# **DEPARTMENT OF REVENUE**

# **Liquor Enforcement Division**

# **Colorado Liquor Rules**

1 C.C.R. 203-2

(Draft – August 13, 2018)

Regul	ation 47	-XXX.			
A.	TO DEMONSTRATE COMPLIANCE WITH SUBSECTION 44-4-107(3), C.R.S., IF APPLICABLE, THE APPLICANT OR LICENSEE MUST AFFIRM ON ITS NEW AND ANNUAL RENEWAL APPLICATION THAT THE LICENSE DERIVES OR WILL DERIVE AT LEAST TWENTY (20) PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL SALES FROM THE SALE OF FOOD ITEMS FOR CONSUMPTION OFF THE PREMISES.				
B.	Nothing within this regulation shall limit the authority of the state licensing authority to inspect books and records pursuant to Regulation 47-700, 1 C.C.R. 203-2, to verify this affirmation or compliance with this statutory requirement.				
Regul	ation 47	-XXX.		•	
A.	TASTINGS.				
	1.	A TASTING SHALL BE CONDUCTED ONLY BY A PERSON WHO HAS COMPLETED A SERVER TRAINING PROGRAM THAT MEETS THE STANDARDS ESTABLISHED BY THE DIVISION, AND IS:			
		Α.	A RETA OR	IL LIQUOR STORE OR LIQUOR-LICENSED DRUGSTORE LICENSEE OR EMPLOYEE;	
		В.	A REPRESENTATIVE, EMPLOYEE, OR AGENT OF ONE OF THE FOLLOWING SUPPLIERS LICENSED BY THE STATE LICENSING AUTHORITY:		
			I.	WHOLESALER,	
			II.	Brew pub,	
			III.	DISTILLERY PUB,	
			IV.	Manufacturer,	
			V.	LIMITED WINERY,	
			VI.	IMPORTER, OR	
			VII.	VINTNER'S RESTAURANT.	

- B. FOLLOWING A TASTING, THE LICENSEE SHALL PROMPTLY REMOVE ALL OPEN AND UNCONSUMED ALCOHOL BEVERAGE SAMPLES FROM THE LICENSED PREMISES, DESTROY THE SAMPLES IMMEDIATELY FOLLOWING THE COMPLETION OF THE TASTING, OR STORE ANY OPEN CONTAINERS OF UNCONSUMED ALCOHOL BEVERAGES IN A SECURE AREA OUTSIDE THE SALES AREA OF THE LICENSED PREMISES FOR USE ONLY AT A TASTING CONDUCTED AT A LATER TIME OR DATE. A SECURE AREA MEANS:
  - 1. A DESIGNATED AREA, INCLUDING, BUT NOT LIMITED TO, A CLOSET, CABINET, OR SAFE;
  - 2. THAT IS UPON THE LICENSED PREMISES AND NOT ACCESSIBLE TO CONSUMERS; AND
  - 3. IS SECURED BY A LOCKING MECHANISM AT ALL TIMES WHILE ANY OPEN CONTAINERS OF UNCONSUMED ALCOHOL BEVERAGES ARE STORED FOR USE AT A FUTURE TASTING.

Regulation 47-X	XX
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A. A LOCAL LICENSING AUTHORITY OR THE PARKS AND WILDLIFE COMMISSION, AS APPLICABLE, SHALL NOTIFY THE DIVISION OF ANY NEW OR AMENDED ORDINANCE, RESOLUTION, OR RULE WHICH AUTHORIZES THE PUBLIC CONSUMPTION OF ALCOHOL BEVERAGES. SUCH NOTIFICATION MUST INCLUDE A COPY OF AND CITATION TO THE ORDINANCE, RESOLUTION, OR RULE.

## Regulation 47-XXX.

- A. A RETAILER LICENSED PURSUANT TO SECTION 44-3-409 OR 44-3-410, OR SUBSECTION 44-4-107(1)(A), C.R.S., SHALL NOT SELL ALCOHOL BEVERAGES TO CONSUMERS AT A PRICE THAT IS BELOW THE RETAILER'S COST, AS LISTED ON THE INVOICE, TO PURCHASE THE ALCOHOL BEVERAGES, UNLESS THE SALE IS OF DISCONTINUED OR CLOSE-OUT ALCOHOL BEVERAGES. FOR PURPOSES OF THIS SUBSECTION:
  - "DISCONTINUED" MEANS WHEN A MANUFACTURER OR IMPORTER DISCONTINUES THE
    PRODUCTION, IMPORTATION, OR MARKET AVAILABILITY OF AN ALCOHOL BEVERAGE PRODUCT. A
    RETAILER'S DECISION TO STOP MAKING AVAILABLE THE ALCOHOL BEVERAGE PRODUCT FOR
    PURCHASE BY A CONSUMER DOES NOT QUALIFY AS A DISCONTINUED PRODUCT.
  - 2. "CLOSE-OUT" MEANS WHEN A RETAILER CLEARS OUT THE CURRENT REMAINING STOCK OF AN ALCOHOL BEVERAGE PRODUCT. THE RETAILER SHALL BE PROHIBITED FROM CARRYING THE ALCOHOL BEVERAGE PRODUCT SOLD AS A CLOSE-OUT ITEM FOR TWO (2) YEARS FROM THE DATE OF THE LAST SALE AT CLOSE-OUT.
- B. A RETAILER LICENSED PURSUANT TO SECTION 44-3-409 OR 44-3-410, OR SUBSECTION 44-4-107(1)(A), C.R.S., SHALL NOT BE PROHIBITED FROM OPERATING A BONA FIDE LOYALTY OR REWARDS PROGRAM FOR ALCOHOL BEVERAGES THE RETAILER IS LICENSED TO SELL SO LONG AS THE PRICE FOR THE PRODUCT IS NOT BELOW THE RETAILER'S COSTS AS LISTED ON THE INVOICE. FOR PURPOSES OF THIS REGULATION:
  - 1. "BONA FIDE LOYALTY OR REWARDS PROGRAM" MEANS A STRUCTURED PROGRAM USED BY A RETAILER TO ENCOURAGE PARTICIPANTS TO CONTINUE TO SHOP AT THE RETAILER'S LICENSED BUSINESS BY ALLOWING PARTICIPANTS TO ACCRUE AND REDEEM PROGRAM BENEFITS IN THE FORM OF A DISCOUNT. SUCH BENEFITS SHALL NOT RESULT IN THE SALE OF ALCOHOL BEVERAGE PRODUCTS BELOW THE RETAILER'S COST, WHETHER THE BENEFITS ARE REDEEMED IMMEDIATELY OR DURING A SUBSEQUENT SALES TRANSACTION.
  - 2. "RETAILER'S COST" MEANS THE ACTUAL PROPORTIONATE INVOICE PRICE CHARGED BY THE WHOLESALER, PER ITEM, INCLUDING APPLICABLE STATE AND FEDERAL TAXES. ALL INVOICES MUST CLEARLY DESIGNATE A PRICE PAID FOR EACH PRODUCT, WHICH SHALL NOT BE LESS THAN THE WHOLESALER'S LAID-IN COST FOR EACH PRODUCT.

- 3. "PRICE" MEANS THE AMOUNT PAID BY A PARTICIPANT AFTER THE LOYALTY OR REWARDS PROGRAM BENEFITS ARE OR HAVE BEEN APPLIED TO THE ALCOHOL BEVERAGE PRODUCT PURCHASE.
- C. A RETAILER DESCRIBED IN SUBSECTION (B) OF THIS REGULATION SHALL MAINTAIN AND MAKE AVAILABLE THOSE BUSINESS RECORDS REGARDING ALL BONA FIDE LOYALTY OR REWARDS PROGRAM TRANSACTIONS CONSISTENT WITH REGULATION 47-700, 1 C.C.R. 203-2. A RETAILER DESCRIBED IN SUBSECTION (B) OF THIS REGULATION MUST MAINTAIN, AT A MINIMUM, THE FOLLOWING RECORDS REGARDING ITS BONA FIDE LOYALTY OR REWARDS PROGRAM:
  - 1. DOCUMENTATION REGARDING THE VALUE OF LOYALTY OR REWARDS PROGRAM BENEFITS AND HOW THOSE BENEFITS MAY BE ACCRUED AND REDEEMED BY PARTICIPANTS;
  - 2. DOCUMENTATION SHOWING THE LOYALTY OR REWARDS PROGRAM BENEFITS ACTUALLY ACCRUED AND REDEEMED BY EACH PARTICIPANT, ORGANIZED BY A UNIQUE CUSTOMER IDENTIFICATION NUMBER ASSIGNED TO EACH PARTICIPANT;
  - 3. RECEIPTS SHOWING THE PRICE PAID BY PARTICIPANTS FOR EVERY ALCOHOL BEVERAGE SALE FOR OR TO WHICH LOYALTY OR REWARDS PROGRAM BENEFITS ARE ACCRUED OR REDEEMED, AND THE AMOUNT OF SUCH BENEFITS; AND
  - 4. INVOICES SHOWING THE RETAILER'S COST OF THE INDIVIDUAL ALCOHOL BEVERAGE PRODUCT TO WHICH ANY CONSUMER LOYALTY OR REWARDS BENEFIT WAS APPLIED OR REDEEMED.

## Regulation 47-322. Unfair Trade Practices and Competition.

Suppliers and their agents or employees may not attempt to control a retail licensee's product purchase selection by engaging in unfair trade practices or competition.

Nothing in this regulation shall apply to non-profit, charitable, or other qualifying organizations, when such organization conducts licensed events pursuant to the requirements contained in article 48 of title 12 and related regulations, and such organization does not otherwise hold a retail license pursuant to article 46 or 47 of title 12. However, nothing herein shall authorize any financial assistance for the purpose of altering or influencing an organization's product selection for said events.

Retailers may not accept any prohibited financial assistance as described herein, and suppliers are prohibited from directly or indirectly engaging in the following unfair practices:

- L. Value of labor
  - 4. A REPRESENTATIVE, EMPLOYEE, OR AGENT OF ONE OF THE FOLLOWING SUPPLIERS LICENSED BY THE STATE LICENSING AUTHORITY MAY POUR OR SERVE ONLY ITS OWN ALCOHOL BEVERAGE PRODUCTS AS PART OF A TASTING AT NO COST TO THE RETAILER:
    - A. WHOLESALER,
    - B. Brew pub.
    - C. DISTILLERY PUB,
    - D. MANUFACTURER,
    - E. LIMITED WINERY,

- F. IMPORTER, OR
- G. VINTNER'S RESTAURANT.

## Regulation 47-326. Distance Restriction – Applicability and Measurement.

- A. Except as provided for in this regulation, no RETAIL license shall be issued to or held by any person where-malt, vinous, or spirituous liquor is ALCOHOL BEVERAGES ARE sold if the licensed premises is located within 500 feet of any public or parochial school or the principal campus of any college, university or seminary;.-said SAID distance-to SHALL be computed by direct measurement from the nearest property line of the land used for school purposes to the nearest portion of the building in which-malt, vinous, or spirituous liquors ALCOHOL BEVERAGES are to be sold, using a route of direct pedestrian access, measured as a person would walk safely and properly, without trespassing, with right angles at crossings and with the observance of traffic regulations and traffic signals.
- B. The restriction stated herein shall not be applicable to the following:
  - 7. A RETAILER LICENSED PURSUANT TO SUBSECTION 44-4-107(B), C.R.S.

## Regulation 47-913. Age of Employees.

This regulation provides guidance as to the acceptable age of employees employed in the manufacture, sale, and/or distribution of alcohol beverages.

- A. However, nothing herein NOTHING WITHIN THIS REGULATION shall authorize a licensee to permit an employee A PERSON under the age of eighteen (18) to sell, DISPENSE, or serve, OR PARTICIPATE IN THE SALE, DISPENSING, OR SERVICE OF alcohol beverages under any circumstances.
- B. EXCEPT AS OTHERWISE PROVIDED BY THIS REGULATION, nor to A LICENSEE SHALL NOT permit a person WHO IS at least eighteen (18) YEARS of age but less than twenty-one (21) years of age-to-possess alcohol beverages except as part of the person's employment responsibilities authorized herein TO SELL, DISPENSE, OR SERVE ALCOHOL BEVERAGES UNLESS THE EMPLOYEE IS SUPERVISED BY ANOTHER PERSON WHO IS ON THE LICENSED PREMISES AND IS AT LEAST TWENTY-ONE (21) YEARS OF AGE.
- AC. Retail liquor stores, liquor-licensed drug stores, taverns that do not regularly serve meals, TAVERN and lodging and entertainment facilities LICENSEES that do not regularly serve meals:
  - Employees or agents of the licensee who are at least twenty-one (21) years of age may handle and otherwise act with respect to malt, vinous, and spirituous liquors in the same manner as that person does with other items sold at retail and may sell such alcohol beverages or check identification of the customers of the retail outlet.
- D. RETAIL LIQUOR STORE AND LIQUOR-LICENSED DRUGSTORE LICENSEES.
  - 1. RETAIL LIQUOR STORE AND LIQUOR-LICENSED DRUGSTORE LICENSEES MAY PERMIT A PERSON WHO IS AT LEAST EIGHTEEN (18) YEARS OF AGE TO SELL, SERVE, OR PARTICIPATE IN THE SALE OR SERVICE OF MALT, VINOUS, AND SPIRITUOUS LIQUOR.
  - 2. RETAIL LIQUOR STORE AND LIQUOR-LICENSED DRUGSTORE LICENSEES SHALL NOT PERMIT A PERSON WHO IS LESS THAN TWENTY-ONE (21) YEARS OF AGE TO DELIVER MALT, VINOUS, AND SPIRITUOUS LIQUOR PURSUANT TO REGULATION 47-426, 1 C.C.R. 203-2.

- BE. 3.2% beer licensees (On-premises, Off-premises, and On/Off-Premises) and 3.2% special event permit holders: FERMENTED MALT BEVERAGE LICENSEES.
  - 1. Employees or agents of the licensee who are at least eighteen (18) years of age may handle and otherwise act with respect to fermented malt beverages in the same manner as such person would with other items sold at retail, without the supervision of persons who are at least twenty-one (21) years of age, including the sale of fermented malt beverage and checking identification of the customers of the retail outlet. FERMENTED MALT BEVERAGE LICENSEES MAY PERMIT A PERSON WHO IS AT LEAST EIGHTEEN (18) YEARS OF AGE TO SELL, SERVE, OR PARTICIPATE IN THE SALE OR SERVICE OF FERMENTED MALT BEVERAGES.
  - 2. FERMENTED MALT BEVERAGE LICENSEES FOR SALES FOR CONSUMPTION OFF THE LICENSED PREMISES SHALL NOT PERMIT A PERSON WHO IS LESS THAN TWENTY-ONE (21) YEARS OF AGE TO DELIVER FERMENTED MALT BEVERAGES PURSUANT TO REGULATION 47-426, 1 C.C.R. 203-2.
- GF. Except as provided in paragraph A of this regulation, retailers licensed for on-premises consumption pursuant to article 47 of title 12, C.R.S., and special SPECIAL event permit holders:
  - 1. Employees or agents of the licensee who are at least twenty-one (21) years of age may handle and otherwise act with respect to alcohol beverages in the same manner as that person does with other items sold at retail and may sell such alcohol beverages or check identification of the customers of the retail outlet.
  - 2. Employees or agents of the licensee who are at least eighteen (18) years of age may handle and otherwise act with respect to alcohol beverages in the same manner as such person would with other items sold at retail and may sell such alcohol beverages or check identification of the customers of the retail outlet, as long as they are under the direct supervision of a person who is at least 21 years of age.
  - NO PERSON UNDER EIGHTEEN (18) YEARS OF AGE MAY SELL, SERVE, DISPENSE OR HANDLE ALCOHOL BEVERAGES.
  - 2. Malt, vinous, and spirituous liquors special event permittees may permit a person who is between eighteen (18) and twenty (20) years of age may sell, serve, dispense, or handle alcohol beverages when said person is under the direct supervision of a person who is at least twenty-one (21) years of age.
  - 3. FERMENTED MALT BEVERAGE SPECIAL EVENT PERMITTEES MAY PERMIT A PERSON WHO IS AT LEAST EIGHTEEN (18) YEARS OF AGE TO SELL, SERVE, DISPENSE, OR HANDLE FERMENTED MALT BEVERAGES.
- DG. Wholesalers and manufacturers licensed pursuant to article 47, of title 12, C.R.S.
  - 1. Employees or agents of the licensee who are at least twenty-one (21) years of age may handle and otherwise act with respect to alcohol beverages liquors in the same manner as that person does with other items sold at wholesale and may sell and/or deliver such alcohol beverages to retail outlets.

2. Employees or agents of the licensee who are at least eighteen (18) years of age may handle and otherwise act with respect to alcohol beverages in the same manner as such person would with other items sold at wholesale, as long as they are under the direct supervision of a person who is at least TWENTY-ONE (21) years of age. However, persons under the age of TWENTY-ONE (21) shall not sell malt, vinous, or spirituous liquors or check identification of the customers of the retail outlet.

# Regulation 47-1012. Special Event Permit – Permitted Age of Servers EMPLOYEES, AGENTS, OR VOLUNTEERS.

<u>Basis and Purpose</u>. The statutory authority for this regulation is located at subsections 12-47-202(1)(b) and 12-47-202(2)(a)(I)(A), C.R.S. The purpose of this regulation is to establish age requirements for alcohol beverage-servers EMPLOYEES, AGENTS, OR VOLUNTEERS under a special event permit.

- A. No person under eighteen (18) years of age may sell, serve, dispense or-distribute HANDLE alcohol beverages.
- B. Except as provided by Regulation 47-913(B), 1 C.C.R. 203-2, a MALT, VINOUS, AND SPIRITUOUS LIQUORS SPECIAL EVENT PERMITTEES MAY PERMIT A person who is between eighteen (18) and twenty (20) years of age may sell, SERVE, and dispense, OR HANDLE alcohol beverages when said person is under the direct supervision of a person who is at least twenty-one (21) years of age.
- C. FERMENTED MALT BEVERAGE SPECIAL EVENT PERMITTEES MAY PERMIT A PERSON WHO IS AT LEAST EIGHTEEN (18) YEARS OF AGE TO SELL, SERVE, DISPENSE, OR HANDLE FERMENTED MALT BEVERAGES.