Second Regular Session Seventieth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading HOUSE BILL 16-1439

LLS NO. 16-1213.01 Christy Chase x2008

HOUSE SPONSORSHIP

Garnett,

(None),

SENATE SPONSORSHIP

House Committees Business Affairs and Labor **Senate Committees**

A BILL FOR AN ACT

| 101 | CONCERNING THE CREATION OF A NEW ALCOHOL BEVERAGE LICENSE |
|-----|--|
| 102 | UNDER THE "COLORADO LIQUOR CODE" TO PERMIT A LODGING |
| 103 | AND ENTERTAINMENT FACILITY TO SELL ALCOHOL BEVERAGES |
| 104 | BY THE DRINK FOR CONSUMPTION ON THE LICENSED PREMISES, |
| 105 | AND, IN CONNECTION THEREWITH, ALLOWING THE HOLDER OF |
| 106 | A TAVERN LICENSE TO CONVERT THE TAVERN LICENSE TO A |
| 107 | LODGING AND ENTERTAINMENT LICENSE OR OTHER |
| 108 | APPROPRIATE LICENSE UNDER SPECIFIED CONDITIONS. |

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 alcohol beverage license under the "Colorado Liquor Code", referred to as a "lodging and entertainment license", for a lodging and entertainment facility that, as its primary business, provides lodging, sports, or entertainment activities to the public and, incidental to that business, sells and serves alcohol beverages for consumption on the premises.

A lodging and entertainment license would operate similarly to a tavern license in that the licensee:

- ! Is authorized to sell alcohol beverages only by the drink to customers for on-premises consumption;
- ! Must make sandwiches and light snacks available to its customers during business hours;
- ! Must purchase its alcohol beverage products only from a licensed wholesaler, with limited exceptions;
- ! Cannot have an interest in businesses licensed under the "Colorado Liquor Code" as a manufacturer, wholesaler, or retail establishment that only sells alcohol beverages for off-premises consumption; and
- ! Must have a registered manager for each licensed premises who is responsible for purchasing alcohol beverages for the licensed premises he or she manages.

The bill requires a current tavern licensee that qualifies as a lodging and entertainment facility or qualifies for a different type of license to apply to convert the tavern license to the appropriate license type.

A lodging and entertainment facility licensee is subject to the same state and local annual licensing fees as a tavern, \$75 and \$500, respectively. Employees of a lodging and entertainment facility who sell alcohol beverages must be at least 21 years of age. A lodging and entertainment facility licensee must post a sign on its licensed premises warning patrons that it is illegal to leave the premises with an alcohol beverage.

- 2 SECTION 1. In Colorado Revised Statutes, 12-47-103, amend
- 3 (7.5) (c) (IX) and (7.5) (c) (X); and **add** (7.5) (c) (XI) and (18.5) as
- 4 follows:
- 5

12-47-103. Definitions. As used in this article and article 46 of

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

1 this title, unless the context otherwise requires: 2 (7.5) "Entertainment district" means an area that: 3 (c) Contains at least twenty thousand square feet of premises that, 4 at the time the district is created, is licensed pursuant to this article as a: 5 (IX) Beer wholesaler that operates a sales room pursuant to 6 section 12-47-406 (1) (b) (I); or 7 (X) Limited winery; OR 8 (XI) LODGING AND ENTERTAINMENT FACILITY LICENSEE. 9 (18.5) "LODGING AND ENTERTAINMENT FACILITY" MEANS AN 10 ESTABLISHMENT THAT: 11 (a) IS EITHER: 12 (I) A LODGING FACILITY, THE PRIMARY BUSINESS OF WHICH IS TO 13 PROVIDE THE PUBLIC WITH SLEEPING ROOMS AND MEETING FACILITIES; OR 14 (II) AN ENTERTAINMENT FACILITY, THE PRIMARY BUSINESS OF 15 WHICH IS TO PROVIDE THE PUBLIC WITH SPORTS OR ENTERTAINMENT 16 ACTIVITIES WITHIN ITS LICENSED PREMISES; AND 17 (b) INCIDENTAL TO ITS PRIMARY BUSINESS, SELLS AND SERVES 18 ALCOHOL BEVERAGES AT RETAIL FOR CONSUMPTION ON THE PREMISES AND 19 HAS SANDWICHES AND LIGHT SNACKS AVAILABLE FOR CONSUMPTION ON 20 THE PREMISES. 21 **SECTION 2.** In Colorado Revised Statutes, add 12-47-425 as 22 follows: 23 12-47-425. Lodging and entertainment license. (1) A LODGING 24 AND ENTERTAINMENT LICENSE MAY BE ISSUED TO A LODGING AND 25 ENTERTAINMENT FACILITY SELLING ALCOHOL BEVERAGES BY THE DRINK 26 ONLY TO CUSTOMERS FOR CONSUMPTION ON THE PREMISES. A LODGING 27 AND ENTERTAINMENT FACILITY LICENSEE SHALL HAVE SANDWICHES AND

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LIGHT SNACKS AVAILABLE FOR CONSUMPTION ON THE PREMISES DURING
 BUSINESS HOURS BUT NEED NOT HAVE MEALS AVAILABLE FOR
 CONSUMPTION.

4 (2) (a) A LODGING AND ENTERTAINMENT FACILITY LICENSED TO
5 SELL ALCOHOL BEVERAGES AS PROVIDED IN THIS SECTION SHALL
6 PURCHASE ALCOHOL BEVERAGES ONLY FROM A WHOLESALER LICENSED
7 PURSUANT TO THIS ARTICLE OR ARTICLE 46 OF THIS TITLE; EXCEPT THAT,
8 DURING A CALENDAR YEAR, A LODGING AND ENTERTAINMENT FACILITY
9 LICENSED TO SELL ALCOHOL BEVERAGES AS PROVIDED IN THIS SECTION
10 MAY PURCHASE NOT MORE THAN TWO THOUSAND DOLLARS' WORTH OF:

(I) MALT, VINOUS, AND SPIRITUOUS LIQUORS FROM A RETAILER
 LICENSED PURSUANT TO SECTION 12-47-407 OR 12-47-408; AND

13 (II) FERMENTED MALT BEVERAGES FROM A RETAILER LICENSED
14 PURSUANT TO SECTION 12-46-104 (1) (c).

15 (b) A LODGING AND ENTERTAINMENT FACILITY LICENSEE SHALL 16 RETAIN EVIDENCE OF EACH PURCHASE OF MALT, VINOUS, OR SPIRITUOUS 17 LIQUORS FROM A RETAILER LICENSED PURSUANT TO SECTION 12-47-407 OR 18 12-47-408 AND EACH PURCHASE OF FERMENTED MALT BEVERAGES FROM 19 A RETAILER LICENSED PURSUANT TO SECTION 12-46-104 (1) (c), IN THE 20 FORM OF A PURCHASE RECEIPT SHOWING THE NAME OF THE LICENSED 21 RETAILER. THE DATE OF PURCHASE. A DESCRIPTION OF THE ALCOHOL 22 BEVERAGES PURCHASED, AND THE PRICE PAID FOR THE ALCOHOL 23 BEVERAGES. THE LODGING AND ENTERTAINMENT FACILITY LICENSEE 24 SHALL RETAIN THE RECEIPT AND MAKE IT AVAILABLE TO THE STATE AND 25 LOCAL LICENSING AUTHORITIES AT ALL TIMES DURING BUSINESS HOURS. 26 (3) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS

27 SUBSECTION (3), IT IS UNLAWFUL FOR ANY OWNER, PART OWNER,

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SHAREHOLDER, OR PERSON INTERESTED DIRECTLY OR INDIRECTLY IN
 LODGING AND ENTERTAINMENT LICENSES 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.

6 (b) AN OWNER, PART OWNER, SHAREHOLDER, OR PERSON
7 INTERESTED DIRECTLY OR INDIRECTLY IN A LODGING AND ENTERTAINMENT
8 LICENSE MAY HAVE AN INTEREST IN:

9 (I) A LICENSE DESCRIBED IN SECTION 12-46-104 (1) (c), 12-47-401
10 (1) (j) TO (1) (t), (1) (v), OR (1) (w), OR 12-47-410 (1); OR

(II) A FINANCIAL INSTITUTION REFERRED TO IN SECTION 12-47-308
(4).

(4) (a) EACH LODGING AND ENTERTAINMENT FACILITY LICENSEE
SHALL MANAGE OR HAVE A SEPARATE AND DISTINCT MANAGER FOR EACH
LICENSED PREMISES AND SHALL REGISTER THE MANAGER OF EACH
LICENSED PREMISES WITH BOTH THE STATE AND THE LOCAL LICENSING
AUTHORITY. A PERSON SHALL NOT BE A REGISTERED MANAGER FOR MORE
THAN ONE LODGING AND ENTERTAINMENT LICENSE.

19 (b) THE REGISTERED MANAGER FOR EACH LODGING AND
20 ENTERTAINMENT LICENSE OR THE LODGING AND ENTERTAINMENT FACILITY
21 LICENSEE SHALL PURCHASE ALCOHOL BEVERAGES FOR ONE LICENSED
22 PREMISES ONLY, AND THE PURCHASES SHALL BE SEPARATE AND DISTINCT
23 FROM PURCHASES FOR ANY OTHER LODGING AND ENTERTAINMENT
24 LICENSE.

(c) WHEN A PERSON CEASES TO BE A REGISTERED MANAGER FOR
A LODGING AND ENTERTAINMENT LICENSE, THE LODGING AND
ENTERTAINMENT FACILITY LICENSEE SHALL NOTIFY THE LICENSING

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AUTHORITIES WITHIN FIVE DAYS AND SHALL DESIGNATE A NEW
 REGISTERED MANAGER WITHIN THIRTY DAYS.

3 (d) THE STATE LICENSING AUTHORITY OR THE LOCAL LICENSING 4 AUTHORITY MAY REFUSE TO ACCEPT ANY PERSON AS A REGISTERED 5 MANAGER UNLESS THE PERSON IS SATISFACTORY TO THE RESPECTIVE 6 LICENSING AUTHORITIES AS TO CHARACTER, RECORD, AND REPUTATION. 7 IN DETERMINING A REGISTERED MANAGER'S CHARACTER, RECORD, AND 8 REPUTATION, THE STATE OR LOCAL LICENSING AUTHORITY MAY HAVE 9 ACCESS TO CRIMINAL HISTORY RECORD INFORMATION FURNISHED BY A 10 CRIMINAL JUSTICE AGENCY SUBJECT TO ANY RESTRICTIONS IMPOSED BY 11 THE AGENCY.

(e) THE LODGING AND ENTERTAINMENT FACILITY LICENSEE SHALL
PAY A REGISTRATION FEE, NOT TO EXCEED SEVENTY-FIVE DOLLARS, FOR
ACTUAL AND NECESSARY EXPENSES INCURRED IN DETERMINING THE
CHARACTER, RECORD, AND REPUTATION OF EACH REGISTERED MANAGER.
THE LODGING AND ENTERTAINMENT FACILITY LICENSEE SHALL PAY THE
FEE TO BOTH THE STATE AND THE LOCAL LICENSING AUTHORITY.

18 (5) AT THE TIME A TAVERN LICENSE ISSUED UNDER SECTION 19 12-47-412 IS DUE FOR RENEWAL OR BY ONE YEAR AFTER THE EFFECTIVE 20 DATE OF THIS SECTION, WHICHEVER OCCURS LATER, A PERSON LICENSED 21 AS A TAVERN THAT DOES NOT HAVE AS ITS PRINCIPAL BUSINESS THE SALE 22 OF ALCOHOL BEVERAGES, HAS A VALID LICENSE ON THE EFFECTIVE DATE 23 OF THIS SECTION, AND IS A LODGING AND ENTERTAINMENT FACILITY MAY 24 APPLY TO, AND THE APPLICABLE LOCAL LICENSING AUTHORITY SHALL, 25 CONVERT THE TAVERN LICENSE TO A LODGING AND ENTERTAINMENT 26 LICENSE UNDER THIS SECTION, AND THE PERSON MAY CONTINUE TO 27 OPERATE AS A LODGING AND ENTERTAINMENT FACILITY LICENSEE. A

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1 PERSON APPLYING TO CONVERT AN EXISTING TAVERN LICENSE TO A 2 LODGING AND ENTERTAINMENT LICENSE UNDER THIS SUBSECTION (5) MAY 3 APPLY TO CONVERT THE LICENSE, EVEN IF THE LOCATION OF THE LICENSED 4 PREMISES IS WITHIN FIVE HUNDRED FEET OF ANY PUBLIC OR PAROCHIAL 5 SCHOOL OR THE PRINCIPAL CAMPUS OF ANY COLLEGE, UNIVERSITY, OR 6 SEMINARY, SO LONG AS THE LOCAL LICENSING AUTHORITY HAS 7 PREVIOUSLY APPROVED THE LOCATION OF THE LICENSED PREMISES IN 8 ACCORDANCE WITH SECTION 12-47-313 (1) (d).

9 SECTION 3. In Colorado Revised Statutes, 12-47-301, amend
10 (2) (a), (8), (11) (c) (II) introductory portion, and (11) (e) (I) as follows:

11 **12-47-301.** Licensing in general. (2) (a) Before granting any 12 license, all licensing authorities shall consider, except where this article 13 and article 46 of this title specifically provide otherwise, the reasonable 14 requirements of the neighborhood, the desires of the adult inhabitants as 15 evidenced by petitions, remonstrances, or otherwise, and all other 16 reasonable restrictions that are or may be placed upon the neighborhood 17 by the local licensing authority. With respect to a second or additional 18 license described in section 12-47-401 (1) (j) to (1) (t), $\frac{12-47-424}{10}$ (1) (v), 19 OR (1) (w) or 12-47-410 (1) or in a financial institution referred to in 20 section 12-47-308 (4) for the same licensee, all licensing authorities shall 21 consider the effect on competition of the granting or disapproving of 22 additional licenses to such licensee and no SHALL NOT APPROVE AN 23 application for a second or additional hotel and restaurant or vintner's 24 restaurant license that would have the effect of restraining competition 25 shall be approved.

26 (8) Each licensee holding a fermented malt beverage on-premises
27 license or on- and off-premises license, beer and wine license, tavern

1 license, LODGING AND ENTERTAINMENT LICENSE, club license, arts license, 2 or racetrack license shall manage such THE premises himself or herself or 3 employ a separate and distinct manager on the premises and shall report 4 the name of such THE manager to the state and local licensing authorities. 5 Such THE licensee shall report any change in managers to the state and 6 local licensing authorities within thirty days after the change. It is 7 unlawful for the licensee to fail to report the name of or any change in 8 managers as required by this subsection (8). Such THE failure to report 9 shall be IS grounds for suspension of the license.

(11) (c) (II) An association or licensed tavern, LODGING AND
ENTERTAINMENT FACILITY, hotel and restaurant, brew pub, distillery pub,
retail gaming tavern, vintner's restaurant, beer and wine licensee,
manufacturer or beer wholesaler that operates a sales room, or limited
winery that wishes to create a promotional association may submit an
application to the local licensing authority. To qualify for certification,
the promotional association must:

17 (e) (I) A licensed tavern, LODGING AND ENTERTAINMENT FACILITY, 18 hotel and restaurant, brew pub, distillery pub, retail gaming tavern, 19 vintner's restaurant, beer and wine licensee, manufacturer or beer 20 wholesaler that operates a sales room, or limited winery that wishes to 21 attach to a common consumption area may submit an application to the 22 local licensing authority. To qualify, the licensee must include a request 23 for authority to attach to the common consumption area from the certified 24 promotional association of the common consumption area unless the 25 promotional association does not exist when the application is submitted; 26 if so, the applicant shall request the authority when a promotional 27 association is certified and shall demonstrate to the local licensing

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authority that the authority has been obtained by the time the applicant's
 license issued under this article is renewed.
 SECTION 4. In Colorado Revised Statutes, 12-47-309, add (1)
 (n) as follows:

- 12-47-309. Local licensing authority applications optional
 premises licenses. (1) A local licensing authority may issue only the
 following alcohol beverage licenses upon payment of the fee specified in
 section 12-47-505:
- 9

(n) LODGING AND ENTERTAINMENT LICENSE.

SECTION 5. In Colorado Revised Statutes, 12-47-401, add (1)
(w) as follows:

12 **12-47-401. Classes of licenses.** (1) For the purpose of regulating 13 the manufacture, sale, and distribution of alcohol beverages, the state 14 licensing authority in its discretion, upon application in the prescribed 15 form made to it, may issue and grant to the applicant a license or permit 16 from any of the following classes, subject to the provisions and 17 restrictions provided by this article:

18

(w) LODGING AND ENTERTAINMENT LICENSE.

SECTION 6. In Colorado Revised Statutes, 12-47-409, amend
(3) as follows:

12-47-409. Beer and wine license. (3) It is unlawful for any
owner, part owner, shareholder, or person interested directly or indirectly
in a beer and wine 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 the person may have an
interest in a license described in section 12-46-104 (1) (c), 12-47-401 (1)
(i) to (1) (t), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1) or in a

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

2 SECTION 7. 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), 11 12-47-401 (1) (j) to (1) (t), $\frac{12-47-401}{1}$ (1) (v), OR (1) (w) or in a 12 financial institution referred to in section 12-47-308 (4).

13 SECTION 8. 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), $\frac{12-47-401}{1}$ (1) (v), or (1) 21 (w), OR 12-47-410 (1) or in a financial institution referred to in section 22 12-47-308 (4).

23 SECTION 9. In Colorado Revised Statutes, 12-47-412, amend
24 (3); and add (9) as follows:

12-47-412. Tavern license. (3) It is unlawful for any owner, part
owner, shareholder, or person interested directly or indirectly in tavern
licenses 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 the person may have an interest in a
license described in section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t),
12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1) or in a financial institution
referred to in section 12-47-308 (4).

6 (9) (a) AT THE TIME A TAVERN LICENSE IS DUE FOR RENEWAL OR 7 BY ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (9), 8 WHICHEVER OCCURS LATER, A TAVERN LICENSED UNDER THIS SECTION 9 THAT DOES NOT HAVE AS ITS PRINCIPAL BUSINESS THE SALE OF ALCOHOL 10 BEVERAGES, HAS A VALID LICENSE ON THE EFFECTIVE DATE OF THIS 11 SECTION, AND IS A LODGING AND ENTERTAINMENT FACILITY MAY APPLY 12 TO, AND THE APPLICABLE LOCAL LICENSING AUTHORITY SHALL, CONVERT 13 THE TAVERN LICENSE TO A LODGING AND ENTERTAINMENT LICENSE UNDER 14 SECTION 12-47-425, AND THE LICENSEE MAY CONTINUE TO OPERATE AS A 15 LODGING AND ENTERTAINMENT FACILITY LICENSEE. IF A TAVERN LICENSEE 16 DOES NOT HAVE AS ITS PRINCIPAL BUSINESS THE SALE OF ALCOHOL 17 BEVERAGES BUT IS NOT A LODGING AND ENTERTAINMENT FACILITY, AT 18 THE TIME THE TAVERN LICENSE IS DUE FOR RENEWAL OR BY ONE YEAR 19 AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (9), WHICHEVER OCCURS 20 LATER, THE LICENSEE MAY APPLY TO, AND THE APPLICABLE LOCAL 21 LICENSING AUTHORITY SHALL, CONVERT THE TAVERN LICENSE TO 22 ANOTHER LICENSE UNDER THIS ARTICLE, IF ANY, FOR WHICH THE PERSON 23 QUALIFIES.

(b) A PERSON APPLYING UNDER THIS SUBSECTION (9) TO CONVERT
AN EXISTING TAVERN LICENSE TO ANOTHER LICENSE UNDER THIS ARTICLE
MAY APPLY TO CONVERT THE LICENSE, EVEN IF THE LOCATION OF THE
LICENSED PREMISES IS WITHIN FIVE HUNDRED FEET OF ANY PUBLIC OR

PAROCHIAL SCHOOL OR THE PRINCIPAL CAMPUS OF ANY COLLEGE,
 UNIVERSITY, OR SEMINARY, SO LONG AS THE LOCAL LICENSING AUTHORITY
 HAS PREVIOUSLY APPROVED THE LOCATION OF THE LICENSED PREMISES IN
 ACCORDANCE WITH SECTION 12-47-313 (1) (d).
 SECTION 10. In Colorado Revised Statutes, 12-47-413, amend
 (2) (b) as follows:
 12-47-413. Optional premises license. (2) (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), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1) or in a financial
institution referred to in section 12-47-308 (4).

SECTION 11. In Colorado Revised Statutes, 12-47-414, amend
(4) as follows:

16 12-47-414. Retail gaming tavern license. (4) It is unlawful for any owner, part owner, shareholder, or person interested directly or 17 18 indirectly in a retail gaming tavern license to conduct, own either in 19 whole or in part, or be directly or indirectly interested in any other 20 business licensed pursuant to this article or article 46 of this title; except 21 that the person may have an interest in a license described in section 22 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), $\frac{12-47-401}{1}$ (1) (v), or (1) 23 (w), OR 12-47-410 (1) or in a financial institution referred to in section 24 12-47-308 (4).

25 SECTION 12. In Colorado Revised Statutes, 12-47-415, amend
26 (5) (b) as follows:

27 **12-47-415. Brew pub license.** (5) (b) Notwithstanding paragraph

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(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), 12-47-401 (1) (v), or (1) (w), OR
12-47-410 (1) or in a financial institution referred to in section 12-47-308
(4).

7 SECTION 13. 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), $\frac{12-47-401}{1}$ (1) (v), or (1) (w), OR 16 12-47-410(1) or in a financial institution referred to in section 12-47-308 17 (4).

18 SECTION 14. In Colorado Revised Statutes, 12-47-420, amend
19 (5) (b) as follows:

12-47-420. Vintner's restaurant license. (5) (b) A person
interested directly or indirectly in a vintner's restaurant 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), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1) or in a
financial institution referred to in section 12-47-308 (4).

26 SECTION 15. In Colorado Revised Statutes, 12-47-421, amend
27 (2) (a) (VIII) and (2) (a) (IX); and add (2) (a) (X) as follows:

| (2) This section applies to a person: (a) That is duly licensed as a: (VIII) Club under section 12-47-416; or (IX) Distillery pub under section 12-47-424; and OR (X) LODGING AND ENTERTAINMENT FACILITY UNDER SECTION 12-47-425; AND SECTION 16. In Colorado Revised Statutes, 12-47-422, amend (6) as follows: 12-47-422. Art gallery permit - definition. (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), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1); or in a financial institution referred to in section 12-47-308 (4). SECTION 17. In Colorado Revised Statutes, 12-47-423, amend (2) (a) as follows: 12-47-423. Wine packaging permit - limitations - rules. (2) A licensed winery or limited winery that obtains a wine packaging permit pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-412, 12-47-413, | 1 | 12-47-421. Removal of vinous liquor from licensed premises. |
|--|----|---|
| (VIII) Club under section 12-47-416; er (IX) Distillery pub under section 12-47-424; and OR (X) LODGING AND ENTERTAINMENT FACILITY UNDER SECTION 12-47-425; AND SECTION 16. In Colorado Revised Statutes, 12-47-422, amend (6) as follows: 12-47-422. Art gallery permit - definition. (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), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1); or in a financial institution referred to in section 12-47-308 (4). SECTION 17. In Colorado Revised Statutes, 12-47-423, amend (2) (a) as follows: 12-47-423. Wine packaging permit - limitations - rules. (2) A licensed winery or limited winery that obtains a wine packaging permit pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 2 | (2) This section applies to a person: |
| (IX) Distillery pub under section 12-47-424; and OR (X) LODGING AND ENTERTAINMENT FACILITY UNDER SECTION 12-47-425; AND SECTION 16. In Colorado Revised Statutes, 12-47-422, amend (6) as follows: 12-47-422. Art gallery permit - definition. (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), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1); or in a financial institution referred to in section 12-47-308 (4). SECTION 17. In Colorado Revised Statutes, 12-47-423, amend (2) (a) as follows: 12-47-423. Wine packaging permit - limitations - rules. (2) A licensed winery or limited winery that obtains a wine packaging permit pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 3 | (a) That is duly licensed as a: |
| (X) LODGING AND ENTERTAINMENT FACILITY UNDER SECTION 12-47-425; AND SECTION 16. In Colorado Revised Statutes, 12-47-422, amend (6) as follows: 12-47-422. Art gallery permit - definition. (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), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1); or in a financial institution referred to in section 12-47-308 (4). SECTION 17. In Colorado Revised Statutes, 12-47-423, amend (2) (a) as follows: 12-47-423. Wine packaging permit - limitations - rules. (2) A licensed winery or limited winery that obtains a wine packaging permit pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 4 | (VIII) Club under section 12-47-416; or |
| 12-47-425; AND SECTION 16. In Colorado Revised Statutes, 12-47-422, amend (6) as follows: 12-47-422. Art gallery permit - definition. (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), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1); or in a financial institution referred to in section 12-47-308 (4). SECTION 17. In Colorado Revised Statutes, 12-47-423, amend (2) (a) as follows: 12-47-423. Wine packaging permit - limitations - rules. (2) A licensed winery or limited winery that obtains a wine packaging permit pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 5 | (IX) Distillery pub under section 12-47-424; and OR |
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| permits; in a license described in section 12-46-104 (1) (c), 12-47-401 (1) (j) to (1) (t), 12-47-401 (1) (v), or (1) (w), OR 12-47-410 (1); or in a financial institution referred to in section 12-47-308 (4). SECTION 17. In Colorado Revised Statutes, 12-47-423, amend (2) (a) as follows: 12-47-423. Wine packaging permit - limitations - rules. (2) A licensed winery or limited winery that obtains a wine packaging permit pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 14 | pursuant to this article or article 46 of this title; except that a person |
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| 20 (2) (a) as follows: 21 12-47-423. Wine packaging permit - limitations - rules. (2) A 22 licensed winery or limited winery that obtains a wine packaging permit 23 pursuant to this section shall not sell or distribute tax-paid wine it 24 packages: 25 (a) To a person licensed to sell alcohol beverages at retail, for 26 consumption on or off the licensed premises, under section 12-47-407, | 18 | financial institution referred to in section 12-47-308 (4). |
| 12-47-423. Wine packaging permit - limitations - rules. (2) A licensed winery or limited winery that obtains a wine packaging permit pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 19 | SECTION 17. In Colorado Revised Statutes, 12-47-423, amend |
| licensed winery or limited winery that obtains a wine packaging permit pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 20 | (2) (a) as follows: |
| pursuant to this section shall not sell or distribute tax-paid wine it packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 21 | 12-47-423. Wine packaging permit - limitations - rules. (2) A |
| packages: (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 22 | licensed winery or limited winery that obtains a wine packaging permit |
| (a) To a person licensed to sell alcohol beverages at retail, for consumption on or off the licensed premises, under section 12-47-407, | 23 | pursuant to this section shall not sell or distribute tax-paid wine it |
| 26 consumption on or off the licensed premises, under section 12-47-407, | 24 | packages: |
| | 25 | (a) To a person licensed to sell alcohol beverages at retail, for |
| 27 12-47-408, 12-47-409, 12-47-410, 12-47-411, 12-47-412, 12-47-413, | 26 | consumption on or off the licensed premises, under section 12-47-407, |
| | 27 | 12-47-408, 12-47-409, 12-47-410, 12-47-411, 12-47-412, 12-47-413, |

| 1 | 12-47-414, 12-47-415, 12-47-416, 12-47-417, 12-47-418, 12-47-419, |
|----|---|
| 2 | 12-47-420, 12-47-422, or 12-47-424, or 12-47-425; or |
| 3 | SECTION 18. In Colorado Revised Statutes, 12-47-424, amend |
| 4 | (5) (b) (II) as follows: |
| 5 | 12-47-424. Distillery pub license - legislative declaration - |
| 6 | definition. (5) (b) A person interested directly or indirectly in a distillery |
| 7 | pub license may conduct, own either in whole or in part, or be directly or |
| 8 | indirectly interested in: |
| 9 | (II) A license described in section 12-46-104 (1) (c), 12-47-401 |
| 10 | (1) (j) to (1) (t), (1) (v), OR (1) (w), or 12-47-410 (1); or |
| 11 | SECTION 19. In Colorado Revised Statutes, 12-47-501, add (1) |
| 12 | (t) as follows: |
| 13 | 12-47-501. State fees. (1) The following license and permit fees |
| 14 | shall be paid to the department of revenue annually in advance: |
| 15 | (t) For each lodging and entertainment license, |
| 16 | SEVENTY-FIVE DOLLARS. |
| 17 | SECTION 20. In Colorado Revised Statutes, 12-47-505, add (1) |
| 18 | (p) as follows: |
| 19 | 12-47-505. Local license fees. (1) The following license fees |
| 20 | shall be paid to the treasurer of the municipality, city and county, or |
| 21 | county where the licensed premises is located annually in advance: |
| 22 | (p) For each lodging and entertainment license, five |
| 23 | HUNDRED DOLLARS. |
| 24 | SECTION 21. In Colorado Revised Statutes, 12-47-901, amend |
| 25 | (5) (a) (I), (5) (i) (I), and (9) (b) as follows: |
| 26 | 12-47-901. Unlawful acts - exceptions. (5) It is unlawful for any |
| 27 | person licensed to sell at retail pursuant to this article: |
| | |

1 (a) (I) To sell an alcohol beverage to any person under the age of 2 twenty-one years, to a habitual drunkard, or to a visibly intoxicated 3 person, or to permit any alcohol beverage to be sold or dispensed by a 4 person under eighteen years of age, or to permit any such person to 5 participate in the sale or dispensing thereof. If a person who, in fact, is not 6 twenty-one years of age exhibits a fraudulent proof of age, any action 7 relying on such fraudulent proof of age shall not constitute grounds for 8 the revocation or suspension of any license issued under this article or 9 article 46 of this title. Notwithstanding any provision in this subparagraph 10 (I) to the contrary, no A person under twenty-one years of age shall NOT 11 be employed to sell or dispense malt, vinous, or spirituous liquors unless 12 he or she is supervised by another person who is on premise and has 13 attained twenty-one years of age. No AN employee of a tavern licensed 14 pursuant to section 12-47-412 OR A LODGING AND ENTERTAINMENT 15 FACILITY LICENSED PURSUANT TO SECTION 12-47-425, that does not 16 regularly serve meals as defined in section 12-47-103 (20), or a retail 17 liquor store shall NOT sell malt, vinous, or spirituous liquors unless such 18 THE person is at least twenty-one years of age.

(i) (I) To sell malt, vinous, or spirituous liquors or fermented malt
beverages in a place where the alcohol beverages are to be consumed,
unless the place is a hotel, restaurant, tavern, LODGING AND
ENTERTAINMENT FACILITY, racetrack, club, retail gaming tavern, or arts
licensed premises or unless the place is a dining, club, or parlor car;
plane; bus; or other conveyance or facility of a public transportation
system.

26 (9) (b) This subsection (9) applies to persons licensed OR
 27 PERMITTED to sell OR SERVE alcohol beverages for consumption on the

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| 1 | licensed premises pursuant to section 12-47-403, 12-47-409, 12-47-410, |
|---|---|
| 2 | 12-47-411, 12-47-412, 12-47-413, 12-47-414, 12-47-415, 12-47-416, |
| 3 | 12-47-417, 12-47-418, 12-47-419, 12-47-420, 12-47-422, or 12-47-424, |
| 4 | OR 12-47-425. |

5 SECTION 22. Act subject to petition - effective date. This act 6 takes effect at 12:01 a.m. on the day following the expiration of the 7 ninety-day period after final adjournment of the general assembly (August 8 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a 9 referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act 10 11 within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in 12 November 2016 and, in such case, will take effect on the date of the 13 14 official declaration of the vote thereon by the governor.