A BILL FOR AN ACT

CONCERNING THE ABILITY OF CERTAIN FERMENTED MALT BEVERAGE RETAILERS TO SELL MALT LIQUORS AT RETAIL FOR OFF-PREMISES CONSUMPTION.

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.)

The bill establishes an expanded retailer's license, under which a person licensed under the "Colorado Beer Code" could sell both fermented malt beverages, also referred to as "3.2% beer", and malt liquors, also referred to as "full-strength beer", at retail for consumption off the licensed premises. Persons licensed before January 1, 2019, under
the "Colorado Beer Code" to sell 3.2% beer at retail for consumption off premises are permitted to convert the license to an expanded retailer's license if the licensee:

- Notifies the state and local licensing authorities between July 1, 2018, and December 31, 2018, of the intent to convert the license; and

- Has not and will not expand its floor space or refrigerated cooler space dedicated to the sale of beer and has not and will not increase the number of stock keeping units, or SKUs, attributable to beer products it offers for sale.

If a current off-premises licensee fails to meet the requirements to convert its retailer's license to an expanded retailer's license, the licensee must apply for a new expanded retailer's license in order to sell both types of beer products.

A new expanded retailer's license is subject to review by the local licensing authority to determine whether issuance of the license will result in an undue concentration of the same class of license and will require the use of additional law enforcement resources. Additionally, a new expanded retailer's license may not be issued for a premises that is located within 1,500 feet of another retail liquor business or, in a city with a population of 10,000 or fewer, within 3,000 feet of another retail liquor business.

A person holding an expanded retailer's license is prohibited from selling single-serve containers of malt liquors, can sell beer only between 8 a.m. and 12 midnight, cannot permit employees under 21 years of age to sell or otherwise handle beer offered for sale on the premises, and must check the identification of its customers to ensure they are at least 21 years of age.

Additionally, the bill eliminates licenses that authorize the sale of 3.2% beer for consumption either on or off the licensed premises and requires current licensees to apply to convert the license to one of the other retailer licenses authorized under the "Colorado Beer Code".

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

SECTION 1. In Colorado Revised Statutes, 12-46-102, amend as it will become effective January 1, 2019, (2) as follows:

12-46-102. Legislative declaration. (2) The general assembly further recognizes that fermented malt beverages and malt liquors are separate and distinct from, and have a unique regulatory history in relation to, vinous and spirituous liquors, and as such require the retention
of a separate and distinct regulatory framework under this article ARTICLE 46. To aid administrative efficiency, however, article 47 of this title TITLE 12 applies to the regulation of fermented malt beverages AND, TO THE EXTENT A FERMENTED MALT BEVERAGE RETAILER IS PERMITTED UNDER THIS ARTICLE 46 TO SELL MALT LIQUORS FOR CONSUMPTION OFF THE LICENSED PREMISES, MALT LIQUORS, except when otherwise expressly provided for in this article ARTICLE 46.

SECTION 2. In Colorado Revised Statutes, 12-46-103, amend the introductory portion, (2), and (3); amend as it will become effective January 1, 2019, (1)(a); and add (4.5) as follows:

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

(1) (a) "Fermented malt beverage" means beer and any other beverage obtained by the fermentation of any infusion or decoction of barley, malt, hops, or any similar product or any combination thereof in water containing not less than one half of one percent alcohol by volume AND NOT MORE THAN THREE AND TWO-TENTHS PERCENT ALCOHOL BY WEIGHT OR FOUR PERCENT ALCOHOL BY VOLUME.

(2) "License" means a grant to a licensee, AS PROVIDED IN THIS ARTICLE 46, to:

(a) Manufacture or FERMENTED MALT BEVERAGES;

(b) Sell fermented malt beverages; as provided by this article. OR

(c) SELL FERMENTED MALT BEVERAGES AND MALT LIQUORS AT RETAIL.

(3) "Licensed premises" means the premises specified in an application for a license under this article which ARTICLE 46 THAT are
owned or in possession of the licensee and within which such THE
licensee is authorized to sell, dispense, or serve fermented malt beverages
AND, IF AUTHORIZED UNDER THIS ARTICLE 46, MALT LIQUORS in
accordance with the provisions of this article ARTICLE 46.

(4.5) "MALT LIQUORS" INCLUDES BEER AND MEANS ANY BEVERAGE
OBTAINED BY THE ALCOHOLIC FERMENTATION OF ANY INFUSION OR
DECOCTION OF BARLEY, MALT, HOPS, OR ANY OTHER SIMILAR PRODUCT, OR
ANY COMBINATION THEREOF, IN WATER CONTAINING MORE THAN THREE
AND TWO-TENTHS PERCENT ALCOHOL BY WEIGHT OR FOUR PERCENT
ALCOHOL BY VOLUME.

SECTION 3. In Colorado Revised Statutes, 12-46-104, amend
(1) introductory portion and (1)(c) as follows:
12-46-104. Licenses - state license fees - requirements. (1) The
licenses to be granted and issued by the state licensing authority pursuant
to this article ARTICLE 46 for the manufacture, importation, and sale of
fermented malt beverages OR FOR THE SALE OF FERMENTED MALT
BEVERAGES AND MALT LIQUOR shall be as follows:

(c) (I) A retailer's license shall be granted and issued to any
person, partnership, association, organization, or corporation qualifying
under section 12-47-301, and not prohibited from licensure under section
12-47-307, to sell at retail the said fermented malt beverages upon paying
an annual license fee of seventy-five dollars to the state licensing
authority.

(II) AN EXPANDED RETAILER'S LICENSE SHALL BE GRANTED AND
ISSUED TO ANY PERSON, PARTNERSHIP, ASSOCIATION, ORGANIZATION, OR
CORPORATION QUALIFYING UNDER SECTIONS 12-46-107 (3) AND
12-47-301, AND NOT PROHIBITED FROM LICENSURE UNDER SECTION
12-47-307, TO SELL AT RETAIL FERMENTED MALT BEVERAGES AND MALT LIQUORS UPON PAYING AN ANNUAL LICENSE FEE OF SEVENTY-FIVE DOLLARS TO THE STATE LICENSING AUTHORITY.

SECTION 4. In Colorado Revised Statutes, 12-46-105, amend (1)(a) as follows:

12-46-105. Fees and taxes - allocation. (1) (a) (I) The state licensing authority shall establish fees for processing the following types of applications, notices, or reports required to be submitted to the state licensing authority:

(A) Applications for new fermented malt beverage licenses, INCLUDING EXPANDED RETAILER'S LICENSES, pursuant to section 12-47-301 and regulations thereunder RULES IMPLEMENTING THAT SECTION;

(B) Applications for change of location pursuant to section 12-47-301 and regulations thereunder RULES IMPLEMENTING THAT SECTION;

(C) Applications for changing, altering, or modifying licensed premises pursuant to section 12-47-301 and regulations thereunder RULES IMPLEMENTING THAT SECTION;

(D) Applications for warehouse or branch house permits pursuant to section 12-46-104 and regulations thereunder RULES IMPLEMENTING THAT SECTION;

(E) Applications for duplicate licenses; and

(F) Notices of change of name or trade name pursuant to section 12-47-301 and regulations thereunder RULES IMPLEMENTING THAT SECTION.

(II) The amounts of such THE fees ESTABLISHED UNDER
SUBSECTION (1)(a)(I) OF THIS SECTION, when added to the other fees and
taxes transferred to the liquor enforcement division and state licensing
authority cash fund pursuant to subsection (2) of this section and section
12-47-502 (1), shall MUST reflect the direct and indirect costs of the liquor
enforcement division and the state licensing authority in the
administration and enforcement of this article ARTICLE 46 and articles 47
and 48 of this title TITLE 12. At least annually, THE STATE LICENSING
AUTHORITY SHALL REVIEW the amounts of the fees shall be reviewed and,
if necessary, adjusted ADJUST THE FEE AMOUNTS to reflect such THE direct
and indirect costs OF THE STATE LICENSING AUTHORITY AND THE LIQUOR
ENFORCEMENT DIVISION.

SECTION 5. In Colorado Revised Statutes, amend 12-46-106 as
follows:

12-46-106. Lawful acts. (1) It is lawful for a person under
eighteen years of age who is under the supervision of a person on the
premises over eighteen years of age to be employed in a place of business
where THAT IS LICENSED UNDER SECTION 12-46-107 (1)(a) OR (1)(d) TO
SELL fermented malt beverages are sold OR FERMENTED MALT BEVERAGES
AND MALT LIQUORS at retail in containers for off-premises consumption
SUBJECT TO SUBSECTION (2) OF THIS SECTION.

(2) (a) (I) Except AS PROVIDED IN SUBSECTION (2)(a)(II) OF THIS
SECTION, during the normal course of such employment AT A PLACE OF
BUSINESS LICENSED UNDER SECTION 12-46-107 (1)(a) TO SELL ONLY
FERMENTED MALT BEVERAGES IN SEALED CONTAINERS FOR CONSUMPTION
OFF THE LICENSED PREMISES, any person under eighteen years of age may
handle and otherwise act with respect to fermented malt beverages in the
same manner as that person does with other items sold at retail. except
that no

(II) A person under eighteen years of age WHO IS EMPLOYED AT A PLACE OF BUSINESS DESCRIBED IN SUBSECTION (2)(a)(I) OF THIS SECTION shall NOT sell or dispense fermented malt beverages, check age identification, or make deliveries beyond the customary parking area for the customers of the retail outlet.

(b) FOR A PLACE OF BUSINESS THAT IS LICENSED UNDER SECTION 12-46-107 (1)(d) TO SELL FERMENTED MALT BEVERAGES AND MALT LIQUORS AT RETAIL IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES, A PERSON UNDER TWENTY-ONE YEARS OF AGE SHALL NOT SELL OR DISPENSE FERMENTED MALT BEVERAGES OR MALT LIQUORS, CHECK AGE IDENTIFICATION, MAKE DELIVERIES BEYOND THE CUSTOMARY PARKING AREA FOR CUSTOMERS OF THE RETAIL OUTLET, OR OTHERWISE HANDLE OR HAVE ANY CONTACT WITH FERMENTED MALT BEVERAGES OR MALT LIQUORS OFFERED FOR SALE ON, OR SOLD AND REMOVED FROM, THE LICENSED PREMISES OF THE RETAILER.

(3) This section shall not be construed to permit the violation of any other provisions of this section under circumstances not specified in this section.

SECTION 6. In Colorado Revised Statutes, 12-46-107, amend (1); and add (3) as follows:

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

(a) A RETAILER'S LICENSE AUTHORIZING sales OF FERMENTED MALT BEVERAGES IN SEALED CONTAINERS AT RETAIL for consumption off the premises of the licensee;
(b) A RETAILER'S LICENSE AUTHORIZING sales of FERMENTED MALT BEVERAGES AT RETAIL for consumption on the premises of the licensee;

(c) (I) A RETAILER'S LICENSE AUTHORIZING sales of FERMENTED MALT BEVERAGES AT RETAIL 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 JANUARY 1, 2019, A LOCAL LICENSING AUTHORITY SHALL NOT ISSUE A NEW RETAILER'S LICENSE UNDER THIS SUBSECTION (1)(c) OR RENEW AN EXISTING RETAILER'S LICENSE ISSUED UNDER THIS SUBSECTION (1)(c). ANY LICENSEE HOLDING A RETAILER'S LICENSE ISSUED UNDER THIS SUBSECTION (1)(c) PRIOR TO JANUARY 1, 2019, THAT APPLIES TO RENEW THE LICENSE ON OR AFTER JANUARY 1, 2019, MUST SIMULTANEOUSLY APPLY TO CONVERT THE LICENSE TO A RETAILER'S LICENSE FOR THE SALE OF:

(A) FERMENTED MALT BEVERAGES IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES AS SPECIFIED IN SUBSECTION (1)(a) OF THIS SECTION;

(B) FERMENTED MALT BEVERAGES FOR CONSUMPTION ON THE LICENSED PREMISES AS SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION;
OR

(C)  FERMENTED MALT BEVERAGES AND MALT LIQUORS FOR
CONSUMPTION OFF THE LICENSED PREMISES AS SPECIFIED IN SUBSECTION
(1)(d) OF THIS SECTION.

(II)  THIS SUBSECTION (1)(c) IS REPEALED, EFFECTIVE JANUARY 1,
2020.

(d)  AN EXPANDED RETAILER'S LICENSE AUTHORIZING SALES OF
FERMENTED MALT BEVERAGES AND MALT LIQUORS IN SEALED CONTAINERS
AT RETAIL FOR CONSUMPTION OFF THE PREMISES OF THE LICENSEE,
SUBJECT TO SUBSECTION (3) OF THIS SECTION AND SECTION 12-47-301.

(3) (a) (I)  A FERMENTED MALT BEVERAGE RETAILER LICENSED
UNDER SUBSECTION (1)(a) OF THIS SECTION BEFORE JANUARY 1, 2019,
MAY CONVERT THE LICENSE TO AN EXPANDED RETAILER'S LICENSE UNDER
SUBSECTION (1)(d) OF THIS SECTION IF THE LICENSEE:

(A)  NOTIFIES THE STATE AND LOCAL LICENSING AUTHORITIES ON
OR AFTER JULY 1, 2018, AND BEFORE JANUARY 1, 2019, OF ITS INTENT TO
CONVERT THE RETAILER'S LICENSE TO AN EXPANDED RETAILER'S LICENSE;

(B)  HAS NOT AND WILL NOT ADD TO ITS FLOOR SPACE OR
REFRIGERATED COOLER SPACE THAT IS DEDICATED, AS OF JULY 1, 2018, TO
DISPLAYING FERMENTED MALT BEVERAGES FOR SALE ON THE LICENSED
PREMISES IN ORDER TO EXPAND THE TOTAL FLOOR SPACE OR
REFRIGERATED COOLER SPACE USED TO DISPLAY FERMENTED MALT
BEVERAGES AND MALT LIQUORS; AND

(C)  HAS NOT AND WILL NOT INCREASE THE NUMBER OF STOCK
KEEPING UNITS OR SKUs ATTRIBUTABLE TO FERMENTED MALT BEVERAGE
AND MALT LIQUOR PRODUCTS OFFERED FOR SALE ON THE LICENSED
PREMISES ABOVE THE NUMBER OF SKUs ATTRIBUTABLE TO FERMENTED
MALT BEVERAGE PRODUCTS SOLD BY THE LICENSEE AS OF JULY 1, 2018.

(II) IF A FERMENTED MALT BEVERAGE RETAILER LICENSED UNDER SUBSECTION (1)(a) OF THIS SECTION BEFORE JANUARY 1, 2019, FAILS TO MEET THE CONDITIONS SPECIFIED IN SUBSECTION (3)(a)(I) OF THIS SECTION, THE RETAILER:

(A) MAY NOT CONVERT THE RETAILER'S LICENSE TO AN EXPANDED RETAILER'S LICENSE; AND

(B) MUST APPLY FOR A NEW EXPANDED RETAILER'S LICENSE IN ACCORDANCE WITH SECTION 12-47-301 AND SATISFY THE REQUIREMENTS OF SUBSECTION (3)(b) OF THIS SECTION IN ORDER TO OBTAIN AUTHORITY TO SELL FERMENTED MALT BEVERAGES AND MALT LIQUORS FOR CONSUMPTION OFF THE LICENSED PREMISES.

(b) THE LOCAL LICENSING AUTHORITY SHALL NOT ACCEPT APPLICATIONS FOR A NEW EXPANDED RETAILER'S LICENSE DESCRIBED IN SUBSECTION (1)(d) OF THIS SECTION BEFORE JANUARY 1, 2019, AND SHALL NOT ISSUE A NEW EXPANDED RETAILER'S LICENSE UNDER THIS SECTION IF:

(I) THE LOCAL LICENSING AUTHORITY DETERMINES, IN ACCORDANCE WITH SECTION 12-47-301 (2)(b)(II), THAT ISSUANCE OF THE LICENSE WOULD RESULT IN OR ADD TO AN UNDUE CONCENTRATION OF THE SAME CLASS OF LICENSE AND, AS A RESULT, REQUIRE THE USE OF ADDITIONAL LAW ENFORCEMENT RESOURCES; OR

(II) THE PREMISES FOR WHICH THE LICENSE IS SOUGHT IS LOCATED:

(A) WITHIN ONE THOUSAND FIVE HUNDRED FEET OF A RETAILER LICENSED UNDER SUBSECTION (1)(a) OF THIS SECTION, A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407, OR A LIQUOR-LICENSED DRUGSTORE LICENSED UNDER SECTION 12-47-408; OR

(B) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE THOUSAND FEET OF A RETAILER LICENSED UNDER SUBSECTION (1)(a) OF THIS SECTION, A RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407, OR A LIQUOR-LICENSED DRUGSTORE LICENSED UNDER SECTION 12-47-408.

(c) A PERSON, PARTNERSHIP, ASSOCIATION, ORGANIZATION, OR CORPORATION THAT CONVERTS A RETAILER'S LICENSE TO AN EXPANDED RETAILER'S LICENSE OR THAT IS ISSUED AN EXPANDED RETAILER'S LICENSE UNDER THIS SUBSECTION (3) SHALL NOT SELL OR OFFER FOR SALE MALT LIQUORS IN SINGLE-SERVE CONTAINERS.

(d) AN EXPANDED RETAILER'S LICENSE CONVERTED OR ISSUED UNDER THIS SUBSECTION (3) IS NOT EFFECTIVE BEFORE JANUARY 1, 2019.

SECTION 7. In Colorado Revised Statutes, 12-47-103, amend as it will become effective January 1, 2019, (19) as follows:

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

(19) "Malt liquors" includes beer and means any beverage obtained by the alcoholic fermentation of any infusion or decoction of barley, malt, hops, or any other similar product, or any combination thereof, in water containing more than three and two-tenths percent of alcohol by weight or four percent alcohol by volume.

SECTION 8. In Colorado Revised Statutes, 12-47-301, amend (2)(b), (8), and (12)(a) as follows:

12-47-301. Licensing in general. (2) (b) (I) A local licensing authority or the state on state-owned property may deny the issuance of any new tavern or retail liquor store license whenever such THE LICENSING authority determines that the issuance of such THE license
would result in or add to an undue concentration of the same class of license and, as a result, require the use of additional law enforcement resources.

(II) ON OR AFTER JANUARY 1, 2019, A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED PROPERTY, THE STATE LICENSING AUTHORITY MAY DENY THE ISSUANCE OF A NEW EXPANDED RETAILER'S LICENSE DESCRIBED IN SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d) IF THE LOCAL OR STATE LICENSING AUTHORITY DETERMINES THAT ISSUANCE OF THE LICENSE WOULD RESULT IN OR ADD TO AN UNDUE CONCENTRATION OF THE SAME CLASS OF LICENSE 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.

(12) (a) Notwithstanding any other provision of this article ARTICLE 47, on and after July 1, 2016, the state and local licensing authorities shall not issue a new license under this article ARTICLE 47 authorizing the sale at retail of malt, vinous, or spirituous liquors in sealed containers for consumption off the licensed premises, AND ON AND AFTER
JANUARY 1, 2019, THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT ISSUE A NEW EXPANDED RETAILER'S LICENSE UNDER ARTICLE 46 OF THIS TITLE 12 AUTHORIZING THE SALE AT RETAIL OF FERMENTED MALT BEVERAGES AND MALT 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 UNDER THIS ARTICLE 47 to sell malt, vinous, or spirituous liquors OR LICENSED UNDER ARTICLE 46 OF THIS TITLE 12 TO SELL FERMENTED MALT BEVERAGES AND MALT 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 UNDER THIS ARTICLE 47 to sell malt, vinous, or spirituous liquors OR LICENSED UNDER ARTICLE 46 OF THIS TITLE 12 TO SELL FERMENTED MALT BEVERAGES AND MALT LIQUORS at retail for off-premises consumption.

SECTION 9. In Colorado Revised Statutes, 12-47-313, amend (2) as follows:

12-47-313. Restrictions for applications for new license. (2) (a) A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED PROPERTY, THE STATE LICENSING AUTHORITY MAY DENY an application for the issuance of a tavern or retail liquor store license may be denied under this article ARTICLE 47 if the local OR STATE licensing authority or the state on state-owned property determines, pursuant to section 12-47-301 (2)(b) SECTION 12-47-301 (2)(b)(I), that the issuance of such THE license would result in or add to an undue concentration of the same class of license
and, as a result, require the use of additional law enforcement resources.

(b) On or after January 1, 2019, a local licensing authority or, for state-owned property, the state licensing authority may deny an application for the issuance of an expanded retailer's license described in sections 12-46-104 (1)(c)(II) and 12-46-107 (1)(d) if the local or state licensing authority determines, pursuant to section 12-47-301 (2)(b)(II), that issuance of the license would result in or add to an undue concentration of the same class of license and, as a result, require the use of additional law enforcement resources.

SECTION 10. In Colorado Revised Statutes, 12-47-901, amend (1) introductory portion, (1)(f), (5)(b)(II), (5)(c), (5)(k)(I), (5)(p)(II), (5)(p)(III), (9)(b), and (10) as follows:

12-47-901. Unlawful acts - exceptions - definitions. (1) Except as provided in section 18-13-122, C.R.S., it is unlawful for any person:

(f) To sell at retail any malt, vinous, or spirituous liquors in sealed containers without holding a retail liquor store or liquor-licensed drugstore license, except as permitted by section 12-47-301 (6)(b) or any other provision of this article or to sell at retail any fermented malt beverages and malt liquors in sealed containers without holding an expanded retailer's license under sections 12-46-104 (1)(c)(II) and 12-46-107 (1)(d);

(5) It is unlawful for any person licensed to sell at retail pursuant to this article 47 or article 46 of this title 12:

(b) To sell, serve, or distribute any malt, vinous, or spirituous liquors at any time other than the following:

(II) In sealed containers, beginning at 8 a.m. until 12 midnight.
each day; except that no malt, vinous, or spirituous liquors shall be sold, served, or distributed in a sealed container on Christmas day. THIS SUBSECTION (5)(b)(II) APPLIES TO A PERSON LICENSED UNDER THIS ARTICLE 47 TO SELL MALT, VINOUS, OR SPIRITUOUS LIQUORS AT RETAIL IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES AND TO A PERSON LICENSED UNDER SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d) TO SELL FERMENTED MALT BEVERAGES AND MALT LIQUORS AT RETAIL IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES.

(c) Except as provided in section 18-13-122, C.R.S., to sell fermented malt beverages to any person:

   (I) WHO IS under the age of twenty-one years; or to any person

   (II) Between the hours of 12 midnight and 8 a.m. THIS SUBSECTION (5)(c)(II) APPLIES TO A PERSON LICENSED UNDER SECTIONS 12-46-104 (1)(c)(I) AND 12-46-107 (1)(a) OR (1)(b) TO SELL ONLY FERMENTED MALT BEVERAGES AT RETAIL FOR CONSUMPTION EITHER ON OR OFF THE LICENSED PREMISES.

(k) (I) To have on the licensed premises, if licensed as a retail liquor store, or liquor-licensed drugstore, OR EXPANDED RETAILER UNDER SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d), any container that shows evidence of having once been opened or that contains a volume of liquor less than that specified on the label of such container; except that a person holding a retail liquor store LICENSE UNDER SECTION 12-47-407, A liquor-licensed drugstore license UNDER SECTION 12-47-408, OR AN EXPANDED RETAILER'S LICENSE UNDER SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d) may have upon the licensed premises malt, vinous, or spirituous ALCOHOL BEVERAGES in open
containers, when the open containers were brought on the licensed premises by and remain solely in the possession of the sales personnel of a person licensed to sell at wholesale pursuant to this article for the purpose of sampling malt, vinous, or spirituous liquors by the retail licensee only. Nothing in this paragraph (k) shall apply SUBSECTION (5)(k) APPLIES to any liquor-licensed drugstore where the contents, or a portion thereof, OF THE CONTENTS, have been used in compounding prescriptions.

(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 AN EXPANDED RETAILER UNDER SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d), to permit an employee who is under twenty-one years of age to sell malt, vinous, or spirituous liquors OR FERMENTED MALT BEVERAGES AND MALT LIQUORS; 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 AN EXPANDED RETAILER UNDER SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d), to permit an employee who is under twenty-one years of age to deliver or otherwise have any contact with malt, vinous, or spirituous liquors OR FERMENTED MALT BEVERAGES AND MALT LIQUORS offered for sale on, or sold and removed from, the licensed premises of the retail liquor store, or liquor-licensed drugstore, OR EXPANDED RETAILER.

(9) (b) This subsection (9) applies to persons licensed or permitted to sell or serve alcohol beverages for consumption on the licensed premises pursuant to section 12-46-107 (1)(b), 12-47-403, 12-47-409,
(10) (a) Except as provided in paragraph (b) of this subsection (10), it is unlawful for a retail licensee or an employee of a retail licensee to sell malt, vinous, or spirituous liquors (ALCOHOL BEVERAGES) to a consumer for consumption off the licensed premises unless the retail licensee or employee verifies that the consumer is at least twenty-one 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.

(b) It is not unlawful for a retail licensee or employee of a retail licensee to sell malt, vinous, or spirituous liquors (ALCOHOL 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 identification.

(c) As used in this subsection (10), "retail licensee" means a person licensed under section 12-46-104 (1)(c) 12-46-107 (1)(a) OR (1)(d), 12-47-407, or 12-47-408.

SECTION 11. Effective date. (1) Except as provided in subsection (2) of this section, this act takes effect January 1, 2019.

(2) Section 12-46-107 (3)(a), Colorado Revised Statutes, as enacted in section 6 of this act, takes effect July 1, 2018.

SECTION 12. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.