

2015-16 Proposed Initiative _____

Change to Colorado Revised Statutes Permitting Sale of Beer and Wine by Food Stores

Text of Measure:

Be it Enacted by the People of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 12-47-425 as follows:

12-47-425. FOOD STORE LICENSE. (1) NOTWITHSTANDING ANY PROVISIONS TO THE CONTRARY IN THIS ARTICLE, A FOOD STORE LICENSE SHALL BE ISSUED TO FOOD STORES SELLING ONLY MALT AND VINOUS LIQUORS IN SEALED CONTAINERS NOT TO BE CONSUMED AT THE PLACE WHERE SOLD.

(2) FOR THE PURPOSES OF THIS SECTION, A FOOD STORE SHALL MEAN AN ESTABLISHMENT, OTHER THAN A RESTAURANT AS DEFINED AT SECTION 12-47-103(30), THAT OFFERS FOR SALE FOOD ITEMS AT A RETAIL PREMISES, PROVIDED THAT A MINIMUM OF 25% OF THE GROSS ANNUAL INCOME FROM ITS TOTAL SALES, EXCLUDING PETROLEUM PRODUCTS AND LOTTERY TICKETS SALES FROM SUCH TOTAL, IS DERIVED FROM THE SALE OF FOOD ITEMS. FOR THE PURPOSES OF THIS SECTION, FOOD ITEMS MEANS ANY RAW, COOKED, OR PROCESSED EDIBLE SUBSTANCE, ICE AND BEVERAGE, OTHER THAN ANY BEVERAGE CONTAINING ALCOHOL, INTENDED FOR USE OR FOR SALE IN WHOLE OR IN PART FOR HUMAN CONSUMPTION.

(3) EVERY FOOD STORE SELLING MALT AND VINOUS LIQUORS SHALL PURCHASE SUCH MALT AND VINOUS LIQUORS ONLY FROM A WHOLESALER LICENSED PURSUANT TO THIS ARTICLE.

(4) NO EMPLOYEE OF A LICENSEE UNDER THIS SECTION SHALL SELL MALT OR VINOUS LIQUORS UNLESS SUCH PERSON IS AT LEAST TWENTY-ONE YEARS OF AGE.

(5) NOTWITHSTANDING ANY PROVISIONS OF THIS ARTICLE TO THE CONTRARY, NO OWNER, PART OWNER, SHAREHOLDER, OR PERSON INTERESTED DIRECTLY OR INDIRECTLY IN ONE OR MORE RETAIL BUSINESSES LICENSED PURSUANT TO THIS ARTICLE, SHALL BE PROHIBITED FROM CONDUCTING, OWNING EITHER IN WHOLE OR IN PART, OR FROM BEING DIRECTLY OR INDIRECTLY INTERESTED IN ONE OR MORE RETAIL BUSINESSES LICENSED PURSUANT TO THIS SECTION.

(6) PARAGRAPHS (1)(a) AND (1)(c) OF SECTION 12-46-107 ARE REPEALED AS OF EIGHTEEN MONTHS AFTER THE EFFECTIVE DATE OF THIS SECTION. A LICENSEE UNDER THE PROVISIONS OF SECTION 12-46-104(1)(c) WITH A VALID FERMENTED MALT BEVERAGE LICENSE IN EFFECT ON THE EFFECTIVE DATE OF THIS SECTION MAY APPLY TO A LOCAL LICENSING AUTHORITY FOR A FOOD STORE LICENSE ISSUED UNDER THE PROVISIONS OF THIS SECTION IF IT OTHERWISE COMPLIES WITH THE REQUIREMENTS OF THIS SECTION, AND, IF APPROVED FOR SUCH LICENSE, MAY CONTINUE TO OPERATE AS A FOOD STORE LICENSEE NOTWITHSTANDING THE LIMITATIONS WITH RESPECT TO LOCATION PURSUANT TO THE PROVISIONS OF SECTION 12-47-313(1)(d)(I). IN MAKING A DETERMINATION ON THE APPLICATION FOR A FOOD STORE LICENSE, THE LOCAL LICENSING AUTHORITY MAY CONSIDER AS PROVEN THE SATISFACTORY NATURE OF THE CHARACTER, RECORD, OR REPUTATION OF THE APPLICANT IF AT THE TIME OF THE FILING OF THE APPLICATION, THE

APPLICANT MAINTAINS A VALID UNEXPIRED FERMENTED MALT BEVERAGE LICENSE, AND NO ADMINISTRATIVE OR CRIMINAL PROSECUTION IS PENDING AGAINST THE APPLICANT. IN CONSIDERING ANY SUCH APPLICATION, THE LOCAL LICENSING AUTHORITY MAY, BUT SHALL NOT BE REQUIRED TO, CONSIDER THE REASONABLE REQUIREMENTS OF THE NEIGHBORHOOD AND THE DESIRES OF ITS ADULT INHABITANTS PURSUANT TO SECTION 12-47-312 IN MAKING A DETERMINATION ON THE ISSUANCE OF A FOOD STORE LICENSE.

(7) WITHIN NO LATER THAN ONE HUNDRED EIGHTY DAYS OF THE EFFECTIVE DATE OF THIS SECTION, THE STATE LIQUOR LICENSING AUTHORITY SHALL MAKE SUCH GENERAL RULES AND REGULATIONS AND SUCH SPECIAL RULINGS AND FINDINGS AS NECESSARY FOR THE PROPER REGULATION AND IMPLEMENTATION OF THE PROVISIONS OF THIS SECTION.

(8) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO AUTHORIZE THE SALE OR POSSESSION OF SPIRITUOUS LIQUOR BY A PERSON HOLDING A VALID FOOD STORE LICENSE.

SECTION 2. In Colorado Revised Statutes, 12-47-501(1), **add** (f.5) as follows:

12-47-501. State fees. (1) The following license and permit fees shall be paid to the department of revenue annually in advance:

(f.5) FOR EACH FOOD STORE LICENSE, ONE HUNDRED DOLLARS.

SECTION 3. In Colorado Revised Statutes, 12-47-505(1), **add** (b.5)(I) and (b.5)(II) as follows:

12-47-505. Local license fees. The following license fees shall be paid to the treasurer of the municipality, city and county, or county where the licensed premises is located annually in advance:

(b.5)(I) FOR EACH FOOD STORE LICENSE FOR PREMISES LOCATED WITHIN ANY MUNICIPALITY OR CITY AND COUNTY, ONE HUNDRED FIFTY DOLLARS;

(b.5)(II) FOR EACH FOOD STORE LICENSE FOR PREMISES LOCATED OUTSIDE THE MUNICIPAL LIMITS OF ANY MUNICIPALITY OR CITY AND COUNTY, TWO HUNDRED FIFTY DOLLARS.

SECTION 4. In Colorado Revised Statutes, 12-47-309(1), **add** (n) as follows:

12-47-309. Local licensing authority--applications--optional premises licenses. (1) A local licensing authority may issue only the following alcohol beverage licenses upon payment of the fee specified in section 12-47-505:

(n) FOOD STORE LICENSE.

SECTION 5. In Colorado Revised Statutes, 12-47-401(1), **add** (w) as follows:

12-47-401. Classes of licenses. (1) For the purpose of regulating the manufacture, sale, and distribution of alcohol beverages, the state licensing authority in its discretion, upon application in the prescribed form made to it, may issue and grant to the applicant a license or

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permit from any of the following classes, subject to the provisions and restrictions provided by this article:

(w) FOOD STORE LICENSE.

SECTION 6. Effective date. July 1, 2017.