Second Regular Session Seventy-first General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 18-0180.01 Christy Chase x2008

SENATE BILL 18-243

SENATE SPONSORSHIP

Holbert and Guzman,

HOUSE SPONSORSHIP

Esgar and McKean,

Senate CommitteesState, Veterans, & Military Affairs
Appropriations

101

102

House Committees

A BILL FOR AN ACT

CONCERNING THE RETAIL SALE OF ALCOHOL <u>BEVERAGES</u>, <u>AND</u>, <u>IN</u>
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

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

-2- 243

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

-3- 243

- 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

-4- 243

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.

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

SECTION 1. Legislative declaration. (1) The general assembly finds and declares that:

- (a) Prior to July 1, 2016, Colorado liquor laws strictly limited the ability of retail establishments to sell various alcohol beverage products in sealed containers for off-premises consumption by, among other provisions, imposing the following restrictions:
- (I) With regard to persons licensed as a retail liquor store or liquor-licensed drugstore, which is a retail establishment that operates a state-licensed pharmacy on site, which license authorizes the retail sale of beer, wine, and spirits for off-premises consumption only, limiting those persons to having an interest in only one such retail license; and
- (II) For retail establishments such as grocery stores, convenience stores, and other chain-type establishments that consist of multiple locations, those persons were permitted to obtain only a fermented malt beverage retailer's license under the "Colorado Beer Code" that authorized the sale of beer with a maximum alcohol content of 3.2% alcohol by weight or 4% alcohol by volume; except that a grocery store that operates a state-licensed pharmacy could obtain one liquor-licensed

-5- 243

drugstore license for a single location;

- (b) In 2016, the general assembly enacted Senate Bill 16-197, which dramatically altered the landscape of the off-premises retail liquor industry by:
- (I) Permitting retail liquor stores and liquor-licensed drugstores to obtain multiple licenses to sell beer, wine, and spirits at more than one licensed establishment, subject to restrictions based on proximity to an existing retail liquor business and other requirements; and
- (II) Eliminating, as of January 1, 2019, the maximum alcohol content of beer sold by fermented malt beverage retailers;
- (c) In an effort to ease the effect of these dramatic changes in the law on the liquor industry, the legislation directed the state licensing authority to convene a working group consisting of members of the industry to develop an implementation process for the transition, including a process for grocery and convenience stores to apply for a license to sell beer with no alcohol content limits;
- (d) While the working group convened for over a year following the passage of SB16-197, the group was not able to come to a consensus on how to implement the transition and thus did not develop an application process; and
- (e) Accordingly, effective January 1, 2019, the definition of fermented malt beverages will no longer contain an alcohol content limit, and it is therefore important to enact legislation to establish safeguards and parity among retail establishments and ensure public health and safety given that, as of January 1, 2019, a fermented malt beverage retailer will be able to sell beer with no maximum alcohol content under its existing license and without having to apply for or obtain a new license.

-6- 243

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

-7- 243

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), and (5) as follows:

-8-

12-46-107. Local licensing authority - application - fees - **definition - rules - repeal.** (1) The local licensing authority shall issue only the following classes of fermented malt beverage licenses:

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(c) (I) Sales for consumption both on and off the premises of the licensee; A person licensed pursuant to this paragraph (c) may deliver at retail fermented malt beverages in factory-sealed containers in conjunction with the delivery of food products if such person has obtained a permit for the delivery of fermented malt beverages from the state licensing authority. The state licensing authority shall promulgate rules as are necessary for the proper delivery of fermented malt beverages pursuant to this paragraph (c) and shall have the authority to issue a permit to any person who is licensed pursuant to and delivers fermented malt beverages under this paragraph (c) EXCEPT THAT ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (1)(c), AS AMENDED, A LOCAL LICENSING AUTHORITY SHALL NOT ISSUE A NEW FERMENTED MALT BEVERAGE LICENSE OR RENEW AN EXISTING FERMENTED MALT BEVERAGE LICENSE FOR THE SALE OF FERMENTED MALT BEVERAGES FOR CONSUMPTION ON AND OFF THE LICENSED PREMISES. ANY LICENSEE HOLDING A FERMENTED MALT BEVERAGE LICENSE ISSUED UNDER THIS SUBSECTION (1)(c) PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION (1)(c), AS AMENDED, THAT APPLIES TO RENEW THE LICENSE ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (1)(c), AS AMENDED, MUST SIMULTANEOUSLY APPLY TO CONVERT THE LICENSE EITHER TO A LICENSE FOR THE SALE OF FERMENTED MALT BEVERAGES FOR CONSUMPTION OFF THE LICENSED PREMISES AS SPECIFIED IN SUBSECTION (1)(a) OF THIS SECTION OR TO A LICENSE FOR THE SALE OF FERMENTED MALT BEVERAGES FOR CONSUMPTION ON THE LICENSED PREMISES AS SPECIFIED IN

-9- 243

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

-10-

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 <u>BEVERAGES.</u>

- 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).
 - (b) SHALL NOT ALLOW CONSUMERS TO PURCHASE FERMENTED MALT BEVERAGES AT A SELF-CHECKOUT OR OTHER MECHANISM THAT ALLOWS THE CONSUMER TO COMPLETE THE FERMENTED MALT BEVERAGES PURCHASE WITHOUT ASSISTANCE FROM AND COMPLETION OF THE ENTIRE TRANSACTION BY AN EMPLOYEE OF THE FERMENTED MALT BEVERAGE RETAILER WHO IS AT LEAST TWENTY-ONE YEARS OF AGE.
 - (5) A PERSON LICENSED UNDER SUBSECTION (1)(a) OF THIS SECTION THAT HOLDS MULTIPLE FERMENTED MALT BEVERAGE RETAILER'S LICENSES FOR MULTIPLE LICENSED PREMISES MAY OPERATE UNDER A SINGLE OR CONSOLIDATED CORPORATE ENTITY BUT SHALL NOT COMMINGLE PURCHASES OF OR CREDIT EXTENSIONS FOR PURCHASES OF FERMENTED MALT BEVERAGES FROM A WHOLESALER LICENSED UNDER THIS ARTICLE 46 OR ARTICLE 47 OF THIS TITLE 12 FOR MORE THAN ONE LICENSED PREMISES. A WHOLESALER LICENSED UNDER THIS ARTICLE 46 OR ARTICLE 47 OF THIS TITLE 12 SHALL NOT BASE THE PRICE FOR THE

-11- 243

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	SECTION 5. In Colorado Revised Statutes, 12-47-301, amend
6	(2), (8) , $(9)(a)$, $(10)(c)(I)$, $(10)(c)(V)$, $(10)(c)(VII)$, $(10)(c)(XI)$,
7	(10)(c)(XII), (10)(d), and (12) as follows:
8	12-47-301. Licensing in general. (2) (a) Before granting any
9	license, all licensing authorities shall consider, except where this article
10	ARTICLE 47 and article 46 of this title TITLE 12 specifically provide
11	otherwise, the reasonable requirements of the neighborhood, the desires
12	of the adult inhabitants as evidenced by petitions, remonstrances, or
13	otherwise, and all other reasonable restrictions that are or may be placed
14	upon the neighborhood by the local licensing authority. With respect to
15	a second or additional license described in section 12-47-401 (1)(j) to
16	(1)(t), $(1)(v)$, or $(1)(w)$ or 12-47-410 (1) or in a financial institution
17	referred to in section 12-47-308 (4) for the same licensee, all licensing
18	authorities shall consider the effect on competition of the granting or
19	disapproving of additional licenses to such licensee and shall not approve
20	an application for a second or additional hotel and restaurant or vintner's
21	restaurant license that would have the effect of restraining competition.
22	shall be approved.
23	(b) (I) A local licensing authority or the state on state-owned
24	property may deny the issuance of any new tavern or retail liquor store
25	license whenever such THE LICENSING authority determines that the
26	issuance of such THE license would result in or add to an undue
2.7	concentration of the same class of license and as a result require the use

-12- 243

of additional law enforcement resources.

(II) ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (2)(b)(II), A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED PROPERTY, THE STATE LICENSING AUTHORITY MAY DENY THE ISSUANCE OF A NEW RETAIL LIQUOR STORE LICENSE UNDER SECTION 12-47-407 OR A NEW FERMENTED MALT BEVERAGE LICENSE UNDER SECTION 12-46-107 (1)(a) IF THE LOCAL OR STATE LICENSING AUTHORITY DETERMINES THAT ISSUANCE OF THE NEW LICENSE WOULD RESULT IN OR ADD TO AN UNDUE CONCENTRATION OF LICENSES AUTHORIZING THE SALE OF ALCOHOL BEVERAGES AT RETAIL FOR OFF-PREMISES CONSUMPTION AND, AS A RESULT, REQUIRE THE USE OF ADDITIONAL LAW ENFORCEMENT RESOURCES.

- (8) Each licensee holding a fermented malt beverage on-premises license, or on- and off-premises license, beer and wine license, tavern license, lodging and entertainment license, club license, arts license, or racetrack license shall manage the premises himself or herself or employ a separate and distinct manager on the premises and shall report the name of the manager to the state and local licensing authorities. The licensee shall report any change in managers to the state and local licensing authorities within thirty days after the change. It is unlawful for the licensee to fail to report the name of or any change in managers as required by this subsection (8). The failure to report is grounds for suspension of the license.
- (9) (a) (I) (A) SUBJECT TO SUBSECTIONS (9)(a)(I)(B) AND (9)(a)(I)(C) OF THIS SECTION, a licensee may move his or her ITS permanent location to any other place in the same city, town, or city and county for which the license was originally granted, or in the same county

-13-

if such THE license was granted for a place outside the corporate limits of any city, town, or city and county, but it shall be IS unlawful to sell any alcohol beverage at any such place THE NEW LOCATION until permission to do so is granted by all the STATE AND LOCAL licensing authorities. provided for in this article.

(B) The State and Local Licensing authorities shall not grant permission under this subsection (9)(a)(I) to a fermented malt beverage retailer licensed under section 12-46-107 (1)(a) to move its permanent location if the new location is: Within one thousand five hundred feet of a retail liquor store licensed under section 12-47-407; for a premises located in a municipality with a population of ten thousand or fewer, within three thousand feet of a retail liquor store licensed under section 12-47-407; or, for a premises located in a municipality with a population of ten thousand or fewer that is contiguous to the city and county of Denver, within one thousand five hundred feet of a retail liquor store licensed under section 12-47-407.

(C) The State and Local Licensing authorities shall not grant permission under this subsection (9)(a)(I) to a retail Liquor store Licensed under Section 12-47-407 to move its permanent Location if the New Location is: Within one thousand five hundred feet of another retail Liquor Store Licensed under Section 12-47-407; for a premises Located in a municipality with a population of ten thousand or fewer, within three thousand feet of another retail Liquor Store Licensed under Section 12-47-407; or, for a premises Located in a municipality with a population of ten thousand or fewer that is contiguous to the

-14- 243

1	CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
2	FEET OF ANOTHER RETAIL LIQUOR STORE LICENSED UNDER SECTION
3	12-47-407.
4	(II) Notwithstanding subparagraph (I) of this paragraph (a)
5	SECTION (9)(a)(I) OF THIS SECTION AND SUBJECT TO SUBSECTION
6	(9)(a)(I)(C), for a retail liquor store licensed on or before January 1, 2016,
7	the licensee may apply to move the permanent location to another place
8	within or outside the municipality or county in which the license was
9	originally granted. It is unlawful for the licensee to sell any alcohol
10	beverages at the new location until permission is granted by the state and
11	local licensing authorities.
12	(10) (c) Tastings are subject to the following limitations:
13	(I) Tastings shall be conducted only:
14	(A) By a person who: Has completed a server training program
15	that meets the standards established by the liquor enforcement division in
16	the department of revenue and who is either a retail liquor store licensee
17	or a liquor-licensed drugstore licensee, or an employee of a RETAIL
18	LIQUOR STORE OR LIQUOR-LICENSED DRUGSTORE licensee, OR A
19	REPRESENTATIVE, EMPLOYEE, OR AGENT OF THE LICENSED WHOLESALER,
20	BREW PUB, DISTILLERY PUB, MANUFACTURER, LIMITED WINERY, IMPORTER,
21	OR VINTNER'S RESTAURANT SUPPLYING THE ALCOHOL BEVERAGES FOR THE
22	TASTING; and only
23	(B) On a licensee's licensed premises.
24	(V) THE LICENSEE MAY CONDUCT tastings shall be conducted only
25	during the operating hours in which the licensee on whose premises the
26	tastings occur is permitted to sell alcohol beverages, and in no case earlier
27	than 11 a.m. or later than 7 p.m. 9 P.M.

-15- 243

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

- (XI) THE LICENSEE MAY CONDUCT tastings may occur on no more than four of the six days from a Monday to the following Saturday, not to exceed one hundred four ONE HUNDRED FIFTY-SIX days per year.
- (XII) No manufacturer of spirituous or vinous liquors shall induce a licensee through free goods or financial or in-kind assistance to favor the manufacturer's products being sampled at a tasting. The RETAIL LIQUOR STORE OR LIQUOR-LICENSED DRUGSTORE licensee shall bear BEARS the financial and all other responsibility for a tasting CONDUCTED ON ITS LICENSED PREMISES.
- (d) A violation of a limitation specified in this subsection (10) or of section 12-47-801 by a retail liquor store or liquor-licensed drugstore licensee, whether by his or her the licensee's employees, agents, or otherwise shall be or by a representative, employee, or agent of the licensed wholesaler, brewpub, distillery pub, manufacturer, limited winery, importer, or vintner's restaurant that supplied the alcohol beverages for the tasting, is the responsibility of, and section 12-47-801 applies to, the retail liquor store or liquor-licensed drugstore licensee who is conducting that conducted the tasting.
- (12) (a) Notwithstanding any other provision of this article 47, on and after July 1, 2016, the state and local licensing authorities shall not issue a new license under this article 47 authorizing the sale at retail of

-16-

malt, vinous, or spirituous liquors in sealed containers for consumption off the licensed premises if the premises for which the retail license is sought is located:

(I) Within one thousand five hundred feet of another licensed premises licensed to sell malt, vinous, or spirituous liquors at retail for

off-premises consumption; or

- (II) For a premises located in a municipality with a population of ten thousand or fewer, within three thousand feet of another licensed premises licensed to sell malt, vinous, or spirituous liquors at retail for off-premises consumption; OR
- (III) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED FEET OF ANOTHER LICENSED PREMISES LICENSED TO SELL MALT, VINOUS, OR SPIRITUOUS LIQUORS AT RETAIL FOR OFF-PREMISES CONSUMPTION.
- (a.5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE 47, ON AND AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (12)(a.5), THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT ISSUE A NEW FERMENTED MALT BEVERAGE RETAILER'S LICENSE UNDER ARTICLE 46 OF THIS TITLE 12 AUTHORIZING THE SALE AT RETAIL OF FERMENTED MALT BEVERAGES IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES IF THE PREMISES FOR WHICH THE RETAIL LICENSE IS SOUGHT IS LOCATED:
- (I) WITHIN ONE THOUSAND FIVE HUNDRED FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407;
- (II) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A POPULATION OF TENTHOUSAND OR FEWER, WITHIN THREE THOUSAND FEET

-17-

1	OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407; OR
2	(III) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
3	POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE
4	CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
5	FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407.
6	(b) For purposes of this subsection (12) SUBSECTION (12)(a) OF
7	THIS SECTION, a license under this article ARTICLE 47 authorizing the sale
8	at retail of malt, vinous, or spirituous liquors in sealed containers for
9	consumption off the licensed premises includes a license under this article
10	ARTICLE 47 authorizing the sale of malt and vinous liquors in sealed
11	containers not to be consumed at the place where the malt and vinous
12	liquors are sold.
13	(c) For purposes of determining whether the distance requirements
14	specified in paragraph (a) of this subsection (12) SUBSECTIONS (12)(a)
15	AND (12)(a.5) OF THIS SECTION are satisfied, the distance shall be
16	determined by a radius measurement that begins at the principal doorway
17	of the premises for which the application is made and ends at the
18	principal doorway of the other retail licensed premises.
19	SECTION 6. In Colorado Revised Statutes, 12-47-308, amend
20	(1)(a), (3)(a), and (5) as follows:
21	12-47-308. Unlawful financial assistance. (1) (a) (I) It is
22	unlawful for any person licensed pursuant to this article ARTICLE 47 or
23	article 46 of this title TITLE 12 as a manufacturer, limited winery, licensee,
24	wholesaler, or importer, or any person, partnership, association,
25	organization, or corporation interested financially in or with any of said
26	licensees, to furnish, supply, or loan, in any manner, directly or indirectly,
27	to any person licensed to sell at retail pursuant to this article ARTICLE 47

-18-

or article 46 or 48 of this title TITLE 12:

- (A) Any financial assistance, including the extension of credit for more than thirty days, as specified in section 12-47-202 (2)(b) or in rules of the state licensing authority; or
- (B) Any equipment, fixtures, chattels, or furnishings used in the storing, handling, serving, or dispensing of food or alcohol beverages within the premises or for making any structural alterations or improvements in or on the building in which such THE premises are IS located.
- (II) This section shall SUBSECTION (1) DOES not:
 - (A) Apply to signs or displays within such THE LICENSED premises; OR
 - (B) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER, OR IMPORTER FROM POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE PRODUCTS AS PART OF A TASTING BEING CONDUCTED ON THE LICENSED PREMISES OF A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT CONSTITUTE LABOR PROVIDED BY A PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER, OR IMPORTER TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES AT RETAIL.
 - (3) (a) (I) It is unlawful for any person licensed to sell at retail pursuant to this article ARTICLE 47 or article 46 of this title TITLE 12 to receive and obtain from the persons or parties described and referred to

-19-

- in subsection (1)(a) of this section, directly or indirectly, any financial assistance or any equipment, fixtures, chattels, or furnishings used in the storing, handling, serving, or dispensing of food or alcohol beverages within the premises or from making any structural alterations or improvements in or on the building on which such THE premises are IS located.
- (II) This subsection (3) shall DOES not:

- (A) Apply to signs or displays within such THE premises or to advertising materials that are intended primarily to advertise the product of the wholesaler or manufacturer and that have only negligible value in themselves or to the inspection and servicing of malt or vinous liquor-dispensing equipment to the extent necessary for the maintenance of reasonable standards of purity, cleanliness, and health; OR
- (B) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A LICENSEE DESCRIBED AND REFERRED TO IN SUBSECTION (1)(a) OF THIS SECTION FROM POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE PRODUCTS AS PART OF A TASTING BEING CONDUCTED ON THE LICENSED PREMISES OF THE PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT CONSTITUTE LABOR PROVIDED BY A LICENSEE DESCRIBED IN SUBSECTION (1)(a) OF THIS SECTION TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES AT RETAIL.
- (5) (a) It is unlawful for any owner, part owner, shareholder, stockholder, or person interested, directly or indirectly, in any retail business or establishment of a person licensed to sell at retail pursuant to the provisions of this article ARTICLE 47 or article 46 or 48 of this title

-20-

1 TITLE 12 to enter into any agreement with any person or party or to 2 receive, possess, or accept any money, fixtures, supplies, or things of 3 value from any person or party, whereby a person licensed to sell at retail 4 pursuant to this article ARTICLE 47 or article 46 or 48 of this title TITLE 12 5 may be influenced or caused, directly or indirectly, to buy, sell, dispense, 6 or handle the product of any manufacturer of alcohol beverages. 7 (b) This subsection (5) shall DOES not: 8 (I) Apply to displays within such THE premises; OR 9 (II) PREVENT A REPRESENTATIVE, EMPLOYEE, OR AGENT OF A 10 PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12 11 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER, OR IMPORTER FROM 12 POURING OR SERVING THE LICENSEE'S ALCOHOL BEVERAGE PRODUCTS AS 13 PART OF A TASTING BEING CONDUCTED ON THE LICENSED PREMISES OF A 14 PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL ALCOHOL BEVERAGES 15 AT RETAIL FOR OFF-PREMISES CONSUMPTION, AND POURING OR SERVING 16 THE LICENSEE'S ALCOHOL BEVERAGES DOES NOT CONSTITUTE LABOR 17 PROVIDED BY A PERSON LICENSED UNDER THIS ARTICLE 47 OR ARTICLE 46 18 OF THIS TITLE 12 AS A MANUFACTURER, LIMITED WINERY, WHOLESALER, 19 OR IMPORTER TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL 20 ALCOHOL BEVERAGES AT RETAIL. 21 **SECTION 7.** In Colorado Revised Statutes, 12-47-313, amend 22 (1) introductory portion and (2); and **add** (1)(e) and (3) as follows: 23 12-47-313. Restrictions for applications for new license -24 **repeal.** (1) No AN application for the issuance of any license specified 25 in section 12-47-309 (1) or 12-46-107 (1) shall NOT be received or acted

26

27

upon:

(e) (I)

-21- 243

IF THE BUILDING IN WHICH THE FERMENTED MALT

1	BEVERAGES ARE TO BE SOLD PURSUANT TO A LICENSE UNDER SECTION
2	12-46-107 (1)(a) IS LOCATED WITHIN FIVE HUNDRED FEET OF ANY PUBLIC
3	OR PAROCHIAL SCHOOL OR THE PRINCIPAL CAMPUS OF ANY COLLEGE,
4	UNIVERSITY, OR SEMINARY; EXCEPT THAT THIS SUBSECTION $(1)(e)(I)$ DOES
5	NOT APPLY TO:
6	(A) LICENSED PREMISES LOCATED OR TO BE LOCATED ON LAND
7	OWNED BY A MUNICIPALITY;
8	(B) AN EXISTING LICENSED PREMISES ON LAND OWNED BY THE
9	STATE;
10	$(C) \ A \ FERMENTED \ MALT \ BEVERAGE \ RETAILER \ THAT \ HELD \ A \ VALID$
11	LICENSE AND WAS ACTIVELY DOING BUSINESS BEFORE THE PRINCIPAL
12	CAMPUS WAS CONSTRUCTED;
13	(D) A CLUB LOCATED WITHIN THE PRINCIPAL CAMPUS OF ANY
14	COLLEGE, UNIVERSITY, OR SEMINARY THAT LIMITS ITS MEMBERSHIP TO THE
15	FACULTY OR STAFF OF THE INSTITUTION; OR
16	(E) A CAMPUS LIQUOR COMPLEX.
17	(II) The distances referred to in subsection (1)(e)(I) of this
18	SECTION ARE TO BE COMPUTED BY DIRECT MEASUREMENT FROM THE
19	NEAREST PROPERTY LINE OF THE LAND USED FOR SCHOOL PURPOSES TO
20	THE NEAREST PORTION OF THE BUILDING IN WHICH FERMENTED MALT
21	BEVERAGES ARE TO BE SOLD, USING A ROUTE OF DIRECT PEDESTRIAN
22	ACCESS.
23	$(III)\ The \ Local \ Licensing \ authority \ of \ any \ city \ and \ county,$
24	BY RULE OR REGULATION, THE GOVERNING BODY OF ANY OTHER
25	MUNICIPALITY, BY ORDINANCE, OR THE GOVERNING BODY OF ANY OTHER
26	COUNTY, BY RESOLUTION, MAY:
27	(A) ELIMINATE OR MODIFY THE DISTANCE RESTRICTIONS IMPOSED

-22- 243

1	BY THIS SUBSECTION (1)(e); OR
2	(B) ELIMINATE ONE OR MORE TYPES OF SCHOOLS OR CAMPUSES
3	FROM THE APPLICATION OF ANY DISTANCE RESTRICTION ESTABLISHED BY
4	OR PURSUANT TO THIS SUBSECTION (1)(e).
5	(IV) IN ADDITION TO THE REQUIREMENTS OF SECTION 12-47-312
6	(2), THE LOCAL LICENSING AUTHORITY SHALL CONSIDER THE EVIDENCE
7	AND MAKE A SPECIFIC FINDING OF FACT AS TO WHETHER THE BUILDING IN
8	WHICH THE FERMENTED MALT BEVERAGES ARE TO BE SOLD IS LOCATED
9	WITHIN ANY DISTANCE RESTRICTION ESTABLISHED BY OR PURSUANT TO
10	THIS SUBSECTION (1)(e). THE FINDING IS SUBJECT TO JUDICIAL REVIEW
11	PURSUANT TO SECTION 12-47-802.
12	(V) THIS SUBSECTION (1)(e) APPLIES TO:
13	(A) APPLICATIONS FOR NEW FERMENTED MALT BEVERAGE
14	RETAILER'S LICENSES UNDER SECTION 12-46-107 (1)(a) SUBMITTED ON OR
15	AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (1)(e); AND
16	(B) APPLICATIONS SUBMITTED ON OR AFTER THE EFFECTIVE DATE
17	OF THIS SUBSECTION (1)(e) UNDER SECTION 12-47-301 (9) BY FERMENTED
18	MALT BEVERAGE RETAILERS LICENSED UNDER SECTION 12-46-107 (1)(a)
19	TO CHANGE THE PERMANENT LOCATION OF THE FERMENTED MALT
20	BEVERAGE RETAILER'S LICENSED PREMISES.
21	(2) (a) A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED
22	PROPERTY, THE STATE LICENSING AUTHORITY MAY DENY an application
23	for the issuance of a tavern or retail liquor store license may be denied
24	under this article ARTICLE 47 if the local OR STATE licensing authority or
25	the state on state-owned property determines, pursuant to section
26	12-47-301 (2)(b) SECTION 12-47-301 (2)(b)(I), that the issuance of such
27	THE license would result in or add to an undue concentration of the same

-23- 243

1	class of license and, as a result, require the use of additional law
2	enforcement resources.
3	(b) ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (2)(b),
4	A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED PROPERTY, THE
5	STATE LICENSING AUTHORITY MAY DENY AN APPLICATION FOR THE
6	ISSUANCE OF A NEW RETAIL LIQUOR STORE LICENSE UNDER SECTION
7	12-47-407 or a new fermented malt beverage license under
8	SECTION 12-46-107 (1)(a) IF THE LOCAL OR STATE LICENSING AUTHORITY
9	DETERMINES, PURSUANT TO SECTION 12-47-301 (2)(b)(II), THAT ISSUANCE
10	OF THE NEW LICENSE WOULD RESULT IN OR ADD TO AN UNDUE
11	CONCENTRATION OF LICENSES AUTHORIZING THE SALE OF ALCOHOL
12	BEVERAGES AT RETAIL FOR OFF-PREMISES CONSUMPTION AND, AS A
13	RESULT, REQUIRE THE USE OF ADDITIONAL LAW ENFORCEMENT
14	RESOURCES.
15	(3) (a) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
16	CONTRARY, THE LOCAL LICENSING AUTHORITY OF ANY CITY AND COUNTY,
17	BY RULE OR REGULATION, THE GOVERNING BODY OF ANY OTHER
18	MUNICIPALITY, BY ORDINANCE, OR THE GOVERNING BODY OF ANY OTHER
19	COUNTY, BY RESOLUTION, MAY ADOPT A TEMPORARY MORATORIUM ON
20	THE ISSUANCE OF ANY NEW FERMENTED MALT BEVERAGE RETAILER'S
21	LICENSE UNDER SECTION 12-46-107 (1)(a). A MORATORIUM ADOPTED
22	PURSUANT TO THIS SUBSECTION (3) MAY BE EFFECTIVE NO EARLIER THAN
23	THE EFFECTIVE DATE OF THIS SUBSECTION (3) AND NO LATER THAN
24	DECEMBER 31, 2018.
25	(b) This subsection (3) is repealed, effective September 1,
26	2020.
27	SECTION 8. In Colorado Revised Statutes, 12-47-407, amend

-24-

1	(1)(a)(II), (2), and (3) as follows:
2	12-47-407. Retail liquor store license - rules. (1) (a) (II) On and
3	after July 1, 2016, the state and local licensing authorities shall not issue
4	a new retail liquor store license if the premises for which the retail liquor
5	store license is sought is located:
6	(A) Within one thousand five hundred feet of another retail liquor
7	store licensed under this section or a liquor-licensed drugstore licensed
8	under section 12-47-408; or
9	(B) For a premises located in a municipality with a population of
10	ten thousand or fewer, within three thousand feet of another retail liquor
11	store licensed under this section or a liquor-licensed drugstore licensed
12	under section 12-47-408; OR
13	(C) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
14	POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO THE
15	CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
16	FEET OF ANOTHER RETAIL LIQUOR STORE LICENSED UNDER THIS SECTION
17	OR A LIQUOR-LICENSED DRUGSTORE LICENSED UNDER SECTION 12-47-408.
18	(2) (a) Every A person selling LICENSED UNDER THIS SECTION TO
19	SELL malt, vinous, and spirituous liquors in a retail liquor store:
20	(I) Shall purchase such THE malt, vinous, and spirituous liquors
21	only from a wholesaler licensed pursuant to this article. ARTICLE 47; AND
22	(II) (\underline{A}) Shall not sell malt, vinous, or spirituous liquors
23	TO CONSUMERS AT A PRICE THAT IS BELOW THE RETAIL LIQUOR STORE'S
24	COST, AS LISTED ON THE INVOICE, TO PURCHASE THE MALT, VINOUS, OR
25	SPIRITUOUS LIQUORS, UNLESS THE SALE IS OF DISCONTINUED OR
26	CLOSE-OUT MALT, VINOUS, OR SPIRITUOUS <u>LIQUORS.</u>
27	(B) This subsection (2)(a)(II) does not prohibit a retail

-25- 243

1	LIQUOR STORE FROM OPERATING A BONA FIDE LOYALTY OR REWARDS
2	PROGRAM FOR MALT, VINOUS, OR SPIRITUOUS LIQUORS SO LONG AS THE
3	PRICE FOR THE PRODUCT IS NOT BELOW THE RETAIL LIQUOR STORE'S COSTS
4	AS LISTED ON THE INVOICE. THE STATE LICENSING AUTHORITY MAY ADOPT
5	RULES TO IMPLEMENT THIS SUBSECTION (2)(a)(II).
6	(b) A PERSON LICENSED UNDER THIS SECTION THAT OBTAINS
7	ADDITIONAL RETAIL LIQUOR STORE LICENSES IN ACCORDANCE WITH
8	SUBSECTION (4)(b)(III) OF THIS SECTION MAY OPERATE UNDER A SINGLE
9	OR CONSOLIDATED CORPORATE ENTITY BUT SHALL NOT COMMINGLE
10	PURCHASES OF OR CREDIT EXTENSIONS FOR PURCHASES OF MALT, VINOUS,
11	OR SPIRITUOUS LIQUORS FROM A WHOLESALER LICENSED UNDER THIS
12	ARTICLE 47 FOR MORE THAN ONE LICENSED PREMISES. A WHOLESALER
13	LICENSED UNDER THIS ARTICLE 47 SHALL NOT BASE THE PRICE FOR THE
14	MALT, VINOUS, OR SPIRITUOUS LIQUORS IT SELLS TO A RETAIL LIQUOR
15	STORE LICENSED UNDER THIS SECTION ON THE TOTAL VOLUME OF MALT,
16	VINOUS, OR SPIRITUOUS LIQUORS THAT THE LICENSEE PURCHASES FOR
17	MULTIPLE LICENSED PREMISES.
18	(3) (a) A person licensed to sell at retail who complies with this
19	subsection (3) and rules promulgated pursuant thereto TO THIS
20	SUBSECTION (3) may deliver malt, vinous, and spirituous liquors to a
21	person of legal age if: such
22	(I) THE person receiving the delivery of malt, vinous, or
23	SPIRITUOUS LIQUORS is LOCATED at a place that is not licensed pursuant
24	to this section;
25	(II) THE DELIVERY IS MADE BY AN EMPLOYEE OF THE LICENSED
26	RETAIL LIQUOR STORE WHO IS AT LEAST TWENTY-ONE YEARS OF AGE AND
27	WHO IS USING A VEHICLE OWNED OR LEASED BY THE LICENSEE TO MAKE

-26- 243

1	THE DELIVERY,
2	(III) THE PERSON MAKING THE DELIVERY VERIFIES, IN
3	ACCORDANCE WITH SECTION $12\text{-}47\text{-}901(10)$, that the person receiving
4	THE DELIVERY OF MALT, VINOUS, OR SPIRITUOUS LIQUORS IS AT LEAST
5	TWENTY-ONE YEARS OF AGE;
6	(IV) ONLY ALCOHOL BEVERAGES AND ITEMS RELATED TO THE
7	SERVICE OR CONSUMPTION OF ALCOHOL BEVERAGES ARE DELIVERED; AND
8	(V) THE RETAIL LIQUOR STORE DERIVES NO MORE THAN FIFTY
9	PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL SALES OF MALT,
10	VINOUS, AND SPIRITUOUS LIQUORS FROM THE SALE OF MALT, VINOUS, AND
11	SPIRITUOUS LIQUORS THAT THE RETAIL LIQUOR STORE DELIVERS.
12	(b) The state licensing authority shall promulgate rules as are
13	necessary for the proper delivery of malt, vinous, and spirituous liquors
14	and shall have the authority IS AUTHORIZED to issue a permit to any
15	person who is licensed UNDER THIS SECTION to sell at retail and delivers
16	such THE liquors pursuant to this subsection (3). Such permits shall be A
17	PERMIT ISSUED UNDER THIS SUBSECTION (3) IS subject to the same
18	suspension and revocation provisions as are set forth in section 12-47-601
19	for other licenses granted pursuant to this article ARTICLE 47.
20	SECTION 9. In Colorado Revised Statutes, 12-47-408, amend
21	(1)(a)(I), (1)(b)(IV) introductory portion, $(1)(b)(IV)(B), (2)(a)(II),$
22	(2)(a)(III), (3), and (4)(b)(IV) introductory portion; and add (4)(b)(V),
23	(4)(c), and (8) as follows:
24	12-47-408. Liquor-licensed drugstore license - multiple
25	licenses permitted - requirements - rules. (1) (a) (I) A liquor-licensed
26	drugstore license shall be issued to persons selling malt, vinous, and
27	spirituous liquors in sealed containers not to be consumed at the place

-27- 243

1	where sold. On and after July 1, 2016, except as permitted under
2	paragraph (b) of this subsection (1) SUBSECTION (1)(b) OF THIS SECTION,
3	the state and local licensing authorities shall not issue a new
4	liquor-licensed drugstore license if the licensed premises for which a
5	liquor-licensed drugstore license is sought is located:
6	(A) Within one thousand five hundred feet of a retail liquor store
7	licensed under section 12-47-407; or
8	(B) For a drugstore premises located in a municipality with a
9	population of ten thousand or fewer, within three thousand feet of a retail
10	liquor store licensed under section 12-47-407; OR
11	(C) FOR A DRUGSTORE PREMISES LOCATED IN A MUNICIPALITY
12	WITH A POPULATION OF TEN THOUSAND OR FEWER THAT IS CONTIGUOUS TO
13	THE CITY AND COUNTY OF DENVER, WITHIN ONE THOUSAND FIVE HUNDRED
14	FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407.
15	(b) (IV) In addition to any other requirements for licensure under
16	this section or article ARTICLE 47, a person applying for a new
17	liquor-licensed drugstore license in accordance with this paragraph (b)
18	SUBSECTION (1)(b) on or after January 1, 2017, or to renew a
19	liquor-licensed drugstore license is sued on or after January 1,2017, under
20	this paragraph (b) SUBSECTION (1)(b) must:
21	(B) Be MAKE AND KEEP ITS PREMISES open to the public.
22	(2) (a) A person licensed under this section to sell malt, vinous,
23	and spirituous liquors as provided in this section shall:
24	(II) (A) Not sell malt, vinous, or spirituous liquors to consumers
25	at a price that is below the liquor-licensed drugstore's cost, AS LISTED ON
26	THE INVOICE, to purchase the malt, vinous, or spirituous liquors, UNLESS
27	THE SALE IS OF DISCONTINUED OR CLOSE-OUT MALT, VINOUS, OR

-28- 243

1	SPIRITUOUS <u>LIQUORS.</u>
2	(B) This subsection (2)(a)(II) does not prohibit a
3	LIQUOR-LICENSED DRUGSTORE FROM OPERATING A BONA FIDE LOYALTY
4	OR REWARDS PROGRAM FOR MALT, VINOUS, OR SPIRITUOUS LIQUORS SO
5	LONG AS THE PRICE FOR THE PRODUCT IS NOT BELOW THE
6	LIQUOR-LICENSED DRUGSTORE'S COSTS AS LISTED ON THE INVOICE. THE
7	STATE LICENSING AUTHORITY MAY ADOPT RULES TO IMPLEMENT THIS
8	SUBSECTION (2)(a)(II).
9	(III) Not allow consumers to purchase malt, vinous, or spirituous
10	liquors at a self-checkout or other mechanism that allows the consumer
11	to complete the alcohol beverage purchase without assistance from and
12	completion of the ENTIRE transaction by an employee of the
13	liquor-licensed drugstore WHO IS AT LEAST TWENTY-ONE YEARS OF AGE;
14	(3) (a) A liquor-licensed drugstore licensee who complies with
15	this subsection (3) and rules promulgated pursuant thereto TO THIS
16	SUBSECTION (3) may deliver malt, vinous, and spirituous liquors to a
17	person of legal age if: such
18	(I) THE person receiving the delivery of malt, vinous, or
19	SPIRITUOUS LIQUORS is LOCATED at a place that is not licensed pursuant
20	to this section;
21	(II) THE DELIVERY IS MADE BY AN EMPLOYEE OF THE
22	LIQUOR-LICENSED DRUGSTORE WHO IS AT LEAST TWENTY-ONE YEARS OF
23	AGE AND WHO IS USING A VEHICLE OWNED OR LEASED BY THE LICENSEE TO
24	MAKE THE DELIVERY;
25	(III) THE PERSON MAKING THE DELIVERY VERIFIES, IN
26	ACCORDANCE WITH SECTION 12-47-901 (10), THAT THE PERSON RECEIVING
27	THE DELIVERY OF MALT, VINOUS, OR SPIRITUOUS LIQUORS IS AT LEAST

-29- 243

1	I WENTY-ONE YEARS OF AGE,
2	(IV) ONLY ALCOHOL BEVERAGES AND ITEMS RELATED TO THE
3	SERVICE OR CONSUMPTION OF ALCOHOL BEVERAGES ARE DELIVERED; AND
4	(V) THE LIQUOR-LICENSED DRUGSTORE DERIVES NO MORE THAN
5	FIFTY PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL SALES OF
6	MALT, VINOUS, AND SPIRITUOUS LIQUORS FROM THE SALE OF MALT,
7	VINOUS, AND SPIRITUOUS LIQUORS THAT THE LIQUOR-LICENSED
8	DRUGSTORE DELIVERS.
9	(b) The state licensing authority shall promulgate rules as are
10	necessary for the proper delivery of malt, vinous, and spirituous liquors
11	and shall have the authority IS AUTHORIZED to issue a permit to any
12	liquor-licensed drugstore licensee that will allow such THE licensee to
13	deliver such THE liquors pursuant to such THE rules and this subsection
14	(3). Such permits shall be A PERMIT ISSUED UNDER THIS SUBSECTION (3)
15	IS subject to the same suspension and revocation provisions as are set
16	forth in sections 12-47-306 and 12-47-601 for other licenses granted
17	pursuant to this article ARTICLE 47.
18	(4) (b) An owner, part owner, shareholder, or person interested
19	directly or indirectly in a liquor-licensed drugstore may have an interest
20	in:
21	(IV) For a liquor-licensed drugstore licensed on or before January
22	1, 2016, OR A LIQUOR-LICENSED DRUGSTORE LICENSEE THAT WAS
23	LICENSED AS A LIQUOR-LICENSED DRUGSTORE ON FEBRUARY 21, 2016,
24	THAT CONVERTED ITS LICENSE TO A RETAIL LIQUOR STORE LICENSE AFTER
25	February 21, 2016, and that applied on or before May 1, 2017, to
26	CONVERT ITS RETAIL LIQUOR STORE LICENSE BACK TO A LIQUOR-LICENSED
27	DRUGSTORE LICENSE, additional liquor-licensed drugstore licenses as

-30-

1	follows, but only if obtained in accordance with paragraph (b) of
2	subsection (1) SUBSECTION (1)(b) of this section:
3	(V) FOR A LIQUOR-LICENSED DRUGSTORE THAT SUBMITTED AN
4	APPLICATION FOR A NEW LIQUOR-LICENSED DRUGSTORE LICENSE AFTER
5	July 1, 2016, additional liquor-licensed drugstore licenses as
6	FOLLOWS, BUT ONLY IF OBTAINED IN ACCORDANCE WITH SUBSECTION
7	(1)(b) OF THIS SECTION:
8	(A) On or after January 1, 2019, and before January 1,
9	2022, ONE ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSE, FOR A
10	MAXIMUM OF TWO TOTAL LIQUOR-LICENSED DRUGSTORE LICENSES;
11	(B) On or after January 1, 2022, and before January 1,
12	2027, UP TO TWO ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES,
13	FOR A MAXIMUM OF THREE TOTAL LIQUOR-LICENSED DRUGSTORE
14	LICENSES; AND
15	(C) On or after January 1, 2027, up to three additional
16	LIQUOR-LICENSED DRUGSTORE LICENSES, FOR A MAXIMUM OF FOUR TOTAL
17	LIQUOR-LICENSED DRUGSTORE LICENSES.
18	(c) Subsection (4)(b)(V) of this section does not apply to a
19	LIQUOR-LICENSED DRUGSTORE LICENSEE THAT WAS LICENSED AS A
20	LIQUOR-LICENSED DRUGSTORE ON FEBRUARY 21, 2016, THAT CONVERTED
21	ITS LICENSE TO A RETAIL LIQUOR STORE LICENSE AFTER FEBRUARY 21,
22	2016, and that applied on or before May 1, 2017 , to convert its
23	RETAIL LIQUOR STORE LICENSE BACK TO A LIQUOR-LICENSED DRUGSTORE
24	LICENSE.
25	(8) A PERSON LICENSED UNDER THIS SECTION THAT OBTAINS
26	ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES IN ACCORDANCE
27	WITH SUBSECTION $(4)(b)(IV)$ OR $(4)(b)(V)$ OF THIS SECTION MAY OPERATE

-31- 243

1	UNDER A SINGLE OR CONSOLIDATED CORPORATE ENTITY BUT SHALL NOT
2	COMMINGLE PURCHASES OF OR CREDIT EXTENSIONS FOR PURCHASES OF
3	MALT, VINOUS, OR SPIRITUOUS LIQUORS FROM A WHOLESALER LICENSED
4	UNDER THIS ARTICLE 47 FOR MORE THAN ONE LICENSED PREMISES. A
5	WHOLESALER LICENSED UNDER THIS ARTICLE 47 SHALL NOT BASE THE
6	PRICE FOR THE MALT, VINOUS, OR SPIRITUOUS LIQUORS IT SELLS TO A
7	LIQUOR-LICENSED DRUGSTORE LICENSED UNDER THIS SECTION ON THE
8	TOTAL VOLUME OF MALT, VINOUS, OR SPIRITUOUS LIQUORS THAT THE
9	LICENSEE PURCHASES FOR MULTIPLE LICENSED PREMISES.
10	SECTION 10. In Colorado Revised Statutes, 12-47-601, add
11	(7.5)(c) as follows:
12	12-47-601. Suspension - revocation - fines. (7.5) (c) (I) IF THE
13	LICENSING AUTHORITY HAS DECIDED TO IMPOSE A SUSPENSION FOR A
14	VIOLATION OF SECTION 12-47-901 (1)(a.5) OR $(5)(a)(I)$ THAT OCCURS AT
15	A RETAIL ESTABLISHMENT LICENSED UNDER SECTION 12-46-107 (1) OR
16	THIS ARTICLE 47 AND, IN ACCORDANCE WITH SUBSECTION (3) OF THIS
17	SECTION, GRANTS A PETITION BY THE LICENSEE TO PAY A FINE IN LIEU OF
18	A LICENSE SUSPENSION, THE LICENSING AUTHORITY SHALL IMPOSE A FINE
19	OF ONE THOUSAND DOLLARS FOR THE FIRST OFFENSE, AND AN ADDITIONAL
20	ONE THOUSAND DOLLARS FOR EACH SUBSEQUENT OFFENSE, SUBJECT TO
21	SUBSECTION $(7.5)(c)(II)$ OF THIS SECTION.
22	(II) WHEN IMPOSING A SUSPENSION OR FINE UNDER THIS
23	SUBSECTION $(7.5)(c)$, THE LICENSING AUTHORITY SHALL NOT TAKE INTO
24	CONSIDERATION ANY VIOLATION OF SECTION 12-47-901 (1)(a.5) OR
25	(5)(a)(I) that occurred more than five years before the date on
26	WHICH THE VIOLATION FOR WHICH THE SUSPENSION OR FINE IS BEING
27	IMPOSED OCCURRED.

-32- 243

1	SECTION 11. In Colorado Revised Statutes, 12-47-901, amend
2	(1) introductory portion, $(1)(f)$, $(1)(h)(I)$, $(1)(h)(II)$, $(5)(c)$, $(5)(k)$,
3	(5)(p)(II), (5)(p)(III), (9)(b), and <u>(10)</u> ; and add (1)(h)(VII) as follows:
4	12-47-901. Unlawful acts - exceptions - definitions. (1) Except
5	as provided in section 18-13-122, C.R.S., it is unlawful for any person:
6	(f) To sell at retail any malt, vinous, or spirituous liquors in sealed
7	containers without holding a retail liquor store or liquor-licensed
8	drugstore license, except as permitted by section 12-47-301 (6)(b) or any
9	other provision of this article ARTICLE 47, OR TO SELL AT RETAIL ANY
10	FERMENTED MALT BEVERAGES IN SEALED CONTAINERS WITHOUT HOLDING
11	A FERMENTED MALT BEVERAGE RETAILER'S LICENSE UNDER SECTIONS
12	12-46-104 (1)(c) AND 12-46-107 (1)(a);
13	(h) (I) To consume ANY FERMENTED MALT BEVERAGE OR malt,
14	vinous, or spirituous liquor:
15	(A) In any public <u>place except on</u> any licensed premises permitted
16	under this article ARTICLE 47 OR ARTICLE 46 OF THIS TITLE 12 to sell such
17	liquor ANY FERMENTED MALT BEVERAGES OR MALT, VINOUS, OR
18	SPIRITUOUS LIQUORS by the drink for consumption thereon; to consume
19	any alcohol beverage ON THE LICENSED PREMISES;
20	(B) Upon any premises licensed to sell liquor ALCOHOL
21	BEVERAGES for consumption on the licensed premises, the sale of which
22	is not authorized by the state licensing authority; to consume alcohol
23	beverages
24	(C) At any time on such premises other than such alcohol
25	beverage as is BEVERAGES purchased from such THE establishment; or to
26	consume alcohol beverages
27	(D) In any public room on such THE LICENSED premises during

-33- 243

1	such hours as DURING WHICH the sale of such THE ALCOHOL beverage is
2	prohibited under this article ARTICLE 47.
3	(II) Notwithstanding subparagraph (I) of this paragraph (h), it is
4	not unlawful for SUBSECTION (1)(h)(I) OF THIS SECTION, a person who is
5	at least twenty-one years of age to MAY consume malt, vinous, or
6	spirituous liquors ALCOHOL BEVERAGES while the person is a passenger
7	aboard a luxury limousine or a charter bus, as those terms are defined in
8	section 40-10.1-301. C.R.S. Nothing in this subparagraph (II)
9	SUBSECTION (1)(h)(II) authorizes an owner or operator of a luxury
10	limousine or charter bus to sell or distribute alcohol beverages without
11	obtaining a public transportation system license pursuant to section
12	12-47-419.
13	(VII) NOTWITHSTANDING SUBSECTION (1)(h)(I) OF THIS SECTION,
14	IT IS NOT UNLAWFUL FOR A PERSON WHO IS AT LEAST TWENTY-ONE YEARS
15	OF AGE TO CONSUME ANY FERMENTED MALT BEVERAGE OR MALT, VINOUS,
16	OR SPIRITUOUS LIQUOR IN ANY PUBLIC PLACE WHERE CONSUMPTION OF THE
17	FERMENTED MALT BEVERAGE OR MALT, VINOUS, OR SPIRITUOUS LIQUOR
18	HAS BEEN SPECIFICALLY AUTHORIZED BY ORDINANCE, RESOLUTION, OR
19	RULE ADOPTED BY A STATE OR LOCAL GOVERNMENT ENTITY.
20	(5) It is unlawful for any person licensed to sell at retail pursuant
21	to this article 47 or article 46 of this title 12:
22	(c) Except as provided in section 18-13-122, C.R.S., To sell
23	fermented malt beverages:
24	(I) To any person under the age of twenty-one years, or EXCEPT AS
25	PROVIDED IN SECTION 18-13-122;
26	(II) To any person between the hours of 12 midnight and 8 a.m.;
27	OR

-34- 243

1	(III) IN A SEALED CONTAINER ON CHRISTMAS DAY;
2	(k) (I) EXCEPT AS PROVIDED IN SUBSECTIONS $(5)(k)(II)$, $(5)(k)(IV)$,
3	AND (5)(k)(V) OF THIS SECTION, to have on the licensed premises, if
4	licensed as a retail liquor store, or liquor-licensed drugstore, OR
5	FERMENTED MALT BEVERAGE RETAILER, any container that shows
6	evidence of having once been opened or that contains a volume of liquor
7	less than that specified on the label of such THE container; except that
8	(II) (A) A person holding a retail liquor store or liquor-licensed
9	drugstore license UNDER THIS ARTICLE 47 may have upon the licensed
10	premises malt, vinous, or spirituous liquors in open containers when the
11	open containers were brought on the licensed premises by and remain
12	solely in the possession of the sales personnel of a person licensed to sell
13	at wholesale pursuant to this article ARTICLE 47 for the purpose of
14	sampling malt, vinous, or spirituous liquors by the retail LIQUOR STORE OR
15	LIQUOR-LICENSED DRUGSTORE licensee only.
16	(B) A PERSON HOLDING A FERMENTED MALT BEVERAGE RETAILER'S
17	LICENSE UNDER SECTION $12-46-107(1)(a)$ MAY HAVE UPON THE LICENSED
18	PREMISES FERMENTED MALT BEVERAGES IN OPEN CONTAINERS WHEN THE
19	OPEN CONTAINERS WERE BROUGHT ONTO THE LICENSED PREMISES BY AND
20	REMAIN SOLELY IN THE POSSESSION OF THE SALES PERSONNEL OF A PERSON
21	LICENSED TO SELL AT WHOLESALE PURSUANT TO ARTICLE 46 OF THIS TITLE
22	12 FOR THE PURPOSE OF SAMPLING FERMENTED MALT BEVERAGES BY THE
23	FERMENTED MALT BEVERAGE RETAILER LICENSEE ONLY.
24	(III) Nothing in this paragraph (k) shall apply SUBSECTION (5)(k)
25	APPLIES to any liquor-licensed drugstore where the contents, or a portion
26	thereof OF THE CONTENTS, have been used in compounding prescriptions.
27	(II) (IV) Notwithstanding subparagraph (I) of this paragraph (k),

-35- 243

It shall IS not be unlawful for a retail liquor store or liquor-licensed drugstore licensee to allow tastings to be conducted on his or her THE licensed premises if authorization for the tastings has been granted pursuant to section 12-47-301.

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

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

(III) If licensed as a retail liquor store under section 12-47-407, or a liquor-licensed drugstore under section 12-47-408, OR A FERMENTED MALT BEVERAGE RETAILER UNDER SECTION 12-46-107 (1)(a), to permit an employee who is under twenty-one years of age to deliver or otherwise

-36-

- 1 have any contact with malt, vinous, or spirituous liquors OR FERMENTED
- 2 MALT BEVERAGES offered for sale on, or sold and removed from, the
- 3 licensed premises of the retail liquor store, or liquor-licensed drugstore,
- 4 OR FERMENTED MALT BEVERAGE RETAILER.
- 5 (9) (b) This subsection (9) applies to persons licensed or permitted
- 6 to sell or serve alcohol beverages for consumption on the licensed
- 7 premises pursuant to section 12-46-107 (1)(b), 12-47-403, 12-47-409,
- 8 12-47-410, 12-47-411, 12-47-412, 12-47-413, 12-47-414, 12-47-415,
- 9 12-47-416, 12-47-417, 12-47-418, 12-47-419, 12-47-420, 12-47-422,
- 10 12-47-424, or 12-47-426.
- 11 (10) (a) Except as provided in paragraph (b) of this subsection
- 12 (10), it is unlawful for SUBSECTION (10)(b) OF THIS SECTION, a retail
- licensee or an employee of a retail licensee to SHALL NOT sell malt,
- vinous, or spirituous liquors OR FERMENTED MALT BEVERAGES to a
- 15 consumer for consumption off the licensed premises unless the retail
- licensee or employee verifies that the consumer is at least twenty-one
- 17 years of age by requiring the consumer to present a valid identification,
- as determined by the state licensing authority by rule. The retail licensee
- or employee shall make a determination from the information presented
- whether the purchaser is at least twenty-one years of age.
- 21 (b) It is not unlawful for a retail licensee or employee of a retail
- licensee to sell malt, vinous, or spirituous liquors OR FERMENTED MALT
- 23 BEVERAGES to a consumer who is or reasonably appears to be over fifty
- years of age and who failed to present an acceptable form of
- 25 identification.
- 26 (c) As used in this subsection (10), "retail licensee" means a
- 27 person licensed under section 12-46-104 (1)(e) **12-46-107 (1)(a)**,

-37-

1	12-47-407, 01 12-47-408.
2	SECTION 12. Appropriation. (1) For the 2018-19 state fiscal
3	year, \$87,592 is appropriated to the department of revenue. This
4	appropriation is from the liquor enforcement division and state licensing
5	authority cash fund created in section 24-35-401, C.R.S. To implement
6	this act, the department may use this appropriation as follows:
7	(a) \$65,506 for use by the liquor and tobacco enforcement
8	division for personal services, which amount is based on an assumption
9	that the division will require an additional 1.0 FTE;
10	(b) \$11,430 for use by the liquor and tobacco enforcement
11	division for operating expenses; and
12	(c) \$10,656 for the purchase of legal services.
13	(2) For the 2018-19 state fiscal year, \$10,656 is appropriated to
14	the department of law. This appropriation is from reappropriated funds
15	received from the department of revenue under subsection (1)(c) of this
16	section and is based on an assumption that the department of law will
17	require an additional 0.1 FTE. To implement this act, the department of
18	law may use this appropriation to provide legal services for the
19	department of revenue.
20	SECTION 13. Effective date. (1) Except as provided in
21	subsections (2) and (3) of this section, this act takes effect upon passage.
22	(2) Section 3 of this act; section 12-46-107 (3), (4), and (5), as
23	enacted in section 4 of this act; section 12-47-407 (2) and (3), as amended
24	in section 8 of this act; section 12-47-408 (3), as amended in section 9 of
25	this act; section 12-47-408 (8), as enacted in section 9 of this act; and
26	section 11 of this act take effect January 1, 2019.
27	(3) Section 12-47-301 (8) as amended in section 5 of this act

-38-

- 1 takes effect July 1, 2019.
- 2 **SECTION <u>14.</u>** Safety clause. The general assembly hereby finds,
- determines, and declares that this act is necessary for the immediate
- 4 preservation of the public peace, health, and safety.

-39-