

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-1255.02 Christy Chase x2008

SENATE BILL 16-197

SENATE SPONSORSHIP

Steadman,

HOUSE SPONSORSHIP

(None),

Senate Committees

Business, Labor, & Technology

House Committees

A BILL FOR AN ACT

101 CONCERNING THE RETAIL SALE OF ALCOHOL BEVERAGES, AND, IN
102 CONNECTION THEREWITH, PERMITTING A LIQUOR-LICENSED
103 DRUGSTORE LICENSEE TO HAVE AN INTEREST IN ADDITIONAL
104 LIQUOR-LICENSED DRUGSTORE LICENSES; REQUIRING A
105 LIQUOR-LICENSED DRUGSTORE SEEKING TO ACQUIRE
106 ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES BETWEEN
107 JANUARY 1, 2017, AND JANUARY 1, 2027, TO APPLY TO
108 TRANSFER OWNERSHIP, CHANGE LOCATION, AND MERGE AND
109 CONVERT TWO EXISTING RETAIL LIQUOR STORE LICENSES TO A
110 LIQUOR-LICENSED DRUGSTORE LICENSE; REQUIRING A
111 LIQUOR-LICENSED DRUGSTORE LICENSEE TO DESIGNATE A
112 MANAGER TO CONDUCT THE LICENSEE'S ALCOHOL BEVERAGE
113 OPERATIONS; ESTABLISHING A LIQUOR-LICENSED DRUGSTORE

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

101 MANAGER'S PERMIT; REMOVING THE MAXIMUM ALCOHOL
102 CONTENT OF FERMENTED MALT BEVERAGES; SETTING
103 APPLICATION AND ANNUAL FEES; EXPANDING THE PRODUCTS
104 THAT RETAIL LIQUOR STORES MAY SELL; ALLOWING A RETAIL
105 LIQUOR STORE LICENSEE TO OBTAIN ADDITIONAL RETAIL
106 LIQUOR STORE LICENSES; AND PROHIBITING LIQUOR-LICENSED
107 DRUGSTORES FROM ADVERTISING, OFFERING TO SELL, OR
108 SELLING ALCOHOL BEVERAGES BELOW THE LIQUOR-LICENSED
109 DRUGSTORE'S COST.

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://www.leg.state.co.us/billsummaries>.)

On or after January 1, 2017, and before January 1, 2027, the bill allows a liquor-licensed drugstore to obtain up to 5 additional liquor-licensed drugstore licenses, under which drugstores are permitted to sell malt, vinous, and spirituous liquors in sealed containers for consumption off the licensed premises. On or after January 1, 2017, and before January 1, 2027, a liquor-licensed drugstore seeking to obtain an additional liquor-licensed drugstore license must apply to the state and local licensing authorities, as part of a single application, to transfer ownership of 2 retail liquor stores licensed as of the effective date of the bill, change the location of one of the retail liquor stores, and merge and convert the 2 retail liquor store licenses into a single liquor-licensed drugstore license. Assuming all other requirements for the transfer, merger, and conversion are satisfied, the application is permitted only if:

- ! The applicant has paid a purchase price of at least \$350,000 per retail liquor store to acquire ownership of the 2 retail liquor stores;
- ! The subject retail liquor store and the drugstore applicant's premises are within the jurisdiction of the same local licensing authority; and
- ! The drugstore's licensed premises will not be located within 2,500 feet of another licensed liquor retailer within the same local licensing authority's jurisdiction.

In making its determination on the application, the local licensing authority may consider the reasonable requirements of the neighborhood.

Starting January 1, 2027, a liquor-licensed drugstore may obtain an unlimited number of additional liquor-licensed drugstore licenses without acquiring and converting 2 retail liquor store licenses.

A liquor-licensed drugstore shall:

- ! Not sell alcohol beverages at a price that is lower than the drugstore's cost to purchase the products;
- ! Ensure that an employee completes alcohol beverage transactions with customers directly rather than through a self-checkout register;
- ! Ensure that employees who are involved in selling alcohol beverages maintain certification as responsible alcohol beverage vendors;
- ! Not sell clothing or accessories imprinted with advertising, logos, or slogans related to alcohol beverages;
- ! Not store alcohol products off the licensed premises;
- ! Designate a manager who has been permitted by the state licensing authority to conduct the store's alcohol beverage purchases with licensed wholesalers; and
- ! Shelve and display its alcohol beverage merchandise separately from nonalcohol products it offers for sale.

Additionally, a drugstore that obtains a liquor license on or after January 1, 2017, must effect payment upon delivery and cannot purchase alcohol beverages on credit.

The bill removes the maximum alcohol content of fermented malt beverages, thereby allowing licensed fermented malt beverage retailers to sell beer with an alcohol content in excess of 3.2% by weight or 4% by volume.

Wholesalers, manufacturers, and their employees cannot stock liquor-licensed drugstore shelves with alcohol beverages or otherwise provide shelving, displaying, or similar services to a liquor-licensed drugstore.

The state licensing authority may issue a manager's permit to a liquor-licensed drugstore manager who controls the drugstore's alcohol beverage operations if the permit applicant satisfies specified criteria.

A liquor-licensed drugstore must pay an application fee to both the state licensing authority and the local licensing authority and, if the application is granted, is subject to applicable annual liquor-licensed drugstore licensing fees.

The bill expands the nonalcohol products that a retail liquor store may sell, including soft drinks, snack foods, wine-, beer-, and spirits-making kits and related supplies, clothing and accessories related to alcohol beverages, lottery tickets, tobacco and related products, and any other merchandise not related to the consumption of alcohol beverages if the annual gross revenue from the other merchandise does not exceed 20% of the retail liquor store's total annual gross revenue.

The bill permits a retail liquor store owner to have an interest in up to 5 additional retail liquor store licenses.

All licensed retailers will have to verify that each customer attempting to purchase alcohol beverages is at least 21 years of age by requiring the customer to present a valid, government-issued document that includes the customer's photograph and date of birth.

A liquor-licensed drugstore is prohibited from allowing an employee under 21 years of age to sell, deliver, or otherwise have contact with malt, vinous, or spirituous liquors offered for sale on, or sold and removed from, the licensed premises.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-47-408, **amend**
3 (1), (2), and (4); and **add** (6), (7), (8), and (9) as follows:

4 **12-47-408. Liquor-licensed drugstore license - multiple**
5 **licenses permitted - requirements - repeal.** (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.

9 (II) Nothing in this subsection (1) ~~shall prohibit~~ PROHIBITS a
10 liquor-licensed drugstore licensee from allowing tastings to be conducted
11 on ~~his or her~~ THE licensed premises if ~~an authorization for the~~ APPLICABLE
12 LOCAL LICENSING AUTHORITY HAS AUTHORIZED THE LIQUOR-LICENSED
13 DRUGSTORE TO CONDUCT tastings ~~has been granted pursuant to section~~
14 ~~12-47-301~~ ON ITS LICENSED PREMISES IN ACCORDANCE WITH SECTION
15 12-47-301 (10).

16 (b) (I) ON OR AFTER JANUARY 1, 2017, AND BEFORE JANUARY 1,
17 2027, TO QUALIFY FOR AN ADDITIONAL LIQUOR-LICENSED DRUGSTORE
18 LICENSE UNDER THIS SECTION, A LIQUOR-LICENSED DRUGSTORE LICENSEE
19 MUST APPLY TO THE STATE AND LOCAL LICENSING AUTHORITIES, AS PART
20 OF A SINGLE APPLICATION, FOR A TRANSFER OF OWNERSHIP OF TWO RETAIL

1 LIQUOR STORES THAT WERE ISSUED A NEW OR RENEWAL LICENSE PRIOR TO
2 THE EFFECTIVE DATE OF THIS PARAGRAPH (b), A CHANGE OF LOCATION OF
3 ONE OF THE RETAIL LIQUOR STORES, AND A MERGER AND CONVERSION OF
4 THE TWO RETAIL LIQUOR STORE LICENSES INTO A SINGLE LIQUOR-LICENSED
5 DRUGSTORE LICENSE. A LIQUOR-LICENSED DRUGSTORE LICENSEE MAY
6 APPLY FOR A TRANSFER, CHANGE OF LOCATION, AND MERGER AND
7 CONVERSION ONLY IF ALL OF THE FOLLOWING REQUIREMENTS ARE MET:

8 (A) THE LIQUOR-LICENSED DRUGSTORE PAYS A MINIMUM
9 PURCHASE PRICE OF THREE HUNDRED FIFTY THOUSAND DOLLARS PER
10 RETAIL LIQUOR STORE TO ACQUIRE OWNERSHIP OF THE TWO LICENSED
11 RETAIL LIQUOR STORES.

12 (B) THE TWO RETAIL LIQUOR STORES THAT ARE THE SUBJECT OF
13 THE TRANSFER OF OWNERSHIP ARE LOCATED WITHIN THE SAME LOCAL
14 LICENSING AUTHORITY JURISDICTION AS THE PREMISES FOR WHICH THE
15 APPLICANT IS SEEKING A LIQUOR-LICENSED DRUGSTORE LICENSE, AND IF
16 A RETAIL LIQUOR STORE IS LOCATED WITHIN TWO THOUSAND FIVE
17 HUNDRED FEET OF THE DRUGSTORE PREMISES, AS DETERMINED BY A
18 RADIUS MEASUREMENT THAT BEGINS AT THE PRINCIPAL DOORWAY OF THE
19 DRUGSTORE PREMISES AND ENDS AT THE PRINCIPAL DOORWAY OF THE
20 RETAIL LIQUOR STORE, THE APPLICANT MUST APPLY TO TRANSFER
21 OWNERSHIP OF THAT RETAIL LIQUOR STORE.

22 (C) UPON TRANSFER AND CONVERSION OF THE TWO RETAIL LIQUOR
23 STORE LICENSES TO A SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE, THE
24 DRUGSTORE PREMISES FOR WHICH THE LIQUOR-LICENSED DRUGSTORE
25 LICENSE IS SOUGHT WILL NOT BE LOCATED WITHIN TWO THOUSAND FIVE
26 HUNDRED FEET OF ANOTHER LICENSED PREMISES THAT IS LICENSED TO
27 SELL ALCOHOL BEVERAGES AT RETAIL IN SEALED CONTAINERS FOR

1 CONSUMPTION OFF THE LICENSED PREMISES AND THAT IS WITHIN THE SAME
2 LOCAL LICENSING AUTHORITY JURISDICTION AS THE DRUGSTORE PREMISES,
3 AS DETERMINED BY A RADIUS MEASUREMENT THAT BEGINS AT THE
4 PRINCIPAL DOORWAY OF THE DRUGSTORE PREMISES AND ENDS AT THE
5 PRINCIPAL DOORWAY OF THE OTHER RETAIL LICENSED PREMISES.

6 (II) IN MAKING ITS DETERMINATION ON THE TRANSFER OF
7 OWNERSHIP, CHANGE OF LOCATION, AND LICENSE CONVERSION AND
8 MERGER APPLICATION, THE LOCAL LICENSING AUTHORITY MAY CONSIDER
9 THE REASONABLE REQUIREMENTS OF THE NEIGHBORHOOD AND THE
10 DESIRES OF THE ADULT INHABITANTS IN ACCORDANCE WITH SECTION
11 12-47-312.

12 (III) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JANUARY 1,
13 2027.

14 (c) FOR A LIQUOR-LICENSED DRUGSTORE LICENSE ISSUED ON OR
15 AFTER JANUARY 1, 2027, THE LICENSED PREMISES SHALL NOT BE LOCATED
16 WITHIN TWO THOUSAND FIVE HUNDRED FEET OF ANOTHER LICENSED
17 PREMISES THAT IS LICENSED TO SELL ALCOHOL BEVERAGES AT RETAIL IN
18 SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES AND
19 THAT IS WITHIN THE SAME LOCAL LICENSING AUTHORITY JURISDICTION AS
20 THE LIQUOR-LICENSED DRUGSTORE LICENSED PREMISES, AS DETERMINED
21 BY A RADIUS MEASUREMENT THAT BEGINS AT THE PRINCIPAL DOORWAY OF
22 THE DRUGSTORE LICENSED PREMISES AND ENDS AT THE PRINCIPAL
23 DOORWAY OF THE OTHER RETAIL LICENSED PREMISES.

24 (2) (a) ~~Every~~ A person ~~selling~~ LICENSED UNDER THIS SECTION TO
25 SELL malt, vinous, and spirituous liquors as provided in this section shall:

26 (I) Purchase ~~such~~ malt, vinous, and spirituous liquors only from
27 a wholesaler licensed ~~pursuant to~~ UNDER this article;

1 (II) NOT SELL MALT, VINOUS, OR SPIRITUOUS LIQUORS TO
2 CONSUMERS AT A PRICE THAT IS BELOW THE LIQUOR-LICENSED
3 DRUGSTORE'S COST TO PURCHASE THE MALT, VINOUS, OR SPIRITUOUS
4 LIQUORS;

5 (III) NOT ALLOW CONSUMERS TO PURCHASE MALT, VINOUS, OR
6 SPIRITUOUS LIQUORS AT A SELF-CHECKOUT OR OTHER MECHANISM THAT
7 ALLOWS THE CONSUMER TO COMPLETE THE ALCOHOL BEVERAGE
8 PURCHASE WITHOUT ASSISTANCE FROM AND COMPLETION OF THE
9 TRANSACTION BY AN EMPLOYEE OF THE LIQUOR-LICENSED DRUGSTORE;

10 (IV) REQUIRE, IN ACCORDANCE WITH SECTION 12-47-901 (10),
11 CONSUMERS ATTEMPTING TO PURCHASE MALT, VINOUS, OR SPIRITUOUS
12 LIQUORS TO PRESENT A VALID, GOVERNMENT-ISSUED DOCUMENT THAT
13 INCLUDES A PHOTOGRAPH AND THE DATE OF BIRTH OF THE CONSUMER TO
14 VERIFY THAT THE CONSUMER IS AT LEAST TWENTY-ONE YEARS OF AGE;
15 AND

16 (V) NOT SELL CLOTHING OR ACCESSORIES IMPRINTED WITH
17 ADVERTISING, LOGOS, SLOGANS, TRADEMARKS, OR MESSAGES RELATED TO
18 ALCOHOL BEVERAGES.

19 (b) A PERSON LICENSED UNDER THIS SECTION ON OR AFTER
20 JANUARY 1, 2017, SHALL NOT PURCHASE MALT, VINOUS, OR SPIRITUOUS
21 LIQUORS FROM A WHOLESALER ON CREDIT AND SHALL EFFECT PAYMENT
22 UPON DELIVERY OF THE ALCOHOL BEVERAGES.

23 (4) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
24 SUBSECTION (4), it is unlawful for any owner, part owner, shareholder, or
25 person interested directly or indirectly in a liquor-licensed drugstore to
26 conduct, own either in whole or in part, or be directly or indirectly
27 interested in any other business licensed pursuant to this article. ~~except~~

1 ~~that such a~~

2 (b) AN OWNER, PART OWNER, SHAREHOLDER, OR PERSON
3 INTERESTED DIRECTLY OR INDIRECTLY IN A LIQUOR-LICENSED DRUGSTORE
4 may have an interest in:

5 (I) An arts license ~~or~~ GRANTED UNDER THIS ARTICLE;

6 (II) An airline public transportation system license granted under
7 this article; ~~or in~~

8 (III) A financial institution referred to in section 12-47-308 (4);

9 (IV) (A) UP TO FIVE ADDITIONAL LIQUOR-LICENSED DRUGSTORE
10 LICENSES, BUT ONLY IF OBTAINED ON OR AFTER JANUARY 1, 2017, AND
11 BEFORE JANUARY 1, 2027, AND IN ACCORDANCE WITH PARAGRAPH (b) OF
12 SUBSECTION (1) OF THIS SECTION.

13 (B) THIS SUBPARAGRAPH (IV) IS REPEALED, EFFECTIVE JANUARY
14 1, 2027.

15 (V) AN UNLIMITED NUMBER OF ADDITIONAL LIQUOR-LICENSED
16 DRUGSTORE LICENSES, BUT ONLY IF OBTAINED ON OR AFTER JANUARY 1,
17 2027.

18 (6) (a) A LIQUOR-LICENSED DRUGSTORE LICENSED UNDER THIS
19 SECTION SHALL NOT STORE ALCOHOL BEVERAGES OFF THE LICENSED
20 PREMISES.

21 (b) A LICENSED WHOLESALER SHALL MAKE ALL DELIVERIES OF
22 ALCOHOL BEVERAGES TO A LIQUOR-LICENSED DRUGSTORE:

23 (I) THROUGH A COMMON CARRIER, A CONTRACT CARRIER, OR ON
24 VEHICLES OWNED BY THE WHOLESALER; AND

25 (II) ONLY TO THE BUSINESS ADDRESS OF THE LIQUOR-LICENSED
26 DRUGSTORE.

27 (7) (a) A LIQUOR-LICENSED DRUGSTORE LICENSED UNDER THIS

1 SECTION ON OR AFTER JANUARY 1, 2017, SHALL HAVE AT LEAST ONE
2 MANAGER PERMITTED UNDER SECTION 12-47-425 WHO WORKS ON THE
3 LICENSED PREMISES. THE LIQUOR-LICENSED DRUGSTORE SHALL DESIGNATE
4 AT LEAST ONE PERMITTED MANAGER ON THE LICENSED PREMISES TO
5 CONDUCT THE LIQUOR-LICENSED DRUGSTORE'S PURCHASES OF ALCOHOL
6 BEVERAGES FROM A LICENSED WHOLESALER. A LICENSED WHOLESALER
7 SHALL TAKE ORDERS FOR ALCOHOL BEVERAGES ONLY FROM A PERMITTED
8 MANAGER DESIGNATED BY THE LIQUOR-LICENSED DRUGSTORE.

9 (b) AN EMPLOYEE OF A LIQUOR-LICENSED DRUGSTORE WHO IS
10 INVOLVED IN SELLING ALCOHOL BEVERAGES MUST OBTAIN AND MAINTAIN
11 A CERTIFICATION AS A RESPONSIBLE ALCOHOL BEVERAGE VENDOR IN
12 ACCORDANCE WITH PART 10 OF THIS ARTICLE.

13 (c) AN EMPLOYEE OF A LIQUOR-LICENSED DRUGSTORE WHO IS
14 UNDER TWENTY-ONE YEARS OF AGE SHALL NOT DELIVER OR OTHERWISE
15 HAVE ANY CONTACT WITH MALT, VINOUS, OR SPIRITUOUS LIQUORS
16 OFFERED FOR SALE ON, OR SOLD AND REMOVED FROM, THE LICENSED
17 PREMISES.

18 (8)(a) A PERSON LICENSED UNDER SECTION 12-47-402, 12-47-403,
19 12-47-404, 12-47-405, OR 12-47-406 OR AN EMPLOYEE, AGENT,
20 REPRESENTATIVE, OR SALESPERSON EMPLOYED BY A PERSON LICENSED
21 UNDER ANY OF THOSE SECTIONS SHALL NOT PROVIDE ANY SERVICES TO OR
22 FOR THE BENEFIT OF A LIQUOR-LICENSED DRUGSTORE, INCLUDING
23 SERVICES INVOLVING SHELVING, DRESSING, DISPLAYING, OR SETTING
24 INVENTORY OWNED OR PURCHASED BY THE LIQUOR-LICENSED DRUGSTORE.

25 (b) THIS SUBSECTION (8) DOES NOT PREVENT A WHOLESALER
26 LICENSED UNDER SECTION 12-47-406 FROM UNLOADING ALCOHOL
27 BEVERAGES DELIVERED TO A LIQUOR-LICENSED DRUGSTORE LOCATION AT

1 THE LOCATION'S CUSTOMARY LOADING DOCK. A LICENSED WHOLESALER
2 MAY UNLOAD ALCOHOL BEVERAGES AT A LIQUOR-LICENSED DRUGSTORE
3 LOCATION AT ANY TIME THAT THE LOCATION IS OPEN TO THE PUBLIC.

4 (9) A LIQUOR-LICENSED DRUGSTORE SHALL NOT COMMINGLE THE
5 MALT, VINOUS, OR SPIRITUOUS LIQUORS IT IS OFFERING FOR SALE WITH
6 ANY OTHER PRODUCTS OFFERED FOR SALE AT THE LIQUOR-LICENSED
7 DRUGSTORE AND SHALL SHELVES AND DISPLAY THE MALT, VINOUS, AND
8 SPIRITUOUS LIQUORS SEPARATELY FROM OTHER NONALCOHOL PRODUCTS
9 OFFERED FOR SALE.

10 **SECTION 2.** In Colorado Revised Statutes, **add** 12-47-425 as
11 follows:

12 **12-47-425. Liquor-licensed drugstore manager's permit.**

13 (1) THE STATE LICENSING AUTHORITY MAY ISSUE A MANAGER'S PERMIT
14 TO AN INDIVIDUAL WHO IS EMPLOYED BY A LIQUOR-LICENSED DRUGSTORE
15 LICENSED UNDER SECTION 12-47-408 AND WHO WILL BE IN ACTUAL
16 CONTROL OF THE LIQUOR-LICENSED DRUGSTORE'S ALCOHOL BEVERAGE
17 OPERATIONS.

18 (2) AN INDIVIDUAL SEEKING A MANAGER'S PERMIT SHALL APPLY
19 TO THE STATE LICENSING AUTHORITY IN THE FORM AND MANNER
20 REQUIRED BY THE STATE LICENSING AUTHORITY. TO OBTAIN A MANAGER'S
21 PERMIT, THE INDIVIDUAL MUST DEMONSTRATE THAT HE OR SHE:

22 (a) HAS NOT BEEN CONVICTED OF A CRIME INVOLVING THE SALE OR
23 DISTRIBUTION OF ALCOHOL BEVERAGES WITHIN THE EIGHT YEARS
24 IMMEDIATELY PRECEDING THE DATE ON WHICH THE APPLICATION IS
25 SUBMITTED;

26 (b) HAS NOT BEEN CONVICTED OF ANY FELONY WITHIN THE FIVE
27 YEARS IMMEDIATELY PRECEDING THE DATE ON WHICH THE APPLICATION

1 IS SUBMITTED; EXCEPT THAT IN CONSIDERING THE CONVICTION OF A
2 FELONY, THE STATE LICENSING AUTHORITY IS GOVERNED BY SECTION
3 24-5-101, C.R.S.;

4 (c) IS AT LEAST TWENTY-ONE YEARS OF AGE;

5 (d) HAS NOT HAD A MANAGER'S PERMIT OR ANY SIMILAR PERMIT
6 ISSUED BY THE STATE, A LOCAL JURISDICTION, OR ANOTHER STATE OR
7 FOREIGN JURISDICTION REVOKED BY THE ISSUING AUTHORITY WITHIN THE
8 THREE YEARS IMMEDIATELY PRECEDING THE DATE ON WHICH THE
9 APPLICATION IS SUBMITTED; AND

10 (e) IS CERTIFIED AS A RESPONSIBLE ALCOHOL BEVERAGE VENDOR
11 IN ACCORDANCE WITH PART 10 OF THIS ARTICLE.

12 (3) IT IS UNLAWFUL FOR AN INDIVIDUAL WHO HAS A MANAGER'S
13 PERMIT ISSUED UNDER THIS SECTION TO BE INTERESTED DIRECTLY OR
14 INDIRECTLY IN:

15 (a) A WHOLESALER LICENSED PURSUANT TO SECTION 12-47-406;

16 (b) A MANUFACTURER LICENSED PURSUANT TO SECTION 12-47-402
17 OR 12-47-405; OR

18 (c) ANY BUSINESS LICENSED UNDER THIS ARTICLE THAT HAS HAD
19 ITS LICENSE REVOKED BY THE STATE LICENSING AUTHORITY WITHIN THE
20 EIGHT YEARS IMMEDIATELY PRECEDING THE DATE ON WHICH THE
21 INDIVIDUAL APPLIES FOR A MANAGER'S PERMIT UNDER THIS SECTION.

22 **SECTION 3.** In Colorado Revised Statutes, **amend** 12-46-102 as
23 follows:

24 **12-46-102. Legislative declaration.** (1) The general assembly
25 hereby declares that it is in the public interest that fermented malt
26 beverages shall be manufactured, imported, and sold only by persons
27 licensed as provided in this article AND ARTICLE 47 OF THIS TITLE. The

1 general assembly further declares that it is lawful to manufacture and sell
2 fermented malt beverages ~~containing not more than three and two-tenths~~
3 ~~percent alcohol by weight~~ subject to ~~the provisions~~ of this article and
4 applicable provisions of articles 47 and 48 of this title.

5 (2) The general assembly FURTHER recognizes that fermented malt
6 beverages AND MALT LIQUORS are separate and distinct from, ~~malt~~ AND
7 HAVE A UNIQUE REGULATORY HISTORY IN RELATION TO, vinous and
8 spirituous liquors, and as such require THE RETENTION OF a separate and
9 distinct regulatory framework under this article. To aid administrative
10 efficiency, however, ~~the provisions in~~ article 47 of this title ~~shall apply~~
11 APPLIES to the regulation of fermented malt beverages, except when
12 otherwise expressly provided for in this article.

13 **SECTION 4.** In Colorado Revised Statutes, 12-46-103, **amend**
14 (1) as follows:

15 **12-46-103. Definitions.** Definitions applicable to this article also
16 appear in article 47 of this title. As used in this article, unless the context
17 otherwise requires:

18 (1) (a) "Fermented malt beverage" means BEER AND any OTHER
19 beverage obtained by the fermentation of any infusion or decoction of
20 barley, malt, hops, or any similar product or any combination thereof in
21 water containing not less than one half of one percent alcohol by volume.
22 ~~and not more than three and two-tenths percent alcohol by weight or four~~
23 ~~percent alcohol by volume; except that~~

24 (b) "Fermented malt beverage" ~~shall~~ DOES not include
25 confectionery containing alcohol within the limits prescribed by section
26 25-5-410 (1) (i) (II), C.R.S.

27 **SECTION 5.** In Colorado Revised Statutes, 12-47-103, **amend**

1 (19) as follows:

2 **12-47-103. Definitions.** As used in this article and article 46 of
3 this title, unless the context otherwise requires:

4 (19) "Malt liquors" includes beer and ~~shall be construed to mean~~
5 MEANS any beverage obtained by the alcoholic fermentation of any
6 infusion or decoction of barley, malt, hops, or any other similar product,
7 or any combination thereof, in water containing ~~more than three and~~
8 ~~two-tenths percent of alcohol by weight or four percent alcohol by~~
9 ~~volume~~ NOT LESS THAN ONE-HALF OF ONE PERCENT ALCOHOL BY VOLUME.

10 **SECTION 6.** In Colorado Revised Statutes, 12-47-202, **amend**
11 (2) (a) (I) introductory portion; **repeal** (2) (a) (I) (S); and **add** (2) (b)
12 (II.5) as follows:

13 **12-47-202. Duties of state licensing authority.** (2) (a) (I) Rules
14 ~~made~~ ADOPTED pursuant to paragraph (b) of subsection (1) of this section
15 may cover, ~~but shall not be limited to~~ WITHOUT LIMITATION, the following
16 subjects:

17 (S) ~~The testing of the alcohol content of malt liquor and fermented~~
18 ~~malt beverage sold by persons licensed pursuant to this article or article~~
19 ~~46 of this title. The state licensing authority shall adopt such rules no later~~
20 ~~than January 1, 2011.~~

21 (b) (II.5) NOTWITHSTANDING ANY PROVISION OF THIS ARTICLE TO
22 THE CONTRARY, A LIQUOR-LICENSED DRUGSTORE LICENSED UNDER
23 SECTION 12-47-408 SHALL NOT PURCHASE ALCOHOL BEVERAGES ON
24 CREDIT OR ACCEPT AN OFFER OR EXTENSION OF CREDIT FROM A LICENSEE
25 AND SHALL EFFECT PAYMENT UPON DELIVERY OF THE ALCOHOL
26 BEVERAGES.

27 **SECTION 7.** In Colorado Revised Statutes, 12-47-303, **amend**

1 (1) (c) and (2) as follows:

2 **12-47-303. Transfer of ownership and temporary permits -**
3 **repeal.** (1) (c) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
4 PARAGRAPH (c), for any other transfer of ownership, application ~~shall~~
5 MUST be made to the state and local licensing authorities on forms
6 prepared and furnished by the state licensing authority. In determining
7 whether to permit a transfer of ownership, the licensing authorities shall
8 consider only the requirements of section 12-47-307 and 1 CCR 203-2,
9 rule 47-302, entitled "Changing, Altering, or Modifying Licensed
10 Premises", or any analogous successor rule. The local licensing authority
11 may ~~cause~~ CONDUCT a hearing on the application for transfer of
12 ownership ~~to be held. No hearing provided for by this paragraph (c) shall~~
13 ~~be held by the local licensing authority until a notice of hearing has been~~
14 ~~conspicuously posted on the licensed premises for a period of ten days~~
15 ~~and notice of the hearing has been provided the applicant at least ten days~~
16 ~~prior to the hearing~~ AFTER PROVIDING NOTICE IN ACCORDANCE WITH
17 SUBPARAGRAPH (III) OF THIS PARAGRAPH (c). Any transfer of ownership
18 hearing by the state licensing authority ~~shall be pursuant to~~ MUST BE HELD
19 IN ACCORDANCE WITH section 12-47-305 (2).

20 (II) (A) A LICENSE MERGER AND CONVERSION AS PROVIDED FOR IN
21 SECTION 12-47-408 (1) (b) INCLUDES A TRANSFER OF OWNERSHIP OF TWO
22 RETAIL LIQUOR STORES, A CHANGE OF LOCATION OF ONE OF THE RETAIL
23 LIQUOR STORES, AND A MERGER AND CONVERSION OF THE TWO RETAIL
24 LIQUOR STORE LICENSES INTO A SINGLE LIQUOR-LICENSED DRUGSTORE
25 LICENSE, ALL AS PART OF A SINGLE TRANSACTION, AND THE
26 LIQUOR-LICENSED DRUGSTORE APPLICANT NEED NOT APPLY SEPARATELY
27 FOR A TRANSFER OF OWNERSHIP UNDER THIS SECTION. THE

1 LIQUOR-LICENSED DRUGSTORE APPLYING FOR A LICENSE MERGER AND
2 CONVERSION PURSUANT TO SECTION 12-47-408 (1) (b) IS INELIGIBLE FOR
3 A TEMPORARY PERMIT PURSUANT TO THIS SECTION. THE LOCAL LICENSING
4 AUTHORITY MAY CONSIDER THE REASONABLE REQUIREMENTS OF THE
5 NEIGHBORHOOD PURSUANT TO SECTION 12-47-312 WHEN MAKING A
6 DETERMINATION ON THE MERGER AND CONVERSION OF THE TWO RETAIL
7 LIQUOR STORE LICENSES INTO A SINGLE LIQUOR-LICENSED DRUGSTORE
8 LICENSE. THE LOCAL LICENSING AUTHORITY MAY HOLD A HEARING ON THE
9 APPLICATION FOR THE LICENSE MERGER AND CONVERSION AFTER
10 PROVIDING NOTICE IN ACCORDANCE WITH SUBPARAGRAPH (III) OF THIS
11 PARAGRAPH (c).

12 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JANUARY
13 1, 2027.

14 (III) PRIOR TO HOLDING A HEARING AS PROVIDED IN THIS
15 PARAGRAPH (c), THE LOCAL LICENSING AUTHORITY SHALL NOTIFY THE
16 APPLICANT OF THE HEARING AT LEAST TEN DAYS BEFORE THE HEARING
17 AND SHALL POST, OR MAY DIRECT THE LICENSE APPLICANT TO POST, A
18 NOTICE OF THE HEARING IN A CONSPICUOUS LOCATION ON THE LICENSED
19 PREMISES FOR AT LEAST TEN CONSECUTIVE DAYS BEFORE THE HEARING.

20 (2) Notwithstanding ~~the provisions~~ ANY PROVISION of this article
21 to the contrary, a local licensing authority ~~shall have discretionary~~
22 ~~authority to~~ MAY issue a temporary permit to a transferee of any retail
23 class of alcohol beverage license issued by the local licensing authority
24 pursuant to this article or article 46 of this title; ~~Such~~ EXCEPT THAT A
25 LOCAL LICENSING AUTHORITY SHALL NOT ISSUE A TEMPORARY PERMIT TO
26 A LIQUOR-LICENSED DRUGSTORE THAT HAS ACQUIRED OWNERSHIP OF
27 LICENSED RETAIL LIQUOR STORES IN ACCORDANCE WITH SECTION

1 12-47-408 (1) (b). A temporary permit ~~shall authorize~~ AUTHORIZES a
2 transferee to continue selling ~~such~~ alcohol beverages as permitted under
3 the permanent license during the period in which an application to
4 transfer the ownership of the license is pending.

5 **SECTION 8.** In Colorado Revised Statutes, 12-47-312, **amend**
6 (2) (a) as follows:

7 **12-47-312. Results of investigation - decision of authorities.**

8 (2) (a) Before entering any decision approving or denying the
9 application, the local licensing authority shall consider, except where this
10 article specifically provides otherwise, the facts and evidence adduced as
11 a result of its investigation, as well as any other facts, the reasonable
12 requirements of the neighborhood for the type of license for which
13 application has been made, the desires of the adult inhabitants, the
14 number, type, and availability of alcohol beverage outlets located in or
15 near the neighborhood under consideration, and any other pertinent
16 matters affecting the qualifications of the applicant for the conduct of the
17 type of business proposed; except that the reasonable requirements of the
18 neighborhood shall not be considered in the issuance of a club liquor
19 license. The reasonable requirements of the neighborhood may, but are
20 not required to, be considered in the conversion or transfer of a
21 liquor-licensed drugstore license to a retail liquor store license OR THE
22 MERGER AND CONVERSION OF TWO RETAIL LIQUOR STORE LICENSES TO A
23 SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE IN ACCORDANCE WITH
24 SECTION 12-47-408 (1) (b).

25 **SECTION 9.** In Colorado Revised Statutes, 12-47-401, **add** (1)
26 (w) as follows:

27 **12-47-401. Classes of licenses and permits.** (1) For the purpose

1 of regulating the manufacture, sale, and distribution of alcohol beverages,
2 the state licensing authority in its discretion, upon application in the
3 prescribed form made to it, may issue and grant to the applicant a license
4 or permit from any of the following classes, subject to the provisions and
5 restrictions provided by this article:

6 (w) MANAGER'S PERMIT.

7 **SECTION 10.** In Colorado Revised Statutes, 12-47-406, **add** (4)
8 as follows:

9 **12-47-406. Wholesaler's license - discrimination in wholesale**
10 **sales prohibited.** (4) (a) A WHOLESALER SHALL MAKE AVAILABLE TO ALL
11 LICENSED RETAILERS IN THIS STATE WITHOUT DISCRIMINATION ALL MALT,
12 VINOUS, AND SPIRITUOUS LIQUORS OFFERED BY THE WHOLESALER FOR
13 SALE AT WHOLESALE. A WHOLESALER SHALL USE ITS BEST EFFORTS TO
14 MAKE AVAILABLE TO LICENSED RETAILERS EACH BRAND OF ALCOHOL
15 BEVERAGE THAT THE WHOLESALER HAS BEEN AUTHORIZED TO DISTRIBUTE.

16 (b) NOTHING IN THIS SECTION PROHIBITS A WHOLESALER FROM
17 ESTABLISHING PURCHASE REQUIREMENTS UNLESS THE REQUIREMENTS
18 HAVE THE EFFECT OF EXCLUDING A MAJORITY OF RETAIL LICENSEES FROM
19 PURCHASING THE BRAND OF ALCOHOL BEVERAGE.

20 **SECTION 11.** In Colorado Revised Statutes, 12-47-407, **amend**
21 (1) and (4); and **add** (6) as follows:

22 **12-47-407. Retail liquor store license - repeal.** (1) (a) A retail
23 liquor store license shall be issued to persons selling only malt, vinous,
24 and spirituous liquors in sealed containers not to be consumed at the place
25 where sold. Malt, vinous, and spirituous liquors in sealed containers shall
26 not be sold at retail other than in retail liquor stores except as provided in
27 section 12-47-408.

1 (b) In addition TO SELLING MALT, VINOUS, AND SPIRITUOUS
2 LIQUORS, A retail liquor stores STORE may sell, ~~nonfood items related to~~
3 ~~the consumption of such liquors~~ WITHOUT LIMITATION:

4 (I) SOFT DRINKS, MIXERS, CONCENTRATES, AND OTHER BEVERAGES
5 THAT DO NOT CONTAIN ALCOHOL;

6 (II) Liquor-filled candy; ~~and~~

7 (III) SNACK food items ~~approved by the state licensing authority~~
8 ~~that are prepackaged, labeled, directly related to the consumption of such~~
9 ~~liquors, and sold solely for the purpose of cocktail garnish in containers~~
10 ~~up to sixteen ounces. Nothing in this section shall be construed to~~
11 ~~authorize the sale of food items that could constitute a snack, a meal, or~~
12 ~~a portion of a meal~~ SUCH AS PEANUTS, PRETZELS, CHIPS, CHEESE,
13 CRACKERS, APPETIZERS, AND OTHER SNACK FOODS;

14 (IV) KEGS AND GROWLERS, EITHER EMPTY OR FILLED WITH
15 ALCOHOL BEVERAGES IF FILLED ON THE LICENSED PREMISES;

16 (V) BEER-, WINE-, AND SPIRITS-MAKING KITS AND PRODUCTS AND
17 SUPPLIES RELATED TO BEER-, WINE-, AND SPIRITS-MAKING;

18 (VI) LEMONS, LIMES, CHERRIES, OLIVES, AND OTHER FOOD ITEMS
19 USED IN PREPARING OR GARNISHING ALCOHOL BEVERAGES OR MIXED
20 ALCOHOL BEVERAGES;

21 (VII) CLOTHING OR ACCESSORIES IMPRINTED WITH ADVERTISING,
22 LOGOS, SLOGANS, TRADEMARKS, OR MESSAGES RELATED TO ALCOHOL
23 BEVERAGES;

24 (VIII) LOTTERY TICKETS;

25 (IX) TOBACCO, TOBACCO PRODUCTS, SMOKERS' SUPPLIES, AND
26 TOBACCO-RELATED PRODUCTS; AND

27 (X) ANY OTHER MERCHANDISE NOT RELATED TO THE

1 CONSUMPTION OF ALCOHOL BEVERAGES, BUT ONLY IF THE ANNUAL GROSS
2 REVENUES FROM THE SALE OF SUCH OTHER MERCHANDISE DOES NOT
3 EXCEED TWENTY PERCENT OF THE RETAIL LIQUOR STORE'S TOTAL ANNUAL
4 GROSS REVENUES.

5 (c) Nothing in this section or in section 12-47-103 (31) ~~shall be~~
6 ~~construed to prohibit the sale of items by~~ PROHIBITS a LICENSED retail
7 liquor store FROM:

8 (I) SELLING ITEMS on behalf of or to benefit a charitable
9 organization, as defined in section 39-26-102, C.R.S., or a nonprofit
10 corporation subject to the "Colorado Revised Nonprofit Corporation Act",
11 articles 121 to 137 of title 7, C.R.S., and determined to be exempt from
12 federal income tax by the federal internal revenue service, if the retail
13 liquor store does not receive compensation for ~~any such~~ THE sale; ~~Nothing~~
14 ~~in this section shall prohibit a retail liquor store licensee~~

15 (II) At the option of the licensee, ~~from~~ displaying promotional
16 material furnished by a manufacturer or wholesaler, which material
17 permits a customer to purchase other items from a third person, if SO
18 LONG AS the retail liquor store licensee does not receive payment from the
19 third person and if the ~~ordering of~~ CUSTOMER ORDERS the additional
20 merchandise ~~is done by the customer~~ directly from the third person;
21 ~~Nothing in this subsection (1) shall prohibit a retail liquor store licensee~~
22 ~~from~~ OR

23 (III) Allowing tastings to be conducted on ~~his or her~~ THE licensed
24 premises if ~~an~~ THE LICENSEE HAS RECEIVED authorization ~~for the~~ TO
25 CONDUCT tastings ~~has been granted~~ pursuant to section 12-47-301.

26 (d) A RETAIL LIQUOR STORE SHALL NOT SELL RETAIL MARIJUANA,
27 AS DEFINED IN SECTION 12-43.4-103 (15).

1 (4) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
2 SUBSECTION (4), it is unlawful for any owner, part owner, shareholder, or
3 person interested directly or indirectly in a retail liquor store to conduct,
4 own either in whole or in part, or be directly or indirectly interested in any
5 other business licensed pursuant to this article. ~~except that such a~~

6 (b) AN OWNER, PART OWNER, SHAREHOLDER, OR person
7 INTERESTED DIRECTLY OR INDIRECTLY IN A RETAIL LIQUOR STORE may
8 have an interest in:

9 (I) An arts license ~~or~~ GRANTED UNDER THIS ARTICLE;

10 (II) An airline public transportation system license granted under
11 this article;

12 (III) UP TO FIVE ADDITIONAL RETAIL LIQUOR STORE LICENSES; or
13 ~~in~~

14 (IV) A financial institution referred to in section 12-47-308 (4).

15 (6) (a) A LIQUOR-LICENSED DRUGSTORE MAY APPLY TO THE STATE
16 AND LOCAL LICENSING AUTHORITIES, AS PART OF A SINGLE APPLICATION,
17 FOR A MERGER AND CONVERSION OF TWO RETAIL LIQUOR STORE LICENSES
18 TO A SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE AS PROVIDED IN
19 SECTION 12-47-408 (1) (b).

20 (b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JANUARY 1,
21 2027.

22 **SECTION 12.** In Colorado Revised Statutes, 12-47-501, **amend**
23 (2) (a) (XIV); and **add** (1) (t), (2) (a) (XVI), and (2) (a) (XVII) as
24 follows:

25 **12-47-501. State fees - repeal.** (1) The following license and
26 permit fees shall be paid to the department of revenue annually in
27 advance:

1 (t) FOR EACH MANAGER'S PERMIT, ONE HUNDRED DOLLARS.

2 (2) (a) The state licensing authority shall establish fees for
3 processing the following types of applications, notices, or reports required
4 to be submitted to the state licensing authority:

5 (XIV) Notice of change of name or trade name pursuant to section
6 12-47-301 and rules adopted pursuant to that section; ~~and~~

7 (XVI) (A) APPLICATIONS FOR TRANSFER OF OWNERSHIP, CHANGE
8 OF LOCATION, AND LICENSE MERGER AND CONVERSION PURSUANT TO
9 SECTION 12-47-408 (1) (b);

10 (B) THIS SUBPARAGRAPH (XVI) IS REPEALED, EFFECTIVE JANUARY
11 1, 2027.

12 (XVII) APPLICATIONS FOR MANAGER'S PERMITS PURSUANT TO
13 SECTION 12-47-426.

14 **SECTION 13.** In Colorado Revised Statutes, 12-47-505, **amend**
15 (4) (a) introductory portion; and **add** (4) (a) (V) as follows:

16 **12-47-505. Local license fees - repeal.** (4) (a) Each application
17 for a license provided for in this article and article 46 of this title filed
18 with a local licensing authority ~~shall~~ **MUST** be accompanied by an
19 application fee in an amount determined by the local licensing authority
20 to cover actual and necessary expenses, subject to the following
21 limitations:

22 (V) (A) FOR A TRANSFER OF OWNERSHIP, CHANGE OF LOCATION,
23 AND LICENSE MERGER AND CONVERSION PURSUANT TO SECTION 12-47-408
24 (1) (b), NOT TO EXCEED ONE THOUSAND DOLLARS.

25 (B) THIS SUBPARAGRAPH (V) IS REPEALED, EFFECTIVE JANUARY
26 1, 2027.

27 **SECTION 14.** In Colorado Revised Statutes, 12-47-901, **amend**

1 (5) introductory portion, (5) (a) (I) (A), and (5) (c); **repeal** (8); and **add**
2 (5) (p) and (10) as follows:

3 **12-47-901. Unlawful acts - exceptions - definitions.** (5) It is
4 unlawful for any person licensed to sell at retail pursuant to this article OR
5 ARTICLE 46 OF THIS TITLE:

6 (a) (I) (A) To sell an alcohol beverage to any person under the age
7 of twenty-one years, to a habitual drunkard, or to a visibly intoxicated
8 person. ~~or to permit any alcohol beverage to be sold or dispensed by a~~
9 ~~person under eighteen years of age, or to permit any such person to~~
10 ~~participate in the sale or dispensing thereof.~~ If a person who, in fact, is not
11 twenty-one years of age exhibits a fraudulent proof of age, any action
12 relying on such fraudulent proof of age shall not constitute grounds for
13 the revocation or suspension of any license issued under this article or
14 article 46 of this title. ~~Notwithstanding any provision in this subparagraph~~
15 ~~(I) to the contrary, no person under twenty-one years of age shall be~~
16 ~~employed to sell or dispense malt, vinous, or spirituous liquors unless he~~
17 ~~or she is supervised by another person who is on premise and has attained~~
18 ~~twenty-one years of age. No employee of a tavern licensed pursuant to~~
19 ~~section 12-47-412, that does not regularly serve meals as defined in~~
20 ~~section 12-47-103 (20), or a retail liquor store shall sell malt, vinous, or~~
21 ~~spirituous liquors unless such person is at least twenty-one years of age.~~

22 (c) Except as provided in section 18-13-122, C.R.S., ~~for any~~
23 ~~person~~ to sell fermented malt beverages to any person under the age of
24 twenty-one years or to any person between the hours of 12 midnight and
25 ~~5 a.m.~~ 8 A.M.;

26 (p) (I) (A) TO PERMIT A PERSON UNDER EIGHTEEN YEARS OF AGE
27 TO SELL, DISPENSE, OR PARTICIPATE IN THE SALE OR DISPENSING OF ANY

1 ALCOHOL BEVERAGE; OR

2 (B) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
3 PARAGRAPH (p), TO EMPLOY A PERSON WHO IS AT LEAST EIGHTEEN YEARS
4 OF AGE BUT UNDER TWENTY-ONE YEARS OF AGE TO SELL OR DISPENSE
5 MALT, VINOUS, OR SPIRITUOUS LIQUORS UNLESS THE EMPLOYEE IS
6 SUPERVISED BY ANOTHER PERSON WHO IS ON THE LICENSED PREMISES AND
7 IS AT LEAST TWENTY-ONE YEARS OF AGE;

8 (II) IF LICENSED AS A TAVERN UNDER SECTION 12-47-412, A
9 RETAIL LIQUOR STORE UNDER SECTION 12-47-407, OR A LIQUOR-LICENSED
10 DRUGSTORE UNDER SECTION 12-47-408, TO PERMIT AN EMPLOYEE WHO IS
11 UNDER TWENTY-ONE YEARS OF AGE TO SELL MALT, VINOUS, OR
12 SPIRITUOUS LIQUORS; OR

13 (III) IF LICENSED AS A LIQUOR-LICENSED DRUGSTORE UNDER
14 SECTION 12-47-408, TO PERMIT AN EMPLOYEE WHO IS UNDER TWENTY-ONE
15 YEARS OF AGE TO DELIVER OR OTHERWISE HAVE ANY CONTACT WITH
16 MALT, VINOUS, OR SPIRITUOUS LIQUORS OFFERED FOR SALE ON, OR SOLD
17 AND REMOVED FROM, THE LICENSED PREMISES OF THE LIQUOR-LICENSED
18 DRUGSTORE.

19 (8) ~~It is unlawful for any manufacturer or wholesaler licensed~~
20 ~~pursuant to article 46 of this title to sell, deliver, or cause to be delivered~~
21 ~~to any person licensed pursuant to section 12-47-407 or 12-47-408 any~~
22 ~~beverage containing alcohol in excess of three and two-tenths percent by~~
23 ~~weight or four percent by volume, or for any fermented malt beverage~~
24 ~~retailer licensed pursuant to article 46 of this title to sell, possess, or~~
25 ~~permit the consumption on the premises of any of the beverages~~
26 ~~containing alcohol in excess of three and two-tenths percent by weight or~~
27 ~~four percent by volume, or for any fermented malt beverage retail licensee~~

1 ~~licensed pursuant to article 46 of this title to hold or operate under any~~
2 ~~license for the sale of any beverages containing alcohol in excess of three~~
3 ~~and two-tenths percent by weight or four percent by volume for the same~~
4 ~~premises. Any violation of this subsection (8) by any fermented malt~~
5 ~~beverage licensee licensed pursuant to article 46 of this title immediately~~
6 ~~invalidates the license granted under article 46 of this title.~~

7 (10) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
8 SUBSECTION (10), IT IS UNLAWFUL FOR A RETAIL LICENSEE OR AN
9 EMPLOYEE OF A RETAIL LICENSEE TO SELL MALT, VINOUS, OR SPIRITUOUS
10 LIQUORS TO A CONSUMER FOR CONSUMPTION OFF THE LICENSED PREMISES
11 UNLESS THE RETAIL LICENSEE OR EMPLOYEE VERIFIES THAT THE
12 CONSUMER IS AT LEAST TWENTY-ONE YEARS OF AGE BY REQUIRING THE
13 CONSUMER TO PRESENT A VALID, GOVERNMENT-ISSUED DOCUMENT, SUCH
14 AS A DRIVER'S LICENSE OR OTHER FORM OF IDENTIFICATION DEEMED
15 ACCEPTABLE TO THE RETAIL LICENSEE OR EMPLOYEE THAT INCLUDES A
16 PHOTOGRAPH AND THE BIRTH DATE OF THE ADULT CONSUMER
17 ATTEMPTING TO MAKE THE ALCOHOL BEVERAGE PURCHASE. PERSONS
18 EXEMPT UNDER STATE LAW FROM THE REQUIREMENT OF HAVING A PHOTO
19 IDENTIFICATION SHALL PRESENT IDENTIFICATION THAT IS ACCEPTABLE TO
20 THE RETAIL LICENSEE OR EMPLOYEE. THE RETAIL LICENSEE OR EMPLOYEE
21 SHALL MAKE A DETERMINATION FROM THE INFORMATION PRESENTED
22 WHETHER THE PURCHASER IS AT LEAST TWENTY-ONE YEARS OF AGE.

23 (b) IT IS NOT UNLAWFUL FOR A RETAIL LICENSEE OR EMPLOYEE OF
24 A RETAIL LICENSEE TO SELL MALT, VINOUS, OR SPIRITUOUS LIQUORS TO A
25 CONSUMER WHO IS OR REASONABLY APPEARS TO BE OVER FIFTY YEARS OF
26 AGE AND WHO FAILED TO PRESENT AN ACCEPTABLE FORM OF
27 IDENTIFICATION.

1 (c) AS USED IN THIS SUBSECTION (10), "RETAIL LICENSEE" MEANS
2 A PERSON LICENSED UNDER SECTION 12-46-104 (1) (c), 12-47-407, OR
3 12-47-408.

4 **SECTION 15.** In Colorado Revised Statutes, 12-47-104, **amend**
5 (2) (c) as follows:

6 **12-47-104. Wine shipments - permits.** (2) A winery direct
7 shipper's permit may be issued to only a person who applies for such
8 permit to the state licensing authority and who:

9 (c) Except as provided in sections 12-47-402 (1) and 12-47-406
10 (3), does not directly or indirectly have any financial interest in a
11 Colorado wholesaler or retailer licensed pursuant to section 12-47-406,
12 ~~or~~ 12-47-407, OR 12-47-408.

13 **SECTION 16. Act subject to petition - effective date.** This act
14 takes effect January 1, 2017; except that, if a referendum petition is filed
15 pursuant to section 1 (3) of article V of the state constitution against this
16 act or an item, section, or part of this act within the ninety-day period
17 after final adjournment of the general assembly, then the act, item,
18 section, or part will not take effect unless approved by the people at the
19 general election to be held in November 2016 and, in such case, will take
20 effect on January 1, 2017, or on the date of the official declaration of the
21 vote thereon by the governor, whichever is later.