

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

REVISED

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

LLS NO. 15-0082.01 Christy Chase x2008

HOUSE BILL 15-1204

HOUSE SPONSORSHIP

Pabon, Ginal, Arndt, Singer, Melton

SENATE SPONSORSHIP

Kerr, Grantham, Guzman, Jahn

House Committees
Business Affairs and Labor
Finance

Senate Committees
Business, Labor, & Technology
Finance

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

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.

SENATE
Amended 2nd Reading
March 24, 2015

HOUSE
3rd Reading Unamended
March 3, 2015

HOUSE
2nd Reading Unamended
March 2, 2015

- 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
19 SELL THEIR PRODUCTS DIRECTLY TO CONSUMERS, THE MAJORITY OF THE

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

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.

1 (b) (I) 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:

- 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:

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;

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:

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

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

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 (j) 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**
7 (2) (b) as follows:

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

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**
27 (5) (b) as follows:

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.**

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

1 packages:

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
10 tax at the rate of 8.0 cents per gallon, or the same per unit volume tax
11 applied to metric measure, on all malt liquors, fermented malt beverages,
12 and hard cider, 7.33 cents per liter on all vinous liquors except hard cider,
13 and 60.26 cents per liter on all spirituous liquors is imposed, and such
14 taxes shall be collected on all such respective beverages, not otherwise
15 exempt from the tax, sold, offered for sale, or used in this state; except
16 that, upon the same beverages, only one such tax shall be paid in this
17 state. The manufacturer thereof, the holder of a winery direct shipper's
18 permit, or the first licensee receiving alcohol beverages in this state if
19 shipped from without the state, shall be primarily liable for the payment
20 of any tax or tax surcharge imposed pursuant to this section; but, if such
21 beverage is transported by a manufacturer or wholesaler to a point outside
22 of the state and there disposed of, then such manufacturer or wholesaler,
23 upon the filing with the state licensing authority of a duplicate bill of
24 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
26 already been paid, it shall be refunded to said manufacturer or wholesaler.
27 For purposes of this section, "manufacturer" includes brew pub, ~~licensees~~

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
27 defects, including fetal alcohol spectrum disorders.

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