

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

REENGROSSED

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

LLS NO. 21-0078.01 Jery Payne x2157

HOUSE BILL 21-1027

HOUSE SPONSORSHIP

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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 <http://leg.colorado.gov>.)

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

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
3rd Reading Unamended
April 28, 2021

HOUSE
Amended 2nd Reading
April 27, 2021

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

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, ~~2021~~ 2026.

19 **SECTION 2.** In Colorado Revised Statutes, 44-3-103, **add** (11.5)
20 as follows:

21 **44-3-103. Definitions.** As used in this article 3 and article 4 of
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;

- 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 (l) 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

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 5 OF THIS TITLE 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.

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 **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; and

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

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 **SECTION 6. 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 **SECTION 7. Safety clause.** 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.