First Regular Session Seventieth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 15-0082.01 Christy Chase x2008

HOUSE BILL 15-1204

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A BILL FOR AN ACT

101 CONCERNING THE CREATION OF A DISTILLERY PUB LICENSE.

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.)

The bill creates a new license under the "Colorado Liquor Code", referred to as a distillery pub license, that would enable a spirituous liquor (spirits) producer to operate a pub that serves alcohol beverages, including spirits the producer ferments and distills, for consumption on the licensed premises. A distillery pub license would operate similar to a brew pub license in that the licensee must:

- ! Serve meals;
- ! Gross at least 15% of on-premises food and drink income

- from the sale of food;
- ! Limit wholesale sales of spirits it ferments and distills on the licensed premises to not more than 2,700 liters (300 cases) per product per year; and
- ! Limit its total annual production of spirits to 45,000 liters (5,000 cases).

A distillery pub licensee is subject to the same state and local annual licensing fees as a brew pub, \$325 and \$500, respectively. Additionally, similar to brew pub licensees, a distillery pub licensee may own or have an interest in another alcohol beverage licensee authorized to serve alcohol for on-premises consumption.

1 *Be it enacted by the General Assembly of the State of Colorado:* 2 **SECTION 1.** In Colorado Revised Statutes, add 12-47-424 as 3 follows: 4 12-47-424. Distillery pub license - legislative declaration -5 **definition.** (1) THE GENERAL ASSEMBLY FINDS AND DETERMINES THAT: 6 (a) COLORADO IS A STATE THAT WELCOMES AND ENCOURAGES 7 ENTREPRENEURS AND NEW BUSINESS OPPORTUNITIES; 8 (b) CURRENTLY, MANUFACTURING OF SPIRITUOUS LIQUORS BY 9 PERSONS LICENSED AS MANUFACTURERS PURSUANT TO SECTION 12-47-402 10 IS A THRIVING INDUSTRY, WITH NEW DISTILLERIES OPENING THROUGHOUT 11 THE STATE AND INCREASING THE AVAILABILITY OF COLORADO-PRODUCED 12 CRAFT SPIRITS BOTH WITHIN AND OUTSIDE THE STATE; 13 (c) THE SPIRITUOUS LIQUORS MANUFACTURING BUSINESS FOCUSES 14 PRIMARILY ON PRODUCING A SPIRITUOUS LIQUOR PRODUCT THAT THE 15 LICENSED SPIRITS MANUFACTURER CAN THEN SELL AND DISTRIBUTE, 16 THROUGH A WHOLESALER, THROUGHOUT THE STATE AND IN OTHER STATES 17 TO RETAIL OUTLETS; 18 (d) While Licensed spirits manufacturers are permitted to

SELL THEIR PRODUCTS DIRECTLY TO CONSUMERS, THE MAJORITY OF THE

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1	MANUFACTURING BUSINESS IS SELLING THE BULK OF A MANUFACTURER'S
2	PRODUCT TO RETAIL OUTLETS THAT THEN SELL THE PRODUCT TO
3	CONSUMERS;
4	(e) On the other hand, the main focus of a distillery pub
5	BUSINESS AUTHORIZED BY THIS SECTION IS TO OPERATE A LOCAL PUB IN
6	WHICH FOOD AND ALCOHOL BEVERAGES, INCLUDING A SMALL QUANTITY
7	OF SPIRITUOUS LIQUORS FERMENTED AND DISTILLED ON SITE, ARE SOLD
8	AND SERVED FOR ON-PREMISES CONSUMPTION;
9	(f) WHILE A DISTILLERY PUB IS ALLOWED TO PRODUCE, SERVE, AND
10	DISTRIBUTE ITS OWN SPIRITUOUS LIQUORS, UNLIKE A LICENSED SPIRITS
11	MANUFACTURER, THE PRODUCTION LEVEL FOR A DISTILLERY PUB IS
12	CAPPED, AND THE ABILITY TO DISTRIBUTE TO RETAIL OUTLETS IS GREATLY
13	RESTRICTED, THEREBY ESTABLISHING A NEW BUSINESS MODEL THAT IS
14	DISTINCT FROM, AND SERVES A DIFFERENT CLIENTELE THAN, A LICENSED
15	SPIRITS MANUFACTURER;
16	(g) Additionally, unlike a licensed spirits manufacturer,
17	WHICH IS ONLY REQUIRED TO OBTAIN A LICENSE FROM THE STATE
18	LICENSING AUTHORITY, A DISTILLERY PUB MUST OBTAIN BOTH A STATE
19	AND LOCAL LICENSE AFTER DEMONSTRATING THAT THE DISTILLERY PUB
20	MEETS THE REASONABLE REQUIREMENTS AND THE DESIRES OF THE ADULT
21	INHABITANTS OF THE NEIGHBORHOOD IN WHICH IT WILL BE SITUATED; AND
22	(h) It is important to encourage the New distillery pub
23	BUSINESS MODEL, WHICH WILL ADD TO THE THRIVING CRAFT SPIRITS
24	INDUSTRY IN THIS STATE WITHOUT DISRUPTING THE EVER-GROWING
25	SPIRITUOUS LIQUORS MANUFACTURING INDUSTRY.
26	(2) A DISTILLERY PUB LICENSE MAY BE ISSUED TO ANY PERSON
27	OPERATING A DISTILLERY PUB AND ALSO SELLING FOOD AND ALCOHOL

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1	BEVERAGES FOR CONSUMPTION ON THE PREMISES. AT LEAST FIFTEEN
2	PERCENT OF THE GROSS ON-PREMISES FOOD AND ALCOHOL BEVERAGE
3	INCOME OF THE LICENSED DISTILLERY PUB MUST BE FROM THE SALE OF
4	FOOD. FOR PURPOSES OF THIS SUBSECTION (2), "FOOD" MEANS A QUANTITY
5	OF FOODSTUFFS OF A NATURE THAT IS ORDINARILY CONSUMED BY AN
6	INDIVIDUAL AT REGULAR INTERVALS FOR THE PURPOSE OF SUSTENANCE.
7	(3) During the hours established in Section 12-47-901 (5)
8	(b), A LICENSED DISTILLERY PUB MAY, WITH REGARD TO SPIRITUOUS
9	LIQUORS FERMENTED AND DISTILLED BY THE DISTILLERY PUB LICENSEE ON
10	THE LICENSED PREMISES:
11	(a) FURNISH ITS SPIRITUOUS LIQUORS FOR CONSUMPTION ON THE
12	PREMISES;
13	(b) SELL ITS SPIRITUOUS LIQUORS TO INDEPENDENT WHOLESALERS
14	FOR DISTRIBUTION TO LICENSED RETAILERS;
15	(c) Sell its spirituous liquors to the public in sealed
16	CONTAINERS FOR OFF-PREMISES CONSUMPTION, AS LONG AS THE
17	SPIRITUOUS LIQUORS ARE FERMENTED, DISTILLED, AND PACKAGED ON THE
18	LICENSED PREMISES BY THE LICENSEE; OR
19	(d) Sell its spirituous liquors at wholesale to licensed
20	RETAILERS IN AN AMOUNT UP TO TWO THOUSAND SEVEN HUNDRED LITERS
21	PER SPIRITUOUS LIQUOR PRODUCT PER CALENDAR YEAR.
22	(4) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
23	SUBSECTION (4), EVERY PERSON SELLING ALCOHOL BEVERAGES PURSUANT
24	TO THIS SECTION MUST PURCHASE ALCOHOL BEVERAGES, OTHER THAN
25	THOSE THAT ARE FERMENTED AND DISTILLED AT THE LICENSED DISTILLERY
26	PUB, FROM A WHOLESALER LICENSED PURSUANT TO THIS ARTICLE OR
27	ARTICLE 46 OF THIS TITLE.

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1	(b) (1) DURING A CALENDAR YEAR, A PERSON SELLING ALCOHOL
2	BEVERAGES AS PROVIDED IN THIS SECTION MAY PURCHASE NOT MORE
3	THAN TWO THOUSAND DOLLARS' WORTH OF:
4	(A) Malt, vinous, and spirituous liquors from a retailer
5	LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408; AND
6	(B) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED
7	PURSUANT TO SECTION 12-46-104 (1) (c).
8	(II) THE DISTILLERY PUB LICENSEE SHALL RETAIN EVIDENCE OF
9	EACH PURCHASE OF MALT, VINOUS, AND SPIRITUOUS LIQUORS FROM A
10	RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408 AND
11	EACH PURCHASE OF FERMENTED MALT BEVERAGES FROM A RETAILER
12	LICENSED PURSUANT TO SECTION 12-46-104 (1) (c), IN THE FORM OF A
13	PURCHASE RECEIPT SHOWING THE NAME OF THE LICENSED RETAILER, THE
14	DATE OF PURCHASE, A DESCRIPTION OF THE ALCOHOL BEVERAGES
15	PURCHASED, AND THE PRICE PAID FOR THE ALCOHOL BEVERAGES. THE
16	LICENSEE SHALL RETAIN THE RECEIPT AND MAKE IT AVAILABLE TO STATE
17	AND LOCAL LICENSING AUTHORITIES AT ALL TIMES DURING BUSINESS
18	HOURS.
19	(5) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS
20	SUBSECTION (5), IT IS UNLAWFUL FOR ANY OWNER, PART OWNER,
21	SHAREHOLDER, OR PERSON INTERESTED DIRECTLY OR INDIRECTLY IN A
22	DISTILLERY PUB LICENSE TO CONDUCT, OWN EITHER IN WHOLE OR IN PART,
23	OR BE DIRECTLY OR INDIRECTLY INTERESTED IN ANY OTHER BUSINESS
24	LICENSED PURSUANT TO THIS ARTICLE OR ARTICLE 46 OF THIS TITLE.
25	(b) A PERSON INTERESTED DIRECTLY OR INDIRECTLY IN A
26	DISTILLERY PUB LICENSE MAY CONDUCT, OWN EITHER IN WHOLE OR IN
27	PART, OR BE DIRECTLY OR INDIRECTLY INTERESTED IN:

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1	(I) OTHER DISTILLERY PUB LICENSES;
2	(II) A LICENSE DESCRIBED IN SECTION 12-46-104 (1) (c),
3	12-47-401(1)(j) to $(1)(t)$, or $12-47-410(1)$; or
4	(III) A FINANCIAL INSTITUTION REFERRED TO IN SECTION
5	12-47-308 (4).
6	SECTION 2. In Colorado Revised Statutes, 12-47-103, amend
7	(7.5) (c); and add (6.9), (7.3), and (7.7) as follows:
8	12-47-103. Definitions. As used in this article and article 46 of
9	this title, unless the context otherwise requires:
10	(6.9) "DISTILL" OR "DISTILLATION" MEANS THE PROCESS BY WHICH
11	ALCOHOL THAT IS CREATED BY FERMENTATION IS SEPARATED FROM THE
12	PORTION OF THE LIQUID THAT HAS NO ALCOHOL CONTENT.
13	(7.3) "DISTILLERY PUB" MEANS A RETAIL ESTABLISHMENT:
14	(a) Whose primary purpose is selling and serving food and
15	ALCOHOL BEVERAGES FOR ON-PREMISES CONSUMPTION; AND
16	(b) That ferments and distills not more than forty-five
17	THOUSAND LITERS OF SPIRITUOUS LIQUOR ON ITS LICENSED PREMISES EACH
18	CALENDAR YEAR.
19	(7.5) "Entertainment district" means an area that:
20	(c) Contains at least twenty thousand square feet of premises
21	licensed as a tavern, hotel and restaurant, brew pub, DISTILLERY PUB,
22	retail gaming tavern, or vintner's restaurant at the time the district is
23	created.
24	(7.7) "FERMENT" OR "FERMENTATION" MEANS THE CHEMICAL
25	PROCESS BY WHICH SUGAR IS CONVERTED INTO ALCOHOL.
26	SECTION 3. In Colorado Revised Statutes, 12-47-309, add (1)
27	(m) as follows:

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1	12-47-309. Local licensing authority - applications - optional
2	premises licenses. (1) A local licensing authority may issue only the
3	following alcohol beverage licenses upon payment of the fee specified in
4	section 12-47-505:
5	(m) DISTILLERY PUB LICENSE.
6	SECTION 4. In Colorado Revised Statutes, 12-47-401, add (1)
7	(v) as follows:
8	12-47-401. Classes of licenses. (1) For the purpose of regulating
9	the manufacture, sale, and distribution of alcohol beverages, the state
10	licensing authority in its discretion, upon application in the prescribed
11	form made to it, may issue and grant to the applicant a license or permit
12	from any of the following classes, subject to the provisions and
13	restrictions provided by this article:
14	(v) DISTILLERY PUB LICENSE.
15	SECTION 5. In Colorado Revised Statutes, 12-47-501, amend
16	(1) (l) as follows:
17	12-47-501. State fees. (1) The following license and permit fees
18	shall be paid to the department of revenue annually in advance:
19	(l) For each brew pub, DISTILLERY PUB, or vintner's restaurant
20	license, three hundred twenty-five dollars;
21	SECTION 6. In Colorado Revised Statutes, 12-47-505, amend
22	(1) (i) as follows:
23	12-47-505. Local license fees. (1) The following license fees
24	shall be paid to the treasurer of the municipality, city and county, or
25	county where the licensed premises is located annually in advance:
26	(i) For each brew pub, DISTILLERY PUB, or vintner's restaurant
27	license, five hundred dollars;

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1	SECTION 7. In Colorado Revised Statutes, 12-47-301, amend
2	(2) (a), (10) (c) introductory portion, (10) (c) (II), (11) (c) (II)
3	introductory portion, and (11) (e) (I) as follows:
4	12-47-301. Licensing in general. (2) (a) Before granting any
5	license, all licensing authorities shall consider, except where this article
6	and article 46 of this title specifically provide otherwise, the reasonable
7	requirements of the neighborhood, the desires of the adult inhabitants as
8	evidenced by petitions, remonstrances, or otherwise, and all other
9	reasonable restrictions that are or may be placed upon the neighborhood
10	by the local licensing authority. With respect to a second or additional
11	license described in section 12-47-401 (1) (j) to (1) (t), or 12-47-424, OR
12	12-47-410 (1) or in a financial institution referred to in section 12-47-308
13	(4) for the same licensee, all licensing authorities shall consider the effect
14	on competition of the granting or disapproving of additional licenses to
15	such licensee, and no application for a second or additional hotel and
16	restaurant or vintner's restaurant license that would have the effect of
17	restraining competition shall be approved.
18	(10) (c) Tastings shall be ARE subject to the following limitations:
19	(II) The alcohol BEVERAGE used in tastings shall MUST be
20	purchased through a licensed wholesaler, licensed brew pub, LICENSED
21	DISTILLERY PUB, or winery licensed pursuant to section 12-47-403 at a
22	cost that is not less than the laid-in cost of such THE alcohol BEVERAGE.
23	(11) (c) (II) An association or tavern, hotel and restaurant, brew
24	pub, DISTILLERY PUB, retail gaming tavern, or vintner's restaurant licensee
25	who wishes to create a promotional association may submit an application
26	to the local licensing authority. To qualify for certification, the
27	promotional association must:

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1	(e) (I) A tavern, hotel and restaurant, brew pub, DISTILLERY PUB,
2	retail gaming tavern, or vintner's restaurant licensee who wishes to attach
3	to a common consumption area may submit an application to the local
4	licensing authority. To qualify, the licensee must include a request for
5	authority to attach to the common consumption area from the certified
6	promotional association of the common consumption area unless the
7	promotional association does not exist when the application is submitted;
8	if so, the applicant shall request the authority when a promotional
9	association is certified and shall demonstrate to the local licensing
10	authority that the authority has been obtained by the time the applicant's
11	license issued under this article is renewed.
12	SECTION 8. In Colorado Revised Statutes, 12-47-308, amend
13	(8) as follows:
14	12-47-308. Unlawful financial assistance. (8) It is unlawful for
15	an owner, part owner, shareholder, or person interested directly or
16	indirectly in a brew pub, DISTILLERY PUB, or vintner's restaurant license
17	to conduct, own in whole or in part, or be directly or indirectly interested
18	in a wholesaler's license issued under this article or article 46 of this title.
19	SECTION 9. In Colorado Revised Statutes, 12-47-409, amend
20	(3) as follows:
21	12-47-409. Beer and wine license. (3) It is unlawful for any
22	owner, part owner, shareholder, or person interested directly or indirectly
23	in a beer and wine license to conduct, own either in whole or in part, or
24	be directly or indirectly interested in any other business licensed pursuant
25	to this article or article 46 of this title; except that such a THE person may
26	have an interest in a license described in section 12-46-104 (1) (c),
27	12-47-401 (1) (j) to (1) (t), or 12-47-401 (1) (v), OR 12-47-410 (1) or in

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1	a financial institution referred to in section 12-47-308 (4).
2	SECTION 10. In Colorado Revised Statutes, 12-47-410, amend
3	(5) as follows:
4	12-47-410. Bed and breakfast permit. (5) It is unlawful for any
5	owner, part owner, shareholder, or person interested directly or indirectly
6	in a bed and breakfast permit to conduct, own either in whole or in part,
7	or be directly or indirectly interested in any other business licensed
8	pursuant to this article or article 46 of this title; except that a person
9	regulated under this section may have an interest in other bed and
10	breakfast permits, in a license described in section 12-46-104 (1) (c), or
11	12-47-401 (1) (j) to (1) (t), OR 12-47-401 (1) (v) or in a financial
12	institution referred to in section 12-47-308 (4).
13	SECTION 11. In Colorado Revised Statutes, 12-47-411, amend
14	(13) (b) as follows:
15	12-47-411. Hotel and restaurant license - definition - rules.
16	(13) (b) Notwithstanding paragraph (a) of this subsection (13), an owner,
17	part owner, shareholder, or person interested directly or indirectly in a
18	hotel and restaurant license may conduct, own either in whole or in part,
19	or be directly or indirectly interested in a license described in section
20	12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), or 12-47-401 (1) (v), or
21	12-47-410 (1) or in a financial institution referred to in section 12-47-308
22	(4).
23	SECTION 12. In Colorado Revised Statutes, 12-47-412, amend
24	(3) as follows:
25	12-47-412. Tavern license. (3) It is unlawful for any owner, part
26	owner, shareholder, or person interested directly or indirectly in tavern
27	licenses to conduct, own either in whole or in part, or be directly or

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1 indirectly interested in any other business licensed pursuant to this article 2 or article 46 of this title; except that such a THE person may have an 3 interest in a license described in section 12-46-104 (1) (c), 12-47-401 (1) 4 (i) to (1) (t), or 12-47-401 (1) (v), OR 12-47-410 (1) or in a financial 5 institution referred to in section 12-47-308 (4). 6 **SECTION 13.** In Colorado Revised Statutes, 12-47-413, amend (2) (b) as follows: 7 8 **12-47-413.** Optional premises license. (2) (b) Notwithstanding 9 paragraph (a) of this subsection (2), an owner, part owner, shareholder, 10 or person interested directly or indirectly in an optional premises license 11 may own, either in whole or in part, or be directly or indirectly interested 12 in a license described in section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) 13 (t), or 12-47-401 (1) (v), OR 12-47-410 (1) or in a financial institution referred to in section 12-47-308 (4). 14 15 **SECTION 14.** In Colorado Revised Statutes, 12-47-414, amend 16 (4) as follows: 17 **12-47-414. Retail gaming tavern license.** (4) It is unlawful for 18 any owner, part owner, shareholder, or person interested directly or 19 indirectly in a retail gaming tavern license to conduct, own either in 20 whole or in part, or be directly or indirectly interested in any other 21 business licensed pursuant to this article or article 46 of this title; except 22 that such a THE person may have an interest in a license described in 23 section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), or 12-47-401 (1) 24 (v), OR 12-47-410 (1) or in a financial institution referred to in section 25 12-47-308 (4). 26 **SECTION 15.** In Colorado Revised Statutes, 12-47-415, amend

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(5) (b) as follows:

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1	12-47-415. Brew pub license. (5) (b) Notwithstanding paragraph
2	(a) of this subsection (5), a person interested directly or indirectly in a
3	brew pub license may conduct, own either in whole or in part, or be
4	directly or indirectly interested in a license described in section 12-46-104
5	(1) (c), 12-47-401 (1) (j) to (1) (t), or 12-47-401 (1) (v), or 12-47-410 (1)
6	or in a financial institution referred to in section 12-47-308 (4).
7	SECTION 16. In Colorado Revised Statutes, 12-47-418, amend
8	(4) as follows:
9	12-47-418. Racetrack license. (4) It is unlawful for any owner,
10	part owner, shareholder, or person interested directly or indirectly in a
11	racetrack license to conduct, own either in whole or in part, or be directly
12	or indirectly interested in any other business licensed pursuant to this
13	article or article 46 of this title; except that a person licensed under this
14	section may have an interest in a license described in section 12-46-104
15	(1) (c), 12-47-401 (1) (j) to (1) (t), or 12-47-401 (1) (v), or 12-47-410 (1)
16	or in a financial institution referred to in section 12-47-308 (4).
17	SECTION 17. In Colorado Revised Statutes, 12-47-420, amend
18	(5) (b) as follows:
19	12-47-420. Vintner's restaurant license. (5) (b) A person
20	interested directly or indirectly in a vintner's restaurant license may
21	conduct, own either in whole or in part, or be directly or indirectly
22	interested in a license described in section 12-46-104 (1) (c), 12-47-401
23	(1) (j) to (1) (t), or 12-47-401 (1) (v), OR 12-47-410 (1) or in a financial
24	institution referred to in section 12-47-308 (4).
25	SECTION 18. In Colorado Revised Statutes, 12-47-421, amend
26	(2) introductory portion and (2) (a) as follows:
27	12-47-421. Removal of vinous liquor from licensed premises.

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1	(2) The provisions of This section shall apply APPLIES to a licensee
2	PERSON:
3	(a) That is duly licensed as a: manufacturer's licensee
4	(I) MANUFACTURER under section 12-47-402; a
5	(II) Limited winery licensee under section 12-47-403; a
6	(III) Beer and wine licensee under section 12-47-409; a
7	(IV) Hotel and restaurant licensee under section 12-47-411; a
8	(V) Tavern licensee under section 12-47-412; a
9	(VI) Brew pub licensee under section 12-47-415; or a
10	(VII) Vintner's restaurant licensee under section 12-47-420; OR
11	(VIII) DISTILLERY PUB UNDER SECTION 12-47-424; and
12	SECTION 19. In Colorado Revised Statutes, 12-47-422, amend
13	(6) as follows:
14	12-47-422. Art gallery permit - definition. (6) It is unlawful for
15	any owner, part owner, shareholder, or person interested directly or
16	indirectly in an art gallery permit to conduct, own either in whole or in
17	part, or be directly or indirectly interested in any other business licensed
18	pursuant to this article or article 46 of this title; except that a person
19	regulated under this section may have an interest in other art gallery
20	permits; in a license described in section 12-46-104 (1) (c), 12-47-401 (1)
21	(j) to (1) (t), or 12-47-401 (1) (v), OR 12-47-410 (1); or in a financial
22	institution referred to in section 12-47-308 (4).
23	SECTION 20. In Colorado Revised Statutes, 12-47-423, amend
24	(2) (a) as follows:
25	12-47-423. Wine packaging permit - limitations - rules. (2) A
26	licensed winery or limited winery that obtains a wine packaging permit
27	pursuant to this section shall not sell or distribute tax-paid wine it

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packages:

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- 2 (a) To a person licensed to sell alcohol beverages at retail, for
- 3 consumption on or off the licensed premises, under section 12-47-407,
- 4 12-47-408, 12-47-409, 12-47-410, 12-47-411, 12-47-412, 12-47-413,
- 5 12-47-414, 12-47-415, 12-47-416, 12-47-417, 12-47-418, 12-47-419,
- 6 12-47-420, or 12-47-422, or 12-47-424; or
- 7 **SECTION 21.** In Colorado Revised Statutes, 12-47-503, **amend**
- 8 (1) (a) as follows:
- 9 **12-47-503. Excise tax records definition.** (1) (a) An excise
- tax at the rate of 8.0 cents per gallon, or the same per unit volume tax
- applied to metric measure, on all malt liquors, fermented malt beverages,
- and hard cider, 7.33 cents per liter on all vinous liquors except hard cider,
- and 60.26 cents per liter on all spirituous liquors is imposed, and such
- taxes shall be collected on all such respective beverages, not otherwise
- exempt from the tax, sold, offered for sale, or used in this state; except
- that, upon the same beverages, only one such tax shall be paid in this
- state. The manufacturer thereof, the holder of a winery direct shipper's
- permit, or the first licensee receiving alcohol beverages in this state if
- shipped from without the state, shall be primarily liable for the payment
- of any tax or tax surcharge imposed pursuant to this section; but, if such
- beverage is transported by a manufacturer or wholesaler to a point outside
- of the state and there disposed of, then such manufacturer or wholesaler,
- upon the filing with the state licensing authority of a duplicate bill of
- lading, invoice, or affidavit showing such transaction, shall not be subject
- 25 to the tax provided in this section on such beverages, and, if such tax has
- already been paid, it shall be refunded to said manufacturer or wholesaler.
- For purposes of this section, "manufacturer" includes brew pub, licensees

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1 DISTILLERY PUB, and vintner's restaurant licensees. 2 **SECTION 22.** In Colorado Revised Statutes, 12-47-901, amend 3 (2) and (9) (b) as follows: 4 **12-47-901.** Unlawful acts - exceptions. (2) It is unlawful for any 5 person licensed as a manufacturer, limited winery, or brew pub, OR 6 DISTILLERY PUB pursuant to this article or article 46 of this title to 7 manufacture alcohol beverages except in ANY LOCATION OTHER THAN the 8 permanent location specifically designated in the license for such 9 manufacture MANUFACTURING, except as allowed pursuant to section 10 12-46-104 (1) (a), 12-47-402 (2.5), 12-47-403 (2) (a), or 12-47-415 (1) 11 (b). 12 (9) (b) This subsection (9) applies to persons licensed to sell 13 alcohol beverages for consumption on the licensed premises pursuant to 14 section 12-47-403, 12-47-409, 12-47-410, 12-47-411, 12-47-412, 15 12-47-413, 12-47-414, 12-47-415, 12-47-416, 12-47-417, 12-47-418, 16 12-47-419, 12-47-420, or 12-47-422, or 12-47-424. 17 **SECTION 23.** In Colorado Revised Statutes, 27-80-116, amend 18 (3) and (4) (c) as follows: 19 27-80-116. Fetal alcohol spectrum disorders - legislative 20 declaration - health warning signs - commission - repeal. (3) Each 21 person licensed pursuant to section 12-47-401 (1) (h) to (1) (t) OR 22 12-47-401 (1) (v), C.R.S., to sell malt, vinous, and spirituous liquors or 23 licensed pursuant to section 12-46-104 (1) (c), C.R.S., to sell fermented 24 malt beverages is hereby encouraged to post a health warning sign 25 pursuant to paragraph (c) of subsection (4) of this section, informing 26 patrons that the consumption of alcohol during pregnancy may cause birth

defects, including fetal alcohol spectrum disorders.

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1	(4) (c) The commission shall develop a health warning sign and
2	other informational materials for use by persons licensed pursuant to
3	section 12-47-401 (1) (h) to (1) (t) OR 12-47-401 (1) (v), C.R.S., to sell
4	malt, vinous, and spirituous liquors or licensed pursuant to section
5	12-46-104 (1) (c), C.R.S., to sell fermented malt beverages and a plan for
6	making the sign and other informational materials available on-line to
7	such THE licensed persons and other interested parties. At a minimum, the
8	health warning sign shall read as follows:
9	HEALTH WARNING
10	DRINKING ANY ALCOHOLIC BEVERAGE DURING
11	PREGNANCY MAY CAUSE BIRTH DEFECTS.
12	SECTION 24. Safety clause. The general assembly hereby finds,
13	determines, and declares that this act is necessary for the immediate
14	preservation of the public peace, health, and safety.

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