

**Senate Bill 16-197 Working Group  
Legislative Report Recommendation Form**

1. Work Group Sponsor (s): Colorado Beer Distributors Association
2. Describe the Recommendation: Currently, a manufacturer, importer, wholesaler, and non-resident manufacturer need to have two licenses each in order to have 3.2%ABV beer and malt liquor in the product line. Our recommendation is for each manufacturer, importer, wholesaler, and non-resident manufacturer to only have a single license for any malt liquor over 0.5%ABV since on 1/1/19 there will be no distinction between 3.2% beer and malt liquor.
3. Which portion or portions of Senate Bill 16-197 does this recommendation address (underline all those that apply):
  - a. Develop an implementation process for grocery and convenience stores to apply for a license to sell malt liquor and fermented malt beverages containing at least one-half percent alcohol by volume starting January 1, 2019.
  - b. **Analyze the impact that removing the alcohol content limit on fermented malt beverages will have on the alcohol beverage industry as a whole, as well as on current retail licenses.**
  - c. Legislative, regulatory, or administrative changes necessary to promote the three-tiered distribution system in Colorado.
  - d. Laws governing tastings conducted on retail premises licensed under article 47 of this title and the ability of retail liquor stores licensed under section 12-47-407 to sell growlers containing malt liquors.
4. Please summarize the rationale for the recommendation – why is it important? Beginning January 1, 2019 fermented malt beverage (3.2% beer), and malt liquor (full-strength beer) will be synonymous and considered the same product in statute, therefore only one license should be required to handle these products.
5. What issue or issues does your recommendation resolve? Please identify the issues. Creates consistency in statute, and reduces redundancy for LED licensing and reduces redundancy for manufacturers, importers and wholesalers.
6. What stakeholders would be positively or negatively impacted by this recommendation, and how would they be impacted? Manufacturer/wholesalers/importers and Liquor Enforcement Division would be positively impacted. Reduced costs for licensees, reduced workload for LED.
7. Which of the following does the recommendation impact (underline those that apply):
  - a. **Statute (legislation)**
  - b. Policy
  - c. Rules and Regulations

d. Other: *(please describe)*

8. Who owns implementation of the recommendation (underline those that apply):

a. **State Legislature**

b. **Department of Revenue**

c. Local Government

d. Other: *(please describe)*

9. Is there a dissenting voice on the working group concerning this recommendation? If yes, please provide a summary of the minority opinion about this recommendation. None that I am aware of.

10. Are you aware of any statutory authority or regulation that supports the basis of this recommendation? If yes, please include it here. No

11. Is the implementation of your recommendation dependent on another decision or action? If yes, specifically what actions or decisions are required before this recommendation can be implemented? No

12. Will the recommendation have a cost to implement? If yes, please explain the reason for the cost and provide an estimate. None that I am aware of

13. Provide an estimate of how long it would take to implement the recommendation. N/A