

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. 15-0274.01 Christy Chase x2008

HOUSE BILL 15-1217

HOUSE SPONSORSHIP

Singer,

SENATE SPONSORSHIP

Holbert,

House Committees

Business Affairs and Labor
Appropriations

Senate Committees

Business, Labor, & Technology
Appropriations

A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills summaries>.)

Under current law, a winery, limited winery, distillery, or beer

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
April 21, 2015

HOUSE
3rd Reading Unamended
March 10, 2015

HOUSE
Amended 2nd Reading
March 9, 2015

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 (c) (I) (A) PRIOR TO OPERATING A SALES ROOM LOCATION, A
14 WINERY LICENSED PURSUANT TO THIS SECTION SHALL, AT THE TIME OF
15 APPLICATION TO THE STATE LICENSING AUTHORITY, SEND A COPY OF THE
16 APPLICATION OR SUPPLEMENTAL APPLICATION FOR A SALES ROOM TO THE
17 LOCAL LICENSING AUTHORITY IN THE JURISDICTION IN WHICH THE SALES
18 ROOM IS PROPOSED. THE LOCAL LICENSING AUTHORITY MAY SUBMIT A
19 RESPONSE TO THE APPLICATION, INCLUDING ITS DETERMINATION
20 SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c), TO THE STATE
21 LICENSING AUTHORITY BUT MUST SUBMIT ITS RESPONSE WITHIN
22 FORTY-FIVE DAYS AFTER THE LICENSED WINERY SUBMITS ITS SALES ROOM
23 APPLICATION TO THE STATE LICENSING AUTHORITY, OR, FOR PURPOSES OF
24 AN APPLICATION TO OPERATE A TEMPORARY SALES ROOM FOR NOT MORE
25 THAN THREE CONSECUTIVE DAYS, WITHIN THE TIME SPECIFIED BY THE
26 STATE LICENSING AUTHORITY BY RULE.

27 (B) IF THE LOCAL LICENSING AUTHORITY DOES NOT SUBMIT A

1 RESPONSE TO THE STATE LICENSING AUTHORITY WITHIN THE TIME
2 SPECIFIED IN SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (I), THE
3 STATE LICENSING AUTHORITY SHALL DEEM THAT THE LOCAL LICENSING
4 AUTHORITY HAS DETERMINED THAT THE PROPOSED SALES ROOM
5 WILL NOT IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS
6 IN A MANNER THAT IS INCONSISTENT WITH LOCAL REGULATIONS OR
7 ORDINANCES OR THAT THE APPLICANT WILL SUFFICIENTLY MITIGATE ANY
8 IMPACTS IDENTIFIED BY THE LOCAL LICENSING AUTHORITY.

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

19 (III) THE STATE LICENSING AUTHORITY SHALL NOT GRANT
20 APPROVAL OF AN ADDITIONAL SALES ROOM UNLESS THE APPLICANT
21 AFFIRMS TO THE STATE LICENSING AUTHORITY THAT THE APPLICANT HAS
22 COMPLIED WITH LOCAL ZONING RESTRICTIONS.

23 (IV) A LICENSED WINERY THAT IS OPERATING A SALES ROOM AS OF
24 THE EFFECTIVE DATE OF THIS PARAGRAPH (c), OR THAT IS GRANTED
25 APPROVAL PURSUANT TO THIS PARAGRAPH (c) TO OPERATE A SALES ROOM
26 ON OR AFTER THE EFFECTIVE DATE OF THIS PARAGRAPH (c), SHALL NOTIFY
27 THE STATE LICENSING AUTHORITY OF ALL SALES ROOMS IT OPERATES. THE

1 STATE LICENSING AUTHORITY SHALL MAINTAIN A LIST OF ALL LICENSED
2 WINERY SALES ROOMS IN THE STATE AND MAKE THE LIST AVAILABLE ON
3 ITS WEB SITE.

4 (V) THE LOCAL LICENSING AUTHORITY MAY REQUEST THAT THE
5 STATE LICENSING AUTHORITY TAKE ACTION IN ACCORDANCE WITH
6 SECTION 12-47-601 AGAINST A LICENSED WINERY APPROVED TO OPERATE
7 A SALES ROOM IF THE LOCAL LICENSING AUTHORITY:

8 (A) DEMONSTRATES TO THE STATE LICENSING AUTHORITY THAT
9 THE LICENSEE HAS ENGAGED IN AN UNLAWFUL ACT AS SET FORTH IN PART
10 9 OF THIS ARTICLE; OR

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

13 (VI) THIS PARAGRAPH (c) DOES NOT APPLY IF THE LICENSED
14 WINERY DOES NOT SELL AND SERVE VINOUS LIQUORS _____ FOR
15 CONSUMPTION ON THE LICENSED PREMISES OR IN AN APPROVED SALES
16 ROOM.

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

21 (6) (a) ~~Any~~ A manufacturer of spirituous liquors ~~that has received~~
22 ~~a license~~ LICENSED pursuant to this section ~~is authorized to~~ MAY conduct
23 tastings and sell to customers spirituous liquors of its own manufacture
24 _____ on its licensed premises and at one other ~~licensed~~ APPROVED sales
25 room location at no additional cost. ~~Such additional~~ A sales room location
26 may be included in the license at the time of the original license issuance
27 or by supplemental application.

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

6 (c) (I) (A) Prior to operating ~~an additional~~ A sales room location,
7 a manufacturer of spirituous liquors ~~that has received a license~~ LICENSED
8 pursuant to this section shall, AT THE TIME OF APPLICATION TO THE STATE
9 LICENSING AUTHORITY, send a copy of the application or supplemental
10 application for ~~an additional~~ A sales room to the local licensing authority
11 in the jurisdiction in which ~~such~~ THE sales room is proposed. The local
12 licensing authority ~~may request that the proposed sales room location~~
13 ~~license be denied by~~ MAY SUBMIT A RESPONSE TO THE APPLICATION,
14 INCLUDING ITS DETERMINATION SPECIFIED IN SUBPARAGRAPH (II) OF
15 THIS PARAGRAPH (c), TO THE STATE LICENSING AUTHORITY BUT MUST
16 SUBMIT ITS RESPONSE WITHIN FORTY-FIVE DAYS AFTER THE LICENSEE
17 SUBMITS ITS SALES ROOM APPLICATION TO THE STATE LICENSING
18 AUTHORITY, OR, FOR PURPOSES OF AN APPLICATION TO OPERATE A
19 TEMPORARY SALES ROOM FOR NOT MORE THAN THREE CONSECUTIVE
20 DAYS, WITHIN THE TIME SPECIFIED BY THE STATE LICENSING AUTHORITY
21 BY RULE.

22 (B) IF THE LOCAL LICENSING AUTHORITY DOES NOT SUBMIT A
23 RESPONSE TO THE STATE LICENSING AUTHORITY WITHIN THE TIME
24 SPECIFIED IN SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (I), THE
25 STATE LICENSING AUTHORITY SHALL DEEM THAT THE LOCAL LICENSING
26 AUTHORITY HAS DETERMINED THAT THE PROPOSED SALES ROOM WILL
27 NOT IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS IN A

1 MANNER THAT IS INCONSISTENT WITH LOCAL REGULATIONS OR
2 ORDINANCES OR THAT THE APPLICANT WILL SUFFICIENTLY MITIGATE ANY
3 IMPACTS IDENTIFIED BY THE LOCAL LICENSING AUTHORITY.

4 (II) The state licensing authority MUST CONSIDER THE RESPONSE
5 FROM THE LOCAL LICENSING AUTHORITY, IF ANY, AND MAY DENY THE
6 PROPOSED SALES ROOM APPLICATION if the local licensing authority
7 determines that ~~issuance~~ APPROVAL of the proposed sales room ~~license~~
8 ~~would be in conflict with the reasonable requirements of the~~
9 ~~neighborhood and the desires of the adult inhabitants as evidenced by~~
10 ~~petitions, remonstrances, or otherwise~~ WILL IMPACT TRAFFIC, NOISE, OR
11 OTHER NEIGHBORHOOD CONCERNS IN A MANNER THAT IS INCONSISTENT
12 WITH LOCAL REGULATIONS OR ORDINANCES, WHICH MAY BE DETERMINED
13 BY THE LOCAL LICENSING AUTHORITY WITHOUT REQUIRING A PUBLIC
14 HEARING, OR THAT THE APPLICANT CANNOT SUFFICIENTLY MITIGATE ANY
15 POTENTIAL IMPACTS IDENTIFIED BY THE LOCAL LICENSING AUTHORITY.

16 (d) (III) The state licensing ~~agency~~ AUTHORITY shall not grant a
17 ~~license for~~ APPROVAL OF an additional sales room unless THE APPLICANT
18 AFFIRMS TO THE STATE LICENSING AUTHORITY THAT the applicant has
19 complied with local zoning ~~restrictions. and the provisions of section~~
20 12-47-301 (2) (a).

21 (IV) A LICENSED SPIRITUOUS LIQUORS MANUFACTURER THAT IS
22 OPERATING A SALES ROOM AS OF THE EFFECTIVE DATE OF THIS PARAGRAPH
23 (c), AS AMENDED, OR THAT IS GRANTED APPROVAL PURSUANT TO THIS
24 PARAGRAPH (c) TO OPERATE A SALES ROOM ON OR AFTER THE EFFECTIVE
25 DATE OF THIS PARAGRAPH (c), AS AMENDED, SHALL NOTIFY THE STATE
26 LICENSING AUTHORITY OF ALL SALES ROOMS IT OPERATES. THE STATE
27 LICENSING AUTHORITY SHALL MAINTAIN A LIST OF ALL LICENSED

1 SPIRITUOUS LIQUOR MANUFACTURER SALES ROOMS IN THE STATE AND
2 MAKE THE LIST AVAILABLE ON ITS WEB SITE.

3 (V) THE LOCAL LICENSING AUTHORITY MAY REQUEST THAT THE
4 STATE LICENSING AUTHORITY TAKE ACTION IN ACCORDANCE WITH
5 SECTION 12-47-601 AGAINST A LICENSED SPIRITUOUS LIQUORS
6 MANUFACTURER APPROVED TO OPERATE A SALES ROOM IF THE LOCAL
7 LICENSING AUTHORITY:

8 (A) DEMONSTRATES TO THE STATE LICENSING AUTHORITY THAT
9 THE LICENSEE HAS ENGAGED IN AN UNLAWFUL ACT AS SET FORTH IN PART
10 9 OF THIS ARTICLE; OR

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

13 (VI) THIS PARAGRAPH (c) DOES NOT APPLY IF THE LICENSED
14 SPIRITUOUS LIQUORS MANUFACTURER DOES NOT SELL AND SERVE ITS
15 SPIRITUOUS LIQUORS FOR CONSUMPTION ON THE LICENSED PREMISES OR
16 IN AN APPROVED SALES ROOM.

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

19 **12-47-403. Limited winery license.** (2) A limited winery
20 licensee is authorized:

21 (e) (I) (A) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (B) OF
22 THIS SUBPARAGRAPH (I) AND SUBJECT TO SUBPARAGRAPH (II) OF THIS
23 PARAGRAPH (e), to conduct tastings and sell vinous liquors of its own
24 manufacture, as well as vinous liquors manufactured by other Colorado
25 wineries, on the licensed premises of the limited winery and up to five
26 other ~~licensed premises~~ APPROVED SALES ROOM LOCATIONS, whether
27 included in the license at the time of the original license or by

1 supplemental application. ~~except that no~~

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

5 (II) (A) PRIOR TO OPERATING A SALES ROOM LOCATION, A LIMITED
6 WINERY LICENSED PURSUANT TO THIS SECTION SHALL, AT THE TIME OF
7 APPLICATION TO THE STATE LICENSING AUTHORITY, SEND A COPY OF THE
8 APPLICATION OR SUPPLEMENTAL APPLICATION FOR A SALES ROOM TO THE
9 LOCAL LICENSING AUTHORITY IN THE JURISDICTION IN WHICH THE SALES
10 ROOM IS PROPOSED. THE LOCAL LICENSING AUTHORITY MAY SUBMIT A
11 RESPONSE TO THE APPLICATION, INCLUDING ITS DETERMINATION _____
12 SPECIFIED IN SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II), TO THE
13 STATE LICENSING AUTHORITY BUT MUST SUBMIT ITS RESPONSE WITHIN
14 FORTY-FIVE DAYS AFTER THE LICENSED LIMITED WINERY SUBMITS ITS
15 SALES ROOM APPLICATION TO THE STATE LICENSING AUTHORITY, OR, FOR
16 PURPOSES OF AN APPLICATION TO OPERATE A TEMPORARY SALES ROOM
17 FOR NOT MORE THAN THREE CONSECUTIVE DAYS, WITHIN THE TIME
18 SPECIFIED BY THE STATE LICENSING AUTHORITY BY RULE. IF THE LOCAL
19 LICENSING AUTHORITY DOES NOT SUBMIT A RESPONSE TO THE STATE
20 LICENSING AUTHORITY WITHIN THE TIME SPECIFIED IN THIS
21 SUB-SUBPARAGRAPH (A), THE STATE LICENSING AUTHORITY SHALL DEEM
22 THAT THE LOCAL LICENSING AUTHORITY HAS DETERMINED THAT THE
23 PROPOSED SALES ROOM WILL NOT IMPACT TRAFFIC, NOISE, OR OTHER
24 NEIGHBORHOOD CONCERNS IN A MANNER THAT IS INCONSISTENT WITH
25 LOCAL REGULATIONS OR ORDINANCES OR THAT THE APPLICANT WILL
26 SUFFICIENTLY MITIGATE ANY IMPACTS IDENTIFIED BY THE LOCAL
27 LICENSING AUTHORITY.

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

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

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

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

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

4 (F) THIS SUBPARAGRAPH (II) DOES NOT APPLY IF THE LICENSED
5 LIMITED WINERY DOES NOT SELL AND SERVE VINOUS LIQUORS FOR
6 CONSUMPTION ON THE LICENSED PREMISES OR IN AN APPROVED SALES
7 ROOM.

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

10 **12-47-406. Wholesaler's license.** (1) (b) (I) A wholesaler's beer
11 license shall be issued to persons selling malt liquors at wholesale who
12 designate to the state licensing authority on their application the territory
13 within which the licensee may sell the designated products of any brewer
14 as agreed upon by the licensee and the brewer of such products for the
15 following purposes only:

16 (H) (A) To maintain and operate warehouses and one ~~salesroom~~
17 SALES ROOM in this state to handle malt liquors to be denominated a
18 wholesale beer store;

19 (H) (B) To take orders for malt liquors at any place within the
20 territory designated on the license application and deliver malt liquors on
21 orders previously taken to any place within the designated geographical
22 territory, if the licensee has procured a wholesaler's beer license and the
23 place where orders are taken and delivered is a place regularly licensed
24 pursuant to the provisions of this article.

25 (II) (A) PRIOR TO OPERATING A SALES ROOM AS AUTHORIZED BY
26 THIS PARAGRAPH (b), A WHOLESALER'S BEER LICENSEE THAT IS LICENSED
27 PURSUANT TO THIS SECTION SHALL, AT THE TIME OF APPLICATION TO THE

1 STATE LICENSING AUTHORITY, SEND A COPY OF THE APPLICATION OR
2 SUPPLEMENTAL APPLICATION FOR A SALES ROOM TO THE LOCAL LICENSING
3 AUTHORITY IN THE JURISDICTION IN WHICH THE SALES ROOM IS PROPOSED.
4 THE LOCAL LICENSING AUTHORITY MAY SUBMIT A RESPONSE TO THE
5 APPLICATION, INCLUDING ITS DETERMINATION _____ SPECIFIED IN
6 SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH (II), TO THE STATE
7 LICENSING AUTHORITY BUT MUST SUBMIT ITS RESPONSE WITHIN
8 FORTY-FIVE DAYS AFTER THE WHOLESALER'S BEER LICENSEE SUBMITS ITS
9 SALES ROOM APPLICATION TO THE STATE LICENSING AUTHORITY. IF THE
10 LOCAL LICENSING AUTHORITY DOES NOT SUBMIT A RESPONSE TO THE
11 STATE LICENSING AUTHORITY WITHIN FORTY-FIVE DAYS AFTER
12 SUBMISSION OF THE SALES ROOM APPLICATION, THE STATE LICENSING
13 AUTHORITY SHALL DEEM THAT THE LOCAL LICENSING AUTHORITY HAS
14 DETERMINED THAT THE PROPOSED SALES ROOM WILL NOT IMPACT TRAFFIC,
15 NOISE, OR OTHER NEIGHBORHOOD CONCERNS IN A MANNER THAT IS
16 INCONSISTENT WITH LOCAL REGULATIONS OR ORDINANCES OR THAT THE
17 APPLICANT WILL SUFFICIENTLY MITIGATE ANY IMPACTS IDENTIFIED BY THE
18 LOCAL LICENSING AUTHORITY.

19 (B) THE STATE LICENSING AUTHORITY MUST CONSIDER THE
20 RESPONSE FROM THE LOCAL LICENSING AUTHORITY, IF ANY, AND MAY
21 DENY THE PROPOSED SALES ROOM APPLICATION IF THE LOCAL LICENSING
22 AUTHORITY DETERMINES THAT APPROVAL OF THE PROPOSED SALES ROOM
23 WILL IMPACT TRAFFIC, NOISE, OR OTHER NEIGHBORHOOD CONCERNS IN
24 A MANNER THAT IS INCONSISTENT WITH LOCAL REGULATIONS OR
25 ORDINANCES, WHICH MAY BE DETERMINED BY THE LOCAL LICENSING
26 AUTHORITY WITHOUT REQUIRING A PUBLIC HEARING, OR THAT THE
27 APPLICANT CANNOT SUFFICIENTLY MITIGATE ANY POTENTIAL IMPACTS

1 IDENTIFIED BY THE LOCAL LICENSING AUTHORITY.

2 ==

3 (C) A WHOLESALER'S BEER LICENSEE THAT IS OPERATING A SALES
4 ROOM AS OF THE EFFECTIVE DATE OF THIS SUBPARAGRAPH (II), OR THAT
5 IS GRANTED APPROVAL PURSUANT TO THIS SUBPARAGRAPH (II) TO
6 OPERATE A SALES ROOM ON OR AFTER THE EFFECTIVE DATE OF THIS
7 SUBPARAGRAPH (II), SHALL NOTIFY THE STATE LICENSING AUTHORITY OF
8 ITS SALES ROOM. THE STATE LICENSING AUTHORITY SHALL MAINTAIN A
9 LIST OF ALL WHOLESALER'S BEER LICENSEE SALES ROOMS IN THE STATE
10 AND MAKE THE LIST AVAILABLE ON ITS WEB SITE.

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

19 (E) THIS SUBPARAGRAPH (II) DOES NOT APPLY IF THE
20 WHOLESALER'S BEER LICENSEE DOES NOT SELL AND SERVE MALT LIQUORS
21 == FOR CONSUMPTION ON THE LICENSED PREMISES.

22 **SECTION 6. Appropriation.** For the 2015-16 state fiscal year,
23 \$3,060 is appropriated to the department of revenue for use by the liquor
24 and tobacco enforcement division. This appropriation is from the liquor
25 enforcement division and state licensing authority cash fund created in
26 section 24-35-401, C.R.S. To implement this act, the division may use
27 this appropriation for personal services.

1 **SECTION 7. Act subject to petition - effective date -**

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

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