First Regular Session Sixty-eighth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 11-0294.01 Christy Chase

SENATE BILL 11-060

SENATE SPONSORSHIP

Boyd and White,

HOUSE SPONSORSHIP

Gardner B. and Kerr A.,

Senate Committees

House Committees

Local Government and Energy

A BILL FOR AN ACT

101 CONCERNING THE ALCOHOL CONTENT OF ALCOHOL BEVERAGES THAT
102 ARE AVAILABLE FOR CONSUMPTION ON A LICENSED PREMISES.

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 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.)

Under current law, persons licensed under the "Colorado Liquor Code" to sell malt, vinous, or spirituous liquors for on-premises consumption are not permitted, pursuant to that license, to sell fermented malt beverages, also referred to as "low-alcohol-content beer" or "3.2 beer".

The bill would permit all persons licensed to sell malt, vinous, or spirituous liquors for on-premises consumption to also sell low-alcohol-content beer for consumption on the licensed premises.

1 *Be it enacted by the General Assembly of the State of Colorado:* 2 **SECTION 1.** 12-47-409, Colorado Revised Statutes, is amended 3 to read: 4 **12-47-409.** Beer and wine license. (1) A beer and wine license 5 shall be issued to persons selling malt and vinous liquors AND FERMENTED 6 MALT BEVERAGES for consumption on the premises. and such BEER AND 7 WINE licensees shall have SANDWICHES AND LIGHT SNACKS available for 8 consumption on the premises during business hours, sandwiches and light 9 snacks, but need not have meals available for consumption. 10 (2) (a) Every person selling malt and vinous liquors AND 11 FERMENTED MALT BEVERAGES as provided in this section shall purchase 12 such malt and vinous liquors AND FERMENTED MALT BEVERAGES only 13 from a wholesaler licensed pursuant to this article OR ARTICLE 46 OF THIS 14 TITLE; except that, DURING A CALENDAR YEAR, any person selling malt 15 and vinous liquors AND FERMENTED MALT BEVERAGES as provided in this 16 section may purchase not more than five hundred dollars' worth of: such 17 (I) Malt and vinous liquors during a calendar year from a retail 18 liquor store retailer licensed pursuant to section 12-47-407 or 19 12-47-408; AND 20 (II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED 21 PURSUANT TO SECTION 12-46-104 (1) (c). 22 (b) A BEER AND WINE LICENSEE SHALL RETAIN EVIDENCE OF each 23 purchase of malt and vinous liquors as provided in this section shall be 24 evidenced by FROM A RETAILER LICENSED PURSUANT TO SECTION

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- 1 12-47-407 OR 12-47-408 AND EACH PURCHASE OF FERMENTED MALT 2 BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 3 (1) (c), IN THE FORM OF a purchase receipt showing the name of the retail 4 liquor store LICENSED RETAILER, the date of purchase, a description of the 5 malt or vinous liquor OR FERMENTED MALT BEVERAGES purchased, and 6 the price paid for such THE purchase. Such THE BEER AND WINE LICENSEE 7 SHALL RETAIN THE receipt shall be retained and shall be MAKEIT available 8 to the state and local licensing authorities at all times during business 9 hours. 10 (3) It is unlawful for any owner, part owner, shareholder, or 11 person interested directly or indirectly in a beer and wine license to 12 conduct, own either in whole or in part, or be directly or indirectly 13 interested in any other business licensed pursuant to this article OR 14 ARTICLE 46 OF THIS TITLE; except that such a person may have an interest 15 in a license described in section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) 16 (t), or 12-47-410 (1) or in a financial institution referred to in section 17 12-47-308 (4). 18 **SECTION 2.** 12-47-410 (1) and (5), Colorado Revised Statutes, 19 are amended to read: 20 **12-47-410.** Bed and breakfast permit. (1) In lieu of a hotel and 21 restaurant license, a person operating a bed and breakfast with not more 22 than twenty sleeping rooms that offers complimentary malt, vinous, or 23 spirituous liquors ALCOHOL BEVERAGES for consumption only on the 24 premises and only by overnight guests may be issued a bed and breakfast
- the drink and shall not serve alcohol beverages for more than four hours in any one day.

permit. A bed and breakfast permittee shall not sell alcohol beverages by

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1	(5) It is unlawful for any owner, part owner, shareholder, or
2	person interested directly or indirectly in a bed and breakfast permit to
3	conduct, own either in whole or in part, or be directly or indirectly
4	interested in any other business licensed pursuant to this article OR
5	ARTICLE 46 OF THIS TITLE; except that a person regulated under this
6	section may have an interest in other bed and breakfast permits, in a
7	license described in section 12-46-104 (1) (c) OR 12-47-401 (1) (j) to (1)
8	(t), or in a financial institution referred to in section 12-47-308 (4).
9	SECTION 3. 12-47-411 (1), (3), (4), (6), (9), and (13), Colorado
10	Revised Statutes, are amended to read:
11	12-47-411. Hotel and restaurant license - definition - rules.
12	(1) Except as otherwise provided in subsection (2) of this section, a hotel
13	and restaurant license shall be issued to persons selling malt, vinous, and
14	spirituous liquors ALCOHOL BEVERAGES in the place where such liquors
15	THE ALCOHOL BEVERAGES are to be consumed, subject to the following
16	restrictions:
17	(a) Restaurants shall sell malt, vinous, and spirituous liquors
18	ALCOHOL BEVERAGES as provided in this section only to customers of
19	such THE restaurant and only if meals are actually and regularly served
20	and provide not less than twenty-five percent of the gross income from
21	sales of food and drink of the business of the licensed premises.
22	(b) Hotels shall sell malt, vinous, and spirituous liquors ALCOHOL
23	BEVERAGES as provided in this section only to customers of said THE hotel
24	and, except in hotel rooms, only on the licensed premises where meals are
25	actually and regularly served and provide not less than twenty-five
26	percent of the gross income from sales of food and drink of the business

of the licensed premises.

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(c) Any hotel and restaurant licensee who is open for business and selling malt, vinous, or spirituous liquors ALCOHOL BEVERAGES by the drink shall serve meals between the hours of 8 a.m. and 8 p.m. and meals or light snacks and sandwiches after 8 p.m.; except that nothing in this paragraph (c) shall be construed to require a licensee to be open for business between the hours of 8 a.m. and 8 p.m.

- (d) A hotel may be designated as a resort complex if it has at least fifty sleeping rooms and has related sports and recreational facilities located contiguous or adjacent to the hotel for the convenience of its guests or the general public. For purposes of a resort complex only, "contiguous or adjacent" means within the overall boundaries or scheme of development or regularly accessible from the hotel by its members and guests.
- (3) Notwithstanding any provision of this article to the contrary, a hotel, licensed pursuant to this article, may:
- (a) Furnish and deliver complimentary malt, vinous, and spirituous liquors ALCOHOL BEVERAGES in sealed containers for the convenience of its guests;
- (b) Sell malt, vinous, and spirituous liquors ALCOHOL BEVERAGES provided by the hotel in sealed containers, at any time, by means of a minibar located in hotel guest rooms, to adult registered guests of the hotel for consumption in such guest rooms if the price of the malt, vinous, and spirituous liquors ALCOHOL BEVERAGES is clearly posted. For purposes of this section, "minibar" means a closed container, either nonrefrigerated or refrigerated in whole or in part, access to the interior of which is restricted by means of a locking device that requires the use of a key, magnetic card, or similar device or which is controlled at all

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times by the hotel.

- (c) Enter into a contract with a lodging facility for the purpose of authorizing such THE lodging facility to sell malt, vinous, and spirituous liquors ALCOHOL BEVERAGES pursuant to paragraph (b) of this subsection (3) if such THE lodging facility and hotel share common ownership and are located within one thousand feet of one another. The malt, vinous, or spirituous liquors ALCOHOL BEVERAGES that may be sold pursuant to this paragraph (c) shall MUST be provided by and subject to the control of the licensed hotel. For purposes of this paragraph (c), "common ownership" means a controlling ownership interest that is held by the same person or persons, whether through separate corporations, partnerships, or other legal entities. To determine whether the distance limitation referred to in this paragraph (c) is met, the distance from the property line of the land used for the lodging facility to the portion of the hotel licensed under this article shall be measured using the nearest and most direct routes of pedestrian access.
- (4) The state licensing authority shall promulgate rules that prohibit the placement of a container of malt, vinous, or spirituous liquors ALCOHOL BEVERAGES in a minibar if such THE container has a capacity of more than five hundred milliliters.
- (6) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (6), every person selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES as provided in this section shall purchase such malt, vinous, and spirituous liquors ALCOHOL BEVERAGES only from a wholesaler licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE.
- (b) (I) Any DURING A CALENDAR YEAR, A person selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES as provided in this

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section may purchase not more than one thousand dollars' worth of: such

2 (A) Malt, vinous, and spirituous liquors during a calendar year
3 from a retail liquor store RETAILER LICENSED PURSUANT TO SECTION
4 12-47-407 OR 12-47-408; AND

- (B) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c).
- (II) A HOTEL AND RESTAURANT LICENSEE SHALL RETAIN EVIDENCE OF each purchase of malt, vinous, or spirituous liquors as provided in this section shall be evidenced by FROM A RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408 AND EACH PURCHASE OF FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c), IN THE FORM OF a purchase receipt showing the name of the retail liquor store LICENSED RETAILER, the date of purchase, a description of the malt, vinous, or spirituous liquor ALCOHOL BEVERAGES purchased, and the price paid for such purchase. Such THE ALCOHOL BEVERAGES. THE LICENSEE SHALL RETAIN THE receipt shall be retained and shall be MAKE IT available to the state and local licensing authorities at all times during business hours.
 - (9) The registered manager for each hotel and restaurant license or the hotel and restaurant licensee shall purchase malt, vinous, or spirituous liquors ALCOHOL BEVERAGES for one licensed premises only, and such THE purchases shall be separate and distinct from purchases for any other hotel and restaurant license.
 - (13) (a) It is unlawful for any owner, part owner, shareholder, or person interested directly or indirectly in a hotel and restaurant license to conduct, own either in whole or in part, or be directly or indirectly interested in any other business licensed pursuant to this article OR

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1	ARTICLE 46 OF THIS TITLE.
2	(b) Notwithstanding paragraph (a) of this subsection (13), an
3	owner, part owner, shareholder, or person interested directly or indirectly
4	in a hotel and restaurant license may conduct, own either in whole or in
5	part, or be directly or indirectly interested in a license described in section
6	12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), or 12-47-410 (1) or in a
7	financial institution referred to in section 12-47-308 (4).
8	SECTION 4. 12-47-412 (1), (2), (3), and (5), Colorado Revised
9	Statutes, are amended to read:
10	12-47-412. Tavern license. (1) A tavern license shall be issued
11	to persons selling malt, vinous, or spirituous liquors ALCOHOL BEVERAGES
12	by the drink only to customers for consumption on the premises. and such
13	A TAVERN licensee shall have SANDWICHES AND LIGHT SNACKS available
14	for consumption on the premises during business hours, sandwiches and
15	light snacks, but need not have meals available for consumption.
16	(2) (a) Every person selling malt, vinous, and spirituous liquors
17	ALCOHOL BEVERAGES as provided in this section shall purchase such malt,
18	vinous, and spirituous liquors ALCOHOL BEVERAGES only from a
19	wholesaler licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE;
20	except that, any DURING A CALENDAR YEAR, A person selling malt, vinous,
21	and spirituous liquors ALCOHOL BEVERAGES as provided in this section
22	may purchase not more than five hundred dollars' worth of: such
23	(I) Malt, vinous, and spirituous liquors during a calendar year
24	from a retail liquor store RETAILER LICENSED PURSUANT TO SECTION
25	12-47-407 or 12-47-408; and
26	(II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED
27	PURSUANT TO SECTION 12-46-104 (1) (c).

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1	(b) A TAVERN LICENSEE SHALL RETAIN EVIDENCE OF each purchase
2	of malt, vinous, or spirituous liquors as provided in this section shall be
3	evidenced by from a retailer licensed pursuant to section
4	12-47-407 OR 12-47-408 AND EACH PURCHASE OF FERMENTED MALT
5	BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104
6	(1) (c), IN THE FORM OF a purchase receipt showing the name of the retail
7	liquor store LICENSED RETAILER, the date of purchase, a description of the
8	malt, vinous, or spirituous liquor ALCOHOL BEVERAGES purchased, and
9	the price paid for such purchase. Such the Alcohol Beverages. The
10	TAVERN LICENSEE SHALL RETAIN THE receipt shall be retained and shall
11	be MAKE IT available to the state and local licensing authorities at all
12	times during business hours.
13	(3) It is unlawful for any owner, part owner, shareholder, or
14	person interested directly or indirectly in tavern licenses to conduct, own
15	either in whole or in part, or be directly or indirectly interested in any
16	other business licensed pursuant to this article OR ARTICLE 46 OF THIS
17	TITLE; except that such a person may have an interest in a license
18	described in section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), or
19	12-47-410 (1) or in a financial institution referred to in section 12-47-308
20	(4).
21	(5) The registered manager for each tavern license or the tavern
22	licensee shall purchase malt, vinous, or spirituous liquors ALCOHOL
23	BEVERAGES for one licensed premises only, and such THE purchases shall
24	be separate and distinct from purchases for any other tavern license.
25	SECTION 5. 12-47-413, Colorado Revised Statutes, is amended
26	to read:

12-47-413. Optional premises license. (1) An optional premises

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license shall be granted for optional premises approved by the state and local licensing authorities to persons selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES by the drink only to customers for consumption on the optional premises and for storing malt, vinous, and spirituous liquors ALCOHOL BEVERAGES in a secure area on or off the optional premises for future use on the optional premises.

- (2) (a) It is unlawful for any owner, part owner, shareholder, or person interested directly or indirectly in an optional premises license to conduct, own either in whole or in part, or be directly or indirectly interested in any other business licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE.
- (b) Notwithstanding paragraph (a) of this subsection (2), an owner, part owner, shareholder, or person interested directly or indirectly in an optional premises license may own, either in whole or in part, or be directly or indirectly interested in a license described in section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), or 12-47-410 (1) or in a financial institution referred to in section 12-47-308 (4).
- **SECTION 6.** 12-47-414 (1), (2), and (4), Colorado Revised Statutes, are amended to read:
- **12-47-414. Retail gaming tavern license.** (1) A retail gaming tavern license shall be issued to persons who are licensed pursuant to section 12-47.1-501 (1) (c), who sell malt, vinous, or spirituous liquors ALCOHOL BEVERAGES by individual drink for consumption on the premises, and who sell sandwiches or light snacks or who contract with an establishment that provides such food services within the same building as the licensed premises. In no event shall any person hold more than three retail gaming tavern licenses.

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(2) (a) Every person selling malt, vinous, or spirituous liquors
ALCOHOL BEVERAGES as described in this section shall purchase such
liquors THE ALCOHOL BEVERAGES only from a wholesaler licensed
pursuant to this article OR ARTICLE 46 OF THIS TITLE; except that, any
DURING A CALENDAR YEAR, A person selling malt, vinous, or spirituous
liquors ALCOHOL BEVERAGES as provided in this section may purchase not
more than five hundred dollars' worth of: such
(I) MALT, VINOUS, OR SPIRITUOUS liquors during a calendar year
from a retail liquor store RETAILER LICENSED PURSUANT TO SECTION
12-47-407 or 12-47-408; and

- (II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c).
- (b) A RETAIL GAMING TAVERN LICENSEE SHALL RETAIN EVIDENCE OF each purchase of malt, vinous, or spirituous liquors from a retail liquor store as provided in this section shall be evidenced by RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408 AND EACH PURCHASE OF FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c), IN THE FORM OF a purchase receipt showing the name of the retail liquor store LICENSED RETAILER, the date of purchase, a description of the malt, vinous, or spirituous liquor ALCOHOL BEVERAGES purchased, and the price paid for such purchase. Such THE ALCOHOL BEVERAGES. THE LICENSEE SHALL RETAIN THE receipt shall be retained and shall be MAKE IT available to the state and local licensing authorities at all times during business hours.
- (4) It is unlawful for any owner, part owner, shareholder, or person interested directly or indirectly in a retail gaming tavern license to conduct, own either in whole or in part, or be directly or indirectly

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1 interested in any other business licensed pursuant to this article OR 2 ARTICLE 46 OF THIS TITLE; except that such a person may have an interest 3 in a license described in section 12-46-104(1)(c), 12-47-401(1)(j) to (1) 4 (t), or 12-47-410 (1) or in a financial institution referred to in section 5 12-47-308 (4). 6 12-47-415 (1), the introductory portion to SECTION 7. 7 12-47-415 (2) (a), and 12-47-415 (2) (a) (III), (2) (b), (3), (4), and (5), 8 Colorado Revised Statutes, are amended to read: 9 **12-47-415.** Brew pub license. (1) (a) A brew pub license may 10 be issued to any person operating a brew pub and also selling malt, 11 vinous, and spirituous liquors in the place where such liquors are to be 12 consumed ALCOHOL BEVERAGES FOR CONSUMPTION ON THE PREMISES. 13 (b) A brew pub licensed pursuant to this section to manufacture 14 malt liquors OR FERMENTED MALT BEVERAGES upon its licensed premises 15 may, upon approval of the state licensing authority, manufacture malt 16 liquors OR FERMENTED MALT BEVERAGES upon alternating proprietor 17 licensed premises within the restrictions specified in section 12-47-103 18 **(4)**. 19 (2) (a) Except as provided in paragraph (b) of this subsection (2), 20 during the hours established in section 12-47-901 (5) (b), malt liquors OR 21 FERMENTED MALT BEVERAGES manufactured by a brew pub licensee on 22 the licensed premises or alternating proprietor licensed premises may be: 23 (III) Sold to the public in sealed containers for off-premises 24 consumption. Only malt liquors OR FERMENTED MALT BEVERAGES 25 manufactured and packaged on the licensed premises or alternating 26 proprietor licensed premises by the licensee shall be sold in sealed

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containers.

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(b) A brew pub authorized to manufacture malt liquors OR FERMENTED MALT BEVERAGES upon alternating proprietor licensed premises shall not conduct retail sales of malt liquors OR FERMENTED MALT BEVERAGES from an area licensed or defined as an alternating proprietor licensed premises.

- (3) (a) Every person selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES pursuant to this section shall purchase such malt, vinous, and spirituous liquors ALCOHOL BEVERAGES, other than those that are manufactured at the licensed brew pub, from a wholesaler licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE; except that, DURING A CALENDAR YEAR, A PERSON SELLING ALCOHOL BEVERAGES AS PROVIDED IN THIS SECTION MAY PURCHASE not more than five hundred dollars' worth of:
- (I) Malt, vinous, and spirituous liquors may be purchased during each calendar year from a retail liquor store RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408; AND
- (II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c).
- (b) The Brew Pub Licensee shall retain evidence of each such purchase of malt, vinous, and spirituous liquors shall be evidenced by From a retailer licensed pursuant to section 12-47-407 or 12-47-408 and each purchase of Fermented Malt beverages from a retailer licensed pursuant to section 12-46-104 (1) (c), in the Form of a purchase receipt showing the name of the retail liquor store licensed retailer, the date of purchase, a description of the liquor alcohol beverages purchased, and the price paid for such purchase.

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shall be retained and made MAKE IT available to state and local licensing authorities at all times during business hours.

- (4) A brew pub licensee shall sell malt, vinous, and spirituous liquors ALCOHOL BEVERAGES for on-premises consumption only if at least fifteen percent of the gross on-premises food and drink income of the business of the licensed premises is from the sale of food. For purposes of this subsection (4), "food" means a quantity of foodstuffs of such nature as is ordinarily consumed by an individual at regular intervals for the purpose of sustenance.
- (5) (a) It is unlawful for any owner, part owner, shareholder, or person interested directly or indirectly in a brew pub license to conduct, own either in whole or in part, or be directly or indirectly interested in any other business licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE.
- (b) Notwithstanding paragraph (a) of this subsection (5), a person interested directly or indirectly in a brew pub license may conduct, own either in whole or in part, or be directly or indirectly interested in a license described in section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), or 12-47-410 (1) or in a financial institution referred to in section 12-47-308 (4).
- **SECTION 8.** 12-47-416 (1) and (2), the introductory portion to 12-47-416 (4), and 12-47-416 (4) (b), Colorado Revised Statutes, are amended to read:
 - **12-47-416.** Club license legislative declaration. (1) A club license shall be issued to persons selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES by the drink only to members of such THE club and guests and only for consumption on the premises of such THE

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club.

(2) (a) Every person selling malt, vinous, and spirituous liquors
ALCOHOL BEVERAGES as provided in this section shall purchase such malt,
vinous, and spirituous liquors THE ALCOHOL BEVERAGES only from a
wholesaler licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE;
except that, any DURING A CALENDAR YEAR, A person selling malt, vinous,
and spirituous liquors ALCOHOL BEVERAGES as provided in this section
may purchase not more than five hundred dollars' worth of: such

- (I) Malt, vinous, and spirituous liquors during a calendar year from a retail liquor store RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408; AND
- (II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c).
- (b) THE CLUB LICENSEE SHALL RETAIN EVIDENCE OF each purchase of malt, vinous, or spirituous liquors as provided in this section shall be evidenced by FROM A RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408 AND EACH PURCHASE OF FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c), IN THE FORM OF a purchase receipt showing the name of the retail liquor store LICENSED RETAILER, the date of purchase, a description of the malt, vinous, or spirituous liquor ALCOHOL BEVERAGES purchased, and the price paid for such purchase. Such THE ALCOHOL BEVERAGES. THE LICENSEE SHALL RETAIN THE receipt shall be retained and shall be MAKE IT available to the state and local licensing authorities at all times during business hours.
- (4) It is unlawful for any owner, part owner, shareholder, or person interested directly or indirectly in a club license to conduct, own

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either in whole or in part, or be directly or indirectly interested in any other business licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE; except that:

(b) Any person who owns, in whole or in part, directly or indirectly, any other license issued pursuant to this article OR ARTICLE 46 OF THIS TITLE may be listed as an officer or director on a club license if such THE person does not individually manage or receive any direct financial benefit from the operation of such THE license.

SECTION 9. 12-47-417 (1) (a) and (4), Colorado Revised Statutes, are amended to read:

any nonprofit arts organization which THAT sponsors and presents productions or performances of an artistic or cultural nature, and shall permit THE ARTS LICENSE PERMITS the licensee to sell malt, vinous, and spirituous liquors ALCOHOL BEVERAGES only to patrons of such THE productions or performances for consumption on the licensed premises in connection with such THE productions and OR performances. No person licensed pursuant to this section shall permit any exterior or interior advertising concerning the sale of alcohol beverages on such THE LICENSED premises.

(4) (a) Every person selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES as provided in this section shall purchase such malt, vinous, and spirituous liquors THE ALCOHOL BEVERAGES only from a wholesaler licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE; except that, any DURING A CALENDAR YEAR, A person selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES as provided in this section may purchase not more than five hundred dollars' worth of: such

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1	(I) Malt, vinous, and spirituous liquors during a calendar year
2	from a retail liquor store RETAILER LICENSED PURSUANT TO SECTION
3	12-47-407 or 12-47-408; and
4	(II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED
5	PURSUANT TO SECTION 12-46-104 (1) (c).
6	(b) AN ARTS LICENSEE SHALL RETAIN EVIDENCE OF each purchase
7	of malt, vinous, or spirituous liquors as provided in this section shall be
8	evidenced by from a retailer licensed pursuant to section
9	12-47-407 OR 12-47-408 AND EACH PURCHASE OF FERMENTED MALT
10	BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104
11	(1) (c), IN THE FORM OF a purchase receipt showing the name of the retail
12	liquor store LICENSED RETAILER, the date of purchase, a description of the
13	malt, vinous, or spirituous liquor ALCOHOL BEVERAGES purchased, and
14	the price paid for such purchase. Such the Alcohol Beverages. The
15	LICENSEE SHALL RETAIN THE receipt shall be retained and shall be MAKE
16	IT available to the state and local licensing authorities at all times during
17	business hours.
18	SECTION 10. 12-47-418, Colorado Revised Statutes, is amended
19	to read:
20	12-47-418. Racetrack license. (1) A racetrack licensee may sell
21	malt, vinous, and spirituous liquors ALCOHOL BEVERAGES by the drink for
22	consumption on the licensed premises only to customers of such THE
23	racetrack and shall serve food as well as such liquors ALCOHOL
24	BEVERAGES.
25	(2) (a) Every person selling malt, vinous, and spirituous liquors
26	ALCOHOL BEVERAGES as provided in this section shall purchase such malt,
27	vinous, and spirituous liquors THE ALCOHOL BEVERAGES only from a

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wholesaler licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE; except that, any DURING A CALENDAR YEAR, A person selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES as provided in this section may purchase not more than five hundred dollars' worth of: such

- (I) Malt, vinous, and spirituous liquors during a calendar year from a retail liquor store RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408; AND
- 8 (II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED 9 PURSUANT TO SECTION 12-46-104 (1) (c).
 - (b) A RACETRACK LICENSEE SHALL RETAIN EVIDENCE OF each purchase of malt, vinous, or spirituous liquors as provided in this section shall be evidenced by FROM A RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408 AND EACH PURCHASE OF FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c), IN THE FORM OF a purchase receipt showing the name of the retail liquor store LICENSED RETAILER, the date of purchase, a description of the malt, vinous, or spirituous liquor ALCOHOL BEVERAGES purchased, and the price paid for such purchase. Such THE ALCOHOL BEVERAGES. THE LICENSEE SHALL RETAIN THE receipt shall be retained and shall be MAKE IT available to the state and local licensing authorities at all times during business hours.
 - (3) If any person holds a valid license pursuant to this article to sell malt, vinous, and spirituous liquors ALCOHOL BEVERAGES by the drink for consumption on the licensed premises, such THE person shall IS not be required to obtain a racetrack class license pursuant to this section if simulcast races with pari-mutuel wagering occur on such THE licensed premises.

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1	(4) It is unlawful for any owner, part owner, shareholder, or
2	person interested directly or indirectly in a racetrack license to conduct,
3	own either in whole or in part, or be directly or indirectly interested in any
4	other business licensed pursuant to this article OR ARTICLE 46 OF THIS
5	TITLE; except that a person licensed under this section may have an
6	interest in a license described in section $12-46-104(1)(c)$, $12-47-401(1)$
7	(j) to (1) (t) , or 12-47-410 (1) or in a financial institution referred to in
8	section 12-47-308 (4).
9	SECTION 11. 12-47-419, Colorado Revised Statutes, is amended
10	to read:
11	12-47-419. Public transportation system license. (1) The
12	STATE LICENSING AUTHORITY SHALL ISSUE a public transportation system
13	license shall be issued by the state licensing authority to every person
14	operating a public transportation system selling any malt, vinous, or
15	spirituous liquors THAT SELLS ALCOHOL BEVERAGES by the drink to be
16	served and consumed in or upon any dining, club, or parlor car; plane;
17	bus; or other conveyance of such the public transportation system. A
18	public transportation system license issued to a commercial airline $\frac{1}{2}$
19	be deemed to authorize such AUTHORIZES THE licensee to sell malt,
20	vinous, or spirituous liquors ALCOHOL BEVERAGES by the drink in an
21	airport or airport concourse private club room that is in existence and
22	operated by such THE licensee on or before April 1, 1995. A public
23	transportation system license issued to a common carrier railroad shall be
24	deemed to authorize such AUTHORIZES THE licensee to sell malt, vinous,
25	or spirituous liquors ALCOHOL BEVERAGES by the drink at any event not
26	open to the public that is held in a museum owned and operated by the

licensee so long as IF the licensee has notified NOTIFIES the appropriate

-19local law enforcement agency of such THE event no later than fourteen days prior to the scheduled date of the event.

(2) It is unlawful for any owner, part owner, shareholder, or person interested directly or indirectly in a public transportation system license to conduct, own either in whole or in part, or be directly or indirectly interested in any other business licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE; except that a person licensed under this section may be interested in a license described in section 12-47-401 (1) (j) to (1) (t) or 12-47-410 (1) or in a financial institution referred to in section 12-47-308 (4), and a licensed public transportation system may be interested in any other retail liquor license ISSUED PURSUANT TO THIS ARTICLE OR ARTICLE 46 OF THIS TITLE or in a financial institution referred to in section 12-47-308 (4).

SECTION 12. 12-47-420 (1), (3), (4), and (5), Colorado Revised Statutes, are amended to read:

12-47-420. Vintner's restaurant license. (1) A vintner's restaurant license may be issued to a person operating a vintner's restaurant and also selling malt, vinous, and spirituous liquors in the place where such liquors are to be consumed ALCOHOL BEVERAGES FOR CONSUMPTION ON THE PREMISES.

(3) (a) Every person selling malt, vinous, and spirituous liquors ALCOHOL BEVERAGES pursuant to this section shall purchase such malt, vinous, and spirituous liquors THE ALCOHOL BEVERAGES, other than those that are manufactured at the licensed vintner's restaurant, from a wholesaler licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE; except that, DURING A CALENDAR YEAR, A PERSON MAY PURCHASE not more than five hundred dollars' worth of:

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(I) Malt, vinous, and spirituous liquors may be purchased during each calendar year from a retail liquor store RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408; AND

- (II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c).
- EVIDENCE OF each such purchase of malt, vinous, and spirituous liquors shall be evidenced by FROM A RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408 AND EACH PURCHASE OF FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c), IN THE FORM OF a purchase receipt showing the name of the retail liquor store LICENSED RETAILER, the date of purchase, a description of the liquor ALCOHOL BEVERAGES purchased, and the price paid for such purchase. Such THE ALCOHOL BEVERAGES. THE LICENSEE SHALL RETAIN THE receipt shall be retained and made MAKE IT available to state and local licensing authorities at all times during business hours.
- (4) A vintner's restaurant licensee shall MAY sell malt, vinous, and spirituous liquors ALCOHOL BEVERAGES for on-premises consumption only if at least fifteen percent of the gross on-premises food and drink income of the business of the licensed premises is from the sale of food.
- (5) (a) Subject to paragraph (b) of this subsection (5), it is unlawful for an owner, part owner, shareholder, or person interested directly or indirectly in a vintner's restaurant license to conduct, own either in whole or in part, or be directly or indirectly interested in another business licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE.
- (b) A person interested directly or indirectly in a vintner's restaurant license may conduct, own either in whole or in part, or be

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- 1 directly or indirectly interested in a license described in section 12-46-104 2 (1) (c), 12-47-401 (1) (j) to (1) (t), or 12-47-410 (1) or in a financial 3 institution referred to in section 12-47-308 (4). 4 **SECTION 13.** 12-47-422 (1), (4), (6), and (8), Colorado Revised 5 Statutes, are amended to read: 6 12-47-422. Art gallery permit - definition. (1) A person 7 operating an art gallery that offers complimentary malt, vinous, or 8 spirituous liquors ALCOHOL BEVERAGES for consumption only on the 9 premises may be issued an art gallery permit, which shall be renewed 10 annually. An art gallery permittee shall not, directly or indirectly, sell 11 alcohol beverages by the drink, shall not serve alcohol beverages for more 12 than four hours in any one day, and shall not serve alcohol beverages 13 more than fifteen days per year of licensure. 14 (4) An art gallery shall not charge an entrance fee or a cover 15 charge in connection with offering complimentary malt, vinous, or 16 spirituous liquors ALCOHOL BEVERAGES for consumption only on the 17 premises.
 - (6) It is unlawful for any owner, part owner, shareholder, or person interested directly or indirectly in an art gallery permit to conduct, own either in whole or in part, or be directly or indirectly interested in any other business licensed pursuant to this article OR ARTICLE 46 OF THIS TITLE; except that a person regulated under this section may have an interest in other art gallery permits, in a license described in section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), OR 12-47-410 (1), or in a

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(8) An art gallery issued a permit shall not intentionally allow more than two hundred fifty people to be on the premises at one time

financial institution referred to in section 12-47-308 (4).

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1	when alcohol is beverages are being served.
2	SECTION 14. 12-47-901 (1) (h) (II), (1) (h) (IV), (5) (i) (I), (5)
3	(j), (5) (m), and (8), Colorado Revised Statutes, are amended to read:
4	12-47-901. Unlawful acts - exceptions. (1) Except as provided
5	in section 18-13-122, C.R.S., it is unlawful for any person:
6	(h) (II) Notwithstanding subparagraph (I) of this paragraph (h), it
7	shall not be IS NOT unlawful for a person who is at least twenty-one years
8	of age to consume malt, vinous, or spirituous liquors while such THE
9	person is a passenger aboard a luxury limousine, as defined in section
10	40-16-101 (3), C.R.S., or a charter or scenic bus, as defined in section
11	40-16-101 (1.3), C.R.S. Nothing in this subparagraph (II) shall be
12	construed to authorize AUTHORIZES an owner or operator of a luxury
13	limousine or charter or scenic bus to sell or distribute malt, vinous, or
14	spirituous liquors ALCOHOL BEVERAGES without obtaining a public
15	transportation system license pursuant to section 12-47-419.
16	(IV) Notwithstanding subparagraph (I) of this paragraph (h), it
17	shall not be IS NOT unlawful for adult patrons of an art gallery permittee
18	to consume malt, vinous, or spirituous liquor ALCOHOL BEVERAGES on the
19	premises when the consumption is conducted within the limitations of a
20	valid permit granted pursuant to section 12-47-422.
21	(5) It is unlawful for any person licensed to sell at retail pursuant
22	to this article:
23	(i) (I) To sell malt, vinous, or spirituous liquors OR FERMENTED
24	MALT BEVERAGES in a place where the same ALCOHOL BEVERAGES are to
25	be consumed, unless such THE place is a hotel, restaurant, tavern
26	racetrack, club, retail gaming tavern, or arts licensed premises or unless
27	such THE place is a dining, club, or parlor car; plane; bus; or other

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conveyance or facility of a public transportation system.

- (j) To display or cause to be displayed, on the licensed premises, any exterior sign advertising any particular brand of malt liquors OR FERMENTED MALT BEVERAGES unless the particular brand so designated in the sign is dispensed on draft or in sealed containers within the licensed premises wherein the sign is displayed;
- (m) To require a wholesaler to make delivery to any premises other than the specific hotel and restaurant premises where the malt, vinous, or spirituous liquor ALCOHOL BEVERAGE is to be sold and consumed if such THE person is a hotel and restaurant licensee or the registered manager of a hotel and restaurant license requires such THE delivery;
- (8) It is unlawful for any manufacturer or wholesaler licensed pursuant to article 46 of this title to sell, deliver, or cause to be delivered to any retail licensee PERSON LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408 any beverage containing alcohol in excess of three and two-tenths percent by weight or four percent by volume, or for any fermented malt beverage retailer LICENSED PURSUANT TO ARTICLE 46 OF THIS TITLE to sell, possess, or permit the consumption on the premises of any of the beverages containing alcohol in excess of three and two-tenths percent by weight or four percent by volume, or for any fermented malt beverage retail licensee LICENSED PURSUANT TO ARTICLE 46 OF THIS TITLE to hold or operate under any license for the sale of any beverages containing alcohol in excess of three and two-tenths percent by weight or four percent by volume for the same premises. Any violation by any fermented malt beverage licensee LICENSED PURSUANT TO ARTICLE 46 OF THIS TITLE of the provisions of this subsection (8) shall immediately cause

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1	the cancellation of INVALIDATES the license granted under this article 46
2	OF THIS TITLE.
3	SECTION 15. 12-47-102 (2), Colorado Revised Statutes, is
4	amended to read:
5	12-47-102. Legislative declaration. (2) The general assembly
6	further declares that it is lawful to manufacture and sell for beverages or
7	medicinal purposes malt, vinous, or spirituous liquors ALCOHOL
8	BEVERAGES, subject to the terms, conditions, limitations, and restrictions
9	in this article.
10	SECTION 16. 12-47-103 (3), (4), (5), (13), (14), (22) (a) (I), and
11	(38), Colorado Revised Statutes, are amended to read:
12	12-47-103. Definitions. As used in this article and article 46 of
13	this title, unless the context otherwise requires:
14	(3) "Bed and breakfast" means an overnight lodging establishment
15	that provides at least one meal per day at no charge other than a charge
16	for overnight lodging and does not sell malt, vinous, or spirituous liquors
17	ALCOHOL BEVERAGES by the drink.
18	(4) "Brew pub" means a retail establishment that manufactures not
19	more than one million eight hundred sixty thousand gallons of malt liquor
20	AND FERMENTED MALT BEVERAGES on its licensed premises or licensed
21	alternating proprietor licensed premises, combined, each calendar year.
22	(5) "Brewery" means any establishment where malt liquors OR
23	FERMENTED MALT BEVERAGES are manufactured, except brew pubs
24	licensed under this article.
25	(13) "License" means a grant to a licensee to manufacture or sell
26	malt, vinous, or spirituous liquors ALCOHOL BEVERAGES as provided by
27	this article.

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(14) "Licensed premises" means the premises specified in an application for a license under this article which THAT are owned or in possession of the licensee within which such THE licensee is authorized to sell, dispense, or serve malt, vinous, or spirituous liquors ALCOHOL BEVERAGES in accordance with the provisions of this article.

(22) (a) "Optional premises" means:

(I) The premises specified in an application for a hotel and restaurant license under this article with related outdoor sports and recreational facilities for the convenience of its guests or the general public located on or adjacent to the hotel or restaurant within which such THE licensee is authorized to sell or serve malt, vinous, or spirituous liquors ALCOHOL BEVERAGES in accordance with the provisions of this article and at the discretion of the state and local licensing authorities; or

(38) "Tavern" means an establishment serving malt, vinous, and spirituous liquors ALCOHOL BEVERAGES in which the principal business is the sale of such ALCOHOL beverages at retail for consumption on the premises and where sandwiches and light snacks are available for consumption on the premises.

SECTION 17. 12-47-105, Colorado Revised Statutes, is amended to read:

12-47-105. Local option. The operation of this article shall be statewide unless any municipality or city and county, by a majority of the registered electors of any municipality or city and county, voting at any regular election or special election called for that purpose in accordance with the election laws of this state, decides against the right to sell malt, vinous, or spirituous liquors ALCOHOL BEVERAGES or to limit such THE sale OF ALCOHOL BEVERAGES to any one or more of the classes of licenses

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1	as provided by this article within their respective limits. Said local option
2	question shall be submitted only upon a petition signed by not less than
3	fifteen percent of the registered electors in such THE municipality or city
4	and county; otherwise, the procedure with reference to the calling and
5	holding of said THE elections shall be substantially in accordance with the
6	election laws of the state. The expenses of such THE election shall be
7	borne by the municipality or city and county in which said THE elections
8	are held. The question of prohibition of sale of malt, vinous, or spirituous
9	liquors ALCOHOL BEVERAGES or the limitation of sales to any one or more
10	of the classes of licenses provided in this article shall not be submitted to
11	the registered electors more than once in any four-year period.
12	SECTION 18. 12-47-301 (6) (a), Colorado Revised Statutes, is
13	amended to read:
14	12-47-301. Licensing in general. (6) (a) Licensees at facilities
15	owned by a municipality, county, or special district or at publicly or
16	privately owned sports and entertainment venues with a minimum seating
17	capacity of one thousand five hundred seats may possess and serve for
18	on-premises consumption any type of malt, vinous, and spirituous liquor
19	or fermented malt ALCOHOL beverage as may be permitted pursuant to
20	guidelines established by the local and state licensing authorities, and THE
21	LICENSEES need not have meals available for consumption. However,
22	fermented malt beverages and malt, vinous, and spirituous liquors may
23	not be served on the same premises at the same time.
24	SECTION 19. 12-47-308 (8), Colorado Revised Statutes, is
25	amended to read:

an owner, part owner, shareholder, or person interested directly or

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1 indirectly in a brew pub or vintner's restaurant license to conduct, own in 2 whole or in part, or be directly or indirectly interested in a wholesaler's 3 license issued under this article OR ARTICLE 46 OF THIS TITLE. 4 **SECTION 20.** The introductory portion to 12-47-309 (1), 5 Colorado Revised Statutes, is amended to read: 6 12-47-309. Local licensing authority - applications - optional 7 **premises licenses.** (1) A local licensing authority may issue only the 8 following malt, vinous, and spirituous liquor ALCOHOL BEVERAGE 9 licenses upon payment of the fee specified in section 12-47-505: 10 **SECTION 21.** 12-47-310 (4), Colorado Revised Statutes, is 11 amended to read: 12 **12-47-310.** Optional premises license - local option. (4) An 13 applicant for an optional premises license who desires to sell, dispense, 14 or serve alcohol beverages on optional premises shall file with the 15 optional premises license application a list of the optional premises 16 locations and the area in which the applicant desires to store malt, vinous, 17 and spirituous liquors ALCOHOL BEVERAGES for future use on the optional 18 premises. The APPLICANT SHALL FILE THE application and additional 19 information shall be filed with the state and local licensing authorities 20 upon initial application, and each license year thereafter. Approval of the 21 license and areas must be obtained from the state licensing authority and 22 the local licensing authority. The decision of each authority shall be 23 discretionary. In the event that the state and local licensing authorities 24 allow the area or areas to be designated optional premises, no alcohol 25 beverages may be served on the optional premises without the licensee 26 having provided written notice to the state and local licensing authorities

forty-eight hours prior to serving alcohol beverages on the optional

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1	premises. Such the notice shan MUST contain the specific days and
2	hours on which the optional premises are to be used. This subsection (4)
3	shall DOES not be construed to permit the violation of any other provision
4	of this article under circumstances not specified in this subsection (4).
5	SECTION 22. 12-47-311 (5) (b) (IV), Colorado Revised Statutes,
6	is amended to read:
7	12-47-311. Public notice - posting and publication. (5) (b) As
8	used in this subsection (5), "party in interest" means any of the following:
9	(IV) The principal or representative of any school located within
10	five hundred feet of the premises for which THE ISSUANCE OF a malt,
11	vinous, or spirituous liquor license PURSUANT TO SECTION 12-47-309 (1)
12	is under consideration.
13	SECTION 23. 12-47-313 (1) (a) (I), (1) (a) (III), and (1) (d) (I),
14	Colorado Revised Statutes, are amended to read:
15	12-47-313. Restrictions for applications for new license.
16	(1) No application for the issuance of any license specified in section
17	12-47-309 (1) or 12-46-107 (1) shall be received or acted upon:
18	(a) (I) If such the application for a malt, vinous, or spirituous
19	liquor license DESCRIBED IN SECTION 12-47-309 (1) concerns a particular
20	location that is the same as or within five hundred feet of a location for
21	which, within the two years next preceding the date of the application, the
22	state or a local licensing authority denied an application for the same class
23	of license for the reason that the reasonable requirements of the
24	neighborhood and the desires of the adult inhabitants were satisfied by the
25	existing outlets.
26	(III) No licensing authority shall consider an application for any
2.7	license to sell fermented malt beverages at retail PURSHANT TO SECTION

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12-46-107 (1) if, within one year next preceding BEFORE the date of the application, the state or a local licensing authority has denied an application at the same location for the reason that the reasonable requirements of the neighborhood or the desires of the inhabitants were satisfied by the existing outlets.

(d) (I) If the building in which the malt, vinous, or spirituous liquor is ALCOHOL BEVERAGES ARE to be sold PURSUANT TO A LICENSE DESCRIBED IN SECTION 12-47-309 (1) is located within five hundred feet of any public or parochial school or the principal campus of any college, university, or seminary; except this provision shall not affect the renewal or reissuance of a license once granted or apply to licensed premises located or to be located on land owned by a municipality, or apply to an existing licensed premises on land owned by the state, or apply to a liquor license in effect and actively doing business before said THE principal campus was constructed, or apply to any club located within the principal campus of any college, university, or seminary that limits its membership to the faculty or staff of such THE institution.

SECTION 24. The introductory portion to 12-47-401 (1), Colorado Revised Statutes, is amended to read:

12-47-401. Classes of licenses. (1) For the purpose of regulating the manufacture, sale, and distribution of malt, vinous, and spirituous liquors ALCOHOL BEVERAGES, the state licensing authority in its discretion, upon application in the prescribed form made to it, may issue and grant to the applicant a license from any of the following classes, subject to the provisions and restrictions provided by this article:

SECTION 25. Safety clause. The general assembly hereby finds,

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- determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.

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