

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 15-0274.01 Christy Chase x2008

HOUSE BILL 15-1217

HOUSE SPONSORSHIP

Singer,

SENATE SPONSORSHIP

(None),

House Committees

Business Affairs and Labor
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE ABILITY OF A LOCAL LICENSING AUTHORITY TO**
102 **PROVIDE INPUT TO THE STATE LICENSING AUTHORITY ON**
103 **APPLICATIONS FOR APPROVAL TO OPERATE A SALES ROOM**
104 **SUBMITTED BY CERTAIN PERSONS LICENSED UNDER THE**
105 **"COLORADO LIQUOR CODE", AND, IN CONNECTION THEREWITH,**
106 **MAKING AN APPROPRIATION.**

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, a winery, limited winery, distillery, or beer

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.

wholesaler licensed by the state licensing authority may operate a sales room to sell the products it manufactures. With the exception of distilleries, these licensees may obtain approval to operate a sales room without any input from the local licensing authority in whose jurisdiction the sales room is located. For distillery sales rooms, the applicant must submit a copy of the application to the local licensing authority, and the local licensing authority may request the state licensing authority to deny the application if the local licensing authority determines that approval of the proposed sales room conflicts with the reasonable requirements of the neighborhood and the desires of the adult inhabitants. However, the state licensing authority may still grant approval of the sales room, regardless of the local licensing authority's determination.

The bill requires all applicants for a sales room license who apply on or after July 1, 2015, to send a copy of the application, at the time of application to the state licensing authority, to the local licensing authority in whose jurisdiction the proposed sales room is located. The local licensing authority has 30 days to provide input on the sales room application if it chooses to do so.

The state licensing authority must consider the local licensing authority's input, if any, and may deny the proposed sales room application if the local licensing authority determines that approval of the sales room would conflict with the needs and desires of the neighborhood. Additionally, unless the local licensing authority affirms that the applicant has complied with local zoning restrictions and satisfies the needs and desires of the neighborhood, the state licensing authority cannot approve the sales room application. If the local licensing authority does not provide a response to the application within 30 days, the state licensing authority shall deem that the local licensing authority does not object to the sales room application.

The state licensing authority, upon the local licensing authority's request, may take action authorized under the "Colorado Liquor Code" (liquor code) against a licensee operating a sales room if the local licensing authority demonstrates that the licensee has committed an act defined as unlawful under the liquor code or shows good cause for the suspension or revocation.

Licensees that either have sales rooms as of July 1, 2015, or that obtain authorization to operate a sales room on or after July 1, 2015, must notify the state licensing authority of all of their sales rooms. The state licensing authority is to maintain a list of all sales rooms in the state and make the list available on its web site.

The requirements of the bill do not apply to a licensed winery, limited winery, distillery, or beer wholesaler that does not sell and serve alcohol beverages for consumption in its sales room.

The state licensing authority is authorized to adopt rules regarding sales rooms.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-47-103, **add**
3 (31.5) as follows:

4 **12-47-103. Definitions.** As used in this article and article 46 of
5 this title, unless the context otherwise requires:

6 (31.5) "SALES ROOM" MEANS AN AREA IN WHICH A LICENSED
7 WINERY, PURSUANT TO SECTION 12-47-402 (2), LIMITED WINERY,
8 PURSUANT TO SECTION 12-47-403 (2) (e), DISTILLERY, PURSUANT TO
9 SECTION 12-47-402 (6), OR BEER WHOLESALER, PURSUANT TO SECTION
10 12-47-406 (1) (b), SELLS AND SERVES ALCOHOL BEVERAGES FOR
11 CONSUMPTION ON THE LICENSED PREMISES, SELLS ALCOHOL BEVERAGES
12 IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES,
13 OR BOTH.

14 **SECTION 2.** In Colorado Revised Statutes, 12-47-202, **amend**
15 (2) (a) (I) introductory portion; and **add** (2) (a) (I) (T) as follows:

16 **12-47-202. Duties of state licensing authority.** (2) (a) (I) Rules
17 ~~and regulations~~ made pursuant to paragraph (b) of subsection (1) of this
18 section may cover, but shall not be limited to, the following subjects:

19 (T) SALES ROOMS OPERATED BY LICENSED WINERIES,
20 DISTILLERIES, LIMITED WINERIES, OR BEER WHOLESALERS, INCLUDING THE
21 MANNER BY WHICH A LICENSEE OPERATING A SALES ROOM NOTIFIES THE
22 STATE LICENSING AUTHORITY OF ITS SALES ROOMS, THE CONTENT OF THE
23 NOTICE, AND ANY OTHER NECESSARY PROVISIONS RELATED TO THE NOTICE
24 REQUIREMENT.



25 **SECTION 3.** In Colorado Revised Statutes, 12-47-402, **amend**
26 (2) and (6); and **repeal** (3) as follows:

1 **12-47-402. Manufacturer's license.** (2) (a) ~~Any~~ A winery that
2 ~~has received a license~~ LICENSED pursuant to this section is ~~authorized to~~
3 MAY conduct ~~tasting~~ TASTINGS and sell vinous liquors of its own
4 manufacture, as well as other vinous liquors manufactured by other
5 Colorado wineries licensed pursuant to this section or section 12-47-403,
6 IN A SALES ROOM on the licensed premises of the winery and at one other
7 licensed sales room location at no additional cost, whether included in the
8 license at the time of the original license issuance or by supplemental
9 application.

10 (b) A WINERY LICENSED PURSUANT TO THIS SECTION MAY SERVE
11 AND SELL FOOD, GENERAL MERCHANDISE, AND NONALCOHOL BEVERAGES
12 FOR CONSUMER CONSUMPTION ON OR OFF THE LICENSED PREMISES.

13 (c) (I) (A) PRIOR TO OPERATING A SALES ROOM LOCATION, A
14 WINERY LICENSED PURSUANT TO THIS SECTION SHALL, AT THE TIME OF
15 APPLICATION TO THE STATE LICENSING AUTHORITY, SEND A COPY OF THE
16 APPLICATION OR SUPPLEMENTAL APPLICATION FOR A SALES ROOM TO THE
17 LOCAL LICENSING AUTHORITY IN THE JURISDICTION IN WHICH THE SALES
18 ROOM IS PROPOSED. THE LOCAL LICENSING AUTHORITY MAY SUBMIT A
19 RESPONSE TO THE APPLICATION, INCLUDING ITS DETERMINATION AND
20 AFFIRMATION SPECIFIED IN SUBPARAGRAPHS (II) AND (III) OF THIS
21 PARAGRAPH (c), TO THE STATE LICENSING AUTHORITY BUT MUST SUBMIT
22 ITS RESPONSE WITHIN FORTY-FIVE DAYS AFTER THE LICENSED WINERY
23 SUBMITS ITS SALES ROOM APPLICATION TO THE STATE LICENSING
24 AUTHORITY.

25 (B) IF THE LOCAL LICENSING AUTHORITY DOES NOT SUBMIT A
26 RESPONSE TO THE STATE LICENSING AUTHORITY WITHIN FORTY-FIVE DAYS
27 AFTER SUBMISSION OF THE SALES ROOM APPLICATION, THE STATE

1 LICENSING AUTHORITY SHALL DEEM THAT THE LOCAL LICENSING
2 AUTHORITY HAS DETERMINED THAT THE PROPOSED SALES ROOM  
3 WILL NOT IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS
4 OR THAT THE APPLICANT WILL SUFFICIENTLY MITIGATE ANY IMPACTS
5 IDENTIFIED BY THE LOCAL LICENSING AUTHORITY.

6 (II) THE STATE LICENSING AUTHORITY MUST CONSIDER THE
7 RESPONSE FROM THE LOCAL LICENSING AUTHORITY, IF ANY, AND MAY
8 DENY THE PROPOSED SALES ROOM APPLICATION IF THE LOCAL LICENSING
9 AUTHORITY DETERMINES THAT APPROVAL OF THE PROPOSED SALES ROOM
10 WILL IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS,
11 WHICH MAY BE DETERMINED BY THE LOCAL LICENSING AUTHORITY
12 WITHOUT REQUIRING A PUBLIC HEARING, OR THAT THE APPLICANT CANNOT
13 SUFFICIENTLY MITIGATE ANY POTENTIAL IMPACTS IDENTIFIED BY THE
14 LOCAL LICENSING AUTHORITY.

15 (III) THE STATE LICENSING AUTHORITY SHALL NOT GRANT
16 APPROVAL OF A SALES ROOM UNLESS THE APPLICANT AFFIRMS TO THE
17 STATE LICENSING AUTHORITY THAT THE APPLICANT HAS COMPLIED WITH
18 LOCAL ZONING RESTRICTIONS.

19 (IV) A LICENSED WINERY THAT IS OPERATING A SALES ROOM AS OF
20 THE EFFECTIVE DATE OF THIS PARAGRAPH (c), OR THAT IS GRANTED
21 APPROVAL PURSUANT TO THIS PARAGRAPH (c) TO OPERATE A SALES ROOM
22 ON OR AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH (c), SHALL NOTIFY
23 THE STATE LICENSING AUTHORITY OF ALL SALES ROOMS IT OPERATES. THE
24 STATE LICENSING AUTHORITY SHALL MAINTAIN A LIST OF ALL LICENSED
25 WINERY SALES ROOMS IN THE STATE AND MAKE THE LIST AVAILABLE ON
26 ITS WEB SITE.

27 (V) THE LOCAL LICENSING AUTHORITY MAY REQUEST THAT THE

1 STATE LICENSING AUTHORITY TAKE ACTION IN ACCORDANCE WITH
2 SECTION 12-47-601 AGAINST A LICENSED WINERY APPROVED TO OPERATE
3 A SALES ROOM IF THE LOCAL LICENSING AUTHORITY:

4 (A) DEMONSTRATES TO THE STATE LICENSING AUTHORITY THAT
5 THE LICENSEE HAS ENGAGED IN AN UNLAWFUL ACT AS SET FORTH IN PART
6 9 OF THIS ARTICLE; OR

7 (B) SHOWS GOOD CAUSE AS SPECIFIED IN SECTION 12-47-103 (9)
8 (a), (9) (b), OR (9) (d).

9 (VI) THIS PARAGRAPH (c) DOES NOT APPLY IF THE LICENSED
10 WINERY DOES NOT SELL AND SERVE VINOUS LIQUORS IN ITS SALES ROOM
11 FOR CONSUMPTION ON THE LICENSED PREMISES.

12 (3) ~~Any winery that has received a license pursuant to this section~~
13 ~~is authorized to serve and sell food, general merchandise, and nonalcohol~~
14 ~~beverages for consumption on the premises of any licensed premises or~~
15 ~~to be taken by the consumer.~~

16 (6) (a) ~~Any~~ A manufacturer of spirituous liquors ~~that has received~~
17 ~~a license~~ LICENSED pursuant to this section ~~is authorized to~~ MAY conduct
18 tastings and sell to customers spirituous liquors of its own manufacture
19 IN A SALES ROOM on its licensed premises and at one other licensed sales
20 room location at no additional cost. ~~Such additional~~ A sales room location
21 may be included in the license at the time of the original license issuance
22 or by supplemental application.

23 (b) ~~Any~~ A manufacturer of spirituous liquors ~~that has received a~~
24 ~~license~~ LICENSED pursuant to this section ~~is authorized to~~ MAY serve and
25 sell food, general merchandise, and nonalcohol beverages for CONSUMER
26 consumption on OR OFF the LICENSED premises. ~~or to be taken off the~~
27 ~~premises by the consumer.~~

1 (c) (I) (A) Prior to operating ~~an additional~~ A sales room location,
2 a manufacturer of spirituous liquors ~~that has received a license~~ LICENSED
3 pursuant to this section shall, AT THE TIME OF APPLICATION TO THE STATE
4 LICENSING AUTHORITY, send a copy of the application or supplemental
5 application for ~~an additional~~ A sales room to the local licensing authority
6 in the jurisdiction in which ~~such~~ THE sales room is proposed. The local
7 licensing authority ~~may request that the proposed sales room location~~
8 ~~license be denied by~~ MAY SUBMIT A RESPONSE TO THE APPLICATION,
9 INCLUDING ITS DETERMINATION AND AFFIRMATION SPECIFIED IN
10 SUBPARAGRAPHS (II) AND (III) OF THIS PARAGRAPH (c), TO THE STATE
11 LICENSING AUTHORITY BUT MUST SUBMIT ITS RESPONSE WITHIN
12 FORTY-FIVE DAYS AFTER THE LICENSEE SUBMITS ITS SALES ROOM
13 APPLICATION TO THE STATE LICENSING AUTHORITY.

14 (B) IF THE LOCAL LICENSING AUTHORITY DOES NOT SUBMIT A
15 RESPONSE TO THE STATE LICENSING AUTHORITY WITHIN FORTY-FIVE DAYS
16 AFTER SUBMISSION OF THE SALES ROOM APPLICATION, THE STATE
17 LICENSING AUTHORITY SHALL DEEM THAT THE LOCAL LICENSING
18 AUTHORITY HAS DETERMINED THAT THE PROPOSED SALES ROOM ~~WILL~~
19 ~~NOT IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS OR~~
20 ~~THAT THE APPLICANT WILL SUFFICIENTLY MITIGATE ANY IMPACTS~~
21 ~~IDENTIFIED BY THE LOCAL LICENSING AUTHORITY.~~

22 (II) The state licensing authority MUST CONSIDER THE RESPONSE
23 FROM THE LOCAL LICENSING AUTHORITY, IF ANY, AND MAY DENY THE
24 PROPOSED SALES ROOM APPLICATION if the local licensing authority
25 determines that ~~issuance~~ APPROVAL of the proposed sales room ~~license~~
26 ~~would be in conflict with the reasonable requirements of the~~
27 ~~neighborhood and the desires of the adult inhabitants as evidenced by~~

1 ~~petitions, remonstrances, or otherwise~~ WILL IMPACT TRAFFIC, NOISE, OR
2 OTHER NEIGHBORHOOD CONCERNS, WHICH MAY BE DETERMINED BY THE
3 LOCAL LICENSING AUTHORITY WITHOUT REQUIRING A PUBLIC HEARING, OR
4 THAT THE APPLICANT CANNOT SUFFICIENTLY MITIGATE ANY POTENTIAL
5 IMPACTS IDENTIFIED BY THE LOCAL LICENSING AUTHORITY.

6 ~~(d)~~ (III) The state licensing ~~agency~~ AUTHORITY shall not grant a
7 ~~license for an additional~~ APPROVAL OF A sales room unless THE
8 APPLICANT AFFIRMS TO THE STATE LICENSING AUTHORITY THAT the
9 applicant has complied with local zoning restrictions. ~~and the provisions~~
10 ~~of section 12-47-301 (2) (a).~~

11 (IV) A LICENSED SPIRITUOUS LIQUORS MANUFACTURER THAT IS
12 OPERATING A SALES ROOM AS OF THE EFFECTIVE DATE OF THIS PARAGRAPH
13 (c), AS AMENDED, OR THAT IS GRANTED APPROVAL PURSUANT TO THIS
14 PARAGRAPH (c) TO OPERATE A SALES ROOM ON OR AFTER THE EFFECTIVE
15 DATE OF THIS PARAGRAPH (c), AS AMENDED, SHALL NOTIFY THE STATE
16 LICENSING AUTHORITY OF ALL SALES ROOMS IT OPERATES. THE STATE
17 LICENSING AUTHORITY SHALL MAINTAIN A LIST OF ALL LICENSED
18 SPIRITUOUS LIQUOR MANUFACTURER SALES ROOMS IN THE STATE AND
19 MAKE THE LIST AVAILABLE ON ITS WEB SITE.

20 (V) THE LOCAL LICENSING AUTHORITY MAY REQUEST THAT THE
21 STATE LICENSING AUTHORITY TAKE ACTION IN ACCORDANCE WITH
22 SECTION 12-47-601 AGAINST A LICENSED SPIRITUOUS LIQUORS
23 MANUFACTURER APPROVED TO OPERATE A SALES ROOM IF THE LOCAL
24 LICENSING AUTHORITY:

25 (A) DEMONSTRATES TO THE STATE LICENSING AUTHORITY THAT
26 THE LICENSEE HAS ENGAGED IN AN UNLAWFUL ACT AS SET FORTH IN PART
27 9 OF THIS ARTICLE; OR

1 (B) SHOWS GOOD CAUSE AS SPECIFIED IN SECTION 12-47-103 (9)
2 (a), (9) (b), OR (9) (d).

3 (VI) THIS PARAGRAPH (c) DOES NOT APPLY IF THE LICENSED
4 SPIRITUOUS LIQUORS MANUFACTURER DOES NOT SELL AND SERVE ITS
5 SPIRITUOUS LIQUORS IN ITS SALES ROOM FOR CONSUMPTION ON THE
6 LICENSED PREMISES.

7 **SECTION 4.** In Colorado Revised Statutes, 12-47-403, **amend**
8 (2) (e) as follows:

9 **12-47-403. Limited winery license.** (2) A limited winery
10 licensee is authorized:

11 (e) (I) (A) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (B) OF
12 THIS SUBPARAGRAPH (I) AND SUBJECT TO SUBPARAGRAPH (II) OF THIS
13 PARAGRAPH (e), to conduct tastings and sell vinous liquors of its own
14 manufacture, as well as vinous liquors manufactured by other Colorado
15 wineries, IN A SALES ROOM on the licensed premises of the limited winery
16 and up to five other licensed premises, whether included in the license at
17 the time of the original license or by supplemental application. ~~except that~~
18 ~~no~~

19 (B) A LIMITED WINERY LICENSEE SHALL NOT CONDUCT retail sales
20 ~~shall be conducted~~ from an area licensed or defined as an alternating
21 proprietor licensed premises.

22 (II) (A) PRIOR TO OPERATING A SALES ROOM LOCATION, A LIMITED
23 WINERY LICENSED PURSUANT TO THIS SECTION SHALL, AT THE TIME OF
24 APPLICATION TO THE STATE LICENSING AUTHORITY, SEND A COPY OF THE
25 APPLICATION OR SUPPLEMENTAL APPLICATION FOR A SALES ROOM TO THE
26 LOCAL LICENSING AUTHORITY IN THE JURISDICTION IN WHICH THE SALES
27 ROOM IS PROPOSED. THE LOCAL LICENSING AUTHORITY MAY SUBMIT A

1 RESPONSE TO THE APPLICATION, INCLUDING ITS DETERMINATION AND
2 AFFIRMATION SPECIFIED IN SUB-SUBPARAGRAPHS (B) AND (C) OF THIS
3 SUBPARAGRAPH (II), TO THE STATE LICENSING AUTHORITY BUT MUST
4 SUBMIT ITS RESPONSE WITHIN FORTY-FIVE DAYS AFTER THE LICENSED
5 LIMITED WINERY SUBMITS ITS SALES ROOM APPLICATION TO THE STATE
6 LICENSING AUTHORITY. IF THE LOCAL LICENSING AUTHORITY DOES NOT
7 SUBMIT A RESPONSE TO THE STATE LICENSING AUTHORITY WITHIN
8 FORTY-FIVE DAYS AFTER SUBMISSION OF THE SALES ROOM APPLICATION,
9 THE STATE LICENSING AUTHORITY SHALL DEEM THAT THE LOCAL
10 LICENSING AUTHORITY HAS DETERMINED THAT THE PROPOSED SALES
11 ROOM WILL NOT IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD
12 CONCERNS OR THAT THE APPLICANT WILL SUFFICIENTLY MITIGATE ANY
13 IMPACTS IDENTIFIED BY THE LOCAL LICENSING AUTHORITY.

14 (B) THE STATE LICENSING AUTHORITY MUST CONSIDER THE
15 RESPONSE FROM THE LOCAL LICENSING AUTHORITY, IF ANY, AND MAY
16 DENY THE PROPOSED SALES ROOM APPLICATION IF THE LOCAL LICENSING
17 AUTHORITY DETERMINES THAT APPROVAL OF THE PROPOSED SALES ROOM
18 WILL IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS,
19 WHICH MAY BE DETERMINED BY THE LOCAL LICENSING AUTHORITY
20 WITHOUT REQUIRING A PUBLIC HEARING, OR THAT THE APPLICANT CANNOT
21 SUFFICIENTLY MITIGATE ANY POTENTIAL IMPACTS IDENTIFIED BY THE
22 LOCAL LICENSING AUTHORITY.

23 (C) THE STATE LICENSING AUTHORITY SHALL NOT GRANT
24 APPROVAL OF A SALES ROOM UNLESS THE APPLICANT AFFIRMS TO THE
25 STATE LICENSING AUTHORITY THAT THE LIMITED WINERY APPLICANT HAS
26 COMPLIED WITH LOCAL ZONING RESTRICTIONS.

27 (D) A LICENSED LIMITED WINERY THAT IS OPERATING A SALES

1 ROOM AS OF THE EFFECTIVE DATE OF THIS SUBPARAGRAPH (II), OR THAT
2 IS GRANTED APPROVAL PURSUANT TO THIS SUBPARAGRAPH (II) TO
3 OPERATE A SALES ROOM ON OR AFTER THE EFFECTIVE DATE OF THIS
4 SUBPARAGRAPH (II), SHALL NOTIFY THE STATE LICENSING AUTHORITY OF
5 ALL SALES ROOMS IT OPERATES. THE STATE LICENSING AUTHORITY SHALL
6 MAINTAIN A LIST OF ALL LIMITED WINERY LICENSEE SALES ROOMS IN THE
7 STATE AND MAKE THE LIST AVAILABLE ON ITS WEB SITE.

8 (E) THE LOCAL LICENSING AUTHORITY MAY REQUEST THAT THE
9 STATE LICENSING AUTHORITY TAKE ACTION IN ACCORDANCE WITH
10 SECTION 12-47-601 AGAINST A LICENSED LIMITED WINERY APPROVED TO
11 OPERATE A SALES ROOM IF THE LOCAL LICENSING AUTHORITY
12 DEMONSTRATES TO THE STATE LICENSING AUTHORITY THAT THE LICENSEE
13 HAS ENGAGED IN AN UNLAWFUL ACT AS SET FORTH IN PART 9 OF THIS
14 ARTICLE OR SHOWS GOOD CAUSE AS SPECIFIED IN SECTION 12-47-103 (9)
15 (a), (9) (b), OR (9) (d).

16 (F) THIS SUBPARAGRAPH (II) DOES NOT APPLY IF THE LICENSED
17 LIMITED WINERY DOES NOT SELL AND SERVE VINOUS LIQUORS IN ITS SALES
18 ROOM FOR CONSUMPTION ON THE LICENSED PREMISES.

19 **SECTION 5.** In Colorado Revised Statutes, 12-47-406, **amend**
20 (1) (b) as follows:

21 **12-47-406. Wholesaler's license.** (1) (b) (I) A wholesaler's beer
22 license shall be issued to persons selling malt liquors at wholesale who
23 designate to the state licensing authority on their application the territory
24 within which the licensee may sell the designated products of any brewer
25 as agreed upon by the licensee and the brewer of such products for the
26 following purposes only:

27 (H) (A) To maintain and operate warehouses and one ~~salesroom~~

1 SALES ROOM in this state to handle malt liquors to be denominated a
2 wholesale beer store;

3 ~~(H)~~ (B) To take orders for malt liquors at any place within the
4 territory designated on the license application and deliver malt liquors on
5 orders previously taken to any place within the designated geographical
6 territory, if the licensee has procured a wholesaler's beer license and the
7 place where orders are taken and delivered is a place regularly licensed
8 pursuant to the provisions of this article.

9 (II) (A) PRIOR TO OPERATING A SALES ROOM AS AUTHORIZED BY
10 THIS PARAGRAPH (b), A WHOLESALER'S BEER LICENSEE THAT IS LICENSED
11 PURSUANT TO THIS SECTION SHALL, AT THE TIME OF APPLICATION TO THE
12 STATE LICENSING AUTHORITY, SEND A COPY OF THE APPLICATION OR
13 SUPPLEMENTAL APPLICATION FOR A SALES ROOM TO THE LOCAL LICENSING
14 AUTHORITY IN THE JURISDICTION IN WHICH THE SALES ROOM IS PROPOSED.
15 THE LOCAL LICENSING AUTHORITY MAY SUBMIT A RESPONSE TO THE
16 APPLICATION, INCLUDING ITS DETERMINATION AND AFFIRMATION
17 SPECIFIED IN SUB-SUBPARAGRAPHS (B) AND (C) OF THIS SUBPARAGRAPH
18 (II), TO THE STATE LICENSING AUTHORITY BUT MUST SUBMIT ITS RESPONSE
19 WITHIN FORTY-FIVE DAYS AFTER THE WHOLESALER'S BEER LICENSEE
20 SUBMITS ITS SALES ROOM APPLICATION TO THE STATE LICENSING
21 AUTHORITY. IF THE LOCAL LICENSING AUTHORITY DOES NOT SUBMIT A
22 RESPONSE TO THE STATE LICENSING AUTHORITY WITHIN FORTY-FIVE DAYS
23 AFTER SUBMISSION OF THE SALES ROOM APPLICATION, THE STATE
24 LICENSING AUTHORITY SHALL DEEM THAT THE LOCAL LICENSING
25 AUTHORITY HAS DETERMINED THAT THE PROPOSED SALES ROOM WILL NOT
26 IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS OR THAT
27 THE APPLICANT WILL SUFFICIENTLY MITIGATE ANY IMPACTS IDENTIFIED

1 BY THE LOCAL LICENSING AUTHORITY.

2 (B) THE STATE LICENSING AUTHORITY MUST CONSIDER THE
3 RESPONSE FROM THE LOCAL LICENSING AUTHORITY, IF ANY, AND MAY
4 DENY THE PROPOSED SALES ROOM APPLICATION IF THE LOCAL LICENSING
5 AUTHORITY DETERMINES THAT APPROVAL OF THE PROPOSED SALES ROOM
6 WILL IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS,
7 WHICH MAY BE DETERMINED BY THE LOCAL LICENSING AUTHORITY
8 WITHOUT REQUIRING A PUBLIC HEARING, OR THAT THE APPLICANT CANNOT
9 SUFFICIENTLY MITIGATE ANY POTENTIAL IMPACTS IDENTIFIED BY THE
10 LOCAL LICENSING AUTHORITY.

11 (C) THE STATE LICENSING AUTHORITY SHALL NOT GRANT
12 APPROVAL OF A SALES ROOM UNLESS THE APPLICANT AFFIRMS TO THE
13 STATE LICENSING AUTHORITY THAT THE APPLICANT HAS COMPLIED WITH
14 LOCAL ZONING RESTRICTIONS.

15 (D) A WHOLESALER'S BEER LICENSEE THAT IS OPERATING A SALES
16 ROOM AS OF THE EFFECTIVE DATE OF THIS SUBPARAGRAPH (II), OR THAT
17 IS GRANTED APPROVAL PURSUANT TO THIS SUBPARAGRAPH (II) TO
18 OPERATE A SALES ROOM ON OR AFTER THE EFFECTIVE DATE OF THIS
19 SUBPARAGRAPH (II), SHALL NOTIFY THE STATE LICENSING AUTHORITY OF
20 ITS SALES ROOM. THE STATE LICENSING AUTHORITY SHALL MAINTAIN A
21 LIST OF ALL WHOLESALER'S BEER LICENSEE SALES ROOMS IN THE STATE
22 AND MAKE THE LIST AVAILABLE ON ITS WEB SITE.

23 (E) THE LOCAL LICENSING AUTHORITY MAY REQUEST THAT THE
24 STATE LICENSING AUTHORITY TAKE ACTION IN ACCORDANCE WITH
25 SECTION 12-47-601 AGAINST A WHOLESALER'S BEER LICENSEE APPROVED
26 TO OPERATE A SALES ROOM IF THE LOCAL LICENSING AUTHORITY
27 DEMONSTRATES TO THE STATE LICENSING AUTHORITY THAT THE LICENSEE

1 HAS ENGAGED IN AN UNLAWFUL ACT AS SET FORTH IN PART 9 OF THIS
2 ARTICLE OR SHOWS GOOD CAUSE AS SPECIFIED IN SECTION 12-47-103 (9)
3 (a), (9) (b), OR (9) (d).

4 (F) THIS SUBPARAGRAPH (II) DOES NOT APPLY IF THE
5 WHOLESALER'S BEER LICENSEE DOES NOT SELL AND SERVE MALT LIQUORS
6 IN ITS SALES ROOM FOR CONSUMPTION ON THE LICENSED PREMISES.

7 **SECTION 6. Appropriation.** For the 2015-16 state fiscal year,
8 \$3,060 is appropriated to the department of revenue for use by the liquor
9 and tobacco enforcement division. This appropriation is from the liquor
10 enforcement division and state licensing authority cash fund created in
11 section 24-35-401, C.R.S. To implement this act, the division may use
12 this appropriation for personal services.

13 **SECTION 7. Act subject to petition - effective date -**
14 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
15 the expiration of the ninety-day period after final adjournment of the
16 general assembly (August 5, 2015, if adjournment sine die is on May 6,
17 2015); except that, if a referendum petition is filed pursuant to section 1
18 (3) of article V of the state constitution against this act or an item, section,
19 or part of this act within such period, then the act, item, section, or part
20 will not take effect unless approved by the people at the general election
21 to be held in November 2016 and, in such case, will take effect on the
22 date of the official declaration of the vote thereon by the governor.

23 (2) This act applies to applications for sales rooms submitted on
24 or after the applicable effective date of this act.