

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 10-0527.01 Christy Chase

HOUSE BILL 10-1279

HOUSE SPONSORSHIP

McFadyen, Balmer, Casso, Pommer

SENATE SPONSORSHIP

Williams,

House Committees

Business Affairs and Labor
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE OWNERSHIP OF A LICENSE TO SELL ALCOHOL**
102 **BEVERAGES AT RETAIL, AND, IN CONNECTION THEREWITH,**
103 **ALLOWING A GROCERY STORE TO APPLY TO TRANSFER**
104 **OWNERSHIP OF TWO RETAIL LIQUOR STORES, CHANGE**
105 **LOCATION OF ONE OF THE RETAIL LIQUOR STORES, AND MERGE**
106 **AND CONVERT THE TWO RETAIL LIQUOR STORE LICENSES TO A**
107 **SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE AND**
108 **PROHIBITING ANY NEW STATE-ISSUED RETAIL LIQUOR STORE**
109 **LICENSES FOR TEN YEARS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

On or after January 1, 2011, the bill allows a grocery store to apply to the state and local licensing authorities, as part of a single application, to transfer ownership and change the location of a licensed retail liquor store and to convert the retail liquor store license to a liquor-licensed drugstore license, thereby allowing the grocery store, if the application is approved, to sell malt, vinous, and spirituous liquors. Assuming all other requirements for the transfer and conversion are satisfied, the application is permitted only if:

- ! The subject retail liquor store and the grocery store are within the jurisdiction of the same local licensing authority;
- ! The grocery store will not be located within 1,000 feet of another licensed retail liquor store within the same local licensing authority's jurisdiction; and
- ! The grocery store provides evidence that its revenues from food sales during the prior 12 months have been at least 51% of its total revenues.

In making its determination on the application, the local licensing authority may consider the reasonable requirements of the neighborhood. A grocery store business would be allowed to obtain multiple liquor-licensed drugstore licenses.

A grocery store would have to pay an application fee to both the state licensing authority and the local licensing authority and, if the application is granted, would be subject to the same annual licensing fees that liquor-licensed drugstores are required to pay.

A liquor-licensed drugstore, including a grocery store that obtains a liquor-licensed drugstore license, would not be permitted to conduct tastings on the licensed premises.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 12-47-103 (16) and (37.5), Colorado Revised
3 Statutes, are amended, and the said 12-47-103 is further amended BY
4 THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to
5 read:

6 **12-47-103. Definitions.** As used in this article and article 46 of
7 this title, unless the context otherwise requires:

1 (9.5) "GROCERY STORE" MEANS AN ESTABLISHMENT THAT:

2 (a) GENERATES AT LEAST FIFTY-ONE PERCENT OF ITS TOTAL
3 REVENUES FROM THE SALE OF PACKAGED OR FRESH FOOD PRODUCTS, SUCH
4 AS FRESH PRODUCE, MEAT, FISH, DAIRY PRODUCTS, BAKERY ITEMS, DRY
5 GOODS, AND OTHER EDIBLE GROCERIES, AND HOUSEHOLD PRODUCTS, SUCH
6 AS TOILETRIES AND CLEANING PRODUCTS; AND

7 (b) OPERATES A PHARMACY ON SITE.

8 (9.7) "GROCERY STORE BUSINESS" MEANS A CORPORATION,
9 LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER BUSINESS ENTITY
10 THAT OWNS AND OPERATES ONE OR MORE GROCERY STORES.

11 (16) "Liquor-licensed drugstore" means:

12 (a) Any drugstore licensed by the state board of pharmacy that has
13 also applied for and has been granted a license by the state licensing
14 authority to sell malt, vinous, and spirituous liquors in original sealed
15 containers for consumption off the premises; OR

16 (b) A GROCERY STORE THAT HAS TRANSFERRED OWNERSHIP OF
17 TWO RETAIL LIQUOR STORES, CHANGED THE LOCATION OF ONE OF THE
18 RETAIL LIQUOR STORES, AND MERGED AND CONVERTED THE TWO RETAIL
19 LIQUOR STORE LICENSES INTO A SINGLE LIQUOR-LICENSED DRUGSTORE
20 LICENSE IN ACCORDANCE WITH SECTIONS 12-47-407 (6) AND 12-47-408 (6)
21 AND IS AUTHORIZED UNDER THAT LICENSE TO SELL MALT, VINOUS, AND
22 SPIRITUOUS LIQUORS IN ORIGINAL SEALED CONTAINERS FOR CONSUMPTION
23 OFF THE PREMISES.

24 (37.5) "Tastings" means the sampling of malt, vinous, or spiritous
25 liquors that may occur on the premises of a retail liquor store licensee ~~or~~
26 ~~liquor-licensed drugstore licensee~~ by adult patrons of the licensee
27 pursuant to the provisions of section 12-47-301 (10).

1 **SECTION 2.** 12-47-301 (4) (b), (10) (b), (10) (c) (I), (10) (d), and
2 (10) (e), Colorado Revised Statutes, are amended to read:

3 **12-47-301. Licensing in general.** (4) (b) EXCEPT AS PROVIDED
4 IN SUBPARAGRAPH (IV) OF PARAGRAPH (a) OF SUBSECTION (11) OF THIS
5 SECTION, no local licensing authority shall issue, transfer location of, or
6 renew any license to sell any alcohol beverages until the person applying
7 for such license produces a license issued and granted by the state
8 licensing authority covering the whole period for which a license or
9 license renewal is sought.

10 (10) (b) A retail liquor store ~~or liquor-licensed drugstore~~ licensee
11 who wishes to conduct tastings may submit an application or application
12 renewal to the local licensing authority. The local licensing authority may
13 reject the application if the applicant fails to establish that he or she is
14 able to conduct tastings without violating ~~the provisions of~~ this section or
15 creating a public safety risk to the neighborhood. A local licensing
16 authority may establish its own application procedure and may charge a
17 reasonable application fee.

18 (c) Tastings shall be subject to the following limitations:

19 (I) Tastings shall be conducted only:

20 (A) By a person who has completed a server training program that
21 meets the standards established by the liquor enforcement division in the
22 department of revenue and who is either a retail liquor store licensee ~~or~~
23 ~~a liquor-licensed drugstore licensee~~, or an employee of a licensee; and
24 only

25 (B) On a licensee's licensed premises.

26 (d) A violation of a limitation specified in this subsection (10) or
27 of section 12-47-801 by a retail liquor store ~~or liquor-licensed drugstore~~

1 licensee, whether by ~~his or her~~ THE RETAIL LIQUOR STORE'S employees,
2 agents, or otherwise, shall be the responsibility of the retail liquor store
3 ~~or liquor-licensed drugstore~~ licensee who is conducting the tasting.

4 (e) A retail liquor store ~~or liquor-licensed drugstore~~ licensee
5 conducting a tasting shall be subject to the same revocation, suspension,
6 and enforcement provisions as otherwise apply to the licensee.

7 **SECTION 3.** 12-47-301, Colorado Revised Statutes, is amended
8 BY THE ADDITION OF A NEW SUBSECTION to read:

9 **12-47-301. Licensing in general - repeal.**

10 (11) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE TO
11 THE CONTRARY, THE STATE LICENSING AUTHORITY SHALL NOT ISSUE A
12 NEW RETAIL LIQUOR LICENSE ON OR AFTER THE EFFECTIVE DATE OF THIS
13 SECTION AND BEFORE JANUARY 1, 2021. THIS SECTION DOES NOT
14 PROHIBIT:

15 (I) THE RENEWAL OF A RETAIL LIQUOR STORE LICENSE INITIALLY
16 ISSUED PRIOR TO THE EFFECTIVE DATE OF THIS SECTION;

17 (II) A TRANSFER OF OWNERSHIP OF A RETAIL LIQUOR STORE
18 INITIALLY LICENSED BY THE STATE LICENSING AUTHORITY PRIOR TO THE
19 EFFECTIVE DATE OF THIS SECTION;

20 (III) A CHANGE IN LOCATION OF A RETAIL LIQUOR STORE INITIALLY
21 LICENSED BY THE STATE LICENSING AUTHORITY PRIOR TO THE EFFECTIVE
22 DATE OF THIS SECTION; OR

23 (IV) A LOCAL LICENSING AUTHORITY FROM ISSUING A NEW RETAIL
24 LIQUOR STORE LICENSE; EXCEPT THAT, A PERSON WHO OBTAINS A RETAIL
25 LIQUOR STORE LICENSE FROM A LOCAL LICENSING AUTHORITY IS NOT
26 AUTHORIZED TO SELL AT RETAIL PURSUANT TO THIS ARTICLE UNTIL THE
27 PERSON APPLIES TO THE STATE LICENSING AUTHORITY PURSUANT TO

1 SECTION 12-47-303 (1) (c), AND THE STATE LICENSING AUTHORITY
2 GRANTS THE PERSON'S APPLICATION, FOR A TRANSFER OF OWNERSHIP OF
3 A LICENSED RETAIL LIQUOR STORE.

4 (b) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2021.

5 SECTION 4. 12-47-303 (1) (c) and (2), Colorado Revised
6 Statutes, are amended to read:

7 **12-47-303. Transfer of ownership and temporary permits.**

8 (1) (c) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPHS (II) AND (III) OF THIS
9 PARAGRAPH (c), for any other transfer of ownership, application shall be
10 made to the state and local licensing authorities on forms prepared and
11 furnished by the state licensing authority. In determining whether to
12 permit a transfer of ownership, the licensing authorities shall consider
13 only the requirements of section 12-47-307 and 1 CCR 203-2, rule
14 47-302, entitled "Changing, Altering, or Modifying Licensed Premises",
15 or any analogous successor rule. The local licensing authority may ~~cause~~
16 ~~HOLD~~ a hearing on the application for transfer of ownership. ~~to be held.~~
17 ~~No hearing provided for by this paragraph (c) shall be held by the local~~
18 ~~licensing authority until a notice of hearing has been conspicuously~~
19 ~~posted on the licensed premises for a period of ten days and notice of the~~
20 ~~hearing has been provided the applicant at least ten days prior to the~~
21 ~~hearing.~~ Any transfer of ownership hearing by the state licensing
22 authority shall be pursuant to section 12-47-305 (2).

23 (II) A PERSON WHO HAS OBTAINED A RETAIL LIQUOR STORE
24 LICENSE FROM A LOCAL LICENSING AUTHORITY PURSUANT TO SECTION
25 12-47-301 (11) (a) (IV) SHALL SUBMIT ITS APPLICATION FOR A TRANSFER
26 OF OWNERSHIP ONLY TO THE STATE LICENSING AUTHORITY ON FORMS
27 PREPARED AND FURNISHED BY THE STATE LICENSING AUTHORITY. IN

1 MAKING ITS DETERMINATION ON THE TRANSFER OF OWNERSHIP
2 APPLICATION, THE STATE LICENSING AUTHORITY SHALL CONSIDER ONLY
3 THE REQUIREMENTS OF SECTION 12-47-307 AND 1 CCR 203-2, RULE
4 47-302, ENTITLED "CHANGING, ALTERING, OR MODIFYING LICENSED
5 PREMISES", OR ANY ANALOGOUS SUCCESSOR RULE. ANY TRANSFER OF
6 OWNERSHIP HEARING BY THE STATE LICENSING AUTHORITY SHALL BE
7 PURSUANT TO SECTION 12-47-305 (2).

8 (III) A LICENSE MERGER AND CONVERSION AS PROVIDED FOR IN
9 SECTIONS 12-47-407 (6) AND 12-47-408 (6) INCLUDES A TRANSFER OF
10 OWNERSHIP OF TWO RETAIL LIQUOR STORES, A CHANGE OF LOCATION OF
11 ONE OF THE RETAIL LIQUOR STORES, AND A MERGER AND CONVERSION OF
12 THE TWO RETAIL LIQUOR STORE LICENSES INTO A SINGLE LIQUOR-LICENSED
13 DRUGSTORE LICENSE, ALL AS PART OF A SINGLE TRANSACTION, AND THE
14 GROCERY STORE APPLICANT NEED NOT APPLY SEPARATELY FOR A
15 TRANSFER OF OWNERSHIP UNDER THIS SECTION. THE GROCERY STORE
16 APPLYING FOR A LICENSE MERGER AND CONVERSION PURSUANT TO
17 SECTIONS 12-47-407 (6) AND 12-47-408 (6) IS NOT ELIGIBLE FOR A
18 TEMPORARY PERMIT PURSUANT TO THIS SECTION. THE LOCAL LICENSING
19 AUTHORITY MAY CONSIDER THE REASONABLE REQUIREMENTS OF THE
20 NEIGHBORHOOD PURSUANT TO SECTION 12-47-312 WHEN MAKING A
21 DETERMINATION ON THE MERGER AND CONVERSION OF THE TWO RETAIL
22 LIQUOR STORE LICENSES TO A SINGLE LIQUOR-LICENSED DRUGSTORE
23 LICENSE. THE LOCAL LICENSING AUTHORITY MAY HOLD A HEARING ON
24 THE APPLICATION FOR THE LICENSE MERGER AND CONVERSION.

25 (IV) PRIOR TO HOLDING A HEARING AS PROVIDED IN THIS
26 PARAGRAPH (c), THE LOCAL LICENSING AUTHORITY SHALL NOTIFY THE
27 APPLICANT OF THE HEARING AT LEAST TEN DAYS BEFORE THE HEARING

1 AND SHALL POST, OR MAY DIRECT THE LICENSE APPLICANT TO POST, A
2 NOTICE OF THE HEARING IN A CONSPICUOUS LOCATION ON THE LICENSED
3 PREMISES FOR AT LEAST TEN CONSECUTIVE DAYS BEFORE THE HEARING.

4 (2) Notwithstanding the provisions of this article to the contrary,
5 a local licensing authority shall have discretionary authority to issue a
6 temporary permit to a transferee of any retail class of alcohol beverage
7 license issued by the local licensing authority pursuant to this article or
8 article 46 of this title; EXCEPT THAT A LOCAL LICENSING AUTHORITY
9 SHALL NOT ISSUE A TEMPORARY PERMIT TO A GROCERY STORE THAT HAS
10 ACQUIRED OWNERSHIP OF LICENSED RETAIL LIQUOR STORES IN
11 ACCORDANCE WITH SECTIONS 12-47-407 (6) AND 12-47-408 (6). Such
12 temporary permit shall authorize a transferee to continue selling such
13 alcohol beverages as permitted under the permanent license during the
14 period in which an application to transfer the ownership of the license is
15 pending.

16 **SECTION 5.** 12-47-312 (2) (a), Colorado Revised Statutes, is
17 amended to read:

18 **12-47-312. Results of investigation - decision of authorities.**

19 (2) (a) Before entering any decision approving or denying the
20 application, the local licensing authority shall consider, except where this
21 article specifically provides otherwise, the facts and evidence adduced as
22 a result of its investigation, as well as any other facts, the reasonable
23 requirements of the neighborhood for the type of license for which
24 application has been made, the desires of the adult inhabitants, the
25 number, type, and availability of alcohol beverage outlets located in or
26 near the neighborhood under consideration, and any other pertinent
27 matters affecting the qualifications of the applicant for the conduct of the

1 type of business proposed; except that the reasonable requirements of the
2 neighborhood shall not be considered in the issuance of a club liquor
3 license. The reasonable requirements of the neighborhood may, but are
4 not required to, be considered in the conversion or transfer of a
5 liquor-licensed drugstore license to a retail liquor store license OR THE
6 MERGER AND CONVERSION OF TWO RETAIL LIQUOR STORE LICENSES TO A
7 SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE IN ACCORDANCE WITH
8 SECTIONS 12-47-407 (6) AND 12-47-408 (6).

9 **SECTION 6.** 12-47-407, Colorado Revised Statutes, is amended
10 BY THE ADDITION OF A NEW SUBSECTION to read:

11 **12-47-407. Retail liquor store license.** (6) A GROCERY STORE
12 MAY APPLY TO THE STATE AND LOCAL LICENSING AUTHORITIES, AS PART
13 OF A SINGLE APPLICATION, FOR A MERGER AND CONVERSION OF TWO
14 RETAIL LIQUOR STORE LICENSES TO A SINGLE LIQUOR-LICENSED
15 DRUGSTORE AS PROVIDED IN SECTION 12-47-408 (6).

16 **SECTION 7.** 12-47-408 (1) and (4), Colorado Revised Statutes,
17 are amended, and the said 12-47-408 is further amended BY THE
18 ADDITION OF A NEW SUBSECTION, to read:

19 **12-47-408. Liquor-licensed drugstore license.** (1) A
20 liquor-licensed drugstore license shall be issued to persons selling malt,
21 vinous, and spirituous liquors in sealed containers not to be consumed at
22 the place where sold. ~~Nothing in this subsection (1) shall prohibit a~~
23 ~~liquor-licensed drugstore licensee from allowing tastings to be conducted~~
24 ~~on his or her licensed premises if an authorization for the tastings has~~
25 ~~been granted pursuant to section 12-47-301.~~

26 (4) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
27 SUBSECTION (4), it is unlawful for any owner, part owner, shareholder, or

1 person interested directly or indirectly in a liquor-licensed drugstore to
2 conduct, own either in whole or in part, or be directly or indirectly
3 interested in any other business licensed pursuant to this article. ~~except~~
4 ~~that such~~

5 (b) (I) A person THAT HAS AN INTEREST IN A LIQUOR-LICENSED
6 DRUGSTORE, AS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (4),
7 may have an interest in:

8 (A) An arts license; ~~or~~

9 (B) An airline public transportation system license granted under
10 this article; ~~or in~~

11 (C) A financial institution referred to in section 12-47-308 (4); OR

12 (D) OTHER LIQUOR-LICENSED DRUGSTORE LICENSES OBTAINED
13 PURSUANT TO SUBSECTION (6) OF THIS SECTION.

14 (II) A GROCERY STORE BUSINESS MAY OBTAIN AN UNLIMITED
15 NUMBER OF LIQUOR-LICENSED DRUGSTORE LICENSES IN THE MANNER
16 PROVIDED IN SUBSECTION (6) OF THIS SECTION.

17 (6) (a) A GROCERY STORE MAY APPLY TO THE STATE AND LOCAL
18 LICENSING AUTHORITIES, AS PART OF A SINGLE APPLICATION, FOR A
19 TRANSFER OF OWNERSHIP OF TWO LICENSED RETAIL LIQUOR STORES, A
20 CHANGE OF LOCATION OF ONE OF THE RETAIL LIQUOR STORES, AND A
21 MERGER OF AND CONVERSION OF THE TWO RETAIL LIQUOR STORES
22 LICENSED INTO A SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE. A
23 GROCERY STORE MAY APPLY FOR SUCH TRANSFER AND CONVERSION ONLY
24 IF ALL OF THE FOLLOWING JURISDICTION, DISTANCE, AND FOOD SALES
25 REQUIREMENTS ARE MET:

26 (I) THE RETAIL LIQUOR STORES THAT ARE THE SUBJECT OF THE
27 TRANSFER OF OWNERSHIP ARE LOCATED WITHIN THE SAME LOCAL

1 LICENSING AUTHORITY JURISDICTION AS THE GROCERY STORE MAKING THE
2 APPLICATION, AND ONE OF THE RETAIL LIQUOR STORES IS LOCATED WITHIN
3 ONE THOUSAND FEET OF THE GROCERY STORE, AS DETERMINED BY A
4 RADIUS MEASUREMENT THAT BEGINS AT THE PRINCIPAL DOORWAY OF THE
5 GROCERY STORE AND ENDS AT THE PRINCIPAL DOORWAY OF THE RETAIL
6 LIQUOR STORE.

7 (II) UPON TRANSFER AND CONVERSION OF THE TWO RETAIL LIQUOR
8 STORE LICENSES TO A SINGLE LIQUOR-LICENSED DRUGSTORE LICENSE, THE
9 GROCERY STORE THAT HAS OBTAINED THE LIQUOR-LICENSED DRUGSTORE
10 LICENSE WILL NOT BE LOCATED WITHIN ONE THOUSAND FEET OF ANOTHER
11 RETAIL LIQUOR STORE LICENSEE THAT IS WITHIN THE SAME LOCAL
12 LICENSING AUTHORITY JURISDICTION AS THE GROCERY STORE, AS
13 DETERMINED BY A RADIUS MEASUREMENT THAT BEGINS AT THE PRINCIPAL
14 DOORWAY OF THE GROCERY STORE AND ENDS AT THE PRINCIPAL DOORWAY
15 OF THE RETAIL LIQUOR STORE.

16 (III) AT THE TIME OF APPLICATION, THE GROCERY STORE PROVIDES
17 EVIDENCE TO THE STATE AND LOCAL LICENSING AUTHORITIES THAT ITS
18 FOOD SALES REVENUES DURING THE PRIOR TWELVE MONTHS HAVE BEEN
19 AT LEAST FIFTY-ONE PERCENT OF THE GROCERY STORE'S TOTAL REVENUES.

20 (b) IN MAKING ITS DETERMINATION ON THE TRANSFER OF
21 OWNERSHIP, CHANGE OF LOCATION, AND LICENSE MERGER AND
22 CONVERSION APPLICATION, THE LOCAL LICENSING AUTHORITY MAY
23 CONSIDER THE REASONABLE REQUIREMENTS OF THE NEIGHBORHOOD AND
24 THE DESIRES OF THE ADULT INHABITANTS IN ACCORDANCE WITH SECTION
25 12-47-312.

26 **SECTION 8.** 12-47-501 (2) (a), Colorado Revised Statutes, is
27 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

1 **12-47-501. State fees.** (2) (a) The state licensing authority shall
2 establish fees for processing the following types of applications, notices,
3 or reports required to be submitted to the state licensing authority:

4 (XV) APPLICATIONS FOR TRANSFER OF OWNERSHIP, CHANGE OF
5 LOCATION, AND LICENSE MERGER AND CONVERSION PURSUANT TO
6 SECTIONS 12-47-407 (6) AND 12-47-408 (6).

7 **SECTION 9.** 12-47-501 (2) (a) (III), Colorado Revised Statutes,
8 is amended to read:

9 **12-47-501. State fees.** (2) (a) The state licensing authority shall
10 establish fees for processing the following types of applications, notices,
11 or reports required to be submitted to the state licensing authority:

12 (III) Applications for transfer of ownership pursuant to section
13 12-47-303 (1) (c) and rules adopted pursuant to that section, INCLUDING
14 APPLICATIONS FOR A TRANSFER OF OWNERSHIP AS DESCRIBED IN SECTION
15 12-47-301 (11) (a) (IV);

16 **SECTION 10.** 12-47-505 (4) (a), Colorado Revised Statutes, is
17 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

18 **12-47-505. Local license fees.** (4) (a) Each application for a
19 license provided for in this article and article 46 of this title filed with a
20 local licensing authority shall be accompanied by an application fee in an
21 amount determined by the local licensing authority to cover actual and
22 necessary expenses, subject to the following limitations:

23 (V) FOR A TRANSFER OF OWNERSHIP, CHANGE OF LOCATION, AND
24 LICENSE MERGER AND CONVERSION PURSUANT TO SECTIONS 12-47-407 (6)
25 AND 12-47-408 (6), NOT TO EXCEED FIVE THOUSAND DOLLARS.

26 **SECTION 11.** 12-47-901 (1) (h) (III), (5) (a) (I), (5) (i) (II), (5)
27 (k) (II), and (7) (b), Colorado Revised Statutes, are amended to read:

1 **12-47-901. Unlawful acts - exceptions.** (1) Except as provided
2 in section 18-13-122, C.R.S., it is unlawful for any person:

3 (h) (III) Notwithstanding subparagraph (I) of this paragraph (h),
4 it shall not be unlawful for adult patrons of a retail liquor store ~~or~~
5 ~~liquor-licensed drugstore~~ licensee to consume malt, vinous, or spirituous
6 liquors on the licensed premises when the consumption is conducted
7 within the limitations of the licensee's license and is part of a tasting if
8 authorization for the tasting has been granted pursuant to section
9 12-47-301.

10 (5) It is unlawful for any person licensed to sell at retail pursuant
11 to this article:

12 (a) (I) (A) To sell an alcohol beverage to any person under the age
13 of twenty-one years, to a habitual drunkard, or to a visibly intoxicated
14 person, or to permit any alcohol beverage to be sold or dispensed by a
15 person under eighteen years of age, or to permit any such person to
16 participate in the sale or dispensing thereof. If a person who, in fact, is
17 not twenty-one years of age exhibits a fraudulent proof of age, any action
18 relying on such fraudulent proof of age shall not constitute grounds for
19 the revocation or suspension of any license issued under this article or
20 article 46 of this title.

21 (B) Notwithstanding any provision in this subparagraph (I) to the
22 contrary, ~~no~~ A person under twenty-one years of age ~~shall~~ MAY be
23 employed to sell or dispense malt, vinous, or spirituous liquors ~~unless he~~
24 ~~or she~~ IF THE PERSON is supervised by another ~~person~~ EMPLOYEE who is
25 on ~~premise~~ THE LICENSED PREMISES and ~~has attained~~ IS AT LEAST
26 twenty-one years of age; ~~No~~ EXCEPT THAT, AN employee of a tavern
27 licensed pursuant to section 12-47-412, that does not regularly serve

1 meals as defined in section 12-47-103 (20), A LIQUOR-LICENSED
2 DRUGSTORE, or a retail liquor store shall NOT sell malt, vinous, or
3 spirituous liquors ~~unless such person~~ IF THE EMPLOYEE is NOT at least
4 twenty-one years of age.

5 (C) NOTWITHSTANDING SUB-SUBPARAGRAPH (B) OF THIS
6 SUBPARAGRAPH (I), A RETAIL LIQUOR STORE OR LIQUOR-LICENSED
7 DRUGSTORE MAY EMPLOY A PERSON WHO IS AT LEAST EIGHTEEN YEARS OF
8 AGE TO HANDLE OR STOCK MALT, VINOUS, AND SPIRITUOUS LIQUORS IF THE
9 PERSON IS UNDER THE DIRECT SUPERVISION OF AN EMPLOYEE ON THE
10 LICENSED PREMISES WHO IS AT LEAST TWENTY-ONE YEARS OF AGE. AN
11 EMPLOYEE OF A RETAIL LIQUOR STORE OR LIQUOR-LICENSED DRUGSTORE
12 WHO IS LESS THAN TWENTY-ONE YEARS OF AGE SHALL NOT SELL, DELIVER,
13 OR CARRY MALT, VINOUS, OR SPIRITUOUS LIQUORS TO A CUSTOMER'S
14 VEHICLE, AND SHALL NOT CHECK PROOF OF AGE OF A CUSTOMER
15 ATTEMPTING TO PURCHASE MALT, VINOUS, OR SPIRITUOUS LIQUORS.

16 (i) (II) Notwithstanding subparagraph (I) of this paragraph (i), it
17 shall not be unlawful for a retail liquor store ~~or liquor-licensed drugstore~~
18 licensee to allow tastings to be conducted on his or her licensed premises
19 if authorization for the tastings has been granted pursuant to section
20 12-47-301.

21 (k) (II) Notwithstanding subparagraph (I) of this paragraph (k), it
22 ~~shall~~ IS not ~~be~~ unlawful for a retail liquor store ~~or liquor-licensed~~
23 ~~drugstore~~ licensee to allow tastings to be conducted on ~~his or her~~ THE
24 licensed premises if authorization for the tastings has been granted
25 pursuant to section 12-47-301.

26 (7) (b) Notwithstanding paragraph (a) of this subsection (7), it
27 ~~shall~~ IS not ~~be~~ unlawful for a retail liquor store ~~or liquor-licensed~~

1 ~~drugstore~~ licensee to allow tastings to be conducted on his or her licensed
2 premises if authorization for the tastings has been granted pursuant
3 section 12-47-301.

4 **SECTION 12. Act subject to petition - effective date -**
5 **applicability.** (1) This act shall take effect at 12:01 a.m. on the day
6 following the expiration of the ninety-day period after final adjournment
7 of the general assembly (August 11, 2010, if adjournment sine die is on
8 May 12, 2010); except that, if a referendum petition is filed pursuant to
9 section 1 (3) of article V of the state constitution against this act or an
10 item, section, or part of this act within such period, then the act, item,
11 section, or part shall not take effect unless approved by the people at the
12 general election to be held in November 2010 and shall take effect on the
13 date of the official declaration of the vote thereon by the governor.

14 (2) The provisions of this act shall apply to applications to transfer
15 ownership, change location, and convert a class of license submitted by
16 grocery stores on or after January 1, 2011.