



Colorado Association of Viticulture and Enology

2024 Legislative Report

The 2024 Legislative Session concluded on May 8th after a full 120 days of work. At the session's conclusion, a total of 705 bills were introduced, 472 House bills and 233 Senate bills. CAVE followed a variety of bills spanning many issue sets from liquor to property tax to agriculture. Please see below for a breakdown of the main bills CAVE tracked and took positions on.

[HB24-1151](#), *Disclosure Mandatory Fees in Advertisements*

Rep. Naquetta Ricks (D, Aurora)

Sen. Tony Exum (D, Colorado Springs)

Position: Monitor

This bill would have prohibited a person from advertising a price for a product, good or service that does not include all mandatory or nondiscretionary fees or charges. The bill did not include the mandatory remittance of credit card fees to be disclosed. The bill would have required winery tasting and sales rooms to disclose service fees on the website, menu or table card.

Outcome

The bill passed through the House but was postponed indefinitely in the Senate Business, Labor and Technology Committee.

HB24-1156, *Chamber of Commerce Alcohol Special Event Permit*

Rep. Anthony Hartsook (R, Parker) Rep. William Lindstedt (D, Broomfield)

Sen. Rachel Zenzinger (D, Arvada) Sen. Jim Smallwood (R, Centennial)

Position: Monitor

This bill came as a result of the Parker Wine Walk being shut down by the Liquor Enforcement Division in 2023. LED concluded that the Parker Chamber of Commerce was acting illegally but there was quite a bit of confusion from the Chamber as well as Rep. Hartsook, the bill's sponsor. Current law allows the Parker Chamber of Commerce to successfully execute the Parker Wine Walk. However, certain protocols must be followed and quite a bit of confusion still remains among the proponents and sponsors as to what those protocols are and the cost involved. HB-1156 add chambers of commerce to the list of organizations eligible to obtain a special event permit. CAVE did not take a formal position on the bill but voiced our concerns over the potential public safety implications of allowing a non-liquor licensee to obtain in a special event permit where liquor is being served.

Outcome

The bill was amended to allow for liquor licensees to participate in the special event. It passed through the process and is awaiting the Governor's signature.

HB24-1299, *Short-Term Rental Unit Property Tax Classification*

Rep. Shannon Bird (D, Westminster)

Sen. Kyle Mullica (D, Thornton)

Position: Monitor

The bill would have assessed commercial short-term rental units (units designed for residential use that are leased for short-term stays and are not primary or secondary residence of a property tax owner) at the commercial lodging assessment rate of approximately 27% beginning in 2025. The bill also would have created a process for short-term rental owners to submit an affidavit to the county assessor specifying whether the property will be used for short-term rentals in the following property tax year and whether the property is the owner's primary or secondary residence.

Outcome

This bill came as an alternative to SB-033 which was introduced very early on in session (see below for SB-033's description). Despite being introduced in February, the bill was stalled through the process and was postponed indefinitely in the House Finance Committee in late April.

HB24-1373, *Alcohol Beverage Retail Licensees*

Rep. Judy Amabile (D, Boulder) Rep. Naquetta Ricks (D, Aurora)

Sen. Dylan Roberts (D, Steamboat) Sen. Perry Will (R, Montrose)

Position: Oppose

HB-1373 was perhaps one the most controversial bills of the 2024 legislative session and certainly the most controversial liquor bill. The bill was very complex, containing several provisions spanning many aspects of retail tier operations. The two main provisions were eliminating the liquor licensed drug store license and removing the cap from what an on-premise retailer can purchase from an off-premise retailer. Other provisions included prohibiting the sale of private label liquor brands and restrictions on wholesaler operations. The two provisions that caused CAVE to take an opposed position were the ABV cap of wine in grocery and convenience stores to 14% and product placement restrictions in grocery and convenience stores.

The bill was heavily amended as it made its way through the process. Two amendments included upping the ABV limit of wine to 21% and giving product placement control to the local licensing authorities were adding in the House. In spite of these changes, CAVE could not be moved from an opposed position due to the arbitrary and unnecessary ABV limit and the dangerous precedent allowing local control would set.

Outcome

This bill was hard fought and very heavily lobbied. Despite the bill moving through the House with little to no difficulty, HB-1373 was postponed indefinitely in the Senate Finance Committee in the last week of session.

SB24-020, *Alcohol Beverage Delivery and Takeout*

Sen. Dylan Roberts (D, Steamboat) Sen. Nick Hinrichsen (D, Pueblo)

Rep. William Lindstedt (D, Broomfield) Rep. Rose Pugliese (Pueblo)

Position: Support

Current law allows on-premise licensees to sell alcohol beverages at retail by the drink for delivery and/or takeout. This authorization was scheduled to be repealed on July 1, 2025. SB-020 removes the repeal date, allowing for the privilege of takeout and delivery to continue indefinitely.

Outcome

Unlike previous years, SB-020 had little to no opposition and moved through the process fairly seamlessly. It was signed by the Governor on May 10th.

SB24-033, *Lodging Property Tax Treatment*

Sen. Chris Hansen (D, Denver)

Rep. Mike Weissman (D, Aurora)

Position: Monitor

The bill would have classified property designed for use as a residence, but that is only used for short-term rentals, as lodging property under the definition of hotels and motels (excluding bed and breakfasts). Beginning in 2026, the bill would have required that homes not used as primary residences be assessed as lodging property if there were leased for short-term stayed more than 90 days during the year. The lodging property tax rate is approximately 27%.

Outcome

This bill was introduced on the second day of session but took until mid-April to be postponed indefinitely. This was due to intense opposition and an attempt from the bill's sponsors to find solutions.

SB24-048, *Substance Use Disorder Recovery*

Sen. Kevin Priola (D, Brighton)

Rep. Chris DeGruy Kennedy (D, Golden) Rep. Mike Lynch (R, Sterling)

Position: Amending

The bill establishes a voluntary program for employers to become recovery-ready workplaces withing the Department of Labor and Employment (CDLE). The bill also included a provision that placed restrictions on where liquor-licensed drugstores and fermented malt beverage and wine retailers may display alcohol beverages within their premises. Normally, CAVE would not take a position on this type of legislation but the product placement restriction required our involvement. CAVE worked with industry stakeholders to amend this provision out of the bill. An amendment was adopted that changed the overall placement restriction to creating a study committee to review the safety implications of alcohol product placement.

Outcome

The bill passed fully through the process and is awaiting the Governor's signature.

SB24-057, *Agricultural Workforce and Suicide Prevention*

Sen. Tom Sullivan (D, Aurora)

Rep. Meg Froelich (D, Denver) Judy Amabile (D, Boulder)

Position: Monitor

The bill would have created the agricultural workforce mental health and suicide prevention program in the Department of Agriculture. The purpose of the program was to address the challenges facing agricultural workers and to provide them with mental health support, suicide prevention services and crisis management services.

Outcome:

The bill was introduced early on in session and passed out the Senate Committee on Health and Human Services but died on the calendar awaiting a hearing date in Senate Appropriations.

SB24-152, *Regenerative Agriculture Tax Credit*

Sen. Cleave Simpson (R, Alamosa) Sen. Dylan Roberts (D, Steamboat)

Rep. Karen McCormick (D, Boulder)

Position: Support

For the tax years 2024 through 2028, the bill would have created a refundable state income tax credit for qualified food and beverage retailers, including vintners restaurants, who purchase agricultural commodities such produce and meat from Colorado-based agricultural producers practicing regenerative agriculture. For the purpose of this legislation, regenerative agriculture is defined as a conservation and rehabilitation approach to food and farming systems focused on topsoil regenerations, increasing biodiversity, improving the water cycle, enhancing ecosystem services, supporting biosequestration, increasing resilience to climate change and strengthening the health and vitality of farm soil.

Outcome:

Unfortunately, the bill was never given a hearing in the House Appropriations Committee due to TABOR cap concerns by the chair of the committee. The proponents of the bill have discussed the idea of bringing the legislation back in possibly a more comprehensive form in 2025.

SB24-181, *Alcohol Impact and Recovery Enterprise*

Sen. Kevin Priola (D, Brighton) Sen. Chris Hansen (D, Denver)

Rep. Chris DeGruy Kennedy (D, Golden) Rep. Judy Amabile (D, Boulder)

Position: Oppose

This bill came as a result of multiple failed attempts in previous years. However, Sen. Hansen's sponsorship and influence gave the issue much more credibility and steam. The bill creates the Alcohol Impact and Recovery Enterprise, originally under the Department of Revenue. The enterprise is authorized to collect fees from manufacturers and wholesaler distributors of alcohol. The bill's original form was greatly concerning to all those within the liquor industry. It did not have any small producer exemptions, the enterprise board's makeup and protocols were problematic at best, the bill clearly violates TABOR by raising the excise tax without voter approval, to name a few. CAVE remained opposed but worked extensively with the bill sponsors to reach a small producer limit that sufficiently protects Colorado winemakers with room for

industry growth. The bill's final version contains a small producer limit for wine at 130,000 gallons. The bill was also amended to put multiple safeguards on the enterprise board and removed the for-profit qualification for treatment centers.

Outcome:

The bill, after being heavily amended, was postponed indefinitely within the last week of session in the House Finance Committee.

[SB24-231](#), *Alcohol Beverage Liquor Advisory Group Recommendations*

Sen. Robert Rodriguez (D, Denver) Sen. Bob Gardner (R, Colorado Springs)

Rep. Marc Snyder (D, Manitou Springs) Rep. Lisa Frizell (R, Castle Rock)

Position: Support

SB-231 is the much anticipated Liquor Advisory Group's omnibus bill. The bill came as a result of the Governor appointed Liquor Advisory Group's more than 100 hours of meetings over 18 months. A total of 33 recommendations were considered consensus or near consensus to be included in the bill. However, the recommendation of a soft closure time for on-premise locations to 4:00am was not included in the bill. One specific provision that was of particular importance to CAVE, cleaned up an error on the part of the Liquor Enforcement Division relating to the festival permit. It changed the notification requirement to the local licensing authority from business days to calendar days. This effectively takes care of all outstanding issues with the festival bill that CAVE passed in the 2023 legislative session. Other provisions included adding spirit and beer manufacturers to those who qualify for a non-contiguous manufacturing premises and raising the cap on on-premise purchasing from off-premise licensees from \$2,000 to \$7,000.

Outcome:

Due to the political dynamics created by HB-1373, SB-231 was not introduced until May 1st, leaving only six days to fully pass the bill. The bill passed the House at 9:30pm on the 120th day of session and was signed by the Governor on May 18th.

Stephanie Hicks

Fransen Political Strategies, LLC.

stephanie.fransen@gmail.com

720-231-5777

For more information, please contact Stephanie Hicks at stephanie.fransen@gmail.com