A BILL FOR AN ACT

CONcerning a ban on powdered alcohol.

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.)

In 2015, the general assembly enacted HB 15-1031, which directed the state licensing authority to adopt rules establishing a mechanism for regulating the manufacture, sale, purchase, possession, and use of powdered alcohol if the federal alcohol and tobacco tax and trade bureau approves the purchase, sale, possession, or manufacturing of powdered alcohol. The 2015 legislation also directed the state licensing authority to adopt rules specifying the excise tax that would apply to powdered alcohol.
The bill repeals the rule-making authority granted by HB 15-1031 and instead prohibits the use, possession, sale, purchase, transfer, or manufacture of powdered alcohol. The bill also specifies that a person who violates the prohibition commits a class 2 misdemeanor. Research hospitals, educational institutions, and pharmaceutical or biotechnology companies conducting bona fide research are excluded from the prohibition.

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

SECTION 1. In Colorado Revised Statutes, add 12-47-902.7 as follows:

12-47-902.7. Powdered alcohol - unlawful acts - penalties - exceptions - definitions - repeal. (1) As used in this section:

(a) "Hospital" means an institution holding a license or certificate of compliance as a hospital issued by the Department of Public Health and Environment pursuant to section 25-1.5-103 (1) (a) (I) or (1) (a) (II), C.R.S.

(b) "Private college or university" has the same meaning as specified in section 23-2-102 (11), C.R.S.

(2) Except as otherwise provided in subsection (4) of this section, a person shall not use, offer for use, purchase, offer to purchase, sell, offer to sell, transfer, offer to transfer, possess, or manufacture powdered alcohol.

(3) A person who violates this section is subject to punishment in accordance with section 12-47-903 (2).

(4) (a) This section does not apply to any of the following entities if the entity complies with the requirements of paragraph (b) of this subsection (4):

(I) A hospital that operates primarily for the purpose of conducting scientific research;
(II) A STATE INSTITUTION CONDUCTING BONA FIDE RESEARCH;
(III) A PRIVATE COLLEGE OR UNIVERSITY CONDUCTING BONA FIDE RESEARCH; OR
(IV) A PHARMACEUTICAL COMPANY OR BIOTECHNOLOGY COMPANY CONDUCTING BONA FIDE RESEARCH.

(b) (I) A HOSPITAL, STATE INSTITUTION, PRIVATE COLLEGE OR UNIVERSITY, PHARMACEUTICAL COMPANY, OR BIOTECHNOLOGY COMPANY THAT POSSESSES POWDERED ALCOHOL ON THE EFFECTIVE DATE OF THIS SECTION SHALL FILE WITH THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT OR ITS DESIGNEE A NOTICE OF POSSESSION OF POWDERED ALCOHOL BY SEPTEMBER 1, 2016.

(II) A HOSPITAL, STATE INSTITUTION, PRIVATE COLLEGE OR UNIVERSITY, PHARMACEUTICAL COMPANY, OR BIOTECHNOLOGY COMPANY THAT INTENDS TO ACQUIRE POWDERED ALCOHOL ON OR AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL FILE WITH THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT OR ITS DESIGNEE A NOTICE OF ACQUISITION OF POWDERED ALCOHOL AT LEAST THIRTY DAYS BEFORE ACQUIRING POWDERED ALCOHOL.

SECTION 2. In Colorado Revised Statutes, 12-47-903, amend (2) as follows:

12-47-903. Violations - penalties. (2) Any person violating any of the provisions of section 12-47-901 (1) (a), (1) (f), (1) (g), (1) (i), (1) (k), (1) (l), (5) (a) (I), or (5) (b), OR section 12-47-902.5, OR 12-47-902.7 commits a class 2 misdemeanor and shall be punished as provided in section 18-1.3-501, C.R.S.

SECTION 3. In Colorado Revised Statutes, 12-47-103, amend (36) as follows:
12-47-103. Definitions. As used in this article and article 46 of this title, unless the context otherwise requires:

(36) "Spirituous liquors" means any alcohol beverage obtained by distillation, mixed with water and other substances in solution, and includes among other things brandy, rum, whiskey, gin, powdered alcohol; and every liquid or solid, patented or not, containing at least one-half of one percent alcohol by volume and which is fit for use for beverage purposes. Any liquid or solid containing beer or wine in combination with any other liquor, except as provided in subsections (19) and (39) of this section, shall not be construed to be fermented malt BEVERAGE or malt or vinous liquor but shall be construed to be spirituous liquor.

SECTION 4. In Colorado Revised Statutes, repeal 12-47-401 (2) and 12-47-503 (1) (a.5).

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.