

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REVISED

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

LLS NO. 20-0833.01 Yelana Love x2295

SENATE BILL 20-110

SENATE SPONSORSHIP

Williams A. and Holbert, Tate

HOUSE SPONSORSHIP

Snyder,

Senate Committees

Business, Labor, & Technology
Appropriations

House Committees

Business Affairs & Labor
Appropriations

A BILL FOR AN ACT

101 **CONCERNING FINES LEVIED BY A LICENSING AUTHORITY FOR**
102 **VIOLETIONS OF LAWS RELATED TO 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>.)

Currently, the state or local licensing authority may suspend or revoke a licensee's license or permit for the licensee's violation of a law related to the regulation of alcohol beverages. The licensee may choose to pay a fine instead of the revocation or suspension.

The bill:

! Authorizes the state and local licensing authorities to fine

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.

HOUSE
Amended 2nd Reading
June 4, 2020

SENATE
3rd Reading Unamended
March 11, 2020

SENATE
Amended 2nd Reading
March 10, 2020

- ! the licensee initially;
- ! Increases the potential fine for violations related to alcohol beverages from between \$200 and \$5,000 to between \$500 and \$100,000; and
- ! Requires the manner in which licensees pay fines to the state licensing authority to be determined by the state licensing authority.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-3-601, **amend (1)**
 3 **and (3)(b); repeal (3)(c); and add (3.5)** as follows:

4 **44-3-601. Suspension - revocation - fines - rules.** (1) (a) Subject
 5 to subsection (8) of this section, in addition to any other penalties
 6 prescribed by this article 3 or article 4 or 5 of this title 44, the state or any
 7 local licensing authority has the power, on its own motion or on
 8 complaint, after investigation and public hearing at which the licensee
 9 shall be afforded an opportunity to be heard, to FINE A LICENSEE OR TO
 10 suspend or revoke, in whole or in part, any license or permit issued by
 11 such authority for any violation by the licensee or by any of the agents,
 12 servants, or employees of the licensee of this article 3; any rules
 13 authorized by this article 3; or any of the terms, conditions, or provisions
 14 of the license or permit issued by such authority. A LICENSING AUTHORITY
 15 MAY IMPOSE A FINE PURSUANT TO THIS SUBSECTION (1) REGARDLESS OF
 16 WHETHER A LICENSEE HAS PETITIONED THE LICENSING AUTHORITY
 17 PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION FOR PERMISSION TO PAY
 18 A FINE IN LIEU OF LICENSE OR PERMIT SUSPENSION, AND THE LICENSING
 19 AUTHORITY NEED NOT MAKE THE FINDINGS SPECIFIED IN SUBSECTIONS
 20 (3)(a)(I) AND (3)(a)(II) OF THIS SECTION. ___

21 (b) Any licensing authority has the power to administer oaths and
 22 issue subpoenas to require the presence of persons and the production of

1 papers, books, and records necessary to the determination of any hearing
2 that the licensing authority is authorized to conduct.

3 (c) FOR THE PURPOSES OF IMPOSING A FINE, THE STATE LICENSING
4 AUTHORITY SHALL ADOPT RULES ESTABLISHING CATEGORIES OF
5 VIOLATIONS BY LEVEL OF SEVERITY AND ASSOCIATED RANGES OF
6 PENALTIES FOR STATE AND LOCAL LICENSING AUTHORITIES, INCLUDING
7 AGGRAVATING AND MITIGATING FACTORS TO BE CONSIDERED IN
8 DETERMINING PENALTIES. A FINE IMPOSED PURSUANT TO THIS SUBSECTION
9 (1) MUST BE BETWEEN FIVE HUNDRED AND ONE HUNDRED THOUSAND
10 DOLLARS; EXCEPT THAT PENALTIES FOR A FIRST VIOLATION THAT IS IN THE
11 LEAST SEVERE LEVEL OF LICENSE VIOLATIONS ESTABLISHED PURSUANT TO
12 THIS SUBSECTION (1)(c) MUST NOT EXCEED FIVE THOUSAND DOLLARS.

13 (3) (b) Subject to subsection (8) of this section, the fine accepted
14 BY THE LICENSEE PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION
15 shall be ~~the~~ equivalent to twenty percent of the licensee's estimated gross
16 revenues from sales of alcohol beverages during the period of the
17 proposed suspension; except that the fine must be between ~~two~~ FIVE
18 hundred and ~~five~~ ONE HUNDRED thousand dollars.

19 (c) Payment of any fine pursuant to the provisions of this
20 subsection (3) shall be in the form of cash or in the form of a certified
21 check or cashier's check made payable to the state or local licensing
22 authority, whichever is appropriate.

23 (3.5) THE METHOD OF PAYMENT OF ANY FINE PURSUANT TO
24 SUBSECTION (1) OR (3) OF THIS SECTION:

25 (a) TO A LOCAL LICENSING AUTHORITY SHALL BE IN THE FORM OF
26 CASH OR IN THE FORM OF A CERTIFIED CHECK OR CASHIER'S CHECK MADE
27 PAYABLE TO THE LOCAL LICENSING AUTHORITY;

1 (b) TO THE STATE LICENSING AUTHORITY SHALL BE IN THE FORM
2 DETERMINED BY THE STATE LICENSING AUTHORITY BY RULE.

3 **SECTION 2. Applicability.** This act applies to conduct occurring
4 on or after the effective date of this act.

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