



ServSafe® Alcohol Online Course:
Responsible Vendor Training
State of Colorado

Revised July 2024

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Information for Owners and Managers

Colorado is a dual-licensing state. You'll receive a license from both the State of Colorado and your local city/county. In addition to knowing the [State of Colorado Liquor Enforcement laws](#) and rules and regulations, be sure to keep up with additional (often more restrictive) local rules that may impact your license as well.

Each licensee should develop a working relationship with:

- Local law enforcement
- Local licensing authority
- Colorado Licensing Authority: Liquor Enforcement Division (LED)

[Subscribe to industry updates and announcements](#) from the Colorado Liquor Enforcement Division to stay up to date with information. Regulations change, and it's important for you and your team to stay up to date with local and state rules.

Here is the contact information for the Liquor Enforcement Division:

Main Website

<https://sbg.colorado.gov/liquor>

Enforcement

DOR_LED@state.co.us

Lakewood: 303-866-2425

Colorado Springs: 719-594-8702

Grand Junction: 970-248-7133

Licensing

DOR_LIQLICENSING@state.co.us

Lakewood: 303-205-2300

Curricula Required to Be a Responsible Alcohol Beverage Vendor

Responsible Vendor Training in Colorado (47-605)

Basis and Purpose. The statutory authority for this regulation includes, but is not limited to, subsections 44-3-202(1)(b), 44-3-202(2)(a)(1)(A), and 44-3-1002(2), C.R.S. The purpose of this regulation is to establish curricula required to be considered a responsible alcohol beverage vendor. To be considered a responsible alcohol beverage vendor at any licensed premises, or to serve beverage alcohol at tastings held in retail liquor stores or liquor-licensed drugstores, the following standards must be complied with.

A) Initial Certification Training Program Standards

1. To be designated as a responsible alcohol beverage vendor, all employees of a licensee selling/serving alcohol beverages, and any owner or manager who directly supervises such employees, must attend a training program approved by the Division.
2. Once a licensee is designated a responsible alcohol beverage vendor, all new employees involved in the sale, handling and service of alcoholic beverages must complete the training described in this regulation within 90 days of date of hire.
3. The program must include at least two (2) hours of instruction time.
4. The program must provide written documentation of attendance and successful passage of a test on the knowledge of the required curriculum for each attendee.
 - a. Attendees that can speak and write English must successfully pass a written test with a score of 70% or better.
 - b. Attendees that cannot speak or write English may be offered a verbal test, provided the same questions are given as are on the written test and the results of the verbal test are documented with a passing score of 70% or better.
5. Program providers may, at their discretion, conduct class surveys or discussions to help determine a program's effectiveness. This time shall not be counted as part of the program's instruction time.

Hours to Sell and Age Requirements

Hours to Sell/Serve

- 7 a.m.–midnight: Delivery and takeout sales are permitted for on-premises licensees
- 7 a.m.–2 a.m.: On-premises sales are permitted
- 8 a.m.–midnight: Off-premises sales are permitted (no sales on Christmas)

Seller/Server Age Requirements

- 18+ to sell, serve, dispense, or handle alcohol beverages
- 18, 19, and 20-year-old employees handling alcohol must be directly supervised by a person 21+
- 21+ to deliver alcohol
- 21+ to work at tavern and lodging and entertainment licensees that don't regularly serve meals

Regulation 47-913. Age of Employees.

- 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 must be at least twenty-one (21) years of age 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 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.
- 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 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.

Licensees: Purchasing Alcohol (Malt, Vinous, or Spirituous Liquors)

On-premises licensees must purchase alcohol through a wholesaler. If needed, a licensee may purchase alcohol from an off-premises location (retail liquor store), never to exceed \$2000 per year. (44-3-409, 44-3-410, and 44-4-104 (1)(c).)

Food Requirements

In addition to serving alcohol, having food available is an important part of compliance for different license types.

Hotel and Restaurant License:

- Meals are actually and regularly served.
 - * Meals must be 25% or more of gross revenue.
- Meals shall be available (while open for business) between 8 a.m. and 8 p.m.
- Meals or light snacks and sandwiches are available after 8 p.m. (until end of business hours).

Brewpub, Vintner's, and Distillery Pub License:

- Food must be available.
- Food must be 15% or more of gross revenue for on-premises sales.

Beer and Wine License:

- Sandwiches and light snacks are available during business hours.

Removal of Alcohol from Licensed Premises

In Colorado, a guest may take a partially consumed bottle of wine (the bottle must be 750 mL or less) to go. The wine must be resealed. If the guest is driving, please advise them to keep it out of reach while driving.

All other alcoholic beverages must be consumed on-site or designated as "to go." These cannot be combined. For instance, a person who has not finished their cocktail may not take it to go. And, vice versa, a guest who has ordered a to-go beverage may not consume it on a licensed premises.

Senate Bill 24-020, signed into law in May 2024, makes the sale of alcohol to go for restaurants permanent in Colorado.

Takeout and Delivery (Permit Required)

Restaurants, bars, etc. (on-premises):

1. Must have a takeout/delivery permit.
2. To-go/delivery sales may not be more than 50% of gross annual revenue.
3. Delivery will occur to an address (not a park bench or a street corner).
4. All orders are taken by and deliveries are performed by the licensee or employee (i.e., not a third party).
5. Only guests 21+ may place an order/receive an order.

6. Document the name and ID number of the person receiving the alcohol.
7. Keep logs/records for at least 60 days.
8. Cocktails are sold in sealed containers with tamper-evident secure lids.
9. Labels include licensee business name and this message: "WARNING: DO NOT OPEN OR REMOVE SEAL WHILE IN TRANSIT"

Orders may have up to:

10. 1500 mL of wine (two standard bottles)
11. 144 oz of beer/cider (i.e., two six-packs)
12. 1 L of spirits (equates to one 750 mL bottle)

All eligible on-premises licensees wishing to sell and deliver an alcohol beverage, or allow a customer to remove an alcohol beverage from its licensed premises, must hold a valid takeout and delivery permit. Licensees that do not have a valid takeout and delivery permit shall cease offering takeout alcohol beverages and/or delivering alcohol beverages until a permit is issued to it by the state licensing authority, and local licensing authority if applicable.

The on-premises takeout and delivery permit application is available on the LED website: <https://sbg.colorado.gov/liquor-forms-by-number> (on-premises applicants only). The application can also be completed via an online Google form.

The fee for the takeout and delivery permit is \$11.00, which can be paid online at your convenience [using this link](#) or by check to the division. The application is not complete for consideration until the payment and all application materials are received and approved.

Please consult your local licensing authority to determine if it has created a takeout and delivery permit for alcohol beverages. If the local licensing authority has created a takeout and delivery permit, you will also need to secure a local permit to be in compliance with the law.

Volume Limits

Under subsection 44-3-911(2)(b)(III), C.R.S., takeout and delivery permittees may sell or deliver up to the following amounts of alcohol beverages per takeout or delivery order:

- Vinous liquors—1,500 mL or 50.8 fl oz per order (this equates to one magnum-sized wine bottle or two standard-sized bottles);
- Malt liquors, fermented malt beverages, and hard cider—4,259 mL or 144 fl oz per order (this equates to two six-packs of beer); and
- Spirituous liquors—1 L or 33.8 fl oz per order (this equates to one 750 ml bottle of spirits).

Gross Annual Revenues

Under subsection 44-3-911(2)(c), C.R.S., a licensee holding a takeout and delivery permit may not derive more than 50% of its gross annual revenue from total food and alcohol beverage sales from the sale of alcohol beverages through takeout and delivery orders.

Regulation 47-1101. Delivery and Takeout Sales by On-Premises Licensees.

D. Any licensee authorized to engage in sales of alcohol beverages through delivery or takeout pursuant section 44-3-911, C.R.S., and this regulation shall comply with the following requirements and limitations:

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. 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.
5. Delivery must be made by an employee of the licensee who is at least twenty-one (21) years of age, and who has completed a 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.
6. The licensee's employee who delivers the alcohol beverages shall note and log at the time of delivery the name and 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.
7. 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 sixty (60) days. Failure to maintain accurate or complete records is a violation of this regulation.
8. 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.
9. Any alcohol 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.
 - a. For the purposes of this regulation "sealed container" means a "sealed container" as defined in subsection 44-3-103(51), C.R.S., and shall also include a container filled with alcohol beverage, that is new, has never been used, and has a tamper-evident secure lid or cap designed to prevent consumption without removal of the lid or cap. "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 that is secured in such a manner that is visibly apparent if the container has been opened or tampered with.

- b. Persons issued a license identified in paragraph (A) of this regulation may not refill sealed containers as defined in subsection (D)(9)(a) or offer any such refilled containers for sale.
 - c. Any sealed container of alcohol beverages sold pursuant to this regulation shall not exceed the relevant volume limits identified in paragraph (E) of this regulation.
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 identify the licensee that sold the beverage and include 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."
 11. Licensees who sell alcohol beverages through delivery or takeout pursuant to this regulation 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.
 12. Licensees shall only sell alcohol beverages through takeout and delivery between the hours of 7 a.m. and 12 midnight.

Visible Intoxication

It is illegal to sell/serve to a visibly intoxicated person. Always—and for every license type.

Regulation 47-900. Conduct of Establishment.

A. Orderliness, loitering, serving of intoxicated persons.

Each person licensed under Article 3, Article 4, and Article 5 of Title 44, and any employee or agent of such licensee shall conduct the licensed premises in a decent, orderly and respectable manner, and shall not serve a known habitual drunkard or any person who displays any visible signs of intoxication, nor shall they permit a known habitual drunkard or any person who displays any visible signs of intoxication to remain on the licensed premises without an acceptable purpose, nor shall the licensee, their employee or agent knowingly permit any activity or acts of disorderly conduct as defined by and provided for in 18-9-106, C.R.S., nor shall a licensee permit rowdiness, undue noise, or other disturbances or activity offensive to the senses of the average citizen, or to the residents of the neighborhood in which the licensed establishment is located.

Sales/Service to Minors (Under 21)

As an employee working in a licensed establishment, protecting your liquor license is essential. It's always illegal to serve or sell to individuals under the age of 21. Be aware, even if you didn't sell alcohol to a person under 21, if they are drinking in your licensed establishment, you can still get in trouble.

Remember, it's not just the seller or server who could get in trouble. An illegal sale to a minor impacts everyone on the team, including managers and owners.

Under CRS § 44-3-901, it is a **Class 2 misdemeanor** in Colorado to sell or furnish alcohol to individuals under 21 years of age. The penalties include up to 120 days in jail and/or up to \$750 in fines.

Polysubstance Use

The use of more than one drug, also known as polysubstance use, is common. This includes when two or more substances (drugs) are taken together or within a short time period, either intentionally or unintentionally.

Whether intentional or not, mixing drugs is never safe, because the effects from combining drugs may be stronger and more unpredictable than one drug alone—and even deadly.

The dangers of polysubstance use apply to prescription drugs and over-the-counter medications.

Drinking Alcohol While Using Other Drugs

Drinking alcohol while using other drugs isn't safe. Alcohol is a depressant with similar effects to other downers (slow breathing, weak pulse, altered mental status or confusion, passing out, damage to the brain, overdose, death).

Marijuana and Alcohol

Even though both medical and adult use sales of cannabis are legal in Colorado, mixing cannabis and alcohol isn't a good idea. Using the two substances together could lead to increased risk of harm.

Using cannabis and alcohol together enhances the effects of each, causing increased impairment, such as:

- Slowed reaction time
- Loss of coordination and problem-solving skills
- Distorted perception of time, distance, and speed

Opioids and Alcohol

Mixing alcohol with opioids can slow breathing and other functions to dangerous levels and could lead to coma or death.

Mixing opioids, prescription medication, or even over-the-counter medication with alcohol can lead to side effects such as:

- Nausea and vomiting
- Dehydration
- Changes in blood pressure
- Irregular heart rate and rhythm
- Cardiovascular instability
- Dizziness or loss of coordination
- Marked disinhibition
- Abnormal behavior
- Loss of consciousness
- Respiratory arrest

Regulation 47-900. Conduct of Establishment.

E. Marijuana consumption.

No person or entity licensed under Article 3, 4, or 5 of Title 44, C.R.S. shall permit the consumption of marijuana and/or marijuana products as defined in sections 14 and 16 of Article XVIII of the Constitution of Colorado on any licensed premises.

Acceptable Forms of Identification

The first line of defense in responsible service of alcohol is to request identification and verify the age of patrons. Follow your company rules/house policies. It is recommended that establishments have a standard operating procedure about who must show identification and how often IDs are checked. For example, many establishments card any person they believe to be 50 years old or younger.

Regulation 47-912. Identification.

- A. Licensees may refuse to sell alcohol beverages to any person unable to produce adequate, currently valid identification of age. The kind and type of identification deemed adequate shall be limited to the following:
1. An operator's, chauffeur's, or similar type driver's license containing a picture and date of birth, issued by any state, Canada, Mexico, or U.S. Territory
 2. An identification card containing a picture, issued by any state for the purpose of proof of age as in accordance with C.R.S. 42-2-402
 3. A military identification card
 4. A passport
 5. An alien registration card
 6. A valid employment authorization card containing a picture and date of birth issued by the U.S. Department of Justice, Immigration and Naturalization Service
- B. It shall be an affirmative defense to any administrative action brought against a licensee for alleged sale to a minor if the minor presented fraudulent identification of the type established above and the licensee possessed an identification book issued within the past three years, which contained a sample of the kind of identification presented for compliance purposes. As an affirmative defense, the burden of proof is on the licensee to establish by a preponderance of the evidence that the minor presented fraudulent identification.

Tastings

Tasting/samples are allowed in Colorado. An employee who provides samples/tastings to a guest must have completed an RVT training approved by the LED. Here are other limitations for tasting:

- Tastings may be conducted between 11 a.m. and 9 p.m. (and no more than five hours within this time frame).
- Tasting may not be offered more than 156 days per year.
- Tastings can only be offered to people 21+ years of age.

- Samples are free of charge.
- The maximum size of a sample may not exceed:
 - * 1 ounce of malt or vinous liquor or
 - * ½ ounce of spirits.

Regulation 47-313. Tastings.

A. Tastings.

1. A tasting shall be conducted only by a person who has completed seller-server training that meets the standards established by the Division, and is:
 - a. A retail liquor store, liquor-licensed drugstore, or fermented malt beverage and wine retailer licensee or employee; or
 - b. A representative, employee, or agent of one of the following suppliers licensed by the state licensing authority:

i. Wholesaler;	iv. Manufacturer;
ii. Brew pub;	v. Limited winery;
iii. Distillery pub;	vi. Importer; or
	vii. Vintner's restaurant.
- B. Following a tasting, the licensee shall promptly remove all open and unconsumed alcohol beverage samples from the licensed premises, destroy the samples immediately following the completion of the tasting, or store any open containers of unconsumed alcohol beverages in a secure area outside the sales area of the licensed premises for use only at a tasting conducted at a later time or date. A secure area means:
1. A designated area, including, but not limited to, a closet, cabinet, or safe;
 2. That is upon the licensed premises and not accessible to consumers; and
 3. Is secured by a locking mechanism at all times while any open containers of unconsumed alcohol beverages are stored for use at a future tasting.
- C. To ensure alcohol samples are provided to a patron free of charge, as required by section 44-3301(10)(c)(X), C.R.S., the licensee shall not charge or accept any money for a tasting, directly or indirectly, including for any education provided in connection with a tasting, or to reserve a spot at a tasting event, regardless of whether the money charged is donated to a charity or is refunded. Education shall not be considered to be provided in connection with a tasting if the tasting occurs after the education event has concluded and is available to any adult patron of the licensee, free of charge.
- D. To comply with the obligation not to serve more than four individual samples to a patron during a tasting, as required by section 44-3-301(10)(c)(IX), C.R.S., the licensee shall implement a means of tracking how many samples each patron is provided, which may include the use of a wristband, or other means of accurately tracking individual patron consumption.
- E. To comply with the obligation not to serve samples to a patron over the maximum allowed volume per alcohol type, as required by section 44-3-301(10)(c)(I)(B)(III), C.R.S., a licensee serving alcohol beverages mixed with non-alcohol beverage product shall either:

1. Serve no more than the maximum allowed volume per alcohol type, per sample, of a premixed beverage, if the mixing of the alcohol is not done in public view during the tasting event; or
2. Mix the alcohol beverage with the non-alcohol beverage in public view during the tasting event, wherein only the maximum allowable amount of alcohol beverage is incorporated into each mixed drink, per sample.

Impaired Driving

Pay attention to signs of impairment and visible intoxication. Slow or refuse service as needed. Involve your manager in these conversations.

Help keep Colorado safe. Intervene when necessary to prevent visibly intoxicated drivers from getting behind the wheel. Encourage customers to get a safe ride.

According to CDOT, 1 out of 3 traffic deaths in Colorado involve an impaired driver. When people “feel different” (impairment) they drive differently. Here are the legal blood alcohol content (BAC) levels for intoxication:

BAC 0.05 and higher = DWAI (Driving While Ability Impaired)

BAC 0.08 and higher = DUI (Driving Under the Influence)

Even if a guest’s BAC is less than 0.05 percent, they can still be arrested for a DUI if an officer notices signs of impairment.

When considering fines, legal fees, and increased insurance costs, a DUI can add up to more than \$13,500.

Appropriate Conduct at Work

Create an environment for your guests and other employees that is welcoming and free from offensive behavior. This includes dressing appropriately and making sure the entertainment at your establishment is appropriate (see details below).

Regulation 47-900. Conduct of Establishment.

B. Attire and conduct of employees and patrons.

No person licensed under Article 3, Article 4, and Article 5 of Title 44, nor any employee or agent of such person licensed under these Articles shall engage in or permit the following:

1. Employment or use of any person in the sale or service of alcohol beverages in or upon the licensed premises while such person is unclothed or in such attire, costume or clothing as to expose to view any portion of the female breast below the top of the areola or of any portion of the pubic hair, anus, cleft of the buttocks, vulva or genitals.
2. Employment or use of the services of any hostess or other person to mingle with the patrons while such hostess or other person is unclothed or in such attire, costume or clothing as described in paragraph number (1) above.
3. Any person on the licensed premises touching, caressing or fondling the breasts, buttocks, anus or genitals of any other person.
4. Any employee or person on the licensed premises wearing or using any device or covering of any kind, which exposes or simulates the breasts, genitals, anus, pubic hair or any other portion thereof.

C. Entertainment.

Live entertainment is permitted on any licensed premises, except that:

1. No person licensed under Article 3, Article 4, and Article 5 of Title 44, nor any employee or agent of such person licensed under these Articles shall engage in or permit any person to perform acts of or acts which simulate:
 - a. Sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation or any sexual acts which are prohibited by law.
 - b. The touching, caressing or fondling of the breasts, buttocks, anus or genitals.
 - c. The displaying of pubic hair, anus, vulva or genitals.
2. No licensee nor any employee or agent of such licensee shall engage in or permit any person to use artificial devices or inanimate objects to depict any of the prohibited activities described above.
3. No licensee nor any employee or agent of such licensee shall engage in or permit any person to remain in or upon the licensed premises who exposes to public view any portion of their genitals or anus.
4. No licensee nor any employee or agent of such licensee shall wear or use any device or covering of any kind that exposes or simulates the breasts, genitals, anus, pubic hair or other portion thereof.

D. Visual displays.

No person licensed under Article 3, Article 4, and Article 5 of Title 44, nor any employee or agent of such person licensed under these Articles, shall engage in or permit on the licensed premises the showing of film, still pictures, electronic reproduction, or other visual reproductions depicting:

1. Acts or simulated acts of sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation or any sexual acts which are prohibited by law.
2. Any person being touched, caressed or fondled on the breasts, buttocks, anus or genitals.
3. Scenes wherein a person displays the vulva or the anus or the genitals.
4. Scenes wherein artificial devices or inanimate objects are employed to depict, or drawings are employed to portray, any of the prohibited activities described above.

Changes in Ownership (Reporting)

Be sure to keep both the Colorado LED and your local licensing authority apprised of ownership changes.

A. Corporations and Limited Liability Companies

1. If the applicant for any license under Articles 3 or Article 4 of Title 44 is a corporation or limited liability company, it shall submit with the application, the names, addresses, and individual history records of all of its principal officers, directors, or managers, and a copy of its articles of incorporation or articles of organization; and if a foreign entity, evidence of its qualification to do business within this state. In addition, each applicant shall submit the

names, addresses, and individual history records of all persons owning 10% or more of the outstanding or issued capital stock, or persons holding a 10% or more membership interest.

2. Any transfer of capital stock or any change in principal officers or directors of any corporation holding a license under the provisions of the Colorado Liquor or Beer Code and which is not subject to the reporting requirements of the Securities and Exchange Act of 1934, as amended, shall be reported to the respective licensing authorities within thirty (30) days after such transfer or change. With the report, the licensee shall submit the names, addresses, and individual history records for any new officer, director, or stockholder acquiring 10% or more outstanding capital stock, as well as the corporate minutes verifying the transactions. Licensees that are subject to the Securities and Exchange Act of 1934, as amended, shall be required to do the same, except that they shall not be required to report any single transfer of outstanding capital stock of less than 10%.
3. Any transfer of membership interest or any change in managers of any limited liability company holding a license shall be reported to the respective licensing authorities within thirty (30) days after such transfer or change. With the report, the licensee shall submit the names, addresses, and individual history records for any new manager, or member acquiring 10% or more membership interest.

B. Partnerships

1. If the applicant for any license under articles 3 or 4 of title 44 is a general partnership, limited partnership, limited liability partnership, or limited liability limited partnership it shall submit with the application, the names, addresses, and individual history records of all of its general or managing partners, and a copy of its partnership agreement; and, if a foreign entity, evidence of its qualification to do business within this state. In addition, each applicant shall submit the names, addresses, and individual history records of any other partner holding a 10% or more partnership interest.
2. Any transfer of partnership interest or any change in general or managing partners of any partnership holding a license shall be reported to the respective licensing authorities within thirty (30) days after such transfer or change. With the report, the licensee shall submit the names, addresses, and individual history records for any new general or managing partner, or any other partner acquiring 10% or more partnership interest.

C. Entity Conversions

1. Any licensee that qualifies for an entity conversion pursuant to section 7-90-201, C.R.S., et. seq., or similar law enacted by other states, shall not be required to file a transfer of ownership application pursuant to section 44-3-303, C.R.S. upon statutory conversion, but shall submit a report containing suitable evidence of conversion within thirty (30) days of such conversion. Such evidence shall include, but not be limited to, recognition of conversion by the Colorado Secretary of State. In addition, within thirty (30) days of the conversion, the licensee shall submit the names, addresses, and individual history records of any new officers, directors, managers, general or managing partners, and all persons having an ownership interest of 10% or more.

D. All reports required by this regulation shall be made on forms supplied by the Division.

- E. For all applicants for the issuance of a license by reason of a transfer of possession of the licensed premises by methods to include operation of law, a petition in bankruptcy pursuant to federal bankruptcy law, the appointment of a receiver, a foreclosure action by a secured party, or a court order dispossessing the prior licensee of all rights of possession pursuant to article 40 of title 13, C.R.S., the licensing authorities shall consider only the requirements of section 44-3-307, C.R.S. The loss of possession of the licensed premises by the licensee does not in itself automatically invalidate, cancel or terminate the underlying license. An applicant who otherwise comes into possession of the licensed premises by operation of law, may apply for a transfer of the underlying license as provided by law pursuant to section 44-3-303, C.R.S. This provision does not prohibit a licensing authority from initiating any action as provided by law to suspend or revoke a license for loss of possession of the licensed premises.
- F. No application for a transfer of ownership may be received or acted upon by either the state or local licensing authority if the previous licensee has surrendered its license and had it canceled by either authority prior to submission of the transfer application. In cases where cancellation has occurred prior to the submission of a transfer of ownership application, the license applicant shall follow the procedures for a new license application pursuant to section 44-3-311, C.R.S.

Penalties

Know the rules and play by the rules. Educate your employees about, and reinforce the importance of, following the laws and your house policies/standard operating procedures.

Making mistakes can be costly. They can lead to fines, jail time, and suspension or revocation of a license.

Regulation 47-603. Assessment of Penalties.

- 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 nonpermitted 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.