Be it enacted by the People of the State of Colorado:

SECTION 1: Declaration

The People of the State of Colorado hereby find and declare that Articlearticle 3, Title of this title 44, C.R.S. known as the "Colorado Liquor Code"," shall be amended to allow, beginning March 1, 2023, the sale of wine in grocery and convenience stores that are licensed to sell beer; and permit home delivery of alcohol sales made by licensed retailers through third-party home delivery service providers.

SECTION 2: In Colorado Revised Statutes, **add** 44-3-411410.5 as follows:

44-3-411410.5. BEER AND WINE OFF-PREMISES RETAILER LICENSE.

(1) NOTWITHSTANDING NOTWITHSTANDING ANY PROVISIONS TO THE CONTRARY IN THIS ARTICLE.3, A BEERBEER AND WINE OFF-PREMISES RETAILER WINE OFF-PREMISES RETAILER LICENSE MAY BE ISSUED TO BEERBEER AND WINE OFF-PREMISES WINE OFF-PREMISES RETAILERS SELLING MALT AND VINOUS LIQUORS IN SEALED CONTAINERS NOT TO BE CONSUMED AT THE PLACE WHERE THE MALT AND VINOUS LIQUORS ARE SOLD.

(2) EVERY <u>BEERBEER</u> AND <u>WINE OFF-PREMISES RETAILER WINE OFF-PREMISES RETAILER</u> LICENSED UNDER THIS SECTION TO SELL MALT AND VINOUS LIQUORS SHALL PURCHASE SUCH MALT AND VINOUS LIQUORS ONLY FROM A WHOLESALER LICENSED PURSUANT TO THIS ARTICLE<u>3</u>.

(3) It is unlawful for any owner, part-owner, shareholder, or person interested directly or indirectly in a beer and wine off-premises retailer license to conduct, own either in whole or in part, or be directly or indirectly interested in any non-retailer manufacturer or non-retailer wholesaler licensed pursuant to this article.

(4)

(4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE 3, A LICENSEE UNDER SECTION 44-4-107(1)(a) WITH A VALID LICENSE FOR THE SALE OF FERMENTED MALT BEVERAGES FOR OFF-PREMISES CONSUMPTION IN EFFECT ON MARCH 1, 2023, MAY APPLY TO A LOCAL LICENSING AUTHORITY TO CONVERT ITS EXISTING LICENSE INTO A **BEERBEER** AND WINE OFF-PREMISES **RETAILERWINE OFF-PREMISES RETAILER** LICENSE ISSUED UNDER THE PROVISIONS OF THIS SECTION IF IT OTHERWISE COMPLIES WITH THE REQUIREMENTS OF THIS SECTION. IN MAKING A DETERMINATION ON THE APPLICATION UNDER THIS SUBSECTION (4), THE LOCAL LICENSING AUTHORITY MAY CONSIDER THE SATISFACTORY NATURE OF THE CHARACTER, RECORD, ORAND REPUTATION OF THE APPLICANT. IN CONSIDERING ANY APPLICATION UNDER THIS SUBSECTION (4), THE LOCAL LICENSING AUTHORITY MAY ADMINISTRATIVELY APPROVE THE APPLICATION WITHOUT A **PUBLIC HEARING OR INVESTIGATION** OR MAY CONSIDER THE REASONABLE REQUIREMENTS OF THE NEIGHBORHOOD AND THE DESIRES OF ITS ADULT INHABITANTS, AND ALL OTHER REASONABLE **RESTRICTIONS THAT ARE OR MAY BE PLACED UPON THE NEIGHBORHOOD BY THE LOCAL LICENSING AUTHORITY**, PURSUANT TO SECTION 44-3-301. THE PROVISIONS IN SECTION 44-3-301 (12) SHALL NOT APPLY TO APPLICATIONS UNDER THIS SUBSECTION (4). (5) A <u>Beerbeer</u> and <u>Wine Off-Premises Retailer wine off-premises retailer</u> may deliver malt and vinous liquors pursuant to section 44-3-911.5.

(6) A BEER AND WINE OFF-PREMISES RETAILER MAY ALLOW TASTINGS OF MALT AND VINOUS LIQUORS TO BE CONDUCTED ON THE LICENSED PREMISES IF THE LICENSEE HAS RECEIVED AUTHORIZATION TO CONDUCT TASTINGS PURSUANT TO SECTION 44-3-301.

(7) A BEER AND WINE OFF-PREMISES RETAILER LICENSED UNDER THIS SECTION:

(a)(I) Shall not sell malt or vinous liquors to consumers at a price that is below the retailer's cost, as listed on the invoice, to purchase the malt and vinous liquors, unless the sale is of discontinued or close-out malt or vinous liquors.

(II) THIS SUBSECTION (7)(a) does not prohibit a beer and wine off-premises retailer from operating a bona fide loyalty or rewards program for malt and vinous liquors so long as the price for the product is not below the retailer's cost as listed on the invoice.

(b) SHALL NOT ALLOW CONSUMERS TO PURCHASE MALT OR VINOUS LIQUORS AT A SELF-CHECKOUT OR OTHER MECHANISM THAT ALLOWS THE CONSUMER TO COMPLETE THE MALT OR VINOUS LIQUORS PURCHASE WITHOUT ASSISTANCE FROM AND COMPLETION OF THE ENTIRE TRANSACTION BY AN EMPLOYEE OF THE BEER AND WINE OFF-PREMISES RETAILER.

(8) A PERSON LICENSED UNDER SUBSECTION (1) OF THIS SECTION THAT HOLDS MULTIPLE BEER AND WINE OFF-PREMISES RETAILER LICENSES FOR MULTIPLE LICENSED PREMISES MAY OPERATE UNDER A SINGLE OR CONSOLIDATED CORPORATE ENTITY BUT SHALL NOT COMMINGLE PURCHASES OF OR CREDIT EXTENSIONS FOR PURCHASES OF MALT OR VINOUS LIQUORS FROM A WHOLESALER LICENSED UNDER THIS ARTICLE 3 OF THIS TITLE 44 FOR MORE THAN ONE LICENSED PREMISES. A WHOLESALER LICENSED UNDER THIS ARTICLE 3 OF THIS TITLE 44 SHALL NOT BASE THE PRICE FOR THE MALT OR VINOUS LIQUORS IT SELLS TO A BEER AND WINE OFF-PREMISES RETAILER LICENSED UNDER SUBSECTION (1) OF THIS SECTION ON THE TOTAL VOLUME OF MALT OR VINOUS LIQUORS THAT THE LICENSEE FOR MULTIPLE LICENSED PREMISES.

(9) THE STATE LICENSING AUTHORITY SHALL MAKE GENERAL RULES AND REGULATIONS AND SPECIAL RULINGS AND FINDINGS AS NECESSARY FOR THE PROPER REGULATION AND IMPLEMENTATION OF THE PROVISIONS OF THIS SECTION.

SECTION 3: In Colorado Revised Statutes, 44-3-103 add (<u>184.5</u>), (<u>11.8</u>), and (<u>32</u>.5) as follows:

44-3-103. Definitions. As used in this article 3 and article 4 of this title 44, unless the context otherwise requires:

(4.5)(a) "BEER AND WINE OFF-PREMISES RETAILER WINE OFF-PREMISES RETAILER" MEANS AN ESTABLISHMENT THAT SELLS MALT AND VINOUS LIQUORS FOR OFF-PREMISES CONSUMPTION AND THAT MUST SHALL DERIVE AT LEAST 20% TWENTY PERCENT OF ITS GROSS ANNUAL REVENUES FROM TOTAL SALES FROM THE SALE OF FOOD ITEMS FOR CONSUMPTION OFF THE PREMISES.

(b) FOR PURPOSES OF CALCULATING GROSS ANNUAL REVENUES FROM TOTAL SALES, REVENUES DERIVED FROM THE SALE OF THE FOLLOWING PRODUCTS ARE EXCLUDED: (1) FUEL

(I) FUEL PRODUCTS, AS DEFINED IN SECTION 8-20-201 (2); (2) CIGARETTES

(II) CIGARETTES, TOBACCO PRODUCTS, AND NICOTINE PRODUCTS, AS DEFINED IN SECTION 18-13-121 (5); AND, (3) LOTTERY

(III) LOTTERY PRODUCTS.

(c) AS USED IN THIS SUBSECTION (184.5), "FOOD ITEMS" MEANS ANY RAW, COOKED, OR PROCESSED EDIBLE SUBSTANCE, ICE, OR BEVERAGE, OTHER THAN A BEVERAGE CONTAINING ALCOHOL, THAT IS INTENDED FOR USE OR FOR SALE, IN WHOLE OR IN PART, FOR HUMAN CONSUMPTION.

(11.8) "DELIVERY SERVICE PERMITTEE" MEANS ANY INDIVIDUAL, LIMITED LIABILITY COMPANY, CORPORATION, OR PARTNERSHIP THAT HOLDS A PERMIT TO DELIVER ALCOHOL UNDER SECTION 44-3-911.5.

(32.5) "OFF PREMISES RETAILER" MEANS ANY LICENSEE UNDER THIS ARTICLE 3 OR ARTICLE 4 OF THIS TITLE 44 THAT IS ALLOWED TO SELL ALCOHOL BEVERAGES AT RETAIL FOR CONSUMPTION OFF THE LICENSED PREMISES.

SECTION 4. In Colorado Revised Statutes, 44-3-301, **amend** (10)(b), 10(c)(I)(A), 10(c)(XII), 10(d), and 10(e); and **add** (12)(a.5)(III) and (12)(a.5)(IV) as follows: **44-3-301. Licensing in general.**

(10)(b) A retail liquor store, liquor-licensed drugstore, or BEER AND WINE OFF-PREMISES RETAILER licensee who wishes to conduct tastings may submit an application or application renewal to the local licensing authority. The local licensing authority may reject the application if the applicant fails to establish that he or she is able to conduct tastings without violating the provisions of this section or creating a public safety risk to the neighborhood. A local licensing authority may establish its own application procedure and may charge a reasonable application fee.

SECTION 5. In Colorado Revised Statutes, add 44-3-301(12)(a.5)(III) and 44-3-301(a.5)(IV) as follows:

(III 10(c)(I)(A) By a person who: Has completed a server training program that meets the standards established by the liquor enforcement division in the department and is a retail liquor store, or liquor-licensed drugstore, OR BEER AND WINE OFF-PREMISES RETAILER licensee, an employee of a retail liquor store or liquor-licensed drugstore licensee, or a representative, employee, or agent of the licensed wholesaler, brew pub, distillery pub, manufacturer, limited winery, importer, or vintner's restaurant promoting the alcohol beverages for the tasting; and

10(c)(XII) No manufacturer of spirituous or vinous liquors shall induce a licensee through free goods or financial or in-kind assistance to favor the manufacturer's products being sampled at a tasting. The retail liquor store, or liquor-licensed drugstore, OR BEER AND WINE OFF-PREMISES RETAILER licensee bears the financial and all other responsibility for a tasting conducted on its licensed premises.

10(d) A violation of a limitation specified in this subsection (10) by a retail liquor store, or liquorlicensed drugstore, OR BEER AND WINE OFF-PREMISES RETAILER licensee, whether by the licensee's employees, agents, or otherwise or by a representative, employee, or agent of the licensed wholesaler, brew pub, distillery pub, manufacturer, limited winery, importer, or vintner's restaurant that promoted the alcohol beverages for the tasting, is the responsibility of, and section 44-3-801 applies to, the retail liquor store, or liquor-licensed drugstore, OR BEER AND WINE OFF-PREMISES RETAILER licensee that conducted the tasting.

<u>10(e)</u> A retail liquor store, or liquor-licensed drugstore, OR BEER AND WINE OFF-PREMISES RETAILER licensee conducting a tasting shall be subject to the same revocation, suspension, and enforcement provisions as otherwise apply to the licensee.

<u>12(a.5)(III)(A)</u> NOTWITHSTANDING ANY OTHER PROVISION OF <u>SUBSECTION 12(a) OF</u> THIS ARTICLE <u>3SECTION</u>, THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT ISSUE A NEW BEER AND WINE OFF-PREMISES RETAILER LICENSE UNDER <u>THIS</u> ARTICLE <u>3-OF THIS TITLE 44</u> AUTHORIZING THE SALE AT RETAIL OF MALT AND VINOUS LIQUORS IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES IF THE PREMISES FOR WHICH THE RETAIL LICENSE IS SOUGHT IS LOCATED WITHIN FIVE HUNDRED FEET OF A RETAIL LIQUOR STORE LICENSED UNDER SECTION 44-3-409.

($\ddagger B$) This subsection (12)(a.5)($\ddagger III$) does not apply to an application as permitted pursuant to section 44-3-411410.5(4).

12(a.5)(IV) NOTWITHSTANDING ANY OTHER PROVISION OF SUBSECTION 12(a) OF THIS SECTION, THE STATE AND LOCAL LICENSING AUTHORITIES SHALL NOT ISSUE A NEW RETAIL LIQUOR STORE LICENSE UNDER THIS ARTICLE 3 AUTHORIZING THE SALE AT RETAIL OF MALT, VINOUS, OR SPIRITUOUS LIQUORS IN SEALED CONTAINERS FOR CONSUMPTION OFF THE LICENSED PREMISES IF THE PREMISES FOR WHICH THE RETAIL LICENSE IS SOUGHT IS LOCATED WITHIN FIVE HUNDRED FEET OF A BEER AND WINE OFF-PREMISES RETAILER LICENSED UNDER SECTION 44-3-410.5.

SECTION 65. In Colorado Revised Statutes, 44-3-309, **add** (1)(0) as follows:

(n44-3-309. Local licensing authority - applications - optional premises licenses.

(0) BEER AND WINE OFF-PREMISES RETAILER WINE OFF-PREMISES RETAILER LICENSE.

SECTION 7<u>6</u>: In Colorado Revised Statutes, 44-3-401(1), **amend** (x) and add (y) as follows:

(x) Manager's permit.;

44-3-401. Classes of licenses and permits - rules.

(y) BEER AND WINE OFF-PREMISES RETAILER WINE OFF-PREMISES RETAILER LICENSE.

SECTION 87. In Colorado Revised Statutes, 44-3-409, **add** (4)(b)(V) as follows: **44-3-409**. **Retail liquor store license - rules**.

(V) A BEER AND WINE OFF-PREMISES RETAILER LICENSE GRANTED UNDER THIS ARTICLE 3.

SECTION 98. In Colorado Revised Statutes, 44-3-410, **add** (4)(b)(VI) as follows: **44-3-410**. Liquor-licensed drugstore license - multiple licenses permitted - requirements - rules.

(VI) A BEER AND WINE OFF-PREMISES RETAILER LICENSE GRANTED UNDER THIS ARTICLE 3.

SECTION 9. SECTION 10. In Colorado Revised Statutes, 44-3-501, amend (3)(a)(XVIII) and (XIX); and add (1)-()(f.5) and (3)(a)(XX) as follows:

(44-3-501. State fees - rules - one-time fee waiver - repeal.

(1)(f.5) FOR FOR EACH BEERBEER AND WINE OFF-PREMISES RETAILER WINE OFF-PREMISES RETAILER LICENSE, ONE HUNDRED DOLLARS.

(3)(a)(XVIII) APPLICATIONS FOR THE RENEWAL OF A LICENSE OR PERMIT ISSUED IN ACCORDANCE WITH THIS ARTICLE 3; AND

(3)(a)(XIX) APPLICATIONS FOR A PERMIT FOR OR ATTACHMENT TO A COMMUNAL OUTDOOR DINING AREA OR FOR MODIFICATION OF A LICENSED PREMISES TO INCLUDE A COMMUNAL OUTDOOR DINING AREA;-AND

(3)(a)(XX) APPLICATIONS TO CONVERT A FERMENTED MALT BEVERAGE RETAILER'S LICENSE TO A BEER AND WINE OFF-PREMISES RETAILER LICENSE PURSUANT TO SECTION 44-3-410.5 AND RULES ADOPTED PURSUANT TO THAT SECTION.

<u>SECTION 10.</u> <u>SECTION 11.</u> In Colorado Revised Statutes, 44-3-505, add (1) ()(b.5) and (4)(a)(VI) as follows:

(44-3-505. Local license fees.

(1)(b.5)(I) FORFOR EACH BEERBEER AND WINE OFF-PREMISES RETAILER WINE OFF-PREMISES RETAILER LICENSE FOR PREMISES LOCATED WITHIN ANY MUNICIPALITY OR CITY AND COUNTY, ONE HUNDRED FIFTY DOLLARS;

(II) FOR EACH <u>BEERBEER</u> AND <u>WINE OFF-PREMISES RETAILER</u><u>WINE OFF-PREMISES RETAILER</u> LICENSE FOR PREMISES LOCATED OUTSIDE THE MUNICIPAL LIMITS OF ANY MUNICIPALITY OR CITY AND COUNTY, TWO HUNDRED FIFTY DOLLARS.

(4)(a)(VI) FOR CONVERSION PURSUANT TO 44-3-410.5, NOT TO EXCEED ONE THOUSAND DOLLARS.

SECTION 1211. In Colorado Revised Statutes, 44-3-901, **amend** (1)(g), (1)(i)(III), (6)(i)(II), (6)(k)(I), (6)(k)(IV), (6)(k)(V), (6)(p)(I)(B), (6)(p)(III), (8)(b) and (11)(c) as follows: **44-3-901.** Unlawful acts - exceptions - definitions.

(1)(g) To sell at retail any:

(I) Any malt, vinous, or spirituous liquors in sealed containers without holding a retail liquor store, or liquor-licensed drugstore or BEER AND WINE OFF-PREMISES RETAILER license, except as permitted by section 44-3-107 (2) or 44-3-301 (6)(b) or any other provision of this article 3, or to sell at retail any;

(II) ANY MALT OR VINOUS LIQUORS IN SEALED CONTAINERS WITHOUT HOLDING A BEER AND WINE OFF-PREMISES RETAILER LICENSE; or

(III) Any fermented malt beverages in sealed containers without holding a fermented malt beverage retailer's license under sections 44-4-104 (1)(c) and 44-4-107 (1)(a)-);

(1)(i)(III) Notwithstanding subsection (1)(i)(I) of this section, it shall not be unlawful for adult patrons of a retail liquor store, liquor-licensed drugstore, or BEER AND WINE OFF-PREMISES RETAILER licensee to consume malt, vinous, or spirituous liquors on the licensed premises when the consumption is conducted within the limitations of the licensee's license and is part of a tasting if authorization for the tasting has been granted pursuant to section 44-3-301.

(6)(i)(II) Notwithstanding subsection (6)(i)(I) of this section, it shall not be unlawful for a retail liquor store, liquor-licensed drugstore, or BEER AND WINE OFF-PREMISES RETAILER licensee to allow tastings to be conducted on his or her licensed premises if authorization for the tastings has been granted pursuant to section 44-3-301.

(6)(k)(I) Except as provided in subsections (6)(k)(II), (6)(k)(IV), and (6)(k)(V) of this section, to have on the licensed premise, if licensed as a retail liquor store, liquor-licensed drugstore, BEER AND WINE OFF-PREMISES RETAILER, or fermented malt beverage retailer, any container that shows evidence of having once been opened or that contains a volume of liquor less than that specified on the label of the container.

(6)(k)(II)(A) A person holding a retail liquor store, liquor-licensed drugstore, or BEER AND WINE OFF-PREMISES RETAILER license under this article 3 may have upon the licensed premises malt, vinous, or spirituous liquors in open containers when the open containers were brought on the licensed premises by and remain solely in the possession of the sales personnel of a person licensed to sell at wholesale pursuant to this article 3 for the purpose of sampling malt, vinous, or spirituous liquors by the retail liquor store, liquor-licensed drugstore, or BEER AND WINE OFF-PREMISES RETAILER licensee only.

(6)(k)(IV) It is not unlawful for a retail liquor store, liquor-licensed drugstore, or BEER AND WINE OFF-PREMISES RETAILER licensee to allow tastings to be conducted on the licensed premises if authorized for the tastings has been granted pursuant to section 44-3-301.

(6)(k)(V) A person holding a retail liquor store, liquor-licensed drugstore, or BEER AND WINE OFF-PREMISES RETAILER license under this article 3 or a fermented malt beverage retailer's license under section 44-4-107(1)(a) may have upon the licensed premises an open container of an alcohol beverage product that the licensee discovers to be damaged or defective so long as the licensee marks the product as damaged or for return and stores the open container outside the sales area of the licensed premises until the licensee is able to return the product to the wholesaler from whom the product was purchased. (6)(p)(I)(B) Except as provided in subsection (6)(p)(II) of this section, to employ a person who is at least eighteen years of age but under twenty-one years of age to sell or dispense malt, vinous, or spirituous liquors unless the employee is supervised by another person who is on the licensed premises and is at least twenty-one years of age; except that this subsection (6)(p)(I)(B) does not apply to a retail liquor store licensed under section 44-3-409, or a liquor-licensed drugstore licensed under section 44-3-410, OR A BEER AND WINE OFF-PREMISES RETAILER LICENSED UNDER 44-3-410.5;

(6)(p)(III) If licensed as a retail liquor store under section 44-3-409, a liquor-licensed drugstore under section 44-3-410, A BEER AND WINE OFF-PREMISES RETAILER LICENSED UNDER 44-3-410.5, or a fermented malt beverage retailer under section 44-4-107 (1)(a), to permit an employee who is under twenty-one years of age to deliver malt, vinous, or spirituous liquors or fermented malt beverages offered for sale on, or sold and removed from, the licensed premises of the retail liquor store, liquor-licensed drugstore, BEER AND WINE OFF-PREMISES RETAILER, or fermented malt beverage retailer.

(8)(b) Notwithstanding subsection (8)(a) of this section, it shall not be unlawful for a retail liquor store, liquor-licensed drugstore, or BEER AND WINE OFF-PREMISES RETAILER licensee to allow tasting to be conducted on his or her licensed premises if authorization for the tastings has been granted pursuant to section 44-3-301.

(11)(c) As used in this subsection (11), "retail licensee" means a person licensed under section 44-3-409, 44-3-410, *44-3*-411<u>410</u>.5, 44-4-104(1)(c), or 44-4-107(1)(a).

SECTION 1312: In Colorado Revised Statutes, Title 44, Article 3, add 911.5 as follows:

<u>44-3-911.5.</u> THIRD-PARTY DELIVERY OF ALCOHOL BEVERAGES

(1) NOTWITHSTANDING ANY LAW OR RULE TO THE CONTRARY, A DELIVERY SERVICE PERMITTEE, OR AN EMPLOYEE OR INDEPENDENT CONTRACTOR OF A DELIVERY SERVICE PERMITTEE IN COMPLIANCE WITH SECTION 2THE PROVISIONS OF THIS ACTARTICLE 3 OR ARTICLE 4 OF THIS TITLE 44, MAY TRANSPORT AND DELIVER ALCOHOL BEVERAGES FROM AN OFF-PREMISES RETAILER LICENSED PURSUANT TO TITLE 44,THIS ARTICLE 3 OR TITLE 44, ARTICLE 4 OF THIS TITLE 44, OR FROM A LICENSEE LICENSED FOR ON PREMISES CONSUMPTION PURSUANT TO TITLE 44, ARTICLE 3, EXCLUDING THOSE LICENSED UNDER 44-THIS ARTICLE 3-412, 44-3-415, 44-3-418, 44-3-419, 44-3-420, 44-3-421, AND 44-3-428, TO A PERSON IN THE STATE WHO IS AT LEAST 21 YEARS OF AGE. THE HOLDER OF A LICENSE LISTED HEREININ THIS SUBSECTION (1) SHALL BE AUTHORIZED TO APPLY FOR AND TO HOLD A DELIVERY SERVICE PERMIT AS A PRIVILEGE SEPARATE FROM ITS EXISTING LICENSE.

(2) ANY INDIVIDUAL, LIMITED LIABILITY COMPANY, CORPORATION, OR PARTNERSHIP THAT IS REGISTERED TO DO BUSINESS IN THIS STATE, REGARDLESS OF THE RESIDENCY <u>OR DOMICILE</u> OF THE <u>OWNERSHIPINDIVIDUAL</u>, <u>ENTITY</u>, <u>OR OWNERS</u> OF THE ENTITY, MAY APPLY FOR AND BE ISSUED A DELIVERY SERVICE PERMIT THAT AUTHORIZES THE PERMITTEE TO DELIVER ALCOHOL BEVERAGES FROM A LICENSEE PERMITTED FOR DELIVERY BY 44-3-911.5(1), TO A PERSON IN THE STATE WHO IS AT LEAST 21 YEARS OF AGE.

(3) IN ORDER TO RECEIVE A DELIVERY SERVICE PERMIT, AN APPLICANT SHALL DO ALL OF THE FOLLOWING:

(a) PROVIDE TO THE <u>DIVISIONSTATE LICENSING AUTHORITY</u> A SAMPLE CONTRACT THAT THE APPLICANT INTENDS TO ENTER INTO WITH A <u>RETAILERLICENSEE LISTED IN SUBSECTION (1)</u> <u>OF THIS SECTION</u> FOR THE DELIVERY OF ALCOHOL BEVERAGES. COMPLIANCE WITH THIS SUBSECTION (3)(a) SHALL NOT BE REQUIRED IN THE EVENT A LICENSEE LISTED IN SUBSECTION (1); <u>OF THIS SECTION 911.5</u>, OR AN ENTITY UNDER COMMON OWNERSHIP WITH SUCH LICENSEE, IS THE APPLICANT FOR THE DELIVERY SERVICE PERMIT;

(b) SUBMIT TO THE **DIVISION**<u>STATE LICENSING AUTHORITY</u> AN OUTLINE OF AN INTERNAL OR EXTERNAL CERTIFICATION PROGRAM FOR DELIVERY SERVICE PERSONNEL OR CONTRACTORS THAT ADDRESSES TOPICS SUCH AS IDENTIFYING UNDERAGE PERSONS, INTOXICATED PERSONS, AND FAKE OR ALTERED IDENTIFICATION-; AND

(c) <u>Shall provide</u> proof of a general liability insurance policy in an amount no less than one million dollars (\$1,000,000) per occurrence.

(4) A DELIVERY SERVICE PERMITTEE:

(a) MAY, THROUGH ITS EMPLOYEES OR INDEPENDENT CONTRACTORS, DELIVER ALCOHOL BEVERAGES FOR ANY OFF-PREMISES RETAILER PERMITTED FOR DELIVERY BY <u>SUBSECTION</u> 44-3-911.5(1), FOR THE PURPOSE OF DELIVERING ALCOHOL BEVERAGES.

(b) MAY, THROUGH ITS EMPLOYEES OR INDEPENDENT CONTRACTORS, DELIVER ALCOHOL BEVERAGES FOR LICENSEES UNDER THE PROVISIONS OF <u>SECTION</u> 44-3-911, <u>C.R.S.</u>, WHICH MAY INCLUDE ALCOHOL BEVERAGES BY THE DRINK. THE COMPLETION OF THE CERTIFICATION PROGRAM REQUIRED BY <u>SUBDIVISION (4) OF</u> SUBSECTION (<u>B)3)(b) OF THIS</u> <u>SECTION</u> SHALL SATISFY THE REQUIREMENTS FOR <u>SUBSECTION</u> 44-3-911(3)(d), <u>C.R.S.</u>).

(c) MAY USE ITS OWN EMPLOYEES OR INDEPENDENT CONTRACTORS WHO ARE AT LEAST 21<u>TWENTY-ONE</u> YEARS OF AGE TO DELIVER SUCH ALCOHOL BEVERAGES, PROVIDED ALL DELIVERY AGENTS COMPLETE A CERTIFICATION PROGRAM THAT MEETS THE STANDARDS ESTABLISHED BY THE LIQUOR ENFORCEMENT DIVISION IN THE DEPARTMENT.STATE LICENSING AUTHORITY.

(d) MAY FACILITATE ORDERS BY TELEPHONE, INTERNET, OR BY OTHER ELECTRONIC MEANS FOR THE SALE AND DELIVERY OF ALCOHOL BEVERAGES UNDER THIS SECTION. THE FULL AMOUNT OF EACH ORDER **MUSTSHALL** BE HANDLED IN A MANNER THAT GIVES THE LICENSEE CONTROL OVER THE ULTIMATE RECEIPT OF THE PAYMENT FROM THE CONSUMER.

(e) MAY DELIVER ALCOHOL BEVERAGES ANY TIME DURING WHICH THE LICENSEE IS LAWFULLY ALLOWED TO SELL ALCOHOL BEVERAGES.

(f) Shall verify, at the time of delivery, in accordance with <u>sectionsubsection</u> 44-3-901(11), that the person receiving the delivery of malt, vinous, or spirituous liquors is at least twenty-one years of age.

(g) SHALL REFUSE TO DELIVER ALCOHOL BEVERAGES IF THE RECIPIENT IS UNDER TWENTY-ONE YEARS OF AGE, APPEARS INTOXICATED, OR FAILS TO PROVIDE PROOF OF IDENTIFICATION.

(h) MAY NOT DELIVER TO ANY LOCATION LICENSED PURSUANT TO TITLE 44, ARTICLE THIS ARTICLE 3, TITLE 44, OR TITLE 44, ARTICLE 44, ARTICLE 5, C.R.S of this title 44.

(i) SHALL BE DEEMED TO HAVE CONSENTED TO THE JURISDICTION OF THE <u>DIVISIONSTATE</u> <u>LICENSING AUTHORITY</u> OR ANY LAW ENFORCEMENT AGENCY AND THE COLORADO COURTS CONCERNING ENFORCEMENT OF THIS SECTION AND ANY RELATED LAWS OR RULES.

(5) A DELIVERY SERVICE PERMITTEE MAY RENEW ITS PERMIT WITH THE **DIVISION**<u>STATE LICENSING</u> <u>AUTHORITY</u> BY MAINTAINING ALL QUALIFICATIONS AND PAYING ANNUALLY A RENEWAL FEE ESTABLISHED BY THE **DIVISION**<u>STATE LICENSING AUTHORITY</u>.

(6) NOTHING IN THIS <u>ACTSECTION</u> SHALL BE CONSTRUED TO REQUIRE A TECHNOLOGY SERVICES COMPANY TO OBTAIN A DELIVERY SERVICE PERMIT FOR PROVIDING SOFTWARE OR A DIGITAL NETWORK APPLICATION THAT CONNECTS CONSUMERS AND LICENSED RETAILERS FOR THE DELIVERY OF ALCOHOL BEVERAGES FROM THE LICENSED RETAILER BY EMPLOYEES OR OTHER DELIVERY SERVICE PROVIDERS OF THE LICENSED RETAILER. HOWEVER, THE ACT OF CONNECTING CONSUMERS TO LICENSED RETAILERS SHALL SERVE TO GRANT JURISDICTION TO THE <u>STATESTATE</u> OF COLORADO.

(7) THERE SHALL BE NO LIMIT TO THE PERCENTAGE OF A LICENSEE'S GROSS ANNUAL REVENUES FROM TOTAL SALES OF ALCOHOL BEVERAGES THAT THE LICENSEE MAY DERIVE FROM ALCOHOL BEVERAGE DELIVERIES.

(8) THE **DIVISION**<u>STATE LICENSING AUTHORITY</u> MAY ENFORCE THE REQUIREMENTS OF THIS SECTION BY THE SAME ADMINISTRATIVE PROCEEDINGS THAT APPLY TO ALCOHOL BEVERAGE LICENSES OR PERMITS, INCLUDING WITHOUT LIMITATION ANY DISCIPLINARY ACTION APPLICABLE TO THE SELLING LICENSEE, OR THE DELIVERY SERVICE PERMITTEE RESULTING FROM ANY UNLAWFUL SALETO A MINOR.

(9) The **Division**<u>State Licensing Authority</u> May enforce the requirements of this section against the selling licensee, delivery service permittee, and any employee or independent contractor of such, irrespective of the status of any delivery service personnel as an independent contractor or employee. If a licensee is also a delivery permittee, a violation of Alcohol Law<u>This article 3 or article 4 or 5 of this title 44</u> by its employee or independent contractor during delivery will subject both the retailer's permit and delivery <u>Service</u> permit to disciplinary action for the violation. Delivery to a minor shall be treated as furnishing to a minor and shall result in any applicable disciplinary action.

(10) THE STATE LICENSING AUTHORITY SHALL PROMULGATE RULES AS NECESSARY FOR THE PROPER DELIVERY OF ALCOHOL BEVERAGES AS PERMITTED BY THIS <u>Actsection 911.5</u>.

SECTION 14<u>13</u>: In Colorado Revised Statutes, <u>repeal 44-3-409</u>, <u>repeal (3)(a)(II) and (</u>IV) as follows:

44-3-409. Retail liquor store license - rules.

(II) The delivery is made by an employee of the licensed retail liquor store who is at least twenty-one years of age and who is using a vehicle owned or leased by the licensee to make the delivery;

(IV) The retail liquor store derives no more than fifty percent of its gross annual revenues from total sales of malt, vinous, and spirituous liquors from the sale of malt, vinous, and spirituous liquors that the retail liquor store delivers.

SECTION <u>1514</u>: In Colorado Revised Statutes, <u>repeal 44-3-410</u>, <u>repeal (3)(a)(II) and (</u>IV) as follows:

<u>44-3-410. Liquor-licensed drugstore license - multiple licenses permitted - requirements - rules.</u>

(II) The delivery is made by an employee of the liquor-licensed drugstore who is at least twentyone years of age and who is using a vehicle owned or leased by the licensee to make the delivery;

(IV) The liquor-licensed drugstore derives no more than fifty percent of its gross annual revenues from total sales of malt, vinous, and spirituous liquors from the sale of malt, vinous, and spirituous liquors that the liquor-licensed drugstore delivers.

SECTION <u>1615</u>: In Colorado Revised Statutes, <u>repeal 44-3-911</u>, <u>repeal (2)(c)</u>, <u>(3)(b)</u>, and (<u>47</u>) as follows:

44-3-911. Takeout and delivery of alcohol beverages - permit - on-premises consumption licenses - requirements and limitations - rules - definition - repeal.

(c) Derive no more than fifty percent of its gross annual revenues from total sales of food and alcohol beverages from the sale of alcohol beverages through takeout orders and that the licensee delivers; except that:

(I) This subsection (2)(c) does not apply if the governor has declared a disaster emergency under part 7 of article 33.5 of title 24; or

(II) This subsection (2)(c) does not apply to a sales room at a premises licensed under section 44-3-402 or 44-3-407; and

(d) If an alcohol beverage is being delivered, use a delivery person who complies with subsection (3) of this section.

SECTION 17: In Colorado Revised Statutes, repeal 44-3-911(7) as follows:

(3) (b) Be an employee of the licensee who is twenty-one years of age or older;

(7) This section is repealed, effective July 1, 2025.

SECTION <u>1816</u>: In Colorado Revised Statutes, <u>repeal 44-4-107 repeal (6)(a)(II) and (</u>IV) as follows:

44-4-107. Local licensing authority - application - fees - definitions - rules.

(II) The delivery is made by an employee of the fermented malt beverage retailer who is at least twenty-one years of age and who is using a vehicle owned or leased by the licensee to make the delivery:

(IV) The fermented malt beverage retailer derives no more than fifty percent of its gross annual revenues from total sales of fermented malt beverages from the sale of fermented malt beverages that the fermented malt beverage retailer delivers.

SECTION <u>1917</u>. Effective date. This act takes effect March 1, 2023.