale of which

1 is not authorized by the state licensing authority; ~~to consume alcohol~~
2 ~~beverages~~

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

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

9 (II) Notwithstanding ~~subparagraph (I) of this paragraph (h), it is~~
10 ~~not unlawful for~~ SUBSECTION (1)(h)(I) OF THIS SECTION, a person who is
11 at least twenty-one years of age to MAY consume ~~malt, vinous, or~~
12 ~~spirituous liquors~~ ALCOHOL BEVERAGES while the person is a passenger
13 aboard a luxury limousine or a charter bus, as those terms are defined in
14 section 40-10.1-301. ~~C.R.S.~~ Nothing in this ~~subparagraph (H)~~
15 SUBSECTION (1)(h)(II) authorizes an owner or operator of a luxury
16 limousine or charter bus to sell or distribute alcohol beverages without
17 obtaining a public transportation system license pursuant to section
18 12-47-419.

19 (VII) NOTWITHSTANDING SUBSECTION (1)(h)(I) OF THIS SECTION,
20 IT IS NOT UNLAWFUL FOR A PERSON WHO IS AT LEAST TWENTY-ONE YEARS
21 OF AGE TO CONSUME ANY FERMENTED MALT BEVERAGE OR MALT, VINOUS,
22 OR SPIRITUOUS LIQUOR IN ANY PUBLIC PLACE WHERE CONSUMPTION OF THE
23 FERMENTED MALT BEVERAGE OR MALT, VINOUS, OR SPIRITUOUS LIQUOR
24 HAS BEEN SPECIFICALLY AUTHORIZED BY ORDINANCE, RESOLUTION, OR
25 RULE ADOPTED BY A STATE OR LOCAL GOVERNMENT ENTITY.

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

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

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

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

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

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

14 (II) (A) A person holding a retail liquor store or liquor-licensed
15 drugstore license UNDER THIS ARTICLE 47 may have upon the licensed
16 premises malt, vinous, or spirituous liquors in open containers when the
17 open containers were brought on the licensed premises by and remain
18 solely in the possession of the sales personnel of a person licensed to sell
19 at wholesale pursuant to this ~~article~~ ARTICLE 47 for the purpose of
20 sampling malt, vinous, or spirituous liquors by the retail LIQUOR STORE OR
21 LIQUOR-LICENSED DRUGSTORE licensee only.

22 (B) A PERSON HOLDING A FERMENTED MALT BEVERAGE RETAILER'S
23 LICENSE UNDER SECTION 12-46-107 (1)(a) MAY HAVE UPON THE LICENSED
24 PREMISES FERMENTED MALT BEVERAGES IN OPEN CONTAINERS WHEN THE
25 OPEN CONTAINERS WERE BROUGHT ONTO THE LICENSED PREMISES BY AND
26 REMAIN SOLELY IN THE POSSESSION OF THE SALES PERSONNEL OF A PERSON
27 LICENSED TO SELL AT WHOLESALE PURSUANT TO ARTICLE 46 OF THIS TITLE

1 12 FOR THE PURPOSE OF SAMPLING FERMENTED MALT BEVERAGES BY THE
2 FERMENTED MALT BEVERAGE RETAILER LICENSEE ONLY.

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

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

11 (V) A PERSON HOLDING A RETAIL LIQUOR STORE OR
12 LIQUOR-LICENSED DRUGSTORE LICENSE UNDER THIS ARTICLE 47 OR A
13 FERMENTED MALT BEVERAGE RETAILER'S LICENSE UNDER SECTION
14 12-46-107 (1)(a) MAY HAVE UPON THE LICENSED PREMISES AN OPEN
15 CONTAINER OF AN ALCOHOL BEVERAGE PRODUCT THAT THE LICENSEE
16 DISCOVERS TO BE DAMAGED OR DEFECTIVE SO LONG AS THE LICENSEE
17 MARKS THE PRODUCT AS DAMAGED OR FOR RETURN AND STORES THE OPEN
18 CONTAINER OUTSIDE THE SALES AREA OF THE LICENSED PREMISES UNTIL
19 THE LICENSEE IS ABLE TO RETURN THE PRODUCT TO THE WHOLESALER
20 FROM WHOM THE PRODUCT WAS PURCHASED.

21 (p) (II) If licensed as a tavern under section 12-47-412 that does
22 not regularly serve meals, a lodging and entertainment facility under
23 section 12-47-426 that does not regularly serve meals, a retail liquor store
24 under section 12-47-407, ~~or~~ a liquor-licensed drugstore under section
25 12-47-408, OR A FERMENTED MALT BEVERAGE RETAILER UNDER SECTION
26 12-46-107 (1)(a) to permit an employee who is under twenty-one years of
27 age to sell malt, vinous, or spirituous liquors OR FERMENTED MALT

1 BEVERAGES; or

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

10 (9)(b) This subsection (9) applies to persons licensed or permitted
11 to sell or serve alcohol beverages for consumption on the licensed
12 premises pursuant to section ~~12-46-107 (1)(b)~~, 12-47-403, 12-47-409,
13 12-47-410, 12-47-411, 12-47-412, 12-47-413, 12-47-414, 12-47-415,
14 12-47-416, 12-47-417, 12-47-418, 12-47-419, 12-47-420, 12-47-422,
15 12-47-424, or 12-47-426.

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

26 (b) It is not unlawful for a retail licensee or employee of a retail
27 licensee to sell malt, vinous, or spirituous liquors OR FERMENTED MALT

1 BEVERAGES to a consumer who is or reasonably appears to be over fifty
2 years of age and who failed to present an acceptable form of
3 identification.

4 (c) As used in this subsection (10), "retail licensee" means a
5 person licensed under section ~~12-46-104 (1)(c)~~ **12-46-107 (1)(a)**,
6 12-47-407, or 12-47-408.

7 **SECTION 12. In Colorado Revised Statutes, 12-47-202, amend**
8 **(2)(b)(I)(A) and (2)(b)(II) as follows:**

9 **12-47-202. Duties of state licensing authority - repeal.**

10 **(2) (b) (I) (A) The state licensing authority shall make no rule regulating**
11 **or prohibiting the sale of alcohol beverages on credit offered or extended**
12 **by a licensee to a retailer RETAILERS where the credit is offered or**
13 **extended for thirty days or less. The state licensing authority shall enforce**
14 **the prohibition against extending OR ACCEPTING credit for more than**
15 **thirty days for the sale of alcohol beverages pursuant to 27 CFR part 6**
16 **and may adopt rules regulating or prohibiting the sale of alcohol**
17 **beverages on credit where the credit is offered, or extended, OR ACCEPTED**
18 **for more than thirty days, consistent with the federal regulations.**

19 **(II) Licensees shall comply with the prohibition against extending**
20 **credit to a retailer for more than thirty days for the sale of alcohol**
21 **beverages, including beer, contained in 27 CFR part 6 and with rules**
22 **adopted by the state licensing authority that are consistent with 27 CFR**
23 **part 6, AND RETAILERS SHALL COMPLY WITH THE PROHIBITION IN RULES**
24 **ADOPTED BY THE STATE LICENSING AUTHORITY AGAINST ACCEPTING**
25 **CREDIT FROM A LICENSEE FOR MORE THAN THIRTY DAYS.**

26 **SECTION 13. Appropriation. (1) For the 2018-19 state fiscal**
27 **year, \$87,592 is appropriated to the department of revenue. This**

1 appropriation is from the liquor enforcement division and state licensing
2 authority cash fund created in section 24-35-401, C.R.S. To implement
3 this act, the department may use this appropriation as follows:

4 (a) \$65,506 for use by the liquor and tobacco enforcement
5 division for personal services, which amount is based on an assumption
6 that the division will require an additional 1.0 FTE;

7 (b) \$11,430 for use by the liquor and tobacco enforcement
8 division for operating expenses; and

9 (c) \$10,656 for the purchase of legal services.

10 (2) For the 2018-19 state fiscal year, \$10,656 is appropriated to
11 the department of law. This appropriation is from reappropriated funds
12 received from the department of revenue under subsection (1)(c) of this
13 section and is based on an assumption that the department of law will
14 require an additional 0.1 FTE. To implement this act, the department of
15 law may use this appropriation to provide legal services for the
16 department of revenue.

17 **SECTION 14. Effective date.** (1) Except as provided in
18 subsections (2) and (3) of this section, this act takes effect upon passage.

19 (2) Section 3 of this act; section 12-46-107 (3), (4), (5), and (6),
20 as enacted in section 4 of this act; section 12-47-407 (2) and (3), as
21 amended in section 8 of this act; section 12-47-408 (3), as amended in
22 section 9 of this act; section 12-47-408 (8), as enacted in section 9 of this
23 act; and section 11 of this act take effect January 1, 2019.

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

26 **SECTION 15. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.