

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

May 6, 2016
Date

Committee on Business, Labor, & Technology.

After consideration on the merits, the Committee recommends the following:

SB16-197 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend printed bill, page 4, line 3, after "(4);" insert "**repeal (5);**".
- 2 Page 4, strike lines 8 through 20 and substitute "where sold. ON AND
3 AFTER JULY 1, 2016, EXCEPT AS PERMITTED UNDER PARAGRAPH (b) OF
4 THIS SUBSECTION (1), THE STATE AND LOCAL LICENSING AUTHORITIES
5 SHALL NOT ISSUE A NEW LIQUOR-LICENSED DRUGSTORE LICENSE IF THE
6 LICENSED PREMISES FOR WHICH A LIQUOR-LICENSED DRUGSTORE LICENSE
7 IS SOUGHT IS LOCATED:
8 (A) WITHIN ONE THOUSAND FIVE HUNDRED FEET OF A RETAIL
9 LIQUOR STORE LICENSED UNDER SECTION 12-47-407; OR
10 (B) FOR A DRUGSTORE PREMISES LOCATED IN A MUNICIPALITY
11 WITH A POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE
12 THOUSAND FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION
13 12-47-407.
14 (II) Nothing in this subsection (1) ~~shall prohibit~~ PROHIBITS:
15 (A) THE RENEWAL OR TRANSFER OF OWNERSHIP OF A
16 LIQUOR-LICENSED DRUGSTORE LICENSE INITIALLY ISSUED PRIOR TO JULY
17 1, 2016.
18 (B) A liquor-licensed drugstore licensee from allowing tastings to
19 ~~be conducted on his or her~~ THE licensed premises if ~~an authorization for~~
20 the APPLICABLE LOCAL LICENSING AUTHORITY HAS AUTHORIZED THE
21 LIQUOR-LICENSED DRUGSTORE TO CONDUCT tastings ~~has been granted~~
22 ~~pursuant to section 12-47-301~~ ON ITS LICENSED PREMISES IN ACCORDANCE

1 WITH SECTION 12-47-301 (10).
2 (b) (I) ON OR AFTER JANUARY 1, 2017, TO QUALIFY FOR AN
3 ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSE UNDER THIS SECTION,
4 A LIQUOR-LICENSED DRUGSTORE LICENSEE, OR A RETAIL LIQUOR STORE
5 LICENSEE THAT WAS LICENSED AS A LIQUOR-LICENSED DRUGSTORE ON
6 FEBRUARY 21, 2016, MUST APPLY TO THE STATE AND LOCAL LICENSING
7 AUTHORITIES, AS PART OF A SINGLE APPLICATION, FOR A TRANSFER OF
8 OWNERSHIP OF AT LEAST TWO LICENSED RETAIL LIQUOR STORES THAT
9 WERE LICENSED OR HAD APPLIED FOR A LICENSE ON OR BEFORE MAY 1,
10 2016, A CHANGE OF LOCATION OF ONE OF THE RETAIL LIQUOR STORES, AND
11 A MERGER AND CONVERSION OF THE RETAIL LIQUOR STORE LICENSES INTO
12 A SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE. THE APPLICANT MAY
13 APPLY FOR A TRANSFER, CHANGE OF LOCATION, AND MERGER AND
14 CONVERSION ONLY IF ALL OF THE FOLLOWING REQUIREMENTS ARE MET:
15 (A) THE RETAIL LIQUOR STORES THAT ARE THE SUBJECT OF THE
16 TRANSFER OF OWNERSHIP ARE LOCATED WITHIN THE SAME LOCAL
17 LICENSING AUTHORITY JURISDICTION AS THE DRUGSTORE PREMISES FOR
18 WHICH THE APPLICANT IS SEEKING A LIQUOR-LICENSED DRUGSTORE
19 LICENSE, AND, IF ANY RETAIL LIQUOR STORES ARE LOCATED WITHIN ONE
20 THOUSAND FIVE HUNDRED FEET OF THE DRUGSTORE PREMISES OR, FOR A
21 DRUGSTORE PREMISES LOCATED IN A MUNICIPALITY WITH A POPULATION
22 OF TEN THOUSAND OR FEWER OR IN AN UNINCORPORATED AREA OF A
23 COUNTY, WITHIN THREE THOUSAND FEET OF THE DRUGSTORE PREMISES,
24 THE APPLICANT APPLIES TO TRANSFER OWNERSHIP OF ALL RETAIL LIQUOR
25 STORES LOCATED WITHIN THAT DISTANCE.
26 (B) UPON TRANSFER AND CONVERSION OF THE RETAIL LIQUOR
27 STORE LICENSES TO A SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE, THE
28 DRUGSTORE PREMISES FOR WHICH THE LIQUOR-LICENSED DRUGSTORE
29 LICENSE IS SOUGHT WILL BE LOCATED AT LEAST ONE THOUSAND FIVE
30 HUNDRED FEET FROM ALL LICENSED RETAIL LIQUOR STORES THAT ARE
31 WITHIN THE SAME LOCAL LICENSING AUTHORITY JURISDICTION AS THE
32 DRUGSTORE PREMISES OR, FOR A DRUGSTORE PREMISES LOCATED IN A
33 MUNICIPALITY WITH A POPULATION OF TEN THOUSAND OR FEWER, AT
34 LEAST THREE THOUSAND FEET FROM ALL LICENSED RETAIL LIQUOR STORES
35 THAT ARE WITHIN THE SAME LOCAL LICENSING AUTHORITY JURISDICTION
36 AS THE DRUGSTORE PREMISES.
37 (II) FOR PURPOSES OF DETERMINING WHETHER THE DISTANCE
38 REQUIREMENTS SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (b)
39 ARE SATISFIED, THE DISTANCE SHALL BE DETERMINED BY A RADIUS
40 MEASUREMENT THAT BEGINS AT THE PRINCIPAL DOORWAY OF THE

1 DRUGSTORE PREMISES FOR WHICH THE APPLICATION IS MADE AND ENDS AT
2 THE PRINCIPAL DOORWAY OF THE LICENSED RETAIL LIQUOR STORE.

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

9 (IV) IN ADDITION TO ANY OTHER REQUIREMENTS FOR LICENSURE
10 UNDER THIS SECTION OR ARTICLE, A PERSON APPLYING FOR A NEW
11 LIQUOR-LICENSED DRUGSTORE LICENSE IN ACCORDANCE WITH THIS
12 PARAGRAPH (b) ON OR AFTER JANUARY 1, 2017, OR TO RENEW A
13 LIQUOR-LICENSED DRUGSTORE LICENSE ISSUED ON OR AFTER JANUARY 1,
14 2017, UNDER THIS PARAGRAPH (b) MUST:

15 (A) PROVIDE EVIDENCE TO THE STATE AND LOCAL LICENSING
16 AUTHORITIES THAT AT LEAST TWENTY PERCENT OF THE LICENSEE'S GROSS
17 ANNUAL INCOME DERIVED FROM TOTAL SALES DURING THE PRIOR TWELVE
18 MONTHS AT THE DRUGSTORE PREMISES FOR WHICH A NEW OR RENEWAL
19 LICENSES IS SOUGHT IS FROM THE SALE OF FOOD ITEMS, AS DEFINED BY THE
20 STATE LICENSING AUTHORITY BY RULE; AND

21 (B) BE OPEN TO THE PUBLIC."

22 Strike page 5.

23 Page 6, strike lines 1 through 23.

24 Page 6, line 24, strike "(a)".

25 Page 6, line 26, strike "(I)" and substitute "(a)".

26 Page 7, line 1, strike "(II)" and substitute "(b)".

27 Page 7, line 5, strike "(III)" and substitute "(c)".

28 Page 7, line 10, strike "(IV)" and substitute "(d)".

29 Page 7, strike lines 12 through 14 and substitute "LIQUORS TO PRESENT A
30 VALID IDENTIFICATION, AS DETERMINED BY THE STATE LICENSING
31 AUTHORITY BY RULE;".

1 Page 7, line 16, strike "(V)" and substitute "(e)".

2 Page 7, strike lines 19 through 22.

3 Page 8, strike lines 9 through 17 and substitute:

4 "(IV) FOR A LIQUOR-LICENSED DRUGSTORE LICENSED ON OR
5 BEFORE JANUARY 1, 2016, ADDITIONAL LIQUOR-LICENSED DRUGSTORE
6 LICENSES AS FOLLOWS, BUT ONLY IF OBTAINED IN ACCORDANCE WITH
7 PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION:

8 (A) ON OR AFTER JANUARY 1, 2017, AND BEFORE JANUARY 1,
9 2022, FOUR ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES, FOR A
10 MAXIMUM OF FIVE TOTAL LIQUOR-LICENSED DRUGSTORE LICENSES;

11 (B) ON OR AFTER JANUARY 1, 2022, AND BEFORE JANUARY 1,
12 2027, UP TO SEVEN ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES,
13 FOR A MAXIMUM OF EIGHT TOTAL LIQUOR-LICENSED DRUGSTORE
14 LICENSES;

15 (C) ON OR AFTER JANUARY 1, 2027, AND BEFORE JANUARY 1,
16 2032, UP TO TWELVE ADDITIONAL LIQUOR-LICENSED DRUGSTORE
17 LICENSES, FOR A MAXIMUM OF THIRTEEN TOTAL LIQUOR-LICENSED
18 DRUGSTORE LICENSES;

19 (D) ON OR AFTER JANUARY 1, 2032, AND BEFORE JANUARY 1,
20 2037, UP TO NINETEEN ADDITIONAL LIQUOR-LICENSED DRUGSTORE
21 LICENSES, FOR A MAXIMUM OF TWENTY TOTAL LIQUOR-LICENSED
22 DRUGSTORE LICENSES; AND

23 (E) ON OR AFTER JANUARY 1, 2037, AN UNLIMITED NUMBER OF
24 ADDITIONAL LIQUOR-LICENSED DRUGSTORE LICENSES.

25 (5) ~~A licensee under the provisions of this section with a valid
26 license in effect on July 1, 2000, may apply to a local licensing authority
27 to convert or transfer such license to a retail liquor store license issued
28 under the provisions of section 12-47-407 and may continue to operate as
29 a retail liquor store licensee notwithstanding the limitations with respect
30 to location within five hundred feet from any public or parochial school
31 or the principal campus of any college, university, or seminary pursuant
32 to the provisions of section 12-47-313 (1) (d) (I). The local licensing
33 authority may, but shall not be required to, consider the reasonable
34 requirements of the neighborhood pursuant to section 12-47-312 in
35 making a determination on the conversion or transfer to a retail liquor
36 store license."~~

1 Page 9 of the bill, line 9, strike "AN EMPLOYEE OF A LIQUOR-LICENSED
2 DRUGSTORE WHO" and substitute "A LIQUOR-LICENSED DRUGSTORE
3 THAT".

4 Page 9, line 19, strike "OR 12-47-406" and substitute "12-47-406, OR
5 12-47-415".

6 Page 9, line 25, strike "PREVENT A" and substitute "PREVENT:
7 (I) A".

8 Page 10, line 3, strike "PUBLIC." and substitute "PUBLIC; OR
9 (II) A PERSON LICENSED UNDER SECTION 12-47-406 OR 12-47-415
10 FROM ACCESSING A LIQUOR-LICENSED DRUGSTORE'S DISPLAY TO
11 LAWFULLY REMOVE OR EXCHANGE MALT LIQUORS OR FERMENTED MALT
12 BEVERAGES, AS MAY BE PERMITTED BY THE STATE LICENSING AUTHORITY,
13 THAT NO LONGER MEET MANUFACTURER'S QUALITY STANDARDS.".

14 Page 10, strike lines 4 through 9.

15 Page 11 of the bill, line 4, after "AGE;" insert "AND".

16 Page 11 of the bill, line 9, strike "SUBMITTED; AND" and substitute
17 "SUBMITTED.".

18 Page 11 of the bill, strike lines 10 and 11.

19 Page 11, after line 15 insert:

20 "(b) A LIMITED WINERY LICENSED PURSUANT TO SECTION
21 12-47-403;

22 (c) AN IMPORTER LICENSED PURSUANT TO SECTION 12-47-404;".

23 Reletter succeeding paragraphs accordingly.

24 Page 11, after line 21 insert:

25 "(4) IN RECOGNITION OF THE STATE'S FLOURISHING LOCAL
26 BREWERIES, WINERIES, AND DISTILLERIES THAT LOCALLY PRODUCE
27 HIGH-QUALITY MALT, VINOUS, AND SPIRITUOUS LIQUORS, MANAGERS OF
28 LIQUOR-LICENSED DRUGSTORES ARE ENCOURAGED TO PURCHASE AND

1 PROMOTE LOCALLY-PRODUCED ALCOHOL BEVERAGE PRODUCTS IN THEIR
2 LIQUOR-LICENSED DRUGSTORES.".

3 Page 12, after line 26 insert:

4 "SECTION 5. In Colorado Revised Statutes, add 12-46-108 as
5 follows:

6 **12-46-108. Liquor industry working group - creation - duties**
7 **- report - repeal.** (1) THE STATE LICENSING AUTHORITY SHALL CONVENE
8 A LIQUOR INDUSTRY WORKING GROUP TO DEVELOP AN IMPLEMENTATION
9 PROCESS FOR GROCERY AND CONVENIENCE STORES TO APPLY FOR A
10 LICENSE TO SELL MALT LIQUOR AND FERMENTED MALT BEVERAGES
11 CONTAINING AT LEAST ONE-HALF PERCENT ALCOHOL BY VOLUME
12 STARTING JANUARY 1, 2019. THE WORKING GROUP SHALL ANALYZE THE
13 IMPACT THAT REMOVING THE ALCOHOL CONTENT LIMIT ON FERMENTED
14 MALT BEVERAGES WILL HAVE ON THE ALCOHOL BEVERAGE INDUSTRY AS
15 A WHOLE, AS WELL AS ON CURRENT RETAIL LICENSEES, AND SHALL
16 CONSIDER OTHER LEGISLATIVE, REGULATORY, OR ADMINISTRATIVE
17 CHANGES NECESSARY TO PROMOTE THE THREE-TIERED DISTRIBUTION
18 SYSTEM IN COLORADO.

19 (2) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE
20 SHALL APPOINT THE FOLLOWING MEMBERS TO SERVE ON THE LIQUOR
21 INDUSTRY WORKING GROUP:

- 22 (a) A MEMBER FROM THE DEPARTMENT OF REVENUE;
- 23 (b) A MEMBER FROM THE LIQUOR ENFORCEMENT DIVISION IN THE
24 DEPARTMENT OF REVENUE;
- 25 (c) A MEMBER FROM THE ATTORNEY GENERAL'S OFFICE;
- 26 (d) A MEMBER REPRESENTING MUNICIPAL GOVERNMENT;
- 27 (e) A MEMBER REPRESENTING COUNTY GOVERNMENT;
- 28 (f) A MEMBER REPRESENTING COMMUNITY PREVENTION;
- 29 (g) A MEMBER REPRESENTING LAW ENFORCEMENT;
- 30 (h) TWO MEMBERS REPRESENTING LARGE BREWERIES;
- 31 (i) TWO MEMBERS REPRESENTING SMALL BREWERIES;
- 32 (j) ONE MEMBER REPRESENTING A NATIONAL DISTILLERY;
- 33 (k) ONE MEMBER REPRESENTING A COLORADO DISTILLERY;
- 34 (l) THREE MEMBERS REPRESENTING RETAIL LIQUOR STORE
35 LICENSEES, ONE OF WHICH MUST REPRESENT A SMALL RETAIL LIQUOR
36 STORE LICENSEE;
- 37 (m) ONE MEMBER REPRESENTING A STATEWIDE OFF-PREMISES
38 RETAIL LICENSEE;

- 1 (n) TWO MEMBERS REPRESENTING PERSONS LICENSED UNDER
- 2 SECTION 12-47-411;
- 3 (o) ONE MEMBER REPRESENTING PERSONS LICENSED UNDER
- 4 SECTION 12-47-412;
- 5 (p) TWO MEMBERS REPRESENTING LICENSED WHOLESALERS;
- 6 (q) ONE MEMBER REPRESENTING A NATIONAL VINOUS LIQUORS
- 7 MANUFACTURER;
- 8 (r) ONE MEMBER REPRESENTING A COLORADO VINOUS LIQUORS
- 9 MANUFACTURER;
- 10 (s) TWO ATTORNEYS WHO PRACTICE IN THE AREA OF LIQUOR LAW
- 11 AND REGULATION;
- 12 (t) ONE MEMBER REPRESENTING MOTHERS AGAINST DRUNK
- 13 DRIVING OR ITS SUCCESSOR ORGANIZATION;
- 14 (u) TWO MEMBERS REPRESENTING GROCERY STORES;
- 15 (v) TWO MEMBERS REPRESENTING CONVENIENCE STORES; AND
- 16 (w) TWO MEMBERS OF THE PUBLIC.
- 17 (3) THE LIQUOR INDUSTRY WORKING GROUP SHALL CONVENE AS
- 18 SOON AS PRACTICABLE AFTER THE EFFECTIVE DATE OF THIS SECTION, BUT
- 19 NO LATER THAN AUGUST 1, 2016, AND BY JANUARY 1, 2018, SHALL
- 20 REPORT ITS FINDINGS AND RECOMMENDATIONS FOR AN IMPLEMENTATION
- 21 PROCESS, INCLUDING ANY LEGISLATIVE OR ADMINISTRATIVE
- 22 RECOMMENDATIONS, TO THE SENATE BUSINESS, LABOR, AND TECHNOLOGY
- 23 COMMITTEE AND THE HOUSE OF REPRESENTATIVES BUSINESS AFFAIRS AND
- 24 LABOR COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.
- 25 (4) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2019."

26 Renumber succeeding sections accordingly.

27 Page 13, line 1, after "(19)" insert "and (31)".

28 Page 13, strike lines 10 through 26 and substitute:

29 "(31) "Retail liquor store" means an establishment engaged only
30 in the sale of malt, vinous, and spirituous liquors, KEGS AND GROWLERS,
31 EITHER EMPTY OR FILLED WITH ALCOHOL BEVERAGES IF FILLED ON THE
32 LICENSED PREMISES, and ~~soft drinks and mixers, all in sealed containers~~
33 ~~for consumption off the premises; tobaccos, tobacco products, smokers'~~
34 ~~supplies, and nonfood items related to the consumption of such~~
35 ~~beverages; and liquor-filled candy and food items approved by the state~~
36 ~~licensing authority, which are prepackaged, labeled, and directly related~~

1 ~~to the consumption of such beverages and are sold solely for the purpose~~
2 ~~of cocktail garnish in containers up to sixteen ounces. Nothing in this~~
3 ~~section shall be construed to authorize the sale of food items that could~~
4 ~~constitute a snack, a meal, or portion of a meal~~ NONALCOHOL PRODUCTS,
5 BUT ONLY IF THE ANNUAL GROSS REVENUES FROM THE SALE OF
6 NONALCOHOL PRODUCTS DOES NOT EXCEED TWENTY PERCENT OF THE
7 RETAIL LIQUOR STORE'S TOTAL ANNUAL GROSS REVENUES.

8 **SECTION 7.** In Colorado Revised Statutes, 12-47-301, **amend**
9 (9), (10)(a), and (10) (c) (V); **repeal** (10) (c) (IX) and (10) (c) (XI); and
10 **add** (12) as follows:

11 **12-47-301. Licensing in general.** (9) (a) (I) A licensee may move
12 his or her permanent location to any other place in the same city, town, or
13 city and county for which the license was originally granted, or in the
14 same county if such license was granted for a place outside the corporate
15 limits of any city, town, or city and county, but it shall be unlawful to sell
16 any alcohol beverage at any such place until permission to do so is
17 granted by all the licensing authorities provided for in this article.

18 (II) NOTWITHSTANDING SUBPARAGRAPH (I) OF THIS PARAGRAPH
19 (a), FOR A RETAIL LIQUOR STORE LICENSED ON OR BEFORE JANUARY 1,
20 2016, THE LICENSEE MAY APPLY TO MOVE THE PERMANENT LOCATION TO
21 ANOTHER PLACE WITHIN OR OUTSIDE THE MUNICIPALITY OR COUNTY IN
22 WHICH THE LICENSE WAS ORIGINALLY GRANTED. IT IS UNLAWFUL FOR THE
23 LICENSEE TO SELL ANY ALCOHOL BEVERAGES AT THE NEW LOCATION
24 UNTIL PERMISSION IS GRANTED BY THE STATE AND LOCAL LICENSING
25 AUTHORITIES.

26 (b) (I) In permitting ~~such~~ A change of location, ~~such~~ THE licensing
27 authorities shall consider the reasonable requirements of the
28 neighborhood to which the applicant seeks to change his or her location,
29 the desires of the adult inhabitants as evidenced by petitions,
30 remonstrances, or otherwise, and all reasonable restrictions that are or
31 may be placed upon the new district by the council, board of trustees, or
32 licensing authority of the city, town, or city and county or by the board of
33 county commissioners of any county.

34 (II) IF THE STATE AND LOCAL LICENSING AUTHORITIES APPROVE AN
35 APPLICATION FOR A CHANGE OF LOCATION SUBMITTED UNDER
36 SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (9) BY A
37 RETAIL LIQUOR STORE LICENSED ON OR BEFORE JANUARY 1, 2016, THE
38 LICENSEE MUST CHANGE THE LOCATION OF ITS PREMISES WITHIN THREE
39 YEARS AFTER THE APPROVAL IS GRANTED.

40 (10) (a) ~~The provisions of This subsection (10) shall only apply~~

1 APPLIES ONLY within a county, city and county, or municipality ~~if the~~
2 WHOSE governing body ~~of the county, city and county, or municipality~~
3 adopts an ordinance or resolution authorizing tastings pursuant to this
4 subsection (10). The ordinance or resolution may provide for ~~stricter~~
5 ~~limits than this subsection (10)~~ LIMITATIONS on the number of tastings per
6 year per licensee, the days on which tastings may occur, or the number of
7 hours each tasting may last.

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

9 (V) Tastings shall be conducted only during the operating hours
10 in which the licensee on whose premises the tastings occur is permitted
11 to sell alcohol beverages. ~~and in no case earlier than 11 a.m. or later than~~
12 ~~7 p.m.~~

13 (IX) ~~The licensee shall not serve more than four individual~~
14 ~~samples to a patron during a tasting.~~

15 (XI) ~~Tastings may occur on no more than four of the six days from~~
16 ~~a Monday to the following Saturday, not to exceed one hundred four days~~
17 ~~per year.~~

18 (12) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
19 ARTICLE, ON AND AFTER JULY 1, 2016, THE STATE AND LOCAL LICENSING
20 AUTHORITIES SHALL NOT ISSUE A NEW LICENSE UNDER THIS ARTICLE
21 AUTHORIZING THE SALE AT RETAIL OF MALT, VINOUS, OR SPIRITUOUS
22 LIQUORS IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED
23 PREMISES IF THE PREMISES FOR WHICH THE RETAIL LICENSE IS SOUGHT IS
24 LOCATED:

25 (I) WITHIN ONE THOUSAND FIVE HUNDRED FEET OF ANOTHER
26 LICENSED PREMISES LICENSED TO SELL MALT, VINOUS, OR SPIRITUOUS
27 LIQUORS AT RETAIL FOR OFF-PREMISES CONSUMPTION; OR

28 (II) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
29 POPULATION OF TEN THOUSAND OR FEWER OR IN AN UNINCORPORATED
30 AREA OF A COUNTY, WITHIN THREE THOUSAND FEET OF ANOTHER
31 LICENSED PREMISES LICENSED TO SELL MALT, VINOUS, OR SPIRITUOUS
32 LIQUORS AT RETAIL FOR OFF-PREMISES CONSUMPTION.

33 (b) FOR PURPOSES OF DETERMINING WHETHER THE DISTANCE
34 REQUIREMENTS SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (12) ARE
35 SATISFIED, THE DISTANCE SHALL BE DETERMINED BY A RADIUS
36 MEASUREMENT THAT BEGINS AT THE PRINCIPAL DOORWAY OF THE
37 PREMISES FOR WHICH THE APPLICATION IS MADE AND ENDS AT THE
38 PRINCIPAL DOORWAY OF THE OTHER RETAIL LICENSED PREMISES."

39 Renumber succeeding sections accordingly.

- 1 Page 14, line 1, strike "(2)" and substitute "(2); and **add** (1) (d)".
- 2 Page 14, lines 2 and 3, strike "**permits - repeal.**" and substitute
3 "**permits.**".
- 4 Page 14, line 20, strike "(A)".
- 5 Page 14, line 21, before "TWO" insert "AT LEAST".
- 6 Page 14, line 23, strike "TWO".
- 7 Page 15, line 4, strike "MAY" and substitute "SHALL".
- 8 Page 15, line 6, strike "TWO".
- 9 Page 15, strike lines 12 and 13.
- 10 Page 15, after line 19 insert:
- 11 "(d) THE STATE OR A LOCAL LICENSING AUTHORITY SHALL NOT
12 APPROVE A TRANSFER OF OWNERSHIP UNDER THIS SUBSECTION (1) UNTIL
13 THE APPLICANT FILES WITH THE LOCAL LICENSING AUTHORITY
14 CONFIRMATION FROM EACH WHOLESALER LICENSED UNDER THIS ARTICLE
15 THAT HAS SOLD ALCOHOL BEVERAGES TO THE TRANSFEROR THAT THE
16 WHOLESALER HAS BEEN PAID IN FULL FOR ALL ALCOHOL BEVERAGES
17 DELIVERED TO THE TRANSFEROR."
- 18 Page 16, strike lines 19 through 24 and substitute "license. ~~The reasonable~~
19 ~~requirements of the neighborhood may, but are not required to, be~~
20 ~~considered in the conversion or transfer of a liquor-licensed drugstore~~
21 ~~license to a retail liquor store license~~ FOR THE MERGER AND CONVERSION
22 OF RETAIL LIQUOR STORE LICENSES TO A SINGLE LIQUOR-LICENSED
23 DRUGSTORE LICENSE IN ACCORDANCE WITH SECTION 12-47-408 (1) (b),
24 THE LOCAL LICENSING AUTHORITY SHALL CONSIDER THE REASONABLE
25 REQUIREMENTS OF THE NEIGHBORHOOD AND THE DESIRES OF THE ADULT
26 INHABITANTS OF THE NEIGHBORHOOD."
- 27 Page 17, strike lines 17 through 19 and substitute "ESTABLISHING
28 REASONABLE ALLOCATION PROCEDURES WHEN THE ANTICIPATED DEMAND
29 FOR A PRODUCT IS GREATER THAN THE SUPPLY OF THE PRODUCT."

- 1 Page 17, line 21, after "(4);" insert "**repeal (5);**".
- 2 Page 17, line 22, strike "**license - repeal. (1) (a)**" and substitute "**license.**
3 (1) (a) (I)".
- 4 Strike page 18.
- 5 Page 19, strike line 1 and substitute:
- 6 "(II) ON AND AFTER JULY 1, 2016, THE STATE AND LOCAL
7 LICENSING AUTHORITIES SHALL NOT ISSUE A NEW RETAIL LIQUOR STORE
8 LICENSE IF THE PREMISES FOR WHICH THE RETAIL LIQUOR STORE LICENSE
9 IS SOUGHT IS LOCATED:
- 10 (A) WITHIN ONE THOUSAND FIVE HUNDRED FEET OF ANOTHER
11 RETAIL LIQUOR STORE LICENSED UNDER THIS SECTION OR A
12 LIQUOR-LICENSED DRUGSTORE LICENSED UNDER SECTION 12-47-408; OR
13 (B) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A
14 POPULATION OF TEN THOUSAND OR FEWER OR IN AN UNINCORPORATED
15 AREA OF A COUNTY, WITHIN THREE THOUSAND FEET OF ANOTHER RETAIL
16 LIQUOR STORE LICENSED UNDER THIS SECTION OR A LIQUOR-LICENSED
17 DRUGSTORE LICENSED UNDER SECTION 12-47-408.
- 18 (b) In addition, retail liquor stores may sell ~~nonfood items related~~
19 ~~to the consumption of such liquors, liquor-filled candy, and food items~~
20 ~~approved by the state licensing authority that are prepackaged, labeled,~~
21 ~~directly related to the consumption of such liquors, and sold solely for the~~
22 ~~purpose of cocktail garnish in containers up to sixteen ounces. Nothing~~
23 ~~in this section shall be construed to authorize the sale of food items that~~
24 ~~could constitute a snack, a meal, or a portion of a meal~~ KEGS AND
25 GROWLERS, EITHER EMPTY OR FILLED WITH ALCOHOL BEVERAGES IF FILLED
26 ON THE LICENSED PREMISES, AND ANY NONALCOHOL PRODUCTS, BUT ONLY
27 IF THE ANNUAL GROSS".
- 28 Page 19, line 2, strike "SUCH OTHER MERCHANDISE DOES" and substitute
29 "NONALCOHOLIC PRODUCTS DO".
- 30 Page 19, strike lines 26 and 27.
- 31 Page 20, strike line 12 and substitute:
- 32 "(III) FOR A RETAIL LIQUOR STORE LICENSED ON OR BEFORE

1 JANUARY 1, 2016, AND WHOSE LICENSE HOLDER IS A COLORADO
2 RESIDENT, ADDITIONAL RETAIL LIQUOR STORE LICENSES AS FOLLOWS, BUT
3 ONLY IF THE PREMISES FOR WHICH A LICENSE IS SOUGHT SATISFIES THE
4 DISTANCE REQUIREMENTS SPECIFIED IN SUBPARAGRAPH (II) OF
5 PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION:

6 (A) ON OR AFTER JANUARY 1, 2017, AND BEFORE JANUARY 1,
7 2022, ONE ADDITIONAL RETAIL LIQUOR STORE LICENSE, FOR A MAXIMUM
8 OF UP TO TWO TOTAL RETAIL LIQUOR STORE LICENSES;

9 (B) ON OR AFTER JANUARY 1, 2022, AND BEFORE JANUARY 1,
10 2027, UP TO TWO ADDITIONAL RETAIL LIQUOR STORE LICENSES, FOR A
11 MAXIMUM OF THREE TOTAL RETAIL LIQUOR STORE LICENSES; AND

12 (C) ON OR AFTER JANUARY 1, 2027, UP TO THREE ADDITIONAL
13 RETAIL LIQUOR STORE LICENSES, FOR A MAXIMUM OF FOUR TOTAL RETAIL
14 LIQUOR STORE LICENSES; or".

15 Page 20, after line 14 insert:

16 ~~"(5) A licensee under the provisions of section 12-47-408 with a~~
17 ~~valid license in effect on July 1, 2000, may apply to a local licensing~~
18 ~~authority to convert or transfer such license to a retail liquor store license~~
19 ~~issued under the provisions of this section and may continue to operate as~~
20 ~~a retail liquor store licensee notwithstanding the limitations with respect~~
21 ~~to location within five hundred feet from any public or parochial school~~
22 ~~or the principal campus of any college, university, or seminary pursuant~~
23 ~~to the provisions of section 12-47-313 (1) (d) (I). The local licensing~~
24 ~~authority may, but shall not be required to, consider the reasonable~~
25 ~~requirements of the neighborhood pursuant to section 12-47-312 in~~
26 ~~making a determination on the conversion or transfer to a retail liquor~~
27 ~~store license."~~

28 Page 20, line 15, strike "(a)".

29 Page 20, line 17, strike "TWO".

30 Page 20, strike lines 20 and 21.

31 Page 20, line 25, strike "**fees - repeal.**" and substitute "**fees.**".

32 Page 21, line 7, strike "(A)".

- 1 Page 21, strike lines 10 and 11.
- 2 Page 21, line 13, strike "12-47-426." and substitute "12-47-425."
- 3 Page 21, line 16, strike "**fees - repeal.**" and substitute "**fees.**".
- 4 Page 21, line 22, strike "(A)".
- 5 Page 21, strike lines 25 and 26.
- 6 Page 23, line 13, after "AS" insert "A RETAIL LIQUOR STORE UNDER
7 SECTION 12-47-407 OR".
- 8 Page 23, line 17, before "LIQUOR-LICENSED" insert "RETAIL LIQUOR STORE
9 OR".
- 10 Page 24, strike lines 13 through 20 and substitute "CONSUMER TO PRESENT
11 A VALID IDENTIFICATION, AS DETERMINED BY THE STATE LICENSING
12 AUTHORITY BY RULE. THE RETAIL LICENSEE OR EMPLOYEE".
- 13 Page 25, strike lines 13 through 21 and substitute:
- 14 **"SECTION 17. Effective date.** This act takes effect July 1, 2016;
15 except that sections 3 and 4 of this act, section 12-47-103 (19), Colorado
16 Revised Statutes, as amended in section 6 of this act, and section
17 12-47-901 (8), Colorado Revised Statutes, as repealed in section 15 of
18 this act, take effect January 1, 2019.
- 19 **SECTION 18. Safety clause.** The general assembly hereby finds,
20 determines, and declares that this act is necessary for the immediate
21 preservation of the public peace, health, and safety."
- 22 Page 1, strike lines 102 through 113.
- 23 Page 2, strike lines 101 through 109 and substitute "**CONNECTION
24 THEREWITH, RESTRICTING THE ISSUANCE OF NEW LIQUOR-LICENSED
25 DRUGSTORE AND RETAIL LIQUOR STORE LICENSES EXCEPT UNDER
26 SPECIFIED CIRCUMSTANCES; ALLOWING LIQUOR-LICENSED DRUGSTORE
27 AND RETAIL LIQUOR STORE LICENSEES TO OBTAIN ADDITIONAL
28 LICENSES UNDER LIMITED CIRCUMSTANCES; AND REPEALING THE LIMIT
29 ON THE ALCOHOL CONTENT OF FERMENTED MALT BEVERAGES ON**

1 JANUARY 1, 2019."

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