



## DEPARTMENT OF REVENUE

### Liquor and Tobacco Enforcement Division

## COLORADO LIQUOR RULES

### 1 CCR 203-2

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#### Regulation 47-100. Definitions.

**Basis and Purpose.** The statutory authority for this regulation includes, but is not limited to, subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), and 44-3-202(2)(a)(I)(R), C.R.S. The purpose of this regulation is to ensure consistent application and interpretation of common terms within the relevant articles.

#### AS USED IN THESE REGULATIONS, UNLESS THE CONTEXT OTHERWISE REQUIRES:

- A. ~~“Licensed, licensee, and licensed premises” mean persons or premises issued a license or permit under Articles 3, Articles 4 and Article 5 of Title 44. REPEALED.~~
- B. “Manufacturer” means a Colorado licensed brewery, winery, limited winery, distillery, vintner’s restaurant, distillery pub or brew pub as defined by section 44-3-103, C.R.S.
- C. “Nonresident manufacturer” means a Colorado licensee that manufactures malt liquor or fermented malt beverages outside the state of Colorado and has been issued a Brewer’s Notice by the Alcohol and Tobacco Tax and Trade Bureau.
- D. “On-site product sales promotion” means a sales promotion, featuring a particular brand of alcohol beverage, that is conducted on a retailer’s licensed premises by an alcohol beverage supplier. On-site product sales promotion may include drink specials, product sampling and the giveaway of consumer goods.
- E. “Sponsored event” means an event supported in whole or in part by a licensed supplier that is conducted at a retail licensed establishment.
- F. “Supplier” means a Colorado licensed brewery, winery, distillery, brew pub, distillery pub, vintner’s restaurant, limited winery, nonresident manufacturer, wholesaler or importer of alcohol beverages.
- G. “Retailer” or an entity “licensed to sell at retail” means those persons licensed pursuant to sections 44-3-401(1)(h) – (t) and (v – w), C.R.S., and section 44-4-104(1)(c), C.R.S. to sell alcohol beverages to the end consumer.
- H. “Unreasonable noise” means a level of noise that violates local noise ordinance standards, or where no local noise ordinance standard exists, a level of noise that would violate section 25-12-103, C.R.S.
- I. “Wholesaler” means those entities authorized to sell alcohol beverages at wholesale to licensed retailers, including wholesalers of fermented malt beverages, malt liquors, vinous and spirituous liquors, limited wineries, brew pubs, distillery pubs, and vintner’s restaurants.

- J. "Sandwiches" as used in articles 3 and 5 of Title 44, C.R.S. are defined as single-serving items such as hamburgers, hot dogs, frozen pizzas, burritos, chicken wings, or items of a similar nature. "Light snacks" as used in articles 3 and 5 of Title 44, C.R.S. are defined as popcorn, pretzels, nuts, chips, or items of a similar nature.
- K. "Colorado Liquor Code" or "Liquor Code" means article 3 of title 44, C.R.S.
- L. "Colorado Beer and Wine Code" or "Beer and Wine Code" means article 4 of title 44, C.R.S.
- M. "Special Event Code" means article 5 of title 44, C.R.S.
- N. "Colorado Liquor Rules" means this regulatory article, 1 C.C.R. 203-2.
- O. "Division" means the State of Colorado Department of Revenue's Liquor Enforcement Division, except as provided otherwise.
- P. "Communal Outdoor Dining Area" means an outdoor space that is used for food and alcohol beverage service by two or more licensees licensed under article 3 or article 4 of title 44, C.R.S. as a:
1. Tavern;
  2. Hotel and Restaurant;
  3. Brew Pub;
  4. Distillery Pub;
  5. Vintner's Restaurant;
  6. Beer and Wine Licensee;
  7. Manufacturer that operates a sales room authorized under section 44-3-402(2) or (7), C.R.S.;
  8. Beer wholesaler that operates a sales room under section 44-3-407(1)(b)(I), C.R.S.;
  9. Limited Winery;
  10. Lodging and Entertainment Facility;
  11. Optional Premises; or
  12. Fermented Malt Beverage Retailer licensed for consumption on the premises.

**REGULATION 47-1110. NON-PROFIT MEMBER-SPECIFIC DATA.**

**BASIS AND PURPOSE. THE STATUTORY AUTHORITY FOR THIS REGULATION INCLUDES BUT IS NOT LIMITED TO SUBSECTIONS 44-3-202(1)(A), 44-3-202(1)(B), 44-3-202(2)(A)(I)(J), 44-3-202(2)(A)(I)(O), 44-3-202(2)(A)(I)(R), AND 7-90-107, C.R.S. THE PURPOSE OF THIS REGULATION IS TO SET FORTH MEMBER-SPECIFIC DATA THAT IS REQUIRED TO BE DISCLOSED BY A NON-PROFIT ENTITY, IN ACCORDANCE WITH 7-90-107, C.R.S., IN ORDER TO RECEIVE A PERMIT OR LICENSE UNDER THE LIQUOR CODE, BEER AND WINE CODE, OR SPECIAL EVENTS CODE, OR THE REGULATIONS PROMULGATED PURSUANT THERETO.**

A. DEFINITIONS

1. FOR THE PURPOSES OF THIS REGULATION, "MEMBER-SPECIFIC DATA" MEANS ANY DOCUMENT, LIST, RECORD, OR COMPILATION OF ONE OR MORE CATEGORIES OF "PERSONAL IDENTIFYING INFORMATION" THAT IDENTIFIES, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, A PERSON AS A MEMBER, VOLUNTEER, OR DONOR TO ANY NONPROFIT ENTITY, PURSUANT TO 7-90-102(36.5), C.R.S.
2. "PERSONAL IDENTIFYING INFORMATION" MEANS INFORMATION THAT MAY BE USED, ALONE OR IN CONJUNCTION WITH ANY OTHER INFORMATION, TO IDENTIFY A SPECIFIC INDIVIDUAL, INCLUDING BUT NOT LIMITED TO A NAME; A DATE OF BIRTH; A SOCIAL SECURITY NUMBER; A PASSWORD; A PASS CODE; AN OFFICIAL, GOVERNMENT-ISSUED DRIVER'S LICENSE OR IDENTIFICATION CARD NUMBER; A GOVERNMENT PASSPORT NUMBER; BIOMETRIC DATA; OR AN EMPLOYER, STUDENT, OR MILITARY IDENTIFICATION NUMBER, PURSUANT TO 18-5-901(13), C.R.S.

B. NON-PROFIT MEMBER-SPECIFIC DATA

1. FOR PURPOSES OF REVIEWING AN APPLICATION FOR, OR ISSUING, A LICENSE OR PERMIT PURSUANT TO ARTICLES 3, 4 OR 5 OF TITLE 44, OR IN RELATION TO A VIOLATION OF SUCH ARTICLES OR ANY REGULATION PROMULGATED PURSUANT THERETO, THE DIVISION OR STATE LICENSING AUTHORITY MAY COLLECT CERTAIN MEMBER-SPECIFIC DATA FROM A NON-PROFIT ENTITY. THIS DATA MAY INCLUDE:
  - a. NAMES OF A MEMBER OR MEMBERS OF A NON-PROFIT ORGANIZATION;
  - b. TITLES OF A MEMBER OR MEMBERS OF A NONPROFIT ORGANIZATION;
  - c. THE ADDRESS OR ADDRESSES OF A MEMBER OR MEMBERS OF A NONPROFIT ORGANIZATION;
  - d. INFORMATION REQUIRED ON FORMS TO APPLY FOR A LICENSE OR PERMIT UNDER ARTICLES 3, 4, OR 5 OF TITLE 44, OR REGULATIONS PROMULGATED PURSUANT THERETO;
  - e. CONTACT INFORMATION FOR A MEMBER OR MEMBERS OF A NONPROFIT ORGANIZATION.

- C. THE DIVISION AND STATE LICENSING AUTHORITY SHALL TREAT THIS INFORMATION AS PERSONAL IDENTIFYING INFORMATION AND WILL NOT RELEASE IT EXCEPT AS PERMITTED OR REQUIRED BY LAW OR AS IS NECESSARY TO ENFORCE OR ENSURE COMPLIANCE WITH THE STATE CONSTITUTION OR APPLICABLE FEDERAL OR STATE LAW.

**REGULATION 47-1107. PERCENTAGE RENT.**

**BASIS AND PURPOSE.** THE STATUTORY AUTHORITY FOR THIS REGULATION INCLUDES, BUT IS NOT LIMITED TO, SUBSECTIONS 44-3-103, 44-3-202(1)(B), 44-3-202(2)(A)(I)(A), 44-3-202(2)(A)(I)(J), 44-3-202(2)(A)(I)(R), AND 44-3-301(3)(A)(I), C.R.S. THE PURPOSE OF THIS REGULATION IS TO CLARIFY HOW OWNERSHIP INTERESTS WILL BE UNDERSTOOD WHEN

AGREEMENTS BETWEEN A LANDLORD AND LICENSEE INCLUDE PERCENTAGE RENTS TERMS.

A. PERCENTAGE RENT

1. "PERCENTAGE RENT" MEANS CONSIDERATION PAID PURSUANT TO ANY KIND OF AGREEMENT BETWEEN A PERSON HOLDING A LIQUOR LICENSE AND A LANDLORD, WHERE THE LANDLORD RECEIVES A PERCENTAGE OF ALCOHOL BEVERAGES SALES AS COMPENSATION FOR RENTING OR LEASING THE PREMISES TO THE LIQUOR LICENSEE.
2. FOR PURPOSES OF THIS RULE, "LANDLORD" MEANS AN OWNER, LESSOR, SUBLESSOR, OR PROPERTY MANAGER THAT RENTS OR LEASES REAL PROPERTY TO A PERSON LICENSED UNDER ARTICLES 3 OR 4 OF TITLE 44 FOR PURPOSES OF CONDUCTING THE OPERATIONS OF THE LIQUOR LICENSE AND INCLUDES THE OFFICERS, DIRECTORS, SHAREHOLDERS, MEMBERS, OWNERS, OR PART OWNERS OF THE LANDLORD.
3. A LANDLORD RECEIVING PAYMENT OF PERCENTAGE RENT SHALL NOT BE DEEMED TO BE AN OWNER OF, OR TO HOLD A DIRECT OR INDIRECT INTEREST IN, THE LIQUOR LICENSE FOR PURPOSES OF ANY APPLICABLE PROVISIONS IN ARTICLES 3 AND 4 OF TITLE 44 PROHIBITING A PERSON FROM HOLDING INTERESTS IN OTHER LICENSES OR PERMITS UNDER ARTICLES 3 AND 4 OF TITLE 44., BASED SOLELY UPON THE PAYMENT OF PERCENTAGE RENT TO THE LANDLORD, UNLESS THE PERCENTAGE EXCEEDS EIGHTEEN PERCENT (18%) OF THE GROSS REVENUES FROM THE SALE OF ALCOHOL BEVERAGES.

B. FIXED RATE RENT

1. A LANDLORD RECEIVING PAYMENT OF RENT AT A FIXED PERIODIC RATE SHALL NOT BE DEEMED TO BE AN OWNER OF, OR TO HOLD A DIRECT OR INDIRECT INTEREST IN, A LIQUOR LICENSE, FOR PURPOSES OF APPLICABLE PROVISIONS IN ARTICLES 3 AND 4 OF TITLE 44 PROHIBITING THAT PERSON FROM HOLDING INTERESTS IN OTHER LICENSES UNDER ARTICLES 3 AND 4 OF TITLE 44, BASED SOLELY UPON A THE PAYMENT OF RENT TO THE LANDLORD AT A FIXED PERIODIC RATE.

C. CONTROL OR INFLUENCE BY A LANDLORD

1. REGARDLESS OF WHETHER A LANDLORD IS PAID A PERCENTAGE RENT OR A FIXED RATE RENT, A LANDLORD SHALL NOT DIRECTLY OR INDIRECTLY CONTROL OR ATTEMPT TO CONTROL, OR OTHERWISE INFLUENCE THE LIQUOR LICENSEE WITH RESPECT TO THE AMOUNT OR TYPE OF ALCOHOL BEVERAGES THE LIQUOR LICENSEE SELLS.

**Regulation 47-1000. Qualifications for Special Event Permit.**

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(R), and 44-5-102, C.R.S. The purpose of this regulation is to define the types of organizations that qualify for a special event permit.

A special event permit under the Special Event Code may be issued to:

- A. An organization, whether or not presently licensed under the Liquor Code or Beer and Wine Code, that:
1. Has been incorporated under the laws of this state for social, fraternal, patriotic, political, educational, or athletic purposes, and not for pecuniary gain
  2. Is a regularly chartered branch, lodge, or chapter of a national organization or society organized for social, fraternal, patriotic, political, educational, or athletic purposes and is nonprofit in nature.
  3. Is a regularly established religious or philanthropic institution.
  4. Is a state institution of higher education, to include each principal campus of such institution.
- B. Any municipality, county, or special district.
- C. Any political candidate who has filed the necessary reports and statements with the secretary of state pursuant to article 45 of title 1, C.R.S. As used in this regulation:
1. "Political" as used in article 5 of title 44, shall mean any political organization or political party;
  2. "Political organization" means any group of registered electors who, by petition for nomination of an unaffiliated candidate as provided in section 1-4-802, C.R.S., places upon the official general election ballot nominees for public office pursuant to section 1-1-104(24), C.R.S. as defined in section 1-1-104, C.R. S.; and
  3. "Political party" means either a major political party or a minor political party pursuant to 1-1-104(25), C.R.S. However, no permit shall be required for those individuals or candidates campaigning or running for public office and who sponsor fund raising activities when such activities are held in a private residence and there is no cash bar in operation.
- D. An entity that is either a state agency, the Colorado Wine Industry Development Board created in section 35-29.5-103, C.R.S., or an instrumentality of a municipality or county, provided that the entity promotes:
1. Alcohol beverages manufactured in the state; or
  2. Tourism in an area of the state where alcohol beverages are manufactured.
- E. **A CHAMBER OF COMMERCE.**
1. **A MEMBER OF A CHAMBER OF COMMERCE THAT HOLDS A SPECIAL EVENT PERMIT MAY PARTICIPATE IN THAT SPECIAL EVENT FOR WHICH THE PERMIT HAS BEEN GRANTED TO THE CHAMBER OF COMMERCE.**
  2. **THE MEMBERS AND THE LOCATIONS SPECIFIED IN THE SPECIAL EVENT PERMIT NEED NOT BE CONTIGUOUS, BUT ATTENDEES OF THE SPECIAL EVENT MAY NOT POSSESS OPEN ALCOHOL BEVERAGE CONTAINERS ON PUBLIC SIDEWALKS AND ROADWAYS UNLESS THE SIDEWALKS AND ROADWAYS ARE PROPERLY CLOSED ~~AND ONLY ACCESSIBLE TO THE~~**

SPECIAL EVENT ATTENDEES: TO MOTOR VEHICLE TRAFFIC BY PHYSICAL BARRIERS AS A PART OF THE SPECIAL EVENT PERMIT.

3. A MEMBER OF THE CHAMBER OF COMMERCE SHALL NOT PARTICIPATE IN THE SPECIAL EVENT IF THAT MEMBER:
  - a. SELLS FIREARMS, MOTOR VEHICLES, MARIJUANA, GASOLINE, OR DIESEL FUEL;
  - b. EDUCATES STUDENTS FROM KINDERGARTEN THROUGH TWELFTH GRADE OR PROVIDES CHILDCARE;
  - c. IS A CONVENIENCE STORE; OR
  - d. HOLDS A LIQUOR LICENSE UNDER ARTICLE 3 OR 4 OF TITLE 44 C.R.S.
    - i. THE MEMBER OF THE CHAMBER OF COMMERCE THAT HOLDS A RETAIL ESTABLISHMENT PERMIT PURSUANT TO 44-3-424 C.R.S., AND REGULATION 47-436 MAY PARTICIPATE IN THE SPECIAL EVENT IF THAT PERSON IS NOT EXERCISING THE PRIVILEGES OF THE RETAIL ESTABLISHMENT PERMIT DURING THE SPECIAL EVENT AND THE HOLDER OF THE SPECIAL EVENT PERMIT ATTESTS TO THIS FACT ON THE FORM PRESCRIBED BY THE STATE LICENSING AUTHORITY.
4. A MEMBER OF THE CHAMBER OF COMMERCE THAT PARTICIPATES UNDER A SPECIAL EVENT PERMIT ISSUED TO A CHAMBER OF COMMERCE MUST PARTICIPATE IN THE EVENT SOLELY WITHIN THE JURISDICTION OF THE ISSUING LOCAL LICENSING AUTHORITY.

**Regulation 47-1002. Application for Special Event Permit.**

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(C), 44-3-202(2)(a)(I)(D), 44-3-202(2)(a)(I)(R), 44-5-106 and 44-5-107, C.R.S. The purpose of this regulation is to establish procedures and forms required to apply for and obtain a special event permit.

- A. Applications for special event permits shall be made on forms provided by the local or state licensing authority and verified by oath or affirmation of an officer, or a duly appointed designee, of the applicant organization. Applications shall be filed with the local licensing authority not less than thirty (30) days prior to the date of the special event. The respective local licensing authority shall investigate each special event permit application, and shall either approve or deny such application upon proper grounds in accordance with the provisions of article 5 of title 44, C.R.S.
  1. Process When Local Licensing Authority Elects Local-Only Approval Method.
    - a. A local licensing authority may elect not to notify the state licensing authority for the purpose of obtaining the state licensing authority's approval or disapproval of an application for a special event permit. Any local licensing authority electing not to notify the state licensing authority shall promptly act upon each application for a special event permit.
    - b. The local licensing authority acting as the sole reviewer of the application shall report to the Division, within ten (10) days from issuance of a special event

permit, the name of the permitted organization, the address of the permitted location, and the permitted dates of alcohol beverage service.

2. Process When Local LICENSING Authority Elects State and Local Approval Method.
    - a. If a local licensing authority elects to notify the state licensing authority for the purpose of obtaining the state licensing authority's approval or disapproval of an application for a special event permit already approved by the local licensing authority, the local licensing authority shall submit the permit application, accompanied by the applicable state permit fees, to the Division not less than ten (10) days prior to the date of the event.
    - b. The state licensing authority may not consider or approve a special event permit application unless it is first approved by the local licensing authority.
  3. ADDITIONAL REQUIREMENTS FOR SPECIAL EVENT APPLICATIONS BY CHAMBERS OF COMMERCE (WHETHER THE LOCAL LICENSING AUTHORITY ELECTS THE LOCAL-ONLY APPROVAL METHOD OR THE STATE AND LOCAL APPROVAL METHOD).
    - a. THE CHAMBER OF COMMERCE APPLYING FOR THE SPECIAL EVENT PERMIT SHALL LIST ALL MEMBERS OF THE CHAMBER OF COMMERCE THAT WILL PARTICIPATE IN THE SPECIAL EVENT ON THE FORM PRESCRIBED BY THE STATE LICENSING AUTHORITY, WHICH SHALL NOT INCLUDE ANY MEMBERS PROHIBITED FROM PARTICIPATING IN THE EVENT UNDER SECTION 44-5-102(1)(D)(II)(D), C.R.S., AND SHALL IDENTIFY THE PREMISES OF EACH SUCH MEMBER WHERE ALCOHOL BEVERAGES WILL BE SOLD OR CONSUMED AS PART OF THE SPECIAL EVENT.
    - b. FOR A MEMBER OF A CHAMBER OF COMMERCE THAT HOLDS A RETAIL ESTABLISHMENT PERMIT PURSUANT TO SECTION 44-3-424 C.R.S. AND REGULATION 47-436, AND INTENDS TO PARTICIPATE IN THE SPECIAL EVENT, THE CHAMBER OF COMMERCE MUST ATTEST ON THE FORM PRESCRIBED BY THE STATE LICENSING AUTHORITY THAT THE MEMBER WILL NOT SERVE COMPLIMENTARY ALCOHOL BEVERAGES UNDER ITS RETAIL ESTABLISHMENT PERMIT ON THE SAME DATE AND TIME AS THE SPECIAL EVENT.
- B. The Division shall maintain on its public website the statewide permitting activity, which the local licensing authority shall review prior to its approval and issuance of permits in order to ensure compliance with section 44-5-105(3), C.R.S., regarding the maximum number of permits that may be issued to an organization each calendar year.
- C. Public Notice Posting, Protests, and Hearings on Special Event Permit Applications.
1. A public notice of the proposed special event permit, on a form approved by the state licensing authority and in compliance with paragraph (D)(2) of this regulation, shall be conspicuously posted on the proposed location for at least ten (10) days before approval of the permit by the local licensing authority.
  2. The public notice shall set forth the procedure for protesting issuance of the permit, including information concerning the address, or email address, where an affected person must submit any written protest, and the date and time by which any written protest must be received. To be considered, any written protest must be submitted to

the address or email address listed in the public notice by affected persons within ten (10) days after the date of the public notice.

3. The local licensing authority shall cause a hearing to be held if, after investigation and upon review of the contents of any protest filed by affected persons, sufficient grounds appear to exist for denial of a permit. No hearing is required if sufficient grounds do not appear to exist for denial of a permit, but a hearing may still be held at the discretion of the local licensing authority.
  4. Any hearing required by this regulation, or any hearing held at the discretion of the local licensing authority, shall be held at least ten (10) days after the initial posting of the public notice. Notice of the hearing shall be provided to the applicant and any person who has filed any written protest.
- D. The local licensing authority may assign all or a part of its functions under the Special Event Code to an administrative officer. The Division may accept an assignment of all or a part of a local licensing authority's functions under the Special Event Code if agreed upon by the Division and the local licensing authority in writing.
- E. The state or local licensing authority, for good cause, may waive the time requirements set forth in this regulation, but may not waive any time requirements specified in article 5 of title 44, C.R.S.
- F. The holder of a special event permit issued by the local, and if applicable the state, licensing authority, shall post such permit in a conspicuous place upon the premises covered by such permit and upon any authorized non-contiguous storage areas, and it shall produce evidence of the permit to any law enforcement officer upon request.

**Regulation 47-1004. Special Event Permit - Non-transferable.**

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(R), AND 44-5-105, C.R.S. The purpose of this regulation is to make clear that a special event permit is non-transferable, and is only valid for dates, TIMES, and locations specified in the application.

- A. The special event permit issued by the local or state licensing authority for a specific date, TIME, and location, as properly described in the application for such permit, is non-transferable. Such permit is not valid for any other date, TIME, or location unless the local licensing authority published notice of, and considered, other alternate dates, TIMES or locations in the event of inclement weather, etc.
- B. The special event permit cannot be transferred to any other organization, nor may any other person or organization exercise the privileges of said permit, directly or indirectly.

**Regulation 47-1006. Special Event Permit - Application on School Property.**

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), and 44-3-202(2)(a)(I)(R), C.R.S. The purpose of this regulation is to make clear that the issuance of a special event permit within a distance restricted (500 ft) area pertaining to school property during hours in which no school classes are scheduled is permitted and otherwise prohibiting the same.

- A. No application for the issuance of a special event permit for the sale of malt, vinous or spirituous liquors shall be received or acted upon where the premises upon which the alcohol beverage is to be sold is located within five hundred feet of any public or parochial school or



the principal campus of any college, university or seminary, which distance is to be measured as set forth in the liquor code or related regulations.

- B. This restriction shall not be imposed during those hours in which no school classes are scheduled, or shall not apply to those applicable exceptions set forth in subsection 44-3-313(1)(d)(I), C.R.S. or related regulations.

**Regulation 47-1008. Special Event Permit - Private Residence: Multiple Use.**

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(D), and 44-3-202(2)(a)(I)(A), C.R.S. The purpose of this regulation is to allow one special event permit with duplicate copies if the event will be conducted on a series of separate private residences.

Upon filing of satisfactory evidence with the local licensing authority, an organization qualifying under article 5 of title 44, C.R.S. may obtain a single permit with duplicate copies for a particular event if such event is to be conducted in a series of separate private residences, provided such residences are in the same neighborhood and local licensing jurisdiction and the application contains the specific description or address of each of the proposed residential premises. Said permit shall not be valid for any other locations and shall be subject to the time restriction set forth in articles 3, 4, and 5 of title 44, C.R.S. Nothing herein shall permit the operation of a cash bar at any of the specified locations.

**Regulation 47-1020. Alcohol Beverage Donations.**

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(G), ~~and~~ 44-3-202(2)(a)(I)(R), 44-3-107, AND 44-5-102(1)(d), C.R.S. The purpose of this regulation is to clarify permitted alcohol beverage donations and associated conditions.

- A. For purposes of this regulation, “wholesaler” means an entity licensed to sell alcohol beverages at wholesale to special event permit holders, including wholesalers of malt liquor and fermented malt beverages, wholesalers of vinous and spirituous liquors, limited wineries, brew pubs, distillery pubs and vintner’s restaurants.
- B. A wholesaler may donate alcohol beverages to a special event permittee at no cost if such alcohol beverages are used for hospitality or fundraising purposes, including resale by the drink. The wholesaler shall provide an invoice documenting the donation of alcohol beverages to the permittee and shall ensure that all applicable state excise taxes are paid pursuant to section 44- 3-503, C.R.S.
- C. Nothing herein shall prohibit a retailer licensed for off-premises consumption to make a donation of alcohol beverage to a special event permittee, as long as such donation is taken from the retailer’s existing inventory.
- D. Wholesalers and retailers licensed for off-premises consumption may make a donation of alcohol beverages to organizations that would otherwise qualify for a special events permit but are exempted under section 44-5-108, C.R.S. The wholesaler shall provide an invoice documenting the donation of alcohol beverages to the organization and shall ensure that all applicable state excise taxes are paid pursuant to section 44-3-503, C.R.S. However, nothing herein shall authorize a wholesale licensee to deliver such alcohol beverages to premises that are not licensed pursuant to articles 3 or 4 of title 44, C.R.S.
- E. When an event, for which the alcohol donations are solicited, is held at a retail location licensed for on-premises consumption pursuant to article 3 or 4 of title 44;

1. The wholesaler shall invoice the retailer at no cost for alcohol beverages intended for the event, if the retail licensee consents to such an arrangement.
2. Any such donated alcohol beverages which are unused must be returned by the retailer to the wholesaler as soon as practicable after the event.
3. If the unused alcohol beverages are not returned, then the wholesaler must charge the retailer at least the laid-in cost for those alcohol beverages.
4. The retail value of any donation of alcohol beverages from a retailer licensed for off-premises consumption to a non-profit event held at a retail location licensed for on-premises consumption will count against the on-premises licensee's statutory dollar limit of alcohol beverages purchased from an off-premises retailer.

~~F. IN ADDITION TO THE DONATIONS TO SPECIAL EVENT PERMITTEES DISCUSSED IN PARAGRAPHS A THROUGH E OF THIS REGULATION, A LIQUOR LICENSEE LICENSED UNDER ARTICLE 3 OR 4 OF TITLE 44 MAY DONATE AT NO COST ALCOHOL PRODUCTS AND VOLUNTEER PERSONNEL SERVICES FOR A SPECIAL EVENT HELD BY A CHAMBER OF COMMERCE IF THAT LIQUOR LICENSEE IS A MEMBER OF THE CHAMBER OF COMMERCE HOLDING A PERMIT FOR THE SPECIAL EVENT.~~

~~G. A LIQUOR LICENSEE LICENSED UNDER ARTICLES 3 OR 4 OF TITLE 44 SHALL NOT PARTICIPATE IN A SPECIAL EVENT FOR WHICH A PERMIT HAS BEEN GRANTED TO A CHAMBER OF COMMERCE, INCLUDING, BUT NOT LIMITED TO, BY USING OR ALLOWING THE USE OF ITS LICENSED PREMISES FOR THE SPECIAL EVENT, EXCEPT THAT THE HOLDER OF A RETAIL ESTABLISHMENT PERMIT UNDER SECTION 44-3-424, C.R.S., THAT IS A MEMBER OF THE CHAMBER OF COMMERCE MAY PARTICIPATE IN THE SPECIAL EVENT IF IT IS NOT SERVING COMPLIMENTARY ALCOHOL BEVERAGES UNDER ITS RETAIL ESTABLISHMENT PERMIT ON THE SAME DATE AND TIME AS THE SPECIAL EVENT.~~

F. NOTWITHSTANDING REGULATION 47-1000(E)(3)(D), A CHAMBER OF COMMERCE MEMBER THAT HOLDS A LIQUOR LICENSE UNDER ARTICLES 3 OR 4 OF TITLE 44 MAY DONATE AT NO COST ALCOHOL PRODUCTS AND VOLUNTEER PERSONNEL SERVICES FOR A SPECIAL EVENT HELD BY THE CHAMBER OF COMMERCE.

**Regulation 47-1022. Donated Alcohol Beverages in Sealed Containers for Auction For Fundraising Purposes.**

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections ~~44-3-107~~, 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(G), ~~and~~ 44-3-202(2)(a)(I)(R), ~~AND~~ 44-3-107, C.R.S. The purpose of this regulation is to clarify the definitions of the terms "donated" or "otherwise lawfully obtained" alcohol beverages as those terms are used in subsection 44-3-107(2), C.R.S.

- A. For purposes of subsection 44-3-107(2), C.R.S., "donated" or "otherwise lawfully obtained" alcohol beverages mean:
1. Alcohol beverages donated pursuant to Regulation 47-1020, 1 C.C.R. 203-2; or
  2. Alcohol beverages donated by a private individual who is at least twenty-one (21) years of age and lawfully obtained the alcohol beverages she or he is donating; or
  3. Alcohol beverages donated by an entity that does not hold a liquor license pursuant to articles 3 or 4 of title 44, C.R.S. and lawfully obtained the alcohol beverages it is

donating. The agent or representative of the donating entity must be a private individual who is at least twenty-one (21) years of age and lawfully obtained the alcohol beverages she or he is donating.

### **Regulation 47-303. License Renewal.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(C), 44-3-202(2)(a)(I)(D), 44-3-202(2)(a)(I)(R), 44-3-302, 44-3-501, and 44-4-105, C.R.S. The purpose of this regulation is to clarify and establish procedures and deadlines for a licensee that is applying to renew its license in accordance with section 44-3-302, C.R.S.

- A. No one other than the license holder, or their duly-authorized representative, may file an application to renew the license with local and state licensing authorities.
- B. At least ninety (90) days before the expiration date of an existing license, the State Licensing Authority shall notify the licensee of the expiration date by sending notice to the most recently provided email address and/or mailing address for the licensee.
- C. A complete renewal application shall include evidence that the licensee remains in possession of the licensed premises by ownership, lease, rental, or other arrangement at the time of application. An agreement that may lapse within the new license year neither automatically disqualifies the licensee from renewing, nor automatically invalidates the license. However, this provision does not preclude the state or local licensing authority from initiating any action as provided by law to suspend or revoke a license for loss of possession of the licensed premises.
- D. Nothing herein authorizes a licensee to purchase, sell, or serve alcohol beverages with an expired license, except as authorized in subparagraphs E, F(2), and G(3) of this regulation. Licensed privileges are not restored until and unless the applicable requirements of subparagraph F(2) and/or G(3) of this regulation are met.
- E. Application for the renewal of an existing license shall be made to the local licensing authority not less than forty-five (45) days prior to the date of expiration and to the state licensing authority not less than thirty (30) days prior to the date of expiration. The state or local licensing authority may waive these requirements for good cause. Once an application for renewal has been filed with the local licensing authority, or the state licensing authority for state only licenses, the licensee may continue to operate until final agency action.
- F. License expired for not more than ninety (90) days.
  - 1. A licensee whose license has not been expired for more than ninety (90) days may file a late renewal application upon the payment of a non-refundable late application fee to the local licensing authority, and/or the state licensing authority.
  - 2. A licensee who files a late renewal application and pays the requisite fees may resume operation until the state and/or local licensing authorities have taken final agency action to approve or deny such licensee's late renewal application.
- G. License expired for more than ninety (90) days, but less than one hundred eighty (180) days.
  - 1. Any licensee whose license has been expired more than ninety (90) but less than one hundred eighty (180) days, may submit to the local licensing authority, or state

licensing authority for state only licenses, an application:

- a. For a new license, subject to section 44-3-301, C.R.S., or
  - b. For a reissued license, subject to subsection 44-3-302(2)(d), C.R.S.
2. The local licensing authority, or state licensing authority for state-only licenses, shall have sole discretion to determine whether to allow a licensee to apply for a reissued license. If the local licensing authority, or state licensing authority for state-only licenses, does not allow the licensee to apply for a reissued license, then the licensee must apply for a new license.
  3. A licensee applying for a reissued license may resume operation pending final agency action by all of the relevant licensing authorities to approve or deny the licensee's application only if:
    - a. The local licensing authority, or state licensing authority for state-only licensee, allows the licensee to apply for a reissued license;
    - b. The licensee submits the application, along with payment for the required fees and fines, to the local licensing authority or the state licensing authority for state-only licensees; and
    - c. The local licensing authority, or the state licensing authority for state-only licenses, accepts the reissued license application and required fees and fines.
- H. Any licensee whose license has been expired for one hundred eighty (180) days or more must apply for a new license pursuant to section 44-3-311, C.R.S., and shall not purchase or sell any alcohol beverage until all required licenses have been obtained, unless otherwise authorized under these regulations.
- I. A licensee that is in lawful possession of its alcohol beverage inventory at the time it receives approval from the local licensing authorities for an application for the late license renewal pursuant to paragraph (F) of this regulation, or for an application for new license of reissued license pursuant to paragraph (G) of this regulation, may continue to possess its alcohol beverage inventory.
- J. **FOR THE PURPOSES OF BIENNIAL LICENSURE, A LICENSEE IN GOOD STANDING MAY APPLY TO RENEW ITS LICENSE ON A TWO-YEAR BASIS. HOWEVER, APPLICABLE FEES REQUIRED BY SUBSECTIONS 44-3-501(1) AND (3), 44-3-505(1), C.R.S., AND REGULATION 47-506, SHALL BE PAID ANNUALLY AS PROVIDED IN SECTION 44-3-302(3)(b), C.R.S. THE FIRST PAYMENT MUST BE SUBMITTED WITH THE APPLICATION TO RENEW THE LICENSE FOR A TWO-YEAR PERIOD. THE SECOND PAYMENT MUST BE SUBMITTED BY THE DATE THAT IS TWELVE (12) MONTHS AFTER THE BIENNIAL LICENSE APPLICATION IS FILED. FAILURE OF THE LICENSEE TO TIMELY PAY THE SECOND PAYMENT SHALL RESULT IN DISCIPLINE OF THE LICENSE, WHICH MAY INCLUDE AN ADMINISTRATIVE ACTION, FINE, SUSPENSION OR REVOCATION OF THE LICENSE, AND THE LICENSEE WILL NO LONGER HAVE GOOD STANDING STATUS.**
1. **FOR PURPOSES OF THIS REGULATION, THE TERM "GOOD STANDING" MEANS A LICENSEE THAT:**

- a. HAS NOT BEEN FOUND, IN A FINAL AGENCY ACTION, TO BE IN VIOLATION OF ARTICLES 3, 4, OR 5 OF TITLE 44, C.R.S., OR ANY REGULATIONS PROMULGATED PURSUANT THERETO, IN THE 365 DAYS PERIOD BEFORE APPLYING TO RENEW THE LICENSE ON A TWO-YEAR BASIS;
  - b. MAINTAINS A LICENSE THAT HAS NOT EXPIRED;
  - c. HAS PAID ALL FINES AND FEES OWED TO THE STATE LICENSING AUTHORITY AND THE LOCAL LICENSING AUTHORITY; AND
  - d. HAS PAID THEIR ANNUAL LICENSE FEE FOR THEIR BIENNIAL LICENSE IN CONSECUTIVE FISCAL YEARS (JULY 1- JUNE 30).
2. A LICENSEE THAT FALLS OUT OF GOOD STANDING AUTOMATICALLY HAS ITS BIENNIAL RENEWAL PRIVILEGE REVOKED AND MUST APPLY FOR A LICENSE RENEWAL ON AN ANNUAL BASIS. A LICENSEE THAT LOSES ITS GOOD STANDING STATUS MAY NOT BE GRANTED BIENNIAL RENEWAL FOR TWO CALENDAR YEARS.
  3. AN APPLICATION FOR BIENNIAL RENEWAL SHALL BE COMPLETED ON A FORM PRESCRIBED BY THE STATE LICENSING AUTHORITY.
    - a. ONCE A LICENSEE IS GRANTED BIENNIAL RENEWAL, THE LICENSEE SHALL CONTINUE TO RENEW BIENNIALLY UNLESS THE LICENSEE FALLS OUT OF GOOD STANDING.

**REGULATION 47-1109. EDUCATIONAL CLASSES.**

BASIS AND PURPOSE. THE STATUTORY AUTHORITY FOR THIS REGULATION INCLUDES, BUT IS NOT LIMITED TO, SUBSECTIONS 44-3-103(14.5), 44-3-202(1)(b), 44-3-202(1)(d), 44-3-202(2)(a)(I)(K), 44-3-202(2)(a)(I)(O), 44-3-202(2)(a)(I)(R), AND 44-3-301(13), C.R.S. THE PURPOSE OF THIS REGULATION IS TO ESTABLISH REQUIREMENTS FOR A RETAIL LIQUOR STORE LICENSED PURSUANT TO 44-3-409, C.R.S., TO HOLD EDUCATIONAL CLASSES.

~~A. —~~ EDUCATIONAL CLASS. DEFINITIONS

AS USED WITHIN THIS REGULATION:

1. “EDUCATIONAL CLASS” MEANS A CLOSED EVENT ON THE PREMISES OF A RETAIL LIQUOR STORE, DURING WHICH CONSUMERS WHO ARE TWENTY-ONE YEARS OF AGE OR OLDER ARE TAUGHT ABOUT ALCOHOL BEVERAGES THAT ARE SOLD BY THE RETAIL LIQUOR STORE, INCLUDING, BUT NOT LIMITED TO, THE HISTORY OF THE ALCOHOL BEVERAGE, FOOD PAIRINGS, AND SERVING SUGGESTIONS.
2. “STANDARD DRINK” MEANS EITHER:
  - a. A SERVING OF TWELVE (12) FLUID OUNCES OF MALT LIQUOR OR HARD CIDER NOT EXCEEDING EIGHT PERCENT (8%) ALCOHOL BY VOLUME;
  - b. A SERVING OF TEN (10) FLUID OUNCES OF MALT LIQUOR EXCEEDING

EIGHT PERCENT (8%) ALCOHOL BY VOLUME:

- c. A SERVING OF FIVE (5) FLUID OUNCES OF VINOUS LIQUOR NOT EXCEEDING SEVENTEEN PERCENT (17%) ALCOHOL BY VOLUME:
- d. A SERVING OF FOUR (4) FLUID OUNCES OF VINOUS LIQUOR EXCEEDING SEVENTEEN PERCENT (17%) ALCOHOL BY VOLUME: OR
- e. A SERVING OF ONE AND A HALF (1.5) FLUID OUNCES OF DISTILLED SPIRITS.

**B. NOTICE REQUIREMENT**

- 1. A RETAIL LIQUOR STORE LICENSED PURSUANT TO 44-3-409, C.R.S., SHALL NOTIFY THE STATE AND LOCAL LICENSING AUTHORITY OF AN EDUCATIONAL CLASS NO LESS THAN FIVE (5) BUSINESS DAYS PRIOR TO THE DATE OF THE CLASS.
- 2. IN ITS NOTIFICATION, THE RETAIL LIQUOR STORE SHALL INFORM THE STATE LICENSING AUTHORITY OF THE TYPE OF ALCOHOL BEVERAGES BEING SHOWCASED AT THE EDUCATIONAL CLASS.
  - a. POSSIBLE TYPES OF ALCOHOLIC BEVERAGES ARE MALT, VINOUS, AND SPIRITUOUS LIQUORS.

**C. COMMON ALCOHOL MODIFIERS FROM THE RETAIL LIQUOR STORE'S OWN INVENTORY MAY BE USED AT THE EDUCATIONAL CLASS AND NEED NOT BE REPORTED TO THE STATE LICENSING AUTHORITY.**

- 1. THE RETAIL LIQUOR STORE SHALL MAINTAIN RECORDS OF ALL ATTENDEES OF EACH EDUCATIONAL CLASS FOR NO LESS THAN 90-DAYS FROM THE DATE OF THE EDUCATIONAL CLASS. THE RECORDS SHALL CONTAIN THE NAME, AND AT LEAST ONE OF THE FOLLOWING MEANS OF CONTACT: AN ADDRESS, EMAIL ADDRESS, ~~AND OR~~ A PHONE NUMBER.
- 2. THE RETAIL LIQUOR STORE SHALL MAINTAIN RECORDS OF ALL ALCOHOL BEVERAGES USED DURING EACH EDUCATIONAL CLASS, HOW MUCH WAS USED DURING EACH EDUCATIONAL CLASS, AND WHETHER OR NOT THE LEFTOVER PRODUCT FROM THE EDUCATIONAL CLASS WAS DESTROYED OR KEPT FOR A LATER EDUCATIONAL CLASS.
  - b. THE RETAIL LIQUOR STORE SHALL DIFFERENTIATE OPENED BOTTLES IN ITS RECORDS.

**D. PERMITTED ACTS.**

- 1. A RETAIL LIQUOR STORE HOSTING AN EDUCATIONAL CLASS MAY CHARGE A FEE FOR THE CLASS, EXCEPT THAT IT SHALL NOT CHARGE A FEE BY THE DRINK.
- 2. A WHOLESALER OR MANUFACTURER MAY PROVIDE ALCOHOL BEVERAGES FOR AN EDUCATIONAL CLASS, BUT THAT ALCOHOL BEVERAGE MUST ONLY BE USED FOR THE SPECIFIC EDUCATIONAL CLASS FOR WHICH IT WAS

PROVIDED.

- a. ANY UNOPENED ALCOHOL BEVERAGES SHALL BE REMOVED BY THE WHOLESALER.
- b. ANY OPENED ALCOHOL BEVERAGES REMAINING AT THE RETAIL LIQUOR STORE AFTER THE EDUCATIONAL CLASS MAY BE USED IN A FUTURE EDUCATIONAL CLASS, BUT MUST BE LOCKED AWAY FROM THE SALES FLOOR IN A SECURED AREA. A SECURED AREA MEANS:
  - i. A DESIGNATED AREA, INCLUDING, BUT NOT LIMITED TO, A CLOSET, CABINET, OR SAFE;
  - ii. THAT IS UPON THE LICENSED PREMISES AND NOT ACCESSIBLE TO CONSUMERS; AND
  - iii. IS SECURED BY A LOCKING MECHANISM AT ALL TIMES WHILE ANY OPEN CONTAINERS OF UNCONSUMED ALCOHOL BEVERAGES ARE STORED FOR USE AT A FUTURE EDUCATIONAL CLASS.

E. UNLAWFUL ACTS

1. IT IS UNLAWFUL FOR A RETAIL LIQUOR STORE CONDUCTING AN EDUCATION CLASS TO:
  - a. CHARGE A PATRON PER DRINK OR BY THE DRINK;
  - b. ALLOW A PATRON WHO HAS PARTICIPATED IN AN EDUCATIONAL CLASS TO PARTICIPATE IN ANOTHER EDUCATIONAL CLASS OR TASTING EVENT ON THE LICENSED PREMISES FOR THE REST OF THE CALENDAR DAY;
  - c. ALLOW ANY PERSON UNDER TWENTY-ONE (21) YEARS OLD TO ATTEND THE EDUCATIONAL CLASS REGARDLESS OF ANY SAFEGUARDS IMPLEMENTED BY THE RETAIL LIQUOR STORE MEANT TO PREVENT AN UNDERAGED PERSON FROM CONSUMING ALCOHOL BEVERAGES;
  - d. ALLOW AN INSTRUCTOR TO TEACH THE EDUCATIONAL CLASS THAT HAS NOT COMPLETED THE RESPONSIBLE ALCOHOL BEVERAGE TRAINING PURSUANT TO 44-3-1002, C.R.S.;
  - e. PROVIDE MORE THAN:
    - i. ONE (1) STANDARD DRINK FOR AN EDUCATION CLASS LASTING ONE (1) HOUR OR LESS;
    - ii. TWO (2) STANDARD DRINKS FOR AN EDUCATION CLASS LASTING MORE THAN ONE (1) HOUR BUT LESS THAN TWO (2) HOURS; OR
    - iii. THREE (3) STANDARD DRINKS FOR AN EDUCATIONAL CLASS

LASTING MORE THAN TWO (2) HOURS.

- f. ALLOW A VISIBLY INTOXICATED PERSON TO ATTEND AN EDUCATIONAL CLASS; OR
- g. SERVE AN ALCOHOL BEVERAGE TO A VISIBLY INTOXICATED PERSON.

F. DISCARD CONTAINERS

- 1. SPIT BUCKETS, DUMP BUCKETS, SPIT CUP OR SPITTOONS MUST BE ACCESSIBLE TO EACH PATRON OF THE EDUCATIONAL CLASS.

G. FOOD AND WATER

- 1. SNACKS AND SANDWICHES MUST BE AVAILABLE FOR PATRONS OF EDUCATIONAL CLASSES.
- 2. WATER MUST BE ACCESSIBLE TO EACH PATRON OF THE EDUCATIONAL CLASS.

**REGULATION 47-1108. NAME, IMAGE, OR LIKENESS.**

BASIS AND PURPOSE. THE STATUTORY AUTHORITY FOR THIS REGULATION INCLUDES, BUT IS NOT LIMITED TO, SUBSECTIONS 44-3-202(1)(a)-(b), 44-3-202(2)(a)(I)(R), 44-3-402(5)(a), 44-3-403(6), 44-3-406(6), 44-3-407(2)-(3), 44-3-409(4), 44-3-410(4), 44-3-411(3), 44-3-412(5), 44-3-413(14), ~~44-3-414(3)~~; 44-3-414(3), 44-3-415(2), 44-3-416(4), 44-3-417(5), 44-3-418(4), 44-3-420(4), 44-3-421(2), 44-3-422(5), 44-3-426(5), AND 44-3-428(3), C.R.S. THE PURPOSE OF THIS REGULATION IS TO CLARIFY HOW OWNERSHIP AND DIRECT OR INDIRECT INTERESTS IN A LICENSE WILL BE UNDERSTOOD BASED UPON AGREEMENTS TO USE A PERSON'S NAME, IMAGE OR LIKENESS RELATED TO AN ALCOHOL BEVERAGE OR LIQUOR-LICENSED ESTABLISHMENT.

A. NAME, IMAGE, LIKENESS

- 1. THE USE OF A PERSON'S NAME, IMAGE, OR LIKENESS FOR THE ADVERTISEMENT OF ALCOHOL BEVERAGES OR ASSOCIATED WITH A LIQUOR-LICENSED ESTABLISHMENT IS PERMITTED WITHIN THE STATE OF COLORADO.
- 2. A PERSON WHO RECEIVES A FINANCIAL BENEFIT FROM THE USE BY A LIQUOR LICENSEE OF THAT PERSON'S NAME, IMAGE, OR LIKENESS MAY BE PAID EITHER IN THE FORM OF A FIXED RATE OR BASED UPON A PERCENTAGE OF SALES OF ALCOHOL BEVERAGES.

B. FIXED AMOUNT

- 1. A PERSON WHO ALLOWS THE USE OF THEIR NAME, IMAGE, OR LIKENESS AND RECEIVES FINANCIAL COMPENSATION IN THE FORM OF A FIXED AMOUNT SHALL NOT BE CONSIDERED TO BE AN OWNER OF, OR TO HAVE A DIRECT OR INDIRECT INTEREST IN A LIQUOR LICENSE, BASED SOLELY ON THE BASIS OF SUCH COMPENSATION.

C. PERCENTAGE OF SALES



1. A PERSON WHO ALLOWS THE USE OF THEIR NAME, IMAGE, OR LIKENESS AND RECEIVES FINANCIAL COMPENSATION IN THE FORM OF A PERCENTAGE OF SALES OF ALCOHOL BEVERAGES SHALL BE CONSIDERED TO BE AN OWNER OF, OR INTERESTED DIRECTLY OR INDIRECTLY IN LIQUOR LICENSE, ON THE BASIS OF SUCH COMPENSATION, AND SUBJECT TO APPLICABLE PROHIBITIONS ON HOLDING INTERESTS IN OTHER LICENSES ISSUED UNDER ARTICLES 3 AND 4 OF TITLE 44.

**Regulation 47-304. Transfer of Ownership and Changes in Licensed Entities.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-103, 44-3-107(1), 44-3-202(2)(a)(I)(A), 44-3-202(1)(b), 44-3-202(2)(a)(I)(J), 44-3-202(2)(a)(I)(R), 44-3-301(7), 44-3-303(3)(b), and 44-3-308, 44-3-409(6), AND 44-3-409(7), C.R.S. The purpose of this regulation is to establish reporting and disclosure requirements for the identification of applicants, licensees, and their relevant financial interests to promote transparency and prevent the occurrence of statutorily prohibited financial interests between the manufacturing, wholesale, and retail tiers.

A. Corporations and Limited Liability Companies

1. If the applicant for any license under Articles 3 or Article 4 of Title 44 is a corporation or limited liability company, it shall submit with the application, the names, addresses, and individual history records of all of its principal officers, directors, or managers, and a copy of its articles of incorporation or articles of organization; and if a foreign entity, evidence of its qualification to do business within this state. In addition, each applicant shall submit the names, addresses, and individual history records of all persons owning 10% or more of the outstanding or issued capital stock, or persons holding a 10% or more membership interest.
2. Any transfer of capital stock or any change in principal officers or directors of any corporation holding a license under the provisions of the Liquor or Beer and Wine Codes and which is not subject to the reporting requirements of the Securities and Exchange Act of 1934, as amended, shall be reported to the respective licensing authorities within thirty (30) days after such transfer or change. With the report, the licensee shall submit the names, addresses, and individual history records for any new officer, director, or stockholder acquiring 10% or more outstanding capital stock, as well as the corporate minutes verifying the transactions. Licensees that are subject to the Securities and Exchange Act of 1934, as amended, shall be required to do the same, except that they shall not be required to report any single transfer of outstanding capital stock of less than 10%.
3. Any transfer of membership interest or any change in managers of any limited liability company holding a license shall be reported to the respective licensing authorities within thirty (30) days after such transfer or change. With the report, the licensee shall submit the names, addresses, and individual history records for any new manager, or member acquiring 10% or more membership interest.

B. Partnerships

1. If the applicant for any license under articles 3 or 4 of title 44 is a general partnership, limited partnership, limited liability partnership, or limited liability limited partnership it

shall submit with the application, the names, addresses, and individual history records of all of its general or managing partners, and a copy of its partnership agreement; and, if a foreign entity, evidence of its qualification to do business within this state. In addition, each applicant shall submit the names, addresses, and individual history records of any other partner holding a 10% or more partnership interest.

2. Any transfer of partnership interest or any change in general or managing partners of any partnership holding a license shall be reported to the respective licensing authorities within thirty (30) days after such transfer or change. With the report, the licensee shall submit the names, addresses, and individual history records for any new general or managing partner, or any other partner acquiring 10% or more partnership interest.

C. Municipalities and Other Governmental Entities

1. If the applicant for any license under articles 3 or 4 of Title 44 is a municipality or other governmental entity, it shall submit with the application, the name, address and individual history record of at least one member of its governing body, or at least one person hired or appointed by its governing body, to serve as an officer or director; except that, pursuant to section 44-3-107(1), C.R.S., a person who has an interest in a liquor license may not be listed as an officer or director on a license owned, or to be owned, by a municipality or other governmental entity if that person individually manages or receives any direct financial benefit from the operation of such license. If the governing body of a municipality or other governmental entity hires or appoints more than one officer or director, the name, address and individual history record of each such officer or director shall be submitted with the application.
2. Any change in the officers or directors of a license held by a municipality or other governmental entity shall be reported to the respective licensing authorities within thirty (30) days after such change. With the report, the licensee shall submit the names, addresses, and individual history records for any new officers or directors.

D. Entity Conversions

1. Any licensee that qualifies for an entity conversion pursuant to section 7-90-201, C.R.S., et. seq., or similar law enacted by other states, shall not be required to file a transfer of ownership application pursuant to section 44-3-303, C.R.S. upon statutory conversion, but shall submit a report containing suitable evidence of conversion within thirty (30) days of such conversion. Such evidence shall include, but not be limited to, recognition of conversion by the Colorado Secretary of State. In addition, within thirty (30) days of the conversion, the licensee shall submit the names, addresses, and individual history records of any new officers, directors, managers, general or managing partners, and all persons having an ownership interest of 10% or more.

E. All reports required by this regulation shall be made on forms supplied by the Division.

F. For all applicants for the issuance of a license by reason of a transfer of possession of the licensed premises by methods to include operation of law, a petition in bankruptcy pursuant to federal bankruptcy law, the appointment of a receiver, a foreclosure action by a secured party, or a court order dispossessing the prior licensee of all rights of possession pursuant to article 40 of

title 13, C.R.S., the licensing authorities shall consider only the requirements of section 44-3-307, C.R.S. The loss of possession of the licensed premises by the licensee does not in itself automatically invalidate, cancel or terminate the underlying license. An applicant who otherwise comes into possession of the licensed premises by operation of law, may apply for a transfer of the underlying license as provided by law pursuant to section 44-3-303, C.R.S. This provision does not prohibit a licensing authority from initiating any action as provided by law to suspend or revoke a license for loss of possession of the licensed premises.

G. No application for a transfer of ownership may be received or acted upon by either the state or local licensing authority if the previous licensee has surrendered its license and had it canceled by either authority prior to submission of the transfer application. In cases where cancellation has occurred prior to the submission of a transfer of ownership application, the license applicant shall follow the procedures for a new license application pursuant to section 44-3-311, C.R.S.

H. **TRANSFER OF ALCOHOL BEVERAGE INVENTORY BETWEEN RETAIL LIQUOR STORE LICENSES, WHEN SELLING LICENSEE WILL SURRENDER LICENSE, PURSUANT TO SECTION 44-3-409(6) AND (7), C.R.S.**

1. **AS USED IN THIS PARAGRAPH H, AN "ACQUIRING LICENSEE" MEANS A LICENSED RETAIL LIQUOR STORE PURCHASING OR ATTEMPTING TO PURCHASE THE INVENTORY OF A SELLING LICENSEE. A "SELLING LICENSEE" MEANS A LICENSED RETAIL LIQUOR STORE THAT IS SURRENDERING ITS LICENSE.**

2. **TRANSFER OF RETAIL LIQUOR STORE LICENSE AND ALCOHOL BEVERAGE INVENTORY TO ANOTHER RETAIL LIQUOR STORE PURSUANT TO 44-3-409(6) AND (7), C.R.S.**

a. **AN ACQUIRING LICENSEE THAT PURCHASES THE ALCOHOL BEVERAGE INVENTORY OF A SELLING LICENSEE, SUBJECT TO APPROVAL FROM THE STATE AND LOCAL LICENSING AUTHORITIES, MAY ALSO APPLY FOR A TRANSFER OF OWNERSHIP FOR THE SELLING LICENSEE'S RETAIL LIQUOR STORE LICENSE IF THE ACQUIRING LICENSEE IS ELIGIBLE TO OBTAIN ADDITIONAL RETAIL LIQUOR STORE LICENSES PURSUANT TO SUBSECTION 44-3-409(4)(b)(III), C.R.S.;**

i. **UPON APPROVAL OF A TRANSFER OF OWNERSHIP, A NEW RETAIL LIQUOR STORE LICENSE WILL BE ISSUED TO THE ACQUIRING LICENSEE PURSUANT TO SUBSECTIONS 44-3-301(3)(A)(I), AND 44-3-409(6)(f)(II), C.R.S.**

3. **TRANSFER OF RETAIL LIQUOR STORE'S ALCOHOL BEVERAGE INVENTORY ONLY:**

a. **FOR A SELLING LICENSEE THAT ONLY SELLS ALL OF ITS ALCOHOL BEVERAGE INVENTORY TO THE ACQUIRING LICENSEE PURSUANT TO SUBSECTION 44-3-409(6), C.R.S., BUT DOES NOT TRANSFER OWNERSHIP PURSUANT TO SUBSECTION 44-3-409(7), C.R.S., THE SELLING LICENSEE'S RETAIL LIQUOR STORE LICENSE SHALL BE CONSIDERED CANCELED, INVALID, AND SURRENDERED. NEITHER THE STATE NOR LOCAL LICENSING AUTHORITIES SHALL ISSUE A NEW RETAIL LIQUOR**

STORE LICENSE AT THE LOCATION OR WITHIN 1,500 FEET OF THE LOCATION OF THE CANCELED, INVALIDATED, OR SURRENDERED RETAIL LIQUOR STORE LICENSE FOR THE NEXT FIVE YEARS AFTER THE DATE THE RETAIL LIQUOR STORE LICENSE IS CANCELED, INVALIDATED, OR CONSIDERED SURRENDERED.

- b. THE ACQUIRING LICENSEE MUST TRANSPORT THE ALCOHOL BEVERAGE INVENTORY FROM THE SELLING LICENSEE AND MAY ONLY TRANSPORT THE ALCOHOL BEVERAGES TO THE ACQUIRING LICENSEE'S LICENSED PREMISES OR TO ONE OF THE OTHER LICENSED PREMISES OWNED BY THE ACQUIRING LICENSEE.

4. NOTICE TO STATE AND LOCAL LICENSING AUTHORITIES

- a. FOR SALES OR TRANSFERS OF ALCOHOL BEVERAGE INVENTORY PURSUANT TO SUBPARAGRAPH (H)(~~12~~) OR (H)(~~23~~) OF THIS REGULATION, PRIOR TO OR AT THE TIME OF REMOVING THE ACQUIRED ALCOHOL BEVERAGES FROM THE SELLING LICENSEE, THE ACQUIRING LICENSEE SHALL PROVIDE NOTICE TO THE DIVISION AND LOCAL LICENSING AUTHORITY OF THE SPECIFIC ALCOHOL BEVERAGE INVENTORY TRANSPORTED TO THE LICENSED PREMISES OF AND/OR TO ANY OTHER LICENSED PREMISES OWNED BY THE ACQUIRING LICENSEE, SPECIFYING WHICH ALCOHOL BEVERAGES WERE TRANSPORTED TO EACH SUCH LICENSED PREMISES.

5. NOTICE TO WHOLESALERS AND SATISFACTION OF DEBT.

- a. THE NOTIFICATION TO EVERY WHOLESALER THAT SOLD ALCOHOL BEVERAGES TO THE SELLING LICENSEE WITHIN THE PRIOR FOUR (4) MONTHS FROM THE SALE OF THE ALCOHOL BEVERAGE INVENTORY. AS REQUIRED UNDER SUBSECTION 44-3-409(6)(d)(I), C.R.S., MUST OCCUR AT LEAST 30 DAYS PRIOR TO THE ALCOHOL BEVERAGE INVENTORY SALE. A COPY OF THE NOTIFICATION PROVIDED TO THE WHOLESALER MUST BE SUBMITTED TO THE STATE AND LOCAL LICENSING AUTHORITIES WITH THE NOTICE SET FORTH IN SUBSECTION 44-3-406(6)(c), C.R.S.
- b. WITHIN FIFTEEN BUSINESS DAYS AFTER RECEIVING THE NOTICE SENT PURSUANT TO SUBPARAGRAPH (H)(5)(A) OF THIS RULE, A WHOLESALER SHALL NOTIFY THE ACQUIRING LICENSEE AND THE SELLING LICENSEE OF ANY OUTSTANDING DEBT OWED BY THE SELLING LICENSEE TO THE WHOLESALER FOR THE PRODUCTS BEING SOLD OR TRANSFERRED.
- c. IF AN ACQUIRING LICENSEE RECEIVES NOTICE OF AN OUTSTANDING DEBT OWED BY THE SELLING LICENSEE PURSUANT TO SUBPARAGRAPH (H)(5)(B) OF THIS RULE, THE ACQUIRING LICENSEE SHALL FIRST SATISFY THE SELLING LICENSEE'S DEBT WITH THE WHOLESALER. THE ACQUIRING LICENSEE SHALL PAY ANY REMAINING MONEY OWED FOR THE PURCHASED INVENTORY AFTER PAYMENT HAS BEEN MADE TO ANY WHOLESALERS THAT NOTIFIED THE ACQUIRING LICENSEE IN A MANNER

CONSISTENT WITH THE AGREEMENT BETWEEN THE SELLING LICENSEE  
AND THE ACQUIRING LICENSEE.

**Regulation 47-302. Changing, Altering, or Modifying Licensed Premises.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(D), and 44-3-202(2)(a)(I)(R), C.R.S. The purpose of this regulation is to establish procedures for a licensee seeking to make material or substantial alterations to the licensed premises, and provide factors the licensing authority must consider when evaluating such alterations for approval or rejection.

- A. After issuance of a license, the licensee shall make no physical change, alteration or modification of the licensed premises that materially or substantially alters the licensed premises or the usage of the licensed premises from the latest approved plans and specifications on file with the state and local licensing authorities without application to, and the approval of, the respective licensing authorities. For purposes of this regulation, physical changes, alterations or modifications of the licensed premises, or in the usage of the premises requiring prior approval, shall include, but not be limited to, the following:
1. Any increase or decrease in the total size or capacity of the licensed premises.
  2. The sealing off, creation of or relocation of a common entryway, doorway, passage or other such means of public ingress and/or egress, when such common entryway, doorway or passage alters or changes the sale or distribution of alcohol beverages within the licensed premises.
  3. Any substantial or material enlargement of a bar, relocation of a bar, or addition of a separate bar. However, the temporary addition of bars or service areas to accommodate seasonal operations shall not require prior approval unless the additional service areas are accompanied by an enlargement of the licensed premises.
  4. An outside service area located on a property owned by a municipality, a city and county, or the unincorporated area of a county, and that the licensee possesses in accordance with subsection (B)(2) of this regulation, may be approved by the state and local licensing authorities upon the annual filing of a modification of premises application, due at the time of initial application or at the time of renewal, on a form approved by the State Licensing Authority, and payment of the associated modification of licensed premises fee as set forth in Regulation 47-506, provided that:
    - a. The proposed outside service area located on property owned by the municipality, city and county, or unincorporated areas of a county, is immediately adjacent to the licensed premises;
    - b. The licensed premises, as temporarily modified, will comprise a definite contiguous area;
    - c. Plans and specifications identifying the outside service area, including dates of seasonal operation (if applicable), accompany the form and fee;

- d. Licensees shall maintain records of the dates alcohol service occurs on the outside service area if such space is used seasonally or sporadically, and must provide records to the Division upon request; and
  - e. All outside service areas are closed to motor vehicle traffic by physical barriers during all times that alcohol service occurs.
- 5. Any material change in the interior of the premises that would affect the basic character of the premises or the physical structure detailed in the latest approved plans and specifications on file with the state and local licensing authorities. However, the following types of modifications will not require prior approval, even if a local building permit is required: painting and redecorating of premises; the installation or replacement of electric fixtures or equipment, plumbing, refrigeration, air conditioning or heating fixtures and equipment; the lowering of ceilings; the installation and replacement of floor coverings; the replacement of furniture and equipment; and any non-structural remodeling where the remodel does not expand or reduce the existing area designed for the display or sale of alcohol beverage products.
- 6. The destruction or demolition, and subsequent reconstruction, of a building that contained the retailer's licensed premises shall require the filing of new building plans with the local licensing authority, or in the case of manufacturers and wholesalers, with the state licensing authority. However, reconstruction shall not require an application to modify the premises unless the proposed plan for the newly-constructed premises materially or substantially alters the licensed premises or the usage of the licensed premises from the plans and specifications detailed in the latest approved plans and specifications on file with the state and local licensing authorities.
- 7. Nothing herein shall prohibit a licensee from modifying its licensed premises to include in the licensed premises a public thoroughfare, if the following conditions are met:
  - a. The licensee has been granted an easement for the public thoroughfare for the purpose of transporting alcohol beverages;
  - b. The public thoroughfare is authorized solely for pedestrian and non-motorized traffic;
  - c. The inclusion of the public thoroughfare is solely for the purpose of transporting alcohol beverages between licensed areas, and no sale or consumption will occur on or within the public thoroughfare; and
  - d. Any other conditions as established by the local licensing authority.
- 8. The addition of a noncontiguous location to the licensed premises of a winery, LIMITED WINERY, DISTILLERY, OR BREWERY licensed pursuant to sections 44-3-402 or 44-3-403, C.R.S.
- 9. Modification of the licensed premises to include a communal outdoor dining area, subject to the requirements of section 44-3-912, C.R.S., and Regulation 47-1103.

- B. In making its decision with respect to any proposed changes, alterations or modifications, the licensing authority must consider whether the premises, as changed, altered or modified, will meet all of the pertinent requirements of the Liquor or Beer and Wine Codes and related regulations. Factors to be taken into account by the licensing authority shall include, but not be limited to, the following:
1. The reasonable requirements of the neighborhood and the desires of the adult inhabitants.
  2. The possession, by the licensee, of the changed premises by ownership, lease, rental or other arrangement.
  3. Compliance with the applicable zoning laws of the municipality, city and county or county.
  4. Compliance with the distance prohibition in regard to any public or parochial school or the principal campus of any college, university, or seminary.
  5. The legislative declaration that the Liquor and Beer and Wine Codes are an exercise of the police powers of the state for the protection of the economic and social welfare and the health, peace, and morals of the people of this state.
- C. If permission to change, alter or modify the licensed premises is denied, the licensing authority shall give notice in writing and shall state grounds upon which the application was denied. The licensee shall be entitled to a hearing on the denial if a request in writing is made to the licensing authority within fifteen (15) days after the date of notice.
- D. This regulation shall be applicable to the holder of a manufacturer's license as specifically defined in Section 44-3-402, C.R.S., or a limited winery defined in section 44-3-403, C.R.S., only if the physical change, alteration, or modification involves any increase or decrease in the total size of the licensed premises, including the addition of a noncontiguous location to the licensed premises of a winery, LIMITED WINERY, DISTILLERY, OR BREWERY licensed pursuant to sections 44-3-402 or 44-3-403, C.R.S. Except, any change, alteration, or modification of a sales room, shall be reported in accordance with subsection (A).
- E. The state licensing authority shall not impose any additional fees for the processing or review of an application for a modification of premises for the holder of a manufacturer's license, except for applications to modify the premises through the addition of a noncontiguous location to the licensed premises of a winery, LIMITED WINERY, DISTILLERY, OR BREWERY licensed pursuant to sections 44-3-402 or 44-3-403, C.R.S.

**Regulation 47-408. Purchases by Retailers.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(O), 44-3-202(2)(a)(I)(R), **44-3-409(6)**, 44-3-411, 44-3-413, 44-3-414, 44-3-416, 44-3-417, 44-3-418, 44-3-419, 44-3-420, 44-3-422, 44-3-426, ~~and~~ 44-3-428, **44-3-432, AND 44-3-901(6)(f)**, C.R.S. The purpose of this regulation is to establish purchase requirements for retailers.

- A. Every person or entity licensed under the Liquor or Beer and Wine Codes to sell at retail shall purchase all alcohol beverage inventory, for the operation of its business, from a person or entity licensed to sell at wholesale pursuant to article 3 or 4 of title 44, C.R.S., except that:
1. TO THE EXTENT AUTHORIZED IN SUBSECTIONS 44-3-411(2)(a), C.R.S. (BEER AND WINE LICENSE), 44-3-413(7)(b)(I), C.R.S. (HOTEL AND RESTAURANT LICENSE), 44-3-414(2)(a), C.R.S. (TAVERN LICENSE), 44-3-416(2)(a), C.R.S. (RETAIL GAMING TAVERN LICENSE), 44-3-417(3)(a), C.R.S. (BREW PUB LICENSE), 44-3-418(2)(a), C.R.S. (CLUB LICENSE), 44-3-419(4)(a), C.R.S. (ARTS LICENSE), 44-3-420(2)(a), C.R.S. (RACETRACK LICENSE), 44-3-422(3)(a), C.R.S. (VINTNER'S RESTAURANT LICENSE), 44-3-426(4)(b)(I), C.R.S. (DISTILLERY PUB LICENSE), 44-3-428(2)(a), C.R.S. (ENTERTAINMENT FACILITY LICENSE), AND 44-432(2)(a), C.R.S. (LODGING FACILITY LICENSE), a retailerS LICENSED UNDER THOSE SECTIONS licensed for ~~on-premises consumption only~~ may purchase not more than SEVEN two-thousand dollars' worth of such alcohol beverages during a calendar year from a retail liquor store, FERMENTED MALT BEVERAGE AND WINE RETAILER, or a liquor-licensed drugstore, AS ADJUSTED FOR INFLATION AS SET FORTH THEREIN; OR
  2. A RETAIL LIQUOR STORE MAY PURCHASE ALCOHOL FROM ANOTHER RETAIL LIQUOR STORE THAT IS SURRENDERING ITS LICENSE UNDER THE CIRCUMSTANCES, AND IN COMPLIANCE WITH THE REQUIREMENTS AND LIMITATIONS, SET FORTH IN SUBSECTION 44-3-409(6), C.R.S., AND REGULATION 47-304(H).
    - a. ~~NOTICE TO WHOLESALERS. THE NOTIFICATION TO EVERY WHOLESALER THAT SOLD ALCOHOL BEVERAGES TO THE SELLING LICENSEE WITHIN THE PRIOR FOUR (4) MONTHS FROM THE SALE OF THE ALCOHOL BEVERAGE INVENTORY, AS REQUIRED UNDER SUBSECTION 44-3-409(6)(D)(I), C.R.S., MUST OCCUR AT LEAST 30 DAYS PRIOR TO THE ALCOHOL BEVERAGE INVENTORY SALE. A COPY OF THE NOTIFICATION PROVIDED TO THE WHOLESALER MUST BE SUBMITTED TO THE STATE AND LOCAL LICENSING AUTHORITIES WITH THE NOTICE SET FORTH IN SUBSECTION 44-3-406(6)(G), C.R.S.~~
- B. All alcohol beverages possessed or maintained on the retail-licensed premises shall be only such alcohol beverages acquired as set forth in this regulation, or as may have come into possession upon the issuance of a license or temporary permit pursuant to section 44-3-303, C.R.S.
- C. Nothing herein shall authorize a retailer to purchase alcohol beverage inventory for its licensed operations from any public or private auction.
- D. Records maintained by the licensee in compliance with sectionS 44-3-409 AND 44-3-701, C.R.S. and regulation 47-700, 1 C.C.R. 203-2 shall include all records of purchases of alcohol beverages.
- E. Purchases of malt liquor and fermented malt beverages by retailers including a retailer's purchase at the wholesaler's licensed location(s) must be from the wholesaler designated within the territory rights pursuant to section 44-3-407(1)(b)(I), C.R.S.



### **Regulation 47-409. Transportation of Alcohol Beverages.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(K), and 44-3-202(2)(a)(I)(R), C.R.S. The purpose of this regulation is to define a limited exception for transporting alcohol beverages across another licensee's licensed premises.

Notwithstanding any other rule or regulation to the contrary contained in 1 CCR 203-2, licensees located within the same building or facility may, for transportation purposes only, transport alcohol beverages across another licensee's liquor licensed premises. Nothing in this regulation shall permit a licensee or its agent to sell, serve, give, or permit consumption of its alcohol beverages off its own licensed premises.

### **Regulation 47-426. Delivery Sales by Off-Premise Licensees.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-4-107(1)(c), 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(O), 44-3-202(2)(a)(I)(R), 44-3-409(3), 44-3-410(3), and 44-3-601, 44-3-701, C.R.S. The purpose of this regulation is to permit fermented malt beverage and wine retailer licensees, retail liquor stores, and liquor licensed drug stores to deliver alcohol beverage products to consumers within the requirements, restrictions, and limitations outlined in the regulation in accordance with the statutory provisions under which limited retail delivery activities are authorized.

#### **A. Delivery Permitted.**

A retailer licensed pursuant to section 44-3-409 or 44-3-410, or subsection 44-4-107(1)(a), C.R.S., may deliver such alcohol beverages authorized by its license to any location off the licensed premises, pursuant to the following restrictions:

1. Order.
  - a. The order for the alcohol beverages which are to be delivered, must be taken by the licensee, or an ordering service acting as an agent of the licensee ~~pursuant to a written agreement entered into with the licensee~~, **AND IN COMPLIANCE WITH SUBPARAGRAPH (1)(d) OF THIS REGULATION. licensee shall provide a copy of said agreement to the division prior to any orders being accepted by licensee's agent.**
  - b. The order may be taken by written order, by telephone, in person, or via internet communication **BETWEEN with** the licensee **AND THE CUSTOMER or its agent.**
  - c. The **CUSTOMER person** placing the order must provide the licensee with their name, date of birth, and delivery address. Under no circumstances shall a person under twenty-one (21) years of age be permitted to place an order for alcohol beverages.
  - d. **IF THE LICENSEE CONTRACTS WITH AN ORDERING SERVICE TO FACILITATE THE ADVERTISEMENT OF THE LICENSEE'S AVAILABLE PRODUCT FOR SALE, THEN:**

- i. THE ORDERING SERVICE SHALL AGREE TO ACT AS AN AGENT OF THE LICENSEE, FOR PURPOSES OF DISCIPLINARY ACTIONS PURSUANT TO SECTION 44-3-601(1)(a), C.R.S., PURSUANT TO A WRITTEN AGREEMENT ENTERED INTO WITH THE LICENSEE. LICENSEE SHALL PROVIDE A COPY OF SAID AGREEMENT TO THE DIVISION PRIOR TO ANY ORDERS BEING ACCEPTED BY LICENSEE'S AGENT.
- ii. THE ORDERING SERVICE SHALL NOT RECEIVE COMPENSATION BASED ON THE PERCENTAGE OF ALCOHOL SALES OF THE LICENSEE, AND INSTEAD SHALL BE COMPENSATED ONLY BY THE LICENSEE ON A FLAT FEE BASIS;
- iii. IF AN ORDERING SERVICE WORKS AS AN AGENT OF MORE THAN ONE LICENSEE, THE ORDERING SERVICE SHALL NOT DIRECT ANY CUSTOMER TO A PARTICULAR LICENSEE TO PURCHASE ALCOHOL BEVERAGES, AND SHALL INSTEAD ALLOW CUSTOMERS TO SELECT FROM AMONG ANY OF THE LICENSEES FOR WHICH THE ORDERING SERVICE ACTS AS AN AGENT.
- iv. CUSTOMER PAYMENTS FOR ANY ALCOHOL BEVERAGES ORDERED USING AN ORDERING SERVICE MUST BE MADE DIRECTLY TO THE SELLING LICENSEE, NOT TO THE ORDERING SERVICE, BUT MAY BE MADE THROUGH A CREDIT CARD PROCESSOR ON BEHALF OF THE LICENSEE.
  1. FOR THE PURPOSES OF THIS REGULATION, A PROCESSING FEE CHARGED BY A CREDIT CARD PROCESSOR IS NOT CONSIDERED TO BE IN VIOLATION OF THIS RULE.

2. Delivery.

- a. Delivery of alcohol beverages shall only be made to a person twenty-one (21) years of age or older at the address specified in the order.
- b. Delivery must be made by the licensee or the licensee's employee who is at least twenty-one (21) years of age and is using a vehicle owned or leased by the licensee to make the delivery.
- c. The licensee or the licensee's employee who delivers the alcohol beverages shall note and log at the time of delivery the name and identification number of the person the alcohol beverages are delivered to. Under no circumstances shall a person under twenty-one (21) years of age be permitted to receive a delivery of alcohol beverages.
- d. A licensee must derive no more than fifty (50) percent of its gross annual revenues from total sales of alcohol beverages that the licensee delivers.

3. Licensees who deliver alcohol beverages shall maintain as a part of their required records, pursuant to 44-3-701, C.R.S., all records of delivery including delivery orders, receipt logs and journals. These records shall be maintained by the licensee for sixty (60) days. Failure to maintain accurate or complete records shall be a violation of this regulation.
4. Have a licensed premises with the following conditions:
  - a. Open to the public a minimum of three (3) days a week; and
  - b. Open to the public a minimum of five (5) hours each day the business is open; and
  - c. Have signage viewable from a public road.
5. Permit required.
  - a. Effective July 1, 2019, the state licensing authority will accept complete delivery permit applications from any applicant of or retailer licensed pursuant to section 44-3-409 or 44-3-410, or subsection 44-4-107(1)(a), C.R.S.
  - b. Effective July 1, 2020, any retailer licensed pursuant to section 44-3-409 or 44-3-410, or subsection 44-4-107(1)(a), C.R.S., must hold a valid delivery permit issued by the state licensing authority to deliver alcohol beverages pursuant to the Liquor Code, the Beer and Wine Code, and this regulation.
  - c. The applicant must affirm on its delivery permit application that the applicant derives or will derive no more than fifty (50) percent of its gross annual revenues from total sales of alcohol beverages that the applicant delivers. However, nothing within this subsection (A)(5)(c) 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.
  - d. A delivery permittee shall display its delivery permit at all times in a prominent place on its licensed premises. A delivery permittee shall not be required to hold or carry a copy of its delivery permit in the delivery vehicle.
  - e. A delivery permit shall not be required for a retailer to deliver alcohol beverages within its customary parking area.

B. Suspension or Revocation.

Any delivery made in violation of Title 44, Articles 3 and **Article 4**, or in violation of this regulation may be grounds for suspension or revocation of the licensee's license and/or delivery permit by the state licensing authority as provided for in section 44-3-601, C.R.S.

**Regulation 47-428. Sales Rooms.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-103(49), 44-3-202(1)(b), 44-3-202(a)(I)(R), 44-3-202(2)(a)(I)(T), 44-3-402, 44-3-403, ~~and~~ 44-3-407, **AND 44-3-911(6)(a)(I)**, C.R.S. The purpose of this regulation is to establish procedural requirements for sales room applicants, and provide factors the licensing authority must consider when evaluating the application for approval or denial.

- A. Any manufacturer of vinous or spirituous liquor, licensed pursuant to 44-3-402, C.R.S., a limited winery license issued pursuant to section 44-3-403, C.R.S., or beer (malt liquor) wholesaler licensed pursuant to section 44-3-407(1)(b), C.R.S., applying to operate a sales room as defined by section 44-3-103(49), shall submit an application for a sales room to the state licensing authority.
- B. The applicant must send a copy of the application for the sales room concurrently to the state licensing authority and to the local licensing authority in the jurisdiction in which such sales room is proposed. All applications for vinous or spirituous liquor sales rooms to be operated for no more than three (3) consecutive days shall be filed with both the local and state licensing authorities not less than ten (10) business days prior to the proposed opening date.
- C. The sales room application submitted to the state licensing authority and copies of the sales room application submitted to the local licensing authority shall be done in a manner that provides proof of date of delivery. This includes, but is not limited to, email, facsimile, or certified mail.
- D. The local licensing authority may submit a response to the application to the state licensing authority including its determination whether or not the approval of the proposed sales room will impact traffic, noise, or other neighborhood concerns in a manner that is inconsistent with local regulations or ordinances, which may be determined by the local licensing authority without requiring a public hearing, or that the applicant cannot sufficiently mitigate any potential impacts identified by the local licensing authority. The local licensing authority submission to the state licensing authority shall be done in a manner that provides proof of date of delivery. This includes, but is not limited to, email, facsimile, or certified mail.
- E. For proposed sales rooms operating more than three (3) consecutive days, the local licensing authority must submit its response to the state licensing authority within forty-five (45) days from the date of application to the state licensing authority.
- F. For proposed sales rooms operating not more than three (3) consecutive days, the local licensing authority must submit its response to the state licensing authority within eight (8) business days from the date of application to the state licensing authority.
- G. If the state licensing authority does not receive a response from the local licensing authority within the time frame as stated in paragraph E or F, the state licensing authority shall deem that the local licensing authority does not object to the sales room according to paragraph D.
- H. For additional sales rooms for vinous or spirituous liquor, the applicant must affirm to the state licensing authority that the applicant has complied with local zoning restrictions.
- I. The local licensing authority can request the state licensing authority take action in accordance with section 44-3-601, C.R.S. against a licensee who operates an approved sales room if the local licensing authority:

1. Demonstrates that the licensee has engaged in an unlawful action set forth in section 44- 3-901, et seq, C.R.S.
  2. Shows good cause as specified in subsections 44-3-103(19)(a), (19)(b), or (19)(d), C.R.S.
- J. Neither the state or local licensing authority shall impose any additional fees for the processing or review of an application for a sales room
- K. If a licensee that has a salesroom within its main licensed premises changes its location pursuant to Regulation 47-312, 1 C.C.R. 203-2, the licensee must apply for a new sales room license at its new location in accordance with this Regulation.
- L. Sales rooms that do not sell and serve alcohol for consumption on the licensed premises are exempt from local licensing review in accordance with paragraphs B, D, E, F, and G.
- M. ~~A winery manufacturer~~ WINERY OR DISTILLERY licensed pursuant to section 44-3-402, C.R.S.. ~~whose licensed premises includes multiple noncontiguous locations~~ may operate a sales room on its primary licensed premises, AND AT ONE (1) OTHER APPROVED SALES ROOM LOCATION. IF THE LICENSED PREMISES INCLUDES TWO (2) ~~on no more than one of the~~ noncontiguous locations, THE WINERY OR DISTILLERY MAY OPERATE A SALES ROOM ON ONLY ONE OF THOSE NONCONTIGUOUS LOCATIONS. ANY SALES ROOM ON A NONCONTIGUOUS LOCATION OF THE LICENSED PREMISES MUST BE APPROVED IN ACCORDANCE WITH THE PROCESS OUTLINED IN SUBSECTION 44-3-402(2)(c) OR SUBSECTION 44-3-402(7)(c), C.R.S., RESPECTIVELY. ~~and on no more than one of the noncontiguous locations:~~
- ~~1. a winery licensed pursuant to section 44-3-402, c.r.s., may only operate a sales room on one of the noncontiguous locations if the sales room is approved in accordance with the process outlined in sections 44-3-402(2)(c), 44-3-301(2)(d), and 44-3-301(2)(e), c.r.s., respectively.~~
  - ~~2. a winery licensed pursuant to section 44-3-402, c.r.s., that operates a sales room on the primary licensed premises and one of the noncontiguous locations may not operate another sales room at any location.~~
- N. A limited winery licensed pursuant to section 44-3-403, C.R.S. whose licensed premises includes multiple noncontiguous locations may operate a sales room on its primary licensed premises and on no more than one of the noncontiguous locations.
1. A limited winery may only operate a sales room on one of the noncontiguous locations of the licensed premises if the sales room is approved as one of the licensee's additional sales rooms allowed under section 44-3-403(2)(e)(i)(a), C.R.S., in accordance with the process outlined in section 44-3-403(2)(e)(ii), C.R.S.
  2. A limited winery that operates a sales room on its primary licensed premises and one of the noncontiguous locations may only operate additional sales rooms at up to four other approved locations.
- O. A MANUFACTURER OF SPIRITUOUS LIQUORS IN ITS SALES ROOM MAY USE COMMON ALCOHOL MODIFIERS (INCLUDING BUT NOT LIMITED TO: AMAROS, LIQUEURS, AND VERMOUTHS) TO MIX WITH ITS SPIRITUOUS LIQUORS OF ITS OWN MANUFACTURER TO PREPARE COCKTAILS FOR CONSUMPTION ON OR OFF THE SALES ROOM PREMISES FOR PATRONS.

1. FOR PURPOSES OF THIS PARAGRAPH (O), A "COMMON ALCOHOL MODIFIER" MEANS AN INGREDIENT ADDED TO SPIRITUOUS LIQUOR TO ENHANCE THE FLAVOR PROFILE AROMA, COLOR, OR TEXTURE OF A COCKTAIL AND THAT CONTAINS MALT, VINOUS LIQUOR, OR SPIRITUOUS LIQUOR, INCLUDING VERMOUTH, AMAROS, AND LIQUEURS.
2. A MANUFACTURER SHALL NOT SELL COMMON ALCOHOL MODIFIERS TO CUSTOMERS IF THE MODIFIER HAS NOT BEEN COMBINED WITH A SPIRITUOUS LIQUOR OF ITS OWN MANUFACTURE.
3. A MANUFACTURER OF SPIRITUOUS LIQUORS MAY PURCHASE COMMON ALCOHOL MODIFIERS FOR USE UNDER THIS SUBPARAGRAPH (O) FROM A WHOLESALER OR A MANUFACTURER. ALL REQUIRED EXCISE TAXES MUST BE PAID PURSUANT TO 44-3-503, C.R.S..

~~P. PURSUANT TO 44-3-911(6)(A)(II), C.R.S., MANUFACTURERS LICENSED PURSUANT TO 44-3-402, C.R.S. OR 44-3-403, C.R.S., SHALL NOT DELIVER ALCOHOL BEVERAGES TO A CUSTOMER AT AN UNLICENSED LOCATION FOR OFF-PREMISES CONSUMPTION.~~

**Regulation 47-506. Fees.**

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-202(1)(b), 44-3-301(2)(c), 44-3-501(3)-(4), and 44-3-911(4)(a)(III), C.R.S. The purpose of this regulation is to establish fees for certain applications, notices, reports, and services.

Below are the fees set by the State Licensing Authority pursuant to sections 44-3-501(3) and 44-3-501(4), C.R.S.

Alternating Proprietor Licensed Premises .....	\$150.00
Application for New License .....	\$1,100.00
<del>Application for Renewal of a License .....</del>	<del>\$125.00</del>
<del>(This fee will be effective from July 1, 2023, to June 30, 2024)</del>	
Application for Renewal of a License .....	\$250.00
<del>(This fee will be effective beginning July 1, 2024)</del>	
Application for Transfer License .....	\$1,100.00
Application for Transfer & Conversion for an Additional Liquor-Licensed Drugstore .....	\$1,100.00
Branch Warehouse or Warehouse Storage Permit .....	\$100.00
Change of Corporate or Trade Name .....	\$50.00
Change of Location .....	\$150.00
Concurrent Review .....	\$100.00
Corporate/LLC Change (Per Person) .....	\$100.00
Duplicate Liquor License .....	\$50.00
Limited Liability Change .....	\$100.00
Manager Permit Registration (Liquor-Licensed Drugstore) .....	\$100.00
Master File Background .....	\$250.00
Master File Location Fee (Per Location) .....	\$25.00
Modification of License Premises (City or County) .....	\$150.00
(except that a Temporary Modification of licensed premises to accommodate an outside service area Located on a sidewalk shall only incur an annual fee of \$75.00, as outlined in Regulation 47-302(A)(4)).	
New Product Registration (Per Unit) .....	\$0.00
Non-Contiguous Location <del>(Winery/Limited Winery)</del> Application Fee .....	\$125.00
Non-Contiguous Location <del>(Winery/Limited Winery)</del> Renewal Fee .....	\$100.00
Optional Premises Added to H&R License (Per Unit) .....	\$100.00

<b>RETAIL ESTABLISHMENT PERMIT .....</b>	<b>\$72.00</b>
Retail Warehouse Storage Permit .....	\$100.00
Sole Source Registration .....	\$100.00
Takeout and Delivery Permit Application Fee.....	\$11.00
Takeout and Delivery Permit Renewal Fee .....	\$11.00
Winery Direct Shipment Permit .....	\$100.00
Subpoena Testimony (Per Hour) .....	\$50.00

Minimum of four (4) hours of appearance or on-call or travel time to court and mileage, meals, and lodging at state employee per-diem rate. Actual hourly rate for all hours in excess of four (4) hours.