

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0057.01 Jennifer Berman x3286

HOUSE BILL 20-1001

HOUSE SPONSORSHIP

Mullica and Larson,

SENATE SPONSORSHIP

Bridges and Priola,

House Committees
Health & Insurance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING NICOTINE PRODUCT REGULATION.

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>.)

Sections 1 through 8 of the bill raise the minimum age of a person to whom cigarettes, tobacco products, and nicotine products (products) may be sold from 18 years of age to 21 years of age.

Under current law, if a minor purchases or attempts to purchase any one of the products, the minor may be convicted of a class 2 petty offense subject to a \$100 fine. In addition to raising the minimum age from 18 years of age to 21 years of age, section 1 also repeals the criminal penalty for purchasing or attempting to purchase the products as a minor.

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.

Section 7 also prohibits a retailer from permitting a person under 18 years of age to sell or participate in the sale of products.

Section 8 also increases the minimum number of compliance checks required of each retail location at which the products are sold to 2 per year or at least the minimum number annually required by federal regulation, whichever number is greater.

Section 9 requires every retailer of the products in the state, on and after July 1, 2021, to be licensed. The liquor enforcement division (division) of the department of revenue is charged with licensing retailers and coordinating with local authorities on retail location compliance checks and investigations of complaints about retailers.

Section 10 prohibits: New retail locations at which products are sold from being located within 500 feet of a school; retail locations that sell electronic smoking device products from advertising those products in a manner that is visible from outside the retail location; and delivery of products directly to consumers.

Section 11 governs enforcement of the licensing requirements.

Section 12 adjusts the fine amounts for violating the prohibition against selling products to minors from a maximum fine for a fifth or subsequent violation within 24 months of \$1,000 to \$15,000 to a maximum fine for a fourth or subsequent violation in 36 months of \$1,000 to \$15,000. Additionally, the division must prohibit a retailer who commits a second or subsequent violation within 36 months from selling products at the retail location where the violation occurred for a specified period of time, starting with at least 7 days for a second violation within 36 months, to at least 30 days for a third violation within 36 months, and finally for up to 3 years for a fourth or subsequent violation within 36 months.

Additionally, section 12 establishes fines for selling or offering to sell products without a valid state license on or after July 1, 2021, with the amount of fines ranging from \$1,000 for a first violation to \$3,000 for a third or subsequent violation. If a person sells or offers to sell products without a valid state license at least 3 times in a 36-month period, the person is not eligible to apply for a state license for 3 years thereafter.

Section 12 also adjusts the period within which a subsequent violation of the prohibition against selling products from a vending machine or the requirement to display a warning at the retail location is subject to an increased fee from 24 months to 36 months. Further, section 12 also applies the same fine structure as exists for selling products from a vending machine or failing to display the requisite warning to a violation of the prohibition against allowing a person under 18 years of age to sell or participate in the sale of products.

Sections 13 through 17 make conforming amendments.

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

2 **SECTION 1.** In Colorado Revised Statutes, 18-13-121, **amend**
3 (1)(a), (1)(b), (1)(d), and (3); and **repeal** (2) as follows:

4 **18-13-121. Furnishing cigarettes, tobacco products, or nicotine**
5 **products to persons under twenty-one years of age.** (1) (a) A person
6 shall not give, sell, distribute, dispense, or offer for sale a cigarette,
7 tobacco product, or nicotine product to any person who is under ~~eighteen~~
8 TWENTY-ONE years of age.

9 (b) Before giving, selling, distributing, dispensing, or offering to
10 sell to an individual any cigarette, tobacco product, or nicotine product,
11 a person shall request from the individual and examine a
12 government-issued photographic identification that establishes that the
13 individual is ~~eighteen~~ TWENTY-ONE years of age or older. ~~except that, in~~
14 ~~face-to-face transactions, this requirement is waived if the individual~~
15 ~~appears older than thirty years of age.~~

16 (d) It is an affirmative defense to a prosecution under ~~paragraph~~
17 ~~(a) of this subsection (1)~~ SUBSECTION (1)(a) OF THIS SECTION that the
18 person furnishing the cigarette, tobacco product, or nicotine product was
19 presented with and reasonably relied upon a document that identified the
20 individual receiving the cigarette, tobacco product, or nicotine product as
21 being ~~eighteen~~ TWENTY-ONE years of age or older.

22 ~~(2) (a) A person who is under eighteen years of age and who~~
23 ~~purchases or attempts to purchase any cigarettes, tobacco products, or~~
24 ~~nicotine products commits a class 2 petty offense and, upon conviction~~
25 ~~thereof, shall be punished by a fine of one hundred dollars; except that,~~
26 ~~following a conviction or adjudication for a first offense under this~~
27 ~~subsection (2), the court in lieu of the fine may sentence the person to~~

1 ~~participate in a tobacco education program. The court may allow a person~~
2 ~~convicted under this subsection (2) to perform community service and be~~
3 ~~granted credit against the fine and court costs at the rate of five dollars for~~
4 ~~each hour of work performed for up to fifty percent of the fine and court~~
5 ~~costs.~~

6 ~~(b) It is not an offense under paragraph (a) of this subsection (2)~~
7 ~~if the person under eighteen years of age was acting at the direction of an~~
8 ~~employee of a governmental agency authorized to enforce or ensure~~
9 ~~compliance with laws relating to the prohibition of the sale of cigarettes,~~
10 ~~tobacco products, or nicotine products to minors.~~

11 (3) (a) Nothing in this section prohibits a statutory or home rule
12 municipality, county, or city and county from enacting an ordinance or
13 resolution that prohibits ~~a minor from purchasing~~ THE SALE OF any
14 cigarettes, tobacco products, or nicotine products TO PERSONS UNDER
15 TWENTY-ONE YEARS OF AGE or imposes requirements more stringent than
16 provided in this section.

17 (b) A STATUTORY OR HOME RULE MUNICIPALITY, COUNTY, OR CITY
18 AND COUNTY SHALL NOT ENACT AN ORDINANCE OR RESOLUTION THAT
19 ESTABLISHES A MINIMUM AGE TO PURCHASE CIGARETTES, TOBACCO
20 PRODUCTS, OR NICOTINE PRODUCTS THAT IS UNDER TWENTY-ONE YEARS
21 OF AGE.

22 **SECTION 2.** In Colorado Revised Statutes, 25-14-204, **amend**
23 (2)(b) and (3) as follows:

24 **25-14-204. General smoking restrictions.** (2) A cigar-tobacco
25 bar:

26 (b) Shall prohibit entry by any person under ~~eighteen~~
27 TWENTY-ONE years of age and shall display signage in at least one

1 conspicuous place and at least four inches by six inches in size stating:
2 "Smoking allowed. ~~Children~~ PERSONS under ~~eighteen~~ TWENTY-ONE years
3 of age may not enter."

4 (3) A retail tobacco business:

5 (a) Shall prohibit entry by any person under ~~eighteen~~ TWENTY-ONE
6 years of age; and

7 (b) Shall display signage in at least one conspicuous place and at
8 least four inches by six inches in size stating either:

9 (I) "Smoking allowed. ~~Children~~ PERSONS under ~~eighteen~~
10 TWENTY-ONE years of age may not enter."; or

11 (II) In the case of a retail tobacco business that desires to allow
12 the use of ESDs but not other forms of smoking on the premises, "Vaping
13 allowed. ~~Children~~ PERSONS under ~~eighteen~~ TWENTY-ONE years of age
14 may not enter."

15 **SECTION 3.** In Colorado Revised Statutes, 25-14-208.5, **amend**
16 (2) introductory portion, (2)(a), and (2)(b) as follows:

17 **25-14-208.5. Violations relating to signage and admission of**
18 **persons under twenty-one years of age - limitation on fines.**

19 (2) Notwithstanding subsection (1) of this section, ~~no~~ A fine for a
20 violation of section 25-14-204 (2) or (3) shall NOT be imposed upon a
21 person that can establish as an affirmative defense that, prior to the date
22 of the violation, ~~it~~ THE PERSON:

23 (a) Had adopted and enforced a written policy against allowing
24 persons under ~~eighteen~~ TWENTY-ONE years of age to enter the premises;

25 (b) Had informed ~~its~~ THE PERSON'S employees of the applicable
26 laws regarding the prohibition ~~of~~ AGAINST persons under ~~eighteen~~
27 TWENTY-ONE years of age ~~to enter or remain~~ ENTERING OR REMAINING in

1 areas where smoking is permitted;

2 **SECTION 4.** In Colorado Revised Statutes, 25-14-301, **amend**
3 (2) and (4) as follows:

4 **25-14-301. Sale of cigarettes, tobacco products, or nicotine**
5 **products to persons under twenty-one years of age prohibited -**
6 **definitions.** (2) (a) ~~Possession~~ THE SALE of a cigarette or tobacco product
7 ~~by~~ TO a person who is under ~~eighteen~~ TWENTY-ONE years of age is
8 prohibited.

9 (b) It ~~shall~~ IS not ~~be~~ an offense under ~~paragraph (a) of this~~
10 ~~subsection (2)~~ SUBSECTION (2)(a) OF THIS SECTION if the UNDERAGE
11 person ~~under eighteen years of age~~ was acting at the direction of an
12 employee of a governmental agency authorized to enforce or ensure
13 compliance with laws relating to the prohibition of the sale of cigarettes
14 and tobacco products to minors.

15 (4) (a) Nothing in this section prohibits a statutory or home rule
16 municipality, county, or city and county from enacting an ordinance or
17 resolution that prohibits the possession of cigarettes, tobacco products, or
18 nicotine products ~~by a minor~~ TO A PERSON UNDER TWENTY-ONE YEARS OF
19 AGE or imposes requirements more stringent than provided in this section.

20 (b) A STATUTORY OR HOME RULE MUNICIPALITY, COUNTY, OR CITY
21 AND COUNTY SHALL NOT ENACT AN ORDINANCE OR RESOLUTION THAT
22 ESTABLISHES A MINIMUM AGE TO PURCHASE CIGARETTES, TOBACCO
23 PRODUCTS, OR NICOTINE PRODUCTS THAT IS UNDER TWENTY-ONE YEARS
24 OF AGE.

25 **SECTION 5.** In Colorado Revised Statutes, 30-15-401, **amend**
26 (1.5) as follows:

27 **30-15-401. General regulations - definitions.** (1.5) In addition

1 to any other powers, the board of county commissioners has the power to
2 adopt a resolution or an ordinance to:

3 (a) Regulate the possession or ~~purchasing~~ SALE of cigarettes,
4 tobacco products, or nicotine products, as defined by section 18-13-121
5 (5), ~~by TO a minor or to regulate the sale of cigarettes, tobacco products,~~
6 ~~or nicotine products to minors; and~~ CONSISTENT WITH SECTION 18-13-121
7 (3);

8 (b) Limit smoking, as defined in section 25-14-203 (16), in any
9 manner that is no less restrictive than the limitations set forth in the
10 "Colorado Clean Indoor Air Act", part 2 of article 14 of title 25; AND

11 (c) LICENSE OR OTHERWISE REGULATE THE SALE OF CIGARETTES,
12 TOBACCO PRODUCTS, OR NICOTINE PRODUCTS.

13 **SECTION 6.** In Colorado Revised Statutes, **amend** 44-7-102 as
14 follows:

15 **44-7-102. Definitions.** As used in this article 7, unless the context
16 otherwise requires:

17 (1) "Cigarette, tobacco product, or nicotine product" has the same
18 meaning as provided in section ~~18-13-121~~ 18-13-121 (5).

19 (2) (a) "DISTRIBUTOR" MEANS A PERSON WHO SELLS OR
20 DISTRIBUTES CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS
21 TO LICENSED RETAILERS IN THIS STATE.

22 (b) "DISTRIBUTOR" INCLUDES A "DISTRIBUTOR" OR "DISTRIBUTING
23 SUBCONTRACTOR" AS THOSE TERMS ARE DEFINED IN SECTION 39-28.5-101.

24 ~~(2)~~(3) "Division" means the division of liquor enforcement within
25 the department.

26 (4) "ELECTRONIC SMOKING DEVICE" HAS THE MEANING SET FORTH
27 IN SECTION 25-14-203 (4.5).

1 ~~(3)~~ (5) "Hearing officer" means a person designated by the
2 executive director to conduct hearings held pursuant to section 44-7-105.

3 (6) "LOCAL AUTHORITY" MEANS THE GOVERNING BODY OF A
4 LOCAL GOVERNMENT OR ANY AUTHORITY DESIGNATED BY A MUNICIPAL OR
5 COUNTY CHARTER, MUNICIPAL ORDINANCE, OR COUNTY RESOLUTION TO
6 REGULATE RETAILERS.

7 (7) "LOCAL GOVERNMENT" MEANS A STATUTORY OR HOME RULE
8 MUNICIPALITY, COUNTY, OR CITY AND COUNTY.

9 ~~(4)~~ (8) "Minor" means a person under ~~eighteen~~ TWENTY-ONE years
10 of age.

11 (9) "NEW RETAIL LOCATION" MEANS A RETAIL LOCATION IN THE
12 STATE AT WHICH CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE
13 PRODUCTS WERE NOT SOLD BEFORE THE EFFECTIVE DATE OF THIS
14 SUBSECTION (9).

15 ~~(5)~~ (10) "Retailer" means THE OWNER OR OPERATOR OF a business
16 of any kind at a specific location that sells cigarettes, tobacco products,
17 or nicotine products to a user or consumer.

18 (11) "SCHOOL" HAS THE MEANING SET FORTH IN SECTION 44-3-103
19 (50).

20 (12) "STATE LICENSE" MEANS A LICENSE ISSUED BY THE DIVISION
21 IN ACCORDANCE WITH SECTION 44-7-104.5.

22 (13) (a) "WHOLESALER" MEANS A PERSON ENGAGED IN THE
23 WHOLESALE DISTRIBUTION OF CIGARETTES, TOBACCO PRODUCTS, OR
24 NICOTINE PRODUCTS IN THIS STATE.

25 (b) "WHOLESALER" INCLUDES A "WHOLESALER" AND "WHOLESALE
26 SUBCONTRACTOR" AS THOSE TERMS ARE DEFINED IN SECTION 39-28-101.

27 **SECTION 7.** In Colorado Revised Statutes, 44-7-103, **amend** (1),

1 (2), and (3); and **add** (4.5) as follows:

2 **44-7-103. Sale of cigarettes, tobacco products, or nicotine**
3 **products to persons under twenty-one years of age or in vending**
4 **machines prohibited - warning sign - small quantity sales prohibited.**

5 (1) ~~No~~ A retailer shall NOT sell or permit the sale of cigarettes, tobacco
6 products, or nicotine products to a minor; except that it is not a violation
7 if the retailer establishes that the person selling the cigarette, tobacco
8 product, or nicotine product was presented with and reasonably relied
9 upon a photographic identification that identified the person purchasing
10 the cigarette, tobacco product, or nicotine product as being ~~eighteen~~
11 TWENTY-ONE years of age or older.

12 (2) ~~No~~ A retailer shall NOT sell or offer to sell any cigarettes,
13 tobacco products, or nicotine products by use of a vending machine or
14 other coin-operated machine. ~~except that cigarettes may be sold at retail~~
15 ~~through vending machines only in:~~

16 ~~(a) Factories, businesses, offices, or other places not open to the~~
17 ~~general public;~~

18 ~~(b) Places to which minors are not permitted access; or~~

19 ~~(c) Establishments where the vending machine dispenses~~
20 ~~cigarettes through the operation of a device that enables an adult~~
21 ~~employee of the establishment to prevent the dispensing of cigarettes to~~
22 ~~minors.~~

23 (3) Any person who sells or offers to sell cigarettes, tobacco
24 products, or nicotine products shall display a warning sign as specified in
25 this subsection (3). The warning sign must be displayed in a prominent
26 place in the building ~~and on any vending or coin-operated machine~~ at all
27 times, must have a minimum height of three inches and a width of six

1 inches, and must read as follows:

2 WARNING

3 IT IS ~~ILLEGAL FOR~~ ILLEGAL TO SELL CIGARETTES,
4 TOBACCO PRODUCTS, OR NICOTINE PRODUCTS TO ANY
5 PERSON UNDER ~~EIGHTEEN~~ TWENTY-ONE YEARS OF
6 AGE. ~~TO PURCHASE CIGARETTES, TOBACCO~~
7 ~~PRODUCTS, OR NICOTINE PRODUCTS, AND, UPON~~
8 ~~CONVICTION, A \$100.00 FINE MAY BE IMPOSED.~~

9 (4.5) A RETAILER SHALL NOT PERMIT A PERSON UNDER EIGHTEEN
10 YEARS OF AGE TO SELL OR PARTICIPATE IN THE SALE OF CIGARETTES,
11 TOBACCO PRODUCTS, OR NICOTINE PRODUCTS.

12 **SECTION 8.** In Colorado Revised Statutes, 44-7-104, **amend**
13 (3)(b) and (4); and **add** (5) as follows:

14 **44-7-104. Enforcement authority - designation of agency -**
15 **coordination - sharing of information - rules.** (3) (b) (I) EACH YEAR,
16 the division shall perform OR CAUSE TO BE PERFORMED at least TWO
17 COMPLIANCE CHECKS AT EACH RETAIL LOCATION AT WHICH CIGARETTES,
18 TOBACCO PRODUCTS, OR NICOTINE PRODUCTS ARE SOLD OR AT LEAST the
19 minimum number of ~~random inspections of businesses that sell cigarettes,~~
20 ~~tobacco products, or nicotine products at retail as~~ ANNUAL COMPLIANCE
21 CHECKS required by federal regulations, WHICHEVER IS GREATER. THE
22 DIVISION SHALL PERFORM A COMPLIANCE CHECK BY ENGAGING A PERSON
23 UNDER TWENTY-ONE YEARS OF AGE TO ENTER A RETAIL LOCATION TO
24 PURCHASE CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS.

25 (II) IF A COMPLIANCE CHECK OF A RETAIL LOCATION PERFORMED
26 PURSUANT TO SUBSECTION (3)(b)(I) OF THIS SECTION REVEALS A
27 VIOLATION OF THIS ARTICLE 7, THE DIVISION, OR A LOCAL AUTHORITY IN

1 COORDINATION WITH THE DIVISION PURSUANT TO SECTION 44-7-104.5
2 (4)(c)(I), SHALL CONDUCT AN ADDITIONAL COMPLIANCE CHECK OF THE
3 RETAIL LOCATION WITHIN THREE TO SIX MONTHS AFTER THE COMPLIANCE
4 CHECK AT WHICH THE VIOLATION WAS DISCOVERED.

5 (4) In order to enforce laws relating to the prohibition of the sale
6 of cigarettes, tobacco products, or nicotine products to minors, the
7 department of revenue ~~may share information on~~ SHALL MAINTAIN AND
8 PUBLISH ON THE DIVISION'S PUBLIC WEBSITE the identification and ~~address~~
9 BUSINESS ADDRESSES of STATE-LICENSED retailers that sell cigarettes,
10 tobacco products, or nicotine products AND MAY SHARE THE LIST OR
11 INFORMATION INCLUDED IN THE LIST with any state OR LOCAL agency
12 responsible for the enforcement of laws relating to the prohibition of the
13 sale of cigarettes, tobacco products, or nicotine products to minors.

14 (5) (a) TO ENSURE THE PROTECTION OF PUBLIC HEALTH, THE
15 EXECUTIVE DIRECTOR SHALL PROMULGATE RULES CONCERNING THE
16 DIVISION'S ENFORCEMENT OF THIS ARTICLE 7, INCLUDING RULES:

17 (I) TO SET NECESSARY AND REASONABLE FEE AMOUNTS THAT:

18 (A) WILL COVER THE COST OF ENFORCEMENT AND
19 ADMINISTRATION, BUT THE TOTAL AMOUNT OF FEES MUST NOT EXCEED
20 THE TOTAL COST OF THE LICENSING PROGRAM, EXCEPT IN ACCORDANCE
21 WITH ANY ADJUSTMENTS MADE PURSUANT TO SUBSECTION (5)(a)(I)(B) OF
22 THIS SECTION; AND

23 (B) MAY BE ADJUSTED IN ACCORDANCE WITH CHANGES IN THE
24 UNITED STATES DEPARTMENT OF LABOR BUREAU OF LABOR STATISTICS
25 CONSUMER PRICE INDEX FOR DENVER-AURORA-LAKEWOOD FOR ALL
26 ITEMS AND URBAN CONSUMERS, OR ITS SUCCESSOR INDEX; AND

27 (II) IN ACCORDANCE WITH SUBSECTIONS (2) AND (3)(b) OF THIS

1 SECTION, REGARDING THE NUMBER AND MANNER OF COMPLIANCE CHECKS
2 OF RETAIL LOCATIONS THAT THE DIVISION SHALL PERFORM OR CAUSE TO
3 BE PERFORMED EACH YEAR.

4 (b) THE EXECUTIVE DIRECTOR MAY PROMULGATE RULES
5 AUTHORIZING A PERSON TO APPLY FOR A TEMPORARY STATE LICENSE AND
6 REQUIRING THE PAYMENT OF A TEMPORARY STATE LICENSE FEE. IF THE
7 EXECUTIVE DIRECTOR PROMULGATES SUCH RULES, THE RULES MUST
8 SPECIFY THAT THE TEMPORARY STATE LICENSE REMAINS IN EFFECT FOR NO
9 MORE THAN THIRTY DAYS AND IS NOT RENEWABLE.

10 (c) IN PROMULGATING RULES PURSUANT TO THIS SUBSECTION (5),
11 THE EXECUTIVE DIRECTOR MAY CONSULT WITH THE DEPARTMENT OF
12 HUMAN SERVICES, THE DEPARTMENT OF PUBLIC HEALTH AND
13 ENVIRONMENT, LOCAL GOVERNMENTS, AND ANY OTHER STATE OR LOCAL
14 AGENCIES THE EXECUTIVE DIRECTOR DEEMS APPROPRIATE.

15 **SECTION 9.** In Colorado Revised Statutes, **add 44-7-104.5** as
16 follows:

17 **44-7-104.5. License required - fees - rules - repeal.**

18 (1) (a) (I) ON OR AFTER JULY 1, 2021, A RETAILER DOING BUSINESS IN
19 THIS STATE SHALL NOT SELL OR OFFER FOR SALE CIGARETTES, TOBACCO
20 PRODUCTS, OR NICOTINE PRODUCTS IN THIS STATE WITHOUT FIRST
21 OBTAINING A STATE LICENSE AS A RETAILER FROM THE DIVISION.

22 (II) A STATE LICENSE IS VALID FOR ONE YEAR AND MAY BE
23 RENEWED BY APPLICATION IN THE FORM AND MANNER PRESCRIBED BY THE
24 DIVISION AND BY PAYMENT OF A FEE SET BY RULE PURSUANT TO SECTION
25 44-7-104 (5)(a)(I).

26 (b) AN OWNER OF MULTIPLE RETAIL LOCATIONS IN THE STATE AT
27 WHICH CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS ARE

1 SOLD OR OFFERED FOR SALE MUST APPLY FOR A SEPARATE STATE LICENSE
2 FOR EACH RETAIL LOCATION. IF THE EXECUTIVE DIRECTOR WISHES TO
3 AUTHORIZE AN OWNER OF MULTIPLE RETAIL LOCATIONS IN THE STATE TO
4 APPLY SIMULTANEOUSLY FOR STATE LICENSES FOR EACH RETAIL LOCATION
5 OWNED BY SUBMITTING A JOINT APPLICATION, THE EXECUTIVE DIRECTOR
6 MAY ESTABLISH BY RULE:

7 (I) THE PROCESS BY WHICH THE OWNER MAY APPLY FOR STATE
8 LICENSES FOR MULTIPLE RETAIL LOCATIONS IN A JOINT APPLICATION; AND

9 (II) A JOINT APPLICATION FEE.

10 (2) (a) EXCEPT AS PROVIDED IN SUBSECTION (4)(b) OF THIS
11 SECTION, THE DIVISION SHALL APPROVE OR DENY A STATE LICENSE
12 APPLICATION WITHIN SIXTY DAYS AFTER RECEIVING THE APPLICATION. THE
13 DIVISION MAY DENY AN APPLICATION ONLY FOR GOOD CAUSE. IF THE
14 DIVISION DENIES AN APPLICATION, THE DIVISION SHALL INFORM THE
15 APPLICANT IN WRITING OF THE REASONS FOR THE DENIAL, AND THE
16 APPLICANT, WITHIN FOURTEEN DAYS AFTER RECEIVING THE WRITTEN
17 DENIAL, MAY REQUEST THAT A HEARING BE HELD ON THE MATTER IN
18 ACCORDANCE WITH SECTION 44-7-105.

19 (b) (I) IF A RETAILER THAT SOLD OR OFFERED TO SELL CIGARETTES,
20 TOBACCO PRODUCTS, OR NICOTINE PRODUCTS AT A RETAIL LOCATION IN
21 THE STATE BEFORE JULY 1, 2021, HAS APPLIED FOR A STATE LICENSE FROM
22 THE DIVISION AND PAID THE STATE LICENSE FEE ON OR BEFORE JULY 1,
23 2021, THE RETAILER MAY CONTINUE TO SELL OR OFFER TO SELL
24 CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS ON OR AFTER
25 JULY 1, 2021, WITHOUT A STATE LICENSE DURING THE PENDENCY OF THE
26 DIVISION'S REVIEW OF THE RETAILER'S STATE LICENSE APPLICATION.

27 (II) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE JULY 1, 2022.

1 (3) (a) UPON OBTAINING A STATE LICENSE FROM THE DIVISION FOR
2 A RETAIL LOCATION, A RETAILER SHALL CONSPICUOUSLY DISPLAY THE
3 STATE LICENSE AT THE RETAIL LOCATION.

4 (b) (I) STATE LICENSES ARE NOT TRANSFERABLE. IF A LICENSEE
5 CEASES TO BE A RETAILER AT A RETAIL LOCATION BY REASON OF
6 DISCONTINUATION, SALE, OR TRANSFER OF THE LICENSEE'S BUSINESS, THE
7 LICENSEE SHALL NOTIFY THE DIVISION IN WRITING ON OR BEFORE THE
8 DATE ON WHICH THE DISCONTINUANCE, SALE, OR TRANSFER TAKES EFFECT.

9 (II) IF A PERSON TO WHOM A RETAILER'S RETAIL LOCATION IS SOLD
10 APPLIES FOR A STATE LICENSE FOR THE RETAIL LOCATION WITHIN THIRTY
11 DAYS AFTER TAKING OWNERSHIP OF THE RETAIL LOCATION, WHICH DATE
12 OF TAKING OWNERSHIP MUST BE DEMONSTRATED IN THE APPLICATION IN
13 A MANNER DETERMINED BY THE DIVISION, THE PERSON MAY CONTINUE TO
14 SELL OR OFFER TO SELL CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE
15 PRODUCTS WITHOUT A STATE LICENSE DURING THE PENDENCY OF THE
16 DIVISION'S REVIEW OF THE PERSON'S STATE LICENSE APPLICATION.

17 (4) (a) IF A LOCAL GOVERNMENT IMPOSES LICENSING
18 REQUIREMENTS ON RETAILERS, THE LICENSING REQUIREMENTS MUST BE AS
19 STRINGENT AS, AND MAY BE MORE STRINGENT THAN, THE STATEWIDE
20 LICENSING REQUIREMENTS SET FORTH IN THIS ARTICLE 7.

21 (b) IF A RETAILER APPLIES FOR A STATE LICENSE FROM THE
22 DIVISION PURSUANT TO THIS SECTION FOR A RETAIL LOCATION THAT IS
23 WITHIN THE JURISDICTION OF A LOCAL GOVERNMENT THAT IMPOSES
24 LICENSING REQUIREMENTS ON RETAILERS, THE DIVISION SHALL NOT ISSUE
25 A STATE LICENSE TO THE RETAILER UNTIL THE RETAILER HAS OBTAINED A
26 LOCAL LICENSE AND PROVIDED A COPY OF THE LOCAL LICENSE TO THE
27 DIVISION.

1 (c) THE DIVISION SHALL COLLABORATE WITH ANY LOCAL
2 AUTHORITY:

3 (I) ON THE PERFORMANCE OF COMPLIANCE CHECKS TO AVOID
4 DUPLICATIVE INSPECTIONS OF THE SAME RETAIL LOCATION AND TO ENSURE
5 THAT A LOCAL AUTHORITY'S COMPLIANCE CHECK OF A RETAIL LOCATION,
6 WHICH COUNTS TOWARD THE NUMBER OF COMPLIANCE CHECKS REQUIRED
7 BY RULE PURSUANT TO SECTION 44-7-104 (5)(a)(II), COMPORTS WITH THE
8 DIVISION'S STANDARDS; AND

9 (II) TO ENSURE THAT COMPLAINTS RECEIVED BY THE DIVISION ARE
10 FORWARDED TO THE APPROPRIATE LOCAL AUTHORITY AND THAT
11 COMPLAINTS RECEIVED BY THE LOCAL AUTHORITY ARE FORWARDED TO
12 THE DIVISION FOR THE TIMELY INVESTIGATION INTO AND ACTION TAKEN
13 ON THE COMPLAINTS.

14 (5) (a) NINETY DAYS BEFORE THE EXPIRATION DATE OF AN
15 EXISTING STATE LICENSE, THE DIVISION SHALL NOTIFY THE LICENSEE OF
16 THE EXPIRATION DATE OF THE STATE LICENSE BY ELECTRONIC MAIL OR BY
17 FIRST-CLASS MAIL, AS DETERMINED BY THE EXECUTIVE DIRECTOR, AT THE
18 MAILING ADDRESS THAT THE DIVISION HAS ON FILE FOR THE LICENSEE. THE
19 DIVISION SHALL ESTABLISH A PROCESS FOR A LICENSEE TO CONFIRM
20 RECEIPT OF A NOTICE SENT PURSUANT TO THIS SUBSECTION (5)(a). THE
21 DIVISION SHALL DESCRIBE THE CONFIRMATION PROCESS IN THE NOTICE
22 ITSELF AND ON THE DIVISION'S WEBSITE.

23 (b) (I) IF THE STATE LICENSE CONCERNS A RETAIL LOCATION THAT
24 IS LOCATED WITHIN THE JURISDICTION OF A LOCAL AUTHORITY THAT
25 IMPOSES LICENSING REQUIREMENTS ON RETAILERS, THE DIVISION SHALL
26 NOT RENEW THE LICENSEE'S STATE LICENSE UNTIL THE LICENSEE HAS
27 DEMONSTRATED TO THE DIVISION THAT THE LICENSEE IS OPERATING

1 UNDER A VALID LOCAL LICENSE OR HAS APPLIED TO THE LOCAL AUTHORITY
2 TO RENEW LOCAL LICENSE AND THE RENEWAL APPLICATION IS PENDING.

3 (II) IF, PURSUANT TO SUBSECTION (5)(b)(I) OF THIS SECTION, A
4 RETAILER APPLYING TO RENEW A STATE LICENSE HAS DEMONSTRATED TO
5 THE DIVISION THAT THE APPLICANT HAS APPLIED TO RENEW A LOCAL
6 LICENSE BUT THE LOCAL LICENSE RENEWAL APPLICATION IS STILL PENDING
7 AT THE TIME OF APPLICATION TO THE DIVISION:

8 (A) THE DIVISION SHALL NOT RENEW THE APPLICANT'S STATE
9 LICENSE UNTIL THE APPLICANT HAS SUBMITTED DOCUMENTATION
10 SHOWING THAT THE LOCAL AUTHORITY HAS RENEWED THE APPLICANT'S
11 LOCAL LICENSE; AND

12 (B) UNLESS THE DIVISION DENIES THE APPLICANT'S STATE LICENSE
13 RENEWAL APPLICATION FOR REASONS OTHER THAN A LACK OF
14 DOCUMENTATION SHOWING THAT THE LOCAL AUTHORITY HAS RENEWED
15 THE APPLICANT'S LOCAL LICENSE, THE APPLICANT'S CURRENT STATE
16 LICENSE IS EXTENDED UNTIL BOTH THE LOCAL AUTHORITY AND THE
17 DIVISION HAVE TAKEN FINAL ACTION ON THE LICENSE RENEWAL
18 APPLICATIONS.

19 (c) IF THE RETAILER'S STATE LICENSE CONCERNS A RETAIL
20 LOCATION THAT IS LOCATED WITHIN THE JURISDICTION OF A LOCAL
21 AUTHORITY THAT IMPOSES LICENSING REQUIREMENTS ON RETAILERS AND
22 THE LOCAL AUTHORITY:

23 (I) SUSPENDS THE RETAILER'S LOCAL LICENSE, THE DIVISION
24 SHALL, PURSUANT TO THE NOTICE AND HEARING PROCESS SET FORTH IN
25 SECTION 44-7-105 (1)(b), SUSPEND THE RETAILER'S STATE LICENSE UNTIL
26 THE RETAILER CAN DEMONSTRATE TO THE DIVISION'S SATISFACTION THAT
27 THE LOCAL LICENSE HAS BEEN REINSTATED; OR

1 (II) REVOKES THE RETAILER'S LOCAL LICENSE, THE DIVISION
2 SHALL, PURSUANT TO THE NOTICE AND HEARING PROCESS SET FORTH IN
3 SECTION 44-7-105 (1)(b), REVOKE THE RETAILER'S STATE LICENSE.

4 (6) THE DIVISION SHALL TRANSFER ANY FEES COLLECTED IN
5 ACCORDANCE WITH THIS ARTICLE 7 TO THE STATE TREASURER, WHO SHALL
6 CREDIT THE FEES TO THE LIQUOR ENFORCEMENT DIVISION AND STATE
7 LICENSING AUTHORITY CASH FUND CREATED IN SECTION 44-6-101.

8 **SECTION 10.** In Colorado Revised Statutes, **add** 44-7-104.7 as
9 follows:

10 **44-7-104.7. Restrictions on sales - minimum distance**
11 **requirement - advertising restriction - online sales prohibited.**

12 (1) (a) THE DIVISION SHALL NOT APPROVE A STATE LICENSE APPLICATION
13 FOR A NEW RETAIL LOCATION THAT IS LOCATED WITHIN FIVE HUNDRED
14 FEET OF A SCHOOL. THE DISTANCE BETWEEN THE NEW RETAIL LOCATION
15 AND THE SCHOOL IS MEASURED FROM THE NEAREST PROPERTY LINE OF
16 LAND USED FOR SCHOOL PURPOSES TO THE NEAREST PORTION OF THE
17 BUILDING WHERE CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE
18 PRODUCTS WILL BE SOLD, USING A ROUTE OF DIRECT PEDESTRIAN ACCESS.

19 (b) THIS SUBSECTION (1) DOES NOT APPLY TO RETAIL LOCATIONS
20 AT WHICH CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS
21 WERE SOLD BEFORE THE EFFECTIVE DATE OF THIS SUBSECTION (1).

22 (c) IF A RETAIL LOCATION THAT WAS IN EXISTENCE AS OF THE
23 EFFECTIVE DATE OF THIS SUBSECTION (1) IS TRANSFERRED TO A NEW
24 OWNER AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (1), THE NEW
25 OWNER NEED NOT COMPLY WITH THIS SUBSECTION (1).

26 (d) A LOCAL AUTHORITY MAY BY ORDINANCE OR RESOLUTION:

27 (I) ELIMINATE ONE OR MORE TYPES OF SCHOOLS FROM THE

1 DISTANCE RESTRICTION SET FORTH IN SUBSECTION (1)(a) OF THIS SECTION;

2 OR

3 (II) ADOPT SHORTER DISTANCE RESTRICTIONS.

4 (2) A RETAILER SHALL NOT ADVERTISE AN ELECTRONIC SMOKING
5 DEVICE PRODUCT IN A MANNER THAT IS VISIBLE FROM OUTSIDE THE RETAIL
6 LOCATION AT WHICH THE PRODUCT IS OFFERED FOR SALE.

7 (3) (a) A PERSON SHALL NOT SHIP OR DELIVER CIGARETTES,
8 TOBACCO PRODUCTS, OR NICOTINE PRODUCTS DIRECTLY TO A CONSUMER
9 IN THIS STATE. EXCEPT AS PROVIDED IN SUBSECTIONS (3)(b) AND (3)(c) OF
10 THIS SECTION, ONLY A RETAILER LICENSED UNDER THIS ARTICLE 7, A
11 WHOLESALER, OR A DISTRIBUTOR MAY RECEIVE A SHIPMENT OR DELIVERY
12 OF CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS IN THIS
13 STATE.

14 (b) CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS
15 MAY BE SOLD TO A CONSUMER ONLINE ONLY IF THE CIGARETTES, TOBACCO
16 PRODUCTS, OR NICOTINE PRODUCTS ARE DELIVERED TO A LICENSED
17 RETAILER THAT AGREES, WHETHER OR NOT FOR COMPENSATION, TO HOLD
18 THE PRODUCTS AT THE LICENSED RETAILER'S RETAIL LOCATION UNTIL THE
19 CONSUMER PICKS UP THE PRODUCTS AT THE RETAIL LOCATION.

20 (c) THE PROHIBITION SET FORTH IN SUBSECTION (3)(a) OF THIS
21 SECTION DOES NOT APPLY TO THE DIRECT SHIPMENT OR DELIVERY OF
22 CIGARS TO A CONSUMER.

23 **SECTION 11.** In Colorado Revised Statutes, **amend** 44-7-105 as
24 follows:

25 **44-7-105. Enforcement - fines - suspension and revocation -**
26 **injunctive relief - hearings - appeals.** (1) (a) (I) Subject to the FINE
27 limitations contained in ~~section~~ SECTIONS 44-7-104.5 (7)(a)(I) AND

1 44-7-106, the division, on its own motion or on a complaint from another
2 governmental agency responsible for the enforcement of laws relating to
3 the prohibition of the sale of cigarettes, tobacco products, or nicotine
4 products to minors, ~~has the power to~~ MAY penalize retailers for violations
5 of ~~section 44-7-103~~ THIS ARTICLE 7.

6 (II) THE DIVISION, IN THE NAME OF THE PEOPLE OF THE STATE OF
7 COLORADO AND THROUGH THE ATTORNEY GENERAL OF THE STATE OF
8 COLORADO, MAY APPLY FOR AN INJUNCTION IN ANY COURT OF COMPETENT
9 JURISDICTION TO ENJOIN ANY PERSON FROM COMMITTING AN ACT
10 PROHIBITED BY THIS ARTICLE 7. IF THE DIVISION ESTABLISHES THAT THE
11 DEFENDANT HAS BEEN OR IS COMMITTING AN ACT PROHIBITED BY THIS
12 ARTICLE 7, THE COURT SHALL ENTER A DECREE ENJOINING THE DEFENDANT
13 FROM FURTHER COMMITTING THE ACT. AN INJUNCTIVE PROCEEDING MAY
14 BE BROUGHT PURSUANT TO THIS ARTICLE 7 IN ADDITION TO, AND NOT IN
15 LIEU OF, PENALTIES AND OTHER REMEDIES PROVIDED IN THIS ARTICLE 7
16 AND THE RULES PROMULGATED PURSUANT TO THIS ARTICLE 7 OR
17 OTHERWISE PROVIDED BY LAW.

18 (b) IN ADDITION TO ANY OTHER SANCTIONS PRESCRIBED BY THIS
19 ARTICLE 7 OR RULES PROMULGATED PURSUANT TO THIS ARTICLE 7, THE
20 DIVISION MAY, AFTER INVESTIGATION AND A PUBLIC HEARING AT WHICH
21 A RETAILER MUST BE AFFORDED AN OPPORTUNITY TO BE HEARD, FINE A
22 RETAILER OR, IF THE RETAILER HOLDS A STATE LICENSE, SUSPEND OR
23 REVOKE THE RETAILER'S STATE LICENSE FOR A VIOLATION OF THIS ARTICLE
24 7 OR ANY RULE PROMULGATED PURSUANT TO THIS ARTICLE 7 COMMITTED
25 BY THE RETAILER OR BY ANY AGENT OR EMPLOYEE OF THE RETAILER.

26 (2) (a) A retailer accused of violating ~~section 44-7-103~~ shall be
27 THIS ARTICLE 7 OR ANY RULE PROMULGATED PURSUANT TO THIS ARTICLE

1 7 IS entitled to written notice of the time and place of the hearing
2 personally delivered to the retailer at the actual retail location or mailed
3 to the retailer at the last-known address as shown by the records of the
4 ~~department~~ DIVISION. The retailer is also entitled to be represented by
5 counsel, to present evidence, and to cross-examine witnesses.

6 (b) ~~A retailer that does not claim an affirmative defense pursuant~~
7 ~~to section 44-7-106 (2) may waive its right to a hearing and pay the~~
8 ~~appropriate fine.~~

9 (3) A hearing pursuant to this section shall be conducted at a
10 location designated by the division before a hearing officer. The hearing
11 officer ~~shall have the power to~~ MAY administer oaths and issue subpoenas
12 to require the presence of persons and the production of documents
13 relating to any alleged violation of ~~section 44-7-103~~ THIS ARTICLE 7 OR
14 ANY RULE PROMULGATED PURSUANT TO THIS ARTICLE 7.

15 (4) If the hearing officer finds, by a preponderance of the
16 evidence, that the retailer violated ~~section 44-7-103~~ THIS ARTICLE 7 OR
17 ANY RULE PROMULGATED PURSUANT TO THIS ARTICLE 7, the hearing
18 officer may issue a written order TO SUSPEND OR REVOKE THE RETAILER'S
19 STATE LICENSE or TO levy a fine against the retailer ~~subject to the~~
20 ~~provisions of~~ IN ACCORDANCE WITH section 44-7-106.

21 (5) The ~~findings~~ DECISION of the hearing officer ~~shall be~~ IS a final
22 agency ~~order~~ ACTION. Any appeal of the decision of the hearing officer
23 shall be filed with the Colorado court of appeals pursuant to section
24 24-4-106 (11).

25 (6) Any unpaid fine levied pursuant to this section, together with
26 reasonable attorney fees, may be collected in a civil action filed by the
27 attorney general.

1 (7) THE DIVISION SHALL FORWARD any fines collected for
2 violations of ~~section 44-7-103 shall be forwarded~~ THIS ARTICLE 7 OR ANY
3 RULE PROMULGATED PURSUANT TO THIS ARTICLE 7 to the state treasurer,
4 who shall credit them to the cigarette, tobacco product, and nicotine
5 product use by minors prevention fund created in section 44-7-107.

6 (8) NOTHING IN THIS SECTION OR SECTION 44-7-106 PROHIBITS A
7 LOCAL GOVERNMENT FROM IMPOSING SANCTIONS ON A RETAILER FOR A
8 VIOLATION OF A LOCAL ORDINANCE OR RESOLUTION.

9 **SECTION 12.** In Colorado Revised Statutes, **amend** 44-7-106 as
10 follows:

11 **44-7-106. Limitation on fines.** (1) (a) For a violation of section
12 44-7-103 (1), ~~or (4)~~, the penalty ~~shall be~~ IS as follows:

13 (I) A FINE IN AN AMOUNT OF AT LEAST TWO HUNDRED FIFTY
14 DOLLARS BUT NOT MORE THAN FIVE HUNDRED DOLLARS FOR A FIRST
15 VIOLATION COMMITTED WITHIN A THIRTY-SIX-MONTH PERIOD;

16 (II) A FINE IN AN AMOUNT OF AT LEAST FIVE HUNDRED DOLLARS
17 BUT NOT MORE THAN SEVEN HUNDRED FIFTY DOLLARS FOR A SECOND
18 VIOLATION WITHIN A THIRTY-SIX-MONTH PERIOD AND A PROHIBITION
19 AGAINST THE RETAILER SELLING CIGARETTES, TOBACCO PRODUCTS, OR
20 NICOTINE PRODUCTS AT THE RETAIL LOCATION AT WHICH THE VIOLATION
21 OCCURRED FOR AT LEAST SEVEN DAYS FOLLOWING THE DATE THAT THE
22 FINE IS IMPOSED;

23 (III) A FINE IN AN AMOUNT OF AT LEAST SEVEN HUNDRED FIFTY
24 DOLLARS BUT NOT MORE THAN ONE THOUSAND DOLLARS FOR A THIRD
25 VIOLATION WITHIN A THIRTY-SIX-MONTH PERIOD AND A PROHIBITION
26 AGAINST THE RETAILER SELLING CIGARETTES, TOBACCO PRODUCTS, OR
27 NICOTINE PRODUCTS AT THE RETAIL LOCATION AT WHICH THE VIOLATION

1 OCCURRED FOR AT LEAST THIRTY DAYS FOLLOWING THE DATE THAT THE
2 FINE IS IMPOSED; AND

3 (IV) A FINE IN AN AMOUNT OF AT LEAST ONE THOUSAND DOLLARS
4 BUT NOT MORE THAN FIFTEEN THOUSAND DOLLARS FOR A FOURTH OR
5 SUBSEQUENT VIOLATION WITHIN A THIRTY-SIX-MONTH PERIOD AND A
6 PROHIBITION AGAINST THE RETAILER SELLING CIGARETTES, TOBACCO
7 PRODUCTS, OR NICOTINE PRODUCTS AT THE RETAIL LOCATION AT WHICH
8 THE VIOLATION OCCURRED FOR UP TO THREE YEARS FOLLOWING THE DATE
9 THAT THE FINE IS IMPOSED.

10 (b) FOR A VIOLATION OF SECTION 44-7-103 (4), THE PENALTY IS AS
11 FOLLOWS:

12 (a) (I) A written warning for a first violation committed within a
13 ~~twenty-four-month~~ THIRTY-SIX-MONTH period;

14 (b) (II) A fine of two hundred fifty dollars for a second violation
15 within a ~~twenty-four-month~~ THIRTY-SIX-MONTH period;

16 (c) (III) A fine of five hundred dollars for a third violation within
17 a ~~twenty-four-month~~ THIRTY-SIX-MONTH period;

18 (d) (IV) A fine of one thousand dollars for a fourth violation
19 within a ~~twenty-four-month~~ THIRTY-SIX-MONTH period; and

20 (e) (V) A fine of ~~between~~ AT LEAST one thousand dollars ~~and~~ BUT
21 NOT MORE THAN fifteen thousand dollars for a fifth or subsequent
22 violation within a ~~twenty-four-month~~ THIRTY-SIX-MONTH period.

23 (c) (I) ON OR AFTER JULY 1, 2021, A PERSON WHO SELLS OR OFFERS
24 TO SELL CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS
25 WITHOUT A VALID STATE LICENSE ISSUED PURSUANT TO THIS SECTION IS
26 SUBJECT TO THE FOLLOWING CIVIL FINES FOR EACH RETAIL LOCATION AT
27 WHICH THE PERSON SELLS OR OFFERS TO SELL CIGARETTES, TOBACCO

1 PRODUCTS, OR NICOTINE PRODUCTS WITHOUT A VALID STATE LICENSE:

2 (A) ONE THOUSAND DOLLARS FOR THE FIRST VIOLATION;

3 (B) TWO THOUSAND DOLLARS FOR THE SECOND VIOLATION WITHIN
4 THIRTY-SIX MONTHS; AND

5 (C) THREE THOUSAND DOLLARS FOR THE THIRD OR SUBSEQUENT
6 VIOLATION WITHIN THIRTY-SIX MONTHS.

7 (II) EACH SALE OF OR OFFER TO SELL CIGARETTES, TOBACCO
8 PRODUCTS, OR NICOTINE PRODUCTS WITHOUT A VALID STATE LICENSE IS
9 A DISTINCT VIOLATION OF THIS SECTION SUBJECT TO A FINE.

10 (III) IF THE DIVISION FINDS THAT A PERSON HAS VIOLATED THIS
11 SUBSECTION (1)(c) THREE TIMES WITHIN THIRTY-SIX MONTHS, THE
12 DIVISION SHALL ISSUE THE PERSON AN ORDER PROHIBITING THE PERSON
13 FROM SELLING CIGARETTES, TOBACCO PRODUCTS, OR NICOTINE PRODUCTS,
14 WHICH ORDER RENDERS THE PERSON INELIGIBLE TO APPLY FOR A STATE
15 LICENSE FOR THREE YEARS FOLLOWING THE DATE OF THE ORDER.

16 (IV) THE FINE AMOUNTS SET FORTH IN SUBSECTION (1)(c)(I) OF
17 THIS SECTION ALSO APPLY TO VIOLATIONS OF SECTION 44-7-104.7 (2) AND
18 (3).

19 ~~(2) Notwithstanding subsection (1) of this section, no fine for a~~
20 ~~violation of section 44-7-103 (1) shall be imposed upon a retailer that can~~
21 ~~establish an affirmative defense to the satisfaction of the division or the~~
22 ~~hearing officer that, prior to the date of the violation, it:~~

23 ~~(a) Had adopted and enforced a written policy against selling~~
24 ~~cigarettes, tobacco products, or nicotine products to persons under~~
25 ~~eighteen years of age;~~

26 ~~(b) Had informed its employees of the applicable laws regarding~~
27 ~~the sale of cigarettes, tobacco products, or nicotine products to persons~~

1 under eighteen years of age;

2 (c) ~~Required employees to verify the age of cigarette, tobacco~~
3 ~~product, or nicotine product customers by way of photographic~~
4 ~~identification; and~~

5 (d) ~~Had established and imposed disciplinary sanctions for~~
6 ~~noncompliance.~~

7 (3) ~~The affirmative defense established in subsection (2) of this~~
8 ~~section may be used by a retailer only twice at each location within any~~
9 ~~twenty-four-month period.~~

10 (4) ~~For a violation of section 44-7-103 (2) or (3), the penalty shall~~
11 ~~be as follows:~~

12 (4) (2) (a) (I) THE PENALTY for a violation of section 44-7-103 (2)
13 OR (4.5) IS a fine of twenty-five dollars for a first violation committed
14 within a ~~twenty-four-month~~ THIRTY-SIX-MONTH period.

15 (II) THE PENALTY for a violation of section 44-7-103 (3) IS a
16 written warning for a first violation committed within a
17 ~~twenty-four-month~~ THIRTY-SIX-MONTH period.

18 (b) FOR A VIOLATION OF SECTION 44-7-103 (2), (3), OR (4.5), THE
19 PENALTY IS AS FOLLOWS:

20 (b) (I) A fine of fifty dollars for a second violation within a
21 ~~twenty-four-month~~ THIRTY-SIX-MONTH period;

22 (c) (II) A fine of one hundred dollars for a third violation within
23 a ~~twenty-four-month~~ THIRTY-SIX-MONTH period;

24 (d) (III) A fine of two hundred fifty dollars for a fourth violation
25 within a ~~twenty-four-month~~ THIRTY-SIX-MONTH period; and

26 (e) (IV) A fine of ~~between~~ AT LEAST two hundred fifty dollars ~~and~~
27 BUT NOT MORE THAN one thousand dollars for a fifth or subsequent

1 violation within a ~~twenty-four-month~~ THIRTY-SIX-MONTH period.

2 **SECTION 13.** In Colorado Revised Statutes, 8-84-202, **amend**
3 (4) as follows:

4 **8-84-202. Definitions.** As used in this part 2, unless the context
5 otherwise requires:

6 (4) "Vending facility" means automatic vending machines, a café,
7 a cafeteria, a restaurant, a snack bar, a concession stand, or any other
8 facility at which food, drinks, drugs, novelties, souvenirs, ~~tobacco~~
9 ~~products~~, notions, or related items are regularly sold.

10 **SECTION 14.** In Colorado Revised Statutes, 19-2-104, **amend**
11 (1) introductory portion and (1)(a)(I) as follows:

12 **19-2-104. Jurisdiction.** (1) Except as otherwise provided by law,
13 the juvenile court ~~shall have~~ HAS exclusive original jurisdiction in
14 proceedings:

15 (a) Concerning any juvenile ten years of age or older who has
16 violated:

17 (I) Any federal or state law, except nonfelony state traffic, game
18 and fish, and parks and recreation laws or rules; ~~the offenses specified in~~
19 ~~section 18-13-121, concerning tobacco products~~; the offense specified in
20 section 18-13-122, concerning the illegal possession or consumption of
21 ethyl alcohol or marijuana by an underage person or illegal possession of
22 marijuana paraphernalia by an underage person; the offenses specified in
23 section 18-18-406 (5)(a)(I), (5)(b)(I), and (5)(b)(II), concerning marijuana
24 and marijuana concentrate; and the civil infraction in section 18-7-109
25 (3), concerning exchange of a private image by a juvenile;

26 **SECTION 15.** In Colorado Revised Statutes, 19-2-513, **amend**
27 (3)(a) introductory portion as follows:

1 **19-2-513. Petition form and content.** (3) (a) Pursuant to the
2 ~~provisions of section 19-1-126, in those delinquency proceedings to~~
3 ~~which the federal "Indian Child Welfare Act", 25 U.S.C. sec. 1901 et~~
4 ~~seq., AS AMENDED, applies, including but not limited to status offenses~~
5 ~~such as the illegal possession or consumption of ethyl alcohol or~~
6 ~~marijuana by an underage person or illegal possession of marijuana~~
7 ~~paraphernalia by an underage person, as described in section 18-13-122,~~
8 ~~C.R.S., purchase or attempted purchase of cigarettes or tobacco products~~
9 ~~by a person under eighteen years of age, as described in section~~
10 ~~18-13-121, C.R.S., and possession of handguns by juveniles, as described~~
11 ~~in section 18-12-108.5, C.R.S., the petition shall~~ MUST:

12 **SECTION 16.** In Colorado Revised Statutes, 24-33.5-1202,
13 **amend** (15) as follows:

14 **24-33.5-1202. Definitions.** As used in this part 12, unless the
15 context otherwise requires:

16 (15) "Wholesale dealer" means

17 ~~(a) any person, other than a manufacturer, who sells cigarettes, or~~
18 ~~tobacco products, OR NICOTINE PRODUCTS to retail dealers or other~~
19 ~~persons for purposes of resale. and~~

20 ~~(b) Any person who owns, operates, or maintains one or more~~
21 ~~cigarette or tobacco product vending machines in, at, or upon premises~~
22 ~~owned or occupied by any other person.~~

23 **SECTION 17.** In Colorado Revised Statutes, **amend** 44-6-101 as
24 follows:

25 **44-6-101. Liquor enforcement division and state licensing**
26 **authority cash fund.** There is hereby created in the state treasury the
27 liquor enforcement division and state licensing authority cash fund. The

1 fund ~~shall consist~~ CONSISTS of money transferred in accordance with
2 sections 44-3-502 (1), ~~and~~ 44-4-105 (2), AND 44-7-104.5 (6). The general
3 assembly shall make annual appropriations from the fund for a portion of
4 the direct and indirect costs of the liquor enforcement division and the
5 state licensing authority in the administration and enforcement of articles
6 3 to 5 AND 7 of this title 44. Any money remaining in the fund at the end
7 of each fiscal year ~~shall remain~~ REMAINS in the fund and ~~shall~~ DOES not
8 revert to the general fund or any other fund. The fund shall be maintained
9 in accordance with section 24-75-402.

10 **SECTION 18. Applicability.** This act applies to offenses
11 committed on or after the effective date of this act.

12 **SECTION 19. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety.