### Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

# REREVISED

This Version Includes All Amendments Adopted in the Second House SENATE BILL 24-231

LLS NO. 24-1176.01 Yelana Love x2295

#### SENATE SPONSORSHIP

Rodriguez and Gardner, Van Winkle

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Senate Committees Finance Appropriations House Committees Finance Appropriations

# A BILL FOR AN ACT

101	CONCERNING IMPLEMENTING CONSENSUS RECOMMENDATIONS OF THE
102	LIQUOR ADVISORY GROUP CONVENED BY THE DEPARTMENT OF
103	REVENUE TO CONDUCT A COMPREHENSIVE REVIEW OF
104	Colorado's liquor <u>laws, and, in connection therewith,</u>
105	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 <u>http://leg.colorado.gov.</u>)

In current law, both a lodging facility and an entertainment facility are licensed as a lodging and entertainment facility licensee. Sections 1,



HOUSE 3rd Reading Unamended May 8, 2024

> Amended 2nd Reading May 7, 2024

HOUSE



**3, 6, 8, 17, 24, 27, 28, 29, 30, 31, 33, and 34** of the bill convert the licenses of lodging facilities to lodging facility licenses, convert the licenses of entertainment facilities to entertainment facility licenses, and make necessary conforming amendments.

Sections 3, 9, and 30 allow a brewery, a limited winery, and a distillery to manufacture alcohol beverages at up to 2 noncontiguous locations and set an annual fee for such operations.

Current law limits the amount of alcohol beverages certain retailers can purchase from retail liquor stores, liquor-licensed drugstores, and fermented malt beverage and wine retailers to \$2,000 each year. **Sections 15 through 23, 26, and 27** increase the cap to \$7,000 and allow for an annual inflation adjustment of the cap.

Section 2 requires the state licensing authority to study the feasibility of adopting an online application and renewal system.

Section 3:

- Gives a local licensing authority the ability to delegate licensing authority to the state licensing authority when a retail business is located on state-owned property;
- Allows an off-premises retailer to conduct tastings;
- Allows tastings for all authorized retailers to begin at 10 a.m. instead of 11 a.m.; and
- Allows retail liquor stores to hold educational classes.

Under current law, liquor licenses are valid for a one-year period. Sections 4 and 32 will allow certain qualifying licensees to apply for a 2-year license.

Section 5 updates gendered language, changing "husband and wife" to "spouses or partners in a civil union".

**Section 7** removes the requirement that a local licensing authority schedule a public hearing on an application for a new retail liquor license.

Section 9 allows a distiller that operates a sales room to purchase and use common alcohol modifiers to mix with its spirituous liquors to produce cocktails.

**Section 10** changes the notice requirement for a festival permittee to hold multiple festivals from 30 business days to 30 calendar days before each festival.

Sections 11 and 12 allow wholesalers of vinous or spirituous liquors to obtain an importer's license. Section 12 also allows wholesalers to hold trade show events.

**Section 13** allows a retail liquor store going out of business to sell its inventory to another retail liquor store.

Section 14 specifies that a liquor-licensed drugstore's use of an electronic funds transfer is not an extension of credit.

**Section 21** allows an arts licensee to place limited advertising of the availability of alcohol beverages for sale on the licensed premises while an artistic or cultural production or performance is taking place.

Section 25 increases the time to process a retail establishment permit from 15 to 30 days.

Section 29 creates an alcohol beverage shipper license and permit for wine direct shipping deliveries.

Section 29 establishes a catering license to allow a catering company to sell alcohol beverages at a location that is not otherwise licensed to sell or serve alcohol beverages.

Section 30 allows the state licensing authority to charge an investigative fee to recover the cost of certain investigations.

Section 33:

- Allows alcohol beverage sales on Christmas; and
- Prohibits the sale of controlled substances on premises licensed to sell alcohol beverages.

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

SECTION 1. In Colorado Revised Statutes, 44-3-103, amend

3 (11.5)(j), (11.5)(k), (11.5)(l), (15)(c)(XI), (15)(c)(XII), (29), and (38)(b);

4 and **add** (2.5), (8.5), (11.5)(m), (14.5), (15)(c)(XIII), (15.5), and (21.5) as

5 follows:

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6 44-3-103. Definitions. As used in this article 3 and article 4 of
7 this title 44, unless the context otherwise requires:

8 (2.5) "Alcohol beverage shipper licensee" means a person
9 That ships to consumers vinous liquors that it received from a

10 WINERY DIRECT SHIPPER'S PERMITTEE PURSUANT TO SECTION 44-3-104.

11 (8.5) "CATERING COMPANY" MEANS A PERSON, NOT INCLUDING
 12 PERSONS IN THE MOBILE FOOD SERVICES INDUSTRY OR FOOD SERVICE

13 INDUSTRIES, <u>THAT:</u>

14 (a) Is primarily engaged in providing event-based \_\_\_\_\_

15 ALCOHOL BEVERAGE SERVICES FOR <u>EVENTS:</u>

16 (I) <u>AT</u> A VENUE THAT DOES NOT POSSESS A LIQUOR LICENSE OR
 17 <u>PERMIT; AND</u>

18 (II) THAT HAVE SNACKS AND SANDWICHES AVAILABLE AT THE

1 EVENT; AND

2 (b) Has equipment and vehicles to transport meals,
3 Alcohol beverages, and snacks to events or to prepare food at
4 AN OFF-PREMISES SITE.

5 (11.5) "Communal outdoor dining area" means an outdoor space
6 that is used for food and alcohol beverage service by two or more
7 licensees licensed under this article 3 or article 4 of this title 44 as a:

- (j) Lodging and Entertainment facility;
- 9 (k) Optional premises; or

10 (1) Fermented malt beverage AND WINE retailer licensed for11 consumption on the premises; OR

12 (m) LODGING FACILITY.

(14.5) "EDUCATIONAL CLASS" MEANS A CLOSED EVENT ON THE
PREMISES OF A RETAIL LIQUOR STORE, DURING WHICH CONSUMERS WHO
ARE TWENTY-ONE YEARS OF AGE OR OLDER ARE TAUGHT ABOUT ALCOHOL
BEVERAGES THAT ARE SOLD BY THE RETAIL LIQUOR STORE, INCLUDING,
BUT NOT LIMITED TO, THE HISTORY OF THE ALCOHOL BEVERAGE, FOOD
PAIRINGS, AND SERVING SUGGESTIONS.

19

8

(15) "Entertainment district" means an area that:

20 (c) Contains at least twenty thousand square feet of premises that,
21 at the time the district is created, is licensed pursuant to this article 3 as
22 a:

23 (XI) Lodging and Entertainment facility licensee; or

- 24 (XII) Optional premises; OR
- 25 (XIII) LODGING FACILITY LICENSEE.
- 26 (15.5) "ENTERTAINMENT FACILITY" MEANS AN ESTABLISHMENT:
- 27 (a) IN WHICH THE PRIMARY BUSINESS IS TO PROVIDE THE PUBLIC

WITH SPORTS OR ENTERTAINMENT ACTIVITIES WITHIN ITS LICENSED
 PREMISES; AND

3 (b) THAT, INCIDENTAL TO ITS PRIMARY BUSINESS, SELLS AND
4 SERVES ALCOHOL BEVERAGES AT RETAIL FOR CONSUMPTION ON THE
5 LICENSED PREMISES AND HAS SANDWICHES AND LIGHT SNACKS AVAILABLE
6 FOR CONSUMPTION ON THE LICENSED PREMISES.

7 (21.5) "INFLATION" MEAN THE ANNUAL PERCENTAGE CHANGE IN
8 THE UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR
9 STATISTICS CONSUMER PRICE INDEX, OR A SUCCESSOR INDEX, FOR
10 DENVER-AURORA-LAKEWOOD FOR ALL ITEMS PAID BY URBAN
11 CONSUMERS.

12 (29) "Lodging and entertainment facility" means an establishment:
13 that:

14 (a) Is either: IN WHICH THE PRIMARY BUSINESS IS TO PROVIDE THE
15 PUBLIC WITH SLEEPING ROOMS AND MEETING FACILITIES; AND

(I) A lodging facility, the primary business of which is to provide
 the public with sleeping rooms and meeting facilities; or

(II) An entertainment facility, the primary business of which is to
 provide the public with sports or entertainment activities within its
 licensed premises; and

(b) Incidental to its primary business, THAT sells and serves
alcohol beverages at retail for consumption on the LICENSED premises and
has sandwiches and light snacks available for consumption on the
LICENSED premises.

(38) (b) Notwithstanding subsection (38)(a) of this section, for a
 winery, LIMITED WINERY, DISTILLERY, OR BREWERY authorized to
 manufacture vinous liquors ALCOHOL BEVERAGES pursuant to section

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1 44-3-402 or 44-3-403, the licensed premises may include up to two 2 noncontiguous locations, both of which are used for manufacturing 3 purposes, within a radius of ten miles. 4 **SECTION 2.** In Colorado Revised Statutes, 44-3-202, add (4) as 5 follows: 6 44-3-202. Duties of state licensing authority - feasibility study 7 - rules - repeal. (4) (a) (I) BY JANUARY 1, 2028, THE STATE LICENSING 8 AUTHORITY SHALL STUDY THE FEASABILITY OF ADOPTING AN ONLINE 9 PORTAL SYSTEM THAT: 10 (A) ALLOWS LIQUOR LICENSE APPLICATIONS AND RENEWALS TO BE 11 COMPLETED ONLINE; 12 (B) ALLOWS A LICENSEE TO HAVE AN ACCOUNT WHERE ALL 13 RELEVANT LICENSE INFORMATION FOR ALL OF ITS LICENSES IS STORED; 14 AND 15 (C) AT THE TIME OF RENEWAL, ENABLES A LICENSEE TO RENEW ITS 16 LICENSE ONLINE BY UPLOADING ALL REQUIRED DOCUMENTATION. 17 (II) AS PART OF STUDYING THE FEASABILITY OF AN ONLINE PORTAL 18 SYSTEM, THE STUDY MUST INCLUDE: 19 (A) A PROPOSED TIMELINE FOR IMPLEMENTING THE SYSTEM; 20 **(B)** A PROPOSED REQUEST FOR PROPOSAL PROCESS FOR 21 DEVELOPING THE SYSTEM; AND 22 (C) THE ESTIMATED COSTS OF DEVELOPING AND IMPLEMENTING 23 THE SYSTEM. 24 (III) IN ADDITION, THE FEASABILITY STUDY MUST INCLUDE A 25 REPRESENTATIVE SAMPLE OF LOCAL LICENSING AUTHORITIES 26 THROUGHOUT THE STATE. 27 (b) BY MARCH 1, 2028, THE STATE LICENSING AUTHORITY SHALL

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SUBMIT A REPORT TO THE HOUSE OF REPRESENTATIVES FINANCE
 COMMITTEE AND THE SENATE FINANCE COMMITTEE, OR THEIR SUCCESSOR
 COMMITTEES, ON THE FEASABILITY OF DEVELOPING AND IMPLEMENTING
 AN ONLINE PORTAL SYSTEM. THE REPORT MUST INCLUDE THE ELEMENTS
 SPECIFIED IN SUBSECTION (4)(a)(II) OF THIS SECTION.

6 (c) THE STATE LICENSING AUTHORITY MAY ADOPT RULES
7 NECESSARY TO IMPLEMENT AND ADMINISTER THIS SUBSECTION (4).

8 (d) This subsection (4) is repealed, effective January 1,
9 2029.

SECTION 3. In Colorado Revised Statutes, 44-3-301, amend
(2)(b), (3)(a)(II)(E), (3)(a)(II)(F), (8) introductory portion, (10)(c)(V),
(11)(c)(II) introductory portion, (11)(d), and (11)(e)(I); and add (2)(d),
(2)(e), (3)(a)(II)(G), (3)(a)(II)(H), (10)(g), and (13) as follows:

14 44-3-301. Licensing in general - rules - tastings - promotional 15 association - educational classes. (2) (b) A local licensing authority or 16 the state may DELEGATE ITS LICENSING AUTHORITY TO THE STATE 17 LICENSING AUTHORITY WHEN AN APPLICANT IS APPLYING FOR OR 18 RENEWING A LICENSE TO SELL ALCOHOL BEVERAGES AT RETAIL FOR 19 CONSUMPTION ON OR OFF A LICENSED PREMISES AND THE LICENSED 20 PREMISES IS LOCATED on state-owned property. A LOCAL LICENSING 21 AUTHORITY MAY deny the issuance of any new tavern or retail liquor store 22 license whenever such authority determines that the issuance of the 23 license would result in or add to an undue concentration of the same class 24 of license and, as a result, require the use of additional law enforcement 25 resources.

26 (d) THE STATE LICENSING AUTHORITY SHALL APPROVE THE
 27 PROPOSED PREMISES FOR A DISTILLERY APPLYING PURSUANT TO SECTION

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1 44-3-402, WHICH PREMISES INCLUDES UP TO TWO NONCONTIGUOUS 2 LOCATIONS USED FOR MANUFACTURING SPIRITUOUS LIQUORS, OR A 3 MODIFICATION OF THE LICENSED PREMISES OF A DISTILLERY LICENSED 4 PURSUANT TO SECTION 44-3-402 TO INCLUDE UP TO TWO NONCONTIGUOUS 5 LOCATIONS USED FOR MANUFACTURING SPIRITUOUS LIQUORS, IF THE 6 ALCOHOL AND TOBACCO TAX AND TRADE BUREAU OF THE UNITED STATES 7 DEPARTMENT OF THE TREASURY HAS APPROVED THE DESCRIPTION AND 8 DIAGRAM OF THE PROPOSED OR MODIFIED PREMISES. ADDITIONALLY, WITH 9 THE INITIAL LICENSE APPLICATION THAT INCLUDES NONCONTIGUOUS 10 LOCATIONS WITHIN THE PROPOSED PREMISES OR A SUBSEQUENT 11 APPLICATION TO MODIFY THE PREMISES TO INCLUDE NONCONTIGUOUS 12 LOCATIONS, THE LICENSEE SHALL SUBMIT PROOF FROM THE LOCAL 13 LICENSING AUTHORITY IN WHICH THE PREMISES IS LOCATED OF 14 COMPLIANCE WITH ALL APPLICABLE ZONING, BUILDING, FIRE, AND OTHER 15 REQUIREMENTS FOR OCCUPANCY AND OPERATION. THE STATE LICENSING 16 AUTHORITY MAY, BY RULE, ESTABLISH A ONE-TIME APPLICATION FEE AND 17 AN ANNUAL RENEWAL FEE, NEITHER OF WHICH MAY EXCEED FIVE 18 HUNDRED DOLLARS PER LOCATION, FOR APPLICATIONS UNDER THIS 19 SUBSECTION (2)(d).

20 THE STATE LICENSING AUTHORITY SHALL APPROVE THE (e) 21 PROPOSED PREMISES FOR A BREWERY APPLYING PURSUANT TO SECTION 22 44-3-402, WHICH PREMISES INCLUDES UP TO TWO NONCONTIGUOUS 23 LOCATIONS USED FOR MANUFACTURING MALT LIQUORS, OR A 24 MODIFICATION OF THE LICENSED PREMISES OF A BREWERY LICENSED 25 PURSUANT TO SECTION 44-3-402 TO INCLUDE UP TO TWO NONCONTIGUOUS 26 LOCATIONS USED FOR MANUFACTURING MALT LIQUORS, IF THE ALCOHOL 27 AND TOBACCO TAX AND TRADE BUREAU OF THE UNITED STATES

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1 DEPARTMENT OF THE TREASURY HAS APPROVED THE DESCRIPTION AND 2 DIAGRAM OF THE PROPOSED OR MODIFIED PREMISES. ADDITIONALLY, WITH 3 THE INITIAL LICENSE APPLICATION THAT INCLUDES NONCONTIGUOUS 4 LOCATIONS WITHIN THE PROPOSED PREMISES OR A SUBSEQUENT 5 APPLICATION TO MODIFY THE PREMISES TO INCLUDE NONCONTIGUOUS 6 LOCATIONS, THE LICENSEE SHALL SUBMIT PROOF FROM THE LOCAL LICENSING AUTHORITY IN WHICH THE PREMISES IS LOCATED OF 7 8 COMPLIANCE WITH ALL APPLICABLE ZONING, BUILDING, FIRE, AND OTHER 9 REQUIREMENTS FOR OCCUPANCY AND OPERATION. THE STATE LICENSING 10 AUTHORITY MAY, BY RULE, ESTABLISH A ONE-TIME APPLICATION FEE AND 11 AN ANNUAL RENEWAL FEE, NEITHER OF WHICH MAY EXCEED FIVE 12 HUNDRED DOLLARS PER LOCATION, FOR APPLICATIONS UNDER THIS 13 SUBSECTION (2)(e).

14 (3) (a) (II) For purposes of this section, each of the following is15 considered a single business and location:

16 (E) A winery OR LIMITED WINERY licensed pursuant to section 17 44-3-402 or 44-3-403 that has noncontiguous locations included in the 18 licensed premises; and

(F) A festival at which more than one licensee participates
pursuant to a festival permit. A BREWERY LICENSED PURSUANT TO
section 44-3-402 THAT HAS NONCONTIGUOUS LOCATIONS INCLUDED IN
THE LICENSED PREMISES;

23 (G) A DISTILLERY LICENSED PURSUANT TO SECTION 44-3-402 THAT
 24 HAS NONCONTIGUOUS LOCATIONS INCLUDED IN THE LICENSED PREMISES;
 25 AND

26 (H) A FESTIVAL AT WHICH MORE THAN ONE LICENSEE27 PARTICIPATES PURSUANT TO A FESTIVAL PERMIT.

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1 (8) Each licensee holding a fermented malt beverage AND WINE 2 on-premises license or on- and off-premises license, beer and wine 3 license, hotel and restaurant license, LODGING FACILITY LICENSE, tavern 4 license, lodging and entertainment FACILITY license, club license, arts 5 license, or racetrack license shall manage the premises himself or herself 6 or employ a separate and distinct manager on the premises and shall 7 report the name of the manager to the state and local licensing authorities. 8 The licensee shall report any change in managers to the state and local 9 licensing authorities within thirty days after the change. When a hotel and 10 restaurant, LODGING FACILITY, tavern, or lodging and entertainment 11 FACILITY licensee reports a change in manager to the state and local 12 licensing authority AUTHORITIES, the licensee shall pay:

13

(10) (c) Tastings are subject to the following limitations:

(V) The licensee may conduct tastings only during the operating
hours in which the licensee on whose premises the tastings occur is
permitted to sell alcohol beverages, and in no case earlier than 11 a.m. 10
a.m. or later than 9 p.m.

18 (g) (I) AN OFF-PREMISES RETAILER MAY CONDUCT A TASTING OF
19 ALCOHOL BEVERAGES FROM THE OFF-PREMISES RETAIL LICENSEE'S
20 EXISTING INVENTORY.

21

(II) OFF-PREMISES RETAILERS MAY HOLD TASTINGS, SUBJECT TO
RESTRICTIONS AS TO THE SERVING SIZE OF ANY ONE SAMPLE AND OVERALL
TOTAL AMOUNTS OF ALL ALCOHOL BEVERAGES THAT ARE TASTED. THE
TOTAL AMOUNT OF ALCOHOL BEVERAGES TO BE SAMPLED AT A TASTING
SHALL BE LIMITED TO, REGARDLESS OF THE NUMBER OF ITEMS BEING
TASTED, NOT MORE THAN FOUR OUNCES OF MALT LIQUOR, FOUR OUNCES

OF VINOUS LIQUOR, AND TWO OUNCES OF SPIRITUOUS LIQUOR PER
 CUSTOMER PER DAY.

(11) (c) (II) An association or licensed tavern, lodging and
entertainment facility, LODGING FACILITY, hotel and restaurant, brew pub,
distillery pub, retail gaming tavern, vintner's restaurant, beer and wine
licensee, manufacturer or beer wholesaler that operates a sales room, or
limited winery that wishes to create a promotional association may submit
an application to the local licensing authority. To qualify for certification,
the promotional association must:

10 (d) A person shall not attach a premises licensed under this article 11 3 to a common consumption area unless authorized by the local licensing 12 authority. Any noncontiguous location included in the licensed premises 13 of a winery, LIMITED WINERY, DISTILLERY, OR BREWERY licensed pursuant 14 to section 44-3-402 or 44-3-403 that falls outside the approved 15 boundaries of an entertainment district or a common consumption area 16 authorized pursuant to this subsection (11) shall not be included as part 17 of a certified promotional association or entertainment district even 18 though the licensed premises of that winery, LIMITED WINERY, 19 DISTILLERY, OR BREWERY is within the entertainment district.

20 (e) (I) A licensed tavern, lodging and entertainment facility, 21 LODGING FACILITY, hotel and restaurant, brew pub, distillery pub, retail 22 gaming tayern, vintner's restaurant, beer and wine licensee, manufacturer 23 or beer wholesaler that operates a sales room, limited winery, or optional 24 premises that wishes to attach to a common consumption area may submit 25 an application to the local licensing authority. To qualify, the licensee 26 must include a request for authority to attach to the common consumption 27 area from the certified promotional association of the common consumption area unless the promotional association does not exist when
 the application is submitted. If so THE PROMOTIONAL ASSOCIATION EXISTS
 WHEN THE APPLICATION IS SUBMITTED, the applicant shall request the
 authority when a promotional association is certified and shall
 demonstrate to the local licensing authority that the authority has been
 obtained by the time the applicant's license issued under this article 3 is
 renewed.

8 (13) (a) A PERSON LICENSED PURSUANT TO SECTION 44-3-409 MAY
9 HOLD EDUCATIONAL CLASSES PURSUANT TO THIS SUBSECTION (13) AND
10 MAY CHARGE A FEE FOR THE EDUCATIONAL CLASSES IT HOLDS; EXCEPT
11 THAT THE LICENSEE SHALL NOT CHARGE A FEE BY THE DRINK.

(b) A LICENSEE AUTHORIZED UNDER THIS SUBSECTION (13) TO
HOLD EDUCATIONAL CLASSES SHALL NOT ALLOW CLASS PARTICIPANTS TO
PARTICIPATE IN ANY OTHER TASTING EVENTS ON THE LICENSED PREMISES
HELD ON THE SAME DAY AND SHALL IMPLEMENT A MEANS OF TRACKING
HOW MANY SAMPLES EACH CLASS PARTICIPANT IS PROVIDED, WHICH MAY
INCLUDE THE USE OF A WRISTBAND OR OTHER MEANS OF ACCURATELY
TRACKING AN INDIVIDUAL CLASS PARTICIPANT'S CONSUMPTION.

19 (c) IN ORDER TO TEACH AN EDUCATIONAL CLASS PURSUANT TO
20 THIS SUBSECTION (13), A CLASS INSTRUCTOR MUST HAVE SUCCESSFULLY
21 COMPLETED THE RESPONSIBLE ALCOHOL BEVERAGE VENDOR TRAINING
22 PROVIDED IN SECTION 44-3-1002.

(d) NOTWITHSTANDING ANY LAW TO THE CONTRARY, A
WHOLESALER OR MANUFACTURER MAY PROVIDE ALCOHOL BEVERAGES
FOR AN EDUCATIONAL CLASS HELD BY A LICENSEE PURSUANT TO THIS
SUBSECTION (13). SUCH ALCOHOL BEVERAGES MUST BE USED ONLY FOR
THE SPECIFIC EDUCATIONAL CLASS FOR WHICH THE ALCOHOL BEVERAGES

WERE PROVIDED. A WHOLESALER OR MANUFACTURER THAT PROVIDES
 ALCOHOL BEVERAGES FOR AN EDUCATIONAL CLASS SHALL REMOVE ALL
 UNOPENED PRODUCTS THAT REMAIN AT THE END OF THE CLASS. OPENED,
 UNFINISHED ALCOHOL BEVERAGES MAY BE USED BY THE LICENSEE ONLY
 AT A FUTURE EDUCATIONAL CLASS AND MUST BE LOCKED UP OFF THE
 SALES FLOOR.

7 (e) THE STATE LICENSING AUTHORITY MAY PROMULGATE RULES
8 ESTABLISHING SAMPLE SIZE LIMITS AND TOTAL VOLUME LIMITS FOR
9 EDUCATIONAL CLASSES HELD PURSUANT TO THIS SUBSECTION (13).

SECTION 4. In Colorado Revised Statutes, 44-3-302, amend
(1)(a), (2)(b), (2)(d)(I), and (2)(d)(VIII); and add (3) as follows:

12 44-3-302. License renewal - rules. (1) (a) Ninety days before the 13 expiration date of an existing license, the state licensing authority AND, 14 FOR LICENSES ISSUED BY A LOCAL LICENSING AUTHORITY, THE LOCAL 15 LICENSING AUTHORITY shall notify the licensee of the expiration date by 16 any method reasonably likely to actually notify the licensee. The state 17 licensing authority shall promulgate rules setting the procedure FOR THE 18 STATE LICENSING AUTHORITY to notify a licensee in accordance with this 19 subsection (1)(a).

(2) (b) A state or local licensing authority shall not accept a late
renewal application more than ninety days after the expiration of a
licensee's permanent annual OR BIENNIAL license. Any A licensee whose
permanent annual OR BIENNIAL license has been expired for more than
ninety days must apply for a new license pursuant to section 44-3-311 or
a reissued license pursuant to subsection (2)(d) of this section.

26 (d) (I) Notwithstanding subsection (2)(b) of this section, with the
27 permission of the licensing authority, a licensee whose permanent annual

OR BIENNIAL license has been expired for more than ninety days but less than one hundred eighty days may submit to the local licensing authority, or to the state licensing authority in the case of a licensee whose alcohol beverage license is not subject to issuance or approval by a local licensing authority, an application for a reissued license. The licensing authority has the sole discretion to determine whether to allow a licensee to apply for a reissued license.

8 (VIII) (A) EXCEPT AS PROVIDED IN SUBSECTION (2)(d)(VIII)(B) OF
9 THIS SECTION, if the state licensing authority approves the reissuance OF
10 A LICENSE, the licensee will maintain MAINTAINS the same license period
11 dates as if the license had been renewed prior to the expiration date.

12 (B) IF THE STATE LICENSING AUTHORITY APPROVES THE
13 REISSUANCE OF AN EXPIRED LICENSE THAT WAS A BIENNIAL LICENSE, THE
14 STATE LICENSING AUTHORITY MUST REISSUE AN ANNUAL LICENSE INSTEAD
15 OF A BIENNIAL LICENSE.

16 (3) (a) A PERSON LICENSED SOLELY BY THE STATE LICENSING 17 AUTHORITY PURSUANT TO THIS ARTICLE 3 or article 4 of this title 4418 AND IN GOOD STANDING WITH THE STATE LICENSING AUTHORITY MAY FILE 19 AN APPLICATION WITH THE STATE LICENSING AUTHORITY TO RENEW THE 20 LICENSE FOR A TWO-YEAR PERIOD. A PERSON LICENSED BY BOTH THE 21 STATE AND LOCAL LICENSING AUTHORITIES PURSUANT TO THIS ARTICLE 3 22 OR ARTICLE 4 OF THIS TITLE 44 AND IN GOOD STANDING WITH BOTH THE 23 STATE LICENSING AUTHORITY AND A LOCAL LICENSING AUTHORITY MAY 24 FILE AN APPLICATION AS SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION 25 TO RENEW THE LICENSE FOR A TWO-YEAR PERIOD.

26 (b) A LICENSEE GRANTED A BIENNIAL LICENSE PURSUANT TO THIS
 27 SUBSECTION (3) SHALL PAY THE APPLICABLE FEE REQUIRED BY SECTIONS

1 44-3-501 (1) <u>AND (3)</u> AND 44-3-505 (1) ANNUALLY AS FOLLOWS:

2 (I) THE FIRST PAYMENT MUST BE SUBMITTED WITH THE 3 APPLICATION TO RENEW THE LICENSE FOR A TWO-YEAR PERIOD; AND

4 (II) THE SECOND PAYMENT MUST BE SUBMITTED BY A DATE
5 SPECIFIED BY THE STATE LICENSING AUTHORITY THAT IS TWELVE MONTHS
6 AFTER THE BIENNIAL LICENSE APPLICATION IS FILED.

7 (c) THIS SUBSECTION (3) APPLIES TO LICENSES ISSUED BY A LOCAL
8 LICENSING AUTHORITY ONLY IF THE GOVERNING BODY OF THE COUNTY,
9 CITY AND COUNTY, OR MUNICIPALITY WITH JURISDICTION OVER THE LOCAL
10 LICENSING AUTHORITY ADOPTS AN ORDINANCE OR RESOLUTION
11 AUTHORIZING THE ISSUANCE OF BIENNIAL LICENSES.

12 (d) THE STATE LICENSING AUTHORITY SHALL ADOPT RULES13 NECESSARY TO IMPLEMENT AND ADMINISTER THIS SUBSECTION (3).

SECTION 5. In Colorado Revised Statutes, 44-3-303, amend
(1)(b) as follows:

44-3-303. Transfer of ownership and temporary permits.
(1) (b) When a license has been issued to a husband and wife SPOUSES,
PARTNERS IN A CIVIL UNION, or to general or limited partners, the death of
a spouse or partner shall DOES not require the surviving spouse or partner
to obtain a new license. All rights and privileges granted under the
original license shall continue in full force and effect as to such THE
survivors for the balance of the license period.

23 SECTION 6. In Colorado Revised Statutes, 44-3-309, amend
24 (1)(n); and add (1)(o) as follows:

44-3-309. Local licensing authority - applications - optional
 premises licenses. (1) A local licensing authority may issue only the
 following alcohol beverage licenses upon payment of the fee specified in

1 section 44-3-505:

(n) Lodging and Entertainment FACILITY license;

(o) LODGING FACILITY LICENSE.

4 SECTION 7. In Colorado Revised Statutes, 44-3-311, amend (1)
5 as follows:

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## 44-3-311. Public notice - posting and publication - definition.

7 (1) Upon receipt of an application, except an application for renewal or 8 for transfer of ownership, the A local licensing authority shall MAY 9 schedule a public hearing upon the application not less than thirty days 10 from AFTER the date of the application and shall post and publish the 11 public notice thereof OF THE HEARING not less than ten days prior to the 12 hearing. IF A PUBLIC HEARING IS SCHEDULED, THE LOCAL LICENSING 13 AUTHORITY SHALL GIVE public notice shall be given by the posting of a 14 sign in a conspicuous place on the premises for which application has 15 been made and by publication in a newspaper of general circulation in the 16 county in which the premises are located.

SECTION 8. In Colorado Revised Statutes, 44-3-401, amend
(1)(w); and add (1)(y) and (1)(z) as follows:

44-3-401. Classes of licenses and permits - rules. (1) For the
purpose of regulating the manufacture, sale, and distribution of alcohol
beverages, the state licensing authority in its discretion, upon application
in the prescribed form made to it, may issue and grant to the applicant a
license or permit from any of the following classes, subject to the
provisions and restrictions provided by this article 3:

- 25 (w) Lodging and Entertainment FACILITY license;
- 26 (y) LODGING FACILITY LICENSE;
- 27 (z) CATERING LICENSE.

SECTION 9. In Colorado Revised Statutes, 44-3-402, amend
 (7)(a) as follows:

3 44-3-402. Manufacturer's license - rules. (7) (a) (I) A 4 manufacturer of spirituous liquors licensed pursuant to this section may 5 conduct tastings and sell to customers spirituous liquors of its own 6 manufacture on its licensed premises and at one other approved sales 7 room location at no additional cost. A sales room location may be 8 included in the license at the time of the original license issuance or by 9 supplemental application. IF THE LICENSED PREMISES INCLUDES MULTIPLE 10 NONCONTIGUOUS LOCATIONS, THE MANUFACTURER MAY OPERATE A SALES 11 ROOM ON ONLY ONE OF THOSE NONCONTIGUOUS LOCATIONS.

12 (II) A MANUFACTURER OF SPIRITUOUS LIQUORS LICENSED 13 PURSUANT TO THIS SECTION THAT OPERATES A SALES ROOM MAY 14 PURCHASE AND USE COMMON ALCOHOL MODIFIERS, INCLUDING 15 VERMOUTH, AMAROS, AND LIQUEURS, TO COMBINE WITH SPIRITUOUS 16 LIQUORS TO PRODUCE COCKTAILS FOR CONSUMPTION ON OR OFF THE SALES 17 ROOM PREMISES. <u>A MANUFACTURER THAT USES AN ALCOHOL MODIFIER</u> 18 PURSUANT TO THIS SUBSECTION (7)(a)(II) SHALL COMBINE THE MODIFIER 19 WITH A SPIRITUOUS LIQUOR PRODUCED BY THE MANUFACTURER. A 20 MANUFACTURER SHALL NOT SELL AN ALCOHOL MODIFIER THAT HAS NOT 21 BEEN COMBINED WITH A SPIRITOUS LIQUOR. THE STATE LICENSING 22 AUTHORITY MAY ADOPT RULES NECESSARY TO IMPLEMENT AND 23 ADMINISTER THIS SUBSECTION (7)(a)(II).

24 SECTION 10. In Colorado Revised Statutes, 44-3-404, amend
25 (1)(c) as follows:

44-3-404. Festival permit - rules. (1) (c) If a festival permittee
notifies the state licensing authority and the appropriate local licensing

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authority of the location of and dates of each festival at least thirty
 business CALENDAR days before holding the festival, the permittee may
 hold up to, but no more than, nine festivals during the twelve months after
 the festival permit is issued. Beginning January 1, 2024, a permittee may
 hold up to nine festivals during each calendar year.

6 SECTION 11. In Colorado Revised Statutes, 44-3-405, repeal (2)
7 as follows:

44-3-405. Importer's license. (2) It is unlawful for any licensed
importer of vinous or spirituous liquors or any person, partnership,
association, organization, or corporation interested financially in or with
such a licensed importer to be interested financially, directly or indirectly,
in the business of any vinous or spirituous wholesale licensee; except that
any such financial interest that occurred on or before July 1, 1969, shall
be lawful.

15 SECTION 12. In Colorado Revised Statutes, 44-3-407, amend
16 (3); and add (1.5) as follows:

44-3-407. Wholesaler's license - discrimination in wholesale
sales prohibited - rules. (1.5) (a) A LICENSED WHOLESALER MAY HOLD
TRADE SHOW EVENTS TO ALLOW RETAILERS TO SAMPLE PRODUCTS ON THE
WHOLESALER'S LICENSED PREMISES IN AN AREA DESIGNATED FOR TRADE
SHOW EVENTS. A WHOLESALER SHALL NOT OPEN TRADE SHOW EVENTS TO
THE GENERAL PUBLIC.

(b) (I) EXCEPT AS PROVIDED IN SUBSECTION (1.5)(b)(II) OF THIS
SECTION, A WHOLESALER MAY HOLD A TRADE SHOW EVENT ON THE
WHOLESALER'S LICENSED PREMISES.

26 (II) A WHOLESALER SHALL NOT HOLD A TRADE SHOW EVENT IN:
27 (A) THE DOCKING, DELIVERY, OR WAREHOUSE STORAGE AREAS OF

THE LICENSED PREMISES, UNLESS THE WAREHOUSE IS A DESIGNATED AREA
 FOR A TRADE SHOW EVENT OR IS ISOLATED AND EXCLUDED FROM ONGOING
 BUSINESS ACTIVITY; OR

4 (B) A SALES ROOM DURING ANY TIME WHEN THE SALES ROOM IS
5 OPEN TO THE GENERAL PUBLIC.

6 (c) THE STATE LICENSING AUTHORITY MAY PROMULGATE RULES
7 IMPLEMENTING THIS SUBSECTION (1.5).

8 (3) It is unlawful for a licensed wholesaler of vinous or spirituous 9 liquors or any person, partnership, association, organization, or 10 corporation interested financially in or with such a wholesaler to be 11 interested financially in the business of any licensed manufacturer or 12 importer of vinous or spirituous liquors; except that any such financial 13 interest that occurred on or before July 1, 1969, shall be IS lawful.

14 SECTION 13. In Colorado Revised Statutes, 44-3-409, amend
15 (2)(a)(I); and add (6), (7), and (8) as follows:

44-3-409. Retail liquor store license - rules - definitions.
(2) (a) A person licensed under this section to sell malt, vinous, and
spirituous liquors in a retail liquor store:

(I) EXCEPT AS PROVIDED IN SUBSECTION (6) OF THIS SECTION, shall
 purchase the malt, vinous, and spirituous liquors only from a wholesaler
 licensed pursuant to this article 3; and

(6) (a) A SELLING LICENSEE MAY SELL OR OTHERWISE TRANSFER
ALL OF THE LICENSEE'S ALCOHOL BEVERAGE INVENTORY TO ANOTHER
LICENSED RETAIL LIQUOR STORE AS PROVIDED IN THIS SUBSECTION (6).

25 (b) (I) THE SELLING LICENSEE MUST SELL ALL OF THE LICENSEE'S
26 ALCOHOL BEVERAGE INVENTORY TO ONLY ONE ACQUIRING LICENSEE.

27 (II) IN DETERMINING THE COST OF THE ALCOHOL BEVERAGE

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INVENTORY, THE SELLING LICENSEE SHALL CHARGE, AND THE ACQUIRING
 LICENSEE MUST PAY, THE HIGHEST AMOUNT THE SELLING LICENSEE PAID
 FOR EACH ALCOHOL BEVERAGE IN THE ACQUIRING LICENSEE'S INVENTORY
 AT THE TIME THE INVENTORY IS ACQUIRED.

5 (c) BOTH THE SELLING LICENSEE AND THE ACQUIRING LICENSEE
6 SHALL GIVE NOTICE TO THE STATE AND LOCAL LICENSING AUTHORITIES OF
7 THE SALE OR TRANSFER OF THE INVENTORY NOT LESS THAN FIFTEEN DAYS
8 BEFORE THE SALE OCCURS.

9 (d) (I) PRIOR TO ACCEPTING PAYMENT FROM AN ACQUIRING
10 LICENSEE, THE SELLING LICENSEE SHALL NOTIFY ALL WHOLESALERS FROM
11 WHICH THE SELLING LICENSEE PURCHASED ALCOHOL BEVERAGES WITHIN
12 THE FOUR MONTHS IMMEDIATELY PRECEDING THE DATE OF THE SALE OR
13 TRANSFER, INFORMING THE WHOLESALERS OF THE IMPENDING SALE OR
14 TRANSFER.

(II) WITHIN FIFTEEN BUSINESS DAYS AFTER RECEIVING THE NOTICE
SENT PURSUANT TO SUBSECTION (6)(d)(I) OF THIS SECTION, A
WHOLESALER SHALL NOTIFY THE ACQUIRING LICENSEE AND THE SELLING
LICENSEE OF ANY OUTSTANDING DEBT OWED BY THE SELLING LICENSEE TO
THE WHOLESALER FOR THE PRODUCTS BEING SOLD OR TRANSFERRED.

20 IF AN ACQUIRING LICENSEE RECEIVES NOTICE OF AN (III) 21 OUTSTANDING DEBT OWED BY THE SELLING LICENSEE PURSUANT TO 22 SUBSECTION (6)(d)(II) OF THIS SECTION, THE ACQUIRING LICENSEE SHALL 23 FIRST SATISFY THE SELLING LICENSEE'S DEBT WITH THE WHOLESALER. THE 24 ACQUIRING LICENSEE SHALL PAY ANY REMAINING MONEY OWED FOR THE 25 PURCHASED INVENTORY AFTER PAYMENT HAS BEEN MADE TO ANY 26 WHOLESALERS THAT NOTIFIED THE ACQUIRING LICENSEE IN A MANNER 27 CONSISTENT WITH THE AGREEMENT BETWEEN THE SELLING LICENSEE AND 1 THE ACQUIRING LICENSEE.

(IV) IF A WHOLESALER FAILS TO PROVIDE NOTICE OF ANY
INDEBTEDNESS OWED TO THE WHOLESALER BY THE SELLING LICENSEE
WITHIN THE TIME SPECIFIED IN SUBSECTION (6)(d)(II) OF THIS SECTION,
THE ACQUIRING LICENSEE IS EXCUSED OF ANY LIABILITY FOR THE
OUTSTANDING DEBT THE SELLING LICENSEE OWES THE WHOLESALER.

(e) AT THE TIME THAT THE SELLING LICENSEE OFFERS ITS ALCOHOL
BEVERAGE INVENTORY FOR SALE TO AN ACQUIRING LICENSEE, THE
SELLING LICENSEE SHALL ALSO GIVE NOTICE TO ALL LICENSED
WHOLESALERS OF THE OFFER, AND THE SELLING LICENSEE SHALL
IMMEDIATELY, UPON GIVING NOTICE, CEASE TO PURCHASE ANY FURTHER
PRODUCT FROM A LICENSED WHOLESALER.

13 (f) (I) AFTER THE SELLING LICENSEE'S ALCOHOL BEVERAGE 14 INVENTORY IS PURCHASED, THE SELLING LICENSEE'S LICENSE IS CANCELED, 15 INVALID, AND CONSIDERED TO HAVE BEEN SURRENDERED. EXCEPT AS 16 PROVIDED IN SUBSECTION (6)(f)(II) OF THIS SECTION, THE STATE OR A 17 LOCAL LICENSING AUTHORITY SHALL NOT ISSUE A NEW RETAIL LIQUOR 18 STORE LICENSE AT THE LOCATION OF THE SELLING LICENSEE'S PREMISES OR 19 WITHIN ONE THOUSAND FIVE HUNDRED FEET OF THE LICENSED PREMISES 20 FOR THE FIVE YEARS IMMEDIATELY FOLLOWING THE DATE THE LICENSE IS 21 CANCELED, INVALIDATED, OR CONSIDERED SURRENDERED.

(II) THE STATE AND LOCAL LICENSING AUTHORITIES MAY APPROVE
A TRANSFER OF OWNERSHIP THAT ENABLES A NEW LICENSEE TO OPERATE
AT THE SAME PREMISES IF THE CONDITIONS IN SUBSECTION (7) OF THIS
SECTION ARE MET.

26 (7) (a) AN ACQUIRING LICENSEE MAY, SUBJECT TO APPROVAL FROM
 27 THE STATE AND LOCAL LICENSING AUTHORITIES AND THE LIMITATIONS

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SPECIFIED IN SUBSECTION (4)(b)(III) OF THIS SECTION, OBTAIN THE RETAIL
 LIQUOR LICENSE OF A SELLING LICENSEE WHEN THE ALCOHOL BEVERAGE
 INVENTORY OF THE SELLING LICENSEE IS TRANSFERRED TO THE ACQUIRING
 LICENSEE IF:

5 (I) THE LICENSED PREMISES OF THE SELLING LICENSEE DOES NOT
6 EXCEED TEN THOUSAND SQUARE FEET; AND

7 (II) THE ACQUISITION OF THE LICENSE IS APPROVED BY THE STATE
8 AND LOCAL LICENSING AUTHORITIES FOR A CHANGE OF OWNERSHIP AS
9 REQUIRED BY SECTION 44-3-303.

10

11 (b) IF THE ACQUIRING LICENSEE OWNS MORE THAN ONE RETAIL 12 LIQUOR STORE LICENSE, THE PURCHASED ALCOHOL BEVERAGE INVENTORY 13 MAY BE PAID FOR BY THE ACQUIRING LICENSEE, AND THE ACQUIRING 14 LICENSEE MAY ALLOCATE THE COST BETWEEN OR AMONG ALL OF THE 15 RETAIL LIQUOR STORES OWNED BY THE ACQUIRING LICENSEE, SO LONG AS 16 THE ALLOCATION OCCURS PRIOR TO OR AT THE TIME THE ALCOHOL 17 BEVERAGE IS REMOVED FROM THE PREMISES OF THE SELLING LICENSEE.

18 (c) UPON ENTERING INTO AN AGREEMENT FOR THE SALE OF THE
19 SELLING LICENSEE'S ALCOHOL BEVERAGE INVENTORY, THE SELLING
20 LICENSEE AND THE ACQUIRING LICENSEE SHALL PROVIDE NOTICE OF THE
21 PENDING SALE TO THE STATE LICENSING AUTHORITY, WHICH SHALL POST
22 THE NOTICE ON THE LIQUOR ENFORCEMENT DIVISION'S WEBSITE.

<u>(d)</u> THE ACQUIRING LICENSEE MUST TRANSPORT THE ALCOHOL
BEVERAGE IT PURCHASED FROM THE SELLING LICENSEE AND MAY ONLY
TRANSPORT THE ALCOHOL BEVERAGES TO THE ACQUIRING LICENSEE'S
LICENSED PREMISES OR TO ONE OF THE OTHER LICENSED PREMISES OWNED
BY THE ACQUIRING LICENSEE.

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1 (8) AS USED IN THIS SECTION:

2 (a) "ACQUIRING LICENSEE" MEANS A LICENSED RETAIL LIQUOR
3 STORE PURCHASING OR ATTEMPTING TO PURCHASE THE INVENTORY OF A
4 SELLING LICENSEE.

5 (b) "SELLING LICENSEE" MEANS A LICENSED RETAIL LIQUOR STORE
6 THAT IS SURRENDERING ITS LICENSE.

7 SECTION 14. In Colorado Revised Statutes, 44-3-410, amend
8 (2)(b) as follows:

9 44-3-410. Liquor-licensed drugstore license - multiple licenses 10 permitted - requirements - rules. (2) (b) A person licensed under this 11 section on or after January 1, 2017, shall not purchase malt, vinous, or 12 spirituous liquors from a wholesaler on credit and shall effect payment 13 upon delivery of the alcohol beverages. THE ACCEPTANCE AND USE OF AN 14 ELECTRONIC FUNDS TRANSFER IS NOT AN EXTENSION OR ACCEPTANCE OF 15 CREDIT AS PROHIBITED BY THIS SUBSECTION (2)(b) IF THE TRANSFER IS 16 INITIATED ON OR BEFORE THE NEXT BUSINESS DAY AFTER THE DELIVERY 17 OF THE MALT, VINOUS, OR SPIRITUOUS LIQUORS.

18 SECTION 15. In Colorado Revised Statutes, 44-3-411, amend
19 (2)(a) as follows:

20 **44-3-411.** Beer and wine license. (2) (a) Every person selling 21 malt and vinous liquors as provided in this section shall purchase malt 22 and vinous liquors only from a wholesaler licensed pursuant to this article 23 3; except that, during a calendar year, any A person selling malt and 24 vinous liquors as provided in this section may purchase not more than two 25 SEVEN thousand dollars' worth of malt and vinous liquors from retailers 26 licensed pursuant to sections 44-3-409, 44-3-410, and 44-4-104 (1)(c). 27 ON JANUARY 1, 2025, AND EACH JANUARY 1 THEREAFTER, THE STATE

LICENSING AUTHORITY SHALL ADJUST THE PURCHASE LIMITATION
 SPECIFIED IN THIS SUBSECTION (2)(a) FOR INFLATION AND SHALL PUBLISH
 THE ADJUSTED PURCHASE LIMITATION AMOUNT ON THE LIQUOR
 ENFORCEMENT DIVISION'S WEBSITE.

5 SECTION 16. In Colorado Revised Statutes, 44-3-413, amend
6 (7)(b)(I) as follows:

7 44-3-413. Hotel and restaurant license - definitions - rules. 8 (7) (b) (I) During a calendar year, a person selling alcohol beverages as 9 provided in this section may purchase not more than two SEVEN thousand 10 dollars' worth of malt, vinous, and spirituous liquors from retailers 11 licensed pursuant to sections 44-3-409, 44-3-410, and 44-4-104 (1)(c). 12 ON JANUARY 1, 2025, AND EACH JANUARY 1 THEREAFTER, THE STATE 13 LICENSING AUTHORITY SHALL ADJUST THE PURCHASE LIMITATION 14 SPECIFIED IN THIS SUBSECTION (7)(b)(I) FOR INFLATION AND SHALL 15 PUBLISH THE ADJUSTED PURCHASE LIMITATION AMOUNT ON THE LIQUOR 16 ENFORCEMENT DIVISION'S WEBSITE.

17SECTION 17. In Colorado Revised Statutes, 44-3-414, amend

18 (2)(a); and **repeal** (9) as follows:

19 **44-3-414.** Tavern license. (2) (a) Every person selling alcohol 20 beverages as provided in this section shall purchase alcohol beverages 21 only from a wholesaler licensed pursuant to this article 3; except that, 22 during a calendar year, a person selling alcohol beverages as provided in 23 this section may purchase not more than two SEVEN thousand dollars' 24 worth of malt, vinous, and spirituous liquors from retailers licensed 25 pursuant to sections 44-3-409, 44-3-410, and 44-4-104 (1)(c). ON 26 JANUARY 1, 2025, AND EACH JANUARY 1 THEREAFTER, THE STATE LICENSING AUTHORITY SHALL ADJUST THE PURCHASE LIMITATION 27

SPECIFIED IN THIS SUBSECTION (2)(a) FOR INFLATION AND SHALL PUBLISH
 THE ADJUSTED PURCHASE LIMITATION AMOUNT ON THE LIQUOR
 ENFORCEMENT DIVISION'S WEBSITE.

4 (9) (a) At the time a tavern license is due for renewal or by one 5 year after August 10, 2016, whichever occurs later, a tavern licensed 6 under this section that does not have as its principal business the sale of 7 alcohol beverages, has a valid license on August 10, 2016, and is a 8 lodging and entertainment facility may apply to, and the applicable local 9 licensing authority shall, convert the tavern license to a lodging and 10 entertainment license under section 44-3-428, and the licensee may 11 continue to operate as a lodging and entertainment facility licensee. If a 12 tavern licensee does not have as its principal business the sale of alcohol 13 beverages but is not a lodging and entertainment facility, at the time the 14 tavern license is due for renewal or by one year after August 10, 2016, 15 whichever occurs later, the licensee may apply to, and the applicable local 16 licensing authority shall, convert the tavern license to another license 17 under this article 3, if any, for which the person qualifies.

(b) A person applying under this subsection (9) to convert an
existing tavern license to another license under this article 3 may apply to
convert the license, even if the location of the licensed premises is within
five hundred feet of any public or parochial school or the principal
campus of any college, university, or seminary, so long as the local
licensing authority has previously approved the location of the licensed
premises in accordance with section 44-3-313 (1)(d).

25 SECTION 18. In Colorado Revised Statutes, 44-3-416, amend
26 (2)(a) as follows:

27

**44-3-416. Retail gaming tavern license.** (2) (a) Every person

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1 selling alcohol beverages as described in this section shall purchase the 2 alcohol beverages only from a wholesaler licensed pursuant to this article 3 3; except that, during a calendar year, a person selling alcohol beverages 4 as provided in this section may purchase not more than two SEVEN 5 thousand dollars' worth of malt, vinous, or spirituous liquors from 6 retailers licensed pursuant to sections 44-3-409, 44-3-410, and 44-4-104 7 (1)(c). ON JANUARY 1, 2025, AND EACH JANUARY 1 THEREAFTER, THE 8 STATE LICENSING AUTHORITY SHALL ADJUST THE PURCHASE LIMITATION 9 SPECIFIED IN THIS SUBSECTION (2)(a) FOR INFLATION AND SHALL PUBLISH 10 THE ADJUSTED PURCHASE LIMITATION AMOUNT ON THE LIQUOR 11 ENFORCEMENT DIVISION'S WEBSITE.

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**SECTION 19.** In Colorado Revised Statutes, 44-3-417, **amend** (3)(a) as follows:

14 44-3-417. Brew pub license - definitions. (3) (a) Every person 15 selling alcohol beverages pursuant to this section shall purchase alcohol beverages, other than those that are manufactured at the licensed brew 16 17 pub, from a wholesaler licensed pursuant to this article 3; except that, 18 during a calendar year, a person selling alcohol beverages as provided in 19 this section may purchase not more than two SEVEN thousand dollars' 20 worth of malt, vinous, and spirituous liquors from retailers licensed 21 pursuant to sections 44-3-409, 44-3-410, and 44-4-104 (1)(c). ON 22 JANUARY 1, 2025, AND EACH JANUARY 1 THEREAFTER, THE STATE 23 LICENSING AUTHORITY SHALL ADJUST THE PURCHASE LIMITATION 24 SPECIFIED IN THIS SUBSECTION (3)(a) FOR INFLATION AND SHALL PUBLISH 25 THE ADJUSTED PURCHASE LIMITATION AMOUNT ON THE LIQUOR 26 ENFORCEMENT DIVISION'S WEBSITE.

27

SECTION 20. In Colorado Revised Statutes, 44-3-418, amend

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1 (2)(a) as follows:

2 44-3-418. Club license - legislative declaration. (2) (a) Every 3 person selling alcohol beverages as provided in this section shall purchase 4 the alcohol beverages only from a wholesaler licensed pursuant to this 5 article 3; except that, during a calendar year, a person selling alcohol 6 beverages as provided in this section may purchase not more than two 7 SEVEN thousand dollars' worth of malt, vinous, and spirituous liquors 8 from retailers licensed pursuant to sections 44-3-409, 44-3-410, and 9 44-4-104 (1)(c). ON JANUARY 1, 2025, AND EACH JANUARY 1 10 THEREAFTER, THE STATE LICENSING AUTHORITY SHALL ADJUST THE 11 PURCHASE LIMITATION SPECIFIED IN THIS SUBSECTION (2)(a) FOR 12 INFLATION AND SHALL PUBLISH THE ADJUSTED PURCHASE LIMITATION 13 AMOUNT ON THE LIQUOR ENFORCEMENT DIVISION'S WEBSITE.

SECTION 21. In Colorado Revised Statutes, 44-3-419, amend
(1)(a) and (4)(a) as follows:

16 **44-3-419.** Arts license - definition. (1) (a) An arts license may 17 be issued to any nonprofit arts organization that sponsors and presents 18 productions or performances of an artistic or cultural nature, and the arts 19 license permits the licensee to sell alcohol beverages only to patrons of 20 the productions or performances for consumption on the licensed 21 premises in connection with the productions or performances. No person 22 licensed pursuant to this section shall permit any exterior or interior 23 advertising concerning the sale of alcohol beverages on the licensed 24 premises A LICENSEE MAY PLACE LIMITED ADVERTISING OF THE 25 AVAILABILITY OF ALCOHOL BEVERAGES FOR SALE ON THE LICENSED 26 PREMISES WHILE AN ARTISTIC OR CULTURAL PRODUCTION OR 27 PERFORMANCE IS TAKING PLACE AND MAY INCLUDE THE LIMITED

ADVERTISING IN E-MAIL, PRINT, RADIO, TELEVISION, AND SOCIAL MEDIA
 MARKETING ABOUT THE PRODUCTION OR PERFORMANCE, BUT THE
 AVAILABILITY OF ALCOHOL BEVERAGES MUST NOT BE THE PRIMARY FOCUS
 OF THE ADVERTISEMENT.

5 (4) (a) Every person selling alcohol beverages as provided in this 6 section shall purchase the alcohol beverages only from a wholesaler 7 licensed pursuant to this article 3; except that, during a calendar year, a 8 person selling alcohol beverages as provided in this section may purchase 9 not more than two SEVEN thousand dollars' worth of malt, vinous, and 10 spirituous liquors from retailers licensed pursuant to sections 44-3-409, 11 44-3-410, and 44-4-104 (1)(c). ON JANUARY 1, 2025, AND EACH JANUARY 12 1 THEREAFTER, THE STATE LICENSING AUTHORITY SHALL ADJUST THE 13 PURCHASE LIMITATION SPECIFIED IN THIS SUBSECTION (4)(a) FOR 14 INFLATION AND SHALL PUBLISH THE ADJUSTED PURCHASE LIMITATION 15 AMOUNT ON THE LIQUOR ENFORCEMENT DIVISION'S WEBSITE.

SECTION 22. In Colorado Revised Statutes, 44-3-420, amend
(2)(a) as follows:

18 **44-3-420.** Racetrack license. (2) (a) Every person selling alcohol 19 beverages as provided in this section shall purchase the alcohol beverages 20 only from a wholesaler licensed pursuant to this article 3; except that, 21 during a calendar year, a person selling alcohol beverages as provided in 22 this section may purchase not more than two SEVEN thousand dollars' 23 worth of malt, vinous, and spirituous liquors from retailers licensed 24 pursuant to sections 44-3-409, 44-3-410, and 44-4-104 (1)(c). ON 25 JANUARY 1, 2025, AND EACH JANUARY 1 THEREAFTER, THE STATE 26 LICENSING AUTHORITY SHALL ADJUST THE PURCHASE LIMITATION SPECIFIED IN THIS SUBSECTION (2)(a) FOR INFLATION AND SHALL PUBLISH 27

THE ADJUSTED PURCHASE LIMITATION AMOUNT ON THE LIQUOR
 ENFORCEMENT DIVISION'S WEBSITE.

3 SECTION 23. In Colorado Revised Statutes, 44-3-422, amend
4 (3)(a) as follows:

5 44-3-422. Vintner's restaurant license. (3) (a) Every person 6 selling alcohol beverages pursuant to this section shall purchase the 7 alcohol beverages, other than those that are manufactured at the licensed 8 vintner's restaurant, from a wholesaler licensed pursuant to this article 3; 9 except that, during a calendar year, a person may purchase not more than 10 two SEVEN thousand dollars' worth of malt, vinous, and spirituous liquors 11 from retailers licensed pursuant to sections 44-3-409, 44-3-410, and 12 44-4-104 (1)(c). ON JANUARY 1, 2025, AND EACH JANUARY 1 13 THEREAFTER, THE STATE LICENSING AUTHORITY SHALL ADJUST THE 14 PURCHASE LIMITATION SPECIFIED IN THIS SUBSECTION (3)(a) FOR 15 INFLATION AND SHALL PUBLISH THE ADJUSTED PURCHASE LIMITATION 16 AMOUNT ON THE LIQUOR ENFORCEMENT DIVISION'S WEBSITE.

SECTION 24. In Colorado Revised Statutes, 44-3-423, amend
(2)(a)(X); and add (2)(a)(XI) as follows:

19 44-3-423. Removal of vinous liquor from licensed premises.
20 (2) This section applies to a person:

(a) That is duly licensed as a:

22 (X) Lodging and Entertainment facility under section 44-3-428;
23 and

and and

21

24 (XI) A LODGING FACILITY UNDER SECTION 44-3-432; AND

25 SECTION 25. In Colorado Revised Statutes, 44-3-424, amend
26 (2)(b) as follows:

27 44-3-424. Retail establishment permit - definitions.

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(2) (b) Upon initial application, and for each renewal, the AN applicant
 must list each day that alcohol beverages will be served, which days must
 not be changed without a minimum of fifteen THIRTY days' written notice
 to the state and local licensing authority AUTHORITIES.

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**SECTION 26.** In Colorado Revised Statutes, 44-3-426, **amend** (4)(b)(I) as follows:

7 44-3-426. Distillery pub license - legislative declaration -8 **definition.** (4) (b) (I) During a calendar year, a person selling alcohol 9 beverages as provided in this section may purchase not more than two 10 SEVEN thousand dollars' worth of malt, vinous, and spirituous liquors 11 from retailers licensed pursuant to sections 44-3-409, 44-3-410, and 12 44-4-104 (1)(c). ON JANUARY 1, 2025, AND EACH JANUARY 1 13 THEREAFTER, THE STATE LICENSING AUTHORITY SHALL ADJUST THE 14 PURCHASE LIMITATION SPECIFIED IN THIS SUBSECTION (4)(b)(I) for 15 INFLATION AND SHALL PUBLISH THE ADJUSTED PURCHASE LIMITATION 16 AMOUNT ON THE LIQUOR ENFORCEMENT DIVISION'S WEBSITE.

SECTION 27. In Colorado Revised Statutes, 44-3-428, amend
(1), (2), (3)(a), (3)(b) introductory portion, and (4)(b); repeal (5); and add
(6) and (7) as follows:

44-3-428. Entertainment facility license - repeal. (1) A lodging
and AN entertainment FACILITY license may be issued to a lodging and AN
entertainment facility selling alcohol beverages by the drink only to
customers for consumption on the premises. A lodging and AN
entertainment facility licensee shall have sandwiches and light snacks
available for consumption on the LICENSED premises during business
hours but need not have meals available for consumption.

27 (2) (a) A lodging and AN entertainment facility licensed to sell

1 alcohol beverages as provided in this section shall purchase alcohol 2 beverages only from a wholesaler licensed pursuant to this article 3; 3 except that, during a calendar year, a lodging and AN entertainment 4 facility licensed to sell alcohol beverages as provided in this section may 5 purchase not more than two SEVEN thousand dollars' worth of malt, 6 vinous, and spirituous liquors from retailers licensed pursuant to sections 7 44-3-409, 44-3-410, and 44-4-104 (1)(c). ON JANUARY 1, 2025, AND EACH 8 JANUARY 1 THEREAFTER, THE STATE LICENSING AUTHORITY SHALL ADJUST 9 THE PURCHASE LIMITATION SPECIFIED IN THIS SUBSECTION (2)(a) FOR 10 INFLATION AND SHALL PUBLISH THE ADJUSTED PURCHASE LIMITATION 11 AMOUNT ON THE LIQUOR ENFORCEMENT DIVISION'S WEBSITE.

12 (b) A lodging and AN entertainment facility licensee shall retain 13 evidence of each purchase of malt, vinous, or spirituous liquors from a 14 retailer licensed pursuant to section 44-3-409, 44-3-410, or 44-4-104 15 (1)(c), in the form of a purchase receipt showing the name of the licensed 16 retailer, the date of purchase, a description of the alcohol beverages 17 purchased, and the price paid for the alcohol beverages. The lodging and 18 entertainment facility licensee shall retain the receipt and make it 19 available to the state and local licensing authorities at all times during 20 business hours.

(3) (a) Except as provided in subsection (3)(b) of this section, it
is unlawful for any owner, part owner, shareholder, or person interested
directly or indirectly in lodging and entertainment FACILITY licenses to
conduct, own either in whole or in part, or be directly or indirectly
interested in any other business licensed pursuant to this article 3 or
article 4 of this title 44.

27

(b) An owner, part owner, shareholder, or person interested

directly or indirectly in a lodging and AN entertainment FACILITY license
 may have an interest in:

(4) (b) The manager for each lodging and LICENSED entertainment
license FACILITY, the lodging and entertainment facility licensee, or an
employee or agent of the lodging and entertainment facility licensee shall
purchase alcohol beverages for one licensed premises only, and the
purchases shall be separate and distinct from purchases for any other
lodging and LICENSED entertainment license FACILITY.

9 (5) At the time a tavern license issued under section 44-3-414 is 10 due for renewal or by one year after August 10, 2016, whichever occurs 11 later, a person licensed as a tavern that does not have as its principal 12 business the sale of alcohol beverages, has a valid license on August 10, 13 2016, and is a lodging and entertainment facility may apply to, and the 14 applicable local licensing authority shall, convert the tavern license to a 15 lodging and entertainment license under this section, and the person may 16 continue to operate as a lodging and entertainment facility licensee. A 17 person applying to convert an existing tavern license to a lodging and 18 entertainment license under this subsection (5) may apply to convert the 19 license, even if the location of the licensed premises is within five 20 hundred feet of any public or parochial school or the principal campus of 21 any college, university, or seminary, so long as the local licensing 22 authority has previously approved the location of the licensed premises 23 in accordance with section 44-3-313 (1)(d).

(6) (a) ON AND AFTER THE EFFECTIVE DATE OF THIS SUBSECTION
(6), THE STATE OR A LOCAL LICENSING AUTHORITY SHALL NOT ISSUE OR
RENEW ANY LICENSES UNDER THIS SECTION TO A LODGING FACILITY.

27 (b) THE STATE AND LOCAL LICENSING AUTHORITIES SHALL TREAT

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ANY APPLICATION SUBMITTED ON OR BEFORE THE EFFECTIVE DATE OF THIS
 SECTION, AS AMENDED, BY A LODGING FACILITY FOR A LODGING AND
 ENTERTAINMENT FACILITY LICENSE OR RENEWAL LICENSE AS AN
 APPLICATION FOR A LODGING FACILITY LICENSE OR RENEWAL LICENSE
 ISSUED PURSUANT TO SECTION 44-3-432.

6 (c) ON THE EFFECTIVE DATE OF THIS SUBSECTION (6), EACH
7 LODGING AND ENTERTAINMENT FACILITY LICENSE ISSUED UNDER THIS
8 SECTION TO A LODGING FACILITY AUTOMATICALLY CONVERTS TO LODGING
9 FACILITY LICENSE ISSUED PURSUANT TO SECTION 44-3-432.

10 (d) THE CONVERSION OF AN ENTERTAINMENT AND LODGING
11 LICENSE ISSUED TO A LODGING FACILITY UNDER THIS SECTION TO A
12 LODGING FACILITY LICENSE UNDER SECTION 44-3-432 PURSUANT TO THIS
13 SUBSECTION (6) IS A CONTINUATION OF THE PRIOR LICENSE AND DOES NOT
14 AFFECT:

15 (I) ANY PRIOR DISCIPLINE, LIMITATION, OR CONDITION IMPOSED BY
16 THE STATE LICENSING AUTHORITY ON A LICENSEE;

17 (II) THE DEADLINE FOR RENEWAL OF THE LICENSE; OR

18 (III) ANY PENDING OR FUTURE INVESTIGATION OR19 ADMINISTRATIVE PROCEEDING.

20 (e) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE SEPTEMBER 1,
21 2026.

(7) (a) ON THE EFFECTIVE DATE OF THIS SUBSECTION (7), EACH
LODGING AND ENTERTAINMENT FACILITY LICENSE ISSUED UNDER THIS
SECTION TO AN ENTERTAINMENT FACILITY AUTOMATICALLY CONVERTS TO
AN ENTERTAINMENT FACILITY LICENSE.

(b) THE STATE AND LOCAL LICENSING AUTHORITIES SHALL TREAT
 ANY APPLICATION SUBMITTED ON OR BEFORE THE EFFECTIVE DATE OF THIS

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SECTION, AS AMENDED, BY AN ENTERTAINMENT FACILITY FOR A LODGING
 AND ENTERTAINMENT FACILITY LICENSE OR RENEWAL LICENSE AS AN
 APPLICATION FOR AN ENTERTAINMENT FACILITY LICENSE OR RENEWAL
 LICENSE ISSUED PURSUANT TO THIS SECTION.

- 5 (c) THE CONVERSION OF A LODGING AND ENTERTAINMENT
  6 FACILITY LICENSE ISSUED TO AN ENTERTAINMENT FACILITY TO AN
  7 ENTERTAINMENT FACILITY LICENSE PURSUANT TO THIS SUBSECTION (7) IS
  8 A CONTINUATION OF THE PRIOR LICENSE AND DOES NOT AFFECT:
- 9 (I) ANY PRIOR DISCIPLINE, LIMITATION, OR CONDITION IMPOSED BY
  10 THE STATE LICENSING AUTHORITY ON A LICENSEE;
- 11

(II) THE DEADLINE FOR RENEWAL OF THE LICENSE; OR

12 (III) ANY PENDING OR FUTURE INVESTIGATION OR13 ADMINISTRATIVE PROCEEDING.

14 (d) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE SEPTEMBER 1,
15 2026.

SECTION 28. In Colorado Revised Statutes, 44-3-429, amend
(1)(j) and (1)(k); and add (1)(l) as follows:

44-3-429. Purchasing alcohol from a surrendered license of
common ownership - definition. (1) This section applies to a person
that has been issued the following license types:

21 (j) Distillery pub license under section 44-3-426; or

(k) Lodging and Entertainment facility license under section
44-3-428; OR

24 (1) A LODGING FACILITY LICENSE UNDER SECTION 44-3-432.

25 SECTION 29. In Colorado Revised Statutes, add 44-3-430,
26 44-3-431, and 44-3-432 as follows:

27 44-3-430. Alcohol beverage shipper license for wine direct

shipping - rules - notice to revisor of statutes. (1) The state
 LICENSING AUTHORITY MAY ISSUE AN ALCOHOL BEVERAGE SHIPPER
 LICENSE TO AN ALCOHOL BEVERAGE SHIPPER THAT SHIPS VINOUS LIQUORS
 FOR A LICENSED WINERY THAT HOLDS A WINERY DIRECT SHIPPER'S PERMIT
 PURSUANT TO SECTION 44-3-104.

6 (2) A DRIVER DELIVERING ON BEHALF OF AN ALCOHOL BEVERAGE
7 SHIPPER LICENSE SHALL NOT LEAVE A PACKAGE UNATTENDED ON A
8 DOORSTEP AND SHALL CHECK THE RECIPIENT'S IDENTIFICATION TO ENSURE
9 THAT THE INDIVIDUAL ACCEPTING DELIVERY IS THE INDIVIDUAL INTENDED
10 TO RECEIVE THE PRODUCT AND IS NOT UNDER TWENTY-ONE YEARS OF AGE
11 OR VISIBLY INTOXICATED.

12 (3) IF AN ALCOHOL BEVERAGE SHIPPER VIOLATES THIS SECTION,
13 THE STATE LICENSING AUTHORITY SHALL BRING ACTION AGAINST THE
14 ALCOHOL BEVERAGE SHIPPER'S LICENSE.

15 (4) THE STATE LICENSING AUTHORITY SHALL ADOPT RULES
16 NECESSARY TO ADMINISTER AND ENFORCE THIS SECTION.

17 (5)THIS SECTION TAKES EFFECT IF THE STATE LICENSING 18 AUTHORITY DETERMINES THAT THE LIQUOR ENFORCEMENT DIVISION HAS 19 SUFFICIENT LEGALLY AVAILABLE FUNDING FOR THE ADMINISTRATION AND 20 ENFORCEMENT OF THIS SECTION. THE STATE LICENSING AUTHORITY SHALL 21 NOTIFY THE REVISOR OF STATUTES IN WRITING OF THE DATE WHEN THE 22 CONDITION SPECIFIED IN THIS SUBSECTION (5) HAS OCCURRED BY 23 E-MAILING THE NOTICE TO REVISOROFSTATUTES.GA@COLEG.GOV. THIS 24 SECTION TAKES EFFECT UPON THE DATE IDENTIFIED IN THE NOTICE THAT 25 THE LIQUOR ENFORCEMENT DIVISION HAS SUFFICIENT LEGALLY AVAILABLE 26 FUNDING FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS SECTION 27 OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE

1 NOTICE TO THE REVISOR OF STATUTES.

44-3-431. Catering license - permitted events - private events
- fees - rules - notice to revisor of statutes. (1) THE STATE LICENSING
AUTHORITY MAY ISSUE A CATERING LICENSE TO A CATERING COMPANY
THAT ALLOWS THE CATERING LICENSEE TO APPLY FOR TEMPORARY
PERMITS TO SELL AND SERVE ALCOHOL BEVERAGES ON UNLICENSED
PREMISES AT CATERED EVENTS. THE CATERING LICENSE IS VALID FOR ONE
CALENDAR YEAR AND RENEWED ON AN ANNUAL BASIS.

9 (2) (a) THE STATE LICENSING AUTHORITY SHALL ESTABLISH A
10 PROCESS FOR A CATERING LICENSEE TO OBTAIN A PERMIT TO CATER AN
11 EVENT THAT MAY BE ATTENDED BY SIX HUNDRED OR MORE INDIVIDUALS.
12 THE STATE LICENSING AUTHORITY MAY ESTABLISH A PROCESS FOR A
13 CATERING LICENSEE TO OBTAIN A PERMIT TO CATER AN EVENT THAT MAY
14 BE ATTENDED BY FEWER THAN SIX HUNDRED INDIVIDUALS.

(b) A LOCAL LICENSING AUTHORITY MAY ESTABLISH A PROCESS
FOR A CATERING LICENSEE TO OBTAIN A PERMIT TO CATER AN EVENT THAT
MAY BE ATTENDED BY SIX HUNDRED OR MORE INDIVIDUALS. IF A LOCAL
LICENSING AUTHORITY DOES NOT ESTABLISH A LOCAL CATERING PERMIT,
AN APPLICANT NEED NOT OBTAIN A CATERING PERMIT FROM THE LOCAL
LICENSING AUTHORITY.

(3) THE STATE LICENSING AUTHORITY SHALL ESTABLISH AND
MAINTAIN, ON THE LIQUOR ENFORCEMENT DIVISION'S PUBLIC-FACING
WEBSITE, A LISTING OF ALL CATERING LICENSES IN THE STATE. A CATERING
LICENSEE SHALL SUBMIT INFORMATION REQUIRED BY THE STATE
LICENSING AUTHORITY IN RULE.

26 (4) A CATERING LICENSEE SHALL NOT PERMIT AN INDIVIDUAL WHO
 27 IS EIGHTEEN YEARS OF AGE OR OLDER AND UNDER TWENTY-ONE YEARS OF

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AGE TO SELL, DISPENSE, OR PARTICIPATE IN THE SALE OR DISPENSING OF AN
 ALCOHOL BEVERAGE, UNLESS THE INDIVIDUAL IS SUPERVISED BY ANOTHER
 INDIVIDUAL WHO IS ON THE UNLICENSED PREMISES AND IS TWENTY-ONE
 YEARS OF AGE OR OLDER.

5 (5) THE STATE LICENSING AUTHORITY MAY ADOPT RULES
6 NECESSARY TO IMPLEMENT AND ADMINISTER THIS SECTION.

7 THIS SECTION TAKES EFFECT IF THE STATE LICENSING (6)8 AUTHORITY DETERMINES THAT THE LIQUOR ENFORCEMENT DIVISION HAS 9 SUFFICIENT LEGALLY AVAILABLE FUNDING FOR THE ADMINISTRATION AND 10 ENFORCEMENT OF THIS SECTION. THE STATE LICENSING AUTHORITY SHALL 11 NOTIFY THE REVISOR OF STATUTES IN WRITING OF THE DATE WHEN THE 12 CONDITION SPECIFIED IN THIS SUBSECTION (6) HAS OCCURRED BY 13 E-MAILING THE NOTICE TO REVISOROFSTATUTES.GA@COLEG.GOV. THIS 14 SECTION TAKES EFFECT UPON THE DATE IDENTIFIED IN THE NOTICE THAT 15 THE LIQUOR ENFORCEMENT DIVISION HAS SUFFICIENT LEGALLY AVAILABLE 16 FUNDING FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS SECTION 17 OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE 18 NOTICE TO THE REVISOR OF STATUTES.

19 44-3-432. Lodging facility license - rules. (1) A LODGING 20 FACILITY LICENSE MAY BE ISSUED TO A LODGING FACILITY THAT SELLS 21 ALCOHOL BEVERAGES BY THE DRINK ONLY TO CUSTOMERS FOR 22 CONSUMPTION ON THE LICENSED PREMISES. A LODGING FACILITY'S 23 LICENSED PREMISES DOES NOT INCLUDE THE FACILITY'S SLEEPING ROOMS. 24 A LODGING FACILITY LICENSEE SHALL NOT PERMIT ALCOHOL BEVERAGES 25 TO BE PURCHASED IN A SLEEPING ROOM, SERVE OR DELIVER ALCOHOL 26 BEVERAGES TO A SLEEPING ROOM, OR ALLOW A MINIBAR, AS DEFINED IN 27 SECTION 44-3-413 (4)(b), IN A SLEEPING ROOM.

1 (2) (a) A LODGING FACILITY LICENSED TO SELL ALCOHOL 2 BEVERAGES AS PROVIDED IN THIS SECTION SHALL PURCHASE ALCOHOL 3 BEVERAGES ONLY FROM A WHOLESALER LICENSED PURSUANT TO THIS 4 ARTICLE 3; EXCEPT THAT, DURING A CALENDAR YEAR, A LODGING FACILITY 5 LICENSED TO SELL ALCOHOL BEVERAGES AS PROVIDED IN THIS SECTION 6 MAY PURCHASE NOT MORE THAN SEVEN THOUSAND DOLLARS' WORTH OF 7 MALT, VINOUS, AND SPIRITUOUS LIQUORS FROM RETAILERS LICENSED 8 PURSUANT TO SECTIONS 44-3-409, 44-3-410, AND 44-4-104 (1)(c). ON 9 JANUARY 1, 2025, AND EACH JANUARY 1 THEREAFTER, THE STATE 10 LICENSING AUTHORITY SHALL ADJUST THE PURCHASE LIMITATION 11 SPECIFIED IN THIS SUBSECTION (2)(a) FOR INFLATION AND SHALL PUBLISH 12 THE ADJUSTED PURCHASE LIMITATION AMOUNT ON THE LIQUOR 13 ENFORCEMENT DIVISION'S WEBSITE.

14 (b) A LODGING FACILITY LICENSEE SHALL RETAIN EVIDENCE OF 15 EACH PURCHASE OF MALT, VINOUS, OR SPIRITUOUS LIQUORS FROM A 16 RETAILER LICENSED PURSUANT TO SECTION 44-3-409, 44-3-410, OR 17 44-4-104 (1)(c) IN THE FORM OF A PURCHASE RECEIPT SHOWING THE NAME 18 OF THE LICENSED RETAILER, THE DATE OF PURCHASE, A DESCRIPTION OF 19 THE ALCOHOL BEVERAGES PURCHASED, AND THE PRICE PAID FOR THE 20 ALCOHOL BEVERAGES. THE LODGING FACILITY LICENSEE SHALL RETAIN 21 THE RECEIPT AND MAKE IT AVAILABLE TO THE STATE AND LOCAL 22 LICENSING AUTHORITIES AT ALL TIMES DURING BUSINESS HOURS.

(3) (a) EXCEPT AS PROVIDED IN SUBSECTION (3)(b) OF THIS
SECTION, IT IS UNLAWFUL FOR ANY OWNER, PART OWNER, SHAREHOLDER,
OR PERSON INTERESTED DIRECTLY OR INDIRECTLY IN LODGING FACILITY
LICENSES TO CONDUCT, OWN EITHER IN WHOLE OR IN PART, OR BE
DIRECTLY OR INDIRECTLY INTERESTED IN ANY OTHER BUSINESS LICENSED

1 PURSUANT TO THIS ARTICLE 3 OR ARTICLE 4 OF THIS TITLE 44.

2 (b) AN OWNER, PART OWNER, SHAREHOLDER, OR PERSON
3 INTERESTED DIRECTLY OR INDIRECTLY IN A LODGING FACILITY LICENSE
4 MAY HAVE AN INTEREST IN:

5 (I) A LICENSE DESCRIBED IN SECTION 44-3-401 (1)(j) TO (1)(t),
6 (1)(v), OR (1)(w); 44-3-412 (1); OR 44-4-104 (1)(c); OR

7 (II) A FINANCIAL INSTITUTION REFERRED TO IN SECTION 44-3-308
8 (4).

9 (4) THE MANAGER FOR EACH LICENSED LODGING FACILITY, THE 10 LODGING FACILITY LICENSEE, OR AN EMPLOYEE OR AGENT OF THE LODGING 11 FACILITY LICENSEE SHALL PURCHASE ALCOHOL BEVERAGES FOR ONE 12 LICENSED PREMISES ONLY, AND THE PURCHASES SHALL BE SEPARATE AND 13 DISTINCT FROM PURCHASES FOR ANY OTHER LICENSED LODGING FACILITY. 14 (5) THE STATE LICENSING AUTHORITY MAY ADOPT. PULLES

14 (5) THE STATE LICENSING AUTHORITY MAY ADOPT RULES
15 NECESSARY TO IMPLEMENT AND ADMINISTER THIS SECTION.

16 SECTION 30. In Colorado Revised Statutes, 44-3-501, amend 17 (1) introductory portion, (1)(v), and (3)(a)(XVIII); repeal (1)(t); and add 18 (1)(x), (3)(a)(XX), (3)(a)(XXI), (3)(a)(XXII), and (3)(a)(XXIII) as 19 follows:

44-3-501. State fees - rules. (1) The AN applicant shall pay the
following license and permit fees to the department annually in advance:
(t) For each retail establishment permit, up to two hundred dollars;
(v) For each lodging and entertainment FACILITY license,
seventy-five dollars;

25 (x) FOR EACH LODGING FACILITY LICENSE, SEVENTY-FIVE
26 DOLLARS.

27 (3) (a) The state licensing authority shall establish fees for

1	processing the following types of applications, notices, or reports required
2	to be submitted to the state licensing authority:
3	(XVIII) Applications for the renewal of a license or permit issued
4	in accordance with this article 3; and
5	(XX) APPLICATIONS FOR RETAIL ESTABLISHMENT <u>PERMITS</u>
6	$\underline{PURSUANT  TO  SECTION  44\text{-}3\text{-}424  \text{AND}  \text{RULES}  \text{ADOPTED}  \text{PURSUANT}  \text{TO}  \text{THAT}}$
7	<u>SECTION;</u>
8	(XXI) APPLICATIONS FOR A CATERING LICENSE AND CATERING
9	PERMIT PURSUANT TO SECTION 44-3-431 AND RULES ADOPTED PURSUANT
10	TO THAT SECTION;
11	(XXII) APPLICATIONS FOR EACH NONCONTIGUOUS
12	MANUFACTURING FACILITY PURSUANT TO SECTION 44-3-402 AND RULES
13	ADOPTED PURSUANT TO THAT SECTION; AND
14	(XXIII) APPLICATIONS FOR AN ALCOHOL BEVERAGE SHIPPER
15	$\underline{ LICENSE PURSUANT  TO  SECTION  44-3-430  \text{and}  Rules  \text{adopted pursuant}}$
16	TO THAT SECTION.
17	
18	SECTION 31. In Colorado Revised Statutes, 44-3-505, amend
19	(1)(p); and <b>add</b> (1)(r) as follows:
20	44-3-505. Local license fees. (1) The applicant shall pay the
21	following license fees to the treasurer of the municipality, city and
22	county, or county where the licensed premises is located annually in
23	advance:
24	(p) For each lodging and entertainment FACILITY license, five
25	hundred dollars;
26	(r) For each lodging facility license, five hundred
27	DOLLARS.

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1 SECTION 32. In Colorado Revised Statutes, 44-3-601, amend 2 (1)(a); and **add** (10) as follows:

3 44-3-601. Suspension - revocation - annual renewal - fines -4 investigative fees - rules. (1) (a) (I) Subject to subsection (8) of this 5 section, in addition to any other penalties prescribed by this article 3 or 6 article 4 or 5 of this title 44, the state or any local licensing authority has 7 the power, on its own motion or on complaint, after investigation and 8 public hearing at which the licensee shall be afforded an opportunity to 9 be heard, to TAKE ANY OF THE FOLLOWING ACTIONS FOR ANY VIOLATION 10 BY A LICENSEE, OR BY ANY OF THE AGENTS, SERVANTS, OR EMPLOYEES OF 11 THE LICENSEE, OF THIS ARTICLE 3, ANY RULES AUTHORIZED BY THIS 12 ARTICLE 3, OR ANY OF THE TERMS, CONDITIONS, OR PROVISIONS OF THE 13 LICENSE OR PERMIT ISSUED BY SUCH AUTHORITY:

14

15

(A) Fine a licensee; or to

(B) REQUIRE ANNUAL RENEWAL OF A LICENSE; OR

(C) Suspend or revoke, in whole or in part, any license or permit 16 17 issued by such authority. for any violation by the licensee or by any of the 18 agents, servants, or employees of the licensee of this article 3; any rules 19 authorized by this article 3; or any of the terms, conditions, or provisions 20 of the license or permit issued by such authority.

21 (II) A licensing authority may impose a fine pursuant to this 22 subsection (1) regardless of whether a licensee has petitioned the 23 licensing authority pursuant to subsection (3)(a) of this section for 24 permission to pay a fine in lieu of license or permit suspension, and the 25 licensing authority need not make the findings specified in subsections 26 (3)(a)(I) and (3)(a)(II) of this section.

27 (10) (a) IF A LICENSEE WITH A BIENNIAL LICENSE IS FOUND TO

1 HAVE VIOLATED THIS ARTICLE 3, THE STATE LICENSING AUTHORITY SHALL 2 REQUIRE THE LICENSEE TO RENEW ITS LICENSE ANNUALLY. 3 (b) A LICENSEE MAY REAPPLY TO RENEW ITS LICENSE BIENNIALLY 4 PURSUANT TO SECTION 44-3-302 (3) AFTER TWO YEARS WITHOUT ANY 5 VIOLATIONS. 6 SECTION 33. In Colorado Revised Statutes, 44-3-901, amend 7 (6)(b)(II), (6)(c), (6)(i)(I), and (6)(p)(II); and add (6)(q) as follows:8 44-3-901. Unlawful acts - exceptions - definitions. (6) It is 9 unlawful for any person licensed to sell at retail pursuant to this article 3 10 or article 4 of this title 44: 11 (b) To sell, serve, or distribute any malt, vinous, or spirituous 12 liquors at any time other than the following: 13 (II) In sealed containers, beginning at 8 a.m. until 12 midnight 14 each day; except that no malt, vinous, or spirituous liquors shall be sold, 15 served, or distributed in a sealed container on Christmas day; 16 (c) To sell fermented malt beverages: 17 (I) To any person under the age of twenty-one years OF AGE, 18 except as provided in section 18-13-122; OR 19 (II) To any person between the hours of 12 midnight and 8 a.m.; 20 or 21 (III) In a sealed container on Christmas day; 22 (i) (I) To sell malt, vinous, or spirituous liquors or fermented malt 23 beverages in a place where the alcohol beverages are to be consumed, 24 unless the place is a hotel, A restaurant, A tavern, lodging and AN 25 entertainment facility, A LODGING FACILITY, A racetrack, A club, A retail 26 gaming tavern, or AN arts licensed premises or unless the place is a 27 dining, club, or parlor car; A plane; A bus; or other conveyance or facility 1 of a public transportation system.

(p) (II) If licensed as a tavern under section 44-3-414 that does not
regularly serve meals or a lodging and AN entertainment facility under
section 44-3-428 that does not regularly serve meals, to permit an
employee who is under twenty-one years of age to sell malt, vinous, or
spirituous liquors; or

7 (q) TO KNOWINGLY PERMIT THE ILLEGAL SALE, OR NEGOTIATIONS
8 FOR THE SALE, OF A CONTROLLED SUBSTANCE, AS DEFINED IN SECTION
9 18-18-102 (5), ON THE LICENSEE'S LICENSED PREMISES. THIS SUBSECTION
10 (6)(q) DOES NOT PROHIBIT A PHARMACY LICENSED BY THE STATE BOARD
11 OF PHARMACY TO SELL LAWFULLY PRESCRIBED CONTROLLED SUBSTANCES
12 AT A LIQUOR-LICENSED DRUGSTORE.

SECTION 34. In Colorado Revised Statutes, 44-3-911, amend
(6)(a)(I) and (6)(a)(II) as follows:

15 44-3-911. Takeout and delivery of alcohol beverages - permit 16 - on-premises consumption licenses - requirements and limitations -17 rules - definition - repeal. (6) (a) (I) This section authorizes a license 18 holder that is issued a license under one of the following sections to sell 19 an alcohol beverage to a customer for consumption off of the licensed 20 premises: Section 44-3-402 that operates a sales room or section 44-3-407 21 that operates a sales room or section 44-3-411, 44-3-413, 44-3-414, 22 44-3-417, 44-3-418, 44-3-422, 44-3-426, 44-3-428, *44-3-432*, 44-4-104 23 (1)(c)(I)(A), or 44-4-104 (1)(c)(III).

(II) This section authorizes a license holder that is issued a license
under one of the following sections to deliver an alcohol beverage to a
customer for consumption off of the licensed premises: Section 44-3-411,
44-3-412, 44-3-413, 44-3-414, 44-3-415, 44-3-416, 44-3-417, 44-3-418,

44-3-419, 44-3-420, 44-3-421, 44-3-422, 44-3-426, or 44-3-428, or
 44-3-432.

<u>SECTION 35. Appropriation.</u> For the 2024-25 state fiscal year,
 <u>\$5,000 is appropriated to the department of revenue for use by the liquor</u>
 and tobacco enforcement division. This appropriation is from the liquor
 enforcement division and state licensing authority cash fund created in
 section 44-6-101, C.R.S. To implement this act, the division may use this
 appropriation for operating expenses.

9 SECTION 36. Act subject to petition - effective date. This act 10 takes effect at 12:01 a.m. on the day following the expiration of the 11 ninety-day period after final adjournment of the general assembly; except 12 that, if a referendum petition is filed pursuant to section 1 (3) of article V 13 of the state constitution against this act or an item, section, or part of this 14 act within such period, then the act, item, section, or part will not take 15 effect unless approved by the people at the general election to be held in 16 November 2024 and, in such case, will take effect on the date of the 17 official declaration of the vote thereon by the governor.