



**COLORADO**

**Department of Revenue**

Enforcement Division - Liquor & Tobacco

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May 27, 2016

Dear Liquor Industry Members, Local Clerks and Stakeholders:

The 2016 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 most of them have been 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 on Thursday, June 9, 2016 at 9 a.m. and Thursday, June 16, 2016 at 2 p.m. to provide more details and answer questions about the new laws.

The meetings will be held at:

Division Office Conference Room – Entrance B  
1881 Pierce Street  
Lakewood, CO 80214

### **SUMMARY**

#### **[HB16-1042 | HIGHER EDUCATION](#)**

This bill provides an exemption for institutions of higher education from obtaining a license to manufacturer fermented malt beverage and malt liquor under specific circumstances. The manufacturing of fermented malt beverage and malt liquor must be used for teaching or research purposes and cannot be sold.

The only persons allowed to taste/consume the fermented malt beverage or malt liquor are qualified employees and students of the institution of higher education and expert tasters. The bill provides a definition of the qualified employee/student and expert taster.

The alcohol manufactured by the institution of higher education may be taken to a licensed premises for tastings but has to be removed at the end of the event if the licensed premises is not located on campus.

This bill becomes law effective August 10, 2016.

### [HB16-1084 | HOME BREW LANGUAGE](#)

This bill changes the language of who may produce fermented malt beverage, malt liquor and vinous liquor for home use. It changed the language of “head of family” to “adult” and changed the language for the use from “family” to “personal.”

The content of the law did not change.

This bill became law on March 16, 2016.

### [HB16-1151 | ADDITIONAL MITIGATING FACTORS FOR RESPONSIBLE VENDORS](#)

This bill adds two violations, (1) sale to a minor not involving a compliance check, and (2) sale to visibly intoxicated person, to the list of violations the local and state licensing shall consider when assessing penalties if the licensee fulfills the requirements of a responsible vendor pursuant to section 12-47-1002, C.R.S. This bill also gives the state licensing authority the ability to add other violations to this list through the rule making process.

This bill becomes law effective August 10, 2016.

### [HB16-1176 | WHOLESALER EMPLOYEE PURCHASE PROGRAM](#)

This bill gives the holder of a vinous/spirituous wholesale license the ability to have an employee purchase program of products that the licensee normally sells to retailers.

This bill became law on April 14, 2016.

### [HB16-1271 | DELIVERY FOR LIMITED WINERIES](#)

This bill gives the ability for limited wineries that have a direct shipper permit to delivery wine to personal consumers via winery employees in addition to using a common carrier.

This bill becomes law effective August 10, 2016.

### [HB16-1439 | NEW LIQUOR LICENSE – LODGING AND ENTERTAINMENT \(NOT SIGNED AS OF 05/26/16\)](#)

This bill adds a new liquor license type titled Lodging and Entertainment. The new license is similar to a tavern license except for the definition and subjection to undue concentration laws.

For many years, local and state licensing authorities have issued tavern liquor licenses to entities that do not fit the lawful definition of a tavern. The new license was added to allow for proper licensure of businesses that want to sell malt, vinous or spirituous liquor and do not fit the definition of a tavern. The fees for the lodging and entertainment license are the same as a tavern.

If signed, this bill becomes law effective August 10, 2016.

[SB16-143 | REDUCED FEES FOR DISTILLERY-RECTIFIERS AND VINOUS-SPIRITUOUS WHOLESALERS \(NOT SIGNED AS OF 05/26/16\)](#)

This bill reduces the liquor license fees for a distillery/rectifier from \$1050 to \$300; and vinous/spirituous wholesaler license from \$1050 to \$550. The fees will be reduced over a two year period of time, once on August 10, 2016 and again on August 10, 2017.

If signed, this bill becomes law effective August 10, 2016.

[SB16-197 | LIQUOR LICENSED DRUG STORE](#)

**If SB16-197 becomes law**, the Division will hold separate meetings to explain its implementation. There will be several classes in different regions of the state.

If you have any questions about any of the above bills, please contact us at [dor\\_led@state.co.us](mailto:dor_led@state.co.us) or bring your questions to one of the classes in June.

Sincerely,



Patrick Maroney  
Director  
Colorado Liquor Enforcement Division