

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 17-0868.01 Yelana Love x2295

SENATE BILL 17-134

SENATE SPONSORSHIP

Tate,

HOUSE SPONSORSHIP

Herod and Nordberg,

Senate Committees

Business, Labor, & Technology

House Committees

Business Affairs and Labor

A BILL FOR AN ACT

101 **CONCERNING THE EXCLUSION OF CERTAIN AREAS OF AN ALCOHOL**
102 **BEVERAGE LICENSEE'S OPERATION IN THE APPLICATION OF**
103 **PENALTIES FOR CERTAIN VIOLATIONS.**

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://leg.colorado.gov>.)

The bill limits penalties for violations relating to the sale of alcohol beverages to a visibly intoxicated or underage person that occur in a sales room for licensees operating a beer wholesaler, winery, limited winery, or distillery, or in a retail establishment, for licensees operating a brew pub, vintner's restaurant, or distillery pub, by prohibiting the

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.*

HOUSE
3rd Reading Unamended
March 13, 2017

HOUSE
Amended 2nd Reading
March 10, 2017

SENATE
3rd Reading Unamended
February 21, 2017

SENATE
Amended 2nd Reading
February 17, 2017

licensing authority from:

- ! Basing any fine on the estimated gross revenues of any manufacturing or wholesale activities of the licensee; and
- ! Extending any suspension to the manufacturing or wholesale activities of the licensee.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-47-601, **amend**
3 (1) and (3)(b); and **add** (7.5) as follows:

4 **12-47-601. Suspension - revocation - fines.** (1) SUBJECT TO
5 SUBSECTION (7.5) OF THIS SECTION, in addition to any other penalties
6 prescribed by this ~~article~~ ARTICLE 47 or article 46 or 48 of this ~~title~~ TITLE
7 12, the state or any local licensing authority has the power, on its own
8 motion or on complaint, after investigation and public hearing at which
9 the licensee shall be afforded an opportunity to be heard, to suspend or
10 ~~revoke, IN WHOLE OR IN PART,~~ any license or permit issued by such
11 authority for any violation by the licensee or by any of the agents,
12 servants, or employees of ~~such~~ THE licensee ~~of the provisions~~ of this
13 ~~article~~ article 47; ~~or any of the rules or regulations authorized pursuant to~~
14 BY this ~~article~~ ARTICLE 47; ~~or of~~ any of the terms, conditions, or
15 provisions of the license or permit issued by such authority. Any licensing
16 authority has the power to administer oaths and issue subpoenas to require
17 the presence of persons and the production of papers, books, and records
18 necessary to the determination of any hearing that the licensing authority
19 is authorized to conduct.

20 (3) (b) SUBJECT TO SUBSECTION (7.5) OF THIS SECTION, the fine
21 accepted shall be the equivalent to twenty percent of the licensee's
22 estimated gross revenues from sales of alcohol beverages during the
23 period of the proposed suspension; except that the fine ~~shall~~ MUST be ~~not~~

1 ~~less than~~ BETWEEN two hundred dollars ~~nor more than~~ AND five thousand
2 dollars.

3 (7.5) (a) THE FOLLOWING APPLIES ONLY IF THE LICENSING
4 AUTHORITY HAS DECIDED TO IMPOSE A SUSPENSION FOR A VIOLATION OF
5 SECTION 12-47-901 (1)(a), (1)(a.5), OR (5)(a)(I) THAT OCCURS IN A SALES
6 ROOM FOR A LICENSEE OPERATING PURSUANT TO SECTION 12-47-402 (2)
7 OR (6), 12-47-403 (2)(e), OR 12-47-406 (1)(b):

8 (I) IF THE LICENSING AUTHORITY DECIDES TO ACCEPT A FINE IN
9 LIEU OF A LICENSE SUSPENSION, THE LICENSING AUTHORITY SHALL ONLY
10 INCLUDE IN THE COMPUTATION OF THE FINE THE ESTIMATED GROSS
11 REVENUES OF THE RETAIL SALES OF THE SALES ROOM WHERE THE
12 VIOLATION OCCURRED, AND NOT ANY MANUFACTURING OR WHOLESALE
13 ACTIVITIES OF THE LICENSEE; EXCEPT THAT THE FINE MUST BE BETWEEN
14 TWO HUNDRED AND FIVE THOUSAND DOLLARS; AND

15 (II) IF THE LICENSING AUTHORITY DECLINES TO ACCEPT A FINE, IT
16 SHALL LIMIT ANY SUSPENSION TO THE DESIGNATED PREMISES FOR THE
17 SALES ROOM WHERE THE VIOLATION OCCURRED, AND NOT ANY
18 MANUFACTURING OR WHOLESALE ACTIVITIES OF THE LICENSEE. IN THE
19 CASE OF A TEMPORARY SALES ROOM FOR NOT MORE THAN THREE
20 CONSECUTIVE DAYS, THE LICENSING AUTHORITY SHALL APPLY A
21 SUSPENSION ISSUED IN ACCORDANCE WITH THIS SECTION ONLY TO FUTURE
22 TEMPORARY SALES ROOMS AND NOT ANY MANUFACTURING OR
23 WHOLESALE ACTIVITIES OF THE LICENSEE.

24 (b) THE FOLLOWING APPLIES ONLY IF THE LICENSING AUTHORITY
25 HAS DECIDED TO IMPOSE A SUSPENSION FOR A VIOLATION OF SECTION
26 12-47-901 (1)(a), (1)(a.5), OR (5)(a)(I) THAT OCCURS IN A RETAIL
27 ESTABLISHMENT FOR LICENSEES OPERATING PURSUANT TO SECTION

1 12-47-415, 12-47-420, OR 12-47-424:

2 (I) IF THE LICENSING AUTHORITY DECIDES TO ACCEPT A FINE IN
3 LIEU OF A LICENSE SUSPENSION, THE LICENSING AUTHORITY SHALL ONLY
4 INCLUDE IN THE COMPUTATION OF THE FINE THE ESTIMATED GROSS
5 REVENUES OF THE RETAIL ACTIVITIES OF THE LICENSEE, AND NOT ANY
6 MANUFACTURING OR WHOLESALE ACTIVITIES OF THE LICENSEE; EXCEPT
7 THAT THE FINE MUST BE BETWEEN TWO HUNDRED AND FIVE THOUSAND
8 DOLLARS; AND

9 (II) IF THE LICENSING AUTHORITY DECLINES TO ACCEPT A FINE, IT
10 SHALL LIMIT ANY SUSPENSION TO THE RETAIL ACTIVITIES OF THE LICENSEE,
11 AND NOT ANY MANUFACTURING OR WHOLESALE ACTIVITIES OF THE
12 LICENSEE.

13 **SECTION 2. Act subject to petition - effective date -**
14 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
15 the expiration of the ninety-day period after final adjournment of the
16 general assembly (August 9, 2017, if adjournment sine die is on May 10,
17 2017); except that, if a referendum petition is filed pursuant to section 1
18 (3) of article V of the state constitution against this act or an item, section,
19 or part of this act within such period, then the act, item, section, or part
20 will not take effect unless approved by the people at the general election
21 to be held in November 2018 and, in such case, will take effect on the
22 date of the official declaration of the vote thereon by the governor.

23 (2) This act applies to conduct occurring on or after the applicable
24 effective date of this act.