

NOTICE OF RULEMAKING HEARING

Department of Revenue Liquor Enforcement Division

The State Licensing Authority of the Colorado Department of Revenue, Liquor Enforcement Division (“Division”), will consider the promulgation of amendments to its Rules and Regulations as authorized by the Colorado Liquor Code, sections 44-3-101 *et seq.*, C.R.S. For specific information and language concerning the proposed changes and new rules, please refer to the contents of this Notice and to the proposed rules that are set forth following this notice and are available on the Division’s website, www.colorado.gov/enforcement/liquor.

STATUTORY AUTHORITY FOR RULEMAKING

The State Licensing Authority promulgates the amendments to this rule pursuant to the authority granted in subsections 44-3-202(1)(b), and 44-3-501(2)-(3), C.R.S., of the Colorado Liquor Code and section 24-4-103, C.R.S., of the Administrative Procedure Act.

SUBJECT OF RULEMAKING

The proposed rules and relevant information are posted on Division’s website, www.colorado.gov/enforcement/liquor. In addition, the proposed rules attached to this Notice are fully incorporated herein.

The State Licensing Authority will consider the promulgation of the following list of new rules and/or existing rules with proposed changes. For specific information and language concerning the proposed changes, please refer to the proposed rules that are set forth with this Notice, posted on Division’s website, and posted on the Colorado Secretary of State’s website.

RULES TO BE CONSIDERED FOR AMENDMENT OR ADOPTION

The Rules to be considered for amendment or adoption are described as follows:

- Regulation 47-303.** License Renewal.
- Regulation 47-310.** Application – General Provisions.
- Regulation 47-322.** Unfair Trade Practices and Competition.
- Regulation 47-408.** Purchases by Retailers.
- Regulation 47-409.** Transportation of Alcohol Beverages.
- Regulation 47-410.** Retail Warehouse Storage Permit.
- Regulation 47-412.** Wholesale Warehouse or Branch Houses.
- Regulation 47-414.** Purchases by Wholesalers.
- Regulation 47-418.** Restaurants.
- Regulation 47-420.** Minibar Container Size.
- Regulation 47-432.** Colorado Manufacturers- Alternating Proprietor Licensed Premises.
- Regulation 47-505.** Methods of payment of fees, fines or other payments made to the State Licensing Authority.
- Regulation 47-506.** Fees.

Regulation 47-600. Complaints against Licensees – Suspension, and Revocation of Licensees.

Regulation 47-603. Assessment of Penalties.

Regulation 47-604. Compliance Check Penalties.

Regulation 47-913. Age of Employees.

Regulation 47-1101. Delivery and Takeout Sales Authorized Under Executive Orders.

Regulation 47-1102. Compliance with Public Health Orders and Executive Orders Issued During Disaster Emergencies.

RULEMAKING RECORD AND PUBLIC PARTICIPATION

1. Official Rulemaking Record. The official record for purposes of the rulemaking hearing to be held on August 31, 2020, will include any written comments or oral testimony submitted or presented.
2. Written Comments. The State Licensing Authority encourages interested parties to submit written comments on the proposed rules, including alternate proposals, by August 24, 2020, so that the State Licensing Authority can review comments prior to the rulemaking hearing. Written comments will also be accepted after that date. The deadline to submit written comments is 5:00 P.M. on September 2, 2020. Written comments may be emailed to: dor_led_rulemaking@state.co.us. In addition, you may submit written comments to:

Liquor Enforcement Division
Attn: Rules
1697 Cole Boulevard
Suite 200
Golden, Colorado 80401

3. Oral Comments. At his/her discretion, the State Licensing Authority may afford interested parties an opportunity to make brief oral presentations at the rulemaking hearing.

If allowed, oral presentations will likely be limited to two minutes or less per person. Individuals will not be allowed to cede their time to another person (for instance, one person speaking on behalf of five people will not be given ten minutes to speak). Organized groups of individuals are urged to identify one spokesperson and to be concise. The State Licensing Authority encourages interested parties to avoid duplicating material and testimony previously submitted in connection with the Prior Hearing.

HEARING SCHEDULE

Date: August 31, 2020

Time: 10:00 a.m.

Location: Due to the ongoing nature of the COVID-19 pandemic, this hearing will be held virtually through Google Meet. Access details are below:

Notice of Rule Making Hearing
Department of Revenue
Liquor Enforcement Division

Meeting ID
meet.google.com/etq-jems-xji
Phone Numbers
(US)+1 470-485-9797
PIN: 729 336 164#

Access links/Meeting IDs for the rulemaking hearing will also be posted on the Division's website and the Secretary of State's website.

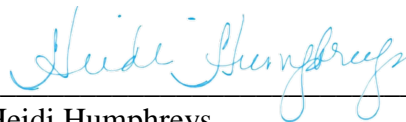
The hearing may be continued at such place and time as the State Licensing Authority may announce.

The State Licensing Authority shall deliberate upon the rulemaking record, including oral testimony and written submissions presented, as well as applicable legal provisions and any related matters properly submitted before the hearing record is closed. Pursuant to said hearing, in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the State Licensing Authority will adopt such rules as in its judgment are justified by the rulemaking record and applicable legal provisions.

If you are an individual with a disability who needs a reasonable accommodation in order to participate in this rulemaking hearing, please contact Chris Manning at Chris.Manning@state.co.us no later than August 24, 2020.

Dated this 7th day of August, 2020.

THE COLORADO DEPARTMENT OF REVENUE,
STATE LICENSING AUTHORITY,
LIQUOR ENFORCEMENT DIVISION



Heidi Humphreys
Deputy Executive Director/Chief Operating Officer
Colorado Department of Revenue
State Licensing Authority

DEPARTMENT OF REVENUE

Liquor Enforcement Division

COLORADO LIQUOR RULES

1 CCR 203-2

[Editor's Notes follow the text of the rules at the end of this CCR Document.]

Regulation 47-303. License Renewal.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), 44-3-202(2)(A)(I)(C), 44-3-202(2)(A)(I)(D), 44-3-202(2)(A)(I)(R), 44-3-302, 44-3-501, and 44-4-105 ~~44-3-202(2)(a)(I)(D)~~, C.R.S. The purpose of this regulation is to clarify and establish procedures and deadlines for a licensee that is applying to renew its license in accordance with section 44-3-302, C.R.S.

- A. No one other than the license holder, or their duly-authorized representative, may file an application to renew the license with local and state licensing authorities.
- B. AT LEAST NINETY (90) DAYS BEFORE THE EXPIRATION DATE OF AN EXISTING LICENSE, THE STATE LICENSING AUTHORITY SHALL NOTIFY THE LICENSEE OF THE EXPIRATION DATE BY SENDING NOTICE TO THE MOST RECENTLY PROVIDED EMAIL ADDRESS AND/OR MAILING ADDRESS FOR THE LICENSEE.
- ~~CB.~~ A complete renewal application shall include evidence that the licensee remains in possession of the licensed premises, by ownership, lease, rental, or other arrangement at the time of application. An agreement that may lapse within the new license year neither automatically disqualifies the licensee from renewing, nor automatically invalidates the license. However, this provision does not preclude the state or local licensing authority from initiating any action as provided by law to suspend or revoke a license for loss of possession of the licensed premises.
- ~~DC.~~ Nothing herein authorizes a licensee to purchase, sell, or serve alcohol beverages with an expired license, except as authorized in subsections ~~ED~~, ~~FE~~(2), and ~~GF~~(3) of this regulation. Licensed privileges are not restored until and unless the applicable requirements of section ~~FE~~(2) and/or ~~GF~~(3) of this regulation are met.
- ~~ED.~~ Application for the renewal of an existing license shall be made to the local licensing authority not less than forty-five (45) days prior to the date of expiration and to the state licensing authority not less than thirty (30) days prior to the date of expiration. The state or local licensing authority may waive these requirements for good cause. Once an application for renewal has been filed with the local licensing authority, or the state licensing authority for state only licenses, the licensee may continue to operate until final agency action.
- ~~FE.~~ License expired for not more than ninety (90) days.
 - 1. A licensee whose license has not been expired for more than ninety (90) days may file a late renewal application upon the payment of a non-refundable late application fee to the local licensing authority, and/or the state licensing authority.

2. A licensee who files a late renewal application and pays the requisite fees may resume operation until the state and/or local licensing authorities have taken final agency action to approve or deny such licensee's late renewal application.
- GF. License expired for more than ninety (90) days, but less than one hundred eighty (180) days.
1. Any licensee whose license has been expired more than ninety (90) but less than one hundred eighty (180) days, may submit to the local licensing authority, or state licensing authority for state only licenses, an application:
 - a. For a new license, subject to section 44-3-301, C.R.S., or
 - b. For a reissued license, subject to subsection 44-3-302(2)(d), C.R.S.
 2. The local licensing authority, or state licensing authority for state-only licenses, shall have sole discretion to determine whether to allow a licensee to apply for a reissued license. If the local licensing authority, or state licensing authority for state-only licenses, does not allow the licensee to apply for a reissued license, then the licensee must apply for a new license.
 3. A licensee may resume operation until both the state and local licensing authorities have taken final agency action to approve or deny the licensee's application only if the local licensing authority, or state licensing authority for state-only licenses:
 - a. Allows a licensee to apply for a reissued license; and
 - b. Accepts the reissued license application and required fees and fines.
- HG. Any licensee whose license has been expired for one hundred eighty (180) days or more must apply for a new license pursuant to section 44-3-311, C.R.S., and shall not purchase or sell any alcohol beverage until all required licenses have been obtained, unless otherwise authorized under these regulations.

Regulation 47-310. Application - General Provisions.

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-103, 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(R), 44-3-304(1), and 44-3-307, C.R.S. The purpose of this regulation is to establish requirements for a license application, and provide factors the licensing authority must consider when evaluating an application for approval or rejection.

- A. All applications for state licenses for the manufacture or sale of alcohol beverages shall be made upon forms prescribed by the Division. No application will be considered which is not complete in every material detail, or which is not accompanied by a remittance in full for the whole amount of the annual state license fee, and eighty five percent of the local license fee. Each application for a new retail license shall contain a report from the local licensing authority of the town, city, county, or city and county, in which the applicant proposes to conduct its business, which report shall show the opinion of the local licensing authority concerning the reasonable requirements of the neighborhood and the desires of the adult inhabitants with respect to the issuance of the license applied for and the character of a new applicant.
- B. If the applicant for a license is a partnership, except as between a husband and wife, it shall submit with the application a certificate of co-partnership.

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- C. Upon request of any licensing authority, each applicant for license shall provide suitable additional evidence of its citizenship, residence, and good character and reputation, and also of the reasonable requirements of the neighborhood and the desires of the adult inhabitants. Applicants and licensees shall also submit upon request of any licensing authority all required information concerning financial and management associations and interests of other persons in the business, and the deed, lease, contract, or other document governing the terms and conditions of occupancy of the premises licensed or proposed to be licensed.
- D. All information submitted to any licensing authority, by application for license or otherwise, shall be given fully, faithfully, truthfully and fairly. Willful or deliberate misrepresentation may result in a denial or revocation of a license.
- E. When a licensing authority is required to make a determination as to the character, record and reputation of existing licensees or applicants for new licenses, including transfers of ownership of existing licenses, the authority may consider the following factors, which may include but not be limited to the following:
1. Subject to 24-5-101, C.R.S., the applicant or licensee has knowingly submitted false applications, made willful misrepresentations and/or knowingly committed fraudulent acts;
 2. The applicant or licensee has a criminal history of crimes of moral turpitude. By way of example, crimes of moral turpitude shall include but not be limited to, fraud, forgery, murder, burglary, robbery, arson, kidnapping, sexual assault, illegal drugs or narcotics convictions;
 3. The applicant or licensee has had previous alcohol beverage licenses denied or revoked as a result of violations of law, resulting in a finding of bad moral character by any licensing authority;
 4. The applicant or licensee has been found to be currently delinquent in the payment of any state or local taxes related to a business;
 5. The applicant or licensee has an established pattern of multiple statutory violations which resulted in the revocation or denial of any other professional license.
 6. The finding of a person who is not of good moral character by any licensing authority.
- F. Pursuant to 24-5-101, C.R.S., when making a determination as to the character, record or reputation of a licensee or applicant as required by title 44, articles 3, 4 and 5, the licensing authority shall also consider evidence of rehabilitation. Such evidence may include, but not be limited to, evidence of no criminal history record information, educational achievements, financial solvency, community standing, lack of additional arrests or convictions, or the lack of parole or probation violations since the date of last conviction.
- G. When considering whether the applicant for a special event permit is of good moral character and record, the state or local licensing authority shall determine, at a minimum, whether the applicant failed to conduct past special events in compliance with applicable liquor laws. Officers of the organization or of a political candidate making application shall not be required to submit individual history applications and fingerprint cards unless the state or local licensing authority determines that such information is necessary to establish the good moral character of the applicant.

- H. A municipality or other governmental entity that applies for a license, or to renew a license, shall submit with the application the name, address, and individual history record of at least one member of its governing body, or at least one person hired or appointed by its governing body, to serve as an officer or director; except that, pursuant to section 44-3-107(1), C.R.S., a person who has an interest in a liquor license may not be listed as an officer or director on a license owned, or to be owned, by a municipality or other governmental entity if that person individually manages or receives any direct financial benefit from the operation of such license. If the governing body of a municipality or other governmental entity hires or appoints more than one officer or director, the name, address and individual history record of each such officer or director shall be submitted with the application.

Regulation 47-322. Unfair Trade Practices and Competition.

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-102, 44-3-103, 44-3-201(1), 44-3-202(1)(b), 44-3-202(2)(a), 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(C), 44-3-202(2)(a)(I)(G), 44-3-202(2)(a)(I)(R), 44-3-308, and 44-4-102, C.R.S. The purpose of this regulation is to establish certain permitted and prohibited trade practices between suppliers and retailers in order to clarify and prevent statutorily prohibited financial assistance between tiers.

Suppliers and their agents or employees may not attempt to control a retail licensee's product purchase selection by engaging in unfair trade practices or competition.

Nothing in this regulation shall apply to non-profit, charitable, or other qualifying organizations, when such organization conducts licensed events pursuant to the requirements contained in article 5 of title 44 and related regulations, and such organization does not otherwise hold a retail license pursuant to article 3 or 4 of title 44. However, nothing herein shall authorize any financial assistance for the purpose of altering or influencing an organization's product selection for said events.

Retailers may not accept any prohibited financial assistance as described herein, and suppliers are prohibited from directly or indirectly engaging in the following unfair practices:

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- F. Consignment Sales and Lawful Product Returns
1. Wholesalers are prohibited from making consignment sales to retailers.
 2. A consignment sale is an arrangement whereby a wholesaler invoices and delivers alcohol beverages to a retailer who is under no obligation to pay for such beverages until they are resold. Consignment sales also afford the retailer the right to return product to the wholesaler for any reason.
 3. Wholesalers are permitted to accept a return of alcohol beverages previously sold to retailers for ordinary and usual commercial reasons and to provide account credit or product exchange. Such commercial reasons for return shall be limited to the following:
 - a. Defective products: Products qualifying under this exception are those that are upon delivery, or later DISCOVERED TO BE ~~become~~, unmarketable due to contamination or deterioration of product ingredients, leaking containers, damaged labels, or missing, damaged or compromised container seals.
 - b. Broken containers or short-filled containers/cases: Nothing shall prevent a retailer from making a claim for the replacement of alcohol beverages that were

delivered by a wholesaler in a damaged or incomplete condition, and nothing shall prevent a wholesaler from granting credible claims.

- c. Error in products delivered: Any discrepancy between a retailer's product order and the products delivered may be corrected by the wholesaler within a reasonable period after delivery.
- d. Discontinued products: When a manufacturer or importer discontinues the production, importation, or market availability of a product, a retailer may return any remaining product to the original wholesaler. A retailer's decision to discontinue a product does not qualify.
- e. Manufacturer's product change: When a manufacturer has changed the formula, proof, label or container of an alcohol beverage, wholesalers may withdraw the product from the retailer's inventory and replace it with the newly-manufactured product.
- f. Manufacturer's quality standards: To ensure freshness standards for malt liquor and fermented malt beverages, wholesalers may withdraw product from the retailer's inventory and replace it with new product, without additional charge, under the following conditions:
 - ii. Out of freshness standard is defined as: a product that has a pre-printed freshness date on the alcohol beverage container that is no more than thirty (30) days away from the current date.
 - iii. The product to be withdrawn is undamaged and in its original packaging.
 - iii. The retailer purchased the original product from the wholesaler providing the replacement, or the current wholesaler is acting as an authorized successor wholesaler.
 - iv. The wholesaler replaces the product with the identical product SKU, the identical quantity, and the identical package.
 - v. If the wholesaler can substantiate that repeated replacement of the identical type and brand is ineffective (e.g. the wholesaler has replaced the same product at least ONCE ~~twice~~), the wholesaler may instead substitute a product from the same brand family that is equal in value to the original purchase.
 - vi. If a seasonal product is out of the freshness standard, out of season and not available for replacement, a wholesaler may pick up the product from a retailer and replace it with a product from the same brand family that is equal or lessor in value to the original purchase.
 - vii. A wholesaler may sell a product to another retailer that was picked up because it was within thirty (30) days prior to the freshness date. The sale of this replaced product to another retailer can only be done once.
- g. Retailer's seasonal operation: For those retailers who are only open for business a portion of the year due solely to seasonal influences, or for venues that operate

- only during scheduled events, a wholesaler may remove and grant credit for those products that are likely to spoil or violate a manufacturer's freshness standards.
- h. Wholesalers that have lawfully exercised their claim to a retailer's inventory as secured creditors.
 - i. Products in a retailer's inventory that may no longer be sold due to statutory or regulatory changes or disciplinary actions over which the wholesaler and retailer had no control.
 - j. Within thirty days of evidence of an expiration or a lawful surrender and cancellation of a retail liquor license by the state licensing authority.
 - k. Holders of special events permits that have unsold alcohol beverages after the licensed event.
4. A return of product for the following reasons does not qualify as a return for ordinary and usual commercial reasons:
- a. A retailer's overstocked inventory or slow-moving products.
 - b. Products for which there is only a limited-time or seasonal demand, such as holiday decanters or seasonal brands.

Regulation 47-408. Purchases by Retailers.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), ~~and~~ 44-3-202(2)(a)(I)(O), 44-3-202(2)(A)(I)(R), 44-3-411, 44-3-413, 44-3-414, 44-3-416, 44-3-417, 44-3-418, 44-3-419, 44-3-420, 44-3-422, 44-3-426, AND 44-3-428, C.R.S. The purpose of this regulation is to establish purchase requirements for retailers.

- A. Every person or entity licensed under the Colorado Liquor or Beer Codes to sell at retail shall purchase all alcohol beverage INVENTORY ~~stock~~, for the operation of its business, from a person or entity licensed to sell at wholesale pursuant to article 3 or 4 of title 44, C.R.S., except that:
- 1. A retailer licensed for on-premises consumption only may purchase not more than two thousand dollars' worth of such alcohol beverages during a calendar year from a retail liquor store or a liquor-licensed drugstore.
 - 2. ~~A retailer that is in lawful possession of alcohol beverage inventory at the time it receives approval from local and state licensing authorities to change the location of its licensed premises.~~
 - 3. ~~A retailer that is in lawful possession of alcohol beverage inventory at the time it receives approval from local and state licensing authorities to change its class of license, as long as such license authorizes the sale of that inventory.~~
 - 4. ~~A retailer that is in lawful possession of alcohol beverage inventory at the time it receives approval for an application for late license renewal from local and state licensing~~

~~authorities, or upon final approval of an application for new license when a licensee was unable to renew a license due to the lapse of the lawful renewal period.~~

- B. All alcohol beverages possessed or maintained on the retail-licensed premises shall be only such alcohol beverages acquired as set forth in this regulation, or as may have come into possession upon the issuance of a license or temporary permit pursuant to section 44-3-303, C.R.S.
- C. Nothing herein shall authorize a retailer to purchase alcohol beverage INVENTORY ~~stock~~ for its licensed operations from any public or private auction.
- D. Records maintained by the licensee in compliance with section 44-3-701, C.R.S. and regulation 47-700, 1 C.C.R. 203-2 shall include all records of purchases of alcohol beverages.
- E. Purchases of malt liquor and fermented malt beverages by retailers including a retailer's purchase at the wholesaler's licensed location(s) must be from the wholesaler designated within the territory rights pursuant to section 44-3-407(1)(b)(I).

Regulation 47-409. Transportation of Alcohol Beverages.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), and 44-3-202(2)(a)(I)(A), 44-3-202(2)(A)(I)(K), AND 44-3-202(2)(A)(I)(R), C.R.S. The purpose of this regulation is to define a limited exception for transporting alcohol beverages across another licensee's licensed premises.

Notwithstanding any other rule or regulation to the contrary contained in 1 CCR 203-2, licensees located within the same building or facility, may, for transportation purposes only, transport alcohol beverages across another licensee's liquor licensed premises. Nothing in this regulation shall permit a licensee or its agent to sell, serve, give, or consume PERMIT CONSUMPTION OF its alcohol beverages off its own licensed premises.

Regulation 47-410. Retail Warehouse Storage Permit.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IT NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), 44-3-202(2)(A)(I)(A), and 44-3-202(2)(a)(I)(K), AND 44-3-202(2)(A)(I)(R), C.R.S. The purpose of this regulation is to establish parameters and clarify circumstances under which licensed retailers may keep or store alcohol beverages in permitted warehouses and limitations on the same if the retail licensee is a liquor licensed drugstore licensed under section 44-3-410, C.R.S.

- A. No alcohol beverages shall be stored or kept in or upon any premises that is not duly licensed, however, the state licensing authority may issue a warehouse storage permit, to retail licensees licensed pursuant to article 3 of title 44, C.R.S. for the storage only of permitted alcohol beverages in one, but not more than three (3), locations, other than the licensed premises. The application for such permit shall specify the address of the proposed storage location and shall include documentation that the licensee is in possession of said premises by way of ownership, lease, or other arrangement.
 - 1. For off-premises licensed retailers, alcohol beverages permitted for storage within a storage warehouse shall include vinous and spirituous liquors only.
 - 2. For on-premises licensed retailers, alcohol beverages permitted for storage within a storage warehouse shall include fermented malt beverages and malt, vinous and spirituous liquors. However, fermented malt beverages or malt liquor stored in a permitted warehouse shall only be stored for a period not to exceed ten days after date of delivery, so as not to interfere with manufacturers' freshness standards.

3. Notwithstanding any provision of this regulation, a liquor-licensed drugstore shall not store alcohol beverages off the licensed premises, and is not eligible for a retail warehouse storage permit pursuant to section 44-3-410(5)(a), C.R.S.
- B. Title to all alcohol beverages, stored or kept pursuant to a warehouse storage permit shall be vested in such permit holder.
- C. Alcohol beverages may not be sold or delivered to consumers from the permitted warehouse premises, however, deliveries from wholesalers may be accepted at the permitted warehouse premises.
- D. Any retail licensee obtaining a warehouse storage permit, shall provide a copy of said permit to the local licensing authority and shall display such permit in a prominent place within their licensed premises and within the permitted warehouse premises.

Regulation 47-412. Wholesale Warehouse or Branch Houses.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), 44-3-202(2)(A)(I)(A), ~~and~~ 44-3-202(2)(a)(I)(K), AND 44-3-202(2)(A)(I)(R), C.R.S. The purpose of this regulation is to permit a manufacturer or wholesaler to establish unlimited warehouses or branch houses for its operations, upon defined application standards.

- A. Scope of this regulation:

This regulation shall apply to ~~manufacturers of fermented malt beverages and to~~ manufacturers and wholesalers of malt, vinous or spirituous liquors and to the establishing, locating, licensing and operation of warehouses or branch houses by such licensees.

- B. Any manufacturer licensed to manufacture ~~fermented malt beverages~~, malt, vinous or spirituous liquor may establish and operate as many warehouses or branch houses as such manufacturer sees fit for the sole purpose of storing, handling, selling, distributing or dealing in such ~~fermented malt beverage~~ or malt, vinous or spirituous liquor of its own manufacture.
- C. All manufacturers and wholesalers shall apply to the state licensing authority for a permit for the location and operation of all warehouses or branch houses and in said application, said licensees shall give the exact location of the premises to be used as said warehouse or branch house, the name of the agent, manager or official in charge of such warehouse, or branch house, and such additional information so as to show that such agent, manager or officer is a fit and proper individual qualified as provided for licensees, under the respective acts under which the license is issued.
- D. Upon approval of the state licensing authority, the original permit shall be retained in the office of the manufacturer or wholesaler and one copy posted in a conspicuous place in the warehouse or branch house.
- E. Any wholesaler licensed to distribute malt, vinous and/or spirituous liquors may establish and operate as many warehouses or branch houses as it sees fit for the sole purpose of storing, handling, distributing or dealing in such liquors. Malt liquor wholesalers may establish one salesroom for the purpose of selling malt liquor within the wholesale licensed premises.

Regulation 47-414. Purchases by Wholesalers.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), ~~and~~ 44-3-202(2)(a)(I)(A), AND 44-3-202(2)(a)(I)(R), C.R.S. The purpose of

this regulation is to establish purchasing requirements for a wholesaler license when purchasing alcohol beverages from a retailer.

- A. Each person or entity licensed under articles 3 and ~~article 4~~ of title 44, C.R.S., to sell at wholesale, shall purchase all alcohol beverage stock for the operation of its business from Colorado licensed suppliers, unless otherwise provided in these articles or related regulations.
- B. A person licensed to sell at wholesale, pursuant to articles 3 ~~or 4~~ of title 44, C.R.S., may purchase sealed alcohol beverage stock from a licensed retailer within thirty (30) days after the expiration, or the surrender to, and cancellation by, the state or local licensing authority, of the retailer's alcohol beverage license. Any alcohol beverages purchased from a retailer pursuant to this regulation must be alcohol beverages that the wholesaler is authorized to sell and normally carries as part of its alcohol beverage stock.

Regulation 47-418. Restaurants.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-103, 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), and 44-3-202(2)(a)(I)(L), 44-3-202(2)(A)(I)(M), 44-3-202(2)(a)(I)(R), AND 44-3-413, C.R.S. The purpose of this regulation is to define certain food preparation and service requirements of a restaurant licensed under section 44-3-413, C.R.S. to sell alcohol beverages.

- A. EXCEPT AS OTHERWISE PROVIDED IN REGULATION 47-1101, restaurants may sell alcohol beverages only for consumption on the premises, and may, but are not required to, serve such alcohol beverages with meals.
- B. All restaurants shall at all times, when meals are required to be served, maintain on the premises adequate personnel, foodstuffs and other necessary facilities, equipment and supplies for the preparation and serving of meals as defined by 44-3-103(31), C.R.S., as amended. The service or sale of alcohol beverages in ~~licensed~~ RESTAURANT establishments which are prepared to serve only such foods as pretzels, crackers, nuts, and other appetizers, or canned soups, packaged sandwiches or similar items which are normally only components of meals, shall be considered a violation of this regulation.
- C. The service or sale of alcohol beverages in restaurants obtaining prepared meals from sources other than facilities under the exclusive management and control of the licensee shall also be considered a violation of this regulation.
- D. Restaurants must be maintained in a clean and sanitary condition, and shall maintain such food service license issued by the Colorado Department of Public Health and Environment or the Denver Department of Excise and Licenses in full force and effect at all times while selling alcohol beverages for consumption therein.
- ~~E. Establishments operating as a "temporary retail establishment," "mobile retail establishment," or "pushcart" as defined in section 1-202, of 6 C.C.R. 1010-2, shall be considered not to have the necessary equipment or premises to qualify for a hotel and restaurant license.~~

Regulation 47-420. Minibar Container Size.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(A), 44-3-202(2)(A)(I)(R), and 44-3-413(5), C.R.S. The purpose of this regulation is to define the maximum size of an alcohol beverage product to be sold in a minibar.

No container of malt, vinous, or spirituous liquor which has a capacity of more than five hundred milliliters may be available for sale in a minibar.

Regulation 47-432. Colorado Manufacturers– Alternating Proprietor Licensed Premises.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), 44-3-202(2)(A)(I)(D), 44-3-202(2)(A)(I)(O), 44-3-202(2)(a)(I)(Q), 44-3-202(2)(A)(I)(R), 44-3-103, ~~and~~ 44-3-402(3), 44-3-403(2)(a), ~~and~~ 44-3-417(1)(b), AND 44-3-422, C.R.S. The purpose of this regulation is to establish a mechanism under which the State Licensing Authority will approve alternating proprietor licensed premises and the requirements for applying for and maintaining an alternating proprietor licensed premises arrangement.

A. Definitions

1. “Alternating Proprietor Licensed Premises” shall have the meaning set forth in 44-3-103(3), C.R.S. For purposes of this regulation, alternating proprietor licensed premises shall also mean that portion of the host manufacturer’s licensed premises that is shared by the host manufacturer and alternating proprietors, for the manufacture of malt or vinous liquor, which is readily identified by use of placards showing the license number of the manufacturer using that area. Such shared premises may include grain storage areas, crush pads, processing tanks, bottling lines, barrel storage, and casking areas.
2. “Alternating Proprietor” or “tenant manufacturer” shall mean a manufacturer licensed pursuant to ~~44-4-104(1)(a)~~, 44-3-402, 44-3-403, ~~or~~ 44-3-417, OR 44-3-422, C.R.S. who, by way of written agreement, takes possession of a host manufacturer’s licensed premises for use as an alternating proprietor licensed premises as defined in 44-3-103(3), C.R.S. and this regulation.
3. “Alternating Proprietor Agreement” shall mean a written agreement between a host manufacturer and an alternating proprietor that, at minimum, conveys possession of specific alternating proprietor licensed premises within a host manufacturer’s licensed premises to specific alternating proprietors, establishes the general time frame for possession of alternating proprietor licensed premises, and the manner in which each alternating proprietor will maintain control over its manufacturing operations as an independent producer. Such agreement must be approved by the Division, and any changes, modifications, or termination of such agreement must also be reported to the Division within the time frame specified within paragraph C of this regulation.
4. “Host manufacturer” shall mean a manufacturer licensed pursuant to ~~44-4-104(1)(a)~~, 44-3-402, 44-3-403, ~~or~~ 44-3-417, OR 44-3-422, C.R.S. who, by way of written agreement, makes available a portion of its licensed premises to other manufacturers licensed pursuant to those sections, for use as an alternating proprietor licensed premises as defined in 44-3-103(3), C.R.S. and this regulation.
5. “Dedicated Premises” shall mean that portion of a manufacturer’s licensed premises that is not made available to other manufacturers for use as an alternating proprietor licensed premises, and shall always include the host manufacturer’s retail sales area, and/or any consumer tasting area.

B. Requirements of Alternating Proprietor Licensed Premises in Colorado Wineries, Breweries, and Brew Pubs

1. Only manufacturers licensed pursuant to ~~44-4-104(1)(a)~~, 44-3-402, 44-3-403, ~~or~~ 44-3-417, OR 44-3-422, C.R.S. for the manufacture of malt or vinous liquor are eligible to engage in alternation of licensed premises, as described in this regulation, either as a host manufacturer or tenant manufacturer (alternating proprietor).
 2. A host manufacturer that elects to alternate its licensed premises may allow more than one tenant manufacturer to take possession of alternating proprietor licensed premises, pursuant to the requirements of this regulation, as long as there is no more than one tenant manufacturer per alternating proprietor licensed premises at any given time.
 3. All manufacturers licensed pursuant to ~~44-4-104(1)(a)~~, 44-3-402, 44-3-403, ~~or~~ 44-3-417, OR 44-3-422, C.R.S. must maintain possession of their dedicated premises at all times pursuant to 44-3-301(3)(a), C.R.S. A host manufacturer that elects to alternate its licensed premises must maintain dedicated premises that are separate from tenant manufacturer premises. Nothing herein shall prohibit any host or tenant manufacturer from temporarily transporting its manufactured product over dedicated premises or alternating proprietor licensed premises.
 4. At all times specified in the alternating proprietor agreement, a tenant manufacturer must maintain possession, title, and control over raw materials and manufacturing operations, occurring on its assigned alternating proprietor licensed premises. Nothing in this regulation authorizes joint venture operations, and the operations of each manufacturer must be separate and distinct. However, nothing herein shall prohibit a host or a tenant manufacturer from utilizing the services of another manufacturer's staff or employees, as long as such an arrangement is provided for in the alternating proprietor agreement.
 5. Alternating proprietor licensed premises within host manufacturing premises must be separated in a manner that adequately distinguishes each alternating proprietor licensed premises area by use of placards, partitions, or other physical means.
 6. Nothing in this regulation shall authorize a host manufacturer that is licensed solely for the production of vinous liquor, pursuant to 44-3-402, ~~or~~ 44-3-403, OR 44-3-422, C.R.S., to allow any tenant manufacturer to engage in the manufacture of anything other than vinous liquor.
 7. Nothing in this regulation shall authorize a host manufacturer that is licensed solely for the production of malt liquor, pursuant to 44-3-402 or 44-3-417, to allow any tenant manufacturer to engage in the manufacture of anything other than malt liquor.
 8. The authorization to alternate any licensed premises may be suspended or denied by the state licensing authority due to violations of the host or tenant manufacturer.
- C. Application for Alternating Proprietor Licensed Premises
1. When a host manufacturer elects to alternate its licensed premises by designating a portion of its licensed premises as alternating proprietor licensed premises, it shall file notification with the Division, within ten (10) days after alternation has commenced.
 2. Notification shall be filed on forms prepared by the Division, and shall include all applicable fees, an alternating proprietor agreement, color-coded diagrams delineating

those sections of the licensed premises that are to be operated as alternating proprietor licensed premises and those sections that are to remain designated premises, and the manner in which alcohol beverage stock ownership will be identified and segregated.

D. Record Keeping and Excise Tax Reporting Requirements

1. Both the host and tenant manufacturer shall maintain a record of the movement or transfer of raw materials when introduced to the alternating proprietor licensed premises, and when moved to or from fermentation.
2. Any transfer of malt or vinous liquor to or from the alternating proprietor licensed premises shall be recorded in the business records of each manufacturer.
3. All manufacturers engaged in the activities described herein must maintain control over their separate business records at all times. Whether such records are maintained on the alternating proprietor licensed premises or the dedicated premises, tenant manufacturers must provide access to all records when requested by any enforcement officer, without authorization of the host or other tenant manufacturers.
4. On or before the 20th day of each month, on forms prescribed by the department, each tenant manufacturer shall file a report of the preceding month's alternating proprietor licensed premises operations. Such report shall be filed with the Monthly Report of Excise Tax, as required by 44-3-503, C.R.S. and related regulations.

Regulation 47-505. Methods of payment of fees, fines or other payments made to the State Licensing Authority.

BASIS AND PURPOSE. THE STATUTORY AUTHORITY FOR THIS REGULATION IS FOUND AT SUBSECTIONS 44-3-202(1)(B), 44-3-202(2)(A)(I)(A), 44-3-202(2)(A)(I)(B), 44-3-202(2)(A)(I)(C), 44-3-202(2)(A)(I)(D), 44-3-202(2)(A)(I)(R), 44-3-601, 44-4-104, 44-4-105 AND 44-5-104, C.R.S. THE PURPOSE THIS REGULATION IS TO ESTABLISH ACCEPTABLE METHODS OF PAYMENT FOR FEES, FINES (INCLUDING FINES IN LIEU OF SUSPENSION) AND OTHER PAYMENTS TO THE STATE LICENSING AUTHORITY UNDER THE COLORADO LIQUOR CODE, THE COLORADO BEER CODE, THE SPECIAL EVENT CODE OR THE COLORADO LIQUOR RULES, OTHER THAN EXCISE TAXES, SURCHARGES AND FEES PURSUANT TO SECTION 44-3-503, C.R.S.

- A. THIS REGULATION SETS FORTH ACCEPTABLE METHODS OF PAYMENT TO THE STATE LICENSING AUTHORITY, AS APPLICABLE, OF THE FOLLOWING:
 1. ANY LICENSE, PERMIT, APPLICATION OR OTHER FEE REQUIRED UNDER 44-3-501, 44-4-104, 44-4-105 AND 44-5-104, C.R.S., AND REGULATION 47-506;
 2. ANY FINE IMPOSED BY THE STATE LICENSING AUTHORITY, INCLUDING ANY FINE IN LIEU OF SUSPENSION, UNDER SECTION 44-3-601 AND REGULATIONS 47-600, 47-603, AND 47-604; AND
 3. ANY VOLUNTARY PAYMENT OF THE COSTS OF AN INVESTIGATION PURSUANT TO AN ASSURANCE OF VOLUNTARY COMPLIANCE UNDER REGULATION 47-601.
- B. THIS REGULATION SHALL NOT APPLY TO PAYMENT OF ANY EXCISE TAX, SURCHARGE OR FEE REQUIRED UNDER SECTION 44-3-503, C.R.S.
- C. THE METHOD OF PAYMENT FOR ANY OF THE FEES, FINES OR OTHER PAYMENTS SET FORTH IN PARAGRAPH (A) OF THIS REGULATION SHALL BE IN THE FORM OF:

1. AN ONLINE PAYMENT USING THE DIVISION’S ONLINE PAYMENT PORTAL ACCESSIBLE THROUGH A LINK POSTED ON THE DIVISION’S WEBSITE;
2. A CHECK, INCLUDING A CERTIFIED OR CASHIER’S CHECK, OR MONEY ORDER, MADE PAYABLE TO “DOR LIQUOR ENFORCEMENT DIVISION” AND MAILED OR DELIVERED TO THE DIVISION’S MAIN OFFICE LOCATION; OR
3. CASH, PROVIDED THAT:
 - A. ANY CASH PAYMENT MUST BE HAND DELIVERED TO AN EMPLOYEE OF THE DIVISION AT THE DIVISION’S MAIN OFFICE LOCATION DURING NORMAL BUSINESS HOURS;

Regulation 47-506. Fees.

Basis and Purpose. The statutory authority for this regulation includes but is not limited to subsections 44-3-202(1)(b) and 44-3-501(3)-(4), C.R.S. The purpose of this regulation is to establish fees for certain applications, notices, reports, and services.

Below are the fees set by the State Licensing Authority pursuant to sections 44-3-501(3) and 44-3-501(4), C.R.S.

Alternating Proprietor Licensed Premises	\$150.00
Application for New License	\$1,550.00
APPLICATION FOR RENEWAL	\$50.00
Application for Transfer License	\$1,550.00
Application for Transfer & Conversion for an Additional Liquor-Licensed Drugstore	\$1,300.00
Branch Warehouse or Warehouse Storage Permit	\$100.00
Change of Corporate or Trade Name	\$50.00
Change of Location	\$150.00
Concurrent Review	\$100.00
Corporate/LLC Change (Per Person)	\$100.00
Duplicate Liquor License	\$50.00
Limited Liability Change	\$100.00
Manager Permit Registration (Liquor-Licensed Drugstore)	\$100.00

Master File Background	\$250.00
.....	
Master File Location Fee (Per Location)	\$25.00
.....	
Modification of License Premises (City or County)	\$150.00
.....	
(except that a Temporary Modification of licensed premises to accommodate an outside service area Located on a sidewalk shall only incur an annual fee of \$75.00, as outlined in Regulation 47-302(A)(4)).	
New Product Registration (Per Unit)	\$0.00
.....	
Optional Premises Added to H&R License (Per Unit)	\$100.00
.....	
Retail Warehouse Storage Permit	\$100.00
.....	
Sole Source Registration	\$100.00
.....	
Winery Direct Shipment Permit	\$100.00
.....	
Subpoena Testimony (Per Hour)	\$50.00
.....	
Minimum of four (4) hours of appearance or on-call or travel time to court and mileage, meals, and lodging at state employee per-diem rate. Actual hourly rate for all hours in excess of four (4) hours.	

Regulation 47-600. Complaints against Licensees – Suspension, and Revocation, AND FINING of Licenses.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), ~~and~~ 44-3-202(2)(a)(I)(A), 44-3-202(2)(a)(I)(E), 44-3-202(2)(a)(I)(R), and 44-3-601, C.R.S. The purpose of this regulation is to establish general processes and procedures required for the licensing authority to suspend, ~~or~~ revoke, OR FINE a license for violations of any law, or rule or regulation of the state licensing authority.

- A. Whenever a written complaint shall be filed with a licensing authority, alleging a violation by any licensee for the manufacture or sale of alcohol beverages with a violation of any law or of any of the rules or regulations adopted by the state licensing authority, the licensing authority shall investigate, as deemed appropriate, the allegations. If it shall appear therefrom or shall otherwise come to the attention of the licensing authority appears from an investigation that there is probable cause to believe that a licensee has violated any such law, rule or regulation, the licensing authority may issue and cause to be served upon such licensee a notice of hearing and order to show cause why its license should not be suspended, ~~or~~ revoked, OR FINED.

- C. A hearing shall be held at a place and time designated by the licensing authority on the day stated in the notice, or upon such other day as may be set for good cause shown. Evidence in support of the charges shall be given first, followed by cross-examination of those testifying thereto. The licensee, in person or by counsel, shall then be permitted to give evidence in defense and in explanation, and shall be allowed to give evidence and statements in mitigation of

the charges. In the event the licensee is found to have committed the violation charged or any other violation, evidence and statements in MITIGATION AND/OR aggravation of the offense shall also be permitted.

- D. If the evidence presented at the hearing does not support the charges stated in the notice and order served upon the licensee, but standing alone establishes the guilt of the licensee of a violation of some other law, rule or regulation, the licensee shall be permitted to give evidence and statements in defense, explanation and mitigation if then prepared to do so. If such evidence is not then available, but can be obtained by the licensee, the licensee shall state the substance thereof and upon ~~his~~ THE LICENSEE'S request, the hearing may be recessed for not more than ten days, and shall then continue under the same procedure as though no recess had occurred.
- E. In the event the licensee is found not to have violated any law, rule or regulation, the charges against ~~him~~ THE LICENSEE will be dismissed. If the licensee is found to have violated some law, rule or regulation, ~~his~~ THE LICENSEE'S license may be suspended, ~~or~~ revoked, OR FINED. WHEN MAKING A DETERMINATION TO SUSPEND, REVOKE, OR FINE A LICENSE—INCLUDING THE AMOUNT OF FINE TO IMPOSE—A LICENSING AUTHORITY SHALL CONSIDER THE SEVERITY OF THE VIOLATION(S) BASED ON THE PROVISIONS ESTABLISHED IN REGULATION 47-603.
- F. Every licensee whose license has been suspended by any licensing authority shall, if ordered by the licensing authority, post two notices in conspicuous places, one on the exterior and one on the interior of its premises, for the duration of the suspension. The notices shall be two feet in length and fourteen inches in width containing lettering not less than ½ " in height, and shall be in the following form:

NOTICE OF SUSPENSION
ALCOHOL BEVERAGE LICENSES ISSUED
FOR THESE PREMISES HAVE BEEN
SUSPENDED BY ORDER OF THE STATE-LOCAL LICENSING AUTHORITY
FOR VIOLATION OF THE COLORADO LIQUOR/BEER CODE

Advertising or posting signs to the effect that the premises have been closed or business suspended for any reason other than by order of the department suspending alcohol beverage license, shall be deemed a violation of this rule.

- G. During any period of active license suspension, when such suspension has not otherwise been stayed by a licensing authority through the payment of a fine pursuant to section 44-3-601(3) through (8), C.R.S., the licensee shall not permit the selling, serving, giving away, or consumption of alcohol beverages on the licensed premises.
- H. For purposes of calculating a fine to be paid, INCLUDING in lieu of an active suspension, "between", as used in subsection 44-3-601(3)(b), C.R.S., shall include the minimum and maximum fine amounts permitted by statute.

Regulation 47-603. Assessment of Penalties.

BASIS AND PURPOSE. THE STATUTORY AUTHORITY FOR THIS REGULATION INCLUDES, BUT IS NOT LIMITED TO, 44-3-202(1)(B), 44-3-202(2)(A)(I)(A), 44-3-202(2)(A)(I)(C), 44-3-202(2)(A)(I)(E), 44-3-202(2)(A)(I)(R), AND 44-3-601, C.R.S. THE PURPOSE OF THIS REGULATION IS TO ESTABLISH CATEGORIES OF VIOLATIONS, BY LEVEL OF SEVERITY, AND ASSOCIATED PENALTY RANGES FOR THOSE VIOLATIONS TO BE USED BY THE STATE AND LOCAL LICENSING AUTHORITIES, AS WELL AS ESTABLISHING AGGRAVATING AND MITIGATING FACTORS WHICH MAY BE CONSIDERED IN ASSESSING PENALTIES FOR VIOLATIONS.

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- A. WHEN MAKING A DETERMINATION REGARDING THE TYPE OF PENALTY TO IMPOSE FOR A VIOLATION OF THE COLORADO LIQUOR CODE AND RULES THE STATE LICENSING AUTHORITY, OR A LOCAL LICENSING AUTHORITY, SHALL CONSIDER THE SEVERITY OF THE VIOLATION(S) BASED ON THE CATEGORIES SET FORTH IN SUBSECTIONS B THROUGH E OF THIS REGULATION 47-603, AND ANY AGGRAVATING OR MITIGATING FACTORS.
- B. LEVEL ONE VIOLATIONS.
1. THIS CATEGORY OF VIOLATIONS IS THE LEAST SEVERE AND MAY INCLUDE, BUT IS NOT LIMITED TO, COMPLIANCE CHECK FAILURES; LICENSING INFRACTIONS THAT DO NOT DIRECTLY AFFECT THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC AT LARGE; FAILURE TO REPORT CHANGES; PRODUCT REGISTRATION AND/OR LABELING VIOLATIONS THAT DO NOT AFFECT PUBLIC HEALTH, SAFETY, AND WELFARE; MANDATORY POSTING VIOLATIONS; TRADE NAME VIOLATIONS; MINOR BOOKS AND RECORD KEEPING VIOLATIONS; AND MINOR ADVERTISING VIOLATIONS.
 2. THE RANGE OF PENALTIES FOR THIS CATEGORY OF VIOLATION MAY INCLUDE LICENSE SUSPENSION, LICENSE SUSPENSION HELD IN ABEYANCE, A FINE PER INDIVIDUAL VIOLATION, AND/OR A FINE IN LIEU OF SUSPENSION. IN LIEU OF IMPOSING A PENALTY FOR THIS CATEGORY OF VIOLATION, A LICENSING AUTHORITY MAY, BUT IS NOT REQUIRED TO, ISSUE A WARNING OR ACCEPT AN ASSURANCE OF VOLUNTARY COMPLIANCE PURSUANT TO REGULATION 47-601.
 3. ANY FINE ASSESSED FOR A VIOLATION OF THIS CATEGORY OF OFFENSES, INCLUDING A FINE IN LIEU OF SUSPENSION, SHALL NOT EXCEED FIVE THOUSAND DOLLARS (\$5,000.00) FOR A FIRST VIOLATION. FINES FOR SECOND AND SUBSEQUENT VIOLATIONS IN THIS CATEGORY SHALL NOT EXCEED FIFTEEN THOUSAND DOLLARS (\$15,000.00), PER VIOLATION.
 4. "FIRST VIOLATION" AS USED IN THIS SECTION, MEANS THE FIRST OCCURRENCE OF A VIOLATION WITHIN A TWELVE MONTH TIME PERIOD.
- C. LEVEL TWO VIOLATIONS.
1. THIS CATEGORY OF VIOLATIONS MAY INCLUDE, BUT IS NOT LIMITED TO, MARKETING AND MINOR TRADE PRACTICE VIOLATIONS THAT DO NOT DIRECTLY AFFECT THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC AT LARGE; SALES TO MINORS THAT ARE NOT A PART OF COMPLIANCE CHECK, THAT ARE A FIRST VIOLATION AND THAT DO NOT RESULT IN SUBSTANTIAL BODILY INJURY OR DEATH; SALES TO INTOXICATED PERSONS THAT ARE A FIRST VIOLATION AND THAT DO NOT RESULT IN SUBSTANTIAL BODILY INJURY OR DEATH; MINOR DELIVERY OR SHIPPING VIOLATIONS; IMPROPER STORAGE OF ALCOHOL BEVERAGES; SALE OF NON-PERMITTED ITEMS; ALLOWING THE REMOVAL OF ALCOHOL BEVERAGES FROM AN ON-PREMISES LICENSED PREMISES; ALLOWING AN OPEN CONTAINER ON AN OFF-PREMISES LICENSED PREMISES; MINOR SANITATION CONTROL VIOLATIONS; MINOR CONDUCT OF ESTABLISHMENT VIOLATIONS; ALLOWING MINOR GAMBLING ACTIVITIES ON THE LICENSED PREMISES; MINOR REFILLING VIOLATIONS; MINOR IMPROPER SOURCE VIOLATIONS; OPERATING WITH AN EXPIRED LICENSE; MINOR TASTING VIOLATIONS; AND SALE TO NON-MEMBERS FOR A CLUB LICENSE.
 2. THE RANGE OF PENALTIES FOR THIS CATEGORY OF VIOLATION MAY INCLUDE LICENSE SUSPENSION, LICENSE SUSPENSION HELD IN ABEYANCE, LICENSE REVOCATION, A FINE PER INDIVIDUAL VIOLATION, AND/OR A FINE IN LIEU OF SUSPENSION. IN LIEU OF IMPOSING A PENALTY FOR THIS CATEGORY OF VIOLATION, A LICENSING AUTHORITY MAY, BUT IS NOT REQUIRED TO,

ISSUE A WARNING OR ACCEPT AN ASSURANCE OF VOLUNTARY COMPLIANCE PURSUANT TO REGULATION 47-601.

3. ANY FINE ASSESSED FOR A VIOLATION OF THIS CATEGORY OF OFFENSES, INCLUDING A FINE IN LIEU OF SUSPENSION, SHALL NOT EXCEED TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00), PER VIOLATION.

D. LEVEL THREE VIOLATIONS.

1. THIS CATEGORY OF VIOLATIONS MAY INCLUDE, BUT IS NOT LIMITED TO; SUBSTANTIAL DELIVERY OR SHIPPING VIOLATIONS; FOOD REQUIREMENT VIOLATIONS; SUBSTANTIAL REFILLING VIOLATIONS; SUBSTANTIAL IMPROPER SOURCE VIOLATIONS; EXERCISING THE PRIVILEGE OF A LICENSE OTHER THAN THAT WHICH THE LICENSEE HOLDS, OR PERMITTING ANOTHER TO EXERCISE THE RIGHTS OF A LICENSE THEY HOLD; ALLOWING SUBSTANTIAL GAMBLING ACTIVITIES ON THE LICENSED PREMISES; SUBSTANTIAL TASTING VIOLATIONS; UNLAWFUL FINANCIAL INTERESTS; SUBSTANTIAL SANITATION CONTROL VIOLATIONS; EMPLOYEE AGE VIOLATIONS; AND HOURS OF OPERATION VIOLATIONS.
2. THE RANGE OF PENALTIES FOR THIS CATEGORY OF VIOLATION MAY INCLUDE LICENSE SUSPENSION, LICENSE SUSPENSION HELD IN ABEYANCE, LICENSE REVOCATION, A FINE PER INDIVIDUAL VIOLATION, AND/OR A FINE IN LIEU OF SUSPENSION. IN LIEU OF IMPOSING A PENALTY FOR THIS CATEGORY OF VIOLATION, A LICENSING AUTHORITY MAY, BUT IS NOT REQUIRED TO, ACCEPT AN ASSURANCE OF VOLUNTARY COMPLIANCE PURSUANT TO REGULATION 47-601.
3. ANY FINE ASSESSED FOR A VIOLATION OF THIS CATEGORY OF OFFENSES, INCLUDING A FINE IN LIEU OF SUSPENSION, SHALL NOT EXCEED SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00), PER VIOLATION.

E. LEVEL FOUR VIOLATIONS.

1. THIS CATEGORY OF VIOLATIONS IS THE MOST SEVERE AND INCLUDES VIOLATIONS THAT MAY DIRECTLY AFFECT THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC AT LARGE; SALES TO MINORS THAT ARE NOT A PART OF COMPLIANCE CHECK AND THAT ARE A SECOND OR SUBSEQUENT VIOLATION OR THAT RESULT IN SUBSTANTIAL BODILY INJURY OR DEATH; SALES TO INTOXICATED PERSONS THAT ARE A SECOND OR SUBSEQUENT VIOLATION OR THAT RESULT IN SUBSTANTIAL BODILY INJURY OR DEATH; SUBSTANTIAL TRADE PRACTICE VIOLATIONS; SUBSTANTIAL CONDUCT OF ESTABLISHMENT VIOLATIONS; AND PERMITTING THE CONSUMPTION OF MARIJUANA OR MARIJUANA PRODUCTS ON THE LICENSED PREMISES.
2. THE RANGE OF PENALTIES FOR THIS CATEGORY OF VIOLATION MAY INCLUDE LICENSE SUSPENSION, LICENSE SUSPENSION HELD IN ABEYANCE, LICENSE REVOCATION, A FINE PER INDIVIDUAL VIOLATION, AND/OR A FINE IN LIEU OF SUSPENSION.
3. ANY FINE ASSESSED FOR A VIOLATION OF THIS CATEGORY OF OFFENSES, INCLUDING A FINE IN LIEU OF SUSPENSION, SHALL NOT EXCEED ONE-HUNDRED THOUSAND DOLLARS (\$100,000.00), PER VIOLATION.

F. CALCULATION OF FINES.

1. EXCEPT AS PROVIDED UNDER SECTION 44-3-601(8), C.R.S., ANY FINE ASSESSED FOR A SINGLE VIOLATION MAY BE NO LESS THAN FIVE HUNDRED DOLLARS (\$500.00) AND NO MORE THAN ONE-HUNDRED THOUSAND DOLLARS (\$100,000.00), PER VIOLATION.
 2. EXCEPT AS PROVIDED UNDER SECTION 44-3-601(8), C.R.S., ANY FINE ASSESSED, INCLUDING A FINE IN LIEU OF SUSPENSION, SHALL BE BASED ON THE LEVEL OF VIOLATION ESTABLISHED IN SUBSECTIONS B THROUGH E OF THIS REGULATION 47-603, AND:
 - A. THE FINE SHALL BE THE EQUIVALENT OF TWENTY PERCENT (20%) OF THE LICENSEE'S ESTIMATED GROSS REVENUES FROM SALES OF ALCOHOL BEVERAGES FOR THE FOLLOWING TIME FRAMES, PER VIOLATION:
 - i. FOR A LEVEL ONE VIOLATION, SEVEN (7) DAYS;
 - ii. FOR A LEVEL TWO VIOLATION, FOURTEEN (14) DAYS;
 - iii. FOR A LEVEL THREE VIOLATION, AT LEAST TWENTY-ONE (21) DAYS; AND
 - iv. FOR A LEVEL FOUR VIOLATION, AT LEAST TWENTY-EIGHT (28) DAYS.
 - B. NOTWITHSTANDING, SUBSECTION (F)(2)(A) OF THIS REGULATION 47-603, WHEN ASSESSING A FINE IN LIEU OF SUSPENSION, A LICENSING AUTHORITY MAY, BUT IS NOT REQUIRED TO, EXCLUDE FROM THE CALCULATION ANY DAYS OF SUSPENSION HELD IN ABEYANCE. THE LICENSING AUTHORITY HAS THE DISCRETION TO DETERMINE THE NUMBER OF DAYS HELD IN ABEYANCE, IF ANY, BASED ON THE RELEVANT TIME FRAMES ESTABLISHED IN SUBSECTION (F)(2)(A).
 - C. ANY FINE ASSESSED FOR A SINGLE VIOLATION SHALL BE SUBJECT TO THE MINIMUM AND MAXIMUM FINES SET FORTH IN SUBSECTION (F)(1) AND SHALL NOT EXCEED THE MAXIMUM FINE ESTABLISHED IN RULE FOR THAT CATEGORY OF VIOLATION.
 3. THE TIME FRAMES DETAILED ABOVE AND USED FOR THE FINE CALCULATION SHALL BE WITHIN THE SAME OR SIMILAR MONTH IN WHICH THE VIOLATION OCCURRED.
 4. FOR THE PURPOSE OF CALCULATING FINES, SALES RECORDS MUST BE MAINTAINED AND MADE AVAILABLE TO STATE AND/OR LOCAL LICENSING AUTHORITIES UPON REQUEST FOR THE TIME PERIODS SET FORTH IN REGULATION 47-700. FAILURE TO PROVIDE SUCH RECORDS WITHIN SEVEN (7) DAYS OF A REQUEST FROM THE STATE AND/OR LOCAL LICENSING AUTHORITY SHALL RESULT IN THE PRESUMPTION THAT THE MAXIMUM FINE FOR THE OFFENSE CATEGORY THE VIOLATION FALLS UNDER APPLIES.
 5. NOTWITHSTANDING THE CALCULATION OF FINES IN SUBSECTION (F)(2) OF THIS REGULATION 47-603, ANY FINE ASSESSED FOR A SINGLE VIOLATION, INCLUDING A FINE IN LIEU OF SUSPENSION, SHALL BE SUBJECT TO THE MAXIMUM FINE AMOUNTS ESTABLISHED FOR THE RELEVANT CATEGORY OF VIOLATION IN SUBSECTIONS (B) THROUGH (E) OF THIS REGULATION
- G. AGGRAVATING AND MITIGATING FACTORS.
1. STATE AND LOCAL LICENSING AUTHORITIES MAY TAKE AGGRAVATING AND MITIGATING FACTORS INTO CONSIDERATION WHEN CONSIDERING THE IMPOSITION OF A PENALTY. THESE AGGRAVATING

AND MITIGATING FACTORS MAY RESULT IN THE MOVEMENT OF A VIOLATION INTO A LOWER OR HIGHER CATEGORY ON A CASE-BY-CASE BASIS. THESE FACTORS MAY INCLUDE, BUT ARE NOT LIMITED TO:

A. MITIGATING FACTORS:

- I. THE LICENSEE AND/OR ITS EMPLOYEES MAINTAIN RESPONSIBLE VENDOR TRAINING CERTIFICATION;
- II. THE LICENSEE HAS A SUBSTANTIAL HISTORY OF COMPLIANCE WITH LIQUOR LAWS AND RULES;
- III. THE VIOLATION IS A FIRST VIOLATION, AS DEFINED IN SUBSECTION (B)(4) OF THIS REGULATION;
- IV. THE VIOLATION WAS SELF-REPORTED;
- V. THE EXTENT TO WHICH THE LICENSEE TOOK PROMPT AND EFFECTIVE SELF-INITIATED ACTION TO CORRECT THE VIOLATION AND TO PREVENT FUTURE VIOLATIONS OF THE SAME TYPE FROM OCCURRING;
- VI. THE VIOLATION DID NOT DEMONSTRABLY RESULT IN HARM, ONLY THE POTENTIAL FOR HARM;
- VII. THE VIOLATION WAS NEGLIGENT, NOT WILLFUL;
- VIII. THE VIOLATION IS NOT PART OF A PATTERN OR PRACTICE OF VIOLATIONS;
- IX. THE IMPLICATED LICENSEE DID NOT ENCOURAGE OTHERS TO PARTICIPATE IN THE SAME OR SIMILAR VIOLATIONS;
- X. THE VIOLATION DID NOT RESULT IN SERIOUS BODILY INJURY OR DEATH;
- XI. THE OWNER OR MANAGEMENT PERSONNEL WAS NOT INVOLVED IN THE VIOLATION, AND/OR DID NOT DIRECT THEIR EMPLOYEES TO VIOLATE THE LAW;
- XII. THE LICENSEE DID NOT SUBSTANTIALLY BENEFIT, MONETARILY OR OTHERWISE, FROM COMMITTING THE VIOLATION.

B. AGGRAVATING FACTORS:

- I. THE LICENSEE AND/OR ITS EMPLOYEES DO NOT MAINTAIN RESPONSIBLE VENDOR CERTIFICATION WHEN CERTIFICATION IS REQUIRED BY STATUTE OR REGULATION;
- II. THE LICENSEE HAS A SUBSTANTIAL HISTORY OF NON-COMPLIANCE WITH LIQUOR LAWS AND RULES;
- III. THE VIOLATION IS A SECOND, OR SUBSEQUENT OFFENSE;
- IV. THE VIOLATION WAS DISCOVERED, AND LATER SUBSTANTIATED THROUGH INVESTIGATION, AS A RESULT OF A COMPLAINT, OR MULTIPLE COMPLAINTS;

- V. THE VIOLATION DEMONSTRABLY RESULTED IN HARM, NOT JUST THE POTENTIAL FOR HARM;
 - VI. THE VIOLATION WAS WILLFUL, NOT NEGLIGENT;
 - VII. THE VIOLATION IS PART OF A PATTERN OR PRACTICE OF VIOLATIONS;
 - VIII. THE IMPLICATED LICENSEE ENCOURAGED OTHERS TO PARTICIPATE IN THE SAME, OR SIMILAR VIOLATIONS;
 - IX. THE VIOLATION RESULTED IN SERIOUS BODILY INJURY OR DEATH;
 - X. THE OWNER OR MANAGEMENT PERSONNEL ENGAGED IN THE VIOLATION AND/OR DIRECTED AN EMPLOYEE TO VIOLATE THE LAW;
 - XI. THE LICENSEE SUBSTANTIALLY BENEFITED, MONETARILY OR OTHERWISE, FROM COMMITTING THE VIOLATION.
- H. THIS PENALTY SCHEDULE IS A FRAMEWORK PROVIDING GUIDANCE AS TO THE CATEGORIES OF VIOLATIONS, AVAILABLE PENALTIES, AND MITIGATING AND AGGRAVATING FACTORS THAT MAY BE CONSIDERED. THE CIRCUMSTANCES SURROUNDING ANY PENALTY IMPOSED WILL BE DETERMINED ON A CASE-BY-CASE BASIS. LICENSING AUTHORITIES RETAIN DISCRETION IN ASSESSING PENALTIES WITHIN THE BOUNDS OF THE LAW.
- I. NOTHING IN THIS REGULATION 47-603 SHALL PROHIBIT OR PREVENT A LICENSING AUTHORITY FROM TEMPORARILY OR SUMMARILY SUSPENDING A LICENSE, REGARDLESS OF THE LEVEL OF VIOLATION SET FORTH IN THIS REGULATION, IF THE LICENSING AUTHORITY MAKES THE FINDINGS REQUIRED BY REGULATION 47-602.

Regulation 47-604. Compliance Check Penalties REPEALED.

~~Basis and Purpose. The statutory authority for this regulation is located at subsections 44-3-202(1)(b) and 44-3-202(2)(a)(I)(E), C.R.S. The purpose of this regulation is to define standard penalties, and mitigating and aggravating considerations, for selling an alcohol beverage to a person less than twenty-one (21) years of age in the course of a compliance check procedure.~~

~~When a licensing authority finds that a licensee has sold alcohol beverages to a minor and that said violation was investigated or detected by using a person under twenty-one years of age to purchase alcohol beverages from the licensee, the licensing authority may consider the following penalties to be imposed for the violation:~~

~~A.~~

- ~~1. First Offense – (within one year) A written warning, Assurance of Voluntary Compliance or, up to a 15-day suspension. Accepting a fine (within the provisions of C.R.S. 44-3-601) in lieu of actual suspension is at the discretion of the licensing authority, as is holding a portion of the suspension time in abeyance for a period of time.~~
- ~~2. As an inducement for licensees to provide training for servers, because server training has proven to be an aid in the reduction of violations, it is recommended that, where there are no aggravating circumstances, a licensee who has fulfilled the requirements of a Responsible Vendor pursuant to 44-3-1002, C.R.S. be issued a warning, Assurance of Voluntary Compliance, or up to five (5) days suspension on the first violation.~~

- ~~B. Second Offense (within one year) - A 5 to 25 day suspension. If no fine was paid or suspension served at the time of the first offense, it would be within the discretion of the licensing authority to accept a fine (within the provisions of C.R.S. 44-3-601) in lieu of actual days of suspension and/or to hold a portion of the suspension time in abeyance for a period of time.~~
- ~~C. Third Offense (within two years) - 15 to 40 day suspension.~~
- ~~D. Fourth Offense (within two years) - 45 day suspension to revocation.~~
- ~~E. Licensing Authorities may also consider mitigating and aggravating factors when considering the imposition of the penalty. These factors may include:~~
- ~~1. Action taken by the licensee to prevent violations, i.e., training of servers.~~
 - ~~2. Licensee's past history of success or failure with compliance checks.~~
 - ~~3. Corrective action(s) taken by the licensee.~~
 - ~~4. Prior violations/prior corrective action(s) and their effectiveness.~~
 - ~~5. Willfulness or deliberateness of the violation.~~
 - ~~6. Likelihood of recurrence of the violation.~~
 - ~~7. Factors which might make the situation unique, such as:
 - ~~a. Prior notification letter to the licensee that a compliance check would be forthcoming.~~
 - ~~b. The dress or appearance of the underage operative, i.e., the operative was wearing a high school letter jacket.~~~~
 - ~~8. Licensee or manager is the violator or has directed an employee or other individual to violate the law.~~

Regulation 47-913. Age of Employees.

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), and 44-3-202(2)(a)(I)(A), AND 44-3-202(2)(A)(I)(R), C.R.S. The purpose of this regulation is to define permitted and prohibited roles for a liquor licensee's employees based upon the employee's age.

- A. Nothing within this regulation shall authorize a licensee to permit a person under the age of eighteen (18) to sell, dispense, serve, or participate in the sale, dispensing, or service of alcohol beverages.
- B. Except as otherwise provided by this regulation, a licensee shall not permit a person who is at least eighteen (18) years of age but less than twenty-one (21) years of age to sell, dispense, or serve alcohol beverages unless the employee is supervised by another person who is on the licensed premises and is at least twenty-one (21) years of age.
- C. Tavern and lodging and entertainment licensees that do not regularly serve meals.

1. Employees or agents of the licensee ~~who are~~ MUST BE at least twenty-one (21) years of age ~~may~~ TO handle and otherwise act with respect to malt, vinous, and spirituous liquors in the same manner as that person does with other items sold at retail and ~~may~~ TO sell such alcohol beverages or check identification of the customers of the retail outlet.
- D. Retail liquor store and liquor-licensed drugstore licensees.
1. Retail liquor store and liquor-licensed drugstore licensees may permit a person who is at least eighteen (18) years of age to sell, serve, or participate in the sale or service of malt, vinous, and spirituous liquor WITHOUT THE NEED FOR SUPERVISION CONTAINED IN SUBSECTION (B) OF THIS REGULATION.
 2. Retail liquor store and liquor-licensed drugstore licensees shall not permit a person who is less than twenty-one (21) years of age to deliver malt, vinous, and spirituous liquor pursuant to Regulation 47-426, 1 C.C.R. 203-2.
- E. Fermented malt beverage licensees.
1. Fermented malt beverage licensees may permit a person who is at least eighteen (18) years of age to sell, serve, or participate in the sale or service of fermented malt beverages.
 2. Fermented malt beverage licensees for sales for consumption off the licensed premises shall not permit a person who is less than twenty-one (21) years of age to deliver fermented malt beverages pursuant to Regulation 47-426, 1 C.C.R. 203-2.
- F. Special event permit holders:
1. No person under eighteen (18) years of age may sell, serve, dispense or handle alcohol beverages.
 2. Malt, vinous, and spirituous liquors special event permittees, AND FERMENTED MALT BEVERAGE SPECIAL EVENT PERMITTEES, may permit a person who is at least eighteen (18) years of age but less than twenty-one (21) years of age to sell, serve, dispense, or handle alcohol beverages when said person is under the direct supervision of a person who is at least twenty-one (21) years of age.
 3. ~~Fermented malt beverage special event permittees may permit a person who is at least eighteen (18) years of age to sell, serve, dispense, or handle fermented malt beverages.~~
- G. Wholesalers and Manufacturers licensed pursuant to article 3, of title 44, C.R.S.
1. ~~Employees or agents of the licensee who are at least twenty one (21) years of age may handle and otherwise act with respect to alcohol beverages in the same manner as that person does with other items sold at wholesale and may sell and/or deliver such alcohol beverages to retail outlets.~~
 - 1.2. Employees or agents of the licensee who are at least eighteen (18) years of age may handle and otherwise act with respect to alcohol beverages in the same manner as such person would with other items sold at wholesale, as long as they are under the direct

supervision of a person who is at least twenty-one (21) years of age. However, persons under the age of twenty-one (21) shall not sell malt, vinous, or spirituous liquors or check identification of the customers of the permitted sales room.

Regulation 47-1101. Delivery and Takeout Sales Authorized Under Executive Order(s) BY ON-PREMISES LICENSEES.

~~Basis and Purpose. The statutory authority for this regulation is located at~~ INCLUDES, BUT IS NOT LIMITED TO, subsections 44-3-202(1)(b), 44- 3-202(2)(a)(I)(L), 44-3-202(2)(a)(I)(M), 44-3-202(2)(a)(I)(R), 44-3-601, 44-3-911 and 24-4-104(4)(a), C.R.S. ~~In accordance with the legislative declaration of section 44-3-102, C.R.S., the Colorado Liquor Code is deemed an exercise of the police powers of the State of Colorado for the protection of the economic and social welfare and the health, peace, and morals of the people of the State of Colorado. Regulation of the manufacture, distribution, and sale of alcohol beverages is regulated by the Colorado Liquor Code as a matter of statewide concern.~~ The purpose of this regulation is to exercise proper regulation and control over the manufacture, distribution and sale of alcohol beverages, promoting the social welfare, the health, peace and morals of the people of the State, ~~when public health orders are issued and during disaster emergencies.~~ THIS REGULATION ESTABLISHES A PERMIT FOR ON-PREMISES LICENSEES AUTHORIZED TO ENGAGE IN SUCH SALES BY SECTION 44-3-911, C.R.S., WHICH TEMPORARILY ALLOWS CERTAIN LICENSEES TO SELL ALCOHOL BEVERAGES THROUGH DELIVERY AND TAKEOUT THROUGH JULY 1, 2021, THE DATE SECTION 44-3-911, C.R.S. IS AUTOMATICALLY REPEALED, TO PROVIDE RELIEF TO LICENSEES IMPACTED BY COVID-19. This regulation also addresses age verification, CONTAINER, AND OTHER requirements and related recordkeeping for alcohol beverages sold through delivery or takeout by on premises licensees authorized to engage in such sales by SECTION 44-3-911, C.R.S. ~~Executive Order D 2020 011 — Ordering the Suspension of Certain regulatory Statutes Due to the presence of COVID-19, dated March 20, 2020 (“Executive Order D 2020-011”).~~

- A. THE REQUIREMENTS OF THIS REGULATION 47-1101 APPLY TO PERSONS ISSUED A LICENSE UNDER SECTIONS 44-3-402 OR 44-3-407, C.R.S., THAT OPERATE AN APPROVED SALES ROOM AND PERSONS ISSUED A LICENSE UNDER SECTIONS 44-3-411, 44-3-413, 44-3-414, 44-3-417, 44-3-418, 44-3-422, 44-3-426, 44-3-428, 44-4-104 (1)(C)(I)(A), OR 44-4-104 (1)(C)(III), C.R.S.
- B. UNLESS THE GOVERNOR HAS DECLARED A DISASTER EMERGENCY UNDER PART 7 OF ARTICLE 33.5 OF TITLE 24, NO PERSONS ISSUED A LICENSE UNDER SECTIONS 44-3-411, 44-3-413, 44-3-414, 44-3-417, 44-3-418, 44-3-422, 44-3-426, 44-3-428, 44-4-104 (1)(C)(I)(A), OR 44-4-104 (1)(C)(III), C.R.S., MAY SELL ALCOHOL BEVERAGES THROUGH TAKEOUT OR DELIVERY PURSUANT TO SECTION 44-3-911, C.R.S., UNLESS THE LICENSEE HAS FIRST OBTAINED A PERMIT FROM THE STATE LICENSING AUTHORITY AND PAID THE RELEVANT FEE ESTABLISHED IN REGULATION 47-506.
 1. IF A PERSON ISSUED A LICENSE UNDER SECTIONS 44-3-411, 44-3-413, 44-3-414, 44-3-417, 44-3-418, 44-3-422, 44-3-426, 44-3-428, 44-4-104 (1)(C)(I)(A), OR 44-4-104 (1)(C)(III), C.R.S, APPLIES FOR A TAKEOUT AND DELIVERY PERMIT WHILE A DISASTER EMERGENCY DECLARED BY THE GOVERNOR UNDER PART 7 OF ARTICLE 33.5 OF TITLE 24 IS IN EFFECT, THAT PERSON MAY CONTINUE ENGAGING IN TAKEOUT AND DELIVERY SALES ONCE THE DISASTER EMERGENCY IS RESCINDED OR EXPIRED. HOWEVER, THE LICENSEE SHALL CEASE ALL TAKEOUT AND DELIVERY SALES IF THE STATE OR LOCAL LICENSING AUTHORITY DENIES THE LICENSEE'S APPLICATION FOR A TAKEOUT OR DELIVERY PERMIT.
 2. AN APPLICANT FOR A PERMIT MUST AFFIRM ON ITS TAKEOUT AND DELIVERY PERMIT APPLICATION THAT THE APPLICANT DERIVES, OR WILL DERIVE, NO MORE THAN FIFTY (50) 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.

- A. THIS SUBPARAGRAPH (B)(2) DOES NOT APPLY IF THE GOVERNOR HAS DECLARED A DISASTER EMERGENCY UNDER PART 7 OF ARTICLE 33.5 OF TITLE 24; AND
 - B. NOTHING WITHIN THIS SUBPARAGRAPH (B)(2) SHALL LIMIT THE AUTHORITY OF THE STATE LICENSING AUTHORITY OR THE LOCAL LICENSING AUTHORITY, IF APPLICABLE, TO INSPECT BOOKS AND RECORDS PURSUANT TO REGULATION 47-700, 1 C.C.R. 203-2, TO VERIFY THE AFFIRMATION OR COMPLIANCE WITH THIS STATUTORY REQUIREMENT.
3. A TAKEOUT AND DELIVERY PERMITTEE SHALL DISPLAY ITS TAKEOUT AND DELIVERY PERMIT AT ALL TIMES IN A PROMINENT PLACE ON ITS LICENSED PREMISES. THE TAKEOUT AND DELIVERY PERMITTEE'S EMPLOYEE MAKING A DELIVERY SHALL BE REQUIRED TO CARRY, OR HAVE IMMEDIATE ACCESS TO, A COPY OF THE TAKEOUT AND DELIVERY PERMIT IN THE DELIVERY VEHICLE. THE COPY OF THE PERMIT MAY BE ELECTRONIC.
- C. IF THE RELEVANT LOCAL LICENSING AUTHORITY CREATES A PERMIT FOR TAKEOUT AND DELIVERY PURSUANT TO SECTION 44-3-911(4)(C), C.R.S., NO PERSONS ISSUED A LICENSE UNDER SECTIONS 44-3-411, 44-3-413, 44-3-414, 44-3-417, 44-3-418, 44-3-422, 44-3-426, 44-3-428, 44-4-104 (1)(C)(I)(A), OR 44-4-104 (1)(C)(III), C.R.S., MAY ENGAGE IN SALES OF ALCOHOL BEVERAGES THROUGH TAKEOUT OR DELIVERY UNLESS THE LICENSEE HOLDS TAKEOUT AND DELIVERY PERMITS FROM BOTH THE STATE AND LOCAL LICENSING AUTHORITIES.
1. THIS SUBPARAGRAPH (C) DOES NOT APPLY IF THE GOVERNOR HAS DECLARED A DISASTER EMERGENCY UNDER PART 7 OF ARTICLE 33.5 OF TITLE 24.
- AD. Any licensee authorized to engage in sales of alcohol beverages through delivery or takeout pursuant to ~~Executive Order D 2020-011, or any subsequent executive order extending, amending, expanding, or limiting the suspension of statutory license limitations related to sales of alcohol beverages through delivery or takeout,~~ SECTION 44-3-911, C.R.S., AND THIS REGULATION shall comply with the following requirements and limitations, to the extent consistent with any such executive order(s):
1. Orders for delivery or takeout that include alcohol beverages may be accepted by only the licensee or its employees AT THE LICENSED PREMISES, which may be accepted by telephone, in person, or via internet communication. NO ORDER FOR DELIVERY MAY BE SOLICITED OR ACCEPTED BY A DELIVERY DRIVER OR FROM A DELIVERY VEHICLE. All orders for delivery shall be documented in a written order prepared by the licensee or its employees.
 2. The person placing a TAKEOUT OR delivery order must provide the licensee with their name, AND date of birth, and THE delivery address FOR A DELIVERY ORDER. WHEN RECEIVING A TAKEOUT ORDER, THE LICENSEE MUST OBTAIN AND RECORD THE NAME AND DATE OF BIRTH OF PERSON PLACING THE ORDER. WHEN RECEIVING A DELIVERY ORDER, THE LICENSEE MUST OBTAIN AND RECORD THE NAME AND DATE OF BIRTH OF THE PERSON PLACING THE ORDER AND THE DELIVERY ADDRESS FOR THE ORDER. Under no circumstances shall a person under twenty-one (21) years of age be permitted to place an order for TAKEOUT OR delivery of alcohol beverages.
 3. Delivery of orders that include alcohol beverages shall be made only to a person twenty-one (21) years of age or older at the address specified in the CUSTOMER'S DELIVERY order.

4. DELIVERY OF ORDERS THAT INCLUDE ALCOHOL BEVERAGES SHALL NOT BE MADE TO ANY PUBLIC PLACE, INCLUDING PUBLIC PARKS, STREETS, ALLEYS, ROADS, OR HIGHWAYS.
45. Delivery must be made by AN EMPLOYEE OF the licensee ~~or the licensee's employee~~ who is at least twenty-one (21) years of age, AND WHO HAS COMPLETED A SELLER SERVER TRAINING PROGRAM ESTABLISHED UNDER SECTION 44-3-1001, C.R.S., AND MAINTAINED RECERTIFICATION UNDER THE REQUIREMENTS OF REGULATION 47-605. Use of third-party delivery services is prohibited.
56. ~~The licensee or the licensee's employee~~ who delivers the alcohol beverages shall note and log at the time of delivery the name and DATE OF BIRTH ~~identification number~~ of the person receiving the delivery of the alcohol beverages. Under no circumstances shall a person under twenty-one (21) years of age be permitted to receive a delivery of alcohol beverages.
67. Licensees who deliver alcohol beverages shall maintain all records relating to delivery, including delivery orders, receipt logs and journals, as part of their records required pursuant to section 44-3-701, C.R.S. These records shall be maintained by the licensee for the current and three prior calendar years. Failure to maintain accurate or complete records is a violation of this regulation.
78. Licensees engaged in delivery shall comply with section 42-4-1305, C.R.S., AND ANY LOCAL LAWS, ORDINANCES OR REGULATIONS, addressing prohibitions on open containers of alcohol beverages in motor vehicles.
89. Any aAlcohol beverage sold to a consumer through delivery or takeout UNDER THIS REGULATION, WHICH MAY INCLUDE COCKTAILS OR MIXED DRINKS, SHALL BE IN A SEALED CONTAINER. FOR PURPOSES OF THIS REGULATION, "SEALED CONTAINER" MEANS:
 - A. ~~Shall be in a sealed container, as defined in section 44-3-103(51), C.R.S.; or~~
 - BA. ~~Shall be in a~~ THROUGH AND INCLUDING OCTOBER 31, 2020, A "SEALED CONTAINER" AS DEFINED IN SUBSECTION 44-3-102(51), C.R.S., EXCEPT THAT A cup or other container closed securely with a lid taped securely to the cup or other container SHALL ALSO BE CONSIDERED A "SEALED CONTAINER" FOR PURPOSES OF THIS REGULATION. A plastic lid complies with this regulation so long as any holes in the lid are sealed securely with tape, no straw is inserted through the lid, and the contents of the cup are not partially removed. ~~Such a cup or other container shall be affixed with a label containing a warning statement, with a minimum fourteen (14) font size, stating as follows: "WARNING: DO NOT OPEN OR REMOVE SEAL WHILE IN TRANSIT. Purchasers are subject to state and local laws prohibiting drinking or possessing open containers of alcoholic beverages in motor vehicles, including section 42-4-1305, C.R.S."~~
 - B. BEGINNING ON NOVEMBER 1, 2020, "SEALED CONTAINER" MEANS A "SEALED CONTAINER" AS DEFINED IN SUBSECTION 44-3-103(51), C.R.S., AND SHALL ALSO INCLUDE A RIGID CONTAINER THAT CONTAINS A COCKTAIL OR MIXED DRINK, OR OTHER ALCOHOL BEVERAGE Poured INTO THE CONTAINER BY A LICENSEE, IS NEW, HAS NEVER BEEN USED, HAS A SECURE LID OR CAP DESIGNED TO PREVENT CONSUMPTION WITHOUT

REMOVAL OF THE LID OR CAP, AND IS TAMPER EVIDENT. "SEALED CONTAINER" DOES NOT INCLUDE A CONTAINER WITH A LID WITH SIPPING HOLES OR OPENINGS FOR STRAWS OR A CONTAINER MADE OF PAPER OR POLYSTYRENE FOAM. "TAMPER EVIDENT" MEANS A LID OR CAP THAT HAS BEEN SEALED WITH TAMPER-EVIDENT MATERIAL, INCLUDING, BUT NOT LIMITED TO, WAX DIP, HEAT SHRINK WRAP, OR ADHESIVE TAPE OR OTHER MATERIAL, DESIGNED TO REVEAL THE REMOVAL OR OPENING OF THE LID, CAP, OR SEAL.

10. ANY SEALED CONTAINER CONTAINING AN ALCOHOL BEVERAGE THAT IS SOLD FOR TAKEOUT OR DELIVERY UNDER THIS REGULATION, OTHER THAN AN ALCOHOL BEVERAGE SEALED BY ITS MANUFACTURER, SHALL BE AFFIXED WITH AN ADHESIVE STICKER IDENTIFYING THE LICENSEE THAT SOLD THE BEVERAGE AND CONTAINING A WARNING STATEMENT, WITH A MINIMUM FOURTEEN (14) FONT SIZE, STATING AS FOLLOWS: "WARNING: DO NOT OPEN OR REMOVE SEAL WHILE IN TRANSIT. PURCHASERS ARE SUBJECT TO STATE AND LOCAL LAWS AND REGULATIONS PROHIBITING DRINKING OR POSSESSING OPEN CONTAINERS OF ALCOHOLIC BEVERAGES IN MOTOR VEHICLES, INCLUDING SECTION 42-4-1305, C.R.S."
911. Licensees who sell alcohol beverages through delivery or takeout pursuant to this regulation ~~shall remain~~ ARE responsible for compliance with all laws and regulations prohibiting the sale of alcohol beverages to an underage person or to a visibly intoxicated person.
- ~~B. All alcohol beverages sold by a retailer through delivery or takeout pursuant to this regulation and any authorizing executive order(s) shall be sold with food, such as meals and/or sandwiches and light snacks. Both food and alcohol beverages sold for take-out or delivery must be reflected on the same receipt or transaction.~~
- E. UNLESS THE GOVERNOR HAS DECLARED A DISASTER EMERGENCY UNDER PART 7 OF ARTICLE 33.5 OF TITLE 24, NO PERSONS ISSUED A LICENSE UNDER SECTIONS 44-3-411, 44-3-413, 44-3-414, 44-3-418, 44-3-428, 44-4-104(1)(C)(I)(A), OR 44-4-104(1)(C)(III), C.R.S., SHALL SELL MORE THAN THE FOLLOWING AMOUNTS OF ALCOHOL BEVERAGE TO A CONSUMER AS PART OF A TAKEOUT OR DELIVERY ORDER:
 1. 750 MILLILITERS, OR APPROXIMATELY 26.4 FLUID OUNCES, OF SPIRITUOUS AND VINOUS LIQUORS; AND
 2. 72 FLUID OUNCES, OR APPROXIMATELY 2046 MILLILITERS, OF MALT LIQUOR, FERMENTED MALT BEVERAGES, AND HARD CIDER.
- GF. A violation of this regulation by a licensee, or by any of the agents, servants, or employees of a licensee, may result in disciplinary action, up to and including license revocation, pursuant to section 44-3-601(1), C.R.S., and may result in summary suspension of a license pursuant to section 44-3-601(2) and Regulation 47-602.
- G. THIS REGULATION IS REPEALED, EFFECTIVE JULY 1, 2021, AND ANY TAKEOUT AND DELIVERY PERMIT THEN IN EFFECT SHALL BE DEEMED TO HAVE EXPIRED, WITHOUT FURTHER ACTION BY THE STATE OR LOCAL LICENSING AUTHORITIES.

Regulation 47-1102. Compliance with Public Health Orders and Executive Orders Issued During Disaster Emergencies

Basis and Purpose. The statutory authority for this regulation INCLUDES, BUT IS NOT LIMITED TO, ~~is located at~~ subsections 44-3-202(1)(b), 44-3-202(2)(a)(I)(L), 44-3-202(2)(a)(I)(M), 44-3-202(2)(a)(I)(R), 44-3-601, and

24-4-104(4)(a)C.R.S. In accordance with the legislative declaration of section 44-3-102, C.R.S., the Colorado Liquor Code is deemed an exercise of the police powers of the State of Colorado for the protection of the economic and social welfare and the health, peace, and morals of the people of the State of Colorado. Regulation of the manufacture, distribution, and sale of alcohol beverages is regulated by the Colorado Liquor Code as a matter of statewide concern. The purpose of this regulation is to exercise proper regulation and control over the manufacture, distribution and sale of alcohol beverages, promoting the social welfare, the health, peace and morals of the people of the State, when public health orders are issued and during disaster emergencies.

- A. All licensees, and their agents, servants and employees, shall comply with any and all applicable executive orders issued by the Governor pursuant to the Governor's disaster emergency powers under section 24-33.5-704, C.R.S., relating to businesses which manufacture, distribute, and sell alcohol beverages and operation of their licensed premises.
- B. All licensees, and their agents, servants and employees, shall comply with any applicable public health orders relating to businesses which manufacture, distribute, and sell alcohol beverages and the operation of their licensed premises. For purposes of this Regulation 47-1102, licensees shall comply with all public health orders issued by the Colorado Department of Public Health and Environment ("CDPHE") and any public health orders issued by the county or municipality in which the licensed premises is located which contain more protective standards; except if the licensed premises is located in a county that obtained approval from CDPHE for a variance from the requirements of any applicable CDPHE public health orders, then the licensee shall comply with the county's approved variance.
- C. A violation of this regulation by a licensee, or by any of the agents, servants, or employees of a licensee, may result in disciplinary action, INCLUDING, IF WARRANTED BASED ON THE CIRCUMSTANCES THREATENING PUBLIC HEALTH AND SAFETY, ~~up to and including~~ license revocation, pursuant to section 44-3-601(1), C.R.S., and/OR ~~may result in~~ summary suspension of a license pursuant to section 44-3-601(2) and Regulation 47-602. IN ASSESSING THE APPROPRIATE DISCIPLINARY ACTION, THE LICENSING AUTHORITY SHALL CONSIDER ANY AGGRAVATING AND MITIGATING FACTORS, AS SET FORTH IN REGULATION 47-603(G).