

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0067.02 Jery Payne x2157

HOUSE BILL 26-1190

HOUSE SPONSORSHIP

Soper and Martinez,

SENATE SPONSORSHIP

Lindstedt,

House Committees

Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE AUTHORITY OF ALCOHOL BEVERAGE**
102 **MANUFACTURERS TO PROVIDE AN ALCOHOL BEVERAGE TO**
103 **CUSTOMERS.**

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 creates an expanded sales room permit, which authorizes a manufacturer, limited winery, or wholesaler that manufactures beer (producer) to:

- Operate a restaurant at the producer's sales room; or
- Sell or provide alcohol beverages that are not manufactured

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters or bold & italic numbers indicate new material to be added to existing law.

Dashes through the words or numbers indicate deletions from existing law.

by the permit holder by the drink for consumption at the sales room if the alcohol beverage is a craft product.

A producer must obtain a separate expanded sales room permit for each location. To obtain an expanded sales room permit, a producer must apply to the state licensing authority. To operate an expanded sales room, the producer must:

- Have sandwiches and light snacks available for consumption on the premises; and
- Not sell at the sales room the authorized alcohol beverages in an amount in excess of 50% of the total sales of alcohol beverages.

The state licensing authority will establish the application fee for an expanded sales room permit.

The bill authorizes a vintner's restaurant licensee to sell and ship wine directly to an individual who has joined a winery club. To create a winery club, the vintner's restaurant licensee must obtain and retain, for as long as the club is active, each member's name, address, and age and a record of how the member's age was verified. To join a winery club, an individual must apply to the vintner's restaurant that created the winery club. To ship wine to an address, a vintner's restaurant licensee must verify the recipient is a member of the club and that the delivery address is the same address on file for the member.

Under current law, a distillery pub licensee may sell its spirits at wholesale in an amount up to 2,700 liters per product per year. The bill raises the limit to 8,100 liters per product per year.

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

2 **SECTION 1.** In Colorado Revised Statutes, 44-3-103, **add** (11.7)

3 and (11.8) as follows:

4 **44-3-103. Definitions.**

5 As used in this article 3 and article 4 of this title 44, unless the
6 context otherwise requires:

7 (11.7) "CRAFT PRODUCER" MEANS A MANUFACTURER OF ALCOHOL
8 BEVERAGES THAT PRODUCES NO MORE THAN THE FOLLOWING AMOUNT OF
9 THE SPECIFIED ALCOHOL BEVERAGE PER CALENDAR YEAR:

10 (a) ONE HUNDRED THOUSAND GALLONS, WHICH IS APPROXIMATELY
11 THREE HUNDRED SEVENTY-EIGHT THOUSAND FIVE HUNDRED FORTY-ONE

1 LITERS, OR LESS OF VINOUS SPIRITS;

2 (b) TWO HUNDRED FORTY THOUSAND GALLONS, WHICH IS
3 APPROXIMATELY NINE HUNDRED EIGHT THOUSAND FOUR HUNDRED
4 NINETY-EIGHT LITERS, OR LESS OF MALT LIQUORS OR HARD CIDER; OR
5 (c) EIGHT HUNDRED SEVENTY-FIVE THOUSAND LITERS, WHICH IS
6 APPROXIMATELY TWO HUNDRED THIRTY-ONE THOUSAND GALLONS, OR
7 LESS OF SPIRITUOUS LIQUORS.

8 (11.8) "CRAFT PRODUCT" MEANS AN ALCOHOL BEVERAGE
9 PRODUCED BY A CRAFT PRODUCER.

10 **SECTION 2.** In Colorado Revised Statutes, 44-3-422, **amend**
11 (1)(a); and **add** (6) as follows:

12 **44-3-422. Vintner's restaurant license - shipping to winery
13 club members.**

14 (1) (a) A vintner's restaurant license may be issued to a person
15 operating a vintner's restaurant and also selling alcohol beverages for
16 consumption on the premises. SUBJECT TO SUBSECTION (6) OF THIS
17 SECTION, A VINTNER'S RESTAURANT MAY SELL AND SHIP VINOUS LIQUORS
18 DIRECTLY ONLY TO AN INDIVIDUAL WHO HAS JOINED A WINERY CLUB.

19 (6) (a) A VINTNER'S RESTAURANT LICENSEE MAY CREATE A
20 WINERY CLUB ASSOCIATED WITH THE VINTNER'S RESTAURANT. TO CREATE
21 A WINERY CLUB, THE VINTNER'S RESTAURANT LICENSEE MUST OBTAIN AND
22 RETAIN, FOR AS LONG AS THE CLUB IS ACTIVE AND FOR EACH CURRENT
23 MEMBER OF THE CLUB, THE MEMBER'S NAME, ADDRESS, AND AGE AND A
24 RECORD OF HOW THE MEMBER'S AGE WAS VERIFIED.

25 (b) TO JOIN A WINERY CLUB, AN INDIVIDUAL MUST:

26 (I) PROVIDE THE VINTNER'S RESTAURANT LICENSEE WITH THE
27 APPLICANT'S NAME, ADDRESS, AND AGE; AND

(II) PROVIDE PROOF OF AGE AND IDENTITY.

2 (c) TO SHIP VINOUS LIQUORS DIRECTLY TO AN ADDRESS, A
3 VINTNER'S RESTAURANT LICENSEE MUST VERIFY THAT THE INDIVIDUAL
4 WHO ORDERED THE WINE IS A MEMBER OF THE WINERY CLUB OF THE
5 VINTNER'S RESTAURANT AND THAT THE DELIVERY ADDRESS IS THE SAME
6 ADDRESS ON FILE FOR THE CLUB MEMBER.

11 **SECTION 3.** In Colorado Revised Statutes, 44-3-402, **add** (8) as
12 follows:

13 **44-3-402. Manufacturer's license - sales rooms - expanded**
14 **sales room permit - rules.**

20 (A) OPERATE A RESTAURANT AT THE MANUFACTURER'S SALES
21 ROOM; OR

22 (B) SELL OR PROVIDE ALCOHOL BEVERAGES THAT ARE NOT
23 MANUFACTURED BY THE PERMIT HOLDER BY THE DRINK FOR CONSUMPTION
24 AT THE SALES ROOM IF THE ALCOHOL BEVERAGE IS A CRAFT PRODUCT.

5 (b) (I) IF THE STATE LICENSING AUTHORITY APPROVES A
6 MANUFACTURER'S EXPANDED SALES ROOM PERMIT APPLICATION, THE
7 MANUFACTURER SHALL:

12 (B) NOT SELL AT THE SALES ROOM THE ALCOHOL BEVERAGES
13 AUTHORIZED IN SUBSECTION (8)(a)(I)(B) OF THIS SECTION IN AN AMOUNT
14 IN EXCESS OF FIFTY PERCENT OF THE TOTAL SALES OF ALCOHOL
15 BEVERAGES.

21 (c) (I) TO BE ISSUED AN EXPANDED SALES ROOM PERMIT, A COPY
22 OF A PERMIT APPLICATION FILED UNDER THIS SUBSECTION (8) MUST BE
23 POSTED IN A CONSPICUOUS PLACE AT THE LOCATION THAT IS THE SUBJECT
24 OF THE PERMIT APPLICATION FOR A PERIOD OF THIRTY DAYS, AND MUST BE
25 PUBLISHED ONCE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE
26 COUNTY WITH JURISDICTION OVER THE LOCATION, BEFORE THE STATE
27 LICENSING AUTHORITY DETERMINES WHETHER TO ISSUE THE PERMIT. THE

1 STATE LICENSING AUTHORITY SHALL APPROVE OR DENY THE PERMIT
2 WITHIN NINETY DAYS AFTER THE APPLICATION IS FILED.

3 (II) AN EXPANDED SALES ROOM PERMIT HOLDER SHALL DISPLAY
4 THE EXPANDED SALES ROOM PERMIT WITH THE MANUFACTURER'S LICENSE
5 AT THE LOCATION THAT IS THE SUBJECT OF THE ISSUED PERMIT.

6 **SECTION 4.** In Colorado Revised Statutes, 44-3-403, **add** (7) as
7 follows:

8 **44-3-403. Limited winery license - expanded sales room
9 permit - rules.**

10 (7) (a) (I) THE STATE LICENSING AUTHORITY MAY ISSUE AN
11 EXPANDED SALES ROOM PERMIT TO A LIMITED WINERY LICENSEE. IF A
12 LIMITED WINERY OBTAINS AN EXPANDED SALES ROOM PERMIT PURSUANT
13 TO THIS SUBSECTION (7), THE LIMITED WINERY MAY:

14 (A) OPERATE A RESTAURANT AT THE LIMITED WINERY'S SALES
15 ROOM; OR

16 (B) SELL OR PROVIDE ALCOHOL BEVERAGES THAT ARE NOT
17 MANUFACTURED BY THE PERMIT HOLDER BY THE DRINK FOR CONSUMPTION
18 AT THE SALES ROOM IF THE ALCOHOL BEVERAGE IS A CRAFT PRODUCT.

19 (II) A LIMITED WINERY MUST OBTAIN A SEPARATE EXPANDED
20 SALES ROOM PERMIT FOR EACH LOCATION WHERE ACTIVITIES THAT ARE
21 AUTHORIZED BY THIS SUBSECTION (7) OCCUR.

22 (III) TO OBTAIN AN EXPANDED SALES ROOM PERMIT UNDER THIS
23 SUBSECTION (7), A LIMITED WINERY MUST APPLY TO THE STATE LICENSING
24 AUTHORITY. THE STATE LICENSING AUTHORITY MAY DETERMINE BY RULE
25 THE FORM AND MANNER OF THE PERMIT APPLICATION.

26 (b) (I) IF THE STATE LICENSING AUTHORITY APPROVES A LIMITED
27 WINERY'S EXPANDED SALES ROOM PERMIT APPLICATION, THE LIMITED

1 WINERY SHALL:

2 (A) HAVE SANDWICHES AND LIGHT SNACKS AVAILABLE FOR
3 CONSUMPTION ON THE PREMISES OF THE SALES ROOM BUT NEED NOT HAVE
4 MEALS AVAILABLE FOR CONSUMPTION ON THE PREMISES OF THE SALES
5 ROOM; AND

6 (B) NOT SELL AT THE SALES ROOM THE ALCOHOL BEVERAGES
7 AUTHORIZED IN SUBSECTION (7)(a)(I)(B) OF THIS SECTION IN AN AMOUNT
8 IN EXCESS OF FIFTY PERCENT OF THE TOTAL SALES OF ALCOHOL
9 BEVERAGES.

10 (II) THE SALES LIMITATION DESCRIBED IN SUBSECTION (7)(b)(I) OF
11 THIS SECTION IS MEASURED BY THE GROSS SALES PRICE OF THE ALCOHOL
12 BEVERAGES AUTHORIZED IN SUBSECTION (7)(a)(I)(B) OF THIS SECTION
13 AND BY THE GROSS SALES PRICE OF ALL ALCOHOL BEVERAGES SOLD FOR
14 CONSUMPTION AT THE SALES ROOM.

15 (c) (I) TO BE ISSUED AN EXPANDED SALES ROOM PERMIT, A COPY
16 OF A PERMIT APPLICATION FILED UNDER THIS SUBSECTION (7) MUST BE
17 POSTED IN A CONSPICUOUS PLACE AT THE LOCATION THAT IS THE SUBJECT
18 OF THE PERMIT APPLICATION FOR A PERIOD OF THIRTY DAYS, AND MUST BE
19 PUBLISHED ONCE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE
20 COUNTY WITH JURISDICTION OVER THE LOCATION, BEFORE THE STATE
21 LICENSING AUTHORITY DETERMINES WHETHER TO ISSUE THE PERMIT. THE
22 STATE LICENSING AUTHORITY SHALL APPROVE OR DENY THE PERMIT
23 WITHIN NINETY DAYS AFTER THE APPLICATION IS FILED.

24 (II) AN EXPANDED SALES ROOM PERMIT HOLDER SHALL DISPLAY
25 THE EXPANDED SALES ROOM PERMIT WITH THE LIMITED WINERY'S LICENSE
26 AT THE LOCATION THAT IS THE SUBJECT OF THE ISSUED PERMIT.

27 **SECTION 5.** In Colorado Revised Statutes, 44-3-407, **add** (5) as

1 follows:

2 **44-3-407. Wholesaler's license - discrimination in wholesale**
3 **sales prohibited - expanded sales room permit - rules.**

4 (5) (a) (I) THE STATE LICENSING AUTHORITY MAY ISSUE AN
5 EXPANDED SALES ROOM PERMIT TO A WHOLESALER'S LIQUOR LICENSEE
6 THAT MANUFACTURES MALT LIQUORS. IF A WHOLESALER THAT
7 MANUFACTURES MALT LIQUORS OBTAINS AN EXPANDED SALES ROOM
8 PERMIT PURSUANT TO THIS SUBSECTION (5), THE WHOLESALER MAY:

9 (A) OPERATE A RESTAURANT AT THE WHOLESALER'S SALES ROOM;
10 OR

11 (B) SELL OR PROVIDE ALCOHOL BEVERAGES THAT ARE NOT
12 MANUFACTURED BY THE PERMIT HOLDER BY THE DRINK FOR CONSUMPTION
13 AT THE SALES ROOM IF THE ALCOHOL BEVERAGE IS A CRAFT PRODUCT.

14 (II) A WHOLESALER THAT MANUFACTURES MALT LIQUORS MUST
15 OBTAIN A SEPARATE EXPANDED SALES ROOM PERMIT FOR EACH LOCATION
16 WHERE ACTIVITIES THAT ARE AUTHORIZED BY THIS SUBSECTION (5)
17 OCCUR.

18 (III) TO OBTAIN AN EXPANDED SALES ROOM PERMIT UNDER THIS
19 SUBSECTION (5), A WHOLESALER THAT MANUFACTURES MALT LIQUORS
20 MUST APPLY TO THE STATE LICENSING AUTHORITY. THE STATE LICENSING
21 AUTHORITY MAY DETERMINE BY RULE THE FORM AND MANNER OF THE
22 PERMIT APPLICATION.

23 (b) (I) IF THE STATE LICENSING AUTHORITY APPROVES AN
24 EXPANDED SALES ROOM PERMIT APPLICATION OF A WHOLESALER THAT
25 MANUFACTURES MALT LIQUORS, THE WHOLESALER SHALL:

26 (A) HAVE SANDWICHES AND LIGHT SNACKS AVAILABLE FOR
27 CONSUMPTION ON THE PREMISES OF THE SALES ROOM BUT NEED NOT HAVE

1 MEALS AVAILABLE FOR CONSUMPTION ON THE PREMISES OF THE SALES
2 ROOM; AND

3 (B) NOT SELL AT THE SALES ROOM THE ALCOHOL BEVERAGES
4 AUTHORIZED IN SUBSECTION (5)(a)(I)(B) OF THIS SECTION IN AN AMOUNT
5 IN EXCESS OF FIFTY PERCENT OF THE TOTAL SALES OF ALCOHOL
6 BEVERAGES.

7 (II) THE SALES LIMITATION DESCRIBED IN SUBSECTION (5)(b)(I) OF
8 THIS SECTION IS MEASURED BY THE GROSS SALES PRICE OF THE ALCOHOL
9 BEVERAGES AUTHORIZED IN SUBSECTION (5)(a)(I)(B) OF THIS SECTION
10 AND BY THE GROSS SALES PRICE OF ALL ALCOHOL BEVERAGES SOLD FOR
11 CONSUMPTION AT THE SALES ROOM.

12 (c) (I) TO BE ISSUED AN EXPANDED SALES ROOM PERMIT, A COPY
13 OF A PERMIT APPLICATION FILED UNDER THIS SUBSECTION (5) MUST BE
14 POSTED IN A CONSPICUOUS PLACE AT THE LOCATION THAT IS THE SUBJECT
15 OF THE PERMIT APPLICATION FOR A PERIOD OF THIRTY DAYS, AND MUST BE
16 PUBLISHED ONCE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE
17 COUNTY WITH JURISDICTION OVER THE LOCATION, BEFORE THE STATE
18 LICENSING AUTHORITY DETERMINES WHETHER TO ISSUE THE PERMIT. THE
19 STATE LICENSING AUTHORITY SHALL APPROVE OR DENY THE PERMIT
20 WITHIN NINETY DAYS AFTER THE APPLICATION IS FILED.

21 (II) AN EXPANDED SALES ROOM PERMIT HOLDER SHALL DISPLAY
22 THE EXPANDED SALES ROOM PERMIT WITH THE LICENSE OF THE
23 WHOLESALE THAT MANUFACTURES MALT LIQUORS AT THE LOCATION
24 THAT IS THE SUBJECT OF THE ISSUED PERMIT.

25 **SECTION 6.** In Colorado Revised Statutes, 44-3-426, **amend**
26 (1)(f) and (3)(d) as follows:

27 **44-3-426. Distillery pub license - legislative declaration -**

1 **definition.**

2 (1) The general assembly finds and determines that:

3 (f) While a distillery pub is allowed to produce, serve, and
4 distribute its own spirituous liquors, unlike a licensed spirits
5 manufacturer, the production level for a distillery pub is capped, and the
6 ability to distribute to retail outlets is ~~greatly~~ restricted, thereby
7 establishing a new business model that is distinct from, and serves a
8 different clientele than, a licensed spirits manufacturer;

9 (3) During the hours established in section 44-3-901 (6)(b), a
10 licensed distillery pub may, with regard to spirituous liquors fermented
11 and distilled by the distillery pub licensee on the licensed premises:

12 (d) Sell its spirituous liquors at wholesale to licensed retailers in
13 an amount up to ~~two~~ EIGHT thousand ~~seven~~ ONE hundred liters per
14 spirituous liquor product per calendar year.

15 **SECTION 7.** In Colorado Revised Statutes, 44-3-501, ~~amend~~
16 (3)(a)(XXII) and (3)(a)(XXIII); and **add** (3)(a)(XXIV) as follows:

17 **44-3-501. State fees - rules.**

18 (3) (a) The state licensing authority shall establish fees for
19 processing the following types of applications, notices, or reports required
20 to be submitted to the state licensing authority:

21 (XXII) Applications for each noncontiguous manufacturing
22 facility pursuant to section 44-3-402 and rules adopted pursuant to that
23 section; ~~and~~

24 (XXIII) Applications for an alcohol beverage shipper license
25 pursuant to section 44-3-430 and rules adopted pursuant to that section;

26 AND

27 (XXIV) APPLICATIONS FOR THE EXPANDED SALES ROOM PERMIT

1 ISSUED UNDER SECTION 44-3-402 (8), 44-3-403 (7), OR 44-3-407 (5).

2 **SECTION 8. Act subject to petition - effective date.** This act
3 takes effect at 12:01 a.m. on the day following the expiration of the
4 ninety-day period after final adjournment of the general assembly (August
5 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
6 referendum petition is filed pursuant to section 1 (3) of article V of the
7 state constitution against this act or an item, section, or part of this act
8 within such period, then the act, item, section, or part will not take effect
9 unless approved by the people at the general election to be held in
10 November 2026 and, in such case, will take effect on the date of the
11 official declaration of the vote thereon by the governor.