



COLORADO

Department of Revenue

Enforcement Division - Liquor & Tobacco

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Dear Liquor Industry Members, Local Clerks and Stakeholders:

The 2015 Legislative session was active with liquor industry bills, some of which will require rule changes. The following laws were passed by the Colorado Legislature and signed by Governor John Hickenlooper. The Colorado Liquor Enforcement Division (Division) is providing summary information from each bill and how it affects the industry. In order to assist the industry in understanding the bills, the Division will have meetings in June 2015 to provide more details and answer questions that may arise.

SUMMARY:

[HB15-1031/Powdered Alcohol](#)

This bill mandates the Colorado Liquor Enforcement Division (Division) to adopt rules establishing a mechanism for regulating the manufacture, purchase, sale, possession, and use of powdered alcohol. The Division will seek input from all stakeholders involved during the upcoming working groups starting in June.

This bill became law on March 20, 2015.

[HB15-1192/Entertainment District Expansion](#)

Add the following license types allowed to be an attached license premises to a common consumption area within an entertainment district: beer and wine, manufacturer that operates a sales room pursuant to section 12-47-402(2) or (6), C.R.S. – wineries and limited wineries.

This bill becomes law effective on August 5, 2015.

[HB15-1202/Reissued Licenses](#)

This bill creates a reissued license for licensees who fail to renew their liquor license more than 90 days and less than 180 days past date of expiration. Applications for a reissued license are either accepted or denied by the local licensing authority or state licensing authority for those licenses not subject to local licensing authority approval. If accepted by the licensing authority, the licensee must submit:

1. An application for a reissued license
2. Payment of five-hundred (\$500) late fee to the local licensing authority (for retail licenses) and the state licensing authority for all license types

3. Payment of a fine of twenty-five \$25 per day for each day the license has been expired beyond ninety days to both the local and state licensing authorities

If the reissued license application is not allowed, the licensee must apply for new license per section 12-47-311, C.R.S.

This bill becomes law effective August 5, 2015.

HB15-1204/Distillery Pub

This bill creates a new retail license type called a Distillery Pub. It is fashioned after the Brew Pub concept and allows:

1. Sale of alcohol beverages for on-premises consumption
2. Production of not more than forty-five thousand (45,000) liters of spirituous liquor that is fermented and distilled on the licensed premises
3. Sell its spirituous liquor to independent wholesalers
4. Sell its spirituous liquor to the public in sealed containers for off-premises consumption
5. Sell its spirituous liquor at wholesale to licensed retailer in an amount up to two thousand seven hundred liters per spirituous liquor product per calendar year.
6. A Distillery Pub is added to the list of licenses allowed to cork and carry vinous liquor according to section 12-47-421, C.R.S.

Since the Distillery Pub is a retail license, it must first be initially submitted to the local licensing authority for approval. An Alternating Proprietors license is not available for the Distillery Pub.

At least 15% of the gross on-premises food and alcohol beverage income of the licensee must be from the sale of food. Food is defined as a quantity of foodstuffs of a nature that is ordinarily consumed by an individual at regular intervals for the purpose of sustenance.

This bill became law on April 24, 2015.

HB15-1217/Local Input for Salesrooms

This bill gives local licensing authorities the ability to provide input to the state licensing authority concerning wineries, limited wineries, distilleries and malt liquor sales rooms. The applicant for a sales room must forward a copy of the application to the local licensing authority who has forty-five (45) days to provide input of whether or not the sales room affects traffic, noise, or other neighborhood concerns in a manner that is inconsistent with local regulations or ordinances.

This bill does not mandate the local licensing authorities to conduct a hearing, but is not prohibited either.

The state licensing authority will adopt rules concerning the amount of time needed for the local licensing authority to submit its determination for sales rooms considered temporary, which is not more than three (3) days.

The applicant must affirm to the state licensing authority that the applicant has complied with local zoning restrictions for any additional sales room.

This bill becomes law effective August 5, 2015.

HB15-1244/Cork and Carry for Club Licenses

This bill added the club license type to the list of licenses that are allowed to cork and carry according to section 12-47-421, C.R.S. It applies to vinous liquors (no more than 750 ml) that have been unsealed and partially consumed.

HB15-1255/EBT Enforcement

This bill provides additional responsibility to the Division concerning the enforcement of the prohibited use of electronic benefits transfer cards at certain liquor licensed establishments.

This bills mandates:

On or before January 1, 2016 and July 1, 2016, the Department of Revenue shall submit reports on electronic benefits transfer withdrawals from prohibited liquor establishments according to section 26-2-104, C.R.S. This includes liquor licenses defined as retail liquor establishments licensed to sell malt, vinous or spirituous liquor pursuant to part 3 of article 47 of title 12, C.R.S.

On or before January 1, 2016, the Department of Revenue shall adopt rules to enforce the prohibition of clients accessing benefits at an ATM which is prohibited by law. Such rules must include:

1. A requirement that the liquor license post a sign on or near the ATM notifying clients that this section prohibits the use of electronic benefits service transfer card at the ATM
2. A requirement that the liquor licensee take measures to prevent a client from using an electronic benefits cards to access moneys from the ATM
3. Methods to enforce this requirement against the liquor licensed establishment including increasing penalties for multiple violations.
4. A provision that a liquor licensee is exempt from the requirements of the adopted rules if the licensee provides the Division a statement from the owner of the ATM that the ATM does not accept electronic benefits transfer cards. Except that, if one or more violations occur at the liquor licensed establishment, the Division may take measures to prevent future violations including increasing penalties for multiple violations not to exceed \$100.

This bill became law effective May 1, 2015.

The specific dates for Division meetings to discuss more details of these bills are posted on our website, www.colorado.gov/enforcement/liquor.

Sincerely,



Patrick Maroney
Director
Colorado Liquor Enforcement Division

