

## Summary of Bills Concerning Liquor, 2010 Session (As of July 8, 2010)

Signed Into Law	
<p>Bill Number:     <b>Senate Bill 10-083</b></p> <p>Sponsors:        <i>Senator Kester</i>                       <i>Representative Middleton</i></p> <p>Currently, the Executive Director of the Department of Revenue, as the state licensing authority for the regulation of the manufacture, distribution, and sale of alcohol beverages, is prohibited from adopting rules regulating the sale of alcohol beverages on credit and requires persons licensed under the "Colorado Liquor Code" to comply with federal regulations that prohibit the extension of credit for more than 30 days for the sale of alcohol beverages. The bill requires the state licensing authority to enforce the federal prohibition against the extension of credit for more than 30 days. The department is authorized to adopt rules consistent with applicable federal regulations. Licensees, which include persons in business as distillers, brewers, rectifiers, blenders, or other producers; importers or wholesalers of alcohol beverages; or bottlers or warehousemen and bottlers of spiritous liquors, must comply with the credit sales prohibition and with any rules adopted by the state licensing authority. The bill specifies that the extension of credit beyond 30 days or in a manner inconsistent with rules of the state licensing authority constitutes unlawful financial assistance.</p>	<p>Short Title:       <b>Regulation Alcohol Beverage Credit Sales</b></p> <p>Status:            Signed Into Law</p> <p><i>Appropriations:</i></p> <p>As of December 31, 2009, there were 10,383 licensed retailers and 270 suppliers in the Colorado. The Liquor Enforcement Division will be charged with investigating complaints related to the over-extension of credit by suppliers. However, the number of licensees that are out of compliance with federal regulations related to the extension of credit is not known and the workload impact on the division, if any, cannot be determined at this time. In order to comply with the bill, the division will require input from industry sources. Procedures will be identified and rules for the bill's implementation will be developed. Additional funding, if any, will be addressed through the budget process. Costs would be paid from the Liquor Enforcement Division and State Licensing Authority Cash Fund.</p>
<p>Bill Number:     <b>House Bill 10-1099</b></p> <p>Sponsors:        <i>Representative Pace</i>                       <i>Senator Tapia</i></p> <p>There are several licensed liquor locations authorized within the Colorado state fairgrounds. Under current law, a patron who purchases a beer at a beer stand, for example, may not carry that beer into another building that is consigned to a different liquor licensee. The reengrossed bill allows any person who purchases an alcohol beverage at the Colorado State Fair to consume and possess the beverage at any location licensed for alcohol consumption within the fairgrounds boundary. However, the beverage may not be removed from the fairgrounds premises. Additionally, the bill does not authorize a person to bring into the fairgrounds an alcohol beverage that was purchased outside of the fairgrounds.</p>	<p>Short Title:       <b>Colorado State Fair Alcohol Beverages</b></p> <p>Status:            Signed into Law</p> <p><i>Appropriations:</i></p> <p>The bill is assessed as having no fiscal impact. The bill will not impact the oversight activities of the Colorado State Fair and is not expected to impact the total sale of alcohol beverages on the premises of the state fair. Potential violations of current liquor license regulations will be minimized by the bill and enforcement activities will continue at current levels.</p>

## Summary of Bills Concerning Liquor, 2010 Session (As of July 8, 2010) (Cont.)

Signed Into Law (Cont.)	
<p>Bill Number:    <b>House Bill 10-1170</b></p> <p>Sponsors:       <i>Representative DelGrosso</i>                       <i>Senator Bacon</i></p> <p>Under current law, liquor licensees who are licensed for on-premises consumption of alcohol are allowed to sell and serve alcohol beverages "by the drink" only. They are not authorized to sell alcohol beverages in large quantities in sealed containers. HB10-1170 permits the sale of alcohol beverages in sealed containers to adult occupants of luxury boxes located in stadiums, arenas, and similar sports and entertainment venues with a seating capacity of at least 1,500 seats. Occupants would not be permitted to leave the luxury box with an alcohol beverage in a sealed container.</p>	<p>Short Title:       <b>Alcohol Sales Luxury Boxes Sports Venues</b></p> <p>Status:            Signed Into Law</p> <p><i>Appropriations:</i></p> <p style="padding-left: 40px;">The bill will not affect state or local revenue or expenditures and will not result in the issuance of additional liquor licenses. Therefore, the bill is assessed as having no fiscal impact.</p>
Postponed Indefinitely	
<p>Bill Number:    <b>House Bill 10-1150</b></p> <p>Sponsors:       <i>Representative J. Kerr</i>                       <i>Senator Tochtrop</i></p> <p>The bill would have created a new type of alcohol license that authorized caterers to sell and serve alcohol where food is catered, subject to specified limitations. HB 10-1150 would have imposed an annual state licensing fee of \$325 and an annual local licensing fee of \$500.</p>	<p>Short Title:       <b>Caterer's Alcohol Beverage License</b></p> <p>Status:            Postponed Indefinitely</p> <p><i>Appropriations:</i></p> <p style="padding-left: 40px;">The Liquor Enforcement Division within the Department of Revenue would have required \$507 in FY 2010-11, and \$384 in FY 2011-12 for postage and mailing expenses from the Liquor Enforcement Division and State Licensing Authority Cash Fund. An estimated 200 hours of personal services time would have been necessary to process applications. This workload would have been split among existing division personnel and will be absorbed within the division's budget.</p>

## Summary of Bills Concerning Liquor, 2010 Session (As of July 8, 2010) (Cont.)

Postponed Indefinitely (Cont.)	
<p>Bill Number:    <b>House Bill 10-1186</b></p> <p>Sponsors:       <i>Representative Liston</i>                       <i>[None]</i></p> <p>Current law contains a separate category of licenses for establishments selling fermented malt beverages with an alcohol content of 3.2% or less by weight (3.2% beer), as distinguished from licenses that permit the sale of other alcohol beverages with higher alcohol content, including regular beer, malt liquor, wine, and spirits. The bill would have allowed the sale of malt liquor in convenience stores, defined as retail businesses of less than 5,000 square feet and that offer quick purchases of food, beverages, or gasoline but not a pharmacy, which otherwise would be limited to selling 3.2% beer. It would not have allowed these establishments to sell other types of alcohol beverages such as wine or spirits. The bill required the Department of Revenue to conduct a study and report to the General Assembly on the effects of the new licensing program by January 1, 2016. Additionally, retail liquor stores of less than 5,000 square feet would have been allowed to sell nonperishable food items.</p>	<p>Short Title:       <b>Let Convenience Stores Sell Malt Liquor</b></p> <p>Status:            Postponed Indefinitely</p> <p><i>Appropriations:</i></p> <p style="padding-left: 20px;">The Liquor Enforcement Division within the Department of Revenue would have required \$1,460 in FY 2010-11, and \$146 in FY 2011-12 for postage and mailing expenses. An estimated 105 hours of personal services time would have been necessary to process applications. This workload would have been split among existing division personnel and would have been absorbed within the division's budget. The bill required the Department of Revenue to study the costs and benefits of the creation of the full-strength beer license. Public hearings and study groups could have been used to compile information relevant to the study. The study would have been presented to committees of the General Assembly on or before July 1, 2016. The fiscal note did not estimate the cost for the study.</p>

## Summary of Bills Concerning Liquor, 2010 Session (As of July 8, 2010) (Cont.)

Postponed Indefinitely (Cont.)	
<p>Bill Number:     <b>House Bill 10-1279</b></p> <p>Sponsors:       <i>Representative McFadyen</i>                       <i>Senator Williams</i></p> <p>The bill as amended by the House Business Affairs and Labor Committee, would have allowed a grocery store to apply to state and local licensing authorities for a merger and conversion of two retail liquor store licenses into a single liquor-licensed drugstore license. The license would have allowed a grocery store to sell full-strength beer, wine, and hard liquor. A grocery store business would have been allowed to obtain an unlimited number of liquor-licensed drugstore licenses and could have operated in multiple locations. Assuming all other requirements for the transfer, merger, and conversion are satisfied, the application would have been permitted only if:</p> <ul style="list-style-type: none"> <li>• the subject retail liquor stores and the grocery store would have been within the jurisdiction of the same local licensing authority;</li> <li>• the grocery store would not have been located within 1,000 feet of another licensed retail liquor store within the same local licensing authority's jurisdiction; and</li> <li>• the grocery store would have provided evidence that its revenues from food sales during the prior 12 months have been at least 51 percent of its total revenues.</li> </ul> <p>In making its determination on the application, the local licensing authority could have considered the reasonable requirements of the neighborhood. A grocery store would have had to pay an application fee to both the state licensing authority and the local licensing authority and, if the application were granted, would have been subject to the same annual licensing fees as liquor-licensed drugstores. A liquor-licensed drugstore, including a grocery store that obtains a liquor-licensed drugstore license, would not have been permitted to conduct tastings on the licensed premises. Additionally, the bill would have required employees who sell liquor at a liquor-licensed drug drugstore to be at least 21 years of age.</p>	<p>Short Title:       <b>Grocery Store Acquire Retail Liquor License</b></p> <p>Status:            Postponed Indefinitely</p> <p><i>Appropriations:</i></p> <p>General Fund revenue was expected to decrease by \$925 in FY 2010-11, and by \$1,480 in FY 2011-12 due to the fact that approved grocery stores would no longer need to obtain a license to sell 3.2 percent beer once the liquor-licensed drugstore license is granted. A net increase of \$19,500 in FY 2010-11, and \$10,700 in FY 2011-12 was anticipated to the Liquor Enforcement and State Licensing Authority Cash Fund from new grocery store applications. This included the impact of \$1,025 per applicant application fee, as well as the anticipated reduction in grocery store license applications for 3.2 percent beer sales.</p>