

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

1. Work Group Sponsor (s): **Distilled Spirits Council**

Describe the Recommendation:

Current Colorado law does not allow the public consumption of malt liquors or vinous and spirituous liquors. However, the law does allow for public consumption of fermented malt beverage (3.2 beer), which has a maximum alcohol content of 3.2% ABV. The allowance of 3.2 beer for public consumption is mostly seen at local parks (if allowed by ordinance) and state parks (if allowed by policy). Effective 1/1/19, SB16-197 will change this to where any beer (malt liquor or FMB) may be consumed in public. Malt liquor has always been treated similarly to spirits and vinous liquors with regards to public consumption. Some malt liquors can have 50% ABV or more, while some wine and spirits can be less than 5.5 to 15% ABV respectfully. DISCUS recommends the legislature look at this issue and modify the laws effective 1/1/19 so that the public consumption of beer, vinous and spirituous liquors are prohibited unless a local, county or state entity allows by rule, ordinance or resolution and that all three products will be treated in a similar fashion to allow consumer choice.

2. 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 licensees.**
 - 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.
3. Please summarize the rationale for the recommendation – why is it important? **Currently in Colorado malt liquor products can contain up to 50% ABV and similar products should be treated similarly, while giving Colorado citizens a breadth of choice.**
4. What issue or issues does your recommendation resolve? Please identify the issues. **Provides true consumer choice while prohibiting unreasonable and inequitable treatment of similar products.**

5. What stakeholders would be positively or negatively impacted by this recommendation, and how would they be impacted? **No stakeholders would be negatively impacted. Colorado citizens would be given freedom of choose which products they wish to consume within parks and other areas, assuming state and local governments take affirmative action to allow the consumption of products in certain limited location. Local governments and state entities would be given control or whether or not to allow the public consumption of beer, wine and spirits within parks and other areas. All manufactures, sellers and consumers of beer, wine and spirits would have products treated equitably in the marketplace.**

6. 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*)

7. Who owns implementation of the recommendation (underline those that apply)
 - a. **Statute (legislation)**
 - b. Revenue
 - c. **Local Government**
 - d. Other

8. 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. **Unknown at this time.**

9. Are you aware of any statutory authority or regulation that supports the basis of this recommendation? If yes, please include it here. **Current law does not allow the public consumption of beer over 3.2% ABV, (section 12-47-901(1)(h)(l).**

10. 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**

11. Will the recommendation have a cost to implement? If yes, please explain the reason for the cost and provide an estimate. **No**

12. Provide an estimate of how long it would take to implement the recommendation. **Unknown at this time.**