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Summary of Proposed Topics for Voting by the LAG

Disclaimer: These are the proposed votes from the Liquor Advisory Group, but the General Assembly is the final decision maker for any subsequent statutory changes.

Pursuant to the LAG Charter, the report to the General Assembly is to include "a final assessment of the LAG's level of support for a recommendation, option, or idea will be conducted publicly and recorded in the special report. The recommendations or options considered, level of agreement for each recommendation or option, and a summary of the rationale for both supportive and dissenting views. Interim feedback on specific topics, options or alternatives may be provided throughout the process."

Below is a summary of proposals from LAG Subgroups for consideration and vote by the LAG. The language of each proposal may be amended by the LAG group members during the discussion prior to a vote of the LAG. The proposals and votes will be included in the LAG Report.

Date of Vote: July 13, 2023

Marketplace Structure Subgroup

Proposal 10: Colorado Manufacturer's Sales Room Sales of Alcohol

Current Statutory Language:

44-3-103(49). Definitions.

44-3-402(2)(a). Manufacturer's license - Wineries.

44-3-402(7)(a). Manufacturer's license - Distilleries.

44-3-403. Limited winery license - rules.

44-3-407. Wholesaler's license - discrimination in wholesale sales prohibited/ Beer Wholesaler sales room.

Proposal from Subgroup: Part 1

• Any sales room operated by a licensed Colorado distilled spirits manufacturer will be given the privilege to purchase and use common alcohol modifiers (e.g., vermouth, amaros, liqueurs, etc.) to produce cocktails for on-site and legal to-go consumption.

Proposal from Subgroup: Part 2

Any sales room operated by a licensed Colorado alcohol manufacturer will be given the privilege
to sell any Colorado-produced same-category product (e.g, spirits for distilleries, beer for
breweries, wine/cider for wineries/cider manufacturers) to mirror the existing privileges for
Colorado wineries.

Licensing Subgroup

Proposal 11: Concurrent Filing Process for Application and/or Renewals of Retail Liquor Licenses

Current Statutory Language:

44-3-3021(b). License renewal - rules.

44-3-304(1)(a). State licensing authority - application and issuance procedures - definitions - rules.

Proposal from Subgroup

• Simultaneous filing by the applicant or licensee for processing of an application and/or renewals of retail liquor licenses. Local Licensing approval would be required prior to issuance of licenses to respect local control.

Proposal 12: Amendment to 44-3-301(2)(b), C.R.S.

Current Statutory Language:

44-3-301(2)(b). Licensing in general.

"A local licensing authority or the state on state-owned property may deny the issuance of any new tavern or retail liquor store license whenever such authority determines that the issuance of the license would result in or add to an undue concentration of the same class of license and, as a result, require the use of additional law enforcement resources."

Proposal from Subgroup

- Amend the statutory language to read "A local licensing authority or the state on state-owned property may deny the issuance of any new liquor license tavern or retail liquor store license whenever such authority determines that the issuance of the license would result in or add to an undue concentration of the same class of license and, as a result, require the use of additional law enforcement resources."
- Correction: The reference to 44-3-301(2)(b), C.R.S., was for discussion purposes only. The Division is proposing additional statutory language which would give a local licensing authority the ability to delegate its authority to make decisions on initial and renewal applications to the state licensing authority for all retail license types within their jurisdiction with a licensed premises located on state-owned property.

Proposal 13: Amendment to 44-3-303(1)(b), C.R.S.

Current Statutory Language:

44-3-303(1)(b). Transfer of ownership and temporary permits.

"When a license has been issued to a husband or wife, or to general or limited partners, the death of a spouse or partner shall not require the surviving spouse or partner to obtain a new license. All rights and privileges granted under the original license shall continue in full force and effect as to such survivors for the balance of the license period."

Proposal from Subgroup

 Amend the statutory language to address EDI concerns and availability of civil unions under current law.

Proposal 14: Update to Online Renewal Process

Current Statutory Language:

44-3-304(1)(a). State licensing authority - application and issuance procedures - definitions - rules.

Andryn Arithson's Submitted Proposal

- The LAG proposes that the Liquor Enforcement Division (LED) evaluates the feasibility of completing liquor license applications and renewals via an online portal system. The system would allow for the licensee to have an account where relevant license information would be stored. At the time of renewal, the licensee would be required to confirm items with "no change" and update items that are required to be provided each year, or that have changed.
- The LAG acknowledges the potential complexity of developing this system. An alternative in the shorter term would be to develop a renewal form that allows the licensee to confirm documents and information with no change and supply information that has changed.

Proposal 15: Two-year Renewal Plan for Licensees in Good Standing with Local and State Licensing Authorities

Current Statutory Language:

44-3-301. Licensing in general.

44-3-302. License renewal - rules.

Colleen Norton's Submitted Proposal

- Change renewal for licenses from every year to every two years
 - Local municipality could use an annual renewal option as a consequence to a violation similar to a fine-in-lieu or active suspension
 - Licensee would file a two-year renewal application with both the state and local authorities

- Application fee and renewal fees would be split with the first application and renewal fees being paid to both state and local authorities upon filing and the second renewal fee (no application fee) paid 12 months later (half-way point in renewal timeline)
 - Reminder notifications to be sent by both state and local agencies
- References in statute to annual license would be replaced with biennial license
 - o 44-3-302(2)(b), 44-3-302(2)(d) and Regulation 47-010(A)
- References in statute in reference to disciplinary actions would be amended to include option to use an annual renewal as a penalty/consequence to violations
 - 0 44-3-601

Proposal 16: HB23-1061 Fee Adjustment

Current Statutory Language:

44-3-501(1)(t). State fees - rules - one-time fee waiver- repeal.

"For each retail establishment permit, up to two hundred dollars."

Proposal from Subgroup

• Amend the statutory language to move the fee language from 44-3-501(1)(t) to 44-3-501(3)(XX), C.R.S.

Proposal 17: SB23-264 Business to Calendar Days

Current Statutory Language:

44-3-404(1)(c) - Festival Permit - rules.

Proposal from Subgroup

• Amend the statutory language to read "(c) If a festival permittee notifies the state licensing authority and the appropriate local licensing authority of the location of and dates of each festival at least thirty business calendar days before holding the festival, the permittee may hold up to, but no more than, nine festivals during the twelve months after the festival permit is issued. Beginning January 1, 2024, a permittee may hold up to nine festivals during each calendar year."