

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

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 21-0078.01 Jery Payne x2157

HOUSE BILL 21-1027

HOUSE SPONSORSHIP

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SENATE SPONSORSHIP

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Appropriations

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A BILL FOR AN ACT

101 **CONCERNING THE AUTHORIZATION FOR CERTAIN ALCOHOL LICENSE**
102 **HOLDERS TO OFFER ALCOHOL BEVERAGES FOR CONSUMPTION**
103 **OFF THE LICENSED PREMISES, AND, IN CONNECTION THEREWITH,**
104 **MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Colorado law authorizes certain license holders, who normally offer alcohol beverages for consumption on the licensed premises, to offer takeout and delivery of alcohol beverages. This authorization

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

SENATE
Amended 2nd Reading
May 25, 2021

HOUSE
3rd Reading Unamended
April 28, 2021

HOUSE
Amended 2nd Reading
April 27, 2021

repeals on July 1, 2021. The bill removes the repeal to continue the authorization indefinitely.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-3-911, **amend**
3 (1)(a)(I), (2)(b)(III), (6)(a), and (7) as follows:

4 **44-3-911. Takeout and delivery of alcohol beverages - permit**
5 **- on-premises consumption licenses - requirements and limitations -**
6 **rules - definition - repeal.** (1) (a) Notwithstanding any other provision
7 of this article 3 or article 4 of this title 44 and subject to subsections (2)
8 and (3) of this section:

9 (I) BETWEEN THE HOURS OF 8 A.M. AND 12 MIDNIGHT, a licensee
10 may sell and deliver an alcohol beverage to a customer for consumption
11 off the licensed premises; and

12 (2) To sell and deliver an alcohol beverage or to allow a customer
13 to remove an alcohol beverage from the licensed premises as either is
14 authorized under subsection (1) of this section, the licensee must:

15 (b) Sell or deliver:

16 (III) No more than the following amounts of alcohol beverages
17 per delivery or takeout order unless the governor has declared a disaster
18 emergency under part 7 of article 33.5 of title 24:

19 (A) ~~Seven hundred fifty~~ ONE THOUSAND FIVE HUNDRED milliliters,
20 approximately ~~26.4~~ 50.8 fluid ounces, of ~~spirituous liquors and~~ vinous
21 liquors; and

22 (B) ~~Seventy-two~~ ONE HUNDRED FORTY-FOUR fluid ounces,
23 approximately ~~two thousand forty-six~~ FOUR THOUSAND TWO HUNDRED
24 FIFTY-NINE milliliters, of malt liquors, fermented malt beverages, and
25 hard cider; AND

1 (C) ONE LITER, APPROXIMATELY 33.8 FLUID OUNCES, OF
2 SPIRITUOUS LIQUORS.

3 (6) (a) (I) ~~As used in this section, "licensee" means a person~~
4 ~~issued a license under~~ THIS SECTION AUTHORIZES A LICENSE HOLDER THAT
5 IS ISSUED A LICENSE UNDER ONE OF THE FOLLOWING SECTIONS TO SELL AN
6 ALCOHOL BEVERAGE TO A CUSTOMER FOR CONSUMPTION OFF OF THE
7 LICENSED PREMISES: Section 44-3-402 that operates a sales room or
8 section 44-3-407 that operates a sales room or section 44-3-411,
9 44-3-413, 44-3-414, 44-3-417, 44-3-418, 44-3-422, 44-3-426, 44-3-428,
10 44-4-104 (1)(c)(I)(A), or 44-4-104 (1)(c)(III).

11 (II) THIS SECTION AUTHORIZES A LICENSE HOLDER THAT IS ISSUED
12 A LICENSE UNDER ONE OF THE FOLLOWING SECTIONS TO DELIVER AN
13 ALCOHOL BEVERAGE TO A CUSTOMER FOR CONSUMPTION OFF OF THE
14 LICENSED PREMISES: SECTION 44-3-411, 44-3-412, 44-3-413, 44-3-414,
15 44-3-415, 44-3-416, 44-3-417, 44-3-418, 44-3-419, 44-3-420, 44-3-421,
16 44-3-422, 44-3-426, OR 44-3-428.

17 (III) THIS SECTION AUTHORIZES A LICENSE HOLDER THAT IS ISSUED
18 A LICENSE UNDER SECTION 44-3-402 AND THAT OPERATES A SALES ROOM
19 OR SECTION 44-3-407 AND THAT OPERATES A SALES ROOM TO DELIVER AN
20 ALCOHOL BEVERAGE TO A CUSTOMER FOR CONSUMPTION OFF OF THE
21 LICENSED PREMISES. THIS SUBSECTION (6)(a)(III) IS REPEALED, EFFECTIVE
22 JANUARY 2, 2022.

23 (7) This section is repealed, effective July 1, ~~2021~~ 2023.

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

26 **44-3-103. Definitions.** As used in this article 3 and article 4 of
27 this title 44, unless the context otherwise requires:

1 (11.5) "COMMUNAL OUTDOOR DINING AREA" MEANS AN OUTDOOR
2 SPACE THAT IS USED FOR FOOD AND ALCOHOL BEVERAGE SERVICE BY TWO
3 OR MORE LICENSEES LICENSED UNDER THIS ARTICLE 3 OR ARTICLE 4 OF
4 THIS TITLE 44 AS A:

- 5 (a) TAVERN;
- 6 (b) HOTEL AND RESTAURANT;
- 7 (c) BREW PUB;
- 8 (d) DISTILLERY PUB;
- 9 (e) VINTNER'S RESTAURANT;
- 10 (f) BEER AND WINE LICENSEE;
- 11 (g) MANUFACTURER THAT OPERATES A SALES ROOM AUTHORIZED
12 UNDER SECTION 44-3-402 (2) OR (7);
- 13 (h) BEER WHOLESALER THAT OPERATES A SALES ROOM UNDER
14 SECTION 44-3-407 (1)(b)(I);
- 15 (i) LIMITED WINERY;
- 16 (j) LODGING AND ENTERTAINMENT FACILITY;
- 17 (k) OPTIONAL PREMISES; OR
- 18 (l) FERMENTED MALT BEVERAGE RETAILER LICENSED FOR
19 CONSUMPTION ON THE PREMISES.

20 **SECTION 3.** In Colorado Revised Statutes, **add** 44-3-912 as
21 follows:

22 **44-3-912. Communal outdoor dining areas - permit required**
23 **- rules.** (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE
24 3 OR ARTICLE 4 OF THIS TITLE 44 AND SUBJECT TO THE APPROVAL OF THE
25 STATE AND LOCAL LICENSING AUTHORITIES, A COMMUNAL OUTDOOR
26 DINING AREA MAY BE SHARED BY TWO OR MORE PERSONS LICENSED FOR
27 ON-PREMISES CONSUMPTION, INCLUDING AN APPROVED SALES ROOM,

1 UNDER THIS ARTICLE 3 OR ARTICLE 4 OF THIS TITLE 44.

2 (2) A LICENSEE SHALL NOT SELL OR SERVE ALCOHOL BEVERAGES
3 IN A COMMUNAL OUTDOOR DINING AREA UNLESS:

4 (a) THE LICENSEE OBTAINS A PERMIT FROM THE STATE LICENSING
5 AUTHORITY AND PAYS THE PERMITTING FEE ESTABLISHED BY RULE; AND

6 (b) THE STATE AND LOCAL LICENSING AUTHORITIES HAVE FIRST
7 APPROVED:

8 (I) ATTACHING THE LICENSE TO THE COMMUNAL OUTDOOR DINING
9 AREA; AND

10 (II) A MODIFICATION OF THE LICENSED PREMISES OF EACH
11 ATTACHED LICENSEE TO INCLUDE THE COMMUNAL OUTDOOR DINING AREA.

12 (3) THIS SECTION DOES NOT APPLY TO A SPECIAL EVENT PERMIT
13 ISSUED UNDER ARTICLE 5 OF THIS TITLE 44 OR THE HOLDER OF THE PERMIT
14 UNLESS THE PERMIT HOLDER HOLDS A SPECIAL EVENT AT AN EXISTING
15 COMMUNAL OUTDOOR DINING AREA AND AGREES IN WRITING TO THE
16 REQUIREMENTS OF THIS ARTICLE 3 FOR AND THE LOCAL LICENSING
17 AUTHORITY FOR THE COMMUNAL OUTDOOR DINING AREA.

18 (4) TO BE APPROVED, A COMMUNAL OUTDOOR DINING AREA MUST
19 BE WITHIN ONE THOUSAND FEET OF THE PERMANENT LICENSED PREMISES
20 OF EACH OF THE LICENSES ATTACHED TO THE COMMUNAL OUTDOOR
21 DINING AREA. THIS DISTANCE MUST BE COMPUTED BY DIRECT
22 MEASUREMENT, USING A ROUTE OF DIRECT PEDESTRIAN ACCESS, FROM THE
23 NEAREST PROPERTY LINE OF THE LAND USED FOR THE COMMUNAL
24 OUTDOOR DINING AREA TO THE NEAREST PORTION OF THE BUILDING
25 WHERE THE PERMANENT LICENSED PREMISES IS LOCATED.

26 (5) IF A VIOLATION OF THIS ARTICLE 3 OR ARTICLE 4 OF THIS TITLE
27 44 OCCURS WITHIN A COMMUNAL OUTDOOR DINING AREA AND THE

1 LICENSEE RESPONSIBLE FOR THE VIOLATION CAN BE IDENTIFIED, THAT
2 LICENSEE IS SUBJECT TO DISCIPLINE AS SET FORTH IN SECTION 44-3-601. IF
3 THE LICENSEE RESPONSIBLE FOR THE VIOLATION CANNOT BE IDENTIFIED,
4 EACH ATTACHED LICENSEE IS DEEMED JOINTLY RESPONSIBLE AND SUBJECT
5 TO DISCIPLINE FOR THE VIOLATION.

6 (6) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES
7 GOVERNING COMMUNAL OUTDOOR DINING AREAS, INCLUDING RULES
8 GOVERNING:

9 (a) APPLICATIONS;

10 (b) MODIFICATION OF THE LICENSED PREMISES TO INCLUDE A
11 COMMUNAL OUTDOOR DINING AREA;

12 (c) SUPERVISION AND CONTROL OF THE COMMUNAL OUTDOOR
13 DINING AREA BY THE ATTACHED LICENSEES;

14 (d) SUBMISSION TO AND APPROVAL OF SECURITY AND CONTROL
15 PLANS BY THE STATE AND LOCAL LICENSING AUTHORITIES;

16 (e) REMOVAL OF ALCOHOL BEVERAGES FROM THE COMMUNAL
17 OUTDOOR DINING AREA;

18 (f) SPECIAL EVENTS HELD WITHIN A COMMUNAL OUTDOOR DINING
19 AREA; AND

20 (g) INSURANCE REQUIREMENTS.

21 **SECTION 4.** In Colorado Revised Statutes, 44-3-501, **amend**
22 (3)(a)(XVII) and (3)(a)(XVIII); and **add** (3)(a)(XIX) as follows:

23 **44-3-501. State fees - rules - one-time fee waiver - repeal.**

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

27 (XVII) Applications for manager's permits pursuant to section

1 44-3-427; and

2 (XVIII) Applications for the renewal of a license or permit issued
3 in accordance with this article 3; AND

4 (XIX) APPLICATIONS FOR A PERMIT FOR OR ATTACHMENT TO A
5 COMMUNAL OUTDOOR DINING AREA OR FOR MODIFICATION OF A LICENSED
6 PREMISES TO INCLUDE A COMMUNAL OUTDOOR DINING AREA.

7 **SECTION 5.** In Colorado Revised Statutes, 44-3-505, **add** (6) as
8 follows:

9 **44-3-505. Local license fees.** (6) THE LOCAL LICENSING
10 AUTHORITY MAY CHARGE A FEE TO APPROVE THE ATTACHMENT TO A
11 COMMUNAL OUTDOOR DINING AREA OR FOR MODIFICATION OF A LICENSED
12 PREMISES TO INCLUDE A COMMUNAL OUTDOOR DINING AREA. THE LOCAL
13 LICENSING AUTHORITY SHALL SET THE FEE IN AN AMOUNT TO COVER THE
14 DIRECT AND INDIRECT COSTS OF ADMINISTERING THE APPROVAL.

15 **SECTION 6. Appropriation.** (1) For the 2021-22 state fiscal
16 year, \$63,274 is appropriated to the department of revenue for use by the
17 liquor and tobacco enforcement division. This appropriation is from the
18 liquor enforcement division and state licensing authority cash fund
19 created in section 44-6-101, C.R.S. To implement this act, the department
20 may use this appropriation as follows:

21 (a) \$41,294 for personal services, which amount is based on an
22 assumption that the division will require an additional 0.8 FTE; and

23 (b) \$21,980 for operating expenses.

24 **SECTION 7. Safety clause.** The general assembly hereby finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, or safety.