

Enforcement Division - Liquor & Tobaccc
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May 16, 2018

Dear Liquor Industry Members, Local Clerks, and Stakeholders:

Colorado's 2018 Legislative Session contained many liquor bills. The Colorado Liquor Enforcement Division (Division) is providing this general, high-level summary regarding the liquor bills that were passed by the Colorado General Assembly and signed into law by Governor John Hickenlooper. For comprehensive information and details regarding these bills, please visit the links provided below to the Colorado General Assembly's website.

In order to assist stakeholders in understanding these bills, the Division will host free and public meetings to provide details and answer questions about these new laws. These meetings will be duplicative, so it is not necessary to attend both meetings. These meetings are scheduled for:

Division Conference Room, 1881 Pierce Street, Lakewood, CO 80214

Tuesday, May 22, 2018 at 2:00 p.m. Friday, May 25, 2018 at 10:00 a.m. Monday, June 4, 2018 at 1 p.m.

<u>Division of Gaming Conference Room, 17301 West Colfax Avenue, Golden CO</u> 80214

Wednesday, June 6, 2018 at 9 a.m. Monday, June 11, 2018 at 1 p.m.

SUMMARY

HB 18-1025. RELOCATE TITLE 12 LIQUOR LAWS TO TITLE 44.

The bill relocates:

- The Colorado Liquor Code from article 47 of title 12 to article 3 of title 44.
- The Colorado Beer Code from article 46 of title 12 to article 4 of title 44.
- The Special Event Liquor Permits statutes from article 48 of title 12 to article 5 of title 44.

The bill did not change substantive provisions of these statutes.

However, the bill cleaned up citations that were not whole numbers. For example, the definition of "alternating proprietor licensed premises" is currently cited at subsection 12-47-103(2.5), C.R.S. Upon relocation, the definition of "alternating proprietor licensed premises" will be rounded up and cited at subsection 44-3-103(3), C.R.S. Subsequent citations will be changed accordingly.

The bill will become law on October 1, 2018. HB 18-1025

HB 18-1026. RELOCATE TITLE 24 CASH FUND TO TITLE 44.

The bill relocates:

• The Liquor Enforcement Division and State Licensing Authority – Funding statute from article 35 of title 24 to article 6 of title 44.

The bill did not change substantive provisions of the statute.

The bill will become law on October 1, 2018. HB 18-1026

HB 18-1096. ORGANIZATIONS QUALIFYING FOR A SPECIAL EVENT PERMIT.

The bill adds "any municipality, county, or special district" to the list of organizations that qualify for a special event permit.

Consequently, the bill removes the provision that states that a special event permit may only be issued to a municipality owning an art facility.

The bill will become law on August 8, 2018. HB 18-1096

SB 18-036. RELOCATE TITLE 24 TOBACCO SALES TO MINORS TO TITLE 44.

The bill relocates:

• The Regulation of Tobacco Sales to Minors statutes from article 35 of title 24 to article 7 of title 44.

The bill did not change substantive provisions of the statute.

The bill will become law on October 1, 2018. SB 18-036

SB 18-067. AUCTION ALCOHOL IN SEALED CONTAINERS.

The bill allows, subject to conditions, certain organizations holding a special event to:

- Bring onto and remove from the special event premises alcohol beverages in sealed containers that were donated to or otherwise lawfully obtained by the organization for fundraising purposes, and
- Auction the alcohol beverages in sealed containers for fundraising purposes while on special event premises.

The following parties are responsible for ensuring that alcohol beverages brought onto, auctioned, and removed from the special event premises remain sealed at all times while on the special event premises:

- The organization holding a special event, and
- The licensee on whose licensed premises the special event is held (if the special event is held on a licensed premises), or
- The person on whose unlicensed premises the special event is held (if the special event is held on an unlicensed premises).

The licensee or the person on whose premises the special event is held shall not require or accept any fee, percentage, financial benefit, or proceeds from the auction of alcohol beverages in sealed containers.

Furthermore, the retail value of alcohol beverages donated by a retail liquor store, liquor-licensed drugstore, or fermented malt beverage retailer to the organization holding a special event is not included in the calculation of the \$2,000 annual limit on the purchase of alcohol beverage from certain retailers licensed for on-premises consumption.

The bill became law on March 1, 2018. SB 18-067

SB 18-079. CLASSIFY SAKE AS VINOUS LIQUOR.

The bill classifies sake as vinous liquor.

The bill will become law on August 8, 2018. SB 18-079

SB 18-124. IMPORTED ALCOHOL BEVERAGES WAITING PERIOD.

The bill eliminates the thirty day waiting period required of manufacturers and importers before the importation or sale of any alcohol beverages in Colorado.

The bill will become law on August 8, 2018. SB 18-124

SB 18-138. TRANSFER ALCOHOL FROM SURRENDERED LICENSE.

The bill allows a:

- Beer and wine licensee,
- Hotel and restaurant licensee,
- Tavern licensee,
- Retail gaming tavern licensee,
- Brew pub licensee,
- Club licensee.
- Arts licensee,
- Racetrack licensee,
- Vintner's restaurant licensee,
- Distillery pub licensee, or
- Lodging and entertainment licensee,

to sell its remaining alcohol beverage inventory to a current licensee if:

- Within the last 60 days, the seller's license has been surrendered or revoked, or the seller has lost legal possession of the licensed premises, and
- There is at least 10 percent common ownership between the seller and the purchaser.

The seller must return all alcohol beverages that the seller has not paid for to the wholesaler from whom the seller obtained the alcohol beverages on credit.

The seller must offer and give wholesalers a thirty day option to repurchase any remaining alcohol beverage inventory that the wholesaler sold to the seller before the seller may sell any remaining alcohol beverage inventory to a purchaser.

The bill will become law on August 8, 2018. SB 18-138

SB 18-173. REMOVAL OF VINOUS LIQUOR FROM LICENSED PREMISES.

The bill expands the "cork and carry" privileges to qualifying licensees that make sandwiches and light snacks available. Those qualifying licensee are a:

- Manufacturer licensee,
- Limited winery licensee,
- Beer and wine licensee,
- Hotel and restaurant licensee,
- Tavern licensee,
- Brew pub licensee,
- Vintner's restaurant licensee,
- Club licensee,
- Distillery pub licensee, or
- Lodging and entertainment licensee.

The bill will become law on August 8, 2018. SB 18-173

HB 18-1441, 500-FEET-FROM-SCHOOL LIMIT FOR BEER CODE RETAILERS.

The bill applies the 500 foot distance restriction, with limited exceptions, to any fermented malt beverage retailer licensed under the Colorado Beer Code.

At this time, it is uncertain whether this bill will become law. If SB 243 becomes law, HB 18-1441 will not become law. If this bill becomes law, the Division will provide materials regarding the details of the bill and answer any questions. <u>HB</u> 18-1441

SB 18-243. RETAIL SALES OF FERMENTED MALT BEVERAGES.

The bill modifies laws governing the retail sale of fermented malt beverages, which will be synonymous with malt liquor as of January 1, 2019.

At this time, it is still uncertain whether this bill will become law. If this bill becomes law, the Division will provide ample opportunities for education regarding the details of the bill and answer any questions. SB 18-243