

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 18-0789.01 Christy Chase x2008

SENATE BILL 18-198

SENATE SPONSORSHIP

Scott,

HOUSE SPONSORSHIP

(None),

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

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

Bill Summary

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

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

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

the "Colorado Beer Code" to sell 3.2% beer at retail for consumption off premises are permitted to convert the license to an expanded retailer's license if the licensee:

- ! Notifies the state and local licensing authorities between July 1, 2018, and December 31, 2018, of the intent to convert the license; and
- ! Has not and will not expand its floor space or refrigerated cooler space dedicated to the sale of beer and has not and will not increase the number of stock keeping units, or SKUs, attributable to beer products it offers for sale.

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

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

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

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

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

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

4 **12-46-102. Legislative declaration.** (2) The general assembly
5 further recognizes that fermented malt beverages and malt liquors are
6 separate and distinct from, and have a unique regulatory history in
7 relation to, vinous and spirituous liquors, and as such require the retention

1 of a separate and distinct regulatory framework under this ~~article~~ ARTICLE
2 46. To aid administrative efficiency, however, article 47 of this ~~title~~ TITLE
3 12 applies to the regulation of fermented malt beverages AND, TO THE
4 EXTENT A FERMENTED MALT BEVERAGE RETAILER IS PERMITTED UNDER
5 THIS ARTICLE 46 TO SELL MALT LIQUORS FOR CONSUMPTION OFF THE
6 LICENSED PREMISES, MALT LIQUORS, except when otherwise expressly
7 provided for in this ~~article~~ ARTICLE 46.

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

11 **12-46-103. Definitions.** Definitions applicable to this ~~article~~
12 ARTICLE 46 also appear in article 47 of this ~~title~~ TITLE 12. As used in this
13 ~~article~~ ARTICLE 46, unless the context otherwise requires:

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

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

- 22 (a) Manufacture ~~or~~ FERMENTED MALT BEVERAGES;
- 23 (b) Sell fermented malt beverages; ~~as provided by this article.~~ OR
- 24 (c) SELL FERMENTED MALT BEVERAGES AND MALT LIQUORS AT
25 RETAIL.

26 (3) "Licensed premises" means the premises specified in an
27 application for a license under this ~~article which~~ ARTICLE 46 THAT are

1 owned or in possession of the licensee and within which ~~such~~ THE
2 licensee is authorized to sell, dispense, or serve fermented malt beverages
3 AND, IF AUTHORIZED UNDER THIS ARTICLE 46, MALT LIQUORS in
4 accordance with ~~the provisions of this article~~ ARTICLE 46.

5 (4.5) "MALT LIQUORS" INCLUDES BEER AND MEANS ANY BEVERAGE
6 OBTAINED BY THE ALCOHOLIC FERMENTATION OF ANY INFUSION OR
7 DECOCTION OF BARLEY, MALT, HOPS, OR ANY OTHER SIMILAR PRODUCT, OR
8 ANY COMBINATION THEREOF, IN WATER CONTAINING MORE THAN THREE
9 AND TWO-TENTHS PERCENT ALCOHOL BY WEIGHT OR FOUR PERCENT
10 ALCOHOL BY VOLUME.

11 **SECTION 3.** In Colorado Revised Statutes, 12-46-104, **amend**
12 (1) introductory portion and (1)(c) as follows:

13 **12-46-104. Licenses - state license fees - requirements.** (1) The
14 licenses to be granted and issued by the state licensing authority pursuant
15 to this ~~article~~ ARTICLE 46 for the manufacture, importation, and sale of
16 fermented malt beverages OR FOR THE SALE OF FERMENTED MALT
17 BEVERAGES AND MALT LIQUOR shall be as follows:

18 (c) (I) A retailer's license shall be granted and issued to any
19 person, partnership, association, organization, or corporation qualifying
20 under section 12-47-301, and not prohibited from licensure under section
21 12-47-307, to sell at retail ~~the said~~ fermented malt beverages upon paying
22 an annual license fee of seventy-five dollars to the state licensing
23 authority.

24 (II) AN EXPANDED RETAILER'S LICENSE SHALL BE GRANTED AND
25 ISSUED TO ANY PERSON, PARTNERSHIP, ASSOCIATION, ORGANIZATION, OR
26 CORPORATION QUALIFYING UNDER SECTIONS 12-46-107 (3) AND
27 12-47-301, AND NOT PROHIBITED FROM LICENSURE UNDER SECTION

1 12-47-307, TO SELL AT RETAIL FERMENTED MALT BEVERAGES AND MALT
2 LIQUORS UPON PAYING AN ANNUAL LICENSE FEE OF SEVENTY-FIVE
3 DOLLARS TO THE STATE LICENSING AUTHORITY.

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

6 **12-46-105. Fees and taxes - allocation.** (1) (a) (I) The state
7 licensing authority shall establish fees for processing the following types
8 of applications, notices, or reports required to be submitted to the state
9 licensing authority:

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

14 (B) Applications for change of location pursuant to section
15 12-47-301 and ~~regulations thereunder~~ RULES IMPLEMENTING THAT
16 SECTION;

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

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

23 (E) Applications for duplicate licenses; and

24 (F) Notices of change of name or trade name pursuant to section
25 12-47-301 and ~~regulations thereunder~~ RULES IMPLEMENTING THAT
26 SECTION.

27 (II) The amounts of ~~such~~ THE fees ESTABLISHED UNDER

1 SUBSECTION (1)(a)(I) OF THIS SECTION, when added to the other fees and
2 taxes transferred to the liquor enforcement division and state licensing
3 authority cash fund pursuant to subsection (2) of this section and section
4 12-47-502 (1), ~~shall~~ MUST reflect the direct and indirect costs of the liquor
5 enforcement division and the state licensing authority in the
6 administration and enforcement of this ~~article~~ ARTICLE 46 and articles 47
7 and 48 of this ~~title~~ TITLE 12. At least annually, THE STATE LICENSING
8 AUTHORITY SHALL REVIEW the amounts of the fees ~~shall be reviewed~~ and,
9 if necessary, ~~adjusted~~ ADJUST THE FEE AMOUNTS to reflect ~~such~~ THE direct
10 and indirect costs OF THE STATE LICENSING AUTHORITY AND THE LIQUOR
11 ENFORCEMENT DIVISION.

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

14 **12-46-106. Lawful acts.** (1) It is lawful for a person under
15 eighteen years of age who is under the supervision of a person on the
16 premises over eighteen years of age to be employed in a place of business
17 ~~where~~ THAT IS LICENSED UNDER SECTION 12-46-107 (1)(a) OR (1)(d) TO
18 SELL fermented malt beverages ~~are sold~~ OR FERMENTED MALT BEVERAGES
19 AND MALT LIQUORS at retail in containers for off-premises consumption
20 SUBJECT TO SUBSECTION (2) OF THIS SECTION.

21 (2) (a) (I) EXCEPT AS PROVIDED IN SUBSECTION (2)(a)(II) OF THIS
22 SECTION, during the normal course of ~~such~~ employment AT A PLACE OF
23 BUSINESS LICENSED UNDER SECTION 12-46-107 (1)(a) TO SELL ONLY
24 FERMENTED MALT BEVERAGES IN SEALED CONTAINERS FOR CONSUMPTION
25 OFF THE LICENSED PREMISES, any person under eighteen years of age may
26 handle and otherwise act with respect to fermented malt beverages in the
27 same manner as that person does with other items sold at retail. ~~except~~

1 ~~that no~~

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

7 (b) FOR A PLACE OF BUSINESS THAT IS LICENSED UNDER SECTION
8 12-46-107 (1)(d) TO SELL FERMENTED MALT BEVERAGES AND MALT
9 LIQUORS AT RETAIL IN SEALED CONTAINERS FOR CONSUMPTION OFF THE
10 LICENSED PREMISES, A PERSON UNDER TWENTY-ONE YEARS OF AGE SHALL
11 NOT SELL OR DISPENSE FERMENTED MALT BEVERAGES OR MALT LIQUORS,
12 CHECK AGE IDENTIFICATION, MAKE DELIVERIES BEYOND THE CUSTOMARY
13 PARKING AREA FOR CUSTOMERS OF THE RETAIL OUTLET, OR OTHERWISE
14 HANDLE OR HAVE ANY CONTACT WITH FERMENTED MALT BEVERAGES OR
15 MALT LIQUORS OFFERED FOR SALE ON, OR SOLD AND REMOVED FROM, THE
16 LICENSED PREMISES OF THE RETAILER.

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

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

22 **12-46-107. Local licensing authority - application - fees -**
23 **repeal.** (1) The local licensing authority shall issue only the following
24 classes of ~~fermented malt beverage~~ licenses:

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

1 (b) A RETAILER'S LICENSE AUTHORIZING sales OF FERMENTED
2 MALT BEVERAGES AT RETAIL for consumption on the premises of the
3 licensee;

4 (c) (I) A RETAILER'S LICENSE AUTHORIZING sales OF FERMENTED
5 MALT BEVERAGES AT RETAIL for consumption both on and off the
6 premises of the licensee; ~~A person licensed pursuant to this paragraph (c)~~
7 ~~may deliver at retail fermented malt beverages in factory-sealed~~
8 ~~containers in conjunction with the delivery of food products if such~~
9 ~~person has obtained a permit for the delivery of fermented malt beverages~~
10 ~~from the state licensing authority. The state licensing authority shall~~
11 ~~promulgate rules as are necessary for the proper delivery of fermented~~
12 ~~malt beverages pursuant to this paragraph (c) and shall have the authority~~
13 ~~to issue a permit to any person who is licensed pursuant to and delivers~~
14 ~~fermented malt beverages under this paragraph (c)~~ EXCEPT THAT, ON OR
15 AFTER JANUARY 1, 2019, A LOCAL LICENSING AUTHORITY SHALL NOT
16 ISSUE A NEW RETAILER'S LICENSE UNDER THIS SUBSECTION (1)(c) OR
17 RENEW AN EXISTING RETAILER'S LICENSE ISSUED UNDER THIS SUBSECTION
18 (1)(c). ANY LICENSEE HOLDING A RETAILER'S LICENSE ISSUED UNDER THIS
19 SUBSECTION (1)(c) PRIOR TO JANUARY 1, 2019, THAT APPLIES TO RENEW
20 THE LICENSE ON OR AFTER JANUARY 1, 2019, MUST SIMULTANEOUSLY
21 APPLY TO CONVERT THE LICENSE TO A RETAILER'S LICENSE FOR THE SALE
22 OF:

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

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

1 OR

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

5 (II) THIS SUBSECTION (1)(c) IS REPEALED, EFFECTIVE JANUARY 1,
6 2020.

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

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

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

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

24 (C) HAS NOT AND WILL NOT INCREASE THE NUMBER OF STOCK
25 KEEPING UNITS OR SKUs ATTRIBUTABLE TO FERMENTED MALT BEVERAGE
26 AND MALT LIQUOR PRODUCTS OFFERED FOR SALE ON THE LICENSED
27 PREMISES ABOVE THE NUMBER OF SKUs ATTRIBUTABLE TO FERMENTED

1 MALT BEVERAGE PRODUCTS SOLD BY THE LICENSEE AS OF JULY 1, 2018.

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

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

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

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

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

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

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

27 (B) FOR A PREMISES LOCATED IN A MUNICIPALITY WITH A

1 POPULATION OF TEN THOUSAND OR FEWER, WITHIN THREE THOUSAND FEET
2 OF A RETAILER LICENSED UNDER SUBSECTION (1)(a) OF THIS SECTION, A
3 RETAIL LIQUOR STORE LICENSED UNDER SECTION 12-47-407, OR A
4 LIQUOR-LICENSED DRUGSTORE LICENSED UNDER SECTION 12-47-408.

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

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

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

14 **12-47-103. Definitions.** As used in this article 47 and article 46
15 of this title 12, unless the context otherwise requires:

16 (19) "Malt liquors" includes beer and means any beverage
17 obtained by the alcoholic fermentation of any infusion or decoction of
18 barley, malt, hops, or any other similar product, or any combination
19 thereof, in water containing ~~not less than one-half of one percent alcohol~~
20 ~~by volume~~ MORE THAN THREE AND TWO-TENTHS PERCENT OF ALCOHOL BY
21 WEIGHT OR FOUR PERCENT ALCOHOL BY VOLUME.

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

24 **12-47-301. Licensing in general.** (2) (b) (I) A local licensing
25 authority or the state on state-owned property may deny the issuance of
26 any new tavern or retail liquor store license whenever ~~such~~ THE
27 LICENSING authority determines that ~~the~~ issuance of ~~such~~ THE license

1 would result in or add to an undue concentration of the same class of
2 license and, as a result, require the use of additional law enforcement
3 resources.

4 (II) ON OR AFTER JANUARY 1, 2019, A LOCAL LICENSING
5 AUTHORITY OR, FOR STATE-OWNED PROPERTY, THE STATE LICENSING
6 AUTHORITY MAY DENY THE ISSUANCE OF A NEW EXPANDED RETAILER'S
7 LICENSE DESCRIBED IN SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107
8 (1)(d) IF THE LOCAL OR STATE LICENSING AUTHORITY DETERMINES THAT
9 ISSUANCE OF THE LICENSE WOULD RESULT IN OR ADD TO AN UNDUE
10 CONCENTRATION OF THE SAME CLASS OF LICENSE AND, AS A RESULT,
11 REQUIRE THE USE OF ADDITIONAL LAW ENFORCEMENT RESOURCES.

12 (8) Each licensee holding a fermented malt beverage on-premises
13 license, ~~or on- and off-premises license~~, beer and wine license, tavern
14 license, lodging and entertainment license, club license, arts license, or
15 racetrack license shall manage the premises himself or herself or employ
16 a separate and distinct manager on the premises and shall report the name
17 of the manager to the state and local licensing authorities. The licensee
18 shall report any change in managers to the state and local licensing
19 authorities within thirty days after the change. It is unlawful for the
20 licensee to fail to report the name of or any change in managers as
21 required by this subsection (8). The failure to report is grounds for
22 suspension of the license.

23 (12) (a) Notwithstanding any other provision of this ~~article~~
24 ARTICLE 47, on and after July 1, 2016, the state and local licensing
25 authorities shall not issue a new license under this ~~article~~ ARTICLE 47
26 authorizing the sale at retail of malt, vinous, or spirituous liquors in sealed
27 containers for consumption off the licensed premises, AND ON AND AFTER

1 JANUARY 1, 2019, THE STATE AND LOCAL LICENSING AUTHORITIES SHALL
2 NOT ISSUE A NEW EXPANDED RETAILER'S LICENSE UNDER ARTICLE 46 OF
3 THIS TITLE 12 AUTHORIZING THE SALE AT RETAIL OF FERMENTED MALT
4 BEVERAGES AND MALT LIQUORS IN SEALED CONTAINERS FOR
5 CONSUMPTION OFF THE LICENSED PREMISES if the premises for which the
6 retail license is sought is located:

7 (I) Within one thousand five hundred feet of another licensed
8 premises licensed UNDER THIS ARTICLE 47 to sell malt, vinous, or
9 spirituous liquors OR LICENSED UNDER ARTICLE 46 OF THIS TITLE 12 TO
10 SELL FERMENTED MALT BEVERAGES AND MALT LIQUORS at retail for
11 off-premises consumption; or

12 (II) For a premises located in a municipality with a population of
13 ten thousand or fewer, within three thousand feet of another licensed
14 premises licensed UNDER THIS ARTICLE 47 to sell malt, vinous, or
15 spirituous liquors OR LICENSED UNDER ARTICLE 46 OF THIS TITLE 12 TO
16 SELL FERMENTED MALT BEVERAGES AND MALT LIQUORS at retail for
17 off-premises consumption.

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

20 **12-47-313. Restrictions for applications for new license.**

21 (2)(a) A LOCAL LICENSING AUTHORITY OR, FOR STATE-OWNED PROPERTY,
22 THE STATE LICENSING AUTHORITY MAY DENY an application for the
23 issuance of a tavern or retail liquor store license ~~may be denied~~ under this
24 ~~article~~ ARTICLE 47 if the local OR STATE licensing authority ~~or the state on~~
25 ~~state-owned property~~ determines, pursuant to ~~section 12-47-301 (2)(b)~~
26 SECTION 12-47-301 (2)(b)(I), that ~~the~~ issuance of ~~such~~ THE license would
27 result in or add to an undue concentration of the same class of license

1 and, as a result, require the use of additional law enforcement resources.

2 (b) ON OR AFTER JANUARY 1, 2019, A LOCAL LICENSING
3 AUTHORITY OR, FOR STATE-OWNED PROPERTY, THE STATE LICENSING
4 AUTHORITY MAY DENY AN APPLICATION FOR THE ISSUANCE OF AN
5 EXPANDED RETAILER'S LICENSE DESCRIBED IN SECTIONS 12-46-104
6 (1)(c)(II) AND 12-46-107 (1)(d) IF THE LOCAL OR STATE LICENSING
7 AUTHORITY DETERMINES, PURSUANT TO SECTION 12-47-301 (2)(b)(II),
8 THAT ISSUANCE OF THE LICENSE WOULD RESULT IN OR ADD TO AN UNDUE
9 CONCENTRATION OF THE SAME CLASS OF LICENSE AND, AS A RESULT,
10 REQUIRE THE USE OF ADDITIONAL LAW ENFORCEMENT RESOURCES.

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

14 **12-47-901. Unlawful acts - exceptions - definitions.** (1) Except
15 as provided in section 18-13-122, ~~C.R.S.~~, it is unlawful for any person:

16 (f) To sell at retail any malt, vinous, or spirituous liquors in sealed
17 containers without holding a retail liquor store or liquor-licensed
18 drugstore license, except as permitted by section 12-47-301 (6)(b) or any
19 other provision of this ~~article~~ ARTICLE 47, OR TO SELL AT RETAIL ANY
20 FERMENTED MALT BEVERAGES AND MALT LIQUORS IN SEALED CONTAINERS
21 WITHOUT HOLDING AN EXPANDED RETAILER'S LICENSE UNDER SECTIONS
22 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d);

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

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

27 (II) In sealed containers, beginning at 8 a.m. until 12 midnight

1 each day; except that no malt, vinous, or spirituous liquors shall be sold,
2 served, or distributed in a sealed container on Christmas day. THIS
3 SUBSECTION (5)(b)(II) APPLIES TO A PERSON LICENSED UNDER THIS
4 ARTICLE 47 TO SELL MALT, VINOUS, OR SPIRITUOUS LIQUORS AT RETAIL IN
5 SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES AND
6 TO A PERSON LICENSED UNDER SECTIONS 12-46-104 (1)(c)(II) AND
7 12-46-107 (1)(d) TO SELL FERMENTED MALT BEVERAGES AND MALT
8 LIQUORS AT RETAIL IN SEALED CONTAINERS FOR CONSUMPTION OFF THE
9 LICENSED PREMISES.

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

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

13 (II) Between the hours of 12 midnight and 8 a.m. THIS
14 SUBSECTION (5)(c)(II) APPLIES TO A PERSON LICENSED UNDER SECTIONS
15 12-46-104 (1)(c)(I) AND 12-46-107 (1)(a) OR (1)(b) TO SELL ONLY
16 FERMENTED MALT BEVERAGES AT RETAIL FOR CONSUMPTION EITHER ON
17 OR OFF THE LICENSED PREMISES.

18 (k) (I) To have on the licensed premises, if licensed as a retail
19 liquor store, ~~or~~ liquor-licensed drugstore, OR EXPANDED RETAILER UNDER
20 SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d), any container that
21 shows evidence of having once been opened or that contains a volume of
22 liquor less than that specified on the label of ~~such~~ THE container; except
23 that a person holding a retail liquor store ~~or~~ LICENSE UNDER SECTION
24 12-47-407, A liquor-licensed drugstore license UNDER SECTION 12-47-408,
25 OR AN EXPANDED RETAILER'S LICENSE UNDER SECTIONS 12-46-104
26 (1)(c)(II) AND 12-46-107 (1)(d) may have upon the licensed premises
27 ~~malt, vinous, or spirituous liquors~~ ALCOHOL BEVERAGES in open

1 containers, when the open containers were brought on the licensed
2 premises by and remain solely in the possession of the sales personnel of
3 a person licensed to sell at wholesale pursuant to this ~~article~~ ARTICLE 47
4 for the purpose of sampling ~~malt, vinous, or spirituous liquors~~ ALCOHOL
5 BEVERAGES by the retail licensee only. Nothing in this ~~paragraph (k)~~ shall
6 ~~apply~~ SUBSECTION (5)(k) APPLIES to any liquor-licensed drugstore where
7 the contents, or a portion ~~thereof~~ OF THE CONTENTS, have been used in
8 compounding prescriptions.

9 (p) (II) If licensed as a tavern under section 12-47-412 that does
10 not regularly serve meals, a lodging and entertainment facility under
11 section 12-47-426 that does not regularly serve meals, a retail liquor store
12 under section 12-47-407, ~~or~~ a liquor-licensed drugstore under section
13 12-47-408, OR AN EXPANDED RETAILER UNDER SECTIONS 12-46-104
14 (1)(c)(II) AND 12-46-107 (1)(d), to permit an employee who is under
15 twenty-one years of age to sell malt, vinous, or spirituous liquors OR
16 FERMENTED MALT BEVERAGES AND MALT LIQUORS; or

17 (III) If licensed as a retail liquor store under section 12-47-407, ~~or~~
18 a liquor-licensed drugstore under section 12-47-408, OR AN EXPANDED
19 RETAILER UNDER SECTIONS 12-46-104 (1)(c)(II) AND 12-46-107 (1)(d), to
20 permit an employee who is under twenty-one years of age to deliver or
21 otherwise have any contact with malt, vinous, or spirituous liquors OR
22 FERMENTED MALT BEVERAGES AND MALT LIQUORS offered for sale on, or
23 sold and removed from, the licensed premises of the retail liquor store, ~~or~~
24 liquor-licensed drugstore, OR EXPANDED RETAILER.

25 (9) (b) This subsection (9) applies to persons licensed or permitted
26 to sell or serve alcohol beverages for consumption on the licensed
27 premises pursuant to section **12-46-107 (1)(b)**, 12-47-403, 12-47-409,

1 12-47-410, 12-47-411, 12-47-412, 12-47-413, 12-47-414, 12-47-415,
2 12-47-416, 12-47-417, 12-47-418, 12-47-419, 12-47-420, 12-47-422,
3 12-47-424, or 12-47-426.

4 (10) (a) Except as provided in ~~paragraph (b) of this subsection~~
5 ~~(10), it is unlawful for~~ SUBSECTION (10)(b) OF THIS SECTION, a retail
6 licensee or an employee of a retail licensee ~~to~~ SHALL NOT sell ~~malt,~~
7 ~~vinous, or spirituous liquors~~ ALCOHOL BEVERAGES to a consumer for
8 consumption off the licensed premises unless the retail licensee or
9 employee verifies that the consumer is at least twenty-one years of age by
10 requiring the consumer to present a valid identification, as determined by
11 the state licensing authority by rule. The retail licensee or employee shall
12 make a determination from the information presented whether the
13 purchaser is at least twenty-one years of age.

14 (b) It is not unlawful for a retail licensee or employee of a retail
15 licensee to sell ~~malt, vinous, or spirituous liquors~~ ALCOHOL BEVERAGES
16 to a consumer who is or reasonably appears to be over fifty years of age
17 and who failed to present an acceptable form of identification.

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

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

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

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