



COLORADO
Department of Revenue

Enforcement Division - Liquor & Tobacco

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BULLETIN 16-05

REFERENCE: SB16-197 – LAWS EFFECTIVE JULY 1, 2016

June 17, 2016

Colorado Liquor Enforcement Division

On June 10, 2016, Governor John Hickenlooper signed SB16-197. This bill will have a large impact on the liquor industry in Colorado concerning how alcohol is sold for off-premises consumption. The Liquor Enforcement Division (LED) is providing this bulletin to advise liquor stakeholders of those items within SB16-197 **that will become effective July 1, 2016.**

The LED will host a variety of informational classes starting in August 2016 to educate our stakeholders about changes in Colorado liquor laws including future changes due to SB16-197. The LED will send out notices about each class and the information will be posted on our website at www.colorado.gov/enforcement/liquor.

The following changes to Colorado Law become effective July 1, 2016. For easy reference, each description of the changes includes the page number of SB16-197 and the affected law cite. A copy of [SB16-197](#) is included with this bulletin.

3.2% Beer/ Fermented Malt Beverage License

Licensees that sell fermented malt beverages are not allowed to sell fermented malt beverage between the hours of **12:00 a.m. 8:00 a.m.** (*Page 22, section 12-47-901(c), C.R.S.*)

Liquor Licensed Drug Store (LLDS)

- No new licenses can be issued for a LLDS within 1500 ft of another retail liquor license for off-premises sales in a jurisdiction with a population > 10,000. (*Page 2 - section 12-47-408(1)(a)(I)(A), C.R.S.*) Note: The Division has determined

this new law applies to LLDS licenses issued on or after July 1, 2016, so current applications to the local and state licensing authorities **must be issued** prior to July 1, 2016 if they are within 1500 ft. of another retail liquor license for off-premises sales.

- No new licenses can be issued for an LLDS within 3000 ft of another retail liquor license for off-premises sales in a jurisdiction with a population < 10,000 (*Page 2 - section 12-47-408 (1)(a)(I)(B), C.R.S*)Note: The Division has determined this new law applies to LLDS licenses issued on or after July 1, 2016, so current applications to the local and state licensing authorities **must be issued** prior to July 1, 2016 if they are within 3000 ft. of another retail liquor license for off-premises sales.
- A LLDS cannot sell malt, vinous, or spirituous liquors to consumers at a price that is below the liquor-licensed drugstore's cost to purchase the malt, vinous or spirituous liquors. (*Page 4, section 12-47-408(2)(a)(II), C.R.S.*)
- A LLDS cannot allow consumers to purchase malt, vinous, or spirituous liquors at a self-checkout or other mechanism that allows the consumer to complete the alcohol beverage purchase without assistance from and completion of the transaction by an employee of the liquor-licensed drugstore. (*Page 4, section 12-47-408(2)(a)(III), C.R.S.*)
- A LLDS cannot sell clothing or accessories imprinted with advertising, logos, slogans, trademarks, or messages related to alcohol beverages. (*Page 5, section 12-47-408(2)(a)(V), C.R.S.*)
- A LLDS cannot convert to a Retail Liquor Store. (*Page 6, section 12-47-408(5), C.R.S. - removed*)
- A LLDS shall not store alcohol beverages off the licensed premises. (*Page 6, section 12-47-408(6)(a), C.R.S.*)
- Wholesale deliveries to a LLDS shall be made through a common carrier, a contract carrier or on vehicles owned by the wholesaler. (*Page 6, 12-47-408 (6)(b)(I), C.R.S.*)
- Wholesale deliveries to a LLDS shall be made only to the business address of the LLDS. (*Page 6, 12-47-408(6)(b)(II), C.R.S.*)

- A LLDS must obtain and maintain a certification as a Responsible Alcohol Beverage vendor in accordance with section 12-47-1001, C.R.S. (Page 7, 12-47-408(7)(b), C.R.S.)
- An employee of a LLDS who is under 21 shall not deliver or otherwise have any contact with liquor offered for sale on, or sold and removed from, the licensed premises. (Page 7, section 12-47-408(7)(c), C.R.S.)
- No transfer of an LLDS shall be completed without a filing with local licensing authority that all debt has been paid to the wholesaler. (Page 16, section 12-47-303(1)(d), C.R.S.)
- Must verify consumers who purchase alcohol beverages are at least 21 years of age with valid identification as defined by rule. The exception is if a person who is, or reasonably appears to be, over 50 years of age. (Page 23, section 12-47-901(10)(a), C.R.S.)

Retail Liquor Store (RLS)

- A LLDS cannot convert to a RLS. (Page 6, section 12-47-408(5), C.R.S.)
- Up to 20% of gross proceeds can come from the sale of non-alcohol products. (Page 12, section 12-47-103 (31), C.R.S. and page 18, section 12-47-407(1)(b), C.R.S)
- A RLS can change location to anywhere in the state but the Local Licensing Authority (LLA) must give their approval and the change must occur within three years of the request. (Pages 13 and 14, sections 12-47-301(9)(a)(II) and 12-47-301(9)(b)(II), C.R.S., respectively)
- No transfer of a RLS shall be completed without a filing with local licensing authority that all debt has been paid to the wholesaler. (Page 16, section 12-47-303(1)(d), C.R.S.)
- No new liquor license for RLS can be issued within 1500 ft of another retail licensed location for off premises sales in a jurisdiction with a population > 10,000. (Page 18, section 12-47-407(1)(a)(II)(A), C.R.S.). Note: The Division

has determined this new law applies to RLS licenses issued on or after July 1, 2016, so current applications to the local and state licensing authorities **must be issued** prior to July 1, 2016 if they are within 1500 ft. of another retail liquor license for off-premises sales.

- No new liquor license for RLS can be issued within 3000 ft of another retail licensed location for off premises sales in a jurisdiction with a population < 10,000. (*Page 18, 12-47-407(1)(a)(II)(B), C.R.S.*). Note: The Division has determined this new law applies to LLDS licenses issued after July 1, 2016, so current applications to the local and state licensing authorities **must be issued** prior to July 1, 2016 if they are within 3000 ft. of another retail liquor license for off-premises sales.
- An employee of a RLS who is under 21 shall not deliver or otherwise have any contact with liquor offered for sale on, or sold and removed from, the licensed premises. (*Pages 22 and 23, section 12-47-901(5)(p)(III)*)
- Must verify consumers who purchase alcohol beverages are at least 21 years of age with valid identification as defined by rule. The exception is if a person who is, or reasonably appears to be, over 50 years of age. (*Page 23, section 12-47-901(10)(a), C.R.S.*)

Taverns

- May not permit an employee who is under 21 years of age to sell malt, vinous or spirituous liquors. (*Page 22, section 12-47-901(5)(p)(II), C.R.S.*)

Wholesalers

- Shall use best efforts to make available to licensed retailers each brand of alcohol beverage that wholesaler is allowed to distribute. Can establish reasonable allocation procedures when demand is greater than supply. (*Page 17, section 12-47-406(4), C.R.S.*)

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All Retail Licensees

- No transfer shall be completed without a filing with local licensing authority that all debt has been paid to the wholesaler. (*Page 16, section 12-47-303(1)(d), C.R.S.*)

Questions concerning this bulletin can be sent to dor_led@state.co.us or contact us at 303-205-2306.