

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

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 21-0003.02 Jery Payne x2157

SENATE BILL 21-082

SENATE SPONSORSHIP

Priola and Pettersen,

HOUSE SPONSORSHIP

Mullica,

Senate Committees

Business, Labor, & Technology
Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING AUTHORIZATION FOR CERTAIN ALCOHOL BEVERAGE**
102 **LICENSE HOLDERS TO HOLD FESTIVALS FOR ALCOHOL**
103 **BEVERAGE RETAIL ACTIVITY.**

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>.)

Under current law, a limited winery or a wine manufacturer may obtain a permit to hold up to 9 wine festivals in 12 months, with each festival lasting no longer than 72 hours. Other limited wineries and wine manufacturers may participate in the wine festival. Wine tastings and retail sales are conducted at a wine festival.

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 bill authorizes the following to also hold festivals where they can conduct joint tastings and engage in any retail operations authorized by their licenses or permits:

- A retail liquor store licensee;
- A beer and wine licensee;
- A hotel and restaurant licensee;
- A tavern licensee;
- A retail gaming tavern licensee;
- A brew pub licensee;
- An arts licensee;
- A vintner's restaurant licensee;
- A distillery pub licensee;
- A winery or limited winery operating a sales room;
- A spirits manufacturer operating a sales room; and
- A beer manufacturer operating a sales room.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-3-301, **amend**
3 (3)(a) as follows:

4 **44-3-301. Licensing in general.** (3) (a) Each license issued under
5 this article 3 and article 4 of this title 44 is separate and distinct. It is
6 unlawful for any person to exercise any of the privileges granted under
7 any license other than the license the person holds or for any licensee to
8 allow any other person to exercise the privileges granted under the
9 licensee's license, except as provided in section 44-3-402 (3), 44-3-403
10 (2)(a), 44-3-404, or 44-3-417 (1)(b). A separate license must be issued for
11 each specific business or business entity and each geographic location,
12 and in the license the particular alcohol beverages the applicant is
13 authorized to manufacture or sell must be named and described. For
14 purposes of this section, a resort complex with common ownership, a
15 campus liquor complex, a hotel and restaurant licensee with optional
16 premises, an optional premises licensee for optional premises located on
17 an outdoor sports and recreational facility, and a ~~wine~~ festival at which

1 more than one licensee participates pursuant to a ~~wine~~ festival permit is
2 considered a single business and location.

3 **SECTION 2.** In Colorado Revised Statutes, 44-3-404, **amend** (1),
4 (2), (4) introductory portion, (5), (6), and (7); and **add** (9) as follows:

5 **44-3-404. Festival permit.** (1) (a) A ~~wine~~ PERSON LISTED IN
6 SUBSECTION (9) OF THIS SECTION MAY FILE A festival permit application
7 ~~may be filed~~ with the state licensing authority. ~~by any limited winery~~
8 ~~licensee or by any manufacturer licensee that is licensed to manufacture~~
9 ~~vinous liquors.~~ The applicant ~~shall~~ MUST:

10 (I) Specify the licensed premises for the first of the ~~wine~~ festivals
11 to be held; ~~which application shall be filed~~

12 (II) FILE THE APPLICATION at least ten business days before the
13 festival is to be held; ~~The applicant shall~~ AND

14 (III) Include a twenty-five dollar annual processing fee with the
15 application filed with the state licensing authority.

16 (b) (I) A LOCAL LICENSING AUTHORITY MAY CREATE A LOCAL
17 PERMIT FOR FESTIVALS; EXCEPT THAT A LIMITED WINERY LICENSEE OR
18 WINERY LICENSEE NEED NOT OBTAIN A LOCAL PERMIT TO PARTICIPATE IN
19 OR HOLD A FESTIVAL. IF A LOCAL LICENSING AUTHORITY DOES NOT CREATE
20 A LOCAL PERMIT UNDER THIS SUBSECTION (1)(b), AN APPLICANT NEED NOT
21 OBTAIN A LOCAL PERMIT UNDER THIS SUBSECTION (1)(b) TO CONDUCT
22 FESTIVALS.

23 (II) IF A LICENSEE IS APPLYING FOR BOTH A FESTIVAL PERMIT AND
24 A SPECIAL EVENT LIQUOR PERMIT ISSUED UNDER ARTICLE 5 OF THIS TITLE
25 44, THE LICENSEE NEED NOT APPLY FOR ANY LOCAL PERMIT ESTABLISHED
26 IN ACCORDANCE WITH SUBSECTION (1)(b)(I) OF THIS SECTION.

27 (b) (c) Such fee shall entitle the permittee to use the wine festival

1 ~~permit for twelve months after the date of issuance, so long as the~~
2 ~~permittee notifies the state licensing authority and the appropriate local~~
3 ~~licensing authority of the location of all other wine festivals under this~~
4 ~~permit at least ten business days before any such festival is to be held. A~~
5 ~~wine festival permit shall entitle the permittee to hold no more than nine~~
6 ~~wine festivals during the twelve-month period~~ IF A FESTIVAL PERMITTEE
7 NOTIFIES THE STATE LICENSING AUTHORITY AND THE APPROPRIATE LOCAL
8 LICENSING AUTHORITY OF THE LOCATION OF AND DATES OF EACH FESTIVAL
9 AT LEAST TEN BUSINESS DAYS BEFORE HOLDING THE FESTIVAL, THE
10 PERMITTEE MAY HOLD UP TO, BUT NO MORE THAN, NINE FESTIVALS DURING
11 THE TWELVE MONTHS AFTER THE FESTIVAL PERMIT IS ISSUED.

12 (2) ~~The applicant shall be the licensee filing the application, but~~
13 ~~any wine festival permit that is issued as a result of such application shall~~
14 ~~be considered to be jointly held by the permittee and the participating~~
15 ~~limited winery licensees. or manufacturer licensees that are licensed to~~
16 ~~manufacture vinous liquors~~ THE LICENSEE THAT HOLDS THE FESTIVAL
17 MUST FILE THE APPLICATION FOR THE PERMIT, BUT OTHER LICENSEES MAY
18 JOINTLY PARTICIPATE UNDER THE PERMIT ISSUED TO THE LICENSEE THAT
19 APPLIED FOR THE PERMIT.

20 (4) The state licensing authority may deny a ~~wine~~ festival permit
21 or supplemental application for any of the following reasons:

22 (5) After the issuance of an initial ~~wine~~ festival permit, all
23 supplemental applications that are complete and filed in a timely manner
24 ~~shall be~~ ARE deemed approved unless the state licensing authority
25 provides the permittee with a notice of denial at least seventy-two hours
26 prior to the date of the event.

27 (6) The permittee and participating licensees are authorized to use

1 the licensed premises jointly to conduct ~~wine~~ ALCOHOL BEVERAGE
2 tastings and ~~sell any vinous liquors manufactured by a Colorado limited~~
3 ~~winery or manufacturer licensed to manufacture vinous liquors. No wine~~
4 TO ENGAGE IN THE SAME RETAIL OPERATIONS THAT THE PERMITTEE AND
5 PARTICIPATING LICENSEES ARE AUTHORIZED TO CONDUCT AT THEIR
6 LICENSED PREMISES. A festival permit ~~shall~~ DOES NOT authorize the
7 permittee to use the licensed premises for more than seventy-two hours
8 for any one ~~wine~~ festival.

9 (7) If a violation of this article 3 occurs during a ~~wine~~ festival and
10 the licensee responsible for the violation can be identified, the STATE OR
11 LOCAL LICENSING AUTHORITY MAY CHARGE AND IMPOSE APPROPRIATE
12 PENALTIES ON THE licensee. ~~may be charged and the appropriate penalties~~
13 ~~shall apply.~~ If the responsible party cannot be identified, the state
14 licensing authority may send a written notice to every licensee identified
15 on the permit application and may fine each the same dollar amount,
16 which ~~amount shall~~ FINE MUST not exceed twenty-five dollars per licensee
17 or two hundred dollars in the aggregate. ~~No~~ A joint fine levied pursuant
18 to this subsection (7) ~~shall~~ DOES NOT apply to the revocation of the
19 licensee's license under section 44-3-601.

20 (9) THIS SECTION APPLIES TO A PERSON LICENSED UNDER SECTION
21 44-3-402, 44-3-403, 44-3-417, 44-3-422, OR 44-3-426.

22 **SECTION 3.** In Colorado Revised Statutes, 44-5-103, **amend**
23 (1)(b) as follows:

24 **44-5-103. Grounds for issuance of special permits.** (1) (b) If a
25 violation of this article 5 or article 3 of this title 44 occurs during a special
26 event ~~wine~~ festival and the responsible licensee can be identified, ~~such~~
27 THE STATE OR LOCAL LICENSING AUTHORITY MAY CHARGE AND IMPOSE

1 APPROPRIATE PENALTIES ON THE licensee. ~~may be charged and the~~
2 ~~appropriate penalties may apply.~~ If the responsible licensee cannot be
3 identified, the state licensing authority may send written notice to every
4 licensee identified on the permit applications and may fine each the same
5 dollar amount. The fine shall not exceed twenty-five dollars per licensee
6 or two hundred dollars in the aggregate. ~~No~~ A joint fine levied pursuant
7 to this subsection (1)(b) ~~shall~~ DOES NOT apply to the revocation of a
8 ~~limited wineries~~ LICENSEE'S license under section 44-3-601.

9 **SECTION 4. Act subject to petition - effective date.** This act
10 takes effect at 12:01 a.m. on the day following the expiration of the
11 ninety-day period after final adjournment of the general assembly; except
12 that, if a referendum petition is filed pursuant to section 1 (3) of article V
13 of the state constitution against this act or an item, section, or part of this
14 act within such period, then the act, item, section, or part will not take
15 effect unless approved by the people at the general election to be held in
16 November 2022 and, in such case, will take effect on the date of the
17 official declaration of the vote thereon by the governor.